Interim Report 2015

January to June

SWISS POST

Yellow in motion.

Simple yet systematic – Swiss Post.

4,100 million

francs in **operating income** as at 30 June 2015.

391 million

francs in normalized **Group profit** as at 30 June 2015.

1,095.7 million

addressed letters were processed by Swiss Post in the first half of 2015.

55.8 million

parcels were delivered by Swiss Post in the first half of 2015.

113.1 billion

francs represents the level of **average customer assets** held by PostFinance.

73.9 million

passengers were transported by PostBus in the first half of 2015.

Interim Report January to June 2015

FOREWORD

by **Peter Hasler,** Chairman of the Board of Directors, and **Susanne Ruoff,** CEO

"We make our customers' everyday lives easier by giving them increasingly simpler and faster access to our services.

Dear Reader

Swiss Post can look back on an encouraging half year. With Group profit of 391 million francs and an operating profit (EBIT) of 504 million francs, it achieved a good result in the first half of 2015.

However, we are also facing major challenges. In the communication market, the decline in letter volumes and over-the-counter transactions is continuing. In the logistics market, we are benefiting from the boom in e-commerce, but competition and price pressure amongst providers are growing both in Switzerland and abroad. Price pressure is also increasing in the domestic passenger transport market. In the financial services market, the ongoing low interest rate situation is putting further pressure on interest margins and is having a negative effect on our key source of revenue there.

In this challenging environment, Swiss Post is well placed to shape the future successfully. It is essential for us to maintain a consistent focus on customer needs and to continue the flexible expansion of our range of products and services. We make our customers' everyday lives easier by giving them increasingly simpler and faster access to our services. In the second half of the year, Swiss Post will be launching pilot projects to coordinate its product range and to reorganize customer management in post offices, for example. An additional project will benefit rail passengers and pedestrians. In future, they will be able to collect and drop off consignments at parcel terminals ideally situated at 40 to 50 train stations throughout Switzerland. At the same time, many new opportunities are opening up in our business units. In the new and promising business area of eHealth, we succeeded in establishing important strategic partnerships in the first half of the year.

Swiss Post is financially healthy. However, it needs to make full use of its entrepreneurial freedom in order to adapt to technological change, social developments and new customer requirements in the longer term.

We would like to sincerely thank our customers for the confidence they have shown in us in the first half of 2015. We would also like to say a big thank you to all of Swiss Post's employees, who make a significant contribution to the success of our company by going about their day-to-day work with great commitment.

Peter Hasler
Chairman
of the Board

Susanne Ruoff
CEO

Presentation of figures
The amounts shown in the report are rounded. 0 is a rounded amount, indicating that the original figure was less than half of the unit used. A dash (–) in place of a figure indicates that the value is zero.

True-to-scale representation of figures in charts
All charts are shown to scale to present a true and fair view. Exceptions to the scale shown below are noted in each case.
20 mm is equivalent to one billion francs.
Percentages in charts are standardized as follows:
Horizontal: 75 mm is equivalent to 100 percent.
Vertical: 40 mm is equivalent to 100 percent.

Key for charts and tables
- Current year
- Previous year
- Positive effect on result
- Negative effect on result

Languages
The report is available in English, German, French and Italian.
The German version is authoritative.

Management report

Swiss Post operates in the communication, logistics, financial services and passenger transport markets. It generates the majority of its sales in competition. The minority is accounted for by letters weighing less than 50 grams, where Swiss Post is in competition with electronic services. 87 percent of sales are generated in Switzerland.

Key figures

Swiss Post operates successfully in all four markets. In the first half of 2015, it achieved Group profit normalized to take account of one-off items of 391 million francs (previous year: 370 million francs). Adjusted operating profit (EBIT) rose to 504 million francs (previous year: 472 million francs). This increase of 32 million francs was achieved partly thanks to solid income on the financial and investment markets and good cost management. All four markets contributed to the good half-yearly result.

Group | Key figures 2015 with previous year for comparison		2015 1.1 to 30.6	2014 1.1 to 30.6
Result			
Operating income	CHF million	4,100	4,142[3]
Generated abroad[2]	CHF million	541	608
	% of operating income	13.2	14.7
Operating profit	CHF million	504[1]	472
As a share of operating income	%	12.3	11.4
Generated abroad[2]	CHF million	29.2	33.0
	% of operating profit	5.8	7.0
Group profit	CHF million	391[1]	370
Employees			
Headcount at Swiss Post Group	Full-time equivalents	44,018	44,715
Abroad	Full-time equivalents	7,452	7,677
Investments			
Investments	CHF million	181	187
Other property, plant and equipment, intangible assets	CHF million	129	115
Operating property	CHF million	44	44
Investment property	CHF million	6	25
Investments	CHF million	2	3
Degree of self-financed investment	%	100	100
Value generation			
Cash flow from operating activities	CHF million	–1,619	2,174
Economic value added	CHF million	158[1]	161
Financing		30.6.2015	31.12.2014
Total assets	CHF million	121,662	124,671
Customer deposits (PostFinance)	CHF million	109,024	112,150
Equity	CHF million	5,227	5,010

1 Normalized figures
2 Definition of "abroad" in accordance with the segmentation in the Financial Report.
3 The figure has been adjusted (see Notes to the Group interim financial statements, Accounting changes).

General developments

The economy

According to the Swiss National Bank (SNB), global economic growth remained below expectations. The economic situation weakened significantly in the US and in several major emerging economies, while economic activity strengthened in the eurozone.

The Swiss economy declined in the first quarter of 2015 – after the strong growth seen the previous year. Foreign trade was clearly in negative territory. Domestic demand however remained solid. On the production side, significant setbacks were suffered by the trade and hospitality industries in particular. Value added also declined slightly in manufacturing. There is significant pressure on profit margins in numerous sectors.

Past and ongoing changes in exchange rates are having an impact on all four of Swiss Post's target markets. Thanks to natural hedging, operating profit was largely unaffected by the translation effect (conversion of accounts managed in foreign currencies into the Group's reporting currency). The current negative interest situation represents a challenge for the financial services market in particular. Despite the difficult operating conditions on the Swiss market, the earnings forecast for Swiss Post Group has not yet been adjusted.

One-off items

Swiss Post's (Group) financial result includes three one-off items in the first half of 2015. These did not lead to any adjustment of the previous year's figures however. The one-off items and their financial impact are explained in detail on page 14. The non-consideration (normalization) of the three one-off items allows comparison with the previous year and provides an accurate representation of the current operating business performance.

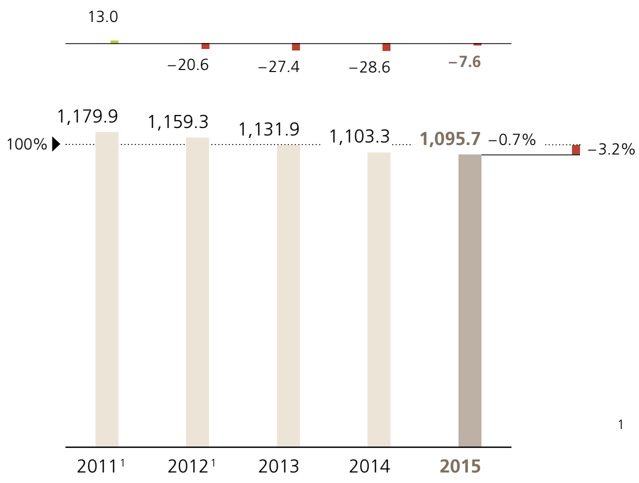
Customers and sectors

Communication market

The performance of products in the communication market declined in the first half of 2015. The number of addressed letters handled by PostMail and Post Offices & Sales was 0.7 percent lower year-on-year. Unaddressed consignment volumes were down 1.1 percent in comparison with the previous year. Newspaper delivery volumes also dropped by 3.7 percent. Import and export volumes (mail) fell 6.0 percent year-on-year. Overall, the decline in volumes is therefore smaller than anticipated and is at a lower level than in many other countries. Post Offices & Sales recorded a downturn of 4.2 percent in over-the-counter payment transactions. At Swiss Post Solutions, income from services provided decreased by 7.4 percent due to exchange rate trends and the intra-Group transfer of the Solution House business unit.

Declining letter volumes in the first half of 2015

Communication market | Addressed letters
2011 to 2015, showing change from prior year / over several years
2013 = 100%, figures expressed in millions as at 30.6.



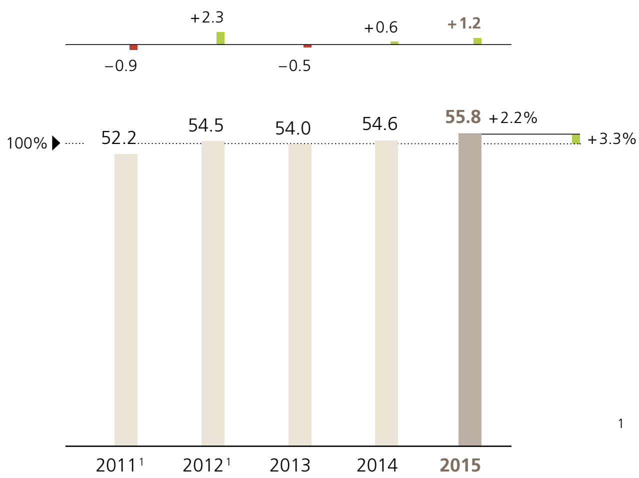
1 The definition of letter volumes was modified for 2013. The values from 2011 and 2012 are not comparable.

Logistics market

The logistics market continues to be characterized by increasing competition and price pressure, both nationally and internationally. Customers are price-sensitive and have high expectations as regards quality. As a result of deregulation and changing customer needs, there is increasing overlap between the courier, express and parcels segments and traditional dispatch. Parcel volumes experienced an increase of 2.2 percent year-on-year.

A further increase in parcel volumes processed

Logistics market | Parcels
2011 to 2015, showing change from prior year / over several years
2013 = 100%, figures expressed in millions as at 30.6.



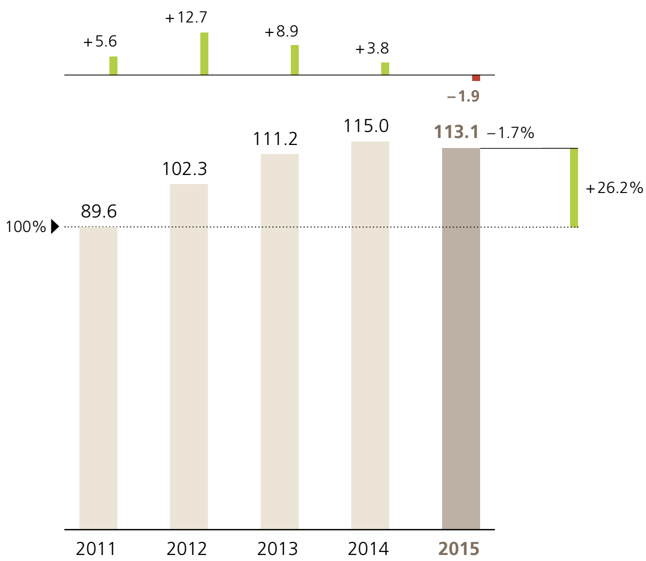
1 The definition of parcel volumes was modified for 2013. The figures from 2011 to 2012 are not comparable.

Financial services market

Despite recording a slight decrease in customer assets year-on-year, PostFinance, Swiss Post's banking arm, continues to enjoy the trust of customers who manage their own finances and who appreciate a simple and inexpensive range of services. During the first half of 2015, average customer assets managed fell by 1.9 billion francs year-on-year to 113.1 billion francs. The decline is due to targeted measures to control customer deposits in connection with the introduction of negative interest rates by the SNB.

Customer deposits decreased slightly

Financial services market | Average customer deposits
2011 to 2015, showing change from prior year / over several years
2011 = 100%, CHF billion as at 30.6.

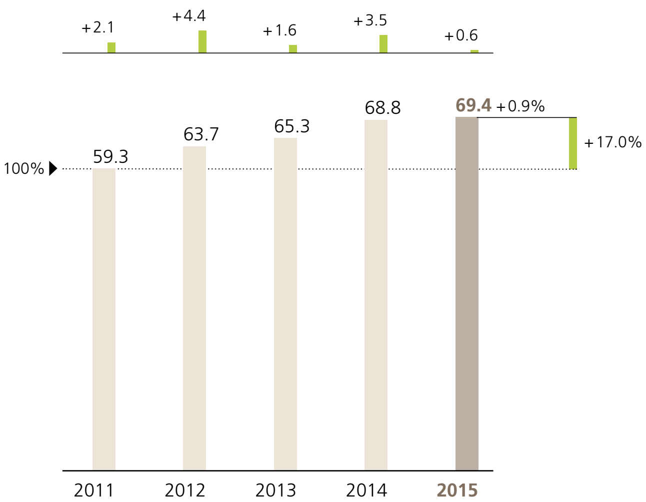


Passenger transport market

The national passenger transport market is growing steadily. As the budgets of public sector organizations which act as contracting bodies for transport services are squeezed once again, the pressure on prices is increasing even more, slowing the expansion of the public transport network. PostBus has been operating urban bus networks and transport routes in France for a number of years. In the first half of 2015, PostBus increased the number of kilometres covered to a total of 69.4 million.

Increase in the number of kilometres covered

Passenger transport market | Kilometres covered
2011 to 2015, showing change from prior year / over several years
2011 = 100%, number of kilometres expressed in millions as at 30.6.



Strategy

To meet the targets set by its owner, Swiss Post must create added value. Its chosen strategy for doing so has the following five strategic thrusts: provide high-quality services, ensure competitive prices, secure sustainable and profitable growth through new solutions, cut costs in a socially responsible manner, and optimally exploit the regulatory framework.

Consolidated Group

Acquisitions

Post CH Ltd, based in Berne, acquired the company Tele-Trans AG, based in Basel and its subsidiary Tele-Trans SA, based in Saint-Louis (FR), on 19 February 2015. This acquisition enables PostLogistics to strengthen its International unit, to expand its current service portfolio and to safeguard its presence in the customs clearance market in the Basel area. Tele-Trans AG and its subsidiary offer services in the fields of European transport and customs clearance, and employ seven members of staff.

Overall, the effect of these acquisitions on the consolidated financial statements is not material in nature.

Finances

Economic value added

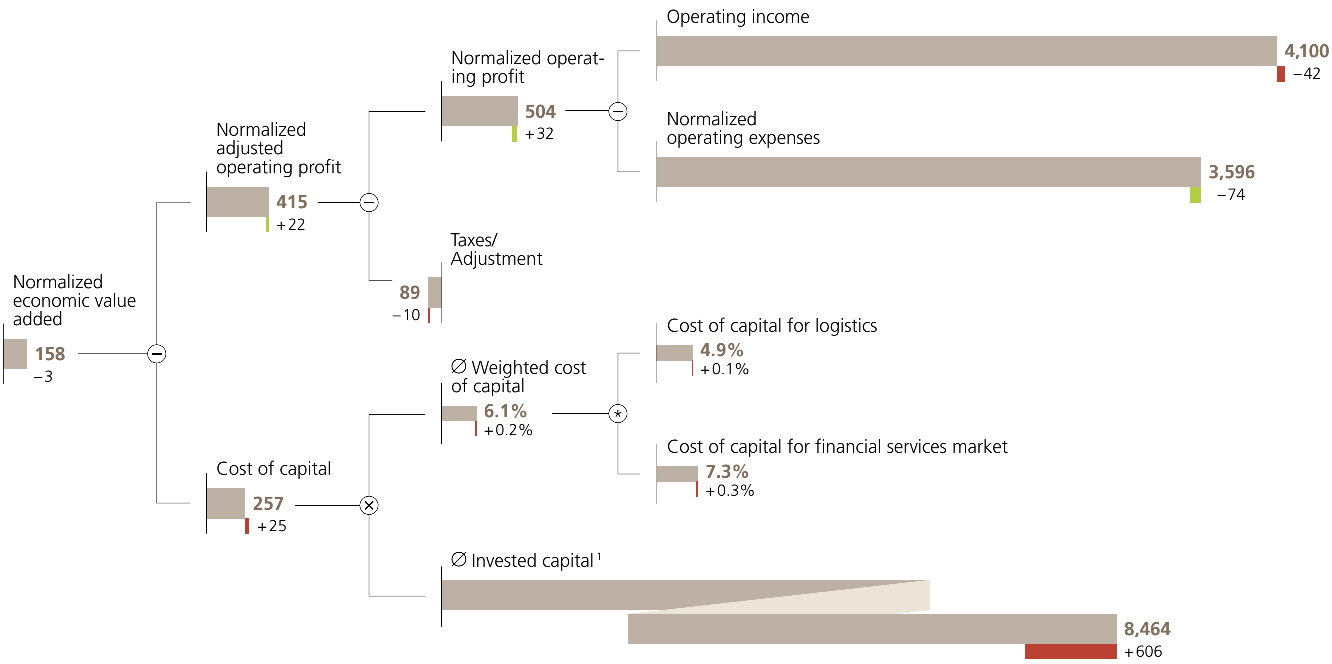
In line with the Federal Council's financial targets, Swiss Post is expected to maintain and increase the company's value in the long term. Value added is created when the adjusted operating profit exceeds the cost of average invested capital. In addition to the income statement, this approach also factors in the risks and the capital employed.

Economic value added in the logistics unit is calculated from adjusted operating profit (NOPAT) minus capital costs (cost of capital for logistics times average invested capital, or NOA). In the financial services market, economic value added is calculated from earnings before tax (EBT) in accordance with IFRS minus capital costs (cost of capital in the financial services market times relevant average capital amount).

As at 30 June 2015, Swiss Post met the financial expectations of the Federal Council and generated normalized economic value added of 158 million francs. This is almost two percent down on the previous year (161 million francs), primarily due to the increase in average invested capital.

Economic value added achieved in the first half of the year

Group | Economic value added
1.1. to 30.6.2015, showing change from prior year
CHF million, percentage points



⊙ Weighted with the average invested capital in logistics and in the financial services market (PostFinance)
1 At PostFinance corresponds to ∅ equity in accordance with Basel III of 4,238 million francs and in logistics units to the ∅ net operating assets (NOA) of 4,226 million francs.

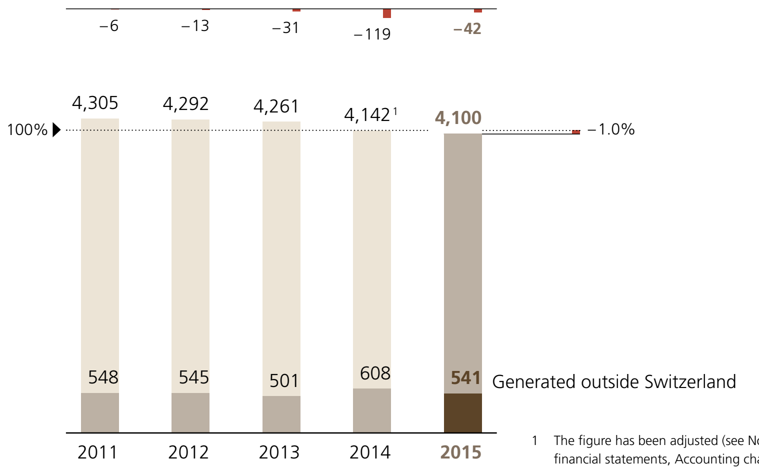
Income statement

Operating income

In the first half of 2015, operating income amounted to 4,100 million francs (previous year: 4,142 million francs). This represents a fall of about one percent. Operating income fell mainly as a result of the further decline in volumes in the communication market and the low interest level in the financial services market. The translation effect at Group level (conversion of accounts managed in foreign currencies into the Group’s reporting currency) had a 23 million franc impact on operating income.

Operating income down in the first half of the year

Group | Operating income
2011 to 2015, showing change from prior year / over several years
2014 = 100%, CHF million as at 30.6.

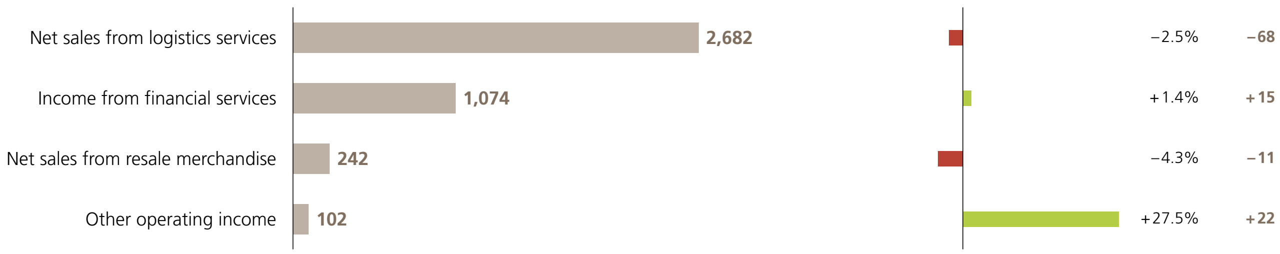


1 The figure has been adjusted (see Notes to the Group interim financial statements, Accounting changes).

Net sales from logistics services fell by 68 million francs year-on-year to 2,682 million francs. The decline in terms of volumes processed continued at both PostMail and Post Offices & Sales. Swiss Post Solutions and PostBus also recorded decreases in their net sales. In net income from financial services, lower interest income was more than offset by an increase in revenue from foreign exchange trading and the recognition of reversals of impairment. Net sales from resale merchandise suffered a decline of 11 million francs. Other operating income increased by 22 million francs year-on-year, principally due to higher profits from the sale of property, plant and equipment no longer required.

Different trends in net income

Group | Operating income
1.1. to 30.6.2015, showing change from prior year
CHF million, percent

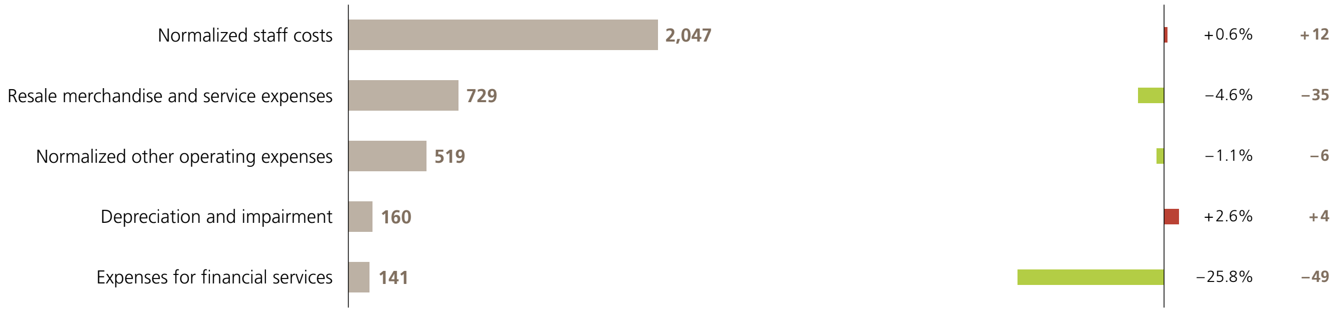


Operating expenses

Normalized staff costs rose by almost one percent to 2,047 million francs. Resale merchandise and service expenses fell by 35 million francs. Expenses for financial services were reduced by 49 million francs year-on-year due to non-recurring portfolio impairment charges and lower interest expense. Normalized other operating expenses decreased by almost 6 million francs year-on-year. Depreciation and amortization increased slightly.

Normalized operating expenses down slightly overall year-on-year

Group | Operating expenses
1.1. to 30.6.2015, showing change from prior year
CHF million, percent



Operating profit

The encouraging change in normalized operating profit year-on-year – an increase of 32 million francs to 504 million francs – is attributable primarily to the drop in resale merchandise and service expenses mentioned above and to lower expenses for financial services.

Group profit

Net income from associates and joint ventures stood at 8 million francs. The financial income of 15 million francs and financial expenses of 40 million francs impacted the net Group result by around –4 million francs. This additional burden compared to the previous year essentially consists of 7 million francs of currency losses, 3 million francs of various other negative effects and 6 million francs of profit from the sale of shares in associates. Normalized expenses for income taxes stood at 96 million francs, which resulted in a normalized Group profit of 391 million francs (previous year: 370 million francs).

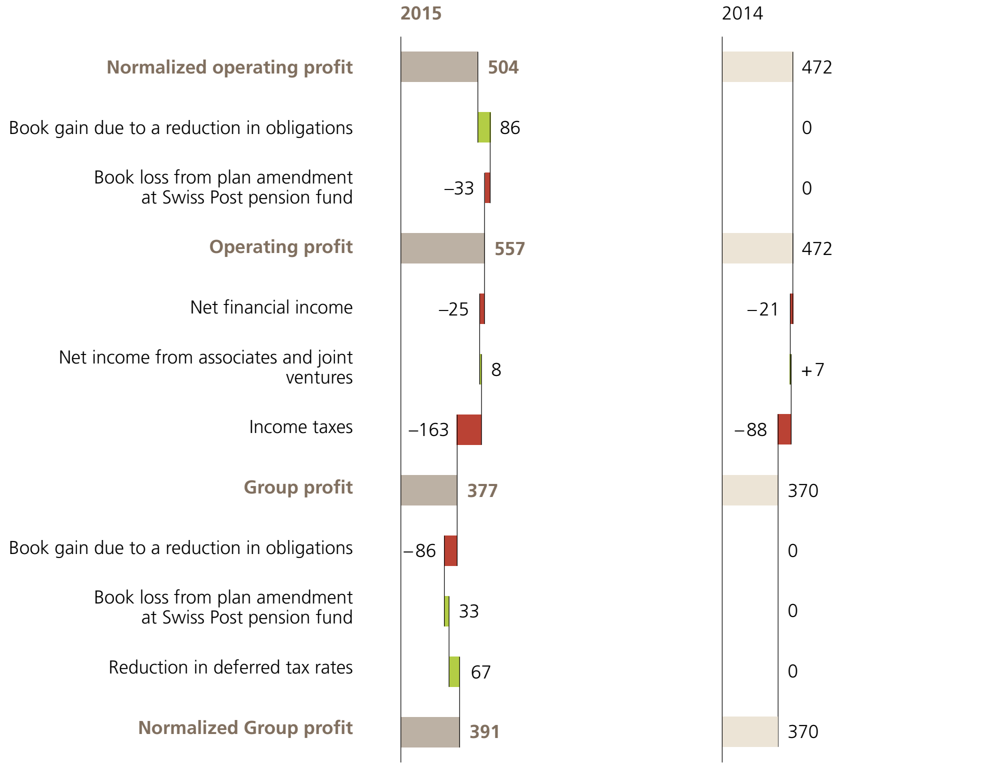
One-off items in 2015

Swiss Post's financial result includes the following one-off items in 2015 which have been adjusted in the management report (normalized):

- A book gain due to a reduction in costs for wages and salaries (86 million francs)
- A book loss due to the adjustment of the discount rate at the Swiss Post pension fund from 1 January 2015 led to an increase in employee benefit expenses (33 million francs)
- The adjustment of deferred tax rates in individual subsidiaries generated an increase in expenses for income taxes (67 million francs)

Operating profit and Group profit affected by one-off items

Group | One-off items in operating profit and Group profit
1.1. to 30.6. in 2014 and 2015
CHF million



Segment results

All the markets contributed to operating profit.

Group | Segment results 1.1. to 30.6.2015 with prior-year period CHF million, percent, full-time equivalents	Operating income [1] 2015	Operating income [1] 2014	Operating result [1,2] 2015 [9]	Operating result [1,2] 2014	Margin [3] 2015	Margin [3] 2014	Headcount [4] 2015	Headcount [4] 2014
Communication market	2,465	2,567	137	154	5,6	6,0	30,019	31,070
PostMail	1,389	1,441	184	197	13,2	13,7	16,487	17,056
Swiss Post Solutions	300	324	6	6	2,0	1,9	7,225	7,527
Post Offices & Sales	776	802	–53	–49			6,307	6,487
Logistics market								
PostLogistics	757	765	65	66	8.6	8,6	5,200	5,324
Financial services market								
PostFinance [5]	1,114	1,091 [8]	280	230			3,548	3,418
Passenger transport market								
PostBus [6]	416	418	19	25	4.6	6,0	2,861	2,758
Other [7]	465	435	3	–3			2,390	2,145
Consolidation	–1,117	–1,134						
	4,100	**4,142** [8]	**504**	**472**			**44,018**	**44,715**

1 Operating income and operating result by segment are reported before management, licence fee and net cost compensation.
2 Operating result corresponds to earnings before net non-operating financial income/expenses and taxes (EBIT).
3 The financial services market (PostFinance) uses the indicator return on equity; no margin is calculated for “Other”; negative margins are not reported.
4 Average expressed in terms of full-time equivalents.
5 PostFinance Ltd also applies the Swiss accounting standards for banks, securities dealers, financial groups and conglomerates (ARB). There are differences between the ARB and the IFRS results.
6 Within the field of regional public transport, PostBus Switzerland AG is subject to the DETEC ordinance on the accounting of licensed businesses (RKV). There are differences between the RKV and the IFRS results.
7 Includes service units (Real Estate and Information Technology) and management units (e.g. Human Resources, Finance and Communication).
8 Figures have been adjusted (see Notes to the Group interim financial statements, Accounting changes).
9 Normalized figures

Communication market

PostMail: stable profit trend

PostMail

In the first half of 2015, PostMail generated a normalized operating profit of 184 million francs (before normalization: 210 million francs), down 13 million francs on the previous year.

Operating income decreased by 52 million francs to 1,389 million francs. Declining volumes of addressed letters had a negative effect on operating income, although the rate of decline slowed in comparison with the previous year. Income from international consignments was below the previous year’s level due to lower volumes and currency effects on import consignments. Income from newspaper deliveries decreased despite moderate price increases.

Normalized operating expenses totalled 1,205 million francs. Expenses decreased by 39 million francs year-on-year as a result of various rationalization projects as well as the lower headcount.

Average headcount fell by 569 full-time equivalents year-on-year The decline reflects the ongoing impact of process optimization measures.

Swiss Post Solutions: operating profit on a par with previous year

Swiss Post Solutions

Swiss Post Solutions achieved a normalized operating profit of 6 million francs in the first half of 2015 (before normalization: 8 million francs), on a par with the previous year's figure.

Operating income fell by 24 million francs to 300 million francs. The translation effect (conversion of accounts managed in foreign currencies into the Group's reporting currency) amounted to 16 million francs. The intra-Group transfer of the Solution House business unit and the sale of Swiss Post Solutions Ireland Limited resulted in a 17 million franc decrease in operating income. The excellent business performance in the US and positive sales trends in Switzerland, the UK and France failed to fully offset the above effects.

At 294 million francs, normalized operating expenses were 24 million francs below the prior-year figure. The items mentioned under operating income and those affecting expenses remained a contributing factor, whilst the previous year's cost optimization measures were also pursued.

Average headcount fell by 302 to 7,225 full-time equivalents year-on-year, principally as a result of the intra-Group transfer of the Solution House business unit.

Post Offices & Sales: core business continues to decline

Post Offices & Sales

Post Offices & Sales generated a normalized operating result of – 53 million francs in the first half of 2015 (before normalization: –44 million francs), down 4 million francs on the previous year. The fall in sales in logistics products and inpayments could not be fully offset by the development of the post office network.

Operating income fell by 26 million francs year-on-year to 776 million francs. The ongoing decline in volumes of the logistics products letters and parcels, combined with the decrease in payment transactions, led to a 17 million franc fall in operating income. Net sales of non-postal brand name items contributed 7 million francs less to operating income than in the previous year.

Normalized operating expenses were cut by 22 million francs year-on-year to 829 million francs. The negative volume trends for postal products led to lower expenses for the sorting, transport and delivery of letters and parcels to private customers. Normalized staff costs fell by 8 million francs.

Headcount totalled 6,307 full-time equivalents, 180 fewer than the previous year, partly as a result of developments in the post office network.

Logistics market

PostLogistics: operating profit on a par with previous year

PostLogistics

PostLogistics generated a normalized operating profit of 65 million francs in the first half of 2015 (before normalization: 72 million francs), down one million francs year-on-year.

Operating income totalled 757 million francs, down 8 million francs on the previous year's figure. Customer loss in small consignment transport and warehousing, combined with lower revenues in the fuel business, contributed to this decline. Higher parcel volumes partly offset the above effects.

Normalized operating expenses decreased by 7 million francs year-on-year to 692 million francs. Reductions in expenditure were achieved for staff, transport, rent, energy and fuel.

Average headcount fell by 124 to 5,200 full-time equivalents, principally as a result of optimization measures in small consignment transport and warehousing.

Financial services market

PostFinance

PostFinance: interest income remains under pressure

PostFinance registered a normalized operating profit of 280 million francs in the first half of 2015 (before normalization: 284 million francs), up 50 million francs year-on-year. Portfolio reversals of impairment on financial assets of 30 million francs were recorded in the first half of 2015. The recognition of portfolio impairment charges of 24 million francs had a negative effect on the result in the prior-year period.

Operating income increased by 23 million francs to 1,114 million francs in the first half of 2015. The fall in net interest income was offset by reversals of impairment on the investment portfolio, additional income from fees on customer deposit credit balances and repo investments in commission and service income, as well as significantly greater trading income following the lifting of the minimum exchange rate. Capital gains realized from the sale of equity holdings in the prior-year period were not repeated in the period under review.

Normalized operating expenses dropped by 27 million francs to 834 million francs in the first half of 2015. Higher normalized staff costs and higher expenses for strategic projects were offset by lower interest expense and the absence of the need for impairment on the investment portfolio.

Headcount rose by 130 full-time equivalents year-on-year to an average of 3,548 full-time equivalents.

Passenger transport market

PostBus

PostBus: stable business performance in the first half of the year

PostBus generated a normalized operating profit of 19 million francs in the first half of 2015 (before normalization: 23 million francs), down 6 million francs year-on-year. This was primarily due to higher project costs and a reduction in compensation for current services.

Operating income decreased by 2 million francs to 416 million francs. Additional services in Switzerland could not fully offset the translation effect (conversion of accounts managed in foreign currencies into the Group’s reporting currency) of 6 million francs and a decline in revenue in Liechtenstein.

Normalized operating expenses increased by 4 million francs to 397 million francs. Additional staff requirements and higher project expenses for system optimization measures in domestic business were responsible for this rise in operating expenses – despite the translation effect of 6 million francs.

Headcount rose by 103 to 2,861 full-time equivalents due to the expansion of services in Switzerland and the integration of PostBus companies.

Management and service units

Management and service units: break-even result

A normalized operating profit of 3 million francs was generated in the “Other” segment in the first half of 2015 (before normalization: 4 million francs). Operating profit increased by 6 million francs year-on-year.

At 465 million francs, operating income rose by 30 million francs year-on-year. This increase was due to the intra-Group transfer of the Solution House business unit from Swiss Post Solutions to the “Other” segment and to higher profits from the sale of property, plant and equipment no longer required.

Normalized operating expenses increased by 24 million francs to 462 million francs. The rise in normalized operating expenses is a result of the intra-Group transfer mentioned above.

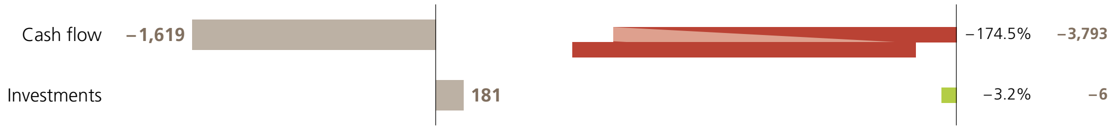
Headcount rose by 245 to 2,390 full-time equivalents, again due to the transfer of the business unit as mentioned above.

Cash flow and investments

A negative cash flow from operating activities of –1,619 million francs was recorded in the first half of 2015. This outflow was attributable to the decline of the customer deposits (PostFinance) item in the balance sheet. Customer withdrawals resulted in a reduction of "Cash and cash equivalents". Cash flow reporting reflects the changes in items in the PostFinance balance sheet. For more information on changes in the consolidated statement of cash flows, see page 26.

Outflow of customer deposits affects cash flow from operating activities

Group | Internal financing
1.1. to 30.6.2015, showing change from prior year
CHF million, percent



Investments in property, plant and equipment (135 million francs), investment property (6 million francs), intangible assets (38 million francs) and investments (2 million francs) therefore totalled 181 million francs in the first half of the year. This represents a non-material reduction of around 3 percent year-on-year.

Net debt

For the indicator net debt/operating profit before depreciation and amortization (EBITDA) Swiss Post has set a maximum figure of 1 as its target. Customer deposits and financial assets of PostFinance Ltd are not included in the calculation of this indicator. Values above the target are possible in the short term. Values below the target indicate financial leeway. The target was met as at 30 June 2015.

Consolidated balance sheet

Receivables due from banks

In comparison with 31 December 2014, receivables due from banks fell by 2,182 million francs. This decline was due to the charging of negative interest on deposits at the SNB. The resources freed as a result were used to repay customer deposits.

Financial assets

In comparison with 31 December 2014, financial assets fell by around 247 million francs. This decrease was in connection with maturity dates in the investment portfolio. Due to a lack of alternative investments, the resources freed as a result were used to repay customer deposits.

Property, plant and equipment

The carrying amount of property, plant and equipment decreased only marginally by 39 million francs compared with 31 December 2014. In the first half of 2015, depreciation and impairment stood at around 143 million francs, up 4 million francs year-on-year.

Customer deposits

Since 31 December 2014, customer deposits at PostFinance decreased by 3,126 million francs to 109,024 million francs. As at 30 June 2015, customer deposits accounted for around 90 percent of the Group's total assets.

Other liabilities (provisions)

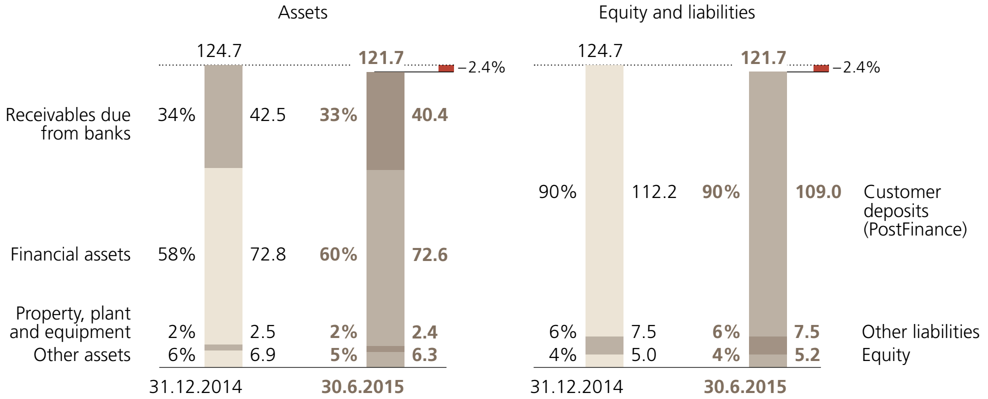
Provisions decreased by 97 million francs and employee benefit obligations fell by 83 million francs. The "one-off items" described on page 14 contributed to this decline. All other provisions changed only marginally.

Equity

Appropriation of profit for 2014 (200 million francs of dividends paid to the Confederation) was taken into account in consolidated equity as at 30 June 2015 (5,227 million francs).

Decrease in total assets compared to 31.12.2014

Group | Balance sheet structure
As at 31.12.2014 and 30.6.2015
31.12.2014 = 100%, CHF billion



Outlook

The global economic recovery should stabilize in the second half of the year. A positive contribution is expected from Europe in particular. Foreign demand for Swiss goods and services should be boosted as a result, which will help to counter the unfavourable exchange rate situation. In addition, negative inflation will bolster households' real disposable income and, in turn, real consumer spending.

Prospects for the current year remain subdued for Switzerland, however. Corporate morale has improved somewhat since the lifting of the minimum exchange rate, but will remain tense for the remainder of the year.

The SNB expects the Swiss economy to experience a new upward trend in the second half of the year. It has predicted growth of just under one percent for 2015.

The low interest rate environment worldwide and the introduction of negative interest in certain countries is likely to have a negative effect in the future, particularly on PostFinance Ltd, which operates in the financial services market. Given these prospects and the associated effects on our business activities, we are expecting Swiss Post to meet the financial targets of its owner again in 2015.

Group interim financial statements

The consolidated interim financial statements include all of Swiss Post's subsidiaries. They have been produced in accordance with International Financial Reporting Standards (IFRS) and meet the requirements of the Postal Organization Act.

Consolidated income statement

Group | Income statement CHF million	2015 1.1. to 30.6. reviewed	2014 1.1. to 30.6. reviewed [1]
Net sales from logistics services	2,682	2,750
Net sales from resale merchandise	242	253
Income from financial services	1,074	1,059
Other operating income	102	80
Total operating income	**4,100**	**4,142**
Staff costs	–1,995	–2,035
Resale merchandise and service expenses	–729	–764
Expenses for financial services	–141	–190
Depreciation and impairment	–160	–156
Other operating expenses	–518	–525
Total operating expenses	**–3,543**	**–3,670**
Operating profit	**557**	**472**
Financial income	15	6
Financial expenses	–40	–27
Net income from associates and joint ventures	8	7
Group profit before tax	**540**	**458**
Income tax	–163	–88
Group profit	**377**	**370**
Group profit attributable to		
Swiss Confederation (owner)	377	370
Non-controlling interests	0	0

1 Figures have been adjusted (see Notes, Accounting changes).

Consolidated statement of comprehensive income

Group | Statement of comprehensive income CHF million	2015 1.1. to 30.6. reviewed	2014 1.1. to 30.6. reviewed
Group profit	**377**	**370**
Other comprehensive income		
Revaluation of employee benefit obligations	190	–619
Change in share of other comprehensive income of associates and joint ventures	1	0
Change in deferred income taxes	–96	126
Items not reclassifiable in the consolidated income statement, after tax	**95**	**–493**
Change in currency translation reserves	–35	1
Change in share of other comprehensive income of associates and joint ventures	3	–1
Change in fair value reserves from available-for-sale financial assets	–13	11
(Gains)/losses transferred to income statement from available-for-sale financial assets	–15	–19
Change in hedging reserves from cash flow hedges	58	–27
(Gains)/losses transferred to income statement from cash flow hedges	–52	27
Change in deferred income taxes	–1	–9
Reclassifiable items in consolidated income statement, after tax	**–55**	**–17**
Total other comprehensive income	**40**	**–510**
Total comprehensive income	**417**	**–140**
Total comprehensive income attributable to		
Swiss Confederation (owner)	417	–140
Non-controlling interests	0	0

Consolidated balance sheet

Group | Balance sheet CHF million	30.6.2015 reviewed	31.12.2014 audited
Assets		
Cash	1,722	1,814
Receivables due from banks	40,361	42,543
Interest-bearing amounts due from customers	466	696
Trade accounts receivable	1,049	1,122
Other receivables	971	911
Inventories	69	83
Non-current assets held for sale	1	1
Financial assets	72,586	72,833
Investments in associates and joint ventures	96	104
Property, plant and equipment	2,438	2,477
Investment property	187	180
Intangible assets	382	371
Current income tax assets	0	0
Deferred income tax assets	1,334	1,536
Total assets	**121,662**	**124,671**
Liabilities		
Customer deposits (PostFinance)	109,024	112,150
Other financial liabilities	1,844	1,739
Trade accounts payable	685	821
Other liabilities	936	804
Provisions	391	488
Employee benefit obligations	3,406	3,489
Current income tax liabilities	14	21
Deferred income tax liabilities	135	149
Total liabilities	**116,435**	**119,661**
Share capital	1,300	1,300
Capital reserves	2,279	2,279
Retained earnings	2,696	2,519
Profits and losses recorded directly in other comprehensive income	–1,049	–1,089
Equity attributable to the owner	**5,226**	**5,009**
Non-controlling interests	1	1
Total equity	**5,227**	**5,010**
Total equity and liabilities	**121,662**	**124,671**

Consolidated statement of changes in equity

Group | Statement of changes in equity

CHF million	Share capital	Capital reserves	Retained earnings	Profits and losses recorded directly in other comprehensive income	Equity attributable to the owner	Non-controlling interests	Total
Balance as at 1.1.2014	**1,300**	**2,419**	**1,922**	**–5**	**5,636**	**1**	**5,637**
Group profit			370		370	0	370
Other comprehensive income				–510	–510	0	–510
Total comprehensive income			**370**	**–510**	**–140**	**0**	**–140**
Dividends		–140	–40		–180	–	–180
Payments to acquire non-controlling interests			–1		–1	0	–1
Total transactions with the owner		**–140**	**–41**		**–181**	**0**	**–181**
Balance as at 30.6.2014	**1,300**	**2,279**	**2,251**	**–515**	**5,315**	**1**	**5,316**
Balance as at 1.1.2015	**1,300**	**2,279**	**2,519**	**–1,089**	**5,009**	**1**	**5,010**
Group profit			377		377	0	377
Other comprehensive income				40	40	0	40
Total comprehensive income			**377**	**40**	**417**	**0**	**417**
Dividends			–200		–200	–	–200
Total transactions with the owner			**–200**		**–200**	**–**	**–200**
Balance as at 30.6.2015	**1,300**	**2,279**	**2,696**	**–1,049**	**5,226**	**1**	**5,227**

Consolidated statement of cash flows

Group | Cash flow statement CHF million	2015 1.1. to 30.6. reviewed	2014 1.1. to 30.6. reviewed
Profit before tax	540	458
Interest expense/(income) (including dividends)	–511	–520
Depreciation and impairment	172	157
Net income from associates and joint ventures	–8	–7
Net gain on disposal of property, plant and equipment	–40	–8
Net increase in provisions	13	44
Other non-cash expenses/(income)	464	25
Change in net current assets:		
(Increase)/decrease in receivables, inventories and other assets	5	–51
Increase/(decrease) in accounts payable and other liabilities	–51	16
Change in items from financial services (PostFinance):		
Decrease in receivables due from banks (term of 3 months or more)	317	96
(Increase) in financial assets	–293	–3,433
Change in customer deposits/interest-bearing amounts due from customers	–2,895	2,737
Change in other receivables/liabilities	117	2,050
Interest and dividends received (financial services)	657	739
Interest paid (financial services)	–37	–83
Income taxes paid	–69	–46
Cash flow from operating activities	**–1,619**	**2,174**
Purchases of property, plant and equipment	–135	–132
Acquisition of investment property	–6	–25
Purchases of intangible assets (excl. goodwill)	–38	–27
Purchases of subsidiaries, net of cash and cash equivalents acquired	–2	–3
Purchases of other financial assets	–300	–404
Proceeds from disposal of property, plant and equipment	37	14
Disposal of subsidiaries, net of cash proceeds	0	–
Proceeds from disposal of associates and joint ventures	6	–
Proceeds from disposal of other financial assets	22	17
Interest received and dividends (excl. financial services)	12	18
Cash flow from investing activities	**–404**	**–542**
(Decrease) in other financial liabilities	–11	–4
Interest (paid)	–6	–8
Payments to acquire non-controlling interests	–	–1
Dividends paid to the owner	–200	–180
Cash flow from financing activities	**–217**	**–193**
Foreign exchange gains/(losses) on cash and cash equivalents	–17	0
Change in cash and cash equivalents	**–2,257**	**1,439**
Cash and cash equivalents at 1 January	43,980	46,472
Cash and cash equivalents at 30 June	**41,723**	**47,911**
Cash and cash equivalents include:		
Cash	1,722	1,853
Receivables due from banks with an original term of less than 3 months	40,001	46,058

Notes to the interim financial statements

Business activities

Swiss Post Ltd is a company limited by shares subject to a special statutory regime with its head office in Berne and is wholly owned by the Swiss Confederation. Swiss Post Ltd and its subsidiaries (hereinafter referred to as Swiss Post) provide logistics and financial services both in Switzerland and abroad.

Basis of accounting

The condensed consolidated interim financial statements of Swiss Post Group as at 30 June 2015 were prepared in accordance with IAS 34 "Interim Financial Reporting" and reviewed. The accounting principles applied are the same as those used for the Financial Report 2014, supplemented with the restrictions listed in the section titled "Accounting changes".

For more information on estimation uncertainty and management's judgement during the preparation of the financial statements, please refer to the Financial Report 2014, pages 80 to 81.

Accounting changes

As of 1 January 2015, Swiss Post is applying various amendments to existing International Financial Reporting Standards (IFRS) and interpretations that have no material impact on the result or financial situation of the Group (see Financial Report 2014, page 72).

Change in the recognition method for commission expenses and income

PostFinance changed the recognition method for commission expenses and income in the second quarter of 2015. Commission expenses and income from the private customer lending business are now recognized on a net basis. The aim of this change is to take the ordinary course of business into account more closely in future disclosures, as PostFinance acts merely as an intermediary and is therefore not exposed to any risks in relation to this business. The following table gives an overview of the impact of the restatement directly in equity.

Income statement

1.1. to 30.6.2014 CHF million	Reported	Adjustment	Adjusted
Income from financial services	1,102	–43	1,059
Expenses for financial services	–233	43	–190

Significant events and transactions

The "Other non-cash expenses/(income)" item in the statement of cash flows amounting to 464 million francs essentially consists of unrealized currency effects on PostFinance's financial assets recognized in profit and loss (438 million francs).

A net book loss due to the adjustment of the discount rate and the reduction in the conversion rate at the Swiss Post pension fund, together with the associated funding by Swiss Post, led to a 33 million franc increase in employee benefit expenses. As a result of the positive change in returns on plan assets, a revaluation gain from employee benefit obligations was recorded net in other comprehensive income in the first half of 2015.

Segment information

Segments | Results

2015 CHF million	PostMail	Swiss Post Solutions	Post Offices & Sales	PostLogistics	PostFinance[2]	PostBus[3]	Other[4]	Consolidation	Group
Operating income									
from customers	1,207	273	466	563	1,093	415	83		4,100
from other segments	182	27	310	194	21	1	382	–1,117	–
Total operating income[1]	**1,389**	**300**	**776**	**757**	**1,114**	**416**	**465**	**–1,117**	**4,100**
Operating profit[1]	**210**	**8**	**–44**	**72**	**284**	**23**	**4**		**557**
Net financial income									–25
Net income from associates and joint ventures	5	–1	–	3	2	0	–1		8
Income taxes									–163
Group profit									**377**
Headcount[6]	16,487	7,225	6,307	5,200	3,548	2,861	2,390		44,018
Up to or as at 30.6.2014									
Operating income									
from customers	1,257	299	482	571	1,071[6]	417	45		4,142[6]
from other segments	184	25	320	194	20	1	390	–1,134	–
Total operating income[1]	**1,441**	**324**	**802**	**765**	**1,091**[6]	**418**	**435**	**–1,134**	**4,142**[6]
Operating profit[1]	**197**	**6**	**–49**	**66**	**230**	**25**	**–3**		**472**
Net financial income									–21
Net income from associates and joint ventures	0	0	–	4	3	0	0		7
Income taxes									–88
Group profit									**370**
Headcount[6]	17,056	7,527	6,487	5,324	3,418	2,758	2,145		44,715

1 Operating income and operating result by segment are reported before management, licence fee and net cost compensation.
2 PostFinance Ltd also applies the Swiss accounting standards for banks, securities dealers, financial groups and conglomerates (ARB). There are differences between the ARB and the IFRS results.
3 Within the field of regional public transport, PostBus Switzerland AG is subject to the DETEC ordinance on the accounting of licensed businesses (RKV). There are differences between the RKV and the IFRS results.
4 Includes service units (Real Estate and Information Technology) and management units (e.g. Human Resources, Finance and Communication).
5 Average expressed in terms of full-time equivalents (excl. trainees).
6 Figures have been adjusted (see Notes, Accounting changes).

Significant changes in segment assets and liabilities

In comparison with 31 December 2014, the segment assets of PostFinance decreased by 2,871 million francs, particularly with regard to receivables and financial assets. The decrease was mainly due to lower customer deposits.

Changes in the consolidated Group

Acquisitions

Post CH Ltd, based in Berne, acquired the company Tele-Trans AG, based in Basel and its subsidiary Tele-Trans SA, based in Saint-Louis (FR), on 19 February 2015. This acquisition enables PostLogistics to strengthen its International unit, to expand its current service portfolio and to safeguard its presence in the customs clearance market in the Basel area. Tele-Trans AG and its subsidiary offer services in the fields of European transport and customs clearance, and employ seven members of staff.

Overall, the effect of these acquisitions on the consolidated financial statements is not material in nature.

Other changes during the reporting period

Post CH Ltd, based in Berne, sold Swiss Post Solutions Ireland Limited, based in Cork (Ireland), on 3 February 2015.

PostBus Management Ltd, PostBus Mobility Solutions Ltd and PostBus Production Ltd, all based in Berne, were founded on 19 February 2015.

Swiss Post Solutions Holding GmbH, based in Bamberg (Germany) sold its interest (35 percent) in MEILLERGHP GmbH, based in Schwandorf (Germany), on 20 February 2015.

Post CH Ltd, based in Berne, sold its interest (25 percent) in search.ch AG, based in Zurich, on 8 May 2015.

Financial instruments

Carrying amounts and fair values of financial instruments

The carrying amounts and corresponding fair values of financial assets and liabilities are as follows on 30 June 2015 and 31 December 2014:

Fair values and carrying amounts of financial instruments and other assets	30 June 2015		31 December 2014	
CHF million	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets measured at fair value				
Financial assets				
Available for sale				
Bonds	5,192	5,192	3,197	3,197
Shares	626	626	625	625
Funds	1,107	1,107	766	766
Positive replacement values	68	68	5	5
Financial assets not measured at fair value				
Financial assets				
Held to maturity	51,336	54,370	54,542	57,562
Loans	14,257	14,711	13,698	14,259
Financial liabilities measured at fair value				
Other financial liabilities				
Negative replacement values	206	206	174	174
Financial liabilities not measured at fair value				
Other financial liabilities				
Private placements	1,270	1,339	1,280	1,341

The carrying amounts of cash holdings, receivables due from banks, interest-bearing amounts due from customers, trade accounts receivable and payable, other receivables excluding prepaid expenses and other liabilities excluding deferred income, customer deposits (PostFinance) and other financial liabilities represent a reasonable estimate of fair value. These financial instruments are therefore not reported above.

Fair value hierarchy

Financial instruments measured at fair value are assigned to one of three levels in the fair value hierarchy on the reporting date. The level to which they are assigned depends on the lowest level parameter, which is used for determining the fair value of the financial instrument.

Level 1 Quoted prices in an active market: Fair value is determined on the basis of quoted prices in the active market for the specific assets and liabilities. The market price at the balance sheet date is mandatory and may not be adjusted.

Level 2 Valuation method based on observable model inputs: Positions that are not traded on an active market but whose fair values are measured on the basis of similar assets and liabilities traded on active markets or using valuation techniques are classified as level 2. In principle, recognized valuation techniques and directly or indirectly observable market data should be used as model parameters. Possible input parameters for level 2 fair values are prices in active markets for comparable assets and liabilities under normal market conditions. Fair values calculated using the DCF method with model inputs based on observable market data are classified as level 2.

The DCF method involves estimating the present value of the expected cash flow from assets or liabilities. A discount rate is applied, which corresponds to the creditworthiness required on the market for similar instruments with similar risk and liquidity profiles. The discount rates needed for the calculation are determined according to standard market yield curve modelling and models.

Level 3 Valuation method not based on observable model inputs: Fair value is determined using valuation techniques and significant inputs specific to the company that are not observable in the market.

Fair values are determined as follows:

Fair value of financial instruments and other assets	30 June 2015				31 December 2014			
CHF million	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Available for sale								
Bonds	5,192	4,462	730	–	3,197	2,531	666	–
Shares	626	625	1	–	625	624	1	–
Funds	1,107	0	1,107	–	766	0	766	–
Positive replacement values	68	–	68	–	5	–	5	–
Held to maturity [1]	54,370	41,685	12,685	–	57,562	44,065	13,497	–
Loans [2]	14,711	–	14,689	22	14,259	–	14,235	24
Negative replacement values	206	–	206	–	174	–	174	–
Private placements	1,339	–	1,339	–	1,341	–	1,341	–

1 Financial assets held to maturity are recognized at amortized cost using the effective interest method.
2 Loans are measured at amortized cost. In the case of the loans to PostBus companies (95 million francs, 31.12.2014: 106 million francs) and "Other" (22 million francs, 31.12.2014: 24 million francs), the fair values on the balance sheet date correspond approximately to the carrying amounts given in the balance sheet.

Six Swiss Post investments of a non-material nature that together amount to about one million francs (31 December 2014: about one million francs) are measured at cost in "available-for-sale" shares. As in the previous year, these instruments were not assigned to a level as at 30 June 2015.

In the first half of 2015, available-for-sale financial assets of 56 million francs were reclassified from level 2 to level 1. Reclassifications between the different levels are carried out at the end of each reporting period. For an instrument to be assigned to level 1, it must be traded on an active market (public stock exchange), have a quoted price on the reference date and be available in sufficient quantities to ensure a liquid market. The aforementioned reclassification was undertaken because this requirement was satisfied again with regard to the financial assets in question.

Receivables due from banks

In comparison with 31 December 2014, receivables due from banks decreased by around 2,182 million francs. Cash reserves remain high, and are mostly held at the SNB.

Breakdown of major country exposures

Country risks are controlled by establishing country portfolio limits which encourages a broad diversification of international financial assets. The following table gives an overview of the major country exposures as at 30 June 2015 and 31 December 2014:

Summary of main country exposures [1]

CHF million	30.6.2015	31.12.2014
Switzerland	43,034	41,517
France	5,413	5,515
Germany	3,632	3,928

1 Includes receivables due from banks (excluding secured loans) and financial assets; based on nominal values.

Net income from financial assets

Gains and losses on the disposal and early repayment of available-for-sale financial assets are presented as net income from the disposal of available-for-sale financial assets (income from financial services). In the reporting period, they amounted to a gain of 20 million francs (prior-year period: gain of 38 million francs).

Gains and losses affecting net income from sales and from the measurement at fair value of derivative financial assets are stated in net trading income (income from financial services). There were no resulting effects on net profit or loss in the first half of 2015 (prior-year period: net loss of around one million francs).

Investment obligations

As at 30 June 2015, investment obligations totalled 205 million francs (31 December 2014: 206 million francs). This amount is essentially attributable to the PostParc project in Berne.

Seasonal nature

Swiss Post's business activity is affected by a small number of seasonal influences. These primarily include customer deposits in the PostFinance segment which stand at a high level at year-end. For various reasons (13th monthly salary payment, invoice receipts credited at year-end, etc.), both private and business customers hold a large amount of liquidity. To a lesser extent, this also applies to this Interim Report. The Christmas season has a positive impact on the logistics units, whereas the summer months are weaker.

Appropriation of profit

The General Meeting of Swiss Post Ltd held on 28 April 2015 decided to pay a dividend totalling 200 million francs. The dividend was paid on 15 May 2015.

Related companies and parties

The transactions between Swiss Post and related companies and parties carried out in the first half of 2015 are comparable with the transactions mentioned in the 2014 consolidated annual financial statements (see Financial Report 2014, page 139).

Events after the balance sheet date

Prior to the approval of this Interim Report by the Board of Directors' Audit, Risk & Compliance Committee on 18 August 2015, no events came to light which either would have resulted in changes to the carrying amounts of the Group's assets and liabilities or would have to be disclosed in this section of the Report.

Review report to the Board of Directors

Swiss Post Ltd, Berne

Introduction
We have been engaged to review the accompanying consolidated balance sheet of Swiss Post Ltd as at 30 June 2015 and the related consolidated income statement, statement of comprehensive income, changes in equity and cash flows for the 6-month period then ended, and a summary of significant accounting policies and selected explanatory notes (the consolidated interim financial statements) on pages 22 to 33. The Board of Directors is responsible for the preparation and fair presentation of these consolidated interim financial statements in accordance with International Accounting Standard 34 Interim Financial Reporting. Our responsibility is to express a conclusion on this consolidated interim financial statements based on our review.

Scope of the review
We conducted our review in accordance with the International Standard on Review Engagements 2410, Review of Interim Financial Information performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements as at 30 June 2015 are not prepared, in all material respects, in accordance with International Accounting Standard 34 Interim Financial Reporting.

KPMG AG

Orlando Lanfranchi	Stefan Andres
Licensed Audit Expert	Licensed Audit Expert

Gümligen-Berne, 18 August 2015

PostFinance interim financial statements

PostFinance Ltd reports to the Group in accordance with International Financial Reporting Standards (IFRS) and issues its financial statements pursuant to the Accounting rules for banks, securities dealers, financial groups and conglomerates (ARB) (FINMA Circular 2015/1 "Accounting – Banks").

Reconciliation of profit

The ARB valuation principles differ from the IFRS rules. The following table shows the reconciliation of the segment results as per IFRS with PostFinance Ltd interim profits as per IFRS and PostFinance Ltd interim profits as per ARB:

PostFinance Ltd | Reconciliation of profit

CHF million	2015 1.1. to 30.6.	2014 1.1. to 30.6.
PostFinance segment operating profit (EBIT) as per IFRS before fees and net cost compensation	**284**	**230**
Management/licence fee/net cost compensation	43	64
PostFinance segment operating profit (EBIT) as per IFRS after fees and net cost compensation	**327**	**294**
Net income from associates and subsidiaries	5	2
Net financial income	–2	–1
Earnings before tax (EBT)	**330**	**295**
Income tax	–107	–65
PostFinance Ltd interim profit as per IFRS	**223**	**230**
Amortization of revalued held-to-maturity financial assets	–34	–40
Lowest value principle for financial assets as per ARB	–1	14
Realized gains from (earlier than scheduled) sales	–5	–17
Valuation differences between Swiss GAAP ARR 16 and IAS 19	7	7
Depreciation of revalued real estate	–2	–2
Individual impairment charges due to lower fair value (fixed assets)	0	0
Amortization of goodwill	–100	–100
Adjustment of deferred tax effects as per IFRS	66	30
PostFinance Ltd interim profit as per ARB	**154**	**122**

The main material positions in the reconciliation of profit from the PostFinance segment in accordance with IFRS with PostFinance Ltd interim profits as per ARB can be described as follows:

– The goodwill capitalized as part of the conversion to a company limited by shares in 2013 is amortized by 200 million francs annually.

– The income taxes of –107 million francs include both deferred taxes (–67 million francs) and current income taxes of –40 million francs.

– Swiss Post reports its segments based on operating profit before management, licence fee and net cost compensation. For this reason, the reconciliation of profit includes an offset of 43 million francs on the operating profit in accordance with IFRS.

PostFinance Ltd statutory interim financial statements

The following pages show the PostFinance Ltd statutory financial statements in accordance with the Accounting rules for banks, securities dealers, financial groups and conglomerates (ARB) (FINMA Circular 2015/1 “Accounting – Banks”). PostFinance implemented the new ARB on 30 June 2015. To improve legibility and facilitate comparison, the financial figures for 2014 have also been adapted to reflect the new accounting structure. No value adjustments have been made.

Balance sheet

PostFinance Ltd | Balance sheet as per ARB

CHF million	30.6.2015	31.12.2014
Assets		
Liquid assets	40,318	41,746
Amounts due from banks	4,295	3,948
Amounts due from securities financing transactions	58	1,309
Amounts due from customers	10,854	10,704
Mortgage loans	0	0
Positive replacement values of derivative financial instruments	68	5
Financial investments	58,140	59,055
Accrued income and prepaid expenses	670	682
Participations	51	48
Tangible fixed assets	1,100	1,027
Intangible assets	1,500	1,600
Other assets	234	145
Total assets	**117,288**	**120,269**
Total subordinated claims	–	–
of which subject to mandatory conversion and/or debt waiver	–	–
Liabilities		
Amounts due to banks	3,562	2,788
Liabilities from securities financing transactions	115	–
Amounts due in respect of customer deposits	106,235	110,111
Negative replacement values of derivative financial instruments	206	174
Cash bonds	143	155
Accrued expenses and deferred income	177	122
Other liabilities	3	33
Provisions	11	12
Bank's capital	2,000	2,000
Statutory capital reserve	4,682	4,682
of which tax-exempt capital contribution reserve	4,682	4,682
Profit carried forward	–	25
Profit	154	167
Total liabilities	**117,288**	**120,269**
Total subordinated liabilities	–	–
of which subject to mandatory conversion and/or debt waiver	–	–
Off-balance-sheet transactions		
Irrevocable commitments	656	656

Income statement

PostFinance Ltd | Income statement as per ARB

CHF million	2015 1.1. to 30.6.	2014 1.1. to 30.6.
Interest and discount income	102	110
Interest and dividend income from financial assets	442	479
Interest expense	–56	–102
Gross result from interest operations	**488**	**487**
Changes in value adjustments for default risks and losses from interest operations	25	–27
Net result from interest operations	**513**	**460**
Commission income from securities trading and investment activities	21	22
Commission income from lending activities	6	47
Commission income from other services	308	305
Commission expenses	–247	–294
Result from commission business and services	**88**	**80**
Result from trading activities and the fair value option	**97**	**79**
Result from the disposal of financial assets	16	25
Income from participations	1	1
Result from real estate	28	28
Other ordinary income	66	78
Other ordinary expenses	–1	–5
Other result from ordinary activities	**110**	**127**
Personnel expenses	–238	–231
General and administrative expenses	–249	–237
Operating expenses	**–487**	**–468**
Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets	–123	–117
Changes to provisions and other value adjustments, and losses	–4	–6
Operating result	**194**	**155**
Extraordinary income	2	4
Taxes	–42	–37
Interim profit	**154**	**122**

Swiss Post Ltd
Wankdorfallee 4
P.O. Box
3030 Berne
Switzerland

Tel. +41 58 338 11 11

www.swisspost.ch

SWISS POST