January to March 2007

Interim Report

- Group makes good start to the year with revenue and earnings growth
- Positive trends from preceding quarters confirmed
- Substantial earnings improvements in express business

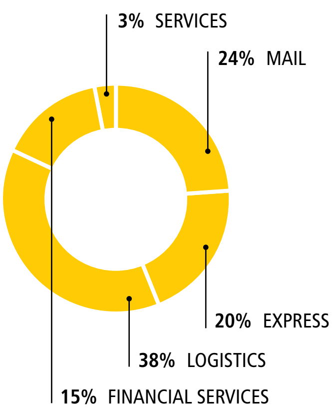
Deutsche Post World Net
MAIL EXPRESS LOGISTICS FINANCE

Key figures		Q1		
		2006 restated	2007	+/– %
The Group				
Revenue	€m	14,822	15,473	4.4
Profit from operating activities (EBIT)	€m	918	998	8.7
Return on sales[1]	%	6.2	6.4	
Consolidated net profit for the period[2]	€m	480	499	4.0
Operating cash flow (Postbank at equity)	€m	61	250	–
Net debt (Postbank at equity)[3]	€m	3,083	3,318	7.6
Earnings per share	€	0.40	0.41	2.5
Number of employees[4]		461,222	465,593	0.9
Divisions				
MAIL				
Revenue	€m	3,818	3,930	2.9
Profit from operating activities (EBIT)	€m	693	618	–10.8
Return on sales[1]	%	18.2	15.7	
EXPRESS				
Revenue	€m	3,302	3,333	0.9
Profit or loss from operating activities (EBIT)	€m	–58	62	–
Return on sales[1]	%	–1.8	1.9	
LOGISTICS				
Revenue	€m	5,860	6,217	6.1
Profit from operating activities (EBIT)	€m	157	214	36.3
Return on sales[1]	%	2.7	3.4	
FINANCIAL SERVICES				
Revenue	€m	2,362	2,484	5.2
Profit from operating activities (EBIT)	€m	220	242	10.0
SERVICES				
Revenue	€m	560	557	–0.5
Loss from operating activities (EBIT)	€m	–94	–134	–42.6
Consolidation				
Revenue	€m	–1,080	–1,048	3.0
Loss from operating activities (EBIT)	€m	0	–4	–

1) EBIT/revenue.
2) Consolidated net profit for the period excluding minorities.
3) As of December 31, 2006 and March 31, 2007. Adjusted for financial liabilities to Williams Lea minority shareholders.
4) Average (FTEs).

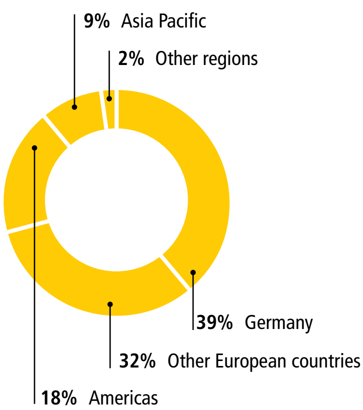
Revenue by division[1)]

Q1 2007



Revenue by region[1)]

Q1 2007



1) Excluding consolidation.

Deutsche Post World Net
is the global market leader for logistics. Our Deutsche Post, DHL and Postbank brands stand for a wide range of services for managing and transporting mail, goods and information. Around 520,000 employees in more than 220 countries and territories provide superior logistics services to help our customers be even more successful in their markets.

What we have delivered in the first three months of 2007:
The Group made a good start to the year with a 4.4% rise in revenue to €15,473 million and earnings growth of 8.7% to €998 million. The positive trends from the preceding quarters have been confirmed: We attained growth in our international mail activities and substantial earnings improvements in the express business. The transported volume increased in logistics and Postbank kept up its growth trajectory.

What we want to deliver by the end of 2007:
The Group expects that overall business performance in 2007 will be positive.
We continue to expect a slight increase in revenue. Profit from operating activities (EBIT) before non-recurring effects ought to be at least €3.6 billion. We will improve our infrastructure and offerings to customers, especially in regions of the world whose markets are showing dynamic growth.

Contents

Milestones

In Q1 2007	
January 26	DHL launches air freight service in China
February 5	DHL builds European distribution center for mail-order customers
February 18	DHL significantly expands logistics capacities in Dubai
March 27	Deutsche Post World Net opens DHL Innovation Center
March 29	DHL becomes exclusive logistics partner of Hard Rock International

DHL launches air freight service in China

Since January 2007, DHL has been providing a domestic air freight service in China. This is the first time the China Air Transportation Association has granted such a license to an international logistics service provider. A total of 17 cities are linked by the new service offered under the LOGISTICS Division. This service is part of the announced investment volume in the double-digit millions with which Deutsche Post World Net aims to improve infrastructure and client services in one of the world's most dynamic markets.

DHL significantly expands logistics capacities in Dubai

Another of the world's dynamic economic regions is the Middle East. Here, DHL has set its sights on expanding its current logistics capacities in Dubai of around 85,000m² by more than 300,000m² within the coming years. Several million US dollars have been earmarked for expanding Dubai World Central. The first fully-integrated logistics platform and the world's largest airport will take shape on a total area covering around 140km². The projected investment is a move aimed at securing our market leadership in the Middle East.

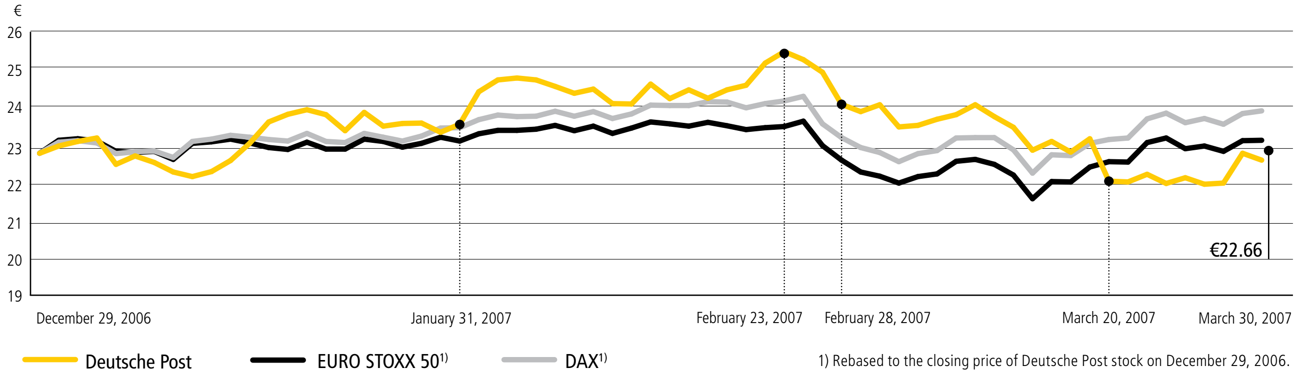
Deutsche Post World Net opens DHL Innovation Center

i Front cover

The i DHL Innovation Center has been opened in Troisdorf near Bonn. At this "lab of the future", Deutsche Post World Net brings together all those sections of the company so far entrusted with managing technical innovations. The aim and purpose of the Innovation Center is to join with partners in turning forward-thinking logistics trends into marketable products with a high level of innovation. Our technical partners in the field of business include IBM, Intel and SAP.

Deutsche Post stock

Share price development



1) Rebased to the closing price of Deutsche Post stock on December 29, 2006.

Closing price

		Dec. 29, 2006	March 30, 2007	+/–%
Deutsche Post	€	22.84	22.66	–0.8
TNT	€	32.58	34.33	5.4
FedEx	US$	108.62	107.43	–1.1
UPS	US$	74.98	70.10	–6.5

Deutsche Post stock hits all-time high

Europe's stock markets performed well in the first quarter of 2007, following their own trend separate from markets in the US, where business slackened off slightly. The German stock market was buoyant, above all due to a sustained improvement in market sentiment and a surprise gain in Germany's ifo business climate index. The DAX broke through the 7,000 point barrier at the end of February before taking a dive in response to negative figures from the Far East. It then regained its upward trend in mid-March, climbing to 6,917 points by the end of the first quarter.

Our share price initially performed very strongly, reaching an all-time high of €25.50 on February 23, 2007. It then followed the general market downturn. On March 20, 2007, we published our full figures for fiscal year 2006 and our outlook for fiscal year 2007. From this point on, our share price lagged behind the trend charted by the reference indices. It closed the first quarter at €22.66, a decrease of 0.8%.

Our stock data

		Dec. 29, 2006	March 30, 2007
Number of shares[1)]	millions	1,202.3	1,203.9
Closing price	€	22.84	22.66
Market capitalization	€m	27,461	27,280
		Q1	
		2006	2007
High	€	23.75	25.50
Low	€	20.67	22.03
Average trading volume per day	shares	5,501,506	6,371,626

1) Increase due to the exercise of stock options – see Note 4.

Interim Report by the Board of Management

Environment

Global economy

At the beginning of 2007, the global economy continued to see solid growth. However, several different trends were at play here: While economic growth again picked up pace in certain regions, the rate of growth in others was only moderate.

In the United States, growth was again weak as in the second half of 2006. Moderate investments above all had a dampening effect, whereas consumer demand continued its strong expansion. Despite muted economic growth, inflationary pressures did not yet subside noticeably. The US Federal Reserve held its key rate steady in this tense environment.

Japan's economy continued to grow robustly, with corporate investments and international trade remaining dynamic. Due to the positive performance of the economy, the Bank of Japan raised its key rate by 0.25% to 0.5% in February, although the inflation rate fell below the zero mark again. China continued to lead the pack with its already very strong GDP growth accelerating further.

In the euro zone, the upswing at the beginning of 2007 held at virtually the same pace as before. In order to avoid the resulting inflation risks, the European Central Bank increased its key rate again by 0.25% to 3.75% in March.

There are significant signs that the upturn in Germany has also continued into early 2007. The ifo business climate index has held at a very high level in recent months, indicating that the value-added tax increase has only braked the economy slightly, if at all.

Revenue and earnings development

Changes in reporting

Our Group subsidiary Williams Lea acquired all shares of UK company The Stationery Office, the market leader in public-sector printing services and document management, on January 10, 2007. Another change in the portfolio arose in the reporting period from the sale of waste management service provider Vfw AG, which was completed on March 2, 2007.

The following changes were made to the structure of the segments: The German parcel business was transferred from the EXPRESS Division to the MAIL Division effective as of the beginning of 2007. The European overland transport business had already been transferred from the EXPRESS Division to the LOGISTICS Division in the previous year. The prior-period amounts were restated accordingly. Further details can be found in the i segment reporting.

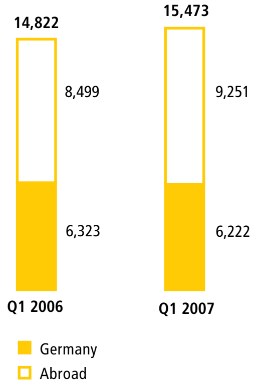
i Note 9

Consolidated revenue

In the first quarter of 2007, consolidated revenue and income from banking transactions rose by 4.4% to €15,473 million (previous year: €14,822 million). The increase is to a large extent due to the inclusion of the Williams Lea Group since April 1, 2006 and the cooperation with the National Health Service (NHS) in the UK since October 1, 2006. The proportion of consolidated revenue generated outside Germany increased from 57.3% in the first quarter of the previous year to 59.8%. Currency effects reduced revenue by €336 million.

Consolidated revenue

€m



Income and expenses

At €471 million, other operating income was €115 million lower year-on-year. Among other things, the prior-year figure included non-recurring income of €89 million (net) resulting from the positive outcome of arbitration proceedings against Deutsche Telekom and €10 million from the sale of McPaper AG. Non-recurring income in the first quarter of 2007 included €59 million from the sale of Vfw AG.

Other operating expenses fell from €1,275 million to €1,153 million. The reduction in the other operating expenses item is spread across a large number of smaller individual items.

Materials expense and expenses from banking transactions increased by €500 million to €8,693 million, mainly due to the inclusion of Williams Lea and the increased expenses attributable to the contract with the NHS. Expenses from banking transactions increased by €96 million to €1,507 million, while income from banking transactions rose by €132 million to €2,334 million. Staff costs increased moderately by 1.3% to €4,680 million. The inclusion of Williams Lea contributed €91 million to total staff costs. At €420 million, depreciation, amortization and impairment losses exceeded the prior-year figure by €16 million.

Earnings

Business development in the first quarter of 2007 led to a profit from operating activities (EBIT) of €998 million including the above-mentioned non-recurring income of €59 million. This represented an improvement of 8.7% on the previous year (€918 million), which also included the non-recurring income of €99 million mentioned above.

Rising interest rates increased net finance costs slightly from €248 million to €262 million.

The profit before income taxes improved by €66 million to €736 million (previous year: €670 million). The income tax expense for the reporting period amounted to €147 million (previous year: €134 million). The tax rate remained unchanged at 20%.

Overall, consolidated net profit for the period improved considerably by 9.9% to €589 million (previous year: €536 million). €499 million of this was attributable to Deutsche Post AG shareholders and €90 million to minorities. Their proportion increased as a result of the disposal of Postbank shares in 2006. Basic earnings per share were €0.41 (previous year: €0.40); diluted earnings per share were also €0.41.

Divisions

Revenue by segment

	Q1		
€m	**2006** restated	**2007**	+/–%
Consolidated revenue	**14,822**	**15,473**	**4.4**
MAIL revenue	**3,818**	**3,930**	**2.9**
of which Mail Communication	1,688	1,594	–5.6
Direct Marketing	757	744	–1.7
Press Distribution	205	210	2.4
Parcel Germany	647	628	–2.9
Mail International/ Corporate Information Solutions[1]	577	804	39.3
Consolidation/other	–56	–50	10.7
EXPRESS revenue	**3,302**	**3,333**	**0.9**
of which Europe	1,565	1,588	1.5
Americas	1,109	1,047	–5.6
Asia Pacific	569	591	3.9
EEMEA (Eastern Europe, Middle East and Africa)	191	243	27.2
Consolidation	–132	–136	–3.0
LOGISTICS revenue	**5,860**	**6,217**	**6.1**
of which DHL Global Forwarding	2,227	2,194	–1.5
DHL Exel Supply Chain	2,855	3,188	11.7
DHL Freight	911	917	0.7
Consolidation/other	–133	–82	38.3
FINANCIAL SERVICES revenue	**2,362**	**2,484**	**5.2**
SERVICES revenue	**560**	**557**	**–0.5**
Consolidation revenue	**–1,080**	**–1,048**	**3.0**

1) Previously reported under Value-added Services.

MAIL Division

Since the start of 2007, we have reported the Parcel Germany unit in the MAIL Division. The prior-year figures have been restated accordingly.

In the first quarter of 2007, revenue in the division rose by 2.9% to €3,930 million (previous year: €3,818 million). We succeeded in more than compensating for the anticipated decline in revenue in the Mail Germany segment through increases in international mail business. Once again, currency effects were insignificant.

While conditions remained unchanged, revenue in the Mail Communication Business Unit was still down slightly, amounting to €1,594 million (previous year: €1,688 million). The increasing use of electronic means of communication is resulting in ongoing shrinkage of the market, while at the same time competition is becoming more intense. Volumes continued to decline in Q1; among other things, there was 0.7 of a working day less in comparison with the previous year. In the regulated area, we kept our mail prices essentially stable although the inflation rate relevant to the price-cap procedure was up. Furthermore, we lowered our rates for formal delivery orders. By contrast, we were able to substantially reduce expenses thanks to strict cost management.

Mail Communication (Deutsche Post AG share)

	Q1		
mail items (millions)	**2006**	**2007**	+/– %
Business customer letters	1,910	1,838	–3.8
Private customer letters	338	333	–1.5
Total	**2,248**	**2,171**	**–3.4**

In the Direct Marketing Business Unit, we are noticing a trend toward higher-quality services such that, despite a decline in volume, revenue was only down from €757 million to €744 million; viewed against the number of workdays, the figure remained at the same level as the previous year.

Direct Marketing (Deutsche Post AG share)

	Q1		
mail items (millions)	**2006**	**2007**	+/– %
Addressed advertising mail	1,724	1,725	0.1
Unaddressed advertising mail	1,252	1,169	–6.6
Total	**2,976**	**2,894**	**–2.8**

Once again, we achieved revenue gains in the Press Distribution business: Revenue rose by 2.4% to €210 million (previous year: €205 million).

Our new addition, the Parcel Germany business, notched revenue of €628 million (previous year: €647 million). In 2006, we substantially lowered prices for our customers while at the same time successfully raising our sales volumes.

Parcel Germany	Q1		
parcels (millions)	2006	2007	+/–%
Business customer parcels	136	144	5.9
Private customer parcels	25	24	–4.0
Total	**161**	**168**	**4.3**

As in the prior year, our international business recorded the strongest increase in revenue: Three-month revenue in the Mail International and Corporate Information Solutions (Williams Lea) units rose to €804 million (previous year: €577 million), an increase of 39.3%. The main growth driver is the inclusion of Williams Lea as of April 1, 2006.

Profit from operating activities (EBIT) fell by 10.8%, from €693 million in the previous year to €618 million. In addition to the missing workdays, this was a reflection of last year's price cuts in the Parcel Germany business. Our return on sales amounted to 15.7%.

EXPRESS Division

The EXPRESS Division has significantly improved profitability compared to last year. First-quarter earnings increased by €120 million and return on sales improved from a negative 1.8% to a positive 1.9%.

Revenue grew by 0.9% to €3,333 million (previous year: €3,302 million), reflecting shipment volume growth in both international and domestic activities. As over half of all revenue is generated in countries outside Europe, currency effects decreased revenue substantially by around €150 million. Measured in local currencies, we attained organic revenue growth of 6.5%.

The prior-year figures for the EXPRESS Division have been restated following two transfers of activities within the Group. We transferred the European overland transport business to the LOGISTICS Division effective July 1, 2006 and the German parcel business to the MAIL Division effective January 1, 2007.

In Europe, we achieved gains both in revenue and shipment volumes. Revenue grew by 1.5% to €1,588 million (previous year: €1,565 million), however, organic growth reached 3.9% for the region. The falling revenue in France has now been stabilized.

We also recorded, in local currency, revenue growth of 3.2% in the Americas region, most notably in our Latin American domestic business. In the United States shipment volumes remained weak in line with a slowing overall market. This was offset by an improved product yield. Combined with negative currency impacts revenue for the region fell by 5.6% to €1,047 million (previous year: €1,109 million).

In the Asia Pacific and EEMEA (Eastern Europe, the Middle East and Africa) regions, greater shipment volumes combined with weight increases more than offset negative currency effects and double digit growth was attained.

Profit from operating activities (EBIT) climbed by €120 million to €62 million in the first quarter, a substantial increase. The US and European regions recorded the largest gains.

LOGISTICS Division

In the LOGISTICS Division, the prior-year figures were restated because we transferred our European overland transport business from the EXPRESS Division to the LOGISTICS Division under the name DHL Freight as of July 1, 2006.

The LOGISTICS Division continued to make gains in the first quarter of 2007. Revenue grew by 6.1% to €6,217 million (previous year: €5,860 million). This was countered by negative currency effects of €174 million. In addition, the sale of various smaller companies reduced revenue by €32 million. Purely organically, revenue grew by 9.6%.

The DHL Global Forwarding business generated revenue of €2,194 million (previous year: €2,227 million). The decline of 1.5% resulted from currency effects, lower freight rates and a drop in fuel surcharges in some regions.

DHL Global Forwarding: revenue by segment

	Q1		
€m	2006	2007	+/–%
Air freight	1,187	1,160	–2.3
Ocean freight	606	686	13.2
Other	434	348	–19.8
Total	**2,227**	**2,194**	**–1.5**

DHL Global Forwarding: volumes

		Q1		
thousands		2006	2007	+/–%
Air freight	Tonnage	942	1,002	6.4
Ocean freight	TEUs[1]	504	576	14.3

1) Twenty-foot equivalent units.

The transported air freight volume rose by 6.4%. Revenue increased at a similar rate when adjusted for negative currency effects and fuel surcharges. In contrast, the market only grew by 2.7%. Our business performed well, above all in Europe and the Middle East.

Ocean freight transported 14.3% more containers in the first quarter of 2007 than in the same period of the previous year. Here also, we greatly outperformed the market, which grew by around 9%. The shifting of production facilities to lower-cost countries, particularly China, continues to positively affect ocean freight volume on routes out of Asia.

The DHL Exel Supply Chain business's revenue was up sharply, increasing from €2,855 million to €3,188 million year-on-year. This was mostly due to the ten-year deal with the NHS in the UK.

In the first quarter of 2007, the DHL Freight business reported revenue of €917 million (previous year: €911 million), up 0.7% from the prior-year period.

Profit from operating activities (EBIT) was €214 million in the period under review (previous year: €157 million). The increase by 36.3% was largely due to the sale of the waste management company Vfw AG, which was completed as of March 2, 2007 and resulted in non-recurring income of €59 million. Allowing for integration costs that were higher than in the previous year, performance is in line with expectations; return on sales rose from 2.7% to 3.4%.

FINANCIAL SERVICES Division

The FINANCIAL SERVICES Division consists primarily of Deutsche Postbank, and also includes the Deutsche Post Pension Service.

In addition to the payment transaction activities of Deutsche Bank and Dresdner Bank, on January 1, 2007, Postbank also began handling those of HypoVereinsbank, which is part of the UniCredit Group. Postbank thus provides this service for three of Germany's five major banks and underscores its leading market position in transaction banking.

Deutsche Postbank AG presents its business performance for the first quarter of 2007 in its own interim report published on May 14, 2007.

http://ir.postbank.com

During the period under review, the FINANCIAL SERVICES Division generated revenue of €2,484 million, which exceeded the previous year's figure of €2,362 million by 5.2%. Compared to the previous year, Postbank was again able to increase income.

The division's profit from operating activities (EBIT) also improved again, growing by 10.0% to €242 million from €220 million in the previous year.

SERVICES Division

The SERVICES segment includes Global Business Services, the Corporate Center and Deutsche Post's retail outlets. In addition, this segment also includes the non-operating income and expenses of Deutsche Post AG. We report the services provided by internal service providers as internal revenue.

In the first quarter of 2007, revenue fell slightly by 0.5% to €557 million (previous year: €560 million).

At €134 million, the loss from operating activities (EBIT) widened by 42.6% as against the prior-year figure (loss of €94 million). The deterioration is due to non-recurring effects: €89 million in income in the first quarter of 2006 from the positive outcome of arbitration proceedings against Deutsche Telekom. In addition, the SERVICES Division benefited in 2006 from the disposal of Berlin-based McPaper AG (€10 million). During the same period Global Business Services was able to clearly improve its earnings, due to cost reductions in the cross-divisional services, particularly IT.

Net assets and financial position

Consolidated balance sheet

As of March 31, 2007, total assets amounted to €223,480 million, an increase of €5,782 million or 2.7% compared with December 31, 2006. This was mainly due to the increase in receivables and other securities, as well as liabilities from financial services items, both of which reflect the operating business of Postbank.

Noncurrent assets increased by €162 million to €26,236 million. Intangible assets recorded the greatest increase, at €101 million. The largest addition was the provisional goodwill from the acquisition of The Stationery Office. At €9,352 million, property, plant and equipment was almost unchanged as against the end of 2006 (€9,388 million).

Noncurrent financial assets fell slightly by 1.3% compared with December 31, 2006 to €981 million. At €426 million, other noncurrent assets were €50 million higher than at December 31, 2006 (€376 million), due primarily to the €36 million increase in pension plan assets.

As of the balance sheet date, current assets amounted to €197,244 million, an increase of 2.9% compared with December 31, 2006 (€191,624 million). The continued expansion of the operating business of Deutsche Postbank AG resulted in an increase in receivables and other securities from financial services, from €179,280 million to €183,732 million. In addition, current assets increased mainly as a result of the prepaid and deferred annual contribution to Bundes-Pensions-Service.

Equity amounted to €14,427 million as of the balance sheet date and was strengthened primarily by the net profit attributable to shareholders of Deutsche Post AG amounting to €499 million (December 31, 2006: €13,952 million).

Current and noncurrent liabilities increased by 2.6% to €194,494 million (December 31, 2006: €189,513 million), due largely to the growth in liabilities from financial services, which rose by €5,333 million. Group financial liabilities (excluding Postbank) declined by €112 million to €10,376 million. Trade payables were reduced by €471 million at the balance sheet date to €4,598 million. In contrast, current and noncurrent other liabilities rose from €4,401 million as of December 31, 2006 to €4,604 million, due in part to an increase in staff-related liabilities.

Current and noncurrent provisions increased by 2.3% to €14,559 million. This was attributable primarily to the increase in technical reserves (insurance) of Deutsche Postbank AG and the acquisition of The Stationery Office.

Cash flow disclosures

Operating cash flow in the "Postbank at equity" scenario, i.e. excluding banking operations, increased by €189 million year-on-year to €250 million. This increase was due primarily to higher net profit before taxes and a lower net change in provisions. Compared with the previous year, the net outflow of working capital fell slightly by €59 million.

Net cash used in investing activities (Postbank at equity) totaled €315 million, compared with €534 million in the first quarter of 2006. In addition to the net cash paid for the acquisition of The Stationery Office, this also reflects cash payments for other noncurrent assets amounting to €377 million. Divestitures generated cash inflows of €168 million, primarily from the disposal of Vfw AG and other noncurrent assets.

The changes in cash and cash equivalents described above resulted in free cash flow of €–65 million in the first quarter of 2007 (previous year: €–473 million), which is generally reduced in the first quarter by the annual contribution to Bundes-Pensions-Service.

Net cash used in financing activities (Postbank at equity) amounted to €409 million; net cash provided by financing activities of €258 million was reported in the previous year. €231 million was used to reduce financial liabilities. In addition, interest payments of €197 million resulted in a cash outflow in the reporting period; the increase in these payments was due mainly to the change in the gross presentation of financial derivatives since the beginning of the year. Correspondingly, interest payments received and reported in net cash used in investing activities also increased.

Compared with the situation as of January 1, 2007, cash and cash equivalents declined by €455 million to €1,306 million as of March 31, 2007 due to the changes in the cash flows from the individual activities described above.

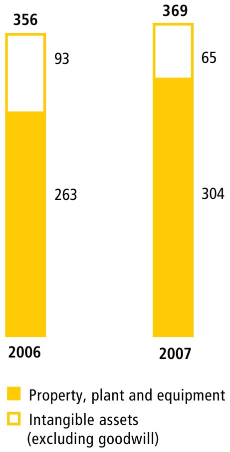
Indicators for the "Postbank at equity" scenario

The lower holdings of cash and cash equivalents increased net debt to €3,318 million as of March 31, 2007 (December 31, 2006: €3,083 million), although financial liabilities were reduced. Financial liabilities to Williams Lea minority shareholders were not included in net debt. In the same period, net gearing (Postbank at equity) rose from 21.4% to 21.9%. The equity ratio improved from 31.6% to 32.6%.

Selected indicators for net assets (Postbank at equity)

		Dec. 31, 2006	March 31, 2007
Equity ratio	%	31.6	32.6
Net debt	€m	3,083	3,318
Net gearing	%	21.4	21.9

Investments
as of March 31
€m



Investments

Aggregate capital expenditure (capex) amounted to €369 million as of March 2007. €304 million of this related to investments in property, plant and equipment and €65 million to intangible assets (excluding goodwill). Overall, Group investments thus increased by 3.7% year-on-year. There were no material changes in the investment projects presented in the 2006 Annual Report starting on page 75.

The primary focus of our investments in the MAIL Division was on specific IT applications, replacement investments relating to mail network operations and on hand scanners used in mail distribution.

In the EXPRESS Division, substantial funds were invested in the construction of the new European air hub at Leipzig/Halle airport. In addition, we renewed our vehicle fleet in certain European countries and expanded the network infrastructure. We also modernized our network and developed specific IT applications in the United States. In the Asia Pacific region, we further expanded our express hubs at key strategic airports. In addition, we invested significant amounts in the replacement and modernization of our aircraft fleet.

In the LOGISTICS Division, we focused our investment activities on the DHL Exel Supply Chain business, primarily in customer-specific transportation and warehouse solutions, and on IT systems.

Postbank expanded its IT systems used to support consulting and sales activities.

In terms of company-wide investments, we renewed our vehicle fleet in Germany and invested in the IT infrastructure in our global data centers.

Financial management

The principles and aims of financial management presented in the 2006 Annual Report starting on page 58 remain in force and are being pursued unchanged. The overall financial data outlined there also remain valid. Following its most recent analysis on March 22, 2007, Standard & Poor's made no change to the rating of the creditworthiness of the Group, but assigned a weaker outlook: "Credit watch negative".

http://investors.dpwn.com

Organization

At the beginning of the year, we transferred the parcel business in Germany from the EXPRESS Division to the MAIL Division and placed it under one overall responsibility. In terms of organizational procedure, the parcel centers were integrated into our mail production facilities. Today, the MAIL Division comprises the segments MAIL Germany, MAIL International, Parcel Germany and Corporate Information Solutions.

During the first quarter, we completed integration of the freight unit into our LOGISTICS Division. The division now comprises three business units: Global Forwarding, Exel Supply Chain and Freight. As part of restructuring in the logistics segment, Exel Supply Chain was placed under global responsibility.

In the final quarter of 2006, we placed the EXPRESS Division under a central management in a move to further expand our global express network. The global functions were substantially strengthened in the process, and we intend to forge ahead with expanding these in the first half of 2007.

Employees

The number of employees (on average, full-time equivalents) increased from 461,222 to 465,593 in the period under review. The reasons behind this were the acquisitions of Williams Lea in 2006 and of The Stationery Office in March 2007. In addition, organic growth within the LOGISTICS Division resulted in a higher headcount.

Risks

http://investors.dpwn.com

The Group's business activities are accompanied by a number of opportunities and risks that go hand-in-hand with business operations. With our Group-wide opportunity and risk control, we can identify, analyze and evaluate these at an early stage, as well as support their efficient management and thus the company's success. Information about the Group's opportunity and risk control system as well as its risk position can be found in the 2006 Annual Report starting on page 65.

http://ir.postbank.com

With regard to the risks of Postbank, we refer to the 2006 Annual Report of Deutsche Postbank AG as well as its interim report as of March 31, 2007.

Macroeconomic risks

Our business activities are affected by the macroeconomic situation in individual countries and their trade relations with each other. We currently do not consider the Group as a whole to be exposed to any significant macroeconomic risks.

Overall assessment of the Group's risk position

Compared with the opportunities and risks presented in detail in the 2006 Annual Report, no significant additional risks arose for the Group in the first three months of 2007. There are currently no identifiable risks that, individually or collectively, could endanger the continued existence of the company.

Other information

As a service provider, Deutsche Post World Net does not undertake any research and development activities in the narrower sense, and thus does not report significant expenses in this area.

Further developments and outlook

Annual General Meeting approves dividend

On May 8, 2007, the Annual General Meeting agreed to the proposal by the Board of Management and Supervisory Board and resolved to distribute a dividend for fiscal year 2006 amounting to €0.75 per no-par value share, which is up 7.1% from the previous year. The total amount of the dividend is €903 million, equating to a payout ratio of 71.5% of Deutsche Post AG's net profit for the year and 47.1% of the consolidated net profit for the period attributable to Deutsche Post AG's shareholders. The dividend was paid on May 9, 2007.

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Changes in the Deutsche Post Board of Management

Dr. Hans-Dieter Petram is retiring as planned from office as Member of the Board of Management responsible for the MAIL Division and will leave office as of June 30, 2007. On May 8, 2007, the Supervisory Board appointed Jürgen Gerdes, chairman of the MAIL Divisional Board, to the Board of Management, where he will be responsible for the mail and parcel business in Germany starting July 1, 2007. Dr. Frank Appel, Member of the Board of Management responsible for Global Business Services, will additionally take on responsibility for the MAIL International and Corporate Information Solutions (Williams Lea) units. He will also take charge of Corporate Regulation Management, which previously came under the Chairman of the Board of Management. We will continue to report on our mail activities as one segment for financial reporting purposes.

Likewise on July 1, 2007, Dr. Wolfgang Klein will replace Prof. Dr. Wulf von Schimmelmann, who is leaving office on June 30, 2007, as a Member of the Board of Management and Chairman of Deutsche Postbank AG's Management Board.

Future conditions

The global economy is not expected to grow quite as robustly this year as in 2006. The International Monetary Fund is predicting growth of nearly 5%, and 2007 is therefore anticipated to bring the fifth consecutive good year for the global economy.

In the United States, GDP growth at around 2.4% will be noticeably lower than in previous years. Real estate market problems could dampen domestic demand, particularly in the first half of the year.

In Japan, growth in 2007 is expected to continue apace. The slightly less strong impetus provided by international trade is expected to be balanced out by more dynamic growth in domestic demand. China's economic prospects continue to be positive.

In the euro zone, the economic upswing is fully expected to continue. Although the pace of growth is anticipated to drop off slightly during the year, GDP should gain at a rate of 2.6% on average, only marginally lower than last year.

Germany's growth prospects also remain very favorable. Growth in domestic demand is expected to accelerate, and companies are anticipated to continue investing heavily. In addition, it can be assumed that consumer spending will revive due to the sharp drop in unemployment. Economic growth should therefore be 2.5%, almost reaching the previous year's level.

Expectations of business developments

In the current year, Deutsche Post World Net is optimistic that business performance will be positive overall. We expect revenue to grow slightly. Profit from operating activities (EBIT) before non-recurring effects is anticipated to amount to at least €3.6 billion, for an increase of at least 3% over the comparable figure in the previous year, when non-recurring effects including the exercise of the exchangeable bond on Postbank stock and the related sale of shares in Deutsche Postbank had a positive effect on profits.

In the MAIL Division, revenue is expected to be stable or to increase slightly. We anticipate being able to more than offset revenue losses in the mail business in Germany with the revenue generated by the other business units. EBIT should remain stable at €2 billion.

In 2007, we expect the EXPRESS Division to generate EBIT of at least €400 million, including costs relating to the construction of the new air hub at Leipzig/Halle airport.

In the LOGISTICS Division, we anticipate a high single-digit percentage increase in revenue for 2007. EBIT growth should be around 15%, not including the €59 million non-recurring income from the disposal of Vfw AG.

In the FINANCIAL SERVICES Division, income will rise thanks to the continual growth in contributions by BHW. The Group expects EBIT to increase by at least 5%.

Opportunities

For a comprehensive outlook on the Group's economic opportunities, please consult the 2006 Annual Report from page 80. No other significant opportunities were identified in the period under review.

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This interim report contains forward-looking statements that relate to the business, financial performance and results of operations of Deutsche Post AG. Forward-looking statements are not historical facts, and may be identified by words such as "believes", "expects", "predicts", "intends", "projects", "plans", "estimates", "aims", "foresees", "anticipates", "targets", and similar expressions. As these statements are based on current plans, estimates and projections, they are subject to risks and uncertainties that could cause actual results to be materially different from the future development, performance or results expressly or implicitly assumed in the forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this presentation. Deutsche Post AG does not intend or assume any obligation to update these forward-looking statements to reflect events or circumstances after the date of this interim report.

Consolidated Interim Financial Statements

Income statement

January 1 to March 31 €m	2006 restated	2007
Revenue and income from banking transactions	14,822	15,473
Other operating income	586	471
Total operating income	**15,408**	**15,944**
Materials expense and expenses from banking transactions[1]	–8,193	–8,693
Staff costs	–4,618	–4,680
Depreciation, amortization and impairment losses[1]	–404	–420
Other operating expenses[1]	–1,275	–1,153
Total operating expenses	**–14,490**	**–14,946**
Profit from operating activities (EBIT)	**918**	**998**
Net income from associates	1	0
Other financial income	75	197
Other finance costs[1]	–324	–459
Net other finance costs	–249	–262
Net finance costs	**–248**	**–262**
Profit before income taxes	**670**	**736**
Income tax expense	–134	–147
Consolidated net profit for the period	**536**	**589**
attributable to		
Deutsche Post AG shareholders	480	499
Minorities	56	90
	€	€
Basic earnings per share	**0.40**	**0.41**
Diluted earnings per share	**0.40**	**0.41**

1) Prior-period amounts restated, see Note 3.

Balance sheet

as of March 31, 2007 €m	Dec. 31, 2006 restated	March 31, 2007
ASSETS		
Intangible assets	14,652	14,753
Property, plant and equipment	9,388	9,352
Investment property	122	121
Investments in associates	63	61
Other noncurrent financial assets	931	920
Noncurrent financial assets	**994**	**981**
Other noncurrent assets	376	426
Deferred tax assets	542	603
Noncurrent assets	**26,074**	**26,236**
Inventories	268	252
Current tax receivables	670	799
Receivables and other assets	8,917	9,468
Receivables and other securities from financial services	179,280	183,732
Financial instruments	42	52
Cash and cash equivalents	2,391	2,923
Noncurrent assets held for sale	56	18
Current assets	**191,624**	**197,244**
Total assets	**217,698**	**223,480**
EQUITY AND LIABILITIES		
Issued capital	1,202	1,204
Other reserves	1,528	1,444
Retained earnings	8,490	9,006
Equity attributable to Deutsche Post AG shareholders	**11,220**	**11,654**
Minority interest	2,732	2,773
Equity	**13,952**	**14,427**
Provisions for pensions and other employee benefits	6,134	6,150
Deferred tax liabilities	1,426	1,476
Other noncurrent provisions	4,780	5,020
Noncurrent provisions	**12,340**	**12,646**
Noncurrent financial liabilities[1)]	8,543	8,779
Other noncurrent liabilities[1)]	237	240
Noncurrent liabilities	**8,780**	**9,019**
Noncurrent provisions and liabilities	**21,120**	**21,665**
Current tax provisions	460	512
Other current provisions	1,433	1,401
Current provisions	**1,893**	**1,913**
Current financial liabilities	1,945	1,597
Trade payables	5,069	4,598
Liabilities from financial services	168,663	173,996
Current tax liabilities	875	920
Other current liabilities	4,164	4,364
Current liabilities associated with noncurrent assets held for sale	17	0
Current liabilities	**180,733**	**185,475**
Current provisions and liabilities	**182,626**	**187,388**
Total equity and liabilities	**217,698**	**223,480**

1) Prior-period amounts restated, see Note 3.

Cash flow statement

January 1 to March 31 €m	2006 restated	2007
Net profit before taxes[1]	**670**	**736**
Net finance costs[1]	248	262
Profit from operating activities (EBIT)	**918**	**998**
Depreciation/amortization of noncurrent assets[1]	404	420
Net income from disposal of noncurrent assets[1]	–28	–76
Non-cash income and expense[1]	104	118
Change in provisions	–348	–44
Taxes paid	–32	–115
Net cash from operating activities before changes in working capital	**1,018**	**1,301**
Changes in working capital		
Inventories	15	17
Receivables and other assets	–283	–567
Receivables/liabilities from financial services	1,667	701
Liabilities and other items[1]	–746	–313
Net cash from operating activities	**1,671**	**1,139**
Proceeds from disposal of noncurrent assets		
Divestitures	236	50
Other noncurrent assets	107	118
	343	**168**
Cash paid to acquire noncurrent assets		
Investments in companies	–2,090	–154
Other noncurrent assets	–368	–395
	–2,458	**–549**
Interest received	43	98
Current financial instruments	–170	–10
Net cash used in investing activities	**–2,242**	**–293**
Change in financial liabilities[1]	470	–160
Dividend paid to Deutsche Post AG shareholders	0	0
Dividend paid to other shareholders	0	–2
Issuance of shares under stock option plan	16	21
Interest paid[1]	–95	–192
Net cash used in (previous year: from) financing activities	**391**	**–333**
Net change in cash and cash equivalents	–180	513
Effect of changes in exchange rates on cash and cash equivalents	11	–5
Changes in cash and cash equivalents due to changes in consolidated group	0	24
Cash and cash equivalents at January 1	2,084	2,391
Cash and cash equivalents at March 31	**1,915**	**2,923**

1) Prior-period amounts restated, see Note 3.

Statement of changes in equity

January 1 to March 31

€m	Issued capital	Other reserves: Capital reserves	Other reserves: IAS 39 reserves	Other reserves: Currency translation reserve	Retained earnings	Equity attributable to Deutsche Post AG shareholders	Minority interest	Total equity
Balance at January 1, 2006[1]	**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						0		0
Stock option plans (exercise)	1	15				16		16
Stock option plans (issuance)		8				8		8
						24	**0**	**24**
Other changes in equity not recognized in income								
Currency translation differences				–152		–152	–3	–155
Other changes			–97		–19	–116	–19	–135
						–268	–22	–290
Changes in equity recognized in income								
Consolidated net profit for the period					480	480	56	536
Total changes in equity recognized in income and not recognized in income						**212**	**34**	**246**
Balance at March 31, 2006 after adjustment	**1,194**	**1,916**	**72**	**–193**	**7,871**	**10,860**	**1,825**	**12,685**
Balance at January 1, 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						0	–2	–2
Stock option plans (exercise)	2	19				21		21
Stock option plans (issuance)		3				3		3
						24	**–2**	**22**
Other changes in equity not recognized in income								
Currency translation differences				–55		–55	–4	–59
Other changes			–51		17	–34	–43	–77
						–89	–47	–136
Changes in equity recognized in income								
Consolidated net profit for the period					499	499	90	589
Total changes in equity recognized in income and not recognized in income						**410**	**43**	**453**
Balance at March 31, 2007	**1,204**	**2,059**	**–109**	**–506**	**9,006**	**11,654**	**2,773**	**14,427**

1) Some of the fair values of securitized liabilities were miscalculated in the 2001 consolidated financial statements upon initial application of IAS 39. In accordance with IAS 8.42, these liabilities were adjusted in the amount of €125 million at the expense of retained earnings with retroactive effect from January 1, 2005. The minority interest in this amount is €42 million, which resulted in a decrease of €83 million in retained earnings at Group level and correspondingly of €42 million in the minority interest.

Notes to the consolidated interim financial statements

1 Basis of accounting

The accompanying consolidated interim financial statements were prepared in accordance with the International Financial Reporting Standards (IFRSs) and related interpretations issued by the International Accounting Standards Board (IASB) for interim financial reporting, as adopted by the European Union. These interim financial statements thus include all information and disclosures required by IFRSs to be presented in interim financial statements.

The Board of Management believes that the accompanying consolidated interim financial statements include all adjustments required to present a true and fair view of the net assets, financial position and results of operations as of the reporting date of the interim financial statements.

Preparation of the consolidated interim financial statements for interim financial reporting in accordance with IAS 34 requires the Board of Management to exercise judgment and make estimates and assumptions that affect the application of accounting policies in the Group and the presentation of assets, liabilities, income and expenses. Actual amounts may differ from these estimates. The results obtained in the first three months of fiscal year 2007 are not necessarily an indication of the further development of the course of business.

The accounting policies applied to the consolidated interim financial statements are generally based on the same accounting policies used in the consolidated financial statements for fiscal year 2006. The extended disclosure requirements of IFRS 7 Financial Instruments: Disclosures, which is effective for fiscal years beginning on or after January 1, 2007, will be presented in full in the consolidated financial statements for the year ending December 31, 2007.

The income tax expense for the reporting period was deferred on the basis of the tax rate expected to apply to the full fiscal year.

2 Consolidated group

In addition to Deutsche Post AG as the Group parent, the consolidated group generally includes all German and foreign entities in which Deutsche Post AG directly or indirectly holds a majority of voting rights, or whose activities it is otherwise able to control.

Consolidated group	Dec. 31, 2006	March 31, 2007
Number of fully consolidated companies (subsidiaries)		
German	133	142
Foreign	920	944
Number of proportionately consolidated joint ventures		
German	2	2
Foreign	6	6
Number of equity method-accounted companies (associates)		
German	4	3
Foreign	32	24

Deutsche Post World Net sold all shares of Vfw AG, Cologne, in March 2007. This resulted in a deconsolidation gain of €59 million, which is reported in other operating income.

The Stationery Office (TSO), London, was acquired on January 10, 2007. TSO provides print and document management services primarily for British government agencies and public-sector organizations. Purchase price allocation will be presented in the half-yearly report.

3 Restatement of prior-period amounts

The carrying amounts in the consolidated balance sheet as of December 31, 2006 changed as a result of the reclassification of the subordinated debt of the Deutsche Postbank Group from other liabilities to other financial liabilities.

Restated consolidated balance sheet as of December 31 €m	2006	Adjustments	2006 restated	Notes
Noncurrent financial liabilities	3,495	5,048	8,543	Reclassification of subordinated debt
Other noncurrent liabilities	5,285	–5,048	237	Reclassification of subordinated debt

The income statement for the period ended March 31, 2006 changed due to the retrospective application of IFRIC 4 and reclassifications between materials expense and other operating expenses. Initial recognition of unwinding under IAS 39 by the Deutsche Postbank Group in the 2006 consolidated financial statements also required the restatement of the prior-year figures for the first quarter. At the same time, there was a change in the presentation of amounts reported using the fair value option. Changes in the fair value of the related financial instruments are now reported in net trading income, rather than in interest income.

Restated income statement				
January 1 to March 31 €m	2006	Adjustments	2006 restated	Notes
Revenue and income from banking transactions	14,815	7	14,822	Deutsche Postbank Group: 7
Materials expense	–8,222	29	–8,193	IFRIC 4: 14 Reclassification: 15
Depreciation, amortization and impairment losses	–392	–12	–404	IFRIC 4: –12
Other operating expenses	–1,252	–23	–1,275	Reclassification: –15 Deutsche Postbank Group: –8
Profit from operating activities (EBIT)	917	1	918	IFRIC 4: 2 Deutsche Postbank Group: –1
Net finance costs	–245	–3	–248	IFRIC 4: –3
Profit before income taxes	672	–2	670	IFRIC 4: –1 Deutsche Postbank Group: –1
Consolidated net profit for the period	538	–2	536	IFRIC 4: –1 Deutsche Postbank Group: –1
of which attributable to Deutsche Post AG shareholders	482	–2	480	IFRIC 4: –1 Deutsche Postbank Group: –1

4 Share-based remuneration

The number of stock options and stock appreciation rights (SARs) under the 2000 and 2003 Stock Option Plans (SOPs) changed as follows:

Stock options				
	SOP 2000	SOP 2003		
Number	Tranche 2002	Tranche 2003	Tranche 2004	Tranche 2005
Outstanding options at January 1, 2007	537,474	3,959,426	7,921,776	9,404,718
Outstanding SARs at January 1, 2007	120,060	217,798	595,190	760,026
Options lapsed	6,036	18,996	169,506	217,050
SARs lapsed	0	0	41,698	21,894
Options exercised	259,776	1,321,302	0	0
SARs exercised	87,864	28,080	0	0
Outstanding options at March 31, 2007	271,662	2,619,128	7,752,270	9,187,668
Outstanding SARs at March 31, 2007	32,196	189,718	553,492	738,132

The SAR provision increased by €7 million to €27 million in the first quarter of 2007.

The issued capital increased from €1,202 million to €1,204 million in the first quarter of 2007 following the servicing of the stock options from the 2002 and 2003 Stock Option Plans. It is now composed of 1,203,900,938 no-par value registered shares.

5 Earnings per share

Basic earnings per share for the first quarter of 2007 were €0.41.

Basic earnings per share

	Q1 2006	Q1 2007
Consolidated net profit for the period attributable to Deutsche Post AG shareholders (€m)	480[1)]	499
Weighted-average number of shares outstanding	1,193,596,779	1,203,715,207
Basic earnings per share (€)	0.40	0.41

1) Prior-period amount restated, see Note 3.

Diluted earnings per share for the period from January 1 to March 31, 2007 were €0.41. There were 19,830,728 stock options for executives at the reporting date, 4,617,909 of which were dilutive.

Diluted earnings per share

	Q1 2006	Q1 2007
Consolidated net profit for the period attributable to Deutsche Post AG shareholders (€m)	480[1)]	499
Weighted-average number of shares outstanding	1,193,596,779	1,203,715,207
Potentially dilutive shares	6,973,523	4,617,909
Weighted-average number of shares for diluted earnings	1,200,570,302	1,208,333,116
Diluted earnings per share (€)	0.40	0.41

1) Prior-period amount restated, see Note 3.

6 Related party disclosures

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There have been no material changes in related party disclosures as against December 31, 2006; see Note 56 in the 2006 Annual Report.

7 Contingent liabilities

The Group's contingent liabilities have not changed significantly compared with December 31, 2006. In addition, the Deutsche Postbank Group had irrevocable loan commitments amounting to €24,068 million.

8 Other operating income and expenses

Other operating income	Q1	
€m	2006	2007
Income from investment securities and insurance business (Deutsche Postbank Group)	75	69
Gain on deconsolidation and disposal of Vfw AG	0	59
Income from currency translation differences	69	56
Insurance income	37	44
Gains on disposal of noncurrent assets	28	36
Income from work performed and capitalized	49	23
Rental and lease income	21	22
Income from fees and reimbursements	16	18
Reversals of impairment losses on receivables and other assets	16	16
Income from the reversal of provisions	5	12
Income from prior-period billings	21	11
Income from loss compensation	6	8
Income from non-hedging derivatives	42	7
Subsidies	8	6
Income from the derecognition of liabilities	11	5
Commission income	3	5
Recoveries on receivables previously written off	1	4
Change in inventories	13	0
Income from arbitration proceedings against Deutsche Telekom AG	99	0
Income from the sale of McPaper	10	0
Miscellaneous	56	70
	586	**471**

Miscellaneous other operating income includes a number of smaller individual items.

Other operating expenses

€m	Q1 2006	Q1 2007
Travel and training costs	107	118
Public relations expenses	116	107
Allowance for losses on loans and advances (financial services)	86	90
Other business taxes	75	88
Legal, consulting and audit costs	105	86
Telecommunication costs	73	80
Warranty expenses, refunds and compensation payments	65	80
Cost of purchased cleaning, transportation and security services	70	73
Office supplies	49	65
Write-downs of current assets	80	58
Expenses from currency translation differences	92	55
Insurance costs	39	46
Addition to provisions	54	46
Entertainment and corporate hospitality expenses	32	42
Services provided by Bundesanstalt für Post und Telekommunikation	23	19
Prior-period other operating expenses	36	14
Commissions paid	10	14
Contributions and fees	14	13
Donations	11	12
Property-related expenses	7	8
Monetary transaction costs	6	8
Expenses from non-hedging derivatives	23	2
Miscellaneous	102	29
	1,275	**1,153**

Miscellaneous other operating expenses include a number of smaller individual items.

9 Segment reporting

Prior-period amounts for the first quarter were restated due to the transfer of the German parcel business from the EXPRESS Division to the MAIL Division as of January 1, 2007, and the transfer of DHL Freight from the EXPRESS Division to the LOGISTICS Division and of the hubs and aviation services from the SERVICES segment to the EXPRESS Division as of July 1, 2006. In addition, some companies were transferred in the course of portfolio optimization measures. In the FINANCIAL SERVICES Division, a restatement as of December 31, 2006 (see statement of changes in equity) also resulted in the restatement of prior-period amounts for the first quarter.

Segments by division

January 1 to March 31	MAIL[1]		EXPRESS[1]		LOGISTICS[1]		FINANCIAL SERVICES[1]		SERVICES[1]		CONSOLIDATION[1]		GROUP[1]	
€m	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007
External revenue	3,735	3,840	3,190	3,221	5,674	6,058	2,219	2,350	4	4	0	0	14,822	15,473
Internal revenue	83	90	112	112	186	159	143	134	556	553	–1,080	–1,048	0	0
Total revenue	3,818	3,930	3,302	3,333	5,860	6,217	2,362	2,484	560	557	–1,080	–1,048	14,822	15,473
Profit or loss from operating activities (EBIT)	693	618	–58	62	157	214	220	242	–94	–134	0	–4	918	998
Net income from associates	0	0	0	0	1	0	0	0	0	0	0	0	1	0
Segment assets[2]	5,646	6,201	9,607	9,890	14,540	14,345	182,325	186,827	2,259	1,773	–1,554	–1,124	212,823	217,912
Investments in associates[2]	22	22	35	32	5	6	0	0	1	1	0	0	63	61
Segment liabilities including non-interest-bearing provisions[2]	2,526	2,407	2,782	2,745	5,346	4,754	169,502	174,725	1,218	1,185	–1,412	–856	179,962	184,960
Segment investments	43	293	131	207	135	132	1,453	26	82	83	–4	–75	1,840	666
Depreciation, amortization and write-downs	98	97	94	108	94	96	38	41	80	78	0	0	404	420
Other non-cash expenses	38	25	72	9	39	59	136	133	18	22	0	0	303	248
Employees[3]	149,338	150,987	106,028	105,595	158,030	161,421	23,285	23,416	24,541	24,174	0	0	461,222	465,593

Segments by region

January 1 to March 31	Germany[1]		Europe excluding Germany		Americas		Asia Pacific		Other regions		Group[1]	
€m	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007
External revenue	6,323	6,222	4,188	4,941	2,684	2,724	1,384	1,324	243	262	14,822	15,473
Segment assets[2]	167,589	171,888	29,923	29,810	11,053	11,543	3,865	4,240	393	431	212,823	217,912
Segment investments	1,604	116	111	406	87	89	33	31	5	24	1,840	666

1) Prior-period amounts restated, see Note 3.
2) As of the balance sheet dates December 31, 2006 and March 31, 2007.
3) Average (FTEs).

10 Noncurrent assets held for sale/current liabilities associated with noncurrent assets held for sale

The amounts of €18 million and €0 million reported as noncurrent assets held for sale and current liabilities associated with noncurrent assets held for sale relate primarily to the planned sale of real estate by SCM Supply Chain Management Inc., Canada.

11 Events after the balance sheet date/other disclosures

There were no reportable events after the balance sheet date.

12 Consolidated interim financial statements (Postbank at equity)

Income statement (Postbank at equity)

January 1 to March 31

€m	2006 restated	2007
Revenue	12,705	13,221
Other operating income	544	421
Total operating income	**13,249**	**13,642**
Materials expense[1]	–6,866	–7,237
Staff costs	–4,282	–4,336
Depreciation, amortization and impairment losses[1]	–367	–379
Other operating expenses[1]	–1,032	–932
Total operating expenses	**–12,547**	**–12,884**
Profit from operating activities (EBIT)	**702**	**758**
Net income from associates	1	0
Net income from measurement of Deutsche Postbank Group at equity	89	72
Other financial income	70	197
Other finance costs[1]	–310	–441
Net other finance costs	–240	–244
Net finance costs	**–150**	**–172**
Profit before income taxes	**552**	**586**
Income tax expense	–61	–69
Consolidated net profit for the period	**491**	**517**
attributable to		
Deutsche Post AG shareholders	480	499
Minorities	11	18

1) Prior-period amounts restated in accordance with the consolidated financial statements.

Balance sheet (Postbank at equity)

as of March 31, 2007

€m	Dec. 31, 2006 restated	March 31, 2007
ASSETS		
Intangible assets	13,138	13,239
Property, plant and equipment	8,446	8,424
Investment property	50	49
Investments in associates	63	61
Investments in Deutsche Postbank Group	1,611	1,631
Other noncurrent financial assets	829	818
Noncurrent financial assets	**2,503**	**2,510**
Other noncurrent assets	376	426
Deferred tax assets	298	341
Noncurrent assets	**24,811**	**24,989**
Inventories	268	252
Current tax receivables	576	686
Receivables and other assets	8,427	8,909
Financial instruments	42	97
Cash and cash equivalents	1,761	1,306
Noncurrent assets held for sale	56	18
Current assets	**11,130**	**11,268**
Total assets	**35,941**	**36,257**
EQUITY AND LIABILITIES		
Issued capital	1,202	1,204
Other reserves	1,528	1,444
Retained earnings	8,490	9,006
Equity attributable to Deutsche Post AG shareholders	**11,220**	**11,654**
Minority interest	128	150
Equity	**11,348**	**11,804**
Provisions for pensions and other employee benefits	5,019	5,022
Deferred tax liabilities	452	459
Other noncurrent provisions	2,243	2,374
Noncurrent provisions	**7,714**	**7,855**
Noncurrent financial liabilities	3,495	3,663
Other noncurrent liabilities	242	245
Noncurrent liabilities	**3,737**	**3,908**
Noncurrent provisions and liabilities	**11,451**	**11,763**
Current tax provisions	376	420
Other current provisions	1,395	1,362
Current provisions	**1,771**	**1,782**
Current financial liabilities	1,948	1,597
Trade payables	4,930	4,542
Current tax liabilities	751	910
Other current liabilities	3,725	3,859
Current liabilities associated with noncurrent assets held for sale	17	0
Current liabilities	**11,371**	**10,908**
Current provisions and liabilities	**13,142**	**12,690**
Total equity and liabilities	**35,941**	**36,257**

Cash flow statement (Postbank at equity)

January 1 to March 31

€m	2006 restated	2007
Net profit before taxes[1]	**552**	**586**
Net finance costs excluding net income from measurement at equity[1]	239	244
Net income from measurement at equity[1]	–89	–72
Profit from operating activities (EBIT)	**702**	**758**
Depreciation/amortization of noncurrent assets[1]	367	379
Net income from disposal of noncurrent assets[1]	–26	–76
Non-cash income and expense[1]	26	28
Change in provisions	–294	–121
Taxes paid	–19	–82
Net cash from operating activities before changes in working capital	**756**	**886**
Changes in working capital		
Inventories	12	17
Receivables and other assets	–396	–498
Liabilities and other items[1]	–311	–155
Net cash from operating activities	**61**	**250**
Proceeds from disposal of noncurrent assets		
Divestitures	236	50
Other noncurrent assets	95	118
	331	**168**
Cash paid to acquire noncurrent assets		
Investments in companies	–397	–149
Other noncurrent assets	–339	–377
	–736	**–526**
Interest received	41	98
Postbank dividend	0	0
Current financial instruments	–170	–55
Net cash used in investing activities	**–534**	**–315**
Change in financial liabilities[1]	340	–231
Dividend paid to Deutsche Post AG shareholders	0	0
Dividend paid to other shareholders	0	–2
Issuance of shares under stock option plan	16	21
Interest paid[1]	–98	–197
Net cash used in (previous year: from) financing activities	**258**	**–409**
Net change in cash and cash equivalents	–215	–474
Effect of changes in exchange rates on cash and cash equivalents	11	–5
Changes in cash and cash equivalents due to changes in consolidated group	0	24
Cash and cash equivalents at January 1	1,384	1,761
Cash and cash equivalents at March 31	**1,180**	**1,306**

1) Prior-period amounts restated in accordance with the consolidated financial statements.

Events and contacts

Financial calendar	
August 3, 2007	Interim report on the first half of 2007, financials press conference and analysts' conference call
November 8, 2007	Interim report on the first nine months of 2007, analysts' conference call
March 6, 2008	Annual Report 2007, financials press conference and analysts' conference
May 6, 2008	Annual General Meeting
May 7, 2008	Dividend payment
May 14, 2008	Interim report on the first quarter of 2008, analysts' conference call
August 1, 2008	Interim report on the first half of 2008, financials press conference and analysts' conference call
November 11, 2008	Interim report on the first nine months of 2008, analysts' conference call

Further events, updates and information on live Internet broadcasts at http://investors.dpwn.com.

Investor events	
June 13 – 14, 2007	UBS Transport Conference (New York)
June 20 – 21, 2007	German Corporate Conference Deutsche Bank (Frankfurt)
June 25 – 26, 2007	Goldman Sachs Business Service Conference (London)
September 7 – 9, 2007	IAM – International Investors Fair (Düsseldorf)
September 18, 2007	Merrill Lynch Global Transportation Conference (London)
November 14 – 15, 2007	WestLB Deutschland Conference (Frankfurt)

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