



Annual Financial Statements (HGB)

as at 31 December 2016
of Deutsche Post AG, Bonn

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Balance sheet as at 31 December 2016

Assets

€ m	Notes	31 Dec. 2015	31 Dec. 2016
A. Non-current assets			
I. Intangible assets	18	168	177
II. Property, plant and equipment	19	2,524	2,691
III. Non-current financial assets	20	14,209	15,270
		16,901	18,138
B. Current assets			
I. Inventories	21	103	65
II. Receivables and other assets	22	14,422	13,666
III. Securities	23	8	208
IV. Cash and cash equivalents	24	2,419	1,786
		16,952	15,725
C. Prepaid expenses	25	200	218
		34,053	34,081

Equity and liabilities

€ m	Notes	31 Dec. 2015	31 Dec. 2016
A. Equity	26-29		
I. Issued capital	27	1,213	1,241
Calculated value of Treasury shares		-2	-30
Issued capital (Contingent capital € 162 million)		1,211	1,211
II. Capital reserves	28	3,533	4,068
III. Revenue reserves	28	5,213	4,473
IV. Net retained profit	29	5,022	5,487
		14,979	15,239
B. Provisions	31-33	5,490	4,269
C. Liabilities	34	13,546	14,531
D. Deferred income	35	38	42
		34,053	34,081

Income statement

1 January to 31 December 2016

€ m	Notes	2015		2016	
1. Revenue	36	13,190		14,080	
2. Increase/decrease in inventories of work in progress	37	23		-23	
3. Other own work capitalised	38	30		20	
4. Other operating income	39	1,524		1,102	
		14,767		15,179	
5. Materials expense	40				
a) Cost of consumables and supplies and of goods purchased and held for resale		254		259	
b) Cost of purchased services		4,197	4,451	4,346	4,605
6. Staff costs	41				
a) Wages, salaries and emoluments		5,783		6,092	
b) Social security contributions, retirement benefit expenses and assistance benefits		1,644	7,427	1,490	7,582
7. Amortisation of intangible assets and depreciation of property, plant and equipment	42	219		242	
8. Other operating expenses	43	2,460		2,087	
		14,557		14,516	
9. Financial result	44	4,269		827	
10. Income tax expense	45	-72		2	
11. Result after tax		4,407		1,492	
12. Net profit for the period		4,407		1,492	
14. Retained profits brought forward from previous year	46	615		3,995	
15. Net retained profit	29	5,022		5,487	

Notes to the Annual Financial Statements of Deutsche Post AG

Basis of presentation

1. Disclosures identifying the corporation

The Company's name is Deutsche Post AG and its registered office is in Bonn. Deutsche Post AG is entered in Commercial Register B of the Bonn Local Court under the number HRB 6792.

2. Basis of accounting

Deutsche Post AG is a large corporation within the meaning of section 267 of the Handelsgesetzbuch (HGB – German Commercial Code). The annual financial statements for the year ended 31 December 2016 were prepared in accordance with the accounting and reporting provisions of the HGB (sections 238ff. and 264ff. of the HGB) and the Aktiengesetz (AktG – German Stock Corporation Act).

The Bilanzrichtlinie-Umsetzungsgesetz (BilRUG – Accounting Directive Implementation Act) has been applied since 1 January 2016.

As the parent company of Deutsche Post DHL Group, Deutsche Post AG prepares consolidated financial statements on the basis of the International Financial Reporting Standards (IFRSs), in accordance with section 315a(1) of the HGB. For this reason, no consolidated financial statements are prepared in accordance with the requirements of the HGB.

The Company draws up the consolidated financial statements of the largest and smallest number of companies that are included in the consolidated financial statements.

The consolidated financial statements are published in the Bundesanzeiger (Federal Gazette).

The financial year is the calendar year.

3. Classification of the balance sheet and the income statement

The total cost (type of expenditure) method was applied to the income statement. Amounts are presented in millions of euros (€ m).

To enhance the clarity of presentation, the items of the balance sheet and the income statement are shown summarised together; they are broken down and explained separately in the notes. The BilRUG was applied for the first time during preparation of the balance sheet and income statement for 2016. Where the first-time application of the BilRUG as at 31 December 2016 has resulted in transition effects, this is indicated for the items concerned.

Accounting policies

Application of the accounting policies as detailed below was basically unchanged as against the previous year. Changes not described in the accounting policies or the basis of preparation are explained in relation to the items in question.

4. Intangible assets

Purchased intangible assets are carried at cost, including incidental costs of acquisition, and reduced by straight-line amortisation and impairment losses. Impairment losses are recognised if the assets are expected to be impaired for a prolonged period. They have a useful life of five years which is reduced appropriately in the event of a shorter contract term.

The option under section 248(2) of the HGB is exercised for internally generated intangible assets, which have been recognised at cost (development costs) since 1 January 2010.

Cost includes attributable direct costs from the consumption of merchandise and the utilisation of services, as well as an appropriate portion of indirect materials and labour costs, and amortisation expenses attributable to the development process.

5. Property, plant and equipment

Property, plant and equipment that is used for business operations for more than one year is carried at acquisition or production cost, including incidental costs of acquisition, and reduced by straight-line depreciation.

In addition to direct costs, production cost includes an appropriate share of materials costs and production overheads. Borrowing costs are not capitalised.

The following useful lives are applied:

Useful lives

Buildings	20 to 50 years
Technical equipment and machinery	10 to 20 years
IT systems	4 to 5 years
Other operating and office equipment	8 to 10 years
Low-value assets with an acquisition cost of €150 – €1,000	5 years

Additions to items of property, plant and equipment are depreciated on a time-proportionate basis. Impairment losses are recognised if the fair values of individual assets are lower than their carrying amounts and impairment is expected to be other than temporary.

Subsidies received are reported under deferred income and reversed over the useful life of the property, plant and equipment.

An annual pooled item within the meaning of section 6(2a) of the Einkommensteuergesetz (EStG – German Income Tax Act) is recognised for low-value assets whose cost, net of any input tax contained in that amount, is more than €150 and up to €1,000. The annual pooled item is depreciated over five years, reducing income. The pooled item is not reduced if an item of operating assets is disposed of before the end of the five-year period. Assets whose cost (net of any input tax) is less than €150 are written off in full as operating expenses in the year of their acquisition.

6. Non-current financial assets

Shares in affiliated companies, other equity investments and securities classified as non-current assets are carried at cost or, if their value is expected to be impaired for a prolonged period, at the lower fair value. If the reasons for permanent impairment no longer exist, impairment losses are reversed up to the fair value, but at a maximum up to historical cost.

Shares and other equity investments in foreign affiliated companies denominated in foreign currencies are translated at the acquisition date exchange rate. If the currency risk of newly acquired companies was hedged, the latter are carried at the hedging rate.

The cost of long-term, low-interest or non-interest-bearing loans corresponds to their present value at the grant date. The other loans are carried at their principal amounts. Amounts of accumulated interest are reported under additions.

7. Inventories

Postage stamps and spare parts for conveyor and sorting systems at freight mail centres are reported under inventories at fixed value; the other consumables and supplies are carried at moving or weighted average prices at the balance sheet date. Goods purchased and held for resale are measured at cost or at moving average prices. Appropriate valuation allowances are applied where necessary, while observing the strict principle of lower of cost or market. Work in progress is measured at cost, while prepayments are measured at the amount paid.

8. Receivables and other assets

Receivables and other assets are carried at their principal amounts less any specific valuation allowances.

The general risk of counterparty default is taken into account by a general bad debt allowance on the basis of past experience.

9. Securities

Securities classified as current assets are carried at cost or the lower fair value at the balance sheet date.

10. Cash and cash equivalents

Bank balances, cash-in-hand and cheques are carried at their nominal amounts. Foreign currency cash holdings are measured at the middle spot rate on the closing date.

11. Prepaid expenses

Expenditures prior to the balance sheet date that represent expenses for a certain period after that date are recognised as prepaid expenses.

The Company exercises the option set out in section 250(3) of the HGB and recognises discounts as assets.

Any difference between the settlement amount and the issue amount of a liability is included in prepaid expenses and amortised over the term of the liability.

12. Equity

The issued capital is carried at its notional amount.

13. Provisions

Provisions are recognised at the settlement amount dictated by prudent business judgement. Other provisions with a remaining maturity of more than one year are discounted at the average market interest rate for the preceding seven financial years corresponding to their remaining maturity.

Provisions for pensions and similar obligations are recognised on the basis of actuarial reports. They are measured using the projected unit credit method. The 2005 G mortality tables published by Prof. Klaus Heubeck are used for calculating the provisions. Increases in wages and pensions as well as staff

turnover are taken into account. The provisions are recognised at their settlement amount, which reflects discounting at the average market interest rate for the preceding 10 years. A remaining maturity of 15 years is assumed in accordance with section 253(2) sentence 2 of the HGB.

The Company has exercised the option in accordance with section 28(1) of the Einführungsgesetz zum Handelsgesetzbuch (EGHGB – Introductory Act to the German Commercial Code) to recognise indirect pension obligations as provisions.

The option to allocate the amount to be added to provisions for pensions rateably over 15 years due to the new measurement requirements under the Bilanzrechtsmodernisierungsgesetz (BilMoG – German Accounting Law Modernisation Act) (effective 1 January 2010) has been exercised. As from 1 January 2016, the amount of this annual addition is reported in other operating expenses, due to the application of the BilRUG.

In accordance with section 246(2) sentence 2 of the HGB, assets that are not available to any other creditors and that may only be used to meet liabilities from pension obligations or similar long-term obligations are offset as plan assets against corresponding provisions.

If the fair value of the plan assets exceeds historical cost, the excess amount is subject to a restriction on distribution in accordance with section 268(8) of the HGB.

The same applies to working time accounts financed by employees who convert working hours and a portion of their salary. The accounts are classified as externally funded obligations. The value of the provisions depends on the changes in value of the plan assets which are to be funded by Deutsche Post AG and which are measured at fair value.

As a result of the revisions to IDW RS HFA 30, pension obligations resulting from the assumption of joint liability were also recognised for the first time as provisions for pensions in the reporting year.

Provisions for taxes and other provisions are recognised in the amount required to settle the obligation according to prudent business judgement. All discernible risks are taken into account in an appropriate manner when measuring the provisions. Provisions with a remaining maturity of more than one year are discounted as at the reporting date using the discount rate published by Deutsche Bundesbank. The discount rate used is the average market rate for the past seven financial years for the maturity concerned.

In the past, DPAG entered into partial retirement agreements with varying terms and conditions on the basis of the “block model”. Two types of obligations arise in this context; both are measured at fair value in accordance with actuarial principles and are recognised separately from each other.

14. Liabilities

Liabilities are carried at their settlement amount. In cases where the redemption amount of a liability is higher than the issue amount, the difference is capitalised and allocated across the term of the liability.

15. Deferred income

Receipts prior to the balance sheet date that represent income for a certain period after that date are recognised as deferred income.

16. Foreign currency translation

Foreign currency transactions are generally translated at the historical exchange rate at the date of initial recognition.

Balance sheet items are measured as follows:

Non-current foreign currency receivables are recognised at the offer rate when the receivable is recognised or at the lower middle spot rate at the reporting date in accordance with the principle of lower of cost or market value (principle of imparity). Current foreign currency receivables (maturity of one year or less) and cash funds or other current foreign currency assets are translated at the middle spot rate at the balance sheet date.

Non-current foreign currency liabilities are recognised at the bid rate when the liability is recognised or at the higher closing rate, using the middle spot rate at the reporting date (principle of imparity). Current foreign currency liabilities (maturity of one year or less) are translated at the middle spot rate at the balance sheet date.

The application of hedge accounting as well as recognition and measurement under hedge accounting are explained in note 50.

17. Deferred taxes

Deferred taxes are attributable to differences between the amounts recognised for assets, liabilities, prepaid expenses and deferred income in the HGB financial statements and in the tax accounts that will reverse in future periods. Deutsche Post AG not only includes the differences relating to its own balance sheet items in the offsetting process, but also those relating to companies in its consolidated tax group and to partnerships in which Deutsche Post AG holds an equity interest. Tax loss carryforwards are taken into account in addition to temporary differences.

Deferred taxes are calculated on the basis of an effective tax rate of 30.2% which is expected to apply at the time the differences reverse. Deferred tax liabilities are offset against deferred tax assets. The Company exercises the option set out in section 274(1) sentence 2 of the HGB and consequently does not present net deferred tax assets on the balance sheet.

Balance sheet disclosures

Disclosures on assets

18. Intangible assets

The changes in and composition of intangible assets are presented in the statement of changes in non-current assets (Annex 1). In cases where development began after 1 January 2010, the development costs incurred for internally generated software are capitalised.

A total of €20 million in development costs was capitalised as internally generated intangible assets in the year under review. This relates to a large number of individual projects.

19. Property, plant and equipment

The changes in and composition of property, plant and equipment are presented in the statement of changes in non-current assets (Annex 1).

The additions of €63 million to land and buildings primarily relate to parking spaces for swap bodies, freight mail centres and automated mechanized delivery bases, as well as to leasehold improvements.

The investments in other equipment, operating and office equipment relate primarily to IT, the retail outlets, electric powered vehicles and other and low-value assets.

€134 million was added to assets under development, of which €108 million relates to conveyor and sorting systems.

20. Non-current financial assets

Changes in non-current financial assets are presented in Annex 1 (Statement of changes in non-current assets). The list of shareholdings is contained in Annex 3.

Non-current financial assets are composed of the following items:

Non-current financial assets

€ m	31 Dec. 2015	31 Dec. 2016
Shares in affiliated companies	7,049	7,049
Loans to affiliated companies	6,723	8,145
Other equity investments	3	0
Long-term securities	68	69
Other loans	366	7
	14,209	15,270

Loans to affiliated companies as at 31 December 2016 mainly relate to Deutsche Post Beteiligungen Holding GmbH (€6,400 million), DHL Global Management GmbH (€1,400 million) and Deutsche Post Fleet GmbH (€326 million).

Loans to affiliated companies increased by €1,422 million, mainly due to the conversion of a receivable owed by DHL Global Management GmbH to the intragroup in-house banking unit into a non-interest-bearing loan maturing on 30 June 2021. The non-interest-bearing loan was not discounted in view of the measurement of the overall exposure to DHL Global Management GmbH.

The change in other equity investments resulted from the sale of the shares in Güll GmbH and Presse-Service Güll GmbH.

The securities classified as non-current assets contain fund units that serve to secure provisions for pensions at subsidiaries. This item relates to an international multi-asset fund consisting mainly of fixed income securities. The carrying amount corresponds to historical cost.

As at 31 December 2015, the other loans item included the recovery claim against the German federal government in the amount of €358 million including interest relating to the European Commission's state aid ruling. On 14 July 2016, the General Court of the European Union declared the European Commission's state aid ruling null and void. The amount, which had been deposited in a trustee account with the agreement of the federal government, was repaid in July.

Residential building loans (€6 million) are reported under other loans.

21. Inventories

Inventories

€ m	31 Dec. 2015	31 Dec. 2016
Consumables and supplies	31	31
Work in progress	23	0
Goods purchased and held for resale	37	34
Prepayments	12	0
	103	65

The consumables and supplies item contains office materials, supplies, spare parts and other maintenance materials, among other things.

The decline in work in progress and prepayments is due to the sale of automated delivery bases following their completion.

The goods purchased and held for resale item comprises philatelic materials and other merchandise.

22. Receivables and other assets

Receivables and other assets

€ m	31 Dec. 2015	31 Dec. 2016
Trade receivables	367	397
Receivables from affiliated companies thereof trade receivables: 65 (previous year: 23)	13,442	12,611
Receivables from other equity investments thereof trade receivables: 0 (previous year: 1)	10	6
Other assets	603	652
	14,422	13,666

€3,631 million (previous year: €4,076 million) of receivables from affiliated companies relates to receivables from intragroup in-house banking and €842 million (previous year: €5,107 million) relates to receivables from profit transfer agreements. Further details can be found in note 44.

In addition, short-term loan receivables from affiliated companies increased to €8,073 million (previous year: €4,236 million).

Other assets include €101 million (previous year: €111 million) in cash deposits which serve as long-term collateral in connection with the sale of residential building loans.

23. Securities

Securities

€ m	31 Dec. 2015	31 Dec. 2016
Other securities	8	208

The increase resulted from the purchase of money market funds.

24. Cash and cash equivalents

The €1,786 million (previous year: €2,419 million) in cash and cash equivalents reported at the balance sheet date is attributable to cash in hand, cash in transit and bank balances.

25. Prepaid expenses

The prepaid expenses of €218 million at the reporting date (previous year: €200 million) primarily relate to advance payments of civil servants' emoluments.

This item also includes the discounts in the amount of € 27 million on the bonds issued.

Disclosures on equity and liabilities

26. Equity

Equity

€ m	31 Dec. 2015	31 Dec. 2016
Issued capital	1,213	1,241
Treasury shares	-2	-30
Total Issued capital	1,211	1,211
Capital reserves	3,533	4,068
Revenue reserves		
Other revenue reserves	5,213	4,473
Net retained profit	5,022	5,487
	14,979	15,239

Equity at 31 December 2016 increased by €260 million year-on-year. Further details on equity are given in the following sections.

27. Issued capital

Share capital

The share capital as at 31 December 2016 was composed of 1,240,915,883 (previous year: 1,212,753,687) registered no-par value shares. The contingent capital increase in the amount of €28,162,196 was implemented by issuing new shares through exercising convertible bonds.

As at 31 December 2016, the shareholder structure was as follows compared with the previous year: 987,054 thousand shares (79.5%) including 29,587 thousand treasury shares (2.4%) were in free float. KfW Bankgruppe's interest in Deutsche Post AG amounted to 253,861 thousand shares (20.5%).

Any treasury shares still held by the Company were deducted from its share capital.

Notifications of changes in voting rights in accordance with sections 21 and 26 of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act) are given in Annexes 4a and 4b to the notes.

Authorised/contingent capital at 31 December 2016

	€ m	Purpose
Authorised Capital 2013	236	Increase in share capital against cash/ non-cash contributions (until 28 May 2018)
Contingent Capital 2011	47	Issue of options/conversion rights (until 24 May 2016)
Contingent Capital 2013	75	Issue of options/conversion rights (until 28 May 2018)
Contingent Capital 2014	40	Issue of options to executives (until 26 May 2019)

Authorised Capital 2013

As resolved by the Annual General Meeting (AGM) on 29 May 2013, the Board of Management is authorised, subject to the consent of the Supervisory Board, to issue up to 240 million new no-par value registered shares on or before 28 May 2018 in exchange for cash and/or non-cash contributions, and thereby to increase the Company's share capital. In principle, shareholders have subscription rights. However, the Board of Management is authorised, subject to the consent of the Supervisory Board, to disapply the shareholders' subscription rights in cases covered by the authorisation.

Deutsche Post AG's Board of Management resolved, with the consent of the Supervisory Board, to make partial use of the authorisation to increase Deutsche Post AG's share capital by €656,915.00 by issuing 656,915 new no-par value registered shares with a notional interest in the share capital of €1.00 per share in exchange for cash contributions. The implementation of the capital increase was entered in the commercial register of the Bonn Local Court on 12 March 2014. The shares participated in the net profit for 2013.

Deutsche Post AG's Board of Management resolved, with the consent of the Supervisory Board, to make further partial use of the authorisation to increase Deutsche Post AG's share capital by €1,507,473.00 by issuing 1,507,473 new no-par value registered shares with a notional interest in the share capital of €1.00 per share in exchange for cash contributions. The implementation of the capital increase was entered in the commercial register of the Bonn Local Court on 11 December 2014. The shares participated in the net profit for 2014.

Deutsche Post AG's Board of Management resolved, with the consent of the Supervisory Board, to make further partial use of the authorisation to increase Deutsche Post AG's share capital by €1,568,593.00 by issuing 1,568,593 new no-par value registered shares with a notional interest in the share capital of €1.00 per share in exchange for cash contributions. The implementation of the capital increase was entered in the commercial register of the Bonn Local Court on 10 December 2015. The shares participated in the net profit for 2015.

Contingent Capital 2011

In its resolution dated 25 May 2011, the AGM authorised the Board of Management, subject to the consent of the Supervisory Board, to issue bonds with warrants, convertible bonds and/or income bonds as well as profit participation certificates, or a combination thereof, in an aggregate principal amount of up to €1 billion, on one or more occasions until 24 May 2016, thereby granting options or conversion rights for up to 75 million shares having a total share in the share capital of up to €75 million.

Based on this authorisation, Deutsche Post AG issued a €1 billion convertible bond on 6 December 2012, allowing holders to convert the bond into up to 48 million Deutsche Post AG shares. Full use was made of the authorisation by issuing the bond.

The share capital was contingently increased by up to €75 million as at 1 January 2016. It was reduced by €28 million in financial year 2016 to €47 million following the issuance of 28,162,196 million new shares.

Contingent Capital 2013

In its resolution dated 29 May 2013, the AGM authorised the Board of Management, subject to the consent of the Supervisory Board, to issue bonds with warrants, convertible bonds and/or income bonds as well as profit participation certificates, or a combination thereof, in an aggregate principal amount of up to €1.5 billion, on one or more occasions until 28 May 2018, thereby granting options or conversion rights for up to 75 million shares having a total notional interest in the share capital of up to €75 million. The share capital has been contingently increased by up to €75 million. The authorisation was not exercised in the reporting year.

Contingent Capital 2014

On 27 May 2014, the AGM of Deutsche Post AG resolved to authorise the Board of Management to contingently increase the share capital by up to €40 million by issuing up to 40 million new no-par value registered shares. The contingent capital increase serves to grant options on shares to selected Group executives. The options may only be issued based on the aforementioned Annual General Meeting resolution of 27 May 2014. The contingent capital increase will only be implemented to the extent that shares are issued based on the options granted and the Company does not settle the options by cash payment or the delivery of treasury shares. The new shares participate in profit from the beginning of the financial year in which they are issued. The share capital has been contingently increased by up to €40 million. This authorisation was not exercised in the reporting year.

Authorisation to acquire treasury shares

By way of a resolution adopted by the AGM on 27 May 2014, the Company was authorised to acquire treasury shares in the period up to 26 May 2019 amounting to up to 10% of the share capital existing when the resolution was adopted. The authorisation permits the Board of Management to exercise it for every purpose permitted by law, and in particular to pursue the goals mentioned in the resolution by the AGM.

Furthermore, the treasury shares acquired on the basis of the authorisation may also be used, while disapplying shareholders' subscription rights, for the purpose of listing on a stock exchange outside Germany. Equally, the Board of Management is also authorised to acquire treasury shares using derivatives.

Deutsche Post AG acquired 1,309,421 treasury shares in order to settle the 2015 tranche of the Share Matching Scheme (incentive shares and/or investment shares).

1,568,593 treasury shares were acquired in December 2015 to settle rights to matching shares under the 2011 tranche; the settlement was implemented in the reporting year.

On 1 March 2016, the Board of Management resolved on the basis of the authorisation granted by the AGM on 27 May 2014, which is valid until 26 May 2019, to implement a share buy-back programme for up to 60 million shares of Deutsche Post AG at a total purchase price (excluding transaction costs) of up to €1 billion.

The repurchased shares will be cancelled, used to service long-term executive remuneration programmes or used to satisfy potential obligations resulting from the exercise of rights associated with the 2012/2019 convertible bonds. The buy-back programme, which is being implemented via the stock exchange, was launched on 1 April 2016 and has a maximum term of one year.

An initial tranche of the share buy-back programme with a total volume (excluding transaction costs) of €100 million was implemented between 1 April 2016 and 3 May 2016.

The second tranche of the share buy-back programme, which had a total volume (excluding transaction costs) of €250 million, was implemented between 30 May 2016 and 26 August 2016.

The buy-back volume for the third tranche amounted to €455 million in the period between 29 August and 31 December 2016. The maximum total volume (excluding transaction costs) for this tranche is €650 million. The tranche will run until 6 March 2017 at the latest.

Details on the purchase transactions are contained in Annex 5.

Deutsche Post AG held 29,587,229 treasury shares on 31 December 2016. This corresponds to 2.4% of the Company's share capital.

28. Reserves

Capital reserves

Under the terms of the Share Matching Scheme introduced in 2009, a portion of the short-term variable remuneration component (annual bonus) for selected executives is paid in the form of shares of Deutsche Post AG (incentive shares). All eligible Group executives can also specify an increased equity component individually by converting a further portion of their variable remuneration for the financial year (investment shares). In addition, the executive will again be awarded the same number of shares of Deutsche Post AG after expiry of the four-year lock-up period (matching shares).

The capital reserves in accordance with section 272(2) no. 2 of the HGB increased by €2 million to accommodate the claims to incentive shares acquired in the current financial year. These rights will be settled in April of the following year by delivering treasury shares. The claims acquired in the previous year (€2 million) will be deducted from the capital reserves when the incentive shares are settled in the year under review.

€2 million was transferred to the capital reserves in accordance with section 272(2) no. 2 of the HGB in the reporting year for the claims to matching shares that have been acquired but not yet settled.

In addition, the capital reserves in accordance with section 272(2) no. 1 of the HGB increased by €552 million in the reporting year. Conversely, the portion of the prepaid expenses attributable to the conversion but not yet amortised was offset against the capital reserves in accordance with section 272(2) no. 1 of the HGB in the amount of €19 million.

Revenue reserves

The revenue reserves declined by €775 million as a result of the share buy-back programme.

The shares acquired to settle claims in the reporting year under the Share Matching Scheme (incentive shares and investment shares) led to a €31 million decrease in the revenue reserves, while the issuance of these shares to the eligible employees led to a €30 million increase.

Treasury shares were acquired on the market in the previous year to enable the rights to matching shares under the 2011 tranche to be exercised. The issuance/sale of these shares led to a €36 million increase in the revenue reserves in the reporting year.

Details on the changes in revenue reserves are contained in Annex 5.

29. Net retained profit

On 18 May 2016, the Annual General Meeting resolved to distribute €1,027 million of the €5,022 million net retained profit for financial year 2015 and to carry forward €3,995 million to new account. The dividend was paid out in financial year 2016.

Including the net profit for the current financial year of €1,492 million, the net retained profit for 2016 amounts to €5,487 million.

30. Amounts subject to restrictions on distribution

Amounts subject to restrictions on distribution as at 31 December 2016 resulted from the capitalisation of internally generated software, the fair value measurement of plan assets and different calculations of the present value of provisions for pensions (the difference between the 7-year and the 10-year average discount rate).

The change in the period used to calculate the average discount rate for provisions for pensions from 7 to 10 years that was resolved by the federal government in the reporting year was applied for the first time at Deutsche Post AG as at 31 December 2016.

Amounts subject to restrictions on distributions

€ m	31 Dec. 2015	31 Dec. 2016
Internally generated software	47	51
Difference between the fair values of plan assets and their cost	32	98
Difference between present value calculations of provisions for pensions using a 7-year and a 10-year discount rate	–	695
Deferred tax assets	34	64
	113	908

The amounts subject to restrictions on distribution are covered by distributable reserves.

31. Provisions

The provisions are composed of provisions for pensions, provisions for taxes and Other provisions.

Provisions

€ m	31 Dec. 2015	31 Dec. 2016
Provisions for pensions and similar obligations	3,853	2,559
Provisions for taxes	243	213
Other provisions	1,394	1,497
	5,490	4,269

32. Provisions for pensions and similar obligations

Provisions for pensions and similar obligations relate on the one hand to obligations on the part of DPAG towards its own current employees and pensioners in the amount of €2,548 million (previous year: €3,853 million). In addition, due to the clarification provided by IDW RS HFA 30, corresponding obligations on the part of subsidiaries for which DPAG has assumed joint liability (€11 million) are now also reported under this item as from the reporting year.

Provisions for pensions for current employees and pensioners of DPAG are composed of the following items:

Provisions for pensions and similar obligations

€ m	31 Dec. 2015	31 Dec. 2016
Provision for indirect benefit obligations		
Benefit obligations ^{*)}	2,512	47
Unrecognised difference (BilMoG)	-136	-6
	2,376	41
Provision for direct benefit obligations		
Benefit obligations ^{*)}	1,645	2,771
Unrecognised difference (BilMoG)	-168	-264
	1,477	2,507
Total pension provisions		
Benefit obligations ^{*)}	4,157	2,818
Non-recognised difference amount (BilMoG)	-304	-270
	3,853	2,548

^{*)} Offset against plan assets

The provisions for pensions relate firstly to benefit commitments to salaried employees and hourly workers that substantiate a direct benefit claim against Deutsche Post AG, and secondly to indirect pension obligations to employees covered by collective wage agreements.

An aggregate addition of €507 million was calculated during the remeasurement of the provisions for pensions as at 1 January 2010 due to the introduction of the BilMoG; the calculation was based on an actuarial report (projected unit credit method; Heubeck 2005 G mortality tables). €280 million of this amount was attributable to direct benefit obligations and €227 million to indirect benefit obligations. In accordance with section 67(1) of the EGHGB, Deutsche Post AG is spreading this addition over 15 years. The total annual additions amount to €34 million; since 1 January 2016, they have been reported under other operating expenses, as required by the BilRUG.

Indirect benefit obligations

The indirect benefit obligations are granted and funded via Versorgungsanstalt der Deutschen Bundespost (VAP) and DP Pensionsfonds AG. After offsetting the benefit obligations against plan assets, a provision for indirect benefit obligations was recognised in the amount of €41 million.

Additionally, further indirect benefit obligations existed as at 31 December 2015; these were managed via Unterstützungskasse Deutsche Post Betriebsrenten Service e. V. (DPRS). In financial year 2016, employees whose occupational pensions were provided by DPRS were granted a direct commitment. At the same time, DPRS transferred all assets and liabilities to Deutsche Post AG. This led to a reduction of €2,231 million in the provisions for indirect benefit obligations at the time of the transfer (including an unrecognised difference of €129 million resulting from the BilMoG).

Adequate provisions were recognised at the balance sheet date for indirect benefit obligations to hourly workers and salaried employees.

Direct benefit obligations

Provisions for direct benefit obligations amounted to €2,507 million as at 31 December 2016.

As at the reporting date, Deutsche Post AG held plan assets as defined by section 246(2) sentence 2 of the HGB of €3,929 million (fair value), which were offset against the obligations of €6,700 million less the unrecognised difference of €264 million. The cost of the plan assets amounted to €3,790 million.

The total interest expenses of €8 million incurred in relation to provisions for pensions included income of €147 million from the plan assets. No material expenses were incurred in relation to the plan assets.

Assumption of joint liability for obligations

In previous years, Deutsche Post AG entered into agreements with subsidiaries in which it assumed joint liability for individual pension obligations on the part of these subsidiaries. Until the previous year, these obligations were recognised as liabilities. Effective financial year 2016, they are recognised as provisions for pensions and similar obligations due to the clarification provided by IDW RS HFA 30.

The indirect and direct benefit obligations and the joint liabilities assumed were calculated for the Company using the 10-year average discount rate in accordance with section 253(2) of the HGB for the first time as at 31 December 2016. The early application option as at 31 December 2015 was not exercised. The difference in the amounts calculated for the benefit obligations using the 7-year average rate and the 10-year average rate is €695 million.

The income/expense resulting from the change in the discount rate is reported in the financial result.

The provisions for pensions were based on the following assumptions:

Assumption of joint liability for obligations

%	31 Dec. 2015	31 Dec. 2016
Annual wage and salary increases	1.45 to 2.5%	1.45 to 2.5%
Annual pension increases	1.0 to 2.0%	1.0 to 2.0%
Average staff turnover	1%	1%
Discount rate	3.89% ¹⁾	4.01% ²⁾

¹⁾ 7 year average rate

²⁾ 10 year average rate

33. Provisions for taxes and other provisions

The provisions for taxes and other provisions item is composed of the following:

Provisions for taxes and other provisions

€ m	31 Dec. 2015	31 Dec. 2016
1. Provisions for taxes	243	213
2. Other provisions		
a) Provisions for staff costs		
Restructuring	199	161
Variable salaries and wages	117	119
Bonuses	113	107
Vacation claims	100	101
Overtime and other claims for time off	100	100
Stock options	75	75
Miscellaneous	93	126
b) Miscellaneous other provisions		
Postage stamps	252	242
Assumption of debt	0	148
Derivatives	131	118
Outstanding supplier invoices	48	63
Miscellaneous	166	137
Subtotal	1,394	1,497
Total of 1. and 2.	1,637	1,710

Provisions for taxes

Provisions for taxes relate to tax expenses for the current year and potential tax arrears payable due to ongoing external tax audits, including the interest attributable to these arrears.

Restructuring

The restructuring item mainly includes partial retirement expenses. In addition to existing individually negotiated partial retirement agreements, Deutsche Post AG introduced a combined partial retirement and working time account model at the end of 2011 by way of a collective agreement. The top-up amount payments arising under the partial retirement arrangements in this model are recognised as provisions.

Provisions also need to be recognised for the payments made by employees to their working time accounts. Pension liability insurance (plan assets within the meaning of section 246(2) of the HGB) has been taken out to meet the obligations resulting from the working time accounts. The provisions required for the working time accounts and the receivable under the pension liability insurance have been offset against each other.

The following overview shows the basis for offsetting:

Basis for offsetting

€ m	31 Dec. 2015	31 Dec. 2016
Settlement amount of the obligations under the demographic fund/working time accounts	-308	-391
Fair value of the insurance	308	391
Excess of plan assets over retirement benefit obligations	0	0

No acquisition costs were incurred for the insurances, since the payments from the participating employees are directly transferred to the insurance companies.

Income from plan assets amounted to €10 million in the reporting year (previous year: income and expenses of €8 million each).

Stock options

The Annual General Meeting on 27 May 2014 resolved to replace the existing share-based payment system (SAR Plan) for executives with a new Performance Share Plan (PS Plan). All earlier SAR tranches issued under the old SAR Plan remain valid.

It is not planned that members of the Board of Management will participate in the PS Plan. The SAR Plan remains in force for the Board of Management.

The stock options are recognised rateably in the income statement over the four-year lock-up period.

Postage stamps

The provision for postage stamps relates to stamps that have been sold by the reporting date but for which the corresponding service has yet to be performed. The relevant calculations are based on investigations by market research companies into postage stamps held by customers. Utilisation of prior-year stocks in the amount of €252 million was assumed in financial year 2016. €242 million was added to the provision, based on external expert reports prepared in 2015 and periodic updates made on the basis of internal data.

Assumptions of performance

In previous years, Deutsche Post AG entered into contracts in which it undertook in respect of a number of subsidiaries to assume responsibility internally for the performance of certain pension obligations on the part of these subsidiaries. Until last year, the obligations assumed by Deutsche Post in the amount of €131 million were reported under liabilities to affiliated companies. Effective as from the reporting year, they are reported as other provisions due to the clarification provided by IDW RS HFA 30. Prior-year figures have not been adjusted.

Non-current provisions were discounted using the relevant discount rate published by the Deutsche Bundesbank for the average maturity of the obligations.

34. Liabilities

Liabilities

€ m	31 Dec. 2015	31 Dec. 2016
Bonds	3,029	3,692
thereof convertible bond: 420 (previous year: 1,000)		
Due to banks	172	122
Trade payables	847	871
Liabilities to affiliated companies	8,875	9,125
thereof trade payables: 67 (previous year: 131)		
Liabilities to other equity investments	23	23
thereof trade payables: 0 (previous year: 0)		
Other liabilities	600	698
thereof taxes: 302 (previous year: 272)		
thereof social security: 2 (previous year: 3)		
	13,546	14,531

The maturity structure of the liabilities is presented in the “Maturity structure of liabilities” table (Annex 2).

No loans were secured by mortgage charges as at 31 December 2016.

On 1 April 2016, the Group placed two senior bonds with a total volume of €1.25 billion with national and international investors. The capital raised was largely used to further fund pension obligations. The first bond has a term of five years, a volume of €750 million and an annual coupon of 0.375%. The second bond, which has a volume of €500 million, has a term of ten years and an annual coupon of 1.250%.

Investors exercised their conversion right in the amount of €580 million in December 2016. Consequently, the remaining principal amount of the convertible bond fell to €420 million as at 31 December 2016.

The details of the bonds issued are shown in the following table:

Straight bonds issued under the Dept-Issuance Programme

	Interest rate %	Volume
Bond 2012 / 2020	1.875	€300 million
Bond 2012 / 2024	2.875	€700 million
Bond 2013 / 2018	1.500	€500 million
Bond 2013 / 2023	2.750	€500 million
Bond 2016 / 2021	0.375	€750 million
Bond 2016 / 2026	1.250	€500 million
Convertible bond 2012 / 2019 ¹⁾	0.600	€1,000 million

¹⁾ Conversion premium: 30%
 Conversion price: €20.60
 Converted in 2016: €580,200,000

Development of the convertible bond

	Con- version price ¹⁾ €	Conversion ratio for each individual bond ²⁾	Cash dividend €
Issuance	20.74	4,821.1823	
After Adjustment in 2014	20.69	4,832.2386	0.80
After Adjustment in 2015	20.63	4,846.1999	0.85
After Adjustment in 2016	20.60	4,853.8820	0.85

¹⁾ The unrounded conversion price corresponds to the principal amount (€100,000) divided by the adjusted conversion ratio.

²⁾ Calculation agent: Conv-Ex Advisors Limited.

The amounts due to banks mainly comprise liabilities from the sale of residential building loans.

Deutsche Post AG manages these loans in the capacity of a trustee. The payments received are forwarded to the purchasers of the loans (banks) in accordance with a defined interest and principal payment schedule.

As borrowers are making unscheduled repayments on existing loans, some of the funds initially remain with Deutsche Post AG due to the defined interest and principal payment schedule, and will be forwarded to the purchasers of the loans at a later date. Liabilities due to banks therefore include an amount of €117 million (previous year: €134 million) from unscheduled repayments.

The liabilities to affiliated companies mainly comprise liabilities from Group cash management (in-house banking) in the amount of €9,003 million (previous year: €8,669 million).

35. Deferred income

In 2015, the Company had assumed, against payment, liabilities for pension commitments by subsidiaries by way of an assumption of performance. The difference between the settlement amount under the HGB and that under the IFRSs (€34 million) was recognised as deferred income and will be reversed using the straight-line method over the expected average duration of the obligations. As at 31 December 2016, deferred income amounted to €31 million.

Apart from this, deferred income largely comprises investment subsidies for electric drive vehicles.

Income statement disclosures

36. Revenue

The revenue disclosed is not comparable to the revenue reported as at 31 December 2015, due to first-time application of the BilRUG as at 31 December 2016. The changes are presented in the following table.

Post - eCommerce - Parcel division

Revenue by business units:

€ m	2015	2015 acc. to the BilRUG	2016
Post business unit			
Mail Germany			
Mail Communication	5,413	5,413	5,500
Dialogue Marketing ^{*)}	2,166	2,166	2,128
Press Services	656	656	630
Other Services	139	139	130
Deutsche Post International ^{*)}	1,009	1,009	1,022
Pension Service	79	79	81
eCommerce - Parcel business unit			
DHL Parcel Germany	3,711	3,711	4,040
DHL Parcel Europe	12	12	12
DHL eCommerce	5	5	7
Total revenue Post - eCommerce - Parcel	13,190	13,190	13,550
Other revenue			
Reimbursements from the provision of staff		197	188
Rental and lease income		84	76
Service level agreements		79	76
Miscellaneous		162	190
Total other revenue		522	530
	13,190	13,712	14,080

^{*)} Prior-period amounts adjusted due to changed product allocation.

Revenue by geographical regions:

€ m	2015	2016
Germany	12,645	13,488
EU excl. Germany	413	423
Europe excl. EU	32	37
Americas	47	80
Asia/Pacific	46	44
Rest of world	7	8
	13,190	14,080

37. Increase/decrease in inventories of work in progress

€-23 million in changes in inventories of work in progress is reported (previous year: €23 million). The automated delivery bases were sold to third parties on completion.

38. Other own work capitalised

Other own work capitalised is reported in the amount of €20 million (previous year: €30 million). This item relates primarily to own work in connection with the recognition of internally generated intangible assets, which has been permitted since 1 January 2010.

39. Other operating income

Other operating income

€ m	2015	2015 acc. to the BilRUG	2016
Exchange rate gains	617	617	637
Income from the reversal of provisions	51	51	196
Income from derivatives	34	34	145
Fees and reimbursements	89	38	15
Gains on disposal of non-current assets	48	48	9
Write-down reversals	9	9	5
Income from prior-period billings	9	2	4
Reimbursements from the supply of temporary workers	197	0	0
Write-ups of equity investments	109	109	0
Rental and lease income	84	0	0
Service level agreements	79	0	0
Reimbursements from DHL Delivery companies for transportation costs	67	0	0
Miscellaneous	131	94	91
	1,524	1,002	1,102

Other operating income relates primarily to exchange rate gains (€637 million).

Reversals of provisions in 2016 related primarily to reversals of provisions for pensions (€96 million), for derivatives (€26 million) and for vacancies at rental properties (€14 million). In addition, €29 million relates to the partial reversal of a provision for the final settlement invoice from the Bundesanstalt für Post und Telekommunikation Deutsche Bundespost (BAnst-PT). The BAnst-PT had already switched from the 7-year to the 10-year discount rate for provisions for pensions in 2015; as a result, the final settlement invoice issued to Deutsche Post AG for financial year 2015 had an effect on income in the reporting year.

In accordance with the BilRUG, other operating income no longer includes income from the supply of temporary workers (previous year: €197 million), rental and lease income (previous year: €84 million) and income from service level agreements (previous year: €79 million). Apart from the reversal of provisions, other operating income in financial year 2016 also includes prior-period income in accordance with section 277(4) of the HGB in the amount of €4 million (previous year: €2 million). Income from prior-period billings relating to the provision of services is presented in revenue.

In accordance with the BilRUG, this item also no longer includes income from the provision of services; as a result, intragroup reimbursements for services rendered (previous year: €67 million) were reported under revenue as at 31 December 2016.

40. Materials expense

The materials expense is composed of the cost of consumables, supplies and goods purchased and held for resale, and the cost of purchased services.

Cost of consumables, supplies and goods purchased and held for resale

€ m	2015	2016
Fuel and heating materials	96	96
Operating supplies	82	85
Goods purchased and held for resale	55	53
Spare parts and repair materials	21	25
	254	259

Cost of purchased services

€ m	2015	2016
Transportation costs	1,840	1,961
Rental and lease expenses (incl. additional property expenses)	575	572
Commissions	566	571
Purchased IT services	153	142
Maintenance expenses	135	140
Retail outlet agency agreement	130	121
Proprietary software development	108	107
Miscellaneous	690	732
	4,197	4,346

The miscellaneous sub-item mostly comprises the costs of agency agreements with affiliated companies.

Costs in accordance with section 285 no. 22 of the HGB relating to IT development amounted to €107 million in financial year 2016. €20 million of this amount was capitalised.

41. Staff costs/employees

Staff costs/employees

€ m	2015	2016
Wages, salaries and emoluments	5,783	6,092
Social security contributions, retirement benefit expenses and assistance benefits thereof for retirement benefit expenses: 518 (previous year: 684)	1,644	1,490
	7,427	7,582

Expenses for wages, salaries and emoluments rose by €309 million year-on-year. This increase was largely due to an early retirement programme that was implemented in financial year 2016. Social security contributions, retirement benefit expenses and assistance benefits fell by €154 million. The main reason for the decline was an amendment to a collective agreement resulting in lower additions to pension provisions.

Since financial year 2000, Deutsche Post AG has been legally required to contribute 33% of the pensionable gross emoluments of its active civil servants and the notional pensionable gross emoluments of its civil servants on leave of absence to the Postbeamtenversorgungskasse (PVK – Postal Civil Servant Pension Fund). The Bundesanstalt für Post und Telekommunikation Deutsche Bundespost (BAnst-PT – Federal Posts and Telecommunications Agency) performs the tasks of the PVK.

It falls to the German federal government to guarantee that the PVK is always in a position to meet its obligations.

In the reporting year, contributions made to the BAnst-PT amounted to €493 million. The prior-year amount was €516 million.

The average number of employees classified by employee groups in the period under review was as follows:

Employee groups

	2015	2016
Salaried employees and hourly workers	133,075	132,810
Civil servants	35,669	32,976
	168,744	165,786

The number of salaried employees and hourly workers decreased by 265 during the financial year, while the number of civil servants decreased by 2,693.

The number of full-time equivalents at the reporting date was 138,985 (previous year: 139,274).

Since 1 January 1995, new employees have no longer been granted civil servant status. Employees with civil servant status at the reporting date are permanent civil servants who remain subject to the provisions of civil servant law.

42. Amortisation of intangible assets and depreciation of property, plant and equipment

Amortisation

€ m	2015	2016
Amortisation of intangible assets	48	49
Depreciation of property, plant and equipment		
Land and buildings	35	38
Technical equipment and machinery	59	62
Other equipment, operating and office equipment	77	93
	219	242

No impairment losses were recognised in the reporting year (previous year: €1 million on land and buildings).

43. Other operating expenses

Other operating expenses

€ m	2015	2016
Exchange rate losses	657	680
Service level agreement DP Fleet GmbH	273	239
Public relations expenses	238	233
Expenses for the BAnst-PT and Museum Foundation	148	126
Expenses for derivatives	136	110
Travel and training costs; entertainment expenses	95	98
Assumption of costs for DHL subsidiaries	0	70
Compensation payments	71	68
Other business taxes	42	60
Legal, consulting and audit costs	66	58
Expenses in accordance with section 67(1) and (2) of the EGHGB (addition to provisions for pensions due to BilMoG)	34	34
New Forwarding Environment (NFE)	374	18
Miscellaneous	326	293
	2,460	2,087

Due to the first-time application of BilRUG as at 31 December 2016, the expenses in accordance with article 67(1) and (2) of the EGHGB (pro rata addition to the pension provisions due to BilMoG) are reported under this item (€34 million). In 2015, this amount was reported in the extraordinary result.

The decrease in other operating expenses was primarily due to the discontinuation of the NFE project in 2015.

The miscellaneous sub-item includes insurance contributions, telecommunications expenses, additions to provisions, losses on asset disposals, donations and social benefits, amongst other things.

Other operating expenses include additional prior-period expenses in the amount of €8 million (previous year: €5 million).

One particularly significant item in terms of size is Deutsche Post AG's assumption of costs of €70 million in relation to DHL subsidiaries under its joint and several liability to a public authority.

44. Financial result

Financial result

€ m	2015	2016
Income from profit transfer agreements thereof from affiliated companies: 842 (previous year: 5,107)	5,107	842
Cost of loss absorption thereof from affiliated companies: 0 (previous year: 25)	25	0
Write-downs of non-current financial assets	4	0
Net investment income	5,078	842
Other interest and similar income thereof from affiliated companies: 121 (previous year: 124)	142	147
Income from long-term loans thereof from affiliated companies: 10 (previous year: 62)	62	10
Interest and similar expenses thereof to affiliated companies: 40 (previous year: 38) thereof from unwinding of discounts: 34 (previous year: 865)	1,013	172
Net interest income	-809	-15
Financial result	4,269	827

The financial result comprises net investment income and net interest income.

The change in net investment income is mainly due to the €4,278 million decrease in income from profit transfer agreements from Deutsche Post Beteiligungen Holding GmbH.

The profit transfer by Deutsche Post Beteiligungen Holding GmbH in the previous year was the result of an intragroup transfer of equity investments that led to hidden reserves being realised and to book gains at a subsidiary.

The improvement in net interest income in the reporting year is mainly due to the switch from the 7-year average discount rate previously used for provisions for pensions under the HGB to a 10-year average (€712 million). The interest expense from the unwinding of discounts in the amount of €174 million was offset against income from plan assets of €166 million.

Lower income from intragroup loans due to a decline in interest rates (€52 million) had an offsetting effect on net interest income.

45. Taxes on income

Income of €2 million, which relates to previous years, was reported under taxes on income in the year under review.

Offsetting deferred tax assets and deferred tax liabilities (net presentation method) resulted in net deferred tax assets at the balance sheet date. Since the Company does not exercise the recognition option set out in section 274(1) sentence 2 of the HGB, no deferred tax assets are recognised on the balance sheet.

Deferred tax assets result primarily from differences between the carrying amounts of provisions for pensions, other provisions and liabilities in the financial statements and their tax base. Deferred tax assets were also recognised in respect of tax loss carryforwards that will reverse within the next five years in accordance with the Company's projections. Deferred taxes are calculated on the basis of a tax rate of around 30%.

46. Retained profits brought forward

Retained profits brought forward amount to €3,995 million.

47. Appropriation of net profit

The following overview shows the appropriation of the net retained profit for the previous year, as resolved by the Annual General Meeting (AGM):

Appropriation of net profit

€ m	31 Dec. 2015	31 Dec. 2016
Net retained profit for the previous year	1,645	5,022
Dividend distribution	1,030	1,027
Retained profits brought forward	615	3,995

Based on the net retained profit for financial year 2016 in the amount of €5,487 million, the Board of Management will propose a dividend of €1.05 per no-par value share carrying dividend rights. This corresponds to a total dividend of €1,271 million, based on an estimated number of shares carrying dividend rights for financial year 2016. The amount of €4,216 million remaining after deduction of the planned total dividend will be carried forward to new account.

Other disclosures

48. Off-balance sheet items

Trust activities

Trust activities as at 31 December 2016 relate to loan administration for housing construction promotion and to the responsibilities agreed in accordance with section 119 of Book 6 of the Sozialgesetzbuch (SGB – German Social Security Code) relating to cash benefit payments by pension insurance funds (Postal Pension Service).

The trust assets for the Postal Pension Service as at 31 December 2016 amounted to €39 million (previous year: €59 million).

The trust assets for housing construction promotion amounted to €129 million (previous year: €148 million).

As at 31 December 2016, Deutsche Post AG still administered trust assets of €159 million (previous year: €156 million) for Postbank Factoring GmbH due to the receivables from foreign settlements that Deutsche Post had sold.

These transactions do not result in significant future benefits or risks for Deutsche Post AG.

Other financial obligations

Other financial obligations amounted to €2,224 million at the balance sheet date. Of this figure, €1,961 million is attributable to affiliated companies. There were no other financial obligations to associates or from retirement obligations.

In the previous year, other financial obligations amounted to €2,145 million, including obligations of €1,879 million to affiliated companies. In accordance with the BilRUG, the “thereof retirement obligations” and “thereof to associates” items were reported for the first time as at 31 December 2016.

The following overview shows the remaining maturities of the other financial obligations:

Other financial obligations

€ m	Total	thereof with a remaining maturity		
		up to 1 year	more than 1 year up to 5 years	more than 5 years
Total	2,224	847	820	557
thereof retirement obligations	0			
thereof to affiliated companies	1,961	656	771	534
thereof to associates	0			

Other financial obligations are primarily the result of long-term rental agreements and leases. In keeping with the Group leasing model, all Deutsche Post AG properties are leased from Deutsche Post Immobilien GmbH, which acts as the Group's centralised property leasing company.

49. Contingencies

Deutsche Post AG has assumed a large number of comfort letters, sureties and guarantees to secure loan, lease, supplier, delivery and service agreements to be entered into by Group companies, associates and joint ventures. This enabled the Group to obtain better contract terms locally.

Due to past experience and continuous monitoring of the liquidity situation in its companies, Deutsche Post AG is of the opinion that the risk of the comfort letters, sureties and guarantees being called must be considered extremely low. Therefore there was no need to recognise a liability for these contingencies on the balance sheet.

Contingencies relating to guarantees in accordance with section 765 of the Bürgerliches Gesetzbuch (BGB – German Civil Code), which were solely due to affiliated companies, amounted to €509 million (previous year: €312 million).

Guarantees amounting to €7,214 million (previous year: €7,325 million) and comfort letters totalling €302 million (previous year: €408 million) were issued. Of these amounts, guarantees totalling €7,155 million (previous year: €7,249 million) and comfort letters totalling €298 million (previous year: €404 million) were issued in respect of affiliated companies. Moreover, the figures above also contain contingencies (exclusively guarantees to affiliated companies) in the amount of €663 million (previous year: €449 million), which were specifically furnished in respect of retirement obligations.

In addition to the contingent liabilities referred to above, Deutsche Post AG issued declarations of joint and several liability (403 Verklaringen – section 403 guarantees – under Dutch law) for 24 Netherlands subsidiaries in order to dispense with disclosing their financial statements. The liability declarations cover all of the companies' legal transactions.

50. Hedging policy and derivatives

As an international company, Deutsche Post AG is inevitably exposed to financial risks such as those from movements in exchange rates, interest rates or commodity prices. As part of its centralised risk management system, Deutsche Post AG assumes the role of in-house bank within Deutsche Post DHL Group. In this capacity, Group-wide financial risks are centralised as far as possible and external hedging transactions are entered into with banks in order to hedge the Group's position; these transactions are then transferred in part internally to Group companies. Primary and derivative financial instruments are used to offset risks from exchange rate, interest rate and commodity price movements. The following table provides an overview of the derivative financial instruments employed and their notional amounts and fair values as at 31 December 2016:

Derivative financial instruments

€ m	Notional amount			Fair value		
	Affiliated companies	Third parties	Total	Affiliated companies	Third parties	Total
Interest rate products						
Interest rate swaps	500	0	500	-51	0	-51
thereof positive fair values				0	0	0
thereof negative fair values				-51	0	-51
Currency transactions						
Currency forwards	0	5,713	5,713	0	3	3
thereof positive fair values				0	103	103
thereof negative fair values				0	-100	-100
Cross-currency transactions						
Cross-currency-swaps	750	0	750	145	0	145
thereof positive fair values				145	0	145
thereof negative fair values				0	0	0
Commodity price transactions						
Commodity price swaps	0	52	52	0	-4	-4
thereof positive fair values				0	1	1
thereof negative fair values				0	-5	-5
Total			7,015			93

The notional volume is calculated as the sum of the absolute amounts underlying the individual transactions. A distinction is made between intragroup transactions (in-house bank function) and external transactions with banks. The fair values are calculated as the net unrealised gains and losses in each class of derivative from the measurement of the positions.

The fair values of currency forwards were determined on the basis of current market prices, taking into account forward premiums and discounts. The fair values of interest rate and cross-currency swaps were measured on the basis of discounted expected future cash flows and include accumulated accrued interest. The fair values of these instruments were determined using the treasury management system used in the Group. The fair values of commodity price swaps were provided by the banks with which the hedges were originally entered into.

Under the HGB, derivatives represent executory contracts that are generally not recognised in the balance sheet. Executory contracts are measured in accordance with the imparity principle under the HGB. A provision for expected losses is created to reflect unrealised losses from executory contracts, while unrealised gains are not recognised. A provision for expected losses must therefore generally be reported for derivatives with a negative fair value at the balance sheet date.

As an exception to this basic rule, hedge accounting in accordance with section 254 of the HGB may be applied to derivatives under certain conditions. If hedge accounting is applied, assets, liabilities, executory contracts or highly probable transactions are combined with financial instruments to net out offsetting changes in value or payment flows resulting from the occurrence of comparable risks. Either the "gross hedge presentation method" or the "net hedge presentation method" may be used. If the gross hedge presentation method is used, the fair values of the derivatives are recognised in the income statement; if the net hedge presentation method is used, the carrying amounts are not adjusted to reflect fair value changes resulting from effective hedging relationships.

Deutsche Post AG exercised the option to apply hedge accounting in the following cases as at the reporting date:

Foreign currency receivables and liabilities from external bank balances, inhouse bank balances, loans and currency risks from an internal cross-currency swap (hedged items) with a net volume of €2,618 million were combined – using the gross hedge presentation method – with currency forwards (hedging instruments) with a net volume of €–2,618 million to form homogeneous portfolio hedges for each currency to hedge the currency risk. The risk hedged was €18 million. The positive or negative fair values of the derivatives in question are recognised in other assets/other liabilities in the balance sheet using the gross hedge presentation method.

The relevant portfolios are adjusted on a continuous basis. Where necessary, the maturities of hedging instruments falling due are extended using new hedging instruments. Due to the differing maturity dates for hedged items and hedging instruments, the carrying amounts of the hedged items in the balance sheet, which increased by €174 million, are partially offset by corresponding hedging instruments with a negative fair value of net €-18 million. Corresponding other operating income and expense items were recorded in the income statement. Hedge effectiveness is prospectively assessed using the critical terms match method and retrospectively measured using the cumulative dollar-offset method, whereby only value changes attributable to spot prices are included. Hedge effectiveness is expected to be 100% since the primary measurement characteristics of the hedged items and hedging transactions match. A provision for expected losses amounting to €5 million was recognised for the portion of the fair values of the hedging instruments not attributable to changes in spot prices and thus not included in the hedging relationship.

External commodity swaps with a volume of €40 million (fair value: €-5 million) were combined into a macro hedge with highly probable future transactions using the net presentation method, in order to hedge the commodity price risk. The risk hedged was €5 million. The future transactions in question are diesel purchases planned in the period until the end of December 2017, with a corresponding notional volume of €40 million. Hedge effectiveness is measured using a regression analysis. Due to the high correlation of risk parameters, almost complete hedge effectiveness is expected. A provision for expected losses of €5 million was recognised for the synthetic fixed-price procurement transaction resulting from the macro hedge.

Hedge accounting was not performed for the following:

External currency transactions with a volume of €3,310 million (net fair value: €21 million; this includes positive fair values (€85 million) and negative fair values (€-64 million)) maturing in 2018 that were not part of a hedging relationship because the underlying risks are not attributable to Deutsche Post AG, but to other Group companies. A provision for expected losses of €64 million was recognised for the negative fair values of these transactions.

A provision for expected losses of €43 million was recognised for an internal interest rate swap with a volume of €500 million (fair value: €-51 million, including €-8 million in accrued interest) that matures in 2022.

No hedge was recognised for external commodity price swaps with a volume of €12 million (fair value: €1 million) because the related risks are not attributable to Deutsche Post AG, but to other Group companies. A provision for expected losses of €0 million was recognised for these transactions.

Total provisions for expected losses on derivatives as at 31 December 2016 amounted to €118 million (previous year: €131 million).

- 51. List of shareholdings** The list of shareholdings in accordance with section 285 sentence 1 nos. 11, 11a and 11b of the HGB is contained in Annex 3.
- 52. Declaration of conformity with the German Corporate Governance Code** The Board of Management and the Supervisory Board of Deutsche Post AG jointly published the Declaration of Conformity with the German Corporate Governance Code for financial year 2016 required by section 161 of the AktG. The Declaration of Conformity can be accessed on the Internet at www.corporate-governance-code.de and on the homepage at www.dpdhl.com.
- 53. Auditor's fee** Information on the auditor's fee is given in the consolidated financial statements of Deutsche Post AG and is therefore not disclosed here on the basis of the exemption provided for under section 285 no. 17 of the HGB.
- 54. Report on post-balance-sheet date events** There were no events after the balance sheet date that could have a material effect on DPAG's results of operations, financial position and net assets.

55. Board of Management and Supervisory Board

Board of Management remuneration

Active members of the Board of Management received remuneration, including components with a long-term incentive effect, totalling €18.51 million in financial year 2016 (previous year: €16.74 million).

Of this amount, €6.63 million related to non-performance-related components (annual base salary: €6.24 million, fringe benefits: €0.39 million) and €5.63 million to the performance-related component paid out. An additional €3.01 million of the performance-related component was transferred to the medium-term component for payment in 2019 subject to the condition that the required EAC, as an indicator of sustainability, is reached. In the previous year, €6.75 million related to non-performance-related components (annual base salary: €6.37 million, fringe benefits: €0.38 million) and €3.33 million to the performance-related component paid out. An additional €1.04 million of the performance-related component was transferred to the medium-term component in 2015 for payment in 2018 subject to the condition that the required EAC, as an indicator of sustainability, is reached. In financial year 2016, the members of the Board of Management additionally received a total of 1,202,376 stock appreciation rights (SARs) with a total value of €6.25 million at the time of issue (1 September 2016) as a variable remuneration component with a long-term incentive effect, based on the 2006 Long-Term Incentive Plan. In the previous year, the Board of Management members were granted 1,936,470 SARs with a total value of €6.66 million at the time of issue (1 September 2015).

Individual remuneration of active members of the Board of Management: (financial year 2016)

	Annual base salary	Fringe benefits	Annual bonus 2016 paid	Payout of medium-term component 2014	Share of annual bonus transferred to medium-term component 2016 ¹⁾	Value of SARs granted on 1 September 2016
€						
Dr Frank Appel, Chairman	1,962,556	35,099	950,662	928,682	950,662	1,962,574
Ken Allen	976,500	102,375	482,147	447,935	482,147	976,529
Jürgen Gerdes	1,005,795	35,011	478,406	470,331	478,406	1,005,826
John Gilbert	823,750	174,576	389,263	277,726	389,263	860,028
Melanie Kreis	739,167	18,990	364,964	58,056	364,964	715,010
Lawrence Rosen (until 30 Sep. 2016)	732,375	20,832	345,608	434,264	345,608	732,389

¹⁾ This amount will be paid out in 2019 provided the sustainability indicator is satisfied;

Individual remuneration of active members of the Board of Management: (financial year 2015)

	Annual base salary	Fringe benefits	Annual bonus 2015 paid	Payout of medium- term com- ponent 2013	Share of annual bonus transferred to medium- term com- ponent 2015 ¹⁾	Value of SARs granted on 1 September 2015
€						
Dr Frank Appel, Chairman	1,962,556	34,801	288,300	834,086	288,300	1,962,575
Ken Allen	968,750	102,252	203,680	453,375	203,680	976,520
Roger Crook ^{**)} (until 27 Apr. 2015)	75,563	0	8,029	96,170	8,029	310,013
Jürgen Gerdes	991,148	31,399	167,256	457,274	167,256	1,005,808
John Gilbert (since 11 Mar. 2014)	715,000	168,110	156,406	-	156,406	715,011
Melanie Kreis (since 31 Oct. 2014)	715,000	22,596	120,656	-	120,656	715,011
Lawrence Rosen	945,500	24,985	100,459	453,375	100,459	976,520

¹⁾ This amount will be paid out in 2018 provided the sustainability indicator is satisfied;

^{**)} Deutsche Post AG portion only

Provisions to cap severance payments pursuant to the Corporate Governance Code recommen- dation, change of control provisions and post- contractual non-compete clauses.

In accordance with the recommendation of the German Corporate Governance Code (DCGK), Board of Management contracts contain a provision stipulating that in the event of premature termination of a Board of Management member's contract, the severance payment may compensate no more than the remaining term of the contract. The severance payment is limited to a maximum amount of two years' remuneration including fringe benefits (severance payment cap). The severance payment cap is calculated without any special remuneration or the value of rights allocated from long-term incentive plans.

In the event of a change in control, any member of the Board of Management is entitled to resign their office for good cause within a period of six months following the change in control, after giving three months' notice by the end of a given month, and to terminate their Board of Management contract (right to early termination).

The contractual provisions stipulate that a change of control exists if a shareholder has acquired control within the meaning of section 29(2) of the Wertpapiererwerbs- und Übernahmegesetz (WpÜG – German Securities Acquisition and Takeover Act) via possession of at least 30% of the voting rights, including the voting rights attributable to such shareholder by virtue of acting in concert with other shareholders as set forth in section 30 of the WpÜG or if a control agreement has been concluded with the Company as a dependent entity in accordance with section 291 of the AktG and such agreement has taken effect or if the Company has merged with another legal entity outside of the Group pursuant to section 2 of the Umwandlungsgesetz (UmwG – German Reorganisation and Transformation Act), unless the value of such other legal entity as determined by the agreed conversion rate is less than 50% of the value of the Company.

In the event that the right to early termination is exercised or a Board of Management contract is terminated by mutual consent within nine months of the change of control, the Board of Management member is entitled to payment to compensate the remaining term of their Board of Management contract. Such payment is limited to 150% of the severance payment cap pursuant to the recommendation of the Code. The amount of the payment is reduced by 25% if the Board of Management member has not reached the age of 60 upon leaving the Company. If the remaining term of the Board of Management contract is less than two years and the Board of Management member has not reached the age of 62 upon leaving the Company, the payment will correspond to the severance payment cap. The same applies if a Board of Management contract expires prior to the Board of Management member's reaching the age of 62 because less than nine months remained on the term of the contract at the time of the change of control and the contract was not renewed.

Board of Management members are also subject to a non-compete clause taking effect on the cessation of their contracts. During the one-year non-compete period, former Board of Management members receive 100% of their last contractually stipulated annual base salary on a pro rata basis as compensation each month. Any other income earned during the non-compete period is subtracted from the compensation paid. The amount of the compensation payment itself is deducted from any severance payments or pension payments. Prior to or concurrent with cessation of the Board of Management contract, the Company may declare its waiver of adherence to the non-compete clause. In such case, the Company will be released from the obligation to pay compensation due to a restraint on competition six months after receipt of such declaration.

Apart from the aforementioned arrangements, no member of the Board of Management has been promised any further benefits after leaving the Company.

Pension commitments under the previous system

Dr Frank Appel and Jürgen Gerdes have direct, final-salary based pension commitments on the basis of their individual contracts, providing for benefits in case of permanent disability, death or retirement. If the contract of a member ends after at least five years of service on the Board of Management, the entitlements they have acquired will vest in full. Members become entitled to benefits due to permanent disability after at least five years of service. Eligibility for retirement benefits begins at the earliest at the age of 55 or at the age of 62 in the case of Jürgen Gerdes. The pensions are generally geared towards annuity payments. However, the members of the Board of Management have the option of choosing a lump sum payment instead of the annuity payment. The benefit amount depends on the pensionable income and the pension level derived from the years of service.

Pensionable income consists of the fixed annual remuneration (annual base salary) computed on the basis of the average salary over the last twelve calendar months of employment. Members of the Board of Management attain a pension level of 25% after five years of service on the Board of Management. The maximum pension level of 50% is attained after ten years of service. Subsequent pension benefits increase or decrease to reflect changes in the consumer price index in Germany.

Individual breakdown of pension commitments under the previous system in financial year 2016

Board of Management's benefit entitlements	Pension commitments			
	Pension level on 31 Dec. 2016	Maximum pension level	Staff costs for pension obligations, financial year 2016	Present value as at 31 Dec. 2016
	%	%	€	€
Dr Frank Appel, Chairman	50	50	265,117	12,915,279
Jürgen Gerdes	25	50	267,243	5,517,779
Total			532,360	18,433,058

Individual breakdown of pension commitments under the previous system in financial year 2015

Board of Management's benefit entitlements	Pension commitments			
	Pension level on 31 Dec. 2015	Maximum pension level	Staff costs for pension obligations, financial year 2015	Present value as at 31 Dec. 2015
	%	%	€	€
Dr Frank Appel, Chairman	50	50	112,134	12,474,996
Jürgen Gerdes	25	50	215,295	5,200,142
Total			327,429	17,675,138

Pension commitments under the new system

Since 4 March 2008, newly appointed Board of Management members have been granted pension commitments based on a defined contribution plan.

Under the defined contribution pension plan, the Company credits an annual amount of 35% of the annual base salary to a virtual pension account for the Board of Management member concerned. The maximum contribution period is 15 years. The pension capital is accruing interest at an annual rate equal to the "iBöxx Corporates AA 10+ Annual Yield" rate, or at an annual rate of 2.25% at minimum, and will continue to do so until the pension benefits fall due. The pension benefits are paid out in a lump sum in the amount of the value accumulated in the pension account. The benefits fall due when the Board of Management member reaches the age of 62 or in the case of invalidity or death whilst in office. In the event of benefits falling due, the pension beneficiary may opt to receive an annuity payment in lieu of a lump-sum payment. If this option is exercised, the capital is converted to an annuity payment, taking into account the average "iBöxx Corporates AA 10+ Annual Yield" for the past ten full calendar years as well as the individual data of the surviving dependants and a future pension increase of 1% per year.

Individual breakdown of pension commitments under the new system in financial year 2016

Board of Management's benefit entitlements	Pension commitments		
	Total contribution for 2016	Present value as at 31 Dec. 2016	Staff costs for pension obligations, financial year 2016
	€	€	€
Ken Allen	341,775	2,355,589	211,518
John Gilbert	250,250	487,807	155,500
Melanie Kreis	250,250	815,868	135,699
Lawrence Rosen (until 30 Sep. 2016)	256,331	3,213,394	95,932
Total	1,098,606	6,872,658	598,649

Individual breakdown of pension commitments under the new system in financial year 2015

Board of Management's benefit entitlements	Pension commitments		
	Total contribution for 2015	Present value as at 31 Dec. 2015	Staff costs for pension obligations, financial year 2015
	€	€	€
Ken Allen	325,500	2,073,299	309,842
Roger Crook (until 27 Apr. 2015)	81,375	1,169,233	73,726
John Gilbert (since 11 Mar. 2014)	250,250	331,303	159,831
Melanie Kreis (since 31 Oct. 2014)	250,250	668,071	49,360
Lawrence Rosen	325,500	3,011,839	235,820
Total	1,232,875	7,253,745	828,579

Further details on the remuneration of the individual Board of Management members can be found in the remuneration report which forms part of the Group Management Report.

Benefits paid to former members of the Board of Management or their surviving dependants amounted to €5.09 million (previous year: €21.79 million). Provisions for current pensions were recognised in the amount of €78.2 million (previous year: €81.6 million).

Supervisory Board remuneration

Remuneration for the members of the Supervisory Board is governed by article 17 of the Articles of Association of Deutsche Post AG, according to which Supervisory Board members receive a fixed annual remuneration in the amount of €70,000 (as in the previous year).

The Supervisory Board chairman and the Supervisory Board committee chairs receive an additional 100% of the remuneration, and the Supervisory Board deputy chair and committee members receive an additional 50%. This does not apply to the Mediation or Nomination Committees. Those who only serve on the Supervisory Board or its committees, or act as chair or deputy chair, for part of the financial year are remunerated on a pro-rata basis.

As in the previous year, Supervisory Board members receive an attendance allowance of €1,000 for each plenary meeting of the Supervisory Board or committee meeting that they attend. They are entitled to the reimbursement of out-of-pocket cash expenses incurred in the exercise of their office. Any value added tax charged on Supervisory Board remuneration or out-of-pocket expenses is reimbursed.

The remuneration for 2016 totalled €2,622,000 (previous year: €2,682,000). The following table shows the remuneration paid to each Supervisory Board member:

Remuneration paid to Supervisory Board members

€ Board members	2015			2016		
	Fixed component	Attendance allowance	Total	Fixed component	Attendance allowance	Total
Prof. Dr Wulf von Schimmelmann (Chair)	315,000	25,000	340,000	315,000	20,000	335,000
Andrea Kocsis (Deputy Chair)	245,000	21,000	266,000	245,000	19,000	264,000
Rolf Bauermeister	140,000	18,000	158,000	140,000	15,000	155,000
Dr Nikolaus von Bomhard (since 18 May 2016)	–	–	–	43,750	3,000	46,750
Ingrid Deltenre (since 18 May 2016)	–	–	–	43,750	2,000	45,750
Jörg von Dosky	70,000	8,000	78,000	70,000	5,000	75,000
Werner Gatzler	140,000	18,000	158,000	140,000	16,000	156,000
Prof. Dr Henning Kagermann	105,000	11,000	116,000	105,000	7,000	112,000
Thomas Koczelnik	175,000	24,000	199,000	175,000	21,000	196,000
Anke Kufalt	70,000	8,000	78,000	70,000	5,000	75,000
Thomas Kunz (until 18 May 2016)	70,000	6,000	76,000	26,250	1,000	27,250
Simone Menne	105,000	12,000	117,000	105,000	11,000	116,000
Roland Oetker	140,000	18,000	158,000	140,000	15,000	155,000
Andreas Schädler	70,000	8,000	78,000	70,000	5,000	75,000
Sabine Schielmann	70,000	8,000	78,000	70,000	4,000	74,000
Dr Ulrich Schröder	105,000	9,000	114,000	105,000	6,000	111,000
Dr Stefan Schulte	140,000	15,000	155,000	140,000	12,000	152,000
Stephan Teuscher	105,000	15,000	120,000	105,000	12,000	117,000
Helga Thiel	105,000	15,000	120,000	105,000	11,000	116,000
Elmar Toime (bis 18 May 2016)	70,000	8,000	78,000	26,250	2,000	28,250
Stefanie Weckesser	105,000	13,000	118,000	105,000	10,000	115,000
Prof. Dr-Ing. Katja Windt	70,000	7,000	77,000	70,000	5,000	75,000

Executive bodies of the Company

Members of the Supervisory Board Financial year 2016

Shareholder representatives

First name, last name	Profession
Prof. Dr Wulf von Schimmelmann (Chair)	Former CEO of Deutsche Postbank AG
Dr Nikolaus von Bomhard (since 18 May 2016)	Chairman of the Board of Management of Münchener Rückversicherungs-Gesellschaft AG (Munich Re)
Ingrid Deltenre (since 18 May 2016)	Director General of the European Broadcasting Union
Werner Gatzert	State Secretary, Federal Ministry of Finance
Prof. Dr Henning Kagermann	Former CEO of SAP AG
Thomas Kunz (until 18 May 2016)	Independent entrepreneur, former member of the Executive Committee of Danone S.A., France
Simone Menne	Member of the Executive Board of Deutsche Lufthansa AG (until 31 August 2016) Member of the Board of Managing Directors of Boehringer Ingelheim GmbH (since 1 September 2016)
Roland Oetker	Managing Partner of ROI Verwaltungsgesellschaft mbH
Dr Ulrich Schröder	Chief Executive Officer of KfW Bankengruppe
Dr Stefan Schulte	Chairman of the Executive Board of Fraport AG
Elmar Toime (until 18 May 2016)	Managing Director of E Toime Consulting Limited
Prof. Dr-Ing. Katja Windt	Bernd Rogge Professorship of Global Production Logistics President / Member of the Executive Board of Jacobs University Bremen gGmbH

Employee representatives

First name, last name	Profession
Andrea Kocsis (Deputy Chair)	Deputy Chair of the ver.di National Executive Board and Head of Postal Services, Forwarding Companies and Logistics on the ver.di National Executive Board
Rolf Bauermeister	Head of Postal Services, Co-determination and Youth and Head of National Postal Services Group, ver.di National Administration
Jörg von Dosky	Chair of the Group and Company Executive Representation Committee, Deutsche Post AG
Thomas Koczelnik	Chair of the Group Works Council, Deutsche Post AG
Anke Kufalt	Chair of the Works Council, DHL Global Forwarding GmbH, Hamburg
Andreas Schädler	Sales Post unit, Deutsche Post AG (since 1 January 2016)
Sabine Schielmann	Member of the Executive Board of the General Works Council, Deutsche Post AG
Stephan Teuscher	Section Head for Wage, Civil Servant and Social Policies in the Postal Services, Forwarding Companies and Logistics department, ver.di National Administration
Helga Thiel	Deputy Chair of the General Works Council, Deutsche Post AG
Stefanie Weckesser	Deputy Chair of the Works Council, Deutsche Post AG, Mail Branch, Augsburg

Members of the Board of Management Financial year 2016

First name, last name	Department
Dr Frank Appel	Chief Executive Officer (also responsible for Global Forwarding, Freight and most Global Business Services functions until further notice)
Ken Allen	EXPRESS
Jürgen Gerdes	Post - eCommerce - Parcel
John Gilbert	SUPPLY CHAIN
Melanie Kreis	Finance (also responsible for Human Resources until further notice)
The following member of the Board of Management left the company in the reporting year:	
Lawrence A. Rosen (until 30 September 2016)	Finance, Global Business Services

Memberships of other supervisory boards and supervisory bodies held by members of the Company's Supervisory Board

Shareholder representatives

First name, last name	Memberships
Prof. Dr Wulf von Schimmelmann (Chair)	a) Allianz Deutschland AG Maxingvest AG b) Accenture Corp., Ireland (Board of Directors) Thomson Reuters Corp., Canada (Board of Directors)
Dr Nikolaus von Bomhard (since 18 May 2016)	a) ERGO Group AG ^{*)} (Chair) Munich Health Holding AG ^{*)} (Chair) b) No memberships ^{*)} Group appointment of Münchener Rückversicherungs-Gesellschaft AG (Munich Re)
Ingrid Deltenre (since 18 May 2016)	a) No memberships b) Givaudan SA, Switzerland (Board of Directors) Banque Cantonale Vaudoise SA, Switzerland (Board of Directors)
Werner Gatzler	a) Bundesdruckerei GmbH Flughafen Berlin Brandenburg GmbH ÖPP Deutschland AG (Chair) (renamed effective 7 December 2016: PD-Berater der öffentlichen Hand GmbH) b) No memberships
Prof. Dr Henning Kagermann	a) BMW AG Deutsche Bank AG Münchener Rückversicherungs-Gesellschaft AG (Munich Re) b) No memberships
Simone Menne	a) Delvag Luftfahrtversicherungs-AG, Germany (Chair) ^{*)} (until 31 August 2016) LSG Lufthansa Service Holding AG, Germany (Chair) ^{*)} (until 31 December 2016) Lufthansa Cargo AG, Germany ^{*)} (until 31 December 2016) Lufthansa Technik AG, Germany ^{*)} (until 31 December 2016) BMW AG b) FWB Frankfurter Wertpapierbörse (Exchange Council) (until 31 August 2016) Miles & More GmbH (Advisory Board, Chair) ^{*)} (until 31 August 2016) ^{*)} Deutsche Lufthansa AG group appointment
Roland Oetker	a) No memberships b) Rheinisch-Bergische Verlagsgesellschaft mbH (Supervisory Board)
Dr Ulrich Schröder	a) Deutsche Telekom AG b) DEG – Deutsche Investitions- und Entwicklungsgesellschaft mbH (Supervisory Board) “Marguerite 2020”, European Fund for Energy, Climate Change and Infrastructure, Luxembourg (Supervisory Board)
Dr Stefan Schulte	a) No memberships b) Fraport Regional Airports of Greece A S.A. ^{*)} (Board of Directors, Chair) (since 15 March 2016) Fraport Regional Airports of Greece B S.A. ^{*)} (Board of Directors, Chair) (since 15 March 2016) Fraport Regional Airports of Greece Management Company S. A. ^{*)} (Board of Directors, Chair) (since 15 March 2016) ^{*)} Fraport AG group appointment
Elmar Toime (until 18 May 2016)	a) No memberships b) Postea Inc., USA (Non-Executive Chairman) Blackbay Ltd., United Kingdom (Non-Executive Director) Qatar Postal Services Company, Qatar (Non-Executive Director) Solution Dynamics Limited, New Zealand (Non-Executive Director) (since 15 February 2016)
Prof. Dr-Ing. Katja Windt	a) Fraport AG b) No memberships

a) Membership of other supervisory boards required by law

b) Membership of comparable supervisory bodies of German and foreign companies

Employee representatives

First name, last name	Memberships
Rolf Bauermeister	a) Deutsche Postbank AG (until 31 March 2016) b) No memberships
Jörg von Dosky	a) PSD Bank München eG b) No memberships
Andreas Schädler	a) PSD Bank Köln eG (Chair) b) No memberships
Stephan Teuscher	a) DHL Hub Leipzig GmbH (Deputy Chair) b) No memberships
Helga Thiel	a) PSD Bank Köln eG (Deputy Chair) b) No memberships

a) Membership of other supervisory boards required by law

b) Membership of comparable supervisory bodies of German and foreign companies

Memberships of supervisory boards and other supervisory bodies held by members of the Company's Board of Management

First name, last name	Memberships
Ken Allen	a) No memberships b) DHL Sinotrans International Air Courier Ltd, China (Board of Directors) ¹⁾
Lawrence A. Rosen (until 30 September 2016)	a) Lanxess AG Lanxess Deutschland GmbH b) Qiagen N.V. (Supervisory Board)

¹⁾ Group appointment

a) Membership of supervisory boards required by law

b) Memberships of comparable supervisory bodies of German and foreign companies

Statement of changes in non-current assets

Annex 1

Statement of changes in non-current assets for the period 1 January 2016 to 31 December 2016

€ m	Acquisition and production cost					Amortisation/Depreciation						Book values	
	Jan. 1, 2016	Additions	Reclassification	Disposals	Dec. 31, 2016	Jan. 1, 2016	Amort./Deprec.	Appreciation	Reclassification	Disposals	Dec. 31, 2016	Jan. 1, 2016	Dec. 31, 2016
1. Intangible assets													
Intern. gen. intangible assets	122	20	12	0	154	55	26	0	0	0	81	67	73
Concessions, Software	291	9	15	7	308	224	23	0	0	7	240	67	68
Progress payment	34	29	-26	1	36	0	0	0	0	0	0	34	36
Total intangible assets	447	58	1	8	498	279	49	0	0	7	321	168	177
2. Property, plant and equipment													
Land and buildings	2,801	63	7	15	2,856	1,385	38	0	0	5	1,418	1,416	1,438
Techn. equipment and machinery	2,238	12	98	36	2,312	1,450	62	0	0	35	1,477	788	835
Other equipment	1,036	166	5	55	1,152	786	93	0	0	54	825	250	327
Assets under construction	70	134	-111	2	91	0	0	0	0	0	0	70	91
Total property, plant and equipment	6,145	375	-1	108	6,411	3,621	193	0	0	94	3,720	2,524	2,691
Subtotal 1. / 2.	6,592	433	0	116	6,909	3,900	242	0	0	101	4,041	2,692	2,868
3. Non-current financial assets													
Investments in affiliated companies	7,341	0	0	0	7,341	292	0	0	0	0	292	7,049	7,049
Loans to affiliated companies	6,723	1,491	0	69	8,145	0	0	0	0	0	0	6,723	8,145
Other equity investments	7	0	0	7	0	4	0	0	0	4	0	3	0
Securities kept as fixed assets	68	1	0	0	69	0	0	0	0	0	0	68	69
Other loans	366	21	0	380	7	0	0	0	0	0	0	366	7
Total non-current financial assets	14,505	1,513	0	456	15,562	296	0	0	0	4	292	14,209	15,270
Total	21,097	1,946	0	572	22,471	4,196	242	0	0	105	4,333	16,901	18,138

Maturity structure of liabilities

Annex 2

Maturity structure of liabilities as at 31 December 2016

€ m	Balance at 31 Dec. 2015				Balance at 31 Dec. 2016			
	due within 1 year	therof after 1 year	therof after 5 years	Total	due within 1 year	therof after 1 year	therof after 5 years	Total
Bonds thereof convertible: 420 31 Dec. 2015: 1,000	0	3,029	1,200	3,029	0	3,692	1,700	3,692
Due to banks	38	134	134	172	5	117	0	122
Trade payables	847	0	0	847	871	0	0	871
Liabilities to affiliated companies thereof trade payables: 67 31 Dec. 2015: 131	8,875	0	0	8,875	9,125	0	0	9,125
Liabilities to other equity investments thereof trade payables: 0 31 Dec. 2015: 0	23	0	0	23	23	0	0	23
Other liabilities thereof taxes: 302 31 Dec. 2015: 272 thereof social security: 2 31 Dec. 2015: 3	498	102	3	600	552	146	8	698
Total	10,281	3,265	1,337	13,546	10,576	3,955	1,708	14,531

List of shareholdings

Annex 3

Affiliated Companies included in the Consolidated Financial Statements

Name	Country, Headquarters	Group equity share %	Currency	Equity in thousands	Net income in thousands
Europe					
ABIS GmbH	Germany, Frankfurt/Main	100.00	EUR	33	1,545
Agheera GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
Albert Scheid GmbH ^{6), 9)}	Germany, Cologne	100.00	EUR	1,022	0
All you need GmbH ^{6), 9)}	Germany, Berlin	99.03	EUR	0	192
AO DHL International	Russia, Moscow	100.00	EUR	7,918	25,449
Bildningsagenten 8776 AB	Sweden, Tullinge	100.00	EUR	5	0
Cargus Express Curier S.R.L.	Romania, Bucharest	100.00	EUR	18,681	12
Cillox GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
Columbae AB	Sweden, Sundsvall	100.00	EUR	5	0
CSG GmbH ^{6), 9)}	Germany, Bonn	51.00	EUR	13,838	0
CSG.PB GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	26	0
CSG.TS GmbH ^{6), 9)}	Germany, Neu-Isenburg	100.00	EUR	4,012	0
DANMAR Lines AG	Switzerland, Basel	100.00	EUR	36,152	4,062
Danzas Deutschland Holding GmbH ^{6), 9)}	Germany, Frankfurt/Main	100.00	EUR	4,025	0
Danzas Fashion Service Centers B.V.	Netherlands, Waalwijk	100.00	EUR	796	22
Danzas Grundstücksverwaltung Frankfurt GmbH	Germany, Frankfurt/Main	100.00	EUR	26,326	549
Danzas Holding AG	Switzerland, Basel	100.00	EUR	177,413	73,178
Danzas Verwaltungs GmbH	Germany, Frankfurt/Main	100.00	EUR	8,662	471
Danzas, S.L.	Spain, San Sebastián	100.00	EUR	727,734	24,247
Deutsche Post Adress Beteiligungsgesellschaft mbH ^{6), 9)}	Germany, Bonn	100.00	EUR	416	0
Deutsche Post Adress Geschäftsführungs GmbH	Germany, Bonn	51.00	EUR	70	13
Deutsche Post Adress GmbH & Co. KG ¹⁴⁾	Germany, Bonn	51.00	EUR	19,379	17,544
Deutsche Post Assekuranz Vermittlungs GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	51	0
Deutsche Post Beteiligungen Holding GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	6,655,052	0
Deutsche Post Consult GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	3,858	0
Deutsche Post Customer Service Center GmbH ^{6), 9)}	Germany, Monheim	100.00	EUR	43	0
Deutsche Post DHL Beteiligungen GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	1,507,025	0
Deutsche Post DHL Corporate Real Estate Management GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	51	0
Deutsche Post DHL Corporate Real Estate Management GmbH & Co. Logistikzentren KG ¹⁴⁾	Germany, Bonn	100.00	EUR	25,951	2,427
Deutsche Post DHL Express Holding GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	8,843,025	0
Deutsche Post DHL Research and Innovation GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	7,500	0
Deutsche Post Dialog Solutions GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	1,126	0

Reported IFRS data

¹⁾ Only subgroup data available ²⁾ Numbers from 2015 ³⁾ Numbers from 2014 ⁴⁾ Data not available ⁵⁾ Dormant ⁶⁾ Numbers after profit transfer ^{7a)} Inclusion due to majority of voting rights

^{7b)} Inclusion based on company's contractual agreements ^{7c)} Inclusion based on other contractual arrangements ⁸⁾ In liquidation ⁹⁾ Local GAAP ¹⁰⁾ Voting rights ¹¹⁾ Numbers from 2013

¹²⁾ Numbers from 2012 ¹³⁾ Not included, because they do not have significant influence on the Group's net assets, financial position and results of operations

¹⁴⁾ Partner with unlimited liability is Deutsche Post AG or other consolidated subsidiaries, acc. § 313 (2) Nr.6 local GAAP

Affiliated Companies included in the Consolidated Financial Statements

Name	Country, Headquarters	Group equity share %	Currency	Equity in thousands	Net income in thousands
Deutsche Post Direkt GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	60	0
Deutsche Post E-Post Development GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	25	0
Deutsche Post E-POST Solutions GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	2,631	0
Deutsche Post Finance B.V.	Netherlands, Maastricht	100.00	EUR	64,703	-1,621
Deutsche Post Fleet GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	511,115	0
Deutsche Post Global Mail (France) SAS	France, Issy-les-Moulineaux	100.00	EUR	4,566	291
Deutsche Post Global Mail (Netherlands) B. V.	Netherlands, Utrecht	100.00	EUR	2,035	-71
Deutsche Post Global Mail (Switzerland) AG	Switzerland, Basel	100.00	EUR	-403	121
Deutsche Post Global Mail (UK) Limited	United Kingdom, Croydon	100.00	EUR	29,202	5,379
Deutsche Post Ident GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	25	0
Deutsche Post Immobilien GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	25	0
Deutsche Post InHaus Services GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	1,534	0
Deutsche Post Insurance Limited	Ireland, Dublin	100.00	EUR	7,544	129
Deutsche Post International B.V.	Netherlands, Amsterdam	100.00	EUR	9,973,409	749,324
Deutsche Post Investments GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	25	0
Deutsche Post IT BRIEF GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	11,160	0
Deutsche Post IT Services GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	39,906	0
Deutsche Post Mobility GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	16,055	0
Deutsche Post Reinsurance S.A.	Luxembourg, Luxembourg	100.00	EUR	16,203	0
Deutsche Post Shop Essen GmbH ^{(6), (9)}	Germany, Essen	100.00	EUR	25	0
Deutsche Post Shop Hannover GmbH ^{(6), (9)}	Germany, Hanover	100.00	EUR	25	0
Deutsche Post Shop München GmbH ^{(6), (9)}	Germany, Munich	100.00	EUR	25	0
Deutsche Post Zahlungsdienste GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	2,589	321
DHL Supply Chain (Finland) Oy	Finland, Vantaa	100.00	EUR	5,150	78
DHL (Cyprus) Ltd.	Cyprus, Nikosia	100.00	EUR	3,028	152
DHL Air Limited	United Kingdom, Hounslow	100.00	EUR	31,819	10,727
DHL AirWays GmbH ^{(6), (9)}	Germany, Cologne	100.00	EUR	2,032	0
DHL Automotive GmbH ^{(6), (9)}	Germany, Hamburg	100.00	EUR	4,091	0
DHL Automotive Offenau GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	275	0
DHL Automotive s.r.o.	Czech Republic, Prague	100.00	EUR	8,576	107
DHL Aviation (France) SAS	France, Roissy-en-France	100.00	EUR	2,111	475
DHL Aviation (Netherlands) B.V.	Netherlands, Amersfoort	100.00	EUR	-20,187	195
DHL Aviation (UK) Limited	United Kingdom, Hounslow	100.00	EUR	12,965	639
DHL Aviation NV/SA	Belgium, Zaventem	100.00	EUR	23,079	-1,357
DHL Consulting GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Augsburg GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Bayreuth GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Berlin GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	75	0
DHL Delivery Bonn GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Braunschweig GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Bremen GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Dortmund GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Dresden GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Duisburg GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Düsseldorf GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Erfurt GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Essen GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Frankfurt GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Freiburg GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Freising GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Gießen GmbH ^{(6), (9)}	Germany, Bonn	100.00	EUR	25	0

Affiliated Companies included in the Consolidated Financial Statements

Name	Country, Headquarters	Group equity share %	Currency	Equity in thousands	Net income in thousands
DHL Delivery GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Göppingen GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Hagen GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Halle GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Hamburg GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	50	0
DHL Delivery Hannover GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Herford GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Karlsruhe GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Kassel GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Kiel GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Koblenz GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Köln West GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Leipzig GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Lübeck GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Magdeburg GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Mainz GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Mannheim GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery München GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Münster GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Neubrandenburg GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Nürnberg GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Oldenburg GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Ravensburg GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Reutlingen GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Rosenheim GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Saarbrücken GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Straubing GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Stuttgart GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Wiesbaden GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Würzburg GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Delivery Zwickau GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Distribution Holdings (UK) Limited	United Kingdom, Hounslow	100.00	EUR	33,384	25
DHL Ekspres (Slovenija), d.o.o.	Slovenia, Trzin	100.00	EUR	263	288
DHL Elancourt SARL	France, La Plaine Saint Denis	100.00	EUR	3,999	-135
DHL Estonia AS	Estonia, Tallinn	100.00	EUR	8,410	413
DHL Exel Slovakia, s.r.o.	Slovakia, Senec	100.00	EUR	5,951	2,979
DHL Exel Supply Chain (Denmark) A/S	Denmark, Kastrup	100.00	EUR	-18,801	531
DHL Exel Supply Chain (Poland) Sp. z o.o.	Poland, Warsaw	100.00	EUR	-3,956	1,467
DHL Exel Supply Chain (Sweden) AB	Sweden, Stockholm	100.00	EUR	5,632	3,294
DHL Exel Supply Chain Euskal-Log, S.L.U.	Spain, Barcelona	100.00	EUR	6,112	-481
DHL Supply Chain Hungary Limited	Hungary, Ullo	100.00	EUR	173	415
DHL Exel Supply Chain Limited	United Kingdom, Bedford	100.00	EUR	773,376	-4,401
DHL Exel Supply Chain Portugal, S.A.	Portugal, Alverca	100.00	EUR	8,407	1,036
DHL Exel Supply Chain (Spain), S.L.U.	Spain, Madrid	100.00	EUR	22,620	6,684
DHL Exel Supply Chain Trade (Poland) Sp. z o.o.	Poland, Warsaw	100.00	EUR	894	274
DHL Express (Austria) GmbH	Austria, Guntramsdorf	100.00	EUR	15,435	4,031
DHL Express (Czech Republic) s.r.o.	Czech Republic, Ostrava	100.00	EUR	11,823	4,671
DHL Express (Denmark) A/S	Denmark, Broendby	100.00	EUR	66,941	1,676
DHL Express (Finland) Oy	Finland, Helsinki	100.00	EUR	1,142	1,973
DHL Express (Hellas) S.A.	Greece, Athens	100.00	EUR	2,680	440
DHL Express (Iceland) EHF	Iceland, Reykjavik	100.00	EUR	2,049	322
DHL Express (Ireland) Ltd.	Ireland, Dublin	100.00	EUR	4,787	2,139

Reported IFRS data

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^{7b)} Inclusion based on company's contractual agreements ^{7c)} Inclusion based on other contractual arrangements ⁸⁾ In liquidation ⁹⁾ Local GAAP ¹⁰⁾ Voting rights ¹¹⁾ Numbers from 2013

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Affiliated Companies included in the Consolidated Financial Statements

Name	Country, Headquarters	Group equity share %	Currency	Equity in thousands	Net income in thousands
DHL Express (Italy) S.r.l.	Italy, Milan	100.00	EUR	93,326	15,749
DHL Express (Luxembourg) S.A.	Luxembourg, Contern	100.00	EUR	3,290	392
DHL Express (Norway) AS	Norway, Oslo	100.00	EUR	5,524	2,012
DHL Express (Poland) Sp. z o.o.	Poland, Warsaw	100.00	EUR	50,361	20,178
DHL Express (Schweiz) AG	Switzerland, Basel	100.00	EUR	-15,492	8,780
DHL Express (Slovakia), spol. s r. o.	Slovakia, Bratislava	100.00	EUR	5,194	1,483
DHL Express (Sweden) AB 8)	Sweden, Stockholm	100.00	EUR	8,207	5,102
DHL Express (UK) Limited	United Kingdom, Hounslow	100.00	EUR	-9,879	-17,145
DHL Express Bulgaria EOOD	Bulgaria, Sofia	100.00	EUR	2,981	1,557
DHL Express Customer Service GmbH ^{6), 9)}	Germany, Monheim am Rhein	100.00	EUR	25	0
DHL Express Germany GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	6,618	0
DHL Express Hungary Forwarding and Services LLC	Hungary, Budapest	100.00	EUR	3,718	881
DHL Express Iberia S.L. ¹⁾	Spain, San Sebastián	100.00	EUR	217,417	37,094
DHL Express A Coruna Spain, S.L. ^{1), 9)}	Spain, San Sebastián	100.00	EUR	2,552	2,033
DHL Express Alacant Spain S.L. ^{1), 9)}	Spain, San Sebastián	100.00	EUR	2,952	1,291
DHL Express Araba Spain S.L. ^{1), 9)}	Spain, San Sebastián	100.00	EUR	7,003	1,218
DHL Express Barcelona Spain S.L. ^{1), 9)}	Spain, San Sebastián	100.00	EUR	18,053	3,982
DHL Express Bizkaia Spain S.L. ^{1), 9)}	Spain, San Sebastián	100.00	EUR	5,254	730
DHL Express Cantabria Spain S.L. ^{1), 9)}	Spain, San Sebastián	100.00	EUR	2,084	713
DHL Express Castello Spain S.L. ^{1), 9)}	Spain, San Sebastián	100.00	EUR	1,626	160
DHL Express Ciudad Real Spain, S.L. ^{1), 9)}	Spain, Ciudad Real	100.00	EUR	918	67
DHL Express Gipuzkoa Spain S.L. ^{1), 9)}	Spain, San Sebastián	100.00	EUR	7,241	604
DHL Express Girona Spain S.L. ^{1), 9)}	Spain, San Sebastián	100.00	EUR	2,057	486
DHL Express Huelva Spain S.L. ^{1), 9)}	Spain, San Sebastián	100.00	EUR	337	147
DHL Express Illes Balears Spain, S.L. ^{1), 9)}	Spain, Barcelona	100.00	EUR	3,475	1,963
DHL Express Jaén Spain S.L. ^{1), 9)}	Spain, Ciudad Real	100.00	EUR	132	79
DHL Express Lugo, Spain S.L. ^{1), 9)}	Spain, San Sebastián	100.00	EUR	293	32
DHL Express Madrid Spain S.L. ^{1), 9)}	Spain, San Sebastián	100.00	EUR	15,735	2,780
DHL Express Malaga Spain S.L. ^{1), 9)}	Spain, Malaga	100.00	EUR	2,217	1,689
DHL Express Navarra Spain, S.L. ^{1), 9)}	Spain, Navarra	100.00	EUR	2,961	378
DHL Express Pontevedra Spain S.L. ^{1), 9)}	Spain, Vigo	100.00	EUR	5,045	877
DHL Express Servicios S.L. ^{1), 9)}	Spain, San Sebastián	100.00	EUR	2,913	2,673
DHL Express Sevilla Spain S.L. ^{1), 9)}	Spain, Sevilla	100.00	EUR	3,498	1,250
DHL Express Tarragona Spain S.L. ^{1), 9)}	Spain, San Sebastián	100.00	EUR	2,380	70
DHL Express Valladolid Spain S.L. ^{1), 9)}	Spain, San Sebastián	100.00	EUR	3,932	1,606
DHL Express Zaragoza Spain, S.L. ^{1), 9)}	Spain, Zaragoza	100.00	EUR	6,878	1,404
DHL Parcel Support Spain S.L. ^{1), 9)}	Spain, San Sebastián	100.00	EUR	3	0
DHL Express Macedonia d.o.o.e.l.	Macedonia, Skopje	100.00	EUR	1,130	172
DHL Express Network Management GmbH ^{6), 9)}	Germany, Schkeuditz	100.00	EUR	25	0
DHL Express Portugal, Lda.	Portugal, Moreira da Maia	100.00	EUR	18,424	4,778
DHL Fashion Retail Operations GmbH ^{6), 9)}	Germany, Mönchengladbach	100.00	EUR	21,628	0
DHL Finance Services B.V.	Netherlands, Maastricht	100.00	EUR	7,275	1,821
DHL FoodLogistics GmbH ^{6), 9)}	Germany, Cologne	100.00	EUR	258	0
DHL Freight (Belgium) NV	Belgium, Grimbergen	100.00	EUR	3,006	335
DHL Freight (France) SAS	France, Marne-la-Vallée	100.00	EUR	632	831
DHL Freight (Netherlands) B.V.	Netherlands, Tiel	100.00	EUR	-19,812	-3,397
DHL Freight (Sweden) AB	Sweden, Stockholm	100.00	EUR	362	-11,404
DHL Freight Finland Oy	Finland, Vantaa	100.00	EUR	11,876	3,179
DHL Freight Germany Holding GmbH ^{6), 9)}	Germany, Düsseldorf	100.00	EUR	301,204	0
DHL Freight GmbH ^{6), 9)}	Germany, Düsseldorf	100.00	EUR	10,737	0
DHL Freight Hungary Forwarding and Logistics LLC	Hungary, Budapest	100.00	EUR	6,942	2,213

Affiliated Companies included in the Consolidated Financial Statements

Name	Country, Headquarters	Group equity share %	Currency	Equity in thousands	Net income in thousands
DHL Freight Spain, S.L.	Spain, San Sebastián	100.00	EUR	7,955	1,890
DHL GBS (UK) Limited	United Kingdom, Bracknell	100.00	EUR	16,735	1,737
DHL Gertner International GmbH	Germany, Altentreptow	51.00	EUR	114	86
DHL Global Forwarding - DGF Industrial Project (DGF IP) SAS	France, Villepinte	100.00	EUR	3,234	320
DHL Global Forwarding (Austria) GmbH	Austria, Vienna	100.00	EUR	15,763	1,244
DHL Global Forwarding (Belgium) NV	Belgium, Machelen	100.00	EUR	8,716	-2,761
DHL Global Forwarding (CZ) s.r.o.	Czech Republic, Prague	100.00	EUR	18,877	3,316
DHL Global Forwarding (Denmark) A/S	Denmark, Kastrup	100.00	EUR	16,560	607
DHL Global Forwarding (Finland) Oy	Finland, Vantaa	100.00	EUR	3,330	-233
DHL Global Forwarding (France) SAS	France, Villepinte	100.00	EUR	46,324	4,731
DHL Global Forwarding (Ireland) Limited	Ireland, Dublin	100.00	EUR	12,470	1,480
DHL Global Forwarding (Italy) S.p.A.	Italy, Milan	100.00	EUR	42,918	15,245
DHL Global Forwarding (Luxembourg) S.A.	Luxembourg, Luxembourg	100.00	EUR	2,313	-647
DHL Global Forwarding (Netherlands) B.V.	Netherlands, Hoofddorp	100.00	EUR	13,635	313
DHL Global Forwarding (Norway) AS	Norway, Gardermoen	100.00	EUR	160	-661
DHL Global Forwarding (Sweden) AB	Sweden, Stockholm	100.00	EUR	23,465	209
DHL Global Forwarding (UK) Limited	United Kingdom, Bracknell	100.00	EUR	196,174	7,223
DHL Global Forwarding GmbH ^{6), 9)}	Germany, Frankfurt/Main	100.00	EUR	7,242	0
DHL Global Forwarding Hellas S.A. of International Transportation and Logistics	Greece, Piraeus	100.00	EUR	6,989	1,284
DHL Global Forwarding Hungary Kft.	Hungary, Budapest	100.00	EUR	8,857	1,833
DHL Global Forwarding LLC	Russia, Moscow	100.00	EUR	-342	-1,753
DHL Global Forwarding Management GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	10,359	0
DHL Global Forwarding Portugal, Unipessoal, Lda.	Portugal, Moreira da Maia	100.00	EUR	5,088	387
DHL Global Forwarding Sp. z o.o.	Poland, Lodz	100.00	EUR	9,870	4,920
DHL Global Forwarding Spain, S.L.U.	Spain, Madrid	100.00	EUR	21,499	7,229
DHL Global Mail OOO	Russia, Moscow	100.00	EUR	544	37
DHL Global Management GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	3,618,589	0
DHL Global Match (UK) Limited	United Kingdom, Bracknell	100.00	EUR	-1,565	-253
DHL Hauptvogel International GmbH	Germany, Klipphausen	51.00	EUR	496	190
DHL Holding (France) SAS	France, Roissy-en-France	100.00	EUR	242,144	31,115
DHL Holding (Italy) S.r.l.	Italy, Milan	100.00	EUR	578,024	11,377
DHL Holdings (Ireland) Ltd.	Ireland, Dublin	100.00	EUR	1	6
DHL Home Delivery GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	179	0
DHL Hub Leipzig GmbH ^{6), 9)}	Germany, Schkeuditz	100.00	EUR	25	0
DHL Information Services (Europe) s.r.o.	Czech Republic, Prague	100.00	EUR	79,599	5,187
DHL International (Albania) Ltd.	Albania, Tirana	100.00	EUR	510	264
DHL International (Ireland) Ltd.	Ireland, Dublin	100.00	EUR	1,054	0
DHL International (Romania) S.R.L.	Romania, Bucharest	100.00	EUR	4,351	1,889
DHL International (UK) Limited	United Kingdom, Hounslow	100.00	EUR	106,185	18,303
DHL International B.V.	Netherlands, The Hague	100.00	EUR	32,257	7,155
DHL International d.o.o.	Croatia, Zagreb	100.00	EUR	2,773	706
DHL International Express (France) SAS	France, Roissy-en-France	100.00	EUR	35,924	15,657
DHL International GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	1,353,453	0
DHL International Ltd.	Malta, Luqa	100.00	EUR	797	122
DHL International NV/SA	Belgium, Diegem	100.00	EUR	10,370	2,452
DHL International Ukraine JSC	Ukraine, Kiev	100.00	EUR	1,576	325
DHL International-Sarajevo d.o.o.	Bosnia and Herzegovina, Sarajevo	100.00	EUR	780	195
DHL Inventory Finance Services GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0

Reported IFRS data

¹⁾ Only subgroup data available ²⁾ Numbers from 2015 ³⁾ Numbers from 2014 ⁴⁾ Data not available ⁵⁾ Dormant ⁶⁾ Numbers after profit transfer ^{7a)} Inclusion due to majority of voting rights

^{7b)} Inclusion based on company's contractual agreements ^{7c)} Inclusion based on other contractual arrangements ⁸⁾ In liquidation ⁹⁾ Local GAAP ¹⁰⁾ Voting rights ¹¹⁾ Numbers from 2013

¹²⁾ Numbers from 2012 ¹³⁾ Not included, because they do not have significant influence on the Group's net assets, financial position and results of operations

¹⁴⁾ Partner with unlimited liability is Deutsche Post AG or other consolidated subsidiaries, acc. § 313 (2) Nr.6 local GAAP

Affiliated Companies included in the Consolidated Financial Statements

Name	Country, Headquarters	Group equity share %	Currency	Equity in thousands	Net income in thousands
DHL Investments Limited	United Kingdom, St. Helier	100.00	EUR	119	80
DHL Latvia SIA	Latvia, Riga	100.00	EUR	644	-47
DHL Leupold International GmbH	Germany, Oberkottzau	51.00	EUR	1,010	300
DHL Logistics (Schweiz) AG	Switzerland, Basel	100.00	EUR	-9,069	-958
DHL Logistics (Slovakia), spol. s r.o.	Slovakia, Senec	100.00	EUR	1,549	-295
DHL Logistics (Ukraine) Ltd.	Ukraine, Kiev	100.00	EUR	868	83
DHL Logistics OOO	Russia, Chimki	100.00	EUR	2,062	-9,678
DHL Logistics S.R.L.	Romania, Bucharest	100.00	EUR	2,853	1,715
DHL Logistik Service GmbH	Austria, Vienna	100.00	EUR	141	-760
DHL Logistika, d.o.o.	Slovenia, Brnik	100.00	EUR	1,952	596
DHL Management (Schweiz) AG	Switzerland, Basel	100.00	EUR	20,159	3,924
DHL Management Services Limited	United Kingdom, Hounslow	100.00	EUR	-2	-303
DHL Medjunarodni Vazdusni Ekspres d.o.o.	Serbia, Belgrade	100.00	EUR	4,846	783
DHL Nordic AB	Sweden, Stockholm	100.00	EUR	98,852	19,686
DHL Paket (Austria) GmbH	Austria, Vienna	100.00	EUR	-362	-15,152
DHL Paket GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	45,000	0
DHL Paketzentrum Obertshausen GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Parcel (Belgium) NV	Belgium, Ternat	100.00	EUR	6,324	-23,764
DHL Parcel (e-Commerce) B.V.	Netherlands, Utrecht	100.00	EUR	12,097	4,718
DHL Parcel (Netherlands) B.V.	Netherlands, Utrecht	100.00	EUR	3,890	9,457
DHL Parcel (Speedpack) NV	Belgium, Brussels	100.00	EUR	616	-1,051
DHL Parcel Nordic AB	Sweden, Stockholm	100.00	EUR	3,184	2,873
DHL Parcel Polska Sp. z o.o.	Poland, Warsaw	100.00	EUR	1	0
DHL Parcel Slovensko spol. s r.o.	Slovakia, Bratislava	100.00	EUR	779	-4,560
DHL Parcel UK Holding Limited	United Kingdom, London	100.00	EUR	-22	-22
DHL Pipelife Logistik GmbH	Austria, Wiener Neudorf	100.00	EUR	1	-98
DHL Service Central SARL	France, La Plaine Saint Denis	100.00	EUR	65	-597
DHL Services Limited	United Kingdom, Milton Keynes	100.00	EUR	-69,896	19,639
DHL Services Logistiques SAS	France, La Plaine Saint Denis	100.00	EUR	294	-9,142
DHL Shoe Logistics s. r. o.	Czech Republic, Pohořelice	100.00	EUR	3,174	171
DHL Solutions (France) SAS	France, La Plaine Saint Denis	100.00	EUR	77,529	-1,876
DHL Solutions Fashion GmbH ^{6), 9)}	Germany, Essen	100.00	EUR	151	0
DHL Solutions GmbH ^{6), 9)}	Germany, Hamburg	100.00	EUR	9,240	0
DHL Solutions k.s.	Czech Republic, Ostrava	100.00	EUR	4,058	1,227
DHL Sorting Center GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Stock Express SAS	France, La Plaine Saint Denis	100.00	EUR	2,894	842
DHL Supply Chain Limited	United Kingdom, Milton Keynes	100.00	EUR	494,846	123,823
DHL Supply Chain (Belgium) NV	Belgium, Mechelen	100.00	EUR	40,392	-939
DHL Supply Chain (Ireland) Limited	Ireland, Dublin	100.00	EUR	1,911	-1,424
DHL Supply Chain (Italy) S.p.A.	Italy, Milan	100.00	EUR	84,350	7,145
DHL Supply Chain (Leipzig) GmbH ^{6), 9)}	Germany, Hamburg	100.00	EUR	25	0
DHL Supply Chain (Netherlands) B.V.	Netherlands, Tilburg	100.00	EUR	60,851	-429
DHL Supply Chain (Norway) AS	Norway, Oslo	100.00	EUR	3,812	-130
DHL Supply Chain International Limited	United Kingdom, Bracknell	100.00	EUR	178	7
DHL Supply Chain Management B.V.	Netherlands, Tilburg	100.00	EUR	-35,260	1,008
DHL Supply Chain Management GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Supply Chain VAS GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Supply Chain, s.r.o.	Czech Republic, Pohořelice	100.00	EUR	21,262	3,784
DHL Systems Limited ⁵⁾	United Kingdom, Milton Keynes	100.00	EUR	202	0
DHL Technical Distribution B.V.	Netherlands, Veghel	100.00	EUR	-2,311	-30
DHL Trade Fairs & Events GmbH ^{6), 9)}	Germany, Frankfurt/Main	100.00	EUR	617	0

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DHL Trade Fairs and Events (UK) Limited	United Kingdom, Bracknell	85.00	EUR	792	350
DHL Verwaltungs GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
DHL Voigt International GmbH	Germany, Neumuenster	51.00	EUR	1,297	979
DHL Wahl International GmbH	Germany, Bielefeld	51.00	EUR	1,080	318
DHL Worldwide Express Logistics NV/SA	Belgium, Diegem	100.00	EUR	31,539	1,201
DHL Worldwide Network NV/SA	Belgium, Diegem	100.00	EUR	21,315	-1,718
DZ Specialties B.V.	Netherlands, Maastricht	100.00	EUR	416,011	22,988
ELP 1 AB	Sweden, Eskilstuna	100.00	EUR	1,039	-26
Erste End of Runway Development Leipzig GmbH ^{6), 9)}	Germany, Cologne	100.00	EUR	25	0
Erste Logistik Entwicklungsgesellschaft MG GmbH ^{6), 9)}	Germany, Hanover	100.00	EUR	25	0
Eurodifarm S.r.l.	Italy, Casalmaiocco (Lodi)	100.00	EUR	22,512	2,713
European Air Transport Leipzig GmbH ^{6), 9)}	Germany, Schkeuditz	100.00	EUR	1,798	0
Exel (European Services Centre) Ltd. ⁵⁾	Ireland, Dublin	100.00	EUR	0	0
Exel (Wommelgem) NV	Belgium, Wommelgem	100.00	EUR	-4,683	-134
Exel de Portugal Transitarios Lda.	Portugal, Lisbon	100.00	EUR	-234	-2
Exel France SA	France, La Plaine Saint Denis	100.00	EUR	87,968	838
Exel Freight Management (UK) Limited	United Kingdom, Bracknell	100.00	EUR	11,204	0
Exel Group Holdings (Nederland) B.V.	Netherlands, Veghel	100.00	EUR	42,269	-78
Exel Holdings Limited	United Kingdom, Bedford	100.00	EUR	642,877	4,254
Exel International Holdings (Belgium) NV	Belgium, Mechelen	100.00	EUR	69,877	-346
Exel International Holdings (Netherlands 1) B.V.	Netherlands, Veghel	100.00	EUR	690,569	0
Exel International Holdings (Netherlands 2) B.V.	Netherlands, Veghel	100.00	EUR	822,071	23,555
Exel Investments Limited	United Kingdom, Bracknell	100.00	EUR	202,574	126,161
Exel Investments Netherlands B.V.	Netherlands, Veghel	100.00	EUR	-5,616	-64
Exel Limited	United Kingdom, Bracknell	100.00	EUR	836,535	146,471
Exel Logistics Property Limited	United Kingdom, Bedford	100.00	EUR	108,670	17,354
Exel Overseas Limited	United Kingdom, Bracknell	100.00	EUR	303,791	32,107
Exel UK Limited	United Kingdom, Bracknell	100.00	EUR	39,074	-8,548
F.X. Coughlin B.V.	Netherlands, Duiven	100.00	EUR	6,318	1,895
F.X. Coughlin (U.K.) Limited	United Kingdom, Bracknell	100.00	EUR	15	-196
FACT Denmark A/S	Denmark, Kastrup	100.00	EUR	1,419	170
Freight Indemnity and Guarantee Company Limited	United Kingdom, Bedford	100.00	EUR	20	0
Fusion Premedia Group Limited	United Kingdom, London	100.00	EUR	0	10,308
Gerlach & Co Internationale Expeditours B.V.	Netherlands, Venlo	100.00	EUR	4,990	775
Gerlach & Co. NV	Belgium, Antwerp	100.00	EUR	7,098	673
Gerlach AG	Switzerland, Basel	100.00	EUR	1,104	7,312
Gerlach Customs Services EOOD	Bulgaria, Sofia	100.00	EUR	213	85
Gerlach Custom Services UK Limited	United Kingdom, London	100.00	EUR	543	124
Gerlach European Customs Services, spol. s r.o.	Slovakia, Senec	100.00	EUR	240	18
Gerlach European Services S.R.L.	Romania, Bucharest	100.00	EUR	222	94
Gerlach Sp. z o.o.	Poland, Gluchowo/Komorniki	100.00	EUR	1,255	697
Gerlach Spol s.r.o.	Czech Republic, Rudna u Prahy	100.00	EUR	3,280	2,411
Gerlach Zolldienste GmbH ^{6), 9)}	Germany, Düsseldorf	100.00	EUR	102	0
Giorgio Gori S.r.l.	Italy, Collesalveti (Livorno)	100.00	EUR	27,284	12,546
Giorgio Gori (France) SAS	France, Châtenoy-le-Royal	100.00	EUR	2,284	572
GoodsandServices.tv Limited	United Kingdom, London	100.00	EUR	4,318	-167
Gori Iberia S.L.	Spain, Barcelona	100.00	EUR	2,549	1,104

Reported IFRS data

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Affiliated Companies included in the Consolidated Financial Statements

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Gori Iberia Transitarios, Limitada	Portugal, Matosinhos	60.00	EUR	851	302
Higgs International Limited	United Kingdom, Bracknell	100.00	EUR	10,365	413
Hull, Blyth (Angola) Limited	United Kingdom, Bracknell	100.00	EUR	11,652	-266
Hyperion Properties Limited ⁵⁾	United Kingdom, Bedford	100.00	EUR	-5,235	0
Interlanden B.V.	Netherlands, Apeldoorn	100.00	EUR	528	-99
interServ Gesellschaft für Personal- und Beraterdienstleistungen mbH ^{6), 9)}	Germany, Bonn	100.00	EUR	76	0
it4logistics GmbH	Germany, Potsdam	100.00	EUR	771	-137
Joint Retail Logistics Limited	United Kingdom, Bracknell	100.00	EUR	12,602	13
Karukera Transit SAS	France, Pointe-à-Pitre	100.00	EUR	932	-84
Laible AG Speditionen	Switzerland, Schaffhausen	100.00	EUR	-68	-142
Lightbox Creative Services Limited ⁵⁾	United Kingdom, London	100.00	EUR	-65	0
LLC DHL Express	Russia, Khimki	100.00	EUR	788	2,380
LLC Gerlach Ukraine	Ukraine, Kiev	100.00	EUR	107	-10
LLC Williams Lea	Russia, Moscow	100.00	EUR	1,849	-189
Luftfrachtsicherheit-Service GmbH ^{7b)}	Germany, Frankfurt/Main	50.00	EUR	1,935	1,240
McGregor Cory Limited	United Kingdom, Bracknell	100.00	EUR	16,878	1,563
Mitradiopharma S.r.l.	Italy, Milan	100.00	EUR	5,303	106
Mitsafetrans S.r.l.	Italy, Milan	100.00	EUR	18,949	296
National Carriers Limited ⁵⁾	United Kingdom, Bedford	100.00	EUR	44	0
NFC International Holdings (Ireland)	Ireland, Dublin	100.00	EUR	43,266	0
Ocean Group Investments Limited	United Kingdom, Bracknell	100.00	EUR	754	0
Ocean Overseas Holdings Limited	United Kingdom, Bracknell	100.00	EUR	471,252	8,702
OOO Customs Services	Russia, Khimki	100.00	EUR	1,231	-334
Pharma Logistics B.V.	Netherlands, Rotterdam	100.00	EUR	803	19
Pharma Logistics NV	Belgium, Mechelen	100.00	EUR	19,897	643
Power Europe (Cannock) Limited	United Kingdom, Bracknell	100.00	EUR	1,135	1,189
Power Europe (Doncaster) Limited	United Kingdom, Bracknell	100.00	EUR	143	165
Power Europe Development Limited ⁵⁾	United Kingdom, Bracknell	100.00	EUR	0	0
Power Europe Development No. 3 Limited	United Kingdom, Bracknell	100.00	EUR	449	0
Power Europe Limited	United Kingdom, Bracknell	100.00	EUR	-240	264
Power Europe Operating Limited	United Kingdom, Bracknell	100.00	EUR	8,800	2,262
PPL CZ s.r.o.	Czech Republic, Prague	100.00	EUR	90,168	3,328
RISER ID Services GmbH	Germany, Berlin	100.00	EUR	2,317	2,108
Scherbauer Spedition GmbH ^{7b)}	Germany, Neutraubling	50.00	EUR	4,138	-145
Smoke and Mirrors Productions Limited	United Kingdom, London	100.00	EUR	11,858	1,113
Speedmail International Limited ⁵⁾	United Kingdom, London	100.00	EUR	10,210	0
StarBroker AG	Switzerland, Basel	100.00	EUR	32,784	10,863
StreetScooter GmbH ^{6), 9)}	Germany, Aachen	100.00	EUR	7,378	0
Tag Acquisitions Limited	United Kingdom, London	100.00	EUR	23,389	-610
Tag Belgium SA	Belgium, Brussels	100.00	EUR	5,330	2,082
Tag Creative Limited	United Kingdom, London	100.00	EUR	1,682	155
Tag Europe Limited	United Kingdom, London	100.00	EUR	15,941	-9,086
Tag Germany GmbH	Germany, Düsseldorf	100.00	EUR	342	-193
Tag Holdco Limited	United Kingdom, London	100.00	EUR	71,000	64,953
Tag NewCo Limited	United Kingdom, London	100.00	EUR	0	26,319
Tag Pac Limited	United Kingdom, London	100.00	EUR	-1,205	-893
Tag Print Services Limited	United Kingdom, London	100.00	EUR	-10	-25
Tag Response Limited	United Kingdom, London	100.00	EUR	5,767	-529
Tag Storage Limited ⁵⁾	United Kingdom, London	100.00	EUR	48,815	0
Tag Topco Limited	United Kingdom, London	100.00	EUR	57,387	4,366
Tag Worldwide France SARL	France, Paris	100.00	EUR	-583	-105

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Tag Worldwide Group Limited	United Kingdom, London	100.00	EUR	7,994	29,943
Tag Worldwide Holdings Limited	United Kingdom, London	100.00	EUR	81,107	163,614
The Admagic Group Limited	United Kingdom, London	100.00	EUR	0	5,553
The Stationery Office Group Limited ⁵⁾	United Kingdom, London	100.00	EUR	19,495	0
The Stationery Office Holdings Limited	United Kingdom, London	100.00	EUR	17,565	266
The Stationery Office Limited	United Kingdom, London	100.00	EUR	74,350	8,600
Tradeteam Limited	United Kingdom, Bedford	100.00	EUR	46,639	-643
Transflash McGregor (Ireland) Ltd. ⁵⁾	Ireland, Dublin	100.00	EUR	717	0
Trucks and Child Safety Limited	United Kingdom, Bracknell	100.00	EUR	-2	0
TSO Holdings A Limited	United Kingdom, London	100.00	EUR	19,412	0
TSO Holdings B Limited	United Kingdom, London	100.00	EUR	35,300	0
UAB DHL Lietuva	Lithuania, Vilnius	100.00	EUR	5,613	983
UK Mail Group plc	United Kingdom, Slough	100.00	EUR	27,175	0
UK Mail Limited	United Kingdom, Slough	100.00	EUR	66,594	0
Veron Grauer (France) SAS	France, Tremblay-en-France	100.00	EUR	108	8
Véron Grauer AG	Switzerland, Basel	100.00	EUR	-361	1,807
Vetsch AG, Internationale Transporte ¹⁾	Switzerland, Buchs	100.00	EUR	743	1,223
Vetsch Internationale Transporte GmbH ¹⁾	Austria, Wolfurt	100.00	EUR	-	-
Werbeagentur Janssen GmbH ^{6), 9)}	Germany, Düsseldorf	100.00	EUR	511	0
Williams Lea (No. 1) Limited ⁵⁾	United Kingdom, London	100.00	EUR	78,638	0
Williams Lea Finland Oy	Finland, Vantaa	100.00	EUR	191	127
Williams Lea France SAS	France, Paris	100.00	EUR	83	-478
Williams Lea Group Limited	United Kingdom, London	100.00	EUR	97,671	136,845
Williams Lea Group Management Services Limited	United Kingdom, London	100.00	EUR	0	-11
Williams Lea Holdings Limited	United Kingdom, London	100.00	EUR	485,814	88,352
Williams Lea Hungary Kft.	Hungary, Budapest	100.00	EUR	2	0
Williams Lea Ireland Limited	Ireland, Dublin	100.00	EUR	3,133	45
Williams Lea Italia S.r.l. ⁵⁾	Italy, Rome	100.00	EUR	8	0
Williams Lea Limited	United Kingdom, London	100.00	EUR	45,823	4,007
Williams Lea Netherlands B.V.	Netherlands, Amsterdam	100.00	EUR	-4,112	-1,067
Williams Lea S.L.	Spain, Barcelona	100.00	EUR	7	0
Williams Lea Sweden AB	Sweden, Nyköping	100.00	EUR	119	-1
Williams Lea Tag GmbH ^{6), 9)}	Germany, Munich	100.00	EUR	25	0
Williams Lea UK Limited	United Kingdom, London	100.00	EUR	0	0
Williams Lea Ukraine LLC	Ukraine, Kiev	100.00	EUR	40	-124
Williams Lea, s.r.o.	Czech Republic, Brno	100.00	EUR	642	-148
World Writers Limited	United Kingdom, London	100.00	EUR	3,052	128
Americas					
Advance Logistics Inc.	USA, Westerville	100.00	EUR	1,022	199
AEI Drawback Services Inc.	USA, Miami	100.00	EUR	7,084	1,671
Aero Express del Ecuador (TransAm) Ltda.	Ecuador, Guayaquil	100.00	EUR	1,498	284
Aero Express del Ecuador TransAm Cia Ltd. (Colombian Branch)	Colombia, Bogotá	100.00	EUR	-11	-11
Agencia de Aduanas DHL Express Colombia Ltda.	Colombia, Bogotá	100.00	EUR	1,504	1
AGENCIA DE ADUANAS DHL GLOBAL FORWARDING (COLOMBIA) S.A. NIVEL 1	Colombia, Bogotá	100.00	EUR	2,166	187
Air Express International USA, Inc. ¹⁾	USA, Miami	100.00	EUR	-168,851	-95,252
Radix Group International, Inc. ¹⁾	USA, Miami	100.00	EUR	-	-
Circuit Logistics Inc.	Canada, Toronto	100.00	EUR	-84	16
Connect Logistics Services Inc.	Canada, Toronto	100.00	EUR	5,960	5,825
Danzas Corporation	USA, Miami	100.00	EUR	-43,259	2,230

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DHL (Bahamas) Limited	Bahamas, Nassau	100.00	EUR	1,352	43
DHL (Barbados) Ltd.	Barbados, Christ Church	100.00	EUR	1,977	-116
DHL (Bolivia) SRL	Bolivia, Santa Cruz de la Sierra	100.00	EUR	1,704	-92
DHL (BVI) Ltd.	British Virgin Islands , Tortola	100.00	EUR	316	26
DHL (Costa Rica) S.A.	Costa Rica, San José	100.00	EUR	14,855	-4,259
DHL (Honduras) S.A. de C.V.	Honduras, San Pedro Sula	100.00	EUR	3,860	-113
DHL (Jamaica) Ltd.	Jamaica, Kingston	100.00	EUR	181	-271
DHL (Paraguay) S.R.L.	Paraguay, Asunción	100.00	EUR	3,284	841
DHL (Trinidad and Tobago) Limited	Trinidad and Tobago, Port of Spain	100.00	EUR	-1,529	-434
DHL (Uruguay) S.R.L.	Uruguay, Montevideo	100.00	EUR	4,369	681
DHL Arwest (Guatemala) S.A.	Guatemala, Guatemala City	100.00	EUR	1,560	480
DHL Arwest (Panama) S.A. 1)	Panama, Panama City	100.00	EUR	-12,237	-3,744
DHL Arwest de Mexico S.A. de C.V. 1)	Mexico, Ecatepec	100.00	EUR	-	-
DHL Aviation (Americas), Inc.	USA, Plantation	100.00	EUR	249,379	34,882
DHL Aviation SCR, S.A.	Costa Rica, San José	100.00	EUR	649	-40
DHL Corporate Services SC México	Mexico, Tepotzotlán	100.00	EUR	2,633	841
DHL Customer Solutions & Innovations (USA) Inc.	USA, Plantation	100.00	EUR	-1,167	-21
DHL Customer Support (Costa Rica) S.A.	Costa Rica, San José	100.00	EUR	827	466
DHL Customs (Costa Rica) S.A.	Costa Rica, San José	100.00	EUR	-1,753	-210
DHL de Guatemala S.A. 7b)	Guatemala, Guatemala City	100.00	EUR	-74	233
DHL Dominicana SA	Dominican Republic, Santo Domingo	100.00	EUR	2,006	168
DHL Exel Supply Chain (Argentina) S.A.	Argentina, Buenos Aires	100.00	EUR	4,447	-1,704
DHL Express (Argentina) S.A.	Argentina, Buenos Aires	100.00	EUR	7,721	1,281
DHL Express (Brazil) Ltda.	Brazil, São Paulo	100.00	EUR	3,867	1,515
DHL Express (Canada) Ltd.	Canada, Mississauga	100.00	EUR	-85,225	4,479
DHL Express (Chile) Ltda.	Chile, Santiago de Chile	100.00	EUR	11,782	56
DHL Express (Ecuador) S.A.	Ecuador, Quito	100.00	EUR	1,246	117
DHL Express (El Salvador) S.A. de C.V.	El Salvador, San Salvador	100.00	EUR	1,639	146
DHL Express (USA), Inc.	USA, Plantation	100.00	EUR	149,168	62,768
DHL Express Aduanas Peru S.A.C.	Peru, Callao	100.00	EUR	1,371	351
DHL Express Aduanas Venezuela C.A.	Venezuela, Caracas	100.00	EUR	126	93
DHL Express Colombia Ltda.	Colombia, Bogotá	100.00	EUR	19,302	-632
DHL Express México, S.A. de C.V.	Mexico, Mexico City	100.00	EUR	34,663	16,517
DHL Express Peru S.A.C.	Peru, Callao	100.00	EUR	6,230	-1,204
DHL Fletes Aereos, C.A.	Venezuela, Caracas	100.00	EUR	1,252	-681
DHL Freight USA Inc.	USA, Plantation	100.00	EUR	16,120	-4
DHL Global Forwarding (Argentina) S.A.	Argentina, Buenos Aires	100.00	EUR	13,313	3,001
DHL Global Forwarding (Brazil) Logistics Ltda.	Brazil, São Paulo	100.00	EUR	8,916	-7,685
DHL Global Forwarding (Canada) Inc.	Canada, Mississauga	100.00	EUR	40,654	-6,485
DHL Global Forwarding (Chile) S.A.	Chile, Santiago de Chile	100.00	EUR	21,861	-1,067
DHL Global Forwarding (Colombia) S.A.S.	Colombia, Bogotá	100.00	EUR	2,970	-147
DHL Global Forwarding (Ecuador) S.A.	Ecuador, Quito	100.00	EUR	4,362	-1,088
DHL Global Forwarding (El Salvador) S.A.	El Salvador, San Salvador	100.00	EUR	2,905	-42
DHL Global Forwarding (Guatemala) S.A. 1)	Guatemala, Guatemala City	100.00	EUR	6,459	876
Carga Aerea Internacional S.A. (CARINTER) 1)	Guatemala, Guatemala City	100.00	EUR	-	-
DHL Zona Franca (Guatemala) S.A. 1)	Guatemala, Guatemala City	100.00	EUR	-	-
Transportes Expresos Internacionales (Interexpreso) S.A. 1)	Guatemala, Guatemala City	100.00	EUR	-	-

Affiliated Companies included in the Consolidated Financial Statements

Name	Country, Headquarters	Group equity share %	Currency	Equity in thousands	Net income in thousands
DHL Global Forwarding (Mexico) S.A. de C.V.	Mexico, Mexico City	100.00	EUR	17,420	6,451
DHL Global Forwarding (Nicaragua) S.A.	Nicaragua, Managua	100.00	EUR	-564	-762
DHL Global Forwarding (Panama) S.A. ¹⁾	Panama, Panama City	100.00	EUR	-522	-2,033
DHL Holding Panama Inc. ¹⁾	Panama, Panama City	100.00	EUR	-	-
DHL Global Forwarding Aduanas Peru S.A.	Peru, Callao	100.00	EUR	2,114	368
DHL Global Forwarding Deposito Aduanero (Colombia) S.A.	Colombia, Bogotá	100.00	EUR	1,304	-75
DHL Global Forwarding Management Latin America Inc.	USA, Coral Gables	100.00	EUR	618	2
DHL Global Forwarding Peru S.A. ¹⁾	Peru, Lima	100.00	EUR	6,268	848
DHL Global Forwarding Venezuela, C.A.	Venezuela, Caracas	100.00	EUR	4,971	2,957
DHL Global Forwarding Zona Franca (Colombia) S.A.	Colombia, Bogotá	100.00	EUR	829	-166
DHL Guadeloupe SAS	Guadeloupe, Baie Mahault	100.00	EUR	-581	149
DHL Holding Central America Inc.	Panama, Panama City	100.00	EUR	55,820	2,393
DHL Information Services (Americas), Inc.	USA, Plantation	100.00	EUR	-1,568	1,453
DHL International Antilles SARL	Martinique, Lamentin	100.00	EUR	490	-38
DHL International Haiti SA	Haiti, Port-au-Prince	100.00	EUR	-33	-587
DHL Logistics (Brazil) Ltda.	Brazil, São Paulo	100.00	EUR	124,954	20,693
DHL Management Cenam S. A.	Costa Rica, Heredia	100.00	EUR	4,783	475
DHL Metropolitan Logistics SC Mexico S.A. de C.V.	Mexico, Tepotzotlán	100.00	EUR	39,535	11,408
DHL Network Operations (USA), Inc.	USA, Plantation	100.00	EUR	74,023	7,412
DHL Nicaragua, S.A.	Nicaragua, Managua	100.00	EUR	378	45
DHL of Curacao N.V.	Curaçao, Curaçao	100.00	EUR	676	-117
DHL Panama S.A.	Panama, Panama City	100.00	EUR	1,936	39
DHL Regional Services, Inc.	USA, Plantation	100.00	EUR	-22,496	-14,882
DHL S.A.	Guatemala, Guatemala City	100.00	EUR	1,222	-177
DHL Sint Maarten N.V.	Sint Maarten, Philipsburg	100.00	EUR	-788	-84
DHL Supply Chain (Chile) S.A.	Chile, Colina	100.00	EUR	3,951	-324
DHL Supply Chain Automotive Mexico S.A. de C.V.	Mexico, Tepotzotlán	100.00	EUR	5,447	5,013
DHL Supply Chain Colombia S.A.S.	Colombia, Bogotá	100.00	EUR	1,292	0
DHL Transportes (Brazil) Ltda.	Brazil, São Paulo	100.00	EUR	3,339	96
DHL Zona Franca El Salvador S.A.	El Salvador, Antiguo Cuscatlan	100.00	EUR	638	-102
Dimalsa Logistics Inc.	Puerto Rico, San Juan	100.00	EUR	3,743	584
DPWN Holdings (USA), Inc.	USA, Plantation	100.00	EUR	7,083,414	238,813
EC Logística S.A.	Argentina, Buenos Aires	51.00	EUR	102	61
Exel Canada Ltd.	Canada, Toronto	100.00	EUR	2,059	8,246
Exel Freight Connect Inc.	USA, Wilmington	100.00	EUR	-2,231	-1,326
Exel Global Logistics Inc.	USA, Palm City	100.00	EUR	-1,879	-287
Exel Inc.	USA, Westerville	100.00	EUR	305,830	67,086
Exel Logistics Argentina S.A.	Argentina, Buenos Aires	100.00	EUR	288	31
Exel Logistics do Nordeste Ltda.	Brazil, Camacari	100.00	EUR	-283	225
Genesis Logistics Inc.	USA, Westerville	100.00	EUR	3,754	3,542
Giorgio Gori USA, Inc.	USA, Baltimore	100.00	EUR	10,095	3,490
Global Mail, Inc.	USA, Weston	100.00	EUR	222,338	30,578
Gori Argentina S.A.	Argentina, Mendoza	100.00	EUR	1,750	419
GORI CHILE S.A.	Chile, Santiago de Chile	99.00	EUR	4,256	1,162
Harmony Logistics Canada Inc.	Canada, Toronto	100.00	EUR	650	632
Heartland Logistics Inc.	USA, Westerville	100.00	EUR	528	397

Reported IFRS data

¹⁾ Only subgroup data available ²⁾ Numbers from 2015 ³⁾ Numbers from 2014 ⁴⁾ Data not available ⁵⁾ Dormant ⁶⁾ Numbers after profit transfer ^{7a)} Inclusion due to majority of voting rights

^{7b)} Inclusion based on company's contractual agreements ^{7c)} Inclusion based on other contractual arrangements ⁸⁾ In liquidation ⁹⁾ Local GAAP ¹⁰⁾ Voting rights ¹¹⁾ Numbers from 2013

¹²⁾ Numbers from 2012 ¹³⁾ Not included, because they do not have significant influence on the Group's net assets, financial position and results of operations

¹⁴⁾ Partner with unlimited liability is Deutsche Post AG or other consolidated subsidiaries, acc. § 313 (2) Nr.6 local GAAP

Affiliated Companies included in the Consolidated Financial Statements

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Hyperion Inmobiliaria S.A. de C.V.	Mexico, Tepotzotlán	100.00	EUR	1,626	-207
Ibryl Inc.	Cayman Islands, George Town	100.00	EUR	370	0
International Transportation (USA) 1, Inc.	USA, Plantation	100.00	EUR	0	0
International Transportation (USA) 2, Inc.	USA, Plantation	100.00	EUR	0	0
International Transportation (USA) 3, Inc.	USA, Plantation	100.00	EUR	0	0
Marias Falls Insurance Co., Ltd.	Bermuda, Hamilton	100.00	EUR	60,411	3,852
Matrix Logistics Services Ltd.	Canada, Toronto	100.00	EUR	-11,897	-1,500
Polar Air Cargo Worldwide, Inc. ^{7c)}	USA, Purchase	49.00	EUR	12,357	0
Relay Logistics Inc.	Canada, Toronto	100.00	EUR	313	304
Saturn Integrated Logistics Inc.	Canada, Toronto	100.00	EUR	562	546
Sky Courier, Inc.	USA, Sterling	100.00	EUR	2,081	1,407
Standard Forwarding LLC	USA, East Moline	100.00	EUR	3,521	352
Tag EquityCo Limited	Cayman Islands, Grand Cayman	100.00	EUR	6,895	10
Tag Sao Paulo Servicos de Consultoria Ltda.	Brazil, São Paulo	100.00	EUR	1,517	459
Tag Worldwide (USA) Inc.	USA, New York	100.00	EUR	17,121	4,716
TCL Supply Chain (Canada) Inc.	Canada, Toronto	100.00	EUR	975	949
Tafinor S.A. ⁵⁾	Uruguay, Montevideo	100.00	EUR	5	0
Tibbett & Britten Group Canada Inc.	Canada, Toronto	100.00	EUR	20,936	7,192
Tibbett & Britten Group North America, LLC	USA, Westerville	100.00	EUR	342	1,668
Tracker Logistics Inc.	Canada, Toronto	100.00	EUR	836	812
Unidock's Assessoria e Logistica de Materiais Ltda.	Brazil, Barueri	100.00	EUR	6,272	-1,973
Vensecar Internacional, C.A.	Venezuela, Maiquitia	99.09	EUR	24,673	-1,128
Vensecar International (Barbados) Inc.	Barbados, Belleville, St.Michael	100.00	EUR	21,727	19
Williams Lea (Brazil) Assessoria Em Solucoes Empresariais Ltda.	Brazil, Rio de Janeiro	100.00	EUR	-1,026	47
Williams Lea (Canada), Inc.	Canada, Montréal	100.00	EUR	2,213	260
Williams Lea Argentina S.A.	Argentina, Buenos Aires	100.00	EUR	26	6
Williams Lea Holdings, Inc.	USA, Chicago	100.00	EUR	28,374	-23
Williams Lea Inc.	USA, Chicago	100.00	EUR	191,439	11,775
Williams Lea México, S. de R.L. de C.V.	Mexico, Mexico City	100.00	EUR	-453	-55
Zenith Logistics Inc.	Canada, Toronto	100.00	EUR	793	291
Asia Pacific					
Asia Overnight (Thailand) Ltd.	Thailand, Bangkok	100.00	EUR	858	149
Blue Dart Aviation Ltd. ^{7c)}	India, Mumbai	100.00	EUR	6,941	417
Blue Dart Express Limited	India, Mumbai	75.00	EUR	78,608	21,677
Danzas (China) Ltd.	China, Hong Kong	100.00	EUR	-11,068	-7,436
Danzas AEI (HK) Limited	China, Hong Kong	100.00	EUR	-59	-26
Danzas AEI Logistics (Shanghai) Co. Ltd.	China, Shanghai	100.00	EUR	1,991	58
DANZASMAL Domestic Logistics Services Sdn. Bhd. ^{7b)}	Malaysia, Kuala Lumpur	49.00	EUR	907	874
Deutsche Post Global Mail (Australia) Pty Ltd.	Australia, Mascot	100.00	EUR	-1,314	10
DHL (Chengdu) Service Ltd.	China, Chengdu	100.00	EUR	954	16
DHL Air Freight Forwarder Sdn. Bhd. ^{7c)}	Malaysia, Kuala Lumpur	49.00	EUR	2,664	194
DHL Asia Pacific Shared Services Sdn. Bhd.	Malaysia, Kuala Lumpur	100.00	EUR	1,180	580
DHL Aviation (Hong Kong) Ltd.	China, Hong Kong	99.85	EUR	22,596	1,015
DHL Aviation (Philippines), Inc. ⁸⁾	Philippines, Makati City	100.00	EUR	0	0
DHL Aviation Services (Shanghai) Co., Ltd.	China, Shanghai	100.00	EUR	40,391	1,271
DHL Danzas Air & Ocean (Cambodia) Ltd. ⁵⁾	Cambodia, Phnom Penh	100.00	EUR	33	0
DHL Distribution (Thailand) Limited	Thailand, Nonthaburi	100.00	EUR	65,008	8,446
DHL eCommerce (Hong Kong) Limited	China, Hong Kong	100.00	EUR	8,833	6,316
DHL eCommerce (Malaysia) Sdn. Bhd.	Malaysia, Puchong	100.00	EUR	4,597	-65

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DHL eCommerce (Singapore) Pte. Ltd.	Singapore, Singapore	100.00	EUR	-17,794	-7,801
DHL Exel Logistics (Malaysia) Sdh. Bhd. ^{7c)}	Malaysia, Petaling Jaya	49.00	EUR	2,222	382
DHL Express (Australia) Pty Ltd.	Australia, Sydney	100.00	EUR	23,418	6,470
DHL Express (Brunei) Sdn. Bhd.	Brunei Darussalam, Bandar Seri Begawan	90.00	EUR	833	49
DHL Express (Cambodia) Ltd.	Cambodia, Phnom Penh	100.00	EUR	3,122	547
DHL Express (Fiji) Ltd.	Fiji, Suva	100.00	EUR	1,017	97
DHL Express (Hong Kong) Limited	China, Hong Kong	100.00	EUR	22,062	8,054
DHL Express (India) Pvt. Ltd.	India, Mumbai	100.00	EUR	75,541	11,507
DHL Express (Macau) Ltd.	Macau, Macau	100.00	EUR	365	116
DHL Express (Malaysia) Sdn. Bhd.	Malaysia, Kuala Lumpur	70.00	EUR	5,065	3,161
DHL Express (New Zealand) Limited	New Zealand, Auckland	100.00	EUR	7,404	1,361
DHL Express (Papua New Guinea) Ltd.	Papua New Guinea, Port Moresby	100.00	EUR	426	-224
DHL Express (Philippines) Corp.	Philippines, Makati City	100.00	EUR	15,641	3,847
DHL Express (Singapore) Pte. Ltd.	Singapore, Singapore	100.00	EUR	174,275	11,303
DHL Express (Taiwan) Corp.	Taiwan, Taipei	100.00	EUR	20,152	7,296
DHL Express (Thailand) Limited ^{7c)}	Thailand, Samutprakarn	100.00	EUR	5,031	597
DHL Express International (Thailand) Ltd.	Thailand, Bangkok	100.00	EUR	13,180	1,956
DHL Express Laos Sole Company Limited	Laos, Vientiane	100.00	EUR	2,913	381
DHL Express Lda	East Timor, Dili	100.00	EUR	509	8
DHL Express Nepal Pvt. Ltd.	Nepal, Kathmandu	100.00	EUR	4,443	378
DHL Global Forwarding (Australia) Pty Ltd.	Australia, Tullamarine	100.00	EUR	6,332	-7,420
DHL Global Forwarding (Bangladesh) Limited	Bangladesh, Dhaka	100.00	EUR	2,580	551
DHL Global Forwarding (China) Co., Ltd.	China, Shanghai	100.00	EUR	135,192	52,821
DHL Global Forwarding (Fiji) Limited	Fiji, Lautoka	100.00	EUR	1,502	386
DHL Global Forwarding (Hong Kong) Limited	China, Hong Kong	100.00	EUR	52,353	30,216
DHL Global Forwarding (Korea) Ltd.	South Korea, Seoul	100.00	EUR	7,166	4,638
DHL Global Forwarding (Malaysia) Sdn. Bhd.	Malaysia, Kuala Lumpur	100.00	EUR	10,385	3,841
DHL Global Forwarding (New Zealand) Limited	New Zealand, Auckland	100.00	EUR	8,458	-5,761
DHL Global Forwarding (Philippines) Inc.	Philippines, Manila	100.00	EUR	5,671	3,307
DHL Global Forwarding (PNG) Limited	Papua New Guinea, Port Moresby	74.00	EUR	606	-365
DHL Global Forwarding (Singapore) Pte. Ltd.	Singapore, Singapore	100.00	EUR	113,939	18,287
DHL Global Forwarding (Singapore) Pte. Ltd., Taiwan Branch	Taiwan, Taipei	100.00	EUR	8,432	8,922
DHL Global Forwarding (Thailand) Limited	Thailand, Bangkok	100.00	EUR	13,289	5,057
DHL Global Forwarding (Vietnam) Corporation ^{7a)}	Vietnam, Ho Chi Minh City	49.00	EUR	8,370	8,425
DHL Global Forwarding Azerbaijan LLC	Azerbaijan, Baku	100.00	EUR	0	0
DHL Global Forwarding Caledonie	New Caledonia, Noumea	100.00	EUR	4,368	122
DHL Global Forwarding Japan K.K.	Japan, Tokyo	100.00	EUR	5,257	-741
DHL Global Forwarding Lanka (Private) Limited	Sri Lanka, Colombo	70.00	EUR	-120	164
DHL Global Forwarding Management (Asia Pacific) Pte. Ltd.	Singapore, Singapore	100.00	EUR	291,789	57,584
DHL Global Forwarding Myanmar Limited	Myanmar, Yagon	100.00	EUR	236	7
DHL Global Forwarding Pakistan (Private) Limited	Pakistan, Karachi	100.00	EUR	-205	-1,192

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^{7b)} Inclusion based on company's contractual agreements ^{7c)} Inclusion based on other contractual arrangements ⁸⁾ In liquidation ⁹⁾ Local GAAP ¹⁰⁾ Voting rights ¹¹⁾ Numbers from 2013

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DHL Global Forwarding Polynesie S.A.R.L.	French Polynesia, Faaa	100.00	EUR	5,239	356
DHL Global Logistics (Chengdu) Co., Ltd.	China, Chengdu	100.00	EUR	278	0
DHL Global Mail (Japan) K.K.	Japan, Tokyo	100.00	EUR	-1,013	-537
DHL Holdings (New Zealand) Limited	New Zealand, Auckland	100.00	EUR	21,716	279
DHL Incheon Hub Ltd.	South Korea, Incheon	100.00	EUR	7,580	1,340
DHL Information Services (Asia-Pacific) Sdn. Bhd.	Malaysia, Puchong	100.00	EUR	18,061	2,615
DHL International Kazakhstan, TOO	Kazakhstan, Almaty	100.00	EUR	1,252	298
DHL ISC (Hong Kong) Limited	China, Hong Kong	100.00	EUR	21,487	5,046
DHL Japan Inc.	Japan, Tokyo	100.00	EUR	39,021	7,669
DHL Keells (Private) Limited ^{7c)}	Sri Lanka, Colombo	50.00	EUR	3,890	1,651
DHL Korea Limited	South Korea, Seoul	100.00	EUR	39,038	4,434
DHL Logistics (Beijing) Co., Ltd.	China, Beijing	100.00	EUR	7,388	7,588
DHL Logistics (Cambodia) Ltd.	Cambodia, Phnom Penh	100.00	EUR	3,181	288
DHL Logistics (China) Co., Ltd.	China, Beijing	100.00	EUR	66,537	5,845
DHL Logistics (Kazakhstan) TOO	Kazakhstan, Aksai	100.00	EUR	-2,230	-192
DHL Logistics (Shenzhen) Co., Ltd.	China, Shenzhen	100.00	EUR	5,026	118
DHL Logistics Private Limited	India, Mumbai	100.00	EUR	80,183	7,992
DHL Pakistan (Private) Limited	Pakistan, Karachi	100.00	EUR	3,073	566
DHL Project & Chartering Limited	China, Hong Kong	100.00	EUR	664	3,312
DHL Properties (Malaysia) Sdn. Bhd.	Malaysia, Shah Alam	69.98	EUR	3,565	118
DHL SCM K.K.	Japan, Saitama	100.00	EUR	1,052	462
DHL Sinotrans Bonded Warehouse (Beijing) Co., Ltd.	China, Beijing	100.00	EUR	4,632	315
DHL Sinotrans International Air Courier Ltd. ^{7c)}	China, Beijing	50.00	EUR	301,437	220,514
DHL Supply Chain (Australia) Pty Limited	Australia, Mascot	100.00	EUR	42,346	18,649
DHL Supply Chain (Hong Kong) Limited	China, Hong Kong	100.00	EUR	65,079	15,414
DHL Supply Chain (Korea) Ltd.	South Korea, Seoul	100.00	EUR	-1,620	-842
DHL Supply Chain (Malaysia) Sdn. Bhd.	Malaysia, Petaling Jaya	100.00	EUR	5,430	535
DHL Supply Chain (New Zealand) Limited	New Zealand, Auckland	100.00	EUR	38,623	4,171
DHL Supply Chain (Taiwan) Co. Ltd.	Taiwan, Taipei	100.00	EUR	3,851	1,249
DHL Supply Chain (Thailand) Limited	Thailand, Bangkok	100.00	EUR	22,558	2,981
DHL Supply Chain (Vietnam) Limited	Vietnam, Ho Chi Minh City	100.00	EUR	5,183	2,028
DHL Supply Chain (Vietnam) Transportation JSC	Vietnam, Ho Chi Minh City	51.00	EUR	915	-196
DHL Supply Chain India Private Limited	India, Mumbai	100.00	EUR	37,404	7,732
DHL Supply Chain K.K.	Japan, Tokyo	100.00	EUR	5,203	5,911
DHL Supply Chain Management Phils., Inc.	Philippines, Manila	100.00	EUR	536	34
DHL Supply Chain Phils., Inc.	Philippines, Manila	100.00	EUR	2,871	1,017
DHL Supply Chain Singapore Pte. Ltd.	Singapore, Singapore	100.00	EUR	32,697	-1,424
DHL Worldwide Express (Bangladesh) Private Limited	Bangladesh, Dhaka	90.00	EUR	11,771	2,056
DHL-VNPT Express Ltd.	Vietnam, Ho Chi Minh City	51.00	EUR	6,448	1,201
Dongguan DHL Supply Chain Co., Ltd.	China, Dongguan	100.00	EUR	5,465	3,615
Exel Consolidation Services Limited	China, Hong Kong	100.00	EUR	2,804	-7
Exel Logistics (China) Co. Ltd	China, Shanghai	100.00	EUR	-8,566	1,131
Exel Logistics Services Lanka (Private) Ltd.	Sri Lanka, Colombo	100.00	EUR	2,868	858
Gori Australia Pty Ltd.	Australia, Brighton-Le-Sands	100.00	EUR	5,885	2,993

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MSAS Global Logistics (Far East) Limited	China, Hong Kong	100.00	EUR	1,140	-4
PT. DANZAS SARANA PERKASA	Indonesia, Jakarta	100.00	EUR	1,127	78
PT. Birotika Semesta ^{7c)}	Indonesia, Jakarta	0.00	EUR	12,548	4,101
PT. Cargotama Multi Servisindo ⁵⁾	Indonesia, Jakarta	100.00	EUR	0	0
PT. DHL Supply Chain Indonesia	Indonesia, Jakarta	90.34	EUR	3,463	2,490
PT. DHL Global Forwarding Indonesia	Indonesia, Jakarta	100.00	EUR	18,517	-412
Shanghai Danzas Freight Agency Co. Ltd.	China, Shanghai	100.00	EUR	4,041	2,666
Skyline Air Logistics Ltd.	India, Mumbai	99.99	EUR	2,410	394
StarBroker (Hong Kong) Limited	China, Hong Kong	100.00	EUR	41	-5
Tag India Private Limited	India, New Delhi	100.00	EUR	445	-6
Tag Worldwide (Shanghai) Co Ltd.	China, Shanghai	100.00	EUR	1,048	37
Tag Worldwide (Singapore) Pte. Ltd.	Singapore, Singapore	100.00	EUR	-1,940	-165
Tag Worldwide Australia PTY Ltd.	Australia, Parramatta	100.00	EUR	353	-5
Trade Clippers Cargo Limited	Bangladesh, Dhaka	100.00	EUR	343	-1
Watthanothai Company Ltd. ^{7a)}	Thailand, Bangkok	49.00	EUR	541	3,247
Williams Lea (Beijing) Limited	China, Beijing	100.00	EUR	2,149	1,382
Williams Lea (Hong Kong) Limited	China, Hong Kong	100.00	EUR	2,455	193
Williams Lea Asia Limited	China, Hong Kong	100.00	EUR	3,495	1,082
Williams Lea India Private Limited	India, New Delhi	100.00	EUR	10,179	1,041
Williams Lea Japan Limited	Japan, Tokyo	100.00	EUR	3,834	3,065
Williams Lea Private Limited	Singapore, Singapore	100.00	EUR	471	-142
Williams Lea Pty Limited	Australia, Sydney	100.00	EUR	-3,636	-193
Other Regions					
Air & Ocean General transport, forwarding (shipping), Customs Clearance & Maritime services	Iraq, Baghdad	100.00	EUR	7,669	-378
Al Dura Al Hamra for General Transport LLC	Iraq, Baghdad	100.00	EUR	41	0
Buddingtrade 33 (Pty) Ltd. ⁵⁾	South Africa, Benoni	100.00	EUR	1,703	0
DHL Global Forwarding Abu Dhabi LLC ^{7b)}	United Arab Emirates (UAE), Abu Dhabi	49.00	EUR	21,592	3,618
Danzas Bahrain WLL ^{7b)}	Bahrain, Manama	40.00	EUR	9,320	1,840
DGF Cameroon PLC	Cameroon, Douala	65.00	EUR	-1,838	-1,546
DHL (Israel) Ltd.	Israel, Tel Aviv	100.00	EUR	12,461	972
DHL (Mauritius) Ltd.	Mauritius, Port Louis	100.00	EUR	980	62
DHL (Namibia) (Pty) Ltd.	Namibia, Windhoek	100.00	EUR	1,062	131
DHL (Tanzania) Ltd.	Tanzania, Dar es Salaam	100.00	EUR	-380	27
DHL Aviation (Maroc) SA	Morocco, Casablanca	100.00	EUR	4,569	-8
DHL Aviation (Nigeria) Ltd.	Nigeria, Lagos	100.00	EUR	-146	-329
DHL Aviation (Pty) Limited	South Africa, Johannesburg	100.00	EUR	5,572	400
DHL Aviation EEMEA B.S.C.(C)	Bahrain, Manama	100.00	EUR	968	-182
DHL Aviation Kenya Ltd.	Kenya, Nairobi	100.00	EUR	20	3
DHL Egypt WLL	Egypt, Cairo	100.00	EUR	1,609	1,079
DHL Express (Rwanda) Limited	Rwanda, Kigali	100.00	EUR	450	24
DHL Express Maroc S.A.	Morocco, Casablanca	100.00	EUR	4,001	782
DHL Food Logistics Egypt Ltd.	Egypt, Alexandria	97.20	EUR	686	136
DHL Ghana Limited	Ghana, Accra	100.00	EUR	1,951	636
DHL Global Forwarding & Co. LLC ^{7c)}	Oman, Muscat	40.00	EUR	9,530	4,074
DHL Global Forwarding (Angola) - Comércio e Transitários, Limitada	Angola, Luanda	100.00	EUR	-79,559	-30,358
DHL Global Forwarding (Congo) SA	Republic of the Congo, Pointe-Noire	100.00	EUR	-3,203	-188
DHL Global Forwarding (Gabon) SA	Gabon, Libreville	99.00	EUR	-366	-1,807

Reported IFRS data

¹⁾ Only subgroup data available ²⁾ Numbers from 2015 ³⁾ Numbers from 2014 ⁴⁾ Data not available ⁵⁾ Dormant ⁶⁾ Numbers after profit transfer ^{7a)} Inclusion due to majority of voting rights

^{7b)} Inclusion based on company's contractual agreements ^{7c)} Inclusion based on other contractual arrangements ⁸⁾ In liquidation ⁹⁾ Local GAAP ¹⁰⁾ Voting rights ¹¹⁾ Numbers from 2013

¹²⁾ Numbers from 2012 ¹³⁾ Not included, because they do not have significant influence on the Group's net assets, financial position and results of operations

¹⁴⁾ Partner with unlimited liability is Deutsche Post AG or other consolidated subsidiaries, acc. § 313 (2) Nr.6 local GAAP

Affiliated Companies included in the Consolidated Financial Statements

Name	Country, Headquarters	Group equity share %	Currency	Equity in thousands	Net income in thousands
DHL Global Forwarding (JSC) - Libya for delivery of goods services ^{7a)}	Libya, Tripoli	49.00	EUR	771	-180
DHL Global Forwarding (Kenya) Limited	Kenya, Nairobi	100.00	EUR	-554	-269
DHL Global Forwarding (Kuwait) Company WLL ^{7b)}	Kuwait, Safat	49.00	EUR	5,136	1,904
DHL Global Forwarding (Senegal) S.A.	Senegal, Dakar	100.00	EUR	-1,155	-826
DHL Global Forwarding (Uganda) Limited	Uganda, Kampala	100.00	EUR	449	101
DHL GLOBAL FORWARDING COTE D'IVOIRE SA	Ivory Coast, Abidjan	100.00	EUR	154	-371
DHL Global Forwarding Lebanon S.A.L. ^{7c)}	Lebanon, Beirut	50.00	EUR	1,152	830
DHL Global Forwarding Nigeria Limited	Nigeria, Lagos	100.00	EUR	756	-1,405
DHL Global Forwarding Qatar LLC ^{7b)}	Qatar, Doha	49.00	EUR	3,763	966
DHL Global Forwarding Egypt S.A.E.	Egypt, Cairo	100.00	EUR	5,156	3,196
DHL Global Forwarding SA (Pty) Limited	South Africa, Boksburg	100.00	EUR	24,799	5,972
DHL Global Forwarding Tasimacilik A. S.	Turkey, Istanbul	100.00	EUR	18,837	4,833
DHL International (Algerie) SARL	Algeria, Algiers	100.00	EUR	2,001	558
DHL International (Angola) - Transportadores Rápidos Limitada	Angola, Luanda	100.00	EUR	1,010	433
DHL International (Bahrain) WLL ^{7c)}	Bahrain, Manama	49.00	EUR	63	0
DHL International (Congo) SARL	Democratic Republic of the Congo, Kinshasa	100.00	EUR	-12,736	1,415
DHL International (Gambia) Ltd.	Gambia, Kanifing	100.00	EUR	-7	66
DHL International (Liberia) Ltd.	Liberia, Monrovia	100.00	EUR	-467	266
DHL International (Pty) Ltd.	South Africa, Isando	74.99	EUR	12,862	1,609
DHL International (Pvt) Ltd.	Zimbabwe, Harare	100.00	EUR	2,393	255
DHL International (SL) Ltd.	Sierra Leone, Freetown	100.00	EUR	-41	-370
DHL International (Uganda) Ltd.	Uganda, Kampala	100.00	EUR	781	37
DHL International B.S.C.(c)	Bahrain, Manama	100.00	EUR	555	155
DHL International Benin SARL	Benin, Cotonou	100.00	EUR	873	36
DHL International Botswana (Pty) Ltd.	Botswana, Gaborone	100.00	EUR	330	60
DHL International Burkina Faso SARL	Burkina Faso, Ouagadougou	100.00	EUR	97	1,033
DHL International Cameroon SARL	Cameroon, Douala	100.00	EUR	-844	331
DHL International Centrafrique SARL	Central African Republic, Bangui	100.00	EUR	48	-39
DHL International Congo SARL	Republic of the Congo, Brazzaville	100.00	EUR	-4,111	-309
DHL International Cote D'Ivoire SARL	Ivory Coast, Abidjan	100.00	EUR	609	-41
DHL International Gabon SA	Gabon, Libreville	100.00	EUR	-261	753
DHL Guinea Ecuatorial, S.L.	Republic of Equatorial Guinea, Malabo	100.00	EUR	23	58
DHL International Guinee SARL	Guinea, Conakry	100.00	EUR	957	-203
DHL International Iran PJSC	Iran, Tehran	100.00	EUR	2,451	-1,425
DHL International Madagascar SA	Madagascar, Antananarivo	100.00	EUR	358	172
DHL International Malawi Ltd.	Malawi, Blantyre	100.00	EUR	-206	-63
DHL International Mali SARL	Mali, Bamako	100.00	EUR	692	701
DHL International Mauritanie SARL	Mauretania, Nouakchott	100.00	EUR	1,037	147
DHL International Niger SARL	Niger, Niamey	100.00	EUR	688	99
DHL International Nigeria Ltd.	Nigeria, Lagos	100.00	EUR	2,807	842
DHL International Reunion SARL	Réunion, Sainte Marie	100.00	EUR	336	213
DHL International Tchad SARL	Chad, Ndjamena	100.00	EUR	-167	24
DHL International Togo SARL	Togo, Lomé	100.00	EUR	-12	64
DHL International Transportation Co WLL ^{7c)}	Kuwait, Safat	0.00	EUR	552	88
DHL International Zambia Limited	Zambia, Lusaka	100.00	EUR	-2,904	138

Affiliated Companies included in the Consolidated Financial Statements

Name	Country, Headquarters	Group equity share %	Currency	Equity in thousands	Net income in thousands
DHL Lesotho (Proprietary) Ltd.	Lesotho, Maseru	100.00	EUR	276	55
DHL Logistics Ghana Ltd.	Ghana, Tema	100.00	EUR	-1,923	-9,322
DHL Logistics Kenya Limited	Kenya, Nairobi	100.00	EUR	186	0
DHL Logistics Middle East DWC-LLC	United Arab Emirates (UAE), Dubai	100.00	EUR	9,890	834
DHL Logistics Morocco S.A.	Morocco, Casablanca	100.00	EUR	-264	-400
DHL Logistics Tanzania Limited	Tanzania, Dar es Salaam	100.00	EUR	440	-126
DHL Lojistik Hizmetleri A.S.	Turkey, Istanbul	100.00	EUR	-3,547	-6,938
DHL Mocambique Lda.	Mozambique, Maputo	100.00	EUR	-657	-1,234
DHL Operations BV Jordan Services with Limited Liability	Jordan, Amman	100.00	EUR	352	-201
DHL Qatar Limited ^{7b)}	Qatar, Doha	49.00	EUR	-595	447
DHL Regional Services Limited	Nigeria, Lagos	100.00	EUR	72	0
DHL Regional Services Ltd.	Mauritius, Port Louis	100.00	EUR	-323	-301
DHL Senegal SARL	Senegal, Dakar	100.00	EUR	1,249	-749
DHL Supply Chain (South Africa) (Pty) Ltd.	South Africa, Germiston	100.00	EUR	1,713	-9,800
DHL Supply Chain Kenya Limited	Kenya, Nairobi	100.00	EUR	-10,333	-9,677
DHL Supply Chain Tanzania Limited	Tanzania, Dar es Salaam	100.00	EUR	290	46
DHL Swaziland (Proprietary) Ltd.	Swaziland, Mbabane	100.00	EUR	379	46
DHL Worldwide Express & Company LLC	Oman, Ruwi	70.00	EUR	1,606	1,158
DHL Worldwide Express (Abu Dhabi) LLC ^{7b)}	United Arab Emirates (UAE), Abu Dhabi	49.00	EUR	212	0
DHL Worldwide Express (Dubai) LLC ^{7b)}	United Arab Emirates (UAE), Dubai	49.00	EUR	306	0
DHL Worldwide Express (Sharjah) LLC ^{5), 7b)}	United Arab Emirates (UAE), Sharjah	49.00	EUR	129	0
DHL Worldwide Express Cargo LLC ^{5), 7b)}	United Arab Emirates (UAE), Dubai	49.00	EUR	77	0
DHL Worldwide Express Ethiopia Private Limited Company	Ethiopia, Addis Ababa	99.85	EUR	2,764	1,609
DHL Worldwide Express Kenya Limited	Kenya, Nairobi	100.00	EUR	87	-5
DHL Worldwide Express Tasimacilik ve Ticaret A.S.	Turkey, Istanbul	100.00	EUR	20,787	4,286
Document Handling (East Africa) Ltd.	Kenya, Nairobi	51.00	EUR	55	338
Exel Contract Logistics (Nigeria) Limited	Nigeria, Lagos	100.00	EUR	3,200	551
Exel Saudia LLC ^{7a)}	Saudi Arabia, Al Khobar	50.00	EUR	21,154	8,204
F.C. (Flying Cargo) International Transportation Ltd.	Israel, Tel Aviv	100.00	EUR	87,508	10,533
Giorgio Gori International Freight Forwards (Pty) Ltd.	South Africa, Ferndale	100.00	EUR	183	162
Hull, Blyth (Angola) Ltd. (Angolan branch)	Angola, Luanda	100.00	EUR	5,553	-3,430
Sherkate HamI-oNaghl Sarie DHL Kish	Iran, Tehran	100.00	EUR	0	0
SNAS Lebanon SARL	Lebanon, Beirut	90.00	EUR	-4,001	-945
SNAS Trading and Contracting ^{7c)}	Saudi Arabia, Riyadh	0.00	EUR	-6	0
SSA Regional Services (Pty) Ltd.	South Africa, Johannesburg	100.00	EUR	625	126
Tag MENA FZE ⁵⁾	United Arab Emirates (UAE), Dubai	100.00	EUR	-130	0
Tag Worldwide DMCC	United Arab Emirates (UAE), Dubai	100.00	EUR	-870	-563
Trans Care Fashion SARL (Morocco) ⁵⁾	Morocco, Casablanca	100.00	EUR	-322	-145
Ukhozi Logistics (Pty) Ltd.	South Africa, Boksburg	100.00	EUR	7	0

Reported IFRS data

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^{7b)} Inclusion based on company's contractual agreements ^{7c)} Inclusion based on other contractual arrangements ⁸⁾ In liquidation ⁹⁾ Local GAAP ¹⁰⁾ Voting rights ¹¹⁾ Numbers from 2013

¹²⁾ Numbers from 2012 ¹³⁾ Not included, because they do not have significant influence on the Group's net assets, financial position and results of operations

¹⁴⁾ Partner with unlimited liability is Deutsche Post AG or other consolidated subsidiaries, acc. § 313 (2) Nr.6 local GAAP

Affiliated Companies not included in the Consolidated Financial Statements¹³⁾

Name	Country, Headquarters	Group equity share %	Currency	Equity in thousands	Net income in thousands
Europe					
Alistair McIntosh Trustee Company Limited ^{5), 9), 11)}	United Kingdom, London	100.00	GBP	0	0
Applied Distribution Group Limited ^{2), 8)}	United Kingdom, Bracknell	100.00	GBP	0	0
ASG Leasing Handelsbolag ^{2), 5), 9)}	Sweden, Stockholm	100.00	SEK	5	0
Beteiligungsgesellschaft Privatstraße GVZ Eifeltor GBR ^{4), 14)}	Germany, Grafschaft-Holzweiler	53.54	EUR	-	-
Business Mail Limited ^{5), 9)}	United Kingdom, Slough	100.00	GBP	0	0
Business Post Europe Limited ^{5), 9)}	United Kingdom, Slough	100.00	GBP	0	0
Business Post Group Limited ^{5), 9)}	United Kingdom, Slough	100.00	GBP	4	0
Business Post Limited ^{5), 9)}	United Kingdom, Slough	100.00	GBP	0	0
Compass Point (St Ives) Management Company Limited ^{2), 9)}	United Kingdom, Bracknell	100.00	GBP	33	13
DEGEMOLTO Grundstücksverwaltungs-gesellschaft mbH & Co. Immobilien-Vermietungs KG ^{2), 9)}	Germany, Eschborn	100.00	EUR	51	278
Deutsche Post DHL Corporate Real Estate Management GmbH & Co. Objekt Weißenhorn KG ^{2), 9), 14)}	Germany, Bonn	100.00	EUR	26	0
Deutsche Post gemeinnützige Gesell-schaft für sichere und vertrauliche Kommunikation im Internet mbH ^{2), 9)}	Germany, Bonn	100.00	EUR	25	0
Deutsche Post Grundstücks- Vermie-tungsgesellschaft beta mbH ^{3), 6), 9)}	Germany, Bonn	100.00	EUR	17	0
DHL Freight & Contract Logistics (UK) Limited ^{2), 8)}	United Kingdom, Milton Keynes	100.00	GBP	0	0
DHL Pensions Investment Fund Limited ^{2), 5), 9)}	United Kingdom, Bedford	100.00	GBP	0	0
DHL Trustees Limited ^{2), 5), 9)}	United Kingdom, Bedford	74.00	GBP	0	0
DSC Healthcare Trustees Limited ^{5), 9)}	United Kingdom, Bracknell	100.00	GBP	0	0
Exel Secretarial Services Limited ^{5), 9)}	United Kingdom, Bracknell	100.00	GBP	0	0
Fashionflow Limited ^{2), 5), 9)}	United Kingdom, Bracknell	100.00	GBP	0	0
forum gelb GmbH ^{6), 9)}	Germany, Bonn	100.00	EUR	25	0
Higgs Air Espana S.A. ⁸⁾	Spain, Barcelona	100.00	EUR	-	-
Historia Sp. z o.o. ^{2), 8)}	Poland, Piaseczno	100.00	PLN	-639	0
KXC (EXEL) GP INVESTMENT LIMITED ^{2), 9)}	United Kingdom, Bracknell	100.00	GBP	16	51
Rosier Distribution Limited ^{4), 5)}	United Kingdom, Hounslow	100.00	GBP	-	-
Siegfried Vögele Institut (SVI) - Internationale Gesellschaft für Dialogmarketing mbH ^{3), 6), 9)}	Germany, Königstein	100.00	EUR	50	0
StreetScooter Schweiz AG ^{2), 9)}	Switzerland, Oensingen	100.00	CHF	77	-23
Tankfreight (Ireland) Ltd. ^{3), 8)}	Ireland, Dublin	100.00	EUR	0	0
Tankfreight Limited ^{2), 5), 9)}	United Kingdom, Bracknell	100.00	GBP	2	0
The Stationery Office Pension Trustees Limited ^{5), 9), 11)}	United Kingdom, London	100.00	GBP	0	0
Tibbett & Britten Applied Limited ^{2), 9)}	United Kingdom, Bracknell	100.00	GBP	3,179	0
Tibbett & Britten Dairy Logistics Sp. z o.o. ^{3), 5), 9)}	Poland, Warsaw	100.00	PLN	50	0
UK Mail Express Parcels and Mail Limited ^{5), 9)}	United Kingdom, Slough	100.00	GBP	0	0
UK Pallets Limited ⁸⁾	United Kingdom, Slough	100.00	GBP	-	-
UK Today Couriers Limited ^{5), 9)}	United Kingdom, Slough	100.00	GBP	0	0
UNITRANS Deutschland Gesellschaft für Terminverkehre mbH ^{3), 9)}	Germany, Düsseldorf	69.23	EUR	332	-23
Web-Despatch.com Limited ^{5), 9)}	United Kingdom, Slough	100.00	GBP	0	0

Affiliated Companies not included in the Consolidated Financial Statements¹³⁾

Name	Country, Headquarters	Group equity share %	Currency	Equity in thousands	Net income in thousands
Williams Lea (US Acquisitions) Limited ^{5), 9)}	United Kingdom, London	100.00	GBP	1	0
Williams Lea Group Quest Trustees Limited ^{5), 9), 11)}	United Kingdom, London	100.00	GBP	0	0
Williams Lea International Limited ^{5), 9), 11)}	United Kingdom, London	100.00	GBP	0	0
Americas					
Deutsche Post World Net USA Inc. ^{9), 11)}	USA, Washington	100.00	USD	41	-104
DHL Express (Belize) Limited ⁵⁾	Belize, Belize City	100.00	EUR	0	0
DHL International (Antigua) Ltd. ^{4), 5)}	Antigua and Barbuda, St. Johns	100.00	USD	-	-
DHL Servicios, S.A. de C.V. ^{3), 9)}	Mexico, Mexico City	100.00	MXN	-38	-285
Hyperion Properties Inc. ^{4), 5)}	USA, Westerville	100.00	USD	-	-
Inversiones 3340, C.A. ^{3), 9)}	Venezuela, Caracas	49.00	VEF	47	0
Power Packaging, Inc. ⁴⁾	USA, Westerville	100.00	USD	-	-
Safe Way Argentina S.A. ⁵⁾	Argentina, Buenos Aires	100.00	ARS	-	-
Skyhawk Transport Ltd. ^{2), 9)}	Canada, Mississauga	100.00	CAD	0	0
Asia Pacific					
Concorde Air Logistics Ltd. ^{2), 9)}	India, Mumbai	99.54	INR	34,638	3,474
DHL Consumer Dialog and Delivery (Beijing) Co., Ltd. ^{3), 8)}	China, Beijing	80.00	EUR	-248	-352
DHL Customs Brokerage Corp. ^{9) 12)}	Philippines, Pasay City	100.00	PHP	-148	-612
DHL Express LLP ^{9), 11)}	Kazakhstan, Almaty	100.00	KZT	2,000	0
Exel Logistics Delbros Philippines Inc. ^{4), 5), 8)}	Philippines, Manila	60.00	PHP	-	-
Other Regions					
Danzas AEI (Private) Ltd. ^{4), 5)}	Zimbabwe, Harare	100.00	USD	-	-
Danzas AEI Intercontinental LTD ^{4), 8)}	Malawi, Blantyre	100.00	MWK	-	-
DHL Air Freight Forwarder (Egypt) WLL ^{4), 8)}	Egypt, Cairo	99.90	EGP	-	-
DHL Danzas Air & Ocean (Kenya) Ltd. ^{4), 8)}	Kenya, Nairobi	100.00	KES	-	-
DHL Global Forwarding DR Congo SARL ^{3), 8)}	Democratic Republic of the Congo, Kinshasa	100.00	EUR	-1,624	-3,380
DHL Logistics Middle East FZE ^{5), 12)}	United Arab Emirates (UAE), Dubai	100.00	EUR	668	301
DHL Oil + Gas (Angola) Ltda ⁵⁾	Angola, Luanda	49.00	AOA	500	-
Elder Dempster Ltda. ^{4), 5)}	Angola, Luanda	100.00	USD	-	-
Exel Contract Logistics (SA) (Pty) Ltd. ^{4), 5)}	South Africa, Elandsfontein	100.00	ZAR	-	-
Tibbett & Britten Egypt Ltd. ⁸⁾	Egypt, Cairo	50.00	EGP	-	-

Reported IFRS data

¹⁾ Only subgroup data available ²⁾ Numbers from 2015 ³⁾ Numbers from 2014 ⁴⁾ Data not available ⁵⁾ Dormant ⁶⁾ Numbers after profit transfer ^{7a)} Inclusion due to majority of voting rights ^{7b)} Inclusion based on company's contractual agreements ^{7c)} Inclusion based on other contractual arrangements ⁸⁾ In liquidation ⁹⁾ Local GAAP ¹⁰⁾ Voting rights ¹¹⁾ Numbers from 2013 ¹²⁾ Numbers from 2012 ¹³⁾ Not included, because they do not have significant influence on the Group's net assets, financial position and results of operations ¹⁴⁾ Partner with unlimited liability is Deutsche Post AG or other consolidated subsidiaries, acc. § 313 (2) Nr.6 local GAAP

Joint Operations (Quota Consolidation)

Name	Country, Headquarters	Group equity share %	Currency	Equity in thousands	Net income in thousands
Europe					
Aerologic GmbH	Germany, Leipzig	50.00	EUR	33,387	5,552
Americas					
EV Logistics	Canada, Vancouver	50.00	EUR	10,269	1,308

Joint Ventures (at Equity Consolidation)

Name	Country, Headquarters	Group equity share %	Currency	Equity in thousands	Net income in thousands
Europe					
Danzas DV, LLC ^{8), 11)}	Russia, Yuzhno-Sakhalinsk	50.00	RUB	-12,678	0
Asia Pacific					
Yamato Dialog & Media Co. Ltd. ^{9), 11)}	Japan, Tokyo	49.00	JPY	-77,346	157,298

Associated Companies

(Accounting treatment in the Consolidated Financial Statements following the Equity Method)

Name	Country, Headquarters	Group equity share %	Currency	Equity in thousands	Net income in thousands
Europe					
Cargo Center Sweden AB ^{1), 2), 9)}	Sweden, Stockholm	50.00	SEK	25,137	-1,704
Relais Colis SAS	France, Creteil	27.50	EUR	4,761	-3,631
Americas					
DHL Aero Expreso S.A.	Panama, Panama City	49.80	EUR	32,943	716
Integracion Aduanera S. A. ^{5), 11)}	Costa Rica, San José	51.00	CRC	325,953	0
Asia Pacific					
AHK Air Hong Kong Limited ^{1), 2), 9)}	China, Hong Kong	40.00	HKD	345,353	752,505
Danzas Intercontinental, Inc. (Philippines) ⁸⁾	Philippines, Manila	39.98	PHP	-3,367	0
Myanmar DHL Limited ^{2), 9)}	Myanmar, Rangoon	49.00	USD	2,582	1,703
Tasman Cargo Airlines Pty. Limited ^{2), 9)}	Australia, Mascot	48.98	AUD	8,304	461
Other Regions					
Bahwan Exel LLC ²⁾	Oman, Muscat	44.10	OMR	1,509	1,510
Danzas AEI Emirates LLC	United Arab Emirates (UAE), Dubai	40.00	AED	222,186	59,873

Non-consolidated Joint Ventures¹³⁾

Name	Country, Headquarters	Group equity share %	Currency	Equity in thousands	Net income in thousands
Europe					
Roster Worldwide Limited ⁴⁾	United Kingdom, London	50.00	GBP	-	-

Non-consolidated associated companies¹³⁾

Name	Country, Headquarters	Group equity share %	Currency	Equity in thousands	Net income in thousands
Europe					
Airmail Center Frankfurt GmbH ^{2), 9)}	Germany, Frankfurt/Main	20.00	EUR	4,850	1,614
Compador Dienstleistungs GmbH ^{3), 9)}	Germany, Berlin	26.00	EUR	0	-7,500
Diorit Grundstücksverwaltungsgesellschaft mbH & Co. Vermietungs KG ^{2), 9), 10)}	Germany, Mainz	49.00	EUR	0	23
European EPC Competence Center GmbH ^{2), 9)}	Germany, Cologne	30.00	EUR	572	75
Expo-Dan ^{9), 12)}	Ukraine, Kiev	50.00	UAH	175	0
Gardermoen Perishable Center AS ^{2), 9)}	Norway, Gardermoen	33.33	NOK	8,057	1,597
Jurte Grundstücksverwaltungsgesellschaft mbH & Co. Vermietungs KG ^{2), 9)}	Germany, Mainz	24.00	EUR	1	13
production.net AC GmbH ^{2), 9)}	Germany, Aachen	26.00	EUR	17	-29
Americas					
BITS Limited	Bermuda, Hamilton	40.00	BMD	1,759	129
Consimex S.A. ^{2), 9)}	Colombia, Medellin	29.22	COP	14,105,632	681,975
DHL International (Cayman) Ltd.	Cayman Islands, George Town	40.00	KYD	1,598	87
Other Regions					
Danzas AEI Intercontinental (Mauritius) Ltd. ⁸⁾	Mauritius, Port Louis	35.00	MUR	-	-
DHL Projects-Angola, Limitada ^{9), 11)}	Angola, Luanda	100.00	AOA	639,189	345,320
DHL Yemen Company Limited (Express Courier) ^{9), 11)}	Yemen, Sanaa	49.00	YER	-40,544	-74,395
Drakensberg Logistics (Pty) Ltd. ^{2), 9)}	South Africa, Germiston	50.00	ZAR	20,620	6,188

Other Investments

Name	Country, Headquarters	Group equity share %	Currency	Equity in thousands	Net income in thousands
Europe					
Deutsche Post Pensionsfonds AG ^{2), 9)}	Germany, Bonn	99.98	EUR	3,287	59
Deutsche Post Pensions-Treuhand GmbH & Co. KG ^{2), 9)}	Germany, Bonn	99.98	EUR	10	0

Exchange rates 2016

Currency	Country	Closing rates 2016 1 EUR =	Average rates 2016 1 EUR =
AED	United Arab Emirates (UAE)	3.8749	4.0654
AOA	Angola	174.8601	180.7390
AUD	Australia	1.4602	1.4886
BMD	Bermuda	1.0550	1.1068
CAD	Canada	1.4208	1.4664
CHF	Schwitzerland	1.0744	1.0899
COP	Colombia	3166.9600	3377.8792
CRC	Costa Rica	583.6511	602.1774
EGP	Egypt	19.1262	11.0883
GBP	United Kingdom	0.8560	0.8187
HKD	Hong Kong	8.1809	8.5913
INR	India	71.6633	74.3581
JPY	Japan	123.4555	120.3110
KYD	Cayman Islands	0.8862	0.9297
KZT	Kazakhstan	352.0210	378.5747
MXN	Mexico	21.8109	20.6669
NOK	Norway	9.0863	9.2955
OMR	Oman	0.4062	0.4261
PHP	Philippines	52.2786	52.5428
PLN	Poland	4.4129	4.3628
RUB	Russia	64.4028	74.2214
SEK	Sweden	9.5601	9.4672
UAH	Ukraine	28.5892	28.2813
USD	USA	1.0550	1.1068
VEF	Venezuela	710.9964	523.5132
YER	Yemen	263.8957	266.6944
ZAR	South Africa	14.4857	16.2871

Voting rights 2016

Annex 4a

Notifications of changes in voting rights in accordance with section 21 ff of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act) in 2016

Notifying party	Notifi- cation threshold	Date on which threshold was crossed or reached	Voting rights in accordance with section 21, 22 of the WpHG	
	in %	Date	in %	Absolute
The Capital Group Companies, Inc. , Los Angeles, USA	3	24 June 2016	3.0030	36,415,500
The Capital Group Companies, Inc. , Los Angeles, USA	3	19 July 2016	2.9000	35,142,634
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	30 August 2016	3.0040	36,426,904
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	31 August 2016	2.9900	36,203,666
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	2 September 2016	3.0500	36,971,702
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	22 September 2016	2.9500	35,827,572
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	23 September 2016	3.1100	37,682,349
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	4 October 2016	2.9900	36,210,609
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	10 October 2016	3.0100	36,473,633
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	28 October 2016	2.9700	35,997,513
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	31 October 2016	3.0500	37,042,358
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	16 November 2016	2.9200	35,407,561
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	29 November 2016	3.0020	36,402,761
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	7 December 2016	2.9880	36,238,382
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	14 December 2016	3.0140	36,546,652
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	22 December 2016	2.9600	35,939,331
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	23 December 2016	3.0010	36,392,849
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	27 December 2016	2.9900	36,205,514
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	30 December 2016	3.1300	38,797,945
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	2 January 2017	2.9980	37,205,405
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	4 January 2017	3.0700	38,123,722
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	6 January 2017	2.9800	37,010,778
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	9 January 2017	3.0900	38,331,817
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	11 January 2017	2.9900	37,209,034
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	17 January 2017	3.0100	37,378,722
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	3	19 January 2017	2.9900	37,078,808

¹⁾ "Additional notifications in 2016 related to changes in the shares of voting rights but did not lead to any new cases of thresholds being crossed or reached within the meaning of section 26(1) of the WpHG."

Annex 4b

“Notifications of changes in voting rights in accordance with section 26 (1) of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act) published in previous years”

Notifying party
Notifications of changes in voting rights in accordance with section 26(1) of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act) in 2015
BlackRock Group Limited, London, U.K.
BlackRock Group Limited, London, U.K.
Notifications of changes in voting rights in accordance with section 26(1) of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act) in 2014
BlackRock International Holdings, Inc. New York
BlackRock International Holdings, Inc. New York
BlackRock Jersey International Holdings L.P., St. Helier, Jersey
BlackRock Jersey International Holdings L.P., St. Helier, Jersey
BlackRock Group Limited, London, U.K.
BlackRock Group Limited, London, U.K.
BlackRock Advisors Holdings, Inc., New York
BlackRock Following a review, conducted in close collaboration with the Federal Financial Supervisory Authority (BaFin), of the way BlackRock has interpreted its voting rights disclosure obligations under German law, BlackRock entities are filing a statement representing their holdings as at the settlement date of 25 September 2014. The statement does not reflect a change in BlackRock’s current holdings of voting rights. The statement simply updates information currently in the market regarding BlackRock’s holdings in Deutsche Post AG. Further, the statement does not signify any change in investment strategies pursued. Also, BlackRock issues a press release detailing the BlackRock group entities and their respective voting rights in Deutsche Post AG and other relevant German issuers at http://www.blackrock.com/corporate/en-gb/news-and-insights/press-releases and on Bloomberg.
Notifications of changes in voting rights in accordance with section 26(1) of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act) in 2013
Federal Republic of Germany, represented by the Federal Ministry of Finance, Berlin, Germany ²⁾
BlackRock , Inc., New York ¹⁾
BlackRock Financial Management, Inc., New York ¹⁾
BlackRock Holdco 2, Inc., Wilmington ¹⁾
BlackRock International Holdings, Inc. New York
BlackRock Jersey International Holdings L.P., St. Helier, Jersey
BlackRock Advisors Holdings, Inc., New York

¹⁾ Additional notifications in 2014 and 2015 related to changes in the shares of voting rights but did not lead to any new cases of thresholds being crossed or reached within the meaning of section 26(1) of the WpHG.

²⁾ As at the 31 December 2016 reporting date, the share of voting rights held by the Federal Republic of Germany, represented by the Federal Ministry of Finance, amounted to 20.5%.

Notification threshold	Date on which treshold was crossed or reached	Voting rights in accordance with section 21, 22 of the WpHG	
		in %	absolute
3	6 October 2015	3.0500	36,936,885
3	27 October 2015	2.9500	35,743,960
5	20 January 2014	5.2000	62,926,776
5	28 April 2014	4.9900	60,361,715
5	20 January 2014	5.2000	62,926,776
5	28 April 2014	4.9900	60,361,715
5	20 January 2014	5.0400	60,921,221
5	14 April 2014	4.9900	60,471,892
5	30 April 2014	4.9800	60,268,201
	30 September 2014		
25	9 April 2013	24.8900	300,894,984
5	16 July 2013	5.0100	60,512,289
5	18 July 2013	5.0200	60,678,117
5	18 July 2013	5.0200	60,678,117
3	22 July 2013	3.0600	36,962,694
3	22 July 2013	3.0600	36,962,694
5	8 November 2013	5.0100	60,574,232

Treasury shares

Annex 5

Treasury shares at 1 Jan. 2016

		Number	Amount of share capital (€)
Treasury shares at 1 Jan. 2016		1,568,593	
Treasury shares acquired under Share Matching Scheme			
Incentive (DISs) and investment shares (ISs) 2015	1,000,000		
Incentive (DISs) and investment shares (ISs) 2015	307,903		
Incentive (DISs) and investment shares (ISs) 2015	38		
Incentive (DISs) and investment shares (ISs) 2015	1,480		
Total incentive (DISs) and investment shares (ISs) 2015 ¹⁾		1,309,421	1,309,421.00
Treasury shares acquired within share buyback program			
Treasury shares acquired within share buyback program	3,354,422		
Treasury shares acquired within share buyback program	649,742		
Treasury shares acquired within share buyback program	3,477,245		
Treasury shares acquired within share buyback program	3,466,855		
Treasury shares acquired within share buyback program	2,838,599		
Treasury shares acquired within share buyback program	4,755,983		
Treasury shares acquired within share buyback program	4,421,246		
Treasury shares acquired within share buyback program	4,185,937		
Treasury shares acquired within share buyback program	2,437,200		
Total treasury shares share buyback program		29,587,229	29,587,229.00
Total Acquisition		30,896,650	
Treasury shares issued/sold under Share Matching Scheme			
Matching shares 2011 issued (acquisition in 2015)	-1,521,967		
Remaining matching shares 2011 sold (acquisition in 2015)	-46,626		
Total issued/sold matching shares 2011 ²⁾		-1,568,593	-1,568,593.00
Issued incentive (DISs) and investment shares (ISs) 2015	-1,307,903		
Issued incentive (DISs) and investment shares (ISs) 2015	-38		
Remaining incentive (DISs) and investment shares (ISs) 2015 sold	-1,480		
Total issued/sold incentive (DISs) and investment shares (ISs) 2015 ¹⁾		-1,309,421	-1,309,421.00
Total Issuance/Sale		-2,878,014	
Treasury shares at 31 Dec. 2016		29,587,229	

¹⁾ Bonus year 2015 - Issuance/Sale 2016

²⁾ Bonus year 2011 - Issuance/Sale 2016

Proportion of share capital (%)	Change in revenue reserves (€)	Change in capital reserves (€)	Share price (€)	Date
	-23,935,064.53	0.00	24.94	4-1-2016
	-6,957,266.78	0.00	23.60	4-11-2016
	-964.74	0.00	26.39	5-13-2016
	-34,010.40	0.00	23.98	7-20-2016
0.106%	-30,927,306.45	0.00	24.62	
	-79,680,567.84	0.00	24.75	Apr 16
	-16,081,042.59	0.00	25.75	May 16
	-86,047,409.70	0.00	25.75	June 16
	-84,518,011.58	0.00	25.38	July 16
	-76,128,853.62	0.00	27.82	Aug 16
	-128,476,409.33	0.00	28.01	Sep 16
	-118,212,998.21	0.00	27.74	Oct 16
	-115,792,617.17	0.00	28.66	Nov 16
	-70,788,702.21	0.00	30.05	Dec 16
2.384%	-775,726,612.25	0.00	27.22	
	-806,653,918.70	0.00		
	35,644,467.14	0.00	24.42	4-1-2016
	1,183,737.29	0.00	26.39	5-13-2016
-0.126%	36,828,204.43	0.00	24.48	
	30,055,610.94	0.00	23.98	4-1-2016
	873.24	0.00	23.98	5-13-2016
	39,256.11	0.00	27.52	8-9-2016
-0.106%	30,095,740.29	0.00	23.98	
	66,923,944.72	0.00		

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the annual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of Deutsche Post AG, and the management report includes a fair review of the development and performance of the business and the position of Deutsche Post AG, together with a description of the material opportunities and risks associated with the expected development of Deutsche Post AG.

Deutsche Post AG
Bonn, 16 February 2017
The Board of Management



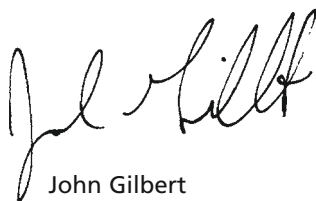
Dr. Frank Appel



Ken Allen



Jürgen Gerdes



John Gilbert



Melanie Kreis

Auditor's Report

Auditor's Report

We have audited the annual financial statements of Deutsche Post AG, Bonn, which comprise the balance sheet, income statement and notes, together with the bookkeeping system and the management report, for the fiscal year from 1 January through 31 December 2016. Maintenance of the books and records and preparation of the annual financial statements and the management report in accordance with the provisions of German commercial law are the responsibility of the company's management board. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system and the management report, based on our audit.

We conducted our audit of the annual financial statements in accordance with § 317 HGB and German generally accepted accounting principles as adopted by the Institut der Wirtschaftsprüfer (IDW, German auditors' institute). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with (German) principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the company and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements and the management report are examined primarily on a test basis during the audit. The audit includes assessing the accounting principles used and significant estimates made by the management board as well as evaluating the overall presentation of the annual financial statements and the management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion based on the findings of our audit, the annual financial statements comply with the legal requirements and provide a true and fair view of the net assets, financial position and results of operations of the company in accordance with (German) principles of proper accounting. The management report is in line with the financial statement, meets the statutory regulations, provides a true and fair view of the company's situation and accurately reflects the opportunities and risks associated with the company's future growth.

Düsseldorf, 16 February 2017

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Gerd Eggemann
Wirtschaftsprüfer
(German Public Auditor)

Verena Heineke
Wirtschaftsprüferin
(German Public Auditor)

Management Report

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GENERAL INFORMATION

Business model and organisation

Four operating divisions

Deutsche Post AG is a listed corporation domiciled in Bonn, Germany. The Group is organised into the four operating divisions Post - eCommerce - Parcel, Express, Supply Chain and Global Forwarding, Freight. The Post - eCommerce - Parcel division largely reflects Deutsche Post AG's core business. In addition to Parcel Germany, other non-core activities have been transferred to separate legal entities. The DHL divisions of the Group influence Deutsche Post AG indirectly through net investment income.

We consolidate the internal services that support the entire Group in our Global Business Services (GBS). Group management functions are centralised in the Corporate Center.

Organisational structure of Deutsche Post DHL Group

A.01.1

Deutsche Post DHL Group

Corporate Center

CEO, Global Business Services



Board member
Dr Frank Appel

Functions

- > Board Services
- > Corporate Legal
- > Customer Solutions & Innovation
- > Corporate Office
- > Corporate Development
- > Corporate Executives
- > Corporate Heritage & Industry Associations
- > Corporate Communications & Responsibility
- > Corporate Public Policy & Regulation Management
- > Global Business Services (Corporate Procurement, Corporate Real Estate, IT Services, Insurance & Risk Management etc.)

Finance



Board member
Melanie Kreis

Functions

- > Corporate Accounting & Controlling
- > Corporate Finance
- > Investor Relations
- > Corporate Audit & Security
- > Taxes
- > Divisional Finance Organisations
- > Legal Services

Human resources



Board member
Melanie Kreis

Functions


- > Corporate HR Germany
- > Corporate HR Standards & Programs
- > Corporate HR International
- > Divisional HR Organisations

Organisational structure of Deutsche Post DHL Group

A.01.2

Deutsche Post DHL Group

Divisions

Post- eCommerce - Parcel	Express	Global Forwarding, Freight	Supply Chain
			
Board member Jürgen Gerdes	Board member Ken Allen	Board member Dr Frank Appel	Board member John Gilbert
Business units <ul style="list-style-type: none"> > Post > eCommerce - Parcel 	Regions <ul style="list-style-type: none"> > Europe > Americas > Asia Pacific > MEA (Middle East and Africa) 	Business units <ul style="list-style-type: none"> > Global Forwarding > Freight 	Regions <ul style="list-style-type: none"> > EMEA (Europe, Middle East and Africa) > Americas > Asia Pacific

Organisational changes

Tim Scharwath was newly appointed as the member of the Group Board of Management for Global Forwarding, Freight in May 2016. He will have assumed office by June 2017.

At his own request, Lawrence Rosen retired, resigning as the member of the Group Board of Management responsible for Finance, Global Business Services, on 30 September 2016. Melanie Kreis has been appointed as his successor; she will retain her responsibility as the Board Member for Human Resources and as Group Labour Director until further notice.

Effective 1 January 2017, Frank Appel, as CEO, took over the responsibility for a large part of the functions of Global Business Services until further notice.

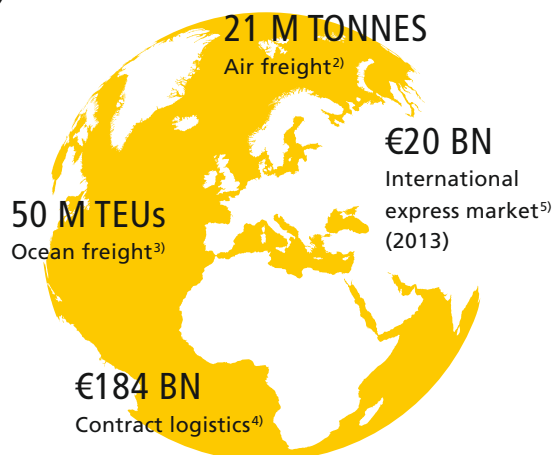
A presence that spans the globe

Deutsche Post DHL Group's locations can be found in list of shareholdings Table A.02 provides an overview of market volumes in key regions.

Market volumes ¹⁾

A.02

Global (2015)



Germany (2016)



(2015)	Middle East/ Africa	Americas	Europe	Asia Pacific
Air freight (m tonnes) ²⁾	1.3	5.0	5.3	9.6
Ocean freight (m TEUs) ³⁾	4.8	7.9	6.9	30.2
Contract logistics (€ bn) ⁴⁾	5.6	54.3	65.7	59.3
International express market (€ bn) ⁵⁾	–	7.2 (2013)	6.0 (2013)	6.5 (2013)
Road transport (€ bn) ⁸⁾	–	–	193	–

¹⁾ Regional volumes do not add up to global volumes due to rounding.

²⁾ Data based solely upon export freight tonnes. Source: Seabury Cargo Advisory.

³⁾ Twenty-foot equivalent units; estimated part of overall market controlled by forwarders. Data based solely upon export freight tonnes. Source: company estimates, Seabury Cargo Advisory

⁴⁾ Based upon Transport intelligence and company estimates.

⁵⁾ Includes express product Time Definite International. Country base: Americas, Europe, Asia Pacific, AE, SA, ZA (Global); BR, CA, CL, CO, CR, GT, MX, PA, PE, US (Americas); AT, DE, DK, ES, FR, IT, NL, RU, TR, UK (Europe); CN, HK, IN, JP, KR, SG (Asia Pacific).

Source: Market Intelligence, 2014, annual reports and desk research.

⁶⁾ Source: company estimates.

⁷⁾ Includes all advertising media with external distribution costs.

Source: company estimates.

⁸⁾ Market volume covers 25 European countries, excluding liquids and bulky goods.

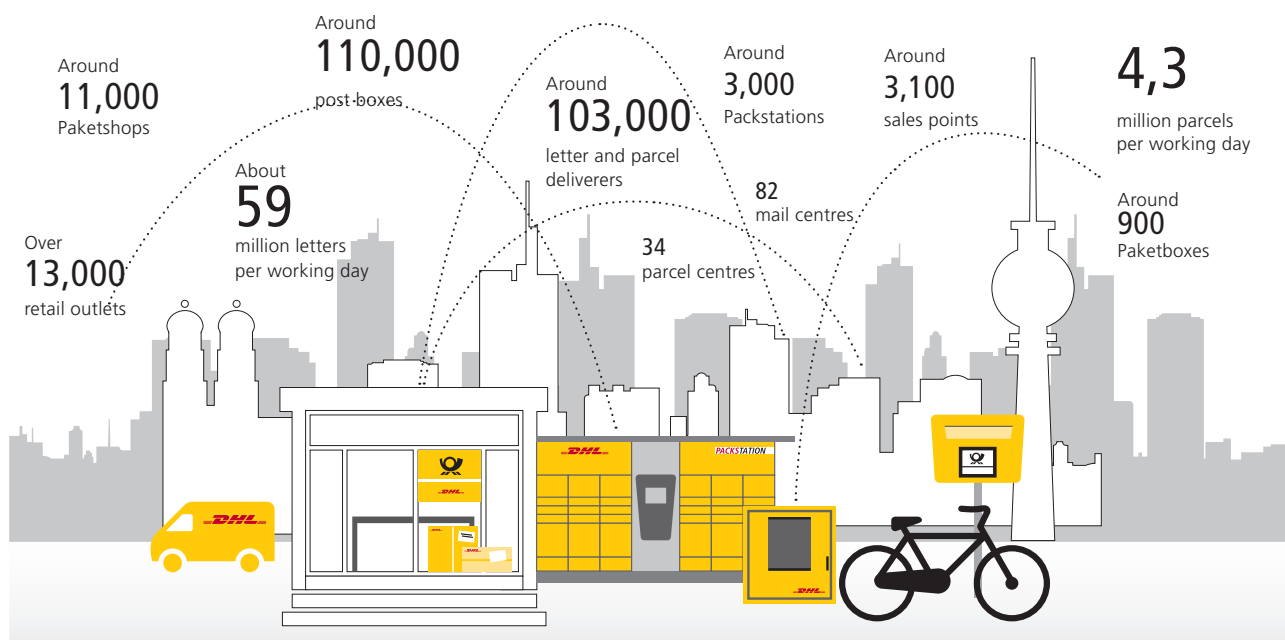
Source: Market Intelligence Study DHL 2016, based upon Eurostat, financial publications, IHS (2016). All rights reserved.

Business units and market positions

POST - ECOMMERCE - PARCEL DIVISION

Nationwide transport and delivery network in Germany, 2016

A.03



The postal service for Germany

We deliver about 59 million letters every working day in Germany, making us Europe's largest postal company. Our products and services are aimed at both private and business customers and range from physical, hybrid and electronic letters and merchandise to additional services such as cash on delivery, registered mail and insured items.

In the reporting year, the domestic market for business communications was around €4.5 billion (previous year: €4.4 billion). We look at the business customer market in which we compete and take into account those companies operating as service providers in this market. These include both companies offering end-to-end services and consolidators offering partial services. Our market share declined slightly to 61.3 % compared with the prior year (62.1%).

Domestic mail communication market, business costumers, 2016

A.04

Market volume: €4.5 billion	%
Deutsche Post	61.3
Competition	38.7

Source: company estimate.

Targeted and cross-channel advertising

We offer end-to-end dialogue marketing services to advertisers – from address services, design and creative tools to print, shipment and advertising effectiveness measurement. The customer dialogue is cross-channel, personalised and automated so that digital and physical items with interrelated content reach recipients according to a coordinated timetable. Our digital services allow companies to determine their target groups by analysing the visits to their websites or online shops.

Due to increasing media convergence, we now include all advertising media with external distribution costs (placement costs) in our domestic advertising market reporting. The domestic advertising market increased by 0.2% in 2016 to a volume of €24.4 billion, primarily because companies reallocated their advertising expenditures. Our share of this highly fragmented and stable market decreased slightly to 8.7% (previous year, adjusted: 8.9%).

Domestic advertising market ¹⁾, 2016

A.05

Market volume: €24.4 billion	%
Competition	91.3
Deutsche Post	8.7

¹⁾ Includes all advertising media with external distribution costs; the placement costs are shown as ratios to each other.
Source: company estimate.

Sending mail and merchandise internationally

We carry mail and light-weight merchandise shipments across borders and provide international dialogue marketing services. For business customers in key European mail markets, we offer international shipping services. For the growing e-commerce sector, we develop international shipping solutions to consumers (B2C). Our portfolio also comprises consulting and services for all physical and digital dialogue marketing needs. Furthermore, we offer physical, hybrid and electronic written communications for international business customers.

The global market volume for outbound international mail was around €5.8 billion in 2016 (previous year, adjusted: €5.6 billion). Our market share remained at the prior-year level at 16.3%.

International mail market (outbound), 2016

A.06

Market volume: €5.8 billion	%
Competition	83.7
DHL	16.3

Source: company estimate.

Worldwide portfolio of parcel and e-commerce services

We have a dense network of parcel acceptance and drop-off points in Germany. Recipients can choose whether they wish to receive their parcels during a specific delivery window, on the same day or as quickly as possible. They can decide at short notice whether to have their parcels delivered to an alternative address or a Parcelshop. We help our business customers to grow their online retail businesses. On request, we can cover the entire logistics chain through to returns management.

The German parcel market volume totalled around €10.1 billion in 2016 (previous year: 9.5 billion). We expanded our market share to 45.1% (previous year: 43.7%).

We are also increasingly offering our e-commerce services internationally. In Europe, we continued to expand our B2C network in the reporting year. We are improving our market access in France and the United Kingdom with the acquisition of a minority interest in Relais Colis and the takeover of UK Mail. Furthermore, we expanded our European parcel business to a total of 19 countries, including the German domestic market, through co-operation agreements in Scandinavia, the Baltic states, Hungary and Slovenia. We operate over 20,000 Parcelshops in Europe and have set up the first Packstations.

Outside Europe, we brought another e-commerce delivery network online in Thailand, opened two fulfilment centres, in the United States and India respectively as well as one in Mexico. Centrally coordinated in Hong Kong, we support FC Bayern Munich's Chinese online fan store. Due to increasing demand, we reinforced our international parcel network by adding two new distribution centres in China and one in the United States.

Domestic mail market, 2016

A.07

Market volume: €10.1 billion	%
Competition	54.9
DHL	45.1

Source: company estimate.

Objectives and strategies

CORPORATE STRATEGY

Strategy 2020 sets priorities for our investments and actions

With our "Strategy 2020: Focus.Connect.Grow." Deutsche Post DHL Group underscores its global leadership in the logistics industry. In the year under review, we again took a close look at our initial situation. We reaffirm that increasing digitalisation, accelerated growth in the e-commerce segment and momentum in developing and emerging countries offer us significant opportunities. In line with our strategy, the following priorities for investments and actions have been set to date:

Focus: We are focussing on our core mail and logistics business. In addition to our three goals of being the provider, employer and investment of choice, we are working to become the benchmark for responsible business. In order to deliver consistent, first-class service to our customers, we conduct frequent surveys to determine their needs. Our employees are equipped with the knowledge and tools to enable them to take those customer requirements into account when designing our product offering. We see ourselves as a family of different divisions, each focused upon defined markets and goals.

Connect: We are working to improve cross-divisionally on a continuous basis. In doing so, we are concentrating upon initiatives that create value for various stakeholders, for example, environmentally-friendly solutions and an optimised IT landscape. "Certified" is our Group-wide initiative that enables all employees to gain specific skills and knowledge relevant to their roles. Every employee in the Group is to be certified internally. The employee motivation and customer-centric culture this fosters – not to mention the improved, holistic understanding of operational processes – help to differentiate our services in the market internationally. During the reporting year, we developed new modules and have already succeeded in certifying a great number of employees.

Grow: We intend to benefit from growth in the e-commerce segment and in developing and emerging markets. For instance, we have invested in the domestic and cross-border parcel business in Europe as well as in our already comprehensive Express network. Our general objective is to increase our presence where the long-term growth potential is greatest. Indeed, we aim to generate a minimum of 30% of Group revenue in emerging markets by the year 2020.

Our strategy is designed to establish a unique market presence by the year 2020 – both geographically and in terms of our portfolio's performance. Our aim is to be internationally renowned not only as a highly customer-centric company but also as quality leaders. When people think logistics, we want them to think Deutsche Post DHL Group.

STRATEGY AND GOALS OF THE DIVISION POST - ECOMMERCE - PARCEL

We want to offer our customers the best service at all times, at the highest level of quality and at reasonable prices. Therefore, we extend our offering in the Post business unit based on market demand, continuously expand our range of services in the German parcel business and develop digital service offerings.

As part of our Group-wide "Certified" initiative, we intend to certify all employees in the division by 2020. This is because for us dedicated and happy employees are the key to high-quality performance. In addition, we are systematically driving forwards the networking of our division by co-operating with institutions outside the Group as well as with the other divisions.

In order to benefit from growing e-commerce, we are expanding into new markets and segments. We are also expanding our networks and product offerings in our existing markets. Furthermore, we are engaged in growth areas such as electric mobility and food logistics.

In order to continue to grow profitably, we are designing a market-based cost structure by adapting our networks to the dynamic market conditions and shipment structures. We are also cutting costs wherever possible and sensible, whilst investing in technologies, automation, innovation and growth areas.

Group management

FINANCIAL PERFORMANCE INDICATORS

Uniform management

There are no performance indicators relevant to internal management for the parent company Deutsche Post AG as a legal entity. Deutsche Post DHL Group's international key performance indicators, as indicated below, are applied to the management of Deutsche Post AG.

Impact on management compensation

Deutsche Post DHL Group uses both financial and non-financial performance indicators in its management of the Group. The monthly, quarterly and annual changes in these indicators are compared with the prior-year data and the forecast data to assist in making management decisions. The year-to-year changes in financial and non-financial performance metrics portrayed here are also particularly relevant for calculating management remuneration. The Group's financial performance indicators are intended to preserve a balance between profitability, an efficient use of resources and sufficient liquidity. The performance of these indicators in the reporting year is described in the Report on economic position.

Profit from operating activities measures earnings power

The profitability of the Group's operating divisions is measured as profit from operating activities (EBIT). EBIT is calculated by deducting materials expense and staff costs, depreciation, amortisation and impairment losses, as well as other operating expenses from revenue and other operating income, and adding net income from investments accounted for using the equity method. Interest and other finance costs/other financial income are shown in net financial income/net finance costs. To enable a comparison of divisions, return on sales is calculated as the ratio of EBIT to revenue.

EBIT after asset charge promotes efficient use of resources

An additional key performance indicator for the Group is EBIT after asset charge (EAC). EAC is calculated by subtracting the cost of capital component, or asset charge, from EBIT. Making the asset charge a part of business decisions encourages the efficient use of resources and ensures that the operating business is geared towards increasing value sustainably whilst generating increasing cash flow.

The asset charge is calculated on the basis of the weighted average cost of capital, or WACC, which is defined as the weighted average net cost of interest-bearing liabilities and equity, taking into account company-specific risk factors in accordance with the Capital Asset Pricing Model.

A standard WACC of 8.5% is applied across the divisions and this figure also represents the minimum target for projects and investments within the Group. The WACC is generally reviewed once annually on the basis of the current situation on the financial markets. To ensure better comparability with previous figures, in 2016 the WACC was maintained at a constant level compared with the previous years.

The asset charge calculation is performed each month so that fluctuations in the net asset base can also be taken into account during the year. Table A.08 shows the composition of the net asset base.

Free cash flow facilitates liquidity management

Along with EBIT and EAC, cash flow is another key performance metric used by Group management. This is targeted at maintaining sufficient liquidity to cover all of the Group's financial obligations from debt repayment and dividends, in addition to operating payment commitments and investments. Cash flow is calculated using the cash flow statement. Operating cash flow (OCF) includes all items that are related directly to operating value creation. OCF is calculated by adjusting EBIT for changes in non-current assets (depreciation, amortisation and (reversals of) impairment losses, net income/loss from disposals), other non-cash income and expense, dividends received, taxes paid, changes in provisions and other non-current assets and liabilities. Another key parameter of OCF is net working capital. Effective management of net working capital is an important way for the Group to improve cash flow in the short to medium term. Free cash flow (FCF) as a management-related performance indicator is calculated on the basis of OCF by adding/subtracting the cash flows from capital expenditure, acquisitions and divestitures as well as net interest paid. Free cash flow is regarded as an indicator of how much cash is available to the company at the end of a reporting period for paying dividends or repaying debt.

Calculations

A.08

<p>Revenue</p> <hr/> <ul style="list-style-type: none"> + Other operating income <hr/> - Materials expense <hr/> - Staff costs <hr/> - Depreciation, amortisation and impairment losses <hr/> - Other operating expenses <hr/> ± Net income from investments accounted for using the equity method <hr/> <p>= EBIT Profit from operating activities</p> 	<p>EBIT</p> <hr/> <ul style="list-style-type: none"> - Asset charge <hr/> = Net asset base × Weighted average cost of capital (WACC) <hr/> <p>= EAC EBIT after asset charge</p> <hr/> <p>Operating assets</p> <hr/> <ul style="list-style-type: none"> • Intangible assets • Property, plant and equipment • Goodwill • Trade receivables (included in net working capital)¹⁾ • Other non-current operating assets²⁾ <hr/> <ul style="list-style-type: none"> - Operating liabilities <hr/> • Operating provisions (not including provisions for pensions and similar obligations) • Trade payables (included in net working capital)¹⁾ • Other non-current operating liabilities²⁾ <hr/> <p>= Net asset base</p> 	<p>EBIT</p> <hr/> <ul style="list-style-type: none"> + Depreciation, amortisation and impairment losses <hr/> ± Net income/loss from disposal of non-current assets <hr/> ± Non-cash income and expense <hr/> ± Change in provisions <hr/> ± Change in other non-current assets and liabilities <hr/> + Dividends received <hr/> ± Income taxes paid <hr/> = Operating cash flow before changes in working capital (net working capital) <hr/> ± Changes in net working capital <hr/> = Net cash from/used in operating activities (operating cash flow – OCF) <hr/> ± Cash inflow/outflow arising from change in property, plant and equipment and intangible assets <hr/> ± Cash inflow/outflow arising from acquisitions/divestitures <hr/> ± Net interest paid <hr/> <p>= FCF Free cash flow</p>
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¹⁾ Includes EBIT-related current assets and liabilities. Not included are assets and liabilities related to taxes, financing and cash and cash equivalents, for example.

²⁾ Includes EBIT-related other non-current assets and liabilities. Not included are assets and liabilities related to taxes or bonds, for example.

NON-FINANCIAL PERFORMANCE INDICATORS

Results of Employee Opinion Survey used as a management indicator

Our annual worldwide Employee Opinion Survey shows us how we are perceived as a group from the perspective of our employees. We place particular significance on the survey's indication of Employee Engagement and of how employees rate the leadership behaviour of their superiors. The Active Leadership indicator is thus used in the calculation of bonuses for our executives. The results of the Employee Opinion Survey carried out in the reporting year can be found in the Employees section.

Reducing dependency upon fossil fuels

We aim to reduce our dependency upon fossil fuels, improve our carbon efficiency and lower costs. The corresponding target of our GoGreen environmental protection programme is greenhouse gas efficiency, which we measure using a carbon efficiency index (CEX). CEX is based upon the business unit-specific emission intensity figures, which are indexed to the base year. We quantify the greenhouse gas emissions upon which our CEX is based in accordance with the Greenhouse Gas Protocol Standards and DIN EN 16258; those attributable to our European air freight business are calculated in accordance with the requirements of the European Union Emissions Trading System (EU ETS). Pursuant to DIN EN 16258, all gases that are harmful to the environment must be disclosed in the form of CO₂ equivalents (CO₂e). This indicates the ratio of the respective emissions to a matching performance indicator in the Group. CEX is a management indicator of non-financial performance. The figures obtained for the reporting year are provided in the section on Corporate responsibility.

Disclosures required by takeover law

DISCLOSURES REQUIRED UNDER SECTIONS 289 (4) OF THE HANDELSGESETZBUCH (HGB – GERMAN COMMERCIAL CODE) AND EXPLANATORY REPORT

Composition of issued capital, voting rights and transfer of shares

As at 31 December 2016, the company's share capital totalled €1,240,915,883 and was composed of the same number of no-par value registered shares. Each share carries the same statutory rights and obligations and entitles the holder to one vote at the Annual General Meeting (AGM). No individual shareholder or group of shareholders is entitled to special rights, particularly rights granting powers of control.

The exercise of voting rights and the transfer of shares are based upon the general legal requirements and the company's Articles of Association, which do not restrict either of these activities. Article 19 of the Articles of Association sets out the requirements that must be met in order to attend the AGM as a shareholder and exercise a voting right. Only persons entered in the share register shall be recognised as shareholders by the company. The Board of Management is not aware of any agreements between shareholders that would limit voting rights or the transfer of shares.

In 2016, members of the Board of Management again received stock appreciation rights (SARs) as a long-term remuneration component under the Long-Term Incentive Plan provided that they invest in each tranche of the plan, preferably in Deutsche Post AG shares but alternatively in cash. If a Board of Management member sells the shares included in their personal investment for the tranche or disposes of their personal cash investment before the scheduled waiting period of four years has expired, all SARs from that tranche will be forfeited.

As part of the Share Matching Scheme, one of the company's share-based payment schemes, some Group executives authorised to participate must, and others may, use a portion of their annual bonus to purchase shares within the scheme. According to the underlying terms, these shares are subject to a four-year lock-up period.

Shareholdings exceeding 10 % of voting rights

KfW Bankengruppe (KfW), Frankfurt am Main, is our largest shareholder, holding 20.5% of the share capital. The Federal Republic of Germany holds an indirect stake in Deutsche Post AG via KfW. According to the notifications we have received pursuant to sections 21 et seq. of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act), no other direct or indirect shareholders own more than 10% of the share capital.

Appointment and replacement of members of the Board of Management

The members of the Board of Management are appointed and replaced in accordance with the relevant legal provisions (sections 84 and 85 of the Aktiengesetz (AktG – German Stock Corporation Act) and section 31 of the Mitbestimmungsgesetz (MitbestG – German Co-determination Act)). In accordance with section 84 of the AktG and section 31 of the MitbestG, appointments by the Supervisory Board shall be for a maximum term of five years. Reappointments or extensions of the term of office are permitted for a maximum of five years in each case. Article 6 of the Articles of Association stipulates that the Board of Management must have at least two members. Beyond that, the number of board members is determined by the Supervisory Board, which may also appoint a chairman and deputy chairman of the Board of Management.

Amendments to the Articles of Association

In accordance with section 119 (1), number 5 and section 179 (1), sentence 1 of the AktG, amendments to the Articles of Association are adopted by resolution of the AGM. In accordance with article 21 (2) of the Articles of Association in conjunction with sections 179 (2) and 133 (1) of the AktG, such amendments generally require a simple majority of the votes cast and a simple majority of the share capital represented on the date of the resolution. In such instances where the law requires a greater majority for amendments to the Articles of Association, that majority is decisive. Under article 14 (7) of the Articles of Association, the Supervisory Board has the authority to approve amendments to the Articles of Association in cases where the amendments affect only the wording.

Board of Management authorisation, particularly regarding issue and buy-back of shares

The Board of Management is authorised, subject to the consent of the Supervisory Board, to issue up to 236,267,019 new, no-par value registered shares on or before 28 May 2018 in exchange for cash and/or non-cash contributions and thereby increase the company's share capital by up to €236,267,019.00 (Authorised Capital 2013, article 5 (2) of the Articles of Association). When new shares are issued on the basis of Authorised Capital 2013, the shareholders are entitled in principle to subscription rights. Such rights may only be disapplied subject to the requirements specified in article 5 (2) of the Articles of Association and subject to the consent of the Supervisory Board. Details may be found in article 5 (2) of the Articles of Association of the company.

Authorised Capital 2013 is a financing and acquisition instrument in accordance with international standards that allows the company to increase equity quickly, flexibly and cost-effectively. The authorised capital is equivalent to less than 20% of the share capital. Authorised Capital 2013, which originally amounted to €240 million, was used in a total amount of €3,732,981.00 in financial years 2014 and 2015 in order to finance a share buy-back to settle share-based payments due to executives in these years.

The Board of Management utilised the authorisation it received in an AGM resolution passed on 25 May 2011, subject to the consent of the Supervisory Board, in the full amount in December 2012 by issuing a convertible bond in the aggregate principal amount of €1 billion. By 31 December 2016, a total of 28,167,028 shares had been issued to holders of bonds after exercise of their conversion options. As at 31 December 2016, the share capital had been increased on a contingent basis by up to €46,832,972.00 for the purpose of granting shares to the holders or creditors of the convertible bond after exercise of their rights in order to settle these rights or to fulfil the conversion obligations (Contingent Capital 2011, article 5 (3) of the Articles of Association).

An AGM resolution was passed on 29 May 2013 authorising the Board of Management, subject to the consent of the Supervisory Board, to issue bonds with warrants, convertible bonds and/or income bonds as well as profit partici-

pation certificates, or a combination thereof (hereinafter referred to collectively as “bonds”), in an aggregate principal amount of up to €1.5 billion, on one or more occasions on or before 28 May 2018, thereby granting options or conversion rights for up to 75 million shares with a total share in the share capital not to exceed €75 million. The bond conditions may also stipulate an obligation to exercise options or conversion rights or may entitle the company to grant the bond holders or creditors shares in the company in lieu of payment of all or part of the sum of money owed, either at the time of maturity of the bonds or at another time. The share capital was increased on a contingent basis by up to €75 million in order to grant shares to the holders or creditors of the bonds after exercise of their options or conversion rights or to fulfil their option or conversion obligations, or to grant them shares in lieu of monetary payment in accordance with the bond conditions (Contingent Capital 2013, article 5 (4) of the Articles of Association). When issuing bonds, shareholders’ subscription rights may only be disapplied subject to the terms of the aforementioned resolution and subject to the consent of the Supervisory Board. Further details may be found in the motion adopted by the AGM under agenda item 7 of the AGM of 29 May 2013.

Authorisation to issue bonds is standard practice amongst publicly listed companies. This allows the company to finance its activities flexibly and promptly and gives it the financial leeway necessary to take advantage of favourable market conditions at short notice, for example by offering bonds with options or conversion rights, or conversion obligations on shares in the company as a consideration within the context of company mergers, and when acquiring companies or shareholdings in companies. To date, the Board of Management has not exercised this authority.

An AGM resolution was passed on 27 May 2014 authorising the Board of Management to issue up to 40 million Performance Share Units with preemptive subscription rights to a total of up to 40 million shares with a total share in the share capital not to exceed €40 million, subject to the provisions of the authorisation resolution, on or before 26 May 2019 to members of the management of entities in which the company is the majority shareholder and to executives of the company and the entities in which it is a majority shareholder. The Performance Share Units may also be issued by entities in which the company is the majority shareholder with the consent of the Board of Management. The issue of shares arising from the subscription rights associated with the Performance Share Units depends upon certain performance targets being met after expiry of a four-year waiting period, with it being possible to issue up to four shares for every six subscription rights granted, if and insofar as performance targets for the share price, which have been specified in detail, are met, and up to two shares if and insofar as certain outperformance targets based upon the percentage change of the STOXX Europe 600 Index are met. The share capital was increased on a contingent basis by up to €40 million in order to grant shares in the company to the executives entitled to subscription rights, in accordance with the provisions of the authorisation resolution (Contingent Capital 2014, article 5 (5) of the Articles of Association). Further details may be found in the motion adopted by the AGM under agenda item 8 of the AGM of 27 May 2014.

As at 31 December 2016, 11,808,168 Performance Share Units, which were issued in financial years 2014 to 2016, were outstanding.

Finally, the AGM of 27 May 2014 authorised the company to buy back shares on or before 26 May 2019 up to an amount not to exceed 10% of the share capital existing as at the date of the resolution. Such authorisation is subject to the proviso that at no time should the shares thus acquired, together with the shares already held by the company, account for more than 10% of the share capital. The shares may be purchased through the stock market, a public offer, a public call for offers of sale from the company’s shareholders or by some other means in accordance with section 53a of the AktG. The shares purchased may be used for any legally permissible purpose. In addition to a sale via the stock exchange or by public offer to all shareholders, it is permitted in particular to use the shares with preemptive subscription rights disapplied in accordance with the provisions of the authorisation resolution or to call in the shares without an additional resolution of the AGM. Further details may be found in the motion adopted by the AGM under agenda item 6 of the AGM of 27 May 2014.

In addition to this, the AGM of 27 May 2014 also authorised the Board of Management, within the scope specified in agenda item 6, to buy back shares, including through the use of derivatives. This is to occur by servicing options that, upon their exercise, require the company to repurchase shares (put options), by exercising options that, upon their exercise, grant the company the right to buy back shares (call options), as a result of purchase agreements where there are more than two trading days between conclusion of the purchase agreement for Deutsche Post shares and servicing by way of the delivery of Deutsche Post shares (forward purchases) or by servicing or exercising a combination of put options, call options and/or forward purchases. All share acquisitions using the aforementioned derivatives are limited to a maximum of 5% of the share capital existing on the date of the resolution. The term of the individual derivatives may not exceed 18 months, must expire by no later than 26 May 2019 and be selected such that shares may not be repurchased by exercising the derivatives after 26 May 2019. Further details may be found in the motion adopted by the AGM under agenda item 7 of the AGM of 27 May 2014.

It is standard business practice amongst publicly listed companies in Germany for the AGM to authorise the company to buy back shares. The authorisation to repurchase shares using derivatives is merely intended to supplement share buy-back as a tool and give the company the opportunity to structure share repurchase in an advantageous manner.

Utilising part of the authorisation to repurchase shares it received from an AGM resolution passed on 27 May 2014, the Board of Management resolved on 1 March 2016 a share buyback programme for up to 60 million shares at a total purchase price (not including transaction costs) of up to €1 billion. The purchased shares were to be either retired, used to service long-term remuneration plans or used to meet potential obligations if rights accruing under the 2012/2019 convertible bond are exercised. The buyback programme began on 1 April 2016 and will end no later than 6 March 2017. By 31 December 2016, 29,587,229 shares had been repurchased through the programme. A portion of the purchased shares have been designated for use as matching shares from 2017 to 2021 as part of the Share Matching Scheme. On 25 October 2016, the Board of Management of Deutsche Post AG resolved to implement another share buy-back programme for up to 3 million shares after the current programme ends. The shares purchased as part of this programme will be used exclusively for the purpose of making them available as investment shares for the 2017 tranche as part of the Share Matching Scheme. As at 31 December 2016, the company held 29,587,229 treasury shares.

Any public offer to acquire shares in the company is governed solely by law and the Articles of Association, including the provisions of the Wertpapiererwerbs und Übernahmegesetz (WpÜG – German Securities Acquisition and Takeover Act). The AGM has not authorised the Board of Management to undertake actions within its sphere of competence to block possible takeover bids.

Significant agreements that are conditional upon a change in control following a takeover bid and agreements with members of the Board of Management or employees providing for compensation in the event of a change in control

Deutsche Post AG holds a syndicated credit facility with a volume of €2 billion that it has taken out with a consortium of banks. If a change in control within the meaning of the contract occurs, each member of the bank consortium is entitled under certain conditions to cancel its share of the credit line as well as its share of outstanding loans and to request repayment. The terms and conditions of the bonds issued under the Debt Issuance Programme established in March 2012 and of the convertible bond issued in December 2012 also contain change-in-control clauses. In the event of a change in control within the meaning of the terms and conditions, creditors are, under certain conditions, granted the right to demand early redemption of the respective bonds. Furthermore, a framework agreement exists concerning the supply of fuel, based upon which fuel in the value of a high double-digit million amount was obtained in the reporting year and which, in the event of a change in control, grants the supplier the right to bring the business relationship to a close without notice.

In the event of a change in control, any member of the Board of Management is entitled to resign their office for good cause within a period of six months following the change in control after giving three months' notice to the end of a given month, and to terminate their Board of Management contract (right to early termination). If the right to early termination is exercised or a Board of Management contract is terminated by mutual consent within

nine months of the change in control, the Board of Management member is entitled to payment to compensate the remaining term of their Board of Management contract. Such payment is limited to the cap pursuant to the recommendation of No. 4.2.3 of the German Corporate Governance Code, subject to the specifications outlined in the remuneration report. With respect to options from the Long-Term Incentive Plan, the Board of Management member will be treated as if the waiting period for all options had already expired upon cessation of the Board of Management contract. The options eligible for exercise may then be exercised within six months of cessation of the contract. With regard to the Share Matching Scheme for executives, the holding period for the shares will become invalid with immediate effect in the event of a change in control of the company. The participating executives will receive the total number of matching shares corresponding to their investment in due course. In such case, the employer will be responsible for any tax disadvantages resulting from reduction of the holding period. Exempt from this are taxes normally incurred after the holding period.

Research and development

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

Remuneration of the Board of Management and Supervisory Board

Remuneration structure of the Group Board of Management in financial year 2016

The remuneration paid to individual Board of Management members for financial year 2016 was determined by the Supervisory Board, which held consultations to resolve on the total remuneration to be paid to the individual members of the Board of Management, including the main contractual elements. In so doing, it obtained advice from an independent remuneration consultant.

The Board of Management remuneration reflects the size and global reach of the company, its economic and financial situation and the roles and achievements of the individual members. It is set to ensure competitiveness with comparable German and international companies, thus incentivising the Board of Management members to deliver maximum performance and achieve results.

The remuneration paid to the Board of Management for 2016 is in line with standard market practice, appropriate to the tasks involved and designed to reward performance; it comprises fixed (non-performance-related) elements and variable (performance-related) elements, which include short, medium and long-term incentives. The remuneration as a whole as well as its variable components have been capped.

Non-performance-related components are the annual base salary (fixed annual remuneration), fringe benefits and pension commitments. The annual base salary is paid in twelve equal monthly instalments retroactively at the end of each month. Fringe benefits mainly comprise the use of company cars, supplements for insurance premiums and special allowances and benefits for assignments outside the home country.

The variable remuneration paid to the Board of Management is almost entirely medium and long-term based. More than half of the variable target remuneration consists of a long-term incentive plan (LTIP) with a four-year calculation period; the rest is made up of an annual bonus linked to the company's yearly profits, with 50% of the annual bonus flowing into a medium-term component with a three-year calculation period (deferral). Thus less than a quarter of the variable remuneration component is granted on the basis of a one-year calculation. The amount of the annual bonus is set at the due discretion of the Supervisory Board on the basis of the company's performance. The individual annual bonus amounts reflect the extent to which predefined targets are achieved, missed or exceeded. The maximum amount of the annual bonus may not exceed 100% of the annual base salary.

The same criteria were used to calculate the amount of the annual bonus for the reporting year as for the previous year. A key parameter for all Board of Management members is the Group's EBIT after asset charge performance metric, including the asset charge on goodwill before goodwill impairment (EAC). For the Board of Management members in charge of the Post - eCommerce - Parcel, Express, Global Forwarding, Freight and Supply Chain divisions, the EAC of their respective division is also a key parameter. The Group's reported free cash flow is one of the targets applicable to all members of the Board of Management. Furthermore, an employee-related target is agreed with all Board of Management members based upon the annual Employee Opinion Survey, as are additional targets.

Achievement of the upper targets for the financial year that have been agreed based upon demanding objectives is rewarded with the maximum annual bonus. If the targets specified for the financial year are only partially reached or completely missed, the annual bonus will be paid on a pro-rata basis or not at all.

Even if the agreed targets are reached, the annual bonus is not paid out in full in a single instalment. Instead, 50% of the annual bonus flows into a medium-term component with a three-year calculation period (performance phase of one year, sustainability phase of two years). That medium-term component will be paid out after expiry of the sustainability phase subject to the condition that EAC – an indicator of sustainability – be reached during the sustainability phase. Otherwise, payment of the medium-term component is forfeited without compensation. This demerit system puts greater emphasis on sustainable company development in determining Board of Management remuneration and sets long-term incentives.

Stock appreciation rights (SAR s) were also granted in 2016 as a long-term remuneration component based upon the LTIP authorised by resolution of the Supervisory Board (2006 LTIP).

Each SAR entitles the holder to receive a cash settlement equal to the difference between the average closing price of Deutsche Post shares for the five trading days preceding the exercise date and the exercise price of the SAR. In 2016, the members of the Board of Management each made a personal financial investment consisting of 10% of their annual base salary. The waiting period for the stock appreciation rights is four years from the date on which they were granted. After expiration of the waiting period, and provided an absolute or relative performance target has been achieved, some or all of the SAR s can be exercised for a period of two years. Any SAR s not exercised during the two-year period will expire.

To determine how many, if any, of the SAR s granted can be exercised, the average share price or the average index value for the reference period is compared with that of the performance period. The reference period comprises the last 20 consecutive trading days prior to the issue date. The performance period is the last 60 trading days before the end of the waiting period. The average (closing) price is calculated as the average closing price of Deutsche Post shares in Deutsche Börse AG's Xetra trading system.

A maximum of four out of every six SAR s can be earned via the absolute performance target, and a maximum of two via the relative performance target. If neither an absolute nor a relative performance target is met by the end of the waiting period, the SAR s attributable to the related tranche will expire without replacement or compensation.

One SAR is earned each time the closing price of Deutsche Post shares exceeds the issue price by at least 10, 15, 20 or 25%. The relative performance target is tied to the performance of the shares in relation to the STOXX Europe 600 Index (SXXP, ISIN EU0009658202). It is met if the share price equals the index performance or if it outperforms the index by at least 10%.

The proceeds from stock appreciation rights are limited to a maximum amount. The remuneration from stock appreciation rights may be limited by the Supervisory Board in the event of extraordinary circumstances.

Provisions to cap severance payments pursuant to the Corporate Governance Code recommendation, change-of-control provisions and post-contractual non-compete clauses

In accordance with the recommendation of the German Corporate Governance Code (DCGK), Board of Management contracts contain a provision stipulating that in the event of premature termination of a Board of Management member's contract, the severance payment may compensate no more than the remaining term of the contract. The severance payment is limited to a maximum amount of two years' remuneration including fringe benefits (severance payment cap). The severance payment cap is calculated exclusive of any special remuneration or the value of rights allocated from LTIP s.

In the event of a change in control, any member of the Board of Management is entitled to resign from office for good cause within a period of six months following the change in control, after giving three months' notice by the end of a given month, and to terminate their Board of Management contract (right to early termination).

The contractual provisions stipulate that a change in control exists if a shareholder has acquired control within the meaning of section 29 (2) of the Wertpapiererwerbs und Übernahmegesetz (WpÜG – German Securities Acquisition and Takeover Act) via possession of at least 30% of the voting rights, including the voting rights attributable to such shareholder by virtue of acting in concert with other shareholders as set forth in section 30 of the WpÜG or if a control agreement has been concluded with the company as a dependent entity in accordance with section 291 of the AktG and such agreement has taken effect or if the company has merged with another legal entity outside of the Group pursuant to section 2 of the Umwandlungsgesetz (UmwG – German Reorganisation and Transformation Act), unless the value of such other legal entity, as determined by the agreed conversion rate, is less than 50% of the value of the company.

In the event the right to early termination is exercised or a Board of Management contract is terminated by mutual consent within nine months of the change in control, the Board of Management member is entitled to payment to compensate the remaining term of their Board of Management contract. Such payment is limited to 150% of the severance payment cap pursuant to the DCGK recommendation. The amount of the payment is reduced by 25% if the Board of Management member has not reached the age of 60 upon leaving the company. If the remaining term of the Board of Management contract is less than two years and the Board of Management member has not reached the age of 62 upon leaving the company, the payment will correspond to the severance payment cap. The same applies if a Board of Management contract expires prior to the Board of Management member's reaching the age of 62 because less than nine months remained on the term of the contract at the time of the change in control and the contract was not renewed.

Board of Management members are also subject to a non-compete clause, taking effect on the cessation of their contracts. During the one-year non-compete period, former Board of Management members receive 100% of their last contractually stipulated annual base salary on a pro-rata basis as compensation each month. Any other income earned during the non-compete period is subtracted from the compensation paid. The amount of the compensation payment itself is deducted from any severance payments or pension payments. Prior to, or concurrent with, cessation of the Board of Management contract, the company may declare its waiver of adherence to the non-compete clause. In such a case, the company will be released from the obligation to pay compensation due to a restraint on competition six months after receipt of such declaration.

Apart from the aforementioned arrangements, no member of the Board of Management has been promised any further benefits after leaving the company.

Remuneration of the Supervisory Board

Remuneration for the members of the Supervisory Board is governed by article 17 of the Articles of Association of Deutsche Post AG, according to which Supervisory Board members receive a fixed annual remuneration in the amount of €70,000 (as in the previous year).

The Supervisory Board chairman and the Supervisory Board committee chairs receive an additional 100% of the remuneration, and the Supervisory Board deputy chair and committee members receive an additional 50%. This does not apply to the Mediation or Nomination Committees. Those who only serve on the Supervisory Board or its committees, or act as chair or deputy chair, for part of the financial year are remunerated on a pro-rata basis.

As in the previous year, Supervisory Board members receive an attendance allowance of €1,000 for each plenary meeting of the Supervisory Board or committee meeting that they attend. They are entitled to the reimbursement of out-of-pocket cash expenses incurred in the exercise of their office. Any value added tax charged on Supervisory Board remuneration or out-of-pocket expenses is reimbursed.

CORPORATE GOVERNANCE STATEMENT

We have made our Corporate Governance Statement available to investors on our website at dpdhl.com/de/investoren/corporate_governance/corporate_governance_bericht.html.

REPORT ON ECONOMIC POSITION

Overall Board of Management assessment of the Group's economic position

Deutsche Post AG reported a net profit for the year of €1.5 billion in 2016. In the Post - eCommerce - Parcel (PeP) division, which largely reflects Deutsche Post's core business, the dynamic growth recorded in the parcel business more than compensated for the decline in revenue in the traditional mail business.

In financial year 2016, Deutsche Post DHL Group increased EBIT to €3.5 billion. All divisions contributed to the increase. The measures implemented in the prior year served to make the Group more efficient and led to significantly higher margins. In the Post - eCommerce - Parcel (PeP) division, the dynamic growth recorded in the parcel business more than compensated for the decline in revenue in the Post business unit.

Forecast / actual comparison

Forecast/actual comparison

A.09

Targets 2016	Results 2016	Targets 2017
EBIT > Group: €3.4 billion to €3.7 billion. > PeP division: more than €1.3 billion. > DHL divisions: €2.45 billion to €2.75 billion. > Corporate Center/Other: €-0.35 billion.	EBIT > Group: €3.49 billion. > PeP division: €1.44 billion. > DHL divisions: €2.41 billion. > Corporate Center/Other: €-0.36 billion.	EBIT > Group: around €3.75 billion. > PeP division: around €1.5 billion. > DHL divisions: around €2.6 billion. > Corporate Center/Other: €-0.35 billion.
EAC Will develop in line with EBIT and increase substantially.	EAC Developed in line with EBIT and increased substantially.	EAC Will develop in line with EBIT and increase.
Cash flow Free cash flow to more than cover dividend payment in May 2016, excluding the further funding of pension obligations in the amount of €1 billion ¹⁾ .	Cash flow At €1.4 billion free cash flow significantly exceeded dividend payment in May 2016, excluding the further funding of pension obligations in the amount of €1 billion.	Cash flow Free cash flow over €1.4 billion.
Capital expenditure (capex) Increase investments to around €2.2 billion.	Capital expenditure (capex) Invested: €2.1 billion.	Capital expenditure (capex) Increase investments to around €2.3 billion.
Dividend distribution Pay out 40% to 60% of net profit as dividend.	Dividend distribution Proposal: pay out 48% of net profit as dividend.	Dividend distribution Pay out 40% to 60% of net profit as dividend.
Employee Opinion Survey Increase approval rating of key performance indicator Active Leadership by one percentage point.	Employee Opinion Survey Approval rating of key performance indicator Active Leadership increased by one percentage point to 74%.	Employee Opinion Survey Increase approval rating of key performance indicator Active Leadership by one percentage point.
Greenhouse gas efficiency CEX will increase by one index point.	Greenhouse gas efficiency²⁾ CEX improved to 30 index points (previous year, adjusted : 29).	Greenhouse gas efficiency CEX will increase by one index point.

¹⁾ Forecast adjusted during the year

²⁾ Adjusted weighting of the divisions' carbon efficiencies

Economic parameters

Global economy continues to record weak growth

Growth of the global economy slowed slightly in 2016. The reason for the decline was softening economic momentum in the industrial countries, where average GDP growth decreased to 1.6%. In the emerging markets, growth remained at 4.1%, moderate on a long-term comparison – especially since the stable result was also attributable to weakening recessions in a number of major threshold economies. On the whole, global economic output grew by 3.1% (previous year: 3.2%) after adjusting for purchasing power. The increase in global trade was even more cautious (IMF: 1.9%; OECD: 1.9%).

Global economy: growth indicators, 2016

A.10

%	Gross domestic product (GDP)	Exports	Domestic demand
China	6.7	-7.7	n.a
Japan	1.0	0.3	0.5
USA	1.6	0.4	1.7
Euro zone	1.7	2.3	1.9
Germany	1.9	2.5	2.2

Some Data estimated, as at 7 February 2017.
Source: Postbank, national statistics.

The Asian threshold economies again provided the strongest economic momentum. At 6.3%, GDP growth fell well below the 6.7% recorded in the prior year. The Chinese economy continued to weaken, with exports registering a sharp fall. At the same time, however, industrial manufacturing growth stabilised, albeit at a relatively low level for China. GDP growth declined to 6.7% (previous year: 6.9%). The Japanese economy recorded only minimal growth. Moderate increases were seen in private consumption and gross fixed capital formation, whilst exports increased only very slightly. All in all, GDP growth declined to 1.0% (previous year: 1.2%).

In the United States, the economic upturn lost notable momentum, with the pronounced decrease in corporate investment supplying the main reason for the decline. However, private consumption expanded markedly once more and remained the key driver of growth. Foreign trade had no major impact on growth. GDP rose by just 1.6% overall (previous year: 2.6%), and the unemployment rate continued to fall.

In the euro zone, the economic recovery continued in the year under review driven, above all, by domestic demand. Pronounced increases were seen in private consumption, government spending and gross fixed capital formation. By contrast, growth in exports declined substantially. This ultimately resulted in GDP growth of 1.7% (previous year: 2.0%). Although the individual countries reported great variations in performance, they all registered positive growth rates. As a result, the average unemployment rate dropped significantly to 10.0 %, which is, however, still quite high.

The German economy grew steadily in 2016, albeit subject to greater fluctuation. Domestic demand provided for strong momentum. Private consumption increased substantially thanks to rising real incomes. Government spending recorded an above-average rise. Gross fixed capital formation experienced a somewhat more significant increase, above all due to increased residential construction. By contrast, investments in machinery and equipment expanded only slightly and the referendum in the UK to leave the European Union may have played a part in the current environment of corporate uncertainty. Exports increased only moderately. GDP growth nonetheless rose to 1.9% (previous year: 1.7%) and the unemployment rate fell to 6.1% on an annual average (previous year: 6.4%). At the same time, the average number of employed persons rose to 43.5 million (previous year: 43.1 million).

Rise in crude oil prices over the course of 2016

At the end of 2016, the price for one barrel of Brent Crude was US\$55.21 (previous year: US\$36.43). However, the average price of oil for the year declined by around 16% on the previous year to just under US\$44 per barrel. Oil prices fluctuated between US\$26 and US\$56 over the course of the year, whereby prices rose significantly in the months following the low recorded in January.

Euro weakens on the back of Brexit and monetary policies

The European Central Bank (ECB) further expanded its monetary policy efforts in 2016. Against the backdrop of the very low inflation rate, which even dropped below zero at the start of the year, March saw the ECB lower its key refinancing rate by 0.05 percentage points to 0.00% and its deposit rate by 0.10 percentage points to -0.40%.

Moreover, in April, the bank increased the monthly volumes of its bond-buying programme by €20 billion to €80 billion. In June, the ECB began buying bonds from companies outside of the banking sector for the first time. By contrast, the US Federal Reserve increased its key interest rate by 0.25 percentage points to 0.50% to 0.75% last December, due to solid growth in the labour market and the gradual rise in inflation.

The euro managed to gain on the US dollar in the first few months of 2016, but again came under downward pressure in the ensuing period. The vote in favour of Brexit in the UK was a major blow for the euro. Later in the year, the US dollar benefited from expectations of an additional increase in key interest rates in the USA, whilst the ECB signalled sustained expansionary monetary policies beyond 2016. At the end of the year, the euro listed at just over US\$1.05, a drop of 3.0% year-on-year. Measured against the pound sterling, the euro posted a gain of 15.9%.

Slight decline in risk premiums for corporate bonds

The euro zone bond markets were impacted during the first half of the year by the ECB's expansionary monetary policies in addition to economic concerns resulting from the Brexit vote. Capital market interest rates decreased sharply. Yields on ten-year German government bonds reached a historic low in July, having fallen to 0.21% at the end of the year (previous year: 0.63%). By the end of 2016, yields on ten-year US government bonds had risen by 0.17 percentage points year-on-year to 2.44%. Initially, risk premiums for corporate bonds with good ratings saw a significant decrease. Although they registered an upwards trend as the year progressed, by the end of the year they had fallen below the 2015 year-end level.

Listings on the German stock market dropped sharply at the start of the year driven by increasing concern regarding a notable downturn in global growth. After a period of stabilisation, the Brexit vote led to another relapse. However, rising economic optimism resulted in a strong increase in equities prices, especially towards the end of the year. The DAX ended 2016 at 11,481 points, a year-on-year gain of 6.9%. The EURO STOXX 50 registered growth of only 0.7% year-on-year.

Regional variations in growth of international trade

The global trade movements of relevance to us – air and ocean freight sent in containers, excluding liquids and bulk goods – grew by a total of 1.7% in the reporting year. Intra-regional volumes remained stable or grew. By contrast, exports to North and Latin America fell from almost all regions.

Trade volumes: compound annual growth rate, 2015 to 2016

A.11

%	Import	Export				
		Asia Pacific	Europe	Latin America	MEA (Middle East and Africa)	North America
Asia Pacific		4.4	3.9	- 6.7	- 1.0	- 0.3
Europe		1.2	9.6	- 6.9	- 4.7	- 1.8
Latin America		7.9	8.5	1.0	3.3	2.2
MEA (Middle East and Africa)		3.3	3.9	- 7.7	0.2	- 4.7
North America		4.9	0.1	- 3.4	- 2.4	5.8

Source: Seabury Cargo Advisory, as at 13 January 2017; based upon all relevant ocean and air freight trading volumes in tonnes, excluding liquids and bulk goods. Excluding shipments within the European Union free trade zone.

Legal environment

In view of our leading market position, a large number of our services are subject to sector-specific regulation under the Postgesetz (PostG – German Postal Act). Further information regarding this issue and legal risks is contained in note 48 to the consolidated financial statements.

Significant events

On 1 April, the Group placed two bonds with a total volume of €1.25 billion on the capital market. Of the capital raised, €1 billion was used for the further funding of pension obligations.

Pension provisions declined in the reporting year, which was largely as a result of further funding of pension obligations. Pension provisions declined in the reporting year, which was largely as a result of further funding of pension obligations. Additionally, further indirect benefit obligations existed as at 31 December 2015; these were managed via Unterstützungskasse Deutsche Post Betriebsrenten Service e. V. (DPRS). In financial year 2016, employees whose occupational pensions were provided by DPRS were granted a direct commitment. At the same time, DPRS transferred all assets and liabilities to Deutsche Post AG. This led to a reduction of €2,231 million in the provisions for indirect benefit obligations at the time of the transfer.

The indirect and direct benefit obligations were calculated for the Company using the 10-year average discount rate in accordance with section 253(2) of the HGB for the first time as at 31 December 2016. The early application option as at 31 December 2015 was not exercised. The difference in the amounts calculated for the benefit obligations using the 7-year average rate and the 10-year average rate is €695 million. The income/expense resulting from the change in the discount rate is reported in the financial result.

Investors exercised their conversion right in the amount of €580 million in December 2016. Consequently, the remaining principal amount of the convertible bond fell to €420 million as at 31 December 2016.

A receivable from affiliated companies was converted into a long-term, non-interest-bearing loan to affiliated companies in the amount of €1.4 billion.

On 1 March 2016, the Board of Management resolved to implement a share buy-back programme for up to 60 million shares of Deutsche Post AG at a total price of up to €1 billion. The buy-back via the capital market began on 1 April 2016 and will last for a maximum of one year. By 31 December 2016, Deutsche Post AG had repurchased shares for a total amount of €805 million.

Given that the state aid decision set aside on 14 July 2016 has become null and void with final effect, there are no longer any grounds for the obligation to repay the alleged state aid, and the amount of €378 million deposited in a trustee account was released.

Results of operations

Revenue and earnings performance

Increase in revenue

Due to the first-time application of the Bilanzrichtlinie-Umsetzungsgesetz (BilRUG – Accounting Directive Implementation Act), revenue cannot be compared with the revenue figure of the previous year, as significant items are now presented in revenue rather than in other operating income.

Selected indicators for results of operations

A.12

	2015	2016
Revenue	€13,190 m	€14,080 m €
Net profit for the year	€4,407 m	€1,492 m €
Return on sales (based on net profit for the year)	34%	11%
Net retained profit	€5,022 m	€5,487 m €
Return on equity (based on net profit for the year)	29%	10%

Revenue increased by a total of €890 million, or 6.7%, year-on-year. Of this amount, €530 million is attributable to the redefinition of revenue by the BilRUG. Details on the adjustment of revenue and the comparison of revenue with the prior-year figure can be found in the notes to the consolidated financial statements (notes).

Separate notes on revenue can be found in the section below which describes the revenue performance analysis.

Other operating income decreased by €422 million, or 27.7%, compared with the previous year. The decline is largely due to the change (€-530 million) caused by the redefinition of revenue by the BilRUG.

Operating expenses (materials expense, staff costs, depreciation, amortisation and impairment losses, and other operating expenses) were almost unchanged, at €14,516 million (previous year: €14,557 million). Materials expense increased by €154 million, mainly as a result of the higher cost of services purchased to transport postal items. Staff costs rose by €155 million largely on account of higher emoluments, wages and salaries; and depreciation, amortisation and impairment losses saw an increase of €23 million. Other operating expenses declined significantly by €373 million. The main reason for the decline was the discontinuation of the NFE project in 2015.

The financial result of €827 million (previous year: €4,269 million) consists of net investment income of €842 million and net interest expense of €15 million.

The change in the financial result is mainly due to the €4,278 million decrease in income from profit transfer agreements of Deutsche Post Beteiligung Holding GmbH. The latter had been impacted by a one-time factor in the previous year.

After deduction of income taxes in the amount of €2 million (previous year: €-72 million), net profit for the year was €1,492 million (previous year: €4,407 million).

Including the retained profits brought forward from the previous year, net retained profit amounts to €5,487 million (previous year: €5,022 million)

The return on sales (based on net profit for the year) is 11% as compared to 34% in the previous year.

Earnings per outstanding share based on net profit for the year amount to €1.23 (previous year: €3.64). Based on net retained profit, earnings per share would amount to €4.53 (previous year: €4.15).

Further detailed explanations of the annual financial statements of Deutsche Post AG are contained in the following section and in the notes. The notes form part of the annual financial statements.

Revenue performance analysis

Revenue increases by 6.7%

In the reporting year, with one additional working day in Germany, revenue was €14,080 million, 6.7% above the prior-year figure of €13,190 million. Excluding the redefinition of revenue by the BilRUG, the increase in revenue was 2.7% in the reporting year. Most of the operational growth originated in the eCommerce - Parcel business unit.

Price increases compensate decline in volume in the Post business unit

In the Post business unit, revenue for 2016 was €9,491 million, 0.3% above the prior-year figure of €9,462 million. By contrast, volumes declined by 3.3%.

The price increases for Standardbrief and Maxibrief letter items and for additional services on 1 January 2016 more than offset the decrease in revenue resulting from the overall decline in Mail Communication volumes.

The increase in small-goods shipments and the price increases for the Standardbrief and Großbrief International products at the beginning of the year were unable to offset the effects of the decline in volumes experienced in particular in document and direct mail delivery.

Revenue in the Dialogue Marketing business was below the prior-year level. Volumes fell by 3.7% due mainly to the trend in unaddressed advertising mail.

Post business unit: revenue

A.13

€ m	2015 (adjusted)	2016	+/-%
Mail Communication	5,413	5,500	+1.6
Dialogue Marketing	2,166	2,128	-1.8
Other	1,883	1,863	-1.1
Total	9,462	9,491	0.3

Post business unit: volumes

A.14

Mail items (millions)	2015	2016	+/-%
Mail Communication	7,368	7,212	-2.1
Dialogue Marketing	8,846	8,519	-3.7
Other	3,065	2,905	-5.2
Total	19,279	18,636	-3.3

eCommerce - Parcel business unit continues to grow

Revenue in the eCommerce - Parcel business unit was €4,059 million in the reporting year, exceeding the prior-year figure of €3,728 million by a robust 8.9%. The Parcel business in Germany continued to grow steadily due to the strong e-commerce trend. Volumes rose by 10.5% to 1,264 million parcels. Our domestic and cross-border parcel business in Europe continued to perform well.

eCommerce-Parcel business unit: revenue

A.15

€ m	2015	2016	+/-%
Business customers	2,818	3,053	8.3
Private customers	778	794	2.1
Other	132	212	60.6
Total	3,728	4,059	8.9

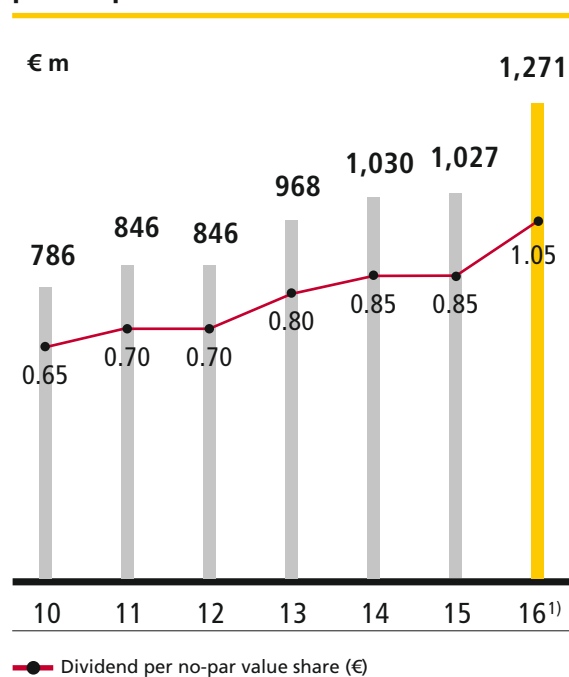
eCommerce-Parcel business unit: volumes

A.16

Parcel (millions)	2015	2016	+/-%
Business customers	1,018	1,137	11.7
Private customers	115	115	0
Other	11	12	9.1
Total	1,144	1,264	10.5

Total dividend and dividend per no-par value share

A.17



Dividend of €1.05 per share proposed

Our finance strategy calls for a payout of 40% to 60% of net profits as dividends as a general rule. The Board of Management and the Supervisory Board will therefore propose a dividend of €1.05 per share for financial year 2016 (previous year: €0.85) to shareholders at the Annual General Meeting on 28 April 2017. The distribution ratio based upon net profit, which is defined as consolidated net profit for the period after deduction of non-controlling interests, amounts to 48.2%. The net dividend yield based upon the year-end closing price of our shares is 3.4%. The dividend will be distributed on 4 May 2017 and is tax-free for shareholders resident in Germany. It does not entitle recipients to a tax refund or a tax credit.

¹⁾ Proposal

Financial position

Financial management is a centralised function in the Group

The Group's financial management activities include managing liquidity along with hedging against fluctuations in interest rates, currencies and commodity prices, arranging Group financing, issuing guarantees and letters of comfort and liaising with rating agencies. Responsibility for these activities rests with Corporate Finance at Group headquarters in Bonn, which is supported by three Regional Treasury Centres in Bonn (Germany), Weston (USA) and Singapore. The regional centres act as interfaces between Group headquarters and the operating companies, advise the companies on financial management issues and ensure compliance with Group-wide requirements.

Corporate Finance's main task is to minimise financial risk and the cost of capital in addition to preserving the Group's financial stability and flexibility over the long term. In order to maintain its unrestricted access to the capital markets, the Group continues to aim for a credit rating appropriate to the sector. We therefore monitor the ratio of our operating cash flow to our adjusted debt particularly closely. Adjusted debt refers to the Group's net debt, allowing for unfunded pension obligations and liabilities under operating leases.

Maintaining financial flexibility and low cost of capital

The Group's finance strategy builds upon the principles and aims of financial management. In addition to the interests of shareholders, the strategy also takes creditor requirements into account. The goal is for the Group to maintain its financial flexibility and low cost of capital by ensuring a high degree of continuity and predictability for investors.

A key component of this strategy is having a target rating of "BBB+", which is managed via a dynamic performance metric known as funds from operations to debt (FFO to debt). Our strategy additionally includes a sustained dividend policy and clear priorities regarding the use of excess liquidity, which is to be used to gradually increase plan assets of our German pension plans, to distribute special dividends and to buy back shares.

Finance strategy

A.18

Credit rating

- Maintain "BBB+" and "Baa1" ratings, respectively.
- FFO to debt used as dynamic performance metric.

Dividend policy

- Pay out 40 % to 60 % of net profit.
- Consider cash flows and continuity.

Excess liquidity

- Increase plan assets of German pension plans.
- Pay out special dividends or execute share buy-back programme.

Debt portfolio

- Syndicated credit facility taken out as liquidity reserve.
- Debt Issuance Programme established for issuing bonds.
- Issue bonds to cover long-term capital requirements.

Investors

- Reliable and consistent information from the company.
- Predictability of expected returns.

Group

- Preserve financial and strategic flexibility.
- Assure low cost of capital.

Funds from operations (FFO) represents operating cash flow before changes in working capital plus interest received less interest paid and adjusted for operating leases and pensions, as shown in the following calculation. In addition to financial liabilities and surplus cash and near cash investments, the figure for debt also includes operating lease liabilities as well as unfunded pension liabilities.

Cash at Deutsche Post AG declined by €633 million to €1,786 million in the reporting year, with the cash outflow largely attributable to the share buy-back programme.

Deutsche Post AG's debt (provisions and liabilities) fell slightly by €236 million to €18,800 million year-on-year. Debt declined due to the €580 million decrease in the liability from the convertible bond as investors exercised their conversion right. An offsetting effect resulted from the issue of two new bonds with a total volume of €1,250 million. Of this amount, €1 billion was used for the further funding of pension obligations.

Cash and liquidity managed centrally

The cash and liquidity of our globally operating subsidiaries is managed centrally by Corporate Treasury. More than 80% of the Group's external revenue is consolidated in cash pools and used to balance internal liquidity needs. In countries where this practice is ruled out for legal reasons, internal and external borrowing and investment are managed centrally by Corporate Treasury. In this context, we observe a balanced banking policy in order to remain independent of individual banks. Our subsidiaries' intra-group revenue is also pooled and managed by our in-house bank in order to avoid external bank charges and margins through intercompany clearing. Payment transactions are executed in accordance with uniform guidelines using standardised processes and IT systems. Many Group companies pool their external payment transactions in the intra-group Payment Factory, which executes payments on behalf of the respective companies via Deutsche Post AG's central bank accounts.

Limiting market risk

The Group uses both primary and derivative financial instruments to limit market risk. Interest rate risk is managed exclusively via swaps. Currency risk is additionally hedged using forward transactions, cross-currency swaps and options. We pass on most of the risk arising from commodity fluctuations to our customers and, to some extent, use commodity swaps to manage the remaining risk. The parameters, responsibilities and controls governing the use of derivatives are laid down in internal guidelines.

Flexible and stable financing

The Group covers its long-term financing requirements by means of equity and debt. This ensures our financial stability and also provides adequate flexibility. Our most important source of funds is net cash from operating activities.

We also have a syndicated credit facility in a total volume of €2 billion that guarantees us favourable market conditions and acts as a secure, long-term liquidity reserve. The facility matures in 2020, and does not contain any covenants concerning the Group's financial indicators. In view of our solid liquidity, the syndicated credit facility was not drawn down during the year under review.

As part of our banking policy, we spread our business volume widely and maintain long-term relationships with the financial institutions we entrust with our business. In addition to credit lines, we meet our borrowing requirements through other independent sources of financing, such as bonds and operating leases. Most debt is taken out centrally in order to leverage economies of scale and specialisation benefits and hence minimise borrowing costs.

In April 2016, we issued two bonds in a volume of €0.75 billion and €0.5 billion as part of the Debt Issuance Programme established in 2012 with a volume of up to €8 billion. The cash funds received that same month were utilised for the further funding of pension obligations in Germany in the amount of €1 billion.

No bonds were redeemed in the year under review. A total of €580 million of the convertible bond issued in 2012 in the amount of €1 billion was converted in 2016. Further information on the existing bonds is contained in the notes.

Deutsche Post AG issues sureties, letters of comfort and guarantees

Deutsche Post AG provides security for the loan agreements, leases and supplier contracts entered into by Group companies, associates or joint ventures by issuing sureties, letters of comfort or guarantees as needed. This practice allows better conditions to be negotiated locally. The sureties are provided and monitored centrally.

No change in the Company's credit rating

The ratings of "A3" issued by Moody's Investors Service (Moody's) and "BBB+" issued by Fitch Ratings (Fitch) remain in effect with regard to our credit quality. The stable outlook from both rating agencies is also still applicable. We remain well positioned in the transport and logistics sector with these ratings. The following table shows the ratings as at the reporting date and the underlying factors. The complete and current analyses by the rating agencies and the rating categories can be found at our websites.

Agency ratings

A.19

	+ Rating factors	- Rating factors
Fitch Ratings Long-term: BBB+ Short-term: F2 Outlook: stable	<ul style="list-style-type: none"> ➤ Balanced business risk profile. ➤ Stable contribution of core mail products. ➤ Growth in internet-led domestic parcel volumes. ➤ Strong global footprint in the Express, Global Forwarding, Freight and Supply Chain businesses. ➤ Fairly stable credit metrics for the current rating and adequate financial flexibility. 	<ul style="list-style-type: none"> ➤ Structural mail volume decline in the Post - eCommerce - Parcel division due to secular changes in the industry (i. e. competition from electronic communication and digitalisation). ➤ Exposure to global market volatility and competitiveness through the DHL divisions.
Moody's Investors Service Long-term: A3 Short-term: P-2 Outlook: stable	<ul style="list-style-type: none"> ➤ Scale and global presence as the world's largest logistics company. ➤ Large and robust mail business in Germany. ➤ Expectations of profitability recovery through its network investments and restructuring programme. ➤ Appropriate financial metrics, conservative financial policy and sound liquidity profile 	<ul style="list-style-type: none"> ➤ Exposure to global macroeconomic trends in the logistics businesses. ➤ Structural decline of traditional postal services.

Liquidity and sources of funds

As at the balance sheet date, the Deutsche Post AG had cash in the amount of €1.8 billion (previous year: €2.4 billion). The cash is either invested centrally on the money market or deposited in existing bank accounts. These central, short-term financial investments had a volume of €1.7 billion as at the balance sheet date. In addition, €0.2 billion has been invested in a money market fund.

Capital expenditure

Investments in property, plant and equipment increased to €375 million in the year under review (previous year: €344 million) and related primarily to land and buildings (€63 million), other equipment, operating and office equipment (€166 million), advance payments and assets under development (€134 million). The latter investments focused mainly on the construction of conveyor and sorting systems.

Net Assets

Deutsche Post AG balance sheet

Total assets increased slightly to €34,081 million as at the balance sheet date (previous year: €34,053 million). Non-current assets rose from €16,901 million to €18,138 million, primarily because a €1,400 million receivable from affiliated companies was converted into a long-term loan to affiliated companies. By contrast, current assets saw a decrease of €1,227 million, due largely to the aforementioned conversion of a receivable into a long-term loan. Disclosures on capital expenditures can be found in the preceding section.

Equity rose slightly from €14,979 million in the previous year to €15,239 million. The net profit for 2016 of €1,492 million more than compensated for the €1,027 million in available net earnings from the previous year that was distributed to shareholders. Capital reserves rose by €535 million. The increase was largely due to investors exercising their right to convert the convertible bond into new shares. Revenue reserves declined by €740 million in financial year 2016, mainly as a result of the share buy-back programme.

The equity ratio rose slightly year-on-year, from 44.0% to 44.7%. The ratio of equity to non-current assets is now 84% (previous year: 89%).

Provisions saw a substantial decrease of €1,221 million over the prior-year figure due in particular to the improved funding of pension obligations. The issue of two new bonds and the associated €1 million addition to plan assets resulted in a decrease in provisions for pensions and similar obligations of €1,294 million. Tax provisions also declined, falling to €30 million, while other provisions increased to €103 million.

Liabilities rose by €985 million to €14,531 million. The increase was mainly due to the issue of two new bonds for funding pension obligations in the amount of €1,250 million and a €580 million decrease in liabilities from the convertible bond as investors exercised their conversion rights.

Further details on the balance sheet of Deutsche Post AG can be found in the notes.

DEUTSCHE POST SHARES

Deutsche Post shares: seven-year overview (IFRS result of the group)

A.20

		2010	2011	2012	2013	2014	2015	2016
Year-end closing price	€	12.70	11.88	16.60	26.50	27.05	25.96	31.24
High	€	14.46	13.83	16.66	26.71	28.43	31.08	31.35
Low	€	11.18	9.13	11.88	16.51	22.30	23.15	19.73
Number of shares as at 31 December	millions	1,209.0	1,209.0	1,209.0	1,209.0	1,211.2	1,212.8	1,240.9
Market capitalisation as at 31 December	€ m	15,354	14,363	20,069	32,039	32,758	31,483	38,760
Average trading volume per day ¹⁾	shares	5,329,779	4,898,924	4,052,323	4,114,460	4,019,689	4,351,223	3,497,213
Annual performance including dividends	%	-1.4	-1.3	45.6	63.9	5.1	-0.9	23.6
Annual performance excluding dividends	%	-5.9	-6.5	39.7	59.6	2.1	-4.0	20.3
Beta factor ²⁾		0.95	1.19	0.88	0.86	0.94	0.95	0.97
Earnings per share ³⁾	€	2.10	0.96	1.36 ⁷⁾	1.73	1.71	1.27	2.19
Cash flow per share ⁴⁾	€	1.59	1.96	-0.17	2.47	2.51	2.84	2.03
Price-to-earnings ratio ⁵⁾		6.0	12.4	12.2 ⁷⁾	15.3	15.8	20.4	14.3
Price-to-cash flow ratio ^{4), 6)}		8.0	6.1	-97.6	10.7	10.8	9.1	15.4
Dividend	€ m	786	846	846	968	1,030	1,027 ⁸⁾	1,271 ¹⁰⁾
Payout ratio	%	30.9	72.7	51.6	46.3	49.7	66.7 ⁹⁾	48.2
Dividend per share	€	0.65	0.70	0.70	0.80	0.85	0.85	1.05 ¹⁰⁾
Dividend yield	%	5.1	5.9	4.2	3.0	3.1	3.3	3.4

¹⁾ Volumes trade via the Xetra trading venue.

²⁾ Three-year beta; Source: Bloomberg

³⁾ Based upon consolidated net profit after deduction of non-controlling interests.

⁴⁾ Cash flow from operating activities.

⁵⁾ Year-end closing price/earnings per share.

⁶⁾ Year-end closing price/cash flow per share.

⁷⁾ Adjusted to reflect the application of IAS 19R.

⁸⁾ Reduction due to the share buyback.

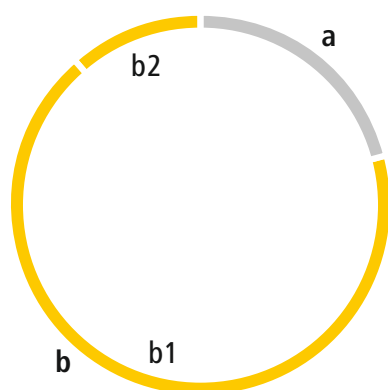
⁹⁾ Excluding one-off effects (NFE and strike-related effects, disposals and other one-off effects, some of which are based upon assumptions by management.) 45.8%.

¹⁰⁾ Proposal.

Free float increased

The investment share of our largest investor – KfW Bankengruppe – is 20.5% (previous year: 20.9%) and the free float is 79.5%. Based upon our share register's figures, the share of outstanding stock held by private investors is 10.8% (previous year: 11.3%). In terms of the regional distribution of identified institutional investors, the highest percentage of shares (13.9 %) is held by US investors (previous year: 13.5%), followed by the United Kingdom with a share of 12.6% (previous year: 13.3%). The share of institutional investors in Germany increased to 12.4% (previous year: 11.7%). Our 25 largest institutional investors held a total of 41.3% of all issued shares (previous year: 38.2%).

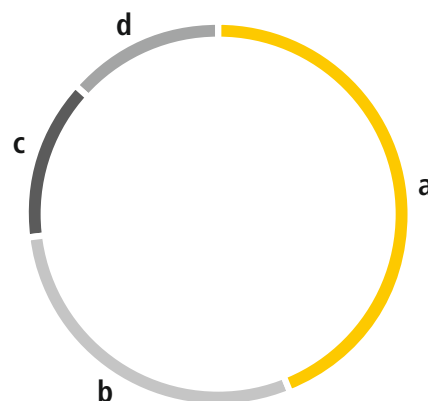
Shareholder structure¹⁾ A.21



a	KfW Bankengruppe	20.5 %
b	Free Float	79.5 %
b1	Institutional Investors	68.7 %
b2	Private Investors	10.8 %

¹⁾ As at 31 December 2016

Shareholder structure by region¹⁾ A.22



a	Germany	43.7 %
b	Other	29.8 %
c	USA	13.9 %
d	UK	12.6 %

¹⁾ As at 31 December 2016

NON-FINANCIAL FIGURES

Employees

Human Resources contributes to company success

The primary goal of Human Resources at Deutsche Post DHL Group is to harness the potential of our employees and hire suitable candidates in all countries. In a nurturing work environment we offer our employees a competitive system of reward and recognition. It is in this way that we are able to boost their motivation and thus contribute to the company's long-term success.

Employee Opinion Survey

Our annual Group-wide Employee Opinion Survey comprises 41 questions categorised in ten key performance indicators and one index. The results in all areas showed a positive trend for the year 2016, with scores at or above external benchmarks in nearly all instances. The response rate to this anonymous survey was 74% in the reporting year, one percentage point higher than the prior year.

Selected results from the Employee Opinion Survey**A.23**

%	2015	2016
Response rate	73	74
KPI Active Leadership	73	74
KPI Employee Engagement	73	75

Number of employees continues to fall slightly

As at 31 December 2016, we employed 138,985 full-time equivalents, 0.2% less than in the previous year. The headcount at the end of the year was 166,997.

Number of employees**A.24**

	31 Dec. 2015	31 Dec. 2016	Change in %
1. Calculated as full-time employees			
(excl. trainees)			
Total as at 31 Dec.	139,274	138,985	-0.2
thereof by division:			
Post - eCommerce - Parcel	134,647	134,571	-0.1
Other	4,627	4,414	-4.6
2. Total workforce			
(excl. trainees)	166,738		
Total as at 31 Dec.		166,997	0.2
thereof	132,170		
Salaried employees and hourly workers	34,568	135,736	2.7
Civil servants		31,261	-9.6
3. Average for the year			
(excl. trainees)	168,744	165,786	-1.8

Staff costs exceed prior-year level

At €7,582 million, staff costs exceed the prior-year figure of €7,427 million. Details are provided in the notes.

Adequately compensating performance

One key factor for us as an attractive employer is our performance-related and market-based compensation which supports the company's long-term requirements. For example, in many countries we provide supplements for defined benefit and defined contribution retirement plans and enable access to health insurance.

Using a job grading system, we ensure that our remuneration structures are fair and balanced. Position grades are based exclusively upon job category and responsibilities.

Age-based and secure working conditions

In response to the rising average age in Germany, the Generations Pact was concluded between Deutsche Post AG and the trade unions in 2011. The pact was again a success in the reporting year: 22,801 employees now have the required working-time accounts and 3,718 have entered partial retirement. Since 2016, we have been offering comparable arrangements for civil servants, 2,923 of whom have established a lifetime working account and 589 have entered partial retirement.

In addition, a collective agreement for modifying the retirement plan was reached at Deutsche Post AG during the reporting year: we are introducing pension fund components for around 130,000 employees subject to collective agreements, which in future will offer the option of receiving an annuity or a lump-sum payment.

Targeted employee development

We are developing our employees into certified specialists through our Group initiative "Certified". The modular programme ranges from basic Group and industry knowledge to specific skills associated with a division and function. By 2020, we aim to have certified around 80% of our workforce.

Our cross-divisional Certified Logistics Leader Programme is specially designed for managers. It promotes the exchange of dialogue about the future challenges of the company as well as the role the managers play in shaping the future.

Deutsche Post DHL Group offers young people in Germany training opportunities in over 15 state-accredited apprenticeship schemes as well as twelve dual-study programmes. In 2016, we offered 2,458 apprenticeships and study opportunities; in 2017, we shall increase this offer to 2,472.

Living diversity

People from various cultures, with different points of view and skills, work together at all levels of our Group. This diversity makes us attractive for customers and employees and bolsters our innovative strength. As set out in our Code of Conduct, we place value on inclusion and equal opportunity.

In the reporting year, we enhanced our diversity KPI monitoring system and illustrated the contribution diversity makes to our company's success by means of individual examples. The Diversity Council met regularly and, amongst other things, discussed measures that are suitable for increasing the number of women in executive positions.

As at 31 December 2016, the proportion of women in management worldwide was 21.1% (previous year: 20.7%), a figure we intend to raise continuously. Divisional programmes, the annual process to identify high-potential individuals, women's networks as well as options for improving work-family balance, will contribute to this.

Health and safety

Bolstering health

Our business success depends largely on the potential of our employees to perform to the best of their abilities. Therefore, we want to strengthen their physical, mental and social well-being, above all through prevention.

The Group-wide employee benefits programme offers supplements to state health insurance in many countries. In some cases it even enables initial access to affordable healthcare.

The worldwide illness rate was 5.1% in the reporting year (previous year: 5.1 %).

Ensuring occupational safety

In order to create a culture in the workplace where safety always comes first, we implemented a series of preventive measures in the reporting year. Executives received training, employees were instructed in occupational safety, and overall awareness was raised regarding safety risks and hazard potential.

The OHSAS 18001 standard is our Group-wide guideline for the implementation of occupational health and safety conditions in the workplace, and we are continuously increasing the number of certified locations.

Workplace accidents

A.25

	2015	2016
Accident rate (number of accidents per 200,000 hours worked) ¹⁾	4.0	4.0
Working days lost per accident ¹⁾	15.6	14.8
Number of fatalities due to workplace accidents	6	4
of which as a result of traffic accidents	1	2

¹⁾ Coverage: around 96 %.

Corporate responsibility

Responsibility as a guiding principle

As part of our corporate strategy, we have made it our goal to be a benchmark company for responsible business. We have codified responsibility in our Code of Conduct, which is guided by both the principles of the Universal Declaration of Human Rights and the United Nations Global Compact and adheres to recognised legal standards. We also support the United Nation's sustainable development goals. The main focus areas of our sustainability management are described in our Corporate Responsibility Report.

Responsible business practices ensure our business operates in compliance with applicable laws, ethical standards and international guidelines. We coordinate the main aspects and issues via our Group-wide Responsible Business Practice network. Through ongoing dialogue with our stakeholders, we ensure that their expectations as regards social and environmental issues are accounted for appropriately and that our business is aligned systematically with their interests. In the reporting year, we established a guideline and process for dealing with critical issues and handling relevant inquiries.

We use our expertise as a mail and logistics services group for the benefit of society and the environment, and we motivate our employees to engage in volunteer work. We provide logistical support in the wake of natural disasters, are committed to the educational and professional development of socially disadvantaged young people and support local environmental protection and aid projects. In 2016, we continued our initiative to integrate refugees in Germany by providing assistance with language and job skills.

Measures to increase carbon efficiency and environmentally friendly GoGreen services help us to fulfil our responsibility towards the environment and society, and to create added value for our customers whilst strengthening our market position. During the reporting year, our efforts focused on efficiency measures for our vehicle fleet, smallseries production of our StreetScooter electric vehicle and the introduction of a new model with twice the loading capacity and a wider range than existing vehicles.

Climate protection target achieved

We have anchored climate protection throughout the entire Group with the help of our GoGreen environmental protection programme. Our GoGreen products and services also help customers achieve their own environmental targets, whilst concurrently opening up new business opportunities for the company.

In order to measure and manage our carbon efficiency, we make use of a carbon efficiency index (CEX). In 2016, our direct (Scope 1) and indirect (Scope 2) greenhouse gas emissions amounted to 6.05 million tonnes of CO₂e (previous year: 6.05 million tonnes of CO₂e). The indirect greenhouse gas emissions (Scope 3) of our transport subcontractors amounted to 20.87 million tonnes of CO₂e (previous year, adjusted: 20.97 million tonnes of CO₂e).

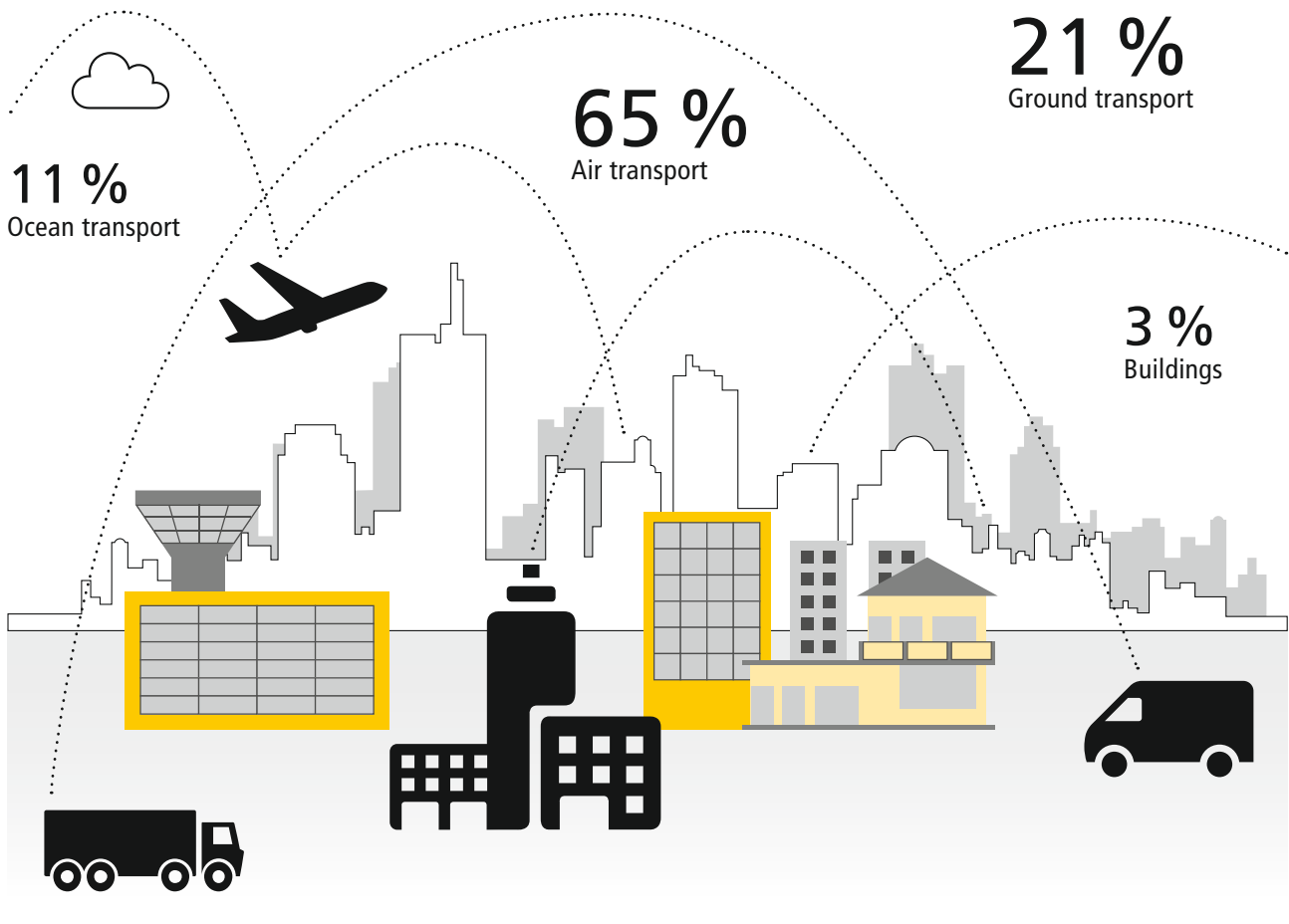
In the reporting year, we adjusted the weighting of the carbon efficiencies of the divisions, which are included in the CEX calculation. As previously, the weighting is calculated using absolute CO₂ emissions; but now they are adjusted for efficiency gains. The figures from the base year 2007 until 2015 have been uniformly adjusted accordingly. For this period, the cumulative effect was four index points and the CEX for 2015 is therefore 29 index points. In 2016, we achieved our goal of increasing the CEX by one index point.

Thus we achieved our Group-wide target of improving our carbon efficiency by 30% compared with 2007 by the year 2020. On this basis we have set ourselves new targets, which we present in detail, along with other information, in our Corporate Responsibility Report.

CO₂e-emissions, 2016

A.26

total: 26.92 million tonnes¹⁾



¹⁾Scopes 1 to 3.

Fuel and energy consumption in own fleet and buildings

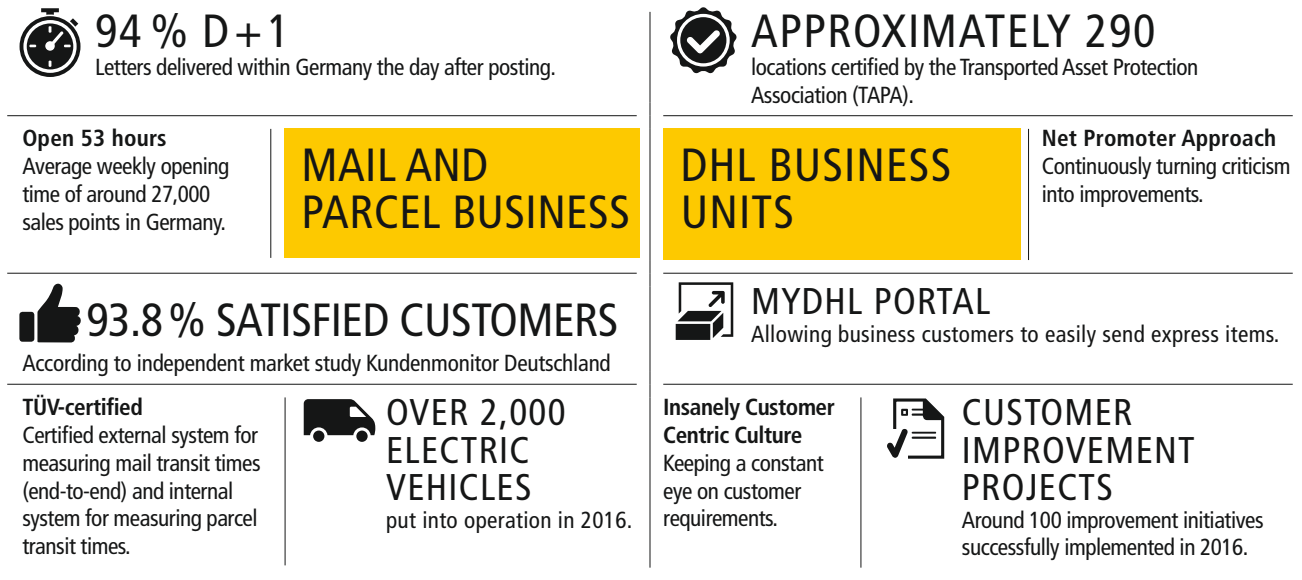
A.27

		2015	2016
Consumption by fleet			
Air transport (jet fuel)	million kilograms	1,312.8	1,332.5
Road transport (petrol, bio-diesel, diesel, bio-ethanol, LPG)	million litres	449.1	447.2
Road transport (biogas, CNG)	million kilograms	4.9	4.5
Energy for buildings and facilities (including electric vehicles)			
	million kilowatt hours	3,113	3,489

Customers and quality

Facts and figures, customers and quality

A.28



Sending mail and parcels quickly and reliably

Our customers rate the quality of our services based upon whether posted items reach their destinations quickly, reliably and undamaged. According to surveys conducted by Quotas, a quality research institute, 94% of the domestic letters posted in Germany during our daily opening hours or before final collection are delivered to their recipients the next day. Around 99% reach their recipients within two days. This puts us well above the legal requirements of 80% (D+1) and 95% (D+2). The Quotas measuring system is audited and certified each year by TÜV Rheinland for compliance with EN 13850 requirements. Transit times for international letters are determined by the International Post Corporation. Here, we rank amongst the top postal companies.

In the parcel business, 86% of items reach their recipients the next working day. This is based upon parcels that were collected from business customers and that were delivered the next day. Our internal system for measuring parcel transit times has been certified by TÜV Rheinland since 2008.

In our mail business, we have, to date, achieved a high level of automation that exceeds 90%. In our parcel network, we have increased our sorting capacity by 50% since the launch of our Parcel Production Concept in 2012 by increasing productivity in our existing facilities and expanding our infrastructure nationwide. With 34 parcel centres now in operation, our sorting capacity is over one million parcels per hour. More than 70 mechanised delivery bases support our operations.



The average weekly opening time of our around 27,000 sales points was, as in the previous year, 53 hours. The annual survey conducted by Kundenmonitor Deutschland, the largest consumer study in Germany, showed a high acceptance of our exclusively partner-operated retail outlets: 93.8% of customers were satisfied with our quality and service (previous year: 91.5%). In addition, impartial mystery shoppers from TNS Infratest tested the postal outlets in retail stores around 31,000 times over the year. The result showed that 93.7% of customers were served within three minutes (previous year: 93.4%).

Another central characteristic of the quality of our products is environmental protection, which we describe in our Corporate Responsibility Report. In the area of electric mobility, which is strategically important to us, we put over 2,000 vehicles into operation in the reporting year and began to transfer our delivery operations in Bochum, Cologne, Stuttgart and Hamburg completely to these vehicles.

Brands

Brand architecture

A.29

Group	Deutsche Post DHL Group			
Divisions	Post - eCommerce - Parcel	Express	Global Forwarding, Freight	Supply Chain
Brands				

Strong brands as a factor for success

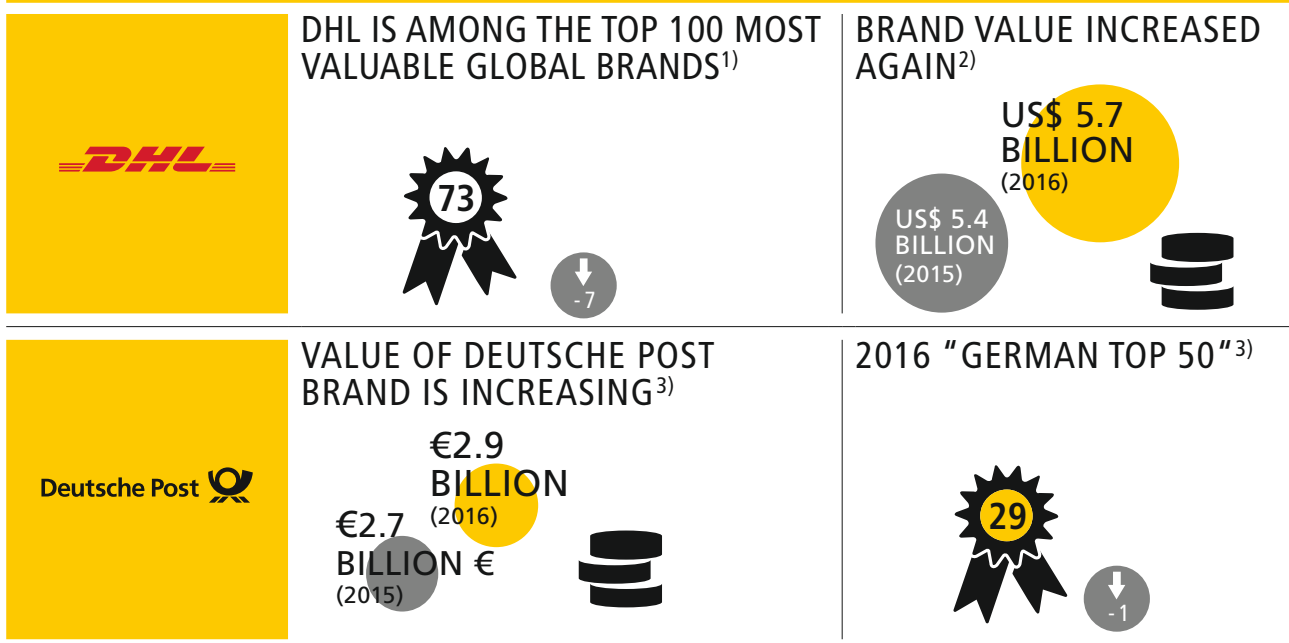
In 2016, independent research institutions again testified to the high reputation enjoyed by the Deutsche Post DHL Group brands.

The DHL brand was valued at US\$5.7 billion by the consulting company Interbrand (previous year: US\$5.4 billion). This moves DHL up three places to 77th on the Interbrand list of Best Global Brands. The study looks at financial figures as well as market and consumer research data. Market research institute Millward Brown uses a similar system to rank the world's most valuable brands each year. The DHL brand was ranked 73rd (previous year: 66th place) in its list of the Top 100 Most Valuable Global Brands with a brand value of US\$13.3 billion (previous year: US\$16.3 billion). Millward Brown's current ranking is based on the 2015 figures and a weaker dollar rate than in the previous year, and is comparable with the ranking from 2014 (US\$13.7 billion, 73rd place). A representative survey commissioned by the Group and covering twelve countries on four continents indicates an increase in DHL brand recognition among decision makers to 95% (previous year: 94%).

Consulting company Brand Finance valued our domestic Deutsche Post brand at €2.9 billion in the reporting year (previous year: €2.7 billion). This puts the Deutsche Post brand in 29th place in the German Top 50 (previous year: 28th place).

Value of Group brands in 2016

A.30



¹⁾ Quelle: Millward Brown, 2016

²⁾ Quelle: Interbrand, 2016

³⁾ Quelle: Brand Finance, 2016

Interbrand did not rank any German brands in the year under review. In 2015, Deutsche Post was ranked 30th among the most valuable German brands with a brand value of €979 million.

Advertising and partnerships boost the DHL brand

Trade and logistics can improve people's lives. This is the guiding theme under which DHL has continued the brand campaign begun in the previous year. Print and online advertising, TV commercials and social media activities serve to emotionalise the brand experience both worldwide and in key domestic markets.

DHL also acts as a partner in high-profile events with the objective of improving the reputation and awareness of its brand. During the reporting year, logistics partnerships, some of them long-standing, were continued such as Formula 1®, Formula E and the MotoGP™ world motorcycle racing series. We also continued our proven global DHL logistics partnerships with FC Bayern Munich, Fashion Week events, Cirque du Soleil and Gewandhausorchester Leipzig.

Marketing expenditures, 2016

A.31

Volume: around €385 million	%
Product development and communication	57.1
Other	23.0
Public & customer Relations	14.1
Corporate wear	5.8

Sports sponsorships put the Deutsche Post brand in the public eye

Deutsche Post sponsors popular national sporting events to increase the emotional charge of its brand. The strategic partnership with the Deutscher FußballBund (DFB – German football federation) remained the focus of its sport sponsoring activities in the reporting year. Deutsche Post was involved with the German national football team and the DFB tournament as well as amateur football leagues and the FUSSBALL.DE platform. We have also continued our partnership with the Deutsche Tourenwagen Masters (DTM – German Touring Car Masters) racing series.

OPPORTUNITIES AND RISKS

Overall Board of Management assessment of the opportunity and risk situation

No foreseeable risk to the Group

Identifying and swiftly capitalising upon opportunities and counteracting risks are important objectives for our Group. We already account for the anticipated impact of potential events and developments in our business plan. Opportunities and risks are defined as potential deviations from projected earnings. In consideration of our current business plan, the Group's overall opportunity and risk situation has not changed significantly compared with last year's risk report. No new risks have been identified that could have a potentially critical impact upon the Group's result. Based upon the Group's early warning system and in the estimation of its Board of Management, there were no identifiable risks for the Group in the current forecast period which, individually or collectively, cast doubt upon the Group's ability to continue as a going concern. Nor are any such risks apparent in the foreseeable future. The assessment of a stable to positive outlook is moreover reflected in the Group's credit ratings, as found on.

As Deutsche Post AG, due to financing commitments, guarantees, direct and indirect investments in its subsidiaries as well as other factors, is highly interlinked with the Deutsche Post DHL Group companies, its opportunity and risk position largely corresponds to the opportunity and risk situation of Deutsche Post DHL Group. In this respect, the overall Board of Management assessment of the opportunity and risk situation also summarises the opportunity and risk position of Deutsche Post AG.

Opportunity and risk management

Uniform reporting standards for opportunity and risk management

As an internationally operating logistics company, we are facing numerous changes. Our aim is to identify the resulting opportunities and risks at an early stage and take the necessary measures in the specific areas affected in due time to ensure that we achieve a sustained increase in enterprise value. Our Group-wide opportunity and risk management system facilitates this aim. Each quarter, managers estimate the impact of future scenarios, evaluate opportunities and risks in their departments and present planned measures as well as those already taken. Queries are made and approvals given on a hierarchical basis to ensure that different managerial levels are involved in the process. Opportunities and risks can also be reported at any time on an ad hoc basis.

Our early identification process links the Group's opportunity and risk management with uniform reporting standards. We continuously improve the IT application used for this purpose. Furthermore, we use a Monte Carlo simulation for the purpose of aggregating opportunities and risks in standard evaluations.

The simulation is a stochastic model that takes the probability of occurrence of the underlying risks and opportunities into consideration and is based upon the law of large numbers. One million randomly selected scenarios – one for each opportunity and risk – are combined on the basis of the distribution function of each individual opportunity and risk. The resulting totals are shown in a graph of frequency of occurrence. The following graph shows an example of such a simulation:

The most important steps in our opportunity and risk management process are:

1 Identify and assess: Managers in all divisions and regions evaluate the opportunity and risk situation on a quarterly basis and document the action taken. They use scenarios to assess best, expected and worst cases. Each identified risk is assigned to one or more managers who assess and monitor the risk, specify possible procedures for going forwards and then file a report. The same applies to opportunities. The results are compiled in a database.

2 Aggregate and report: The controlling units collect the results, evaluate them and review them for plausibility. If individual financial effects overlap, they are noted in our database and taken into account when compiling them. After being approved by the department head, all results are passed on to the next level in the hierarchy. The last step is complete when Corporate Controlling reports to the Group Board of Management on significant opportunities and risks as well as on the potential overall impact each division might experience. For this purpose, opportunities and risks are aggregated for key organisational levels. We use two methods for this. In the first method, we calculate a possible spectrum of results for the divisions and combine the respective scenarios. The totals for “worst case” and “best case” indicate the total spectrum of results for the respective division. Within these extremes, the total “expected cases” shows current expectations. The second method makes use of a Monte Carlo simulation, the divisional results of which are regularly included in the opportunity and risk reports to the Board of Management.

3 Overall strategy: The Group Board of Management decides on the methodology that will be used to analyse and report on opportunities and risks. The reports created by Corporate Controlling provide an additional, regular source of information to the Board of Management for the overall steering of the Group.

4 Operating measures: The measures to be used to take advantage of opportunities and manage risks are determined within the individual organisational units. They use cost-benefit analyses to assess whether risks can be avoided, mitigated or transferred to third parties.

5 Control: For key opportunities and risks, early warning indicators have been defined that are monitored constantly by those responsible. Corporate Internal Audit has the task of ensuring that the Board of Management’s specifications are adhered to. It also reviews the quality of the entire opportunity and risk management operation. The control units regularly analyse all parts of the process as well as the reports from Internal Audit and the independent auditors, with the goal of identifying potential for improvement and making adjustments where necessary.

Internal accounting control and risk management system (disclosures required under section 289 (5) of the Handelsgesetzbuch (HGB – German Commercial Code) and explanatory report

Deutsche Post uses an internal accounting control system to ensure that accounting adheres to generally accepted accounting principles. This system is intended to make sure that statutory provisions are complied with and that both internal and external accounting provide a valid depiction of business processes in figures. All figures are to be entered and processed accurately and completely. Accounting mistakes are to be avoided in principle and any errors that may occur uncovered promptly.

The risk and control system design comprises organisational and technical measures that extend to all organisational units in the Company. Centrally standardised accounting guidelines ensure that financial reporting standards in accordance with the German Commercial Code (HGB) are applied in a uniform manner throughout the Company. A central chart of accounts specifies the items relevant to bookkeeping. Account assignment guidelines provide extensive additional rules. Changes are recorded in the intranet, which ensures constant access by the users. The responsible organisational units are provided with detailed plans of activities, instructions and schedules for the year-end closing process.

Deutsche Post’s primary accounting functions are handled by the Accounting SSC (Shared Service Center) in Cologne (Finance & HR Services Germany and Alps). Principally, the following departments have been established for these

functions: General Ledger, Accounting for Affiliated Companies, Master Data/Duty, Accounts Payable, Accounts Receivable, Cost Accounting Solutions & Services, Business Process Optimization, Business Intelligence Services and Corporate Treasury Services.

Transactions relevant to accounting are processed by IT at Deutsche Post AG. To this end, Deutsche Post uses the services of T-Systems Enterprise Services GmbH (T-Systems), a subsidiary of Deutsche Telekom AG, and of Wall Street Systems Delaware, Inc., USA (WSS). In addition to running applications, it also provides emergency support service in a standby centre in Prague. Annual IT reviews are conducted at T-Systems by an independent German auditing firm. The content and results of the audit are documented in writing in an ISAE3402 certification.

For IT application development, and care and maintenance of systems relevant to accounting, Deutsche Post uses the services of its subsidiary, Deutsche Post IT Services GmbH. The application systems and financial accounting systems used are predominantly standard solutions from SAP AG.

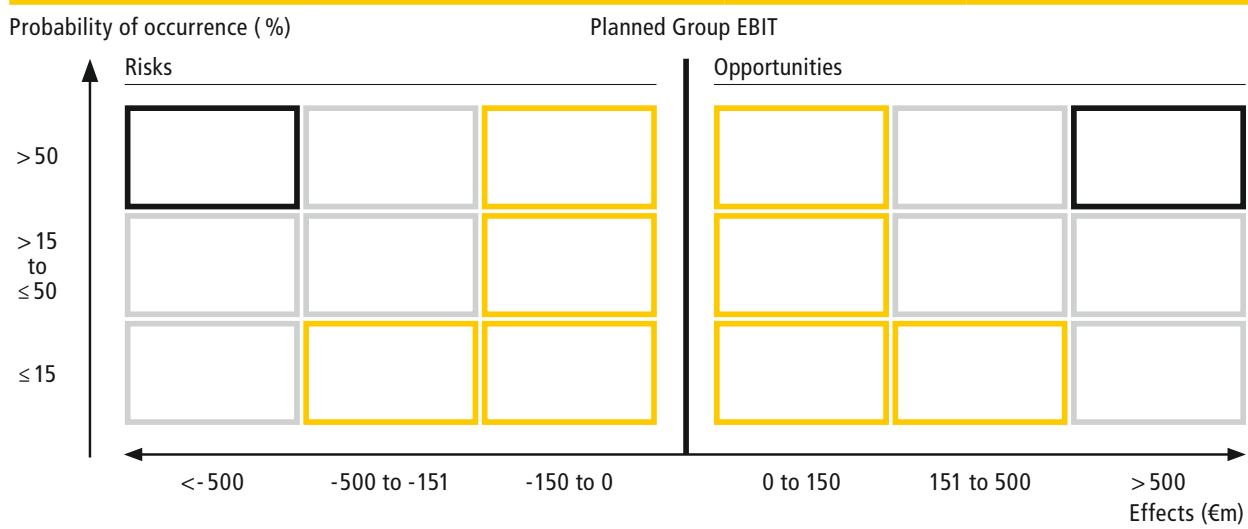
Other components of our control system include automatic plausibility reviews and system validations of the accounting data. In addition, manual checks are carried out regularly at a decentralised level by those responsible locally and at a central level by Corporate Accounting & Controlling, Corporate Tax and Corporate Finance. Over and above the aforementioned internal accounting control system and risk management structures, Corporate Internal Audit & Security is an essential component of the Group's controlling and monitoring system. Using risk-based auditing procedures, Corporate Internal Audit & Security examines the processes related to financial reporting and reports its results to the Board of Management on a regular basis. Upstream and downstream checks and analyses of the reported data are performed under chronological aspects. If necessary, we call in outside experts, for instance, in the case of pension provisions. Finally, the Company's standardised process for preparing financial statements using a centrally administered financial statements calendar guarantees a structured and efficient accounting process.

Reporting and assessing opportunities and risks

In the following, we have reported mainly on those risks and opportunities which, from the current standpoint, could have a significant impact upon the Group during the fore-cast period beyond the impact already accounted for in the business plan. The risks and opportunities have been assessed in terms of their probability of occurrence and their impact. The assessment is used to classify the opportunities and risks into those of low, medium or high relevance. We characterise opportunities and risks of medium or high relevance as significant, shown as black or grey in table A.34. The following assessment scale is used:

Classification of risks and opportunities

A.34



Significance for the Group: Low Medium High

The opportunities and risks described here are not necessarily the only ones the Group faces or is exposed to. Our business activities could also be influenced by additional factors of which we are currently unaware or which we do not yet consider to be material.

Opportunities and risks are identified and assessed decentrally at Deutsche Post DHL Group. Reporting on possible deviations from projections, including latent opportunities and risks, occurs primarily at the country or regional level. In view of the degree of detail provided in the internal reports, we have combined the decentrally reported opportunities and risks into the categories shown below for the purposes of this report. It should be noted that the underlying individual reports – with the exception of opportunities and risks associated with the world economy and global economic output – usually exhibit a zero to minimal correlation. Beyond these it is unlikely that several major opportunities or risks would occur systematically at the same time in a single category or across categories.

Unless otherwise specified, a low relevance is attached to individual opportunities and risks within the respective categories and in the forecast period under observation (2017). The opportunities and risks generally apply for all divisions, unless indicated otherwise.

Categories of opportunities and risks

Opportunities and risks arising from political, regulatory or legal conditions

A number of risks arise primarily from the fact that the Group provides some of its services in a regulated market. Many of the postal services rendered by Deutsche Post AG and its subsidiaries (particularly the Post - eCommerce - Parcel division) are subject to sector-specific regulation by the Bundesnetzagentur (German federal network agency), pursuant to the Postgesetz (PostG – German Postal Act). The Bundesnetzagentur approves or reviews prices, formulates the terms of downstream access and has special supervisory powers to combat market abuse.

In a judgement dated 14 July 2016, the General Court of the European Union (EGC) set aside the European Commission's state aid decision dated 25 January 2012 in an action brought by the Federal Republic of Germany. In its state aid decision, the European Commission had argued that the financing of civil servant pensions in part constituted unlawful state aid that had to be repaid to the federal government. We have described this in detail in the 2015 Annual Report in notes 49 and 51 to the consolidated financial statements. In their actions, Deutsche Post AG and the federal government asserted that the state aid decision was unlawful. The EGC has now followed this argument in the action brought by the federal government. The action brought by Deutsche Post AG is still pending. Since the European Commission did not file an appeal against the EGC's judgement dated 14 July 2016, that decision is now legally binding. The state aid decision of the European Commission is therefore null and void with final effect and there are no longer any grounds for the obligation to repay the alleged state aid under the state aid decision. The amount of €378 million deposited in a trustee account has been released.

Further litigation

Further legal risks arise, amongst other things, from pending administrative court appeals by an association against the price approvals granted by the Bundesnetzagentur under the price cap procedure for 2016 to 2018. On 5 August 2015, the Federal Administrative Court decided on the appeals by the association against the price approvals granted by the Bundesnetzagentur under the price cap procedure for 2003, 2004 and 2005. The Federal Administrative Court revoked the price approvals concerned in relation to the association as a customer of Deutsche Post AG. However, the Bundesnetzagentur price approvals concerned remain applicable to the general public and may no longer be contested. In 2016, the association withdrew its actions against the price cap approvals for 2008 and 2013.

In its decision dated 14 June 2011, the Bundesnetzagentur concluded that First Mail Düsseldorf GmbH, a subsidiary of Deutsche Post AG, and Deutsche Post AG had contravened the discounting and discrimination prohibitions under the Postgesetz. The companies were instructed to remedy the breaches that had been identified. Both companies

appealed against the ruling. Furthermore, First Mail Düsseldorf GmbH filed an application to suspend the execution of the ruling until a decision was reached in the principal proceedings. The Cologne Administrative Court and the Münster Higher Administrative Court both dismissed this application. First Mail Düsseldorf GmbH discontinued its mail delivery operations at the end of 2011 and retracted its appeal on 19 December 2011. Deutsche Post AG continues to pursue its appeal against the Bundesnetzagentur ruling.

In its ruling of 30 April 2012, the Bundesnetzagentur determined that Deutsche Post AG had contravened the discrimination provisions under the Postgesetz by charging different fees for the transport of identical invoices and invoices containing different amounts. Deutsche Post AG was requested to discontinue the discrimination determined immediately, but no later than 31 December 2012. The ruling was implemented on 1 January 2013. Deutsche Post does not share the legal opinion of the Bundesnetzagentur and appealed the ruling.

In a ruling on 28 June 2016, the Bundesnetzagentur determined that the prices for the Dialogpost "Impulspost" product did not meet the pricing standards of the Postgesetz. The agency ordered the prices to be adjusted immediately (adjustment request). According to the Bundesnetzagentur, the prices did not cover the cost of efficiently providing the service and had anti-competitive effects. On 26 July 2016, the Bundesnetzagentur barred Deutsche Post from charging these prices and declared the prices invalid (prohibitive order), since at this time Deutsche Post had not yet complied with the adjustment request. Deutsche Post does not share the legal opinion of the Bundesnetzagentur and filed an appeal with the Cologne Administrative Court against the orders issued by the agency.

Since 1 July 2010, as a result of the revision of the relevant tax exemption provisions, the VAT exemption has only applied to those specific universal services in Germany that are not subject to individually negotiated agreements or provided on special terms (discounts etc.). Deutsche Post AG does not believe that the legislative amendment fully complies with the applicable provisions of European Community law. Due to the legal uncertainty resulting from the new legislation in certain instances, Deutsche Post AG is endeavouring to clarify certain key issues with the tax authorities.

In view of the ongoing or announced legal proceedings mentioned above, no further details are given on their presentation in the financial statements.

Macroeconomic and industry-specific opportunities and risks

Macroeconomic and sector-specific conditions are a key factor in determining the success of our business. For this reason, we pay close attention to economic trends in the regions. For example, possible changes in US economic policy and the UK's anticipated petition to leave the EU could have an influence that is currently not foreseeable. Despite the volatile economic climate, demand for logistics services rose in 2016, as did the related revenues.

A variety of external factors offer us numerous opportunities; indeed we believe that the global market will continue to grow. Advancing globalisation and further world economic growth mean that the logistics industry will continue to expand. This is especially true of Asia, where trade flows to other regions and in particular within the continent will continue to increase. As the market leader, the expansion will benefit us with our DHL divisions to an above-average extent. This also applies to other countries in regions with strong economic growth such as South America and the Middle East, where we are similarly well positioned to take advantage of the market opportunities arising.

Whether and to what extent the logistics market will grow depends on a number of factors.

The trend towards outsourcing business processes continues. Supply chains are becoming more complex and more international, but are also more prone to disruption. Customers are therefore calling for stable, integrated logistics solutions, which is what we provide with our broad-based service portfolio. We continue to see growth opportunities in this area, in particular in the Supply Chain division and as a result of closer cooperation between all our divisions. The booming online marketplace represents another opportunity for us in that it is creating demand for transporting

documents and goods. The B2C market, is experiencing double-digit growth, particularly due to the rapid rise in digital retail trade. This has created high growth potential for the domestic and international parcel business, which we intend to tap into by expanding our parcel network.

We are nonetheless unable to rule out the possibility of an economic downturn in specific regions or a stagnation or decrease in transport quantities. However, this would not reduce demand in all business units. Indeed, the opposite effect could arise in the parcel business, for example, as a result of more frequent online purchasing amongst consumers. Companies might also be forced to outsource transport services in order to lower costs. Cyclical risks can affect our divisions differently with respect to magnitude as well as point in time, which may mitigate the total effect. Therefore, we consider these to be medium-level risks. Moreover, we have taken measures in recent years to make costs more flexible and to allow us to respond quickly to a change in market demand.

Deutsche Post and DHL are in competition with other providers. Such competition can significantly impact our customer base as well as the levels of prices and margins in our markets. In the mail and logistics business, the key factors for success are quality, customer confidence and competitive prices. Thanks to the high quality we offer, along with the cost savings we have generated in recent years, we believe that we shall be able to remain competitive and keep any negative effects at a low level.

Financial opportunities and risks

As a global operator, we are inevitably exposed to financial opportunities and risks. These are mainly opportunities or risks arising from fluctuating exchange rates, interest rates and commodity prices and the Group's capital requirements. We attempt to reduce the volatility of our financial performance due to financial risk by implementing both operational and financial measures.

Opportunities and risks with respect to currencies may result from scheduled foreign currency transactions or those budgeted for the future. Significant currency risks from budgeted transactions are quantified as a net position over a rolling 24-month period. Highly correlated currencies are consolidated in blocks. Some of the identified risks are hedged using derivatives. The most important net surpluses are budgeted at the Group level in the "US dollar block", pound sterling, Japanese yen and Indian rupee. The Czech crown is the only currency with a considerable net deficit. By offsetting the net deficit in US dollars with surpluses in other highly correlated currencies, the net risk in the "US dollar block" at the Group level is reduced and thus only managed selectively. The average hedging level of all main currencies for the year 2017 was approximately 52% as at the reporting date.

A potential general devaluation of the euro presents an opportunity for the Group's earnings position. Based upon current macroeconomic estimates, we consider this opportunity to be of low relevance. The main risk to the Group's earnings position would be a general appreciation of the euro. The significance of this is deemed low when considering the individual risks arising from the performance of the respective currencies.

The overall risk of all these currency effects is currently deemed to be of low relevance for the Group. This means a downgrade compared with the previous year. In the 2015 Annual Report, the risk for 2016 was considered to be of medium relevance.

As a logistics group, our biggest commodity price risks result from changes in fuel prices (kerosene, diesel and marine diesel). In the DHL divisions, most of these risks are passed on to customers via operating measures (fuel surcharges). We have entered into noteworthy hedging transactions for the purchase of diesel in the Post - eCommerce - Parcel division.

The key control parameters for liquidity management are the centrally available liquidity reserves. Deutsche Post DHL Group had central liquidity reserves of €3.9 billion as at the reporting date, consisting of central financial investments amounting to €1.9 billion plus a syndicated credit line of €2 billion. The Group's liquidity is therefore sound in the

short and medium term. Moreover, the Group enjoys open access to the capital markets on account of its good ratings within the industry, and is well positioned to secure long-term capital requirements.

The Group's net debt amounted to €2.3 billion at the end of 2016. The share of financial liabilities with short-term interest rate lock-ins in the total financial liabilities in the amount of €6.0 billion was approximately 24%.

Further information on the Group's financial position and finance strategy as well as on the management of financial risks can be found in the report on the economic position.

Opportunities and risks arising from corporate strategy

Over the past few years, the Group has ensured that its business activities are well positioned in the world's fastest-growing regions and markets. We are also constantly working to create efficient structures in all areas to enable us to flexibly adapt capacities and costs to demand – a prerequisite for lasting, profitable business success. With respect to strategic orientation, we are focusing upon our core competencies in the mail and logistics businesses with an eye towards growing organically and simplifying our processes for the benefit of our customers. Digitalisation plays a key role in this. Our digital transformation involves the integration of new technologies into a corporate culture that uses the changing environment to its advantage. Opportunities arise, for example, from new infrastructure networking possibilities as well as digital business models. Our earnings projections regularly take account of development opportunities arising from our strategic orientation.

Risks arising from the current corporate strategy, which extends over a long-term period, are considered to be of low relevance for the Group in the period under review. The divisions face the following special situations:

In the Post - eCommerce - Parcel division, we are responding to the challenges presented by the structural change from a physical to a digital business. We are counteracting the risk arising from changing demand by expanding our range of services. Due to the e-commerce boom, we expect our parcel business to continue growing robustly in the coming years and are therefore extending our parcel network. We are also expanding our range of electronic communications services, securing our standing as the quality leader and, where possible, making our transport and delivery costs more flexible. We follow developments in the market very closely and take these into account in our earnings projections. For the specified forecast period, we do not see these developments as having significant potential to impact our business negatively.

In the DHL-Express division, our future success depends above all upon general factors such as trends in the competitive environment, costs and quantities transported. After having spent recent years successfully restructuring and further developing our business, we are focusing upon fostering growth in our international business. We expect a further increase in shipment volumes. Based upon this assumption, we are investing in our network, our services, our employees and the DHL brand. Against the backdrop of the past trend and the overall outlook, we do not see any significant strategic opportunities or risks for the Express division beyond those reported in the section on "Opportunities and risks arising from macroeconomic and industry-specific conditions".

In the DHL-Global Forwarding, Freight division, we purchase transport services from airlines, shipping companies and freight carriers rather than providing them ourselves. In the best-case scenario, we succeed in sourcing transport services on a cost-effective basis. We thus have the opportunity of generating higher margins. In the worst-case scenario, we bear the risk of not being able to pass on all price increases to our customers. The extent of the opportunities and risks essentially depends on trends in the supply, demand and price of transport services as well as the duration of our contracts. Comprehensive knowledge in the area of brokering transport services helps us to capitalise on opportunities and minimise risk.

In the DHL-Supply Chain division, we provide customers in a variety of industries with solutions along the entire logistics chain. Our success is highly dependent on our customers' business success. Since we offer customers a widely

diversified range of products in different sectors all over the world, we can diversify our risk portfolio and thus counteract the incumbent risks. Moreover, our future success also depends on our ability to continuously improve our existing business and to grow in our most important markets and customer segments. We do not see any significant strategic opportunities or risks for the Supply Chain division beyond those reported in the section entitled “Opportunities and risks arising from macroeconomic and industry-specific conditions”.

Opportunities and risks arising from internal processes

For us to render our services, a number of internal processes must be aligned. These include – in addition to the fundamental operating processes – supporting functions such as sales and purchasing as well as the corresponding management processes. The extent to which we succeed in aligning our internal processes to meet customer needs whilst simultaneously lowering costs correlates with potential positive deviations from the current projections. We are steadily improving internal processes with the help of our First Choice initiatives. This improves customer satisfaction whilst reducing our costs. Our earnings projection already incorporates expected cost savings.

Logistics services are generally provided in bulk and require a complex operational infrastructure with high quality standards. To consistently guarantee reliability and punctual delivery, processes must be organised so as to proceed smoothly with no technical or personnel-related glitches. Any weaknesses with regard to the tendering, sorting, transport, warehousing or delivery of shipments could seriously compromise our competitive position. To enable us to identify possible disruptions in our workflows and take the necessary measures at an early stage, we have developed a global IT platform that depicts and integrates our global supply chains and locations. Near real-time information on incidents relevant to security flows into the system, which in cases of disruption also serves as a central communications platform. This poses a competitive advantage that has already met with a high degree of interest from both security agencies and customers.

Opportunities and risks arising from information technology

The security of our information systems is particularly important to us. The goal is to ensure continuous IT system operation and prevent unauthorised access to our systems and databases. To fulfil this responsibility, the Information Security Committee, a sub-committee of the IT Board, has defined guidelines, standards and procedures based upon ISO 27002, the international standard for information security management. In addition, Group Risk Management, IT Audit, Data Protection and Corporate Security monitor and assess IT risk on an ongoing basis. For our processes to run smoothly at all times, the essential IT systems must be constantly available. We ensure this by designing our systems to protect against complete system failures. In addition to third-party data centres, we operate central data centres in the Czech Republic, Malaysia and the United States. Our systems are thus geographically separate and can be replicated locally.

We limit access to our systems and data such that employees can only access the data they need to perform their duties. All systems and data are backed up on a regular basis, and critical data are replicated across data centres.

All of our software is updated regularly to address bugs, close potential gaps in security and increase functionality. We employ a patch management process – a defined procedure for managing software upgrades – to control risks that could arise from outdated software or from software upgrades.

Based upon the measures described above, we estimate the probability of experiencing a significant IT incident with serious consequences as highly unlikely.

In terms of our E-POST products – in particular E-Postbrief – the E-Post platform was re-certified by the German Federal Office for Information Security in accordance with its standards for IT-Grundschutz following completion of the 2016 annual audit. The E-Post platform was also re-certified by TÜV Informationstechnik GmbH pursuant to trusted site privacy criteria and thus complies with both legal and data protection requirements.

Opportunities and risks arising from human resources

It is essential for us to have qualified and motivated employees in order to achieve long-term success. However, demographic change could lead to a decrease in the pool of available talent in various markets. We respond to this risk with measures designed to motivate our employees as well as promote their development.

We use Strategic Resource Management to address the risks arising from an ageing population and the capacity shortages that may result from changing demographic and social structures. The experience gained is used to continuously improve strategic resource management as an analysis and planning instrument. The Generations Pact agreed upon with trade unions in Germany also contributes to taking advantage of the career experience of employees for as long as possible, whilst, at the same time, offering young people long-term career perspectives.

Possible increases in both chronic and acute diseases pose another risk to sustaining our business operations. We address this risk with a systematic health management programme and cross-divisional cooperation.

EXPECTED DEVELOPMENTS

Deutsche Post AG is fully included in the international strategic focus of Deutsche Post DHL Group and the related performance forecast. The Post - eCommerce - Parcel division largely reflects Deutsche Post AG's core business while the DHL divisions indirectly influence Deutsche Post AG in particular through net investment income, as profit transfer agreements are in place. There are no performance indicators relevant to internal management at Deutsche Post AG as a legal entity. The financial statements prepared in accordance with the German Commercial Code (HGB) are significant for calculating the dividend. The presentation of the Company's outlook is therefore based on Deutsche Post DHL Group's key figures which are calculated in accordance with the IFRSs.

Overall Board of Management assessment of the future economic position

The Board of Management expects consolidated EBIT to reach around €3.75 billion in financial year 2017. The Post - eCommerce - Parcel division, which largely reflects Deutsche Post AG's core business, is likely to contribute around €1.5 billion to this figure. Compared with the previous year, we expect an additional improvement in overall earnings to around €2.6 billion in the DHL divisions. All of the DHL divisions are expected to contribute to the increase. The Corporate Center/Other result is projected to be at the prior-year level of around €-0.35 billion. In line with the projected growth in EBIT, we expect that EAC will also increase in 2017. Free cash flow is expected to exceed €1.4 billion.

Forecast period

Outlook generally refers to 2017

The information contained in the report on expected developments generally refers to financial year 2017.

Future economic parameters

Outlook for the global economy improves

The global economy is expected to pick up moderately in 2017. Supported by low interest rates, the economic upturn in the industrial countries is likely to increase slightly. In addition, a number of major countries are set to implement more expansionary financial policies. However, uncertainty could arise from political circumstances such as possible changes in US economic policy, the UK's anticipated petition to leave the EU and the upcoming elections in many euro zone countries. Higher growth rates are expected in the emerging markets, due in the main to the severe recessions experienced by some of the major threshold economies coming to an end, whilst growth trends in many regions are set to continue largely unaltered. Countries that rely on commodities exports are seeing particular signs of improvement. However, there are a number of political and structural risks whose occurrence could impact economic growth in the emerging markets.

Global economy: growth forecast

A.35

%	2016	2017
World trade volumes	1.9	3.8
Real gross domestic product		
World	3.1	3.4
Industrial countries	1.6	1.9
Emerging markets	4.1	4.5
Central and Eastern Europe	2.9	3.1
CIS countries	-0.1	1.5
Emerging markets in Asia	6.3	6.4
Middle East and North Africa	3.8	3.1
Latin America and the Caribbean	-0.7	1.2
Sub-Saharan Africa	1.6	2.8

Source: International Monetary Fund (IMF) World Economic Outlook, January 2017 update.
Growth rates calculated on the basis of purchasing power parity.

The Chinese economy is likely to remain muted, with GDP growth expected to soften notably (IMF: 6.5%; OECD: 6.4%). The Japanese economy is forecast to continue expanding at a cautious pace, experiencing moderate growth similar to that of 2016 (IMF: 0.8%, OECD: 1.0%; IHS [2016]: 1.1%).

Overall, GDP in the United States is anticipated to increase more noticeably in 2017 than in the previous year (IMF: 2.3%; OECD: 2.3%; IHS [2016]: 2.3%).

In the euro zone, the economic recovery shows every sign of continuing. However, GDP growth is projected to weaken somewhat (IMF: 1.6%; ECB: 1.7%; IHS [2016]: 1.5%).

Early indicators suggest that the upswing in Germany will continue. Growth for 2017 as a whole is, however, expected to drop below that of the prior year (IMF: 1.5%; Sachverständigenrat 1.3%; IHS [2016]: 1.9%).

Rather than fall, crude oil listings are more likely to rise slightly from the current moderate level.

The likelihood is very high that the ECB will maintain its key interest rate at the current level in 2017, or even lower the rate further if the euro zone economy should weaken substantially. By contrast, the US Federal Reserve is expected to raise its key interest rate over the course of the year, which could moderately increase capital market interest rates.

World trade grows moderately

After favourable indications in the second half of 2016, in 2017 we expect to see an improvement in the global trade flows relevant to us (air and ocean freight shipped in containers, excluding liquids and bulky goods). All in all, we anticipate growth of 2.5%.

Parcel market expected to see sustained growth

The market for paper-based mail communication continues to decline in Germany, although more moderately than in other European countries. Physical mail volumes are decreasing, primarily because people are communicating digitally to an increasing extent. Following the stamp price increase for a standard letter at the beginning of 2016, we will not make any further price adjustments to regulated mail products until the end of 2018 due to the price-cap mechanism.

The German advertising market is likely to maintain its approximate volumes in 2017. Advertising budgets will continue to shift towards online media. The trend towards automated dialogue marketing campaigns is set to remain unchanged.

The parcel market will continue to grow in Germany, the rest of Europe and the world, as will cross-border services.

The international mail business is likely to see slight growth overall, particularly due to increasing merchandise shipping.

Revenue and earnings forecast

Consolidated EBIT expected to reach around €3.75 billion

We expect the global economy to continue to experience regional variations in 2017 and to grow only moderately on the whole. The global trading volumes relevant to our business are likely to perform similarly. Our business trend is impacted to an ever-increasing extent by structural changes as evidenced in the growing significance of e-commerce-based business models. E-commerce is even gaining relevance in the emerging economies, which we anticipate to be reflected in our revenue trend.

Against this backdrop, we expect consolidated EBIT to reach around €3.75 billion in financial year 2017. The Post - eCommerce - Parcel division is likely to contribute around €1.5 billion to this figure. Compared with the previous year, we expect an additional improvement in overall earnings to around €2.6 billion in the DHL divisions. All of the DHL divisions are expected to contribute to the increase. The Corporate Center/Other result is projected to be at the prior-year level of around €-0.35 billion.

In line with our Group strategy, we plan to focus upon organic growth and anticipate only a few very selective acquisitions in 2017, as in the previous year.

Our finance strategy continues to call for a payout of 40% to 60% of net profits as dividends as a general rule. At the Annual General Meeting on 28 April 2017, we intend to propose to the shareholders that a dividend per share of €1.05 be paid for financial year 2016 (previous year: €0.85).

We expect Deutsche Post AG to generate earnings in financial year 2017 that will enable a similar dividend to be paid.

Expected financial position

No change in the Group's credit rating

In light of the earnings forecast for 2017, we expect the "FFO to debt" indicator to remain stable on the whole and do not expect the rating agencies to change our credit rating from the present level.

Liquidity to remain solid

We anticipate a reduction in our liquidity in the first half of 2017 as a result of the annual pension prepayment due to the Bundesanstalt für Post und Telekommunikation as well as the dividend payment for financial year 2016 in May 2017. However, our operating liquidity situation will improve again significantly towards the end of the year due to the upturn in business that is normal in the second half.

In light of the fact that the bond issued by Deutsche Post Finance B. V. in the amount of €0.75 billion will fall due in June 2017, we shall review the refinancing options available under the Debt Issuance Programme and, if necessary, borrow funds on the capital market.

Capital expenditure of around €2.3 billion in the group expected

In 2017, we plan to increase capital expenditure to around €2.3 billion in support of our strategic objectives and further growth. The focus of capital expenditure will be similar to that of previous years.

Performance of further indicators relevant for internal management

EAC and free cash flow increase

In line with the projected growth in EBIT, we expect that EAC will also grow in 2017. Divisional EAC will be affected by the same influences as detailed in the EBIT outlook. However, as our investing activities continue and the net asset base increases as a result, the rise in EBIT after asset charge may fall slightly short of the EBIT growth. Free cash flow is expected to exceed €1.4 billion.

Employee Opinion Survey results again positive

We intend to keep up the positive results that our Employee Opinion Survey achieved in the reporting year. For 2017, we expect to see an increase to 75% in the approval rating for the key performance indicator Active Leadership.

Further improve greenhouse gas efficiency

We expect the Group to further improve its carbon efficiency. Our CEX score should increase by one index point during financial year 2017.

This Management Report contains forward-looking statements that relate to the business, financial performance and results of operations of Deutsche Post AG. Forward-looking statements are not historical facts and may be identified by words such as "believes", "expects", "predicts", "intends", "projects", "plans", "estimates", "aims", "foresees", "anticipates", "targets" and similar expressions. As these statements are based upon current plans, estimates and projections, they are subject to risks and uncertainties that could cause actual results to be materially different from the future development, performance or results expressly or implicitly assumed in the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which apply only as at the date of this presentation. Deutsche Post AG does not intend or assume any obligation to update these forward-looking statements to reflect events or circumstances after the date of this Annual Report. Any internet sites referred to in the Management Report do not form part of the report.

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