# Deutsche Post Finance B.V.
# Amersfoort

# Financial Statements 2008

## Table of contents

# 1. Management Report

## 1.1 Introduction

This report includes the 2008 Financial Statements of Deutsche Post Finance B.V. ("The Company").

## 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 in Amersfoort under number 24.29.26.43. The Company is owned 100% by Deutsche Post International B.V. in Amersfoort, the Netherlands. Ultimate shareholder is Deutsche Post AG in Bonn, Germany.

*Management Board*

The Management Board currently consists of three members:

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

## 1.4 Main business developments

In 2008 the Company did not perform any activities on the capital markets.

Due to changing funding needs within the group, the Company was active in assessing lending requirements, which has resulted in a change to the structure of the long-term loans receivable. The majority of the long-term loans receivable, denominated in foreign currency, have been repaid in October 2008 and were substituted by EUR long-term loans receivable.

The main risks affecting the Company are interest and currency risks. Interest risks as well as currency risks are hedged according to Deutsche Post DHL (the Group) guidelines 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.

Resulting from the hedge ineffectiveness, the Company's 2008 net result for the year after taxation amounts to a loss of EUR 263.206. Excluding the net expense from hedge ineffectiveness, totaling to EUR 1.370.295, the 2008 minimum margin result, in accordance with the Dutch tax ruling, would amount to EUR 1.107.089 (profit). For any further information, please refer to note 24.

## 1.5 Future business developments

The Company will continue to act as a group finance company. Proceeds of debt issues will be lent within the group according to the ruling with the Dutch Tax Authorities.

Amersfoort, 29 April 2009

The Management Board:

| | | |
|---|---|---|
| Roland Buss | Alexander Kovalev | Timo van Druten |

## 2. Financial Statements

### 2.1 Balance sheet

| Amounts in EUR | Note | 31 December, 2008 | | 31 December, 2007 | |
|---|---|---|---|---|---|
| **Non-current assets** | | | | | |
| Long-term loans receivable | (12) | 1.483.388.638 | | 1.455.906.297 | |
| Non-current derivatives positive FV | (13) | 101.376.787 | | 35.328.316 | |
| | | | 1.584.765.425 | | 1.491.234.613 |
| **Current assets** | | | | | |
| Short-term loans receivable | (14) | 101.000.000 | | 116.097.237 | |
| Short-term receivables from affiliated companies | (15) | 45.485.594 | | 40.517.534 | |
| Current derivatives positive FV | (13) | 0 | | 6.241.458 | |
| Other receivables | | 1.188 | | 0 | |
| | | | 146.486.782 | | 162.856.229 |
| | | | 1.731.252.207 | | 1.654.090.842 |
| **Shareholders' equity** | (16,13) | | | | |
| Share capital | | 18.500 | | 18.500 | |
| Capital reserve | | 2.000.000 | | 2.000.000 | |
| Hedge reserve | | (9.675.456) | | (4.397.861) | |
| Retained earnings | | 7.181.059 | | 7.444.265 | |
| | | | (475.897) | | 5.064.904 |
| **Long-term liabilities** | | | | | |
| Bonds-long term | (17) | 1.675.138.606 | | 1.590.970.750 | |
| Long-term loans payable | (18) | 4.856.500 | | 4.856.500 | |
| Non-current derivatives negative FV | (13) | 0 | | 1.369.513 | |
| | | | 1.679.995.106 | | 1.597.196.763 |
| **Short-term liabilities** | | | | | |
| Accrued interest | (19) | 50.044.332 | | 50.011.344 | |
| Other current liabilities and accruals | (20) | 1.477.203 | | 1.817.831 | |
| Short-term payables | (21) | 211.463 | | 0 | |
| | | | 51.732.998 | | 51.829.175 |
| | | | 1.731.252.207 | | 1.654.090.842 |

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

## 2.2 Profit and loss statement 2008

| Amounts in EUR | Note | | 2008 | | 2007 |
|---|---|---|---|---|---|
| Interest income | (22) | 90.216.666 | | 102.396.929 | |
| Finance costs | (23) | (88.574.183) | | (98.602.159) | |
| Other gains and losses | (24) | (1.629.163) | | (2.344.764) | |
| Other operating expenses | (25) | (276.526) | | (223.719) | |
| | | | (263.206) | | 1.226.287 |
| **Profit Before Taxes** | | | (263.206) | | 1.226.287 |
| Income tax expense | (26) | 0 | | 0 | |
| | | | 0 | | 0 |
| **Profit for the Year** | | | (263.206) | | 1.226.287 |

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

## 2.3 Statement of changes in shareholder's 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 2007 | 15.384.166 | 18.500 | 2.000.000 | 6.018.541 | 7.347.125 |
| *Movements 2007* | | | | | |
| Valuation Financial Instruments | (10.416.402) | 0 | 0 | (10.416.402) | 0 |
| Net result 2007 | 1.226.287 | 0 | 0 | 0 | 1.226.287 |
| Adjustment for previous years | (1.129.147) | 0 | 0 | 0 | (1.129.147) |
| Balance at 31 Dec., 2007 | 5.064.904 | 18.500 | 2.000.000 | (4.397.861) | 7.444.265 |
| *Movements 2008* | | | | | |
| Valuation Financial Instruments | (5.277.595) | 0 | 0 | (5.277.595) | 0 |
| Net result 2008 | (263.206) | 0 | 0 | 0 | (263.206) |
| Balance at 31 Dec., 2008 | (475.897) | 18.500 | 2.000.000 | (9.675.456) | 7.181.059 |

*Notes to the Shareholders' Equity are included in note 16.*

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

## 2.4 Cash flow statement 2008

| **Amounts in EUR** | **2008** | | **2007** | |
|---|---|---|---|---|
| **Cash flows from operating activities** | | | | |
| Profit/(loss) for the year | (263.206) | | 1.226.287 | |
| Adjustments for: | | | | |
| Net expense from hedge ineffectiveness | (1.370.295) | | (190.104) | |
| Fair value gains on other financial assets at fair value through profit or loss | 0 | | (6.241.458) | |
| Interest income | (90.216.666) | | (102.396.929) | |
| Interest expenses | 88.574.183 | | 98.602.159 | |
| Exchange gains/losses on borrowings | (756.587) | | 11.586.304 | |
| Changes in working capital: | | | | |
| Short term receivables from group companies (incl. Other receivables) | (4.969.248) | | 616.357 | |
| Other financial assets at fair value through profit and loss | 17.827.444 | | 8.784.425 | |
| Trade and other payables | (95.297) | | (1.698.185) | |
| Loans granted to group companies | (318.336.110) | | (35.758.045) | |
| Loans repayments received from group companies | 307.700.093 | | 660.538.999 | |
| Bond repayment | 0 | | (636.000.000) | |
| **Cash generated from operating activities** | | **(1.905.689)** | | **(930.190)** |
| Total cash outflows | (94.509.270) | | (96.273.384) | |
| Total cash inflows | 96.414.959 | | 97.203.574 | |
| **Net cash generated from operating activities** | | **1.905.689** | | **930.190** |
| **Net (decrease) / increase in cash. cash equivalents and bank overdrafts** | | **0** | | **0** |

*The company does not have cash or cash equivalents as per balance sheet dates.*

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"), Terminalweg 36, 3821 AJ Amersfoort, was incorporated in the Netherlands, Rotterdam on 13 April, 1999 and is now listed in the Commercial Register of the Chamber of Commerce in Amersfoort under number 24.29.26.43. The Company is owned 100% by Deutsche Post International B.V. in Amersfoort, 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 group companies.

The Financial Statements are presented in Euro, because this is the currency of the primary economic environment in which the Company operates.

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

The Company has negative equity that results from the timing differences and the negative amounts in the hedge reserve. The negative market values are expected to be offset with future positive values of the underlying. The Company's ability to continue its activities on a going concern basis is dependent on the support of its parent. Deutsche Post AG, being the ultimate parent company, has issued a support letter to the Company in order to give financial support enabling the Company to continue its activity.

The date of approval of these Financial Statements by the Management Board is 29 April 2009.

### *(2) Basis of accounting*

The Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and financial liabilities held at fair value through profit or loss, and all derivative contracts.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 10.

*Amendments to published standards and interpretations effective 1 January 2008*
The application of the amendments and interpretations listed below did not result in substantial changes to the Company's accounting policies:

- Amendment to IAS 39, Financial Instruments: Recognition and Measurement;
- Amendment to IFRS 7, Financial Instruments Disclosures.

These amendments were adopted into European law by Commission Regulation (EC) No. 1004/2008 dated 15 October 2008 and entered into effect on 17 October 2008.

*Interpretations issued but not yet effective*
The Group has chosen not to early adopt the following standard and interpretations that were issued, but not yet effective for accounting periods beginning on 1 January 2008

- IFRS 8, Operating Segments (effective 1 January 2010);
- IAS 14, Segment reporting;
- IAS 23, Borrowing Costs;
- Revision of IFRS 2, Share-based Payments;
- IFRIC 11, Clarification to IFRS 2 Group and Treasury Share Transactions;
- IFRIC 13, Customer Loyalty Programmes;
- IFRIC 14, Clarification to IAS 19 Employee Benefits;
- IAS 1; Presentation of Financial Statements;
- Amendments to IAS 32, Financial Instruments: Disclosure and Presentation;
- Amendments to IAS 27 and IFRS 1;
- Improvements to International Financial reporting Standards 2008.

The application of these new interpretations will not have a material impact on the entity's financial statements in the period of initial application.

***(3) Foreign currencies***

Transactions in currencies other than Euro are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the income statement except when deferred in equity as qualifying cash flow hedges.

***(4) Financial assets***

Non-current financial assets include financial instruments, which under IAS 39 are classified either as "available for sale" or "held to maturity", or as "loans and receivables".

No financial assets have been classified as available for sale or held to maturity in 2007 or 2008.

Financial instruments classified as loans and receivables, which include long-term loans, are initially measured at fair value and subsequently measured at amortized cost using the effective interest method. Impairment losses on financial instruments classified as loans and receivables are charged to income if the recoverable amount falls below the carrying amount. They are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market.

All financial assets are recognized on the balance sheet, when the Company becomes a party to the contract by using settlement date accounting. They are included in the current assets except for maturities greater than 12 months after the balance sheet date. These are classified as non current assets.

The fair values of the loans have been calculated by applying the discounted cash flow method.

The carrying amounts of financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount is estimated as the higher of the net selling price and the value in use with an impairment loss being recognized whenever the carrying amount exceeds the recoverable amount.

The currency swaps are measured at their fair values, all changes in fair values of currency swaps are accounted for as gains and losses in the profit and loss statement.

***(5) Short-term receivables and payables***

Receivables and payables are carried at amortized cost. The Company participates in the cash pooling of the Deutsche Post DHL Group. The cash pool balances at the balance sheet date are shown as receivables or payables.

Fair values are considered to approximately match the carrying amounts of short-term receivables and payables.

***(6) Cash and cash equivalents***

Cash and cash equivalents comprise cash, demand deposits and other short-term liquid financial assets with an original maturity of up to three months and are carried at their principal amount.

Cash pool balances are not shown as cash.

***(7) Financial liabilities***

Financial liabilities are recognized on the balance sheet, when the Company becomes a party to the contract at fair value on inception. The fair value is computed as proceeds received net of transaction costs. They are subsequently carried at amortized cost. Differences between the amounts received and the amounts repayable (discounts and transaction costs directly attributable to the issue) are recognized as part of the initial carrying amount and amortized over the remaining maturities of the bonds by applying the effective interest method. Accrued interest on the bonds is reported separately as a current liability.

The valuation of the bonds is derived from published market prices. The fair values of the other long-term liabilities have been calculated by applying the discounted cash flow method.

***(8) Derivative financial instruments and hedge accounting***

All derivative financial instruments are recognized at fair value on the date a derivative contract is entered into and subsequently re-measured at fair value. The method of recognizing the resulting gain or loss depends on whether the instrument is designated as a hedging instrument.

Currency swaps are measured on the basis of current market prices, taking forward premiums and discounts into account. The Company does not apply hedge accounting for currency swaps. The fair value of interest rate hedging instruments was obtained on the basis of discounted expected future cash flows, using the Deutsche Post DHL Group's treasury risk management system.

To avoid variations in the net profit resulting from changes in the fair value of derivative financial instruments, hedge accounting is applied where possible and economically useful. This concerns the interest swaps and cross currency swaps.

If hedge accounting is applied, the net profit or loss from both the derivative and the related hedged item are simultaneously recognized in income. Depending on the hedged item and the risk to be hedged, the Company uses fair value hedges and cash flow hedges. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the income statement as they arise. Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of host contracts and the host contracts are not carried at fair value with unrealized gains or losses reported in the income statement.

*Fair value hedges*
For an effective hedge of an exposure to changes in the fair value, the hedged item is adjusted for changes in fair value attributable to the risk being hedged with the corresponding entry in profit or loss. Gains or losses from re-measuring the derivative are also recognized in profit or loss. Accordingly, changes in the fair value of both the derivatives and the hedged item are simultaneously recognized in income.

*Cash flow hedges*
Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognized directly in equity and the ineffective portion is recognized immediately in the income statement. The amounts deferred in equity are recognized in the income statement in the same period in which the hedged item affects net profit or loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognized in equity is retained in equity until the forecasted transaction affects profit or loss. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in equity is transferred to net profit or loss for the period.

***(9) Interest income and expense***

Interest income is recognized on a time-proportion basis using the effective interest method. When a receivable is impaired, the group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loans is recognized using the original effective interest rate.

## (10) *Critical accounting estimates and judgments*

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

*(a) Impairment losses on loans and advances*
The Company reviews its loan portfolios to assess impairment at least on a yearly basis. In determining whether an impairment loss should be recorded in the income statement, the Company makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of loans before the decrease can be identified with an individual loan in that portfolio.

*(b) Fair value of derivatives*
The fair value of financial instruments that are not quoted in active markets are determined by using valuation techniques. Changes in assumptions about these factors could affect reported fair value of financial instruments.
However the Company only has financial instruments that are quoted in an active market, refer to note 13 for more detailed information.

*(c) Income taxes*
For income tax refer to note 26 for more detailed information.

## (11) *Financial risk management*

Financial instruments are contractual obligations that give rise to a financial asset of one entity and a financial liability or equity instrument in another entity. In accordance with IAS 32 and IAS 39, these include both primary and derivative financial instruments. Primary financial instruments include in particular bank balances, all receivables, financial liabilities, securities, loans and accrued interest. Examples of derivatives include options, swaps and futures.
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 Deutsche Post DHL 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. Deutsche Post DHL 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 financial instruments used are accounted for in accordance with IAS 39.

The fair values of the derivatives used may be subject to substantial fluctuations depending on future changes in exchange rates and interest rates. These fluctuations in fair value are not to be viewed in isolation from the underlying transactions to be 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 Deutsche Post DHL Group 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. Deutsche Post DHL 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.

The Company has to account for its respective portion of the hedging activities and financial instruments results, entirely relying on the data, provided by the Deutsche Post DHL Group treasury department.

The fair value of the interest rate hedging instruments was calculated on the basis of discounted expected future cash flows, using the Groups treasury management system.

At 31 December 2008, Deutsche Post Finance B.V. had entered into interest rate swaps with a notional volume of € 1,605 million (previous year: € 1,605 million). The fair value of this interest rate swap position was € 86 million (previous year: € 8 million).

To present the interest-rate risks in accordance with IFRS 7, a sensitivity analysis is performed. This method is used to determine the effects hypothetical changes in market interest rates have on interest income, interest expense and on equity at the reporting date. The following assumptions are taken as a basis for the sensitivity analysis:

Fixed-interest financial instruments (both assets and liabilities) measured at amortized costs are not subject to cash flow variability resulting from interest rate changes and are therefore not included in the sensitivity analysis

Variable-interest financial instruments (both assets and liabilities) measured at amortized costs are subject to cash flow variability resulting from interest rate changes and are therefore included in the sensitivity analysis.

Designated cash flow hedges are included in the sensitivity analysis as changes in the interest rate have an impact on equity.
If the interest rate level on the market as at 31 December 2008 had been higher by 100 basis points, the profit and loss would have decreased by € 2 million (previous year: € 14 million). A lowering of the interest rate level by 100 basis points would have had the opposite effect. A change in market interest rate level by 100 basis points would have affected the fair values of the synthetical cross-currency-swap recognized in equity. A rise in interest rates would have resulted in unrecognized loss in equity of 2 million, a reduction would have had the opposite effect.

*Foreign exchange risk*
Currency risks for the Company arise almost exclusively from its lending activities in foreign currencies to the Deutsche Post DHL Group companies. According to the Deutsche Post DHL Group risk management guidelines the recorded currency risks and risks arising from financial transactions are usually hedged in full. These risks are hedged centrally with banks by Deutsche Post DHL Group treasury using financial derivatives, such as currency forwards, swaps and cross currency swaps. The external hedges are forwarded to the Company via internal contracts. Neither the Deutsche Post DHL Group nor the Company use derivative instruments for speculative purposes.

The fair value of currency hedging instruments has been calculated on the basis of discounted expected future cash flows, using the Deutsche Post DHL Group treasury risk management system.

IFRS 7 requires a company to disclose a sensitivity analysis, showing how profit and loss and equity are affected by hypothetical changes in exchange rates at the reporting date. In this process, the hypothetical changes in exchange rates are analysed in relation to the portfolio of financial instruments not denominated in their functional currency and being of monetary nature. It is assumed that the portfolio as at the reporting date is representative for the whole year.

The following assumptions are taken as a basis for the sensitivity analysis:

The company hedges the currency risk from primary monetary financial instruments with Deutsche Post AG using derivatives. Hypothetical changes in exchange rates affect the fair value of the derivatives recorded in profit and loss; they also affect the currency result from the measurement at closing date of the loans denominated in foreign currency. Both results have an offsetting effect in profit and loss.

Therefore an appreciation of the Euro against US$ would have had no effects on profit or loss.

In addition, hypothetical changes in exchange rates affect equity and the fair value of the synthetical cross currency swaps, combinations between interest rate swaps and cross currency swaps.

A 10% appreciation of the Euro against US$ would have changed the hedging reserve accounted for in equity by € -2,6 million (previous year: € -16 million). A devaluation of the Euro would mainly have had the opposite effect on equity.

*Liquidity risk*
Deutsche Post DHL 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 central entities within the group. Therefore the Company issued bonds which are fully guaranteed by Deutsche Post AG in 2002 and 2003. One bond was fully repaid in 2007.

The following picture shows the maturity structure of primary financial liabilities to be applied within the scope of IFRS 7 based on cash flows:

Maturity structure – remaining maturities

**31 – 12 – 2007**

| EUR m | less than 1 year | 1 to 2 years | 2 to 3 years | 3 to 4 years | 4 to 5 years | more than 5 years |
|---|---|---|---|---|---|---|
| Bonds-long term | 80 | 80 | 80 | 80 | 759 | 1.016 |
| Long-term loans payable | 0 | 0 | 0 | 0 | 2 | 3 |
| | **80** | **80** | **80** | **80** | **761** | **1.019** |

**31 -12 – 2008**

| EUR m | less than 1 year | 1 to 2 years | 2 to 3 years | 3 to 4 years | 4 to 5 years | more than 5 years |
|---|---|---|---|---|---|---|
| Bonds-long term | 80 | 80 | 80 | 759 | 45 | 971 |
| Long-term loans payable | 0 | 0 | 0 | 2 | 0 | 3 |
| | **80** | **80** | **80** | **761** | **45** | **974** |

Derivative financial instruments entail both rights and obligations. The contractual agreement defines whether these rights and obligations can be offset against each other, thus leading to a net settlement, or whether both parties to the contract will have to fully fulfill their obligations (gross settlement). The maturity structure of payments under derivative financial instruments is as follows:

Maturity structure – remaining maturities

**31 -12 – 2007**

| EUR m | less than 1 year | 1 to 2 years | 2 to 3 years | 3 to 4 years | 4 to 5 years | more than 5 years |
|---|---|---|---|---|---|---|
| Derivative receivables | | | | | | |
| Cash inflows | 212 | 54 | 53 | 53 | 54 | 266 |
| Cash outflows | (207) | (54) | (51) | (53) | (55) | (219) |
| Derivative liabilities | | | | | | |
| Cash inflows | 35 | 35 | 35 | 35 | 35 | 0 |
| Cash outflows | (37) | (34) | (33) | (35) | (35) | 0 |

**31- 12 – 2008**

| EUR m | less than 1 year | 1 to 2 years | 2 to 3 years | 3 to 4 years | 4 to 5 years | more than 5 years |
|---|---|---|---|---|---|---|
| Derivative receivables | | | | | | |
| Cash inflows | 88 | 85 | 85 | 87 | 52 | 211 |
| Cash outflows | (80) | (59) | (63) | (75) | (46) | (166) |
| Derivative liabilities | | | | | | |
| Cash inflows | 0 | 0 | 0 | 0 | 0 | 0 |
| Cash outflows | 0 | 0 | 0 | 0 | 0 | 0 |

*Credit risk*
In general the Company only grants intra group loans. Deutsche Post AG, being ultimate parent company, will always support any group company in its ability to pay back its liabilities towards Deutsche Post Finance B.V..

### *(12) Long-term loans receivable*

Movements during the financial year were as follows:

| | 2008 | 2007 |
|---|---|---|
| | EUR | EUR |
| Opening balance at 1 January | 1.455.906.297 | 1.594.201.943 |
| Move to short term loans | 0 | (116.097.237) |
| New loans | 217.336.110 | 35.758.045 |
| Redemptions | (191.603.736) | (31.316.678) |
| Currency translation differences | 1.749.967 | (26.639.776) |
| Balance at 31 December | 1.483.388.638 | 1.455.906.297 |

Long-term loans receivable at year-end amounted to the following balances:

| | 31-12-2008 | 31-12-2007 |
|---|---|---|
| | EUR | EUR |
| Deutsche Post AG | 0 | 41.195.680 |
| Other Deutsche Post DHL Group related parties | 1.483.388.638 | 1.414.710.617 |
| | 1.483.388.638 | 1.455.906.297 |

The maturity of the long-term loans receivable is as follows:

| | 31-12-2008 | 31-12-2007 |
|---|---|---|
| | EUR | EUR |
| 2012 | 578.200.000 | 557.160.388 |
| 2014 | 905.188.638 | 898.745.909 |
| | 1.483.388.638 | 1.455.906.297 |

The redemptions of EUR 191.603.736 mainly consists of foreign currency denominated long-term loans, which have been repaid in October 2008 (EUR 145.408.055). In return, new loans have been granted to group companies, totaling to EUR 217.336.110. The majority of the redemptions and new loans granted are linked to the bond, maturing in 2012.

At balance sheet date, the Company only had long-term loans receivable in EUR and USD.

The effective interest rates at the balance sheet date were as follows:

| | 31-12-2008 | 31-12-2007 |
|---|---|---|
| EUR | 5,79 % - 6,08 % | 5,03 % – 5,54 % |
| USD | 5,29 % - 5,79 % | 5,29 % – 6,21 % |
| GBP | - | 6,97 % |
| Other currencies | - | 5,21 % – 6,45 % |

The carrying amounts and fair value of the long-term loan receivables at year end were:

| Carrying amounts | | Fair values | |
|---|---|---|---|
| 31-12-2008 | 31-12-2007 | 31-12-2008 | 31-12-2007 |
| EUR | EUR | EUR | EUR |
| 1.483.388.638 | 1.455.906.297 | 1.601.509.384 | 1.615.640.614 |

The fair values are based on cash flows discounted using a rate based on the current market rate.

The carrying amounts of the company's long-term loans receivables at year end were denominated in the following currencies:

| | 31-12-2008 | 31-12-2007 |
|---|---|---|
| | EUR | EUR |
| EUR | 1.341.464.142 | 1.170.323.712 |
| USD | 141.924.496 | 183.872.722 |
| GBP | 0 | 47.130.455 |
| Other currencies | 0 | 54.579.408 |
| | 1.483.388.638 | 1.455.906.297 |

The company has given the following fixed rate/floating rate long term loans:

| | 31-12-2008 | 31-12-2007 |
|---|---|---|
| | EUR | EUR |
| Floating rate loans | 1.341.464.142 | 1.319.925.878 |
| Fixed rate loans | 141.924.496 | 135.980.419 |
| | 1.483.388.638 | 1.455.906.297 |

## *(13) Derivative financial instruments and hedging*

*Derivative financial instruments*
The following table provides an overview of the derivatives applied by the Company

| Fair values: | 31-12-2007 | |
|---|---|---|
| | Pos. FV | Neg. FV |
| | EUR | EUR |
| Interest rate swaps | 8.933.227 | 1.369.513 |
| Cross-currency swaps | 26.395.089 | 0 |
| Currency swaps | 6.241.458 | 0 |
| Total FV of all derivative financial instruments | 41.569.774 | 1.369.513 |

Fair values:

| | 31-12-2008 | |
|---|---|---|
| | **Pos. FV** | **Neg. FV** |
| | EUR | EUR |
| Interest rate swaps | 86.339.911 | 0 |
| Cross-currency swaps | 15.036.876 | 0 |
| Total FV of all derivative financial instruments | 101.376.787 | 0 |

*Nominal amounts:*

| | **31-12-2008** |
|---|---|
| | EUR |
| Interest rate swaps | 1.605.000.000 |
| Cross-currency swaps | 163.000.000 |

*Fair value hedges*
Interest rate swaps were entered into to hedge the fair value risk of fixed-interest Euro-denominated liabilities (bonds). The positive fair values of the interest rate swaps used in fair value hedges amounts to EUR 86.339.911 [2007: EUR 7.563.714 ].

*Cash flow hedges*
Fixed-interest foreign currency investments were transformed into fixed-interest euro investments using synthetical cross-currency swaps. The cross-currency swaps hedge the currency risk, and their fair values as at 31 December, 2008 amounted to EUR 15.036.876 [2007: EUR 26.395.089 ]. The investments relate to internal group loans which mature in 2014.

***(14) Short-term loans receivable***

Movements during the financial year were as follows:

| | **2008** | **2007** |
|---|---|---|
| | EUR | EUR |
| Opening balance at 1 January | 116.097.237 | 630.976.640 |
| Move from long term loans | 0 | 116.097.237 |
| New loans | 101.000.000 | 0 |
| Redemptions | (116.097.237) | (629.222.321) |
| Currency translation differences | 0 | (1.754.319) |
| Balance at 31 December | 101.000.000 | 116.097.237 |

Short-term loans receivable at year-end amounted to the following balances:

| | 31-12-2008 | 31-12-2007 |
|---|---|---|
| | EUR | EUR |
| Deutsche Post AG | 0 | 0 |
| Other Deutsche Post DHL Group related parties | 101.000.000 | 116.097.237 |
| | 101.000.000 | 116.097.237 |

A short-term loan, amounting to EUR 116.097.237, was repaid in June 2008. In return, two short-term loans, summing up to EUR 101m, were granted.
The maturity of the short-term loan receivable as at 31 December 2008 is July 2009.

The effective interest rates at the balance sheet date for the short-term loans were as follows:

| | 31-12-2008 | 31-12-2007 |
|---|---|---|
| EUR | 6,08 % | 5,45 % |

The carrying amounts and fair value of the short-term loan receivables at year end were:

| Carrying amounts | | Fair values | |
|---|---|---|---|
| 31-12-2008 | 31-12-2007 | 31-12-2008 | 31-12-2007 |
| EUR | EUR | EUR | EUR |
| 101.000.000 | 116.097.237 | 101.000.000 | 116.097.237 |

Fair values of short term loan receivables are considered to approximate their carrying amounts since they have a maturity lower than one year and are floating interest receiving loans.

The carrying amounts of the company's short-term loans receivables at year end were denominated in the following currencies:

| | 31-12-2008 | 31-12-2007 |
|---|---|---|
| | EUR | EUR |
| EUR | 101.000.000 | 116.097.237 |
| | 101.000.000 | 116.097.237 |

All short-term loans have been given floating interest rates.

### *(15) Short-term receivables from affiliated companies*

Short-term receivables represent interest receivables from affiliated companies. Interest receivables at year-end amounted to the following balances:

| | 31-12-2008 | 31-12-2007 |
|---|---|---|
| | EUR | EUR |
| Deutsche Post AG – Cash balancing | 14.048.715 | 12.143.030 |
| Other Deutsche Post DHL Group related parties | 31.436.879 | 28.374.504 |
| | 45.485.594 | 40.517.534 |

### *(16) Shareholders' equity*

*Share capital*
The authorized share capital of the Company as at 31 December, 2008 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.

| | 31-12-2008 |
|---|---|
| | EUR |
| Balance at 31 Dec., 2007 | (4.397.861) |
| Recognised during period | (10.401.922) |
| Removed from equity and included in profit and loss | 5.124.327 |
| Balance at 31 Dec., 2008 | (9.675.456) |

*Legal reserve*
An analysis was made of the change in the Dutch law requirements in relation to legal reserves (non-distributable reserves) and it was concluded that there are no legal reserves other than the cash flow hedge reserve as reported separately in the equity.

***(17) Bonds – long term***

On 4 October, 2002 the Company issued EUR 750.000.000, 5,125% bonds of 2002/2012 with an issue price of 99,526%. On 30 October, 2003, the Company issued EUR 1.000.000.000, 4,875% bonds of 2003/2014 with an issue price of 99,99%. The Company has received an upfront payment as compensation for the paid bond discount from Deutsche Post AG. This compensation has been accounted for as deferred income.

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

Bank fees and road show costs occurred have been included and will be depreciated via the effective interest method.

During August and September 2004 Deutsche Post AG, the ultimate shareholder of the Company, purchased bonds of the Company in the open market. With value date 29 September, 2004 these bonds were sold by Deutsche Post AG to the Company, who in turn with the same value date surrendered them to Clearstream Banking AG, Frankfurt am Main for cancellation.

The aggregate nominal amounts of the Bonds bought back by Deutsche Post AG and sold to the Company are the following:

| Bonds in EUR millions | Nominal value | Market price |
|---|---|---|
| 2012 | 71 | 75 |
| 2014 | 74 | 76 |
| | 145 | 151 |

| | 31-12-2008 | 31-12-2007 |
|---|---|---|
| | EUR | EUR |
| Bonds 2002/2012, fixed interest rate 5,125%, nominal value | 679.200.000 | 679.200.000 |
| Bonds 2003/2014, fixed interest rate 4,875%, nominal value | 925.800.000 | 925.800.000 |
| | 1.605.000.000 | 1.605.000.000 |

| | 31-12-2008 | 31-12-2007 |
|---|---|---|
| | EUR | EUR |
| The maturity of the bonds as reported at year-end is: | | |
| 1 – 5 years, nominal value | 679.200.000 | 679.200.000 |
| > 5 years, nominal value | 925.800.000 | 925.800.000 |
| | 1.605.000.000 | 1.605.000.000 |

The Fair Values of the bonds were as follows:

| Bonds | 31-12-2008 | 31-12-2007 |
|---|---|---|
| | EUR | EUR |
| Bond 2012 | 710.289.701 | 685.889.441 |
| Bond 2014 | 933.206.215 | 915.905.975 |
| | 1.643.495.916 | 1.601.795.416 |

The carrying amounts of the amortized costs of the bonds (before the basis adjustments relating to hedging) were as follows:

| Bonds | 31-12-2008 | 31-12-2007 |
|---|---|---|
| | EUR | EUR |
| Bond 2012 | 676.799.504 | 676.233.986 |
| Bond 2014 | 924.039.585 | 923.741.162 |
| | 1.600.839.089 | 1.599.975.148 |

The carrying amounts of the bonds (after the basis adjustments relating to hedging) were as follows:

| Bonds | 31-12-2008 | 31-12-2007 |
|---|---|---|
| | EUR | EUR |
| Bond 2012 | 710.881.735 | 675.432.669 |
| Bond 2014 | 964.256.871 | 915.538.081 |
| | 1.675.138.606 | 1.590.970.750 |

The effective interest rates were as follows:

| Bonds | 31-12-2008 | 31-12-2007 |
|---|---|---|
| Bond 2012 | 5,23% | 5,23 % |
| Bond 2014 | 4,92% | 4,92 % |

### *(18) Long-term loans payable*

The long-term liabilities due to affiliated companies are as follows:

| | 31-12-2008 | 31-12-2007 |
|---|---|---|
| | EUR | EUR |
| Deutsche Post AG | 4.856.500 | 4.856.500 |

The maturity of these liabilities is between 3 and 6 years, fixed interest rate is applied, the interest rate range is between 5,000 % and 5,508 %.

### *(19) Accrued interest*

| | 31-12-2008 | 31-12-2007 |
|---|---|---|
| | EUR | EUR |
| Accrued interest to bondholders | 50.044.332 | 50.011.344 |

### *(20) Other current liabilities and accruals*

The breakdown of accruals and deferred income is as follows:

| | | 31-12-2008 | | 31-12-2007 |
|---|---|---|---|---|
| | | EUR | | EUR |
| Other accruals | | 28.560 | | 30.000 |
| Received upfront fee bonds 2002/2007 | 0 | | 588.466 | |
| Received upfront fee bonds 2002/2012 | 1.727.554 | | 2.042.069 | |
| Received upfront fee bonds 2003/2014 | 60.277 | | 68.618 | |
| Released to P&L | (339.188) | | (911.322) | |
| | | 1.448.643 | | 1.787.831 |
| | | 1.477.203 | | 1.817.831 |

The Company received an upfront compensation payment for the paid bond discount on the bonds issued in 2002 and 2003 from Deutsche Post AG. This compensation has been recorded in deferred income and was recognized on the effective interest rate method of amortization.

## (21) *Short-term payables*

| | 31-12-2008 | 31-12-2007 |
|---|---|---|
| | EUR | EUR |
| Other Deutsche Post DHL Group related parties | 211.463 | 0 |

Fair value of short term payables are considered to approximate their carrying amounts since they have a maturity lower than one year.

## (22) *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:

| | 2008 | 2007 |
|---|---|---|
| | EUR | EUR |
| Deutsche Post AG | 4.493.676 | 2.978.395 |
| Other Deutsche Post DHL Group related parties | 85.722.990 | 99.418.534 |
| | 90.216.666 | 102.396.929 |

## (23) *Finance costs*

Interest expenses due on bonds can be specified as follows:

| | 2008 | 2007 |
|---|---|---|
| | EUR | EUR |
| Bonds 2002/2008 | 0 | (21.021.231) |
| Bonds 2002/2012 | (38.075.480) | (32.675.434) |
| Bonds 2003/2014 | (48.920.352) | (42.801.753) |
| Depreciation of the bond discount and issue costs and release of upfront compensation payment (deferred income) | (524.771) | (777.841) |
| Guarantee provision | (802.821) | (1.042.734) |
| Interest expense from affiliated companies (Deutsche Post AG loans) | (250.759) | (283.166) |
| | (88.574.183) | (98.602.159) |

*Interest expense from affiliated companies*
Interest expenses relating to affiliated companies can be specified as follows:

| | 2008 | 2007 |
|---|---|---|
| | EUR | EUR |
| Deutsche Post AG (loans) | (250.759) | (283.166) |
| | (250.759) | (283.166) |

## (24) *Other gains and losses*

| | 2008 | 2007 |
|---|---|---|
| | EUR | EUR |
| Income from fair valuation of currency swaps | 9.180.573 | 22.545.528 |
| Income from foreign exchange differences | 8.658.539 | 26.048.267 |
| Expense from fair valuation of currency swaps | (5.120.866) | (13.113.884) |
| Expense from foreign exchange differences | (12.977.114) | (37.634.571) |
| Net expense from hedge ineffectiveness | (1.370.295) | (190.104) |
| | (1.629.163) | (2.344.764) |

Gains and losses from fair valuation of currency swaps, result from financial assets in foreign currencies. The currency swaps have not been designated as hedging instruments in hedge accounting and are therefore included in the result for the year.

The income and expense from foreign exchange differences, result from the translation of loans denominated in foreign currencies.

Ineffective parts of the designated fair value hedges and cash flow hedges have been recorded in hedge ineffectiveness. The ineffectiveness results from the difference in changes in market value of the underlying (bonds) and the hedging instruments (interest rate swaps). IAS 39 request the comprehension of the variable component of the interest in the effectiveness test, which leads to ineffectiveness on each balance sheet date.

The following table provides an overview of the cumulative gains and cumulative losses arising from the hedge items and the respective hedging instruments:

| EUR | 2008 | 2007 |
|---|---|---|
| Gains / loss on hedged items | (74.297.781) | 9.004.381 |
| Gains / loss on hedging instrument | 71.858.563 | (10.073.304) |
| Balance (ineffective portion) | (2.439.218) | (1.068.923) |

### (25) *Other operating expenses*

| | 2008 | 2007 |
|---|---|---|
| | EUR | EUR |
| Legal, consulting and audit fees | (65.064) | (68.496) |
| Other administrative expenses | (211.462) | (155.220) |
| Miscellaneous operating expense | 0 | (3) |
| | (276.526) | (223.719) |

### (26) *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. Based on an agreement with Deutsche Post AG, effective fiscal year 2001, corporate income tax of the Company has been included and recognized in the accounts of Deutsche Post International B.V. as head of the fiscal unity. No income tax expense has been recognized because the corporate income tax is recognized in the financial statements of the fiscal unity.

On 1 January, 2004 the tax ruling (the so-called Advance Pricing Arrangement) came into force. This tax ruling confirms that the taxable minimum profit margin ("gross profit") of the financing activities of the Company is at least 15,2 basis points of borrowed money (excluding any hedging expenses relating to currency and interest swap agreements and withholding taxes on interest payments).

The Company will continue to act as a group finance company. Proceeds of debt issues will be lent within the group according to the ruling with the Dutch Tax Authorities.

### (27) *Additional disclosure on the financial instruments*

Deutsche Post Finance B.V. classifies financial instruments in relation to the respective balance sheet accounts. The following table reconciles the balance sheet accounts to the categories given in IAS 39.

**31-12-2007**

| EUR | Carrying amount | Financial instruments at fair value through profit or loss -Trading- | Loans and receivables | Other liabilities | Derivatives designated as hedging instrument |
|---|---|---|---|---|---|
| | | Fair Value | Amortized cost | Amortized cost | Fair Value |
| **Assets** | | | | | |
| Non-current assets | 1.491.234.613 | | 1.455.906.297 | | 35.328.316 |
| Current assets | 162.856.229 | 6.241.458 | 156.614.771 | | |
| Total assets | 1.654.090.842 | 6.241.458 | 1.612.521.068 | 0 | 35.328.316 |
| **Liabilities** | | | | | |
| Long-term liabilities | 1.597.196.763 | | | 1.595.827.250 | 1.369.513 |
| Short-term liabilities | 51.829.175 | | | 51.829.175 | |
| Total liabilities | 1.649.025.938 | 0 | 0 | 1.647.656.425 | 1.369.513 |

**31-12-2008**

| EUR | Carrying amount | Financial instruments at fair value through profit or loss -Trading- | Loans and receivables | Other liabilities | Derivatives designated as hedging instrument |
|---|---|---|---|---|---|
| | | Fair Value | Amortized cost | Amortized cost | Fair Value |
| **Assets** | | | | | |
| Non-current assets | 1.584.765.425 | | 1.483.388.638 | | 101.376.787 |
| Current assets | 146.486.782 | | 146.486.782 | | |
| Total assets | 1.731.252.207 | 0 | 1.629.875.420 | 0 | 101.376.787 |
| **Liabilities** | | | | | |
| Long-term liabilities | 1.679.995.106 | | | 1.679.995.106 | |
| Short-term liabilities | 51.537.230 | | | 51.537.230 | |
| Total liabilities | 1.731.532.336 | 0 | 0 | 1.731.532.336 | 0 |

## *(28) 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, namely changes in receivables and payables.

The Company has not received or paid any dividends during 2007 or 2008.

No taxes were paid in 2007 and 2008.

## *(29) Related party transactions*

**Management Board**

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

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

The Company has no employees. Employees of DHL International B.V., located in Amersfoort, the Netherlands, performed the operational and administrative activities. The members of the Management Board did not receive any remuneration from the Company.

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

The amounts of the transactions and the outstanding balances with related parties are shown in the respective notes.

## *(30) Commitments*

*Corporate income tax*
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.

### *(31) Auditor's fees*

The following fees for services rendered by the auditor of the Company financial statements, PricewaterhouseCoopers Accountants N.V., in financial year 2008 and in the preceding financial year, were recognised as expense:

| | 31-12-2008 | 31-12-2007 |
|---|---|---|
| | EUR | EUR |
| Auditor's fees | 40.000 | 40.250 |

### *(32)* 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:***

Amersfoort, 29 April 2009

The Management Board:

Roland Buss | Alexander Kovalev | Timo van Druten

## 3. Other disclosures

### 3.1 Appropriation of net income

In respect of the appropriation of the net income, the following is stipulated in § 14 of the articles of association:

In the general meeting the shareholder shall decide, whether the profit achieved during the fiscal year will be completely or partly distributed, or whether it shall be transferred to the reserves.

1. Distributions can only be made if the equity exceeds the paid-in and called-up part of the capital plus legal reserves.

2. Dividends are distributed within one month after adoption of the annual Financial Statements. The general meeting can decide that the dividend is completely or partly distributed in another form than cash.

3. Either the general meeting or the management can – by taking into consideration the stipulations of § 2 – effect distributions from the profit and/or the reserves.

### 3.2 Proposal for the appropriation of net result 2008

| | **2008** |
|---|---|
| | EUR |
| Net result for the year | (263.206) |

The Management Board proposes to transfer the net result for the year 2008 to retained earnings.

### 3.3 Post balance sheet events

No post balance sheet events have occurred.

***Signatures:***

Amersfoort, 29 April 2009

The Management Board:

| | | |
|---|---|---|
| .................................. | .................................. | .................................. |
| Roland Buss | Alexander Kovalev | Timo van Druten |

PRICEWATERHOUSECOOPERS

**PricewaterhouseCoopers Accountants N.V.**
Prinses Margrietplantsoen 46
2595 BR The Hague
P.O. Box 30715
2500 GS The Hague
The Netherlands
Telephone +31 (0)70 342 61 11
Facsimile +31 (0)70 342 64 00

To the General Meeting of Shareholders of
Deutsche Post Finance B.V

# Auditor's report

## Report on the financial statements

We have audited the accompanying financial statements 2008 of Deutsche Post Finance B.V., Amersfoort, which comprise the balance sheet as at 31 December 2008, the profit and loss account, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

*The management board's responsibility*

The management board of the company is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Netherlands Civil Code, and for the preparation of the management board report in accordance with Part 9 of Book 2 of the Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*Auditor's responsibility*

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

**Reference: WJ-e0113787/SH/hh**

PRICEWATERHOUSECOOPERS

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management board, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the financial statements give a true and fair view of the financial position of Deutsche Post Finance B.V. as at 31 December 2008, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Netherlands Civil Code.

**Report on other legal and regulatory requirements**

Pursuant to the legal requirement under 2:393 sub 5f of the Netherlands Civil Code, we report, to the extent of our competence, that the management board report is consistent with the financial statements as required by 2:391 sub 4 of the Netherlands Civil Code.

The Hague, 29 April 2009
PricewaterhouseCoopers Accountants N.V.

Original has been signed by W.H Jansen RA