



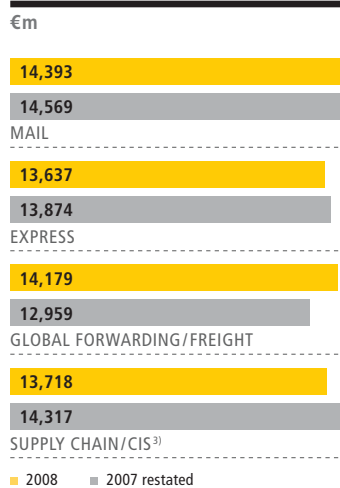
Key Figures

Selected key figures¹⁾

		2007 restated	2008	+ / - %
Profit from operating activities (EBIT) before non-recurring items	€m	2,668	2,410	-9.7
Non-recurring items	€m	535	2,977	-
EBIT	€m	2,133	-567	-126.6
Revenue	€m	54,043	54,474	0.8
Return on sales ²⁾	%	3.9	-	-
Consolidated net profit/loss ³⁾	€m	1,383	-1,688	-
Operating cash flow (Postbank at equity)	€m	2,808	3,362	19.7
Net debt (Postbank at equity) ⁴⁾	€m	2,858	2,412	-15.6
Return on equity before taxes	%	8.6	-9.0	-
Earnings per share ⁵⁾	€	1.15	-1.40	-
Dividend per share	€	0.90	0.60 ⁶⁾	-33.3
Number of employees ⁷⁾		447,626	456,716	2.0

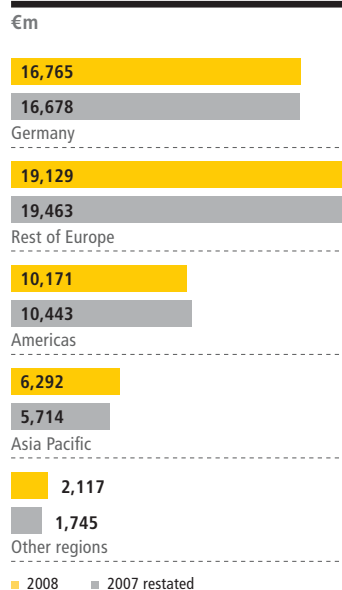
1) Excluding Postbank. 2) EBIT/revenue. 3) Excluding minorities, including Postbank. 4) Adjusted for financial liabilities to Williams Lea minority shareholders. 5) Including Postbank. 6) Proposal. 7) Average FTE.

Revenue by division^{1),2)}



1) Excluding Corporate Center/Other and discontinued operations.
2) Note 10.
3) CORPORATE INFORMATION SOLUTIONS.

Revenue by region^{1),2)}



1) Continuing operations.
2) Note 10.



At a Glance

ANNUAL REPORT

2008

Delivering on the Future

We are both Germany's postal operator and the global market leader for logistics. Our Deutsche Post and DHL brands stand for a wide range of easily accessible services and sustainable solutions for the transport of letters, goods and information. With around 500,000 employees in more than 220 countries and territories, we are one of the world's most important employers. As the largest company in our industry, we take our responsibility to the environment seriously. We have developed GoGreen – our environmental initiative that institutes a systematic approach to achieving our climate protection target. www.dpwn.com

Deutsche Post

Deutsche Post delivers mail and parcels in Germany, and we are specialists in dialogue marketing and press distribution services. In Germany, we operate the largest network of fixed-location retail outlets – around 14,000 – where Postbank services are also offered. At the heart of our nationwide transport and delivery network are 82 mail centres processing around 70 million items per working day and 33 parcel centres, where on six days a week our handling volume exceeds 2.5 million units. An annual volume of around 7.5 billion items makes us the cross-border mail market leader and Europe's largest postal operator. www.deutschepost.com

DHL



DHL delivers time-critical shipments as well as goods and merchandise by road, rail, air or sea. We transport courier and express shipments via one of the world's most extensive networks – our gateway to over 220 countries and territories. We are the world's largest air and ocean freight operator and one of the leading overland freight forwarders in Europe and the Middle East. In 65 countries all over the world, we offer customised solutions in outsourced contract logistics at every link in the supply chain. Our tailored solutions for both digital and print information round off our comprehensive offering. www.dhl.com

Milestones 2008

CHANGES TO GROUP BOARD OF MANAGEMENT

FEBRUARY/MARCH +++ Dr Frank Appel is appointed as new chairman of the Board of Management. The LOGISTICS Division is dissolved and split between two board departments. Bruce Edwards becomes the new Board member in charge of the SUPPLY CHAIN/CIS Division and Hermann Ude the new Board member in charge of the GLOBAL FORWARDING/FREIGHT Division. +++

SALE OF REAL ESTATE PORTFOLIO

APRIL +++ The Group sells a portfolio of approximately 1,300 properties located mainly in Germany to US investor Lone Star for €1 billion in cash. +++

GROUP SETS CLIMATE PROTECTION TARGET

APRIL +++ Deutsche Post World Net – the largest player in its industry – sets itself a measurable climate protection target. For every letter posted, every container shipped and every square metre of space used, the Group aims to reduce its carbon footprint by 30% below 2007 levels by 2020. +++

WAGE AGREEMENT REACHED

APRIL +++ During their collective-bargaining negotiations, Deutsche Post AG and the service trade union Verdi agree on an extended job security pact, a pay increase for staff covered by the collective-bargaining agreement and additional weekly working hours for about 130,000 company employees. The collective agreement will end on 30 June 2010. +++

DIVIDEND DISTRIBUTED

MAY +++ A dividend per share of €0.90 for financial year 2007 is distributed. The total dividend amounts to €1,087 million. +++

DHL OPENS EUROPEAN AIR FREIGHT HUB

MAY +++ European air freight hub at Leipzig/Halle Airport launches operations. The Group invested around €300 million in the facility where approximately 1,500 tonnes of freight are transhipped each working day. +++

EUROPEAN COURT AWARDS DEUTSCHE POST REPAYMENT

JULY/AUGUST +++ The European Court of First Instance annuls a decision by the European Commission, which had ordered Deutsche Post to repay purported state aid. As a result, the German government repaid the sum of €1,067 million to Deutsche Post. +++

STEPS INITIATED TO SELL POSTBANK

SEPTEMBER +++ Deutsche Post agreed to sell a minority stake in Postbank to Deutsche Bank. The sale of the first tranche of the shareholding will be completed in the first quarter of 2009. +++

RESTRUCTURING OF THE US EXPRESS BUSINESS

NOVEMBER +++ Deutsche Post World Net announces that it will exit the domestic express business in the USA by the beginning of 2009. The international express offering in the United States will be maintained. +++

2008

What we achieved in 2008:

We have agreed to sell shares in Deutsche Postbank to Deutsche Bank and we began to reorganise our US express business. We have consistently implemented the initiatives set forth in our Roadmap to Value capital markets programme and ran a tight cost management system. Thanks not least to these efforts, we met our adjusted target for the period. Earnings from operating activities (excluding Postbank) were just above our target of €2.4 billion.

2009

What we plan to achieve in 2009:

The economic downturn has impacted the entire logistics industry. Yet we remain convinced that our strong brands – Deutsche Post and DHL – and our global reach make us well-equipped for difficult times. To mitigate adverse effects from materially lower business volumes, we plan to make fewer investments and to lower indirect costs by €1 billion by 2010 in a Group-wide cost-cutting drive.



Dr Frank Appel, Chairman of the Board of Management

25 February 2009
Financial year 2008

Dear Shareholders,



25 February 2009
Financial year 2008

Dear Shareholders,

One year into my chairmanship of the Board of Management, the Group has carved out a clear path for continued success. We have initiated steps to sell Postbank and to restructure the US express business, consistently implemented the Roadmap to Value and prepared ourselves for the impacts of the global economic crisis.

For Postbank, we have found the perfect partner in Deutsche Bank. Our thorough analyses and sound decision-making processes have paid off, and we established attractive conditions for the transaction despite the difficult market climate.

The second decision of great consequence concerned our US express business. In May, we began to restructure the business from the ground up in order to minimise losses that were no longer acceptable. Nevertheless, the weak US economy and declining shipment volumes have since then forced us to take even more drastic measures. In November, we decided to focus our express business in the US on our international offering and to exit the domestic business. This was certainly one of the most difficult decisions I have had to take in my management career to date.

The current economic crisis has taught us that we must do more to safeguard the future of our Group. With our Roadmap to Value capital markets programme, we are already well underway. As a result of the programme's initiatives, we have achieved encouraging growth rates in the emerging economies, cut costs and made operational improvements. We increased our reporting transparency by now reporting the logistics business units separately and our financial position is stable. Net cash from operating activities increased significantly, whilst working capital declined.

Thanks to these efforts, we have met our adjusted target for the period. Earnings from operating activities before non-recurring items (excluding Postbank) were just above our target of €2.4 billion. However, non-recurring items impacted our earnings. The repayment from the German government awarded as a result of the state aid proceedings boosted earnings, whilst the restructuring costs for the US express business and a write-down on the goodwill of SUPPLY CHAIN/CIS undermined our bottom line. Adjusted for non-recurring items, we are reporting a loss. EBIT (excluding Postbank) declined to € -567 million; the Group generated a consolidated net loss for the period of €1.98 billion.

1/2

The economic downturn has impacted the entire logistics industry appreciably and, in turn, our business. Trading volumes continued to weaken in most of our business units, especially in the fourth quarter. We have seen that this trend has continued and even intensified in the first weeks of the new financial year.

Yet we are taking action. In keeping with our Roadmap to Value, we intend to cut costs further – an additional €1 billion by the end of 2010. We are setting strict standards for investments and acquisitions and further tightening our working capital. The restructuring in the US is progressing according to plan. We intend to minimise losses there to US\$ 400 million (annualised) by the last quarter of 2009.

Management is setting a clear example: The Board of Management and the Supervisory Board will not receive any performance-based bonuses for the past financial year.

I am thoroughly convinced that we will come out of the recession in a stronger position. Since we are the market leader with a global network and a comprehensive portfolio, we are able to respond more flexibly than competitors to our customers' changing requirements.

Now that we have boldly and systematically set a clear course, it is time to take up our strategy for the future. We want to maintain our position as "Die Post für Deutschland" (the postal service for Germany) whilst making optimum use of the global strength of our logistics business.

Together with our around 500,000 employees, we are creating a corporate culture marked by a focus on results and mutual respect. We intend not only to meet the expectations of our customers and shareholders in the future but to exceed them.

I would like to sincerely thank our employees for their hard work in an extremely challenging year and I thank you for your trust in our company. We would like to show our appreciation by proposing a dividend of €0.60 per share this year.

Yours faithfully,

