

Annual Results 2007

Strategy Update: 'Back to Growth'

5 February 2008

Safe harbor

Certain statements contained in this presentation constitute forward-looking statements. These statements may include, without limitation, statements concerning future results of operations, the impact of regulatory initiatives on KPN's operations, its and its joint ventures' share of new and existing markets, general industry and macro-economic trends and KPN's performance relative thereto, and statements preceded by, followed by or including the words "believes", "expects", "anticipates" or similar expressions. These forward-looking statements rely on a number of assumptions concerning future events and are subject to uncertainties and other factors, many of which are outside our control that could cause actual results to differ materially from such statements. A number of these factors are described (not exhaustively) in the 2006 Annual Report and Form 20-F. Our 2007 Annual Report and Form 20-F will be available in early March 2008.

All figures in this presentation are unaudited and based on IFRS. This presentation contains a number of non-GAAP figures, such as EBITDA and free cash flow. These non-GAAP figures should not be viewed as a substitute for KPN's GAAP figures.

All market share information in this presentation is based on management estimates based on externally available information, unless indicated otherwise.

Disclaimer

We define EBITDA as operating result before depreciation and impairments of PP&E and amortization and impairments of intangible assets. Note that our definition of EBITDA deviates from the literal definition of earnings before interest, taxes, depreciation and amortization and should not be considered in isolation or as a substitute for analyses of the results as reported under IFRS. In all cases, a reconciliation of EBITDA and the nearest GAAP measure (operating result) is provided. In the net debt/EBITDA ratio, we define EBITDA as a 12 month rolling average excluding book gains and restructuring costs, both over EUR 20m. For 2007, we define free cash flow as cash flow from operating activities plus proceeds from real estate, minus capital expenditures (Capex), being expenditures on PP&E and software. For 2008 and subsequent years, free cash flow is defined as cash flow from operating activities plus proceeds from real estate, minus capital expenditures (Capex), being expenditures on PP&E and software, and excluding tax recapture at E-Plus.

The unaudited pro-forma financial information for KPN Mobile The Netherlands and the Fixed division (including Other) for 2007 has been prepared based on the former organizational structure in place as at December 31, 2006 and on the transfer pricing, roaming and intercompany charges associated with that former structure. Although we believe that the pro-forma financial information has been prepared based on reasonable assumptions, this information is provided for illustrative purposes only and we cannot assure you that the pro-forma financial information based on the former organizational structure would be identical to the actual results which might have been reported had our organization structure not changed.

Agenda

Review 2007	Marcel Smits, CFO
Strategy update	Ad Scheepbouwer, Chairman and CEO
Strategy The Netherlands	Baptiest Coopmans, MD Consumer
	Eelco Blok, MD Business / W&O
Strategy Mobile International	Stan Miller, MD Mobile International
Concluding remarks	Ad Scheepbouwer, Chairman and CEO

Highlights 2007

- Solid performance in the Netherlands
 - Consumer net line loss declining, TV customer base nearly doubled
 - Strong EBITDA growth in wireless services as a result of Telfort integration
 - Continued growth in Business market, migration to new services accelerating
 - FttC / FttH roll-out taken to implementation stage
- Continued profitable growth at Mobile International
 - E-Plus outperforming competition, exceeding growth and margin objectives
 - Strategic initiatives creating growth platform in Belgium
- Strategic M&A with a focus on value creation
 - Market leader in workspace management through Getronics acquisition
 - Creating leading position in international wholesale through iBasis
- Full-year guidance met, shareholder returns of € 2.5 bn in 2007
 - Dividend per share of € 0.54 for FY 2007, up 8%

Group results

Revenue and EBITDA increase fueled by acquisitions, tax gain in Germany

€ mn	Q4 '07	Q4 '06	%	FY '07	FY '06	%
Revenues and other income	3,659	3,039	20%	12,632	12,057	4.8%
– of which Revenues	3,579	3,022	18%	12,461	11,941	4.4%
Operating expenses	3,025	2,672	13%	10,132	9,834	3.0%
– of which Depreciation ¹	405	439	-7.7%	1,640	1,832	-11%
– of which Amortization ¹	177	346	-49%	760	782	-2.8%
Operating result	634	367	73%	2,500	2,223	13%
Financial income/(expense)	-153	-161	-5.0%	-560	-520	7.7%
Share of profit of associates	-1	0	-	1	7	-86%
Profit/(Loss) before taxes	480	206	>100%	1,941	1,710	14%
Taxes	1,101	220	>200%	708	-127	-
Profit/(Loss) after taxes	1,581	426	>200%	2,649	1,583	67%
Earnings per share²	0.85	0.22	>200%	1.42	0.79	80%
EBITDA³	1,216	1,152	5.6%	4,900	4,837	1.3%

- Consolidation effect from acquisitions of € 620 mn in revenues and € 23 mn in EBITDA in Q4 '07
- EPS up 80% to € 1.42, following € 1.2 bn tax gain at E-Plus in Q4

¹ Including impairments, if any

² Defined as Profit after taxes per ordinary share / ADS on a non-diluted basis (in €)

³ Defined as Operating result plus depreciation, amortization & impairments

Group cash flow

Continued strong free cash flow, another € 2.5 bn returned to shareholders

€ mn	Q4 '07	Q4 '06	%	FY '07	FY '06	%
Operating result	634	367	73%	2,500	2,223	12%
Depreciation & amortization ¹	582	785	-26%	2,400	2,614	-8.2%
Interest paid/received	-123	-228	46%	-471	-479	1.7%
Tax paid/received	-171	-66	>100%	-251	147	-
Other cash flow ²	290	-43	-	-288	-434	34%
Net cash flow operating activities	1,212	815	49%	3,890	4,071	-4.4%
Capex³	707	533	33%	1,688	1,650	2.3%
Proceeds from real estate	19	21	-9.5%	143	56	>100%
Free cash flow⁴	524	303	74%	2,345	2,477	-5.3%
Dividend paid	-	-	-	982	982	-
Share repurchases	395	101	>200%	1,569	1,615	-2.8%
Cash return to shareholders	395	101	>200%	2,551	2,597	-1.8%

- Continued strong free cash flow of € 2.3 bn, despite higher tax payments
- Attractive shareholder returns of € 2.5 bn, in line with previous years
 - € 0.7 bn final dividend '06 and € 0.3 bn interim dividend '07
 - € 1.5 bn share repurchases vs. € 1.0 bn announced in February 2007

¹ Including impairments, if any

² Including other income, change in provisions, change in working capital and share based compensation

³ Including Property, Plant & Equipment and software

⁴ Defined as cash flow from operating activities plus proceeds from real estate minus Capital expenditures

Performance versus Guidance

Full-year guidance met

Outlook FY 2007	Guidance 6 February	Q1	Q2	Q3	Q4	FY '07
Revenues and other income¹	Flat	-2.6%	1.0%	-0.6%	-1.1%	-0.8%
EBITDA^{1,2}	Flat	-1.4%	-0.5%	1.5%	-2.1%	-0.6%
Capex	€ 1.6 - € 1.8 bn	€ 0.3 bn	€ 0.3 bn	€ 0.4 bn	€ 0.7 bn	€ 1.7 bn
Free cash flow³	> € 2 bn	€ 0.6 bn	€ 0.6 bn	€ 0.6 bn	€ 0.5 bn	€ 2.3 bn

- Lower revenue and EBITDA growth in Q4 '07
 - Full impact of roaming and MTA reductions coming through
 - Acquisitions in 2006 fully consolidated in Q4 '06
 - Higher one-off costs in Q4 '07, including restructuring charges and All-IP implementation costs
- Capex stable at € 1.7 bn, up in Q4 due to seasonality and step-up in All-IP investments
- € 0.5 bn free cash flow in Q4, full year well above € 2 bn

1 Reported numbers excluding acquisitions of Tiscali, iBasis and Getronics

2 Defined as Operating result plus depreciation, amortization & impairments

3 Defined as cash flow from operating activities plus proceeds from real estate minus Capital expenditures

Tax Germany

€ 1.2 bn DTA increase at E-Plus, no impact on cash taxes

Background

- E-Plus moved into tax paying position in 2007 as a result of successful challenger strategy and financial restructuring at E-Plus
- 60% of taxable income offset against past losses under German fiscal law

Deferred Tax Asset (DTA)

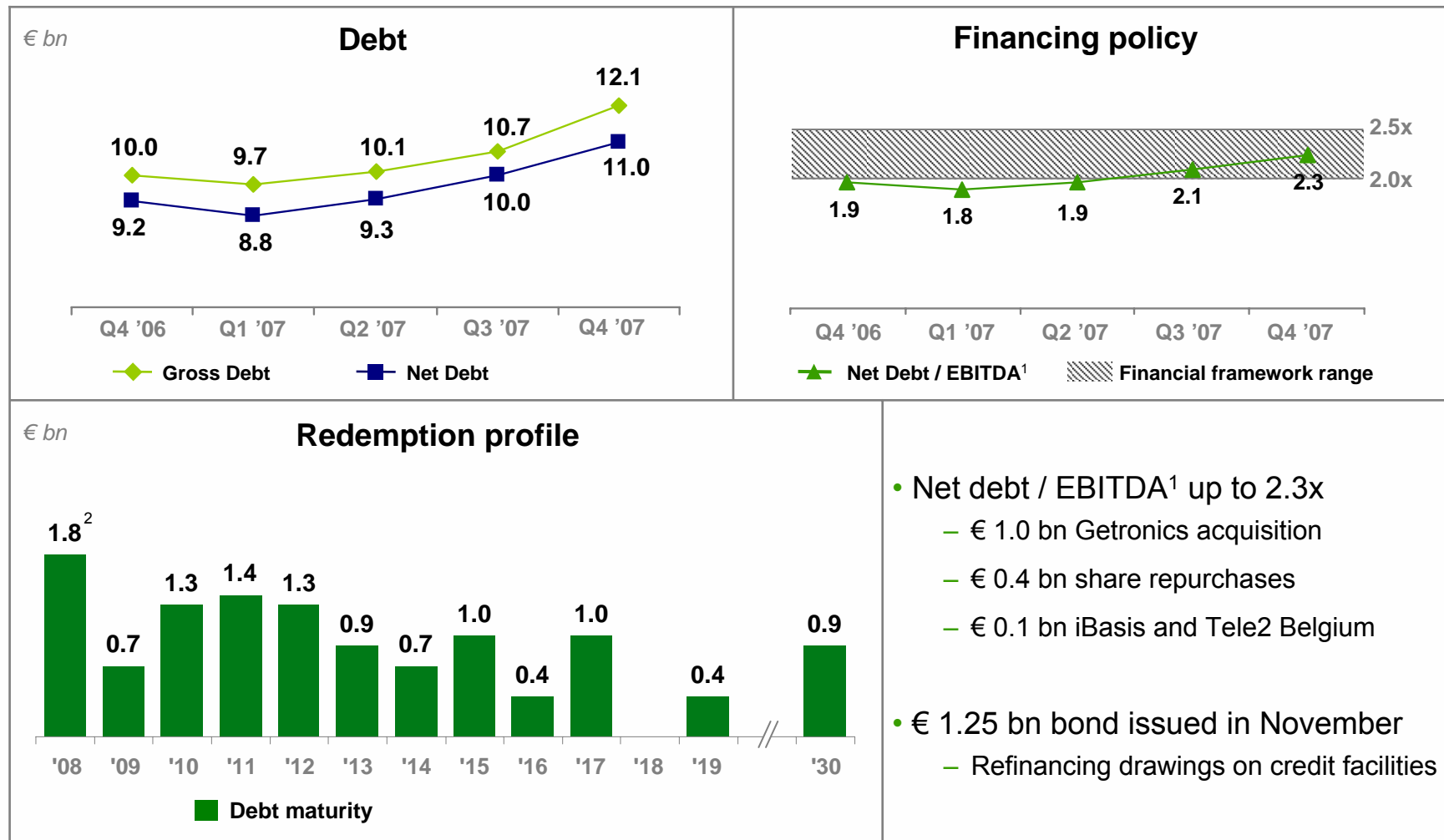
- DTA increase of € 1.2 bn, bringing total DTA to € 1.3 bn
 - € 1.0 bn related to realization of additional amortization of goodwill and UMTS license for tax purposes
 - € 0.3 bn of tax savings until 2020 due to available NOLs

Going forward

- Positive trend in taxable income at E-Plus expected to continue
- Normal income tax charge and effective tax rate (~31%) as of 2008
- No significant tax payments for the medium term, as previously guided
- Separate tax paper available with further details

Group financial profile

Leverage up to 2.3x following acquisitions to strengthen business profile



¹ Based on 12 months rolling EBITDA excluding book gains/losses and restructuring costs both over € 20 mn

² € 1.8 bn in redemptions 2008 including € 800 mn drawings on credit facility

Financial highlights the Netherlands

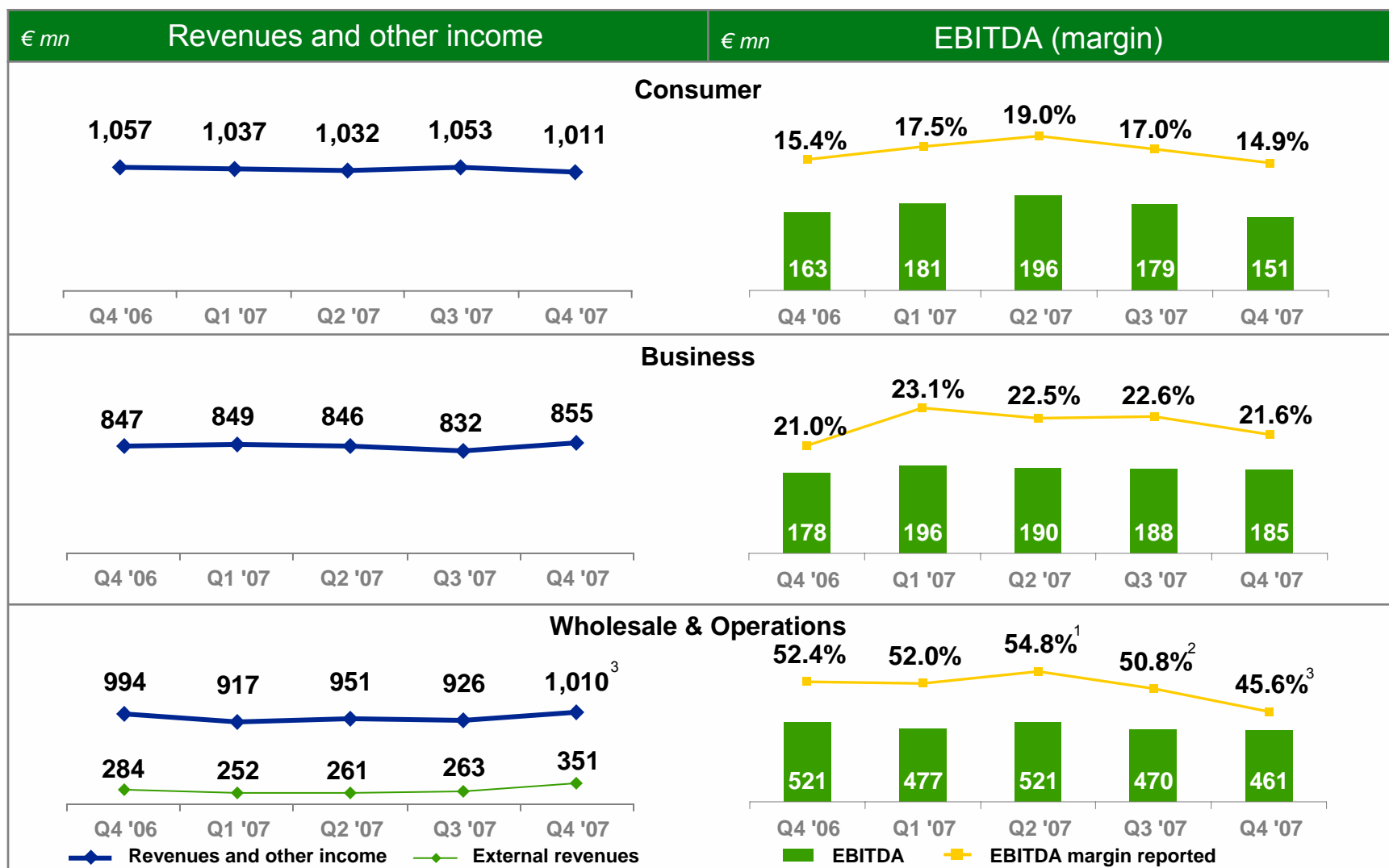
Significant contribution from acquisitions, slowdown in underlying trend

Total (€ mn)	Q4 '07	Q4 '06	FY '07	FY '06
Revenues and other income	2,710	2,149	9,013	8,517
% change	26%		5.8%	
— of which wireless Service revenues ¹	636	644	2,630	2,529
% change	-1.2%		4.0%	
Operating expenses	2,194	1,837	7,112	6,746
— of which D&A	369	549	1,578	1,753
Operating result	516	312	1,901	1,771
EBITDA	885	861	3,479	3,524
% change	2.8%		-1.3%	
EBITDA margin	32.7%	40.1%	38.6%	41.4%

Excluding Getronics, iBasis and Tiscali (€ mn)	Q4 '07	Q4 '06	FY '07	FY '06
Revenues and other income	2,057	2,149	8,340	8,517
% change	-4.3%		-2.1%	
EBITDA	796	861	3,386	3,524
% change	-7.5%		-3.9%	
EBITDA margin	38.6%	40.1%	40.1%	41.2%

¹ Revenues and other income minus equipment sales and other income

Financial review the Netherlands by segment



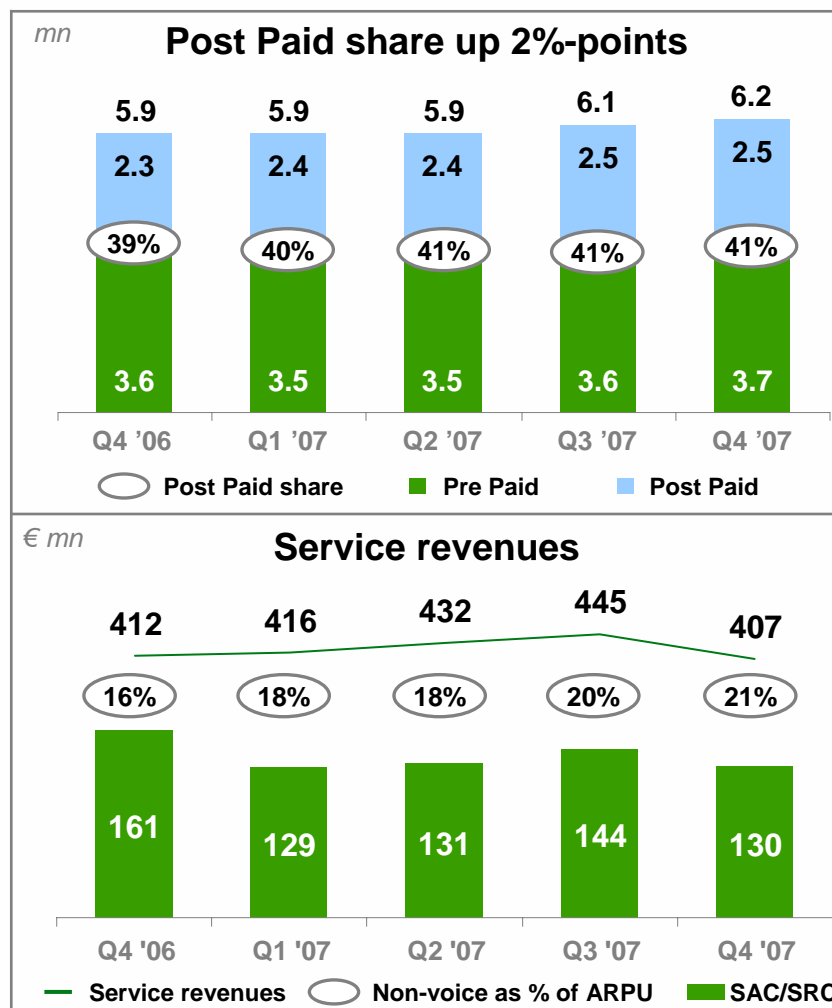
1 EBITDA margin excluding € 55 mn book gain on sale of real estate: 52.0%

2 EBITDA margin excluding € 30 mn book gain on sale of real estate: 49.1%

3 Including revenues and EBITDA from iBasis and KGCS, excluding book gain on KGCS in Q4 '07 of € 66 mn

Consumer wireless

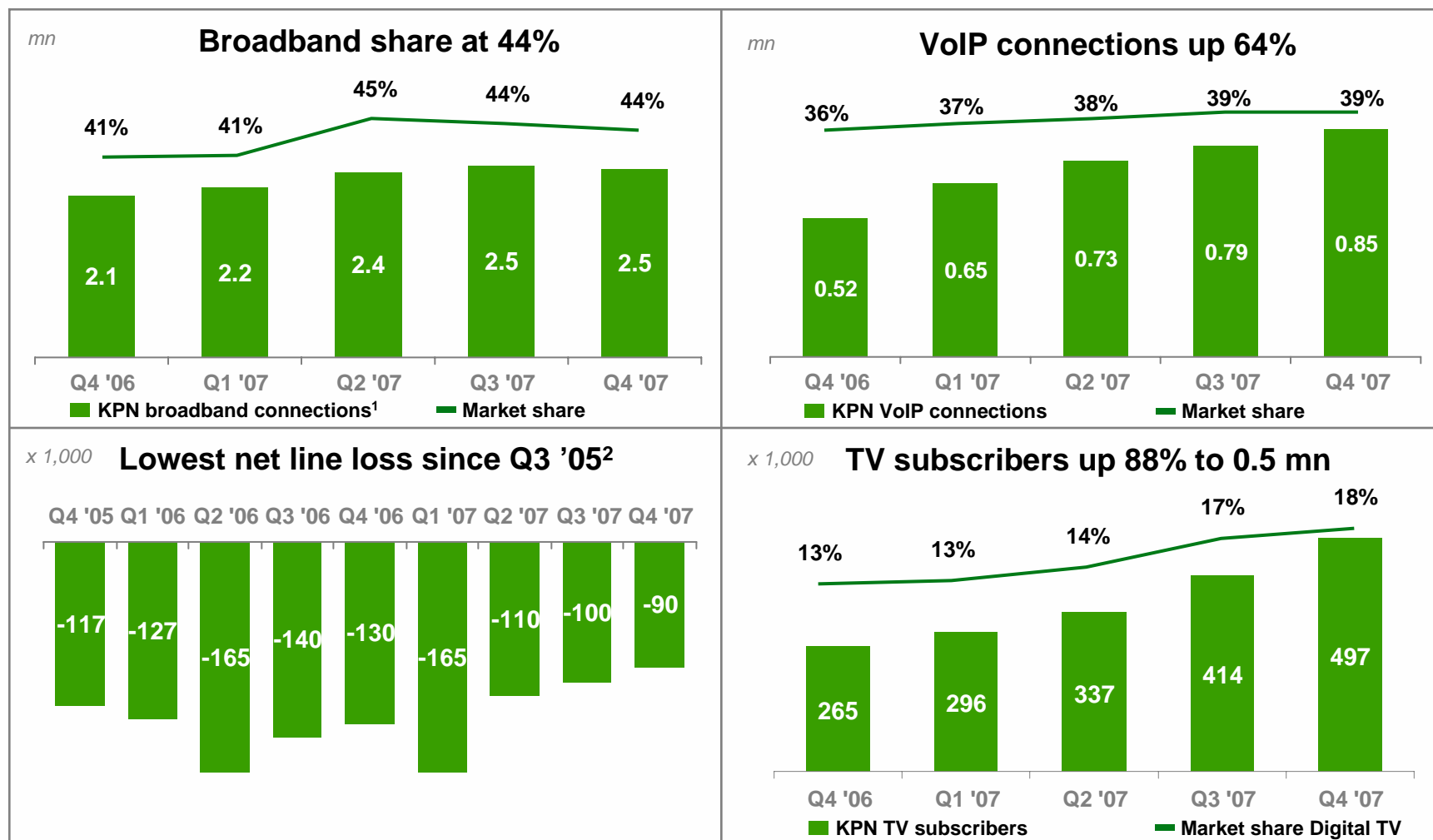
Continued growth in Post Paid and data, impact from MTA and roaming tariff cuts



- Post Paid share up 2%-points Y-on-Y, following focus on value customers
 - KPN ahead of competition in 2006
 - Gap narrowing since Q2 '07
- Data share up 5%-points Y-on-Y
 - Continued growth in add-on bundles, e.g. Hi data services
- Service revenues down 1.2% in Q4 '07
 - Slowdown due to MTA and roaming cuts
 - Negative impact of € 24 mn, or 6% on service revenues
- Lower SAC/SRC driving profitability
 - SAC/SRC down 19% Y-on-Y

Consumer wireline

Sustained growth of new services, net line loss improving to 90k

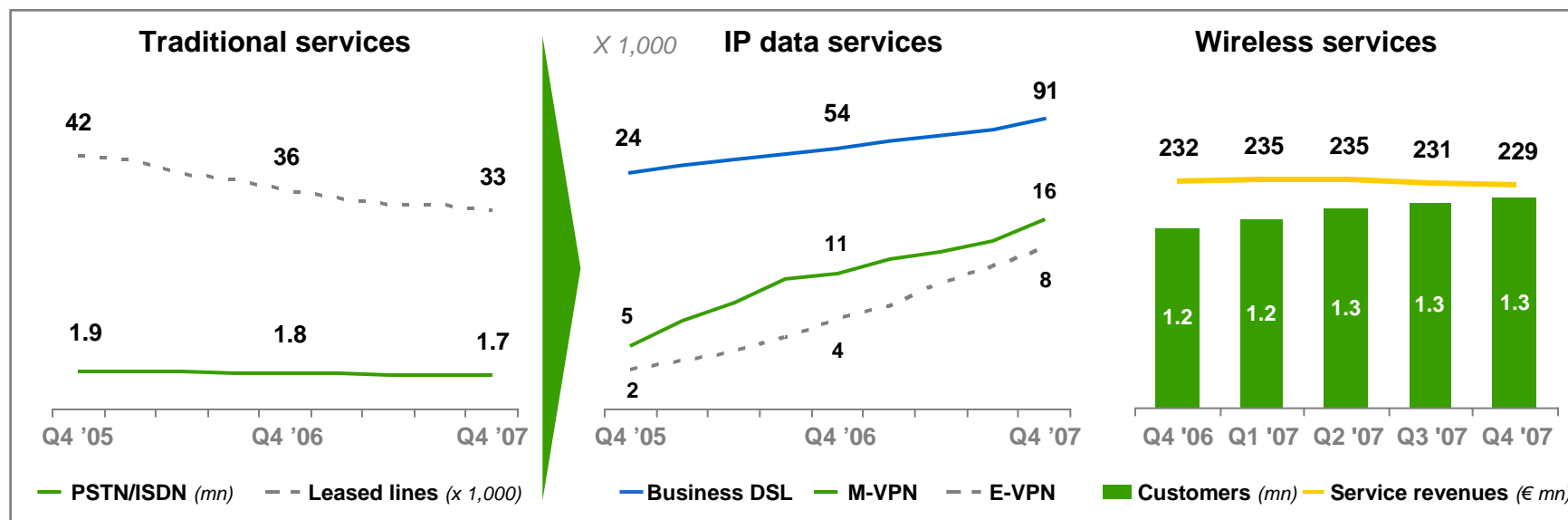


1 Approximately 80% consumers and 20% businesses; management estimates

2 PSTN/ISDN line loss + growth VoIP Consumer + growth ADSL only + growth WLR; management estimates

Business market

Continued migration from traditional to new services



Wireline services

- Continued substitution of traditional services by IP-based services
 - Limited downward revenue impact
 - Phase out of legacy services, e.g. Frame Relay
- Demand for higher bandwidths
 - 15 business parks connected to FttO each month

Wireless services

- Service revenues down 1.3% in Q4 '07
 - Slowdown due to MTA and roaming cuts
 - Negative impact of € 16 mn, or 7% on service revenues
- Data share up, driven by M2M connections and data cards

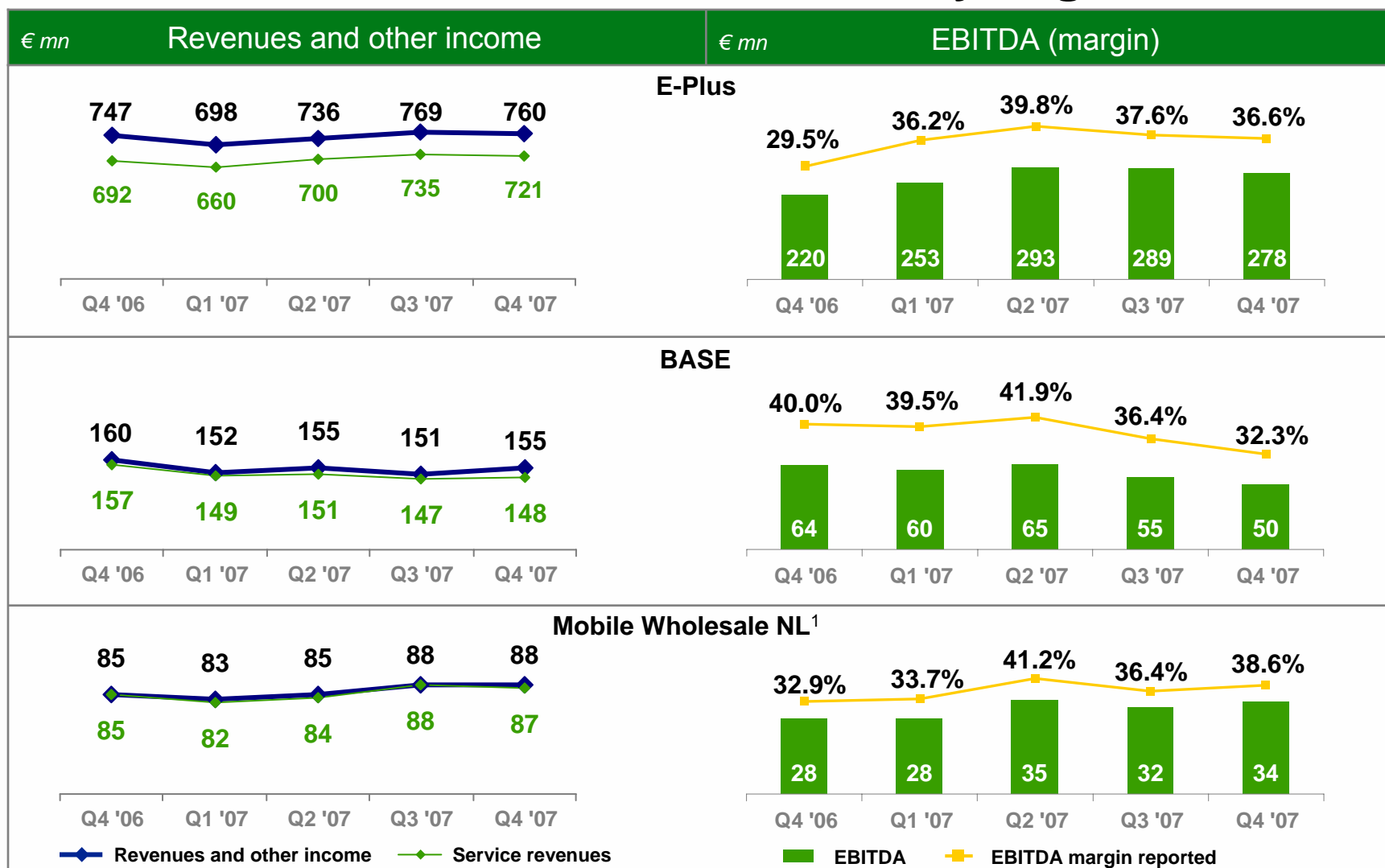
Financial highlights Mobile International

Continued profitable growth in challenging markets

Total (€ mn)	Q4 '07	Q4 '06	FY '07	FY '06
Revenues and other income	1,039	993	3,960	3,819
% change	4.6%		3.7%	
— of which wireless Service revenues ¹	956	934	3,753	3,608
% change	2.4%		4.0%	
Operating expenses	892	915	3,314	3,401
— of which D&A	212	234	820	858
Operating result	147	78	646	418
EBITDA	359	312	1,466	1,276
% change	15%		15%	
EBITDA margin	34.6%	31.4%	37.0%	33.4%

¹ Revenues and other income minus equipment sales and other income

Financial review Mobile International by segment

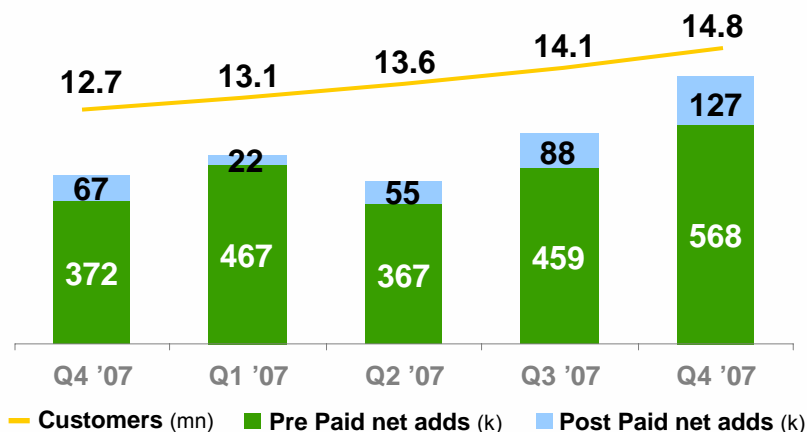


¹ Restated numbers for 2006 and 2007

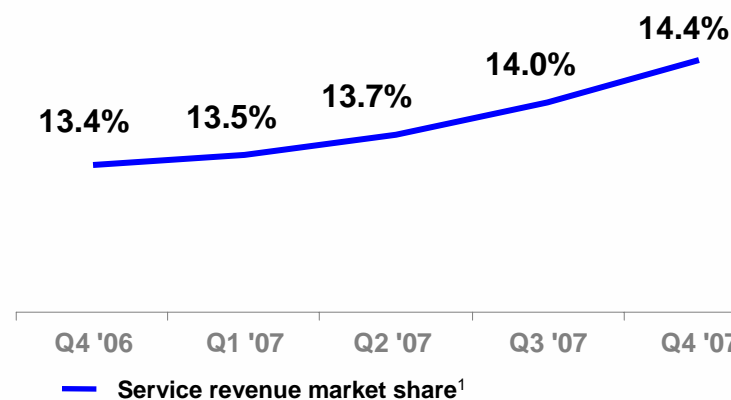
Operating review E-Plus

Service revenue growth and EBITDA margin well ahead of H2 guidance

Record net adds, Post Paid accelerating

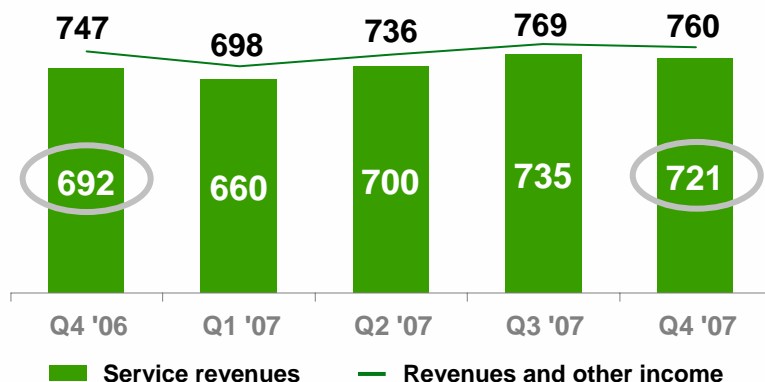


Service revenue share up 1%-point



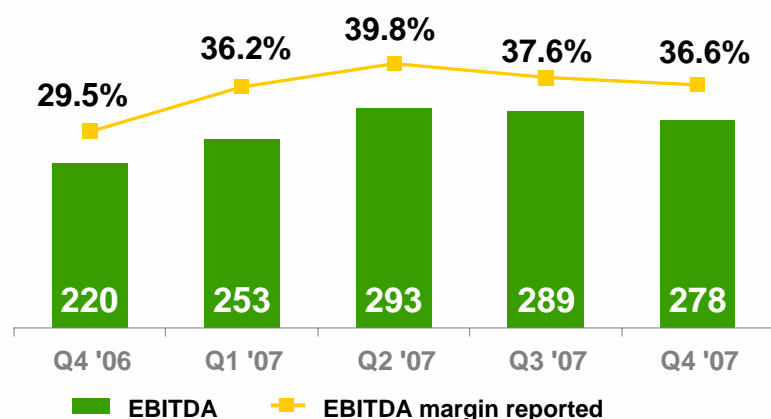
€ mn

Service revenues up 4.2%



€ mn

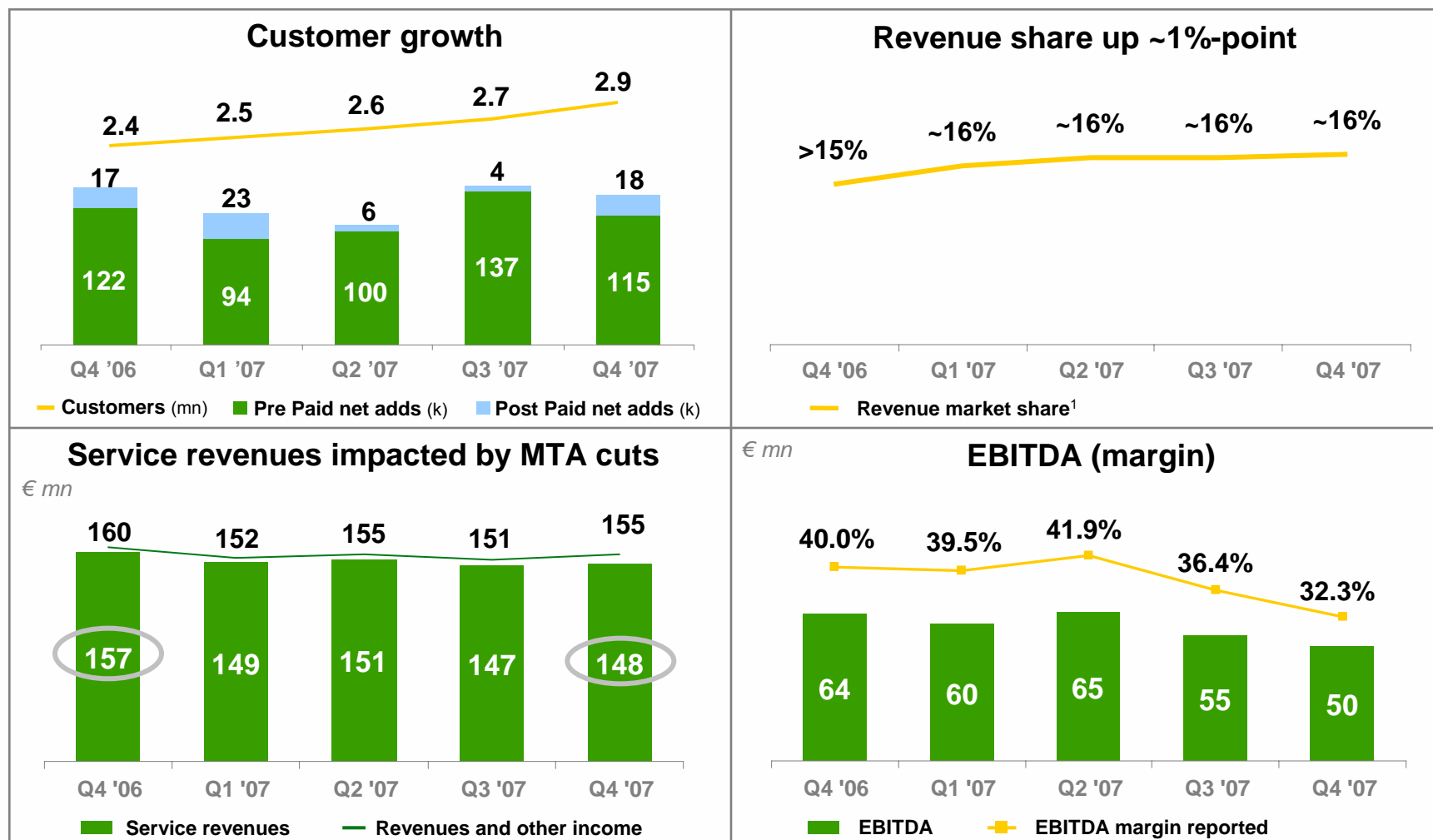
EBITDA up 26%



¹ Management estimates, based on service revenues

Operating review BASE

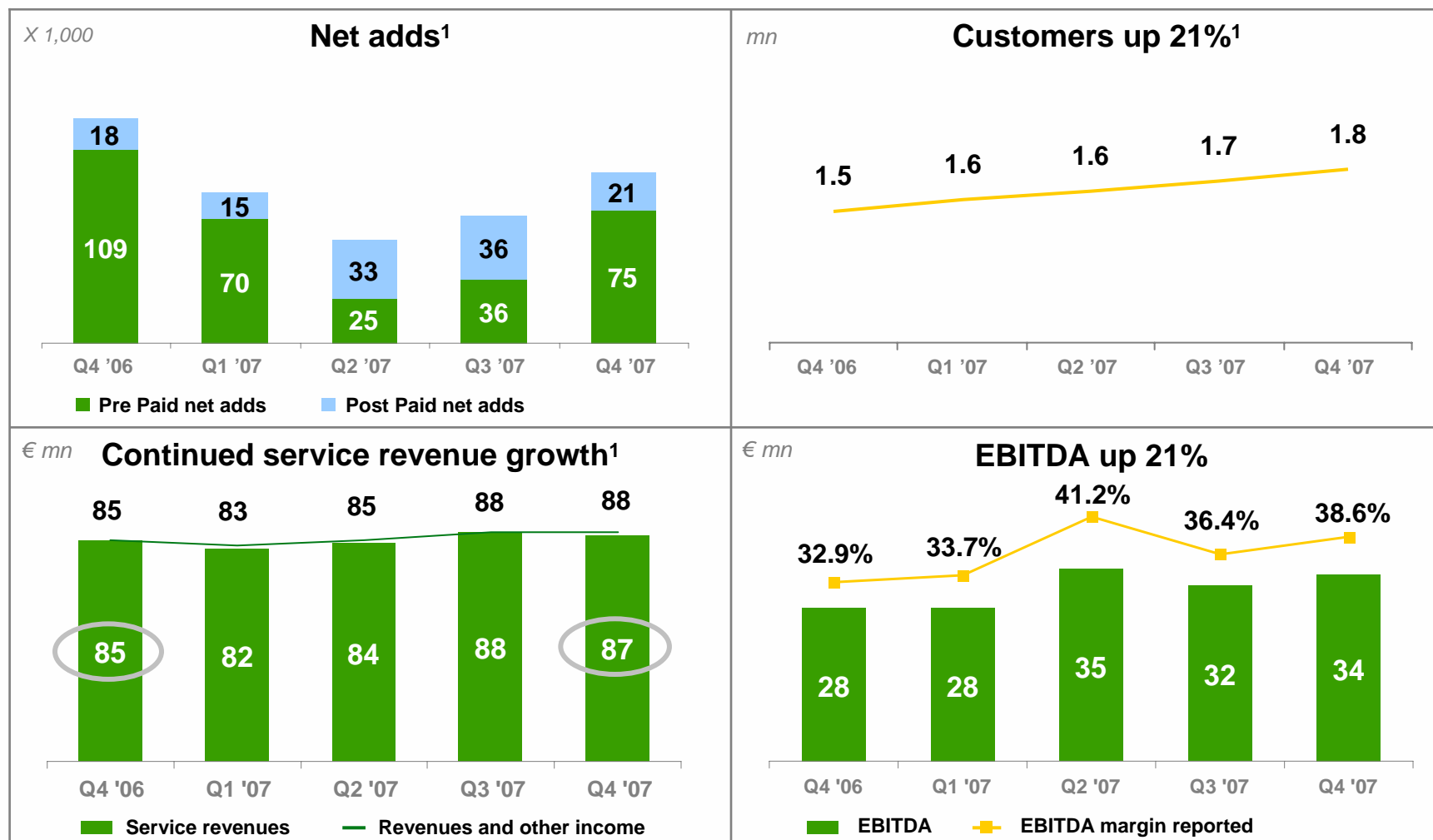
Headwind from competition and MTA cuts, impact from acquisitions to come



¹ Management estimates, based on revenues

Operating review Mobile Wholesale NL

Continued growth from wholesale partnerships



¹ Restated numbers for 2006 and 2007

Pro forma disclosure Fixed

Revenue and EBITDA decline stabilizing, in line with previous quarters

Fixed (incl. Other) ^{1,2,3}	FY '07	Q4 '07	Q3 '07	Q2 '07	Q1 '07	FY '06	Q4 '06
Revenues and other income	5,114	1,217	1,304	1,282	1,311	5,356	1,248
Y-on-Y decline	-242	-31	-33	-79	-99	-395	-64
Y-on-Y %	-4.5%	-2.5%	-2.5%	-5.8%	-7.0%	-6.9%	-4.9%
EBITDA	2,152	498	550	534	570	2,487	555
Y-on-Y decline	-335	-57	-60	-117	-101	-271	-89
EBITDA margin	42.1%	40.9%	42.2%	41.7%	43.5%	46.4%	44.5%

- Deceleration of revenue decline in line with previous quarters
 - Continued slowdown in Consumer net line loss, growth in VoIP and TV
 - Continued growth in Business market, driven by new services
 - Consolidation impact from iBasis in Q4 not included
- EBITDA loss stabilizing, in line with Q3 '07
 - EBITDA down € 57 mn, due to continued decline in traditional voice
 - Non-recurring items in H1 '07 not impacting H2 '07, e.g. € 45 mn additional VoIP costs

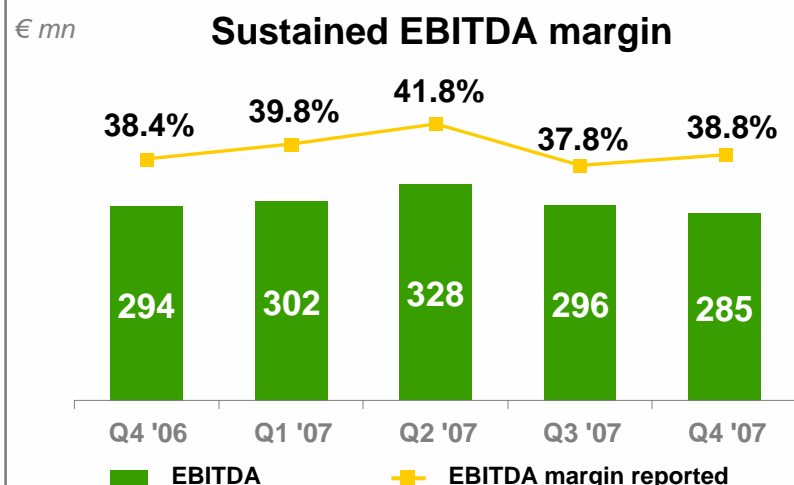
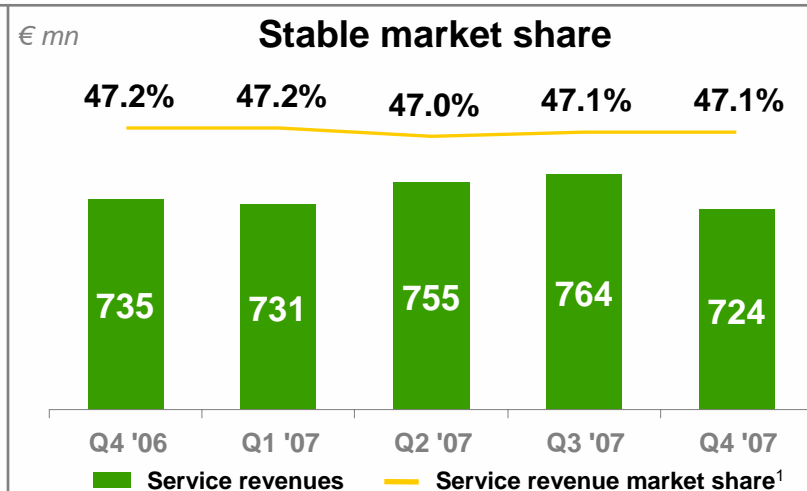
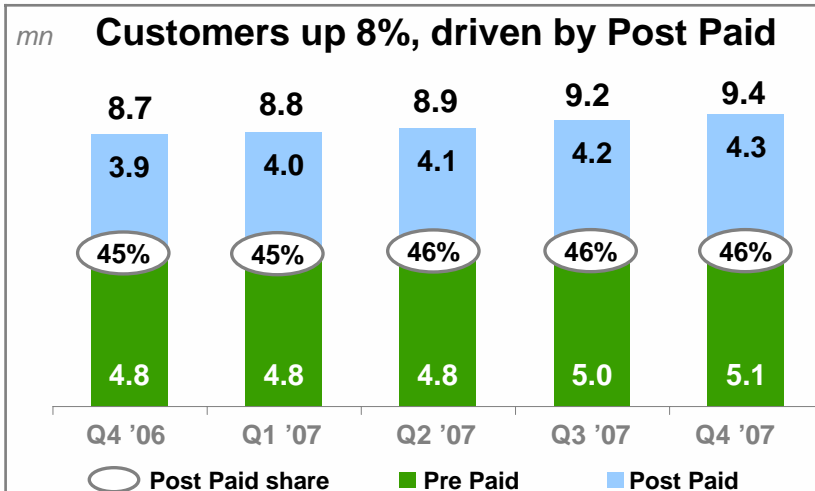
1 Sum of Revenues 'Fixed', 'Mobile Other', 'Other' and 'Intercompany' in old reporting structure

2 See Annex for detailed reconciliation

3 Excluding notable items: disposal of Xantic in 2006, book gains from sale of real estate and consolidation of Getronics and iBasis

Pro forma disclosure KPN Mobile the Netherlands

Strong EBITDA growth as a result of successful Telfort integration



Outperformance on all key metrics

€ mn	FY '07	FY '06	%
Subscribers (mn)	9.4	8.6	9%
Service revenues	2,974	2,867	4%
SAC/SRC (€)	165	192	-14%
EBITDA	1,211	1,092	11%
EBITDA margin	39.5%	36.6%	

¹ Management estimates, amongst others based on revenues as per industry filings

Agenda

Review 2007	Marcel Smits, CFO
Strategy update	Ad Scheepbouwer, Chairman and CEO
Strategy The Netherlands	Baptiest Coopmans, MD Consumer
	Eelco Blok, MD Business / W&O
Strategy Mobile International	Stan Miller, MD Mobile International
Concluding remarks	Ad Scheepbouwer, Chairman and CEO

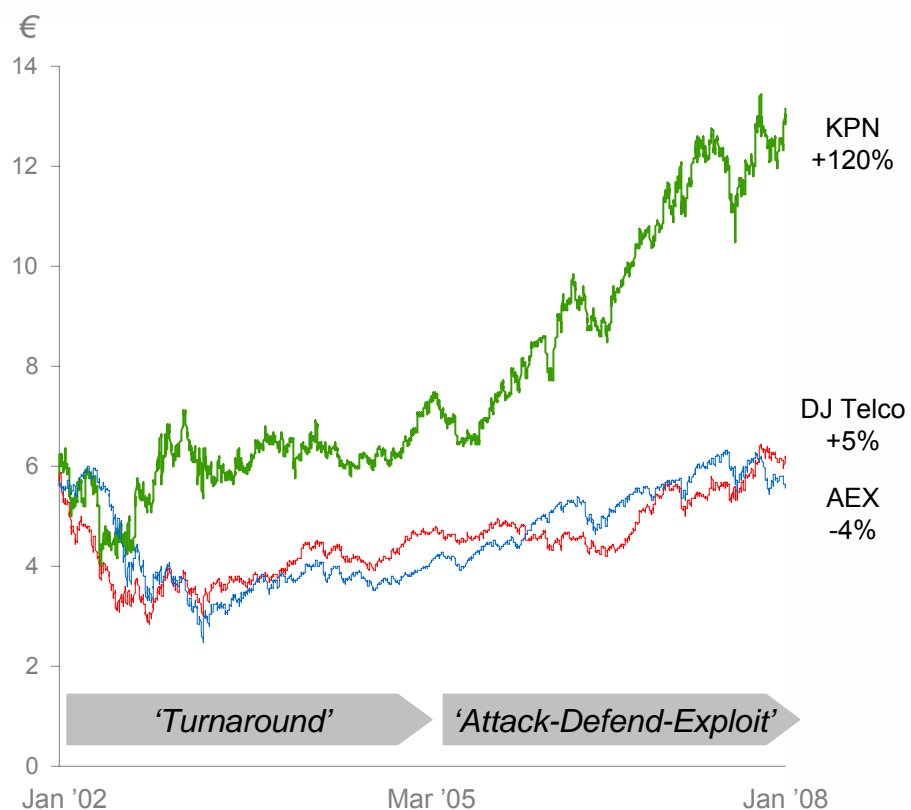
Looking back

KPN consistently outperforming telecom sector and AEX index

Shareholder returns

- Track record of delivering shareholder value
- Returning excess cash to shareholders
- € 9.8 bn returned to shareholders since 2002
 - € 4.0 bn dividend
 - € 5.8 bn share repurchases
- Strengthened financial profile between 2002 and 2007
 - Equity value increased from ~€ 15 bn to ~€ 25 bn
 - Net debt decreased from ~€ 16 bn to ~€ 11 bn

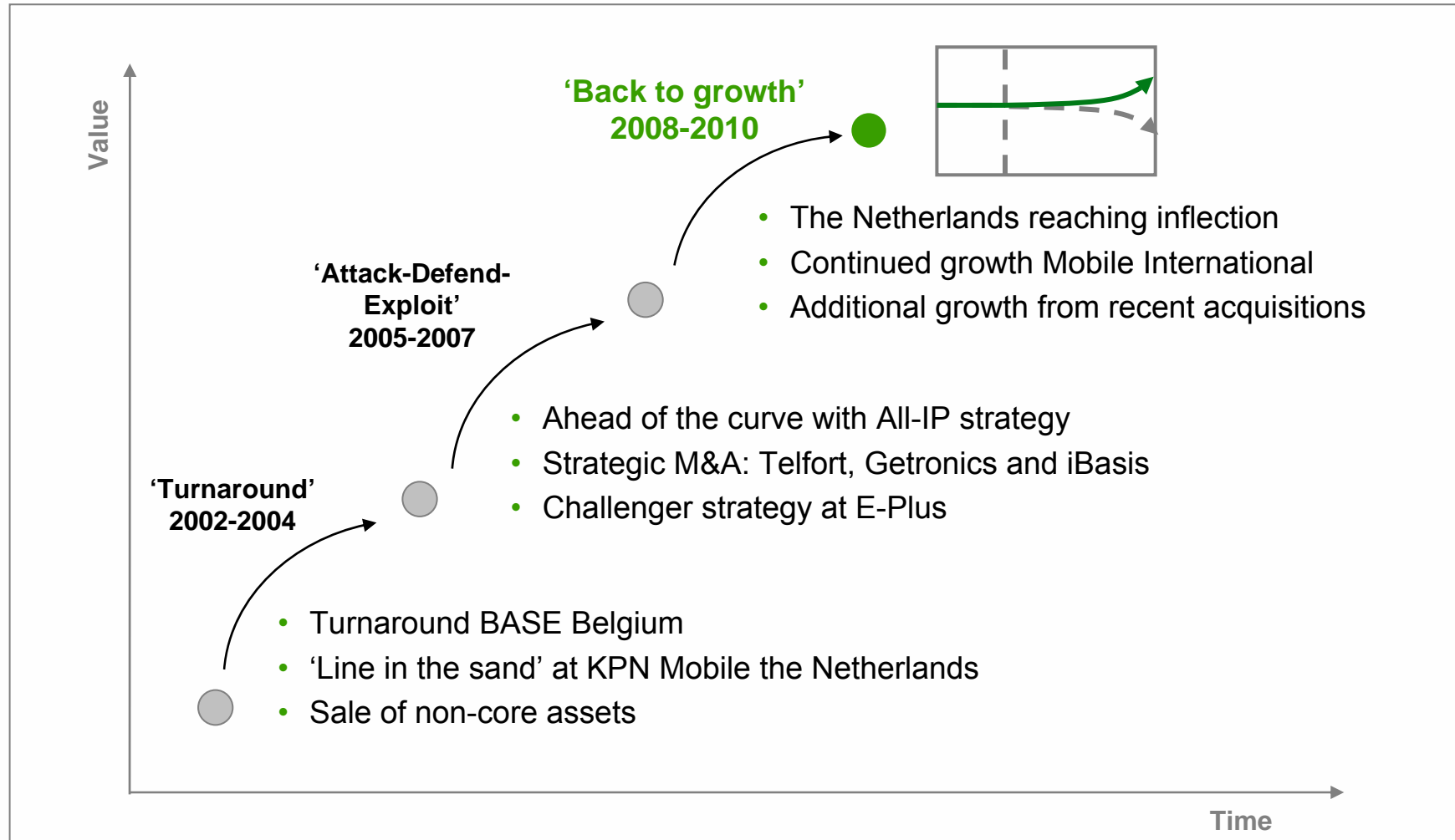
Share price performance since 2002¹



¹ Rebased KPN closing share price of € 5.71 at 31 December 2001

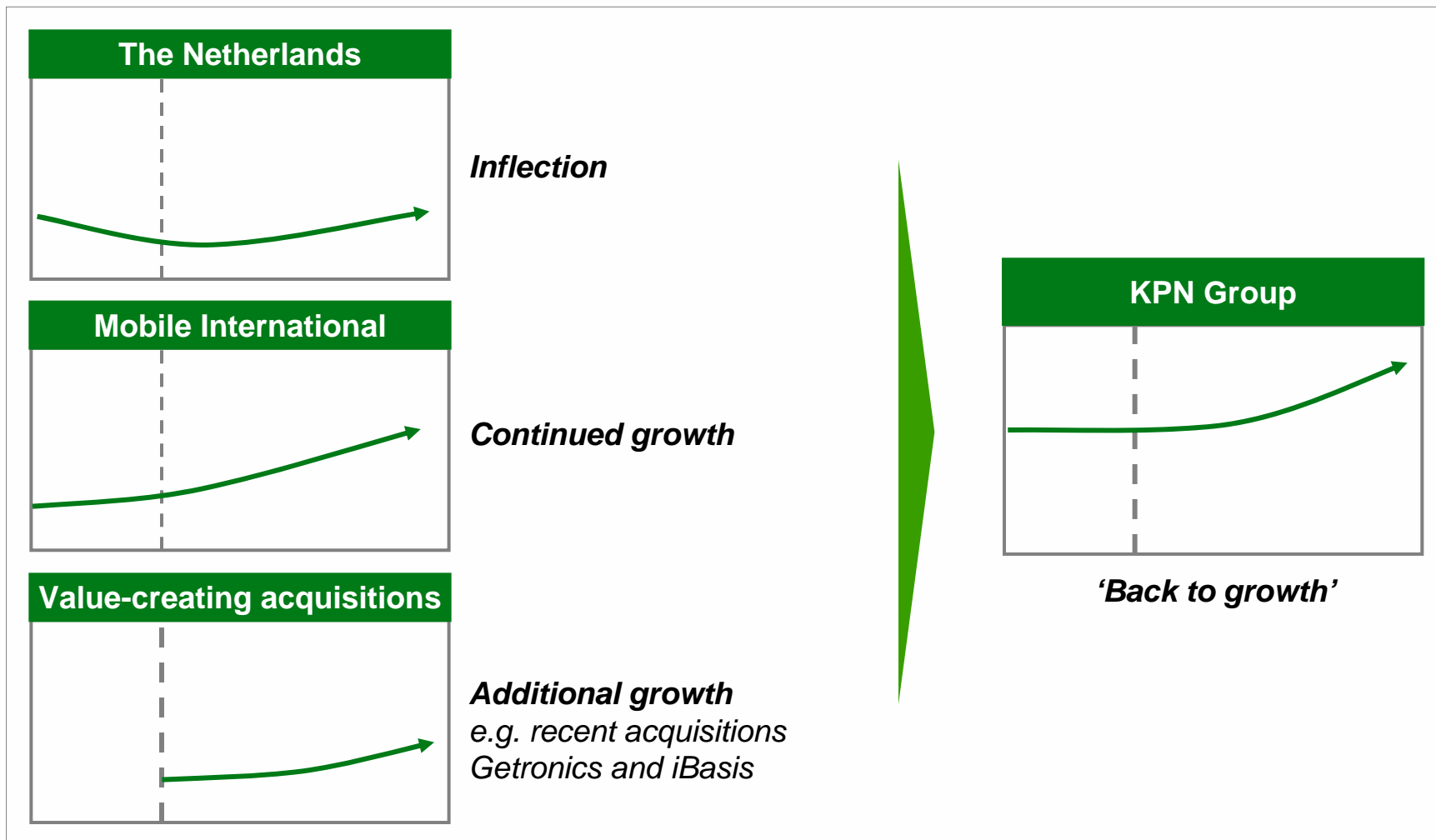
Ambition 2008-2010

KPN entering a growth phase with continued attractive shareholder remuneration



Sources of growth

All divisions contributing to profitable growth



The Netherlands back to growth

Leading service provider with EBITDA inflection

Transformation

- Ramping up new services
- Radical simplification at back and front end
- 'Best-in-class' network operator
- Reduction IT spend

Investing in market positions

- Accelerate recent growth initiatives
- Selectively add new services
- Mitigate shrinking businesses

Improving EBITDA

- Benchmark margins with 'best-in-class' operators
- Continuous cost reductions

**Number one
service provider**

**EBITDA inflection
based on
organic growth¹**

¹ Excluding contribution from Getronics and iBasis

Strategic objectives the Netherlands 2010

Becoming the 'best-in-class' service provider

Consumer	<ul style="list-style-type: none">• Leading service provider with wireless growth and without line loss
Business	<ul style="list-style-type: none">• Leading managed ICT service provider in the Netherlands
Wholesale & Operations	<ul style="list-style-type: none">• Network transformation, higher bandwidth and radical cost reduction
IT	<ul style="list-style-type: none">• IT overhaul to enable transformation and radical cost reduction
Getronics	<ul style="list-style-type: none">• Strengthen ICT capabilities and increase profitability
iBasis	<ul style="list-style-type: none">• Build global wholesale business and benefit from scale

New incentive scheme for senior management aligned with ambitious targets

FTE reductions¹

Substantial reduction in own personnel and temporary staff until 2010

	Cumulative own staff reduction	
	March 2005	Update 2008
2007	~ 5,000	5,412
2008E	~ 6,600	~ 7,000
2009E	~ 8,000	~ 8,500
2010E	-	~ 10,000

Reduction own staff

- March 2005 commitment for 8,000 FTE reductions between 2005-2009
 - Ahead of plan (5,412 vs. 5,000 FTE)
 - ~2,600 FTE remaining for 2008-2009
- Target for FTE reductions increased to 4,500 between 2008-2010
 - Additional reduction of 2,000 FTE
 - Cost savings estimated at € 110 mn by 2010

Reduction temporary staff

- Temporary staff of ~4,700 FTE at YE '07
- Reduction of 1,300 FTE by 2010
 - Cost savings estimated at € 130 mn by 2010
- Used as flexible source of personnel during transition phase

¹ Excluding Getronics acquisition

Strategic objectives Mobile International 2010

Expand and continue profitable growth in European mobile business



Germany

- Outperform market growth at attractive margins



Belgium

- Expand in scope and outperform



International

- Selective expansion in Europe

Strategic objectives supported by management incentives

Outlook 2010

Three-year outlook based on 'Back-to-Growth' strategy

	Reported 2007	Outlook 2010	Key assumptions
Revenues	€ 12.6 bn	> € 15 bn	<ul style="list-style-type: none"> • High single digit growth Mobile International • Revenue inflection Netherlands latest in 2010 • EBITDA floor¹ of € 3.2 bn in NL for 2008, followed by growth in 2009 - 2010 • ~€ 1.5 bn revenues and ~€ 125 mn EBITDA from core Getronics in 2010
EBITDA	€ 4.9 bn	> € 5.5 bn	
Capex 2008-2010	€ 1.7 bn	~ € 2 bn/yr	<ul style="list-style-type: none"> • Including All-IP transformation
Free cash flow² 2008-2010	€ 2.5 bn	> € 2.4 bn/yr	<ul style="list-style-type: none"> • Excluding tax recapture at E-Plus • Including proceeds from real estate
Dividend per share	€ 0.54	€ 0.80	<ul style="list-style-type: none"> • Driven by 'Back to Growth' strategy • Supported by continued share repurchases

¹ EBITDA excluding contributions in 2007/2008 from Getronics, iBasis/KGCS and sale of real estate, base figure for 2007 being € 3,274 mn

² Free cash flow defined as cash flow from operating activities, plus proceeds from real estate, minus Capex and excluding tax recapture at E-Plus

Shareholder remuneration

Committed to industry leading shareholder returns

2004 – 2007

- Valuable track record of delivering shareholder returns
- Proposed 2007 final dividend of € 0.36
 - FY '07 dividend of € 0.54, up 8%
 - Subject to AGM approval
- Attractive dividend policy
 - DPS up from € 0.35 in '04 to € 0.54 in '07
 - € 4.0 bn dividend paid since 2004
- Industry leading share repurchases
 - € 5.8 bn repurchased since 2004, ~25% of market capitalization
 - 697.5 mn shares repurchased at an average price of € 8.35
 - Cancellation of shares driving EPS growth

2008 – 2010

- Continued commitment to return surplus cash
- Updated dividend policy, underpinning solid business performance
 - Continue track record
 - Medium-term pay-out of ~40-50% of FCF¹
 - Targeting DPS of € 0.80 in 2010
- Shareholder returns of € 2 bn in 2008
 - ~€ 1 bn paid out as dividend
 - Remainder of surplus cash of € 1 bn as share repurchases
- € 1 bn share repurchase program starting shortly

¹ Free cash flow defined as cash flow from operating activities, plus proceeds from real estate, minus Capex and excluding tax recapture at E-Plus

Agenda

Review 2007	Marcel Smits, CFO
Strategy update	Ad Scheepbouwer, Chairman and CEO
Strategy The Netherlands	Baptiest Coopmans, MD Consumer
	Eelco Blok, MD Business / W&O
Strategy Mobile International	Stan Miller, MD Mobile International
Concluding remarks	Ad Scheepbouwer, Chairman and CEO

Consumer market

Ambition 2010

Strengthen position as leading Consumer service provider

Market share growth in broadband and strengthening wireless

Reach inflection in EBITDA

Consumer market

Strategic building blocks to return to EBITDA growth

Customer focus



- Subscriber and ARPU growth

Growth in wireless



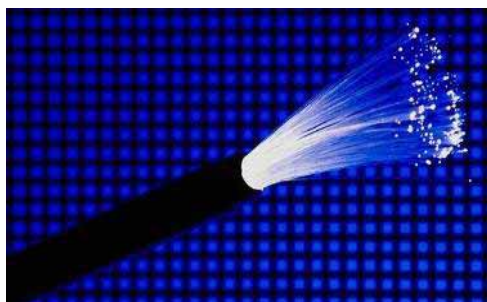
- Acceleration in minutes and data

Stop line loss



- Dual play and TV offerings

Mix of FttC and FttH



- FttC roll-out as of 2008, some FttH

Simplified multi brand portfolio



- Focus on three key brands

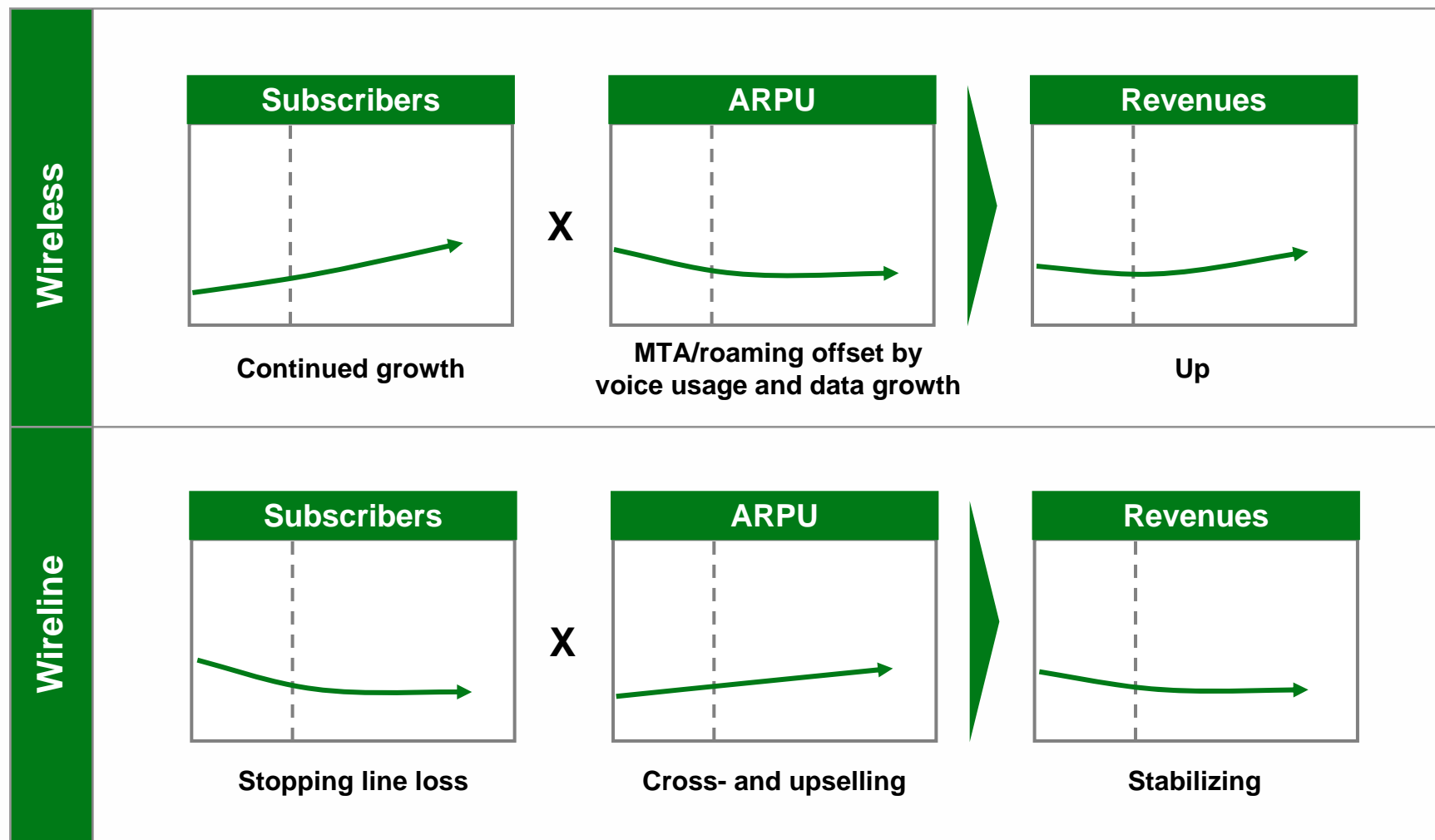
Cost reduction



- Simplification
- Cost reduction and First time right

Customer focus

Returning to revenue growth through customer focus



Strategy wireless

'Best-in-class' mobile operator in the Netherlands

Strategic focus

Revenue growth

- Value play focusing on most profitable customers
- Further strengthening market position
- Growth in data and voice minutes
- Benefit from price elasticity in roaming
- Leveraging distribution and brands

Margin growth

- Ongoing SAC/SRC reductions
- Simplified processes and organization
- Benefits from Telfort network integration
- Partly allocated to investments in market share

'Best-in-class' mobile operator in the Netherlands

Strengthening market position

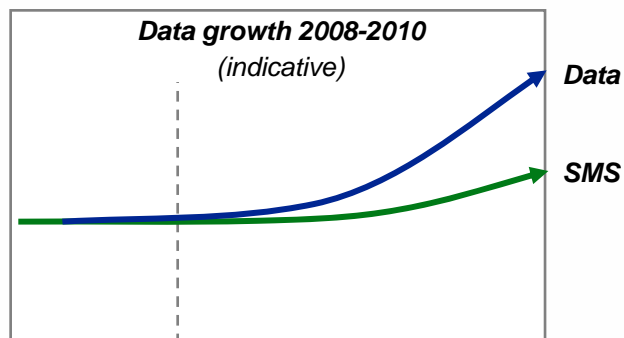


Wireless data

Substantial growth in wireless data

Data

- Rapid growth in wireless data in 2007
 - Successful introduction of non-SMS data bundles under Hi and Telfort brands
 - Continued growth in SMS
 - Non-voice as % of ARPU (data and SMS) up ~5%-points to 21% at YE '07
- Expecting accelerating growth in next years
- HSDPA offering opportunity for higher bandwidths for Consumer



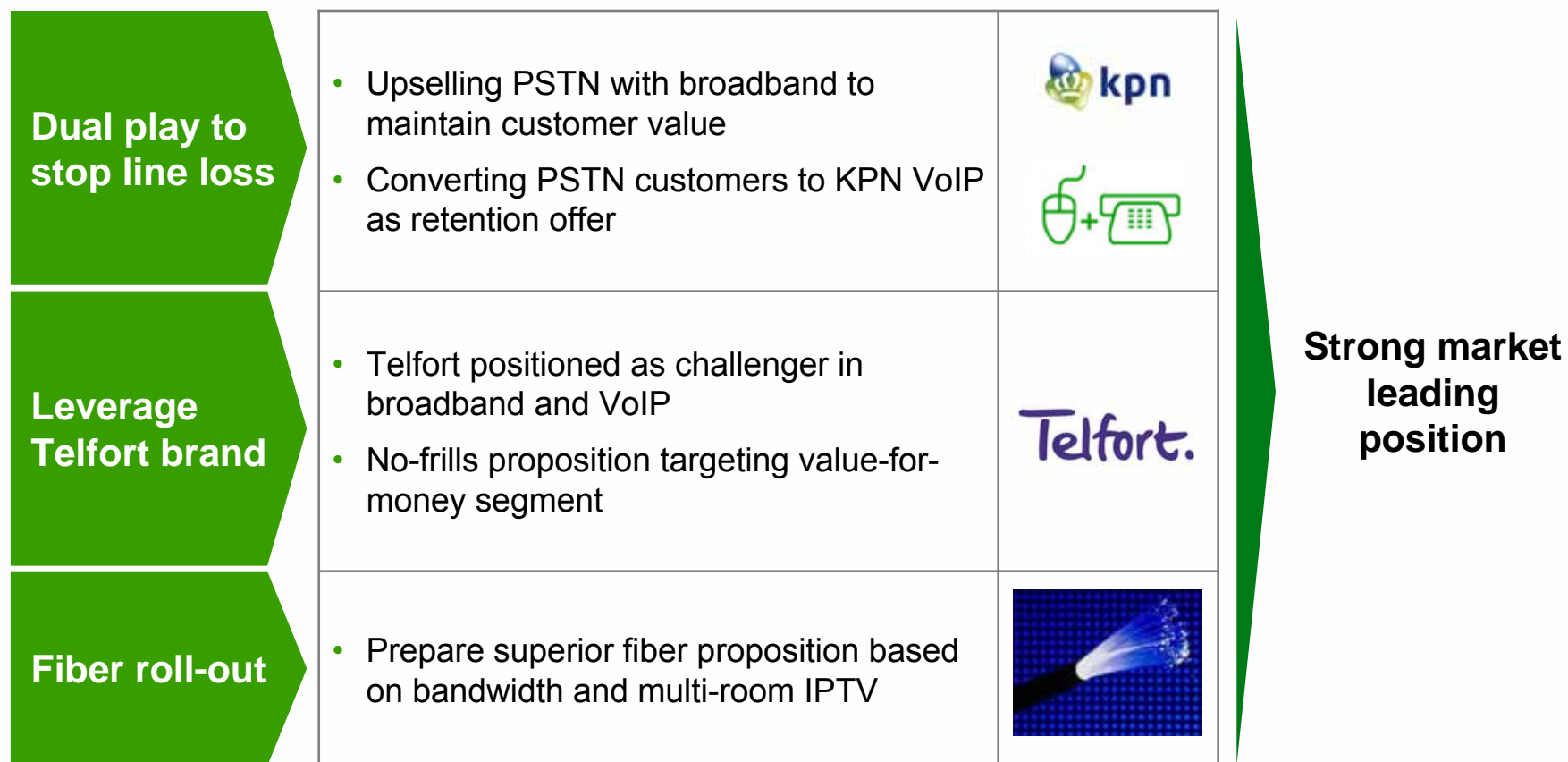
DVB-H

- TV on wireless handhelds (DVB-H) commercially introduced mid 2008
 - Range of handsets available supporting DVB-H standard
 - DVB-H network roll-out started in 2007
 - All major cities covered early 2008
- Successful pilots with 'MobielTV', offering 11 TV channels on a 3G phone



Strategy wireline

Focus on stopping line loss and enhancing leading position



TV strategy

Step-up Digitenne efforts, Interactive TV as stepping stone for fiber roll-out

Digitenne (DVB-T)

- DVB-T used to establish position in TV market
- Unique TV proposition setting new competitive price point at € 6.95 per month
- Step-up Digitenne TV efforts going forward
 - Customer base of 500k households
 - Market share ambition of 10% well before 2010

Digitenne



Interactive TV (IPTV)

- Interactive TV positioned as premium proposition
 - € 9.95 per month
 - 150 channels and VoD capability
- Positive feedback from IPTV customers
 - Scaled up IPTV since Summer 2007
 - Adding 1,000 subs per week by YE '07
- Used as stepping stone for fiber roll-out



Fiber roll-out

All-IP roll-out providing superior fiber propositions with mix of FttC and FttH

Fiber-to-the-Curb (FttC)

- Fast broadband connection
 - Up to 50 Mb/s based on VDSL
 - Superior proposition compared to offers currently available in the market
- Triple-play package
 - VoIP, including Broadband
 - IPTV with 150 channels and VoD
 - ARPU uplift
- FttC rolled out until 2010, as part of All-IP program
 - In line with earlier announcements



Fiber-to-the-Home (FttH)

- Very fast broadband connection
 - Up to 100 Mb/s, unrivalled offer
- Enhanced triple-play packages
 - VoIP and Broadband
 - Full on-demand TV, based on IPTV platform
 - 150 TV channels, pilot for HDTV
 - Multiple room / multiple TV sets
 - ARPU uplift
 - Using existing in-house wiring
- Selective regional roll-out with partners
 - E.g. current projects in Enschede and Almere (~100k households)



Simplification

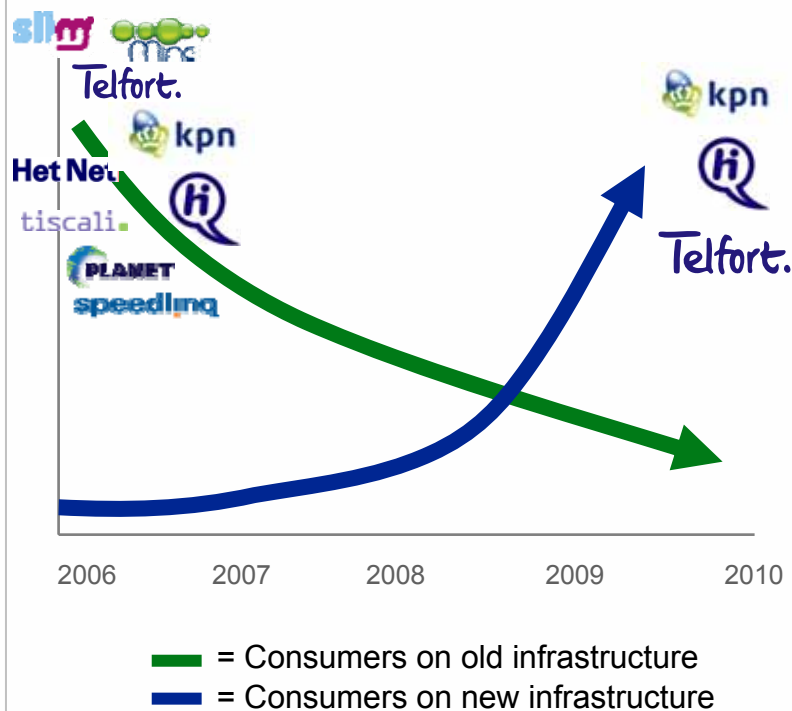
Improved customer service through simplification and first time right

2007

Complexity

- > 10 brands
- 8 'production lines'
- 8 portfolios
- 8 helpdesks and bills
- Multiple service concepts

Simplification



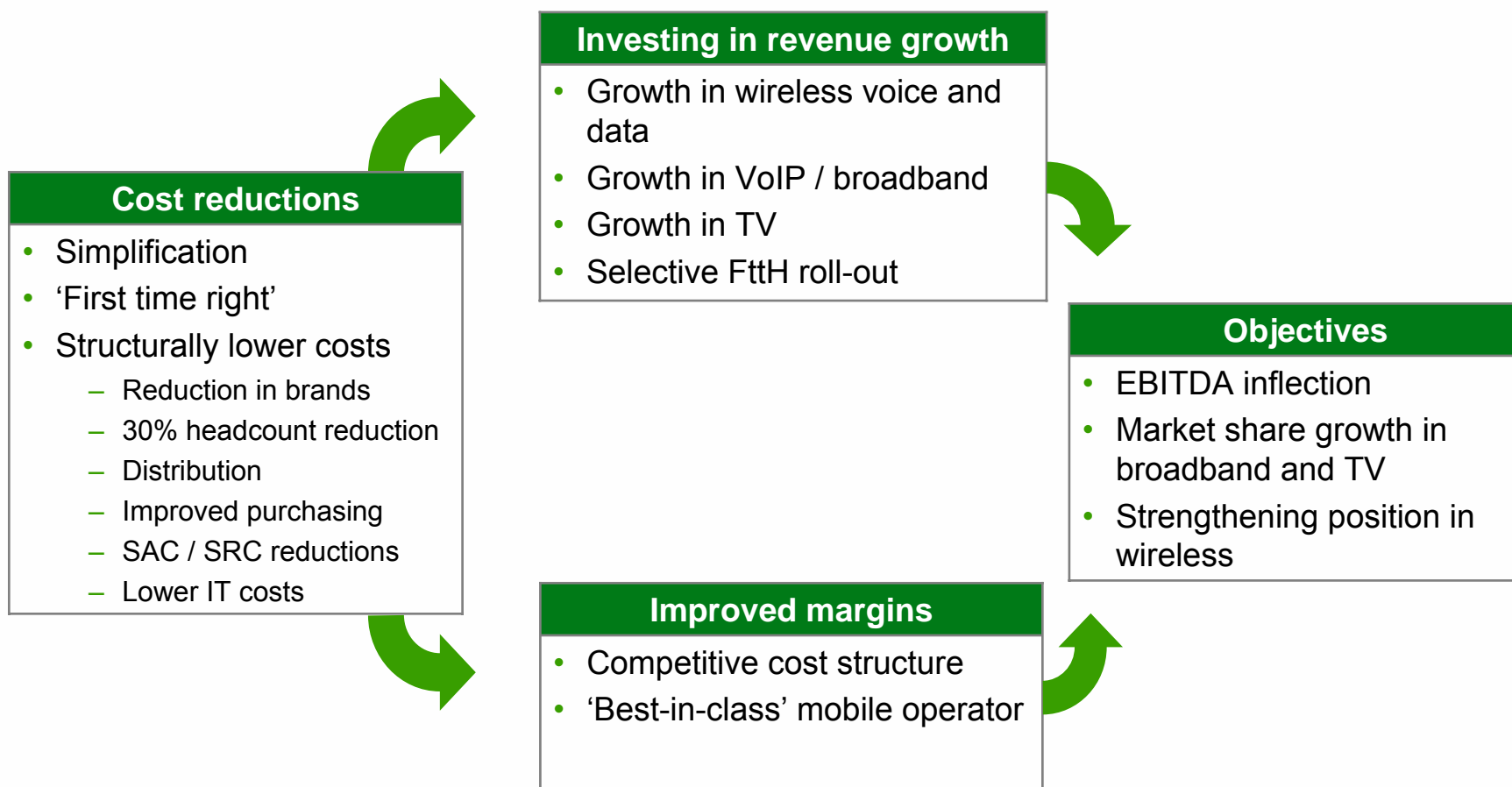
2010

Simplicity

- 3 brands
- Extended distribution (web based, more shops)
- New 'production line'
- Single portfolio, helpdesk and bill
- 'First time right'
- 1 service concept

Consumer EBITDA growth 2008-2010

Leading service provider with strong market shares and growing EBITDA



Agenda

Review 2007	Marcel Smits, CFO
Strategy update	Ad Scheepbouwer, Chairman and CEO
Strategy The Netherlands	Baptiest Coopmans, MD Consumer
	Eelco Blok, MD Business / W&O
Strategy Mobile International	Stan Miller, MD Mobile International
Concluding remarks	Ad Scheepbouwer, Chairman and CEO

Business market

Ambition 2010

Leading managed ICT service provider

Preferred Business market supplier

Revenue growth with 'best-in-class' margins

Business market

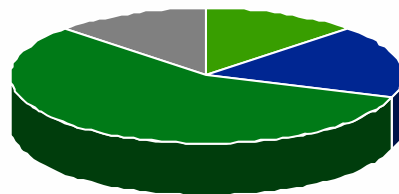
Strategic building blocks to sustain EBITDA growth

Customer focus



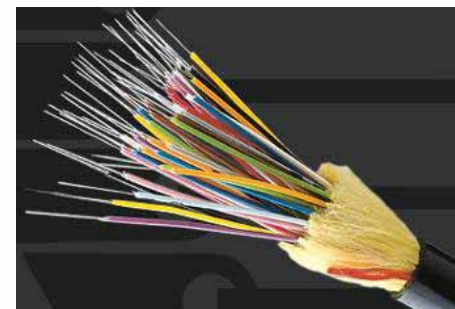
- Strong focus on customer needs

Leveraging leading position



- Market share growth
- Cross- and upselling

Migration to IP-based services



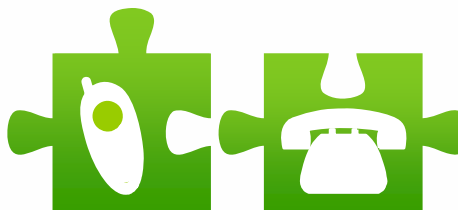
- Migration to IP services and FttO

Moving up the value chain



- Moving into managed ICT services
- Turnaround Getronics

Simplified portfolio



- Phase-out legacy services
- Customer demand as starting point

Cost reductions



- Increased productivity
- Lower IT costs

Business market strategy

Market leadership in the Netherlands in three target areas

	Strategic focus	Revenue trend 2010
Out-sourcing	Strongly increase position in ICT outsourcing <ul style="list-style-type: none"> • Step-up in market share • Extend market leadership with 'best-in-class' margin 	
Application Management	Build online ICT challenger <ul style="list-style-type: none"> • Step-up in market share • Standardized ICT applications, housing & hosting • Leveraging KPN customer base 	
Infrastructure services	Exploit market leading position in infrastructure <ul style="list-style-type: none"> • Migration to IP-based services, including FttO • Growth in wireless services, in particular data 	

'Best-in-class' managed ICT service provider

Infrastructure services

Market leadership in voice and data services

Wireless

- Continued customer growth
- Tap growth potential from wireless data services
 - Laptop data cards, Blackberry, smart metering, RFID
- Superior HSDPA 3.6 network, plans to upgrade to HSDPA 7.2/14.4
- EBITDA improvement through SAC/SRC reductions



Wireline

- Benefit from continuously growing demand for higher bandwidths
- Proactively manage portfolio migration to IP-based services
- Step up in Fiber-to-the-Office (FttO) as of 2007
- Phase-out legacy services



Converged offers

- Step-up in converged offers following Fixed-Mobile integration
- Successful launch of ONE, continued portfolio expansion
 - Fully integrated Fixed-Mobile offer for large enterprises and corporates
 - Access anywhere, secure Internet access, managed IP voice



Fiber-to-the-Office

Step up in FttO initiatives

Market leadership strategy

- Step up in FttO initiatives, started in 2007
 - 15 Business parks connected each month
- Regional marketing approach with local partners
 - Targeting Top 70 business parks
 - Ambition to connect substantial part of business market by 2010
- FttO available for SME / SoHo in areas where FttH is rolled out



Services offered

- FttO offering superior bandwidths, allowing new applications
- Applications available with FttO
 - Voice (based on VoIP)
 - VPN
 - Narrowcasting
 - Camera security
 - Remote control
 - Data storage
 - Managed data services
- Example project Oosterhout
 - Cooperation with local partners for infrastructure roll-out and for service providers
 - Economies of scale by sharing investments

Application Management

Well positioned to address growth segment

Online Applications

- Successful introduction in SME / SoHo segment in 2007
 - Standardized applications with (telco-like) business model and monthly fee
 - Differentiating from traditional IT service providers
- Entering large and medium enterprise segment
 - Continued expansion of service portfolio with e.g. secure access and managed network security
- Strengthened distribution through partnerships
 - Software Online available in stores via Liquix
 - Sony offering Pre Paid bundles on laptops
- Further growth potential from cross- and upselling Getronics customer base

Software Online



Back-up
online



PC online



Document
sharing



Accounting



Internet
security



Exchange

Housing & hosting

Rapid growth driven by storage requirements

Housing & hosting

- KPN volume in housing & hosting services almost doubled in 2007
 - Housing up 85% to 10,000 sqm occupied
 - Hosting up 100% to 1,825 servers
- Growth driven by storage requirements for ICT services
 - Secure storage of company data
 - Growth in Application Management
 - EU directives on data storage
- Fifth KPN cybercenter under construction
 - Adding 5,000 sqm high capacity hosting services
 - First offers made to prospective tenants
 - Ready in November 2008



Simplification

All-IP portfolio brings simplified portfolio to customers

Principles

Traditional Portfolio

Complex

- Technology based
- Service platform and operations for every technology
- Selling as much as possible

All-IP Portfolio

Simple

- Access independent
- Modular
- Packageable
- Serving customer needs

Portfolio

ISDN2

FlexiStream

Frame Relay

IP DIAL

X-25

Analogue Leased Lines

Digi-Access

Digital Leased Lines

Digi-Stream

MTN

ATM

Business
VoIP

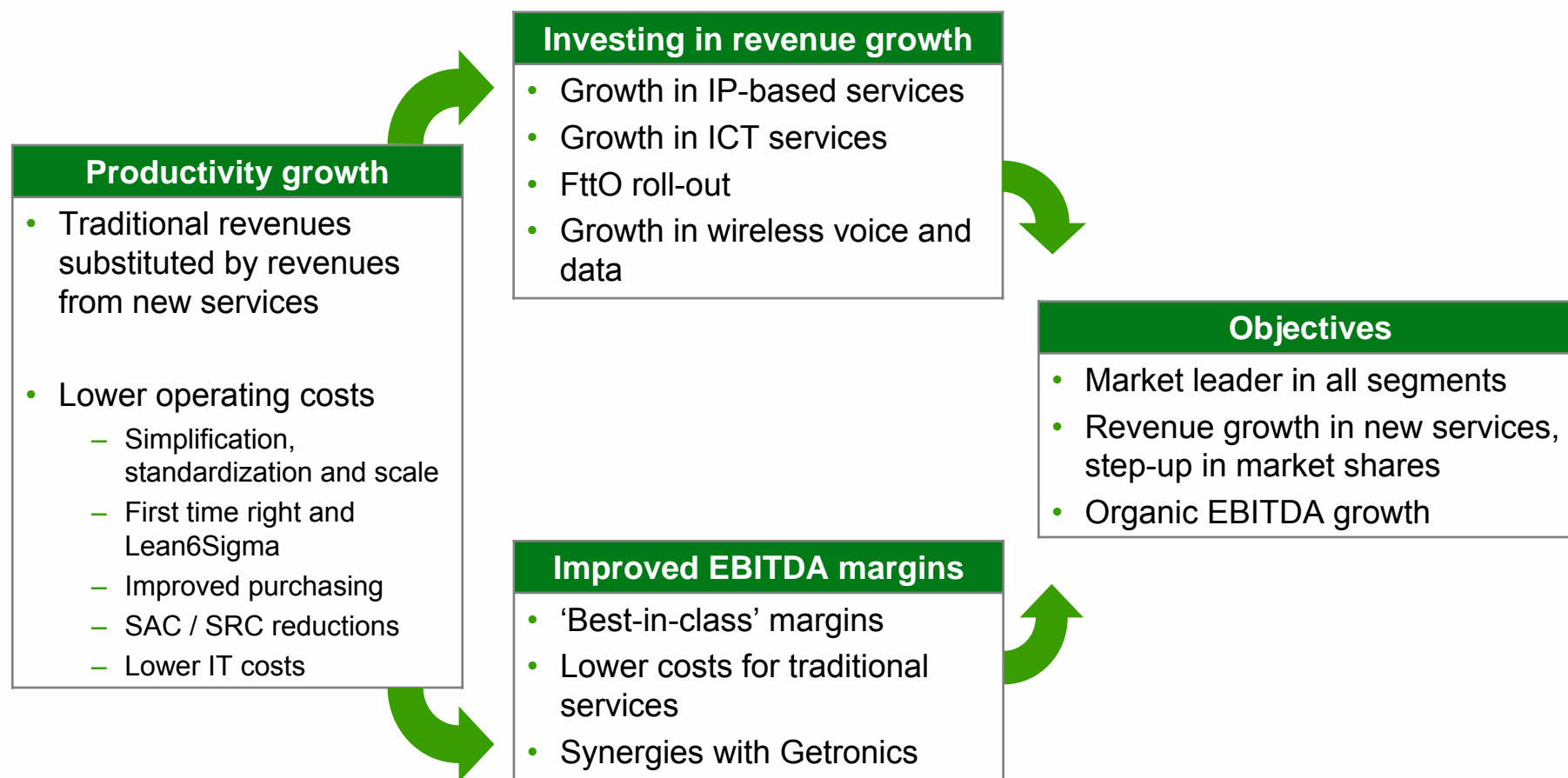
VOIP
Connect

IP-VPN

E-VPN

Business EBITDA growth 2008-2010

Market leader in all segments with organic EBITDA growth



Acquisition closed, turnaround plan with additional opportunities

- Getronics consolidated with KPN as of 23 October 2007
 - Revenues and other income of € 488 mn
 - EBITDA of € 23 mn, EBITDA margin of 4.7%
- Turnaround plan ready after first 100 days
 - Defined strategy for Benelux and global services
 - Headquarter integration in progress
- Additional value creating opportunities identified
 - Positive feedback from majority of large clients on combination KPN-Getronics
 - Cost synergies identified in excess of earlier announced € 50 mn
 - Additional revenue synergies following integration KPN-Getronics as of 1 January 2009
- Divestment of Spain/Portugal completed
 - First major disposal following Getronics acquisition, Enterprise Value € 86 mn
 - Partnership with Tecnocom Telecom to continue servicing clients on Iberian peninsula
- Getronics delisted as of 12 December 2007

Getronics strategy

Expand in workspace management with own operations and partnerships

**Benelux
market leader**

- Benelux champion of ICT services and consulting
- Offering end-to-end solutions centered around workspace management, data center and hosting services, connectivity solutions and Software as a Service (SaaS)
- Complemented with independent consulting and professional services through separate label Getronics Consulting

**Expand global
workspace
management**

- Expanding global delivery capability and increased profitability to serve international clients
 - Launching Future Ready Workspace 2.0 (FRW) in Q2 2008
 - Integrated solution covering large part of KPN-Getronics portfolio
- Expand partner network, supporting partners with Getronics FRW tooling

Benelux strategy

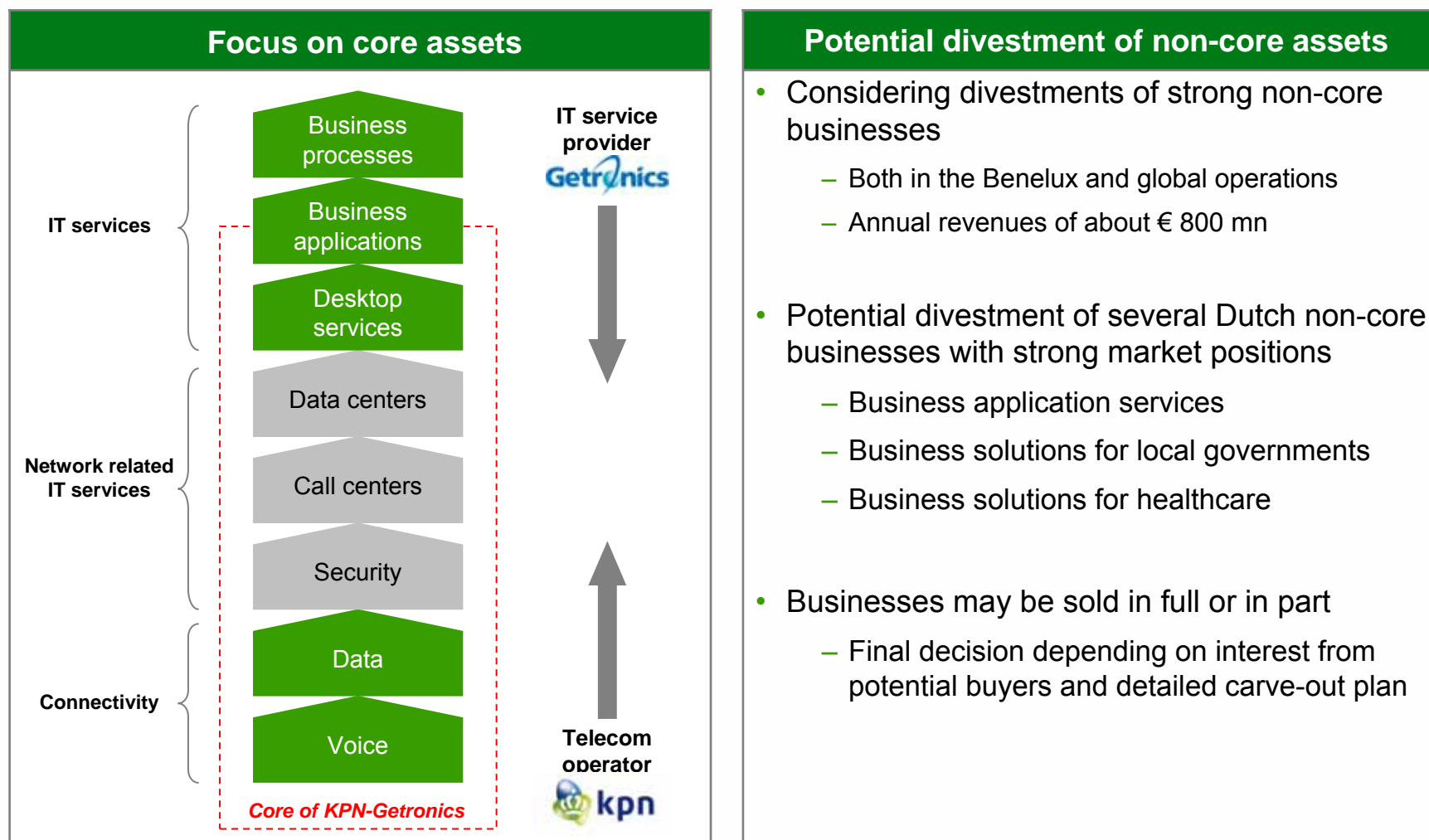
Benelux champion of ICT services and consulting



Infrastructure and network-related IT services, complemented with strong and independent consulting and professional services

Focus on core assets

Recouping part of the acquisition price through sale of non-core assets



Wholesale & Operations

Ambition 2010

'Best-in-class' network operator with very high productivity

Network based on IP

Growing wholesale business

Wholesale & Operations

Strategic building blocks to become 'best-in-class' network operator

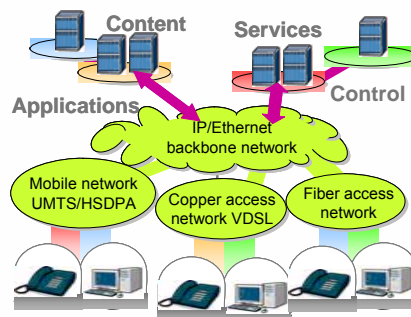
Proactive network roll-out

All-IP services and infrastructure



- Mix of FttC and FttH as of 2008

Open access model



- Infrastructure sharing

Committed wholesale partner



- Based on state-of-the-art IP platform

Simplified processes



- Switching off legacy infrastructure
- Simplified IT and operations

Lowest cost



- Continued FTE and cost reductions


International wholesale



- Growth platform with state-of-the-art IP platform

All-IP infrastructure update

Confirming roll-out scheme, Capex guidance and real estate proceeds

	Previous guidance	Status and next steps
Network roll-out	<ul style="list-style-type: none"> FttC roll-out starting 2008 Selective regional FttH initiatives 	<ul style="list-style-type: none"> FttC roll-out plan further detailed and ready to start 100k households on FttH, e.g. in Almere and Enschede, step-up in FttO
Capex	<ul style="list-style-type: none"> Additional Capex of € 0.9 bn until 2010 	<ul style="list-style-type: none"> Confirming additional Capex at € 0.9 bn <ul style="list-style-type: none"> € 200 mn in 2006 and 2007, € 250 mn in 2008 and 2009, € 200 mn in 2010 Including selected FttH / FttO initiatives
Real estate	<ul style="list-style-type: none"> Sale of real estate with total value of € 1 bn Proceeds used to fund All-IP Capex 	<ul style="list-style-type: none"> € 143 mn proceeds from real estate in 2007 Top portfolio of real estate to be sold in H1 '08 <ul style="list-style-type: none"> 34 buildings with value of ~€ 300 mn Teaser document sent out to potential investors Remaining real estate to be sold after 2008 <ul style="list-style-type: none"> Proceeds evenly spread over years 2009-2011

Cost reductions

Highly efficient network operator through continued cost reductions

Cost reductions

- Substantial cost reduction at back-end through simplification
 - Additional FTE reductions
 - Reduction in service platforms
 - Simplified processes
 - First time right
- Considering outsourcing part of operations to suppliers
- IT spend to be reduced by about 50%
 - Outsourcing, headcount reduction and application rationalization

Improving EBITDA margin

- 'Best-in-class' network operator
- Solid EBITDA margins

Investing in wholesale growth

- Migrating wholesale partners to All-IP
- Introduction of new wholesale services



Growth platform in international wholesale

Status iBasis

- Merger of KPN's international carrier KGCS with iBasis closed on 1 October
 - Book gain of € 66 mn upon closing
- iBasis fully consolidated in Wholesale & Operations in Q4 '07
 - Revenue contribution of € 245 mn
 - EBITDA contribution of € 7 mn
- Focus in Q4 on wholesale traffic volumes with higher margins
- Price pressure in retail segment due to changing market environment
 - Affecting ~8% of total revenues

Next steps

- Ambition for continued organic growth in 2008, in particular in Asia and Latin America
- Outsourcing agreement with TDC announced on 14 January 2008
 - \$ 80 mn additional revenues for iBasis
 - One-off payment to TDC of \$ 10 mn
 - Closing pending approval from competition authorities
- Intention to pursue similar outsourcing transactions
- iBasis guidance for 2008 provided on 4 Feb
 - Adjusted EBITDA¹ of \$ 60-70 mn (up 15-35% on prior year)
 - Capex of \$ 30-35 mn
 - Excluding pending TDC transaction

1 Adjusted EBITDA used by iBasis as non-GAAP measurement to provide further information on operating trends

Agenda

Review 2007	Marcel Smits, CFO
Strategy update	Ad Scheepbouwer, Chairman and CEO
Strategy The Netherlands	Baptiest Coopmans, MD Consumer
	Eelco Blok, MD Business / W&O
Strategy Mobile International	Stan Miller, MD Mobile International
Concluding remarks	Ad Scheepbouwer, Chairman and CEO

Mobile International

Ambition 2010

E-Plus outperforming competition in growing German market

Re-igniting growth in Belgium with broader scope

Selective expansion in Europe

Mobile International

Strategic building blocks for further profitable growth

Country-specific strategies



- Differentiated strategies in Belgium, Germany and rest of Europe

Multi-brand strategy



- Specific brands for each segment

Wholesale partnerships



- Committed wholesale partner

Lowest costs



- Continued FTE and cost reductions

Benefit from data growth



- Flat fees to drive broadband usage
- Selectively invest in 3G networks

Expansion in selective markets



- Pursue value-creation opportunities in Europe, e.g. MVNO in Spain

Wireless data

Wireless data as important growth contributor in Germany and Belgium

	Current status	Ambition 2010
Wireless data services	<ul style="list-style-type: none">• Data demand growing rapidly following introduction of data flat fees• Predominantly used for internet connectivity	<ul style="list-style-type: none">• Sustained growth in SMS, acceleration in data• Availability of broader range of data applications
Network roll-out	<ul style="list-style-type: none">• Population coverage meeting 3G license requirements• 62% coverage in Germany at YE '07, no ambition for national roll-out• 50% coverage in Belgium at YE '07	<ul style="list-style-type: none">• Selective 3G investments in areas with proven demand• No material increase in Capex spending• HSDPA pilots in large cities

E-Plus objectives

Continued growth from both voice and data

Commercial propositions

- Market returning to growth as a result of price elasticity
- Step up Post Paid additions and continued growth in wholesale
- Acquisition of SMS Michel with circa 200 retail outlets

Data

- Increase data revenue share now demand is growing
- Selective UMTS roll-out, with investments in areas with proven demand
- Leverage customer base via cross/upselling and value-added services

Operational excellence

- Continued SAC/SRC reductions through wholesale and captive channels
- Enhancing nationwide indoor coverage through E-GSM
- Driving benefits of outsourcing projects initiated in 2006 and 2007

Continued growth in Germany

Solid EBITDA margins

BASE objectives

Re-igniting growth with positive impact from acquisitions

Commercial propositions

- Successful launch of new commercial propositions
 - BASE Gold / Platinum launched in October
 - Grow in Post Paid segment
- New SoHo / SME proposition and segmented market approach

Strengthened distribution

- Regionalized marketing in areas with low market share
- Exploit acquisitions of Allo Telecom and Tele2 Belgium
- Branded reseller for Tele2 Belgium since December
- Further growth in wholesale partnerships

Operational excellence

- Exploiting national EDGE coverage as challenger with attractive rates
- UMTS deployment to meet license requirements, increasing capacity in hotspots
- Renewal IT infrastructure

**Re-igniting
growth of
Belgian
business**

**Positive
impact from
acquisitions**

Mobile wholesale objectives

Continued expansion of wholesale partnerships in Europe

National wholesale

- Exploit synergies in wholesale between the Netherlands, Belgium and Germany
 - Expertise
 - Cross-border services
 - One-stop-shop
- Leverage wholesale partnerships on networks in current footprint
 - Ortel launched in all three markets
 - Medion/Aldi
- Manage wholesale separately from retail business

International wholesale

- MVNO launched in Spain in on 29 January on Orange network
 - Simyo launched as KPN brand
 - Attractive tariff of € 0.09 per minute
 - Partnerships with Euphony and Interbank
- Looking at opportunities in other Western European countries
 - France
 - Poland
 - Italy
 - UK
- Offering wholesale partnerships on larger pan-European footprint

Agenda

Review 2007	Marcel Smits, CFO
Strategy update	Ad Scheepbouwer, Chairman and CEO
Strategy The Netherlands	Baptiest Coopmans, MD Consumer
	Eelco Blok, MD Business / W&O
Strategy Mobile International	Stan Miller, MD Mobile International
Concluding remarks	Ad Scheepbouwer, Chairman and CEO

Concluding remarks

- Solid performance in 2007, full-year guidance met
- Strategy update announced today with ambitious targets
- Leading service provider in the Netherlands with EBITDA inflection
- Continued profitable growth at Mobile International
- Incentive scheme for senior management aligned with ambitious targets
- Continued attractive shareholder returns of € 2 bn for 2008
- Targeting dividend per share of € 0.80 in 2010

Q & A



Annex

For further information please contact

KPN Investor Relations

Tel: +31 70 44 61583

Fax: +31 70 44 60593

ir@kpn.com

www.kpn.com/ir



Analysis of results

Key items worth mentioning in results interpretation

€ mn		Q4 '07	Q4 '06	FY '07	FY '06
Revenue effect MTA tariff reduction ¹	Group	-50	-48	-174	-243
EBITDA effect MTA tariff reduction ¹	Group	-26	-13	-95	-84
Book gain on sale of subsidiaries	W&O / Other	66	6	70	82
Book gain on sale of real estate	W&O	10	2	96	25
Additional costs to solve VoIP issues	NL			-55	
Restructuring charges	Group	-33	-17	-59	-64
Integration / migration costs	NL	-29	-26	-63	-58
All-IP implementation costs	NL	-12		-36	
Telfort network integration costs	NL		-6		-24
Energy tax reimbursement	W&O				20
Release NMa claims	NL				11
Depreciation effect Telfort network integration	W&O		-36	-32	-90
Amortization effect Telfort network integration	W&O		-19	-116	-19

¹ Restated numbers for 2007 due to refined methodology at BASE

Guidance reconciliation

Revenues and other income	Q4		FY	
€ mn	2007	2006	2007	2006
Reported	3,659	3,039	12,632	12,057
Getronics	-478	-	-478	-
Acquisition iBasis and Tiscali	-109	-	-129	-
Book gain KGCS	-66	-	-66	-
Comparison with guidance	3,006	3,039	11,959	12,057
	-1.1%		-0.8%	

EBITDA ¹	Q4		FY	
€ mn	2007	2006	2007	2006
Reported	1,216	1,152	4,900	4,837
Getronics	-23	-	-23	-
Acquisition iBasis and Tiscali	-	-	-4	-
Book gain KGCS	-66	-	-66	-
Comparison with guidance	1,127	1,152	4,807	4,837
	-2.2%		-0.6%	

¹ Defined as Operating result plus depreciation, amortization & impairments

MTA regulation

The Netherlands

- New MTA regulation, estimated impact of ~4% on service revenues in 2008¹

€ cents per minute	15 Aug '07	1 July '08	1 April '09	1 July '09
KPN	10.0	9.0	8.0	7.0
Vodafone	10.0	9.0	9.0	7.0
T-Mobile	11.4	10.4	10.4	8.1
Avg. asymmetry	1.4	1.4	2.4	1.1

Germany

- New MTA tariffs valid from 1 December 2007 until 31 March 2009
 - T-Mobile / Vodafone lowered from € 8.78 to € 7.92 cents per minute
 - E-Plus / O₂ lowered from € 9.94 to € 8.80 cents per minute

Belgium

- New MTA tariffs valid from 1 February 2008 until 30 June 2008
- MTA tariffs as from 1 July 2008 are indicative pending official publication
- Less asymmetry compared to previous proposal of 11 August 2006

€ cents per minute	Current	1 Feb '08	1 July '08	1 Jan '09	1 July '09
BASE	12.76	10.36	8.75	8.62	8.49
Proximus	8.09	8.02	7.96	7.85	7.73
Mobistar	10.16	8.84	7.96	7.85	7.73
Avg. asymmetry	3.64	1.93	0.79	0.77	0.76

¹ Based on 2006 volumes and conservatively assuming no elasticity effects

Impact MTA reduction¹

€ mn	Q4 '07		FY '07	
	Revenues	EBITDA ²	Revenues	EBITDA ²
E-Plus	-17	-9	-90	-45
BASE ³	-11	-8	-51	-35
Mobile Wholesale NL	-2	-1	-3	-2
Mobile International	-30	-18	-144	-82
Consumer	-13	-7	-19	-11
Business	-6	-1	-9	-2
Wholesale & Operations	-5		-8	
The Netherlands	-24	-8	-36	-13
Intercompany	4		6	
KPN Group	-50	-26	-174	-95

MTA tariff reductions

- E-Plus: lowered from 9.9 to 8.8 cents as of 1 December 2007
- BASE: lowered from 15.8 to 12.8 cents as of 1 May '07, further lowered to 10.4 cents as of 1 Feb '08
- The Netherlands: lowered from 11.0 to 10.0 cents as of 15 August 2007

¹ Additional decline compared to 2006

² Defined as Operating result plus depreciation, amortization and impairments

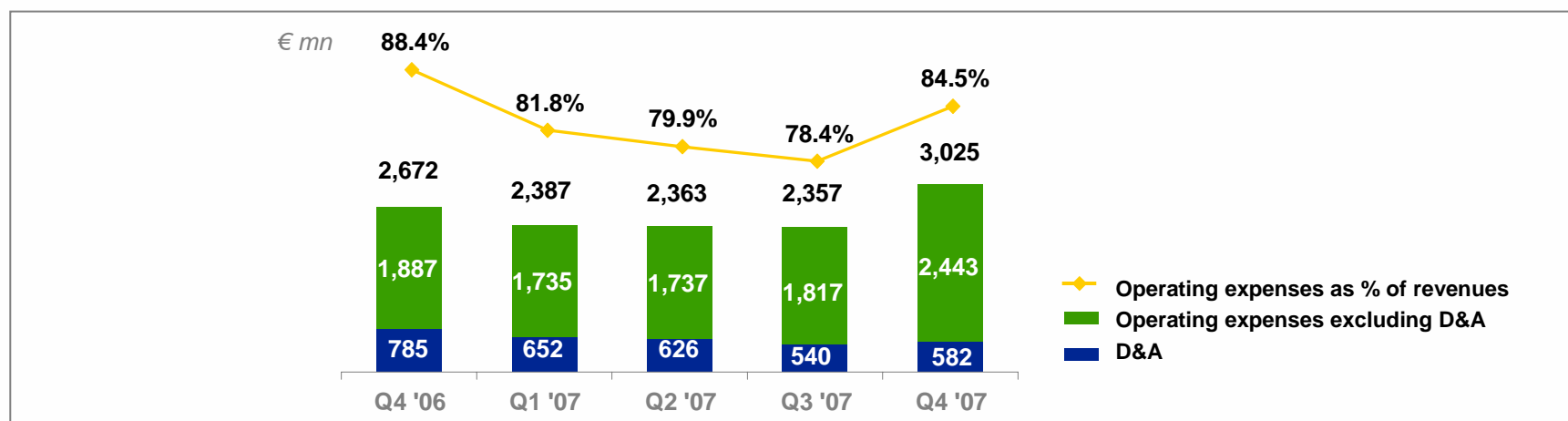
³ Restated numbers for 2007 due to refined methodology at BASE

Restructuring charges

€ mn	Q4 '07	FY '07
E-Plus		
BASE		
Mobile Wholesale NL		
Mobile International	-	-
Consumer	-3	-4
Business	-4	-7
Getronics	-6	-6
Wholesale & Operations	-14	-23
The Netherlands	-27	-40
Other	-6	-19
KPN Group	-33	-59

Operating expenses

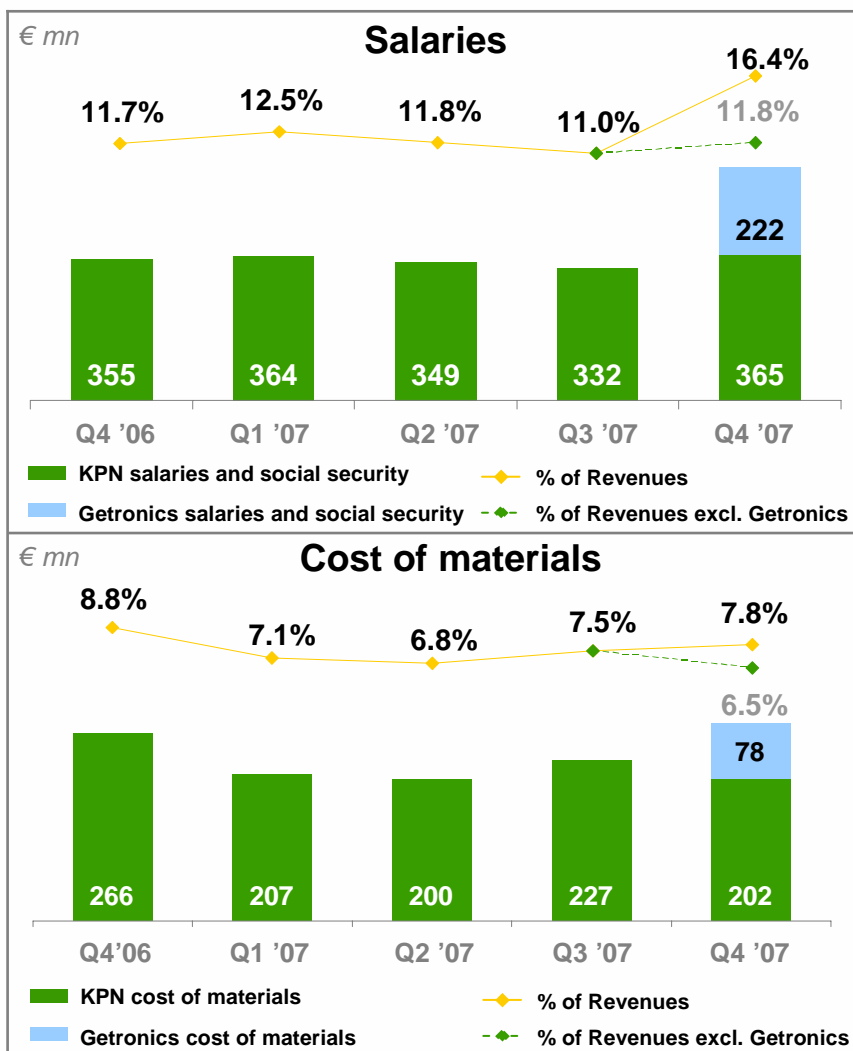
€ mn	Q4 '07	Q4 '06	%
Salaries and social security contributions	587	355	65.4%
Cost of materials	280	266	5.3%
Work contracted out and other expenses	1,327	1,078	23.1%
Own work capitalized	-40	-26	53.8%
Other operating expenses	289	214	35.0%
Depreciation ¹	405	439	-7.7%
Amortization ¹	177	346	-48.8%
Total	3,025	2,672	13.2%



¹ Including impairments, if any

Analysis operating expenses¹

Salaries & Cost of materials



Y-on-Y increase

- Continued headcount reductions, offset by acquisitions

Q-on-Q increase

- Acquisition iBasis and Tele2 / Versatel Belgium

Y-on-Y decrease

- Less handset sales due to SIM-only and wholesale offers

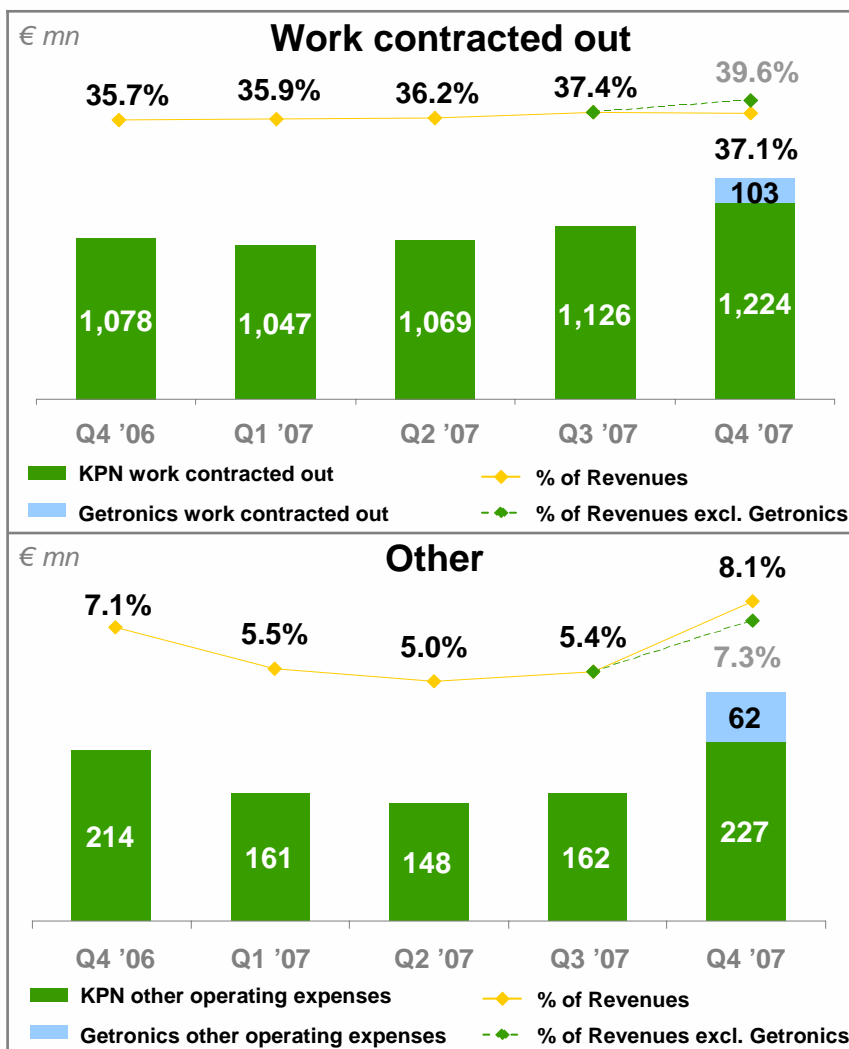
Q-on-Q decrease

- Outsourcing of network maintenance / building at E-Plus

¹ Year-on-year and quarter-on-quarter analysis excluding Getronics acquisition

Analysis operating expenses¹

Work contracted out & Other



Y-on-Y increase

- Higher wireless traffic volumes
- Partly offset by lower wireline volumes and MTA

Q-on-Q increase

- Higher handset sales due to increase in (Post Paid) gross adds at Mobile

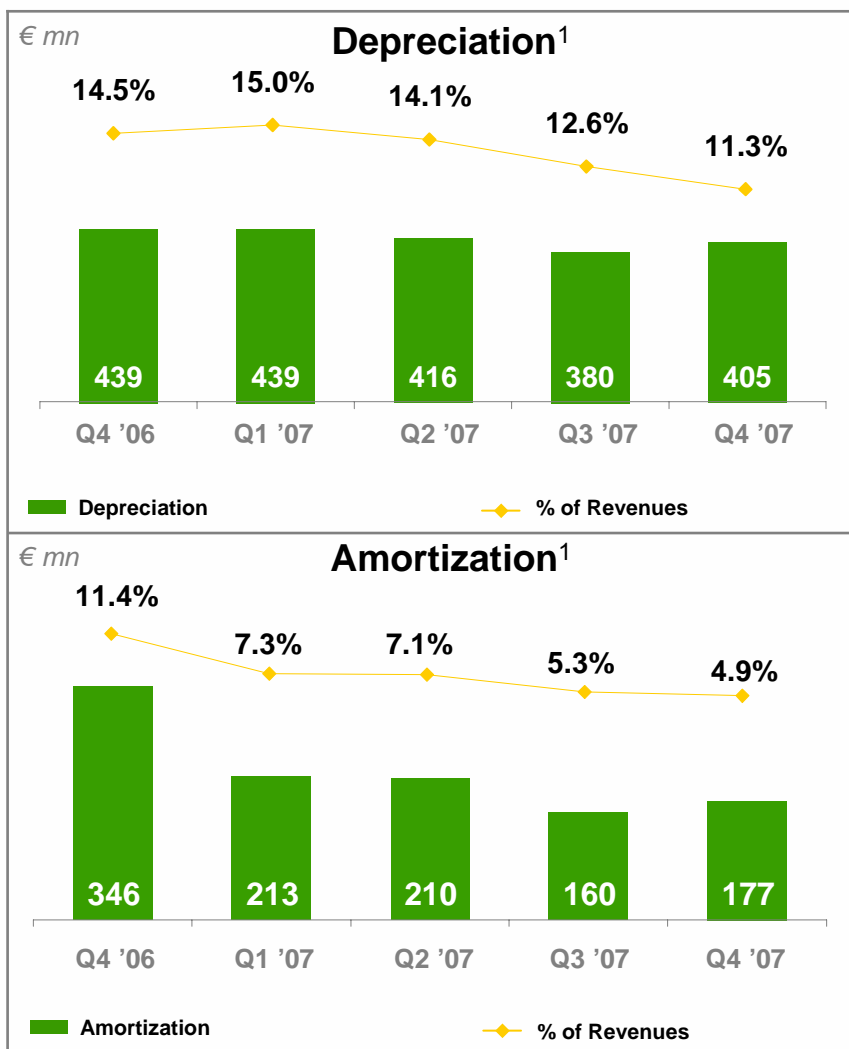
Q-on-Q increase

- Step-up in marketing efforts at Fixed and Mobile
- € 33 mn restructuring charges in Q4 '07 (€ 12 mn in Q3 '07)

¹ Year-on-year and quarter-on-quarter analysis excluding Getronics acquisition

Analysis operating expenses

Depreciation & Amortization



Y-on-Y decrease

- Fixed depreciation trending down due to lower Capex

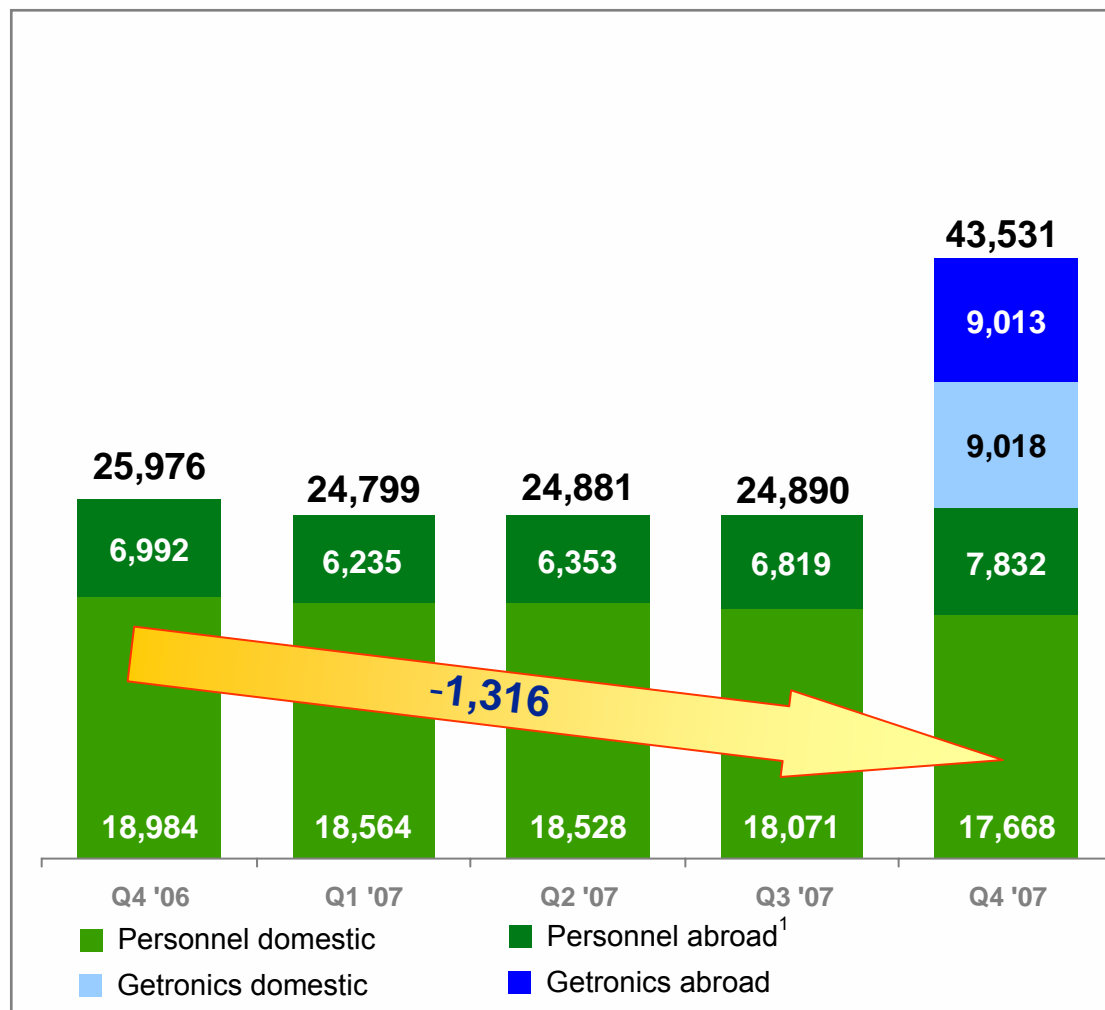
Y-on-Y decrease

- € 175 mn goodwill adjustment following Telfort fiscal restructuring in Q4 '06

¹ Including impairments, if any

Personnel

Continuing underlying decline in the Netherlands



- Personnel increase Y-on-Y of 17,555 FTE
 - 1,316 FTE reduction in the Netherlands (excl. Getronics)
 - Excluding acquisitions reduction of 1,740 FTE in the Netherlands
- FTEs increase compared to Q3
 - Increase of 18,031 FTE due to acquisition of Getronics
 - Increase of 1,103 FTE in personnel abroad at SNT International and iBasis acquisition
 - Reduction in the Netherlands of 403 FTE

¹ Including ~4,300 FTE in call center activities abroad, reported under Consumer the Netherlands

Tax

Fiscal units (€ mn)	P&L		Cash flow	
	Q4 '07	Q4 '06	Q4 '07	Q4 '06
Dutch activities	-51	198	-171	-65
Getronics	-	-	-	-
German Mobile activities	1,160	37	-	-
Belgian Mobile activities	-8	-15	-	-
Total	1,101	220	-171	-65

- € 1.2 bn deferred tax asset recorded at E-Plus
- € 171 mn Dutch corporate tax paid
 - NOLs at KPN Mobile exhausted as of Q3 '07
 - Additional tax payment following agreement with Dutch tax authorities on historic years
 - Tax recapture of € 146 mn on E-Plus EBITDA paid to Dutch fiscal authorities
- Positive P&L charge in Q4 '06
 - € 148 mn decrease of net deferred tax position due to lower Dutch tax rate as of 1 January 2007
 - € 100 mn net effect in income tax following Telfort fiscal reorganization

Net cash flow from operating activities

€ mn	Q4 '07	Q4 '06	FY '07	FY '06
Operating Result	634	367	2,500	2,223
Depreciation, amortization and impairments	582	785	2,400	2,614
Interest paid	-123	-228	-471	-479
Income tax paid	-171	-66	-251	147
Other income	-80	-17	-171	-116
Share based compensation	1	4	8	11
Change in provisions	-90	-54	-288	-176
Net cash flow from operating activities before changes in working capital	753	791	3,727	4,224
Inventory	14	10	9	20
Trade receivables	-27	14	-30	8
Other current assets	167	66	69	-134
Current liabilities	305	-66	115	-47
Change in working capital	459	24	163	-153
Net cash flow from operating activities	1,212	815	3,890	4,071
Capex ¹	-707	-533	-1,688	-1,650
Proceeds from real estate	19	21	143	56
Free cash flow²	524	303	2,345	2,477

1 Including Property, Plant & Equipment and software

2 Defined as Net cash flow from operating activities plus proceeds from real estate minus Capex

Total cash flow

€ mn	Q4 '07	Q4 '06	FY '07	FY '06
Net cash flow from operating activities	1,212	815	3,890	4,071
Capex ¹	-707	-533	-1,688	-1,650
Acquisitions	-1,157	-10	-1,690	-370
Disposals real estate	19	21	143	56
Disposals other	58	0	89	72
Other	-1	5	-8	14
Net cash flow from investing activities	-1,788	-517	-3,154	-1,878
Dividends paid	0	0	-982	-982
Share repurchases	-395	-101	-1,569	-1,615
Debt financing	1,313	-111	2,021	553
Other	3	15	28	20
Net cash flow used in financing activities	921	-197	-502	-2,024
Changes in cash and cash equivalents	345	101	234	169

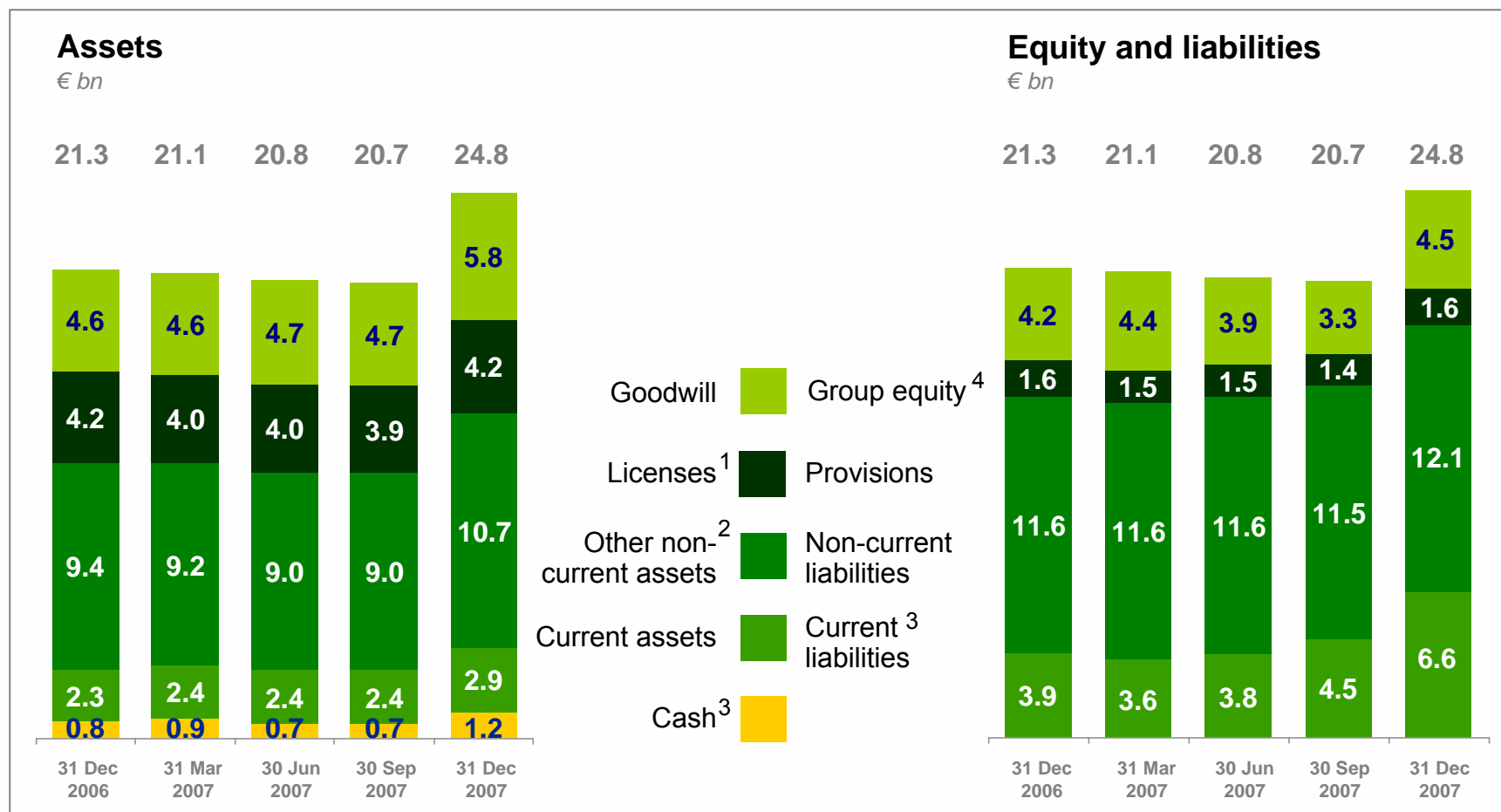
¹ Including Property, Plant & Equipment and software

Capex¹

€ mn	Q4 '07	Q4 '06	%	FY '07	FY '06	%
Mobile International	207	152	36.2%	577	615	-6.2%
<i>% Revenues Mobile International</i>	<i>20.0%</i>	<i>15.3%</i>		<i>14.6%</i>	<i>16.1%</i>	
E-Plus	149	119	25.2%	435	486	-10.5%
<i>% Revenues E-Plus</i>	<i>19.6%</i>	<i>15.9%</i>		<i>14.7%</i>	<i>16.8%</i>	
BASE	50	29	72.4%	131	123	6.5%
<i>% Revenues BASE</i>	<i>32.3%</i>	<i>18.4%</i>		<i>21.4%</i>	<i>19.8%</i>	
Mobile Wholesale NL	0	2	-100%	2	4	-50.0%
<i>% Revenues Mobile Wholesale NL</i>	<i>0.0%</i>	<i>2.4%</i>		<i>0.6%</i>	<i>1.3%</i>	
The Netherlands	500	374	33.7%	1,110	1,013	9.6%
<i>% Revenues the Netherlands</i>	<i>19.0%</i>	<i>17.5%</i>		<i>12.5%</i>	<i>11.9%</i>	
Consumer	93	89	4.5%	214	210	1.9%
<i>% Revenues Consumer</i>	<i>9.2%</i>	<i>8.4%</i>		<i>5.2%</i>	<i>5.0%</i>	
Business	90	63	42.9%	194	128	51.6%
<i>% Revenues Business</i>	<i>10.5%</i>	<i>7.5%</i>		<i>5.7%</i>	<i>3.9%</i>	
Getronics	10			10		
<i>% Revenues Getronics</i>	<i>2.0%</i>			<i>2.0%</i>		
Wholesale & Operations	305	206	48.1%	676	626	8.0%
<i>% Revenues Wholesale & Operations</i>	<i>30.5%</i>	<i>20.8%</i>		<i>18.2%</i>	<i>16.0%</i>	
Other	0	7	-100%	1	22	-95.5%
Total	707	533	32.6%	1,688	1,650	2.3%
<i>% Revenues</i>	<i>19.8%</i>	<i>17.6%</i>		<i>13.5%</i>	<i>13.8%</i>	

¹ Including Property, Plant & Equipment and software

Balance sheet



1 Including other intangibles

2 Including Property, Plant & Equipment and software

3 Both cash and gross debt include approximately € 0.5 bn of non-netted cash balances per Q4 '07

4 Including minority interest

Share repurchase progress

Date ¹	Value (€ mn)	mn shares	Avg. share price (€)
Q1 '07	136.8	11.9	11.46
Q2 '07	313.5	25.4	12.34
Q3 '07	669.9	57.8	11.57
October	149.8	11.9	12.56
November	118.0	9.5	12.51
December	112.0	9.1	12.32
Q4 '07	379.8	30.5	12.45
Total	1.500.0	125.6	11.94

- Share repurchases of € 1.5 bn in 2007
 - Additional € 0.5 bn program started on 3 September, 40.6 mn shares repurchased at € 12.32
 - 125.6 mn shares repurchased in 2007 for an average price of € 11.94
- Current number of outstanding shares 1,843,482,213
 - 651 million shares cancelled since 2004, or 26.1% of total outstanding shares
 - 42,767,654 shares cancelled on 5 October 2007 and 42,301,459 shares on 30 November 2007
 - Remaining 40,579,700 mn shares from € 0.5 bn program to be cancelled around April 1, 2008

¹ Figures based on transaction date of share repurchases

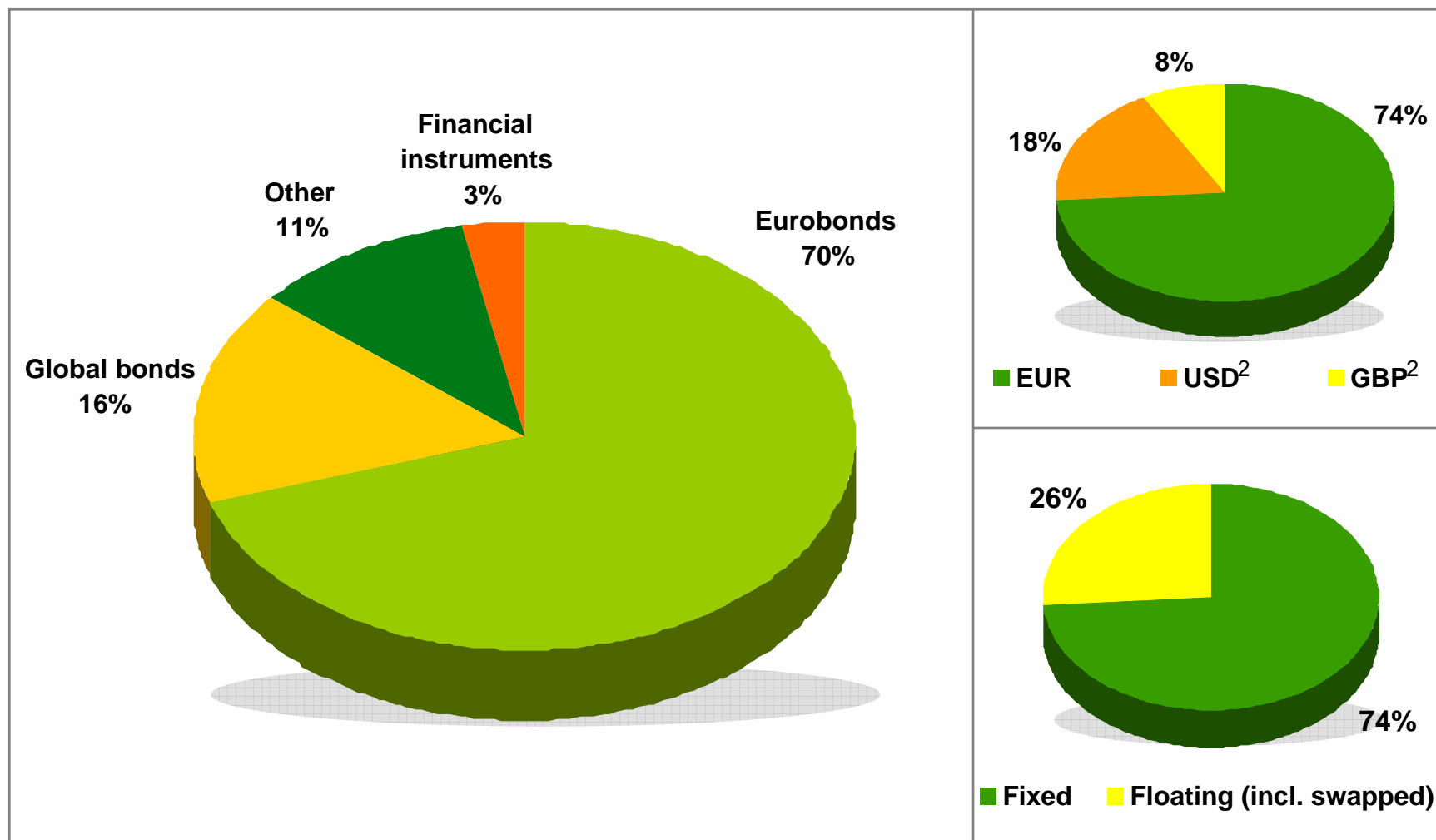
Debt summary

€ bn	Q4 '07	Q3 '07	Q4 '06
Bonds	10.37	9.21	8.39
Eurobonds	8.48	7.29	6.31
Global bonds	1.89	1.92	2.08
Other debt	1.38	1.14	0.68
Other loans at Royal KPN ¹	1.29	1.06	0.63
Consolidated debt	0.09	0.08	0.05
Fair value financial instruments	0.35	0.31	0.91
Total debt	12.10	10.66	9.98
— of which short-term	2.33	1.08	0.64
Cash and cash equivalents ¹	1.15	0.67	0.80
Total net debt	10.95	9.99	9.18

¹ Both cash and gross debt include approximately € 0.5 bn of non-netted cash balances per Q4 '07

Debt portfolio

Breakdown of € 12.1 bn gross debt¹



¹ Book value of interest bearing financial liabilities plus the fair value of financial instruments related to these financial liabilities

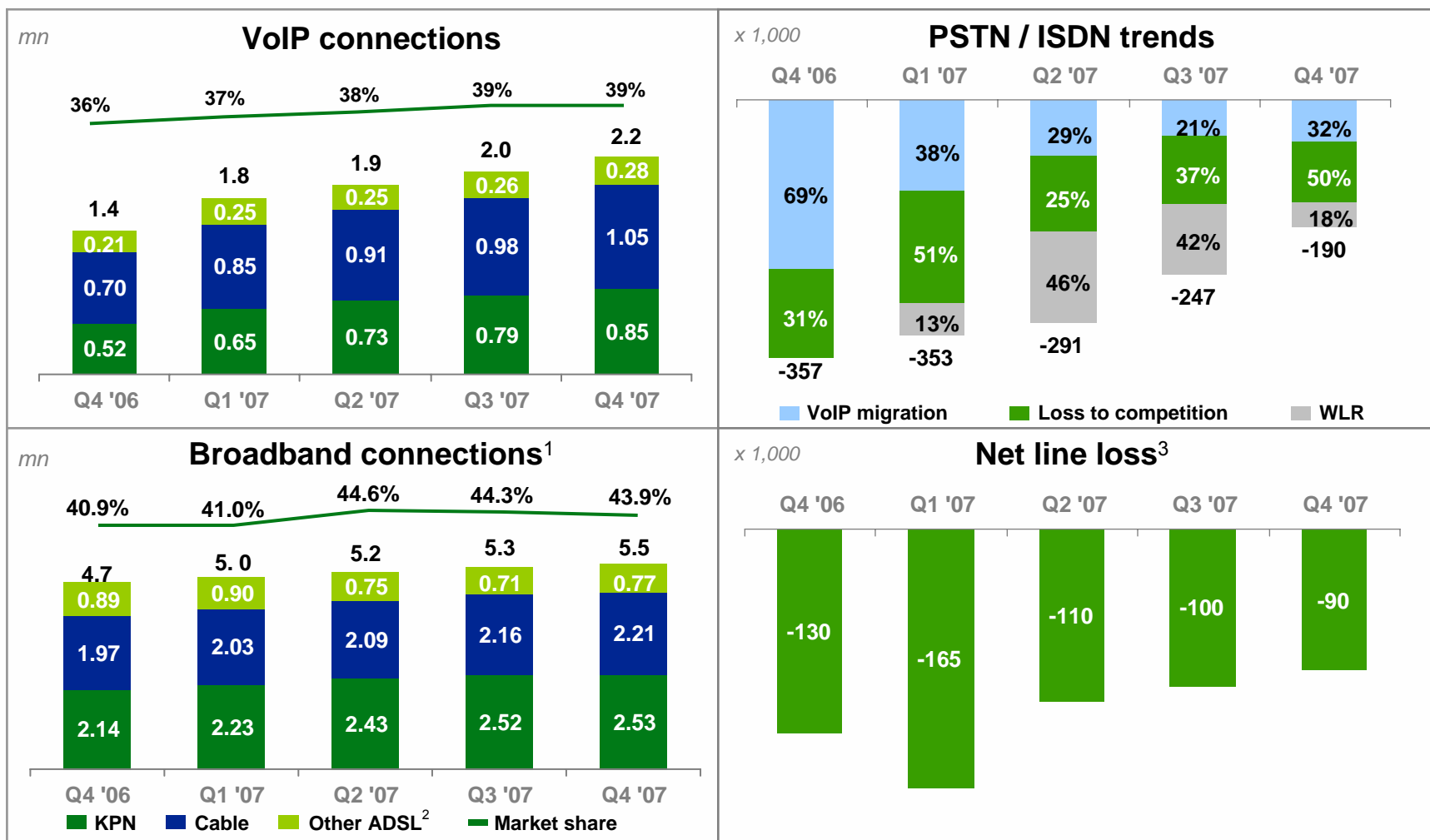
² Foreign currency amounts hedged into Euro

Consumer voice market¹

<i>mn</i>	Q4 '07	Q3 '07	Q4 '06
KPN PSTN / ISDN	2.85	3.04	3.93
Wholesale Line Rental (WLR)	0.32	0.28	-
Total traditional voice	3.17	3.32	3.93
KPN VoIP	0.85	0.79	0.52
Cable VoIP	1.05	0.98	0.70
Alternative DSL VoIP	0.28	0.26	0.21
Total VoIP	2.18	2.03	1.43
Cable voice analogue	0.11	0.11	0.13
Mobile-only	1.17	1.17	1.15
Total households	6.63	6.63	6.64

¹ Management estimates

Consumer market



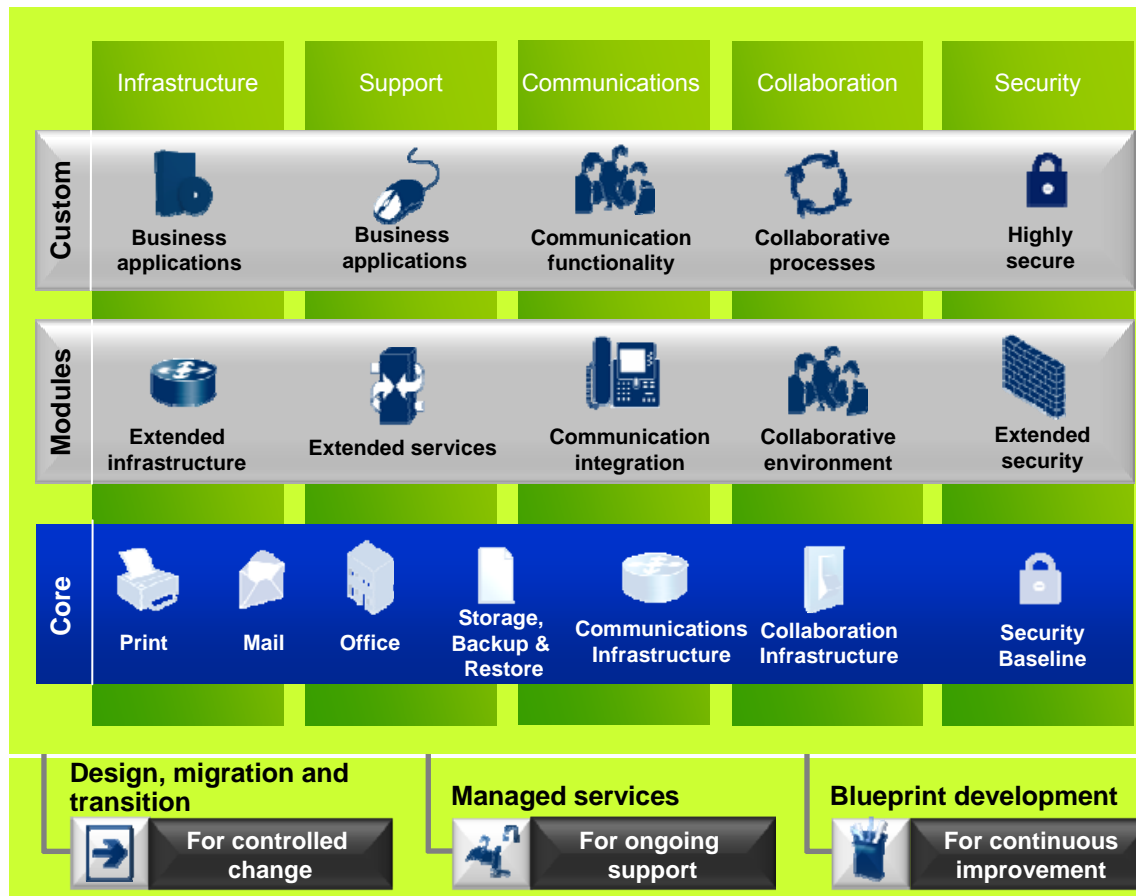
¹ Based on management estimates, approximately 80% consumers and 20% businesses

² Excluding Bitstream

³ PSTN/ISDN line loss + growth VoIP Consumer + growth ADSL only + growth WLR; management estimates

Future Ready Workspace 2.0

Integrated solutions offering to meet customer demand



Future Ready Workspace 2.0

- Core module providing all basic functionalities based on standardized solutions
- Workspace customized based on standard and customer specific modules
- Integrated offer covering large part of KPN-Getronics portfolio
 - Maintenance & desk side support
 - Managed (IP) communication
 - Hosted storage
- Offering all more related services
 - Blueprint development
 - Design, migration and transition
 - Managed services

Infrastructure rationalization

Termination in legacy systems in medium term

Changes in medium term (illustrative)

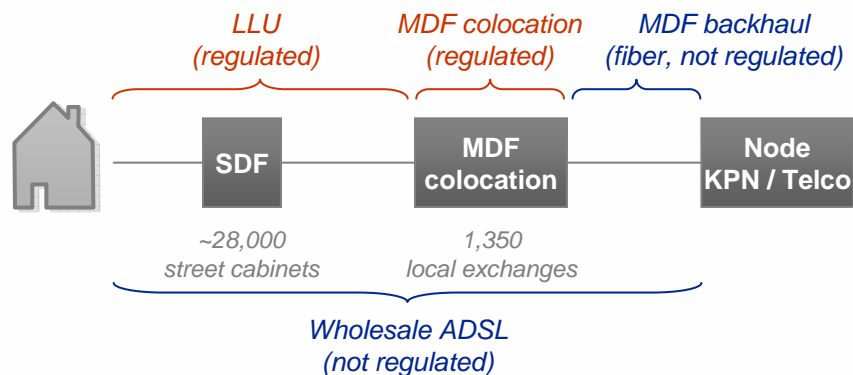
Service Layer	Multiplay service platforms	<ul style="list-style-type: none"> • Single service delivery and control platform
Core network	Single core network (IP/Ethernet/MPLS Core)	<ul style="list-style-type: none"> • First generation IP-MPLS terminated¹
Regional Network	Ethernet backbone	<ul style="list-style-type: none"> • SDH, ATM, PSTN, Frame Relay, Leased Lines phased out • First generation Ethernet terminated
Access network	DSL FttX UMTS/GSM/ HSPA	<ul style="list-style-type: none"> • Complete rollout FttC / FttH / FttO • Switch-off first generation DSL platform

¹ Multi-Protocol Label Switching

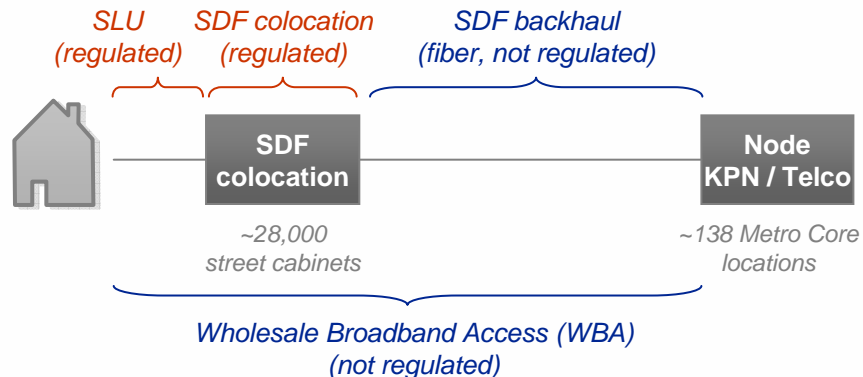
Unbundling tariffs

SLU and colocation set by OPTA, backhaul and WBA based on deal pricing

Unbundling in current network



Unbundling in All-IP network

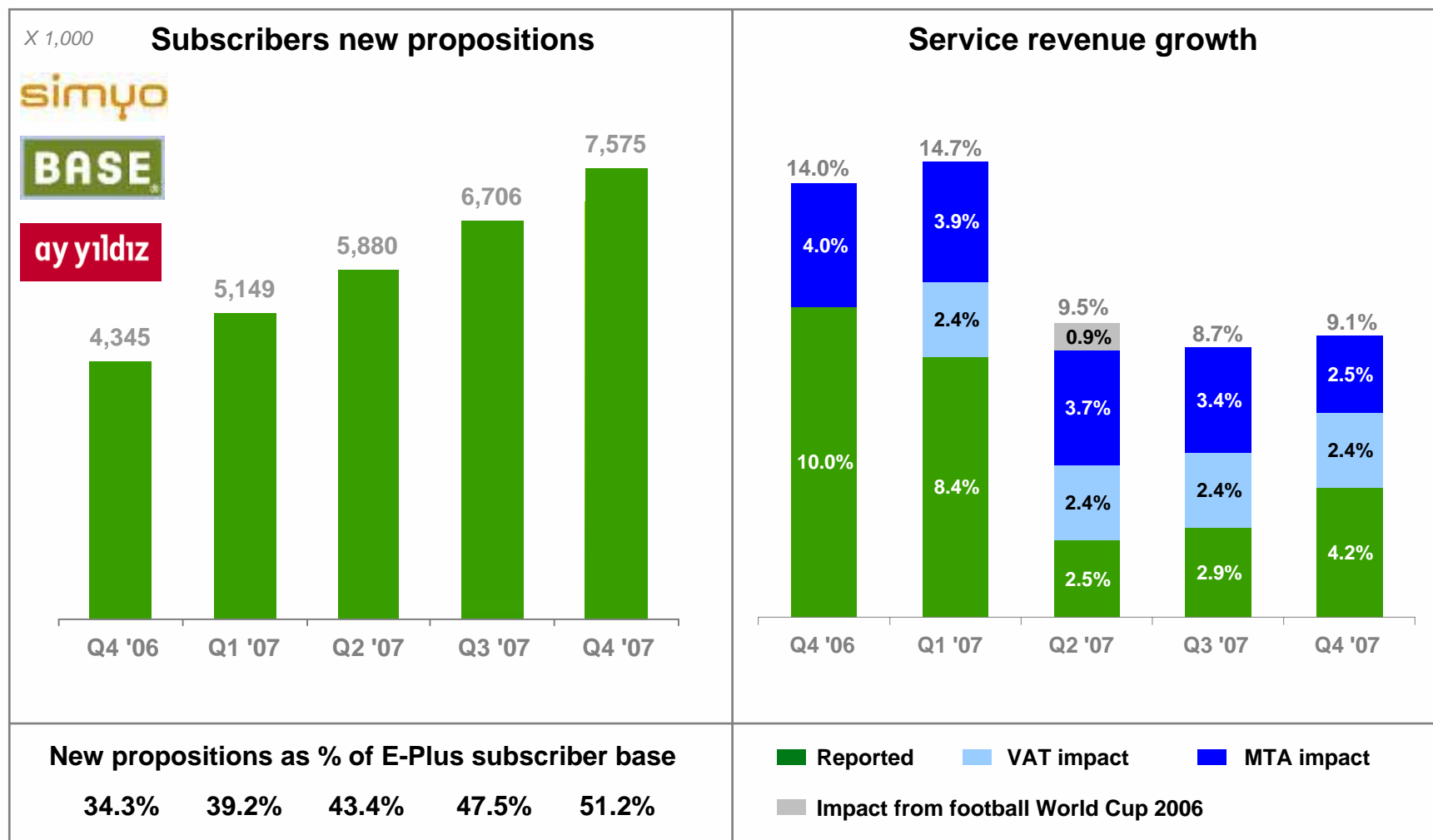


Category	Monthly tariffs
Line sharing (LLU)	€ 0.37 / line
Fully unbundled (LLU)	€ 8.00 / line
MDF colocation	€ 473 / footprint / year
MDF backhaul	Deal pricing
Wholesale ADSL	€ 7.50 shared € 15.18 non-shared

Category	Monthly tariffs
Line sharing (SLU)	€ 6.17 / line
Fully unbundled (SLU)	€ 8.05 / line
SDF colocation	€ 50-100 / cabinet One-off € 3,000-6,000
SDF backhaul	Deal pricing
Wholesale Broadband Access (WBA)	Deal pricing

E-Plus

Continued growth in new propositions, driving service revenue growth



Pro forma disclosure KPN Mobile the Netherlands

Financials and KPIs

€ mn	Q4 '07	Q4 '06	%	FY '07	FY '06	%
Revenues and other income	3,659	3,039	20.4%	12,632	12,057	4.8%
E-Plus & BASE	915	907	0.9%	3,576	3,516	1.7%
KPN Mobile the Netherlands	736	765	-3.8%	3,062	2,980	2.8%
Fixed (incl. Other and Intercompany eliminations)	2,008	1,367	46.9%	5,994	5,561	7.8%
EBITDA	1,216	1,152	5.5%	4,900	4,837	1.3%
E-Plus & BASE	328	284	15.5%	1,343	1,169	14.9%
KPN Mobile the Netherlands	285	294	-3.1%	1,211	1,092	10.9%
Fixed (incl. Other)	603	574	5.1%	2,346	2,576	8.9%
KPN Mobile the Netherlands				Q4 '07	Q3 '07	Q4 '06
Market share service revenue ¹				47.1%	47.1%	47.2%
Customers (x 1,000)				9,392	9,158	8,642
Service revenues (€ mn)				724	764	735
ARPU (€)				26	28	29
Total traffic (originating, terminating in mn min.)				3,570	3,318	3,467
MoU (originating, terminating min.)				128	123	135
SAC / SRC (€)				163	171	180

¹ Management estimates, amongst others based on industry filings

Pro forma disclosure Fixed (incl. Other)

Reconciliation for noteworthy items

Revenues & other income (€ mn)	FY '07	Q4 '07	Q3 '07	Q2 '07	Q1 '07
Reported	5,994	2,008	1,334	1,337	1,315
Xantic	-4				-4
Getronics	-482	-482			
Tele2 / Versatel Belgium	-33	-33			
iBasis	-200	-200			
Book gain real estate	-95	-10	-30	-55	
Book gain KGCS	-66	-66			
Excluding notable items	5,114	1,217	1,304	1,282	1,311
Y-on-Y %	-4.5%	-2.5%	-2.5%	-5.8%	-7.0%

EBITDA (€ mn)	FY '07	Q4 '07	Q3 '07	Q2 '07	Q1 '07
Reported	2,346	603	580	589	574
Xantic	-4				-4
Getronics	-23	-23			
Tele2 / Versatel Belgium	1	1			
iBasis	-7	-7			
Book gain real estate	-95	-10	-30	-55	
Book gain KGCS	-66	-66			
Excluding notable items	2,152	498	550	534	570
Y-on-Y decline	-335	-57	-60	-117	-101

EBITDA margin	FY '07	Q4 '07	Q3 '07	Q2 '07	Q1 '07
Reported	39.1%	30.0%	43.5%	44.1%	43.7%
Excluding notable items	42.1%	40.9%	42.2%	41.7%	43.5%

FY '06	Q4 '06	Q3 '06	Q2 '06	Q1 '06
5,561	1,367	1,337	1,364	1,493
-92	-6		-3	-83 ¹
-113	-113			
5,356	1,248	1,337	1,361	1,410
-6.9%	-4.9%	-6.5%	-7.9%	-7.9%

FY '06	Q4 '06	Q3 '06	Q2 '06	Q1 '06
2,576	574	610	654	738
-76	-6		-3	-67 ²
-13	-13			
2,487	555	610	651	671
-271	-89	-69	-64	-49

FY '06	Q4 '06	Q3 '06	Q2 '06	Q1 '06
46.3%	42.0%	45.6%	47.9%	49.4%
45.4%	44.5%	45.6%	47.8%	47.6%

1 Book gain on sale of Xantic of € 65 mn, revenues Xantic of € 18 mn

2 Book gain on sale of Xantic of € 65 mn, EBITDA Xantic of € 2 mn

KPIs Consumer

Voice

Wireline	Q4 '07	Q3 '07	Q4 '06
VoIP penetration ¹	40%	38%	28%
Market share			
– Voice ²	>55%	~60%	~60%
– VoIP	39%	39%	36%
– Traditional voice	~75%	>70%	>65%
Voice connections (x 1,000)	3,694	3,823	4,445
– PSTN	2,563	2,733	3,554
– ISDN	284	304	374
– VoIP packages (Voice / Broadband)	847	786	517
Net line loss³ (x 1,000)	-90	-100	-130
Traditional originating minutes (bn)	1.72	1.65	2.19
Wireless	Q4 '07	Q3 '07	Q4 '06
– Customers (x 1,000)	6,194	6,072	5,923
– Service revenues (€ mn)	407	445	412
– ARPU (€)	22	25	23
– MoU (originating, terminating min)	109	107	107
– SAC / SRC (€)	130	144	161

1 VoIP lines in % broadband connections, excluding peer-to-peer applications

2 Share in total consumer voice (including VoIP)

3 PSTN / ISDN line loss -/- growth VoIP Consumer -/- growth ADSL only -/- growth WLR; management estimates

KPIs Consumer

Internet & TV

Internet	Q4 '07	Q3 '07	Q4 '06
Broadband penetration ¹	76%	75%	69%
Broadband market share			
KPN (ISP) retail ²	43.9%	44.3%	40.9%
Broadband connections ²	45.9%	46.8%	42.7%
ADSL connections	2,528	2,518	2,135
Broadband ISP customers (x 1,000)	2,402	2,382	2,044
– Het Net	643	629	557
– Planet Internet	572	585	601
– Direct ADSL	535	522	469
– XS4ALL	288	294	251
– Other ²	364	352	166
TV	Q4 '07	Q3 '07	Q4 '06
– Subscribers (x 1,000)	497	414	265

1 Percentage of households with a broadband connection, based on management estimate

2 Including DSL and Cable, based on company estimate

3 Including acquired customers which will be migrated to one of KPN's multi-brands over time

KPIs Business

Wireline	Q4 '07	Q3 '07	Q4 '06
Market share voice	>60%	~55%	>55%
Access lines (x 1,000)	1,695	1,710	1,833
– PSTN	815	825	905
– ISDN	867	874	923
– VoIP	13	11	5
Traditional originating minutes (bn)	1.72	1.66	1.97
Network services (x 1,000)			
– Leased lines	32.7	33.9	36.4
– E-VPN connections	7.5	6.6	4.2
– Business DSL	90.5	77.7	53.6
Managed network services (x 1,000)			
– IP-VPN connections	30.4	32.0	32.7
– M-VPN routers	15.9	14.0	11.4
– Housing services (# m ²)	10.3	8.6	5.6
– Hosting services (# servers)	1.83	1.54	0.92
Wireless	Q4 '07	Q3 '07	Q4 '06
– Customers (x 1,000)	1,306	1,276	1,171
– Service revenues (€ mn)	229	231	232
– ARPU (€)	59	61	68
– MoU (originating, terminating min)	275	242	301
– SAC/SRC (€)	315	359	261

KPIs Getronics¹

Getronics	Q4 '07
Revenue and other income (€ mn)	488
– of which assets held for sale, Spain and Portugal	46
Service revenue (€ mn)	433
Margin	
– Gross profit ²	21%
– Service profit ³	22%
Number of FTEs	18,031

1 Consolidated as of 23 October 2007

2 Defined as total gross profit divided by total revenue. Gross profit defined as revenue minus revenue related direct costs

3 Defined as service gross profit divided by service revenue. Gross profit defined as revenue minus revenue related direct costs

KPIs Wholesale & Operations

Wholesale & Operations	Q4 '07	Q3 '07	Q4 '06
Minutes (bn)	7.18	9.21	10.05
– Terminating services	2.92	2.72	3.26
– Originating	1.56	1.56	2.20
– Transit services	2.70	2.40	2.34
– International wholesale services ¹	-	2.53	2.25
Local loop (x 1,000)			
MDF access lines ²	3,445	3,389	3,140
– of which line sharing ^{2,3}	1,895	1,932	2,167
Unbundling⁴ (mn)	0.9	0.9	1.0
– Shared unbundled lines	0.3	0.3	0.6
– Fully unbundled lines	0.6	0.6	0.4
DSL coverage			
– ADSL	99%	99%	99%
– ADSL 2+	57%	57%	57%
iBasis (international wholesale)	Q4 '07	Q3 '07	Q4 '06
Minutes (bn)	6.0		
Average revenue per minute (€ cents)	4.1		

1 International wholesale services transferred to iBasis as of 1 October 2007 (KPN owns 51% share); further information can be found on <http://www.ibasis.com>

2 Including Bitstream

3 Includes KPN ADSL connections, line sharing other telcos and KPN Bitstream

4 External lines based on management estimates

KPIs E-Plus

	Q4 '07	Q3 '07	Q4 '06
Market share¹			
Service revenue	14.4%	14.0%	13.4%
Base	15.3%	15.1%	14.9%
Customers (x 1,000)	14,807	14,112	12,654
— Post Paid	6,297	6,170	6,005
— Pre Paid	8,510	7,942	6,649
— of which new brands	7,575	6,706	4,345
Service revenues (€ mn)	721	735	692
ARPU (€)	17	18	19
— Post Paid	30	32	31
— Pre Paid	6	7	7
Non-voice as % of ARPU	21%	19%	18%
MoU (originating, terminating min)	146	136	123
— Post Paid	273	254	220
— Pre Paid	52	46	36
SAC/SRC (€)	70	74	101
— Post Paid	148	158	184
— Pre Paid	17	15	15

¹ Management estimates

KPIs BASE

	Q4 '07	Q3 '07	Q4 '06
Market share¹			
Revenue	~16%	~16%	>15%
Base	>23%	~23%	~22%
Customers (x 1,000)	2,855	2,722	2,358
— Post Paid	512	494	461
— Pre Paid	2,343	2,228	1,897
Service revenues (€ mn)	148	147	157
ARPU (€)	18	18	20
— Post Paid	49	52	50
— Pre Paid	11	11	13
Non-voice as % of ARPU	17%	17%	15%
MoU (originating, terminating min)	137	134	135
— Post Paid	425	370	392
— Pre Paid	74	80	71
SAC/SRC² (€)	26	16	20
— Post Paid	81	53	50
— Pre Paid	16	11	13

¹ Management estimates

² Restated numbers for 2007 due to reclassification of retail costs

KPIs Mobile wholesale NL

	Q4 '07	Q3 '07	Q4 '06
Customers¹ (x 1,000)	1,791	1,695	1,480
— Post Paid	470	449	365
— Pre Paid	1,321	1,246	1,115
Service revenues¹ (€ mn)	87	88	85