2013 INTERIM REPORT

JANUARY TO SEPTEMBER

3

Deutsche Post DHL

KEY FIGURES

01 Selected key figures

		9M 2012	9M 2013	+/– %	Q3 2012	Q3 2013	+/– %
Revenue	€m	40,935	40,591	–0.8	13,839	13,498	–2.5
Profit from operating activities (EBIT)	€m	1,838	1,976	7.5	604	646	7.0
Return on sales[1]	%	4.5	4.9	–	4.4	4.8	–
Consolidated net profit for the period[2]	€m	1,102	1,319	19.7	377	399	5.8
Operating cash flow	€m	426	1,433	>100	568	812	43.0
Net debt[3]	€m	1,952	2,456	25.8	–	–	–
Earnings per share[4]	€	0.91	1.09	19.8	0.31	0.33	6.5
Number of employees[5]		428,287	433,796	1.3	–	–	–

[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 NINE MONTHS OF 2013

Whilst consolidated revenue declined slightly, Deutsche Post DHL increased profit from operating activities by 7.5 % in the first nine months of 2013. Revenue in the MAIL division saw an encouraging rise, in part thanks to continued growth in the parcel business. Performance in the DHL divisions was impeded above all by major currency effects. The Group's good financial position is demonstrated by the marked improvement in operating cash flow and more favourable refinancing conditions on the capital market.

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

We continue to expect consolidated EBIT to reach between €2.75 billion and €3.00 billion in financial year 2013. The MAIL division is 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 of the previous year and will benefit from the expected earnings improvement. We now expect capital expenditure to remain at the prior-year level in financial year 2013, at around €1.7 billion.

@ Websites

Cross-references

Dr Frank Appel

Chief Executive Officer
Deutsche Post AG

Deutsche Post DHL

11 November 2013

First nine months of 2013

Dear Shareholders,

In the first nine months of the current financial year, Deutsche Post DHL succeeded in holding its ground despite the fact that the economic tailwind proved to be weaker than economists had anticipated.

Whilst consolidated revenue declined slightly, we increased profit from operating activities by 7.5% to around €2.0 billion. I would like to draw particular attention to the fact that the most important growth trends for our business – those of the parcel business and the international express business – remain intact.

Revenue in the MAIL division saw an encouraging rise. However, major currency effects led to the reported revenue trend for the DHL divisions creating a more negative impression than was actually the case: revenue in the EXPRESS and SUPPLY CHAIN divisions was down slightly on the previous year, even though the operating business performed well.

Operating cash flow again improved markedly, totalling around €1.4 billion. Furthermore, the Group's good financial position is also demonstrated by the favourable refinancing conditions we are being offered on the capital market. Thus, in the third quarter we renewed a long-term credit facility early and at more favourable terms, and at the start of October we issued two bonds with a total volume of €1 billion.

Against the backdrop of our solid operating business and financial position, we are optimistic about our future performance even though the economy is still sending mixed signals. We continue to expect consolidated EBIT to reach between €2.75 billion and €3.00 billion in financial year 2013.

We are confident that this will allow us to achieve a key step on the way to reaching our targets for the year 2015.

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.dpdhl.com

CONTENTS

BUSINESS AND ENVIRONMENT

Organisation

No material organisational changes

In the third quarter of 2013, no material changes were made to the Group's organisational structure.

Economic parameters

Global economy recovers slightly

The upturn in the global economy remained cautious at the beginning of the second half of 2013. Whilst growth in emerging markets was significantly weaker than in previous years, recovery has taken hold in the economies in industrial countries. However, there were marked differences within both groups.

Whilst growth in some Asian countries declined, growth in China's gross domestic product (GDP) increased by 7.8% in the third quarter. In Japan, the country's expansive monetary and fiscal policy remained effective: GDP is likely to have increased in the third quarter, albeit not as much as in the first half of the year.

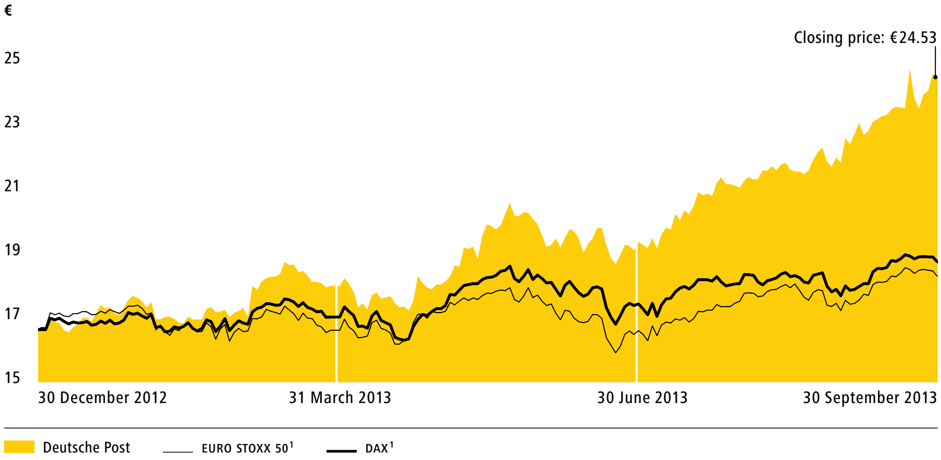
In the United States, the economy saw a cautious recovery. Whilst the government's fiscal austerity measures slowed the economy again, both private consumption and corporate investment continued to increase and the situation on the labour market improved. In a bid to support the economy and the labour market, the US Federal Reserve retained its key interest rate at between 0% and 0.25%.

In the euro zone, which saw its GDP grow slightly in the second quarter following six consecutive negative quarters, the economy is likely to have stabilised further. Private consumption rose significantly and corporate sentiment also improved. However, it appears that foreign trade, which had supported the economy during the recession, is no longer a source of growth. All in all, GDP in the third quarter of 2013 is likely to have increased slightly again. As a result, the labour market also stabilised, although the unemployment rate remained exceptionally high. Inflation saw a significant decrease. In light of this environment, the European Central Bank retained its key interest rate at 0.5%.

The German economy showed solid form in the third quarter of 2013, substantiated by increased industrial production, higher construction spending and most recently an Ifo Business Climate Index that has now improved five times in a row. Foreign trade will presumably be the only factor to put a damper on growth. All in all, GDP is expected to have increased again in the third quarter. The German labour market remained 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 added to the EURO STOXX 50

The equity markets proved to be buoyant in the third quarter of 2013. The DAX reached an all-time high of 8,694 points on 19 September and the EURO STOXX 50 reached a year-to-date high of 2,936 points on the same day. The two indices closed the first nine months of 2013 with gains of 12.9% and 10.1%, respectively. In the same period, Deutsche Post shares significantly outperformed the market with a rise in price of 47.8% – a development that made no small contribution to their acceptance into the EURO STOXX 50 on 23 September. On the previous trading day (20 September), our shares reached €24.82 – their highest level since May 2007. The average daily volume of our shares traded via Xetra rose by 1.8% against the previous year to 4.1 million shares.

03 Deutsche Post shares

		30 Dec. 2012	30 Sept. 2013
Closing price	€	16.60	24.53
High[1]	€	16.66	24.82
Low[1]	€	11.88	16.51
Number of shares	millions	1,209.0	1,209.0
Market capitalisation	€m	20,069	29,657
Average trading volume per day[1]	shares	4,052,323	4,124,439

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

04 Peer group comparison: closing prices

		30 Dec. 2012	30 Sept. 2013	+/–%	30 Sept. 2012	30 Sept. 2013	+/–%
Deutsche Post DHL	EUR	16.60	24.53	47.8	15.20	24.53	61.4
PostNL	EUR	2.92	3.20	9.6	2.71	3.20	18.1
TNT Express	EUR	8.43	6.75	–19.9	8.13	6.75	–17.0
FedEx	USD	91.72	114.11	24.4	84.62	114.11	34.8
UPS	USD	73.73	91.37	23.9	71.57	91.37	27.7
Kuehne + Nagel	CHF	110.00	118.50	7.7	106.20	118.50	11.6

ECONOMIC POSITION

Overall assessment by the Board of Management

Profit increased by 7.5% whilst revenue declined slightly

Whilst consolidated revenue declined slightly, Deutsche Post DHL increased profit from operating activities by 7.5% in the first nine months of 2013. Revenue in the MAIL division saw an encouraging rise, in part thanks to continued growth in the parcel business. Performance in the DHL divisions was impeded above all by major currency effects. This resulted in a slight decline in revenue in the EXPRESS and SUPPLY CHAIN divisions year-on-year even though the operating business performed well. The freight forwarding business continued to decline. The Group's good financial position as viewed by the Board of Management is demonstrated by the marked improvement in operating cash flow and more favourable refinancing conditions on the capital market.

Significant events

No significant events

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

Earnings

05 Selected indicators for results of operations

		9M 2012	9M 2013	Q3 2012	Q3 2013
Revenue	€m	40,935	40,591	13,839	13,498
Profit from operating activities (EBIT)	€m	1,838	1,976	604	646
Return on sales[1]	%	4.5	4.9	4.4	4.8
Consolidated net profit for the period[2]	€m	1,102	1,319	377	399
Earnings per share[3]	€	0.91	1.09	0.31	0.33

[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.

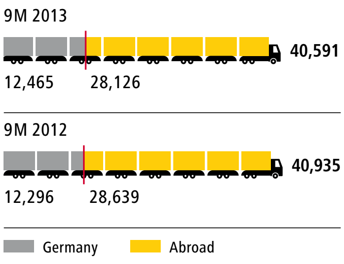
In the MAIL division, we acquired optivo GmbH, a leading German e-mail marketing services provider, on 28 June 2013. This acquisition enhances our range of services and will allow us to develop our business in this area.

We sold 50% of our shares in Deutsche Post Mobility GmbH to Allgemeiner Deutscher Automobil-Club (ADAC) in the second quarter. We have been jointly operating a coach network since October 2013 and have entered the deregulated coach market with the "ADAC Postbus".

We acquired RISER ID Services GmbH, the market leader in electronic address registration information services, at the end of July. The company will complement the range of digital address verification services offered by the MAIL division.

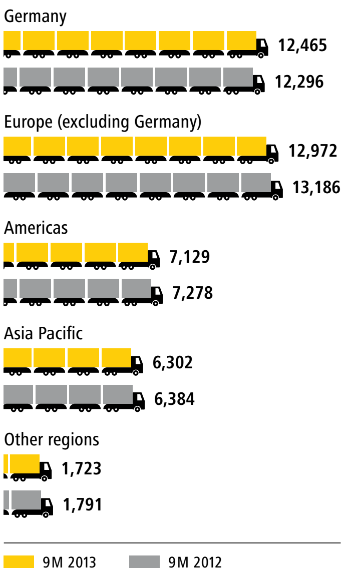
06 Consolidated revenue

€m



07 Revenue by region

€m



Consolidated revenue down slightly on prior year

Consolidated revenue decreased by 0.8% to €40,591 million in the first nine months of the 2013 financial year (previous year: €40,935 million). The proportion of consolidated revenue generated abroad declined from 70.0% to 69.3%, primarily due to negative currency effects in the amount of €1,131 million. Changes in the portfolio reduced revenue by €193 million.

At €13,498 million, revenue was down by 2.5% in the third quarter (previous year: €13,839 million). This figure was negatively impacted by currency effects (€713 million) and changes in the portfolio (€100 million).

Other operating income declined by €156 million to €1,394 million. 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, 9M 2013

	€m	%	
Revenue	40,591	–0.8	• Growth trends in the German parcel and international express businesses remain intact • Air and ocean freight volumes negatively impacted by lower demand in specific sectors • Currency effects reduced consolidated revenue by €1,131 million
Other operating income	1,394	–10.1	• Previous year also included income from the reversal of provisions for the US express business
Materials expense	22,925	–2.6	• Lower transport costs
Staff costs	13,316	1.5	• Increased number of staff, mostly in the SUPPLY CHAIN division • Higher labour costs in the MAIL division
Depreciation, amortisation and impairment losses	993	0.3	• On a par with the previous year
Other operating expenses	2,775	–7.5	• Previous year also included the additional VAT payment

Lower transport costs

Materials expense decreased by €611 million to €22,925 million, primarily due to lower transport costs.

In contrast, staff costs rose by €195 million to €13,316 million. This was mainly attributable to higher labour costs in the MAIL division and the increase in the number of employees in the SUPPLY CHAIN division.

At €993 million, depreciation, amortisation and impairment losses were on a level with the previous year (€990 million).

Other operating expenses declined by €225 million to €2,775 million. The prior-year figure had been pushed up, amongst other things, by the additional VAT payment.

Consolidated EBIT improves by 7.5%

Profit from operating activities (EBIT) improved compared with the first nine months of 2012, rising by 7.5% to €1,976 million. It increased by 7.0% in the third quarter to €646 million.

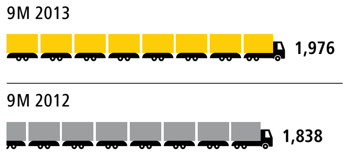
Net finance costs also improved by 36.9% to €181 million. The prior-year figure was impacted by the interest expense associated with the additional VAT payment, amongst other things, whereas the gain on the Postbank disposal made a positive contribution. Interest expenses for provisions for pensions and other provisions declined during the reporting period due to lower interest rates.

Profit before income taxes improved by 15.7% to €1,795 million.

Income taxes increased from €369 million in the previous year to €395 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 18.4% to €1,400 million. €1,319 million of this amount is attributable to shareholders of Deutsche Post AG and €81 million to non-controlling interest holders. Basic and diluted earnings per share also increased, up from €0.91 to €1.09 and €1.05 respectively.

Financial position

10 Selected cash flow indicators

€m	9M 2012	9M 2013	Q3 2012	Q3 2013
Cash and cash equivalents as at 30 September	2,230	2,080	2,230	2,080
Change in cash and cash equivalents	–903	–249	–99	225
Net cash from operating activities	426	1,433	568	812
Net cash used in investing activities	–1,237	–756	–406	–298
Net cash used in financing activities	–92	–926	–261	–289

Solid liquidity situation continues

@ dpdhl.com/en/investors.html

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.

Our "FFO to debt" performance metric increased in the first nine months of 2013, mainly due to a significant rise in operating cash flow before changes in working capital. The increase was compensated in part by a decline in liquidity resulting from the dividend paid for financial year 2012. Since the "FFO to debt" 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). Given that the effect in question is non-recurring, it continues to be recorded under non-recurring income/expenses, which also include operating restructuring payments (€81 million).

@ dpdhl.com/en/investors.html

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.

At the end of September, the five-year credit facility with a volume of €2 billion taken out with a consortium of national and international banks in 2010 was renewed early and extended until 2018 at more favourable terms. Two additional one-year extension options were also agreed upon. In view of our solid liquidity, the syndicated credit facility was not drawn down during the reporting period. As at 30 September 2013, the Group had cash and cash equivalents of €2.1 billion.

11 FFO to debt

€m	1 Jan. to 31 Dec. 2012	1 Oct. 2012 to 30 Sept. 2013
Operating cash flow before changes in working capital	219	919
+ Interest and dividends received	46	57
– Interest paid	296	147
+ Adjustment for operating leases	1,243	1,243
+ Adjustment for pensions	130	130
+ Non-recurring income/expenses	2,671	2,067
= **Funds from operations (FFO)**	**4,013**	**4,269**
Reported financial liabilities[1]	4,816	4,989
– Financial liabilities at fair value through profit or loss[1]	117	25
+ 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	1,061
= **Debt**	**13,171**	**13,599**
FFO to debt (%)	**30.5**	**31.4**

[1] As at 31 December 2012 and 30 September 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 below previous year

The Group's capital expenditure (capex) amounted to €900 million as at the end of September 2013, representing a year-on-year decrease of 21% (previous year: €1,135 million). Investments were made mainly to replace and expand assets as follows: €768 million was invested in property, plant and equipment and €132 million in intangible assets excluding goodwill. Investments in property, plant and equipment related primarily to advance payments and assets under development (€349 million), transport equipment (€167 million), IT equipment (€73 million), technical equipment and machinery (€57 million), operating and office equipment (€39 million) and land and buildings (€33 million). In regional terms, our investments remained focussed on Europe, the Americas and Asia.

12 Capex and depreciation, amortisation and impairment losses, 9M

	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)	191	175	424	276	96	72	215	187	209	190	**1,135**	**900**
Depreciation, amortisation and impairment losses (€m)	247	250	300	314	83	69	213	205	147	155	**990**	**993**
Ratio of capex to depreciation, amortisation and impairment losses	0.77	0.70	1.41	0.88	1.16	1.04	1.01	0.91	1.42	1.23	**1.15**	**0.91**

13 Capex and depreciation, amortisation and impairment losses, Q3

	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)	98	63	141	109	31	30	70	79	116	120	**456**	**401**
Depreciation, amortisation and impairment losses (€m)	84	85	109	112	28	22	73	67	49	52	**343**	**338**
Ratio of capex to depreciation, amortisation and impairment losses	1.17	0.74	1.29	0.97	1.11	1.36	0.96	1.18	2.37	2.31	**1.33**	**1.19**

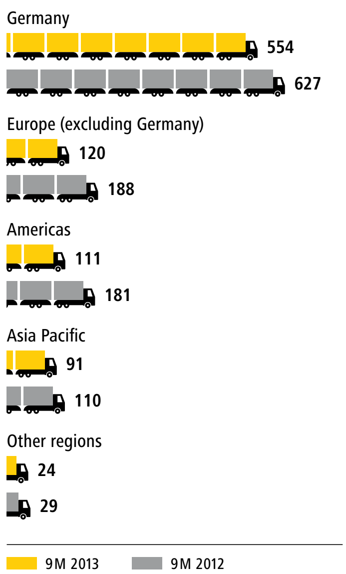
Capital expenditure in the MAIL division decreased from €191 million to €175 million in the first nine months of 2013. The majority of investments was again attributable to the Parcel 2012 Production Concept. Funds were expended primarily for IT and for further expanding capacities in the parcel area.

In the EXPRESS division, capital expenditure totalled €276 million in the first nine months of the year (previous year: €424 million), €199 million of which 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, China and Russia.

In the GLOBAL FORWARDING, FREIGHT division, capital expenditure declined from €96 million in the prior year to €72 million in the reporting period. Of that figure, €57 million was attributable to the Global Forwarding business unit, where we improved our IT, particularly for the New Forwarding Environment project, and consolidated and modernised warehouses, mainly in the Asia Pacific and Europe regions. In the Freight business unit, we invested €15 million, primarily in real estate, office and operating equipment, IT equipment and software.

14 Capex by region

€m

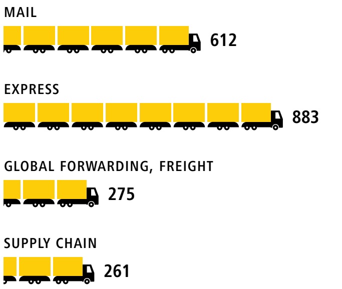


In the SUPPLY CHAIN division, capital expenditure amounted to €187 million in the period from January to September (previous year: €215 million). Of that amount, €167 million related to the Supply Chain business unit, €15 million to Williams Lea and €5 million to central entities. The majority of our investments supported business projects across all regions. In the Williams Lea business unit, we invested primarily in IT.

Cross-divisional capital expenditure amounted to €190 million in the reporting period (previous year: €209 million) and was attributable predominantly to the purchase of vehicles, IT and real estate.

15 **Operating cash flow by division, 9M 2013**

€m



Financial position, page 9f.

Clear increase in operating cash flow

Net cash from operating activities rose significantly compared with the first nine months of 2012, increasing by €1,007 million to €1,433 million. In particular, the improved EBIT and lower utilisation of provisions made a positive contribution, whilst higher income tax payments increased cash outflows by €48 million. Net cash from operating activities before changes in working capital also improved considerably, rising €700 million to €2,103 million. The cash outflow from changes in working capital decreased by €307 million to €670 million, particularly because the change in liabilities and other items led to a cash inflow of €19 million. By contrast, a cash outflow of €297 million was recorded in the previous year.

Net cash used in investing activities was €756 million, with the largest item being investments in property, plant and equipment and intangible assets (€929 million). The main focuses are described in the capital expenditure section. Net cash used in investing activities was €481 million lower year-on-year, largely because the amount demanded for the repayment of state aid was recognised as a non-current financial asset in the previous year, resulting in a cash outflow of €298 million.

16 **Calculation of free cash flow**

€m	9M 2012	9M 2013	Q3 2012	Q3 2013
Net cash from operating activities	426	1,433	568	812
Sale of property, plant and equipment and intangible assets	149	118	45	33
Acquisition of property, plant and equipment and intangible assets	–1,097	–929	–430	–380
Cash outflow arising from change in property, plant and equipment and intangible assets	–948	–811	–385	–347
Disposal of subsidiaries and other business units	40	31	1	1
Acquisition of subsidiaries and other business units	–56	–37	–21	–14
Cash outflow arising from acquisitions/divestments	–16	–6	–20	–13
Interest received	36	34	9	7
Interest paid	–270	–121	–177	–29
Net interest paid	–234	–87	–168	–22
Free cash flow	–772	529	–5	430

Free cash flow improved significantly by €1,301 million to €529 million. In addition to the decrease in net interest paid and 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 rose by €834 million in the reporting period to €926 million. As in the previous year, the dividend paid to our shareholders was the largest payment in this area, at €846 million. Interest paid declined by €149 million, mainly due to the interest incurred in connection with the additional VAT payment in the prior year. In contrast, two bond issues in the previous year led to a cash inflow of €1,240 million.

Cash and cash equivalents declined from €2,400 million to €2,080 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 Sept. 2013
Equity ratio[1]	%	27.3	28.6
Net debt	€m	1,952	2,456
Net interest cover[2]		7.9	22.7
Net gearing	%	17.5	20.6
FFO to debt[3]	%	30.5	31.4

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

Consolidated total assets decreased

The Group's total assets amounted to €33,082 million as at 30 September 2013, €775 million lower than the figure as at 31 December 2012 (€33,857 million).

Non-current assets declined by €732 million to €20,836 million. Currency effects in particular reduced intangible assets by €241 million to €11,910 million. At €6,434 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 from €1,039 million to €1,099 million, whilst deferred tax assets were down €289 million year-on-year, at €1,039 million.

At €12,246 million, current assets declined as against 31 December 2012 (€12,289 million). Inventories increased by €67 million to €389 million. Current financial assets declined by €28 million to €224 million, mainly due to a reduction in lease receivables. Trade receivables decreased by €96 million to €6,863 million. Other current assets rose by €338 million to €2,491 million; this figure includes €135 million relating to the accrual of the prepaid annual contribution to the Bundes-Pensions-Service. Cash and cash equivalents fell by €320 million to €2,080 million, due amongst other things to the dividend of €846 million paid to our shareholders. Income tax assets rose from €127 million to €174 million. The €51 million decline in assets held for sale to €25 million is mainly attributable to the disposals mentioned above.

At €9,298 million, equity attributable to Deutsche Post AG shareholders was €279 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 €15,148 million, primarily as a result of trade payables declining by €593 million to €5,398 million. In addition, income tax liabilities decreased from €534 million to €384 million, mainly because we reassessed tax risks. Financial liabilities increased by €173 million, largely due to a loan taken out with Deutsche Post Betriebsrenten-Service. A bond in the amount of €926 million to fall due in January 2014 was reclassified from non-current to current financial liabilities. Other current liabilities rose by €133 million to €4,137 million, mainly due to an increase in liabilities to employees. Current and non-current provisions decreased by €521 million, from €8,978 million to €8,457 million, mainly because we utilised restructuring provisions and because actuarial gains led to a reduction in the provisions for pensions.

Net debt amounts to €2,456 million

Our net debt rose from €1,952 million as at 31 December 2012 to €2,456 million as at 30 September 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 28.6%, 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 7.9 to 22.7. Net gearing was 20.6% as at 30 September 2013.

18 Net liquidity (–)/net debt (+)

€m	31 Dec. 2012	30 Sept. 2013
Non-current financial liabilities	4,399	3,518
+ Current financial liabilities	377	1,401
= Financial liabilities	4,776	4,919
– Cash and cash equivalents	2,400	2,080
– Current financial assets	252	224
– Long-term deposits[1]	57	55
– Positive fair value of non-current financial derivatives[1]	115	104
= Financial assets	2,824	2,463
Net debt	1,952	2,456

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

DIVISIONS

Overview

19 Key figures by operating division

€m	9M 2012 adjusted	9M 2013	+/– %	Q3 2012 adjusted	Q3 2013	+/– %
MAIL						
Revenue	10,121	10,484	3.6	3,276	3,439	5.0
of which Mail Communication	3,890	4,143	6.5	1,256	1,339	6.6
Dialogue Marketing	1,857	1,709	–8.0	590	588	–0.3
Press Services	555	540	–2.7	173	169	–2.3
Parcel Germany	2,439	2,638	8.2	798	868	8.8
Retail Outlets	621	643	3.5	207	215	3.9
Global Mail	1,216	1,303	7.2	403	426	5.7
Pension Service	78	76	–2.6	30	31	3.3
Consolidation/Other	–535	–568	–6.2	–181	–197	–8.8
Profit from operating activities (EBIT)	676	866	28.1	246	261	6.1
Return on sales (%)[1]	6.7	8.3	–	7.5	7.6	–
Operating cash flow	–30	612	–	–56	227	–
EXPRESS						
Revenue	9,436	9,386	–0.5	3,172	3,112	–1.9
of which Europe	4,132	4,330	4.8	1,354	1,428	5.5
Americas	1,674	1,666	–0.5	588	560	–4.8
Asia Pacific	3,180	3,171	–0.3	1,089	1,069	–1.8
MEA (Middle East and Africa)	722	695	–3.7	240	229	–4.6
Consolidation/Other	–272	–476	–75.0	–99	–174	–75.8
Profit from operating activities (EBIT)	830	813	–2.0	231	263	13.9
Return on sales (%)[1]	8.8	8.7	–	7.3	8.5	–
Operating cash flow	607	883	45.5	332	422	27.1
GLOBAL FORWARDING, FREIGHT						
Revenue	11,677	11,049	–5.4	4,018	3,712	–7.6
of which Global Forwarding	8,662	7,996	–7.7	3,027	2,690	–11.1
Freight	3,111	3,153	1.4	1,024	1,057	3.2
Consolidation/Other	–96	–100	–4.2	–33	–35	–6.1
Profit from operating activities (EBIT)	347	344	–0.9	122	127	4.1
Return on sales (%)[1]	3.0	3.1	–	3.0	3.4	–
Operating cash flow	410	275	–32.9	246	106	–56.9
SUPPLY CHAIN						
Revenue	10,607	10,565	–0.4	3,670	3,532	–3.8
of which Supply Chain	9,609	9,596	–0.1	3,325	3,189	–4.1
Williams Lea	1,000	974	–2.6	344	345	0.3
Consolidation/Other	–2	–5	<–100	1	–2	<–100
Profit from operating activities (EBIT)	303	263	–13.2	110	100	–9.1
Return on sales (%)[1]	2.9	2.5	–	3.0	2.8	–
Operating cash flow	157	261	66.2	217	214	–1.4

[1] EBIT/revenue.

MAIL division

Revenue grows by 3.6%

In the first nine months of 2013, which included 0.6 fewer working days, revenue in the division was €10,484 million and therefore 3.6% higher than the prior year's figure (€10,121 million). The figure for the reporting period includes negative currency effects of €16 million. Our operating business saw a positive development, specifically in the Mail Communication, Parcel Germany and Global Mail business units. As reported, in the first half of the year 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 business customers than in the prior year. 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. Consequently, customers have now, in part, reverted to traditional letters. Revenue in the Mail Communication business unit was €4,143 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 volume owing to the discontinuation of our *Infobrief* product.

20 Mail Communication: volumes

mail items (millions)	9M 2012	9M 2013	+/– %	Q3 2012	Q3 2013	+/– %
Business customer letters	4,760	4,927	3.5	1,517	1,593	5.0
Private customer letters	834	809	–3.0	273	272	–0.4
Total	**5,594**	**5,736**	**2.5**	**1,790**	**1,865**	**4.2**

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

In the Dialogue Marketing business unit, volumes and revenue suffered in the first nine months 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 8.0% to €1,709 million in the first nine months (previous year, adjusted: €1,857 million). In the third quarter, revenue was at the prior-year level, primarily due to advertising in association with the parliamentary elections in Germany.

21 Dialogue Marketing: volumes

mail items (millions)	9M 2012	9M 2013	+/– %	Q3 2012	Q3 2013	+/– %
Addressed advertising mail	4,262	3,941	–7.5	1,358	1,343	–1.1
Unaddressed advertising mail	3,039	3,028	–0.4	914	991	8.4
Total	**7,301**	**6,969**	**–4.5**	**2,272**	**2,334**	**2.7**

Press services revenue down

In the reporting period revenue in the Press Services business unit was €540 million, 2.7% below the prior year's figure (€555 million). The German press services market is on the decline, due mainly to lower consumer magazine circulation.

Parcel business sees sustained strong growth

In the third quarter, too, the parcel business continued to grow on account of the e-commerce market; compared with the third quarter of 2012, volumes increased by 8.7% to 238 million parcels. Revenue in the Parcel Germany business unit was €2,638 million from January to September 2013, exceeding the high prior-year figure of €2,439 million by 8.2%. We are modernising our production network continuously and improving services for our customers: advance notification of parcel delivery is now provided and customers may even choose a courier delivery window, which includes evening hours.

22 Parcel Germany: volumes

parcels (millions)	9M 2012	9M 2013	+/– %	Q3 2012	Q3 2013	+/– %
Business customer parcels[1]	591	641	8.5	193	212	9.8
Private customer parcels	80	83	3.8	26	26	0.0
Total	**671**	**724**	**7.9**	**219**	**238**	**8.7**

[1] Including intragroup volumes.

Retail outlets increase revenue

In the first nine months of 2013, our network, which now includes around 23,000 retail outlets and sales points, generated revenue of €643 million, representing a 3.5% increase over the prior year's figure (€621 million).

Sustained positive performance in international mail business

In the Global Mail business unit, revenue was €1,303 million in the first nine months of 2013, exceeding the prior year's figure (€1,216 million) by 7.2%, due mainly to strong growth in the B2C business in the United States and consistent growth in the export business. Year-on-year volumes in Europe were down, which was due mainly to the discontinuation in the previous year of our domestic business in the UK.

23 Mail International: volumes

mail items (millions)	9M 2012	9M 2013	+/– %	Q3 2012	Q3 2013	+/– %
Global Mail	1,385	1,331	–3.9	455	445	–2.2

Earnings improvement slowed by rising costs

EBIT in the division was €866 million for the first nine months of 2013, 28.1% above the adjusted prior-year figure (€676 million). 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. Higher material and, above all, labour costs slowed an improvement in earnings noticeably. Return on sales was 8.3%, exceeding the prior year. Operating cash flow increased sharply from €–30 million to €612 million, which, in addition to improved EBIT, was due mainly to a lower change in the provisions and a one-time effect from the termination of a factoring programme in the prior year. Working capital was €–396 million and therefore above the prior year's figure (€–489 million).

EXPRESS division

Operating business continues to perform well

In the first nine months of 2013, revenue in the division was €9,386 million, slightly below the prior year's figure of €9,436 million, which still included revenues of €70 million related to the divested domestic express business in Australia, New Zealand and Romania. Excluding these divestments and considerable negative currency effects of €341 million, revenue grew by 3.8%.

In the Time Definite International (TDI) product line, per-day shipment volumes rose further by 8.4% compared with the first nine months of the previous year. Growth in the third quarter amounted to 8.0%. Daily revenues for the first nine months of the year increased by 6.3% and by 6.7% in the third quarter.

We also saw continued encouraging growth in the Time Definite Domestic (TDD) product line: per-day shipment volumes for the first nine months of the year increased by 9.2% and in the third quarter by 8.7%. Daily revenues rose by 7.1% in the period from January to September.

For reasons of materiality, we have no longer reported the Day Definite Domestic (DDD) product line separately since the first quarter of 2013.

24 EXPRESS: revenue by product

€m per day[1]	9M 2012 adjusted	9M 2013	+/– %	Q3 2012 adjusted	Q3 2013	+/– %
Time Definite International (TDI)	33.3	35.4	6.3	32.8	35.0	6.7
Time Definite Domestic (TDD)[2]	4.2	4.5	7.1	4.2	4.4	4.8

[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]	9M 2012 adjusted	9M 2013	+/– %	Q3 2012 adjusted	Q3 2013	+/– %
Time Definite International (TDI)	580	629	8.4	575	621	8.0
Time Definite Domestic (TDD)	736	804	9.2	723	786	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.

Sustained revenue and volume growth in the Europe region

Revenue in the Europe region increased by 4.8% to €4,330 million in the reporting period (previous year: €4,132 million). The figure still included revenues of €10 million related to the domestic express business in Romania, which was sold in the first quarter. Excluding this sale and negative currency effects of €55 million related mainly to our business activities in Switzerland, the UK, Russia, Turkey and several countries in Eastern Europe, revenue growth was 6.4%. In the TDI product line, our customers sent 8.7% more shipments per day than in the prior year.

International shipment volumes up again in the Americas region

In the Americas region, revenue was €1,666 million in the first nine months of 2013, a slight decrease of 0.5% on the previous year (€1,674 million). The figure for the reporting year includes negative currency effects of €83 million related mainly to our business activities in Venezuela and the United States as well as those in Canada and other central and south American countries. Excluding these effects, revenue in the region increased by 4.5%. The per-day shipment volumes in the TDI product line increased by 6.3% in the first nine months of 2013.

Stable growth momentum in the Asia Pacific region

In the Asia Pacific region, revenue totalled €3,171 million in the first nine months of 2013, almost on a par with the prior-year level of €3,180 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 significant negative currency effects of €169 million, which related mainly to Japan and India, revenue grew by 6.9% year-on-year. The per-day shipment volumes in the TDI product line were up by 9.1% in the reporting period.

Volumes in the MEA region increase again

In the MEA region (Middle East and Africa), revenue in the first nine months of 2013 was €695 million and thus 3.7% below the prior year's figure of €722 million. The figure for the reporting period includes negative currency effects of €39 million. Excluding these effects, the business grew by 1.7% on the previous year. The per-day shipment volumes in the TDI product line grew by 8.4%.

Third-quarter EBIT improves by 13.9%

EBIT in the division was €813 million for the first nine months of 2013, 2.0% below the adjusted prior-year figure of €830 million. The prior-year figure included one-time effects, making a positive impact on earnings to the tune 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 nine months of 2013 improved considerably by 11.7%, even increasing by 13.9% in the third quarter to €263 million (previous year, adjusted: €231 million). Improved cost management contributed significantly to this.

Return on sales in the first nine months of the year amounted to 8.7% (previous year, adjusted: 8.8%) and in the third quarter 8.5% (previous year: 7.3%). Excluding the one-time effects mentioned above, return on sales for the period from January to September 2013 increased to 8.5% (previous year: 7.6%).

Thanks to increased profitability and further optimised working capital management, we increased the division's operating cash flow in the first nine months of 2013 by 45.5% to €883 million.

GLOBAL FORWARDING, FREIGHT division

Freight forwarding business remains in decline

Revenue in the division decreased by 5.4% to €11,049 million in the first nine months of 2013 (previous year: €11,677 million). This figure includes negative currency effects of €307 million. The freight forwarding business continued to experience a decline. In the third quarter, revenue was €3,712 million, 7.6% below the prior-year period (€4,018 million). The third-quarter figure includes negative currency effects of €207 million.

In the Global Forwarding business unit, revenue decreased by 7.7% to €7,996 million in the first nine months of 2013 (previous year: €8,662 million). Excluding negative currency effects of €297 million, the decline was 4.3%. Gross profit decreased by 4.5% to €1,882 million (previous year: €1,970 million).

Our strategic New Forwarding Environment (NFE) project continues to make good progress. The aim is to introduce a forward-looking operating model with efficient processes and state-of-the-art IT systems in the near future. The project will be rolled out in the first country in the current financial year.

Revenues and volumes decrease in air and ocean freight

In the Global Forwarding business unit, revenues and volumes declined year-on-year in the first nine months of 2013. Fuel prices remained high whilst freight rates increased slightly on the market.

Our air freight volumes in the first nine months of 2013 were 5.7% below the prior-year figure, due primarily to a decline in demand from several large customers in both the Technology and Engineering & Manufacturing sectors. Although higher freight rates were announced, short-term purchases on the spot market kept rates stable. Airlines are expanding their passenger capacities by putting new aircraft into operation. However, freight capacities are being reduced significantly and selectively in order to drive up the rates. Our air freight revenue in the period from January to September 2013 declined by 11.3%. Gross profit decreased by 11.9% as a result.

Ocean freight volumes decreased by 1.8% in the first nine months. The intra-Asian routes continue to record the highest volumes, although they declined slightly year-on-year. Exports from Europe remain stable, whilst demand on the north-south routes is increasing. The rates on the east-west trade lanes remain volatile. Ocean carriers are responding to supply and demand by putting new ships into operation, limiting the effective capacity and adjusting travel speed. Our ocean freight revenue in the first nine months of 2013 declined by 4.7%; gross profit decreased by 1.4%.

The industrial project business (in table 26, reported as part of Other) saw somewhat weaker development compared with the first nine months of 2012. Discontinuing the unprofitable part of 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 38.3% and therefore on a par with the prior-year figure of 38.4%. Gross profit improved by a single-digit percentage compared with the prior year.

26 Global Forwarding: revenue

€m	9M 2012	9M 2013	+/– %	Q3 2012	Q3 2013	+/– %
Air freight	4,120	3,653	–11.3	1,406	1,208	–14.1
Ocean freight	2,817	2,684	–4.7	1,034	917	–11.3
Other	1,725	1,659	–3.8	587	565	–3.7
Total	**8,662**	**7,996**	**–7.7**	**3,027**	**2,690**	**–11.1**

27 Global Forwarding: volumes

thousands		9M 2012	9M 2013	+/– %	Q3 2012	Q3 2013	+/– %
Air freight	tonnes	3,077	2,903	–5.7	1,039	984	–5.3
of which exports	tonnes	1,721	1,624	–5.6	586	554	–5.5
Ocean freight	TEUs[1]	2,139	2,100[2]	–1.8	751	733	–2.4

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

Slight revenue growth in European overland transport business

In the Freight business unit, revenue increased by 1.4% to €3,153 million in the first nine months of 2013 (previous year: €3,111 million), in spite of negative currency effects of €11 million and 0.9 fewer working days. Business grew primarily in Germany, Turkey, France, the Netherlands and Belgium, as well as in some eastern European countries. As a result, we were able to more than offset revenue declines in Scandinavia, Italy, Austria, Portugal and Switzerland. Gross profit improved slightly by 0.6% to €861 million in the reporting period (previous year: €856 million).

EBIT at prior-year level despite lower gross profit margins

EBIT in the division was €344 million, nearly on a par with the adjusted prior-year figure of €347 million. Whilst gross profit margins declined, efficiency increased and the relationship between gross margin and EBIT improved. As in the previous year, earnings included expenses for the NFE project. Return on sales improved slightly to 3.1% (previous year: 3.0%).

In the third quarter of 2013, EBIT reached €127 million, exceeding the prior year's figure by 4.1%.

Net working capital increased in the first nine months of 2013, leading to an operating cash flow of €275 million (previous year: €410 million).

SUPPLY CHAIN division

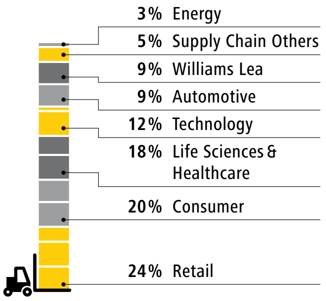
Earnings, page 6

Revenue growth impacted by negative currency effects

In the first nine months of 2013, revenue in the division decreased slightly by 0.4% to €10,565 million (previous year: €10,607 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 €123 million. Excluding these disposals and considerable negative currency effects of €481 million, revenue grew by 5.3%. The main currency effect came from the appreciation of the euro against the pound sterling. In the third quarter, revenue decreased by 3.8% year-on-year to €3,532 million (previous year: €3,670 million). Excluding the effects mentioned above, revenue growth was 6.6%.

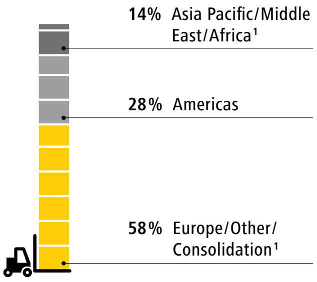
28 SUPPLY CHAIN: revenue by sector, 9M 2013

Total revenue: €10,565 million



29 SUPPLY CHAIN: revenue by region, 9M 2013

Total revenue: €10,565 million



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

Asian supply chain business continued to record highest revenue growth

In the first nine months of 2013, revenue in the Supply Chain business unit was €9,596 million and on a par with the prior-year level (€9,609 million). Excluding business disposals and high negative currency effects, growth was 5.7%. The largest revenue increases were seen in the Life Sciences & Healthcare, Automotive, Consumer and Technology sectors along with significant growth in Airline Business Solutions. Revenue from the top 20 customers increased by 4.8%.

In the Americas region, revenues in all focus sectors improved on the prior-year period. Additional volume and new business 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 again in the Asia Pacific region, primarily in Australia, China and Thailand. Revenue growth in Australia resulted 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.

In Europe, volumes in the Automotive sector and in Airline Business Solutions 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. The economic environment adversely affected business in other parts of Europe.

Revenue in the Williams Lea business unit was €974 million in the first nine months of 2013, a decrease of 2.6% on the previous year (€1 billion). Excluding negative currency effects, revenue increased by 1.7%. Additional activity and the start of new contracts were partly offset by lower volumes in the banking and legal sectors as well as some contract losses.

New business worth around €1,130 million contracted

In the first nine months of 2013, the Supply Chain business unit concluded additional contracts worth around €1,130 million in annualised revenue with both new and existing customers. Substantial signings were secured with major customers in the Consumer, Retail, Life Sciences & Healthcare and Technology sectors. The annualised contract renewal rate remained at a consistently high level.

Earnings impacted adversely by business disposals and one-time effects

EBIT in the division was €263 million in the first nine months of 2013 (previous year, adjusted: €303 million). This figure includes expenses associated with the business disposals as well as initiatives aimed at reducing indirect costs and improving future margins predominantly in Europe. Earnings suffered from contract losses 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 strong performance in the Americas and Asia Pacific regions offset lower volumes and margin pressure in other markets. The EBIT margin declined to 2.5% (previous year: 2.9%) due to the one-time charges mentioned. In the third quarter, EBIT amounted to €100 million (previous year, adjusted: €110 million), the highest quarterly performance of the current financial year. Operating cash flow for the first nine months of 2013 increased from €157 million in the previous year to €261 million.

NON-FINANCIAL PERFORMANCE INDICATORS

Employees

Number of employees continues to increase slightly

In the first nine months of 2013, the average number of employees (full-time equivalents) increased slightly to 433,796, a rise of 1.3% compared with the previous year's average. Most of the increases in staff numbers again occurred in the SUPPLY CHAIN division, although the MAIL division also saw growth due in particular to new people being hired for the Parcel Germany business unit. 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

Two bonds issued

Projected financial position, page 25

At the beginning of October, we issued two bonds with a total volume of €1 billion.

OUTLOOK

Overall assessment of expected performance

Full-year earnings forecast confirmed

From the perspective of the Board of Management, 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 continue to expect consolidated EBIT to reach between €2.75 billion and €3.00 billion in financial year 2013. 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 likely to contribute between €1.15 billion and €1.25 billion to consolidated EBIT. Compared with the previous year, we 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 of the previous year and benefit from the expected earnings improvement. We now expect capital expenditure to remain at the prior-year level in financial year 2013, at around €1.7 billion.

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.

dpdhl.com/en/investors.html

Opportunities

dpdhl.com/en/investors.html

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

Association files appeal against price approval for 2013

Various appeals have been filed against the price approvals under the price-cap procedure. One association and one competitor have appealed the relevant decisions for 2003, 2004 and 2005. The association also appealed the decision for 2008 and now the decision for 2013 as well. The appeals filed by the association against the price approvals for 2003, 2004 and 2005 are currently pending with the Münster Higher Administrative Court, and the most recent appeal with the Cologne Administrative Court. Further information on the proceedings is provided in the 2012 Annual Report beginning on page 206.

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Regulatory authority announces intended decision on price-cap parameters

On 21 October 2013, the *Bundesnetzagentur* (German federal network agency) published its intended decision on the conditions for regulating mail prices requiring approval under the price-cap procedure from January 2014 to December 2018. According to the decision, the general rate of inflation less the productivity growth rate stipulated by the regulatory authority (x-factor) constitutes the key factor applicable to mail prices subject to approval. The *Bundesnetzagentur* intends to set the x-factor at 0.2% annually for the period 2014 to 2018. This would necessitate price reductions if the inflation rate in the reference period is lower than the productivity growth rate specified and permit price increases if the inflation rate in the reference period is higher than the productivity growth rate specified.

Overall assessment of risk position

In the first nine months of 2013, no further significant risks or changes to such risks arose beyond those presented in the 2012 Annual Report. 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 organisational structure planned

No material changes to the Group's organisational structure are planned for the fourth quarter of 2013.

Future economic parameters

Global economy and global trade forecast to pick up slightly by year's end

Economists predict that global economic growth is likely to pick up somewhat towards the end of 2013 and into 2014. The industrial countries are expected to contribute to this growth. On the other hand, the economy in emerging markets appears to have passed its peak. The International Monetary Fund (IMF) now forecasts global economic output to increase by only 2.9% in 2013. Growth is expected to increase to 3.6% in 2014. According to the IMF, global trade is likely to increase by 2.9% in 2013 and 4.9% in 2014.

In China, economic output forecasts for 2013 envisage a slight decrease in growth compared with the prior year (IMF: 7.6%; Bloomberg Consensus: 7.6%; Global Insight: 7.5%) and again in the following year (IMF: 7.3%; Bloomberg Consensus: 7.4%; Global Insight: 7.8%). The Japanese economy will continue to benefit from the country's expansive monetary policy in 2013 and GDP will see a strong increase (IMF: 2.0%; Bloomberg Consensus: 1.9%; Global Insight: 1.8%); the upwards trend is expected to continue in 2014 (IMF: 1.2%; Bloomberg Consensus: 1.6%; Global Insight: 1.8%).

The United States is likely to see a partial sharp increase in investments, further improvement on the labour market and an increase in private consumption. On the whole, however, GDP is only expected to grow moderately in 2013 (IMF: 1.6%; Bloomberg Consensus: 1.6%; Global Insight: 1.5%), whereas a sharper rise is anticipated in the following year (IMF: 2.6%; Bloomberg Consensus: 2.7%; Global Insight: 2.7%).

In the euro zone, it seems increasingly likely that the economy will gradually recover – even the economies in the countries in crisis are beginning to stabilise. On the whole, GDP will decline again in 2013 (IMF: –0.4%, ECB: –0.4%; Global Insight: –0.5%). Provided that the sovereign debt crisis continues to abate, moderate growth may be possible in 2014 (IMF: 1.0%; ECB: 1.0%; Global Insight: 0.7%).

The German economy continues to be in better form than the euro zone as a whole, as borne out by the latest increases in the Ifo Business Climate Index. However, GDP is likely to experience only moderate growth in 2013 due to the low initial base (IMF: 0.5%; Bundesbank: 0.3%; Global Insight: 0.6%). However, the upturn is expected to gain slight momentum in 2014 (IMF: 1.4%; Bundesbank: 1.5%; Global Insight: 1.8%) as a result of growing domestic demand and the slightly improved economic environment.

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 trend, with increasing revenue, particularly in the DHL divisions.

We continue to expect consolidated EBIT to reach between €2.75 billion and €3.00 billion in financial year 2013. The MAIL division is likely to contribute between €1.15 billion and €1.25 billion to this figure. Compared with the previous year, we 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 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 of 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. For 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 on the projected earnings trend for 2013, we expect the "FFO to debt" performance metric to improve further and the rating agencies to continue to rank our creditworthiness as adequate.

Liquidity situation remains solid

We expect our liquidity to increase at the end of the year given that our business generally performs well in the fourth quarter. However, the liquidity situation will experience a temporary deterioration at the start of 2014 due to the prepayment to Bundes-Pensions-Service für Post und Telekommunikation and repayment of a bond maturing in January. To refinance the bond, we took advantage of the favourable capital market environment and issued two bonds with a total volume of €1 billion at the beginning of October 2013. The cash inflow was received in the same month. Since the cash increase equalled the increase in financial liabilities, the bond issues do not affect our net debt.

Capital expenditure to remain at prior-year level

We now expect capital expenditure to remain at the prior-year level in financial year 2013, at around €1.7 billion. Investments shall focus predominantly on IT, transport and operating equipment, aircraft and machinery.

30 INCOME STATEMENT

1 January to 30 September

€m	9M 2012 adjusted[1]	9M 2013	Q3 2012 adjusted[1]	Q3 2013
Revenue	40,935	40,591	13,839	13,498
Other operating income	1,550	1,394	411	464
Total operating income	42,485	41,985	14,250	13,962
Materials expense	−23,536	−22,925	−8,048	−7,686
Staff costs	−13,121	−13,316	−4,334	−4,322
Depreciation, amortisation and impairment losses	−990	−993	−343	−338
Other operating expenses	−3,000	−2,775	−921	−970
Total operating expenses	−40,647	−40,009	−13,646	−13,316
Profit from operating activities (EBIT)	**1,838**	**1,976**	**604**	**646**
Net income from associates	0	0	0	0
Other financial income	637	166	26	28
Other finance costs	−886	−314	−131	−117
Foreign currency result	−38	−33	−2	−9
Net other finance costs	−287	−181	−107	−98
Net finance costs	**−287**	**−181**	**−107**	**−98**
Profit before income taxes	**1,551**	**1,795**	**497**	**548**
Income taxes	−369	−395	−86	−121
Consolidated net profit for the period	**1,182**	**1,400**	**411**	**427**
attributable to Deutsche Post AG shareholders	1,102	1,319	377	399
attributable to non-controlling interests	80	81	34	28
Basic earnings per share (€)	**0.91**	**1.09**	**0.31**	**0.33**
Diluted earnings per share (€)	**0.91**	**1.05**	**0.31**	**0.32**

[1] Note 4.

31 STATEMENT OF COMPREHENSIVE INCOME

1 January to 30 September

€m	9M 2012 adjusted[1]	9M 2013	Q3 2012 adjusted[1]	Q3 2013
Consolidated net profit for the period	**1,182**	**1,400**	**411**	**427**
Items that will not be reclassified to profit or loss				
Change in actuarial gains and losses of defined benefit plans	–897	130	–299	–100
IFRS 3 revaluation reserve	–1	–1	0	0
Other changes in retained earnings	1	1	0	0
Income taxes relating to components of other comprehensive income	6	–31	2	26
Share of other comprehensive income of associates (after tax)	0	0	0	0
Total (after tax)	**–891**	**99**	**–297**	**–74**
Items that may be subsequently reclassified to profit or loss				
IAS 39 revaluation reserve				
Changes from unrealised gains and losses	–17	55	–7	20
Changes from realised gains and losses	0	0	0	0
IAS 39 hedging reserve				
Changes from unrealised gains and losses	–69	91	–18	14
Changes from realised gains and losses	47	–31	24	–18
Currency translation reserve				
Changes from unrealised gains and losses	185	–339	–12	–119
Changes from realised gains and losses	2	2	0	0
Income taxes relating to components of other comprehensive income	10	–25	0	–7
Share of other comprehensive income of associates (after tax)	–37	0	0	0
Total (after tax)	**121**	**–247**	**–13**	**–110**
Other comprehensive income (after tax)	**–770**	**–148**	**–310**	**–184**
Total comprehensive income	**412**	**1,252**	**101**	**243**
attributable to Deutsche Post AG shareholders	333	1,180	75	222
attributable to non-controlling interests	79	72	26	21

[1] Notes 1 and 4.

32 BALANCE SHEET

€m	1 Jan. 2012 adjusted[1]	31 Dec. 2012 adjusted[1]	30 Sept. 2013
ASSETS			
Intangible assets	12,196	12,151	11,910
Property, plant and equipment	6,493	6,663	6,434
Investment property	40	43	34
Investments in associates	44	46	46
Non-current financial assets	729	1,039	1,099
Other non-current assets	280	298	274
Deferred tax assets	1,206	1,328	1,039
Non-current assets	**20,988**	**21,568**	**20,836**
Inventories	273	322	389
Current financial assets	2,498	252	224
Trade receivables	6,934	6,959	6,863
Other current assets	2,155	2,153	2,491
Income tax assets	239	127	174
Cash and cash equivalents	3,123	2,400	2,080
Assets held for sale	1,961	76	25
Current assets	**17,183**	**12,289**	**12,246**
Total ASSETS	**38,171**	**33,857**	**33,082**
EQUITY AND LIABILITIES			
Issued capital	1,209	1,209	1,209
Capital reserves	2,170	2,254	2,264
Other reserves	−456	−475	−715
Retained earnings	6,366	6,031	6,540
Equity attributable to Deutsche Post AG shareholders	9,289	9,019	9,298
Non-controlling interests	189	209	179
Equity	**9,478**	**9,228**	**9,477**
Provisions for pensions and similar obligations	6,055	5,216	5,026
Deferred tax liabilities	186	156	133
Other non-current provisions	2,117	1,943	1,653
Non-current provisions	8,358	7,315	6,812
Non-current financial liabilities	1,366	4,413	3,539
Other non-current liabilities	347	276	240
Non-current liabilities	1,713	4,689	3,779
Non-current provisions and liabilities	**10,071**	**12,004**	**10,591**
Current provisions	2,134	1,663	1,645
Current financial liabilities	5,644	403	1,450
Trade payables	6,168	5,991	5,398
Other current liabilities	4,106	4,004	4,137
Income tax liabilities	570	534	384
Liabilities associated with assets held for sale	0	30	0
Current liabilities	16,488	10,962	11,369
Current provisions and liabilities	**18,622**	**12,625**	**13,014**
Total EQUITY AND LIABILITIES	**38,171**	**33,857**	**33,082**

[1] Note 4.

33 CASH FLOW STATEMENT

1 January to 30 September

€m	9M 2012 adjusted[1]	9M 2013	Q3 2012 adjusted[1]	Q3 2013
Consolidated net profit for the period attributable to Deutsche Post AG shareholders	1,102	1,319	377	399
Consolidated net profit for the period attributable to non-controlling interests	80	81	34	28
Income taxes	369	395	86	121
Net other finance costs	287	181	107	98
Net income from associates	0	0	0	0
Profit from operating activities (EBIT)	1,838	1,976	604	646
Depreciation, amortisation and impairment losses	990	993	343	338
Net income from disposal of non-current assets	−58	−5	−3	12
Non-cash income and expense	−6	6	−2	16
Change in provisions	−945	−426	−171	−197
Change in other non-current assets and liabilities	−47	−24	3	1
Income taxes paid	−369	−417	−142	−141
Net cash from operating activities before changes in working capital	**1,403**	**2,103**	**632**	**675**
Changes in working capital				
Inventories	−4	−84	14	−49
Receivables and other current assets	−676	−605	310	158
Liabilities and other items	−297	19	−388	28
Net cash from operating activities	**426**	**1,433**	**568**	**812**
Subsidiaries and other business units	40	31	1	1
Property, plant and equipment and intangible assets	149	118	45	33
Other non-current financial assets	28	27	2	16
Proceeds from disposal of non-current assets	217	176	48	50
Subsidiaries and other business units	−56	−37	−21	−14
Property, plant and equipment and intangible assets	−1,097	−929	−430	−380
Other non-current financial assets	−326	−37	−1	−8
Cash paid to acquire non-current assets	−1,479	−1,003	−452	−402
Interest received	36	34	9	7
Dividend received	0	13	0	1
Current financial assets	−11	24	−11	46
Net cash used in investing activities	**−1,237**	**−756**	**−406**	**−298**
Proceeds from issuance of non-current financial liabilities	1,262	4	15	2
Repayments of non-current financial liabilities	−57	−29	−27	−3
Change in current financial liabilities	−34	178	−8	−162
Other financing activities	−2	7	−2	−6
Proceeds from transactions with non-controlling interests and venturers	11	1	1	0
Cash paid for transactions with non-controlling interests	−60	0	0	0
Dividend paid to Deutsche Post AG shareholders	−846	−846	0	0
Dividend paid to non-controlling interest holders	−70	−101	−63	−91
Purchase of treasury shares	−26	−23	0	0
Proceeds from issuing shares or other equity instruments	0	4	0	0
Interest paid	−270	−121	−177	−29
Net cash used in financing activities	**−92**	**−926**	**−261**	**−289**
Net change in cash and cash equivalents	−903	−249	−99	225
Effect of changes in exchange rates on cash and cash equivalents	10	−78	−11	−37
Changes in cash and cash equivalents associated with assets held for sale	0	7	0	9
Changes in cash and cash equivalents due to changes in consolidated group	0	0	0	0
Cash and cash equivalents at beginning of reporting period	3,123	2,400	2,340	1,883
Cash and cash equivalents at end of reporting period	**2,230**	**2,080**	**2,230**	**2,080**

[1] Note 4.

34 STATEMENT OF CHANGES IN EQUITY

1 January to 30 September

€m	Issued capital	Capital reserves	Other reserves				Retained earnings	Equity attributable to Deutsche Post AG shareholders	Non-controlling interests	Total equity
			IFRS 3 revaluation reserve	IAS 39 revaluation reserve	IAS 39 hedging reserve	Currency translation reserve				
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	−74	−920
Transactions with non-controlling interests	0	0	0	0	0	−3	26	23	−22	1
Changes in non-controlling interests due to changes in consolidated group	0	0	0	0	0	0	0	0	−3	−3
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	30	0	0	0	0	0	30	0	30
Share Matching Scheme (exercise)	2	−24	0	0	0	0	22	0	0	0
								−819	**−99**	**−918**
Total comprehensive income										
Consolidated net profit for the period	0	0	0	0	0	0	1,102	1,102	80	1,182
Currency translation differences	0	0	0	0	0	229	0	229	2	231
Change in actuarial gains and losses of defined benefit plans	0	0	0	0	0	0	−888	−888	−3	−891
Other changes	0	0	−1	−96	−14	0	1	−110	0	−110
								333	79	412
Balance at 30 September 2012	**1,209**	**2,176**	**4**	**−6**	**−48**	**−291**	**5,759**	**8,803**	**169**	**8,972**
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	−104	−950
Transactions with non-controlling interests	0	0	0	0	0	0	−62	−62	1	−61
Changes in non-controlling interests due to changes in consolidated group	0	0	0	0	0	0	0	0	−3	−3
Issue of shares or other equity instruments	0	0	0	0	0	0	0	0	4	4
Purchase of treasury shares	−1	0	0	0	0	0	−22	−23	0	−23
Share Matching Scheme (issuance)	0	30	0	0	0	0	0	30	0	30
Share Matching Scheme (exercise)	1	−20	0	0	0	0	19	0	0	0
								−901	**−102**	**−1,003**
Total comprehensive income										
Consolidated net profit for the period	0	0	0	0	0	0	1,319	1,319	81	1,400
Currency translation differences	0	0	0	0	0	−329	0	−329	−8	−337
Change in actuarial gains and losses of defined benefit plans	0	0	0	0	0	0	100	100	−1	99
Other changes	0	0	−1	47	43	0	1	90	0	90
								1,180	72	1,252
Balance at 30 September 2013	**1,209**	**2,264**	**2**	**46**	**36**	**−799**	**6,540**	**9,298**	**179**	**9,477**

[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 September 2013 and have been reviewed.

BASIS OF PREPARATION

1 Basis of accounting

The accompanying condensed consolidated interim financial statements as at 30 September 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 immediate 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 require 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.

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 Sept. 2013
Number of fully consolidated companies (subsidiaries)		
German	85	87
Foreign	730	716
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 September 2013

Deutsche Post DHL acquired the following companies in the period up to 30 September 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
RISER ID Services GmbH, Berlin	Germany	MAIL	100	31 July 2013
All you need GmbH, Berlin[1]	Germany	MAIL	82	24 Oct. 2012

[1] Step acquisition, presented until Q2 2013 as acquired with a view to resale.

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 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.

At the end of July 2013, all of the shares of RISER ID Services GmbH, Berlin, were acquired via a subsidiary in which Deutsche Post DHL holds a 51% interest. The company is a service provider offering electronic address information from public resident registers.

In financial year 2012, Deutsche Post DHL increased its previous 33% stake in All you need GmbH, Berlin, a mobile commerce supermarket, to 82%. The step acquisition of the company was carried out with a view to resale, since Deutsche Post DHL intended to focus on taking over and enhancing the logistics infrastructure. The company was therefore classified under assets held for sale and liabilities associated with assets held for sale in accordance with IFRS 5. Deutsche Post DHL's stake was further increased to 94.02% through disproportionate capital increases during financial years 2012 and 2013. In the third quarter of 2013, the Board of Management announced that it no longer intends to resell the company. Initial consolidation resulted in goodwill of €5 million. The company was accounted for in the current quarter. The income statement presentation was not adjusted retrospectively due to the immateriality of the amounts involved. The additional shares acquired through the disproportionate capital increases of €11 million led to a €1 million decline in retained earnings.

Insignificant acquisitions, 2013

€m 1 January to 30 September	Carrying amount	Adjustment	Fair value
ASSETS			
Non-current assets	2	–	2
Current assets	8	–	8
Cash and cash equivalents	2	–	2
	12	–	12
EQUITY AND LIABILITIES			
Current liabilities and provisions	6	–	6
	6	–	6
Net assets			6

The calculation of goodwill is presented in the following table:

Goodwill, 2013

€m	Fair value
Cash purchase price	37
Fair value of existing equity interest	2
Cost	**39**
Less net assets	6
Less cost attributable to non-controlling interests	5
Difference	**28**
Plus non-controlling interests[1]	2
Goodwill	**30**

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

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

€34 million has so far been paid for the companies acquired in financial year 2013 and €5 million was paid for companies acquired in previous years. The purchase price for the companies acquired was paid by transferring cash funds.

Acquisitions in the period up to 30 September 2012

Deutsche Post DHL acquired the following companies 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
intelliAd Media GmbH, Munich	Germany	MAIL	100	9 July 2012
2 Sisters Food Group (2SFG), Heathrow	United Kingdom	SUPPLY CHAIN	Asset deal	27 July 2012

Tag Belgium is active in the communications sector and specialises in the design, production and localisation of print media. intelliAd Media is a bid-management technology supplier active in the area of search engine advertising. 2SFG is active in the field of airline catering.

Insignificant acquisitions, 2012

€m 1 January to 30 September	Carrying amount	Adjustment	Fair value
ASSETS			
Non-current assets	4	–	**4**
Current assets	4	–	**4**
Cash and cash equivalents	3	–	**3**
	11	**–**	**11**
EQUITY AND LIABILITIES			
Current liabilities and provisions	5	–	**5**
	5	**–**	**5**
Net assets			**6**

The calculation of goodwill is presented in the following table:

Goodwill, 2012

€m	Fair value
Cost	26
Less net assets	6
Negative goodwill	–2
Goodwill	**22**

Purchase price allocation for Tag Belgium 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.

€22 million was paid for the companies acquired in financial year 2012. €37 million was paid for companies acquired in previous years. The purchase price for the companies acquired was paid by transferring cash funds.

Contingent consideration

Basis	Period for financial years from/to	Results range from	Fair value of total obligation	Remaining payment obligation at 31 Dec. 2012	Remaining payment obligation at 30 Sept. 2013
Revenue and gross income[1]	2011 to 2013	€0 to €2 million	€2 million	€1 million	€0 million
EBITDA	2011 to 2012	unlimited	€1 million	€1 million	€0 million
Revenue and EBITDA[2]	2011 to 2013	€0 to €3 million	€1 million	€2 million	€1 million
Revenue and sales margin	2012 to 2014	€0 to €9 million	€4 million	€4 million	€2 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.

Disposal and deconsolidation effects in the period up to 30 September 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 September	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	38	10	**64**
EQUITY AND LIABILITIES	**4**	**12**	**38**	**10**	**64**
Net assets	**7**	**23**	**10**	**11**	**51**
Total consideration received	19	0	18	23	**60**
Losses from the currency translation reserve	0	0	0	–2	**–2**
Deconsolidation gain (+)/loss (–)	**12**	**–23**	**8**	**10**	**7**

Disposal and deconsolidation effects in the period up to 30 September 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 September	DHL Oman	ECL, PDG	Total
Non-current assets	0	38	**38**
Current assets	8	19	**27**
Cash and cash equivalents	1	9	**10**
ASSETS	**9**	**66**	**75**
Non-current liabilities and provisions	0	24	**24**
Current liabilities and provisions	6	41	**47**
EQUITY AND LIABILITIES	**6**	**65**	**71**
Net assets	**3**	**1**	**4**
Total consideration received	1	49	**50**
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 period up to 30 September 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 period up to 30 September 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 €23 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 September 2012

€m	9M 2012	Adjustment	9M 2012 adjusted
Net other finance costs	–264	–23	**–287**
Profit before income taxes	1,574	–23	**1,551**
Income taxes	–378	9	**–369**
Consolidated net profit for the period	1,196	–14	**1,182**
attributable to Deutsche Post AG shareholders	1,116	–14	1,102

INCOME STATEMENT DISCLOSURES

5 Other operating income

€m	9M 2012	9M 2013
Income from the reversal of provisions	297	163
Insurance income	131	146
Income from currency translation differences	159	120
Rental and lease income	108	103
Income from fees and reimbursements	109	91
Commission income	82	71
Gains on disposal of non-current assets	85	70
Income from the remeasurement of liabilities	85	69
Income from work performed and capitalised	71	54
Reversals of impairment losses on receivables and other assets	59	53
Income from derivatives	10	45
Income from prior-period billings	28	43
Income from the derecognition of liabilities	11	21
Income from loss compensation	18	20
Recoveries on receivables previously written off	10	14
Subsidies	6	5
Miscellaneous	281	306
Total	**1,550**	**1,394**

€30 million of the gains on disposal of non-current assets is attributable to the deconsolidation gains from the sale of subsidiaries, Note 2.

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	9M 2012	9M 2013
Cost of purchased cleaning, transport and security services	234	239
Travel and training costs	255	227
Expenses for advertising and public relations	223	227
Other business taxes	469	215
Warranty expenses, refunds and compensation payments	176	215
Insurance costs	183	203
Telecommunication costs	169	163
Write-downs of current assets	139	136
Office supplies	130	131
Consulting costs (including tax advice)	142	130
Expenses from currency translation differences	161	119
Entertainment and corporate hospitality expenses	104	101
Losses on disposal of assets	29	64
Voluntary social benefits	60	62
Contributions and fees	53	55
Services provided by the Federal Posts and Telecommunications Agency	60	53
Commissions paid	50	52
Legal costs	51	46
Monetary transaction costs	31	30
Prior-period other operating expenses	20	21
Audit costs	22	20
Expenses from derivatives	42	17
Donations	17	14
Miscellaneous	180	235
Total	**3,000**	**2,775**

€23 million of the losses on disposal of assets is attributable to the deconsolidation loss from the sale of DHL Fashion (France) SAS's fashion logistics business; Note 2.

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 €3 million year-on-year, from €990 million to €993 million. This item includes impairment losses of €26 million (previous year: €17 million), which are attributable to the segments as follows:

Impairment losses

€m	9M 2012	9M 2013
EXPRESS		
Property, plant and equipment	17	24
Corporate Center/Other		
Intangible assets	0	2
Impairment losses	**17**	**26**

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

8 Net other finance costs

Net other finance costs improved by €106 million to €181 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. Net finance costs improved in financial year 2013 due to lower interest expenses for pensions and other provisions.

9 Earnings per share

Basic earnings per share in the period under review were €1.09.

Basic earnings per share

		9M 2012 adjusted[1]	9M 2013
Consolidated net profit for the period attributable to Deutsche Post AG shareholders	€m	1,102	1,319
Weighted average number of shares outstanding	shares	1,208,849,207	1,208,875,318
Basic earnings per share	€	0.91	1.09

[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 September 2013: 6,512,492 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 €1.05.

Diluted earnings per share

		9M 2012 adjusted[1]	9M 2013
Consolidated net profit for the period attributable to Deutsche Post AG shareholders	€m	1,102	1,319
Plus interest expense on convertible bond	€m	–	4
Less income taxes	€m	–	0[2]
Adjusted consolidated net profit for the period attributable to Deutsche Post AG shareholders	€m	1,102	1,323
Weighted average number of shares outstanding	shares	1,208,849,207	1,208,875,318
Potentially dilutive shares	shares	2,925,331	52,501,030
Weighted average number of shares for diluted earnings	shares	1,211,774,538	1,261,376,348
Diluted earnings per share	€	0.91	1.05

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

BALANCE SHEET DISCLOSURES

10 Intangible assets and property, plant and equipment

Investments in intangible assets and property, plant and equipment amounted to €900 million in the period up to 30 September 2013 (previous year: €1,135 million). Of this figure, €132 million (previous year: €219 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 Sept. 2012	30 Sept. 2013
Property, plant and equipment		
Land and buildings (incl. leasehold improvements)	50	62
Technical equipment and machinery	72	57
Transport equipment	173	167
Aircraft	52	21
IT equipment	57	73
Other operating and office equipment	39	39
Advance payments and assets under development	473	349
Total	916	768

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	30
Disposals	–29	–22
Currency translation differences	–53	–193
Balance at 31 December/30 September	12,059	11,874
Impairment losses		
Balance at 1 January	1,135	1,137
Disposals	–3	–5
Currency translation differences	5	–25
Balance at 31 December/30 September	1,137	1,107
Carrying amount at 31 December/30 September	10,922	10,767

The additions to goodwill are attributable to optivo (€16 million), Compador Technologies (€4 million), RISER ID (€5 million) and All you need (€5 million).

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

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 September	**46**	**46**

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

€m	Assets		Liabilities	
	31 Dec. 2012	30 Sept. 2013	31 Dec. 2012	30 Sept. 2013
Deutsche Post AG – real estate (Corporate Center/Other)	22	20	0	0
Exel Inc., USA – real estate (SUPPLY CHAIN segment)	9	2	0	0
US Express Aviation, USA – aircraft (EXPRESS segment)	2	2	0	0
DHL Express UK Limited, UK – domestic same day business (EXPRESS segment)	0	1	0	0
All you need GmbH, Germany – (MAIL segment)	11	0	1	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	0	0	0
Assets held for sale and liabilities associated with assets held for sale	**76**	**25**	**30**	**0**

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

ALL YOU NEED GMBH

In the third quarter of 2013, the Board of Management resolved not to pursue its plan to resell All you need GmbH, which was acquired in financial year 2012. The company has been fully consolidated. Detailed information can be found in Note 2.

DHL EXPRESS UK LIMITED

DHL Express UK Limited, UK, has resolved to sell its domestic same day business. The relevant assets and liabilities have been reclassified as held for sale in accordance with IFRS 5. The most recent measurement of the assets and liabilities prior to their reclassification did not indicate any impairment. The sale was completed at the end of October 2013.

13 Issued capital and purchase of treasury shares

As at the end of September 2013, KfW Bankengruppe (KfW) held a 21% interest in Deutsche Post AG's share capital. The free float was 79%.

Issued capital

€	2012	2013
Balance at 1 January	1,209,015,874	1,209,015,874
Treasury shares acquired	–1,770,503	–1,313,727
Treasury shares issued	1,770,503	1,313,727
Balance at 31 December/30 September	**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 €23.5 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 €17.94.

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. 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	1,319
Changes in actuarial gains and losses	–1,187	100
Transactions with non-controlling interests	58	–62
Miscellaneous other changes	0	–2
Balance at 31 December/30 September	**6,031**	**6,540**

[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 current financial year largely relate to an option to acquire the remaining 40% interest in Giorgio Gori Group, Italy. In the previous year, these transactions comprised 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 Sept.	2012[1]	2013	2012[1]	2013	2012[1]	2013	2012[1]	2013	2012[1]	2013	2012	2013	2012[1]	2013
External revenue	10,051	10,407	9,139	9,099	11,180	10,552	10,527	10,485	38	48	0	0	40,935	40,591
Internal revenue	70	77	297	287	497	497	80	80	849	859	–1,793	–1,800	0	0
Total revenue	10,121	10,484	9,436	9,386	11,677	11,049	10,607	10,565	887	907	–1,793	–1,800	40,935	40,591
Profit/loss from operating activities (EBIT)	676	866	830	813	347	344	303	263	–317	–310	–1	0	1,838	1,976
Net income from associates	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Segment assets[2]	4,433	4,562	8,684	8,546	7,951	7,851	6,264	6,071	1,322	1,360	–215	–225	28,439	28,165
Investments in associates[2]	0	0	28	28	18	18	0	0	0	0	0	0	46	46
Segment liabilities[2,3]	2,505	2,385	2,547	2,555	2,950	2,808	2,825	2,685	797	725	–120	–122	11,504	11,036
Capex	191	175	424	276	96	72	215	187	209	190	0	0	1,135	900
Depreciation and amortisation	247	250	283	290	83	69	213	205	147	153	0	0	973	967
Impairment losses	0	0	17	24	0	0	0	0	0	2	0	0	17	26
Total depreciation, amortisation and impairment losses	247	250	300	314	83	69	213	205	147	155	0	0	990	993
Other non-cash expenses	217	190	145	171	64	55	77	130	35	84	0	0	538	630
Employees[4]	146,923	148,881	84,623	84,707	43,590	44,088	140,193	143,195	12,958	12,925	0	0	428,287	433,796
Q 3														
External revenue	3,252	3,413	3,074	3,018	3,860	3,545	3,641	3,503	12	19	0	0	13,839	13,498
Internal revenue	24	26	98	94	158	167	29	29	287	292	–596	–608	0	0
Total revenue	3,276	3,439	3,172	3,112	4,018	3,712	3,670	3,532	299	311	–596	–608	13,839	13,498
Profit/loss from operating activities (EBIT)	246	261	231	263	122	127	110	100	–104	–105	–1	0	604	646
Net income from associates	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capex	98	63	141	109	31	30	70	79	116	120	0	0	456	401
Depreciation and amortisation	84	85	98	97	28	22	73	67	49	52	0	0	332	323
Impairment losses	0	0	11	15	0	0	0	0	0	0	0	0	11	15
Total depreciation, amortisation and impairment losses	84	85	109	112	28	22	73	67	49	52	0	0	343	338
Other non-cash expenses	106	100	61	63	27	20	30	46	10	45	0	0	234	274

Information about geographical areas

€m	Germany		Europe (excluding Germany)		Americas		Asia Pacific		Other regions		Group	
1 Jan. to 30 Sept.	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013
External revenue	12,296	12,465	13,186	12,972	7,278	7,129	6,384	6,302	1,791	1,723	40,935	40,591
Non-current assets[2]	4,759	4,794	7,228	7,000	3,408	3,258	3,227	3,066	332	317	18,954	18,435
Capex	627	554	188	120	181	111	110	91	29	24	1,135	900
Q3												
External revenue	4,034	4,102	4,437	4,334	2,538	2,344	2,242	2,156	588	562	13,839	13,498
Capex	292	261	58	57	64	41	33	32	9	10	456	401

[1] Prior-year amounts adjusted Note 4.
[2] As at 31 December 2012 and 30 September 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	9M 2012 adjusted[1]	9M 2013
Total income of reportable segments	2,156	2,286
Corporate Center/Other	−317	−310
Reconciliation to Group/Consolidation	−1	0
Profit from operating activities (EBIT)	**1,838**	**1,976**
Net finance costs	**−287**	**−181**
Profit before income taxes	**1,551**	**1,795**
Income taxes	−369	−395
Consolidated net profit for the period	**1,182**	**1,400**

[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 €30 million (31 December 2012: €34 million) was transferred to the capital reserves in the period up to 30 September 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	3
2011 tranche	18	3
2012 tranche	10	16
2013 tranche	0	7
Exercise of rights		
2011 tranche	–24	0
2012 tranche	0	–20
Total for Share Matching Scheme	10	10
Addition of conversion right	74	0
Balance at 31 December/30 September	**2,254**	**2,264**

The SAR provisions for the other share-based payment systems for executives amounted to €251 million as at 30 September 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 Sept. 2013	Quoted market prices for identical instruments (Level 1)	Directly or indirectly observable inputs (Level 2)	Unobservable inputs (Level 3)
Assets				
Equity instruments	231	138	–	93
Derivatives	150			
Interest rate transactions	24	–	24	–
Foreign currency transactions	126	–	126	–
Liabilities				
Debt instruments	1	–	–	1
Derivatives	24			
Foreign currency transactions	20	–	20	–
Commodity futures	2	–	2	–
Equity derivatives	2	–	–	2

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 equity investments and options entered into in connection with business combinations. 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 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 Sept. 2013
Assets						
Equity instruments	28	0	41	24	0	**93**
Liabilities						
Debt instruments	1	0	0	0	0	**1**
Derivatives						
Equity derivatives	48	–43	0	0	–3	**2**

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 Sept. 2013
Non-current financial assets	1,039	1,081
Current financial assets	252	224
Non-current financial liabilities	4,699	3,974
Current financial liabilities	403	1,464

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, fair values cannot be calculated using valuation techniques. The investments in these entities are recognised at cost. In the period up to 30 September 2013, no significant shares in the partnerships and corporations were sold. There are also no plans to sell or derecognise parts of these 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/Other disclosures

Deutsche Post DHL took advantage of favourable market conditions to place two conventional bonds amounting to €1 billion with national and international investors. The issue date was 9 October 2013. The capital raised will be used to refinance a ten-year bond maturing in January 2014. The first issue in the amount of €500 million has a maturity of five years and an annual coupon of 1.5%. The second €500 million issue has a maturity of ten years and an annual coupon of 2.75%.

At the end of September 2013, the five-year credit facility with a total volume of €2 billion taken out with a consortium of national and international banks in 2010 was renewed early until 2018 at more favourable terms. Two additional one-year extension options were also agreed.

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) with the intention of jointly operating a coach network. The company continues to be fully consolidated. Business operations began in October 2013.

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, 11 November 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 September 2013 which are part of the quarterly financial report pursuant to section 37x (3) 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, 11 November 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@dpdhl.com

Press office

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

Ordering a copy of the Interim Report

External

E-mail: ir@dpdhl.com
@ dpdhl.com/en/investors.html

Internal

GeT and DHL Webshop
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English translation

Deutsche Post Corporate Language Services et al.

The English version of the Interim Report January to September 2013 of Deutsche Post DHL constitutes a translation of the original German version. Only the German version is legally binding, insofar as this does not conflict with legal provisions in other countries.

FINANCIAL CALENDAR

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]

GOLDMAN SACHS INDUSTRIALS CONFERENCE (BOSTON)	13 NOVEMBER 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
DB BUSINESS SERVICES LEISURE & TRANSPORT CONFERENCE (LONDON)	27 NOVEMBER 2013
COMMERZBANK GERMAN INVESTMENT SEMINAR (NEW YORK)	13–15 JANUARY 2014

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

Deutsche Post AG
Headquarters
Investor Relations
53250 Bonn
Germany

dpdhl.com