2013 INTERIM REPORT

JANUARY TO JUNE

2

Deutsche Post DHL

01 Selected key figures

		H1 2012	H1 2013	+/– %	Q2 2012	Q2 2013	+/– %
Revenue	€m	27,096	27,093	–0.0	13,732	13,649	–0.6
Profit from operating activities (EBIT)	€m	1,234	1,330	7.8	543	619	14.0
Return on sales[1]	%	4.6	4.9	–	4.0	4.5	–
Consolidated net profit for the period[2]	€m	725	920	26.9	196	422	>100
Operating cash flow	€m	–142	621	–	215	501	>100
Net debt[3]	€m	1,952	2,810	44.0	–	–	–
Earnings per share[4]	€	0.60	0.76	26.7	0.16	0.35	>100
Number of employees[5]		428,287	431,838	0.8	–	–	–

[1] EBIT/revenue.
[2] After deduction of non-controlling interests. Prior-year amount adjusted Note 4.
[3] Prior-year amount as at 31 December, for the calculation page 12 of the Interim Report by the Board of Management.
[4] Basic earnings per share.
[5] Average FTEs; prior-year amount corresponds to that of financial year 2012.

WHAT WE ACHIEVED IN THE FIRST HALF OF 2013

Whilst consolidated revenue remained stable overall, improved profitability allowed Deutsche Post DHL to increase profit from operating activities in the first half of 2013 by 7.8%. The decline in demand in certain sectors had a negative impact on revenue in the GLOBAL FORWARDING, FREIGHT division, however the trend for growth in both the German parcel and international express businesses remains intact. The marked improvement in cash flow is, in the opinion of the Board of Management, evidence of the Group's good financial position.

WHAT WE INTEND TO ACHIEVE BY THE END OF THE YEAR 2013

We are raising our forecast slightly for financial year 2013 due only to the one-time effect recorded in the MAIL division in the second quarter: we now expect consolidated EBIT to reach between €2.75 billion and €3.00 billion. The MAIL division is now likely to contribute between €1.15 billion and €1.25 billion to this figure. Compared with the previous year, we continue to expect an additional improvement in overall earnings to between €2.00 billion and €2.15 billion in the DHL divisions. Operating cash flow will recover from the one-time charges in the previous year and will benefit from the expected earnings improvement.

@ Websites

Cross-references

Dr Frank Appel

Chief Executive Officer
Deutsche Post AG

Deutsche Post DHL

5 August 2013

First half of 2013

Dear Shareholders,

As expected, the economic environment generated no real impetus in the first half of 2013. For this reason, I am all the more pleased that Deutsche Post DHL increased its profitability, which is also reflected in an improvement in operating cash flow.

Although revenue in the first half of 2013 remained on a par with the prior year at €27.1 billion, consolidated EBIT grew by an encouraging 7.8% to €1.3 billion.

Operating cash flow – to which we have been paying particular attention since the beginning of the year – improved significantly to €621 million. I regard this as a very positive development and indeed evidence of the Group's good financial position.

In the MAIL division, our operating business performed well overall and the growth trend in the parcel business continues uninterrupted. In the EXPRESS division, we saw an encouraging increase in volumes in our global network. Revenue growth in the other DHL businesses was affected adversely – as a result of the decline in demand in certain sectors in the GLOBAL FORWARDING, FREIGHT division and currency effects and portfolio adjustments in the SUPPLY CHAIN division.

It remains to be seen whether the economic recovery forecast by economists will actually materialise in the second half of the year. In principle, we are maintaining our earnings forecast for financial year 2013; however, we are raising it slightly due to the one-time effect recorded in the MAIL division in the second quarter from the reversal of some of the provision recognised for postage stamps: we now expect consolidated EBIT to reach between €2.75 billion and €3.00 billion.

We are confident that we shall achieve the goals we have set by building on our sustained solid financial foundation.

Yours faithfully,

Deutsche Post DHL
The Mail & Logistics Group

PO box address
Deutsche Post AG
Headquarters
53250 Bonn
GERMANY

Delivery address
Deutsche Post AG
Headquarters
Charles-de-Gaulle-Str. 20
53113 Bonn
GERMANY

Visitor's address
Deutsche Post AG
Headquarters
Platz der Deutschen Post
53113 Bonn
GERMANY

Phone +49 228 182-0
Fax +49 228 182-7099

www.dp-dhl.com

CONTENTS

BUSINESS AND ENVIRONMENT

Organisation

Further adjustments to the Human Resources board department

On 1 April 2013, we made further adjustments to the Human Resources board department in order to meet the changed requirements across all business units. It now comprises the corporate departments Compensation & Benefits, Corporate Executive & Talent Management, HR MAIL, HR Performance & Programs, HR Headquarters & International Services and Industrial Relations, Civil Servants.

Economic parameters

Cautious economic upturn

The upturn in the global economy remained cautious in the first half of 2013. Whilst growth in emerging markets remained significantly higher than in the advanced industrial countries, it was weaker than in previous years. Some industrial countries remained in recession, whilst others saw a marked improvement in their economic situation.

Asia remained the region with the highest economic momentum. In China, gross domestic product (GDP) increased by 7.6% in the first half of the year. However, growth weakened due to a smaller increase in exports in the second quarter. The economy in Japan accelerated sharply, due primarily to the continuation of the country's expansive monetary policy and the considerable devaluation of the yen.

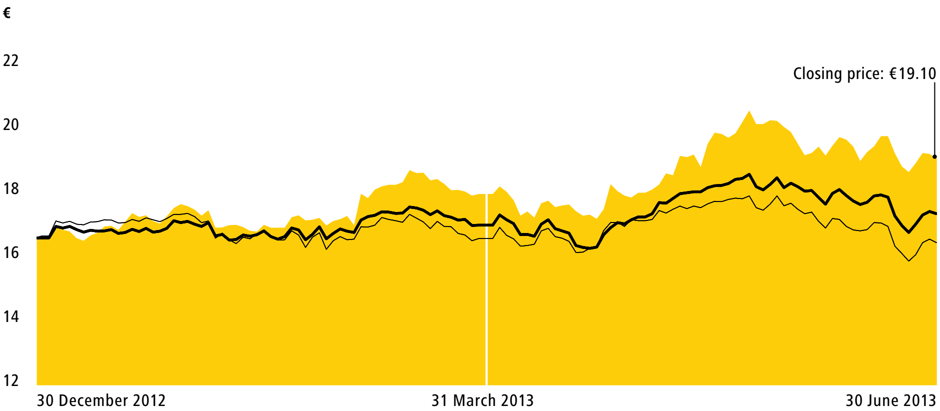
In the United States, the economy demonstrated continued moderate recovery, slowed by the government's fiscal austerity measures, which are associated with spending cuts and tax increases. However, private consumption maintained its upwards trend. The situation on the labour market continued to improve. To further support the economy, the US Federal Reserve retained its key interest rate at between 0% and 0.25%.

In the euro zone, signs that the economy is stabilising have increased in recent months. Industrial production has recovered slightly, therefore GDP may have plateaued or even grown slightly in the second quarter. However, unemployment continued to increase, reaching its highest level since the European Monetary Union began. In order to support the economy, the European Central Bank (ECB) lowered its key interest rate in early May to a record low of 0.5%.

The German economy is likely to have fared considerably better in the second quarter compared with the weak start to the year. However, economic performance remained moderate in the first half of 2013. The German labour market was largely stable.

DEUTSCHE POST SHARES

02 Share price performance



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

Deutsche Post shares perform well ahead of the market

The equity markets remained volatile in the second quarter of 2013. The DAX fell to a low of 7,460 points on 19 April amid economic concerns. The decision by the ECB to reduce the key interest rate allowed the DAX to achieve a record high of 8,531 points on 22 May. Deutsche Post shares reached their highest level since June 2008 at a price of €20.61 on this day. Since presentation of our figures for the first quarter of 2013 on 14 May, our shares have outperformed the market. The US Federal Reserve's indication that it may ease its expansive monetary policy led to share price corrections at the end of the quarter. Our shares closed the first half of the year up 15.1% at €19.10, significantly outperforming the DAX, which registered a gain of 4.6% to 7,959 points. The average daily volume of our shares traded via Xetra declined by 5.0% versus the previous year to 3.9 million shares.

03 Deutsche Post shares

		30 Dec. 2012	30 June 2013
Closing price	€	16.60	19.10
High[1]	€	16.66	20.61
Low[1]	€	11.88	16.51
Number of shares	millions	1,209.0	1,209.0
Market capitalisation	€m	20,069	23,092
Average trading volume per day[1]	shares	4,052,323	3,850,455

[1] In 2012 and in the first half of 2013.

04 Peer group comparison: closing prices

		30 Dec. 2012	30 June 2013	+/–%	30 June 2012	30 June 2013	+/–%
Deutsche Post DHL	EUR	16.60	19.10	15.1	13.94	19.10	37.0
PostNL	EUR	2.92	2.14	–26.7	3.25	2.14	–34.2
TNT Express	EUR	8.43	5.76	–31.7	9.24	5.76	–37.7
FedEx	USD	91.72	98.58	7.5	91.61	98.58	7.6
UPS	USD	73.73	86.48	17.3	78.76	86.48	9.8
Kuehne + Nagel	CHF	110.00	103.70	–5.7	100.20	103.70	3.5

ECONOMIC POSITION

Overall assessment by the Board of Management

Earnings improve whilst revenue remained stable

Whilst consolidated revenue remained stable overall, improved profitability allowed Deutsche Post DHL to increase profit from operating activities in the first half of 2013 by 7.8%. The decline in demand in certain sectors had a negative impact on revenue in the GLOBAL FORWARDING, FREIGHT division, however the trend for growth in both the German parcel and international express businesses remains intact. The marked improvement in operating cash flow is, in the opinion of the Board of Management, evidence of the Group's good financial position.

Significant events

No significant events

There were no events with material effects on the Group's earnings, financial position, and assets and liabilities in the first half of 2013.

Earnings

05 Selected indicators for results of operations

		H1 2012	H1 2013	Q2 2012	Q2 2013
Revenue	€m	27,096	27,093	13,732	13,649
Profit from operating activities (EBIT)	€m	1,234	1,330	543	619
Return on sales[1]	%	4.6	4.9	4.0	4.5
Consolidated net profit for the period[2]	€m	725	920	196	422
Earnings per share[3]	€	0.60	0.76	0.16	0.35

[1] EBIT/revenue.
[2] After deduction of non-controlling interests. Prior-year amount adjusted Note 4.
[3] Basic earnings per share.

Changes in reporting and portfolio

The amendments to IAS 19 (Employee Benefits) have been required to be applied since 1 January 2013. This has in some cases significantly impacted the recognition of pension plans and partial retirement arrangements in the balance sheet and income statement. Detailed information can be found in the Notes. The prior-year amounts have been adjusted.

Notes 1 and 4

To improve the transparency of the balance sheet, we broke down the receivables and other current assets item on the assets side into trade receivables and other current assets. We also added the capital reserves item under equity on the liabilities side. The prior-year amounts have been adjusted.

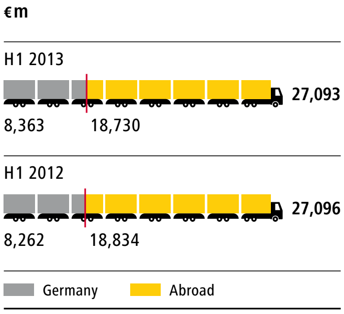
We disposed of our domestic express business in Romania by selling our subsidiary Cargus International S.R.L. with effect from 31 March 2013. In future, our focus there will be on international business.

In the SUPPLY CHAIN division, we sold our interests in DHL Fashion (France) SAS, US company Exel Direct Inc. and ITG GmbH, Germany, together with their subsidiaries in the second quarter. All of the companies' assets and liabilities had previously been reclassified as held for sale.

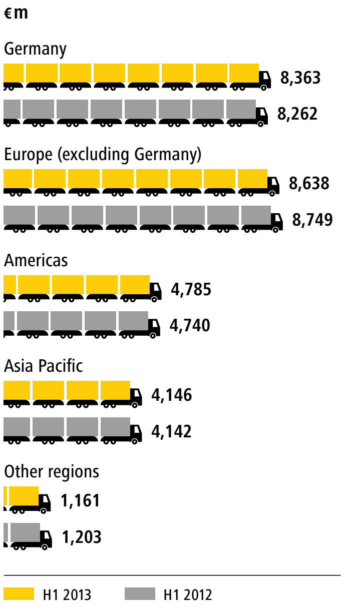
In the MAIL division, we acquired optivo GmbH, a leading German e-mail marketing services provider, on 28 June 2013. This acquisition enhances our range of services and will allow us to develop our business in this area.

We sold 50% of our shares in Deutsche Post Mobility GmbH to Allgemeiner Deutscher Automobil-Club (ADAC) in the second quarter. In future, we plan to jointly operate a coach network and enter the deregulated coach market with the "ADAC Postbus".

06 Consolidated revenue



07 Revenue by region



Consolidated revenue on a par with prior year

Consolidated revenue was €27,093 million in the first half of 2013 and therefore on a level with the prior year (€27,096 million). The proportion of consolidated revenue generated abroad declined from 69.5% to 69.1%, with negative currency effects accounting for €418 million of this decrease. The figure for the previous year included €93 million related to the divested activities in the EXPRESS and SUPPLY CHAIN divisions.

At €13,649 million, revenue in the second quarter was €83 million lower year-on-year (previous year: €13,732 million). Currency effects had a negative impact of €333 million, whilst changes in the portfolio had a negative effect of €60 million.

Other operating income declined by 18.3% from €1,139 million to €930 million in the first half of the year. Provisions relating to the US express business that were no longer required had been reversed in the comparable prior-year period.

08 Development of revenue, other operating income and operating expenses, H1 2013

	€m	%	
Revenue	27,093	–0.0	• Growth trends in the German parcel and international express businesses remain intact • Decline in demand in certain sectors had a negative impact on revenue in the GLOBAL FORWARDING, FREIGHT division • Currency effects reduced consolidated revenue by €418 million
Other operating income	930	–18.3	• Previous year also included income from the reversal of provisions for the US express business
Materials expense	15,239	–1.6	• Lower transport costs
Staff costs	8,994	2.4	• Increased number of staff, mostly in the SUPPLY CHAIN division • Higher labour costs in the MAIL division
Depreciation, amortisation and impairment losses	655	1.2	• Slight increase due to higher investments in the past
Other operating expenses	1,805	–13.2	• Previous year also included the additional VAT payment

Lower transport costs

Materials expense decreased by €249 million to €15,239 million, due especially to lower transport costs.

In contrast, staff costs rose by €207 million to €8,994 million. This was mainly attributable to the increase in the number of employees in the SUPPLY CHAIN division and higher labour costs in the MAIL division.

At €655 million, depreciation, amortisation and impairment losses were €8 million higher year-on-year.

Other operating expenses declined by €274 million to €1,805 million. The prior-year figure had been pushed up in particular by the additional VAT payment.

Consolidated EBIT improves by 7.8%

Profit from operating activities (EBIT) improved compared with the first half of 2012, rising by 7.8% to €1,330 million.

Net finance costs also improved by 53.9% to €83 million. The previous year's figure was impacted by the interest expense associated with the additional VAT payment, amongst other things, whereas the gain on the Postbank disposal made a positive contribution. Interest expenses for provisions for pensions and other provisions declined during the reporting period due to lower interest rates.

Profit before income taxes improved by 18.3% to €1,247 million.

Income taxes decreased from €283 million in the previous year to €274 million in the reporting period.

09 Consolidated EBIT

€m

Consolidated net profit and earnings per share up considerably

Consolidated net profit for the period rose sharply by 26.2% to €973 million. €920 million of this amount is attributable to shareholders of Deutsche Post AG and €53 million to non-controlling interest holders. Basic and diluted earnings per share also increased, up from €0.60 to €0.76 and €0.73 respectively.

Financial position

10 Selected cash flow indicators

€m	H1 2012	H1 2013	Q2 2012	Q2 2013
Cash and cash equivalents as at 30 June	2,340	1,883	2,340	1,883
Change in cash and cash equivalents	–804	–474	–92	–559
Net cash used in/from operating activities	–142	621	215	501
Net cash used in investing activities	–831	–458	–593	–221
Net cash from/used in financing activities	169	–637	286	–879

Solid liquidity situation continues

The principles and targets of our financial management as presented in the 2012 Annual Report remain valid and continue to be pursued, as part of our finance strategy.

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As expected, the "FFO to debt" performance metric decreased slightly in the first half of 2013, although funds from operations (FFO) increased considerably. The decline was due to the annual prepayment to the Bundes-Pensions-Service für Post und Telekommunikation and the dividend paid out for financial year 2012. Since this performance metric is calculated on a rolling 12-month basis, operating cash flow before changes in working capital continues to be impacted by the one-time increase in the plan assets of German pension plans (€1,986 million). Since the related effects are non-recurring, they are still recorded under non-recurring income/expenses, which also include operating restructuring payments (€77 million) and interest effects of the additional VAT payment (€156 million).

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Our credit quality as rated by Moody's Investors Service (Moody's) and Fitch Ratings (Fitch) has not changed from the ratings of "Baa1" and "BBB+", respectively, as described on page 42 of the 2012 Annual Report. The positive outlook from Moody's and the stable outlook from Fitch are also still applicable.

In view of our solid liquidity, the five-year syndicated credit facility with a total volume of €2 billion was not drawn down during the reporting period. As at 30 June 2013, the Group had cash and cash equivalents of €1.9 billion.

11 FFO to debt

€m	1 Jan. to 31 Dec. 2012	1 July 2012 to 30 June 2013
Operating cash flow before changes in working capital	219	876
+ Interest and dividends received	46	58
– Interest paid	296	295
+ Adjustment for operating leases	1,243	1,243
+ Adjustment for pensions	130	130
± Non-recurring income/expenses	2,671	2,219
= **Funds from operations (FFO)**	**4,013**	**4,231**
Reported financial liabilities[1]	4,816	5,156
– Financial liabilities at fair value through profit or loss[1]	117	44
+ Adjustment for operating leases[2]	5,187	5,187
+ Adjustment for pensions[2]	4,509	4,509
– Surplus cash and near-cash investments[1,3]	1,224	747
= **Debt**	**13,171**	**14,061**
FFO to debt (%)	**30.5**	**30.1**

[1] As at 31 December 2012 and 30 June 2013, respectively.
[2] As at 31 December 2012.
[3] Surplus cash and near-cash investments are defined as cash and cash equivalents and investment funds callable at sight, less cash needed for operations.

Capital expenditure lower than previous year

As at the end of June 2013, the Group's aggregate capital expenditure (capex) amounted to €499 million, which reflects a decline of 26.5% (previous year: €679 million), due mainly to the different capex phasing in comparison with the prior-year period. Funds were used mainly to replace and expand assets as follows: €423 million was invested in property, plant and equipment and €76 million in intangible assets excluding goodwill. Investments in property, plant and equipment related primarily to advance payments and assets under development (€205 million), transport equipment (€67 million), operating and office equipment (€41 million), IT equipment (€37 million), technical equipment and machinery (€35 million) and aircraft (€17 million).

In regional terms, our focus remained on Europe, the Americas and Asia.

12 Capex and depreciation, amortisation and impairment losses, H1

	MAIL		EXPRESS		GLOBAL FORWARDING, FREIGHT		SUPPLY CHAIN		Corporate Center/ Other		Group	
	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013
Capex (€m)	93	112	283	167	65	42	145	108	93	70	679	499
Depreciation, amortisation and impairment losses (€m)	163	165	191	202	55	47	140	138	98	103	647	655
Ratio of capex to depreciation, amortisation and impairment losses	0.57	0.68	1.48	0.83	1.18	0.89	1.04	0.78	0.95	0.68	1.05	0.76

13 Capex and depreciation, amortisation and impairment losses, Q2

	MAIL		EXPRESS		GLOBAL FORWARDING, FREIGHT		SUPPLY CHAIN		Corporate Center/ Other		Group	
	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013
Capex (€m)	58	67	156	86	33	23	80	61	47	44	374	281
Depreciation, amortisation and impairment losses (€m)	83	84	101	106	28	24	71	68	48	52	331	334
Ratio of capex to depreciation, amortisation and impairment losses	0.70	0.80	1.54	0.81	1.18	0.96	1.13	0.90	0.98	0.85	1.13	0.84

Capital expenditure in the MAIL division increased from €93 million to €112 million in the first half of 2013. In addition to investments in the Parcel 2012 Production Concept, funds were used mainly for replacing hand scanners.

In the EXPRESS division, capital expenditure totalled €167 million in the reporting period (previous year: €283 million), of which €127 million related to advance payments and assets under development. We prioritised the modernisation of our aircraft fleet. In addition, we made investments in our global hub in Cincinnati and in infrastructure in various countries such as Germany, Russia, Mexico and China.

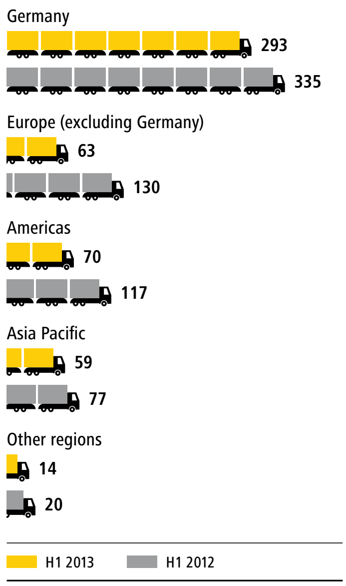
A total of €42 million was invested in the GLOBAL FORWARDING, FREIGHT division in the first half of 2013 (previous year: €65 million). Of that figure, €34 million was attributable to the Global Forwarding business unit, where we improved our IT, for instance for the New Forwarding Environment (NFE) project, and consolidated and modernised warehouses, particularly in the Asia Pacific and Europe regions. In the Freight business unit, we invested €8 million primarily in real estate and operating equipment.

In the SUPPLY CHAIN division, capital expenditure amounted to €108 million in the first half of 2013 (previous year: €145 million). Of that amount, €97 million related to the Supply Chain business unit, €9 million to Williams Lea and €2 million to central entities. Our focus was on supporting new and existing business projects across all regions. In the Williams Lea business unit, we invested primarily in IT.

Cross-divisional capital expenditure amounted to €70 million in the reporting period (previous year: €93 million), a decrease of 24.7%. It was attributable predominantly to the purchase of vehicles and IT.

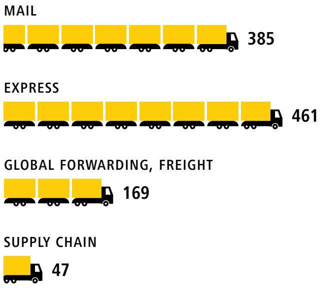
14 Capex by region

€m



15 **Operating cash flow by division, H1 2013**

€m



Financial position, page 8 f.

Operating cash flow rises considerably

Net cash from operating activities rose significantly compared with the first half of 2012, increasing by €763 million to €621 million. In particular, the improved EBIT and lower utilisation of provisions made a positive contribution, whilst higher income tax payments increased the cash outflow by €49 million. Net cash from operating activities before changes in working capital also improved considerably, rising €657 million to €1,428 million. The cash outflow from changes in working capital decreased by €106 million to €807 million, particularly because the cash outflow from the change in receivables and other current assets was €223 million lower, at €763 million.

Net cash used in investing activities was €458 million and comprised investments in property, plant and equipment (€549 million) – their main focuses are described in the capital expenditure section – as the largest item. Largely because the demand for repayment of state aid was recognised as a non-current financial asset in the second quarter of 2012, resulting in a cash outflow of €298 million, net cash used in investing activities for the second quarter of 2013 was €373 million lower year-on-year.

16 **Calculation of free cash flow**

€m

	H1 2012	H1 2013	Q2 2012	Q2 2013
Net cash used in/from operating activities	**–142**	**621**	**215**	**501**
Sale of property, plant and equipment and intangible assets	104	85	48	38
Acquisition of property, plant and equipment and intangible assets	–667	–549	–353	–255
Cash outflow arising from change in property, plant and equipment and intangible assets	**–563**	**–464**	**–305**	**–217**
Disposal of subsidiaries and other business units	39	30	39	13
Acquisition of subsidiaries and other business units	–35	–23	–37	–24
Cash inflow/outflow arising from acquisitions/divestments	**4**	**7**	**2**	**–11**
Interest received	27	27	13	9
Interest paid	–93	–92	–36	–43
Net interest paid	**–66**	**–65**	**–23**	**–34**
Free cash flow	**–767**	**99**	**–111**	**239**

Free cash flow improved significantly by €866 million year-on-year to €99 million. In addition to a lower cash outflow from the change in property, plant and equipment, and intangible assets, the sharp improvement in net cash from operating activities made a positive contribution.

Net cash used in financing activities amounted to €637 million in the period under review, compared with a net cash inflow of €169 million in the previous year. The dividend paid to our shareholders was the largest payment in this area, at €846 million. In addition, two bond issues in the previous year led to a cash inflow of €1,191 million.

Cash and cash equivalents declined from €2,400 million to €1,883 million compared with 31 December 2012 due to the changes in cash flows from the individual areas of activity.

Assets and liabilities

17 Selected indicators for net assets

		31 Dec. 2012	30 June 2013
Equity ratio[1]	%	27.3	27.9
Net debt	€m	1,952	2,810
Net interest cover[2]		18.7	20.5
Net gearing	%	17.5	23.2
FFO to debt[3]	%	30.5	30.1

[1] Amount as at 31 December 2012, adjusted.
[2] In the first half.
[3] For calculation page 8.

Consolidated total assets decreased

The Group's total assets amounted to €33,307 million as at 30 June 2013, €550 million lower than the figure as at 31 December 2012 (€33,857 million).

At €20,998 million, non-current assets were €570 million lower year-on-year. Intangible assets declined by €161 million to €11,990 million, mainly due to a decrease in goodwill resulting from currency effects. At €6,437 million, property, plant and equipment was also down compared with the figure at 31 December 2012 (€6,663 million), primarily as a result of depreciation and impairment losses. Non-current financial assets increased slightly from €1,039 million to €1,115 million, while deferred tax assets were down €254 million on the figure as at 31 December 2012, at €1,074 million.

At €12,309 million, current assets were almost unchanged year-on-year (previous year: €12,289 million). Inventories increased by €25 million to €347 million. Current financial assets declined by €27 million to €225 million, mainly due to the reduction in lease receivables. At €6,935 million, trade receivables were slightly lower than the prior-year figure (€6,959 million). Other current assets were up by €571 million to €2,724 million. This figure includes €264 million relating to the accrual of the prepaid annual contribution to the Bundes-Pensions-Service. Cash and cash equivalents fell by €517 million to €1,883 million, also due to the dividend of €846 million paid to our shareholders. Income tax assets rose from €127 million to €151 million. The €32 million decline in assets held for sale to €44 million is mainly attributable to the disposals mentioned above.

At €9,130 million, equity attributable to Deutsche Post AG shareholders was €111 million higher than at 31 December 2012 (€9,019 million). Whilst consolidated net profit for the period and actuarial gains on pension obligations made a positive contribution, the equity attributable to Deutsche Post AG shareholders was reduced by the dividend paid to our shareholders and negative currency effects.

Current and non-current liabilities declined from €15,651 million to €15,381 million, primarily because trade payables declined by €498 million to €5,493 million. In addition, income tax liabilities decreased from €534 million to €369 million, mainly because we reassessed tax risks. Other current liabilities rose from €4,004 million to €4,125 million, mainly due to an increase in liabilities to employees. Financial liabilities increased by €340 million to €5,156 million, largely due to the €313 million Deutsche-Post-Betriebsrenten-Service loan. Current and non-current provisions decreased by €357 million to €8,621 million, mainly because actuarial gains led to a reduction in the provisions for pensions.

Net debt amounts to €2,810 million

Our net debt rose from €1,952 million as at 31 December 2012 to €2,810 million as at 30 June 2013, in part because of the regular annual contribution to the Bundes-Pensions-Service in the first quarter, which is currently €540 million. In addition, the dividend for financial year 2012 in the amount of €846 million was paid out to shareholders in May. At 27.9 %, the equity ratio was slightly higher than at 31 December 2012 (adjusted: 27.3 %). Net interest cover shows the extent to which net interest obligations are covered by EBIT. This indicator improved from 18.7 to 20.5. Net gearing was 23.2 % at 30 June 2013.

18 Net liquidity (–)/net debt (+)

€m	31 Dec. 2012	30 June 2013
Non-current financial liabilities	4,399	3,438
+ Current financial liabilities	377	1,642
= Financial liabilities	4,776	5,080
– Cash and cash equivalents	2,400	1,883
– Current financial assets	252	225
– Long-term deposits[1]	57	54
– Positive fair value of non-current financial derivatives[1]	115	108
= Financial assets	2,824	2,270
Net debt	1,952	2,810

[1] Reported in non-current financial assets in the balance sheet.

DIVISIONS

Overview

19 Key figures by operating division

€m	H1 2012 adjusted	H1 2013	+/– %	Q2 2012 adjusted	Q2 2013	+/– %
MAIL						
Revenue	6,845	7,045	2.9	3,288	3,433	4.4
of which Mail Communication	2,634	2,804	6.5	1,251	1,355	8.3
Dialogue Marketing	1,267	1,121	–11.5	607	542	–10.7
Press Services	382	371	–2.9	184	183	–0.5
Parcel Germany	1,641	1,770	7.9	797	867	8.8
Retail Outlets	414	428	3.4	204	211	3.4
Global Mail	813	877	7.9	396	431	8.8
Pension Service	48	45	–6.3	24	22	–8.3
Consolidation/Other	–354	–371	–4.8	–175	–178	–1.7
Profit from operating activities (EBIT)	430	605	40.7	38	223	> 100
Return on sales (%)[1]	6.3	8.6	–	1.2	6.5	–
Operating cash flow	26	385	> 100	232	280	20.7
EXPRESS						
Revenue	6,264	6,274	0.2	3,244	3,237	–0.2
of which Europe	2,778	2,902	4.5	1,399	1,476	5.5
Americas	1,086	1,106	1.8	573	577	0.7
Asia Pacific	2,091	2,102	0.5	1,108	1,108	0.0
MEA (Middle East and Africa)	482	466	–3.3	251	237	–5.6
Consolidation/Other	–173	–302	–74.6	–87	–161	–85.1
Profit from operating activities (EBIT)	599	550	–8.2	367	296	–19.3
Return on sales (%)[1]	9.6	8.8	–	11.3	9.1	–
Operating cash flow	275	461	67.6	320	300	–6.3
GLOBAL FORWARDING, FREIGHT						
Revenue	7,659	7,337	–4.2	3,973	3,722	–6.3
of which Global Forwarding	5,635	5,306	–5.8	2,965	2,696	–9.1
Freight	2,087	2,096	0.4	1,039	1,059	1.9
Consolidation/Other	–63	–65	–3.2	–31	–33	–6.5
Profit from operating activities (EBIT)	225	217	–3.6	138	129	–6.5
Return on sales (%)[1]	2.9	3.0	–	3.5	3.5	–
Operating cash flow	164	169	3.0	39	98	> 100
SUPPLY CHAIN						
Revenue	6,937	7,033	1.4	3,528	3,550	0.6
of which Supply Chain	6,284	6,407	2.0	3,195	3,236	1.3
Williams Lea	656	629	–4.1	335	315	–6.0
Consolidation/Other	–3	–3	0.0	–2	–1	50.0
Profit from operating activities (EBIT)	193	163	–15.5	101	79	–21.8
Return on sales (%)[1]	2.8	2.3	–	2.9	2.2	–
Operating cash flow	–60	47	–	–99	–29	70.7

[1] EBIT/revenue.

MAIL division

Revenue grows with fewer working days

In the first half of 2013, revenue in the division was €7,045 million and therefore 2.9% higher than the prior year's figure of €6,845 million, despite 1.6 fewer working days. Negative currency effects of €4 million were recorded in the reporting period. Our operating business performed well overall, driven by the Mail Communication, Parcel Germany and Global Mail business units. In addition, we reversed some of the provision recognised for postage stamps, which resulted in a positive effect of €50 million.

Increase in business customer letters

In the Mail Communication business unit, we delivered more letters on behalf of our business customers than in the first half of 2012. Last year, we were required by the *Bundesnetzagentur* (German federal network agency) to adjust the qualifying conditions for the delivery of identical invoices. As a result, we discontinued our *Infobrief* product. Instead, customers now partially send classic letters. Revenue in the Mail Communication business unit was €2,804 million, exceeding the adjusted prior-year figure by 6.5%. This was driven mainly by the postal rate increase at the beginning of the year, the reversal of some of the postage stamp provision as well as growth in volumes owing to the discontinuation of our *Infobrief* product.

20 Mail Communication: volumes

mail items (millions)	H1 2012	H1 2013	+/– %	Q2 2012	Q2 2013	+/– %
Business customer letters	3,243	3,334	2.8	1,504	1,564	4.0
Private customer letters	561	537	–4.3	276	254	–8.0
Total	**3,804**	**3,871**	**1.8**	**1,780**	**1,818**	**2.1**

Volume declines as a result of discontinuation of *Infobrief* product

In the Dialogue Marketing business unit, volumes and revenue suffered in the first half of 2013 following the discontinuation of our *Infobrief* product and continued restraint in advertising expenditure amongst traditional mail-order businesses. In addition, the insolvency of our customer Neckermann had a negative impact. Revenue in the business unit decreased by 11.5% to €1,121 million in the first half of the year (previous year, adjusted: €1,267 million).

21 Dialogue Marketing: volumes

mail items (millions)	H1 2012	H1 2013	+/– %	Q2 2012	Q2 2013	+/– %
Addressed advertising mail	2,904	2,598	–10.5	1,413	1,270	–10.1
Unaddressed advertising mail	2,125	2,037	–4.1	1,005	939	–6.6
Total	**5,029**	**4,635**	**–7.8**	**2,418**	**2,209**	**–8.6**

Press services revenue down

Revenue in the Press Services business unit was €371 million in the reporting period, 2.9% below the prior year's figure of €382 million. The German press services market continues to decline, consumer magazine circulation, in particular.

Growth trend in parcel business uninterrupted

In the second quarter of 2013, the parcel business again saw solid revenue growth of 8.8% year-on-year, which even surpassed the strong start to the year. Revenue in the Parcel Germany business unit in the first half of 2013 was €1,770 million, exceeding the high prior-year figure of €1,641 million by 7.9%. We are continuously improving services for our customers. In order to be available almost everywhere, we are significantly increasing the number of parcel drop-off points: by the end of 2014, we shall open around 20,000 additional Paketshops and as a result offer more than 50,000 parcel drop-off points nationwide in Germany in future.

22 Parcel Germany: volumes

parcels (millions)	H1 2012	H1 2013	+/– %	Q2 2012	Q2 2013	+/– %
Business customer parcels[1]	398	429	7.8	192	210	9.4
Private customer parcels	54	57	5.6	26	27	3.8
Total	**452**	**486**	**7.5**	**218**	**237**	**8.7**

[1] Including intragroup volumes.

Retail outlets increase revenue

In the first half of 2013, our current network of around 20,000 retail outlets and sales points generated revenue of €428 million, which represents a 3.4% increase over the prior year's figure of €414 million.

Positive performance in international mail business

In the Global Mail business unit, revenue was €877 million in the first half of 2013, exceeding the prior year's figure of €813 million by 7.9%, due mainly to increased volumes in B2C business in the United States and the continued positive trend in exports. In Europe, year-on-year volumes were down, which was due mainly to the previous year's sale of our domestic business in the UK.

23 Mail International: volumes

mail items (millions)	H1 2012	H1 2013	+/– %	Q2 2012	Q2 2013	+/– %
Global Mail	930	886	–4.7	431	432	0.2

Rising costs impact earnings

We were unable to fully compensate for the negative impact on operating earnings resulting from increased material and labour costs, the expansion of our parcel network as well as the loss of 1.6 working days. EBIT in the division was €605 million in the first half of the year, 40.7% above the adjusted prior-year figure of €430 million. However, this figure includes a positive effect from the reversal of some of the provision recognised for postage stamps. In addition, the previous year was affected adversely by the additional VAT payment of €151 million. Return on sales was 8.6%.

Operating cash flow increased considerably from €26 million to €385 million, which, in addition to improved EBIT, was due, in part, to the one-time effect from the termination of a factoring programme in the prior year. Working capital was €–413 million and therefore above the level of the prior year (€–774 million).

EXPRESS division

Revenues and volumes up year-on-year

In the first half of 2013, revenue in the division grew slightly to €6,274 million (previous year: €6,264 million), although there were 1.4 fewer working days compared with the previous year. The prior-year figure still included revenues of €65 million related to the divested domestic express business in Australia, New Zealand and Romania. Excluding these divestments and negative currency effects of €123 million, revenue grew by 3.2%.

In the Time Definite International (TDI) product line, per-day shipment volumes rose further by 8.7% compared with the first half of 2012. Growth in the second quarter amounted to 7.8%. Daily revenues for the first half of the year increased by 6.3% compared with same period last year.

We also saw continued encouraging growth in the Time Definite Domestic (TDD) product line: in the first half of 2013 our customers sent 9.6% more shipments per day than in the previous year. The increase in the second quarter amounted to 8.7%. Daily revenues rose by 7.0% in the first half of the year.

For reasons of materiality, we no longer report the Day Definite Domestic (DDD) product line separately with effect from the first quarter of 2013.

24 EXPRESS: revenue by product

€m per day[1]	H1 2012 adjusted	H1 2013	+/– %	Q2 2012 adjusted	Q2 2013	+/– %
Time Definite International (TDI)	33.5	35.6	6.3	35.1	37.1	5.7
Time Definite Domestic (TDD)[2]	4.3	4.6	7.0	4.4	4.6	4.5

[1] To improve comparability, product revenues were translated at uniform exchange rates. These revenues are also the basis for the weighted calculation of working days.
[2] The daily revenues of the previous year were adjusted to reflect the divestment of the domestic express business in Australia and New Zealand.

25 EXPRESS: volumes by product

thousands of items per day[1]	H1 2012 adjusted	H1 2013	+/– %	Q2 2012 adjusted	Q2 2013	+/– %
Time Definite International (TDI)	583	634	8.7	602	649	7.8
Time Definite Domestic (TDD)	742	813	9.6	755	821	8.7

[1] To improve comparability, product revenues were translated at uniform exchange rates. These revenues are also the basis for the weighted calculation of working days.

Revenue growth in Europe region continues

Although the economic situation in the euro zone remained weak, we increased revenue in the Europe region by 4.5% to €2,902 million in the first half of 2013 (previous year: €2,778 million). The figure still included revenues of €5 million related to the domestic express business in Romania which was sold in the first quarter. Excluding this sale and negative currency effects of €21 million related mainly to our business activities in Switzerland, the UK, Russia, Turkey and several countries in Eastern Europe, revenue growth was 5.4%. The per-day shipments in the TDI product line grew by 9.9%.

Revenue and volumes increased in the Americas region

In the Americas region, revenue rose by 1.8% in the first half of 2013 to €1,106 million (previous year: €1,086 million). This figure includes negative currency effects of €25 million related mainly to our business activities in Venezuela as well as those in the United States, Canada and Central and South America. Excluding these effects, revenue in the region increased by 4.1%. In the TDI product line, we made 6.7% more deliveries per day than in the prior-year period.

Business trend in the Asia Pacific region remains positive

In the Asia Pacific region, revenue grew slightly by 0.5% to €2,102 million in the first half of 2013 (previous year: €2,091 million). In the previous year this figure still included revenues related to the disposals mentioned above in the amount of €60 million. Excluding these divestments and negative currency effects of €59 million, revenue grew by 6.2% year-on-year. The per-day shipment volumes in the TDI product line were up by 8.6% in the first half of 2013.

Volumes in the MEA region increased again

In the MEA region (Middle East and Africa), revenue in the first half of 2013 was €466 million and thus slightly below the prior year's figure of €482 million. The figure for the reporting period includes negative currency effects of €20 million. Excluding these effects, the business grew by 0.8% on the previous year. Per-day shipment volumes increased again, by 7.4% in the TDI product line and by 4.6% in the TDD product line.

Prior-year EBIT benefited from high positive one-time effects

EBIT in the division was €550 million in the first half of 2013, 8.2% below the adjusted prior-year figure of €599 million. The prior-year figure included one-time effects, which had a positive impact on earnings of €113 million. The EBIT figure for the reporting period includes a €12 million deconsolidation gain on the divestment of the domestic express business in Romania. Excluding these effects, earnings in the first half of the year improved considerably by 10.7%; in the second quarter the figure was even higher at 16.5%. Significantly higher revenues and specifically targeted cost management contributed to this.

Return on sales in the first half of the year amounted to 8.8% (previous year, adjusted: 9.6%) and in the second quarter 9.1% (previous year: 11.3%). Excluding the one-time effects mentioned above, return on sales in the first half of 2013 improved from 7.8% to 8.6% and in the second quarter notably to 9.1% (previous year: 7.8%).

Increased operating earnings and further optimised working capital management significantly increased the division's operating cash flow in the first half of 2013 by 67.6% to €461 million (previous year: €275 million).

GLOBAL FORWARDING, FREIGHT division

Freight forwarding business declines in cautious market

Revenue in the division decreased by 4.2% to €7,337 million in the first half of 2013 (previous year: €7,659 million). This figure includes negative currency effects of €100 million. As expected, the market trend has generated no real impetus in a cautious macroeconomic environment. The freight forwarding business has experienced a decline.

Economic parameters, page 3

In the Global Forwarding business unit, revenue decreased by 5.8% to €5,306 million in the first half of the year (previous year: €5,635 million). Excluding negative currency effects of €106 million, the decline was 4.0%. Gross profit decreased slightly by 1.4% to €1,269 million (previous year: €1,287 million).

Our strategic project NFE is making good progress. The aim is to develop and promptly introduce a forward-looking operating model with efficient processes and state-of-the-art IT systems.

Declines in air and ocean freight impact gross profit

During the reporting period, revenues and volumes decreased year-on-year – less noticeably in ocean freight but more so in air freight. Fuel prices remained high whilst freight rates increased slightly.

Our air freight volumes in the first half of the year were 5.8% below the prior-year figure, due primarily to a decline in demand in both the Technology and Engineering & Manufacturing sectors. Freight rates increased slightly; on the short-term spot market, fewer options became available than in the prior year. Airlines expanded their passenger capacities by putting new aircraft into operation; however, freight capacities were reduced significantly in some cases. Our air freight revenue in the first half of 2013 declined by 9.9%, which resulted in a 9.0% decrease in gross profit.

Ocean freight volumes fell slightly by 1.5% compared with the first half of 2012. Whilst demand stagnated on the traditional east-west trade lanes, it rose further on north-south and intra-continental routes. Ocean carriers continued to put new ships into operation, although at the same time they strictly managed the effective capacity on the market by either adjusting travel speed or limiting services. Our ocean freight revenue in the first half of 2013 decreased slightly by 0.9%; gross profit improved by 1.2%.

The industrial project business (in table 26, reported as part of Other) saw stable development compared with the first half of 2012. Discontinuing our ship charter business in China last year resulted in a drop in revenue, which could however be offset partially by the addition of new profitable business. The share of revenue related to industrial project business and reported under Other was 37.8% in the first half of 2013 and therefore slightly below the prior-year figure of 38.8%. Gross profit improved by a single-digit percentage compared with the prior year.

26 Global Forwarding: revenue

€m	H1 2012	H1 2013	+/– %	Q2 2012	Q2 2013	+/– %
Air freight	2,714	2,445	–9.9	1,402	1,240	–11.6
Ocean freight	1,783	1,767	–0.9	954	901	–5.6
Other	1,138	1,094	–3.9	609	555	–8.9
Total	**5,635**	**5,306**	**–5.8**	**2,965**	**2,696**	**–9.1**

27 Global Forwarding: volumes

thousands		H1 2012	H1 2013	+/– %	Q2 2012	Q2 2013	+/– %
Air freight	tonnes	2,038	1,919	–5.8	1,046	986	–5.7
of which exports	tonnes	1,135	1,070	–5.7	583	551	–5.5
Ocean freight	TEUs[1]	1,388	1,367[2]	–1.5	716	709	–1.0

[1] Twenty-foot equivalent units.
[2] Q1 2013 adjusted: 658 TEUs.

Revenue in European overland transport business up slightly

In the Freight business unit, revenue increased slightly by 0.4% to €2,096 million in the first half of 2013 (previous year: €2,087 million), in spite of the fact that there were 1.6 fewer working days. Business growth, primarily in the Netherlands, Germany, France and the Czech Republic, contributed to this as well as a positive currency effect of €6 million. As a result, we were able to more than offset revenue declines in Scandinavia, Italy, Slovakia, Austria and the Iberian peninsula. Gross profit in the first half of the year was €579 million, which was slightly above the prior-year figure of €577 million, and driven in part by higher productivity.

EBIT declines as a result of narrower gross profit margins

Despite strict cost management and a further improvement in the relationship between gross margin and EBIT, lower gross profit margins pushed EBIT in the division down slightly in the first half of 2013, from €225 million in the previous year to €217 million. As in the previous year, this figure includes expenses for the NFE project. Return on sales improved slightly to 3.0% (previous year: 2.9%).

Net working capital improved in the first half of 2013, leading to an operating cash flow of €169 million (previous year: €164 million).

SUPPLY CHAIN division

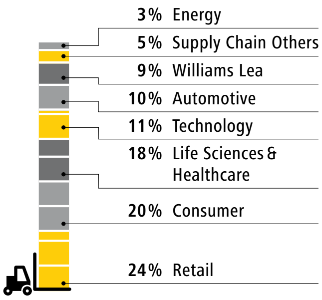
Revenue growth impacted by negative currency effects

Earnings, page 5 f.

In the first half of 2013, revenue in the division increased by 1.4% to €7,033 million (previous year: €6,937 million). In the reporting period, we disposed of our investments in three businesses, which were no longer considered to be core activities. This reduced revenue by €28 million. Excluding these disposals and negative currency effects of €196 million, revenue grew by 4.6%. In the second quarter, revenue improved by 0.6% year-on-year from €3,528 million to €3,550 million. Excluding the effects mentioned above, revenue growth was 5.6%.

28 SUPPLY CHAIN: revenue by sector, H1 2013

Total revenue: €7,033 million



Revenues and volumes up in Supply Chain's focus sectors

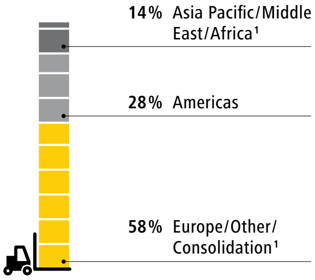
In the Supply Chain business unit, revenue in the first half of the year grew by 2.0% year-on-year to €6,407 million (previous year: €6,284 million). Excluding disposals and negative currency effects, growth was 5.3%. The largest revenue increases were seen in the Automotive, Life Sciences & Healthcare and Consumer sectors along with significant growth in Airline Business Solutions. Revenue from the top 20 customers increased by 4.6%.

In the Americas region, revenues in all focus sectors improved on the prior-year period. Additional volume and new business generated increased revenue in the major sectors Consumer, Life Sciences & Healthcare and Automotive. The strongest revenue growth was seen in the Technology sector – principally in Latin America.

The largest percentage revenue increase was achieved in the Asia Pacific region, primarily in Australia, China and Thailand. Revenue growth in Australia stemmed from additional volumes and new business, above all in the Consumer, Life Sciences & Healthcare and Technology sectors, as well as from Airline Business Solutions. In China, revenue increased significantly in the Consumer and Technology sectors. We grew in Thailand as a result of new business and higher volumes in the Automotive, Consumer and Retail sectors.

29 SUPPLY CHAIN: revenue by region, H1 2013

Total revenue: €7,033 million



[1] At the beginning of 2013, the subregion Middle East and Africa was consolidated into the Asia Pacific region.

In Europe, Automotive sector and Airline Business Solutions volumes increased on account of higher end-customer demand. Revenue in the Life Sciences & Healthcare sector improved due to additional business with the UK National Health Service. Business in other parts of Europe was affected adversely by the economic environment.

Williams Lea revenue was €629 million in the first half of the year, a decrease of 4.1% on the previous year (€656 million). Excluding negative currency effects, revenue declined by 1.7%, due primarily to lower volumes in the banking and legal sectors as well as some contract losses.

New business worth around €780 million concluded

In the first half of 2013, the Supply Chain business unit concluded additional contracts worth around €780 million in annualised revenue with both new and existing customers. Substantial signings were secured with major customers in the Consumer, Retail and Technology sectors. The annualised contract renewal rate remained at a consistently high level.

Business disposals and one-time effects adversely impact earnings

EBIT in the division was €163 million in the first half of 2013 (previous year, adjusted: €193 million). This figure includes expenses associated with the business disposals as well as programmes aimed at reducing indirect costs and improving future margins. Earnings suffered from lower volumes and the first-quarter charges associated with the Chapter 11 insolvency filing of a major Williams Lea customer based in the United States. The further improved management of our contract portfolio and the strong performance in the Americas and Asia Pacific regions offset lower volumes and margin pressure in other markets. The EBIT margin declined to 2.3% (previous year: 2.8%) due to the one-time charges mentioned. In the second quarter, EBIT amounted to €79 million (previous year: €101 million). Operating cash flow for the first half of 2013 increased from €–60 million in the previous year to €47 million.

NON-FINANCIAL PERFORMANCE INDICATORS

Employees

Slight increase in number of employees

The average number of employees (full-time equivalents) increased slightly to 431,838 in the first six months of 2013, a 0.8% increase compared with the previous year's average. Staff numbers continued to rise mainly in the SUPPLY CHAIN division.

Our current planning calls for a slight increase in the number of employees in financial year 2013.

Research and development

No research and development in the narrower sense

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

FURTHER DEVELOPMENTS

No further significant events

There were no significant events with material effects on the Group's earnings, financial position and assets and liabilities after the reporting date.

OUTLOOK

Overall assessment of expected performance

Full-year earnings forecast adjusted for one-time effect

Our strong position as market leader in the German mail and parcel business and in nearly all of our logistics activities is the best possible basis for our further growth. We are raising our forecast slightly for financial year 2013 due only to the one-time effect recorded in the MAIL division in the second quarter: we now expect consolidated EBIT to reach between €2.75 billion and €3.00 billion. Overall, world economic growth is likely to be similar to that of the previous year. A similar development is expected for world trade. The MAIL division is now likely to contribute between €1.15 billion and €1.25 billion to consolidated EBIT. Compared with the previous year, we continue to expect an additional improvement in overall earnings to between €2.00 billion and €2.15 billion in the DHL divisions. At around €–0.4 billion, the Corporate Center/Other result should be on a par with the previous year. In 2013, operating cash flow will recover from the one-time charges in the previous year and benefit from the expected earnings improvement.

Opportunities and risks

Opportunities and risks identified and assessed early

In order to sustainably increase the Group's success, we have established a uniform control process to identify and assess opportunities and risks at an early stage. Management is informed systematically of events or changes that could significantly impact our business operations. We describe our opportunity and risk management process and the significant risks affecting our earnings, financial position and assets and liabilities in the 2012 Annual Report beginning on page 85 and in the Interim Report January to March 2013 starting on page 22.

dp-dhl.com/en/investors.html

Opportunities

The Group's unchanged economic opportunities are described in the 2012 Annual Report beginning on page 88.

dp-dhl.com/en/investors.html

Overall assessment of risk position

In the first six months of 2013, no further significant risks or changes to such risks arose beyond those presented in the 2012 Annual Report and the Interim Report January to March 2013. Based upon the Group's risk control system and in the estimation of the Board of Management of the Group, there are currently no identifiable risks that, individually or collectively, cast doubt upon the Group's ability to continue as a going concern.

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Future organisation

No material changes to the organisation

No further material changes to the Group's organisational structure are planned at the moment for the current financial year.

Future economic parameters

Global economy and global trade forecast to grow by 3.1%

According to economists, global economic growth is likely to remain cautious in 2013 on the whole, although it is forecast to pick up slightly as the year progresses. The monetary policies of the central banks are expected to have a delayed positive impact on the economy. Risk continues to lie in the sovereign debt crisis in the euro zone. The direction of the US Federal Reserve's monetary policy represents a considerable element of uncertainty. The mere indication from the bank that it might reduce bond purchases as the year progresses triggered turbulence in the equity markets. The International Monetary Fund (IMF) expects global economic output to grow by 3.1% in 2013. For world trade, it is forecasting the same rate of increase.

In 2013, China will scarcely surpass its growth rate of the prior year, which was moderate by Chinese standards (forecast rate: IMF: 7.8%; Global Insight: 7.8%; Bloomberg Consensus: 7.7%). The Japanese economy is expected to continue to benefit from the weak yen and the expansive monetary policy of the Bank of Japan; GDP is likely to see solid growth (IMF: 2.0%; Global Insight: 1.5%; Bloomberg Consensus: 1.9%).

Halfway through the year, the US economy seems to be improving. In view of the sharp rise in private consumption and construction spending, GDP growth is likely to increase in the second half of the year. Given the unfavourable initial position at the beginning of 2013, however, full-year GDP growth is expected to be lower than in 2012 (IMF: 1.7%; Global Insight: 1.8%; Bloomberg Consensus: 1.9%).

In the euro zone, there are signs that the economy is beginning to stabilise and may even show a slight recovery. Domestic demand is forecast to decline further, whilst the decrease in private consumption is expected to let up noticeably. Foreign trade is again likely to support the economy. On the whole, however, GDP is expected to experience another decrease in 2013 (IMF: –0.6%; ECB: –0.6%; Global Insight: –0.7%).

The German economy continues to be in considerably better form than the euro zone as a whole. Early indicators such as the German Ifo Business Climate Index suggest that the economy in Germany might pick up slightly over the course of the year. However, GDP is likely to only see a slight rise in 2013 (IMF: 0.3%; Deutsche Bundesbank: 0.3%; Ifo: 0.6%).

Revenue and earnings forecast

Expectations regarding how the global economy will perform in 2013 remain cautious and at the lower end of the long-term trend. Overall, growth is likely to be similar to that of the previous year. The global trading volumes relevant to our business are expected to perform similarly. We are therefore anticipating a corresponding revenue trend, with increasing revenue, particularly in the DHL divisions.

Against this backdrop, we are raising our forecast slightly for financial year 2013 due only to the one-time effect recorded in the MAIL division in the second quarter: we now expect consolidated EBIT to reach between €2.75 billion and €3.00 billion. The MAIL division is now likely to contribute between €1.15 billion and €1.25 billion to this figure. Compared with the previous year, we continue to expect an additional improvement in overall earnings to between €2.00 billion and €2.15 billion in the DHL divisions. At around €–0.4 billion, the Corporate Center/Other result should be on a par with the previous year.

In 2013, we plan to invest a maximum of €1.8 billion. In line with our Group strategy, we are targeting organic growth and anticipate only a few small acquisitions in 2013, as in the previous year. In 2013, operating cash flow will recover from the one-time charges in the previous year and benefit from the expected earnings improvement.

Even in the face of an uncertain economic climate, particularly in the western economies, we believe that the Group will experience good earnings momentum. We expect a similarly positive business trend in 2014 as another step towards the earnings targets we defined for 2015. The cost reduction measures and growth programmes initiated in the MAIL division are expected to keep EBIT stable at €1 billion at the least, even though letter volumes are likely to continue their slow decline due to electronic substitution. In the DHL divisions, we expect EBIT, taking the earnings contribution in 2010 as the baseline, to improve at an annual average of 13% to 15% in the period from 2011 to 2015 as trading volumes continue to recover.

Our finance strategy calls for paying out 40% to 60% of net profits as dividends as a general rule.

Projected financial position

Creditworthiness of the Group remains adequate

Based upon the projected earnings trend for 2013, we expect the "FFO to debt" performance metric to improve and the rating agencies to continue to rank our creditworthiness as adequate.

Liquidity situation remains solid

Our operating liquidity situation will improve towards the end of the year due to the upturn in business that is normal in the second half.

In view of the January 2014 maturity date for the bond issued by Deutsche Post Finance B.V. in the amount of €0.9 billion, we shall analyse the option of refinancing under the Debt Issuance Programme and borrow from the capital market if necessary.

Capital expenditure to increase

As described in our 2012 Annual Report, we intend to increase capital expenditure in financial year 2013 to a maximum of €1.8 billion. Such investments shall focus predominantly on IT, aircraft and machinery.

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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 upon 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 at 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.

@ Any internet sites referred to in the Interim Report by the Board of Management do not form part of the report.

30 INCOME STATEMENT

1 January to 30 June

€m	H1 2012 adjusted[1]	H1 2013	Q2 2012 adjusted[1]	Q2 2013
Revenue	27,096	27,093	13,732	13,649
Other operating income	1,139	930	761	490
Total operating income	28,235	28,023	14,493	14,139
Materials expense	–15,488	–15,239	–7,917	–7,721
Staff costs	–8,787	–8,994	–4,460	–4,538
Depreciation, amortisation and impairment losses	–647	–655	–331	–334
Other operating expenses	–2,079	–1,805	–1,242	–927
Total operating expenses	–27,001	–26,693	–13,950	–13,520
Profit from operating activities (EBIT)	**1,234**	**1,330**	**543**	**619**
Net income from associates	0	0	0	0
Other financial income	611	138	43	65
Other finance costs	–755	–197	–270	–90
Foreign currency result	–36	–24	–22	–14
Net other finance costs	–180	–83	–249	–39
Net finance costs	**–180**	**–83**	**–249**	**–39**
Profit before income taxes	**1,054**	**1,247**	**294**	**580**
Income taxes	–283	–274	–79	–127
Consolidated net profit for the period	**771**	**973**	**215**	**453**
attributable to Deutsche Post AG shareholders	725	920	196	422
attributable to non-controlling interests	46	53	19	31
Basic earnings per share (€)	**0.60**	**0.76**	**0.16**	**0.35**
Diluted earnings per share (€)	**0.60**	**0.73**	**0.16**	**0.33**

[1] Note 4.

31 STATEMENT OF COMPREHENSIVE INCOME

1 January to 30 June

€m	H1 2012 adjusted[1]	H1 2013	Q2 2012 adjusted[1]	Q2 2013
Consolidated net profit for the period	**771**	**973**	**215**	**453**
Items that will not be reclassified to profit or loss				
Change in actuarial gains and losses of defined benefit plans	–598	230	–299	546
IFRS 3 revaluation reserve	–1	–1	–1	–1
Other changes in retained earnings	1	1	1	1
Income taxes relating to components of other comprehensive income	4	–57	2	–90
Share of other comprehensive income of associates (after tax)	0	0	0	0
Total (after tax)	**–594**	**173**	**–297**	**456**
Items that may be subsequently reclassified to profit or loss				
IAS 39 revaluation reserve				
Changes from unrealised gains and losses	–10	35	–10	26
Changes from realised gains and losses	0	0	0	0
IAS 39 hedging reserve				
Changes from unrealised gains and losses	–51	77	–51	79
Changes from realised gains and losses	23	–13	13	–6
Currency translation reserve				
Changes from unrealised gains and losses	197	–220	289	–244
Changes from realised gains and losses	2	2	2	2
Income taxes relating to components of other comprehensive income	10	–18	12	–21
Share of other comprehensive income of associates (after tax)	–37	0	0	0
Total (after tax)	**134**	**–137**	**255**	**–164**
Other comprehensive income (after tax)	**–460**	**36**	**–42**	**292**
Total comprehensive income	**311**	**1,009**	**173**	**745**
attributable to Deutsche Post AG shareholders	258	958	144	722
attributable to non-controlling interests	53	51	29	23

[1] Notes 1 and 4.

32 BALANCE SHEET

€m	1 Jan. 2012 adjusted[1]	31 Dec. 2012 adjusted[1]	30 June 2013
ASSETS			
Intangible assets	12,196	12,151	11,990
Property, plant and equipment	6,493	6,663	6,437
Investment property	40	43	35
Investments in associates	44	46	46
Non-current financial assets	729	1,039	1,115
Other non-current assets	280	298	301
Deferred tax assets	1,206	1,328	1,074
Non-current assets	**20,988**	**21,568**	**20,998**
Inventories	273	322	347
Current financial assets	2,498	252	225
Trade receivables	6,934	6,959	6,935
Other current assets	2,155	2,153	2,724
Income tax assets	239	127	151
Cash and cash equivalents	3,123	2,400	1,883
Assets held for sale	1,961	76	44
Current assets	**17,183**	**12,289**	**12,309**
Total ASSETS	**38,171**	**33,857**	**33,307**
EQUITY AND LIABILITIES			
Issued capital	1,209	1,209	1,209
Capital reserves	2,170	2,254	2,258
Other reserves	–456	–475	–612
Retained earnings	6,366	6,031	6,275
Equity attributable to Deutsche Post AG shareholders	9,289	9,019	9,130
Non-controlling interests	189	209	175
Equity	**9,478**	**9,228**	**9,305**
Provisions for pensions and similar obligations	6,055	5,216	4,988
Deferred tax liabilities	186	156	189
Other non-current provisions	2,117	1,943	1,789
Non-current provisions	8,358	7,315	6,966
Non-current financial liabilities	1,366	4,413	3,460
Other non-current liabilities	347	276	237
Non-current liabilities	1,713	4,689	3,697
Non-current provisions and liabilities	**10,071**	**12,004**	**10,663**
Current provisions	2,134	1,663	1,655
Current financial liabilities	5,644	403	1,696
Trade payables	6,168	5,991	5,493
Other current liabilities	4,106	4,004	4,125
Income tax liabilities	570	534	369
Liabilities associated with assets held for sale	0	30	1
Current liabilities	16,488	10,962	11,684
Current provisions and liabilities	**18,622**	**12,625**	**13,339**
Total EQUITY AND LIABILITIES	**38,171**	**33,857**	**33,307**

[1] Note 4.

33 CASH FLOW STATEMENT

1 January to 30 June

€m	H1 2012 adjusted[1]	H1 2013	Q2 2012 adjusted[1]	Q2 2013
Consolidated net profit for the period attributable to Deutsche Post AG shareholders	725	920	196	422
Consolidated net profit for the period attributable to non-controlling interests	46	53	19	31
Income taxes	283	274	79	127
Net other finance costs	180	83	249	39
Net income from associates	0	0	0	0
Profit from operating activities (EBIT)	1,234	1,330	543	619
Depreciation, amortisation and impairment losses	647	655	331	334
Net income from disposal of non-current assets	–55	–17	–49	1
Non-cash income and expense	–4	–10	–3	–6
Change in provisions	–774	–229	–530	–62
Change in other non-current assets and liabilities	–50	–25	–22	–22
Income taxes paid	–227	–276	–136	–134
Net cash from operating activities before changes in working capital	**771**	**1,428**	**134**	**730**
Changes in working capital				
Inventories	–18	–35	–6	–37
Receivables and other current assets	–986	–763	–150	–55
Liabilities and other items	91	–9	237	–137
Net cash used in/from operating activities	**–142**	**621**	**215**	**501**
Subsidiaries and other business units	39	30	39	13
Property, plant and equipment and intangible assets	104	85	48	38
Other non-current financial assets	26	11	21	9
Proceeds from disposal of non-current assets	169	126	108	60
Subsidiaries and other business units	–35	–23	–37	–24
Property, plant and equipment and intangible assets	–667	–549	–353	–255
Other non-current financial assets	–325	–29	–314	–6
Cash paid to acquire non-current assets	–1,027	–601	–704	–285
Interest received	27	27	13	9
Dividend received	0	12	0	12
Current financial assets	0	–22	–10	–17
Net cash used in investing activities	**–831**	**–458**	**–593**	**–221**
Proceeds from issuance of non-current financial liabilities	1,247	2	1,242	0
Repayments of non-current financial liabilities	–30	–26	–14	–5
Change in current financial liabilities	–26	340	6	18
Other financing activities	0	13	–6	1
Proceeds from transactions with non-controlling interests and venturers	10	1	10	1
Cash paid for transactions with non-controlling interests	–60	0	–60	0
Dividend paid to Deutsche Post AG shareholders	–846	–846	–846	–846
Dividend paid to non-controlling interest holders	–7	–10	–6	–9
Purchase of treasury shares	–26	–23	–4	0
Proceeds from issuing shares or other equity instruments	0	4	0	4
Interest paid	–93	–92	–36	–43
Net cash from/used in financing activities	**169**	**–637**	**286**	**–879**
Net change in cash and cash equivalents	–804	–474	–92	–599
Effect of changes in exchange rates on cash and cash equivalents	21	–41	37	–40
Changes in cash and cash equivalents associated with assets held for sale	0	–2	0	21
Changes in cash and cash equivalents due to changes in consolidated group	0	0	1	0
Cash and cash equivalents at beginning of reporting period	3,123	2,400	2,394	2,501
Cash and cash equivalents at end of reporting period	**2,340**	**1,883**	**2,340**	**1,883**

[1] Note 4.

34 STATEMENT OF CHANGES IN EQUITY

1 January to 30 June

€m			Other reserves							
	Issued capital	Capital reserves	IFRS 3 revaluation reserve	IAS 39 revaluation reserve	IAS 39 hedging reserve	Currency translation reserve	Retained earnings	Equity attributable to Deutsche Post AG shareholders	Non-controlling interests	Total equity
Balance at 1 January 2012	1,209	2,170	5	90	–34	–517	8,086	11,009	190	11,199
Adjustment[1]	0	0	0	0	0	0	–1,720	–1,720	–1	–1,721
Balance at 1 January 2012, adjusted	1,209	2,170	5	90	–34	–517	6,366	9,289	189	9,478
Capital transactions with owner										
Dividend	0	0	0	0	0	0	–846	–846	–7	–853
Transactions with non-controlling interests	0	0	0	0	0	–3	21	18	–19	–1
Changes in non-controlling interests due to changes in consolidated group	0	0	0	0	0	0	0	0	–6	–6
Issue of shares or other equity instruments	0	0	0	0	0	0	0	0	0	0
Purchase of treasury shares	–2	0	0	0	0	0	–24	–26	0	–26
Share Matching Scheme (issuance)	0	23	0	0	0	0	0	23	0	23
Share Matching Scheme (exercise)	2	–24	0	0	0	0	22	0	0	0
								–831	**–32**	**–863**
Total comprehensive income										
Consolidated net profit for the period	0	0	0	0	0	0	725	725	46	771
Currency translation differences	0	0	0	0	0	236	0	236	7	243
Change in actuarial gains and losses of defined benefit plans	0	0	0	0	0	0	–594	–594	0	–594
Other changes	0	0	–1	–89	–20	0	1	–109	0	–109
								258	53	311
Balance at 30 June 2012	**1,209**	**2,169**	**4**	**1**	**–54**	**–284**	**5,671**	**8,716**	**210**	**8,926**
Balance at 1 January 2013	1,209	2,254	3	–1	–7	–463	8,956	11,951	213	12,164
Adjustment[1]	0	0	0	0	0	–7	–2,925	–2,932	–4	–2,936
Balance at 1 January 2013, adjusted	1,209	2,254	3	–1	–7	–470	6,031	9,019	209	9,228
Capital transactions with owner										
Dividend	0	0	0	0	0	0	–846	–846	–93	–939
Transactions with non-controlling interests	0	0	0	0	0	0	–2	–2	2	0
Changes in non-controlling interests due to changes in consolidated group	0	0	0	0	0	0	0	0	1	1
Issue of shares or other equity instruments	0	0	0	0	0	0	0	0	5	5
Purchase of treasury shares	–1	0	0	0	0	0	–22	–23	0	–23
Share Matching Scheme (issuance)	0	24	0	0	0	0	0	24	0	24
Share Matching Scheme (exercise)	1	–20	0	0	0	0	19	0	0	0
								–847	**–85**	**–932**
Total comprehensive income										
Consolidated net profit for the period	0	0	0	0	0	0	920	920	53	973
Currency translation differences	0	0	0	0	0	–217	0	–217	–1	–218
Change in actuarial gains and losses of defined benefit plans	0	0	0	0	0	0	174	174	–1	173
Other changes	0	0	–1	35	46	0	1	81	0	81
								958	51	1,009
Balance at 30 June 2013	**1,209**	**2,258**	**2**	**34**	**39**	**–687**	**6,275**	**9,130**	**175**	**9,305**

[1] Note 4.

SELECTED EXPLANATORY NOTES

Company information

Deutsche Post AG is a listed corporation domiciled in Bonn, Germany. The condensed consolidated interim financial statements of Deutsche Post AG and its subsidiaries cover the period from 1 January to 30 June 2013 and have been reviewed.

BASIS OF PREPARATION

1 Basis of accounting

The accompanying condensed consolidated interim financial statements as at 30 June 2013 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 condensed interim financial statements.

Preparation of the condensed consolidated interim financial statements for interim financial reporting in accordance with IAS 34 requires the Board of Management to exercise judgement 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 thus far in financial year 2013 are not necessarily an indication of how business will develop in the future.

The accounting policies applied to the condensed consolidated interim financial statements are generally based on the same accounting policies used in the consolidated financial statements for financial year 2012. For further information on the accounting policies applied, please refer to the consolidated financial statements for the year ended 31 December 2012, on which these interim financial statements are based.

Departures from the accounting policies applied in financial year 2012 consist of the new or amended international accounting pronouncements under IFRSs required to be applied since financial year 2013.

Amendments to IAS 1 (Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income)

Entities must classify items presented in other comprehensive income by whether they will not or may be subsequently reclassified to profit or loss (recycled). The presentation has been adjusted; statement of comprehensive income. There were no other effects.

Amendments to IAS 19 (Employee Benefits)

These amendments significantly affect the recognition and measurement of the cost of defined benefit pension plans and termination benefits. The corresponding effects on the balance sheet as well as certain changes to the disclosure requirements must also be reflected. With regard to defined benefit plans, the recognition of actuarial gains and losses (remeasurements) in retained earnings, and the use of a uniform discount rate for provisions for pensions and similar obligations, are of particular significance. The more detailed requirements on the recognition of administration costs are also relevant. Furthermore, the classification of partial retirement obligations has changed. For more details on the adjustments, Note 4.

Amendments to IAS 12 (Deferred Tax: Recovery of Underlying Assets)

The amendment introduces a mandatory rebuttable presumption in respect of the treatment of temporary taxable differences for investment property for which the fair value model is applied in accordance with IAS 40. The change had no effect on the consolidated financial statements.

Amendments to IFRS 7 (Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities)

The amendment to IAS 32 relating to the presentation of the offsetting of financial assets and liabilities and the associated additions to IFRS 7 requires comprehensive disclosure of the rights of set-off, especially for those rights that do not result in offsetting under IFRSs. The change has no significant influence on the financial statements.

IFRS 13 (Fair Value Measurement)

This sets out uniform, overarching requirements for the measurement of fair value. It requires a specific presentation of the techniques used to determine fair value. The application of the new standard results in additional disclosure requirements; Note 17.

Annual Improvements to IFRSs 2009–2011 Cycle

The Annual Improvements to IFRSs 2009–2011 Cycle were adopted by the European Union in March 2013. The annual improvement process refers to the following standards: IFRS 1 (First-Time Adoption of International Financial Reporting Standards), IAS 1 (Presentation of Financial Statements), IAS 16 (Property, Plant and Equipment), IAS 32 (Financial Instruments: Presentation) and IAS 34 (Interim Financial Reporting). The amendments to be applied with effect from 1 January 2013 do not affect the presentation of the financial statements.

Amendments to IFRS 10, IFRS 11, IFRS 12 (Transitional Provisions)

The amendments relate to the transitional provisions in respect of the initial application of the above standards. They must be applied at the same time as the effective dates for IFRS 10, IFRS 11 and IFRS 12 (1 January 2014, according to European law).

Detailed explanations can be found in the 2012 Annual Report, Note 4 "New developments in international accounting under IFRSs".

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

	31 Dec. 2012	30 June 2013
Number of fully consolidated companies (subsidiaries)		
German	85	87
Foreign	730	715
Number of proportionately consolidated joint ventures		
German	1	1
Foreign	3	3
Number of equity-accounted companies (associates)		
German	0	0
Foreign	8	8

Acquisitions in the period up to 30 June 2013

Deutsche Post DHL acquired the following companies in the first half of 2013:

Acquisitions, 2013

Name	Country	Segment	Equity interest in %	Date of acquisition
Compador Technologies GmbH, Berlin	Germany	MAIL	49	15 Jan. 2013
optivo GmbH, Berlin	Germany	MAIL	100	28 June 2013

In January 2013, Deutsche Post DHL acquired 49% of the shares of Compador Technologies GmbH, Berlin, which specialises in the development and manufacture of sorting machines and software solutions covering the entire range of mail items processed by mail service providers and companies. The company is consolidated because of existing potential voting rights.

In addition, e-mail marketing services provider optivo GmbH, Berlin, was acquired in June 2013. optivo provides technical e-mail marketing services in the German-speaking countries. The software and services offered by the company make it possible to reach out to existing customers by automatically sending targeted campaign e-mails.

Insignificant acquisitions, 2013

€m 1 January to 30 June	Carrying amount	Adjustment	Fair value
ASSETS			
Non-current assets	1	–	1
Current assets	3	–	3
Cash and cash equivalents	2	–	2
	6	–	6
EQUITY AND LIABILITIES			
Current liabilities and provisions	2	–	2
	2	–	2
Net assets			4

The calculation of goodwill is presented in the following table:

Goodwill, 2013

€m	Fair value
Cost	23
Less net assets	4
Difference	19
Plus non-controlling interests[1]	1
Goodwill	20

[1] Non-controlling interests are recognised at their carrying amounts.

The companies' contribution to consolidated revenue and consolidated EBIT was insignificant.

€21 million has so far been paid for the companies acquired in financial year 2013 and €4 million was paid for companies acquired in previous years.

Acquisitions in the period up to 30 June 2012

Deutsche Post DHL acquired the following company in the prior-year period:

Acquisitions, 2012

Name	Country	Segment	Equity interest in %	Date of acquisition
Tag Belgium, Brussels (formerly Dentsu Brussels SA)	Belgium	SUPPLY CHAIN	100	1 Feb. 2012

Tag Belgium is active in the communications sector and specialises in the design, production and localisation of print media.

Insignificant acquisitions, 2012

€m 1 January to 30 June	Carrying amount	Adjustment	Fair value
ASSETS			
Non-current assets	1	–	1
Current assets	3	–	3
Cash and cash equivalents	2	–	2
	6	–	6
EQUITY AND LIABILITIES			
Current liabilities and provisions	4	–	4
	4	–	4
Net assets			2

The calculation of goodwill is presented in the following table:

Goodwill, 2012

€m	Fair value
Cost	0
Less net assets	2
Negative goodwill	–2

Purchase price allocation resulted in negative goodwill of €2 million, which is reported in other operating income. The negative goodwill is attributable to the coverage of potential business risks. The effects on consolidated revenue and consolidated EBIT were insignificant.

Apart from the acquisition of Tag Belgium, no further investments were made in the first half of 2012. The purchase price for the company acquired was paid by transferring cash funds. €37 million was paid for companies acquired in previous years.

Contingent consideration

Basis	Period for financial years from/to	Results range from	Fair value of total obligation	Remaining payment obligation
Revenue and gross income[1]	2011 to 2013	€0 to €2 million	€2 million	€1 million
EBITDA	2011 to 2012	unlimited	€1 million	€0 million
Revenue and EBITDA[2]	2011 to 2013	€0 to €3 million	€1 million	€0 million
Revenue and sales margin	2012 to 2014	€0 to €9 million	€4 million	€4 million

[1] Both the range and the fair value changed due to amended agreements and earnings forecasts.
[2] Change in the fair value of the total and remaining payment obligation due to differences between actual and estimated amounts.

Acquisitions after the reporting date

At the end of July 2013, Deutsche Post DHL acquired all of the shares of Riser ID Services GmbH, Berlin, for €10 million. The company is a service provider offering electronic address information from public resident registers. The company has been assigned to the MAIL division. Provisional net assets amount to €2 million. Based on this, the provisional goodwill is €8 million. This company will be initially consolidated in the third quarter of 2013.

Disposal and deconsolidation effects in the period up to 30 June 2013

SUPPLY CHAIN SEGMENT

Deutsche Post DHL completed the sale of the fashion logistics business of DHL Fashion (France) SAS, France, in April 2013. The assets and liabilities of the business concerned were reclassified as held for sale in financial year 2012 in accordance with IFRS 5. The most recent measurement of the assets prior to their reclassification resulted in an impairment loss of €1 million in 2012, which was reported in depreciation, amortisation and impairment losses.

In addition, ITG GmbH Internationale Spedition und Logistik, Germany, was sold together with its subsidiaries in June 2013. The companies' assets and liabilities were reclassified as held for sale in the first quarter of 2013 in accordance with IFRS 5. The most recent measurement of the assets prior to their reclassification did not indicate any impairment.

The sale of US company Exel Direct Inc. including its Canadian branch was completed in May 2013. The company's assets and liabilities had been reclassified as held for sale in the first quarter of 2013 in accordance with IFRS 5. The most recent measurement of the assets prior to their reclassification did not indicate any impairment.

US warehousing specialist Llano Logistics Inc. was sold and deconsolidated in May 2013. Since all of the amounts involved were lower than €1 million, they are not shown in the table below.

EXPRESS SEGMENT

The sale of the Romanian domestic express business of Cargus International S.R.L. was completed in the first quarter of 2013. As at 31 December 2012, the assets and liabilities of the business concerned were reclassified as held for sale in accordance with IFRS 5. The most recent measurement of the assets prior to their reclassification did not indicate any impairment.

Disposal and deconsolidation effects, 2013

€m 1 January to 30 June	Cargus International	DHL Fashion (France)	ITG Group	Exel Direct	Total
Non-current assets	6	0	14	6	**26**
Current assets	3	12	30	14	**59**
Cash and cash equivalents	2	23	4	1	**30**
ASSETS	**11**	**35**	**48**	**21**	**115**
Current provisions and liabilities	4	12	37	10	**63**
EQUITY AND LIABILITIES	**4**	**12**	**37**	**10**	**63**
Net assets	**7**	**23**	**11**	**11**	**52**
Total consideration received	19	0	18	23	**60**
Losses from the currency translation reserve	0	0	0	–2	**–2**
Deconsolidation gain (+)/loss (–)	**12**	**–23**	**7**	**10**	**6**

Disposal and deconsolidation effects in the period up to 30 June 2012

EXPRESS SEGMENT

The sales of the Express Couriers Limited (ECL), New Zealand, and Parcel Direct Group Pty Limited (PDG), Australia, joint ventures closed at the end of June 2012. The buyer was the former joint venture partner, New Zealand Post.

GLOBAL FORWARDING, FREIGHT SEGMENT

In the prior-year period, DHL Global Forwarding & Co. LLC (DHL Oman), Oman, was deconsolidated, as the reasons for consolidation no longer existed. The company has been accounted for using the equity method since then.

The effects of deconsolidation are presented in the following table:

Disposal and deconsolidation effects, 2012

€m 1 January to 30 June	DHL Oman	ECL, PDG	Total
Non-current assets	0	38	**38**
Current assets	8	18	**26**
Cash and cash equivalents	1	9	**10**
ASSETS	**9**	**65**	**74**
Non-current liabilities and provisions	0	24	**24**
Current liabilities and provisions	6	41	**47**
EQUITY AND LIABILITIES	**6**	**65**	**71**
Net assets	**3**	**0**	**3**
Total consideration received	1	48	**49**
Losses from the currency translation reserve	0	–4	**–4**
Non-controlling interests[1]	2	0	**2**
Deconsolidation gain	**0**	**44**	**44**

[1] Non-controlling interests were recognised at their carrying amounts.

Gains are shown under other operating income; losses are reported under other operating expenses.

3 Significant transactions

There were no significant transactions to report in the first half of 2013.

4 Adjustment of prior-period amounts

As the amended IAS 19 came into force on 1 January 2013 and was applied retrospectively, the prior-year amounts of the relevant balance sheet and income statement items were adjusted accordingly.

Adjustment 1: The receivables and other current assets item in the balance sheet was divided into the trade receivables and the other current assets balance sheet items to reflect the presentation of liabilities. The capital reserves contained in the other reserves item are now presented separately in the balance sheet. Total assets were not affected. The prior-year amounts were adjusted accordingly.

Adjustment 2: Reflecting the amendment of IAS 19, provisions for defined benefit plans increased by €2,774 million as at 31 December 2012 (as at 1 January 2012: by €1,610 million), provisions for obligations arising from partial retirement arrangements declined by €29 million (as at 1 January 2012: by €57 million) and deferred tax liabilities declined by €73 million (as at 1 January 2012: by €69 million), whilst retained earnings were reduced by €2,925 million (as at 1 January 2012: by €1,720 million). The currency translation reserve included in other reserves fell by €7 million. Due to the adjustment of pension assets, other non-current assets decreased by €335 million (as at 1 January 2012: by €290 million) and deferred tax assets increased by €71 million (as at 1 January 2012: by €53 million). Staff costs for the first half of 2012 remained unchanged, as the effects relating to pension provisions and provisions for partial retirement arrangements offset each other. However, net other finance costs deteriorated by €14 million.

Balance sheet adjustments as at 1 January 2012 and 31 December 2012

€m	Adjustment no.	1 Jan. 2012	Adjustment	1 Jan. 2012 adjusted	31. Dec. 2012	Adjustment	31 Dec. 2012 adjusted
ASSETS							
Other non-current assets	2	570	–290	**280**	633	–335	**298**
Deferred tax assets	2	1,153	53	**1,206**	1,257	71	**1,328**
Receivables and other current assets	1	9,089	–9,089	**0**	9,112	–9,112	**0**
Trade receivables	1	–	6,934	**6,934**	–	6,959	**6,959**
Other current assets	1	–	2,155	**2,155**	–	2,153	**2,153**
EQUITY AND LIABILITIES							
Capital reserves	1	–	2,170	**2,170**	–	2,254	**2,254**
Other reserves	1, 2	1,714	–2,170	**–456**	1,786	–2,261	**–475**
Retained earnings	2	8,086	–1,720	**6,366**	8,956	–2,925	**6,031**
Equity attributable to Deutsche Post AG shareholders	2	11,009	–1,720	**9,289**	11,951	–2,932	**9,019**
Non-controlling interests	2	190	–1	**189**	213	–4	**209**
Provisions for pensions and similar obligations	2	4,445	1,610	**6,055**	2,442	2,774	**5,216**
Deferred tax liabilities	2	255	–69	**186**	229	–73	**156**
Other non-current provisions	2	2,174	–57	**2,117**	1,972	–29	**1,943**

Income statement for the period 1 January to 30 June 2012

€m	H1 2012	Adjustment	H1 2012 adjusted
Net other finance costs	–166	–14	**–180**
Profit before income taxes	1,068	–14	**1,054**
Income taxes	–288	5	**–283**
Consolidated net profit for the period	780	–9	**771**
attributable to Deutsche Post AG shareholders	734	–9	**725**

INCOME STATEMENT DISCLOSURES

5 Other operating income

€m	H1 2012	H1 2013
Income from the reversal of provisions	224	134
Insurance income	88	97
Income from currency translation differences	129	71
Rental and lease income	72	67
Income from fees and reimbursements	76	60
Commission income	68	58
Gains on disposal of non-current assets	71	56
Income from the remeasurement of liabilities	47	46
Reversals of impairment losses on receivables and other assets	38	40
Income from work performed and capitalised	43	38
Income from prior-period billings	19	34
Income from derivatives	9	23
Income from loss compensation	12	11
Recoveries on receivables previously written off	4	8
Income from the derecognition of liabilities	8	7
Subsidies	5	3
Miscellaneous	226	177
Total	**1,139**	**930**

In the previous year, the income from the reversal of provisions primarily reflected changes in the assessment of settlement payment obligations assumed in the context of the restructuring measures in the USA.

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

6 Other operating expenses

€m	H1 2012	H1 2013
Cost of purchased cleaning, transport and security services	153	160
Travel and training costs	171	150
Warranty expenses, refunds and compensation payments	119	148
Other business taxes	390	143
Expenses for advertising and public relations	125	140
Insurance costs	115	139
Telecommunication costs	111	108
Office supplies	85	87
Consulting costs (including tax advice)	88	83
Write-downs of current assets	86	75
Expenses from currency translation differences	131	67
Entertainment and corporate hospitality expenses	67	66
Voluntary social benefits	39	42
Contributions and fees	36	38
Losses on disposal of assets	18	38
Services provided by the Federal Posts and Telecommunications Agency	41	35
Commissions paid	33	35
Legal costs	29	29
Monetary transaction costs	21	21
Expenses from derivatives	25	13
Audit costs	15	13
Prior-period other operating expenses	19	11
Donations	16	10
Miscellaneous	146	154
Total	**2,079**	**1,805**

The change in other business taxes is attributable to the additional VAT payment of the past year.

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

7 Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses rose by €8 million year-on-year, from €647 million to €655 million. This item includes impairment losses of €11 million (previous year: €6 million), which are attributable to the segments as follows:

Impairment losses

€m	H1 2012	H1 2013
EXPRESS		
Property, plant and equipment	6	9
Corporate Center/Other		
Software	0	2
Impairment losses	**6**	**11**

The impairment losses in the EXPRESS segment resulted exclusively from aircraft, as in the previous year.

8 Net other finance costs

Net other finance costs improved by €97 million to €83 million. The prior-year figure was impacted by the effects of the disposal of Deutsche Postbank AG and the interest expenses associated with the additional VAT payment, amongst other things. In addition, the interest expenses for pension and other provisions declined in 2013 due to the lower interest rates.

9 Earnings per share

Basic earnings per share in the period under review were €0.76.

Basic earnings per share

		H1 2012 adjusted[1]	H1 2013
Consolidated net profit for the period attributable to Deutsche Post AG shareholders	€m	725	920
Weighted average number of shares outstanding	shares	1,208,765,874	1,208,805,041
Basic earnings per share	**€**	**0.60**	**0.76**

[1] Prior-year amounts adjusted Note 4.

To compute diluted earnings per share, the average number of shares outstanding is adjusted for the number of all potentially dilutive shares. This item includes the executives' rights to shares under the Share Matching Scheme (as at 30 June 2013: 6,294,779 shares) and the maximum number of ordinary shares that can be issued on exercise of the conversion rights under the convertible bond issued on 6 December 2012. Consolidated net profit for the period attributable to Deutsche Post AG shareholders was increased by the amounts spent for the convertible bond.

Diluted earnings per share in the reporting period were €0.73.

Diluted earnings per share

		H1 2012 adjusted[1]	H1 2013
Consolidated net profit for the period attributable to Deutsche Post AG shareholders	€m	725	920
Plus interest expense on convertible bond	€m	–	3
Less income taxes	€m	–	0[2]
Adjusted consolidated net profit for the period attributable to Deutsche Post AG shareholders	€m	725	923
Weighted average number of shares outstanding	shares	1,208,765,874	1,208,805,041
Potentially dilutive shares	shares	2,208,039	51,975,574
Weighted average number of shares for diluted earnings	shares	1,210,973,913	1,260,780,615
Diluted earnings per share	€	**0.60**	**0.73**

[1] Prior-year amounts adjusted Note 4.
[2] Rounded below €1 million.

Goodwill changed as follows in the reporting period:

Change in goodwill

€m	2012	2013
Cost		
Balance at 1 January	12,108	12,059
Additions from business combinations	33	20
Disposals	–29	–22
Currency translation differences	–53	–113
Balance at 31 December/30 June	**12,059**	**11,944**
Impairment losses		
Balance at 1 January	1,135	1,137
Disposals	–3	–5
Currency translation differences	5	–23
Balance at 31 December/30 June	**1,137**	**1,109**
Carrying amount at 31 December/30 June	**10,922**	**10,835**

€16 million of the additions to goodwill is attributable to optivo GmbH and €4 million to Compador Technologies.

Of the net disposals of goodwill, €4 million relates to Cargus International, €7 million to ITG Group and €6 million to Exel Direct.

BALANCE SHEET DISCLOSURES

10 Intangible assets and property, plant and equipment

Investments in intangible assets and property, plant and equipment amounted to €499 million in the period up to 30 June 2013 (previous year: €679 million). Of this figure, €76 million (previous year: €130 million) was attributable to intangible assets (not including goodwill). Investments in property, plant and equipment are shown in the following table:

Investments in property, plant and equipment

€m	30 June 2012	30 June 2013
Property, plant and equipment		
Land and buildings (incl. leasehold improvements)	32	21
Technical equipment and machinery	55	35
Transport equipment	78	67
Aircraft	36	17
IT equipment	37	37
Other operating and office equipment	23	41
Advance payments and assets under development	288	205
Total	**549**	**423**

11 Investments in associates

Investments in associates did not change compared with 31 December 2012.

Investments in associates

€m	2012	2013
Balance at 1 January	44	46
Additions	3	0
Changes in Group's share of equity		
Changes recognised in profit or loss	2	0
Profit distributions	–1	0
Reclassified to current assets	–2	0
Carrying amount at 31 December/30 June	**46**	**46**

12 Assets held for sale and liabilities associated with assets held for sale

€m	Assets		Liabilities	
	31 Dec. 2012	30 June 2013	31 Dec. 2012	30 June 2013
Deutsche Post AG – real estate (Corporate Center/Other)	22	23	0	0
All you need GmbH, Germany – (MAIL segment)	11	15	1	1
Exel Inc., USA – real estate (SUPPLY CHAIN segment)	9	2	0	0
US Express Aviation, USA – aircraft (EXPRESS segment)	2	2	0	0
DHL Fashion (France) SAS, France – fashion logistics (SUPPLY CHAIN segment)	13	0	18	0
DHL Logistics (China) Co. Ltd., China – real estate (SUPPLY CHAIN segment)	8	0	7	0
Cargus International S.R.L., Romania – domestic express business (EXPRESS segment)	7	0	4	0
Deutsche Post Immobilien GmbH, Germany – real estate (Corporate Center/Other)	4	0	0	0
Miscellaneous	0	2	0	0
Assets held for sale and liabilities associated with assets held for sale	**76**	**44**	**30**	**1**

The sales of Cargus International, the ITG Group, Exel Direct and DHL Fashion (France) have been completed; Note 2.

ALL YOU NEED GMBH

All you need GmbH, Germany, was acquired in financial year 2012 with a view to resale; 2012 Annual Report, Note 2. In accordance with IFRS 5.39, the major classes of assets and liabilities were not disclosed. Because of capital increases that were not implemented in proportion to the shareholders' percentage interests, the assets increased by €4 million compared with 31 December 2012. Deutsche Post DHL holds a 93.02% interest. As, to date, no adjustment had to be made due to subsequent measurement and no gain/loss was recorded on the planned disposal, presentation of a profit/loss from discontinued operations item was not required. The Board of Management announced after the reporting date that it no longer intended to sell the company. All you need GmbH will be consolidated in the third quarter of 2013.

13 Issued capital and purchase of treasury shares

As at the end of June 2013, KfW Bankengruppe (KfW) held a 21.44% interest in Deutsche Post AG's share capital. The free float was 78.56%.

Issued capital

€	2012	2013
Balance at 1 January	1,209,015,874	1,209,015,874
Treasury shares acquired	–1,770,503	–1,299,692
Treasury shares issued	1,770,503	1,299,692
Balance at 31 December/30 June	**1,209,015,874**	**1,209,015,874**

In financial year 2013, Deutsche Post AG acquired 1.3 million shares at a total price of €23 million, including transaction costs, to settle entitlements due under the 2012 tranche of the bonus programme for executives (Share Matching Scheme). Consequently, issued capital was reduced by the notional value of the shares purchased. The average purchase price per share was €17.90.

The notional value of the treasury shares is deducted from issued capital and the difference between the notional value and the reported value of the treasury shares is deducted from retained earnings.

The issued capital increased again when the shares were issued to the executives in April 2013. Changes in treasury shares are presented in the statement of changes in equity.

14 Retained earnings

Changes in retained earnings are presented in the statement of changes in equity.

Retained earnings

€m	2012 adjusted[1]	2013
Balance at 1 January	6,366	6,031
Dividend payment	–846	–846
Consolidated net profit for the period	1,640	920
Changes in actuarial gains and losses	–1,187	174
Transactions with non-controlling interests	58	–2
Miscellaneous other changes	0	–2
Balance at 31 December/30 June	**6,031**	**6,275**

[1] Prior-year amounts adjusted Note 4.

For information on the changes in actuarial gains and losses, Notes 1 and 4.

The dividend payment to Deutsche Post AG shareholders of €846 million was made in May 2013. This corresponds to a dividend of €0.70 per share.

The transactions with non-controlling interests reported in the previous year related to the sale of 6.03% of the shares in Blue Dart Express Limited, India, in which the previous interest was 81.03%, and the acquisition of the remaining 24% interest in DHL Logistics Private Limited, India.

SEGMENT REPORTING

15 Segment reporting

Segments by division

€m	MAIL		EXPRESS		GLOBAL FORWARDING, FREIGHT		SUPPLY CHAIN		Corporate Center/Other		Consolidation		Group	
1 Jan. to 30 June	2012[1]	2013	2012[1]	2013	2012[1]	2013	2012[1]	2013	2012[1]	2013	2012	2013	2012[1]	2013
External revenue	6,799	6,994	6,065	6,081	7,320	7,007	6,886	6,982	26	29	0	0	27,096	27,093
Internal revenue	46	51	199	193	339	330	51	51	562	567	−1,197	−1,192	0	0
Total revenue	6,845	7,045	6,264	6,274	7,659	7,337	6,937	7,033	588	596	−1,197	−1,192	27,096	27,093
Profit/loss from operating activities (EBIT)	430	605	599	550	225	217	193	163	−213	−205	0	0	1,234	1,330
Net income from associates	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Segment assets[2]	4,433	4,643	8,684	8,662	7,951	7,953	6,264	6,095	1,322	1,404	−215	−229	28,439	28,528
Investments in associates[2]	0	0	28	28	18	18	0	0	0	0	0	0	46	46
Segment liabilities[2, 3]	2,505	2,463	2,547	2,488	2,950	2,878	2,825	2,623	797	787	−120	−122	11,504	11,117
Capex	93	112	283	167	65	42	145	108	93	70	0	0	679	499
Depreciation and amortisation	163	165	185	193	55	47	140	138	98	101	0	0	641	644
Impairment losses	0	0	6	9	0	0	0	0	0	2	0	0	6	11
Total depreciation, amortisation and impairment losses	163	165	191	202	55	47	140	138	98	103	0	0	647	655
Other non-cash expenses	111	90	84	108	37	35	47	84	25	39	0	0	304	356
Employees[4]	146,923	147,267	84,623	84,566	43,590	43,957	140,193	143,086	12,958	12,962	0	0	428,287	431,838
Q2														
External revenue	3,265	3,407	3,144	3,143	3,809	3,559	3,502	3,524	12	16	0	0	13,732	13,649
Internal revenue	23	26	100	94	164	163	26	26	284	291	−597	−600	0	0
Total revenue	3,288	3,433	3,244	3,237	3,973	3,722	3,528	3,550	296	307	−597	−600	13,732	13,649
Profit/loss from operating activities (EBIT)	38	223	367	296	138	129	101	79	−101	−107	0	−1	543	619
Net income from associates	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capex	58	67	156	86	33	23	80	61	47	44	0	0	374	281
Depreciation and amortisation	83	84	95	97	28	24	71	68	48	50	0	0	325	323
Impairment losses	0	0	6	9	0	0	0	0	0	2	0	0	6	11
Total depreciation, amortisation and impairment losses	83	84	101	106	28	24	71	68	48	52	0	0	331	334
Other non-cash expenses	56	64	54	70	20	20	27	56	10	23	0	0	167	233

Information about geographical areas

€m	Germany		Europe (excluding Germany)		Americas		Asia Pacific		Other regions		Group	
1 Jan. to 30 June	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013
External revenue	8,262	8,363	8,749	8,638	4,740	4,785	4,142	4,146	1,203	1,161	27,096	27,093
Non-current assets[2]	4,759	4,717	7,228	7,000	3,408	3,329	3,227	3,150	332	324	18,954	18,520
Capex	335	293	130	63	117	70	77	59	20	14	679	499
Q2												
External revenue	4,001	4,096	4,434	4,375	2,479	2,436	2,192	2,157	626	585	13,732	13,649
Capex	177	168	68	32	71	39	46	37	12	5	374	281

[1] Prior-year amounts adjusted Note 4.
[2] As at 31 December 2012 and 30 June 2013.
[3] Including non-interest-bearing provisions.
[4] Average FTEs.

Deutsche Post DHL reports four operating segments; these are managed independently by the responsible segment management bodies in line with the products and services offered and the brands, distribution channels and customer profiles involved. Components of the entity are defined as a segment on the basis of the existence of segment managers with bottom-line responsibility who report directly to Deutsche Post DHL's top management.

The Consolidation and Corporate Center/Other columns are reported separately. Corporate Center/Other comprises the activities of Global Business Services (GBS), the Corporate Center, non-operating activities and other business activities. The profit/loss generated by GBS is allocated to the operating segments, whilst its assets and liabilities remain with GBS (asymmetrical allocation).

As part of the central management of currency risk, fluctuations between planned and actual exchange rates are fully or partially absorbed centrally by Corporate Treasury on the basis of division-specific agreements.

The main geographical areas in which the Group is active are Germany, Europe, the Americas, Asia Pacific and Other regions. External revenue, non-current assets and capex are disclosed for these regions.

Revenue, assets and capex are allocated to the individual regions on the basis of the domicile of the reporting entity. Non-current assets primarily comprise intangible assets, property, plant and equipment, and other non-current assets.

The prior-year amounts were adjusted to reflect the amendment of IAS 19; Note 4.

Reconciliation

€m	H1 2012 adjusted[1]	H1 2013
Total income of reportable segments	1,447	1,535
Corporate Center/Other	−213	−205
Reconciliation to Group/Consolidation	0	0
Profit from operating activities (EBIT)	**1,234**	**1,330**
Net finance costs	**−180**	**−83**
Profit before income taxes	**1,054**	**1,247**
Income taxes	−283	−274
Consolidated net profit for the period	**771**	**973**

[1] Prior-year amounts adjusted Note 4.

OTHER DISCLOSURES

16 Share-based payment

A new system to grant variable remuneration components to certain Group executives was implemented in financial year 2009. More detailed information is contained in the 2012 Annual Report, Note 51.

Share Matching Scheme

		2009 tranche	2010 tranche	2011 tranche	2012 tranche	2013 tranche
Grant date		1 Nov. 2009	1 Jan. 2010	1 Jan. 2011	1 Jan. 2012	1 Jan. 2013
Term	months	53	63	63	63	63
End of term		March 2014	March 2015	March 2016	March 2017	March 2018
Share price at grant date	€	11.48	13.98	12.90	12.13	17.02

The sum of €24 million (31 December 2012: €34 million) was transferred to the capital reserves in the period up to 30 June 2013 for the Share Matching Scheme.

Capital reserves

€m	2012	2013
Balance at 1 January	2,170	2,254
Share Matching Scheme Addition/issue of rights		
2009 tranche	2	1
2010 tranche	4	2
2011 tranche	18	2
2012 tranche	10	15
2013 tranche	0	4
Exercise of rights		
2011 tranche	–24	0
2012 tranche	0	–20
Total for Share Matching Scheme	10	4
Addition of conversion right	74	0
Balance at 31 December/30 June	**2,254**	**2,258**

The SAR provisions for the other share-based payment systems for executives amounted to €283 million as at 30 June 2013 (31 December 2012: €203 million).

17 Disclosures on financial instruments

The techniques used to determine fair value are presented in accordance with IFRS 13 (Fair Value Measurement).

Recurring fair value measurement

€m	30 June 2013	Quoted market prices for identical instruments (Level 1)	Directly or indirectly observable inputs (Level 2)	Unobservable inputs (Level 3)
Assets				
Equity instruments	233	142	–	91
Derivatives	111	–	–	–
Interest rate transactions	11	–	11	–
Foreign currency transactions	100	–	100	–
Liabilities				
Debt instruments	1	–	–	1
Derivatives	43	–	–	–
Interest rate transactions	0	–	–	–
Foreign currency transactions	37	–	37	–
Commodity futures	2	–	2	–
Equity derivatives	4	–	–	4

The fair values of forward transactions were measured on the basis of discounted expected future cash flows, taking into account forward rates on the foreign exchange market. The options were measured using the Black-Scholes option pricing model. Credit risk was taken into account.

Commodity, interest rate and currency derivatives are reported under Level 2. Level 3 mainly comprises options entered into in connection with intercompany transactions. These options are measured using recognised valuation models, taking plausible assumptions into account.

The fair values of the options depend largely on financial ratios. Financial ratios also strongly influence the fair values of assets and liabilities. Increasing financial ratios lead to higher fair values, whilst decreasing financial ratios result in lower fair values.

Unobservable inputs (Level 3)

€m	As at 1 January 2013	Gains and losses (effect on income statement)	Gains and losses (effect on other comprehensive income)	Addition	Disposal	As at 30 June 2013
Assets						
Equity instruments	28	0	39	24	0	**91**
Liabilities						
Debt instruments	1	0	0	0	0	**1**
Derivatives						
Equity derivatives	48	–43	0	0	–1	**4**

The following table shows the fair values of the financial assets and financial liabilities, which are mainly recognised at amortised cost:

Fair values

€m	31 Dec. 2012	30 June 2013
Non-current financial assets	1,039	1,094
Current financial assets	252	225
Non-current financial liabilities	4,699	3,728
Current financial liabilities	403	1,721

The bond issued by Deutsche Post Finance B.V. in the amount of €926 million to fall due in financial year 2014 was reclassified to current financial liabilities.

The fair values of the following financial assets and financial liabilities approximate their carrying amount at the reporting date to the extent that they were not required to be recognised at fair value:

- Other current assets
- Trade receivables
- Cash and cash equivalents
- Other non-current liabilities
- Trade payables
- Other current liabilities

The non-current financial assets item includes available-for-sale financial assets in the amount of €97 million (31 December 2012: €104 million) that relate to shares in partnerships and corporations for which there is no active market. As no future cash flows can be determined reliably, it is not possible either to determine the fair values using valuation techniques. The investments in these entities are recognised at cost. In the period up to 30 June 2013, no significant shares in the partnerships and corporations were sold. There are also no plans to sell or derecognise parts of the recognised investments in the near future.

In addition to the available-for-sale financial assets recognised at cost, this item also includes debt and equity instruments measured at fair value.

18 Contingent liabilities and other financial obligations

The Group's contingent liabilities and other financial obligations have not changed significantly compared with 31 December 2012; 2012 Annual Report, Notes 48 and 49.

19 Related party disclosures

There have been no material changes in related party disclosures as against 31 December 2012; 2012 Annual Report, Note 52.

20 Events after the reporting date

There were no significant events after the reporting date.

21 Other disclosures

In the second quarter of 2013, 50% of the shares of Deutsche Post Mobility GmbH, Germany, which was formed in January, were sold to Allgemeiner Deutscher Automobil-Club (ADAC). There are plans to jointly operate a coach network. The company will continue to be fully consolidated.

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the consolidated interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group in accordance with German accepted accounting principles, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Bonn, 5 August 2013

Deutsche Post AG
The Board of Management

Dr Frank Appel

Ken Allen

Roger Crook

Bruce Edwards

Jürgen Gerdes

Lawrence Rosen

Angela Titzrath

REVIEW REPORT

To Deutsche Post AG

We have reviewed the condensed consolidated interim financial statements – comprising the income statement and statement of comprehensive income, balance sheet, cash flow statement, statement of changes in equity and selected explanatory notes – and the interim group management report of Deutsche Post AG, Bonn, for the period from 1 January to 30 June 2013 which are part of the half-yearly financial report pursuant to section 37w of the *Wertpapierhandelsgesetz* (WpHG – German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRSs applicable to interim financial reporting, as adopted by the EU, and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the company's Board of Management. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the *Institut der Wirtschaftsprüfer* (IDW – Institute of Public Auditors in Germany) (IDW) and additionally observed the International Standard on Review Engagements "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE 2410). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRSs applicable to interim financial reporting, as adopted by the EU, and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRSs applicable to interim financial reporting, as adopted by the EU, nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Düsseldorf, 5 August 2013

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Gerd Eggemann	Dietmar Prümm
Wirtschaftsprüfer	*Wirtschaftsprüfer*
(German public auditor)	(German public auditor)

GRAPHS AND TABLES

CONTACTS

Contacts

Investor Relations

Tel.: +49 (0) 228 182-6 36 36
Fax: +49 (0) 228 182-6 31 99
E-mail: ir@deutschepost.de

Press office

Tel.: +49 (0) 228 182-99 44
Fax: +49 (0) 228 182-98 80
E-mail: pressestelle@deutschepost.de

Ordering a copy of the Interim Report

External

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FINANCIAL CALENDAR

2013

INTERIM REPORT JANUARY TO SEPTEMBER 2013	12 NOVEMBER 2013

2014

2013 ANNUAL REPORT	12 MARCH 2014
INTERIM REPORT JANUARY TO MARCH 2014	15 MAY 2014
2014 ANNUAL GENERAL MEETING (FRANKFURT AM MAIN)	27 MAY 2014
DIVIDEND PAYMENT	28 MAY 2014
INTERIM REPORT JANUARY TO JUNE 2014	5 AUGUST 2014
INTERIM REPORT JANUARY TO SEPTEMBER 2014	12 NOVEMBER 2014

INVESTOR EVENTS[1]

COMMERZBANK SECTOR CONFERENCE (FRANKFURT AM MAIN)	29 AUGUST 2013
CAPITAL MARKETS DAY TUTORIAL WORKSHOP (LEIPZIG)	12 SEPTEMBER 2013
CAPITAL MARKETS DAY TUTORIAL WORKSHOP (LONDON)	16 SEPTEMBER 2013
UBS BEST OF GERMANY CONFERENCE (NEW YORK)	16–17 SEPTEMBER 2013
UBS TRANSPORTATION CONFERENCE (LONDON)	17 SEPTEMBER 2013
CITIGROUP GLOBAL INDUSTRIALS CONFERENCE (BOSTON)	18 SEPTEMBER 2013
EQUINET CONFERENCE (FRANKFURT AM MAIN)	19 SEPTEMBER 2013
GOLDMAN SACHS/BERENBERG BANK GERMAN CORPORATE CONFERENCE (MUNICH)	24 SEPTEMBER 2013
BAADER INVESTMENT CONFERENCE (MUNICH)	25 SEPTEMBER 2013
TAG CONSUMER CONFERENCE (NEW YORK)	25 SEPTEMBER 2013
BAML GERMAN CORPORATE DAYS 2013 (SINGAPORE)	18 NOVEMBER 2013
BAML GERMAN CORPORATE DAYS 2014 (HONG KONG)	19 NOVEMBER 2013
MAINFIRST GERMAN & SWISS CONFERENCE (PARIS)	19 NOVEMBER 2013
BAML GERMAN CORPORATE DAYS 2015 (TOKYO)	20 NOVEMBER 2013
DB BUSINESS SERVICES LEISURE & TRANSPORT CONFERENCE (LONDON)	27 NOVEMBER 2013

[1] Further dates, updates as well as information on live webcasts @ dp-dhl.com/en/investors.html.

Deutsche Post AG
Headquarters
Investor Relations
53250 Bonn
Germany

dp-dhl.com