



## Investor Relations Newsletter

Issue: 1/2008

**Dear subscriber,**

We recently published the group's figures for the first quarter of 2008. In this message you will find the first issue of the Investor Relations Newsletter that includes the latest information on our company and shares.

Kind regards,

Investor Relations Team  
Deutsche Post World Net

### Content

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**Group:** : First quarter goes according to plan

**Shares:** Deutsche Post shares, analyst comments

**Events:** Financial calendar, events for private investors

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### Group

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#### First quarter goes according to plan

Deutsche Post World Net achieves solid quarterly result

Although the US economy slowed appreciably and Q1 had fewer working days than in the first quarter of 2007, we began 2008 on solid ground, confirming our earnings outlook for the entire year.

Profit from operating activities (EBIT) declined by 14.7% to €851 million, primarily due to Deutsche Postbank's non-recurring expenses resulting from the financial market crisis. Adjusted for these items, EBIT improved by 6.4% to approximately €1 billion, meeting the Group's own targets. At €15.7 billion, revenue was 1.8% above the prior-year period, a rise of nearly 6% excluding currency effects.

The MAIL Division recorded a 1.4% drop in revenue to €3.9 billion. EBIT fell by 9.2% to €599 million, primarily because the

first quarter was two working days shorter than the previous year. This factor was not entirely compensated by growth in the international mail business. All in all, revenue per working day was higher than the previous year.

Revenue in the EXPRESS Division climbed by 1.0% to €3.4 billion. Since more than half of this was generated in countries outside the euro zone, currency effects decreased revenue substantially, by €225 million. Measured in local currencies, we attained a rise in organic revenue of 6.5%. EBIT fell by 32% to €21 million, principally because of the fewer working days, especially in Europe, and slowing economic development, particularly in the USA.

The growth and performance of our logistics business developed favourably in the first quarter. Growth was impaired by negative currency effects of around €390 million; thus, at €6.2 billion, revenue increased only slightly over the previous year. Organically, our revenue grew by 6.6%. EBIT was €173 million. Adjusted for the non-recurring income from the sale of Vfw AG and currency effects, EBIT increased by a favourable 23%.

The FINANCIAL SERVICES Division, which consists primarily of Deutsche Postbank, increased quarterly revenue by 11.4% to €2.8 billion. EBIT dropped by around 22% to €190 million due to temporary value fluctuations connected with the financial market crisis.

As announced as part of the Roadmap to Value, we unbundled the SERVICES Division and adapted our reporting structure. Moreover, we were able to implement further important elements of this capital markets programme.

#### Guidance remains unchanged

For 2008, we continue to anticipate EBIT before non-recurring effects of around €4.2 billion and a pre-tax profit of around €3.2 billion. We still expect EBIT of around €4.7 billion in 2009.

#### Key figures

		2007 restated
Revenue	€m	15,473
Profit from operating activities (EBIT)	€m	998
Return on sales <sup>1)</sup>	%	6.4
Consolidated net profit for the period <sup>2)</sup>	€m	499
Operating cash flow (Postbank at equity)	€m	250
Net debt (Postbank at equity) <sup>3)</sup>	€m	2,858
Earnings per share	€	0.41
Number of employees <sup>4)</sup>		470,123

1) EBIT/revenue.

2) Consolidated net profit for the period excluding minorities.

3) As at 31 December 2007 and 31 March 2008; adjusted for financial liabilities to Williams Lea

4) Average FTEs.

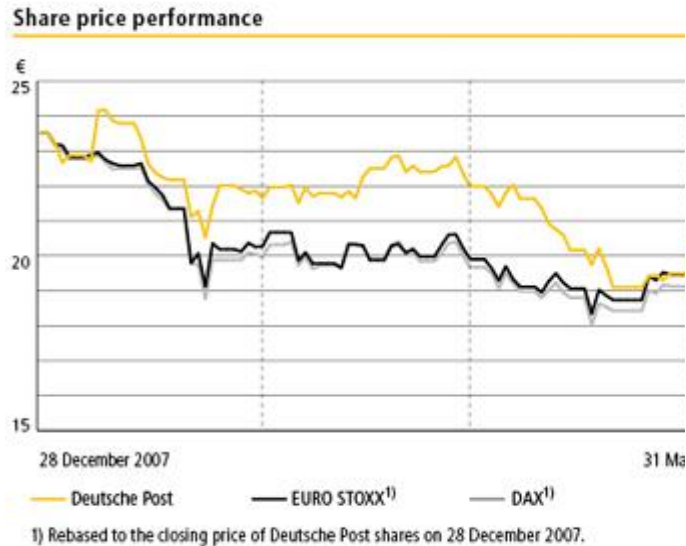
#### Further information:

- ▶ [Interim Report Q1 2008](#)
- ▶ [Audio broadcast investors' conference call 14 May 2008](#)
- ▶ [RSS-Feed](#)

## Shares

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### Negative market trend affects Deutsche Post shares



Global stock markets suffered badly during the first quarter of 2008. The EURO STOXX 50 lost 17.6% of its value and the DAX as much as 19.0%. The Asian markets also failed to escape the share price falls, which were triggered by the crisis in the US mortgage crisis that continues to unnerve investors. Each announcement of write-downs by the banks increases fears that the crisis could also spread to Europe's real economy. This reduced investor's appetite for risk and as a result the number of mergers and acquisitions in the USA dropped by almost a third.

The stock markets have picked back up since the end of March. The DAX and EURO STOXX 50 are experiencing a slight upward trend, which was holding as this issue went to press in mid May.

Our shares ultimately succumbed to the negative market trend, closing the first quarter of 2008 down 17.7% at €19.35 and thereby indicated that we were clearly outperformed by our US competitors and Kuehne + Nagel. Uncertainty with regard to the future wage agreement with the trade union Verdi also had an impact. Once again, the average number of shares traded on a daily basis rose year-on-year, this time by 22% to 7.8 million.

From April to mid May, the trend in our shares was better than the shares of most of our competitors but it did not offset the losses accumulated at the end of the first quarter. Shares closed on 14 May 2008 down 11.4% on the year and therefore quite in line with the DAX, which has lost 12.2% this year.

### Peer group comparison

		28 Dec. 2007
Deutsche Post	EUR	23.51
TNT	EUR	28.18
FedEx	USD	90.62
UPS	USD	71.56
Kuehne + Nagel	CHF	108.50

### Further information on Deutsche Post shares:

- ▶ [Price information](#)
- ▶ [Key figures on our shares](#)
- ▶ [Shareholder structure](#)
- ▶ [Dividend](#)

### Analyst comments

Financial experts' assessment of the results for first quarter 2008

#### Marc McVicar, Dresdner Kleinwort Securities

"An upbeat management presentation confirmed a good start to Q2, re-iterated the profit guidance for 2008/09 and showed some early wins from the "Roadmap to Value" programme. The Express US restructuring announcement is now due on/around May 28th and we believe management is confident it has found the right solution, which should minimise the losses and allow the ROW strengths to become visible."

#### Sebastian Kauffmann, Cheuvreux

"We see two key takeaways from the conference call: a) the company's guidance is currently not at risk, and b) management seems confident it will be able to present a convincing solution for the US Express business."

### Analyst recommendations



As of 14 May 2008

### Further information on our Website:

- ▶ [Analyst recommendations](#)
- ▶ [Analyst estimates](#)

## Events

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### Financial calendar

31 July 2008	Interim report on the first half of 2008, Financials press conference and investors' conference
11 Nov. 2008	Interim report on the first nine months of 2008, Investors' conference call

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### Other events for private investors

5-7 Sep. 2008	IAM in Düsseldorf
8 Nov. 2008	Exchange Convention in Munich
15 Nov. 2008	Exchange Convention in Cologne
29 Nov. 2008	Exchange Convention in Frankfurt/Main

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For more information on other events, updates and details of live webcasts please visit [▶our website](#).

Would you like to be notified of upcoming events by e-mail? If so, please [▶subscribe](#).