

Deutsche Post Finance B.V.

Semi-Annual Report

30 June, 2016

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1. Management Report

1.1 Introduction

This report includes the Financial Statements of Deutsche Post Finance B.V. (“The Company”) as at 30 June, 2016. The Company is part of Deutsche Post DHL Group (“The Group”).

1.2 Business activities

The principal activity of the Company consists of raising capital in order to lend funds to Deutsche Post DHL group companies.

1.3 Legal relationships

General information

The Company was incorporated in the Netherlands, Rotterdam on 13 April, 1999 and is now listed in the Commercial Register of the Chamber of Commerce for Limburg under number 24.29.26.43. The Company is owned 100% by Deutsche Post International B.V. in Maastricht, the Netherlands. Ultimate shareholder is Deutsche Post AG in Bonn, Germany.

Management Board

The Management Board currently consists of two members:

- Mr. Roland Buss
- Mr. Timo van Druten.

Business address

Pierre de Coubertinweg 7N, 6225 XT Maastricht

1.4 Main business developments

In the first half year of 2016 there were no events that materially affected the Company’s net assets, financial position and results from operations.

In particular the Company did not perform any activities on the capital markets.

The balance sheet total of the Company nearly stayed unchanged compared to the end of 2015. The Company’s result after taxation per 30 June 2016 amounts to a gain of EUR 276.263. Excluding the expense from hedge ineffectiveness, totaling EUR 181.685, the 2016 minimum margin result amounts to a profit of EUR 457.948 [30 June 2015: EUR 469.544].

This profit meets the management’s expectations and is in line with the Company’s calculated minimum profit margin.

The ineffectiveness recognized in the statement of comprehensive income results from strict hedge accounting requirements.

The main risks affecting the Company are interest and currency risks. Interest risks as well as currency risks are hedged according to guidelines of the Group by the Group’s Central Treasury. The variety of instruments used for hedging purposes and the policies are described in the notes to the Financial Statements.

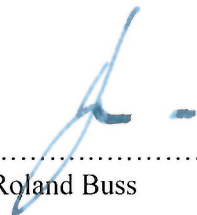
1.5 Future business developments

The liquidity situation of the Group remains solid. The management of the Company is not aware of any plans to raise funds from the capital markets in 2016.

The Company will persist as a Group finance company and any possible future proceeds of debt issues will be lent within the Group.

Maastricht, 26 August, 2016

The Management Board:



.....
Roland Buss



.....
Timo van Druten

2. Financial Statements

2.1 Balance sheet

Amounts in EUR	Note	30 June, 2016	31 December, 2015
Non-current assets			
Long-term loans receivable		500.111.290	1.366.516.140
Non-current derivatives positive FV	(4)	51.373.509	44.498.749
		551.484.799	1.411.014.889
Current assets			
Short-term receivables from affiliated companies		848.565.080	11.778.315
Cash pool receivables		14.199.107	12.171.547
Other receivables		11.535	11.122
		862.775.722	23.960.984
		1.414.260.521	1.434.975.873
Shareholders' equity			
	(5)		
Share capital		18.500	18.500
Capital reserve		2.000.000	2.000.000
Hedge reserve		8.200.255	11.078.885
Retained earnings		15.534.027	15.257.764
		25.752.782	28.355.149
Long-term liabilities			
Bonds long-term	(6)	549.388.791	1.282.784.612
Non-current derivatives negative FV	(4)	0	108.463.859
		549.388.791	1.391.248.471
Short-term liabilities			
Bonds Short term	(6)	748.685.765	0
Current derivatives negative FV	(4)	90.171.864	0
Accrued interest		247.089	15.359.802
Other current liabilities and accruals		14.230	12.451
		839.118.948	15.372.253
		1.414.260.521	1.434.975.873

The notes are an integral part of the Company's Financial Statements.

2.2 Statement of comprehensive income

<u>Amounts in EUR</u>	<u>Note</u>	<u>1 January - 30 June, 2016</u>	<u>1 January - 30 June, 2015</u>
Interest income	(7)	11.982.378	12.482.247
Interest expenses	(8)	(11.467.026)	(11.952.782)
Other gains and losses		(181.685)	175.106
Other operating expenses		(57.404)	(59.921)
		<hr/>	<hr/>
		276.263	644.650
Profit before Taxes		<hr/>	<hr/>
		276.263	644.650
Income tax expense		0	0
		<hr/>	<hr/>
		0	0
Profit for the Year		<hr/>	<hr/>
		276.263	644.650
Changes in hedge reserve		(2.878.630)	(4.554.138)
		<hr/>	<hr/>
Comprehensive Income		(2.602.367)	(3.909.488)
		<hr/>	<hr/>

The profit for the year is attributable to the parent.

The notes are an integral part of the Company's Financial Statements.

2.3 Statement of changes in shareholders' equity

Movements in shareholders' equity during the financial year were as follows:

Amounts in EUR	Total	Share capital	Capital reserve	Cash flow hedge reserve	Retained earnings
At 1 January 2015	29.309.266	18.500	2.000.000	13.054.812	14.235.954
<i>Movements 2015</i>					
Valuation Financial Instruments	(4.554.138)	0	0	(4.554.138)	0
Net result 2015	644.650	0	0	0	644.650
Balance at 30 June, 2015	25.399.778	18.500	2.000.000	8.500.674	14.880.604
At 1 January, 2016	28.355.149	18.500	2.000.000	11.078.885	15.257.764
<i>Movements 2016</i>					
Valuation Financial Instruments	(2.878.630)	0	0	(2.878.630)	0
Net result 2016	276.263	0	0	0	276.263
Balance at 30 June, 2016	25.752.782	18.500	2.000.000	8.200.255	15.534.027

The notes are an integral part of the Company's Financial Statements.

2.4 Cash flow statement

Amounts in EUR	30 June, 2016	30 June, 2015
Cash inflow		
Interest inflow	57.498.996	58.434.287
Total Cash inflow	57.498.996	58.434.287
Cash outflow		
Interest outflow	(55.415.398)	(56.350.567)
Other outflows (SLA etc.)	(56.038)	(38.472)
Cash pooling / IHB increase	(2.027.560)	(2.045.248)
Total Cash outflow	(57.498.996)	(58.434.287)
Net cash flow	0	0

Gross cash flows include cash movements from and towards the cash pool balance. The cash pool balance is related to the cash pool agreement between Deutsche Post Finance B.V. and Deutsche Post AG.

Cash pool balance	2016	2015
Opening balance at 1 January	12.171.547	9.463.916
Net cash flow	2.027.560	2.045.248
Closing balance at 30 June	14.199.107	11.509.164

All cash flows are considered to be operating cash flows.

The notes are an integral part of the Company's Financial Statements.

2.5 Notes to the Financial Statements

(1) *General overview*

Deutsche Post Finance B.V. (hereafter “The Company”), having its statutory seat in Maastricht, was incorporated in the Netherlands, Rotterdam on 13 April, 1999 and is now listed in the Commercial Register of the Chamber of Commerce for Limburg under the number 24.29.26.43. The Company is owned 100% by Deutsche Post International B.V. in Maastricht, the Netherlands. The ultimate shareholder is Deutsche Post AG in Bonn, Germany.

The principal activity of the Company consists of raising capital in order to lend funds to Deutsche Post DHL group companies.

Items included in the Financial Statements are measured using the currency of the primary environment in which Deutsche Post Finance B.V. operates (“the functional currency”). The Financial Statements are presented in Euro, which is the Company’s presentation currency and functional currency.

The Company has no subsidiaries, joint ventures or associates. The Company itself is a part of the Group and the financial results of the Company are incorporated into the IFRS Consolidated Financial Statements of the Group.

The date of approval of these Financial Statements by the Management Board is 26 August, 2016.

(2) *Basis of accounting*

The interim Financial Statements as of 30 June, 2016, have been prepared in accordance with the International Financial Reporting Standards (IFRS) and related interpretations issued by the International Accounting Standards Board (IASB) for interim financial reporting, as adopted by the European Union. These interim Financial Statements thus include all information and disclosures required by IFRS to be presented in condensed interim Financial Statements. The accounting policies applied to the condensed interim Financial Statements are generally based on the same accounting policies used in the Financial Statements for the financial year 2015. For further information on the accounting policies applied, please refer to the Financial Statements for the year ended 31 December 2015, on which these interim Financial Statements are based.

Departures from the accounting policies applied in the financial year 2015 consist of the new or amended international accounting pronouncements under IFRS required to be applied since financial year 2016.

Amendment to IAS 19 (Defined Benefit Plans: Employee Contributions)

The amendments apply to the recognition of employee contributions to defined benefit retirement plans. Their objective is to simplify accounting for employee contributions that are independent of the number of years of service. In such cases, the service cost in the period in which the corresponding service is rendered may be reduced. The amendment does not affect the Financial Statements of Deutsche Post Finance B.V.

Annual Improvements 2010-2012

The improvements clarify the definition of ‘vesting condition’ by separately defining two types of vesting conditions, performance conditions and service conditions. They clarify that contingent consideration that is classified as an asset or a liability shall be measured at fair value at each reporting date under IFRS 3; according to IFRS 8 they require an entity to disclose the judgments made by management in applying the aggregation criteria to operating segments and clarifies that an entity shall only provide reconciliations of the total of the reportable segments' assets to the entity's assets if the segment assets are reported regularly; the improvements clarify that the issuing of IFRS 13 and amending of IFRS 9 and IAS 39 do not remove the ability to measure short-term receivables

and payables with no stated interest rate at their invoice amounts without discounting if the effect of not discounting is immaterial; according to IAS 16 if an item of property, plant and equipment is revalued, the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount; the improvements include a clarification to IAS 24 that if an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity then it is a related party of the reporting entity; they also clarify the revaluation method for intangible assets under IAS 38, namely that if an intangible asset is revalued, the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount.

Amendments to IAS 16 (Property, Plant and Equipment and IAS 38, Intangible Assets: Clarification of Acceptable Methods of Depreciation and Amortization)

The amendments expand the existing requirements relating to the permitted depreciation and amortization methods for intangible assets and for property, plant and equipment. The amendments specify that revenue-based depreciation and amortization methods are not permitted in the case of property, plant and equipment and may only be used for intangible assets in certain exceptional circumstances. In addition, the amendments clarify that a reduction in the selling price of goods and services could signal obsolescence, which could in turn reflect a reduction in the economic benefits available from the asset. The amendment does not affect the Financial Statements of Deutsche Post Finance B.V.

Amendments to IFRS 11 (Joint Arrangements - Acquisition of Interests in Joint Operations)

The amendment clarifies that the acquisition and additional acquisition of interests in joint operations in which the activity constitutes a business, as defined in IFRS 3, Business Combination, must be recognized in accordance with the principles governing business combinations accounting in IFRS 3 and other relevant IFRSs, with the exception of those principles that conflict with the requirements of IFRS 11. The amendments do not apply if the reporting entity and the other parties involved are under the common control of the same ultimate controlling party. The amendment does not affect the Financial Statements of Deutsche Post Finance B.V.

Annual Improvements 2012-2014

The annual improvements describe the consequences in a change of the disposal methods under IFRS 5. Assets (or disposal groups) are generally disposed of either through sale or through distribution to owners. The amendment to IFRS 5 clarifies that changing from one of these disposal methods to the other should not be considered to be a new plan of disposal, rather it is a continuation of the original plan. IFRS 7 requires an entity to provide disclosures for any continuing involvement in a transferred asset that is derecognized in its entirety. Servicing contracts constitute a continuing involvement if the contract includes a fee.

Amendments to IAS 1 (Presentation of Financial Statements: Disclosure Initiative)

The changes comprise clarification relating to the materiality of the items presented in all components of IFRS Financial Statements. Information that is not material need not be presented. This applies even if disclosure is explicitly required in other standards. In addition, the revised version of IAS 1 includes new rules or clarifications of existing requirements concerning the presentation of subtotals, the structure of the notes and the disclosures on accounting policies. The presentation of the interest in equity-accounted investments in other comprehensive income is also clarified. The amendment does not affect the Financial Statements of Deutsche Post Finance B.V.

Amendments to IAS 27 (Equity Method in Separate Financial Statements)

Investments in subsidiaries, joint ventures and associates can be measured either at cost (IFRS 5 non-current assets held for sale and discontinued operations where relevant), or in accordance with IAS 39 or IFRS 9 Financial Instruments in the separate Financial Statements of the investor. The amendment does not affect the Financial Statements of Deutsche Post Finance B.V.

Detailed explanations on the newly applicable accounting standards can be found in the Deutsche Post Finance B.V. Financial Statements per 31 December 2015.

(3) *Financial risk management*

The principal activity of Deutsche Post Finance B.V. consists of raising capital in order to lend funds to Deutsche Post DHL group companies. These activities result in financial risks that may arise from changes in exchange rates and interest rates. Both risks are hedged according to the Group's guidelines by the Group's Central Treasury.

Internal guidelines govern the universe of actions, responsibilities and controls necessary for using derivatives. Suitable risk management software is used to record, assess and process hedging transactions. It is also used to regularly assess the effectiveness of the hedging relationships. The Group only enters into hedging transactions with prime-rated banks. Each bank is assigned a counterparty limit, the use of which is regularly monitored.

The Group's Board of Management receives regular internal information on the existing financial risk and the hedging instruments deployed to limit them.

The fair values of the derivatives used may be subject to substantial fluctuations depending on changes in exchange rates and interest rates. These fluctuations in fair value are not to be viewed in isolation from the underlying transactions that are hedged. Derivatives and hedged transactions form a unity with regard to their offsetting value development.

Interest rate risk and interest rate management

Interest rate risk arises from changes in market interest rates for financial assets and financial liabilities. To quantify the risk profile, according to the Group's guidelines, all interest-bearing receivables and liabilities are recorded, interest rate analyses are regularly prepared, and the potential effects on the net interest income are examined. The Group uses interest rate derivatives, such as interest rate swaps and options, to reduce financing costs and optimally manage and limit interest rate risks by adjusting the ratio of fixed to variable interest agreements.

As at 30 June 2016 fixed rate bonds with a total notional volume of EUR 1.250 million were outstanding, maturing in 2017 and 2022. The bonds are used to finance a fixed rate USD 943 million loan to a Deutsche Post DHL group company in the US and to grant floating interest rate EUR loans to other Deutsche Post DHL group companies. The related interest rate and or foreign currency risks have been fully hedged using cross currency and interest rate swaps.

The proceeds of the EUR 750 million bonds maturing in 2017 have been used to grant a fixed rate USD 943 million loan to a Deutsche Post DHL group company in the US. The respective foreign currency and interest rate risk was hedged using a fixed to fixed cross currency interest rate swap. Cash flow hedge accounting is applied for this instrument.

The EUR 500 million bonds maturing in 2022 have been transformed into a floating rate liability with a fixed to float receiver interest rate swap. For this interest rate swap fair value hedge accounting is applied. The EUR 500 million have been used to finance floating rate EUR loans to Deutsche Post DHL group companies maturing in 2022.

Foreign exchange risk

Currency risks for the Company arise almost exclusively from its USD lending activities to the Deutsche Post DHL group companies. According to the Group's risk management guidelines the recorded currency risks arising from financial transactions are usually hedged in full.

These risks are hedged using financial derivatives, such as currency forwards, swaps and cross currency interest rate swaps.

The Company does not use derivative instruments for speculative purposes.

Liquidity risk

The Group ensures a sufficient supply of cash for Group companies at all times via a largely centralized liquidity management system. Deutsche Post Finance B.V. is one of the most important

financing entities within the Group. Therefore the Company issued bonds which are fully guaranteed by Deutsche Post AG.

(4) Derivative financial instruments and hedging

Derivative financial instruments

The following table provides an overview of the derivatives applied by the Company:

Fair values:

	30-06-2016	31-12-2015
	EUR	EUR
Interest rate swaps (negative value)	0	0
Interest rate swaps (positive value)	51.373.509	44.498.749
Cross-currency interest rate swaps (negative value)	(90.171.864)	(108.463.859)
Cross-currency interest rate swaps (positive value)	0	0
	<hr/>	<hr/>
Total FV of all derivative financial instruments	(38.798.355)	(63.965.110)
	<hr/>	<hr/>

The positive market value of the interest rate swap is included in the non-current assets and the negative market value of the cross currency interest rate swap is included in the short-term liabilities.

The fair value of the interest rate and foreign currency hedging instruments was calculated on the basis of discounted expected future cash flows, using a discounted cash flow model using observable market input.

Nominal amounts:

	30-06-2016	31-12-2015
	EUR	EUR
Interest rate swaps	500.000.000	500.000.000
Cross-currency interest rate swaps	750.000.000	750.000.000

Fair value hedges

An interest rate swap with a volume of EUR 500.000.000 was concluded in 2012 to hedge the fair value risk of the nominal amount of the fixed interest Euro-denominated bond maturing in 2022. The positive fair value of this fixed to floating interest rate swap amounts to EUR 51.373.509 [31 December 2015: EUR 44.498.749].

Cash flow hedges

Cash flow hedges were entered into to hedge the interest and currency cash flow risk on bonds/loans resulting from foreign currency and interest changes.

In 2012 the Company granted a long term USD denominated fixed interest loan (maturity 2017). In order to hedge the associated risks, the Company entered into a fixed to fixed cross-currency interest rate swap, changing the fixed USD 943.125.000 receivables of the loan into a fixed EUR 750.000.000 receivable and related interest receivable. The negative fair value of this cross-currency interest rate swap amounts to EUR 90.171.864 at balance sheet date [31 December 2015: EUR 108.463.859].

(5) **Shareholders' equity**

Share capital

The authorized share capital of the Company as at 30 June, 2016 amounts to EUR 90.000 and consists of 180 ordinary shares each of EUR 500. The issued share capital amounts to EUR 18.500 and consists of 37 ordinary shares with a nominal value of EUR 500 each, which are fully paid.

Capital reserve

On 23 May, 2002 the shareholder paid a capital contribution amounting to EUR 2.925.697. On the same date the shareholder approved offsetting the negative retained earnings as at 31 December, 2001, amounting to EUR 925.697, against the capital reserve.

Hedge reserve

Net gains or losses from changes in the fair value of the effective portion of a cash flow hedge are taken directly to the hedge reserve. The hedge reserve is released to income when the hedged item is settled. The ineffective portion of the cash flow hedges is excluded from the hedge reserve and recognized in profit and loss for the year.

(6) **Bonds long-term and short-term**

On 25 June, 2012 the Company issued EUR 750.000.000, 1,875% bonds of 2012/2017 with an issue price of 99,467% and EUR 500.000.000, 2,950% bonds of 2012/2022 with an issue price of 99,471%.

The bonds issued by the Company are fully guaranteed by Deutsche Post AG.

Nominal amounts:

	Bonds	30-06-2016	31-12-2015
		EUR	EUR
	Bond 2017	750.000.000	750.000.000
	Bond 2022	500.000.000	500.000.000
		<hr/>	<hr/>
		1.250.000.000	1.250.000.000
		<hr/>	<hr/>
		30-06-2016	31-12-2015
		EUR	EUR
1 – 5 years, nominal value		750.000.000	750.000.000
> 5 years, nominal value		500.000.000	500.000.000
		<hr/>	<hr/>
		1.250.000.000	1.250.000.000
		<hr/>	<hr/>

The fair values of the bonds are as follows:

Bonds	30-06-2016	31-12-2015
	EUR	EUR
Bond 2017	764.332.500	768.817.500
Bond 2022	578.700.000	561.830.000
	1.343.032.500	1.330.647.500

The carrying amounts of the amortized costs of the bonds (before the fair value adjustments relating to hedging) are as follows:

Bonds	30-06-2016	31-12-2015
	EUR	EUR
Bond 2017	748.685.765	748.032.441
Bond 2022	497.059.063	496.835.367
	1.245.744.828	1.244.867.808

The carrying amounts of the bonds (after fair value adjustment relating to hedging) are as follows:

Bonds	30-06-2016	31-12-2015
	EUR	EUR
Bond 2017	748.685.765	748.032.441
Bond 2022	549.388.791	534.752.171
	1.298.074.556	1.282.784.612

The effective interest rates were as follows:

Bonds	30-06-2016	31-12-2015
Bond 2017	2,0613%	2,0613%
Bond 2022	1,1737%	1,2943%

(7) **Interest income**

The interest income arises from settled and unsettled balances with related parties, which the Company shows as receivables. The interest income from affiliated companies can be specified as follows:

	1 January – 30 June, 2016	1 January – 30 June, 2015
	EUR	EUR
Deutsche Post DHL group companies	14.523.548	16.625.573
Interest expenses from cross-currency swap	(2.541.170)	(4.143.326)
	<hr/>	<hr/>
	11.982.378	12.482.247
	<hr/>	<hr/>

(8) **Interest expenses**

Interest expenses due on bonds can be specified as follows:

	1 January – 30 June, 2016	1 January – 30 June, 2015
	EUR	EUR
Interest expenses (fixed) Bond 2017	(6.993.144)	(6.973.143)
Interest expenses (fixed) Bond 2022	(7.335.031)	(7.314.052)
Interest income from interest rate swap related to Bond 2022	4.359.781	3.811.427
Amortization of the bond discount and issue costs	(877.019)	(857.179)
Guarantee provision	(621.613)	(619.835)
	<hr/>	<hr/>
	(11.467.026)	(11.952.782)
	<hr/>	<hr/>

(9) **Disclosure on financial instruments**

The following table presents the financial instruments recognized at fair value and those financial instruments whose fair value is required to be disclosed; the financial instruments are presented by the level in the fair value hierarchy to which they are assigned. The simplification option under IFRS 7.29a was exercised for current assets and short-term liabilities with predominantly short maturities. Their carrying amounts as at the reporting date are approximately equivalent to their fair values.

Level 1 mainly comprises debt instruments measured at amortized cost. In addition to these instruments, interest rate and currency derivatives are reported under Level 2. The fair values of the derivatives are measured on the basis of discounted expected future cash flows, taking into account forward rates for currencies and interest rates (market approach). For this purpose, price quotations observable on the market (exchange rates and interest rates) are imported from information platforms customary in the market into the treasury management system. The price quotations reflect actual transactions involving similar instruments on an active market. Any currency options used are measured using the Black-Scholes option pricing model. All significant inputs used to measure derivatives are observable on the market.

No instruments have been disclosed under Level 3.

No financial instruments have been transferred between levels in the current financial year.

Recurring fair value measurement

Financial assets and liabilities per 30 June 2016

EUR	Level 1	Level 2	Level 3	Total
Assets				
Non-current assets	0	584.526.308	0	584.526.308
Current assets	0	0	0	0
Total assets	0	584.526.308	0	584.526.308
Liabilities				
Long-term liabilities	(578.700.000)	0	0	(578.700.000)
Short-term liabilities	(764.332.500)	(90.171.864)	0	(854.504.364)
Total liabilities	(1.343.032.500)	(90.171.864)	0	(1.433.204.364)

Financial assets and liabilities per 31 December 2015

EUR	Level 1	Level 2	Level 3	Total
Assets				
Non-current assets	0	1.462.931.952	0	1.462.931.952
Current assets	0	0	0	0
Total assets	0	1.462.931.952	0	1.462.931.952
Liabilities				
Long-term liabilities	(1.330.647.500)	(108.463.859)	0	(1.439.111.359)
Short-term liabilities	0	0	0	0
Total liabilities	(1.330.647.500)	(108.463.859)	0	(1.439.111.359)

Level 1 : Quoted prices for identical instruments in active market

Level 2 : Inputs other than quoted prices that are directly or indirectly observable for instruments

Level 3 : Inputs not based on observable market data

The simplification option under IFRS 7.29a was exercised for short-term receivables from affiliated companies, cash pool receivables, other receivables, accrued interest and other current liabilities and accruals with predominantly short maturities. Their carrying amounts as at the reporting date are approximately equivalent to their fair values.

Financial assets and liabilities are set off on the basis of netting agreements (master netting agreements) only if an enforceable right of set-off exists and settlement on a net basis is intended as at the reporting date. If the right of set-off is not enforceable in a normal course of business and the master netting arrangements creates a conditional right of set-off that can only be enforced by taking legal action, the financial assets and liabilities must be recognized in the balance sheet at their gross amounts as at the reporting date.

To hedge cash flow and fair value risks, Deutsche Post Finance B.V. enters into financial derivative transactions with Deutsche Post AG. There are no netting agreements for these contracts. Therefore all derivatives are recognized at their gross amount in the Financial Statements.

(10) *Income tax expense*

The Company is part of the fiscal unity formed with Deutsche Post International B.V. and its affiliated companies in the Netherlands. Current and deferred income tax assets and liabilities of the Company have been included and recognized in the accounts of Deutsche Post International B.V. as head of the fiscal unity.

(11) *Cash flows*

The principal activity of the Company consists of raising capital in order to lend funds to Deutsche Post DHL group companies. Therefore all activities, relating to interest received and paid are classified as operating activities. All transactions and balances of the Company within the in-house bank of the Deutsche Post DHL Group are classified as changes in working capital (changes in receivables and payables).

The Company has not received or paid any dividends during 2016.

(12) *Related party transactions*

Deutsche Post Finance B.V. is involved in various related party transactions. For more details, we refer to these Financial Statements.

(13) *Employees*

The Company has no employees. Employees of the Deutsche Post European Financial Shared Services in Maastricht and the Treasury Center in Bonn perform the administrative activities.

(14) *Director's remuneration*

The Management Board of the Company currently consists of two members:

- Mr. Roland Buss
- Mr. Timo van Druten.

The members of the Management Board do not receive any remuneration from the Company.

(15) *Commitments and rights not included in the balance sheet*

The Company is part of the fiscal unity headed by Deutsche Post International B.V. as a consequence the Company is liable for all corporate income tax liabilities of the fiscal unity.

The tax position of the Company is accounted for and included in the consolidated tax position of the head of the fiscal unity, Deutsche Post International B.V. In line with Group policy the income tax expenses are not being charged to the Company, but remain with the head of the fiscal unity.

3. Post balance sheet events

No post balance sheet events have occurred.

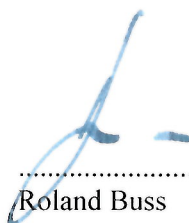
4. Responsibility Statement

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

Signatures:

Maastricht, 26 August, 2016

The Management Board:



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Roland Buss



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Timo van Druten