

# First Quarter Results 2008

29 April 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 2007 Annual Report and Form 20-F.

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 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.

# Agenda

<b>Chairman's review</b>	<b>Ad Scheepbouwer, Chairman and CEO</b>
Financial review	Marcel Smits, CFO
Operating review	Ad Scheepbouwer, Chairman and CEO
Concluding remarks	Ad Scheepbouwer, Chairman and CEO



## Highlights

- Solid Q1 performance in revenues, EBITDA and earnings
- Accelerating growth and continued market outperformance at E-Plus
- Robust underlying EBITDA in the Netherlands excluding acquisitions
- Growth in wireless data, VoIP and TV; further improvement of net line loss
- Solid financial and operational performance at Getronics

## Financial highlights

- Solid financial performance in Q1 '08
  - Revenues and other income up 22%, as a result of Getronics and iBasis
  - EBITDA up 3.5%
  - Free cash flow<sup>1</sup> of € 351 mn
  - Earnings per share of € 0.19, up 19%
- Committed to delivering shareholder returns of € 2 bn in 2008
  - € 1 bn share repurchase program started on 22 February, 29% completed to date
  - Final dividend per share for 2007 of € 0.36, paid in April following AGM approval
- Financial profile strengthened following € 850 mn bond issue in March

<sup>1</sup> Defined as cash flow from operating activities, plus proceeds from real estate, minus Capex and excluding recapture at E-Plus

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# Group results Q1 '08

Revenue and EBITDA growth driven by acquisitions in 2007

€ mn	Q1 '08	Q1 '07	%
<b>Revenues and other income</b>	<b>3,570</b>	<b>2,924</b>	<b>22%</b>
– of which Revenues	3,532	2,918	21%
<b>Operating expenses</b>	<b>2,922</b>	<b>2,387</b>	<b>22%</b>
– of which Depreciation <sup>1</sup>	409	439	-6.8%
– of which Amortization <sup>1</sup>	174	213	-18%
<b>Operating result</b>	<b>648</b>	<b>537</b>	<b>21%</b>
Financial income/expense	-165	-132	25%
Share of profit of associates	-6	1	-
<b>Profit before taxes</b>	<b>477</b>	<b>406</b>	<b>17%</b>
Taxes	-143	-93	54%
<b>Profit after taxes</b>	<b>334</b>	<b>313</b>	<b>6.7%</b>
Profit minority shareholders	-1	0	-
Profit equity holders of the parent	335	313	7.0%
<b>Earnings per share<sup>2</sup></b>	<b>0.19</b>	<b>0.16</b>	<b>19%</b>
<b>EBITDA<sup>3</sup></b>	<b>1,231</b>	<b>1,189</b>	<b>3.5%</b>

- Revenues and other income up 22% due to acquisitions
- Operating expenses up 22%
  - Lower D&A due to Telfort network integration effects in Q1 '07
  - Lower capital intensity of acquired businesses
- EBITDA up 3.5%
  - Lower margins of acquired businesses
- Interest costs up 25% due to higher debt level
- Earnings per share up 19%, supported by continued share repurchases

<sup>1</sup> Including impairments, if any

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

<sup>3</sup> Defined as operating result plus depreciation, amortization & impairments

# Group cash flow Q1 '08

Free cash flow of € 351 mn due to higher Capex, tax and interest payments

€ mn	Q1 '08	Q1 '07	%
<b>Operating result</b>	<b>648</b>	<b>537</b>	<b>21%</b>
Depreciation and amortization <sup>1</sup>	583	652	-10%
Interest paid/received	-129	-59	>100%
Tax paid/received	-106	-	-
Change in provisions	-61	-65	6.2%
Change in working capital <sup>2</sup>	-274	-228	20%
Other movements	-13	-3	>100%
<b>Net cash flow from operating activities</b>	<b>648</b>	<b>834</b>	<b>-22%</b>
<b>Capex<sup>3</sup></b>	<b>356</b>	<b>276</b>	<b>29%</b>
Proceeds from real estate	13	-	-
Tax recapture E-Plus	46	-	-
<b>Free cash flow<sup>4</sup></b>	<b>351</b>	<b>558</b>	<b>-37%</b>
Dividend paid	-	-	-
Share repurchases	199	130	53%
<b>Cash return to shareholders</b>	<b>199</b>	<b>130</b>	<b>53%</b>

1 Including impairments, if any

2 Excluding changes in deferred taxes

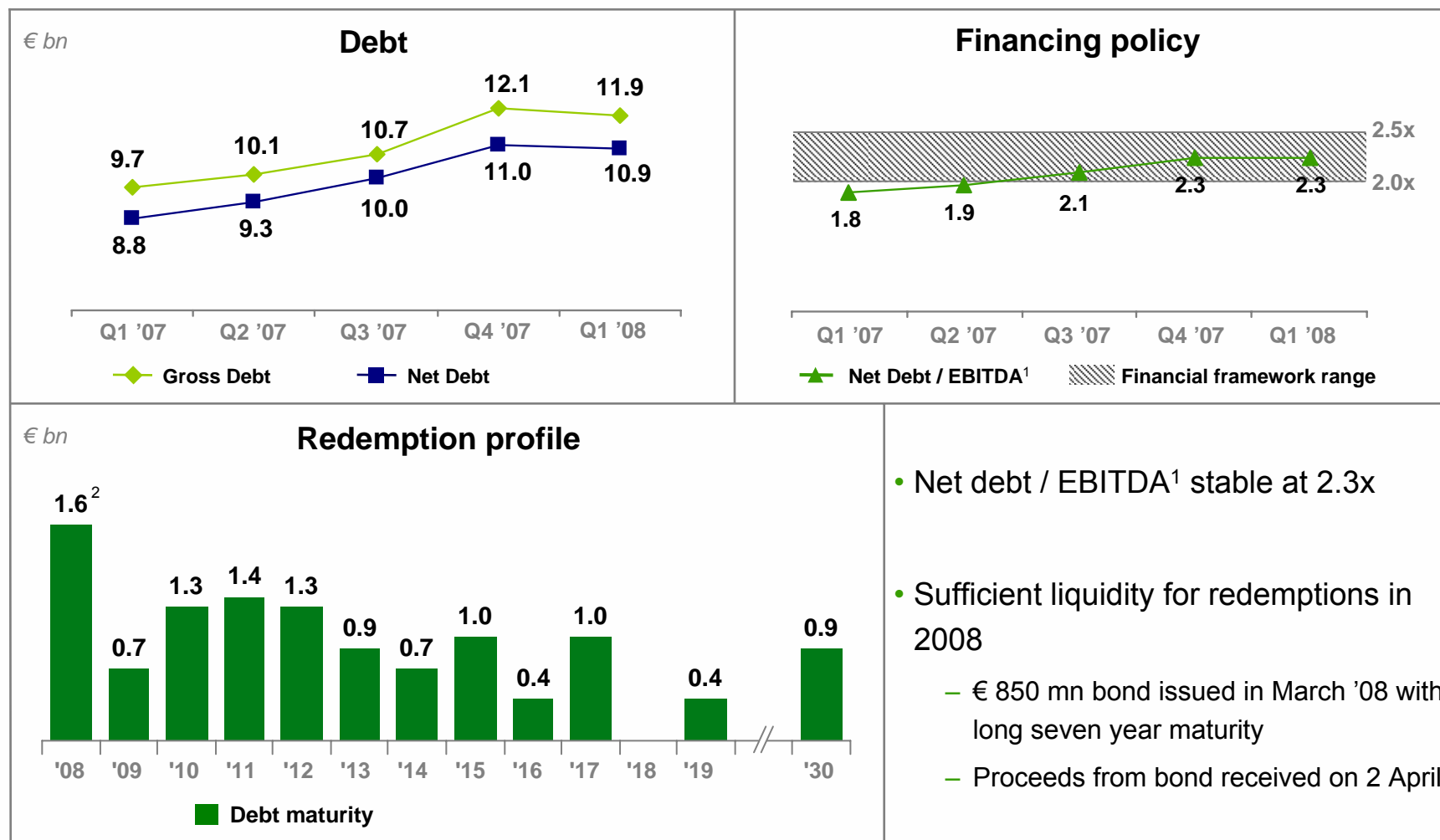
3 Including Property, Plant & Equipment and software

4 Defined as net cash flow from operating activities, plus proceeds from real estate, minus Capex and excluding tax recapture at E-Plus

- Free cash flow<sup>4</sup> of € 351 mn in Q1
  - Seasonality of cash flow patterns
  - High Q4 '07 Capex leading to decrease in working capital in Q1
  - Higher tax and interest payments
- Expecting full-year FCF of at least € 2.4 bn, in line with guidance
  - Seasonality in working capital largely reversed in Q2 '08
  - Real estate disposals
- Capex of € 356 mn, up 29%
  - Higher investments in Q1 '08, mainly due to All-IP
- Shareholder returns on track
  - € 1 bn program commenced on 22 February
  - 21% repurchased in Q1
  - 29% completed to date

# Group financial profile

Financial profile strengthened following € 850 mn bond issue in March



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

<sup>2</sup> Including € 520 mn drawings on credit facility, excluding redemptions following new bond issue in March

# Delisting

Delisting in New York, London and Frankfurt, compliance remains in place

## Delisting

- NYSE: delisted as per 4 April 2008
- Deregistration with SEC as per early July 2008
- London Stock Exchange: delisted as per 24 April 2008
- Frankfurt Stock Exchange: delisting in Q3 2008

## ADR program

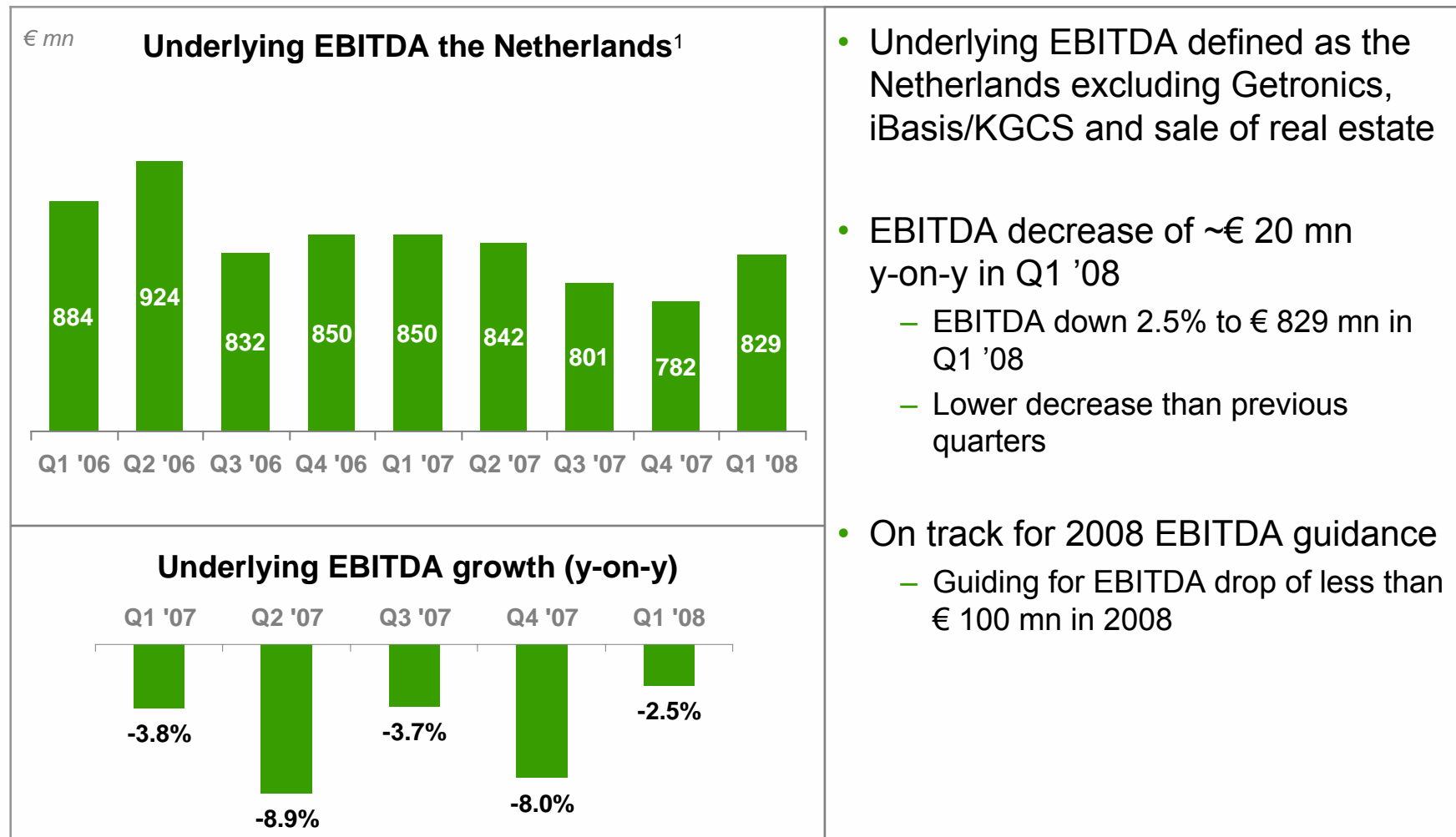
- Current ADR program converted into Level I ADR program
- ADR trading continued on the over-the-counter (OTC) market (ticker symbol: KKPNY)
- Investors able to buy and hold ADRs in the same way as listed ADRs

## Compliance

- Obligations for SOx suspended as of 4 April 2008
- Committed to high standards for corporate governance and disclosure, in line with Dutch corporate governance code
- Key elements of SOx legislation continue to form an integral part of KPN's governance, internal control and reporting

# EBITDA the Netherlands<sup>1</sup>

Solid underlying EBITDA in the Netherlands in Q1 '08



<sup>1</sup> The Netherlands excluding Getronics, iBasis/KGCS and book gains on sale of real estate

## Financial highlights the Netherlands

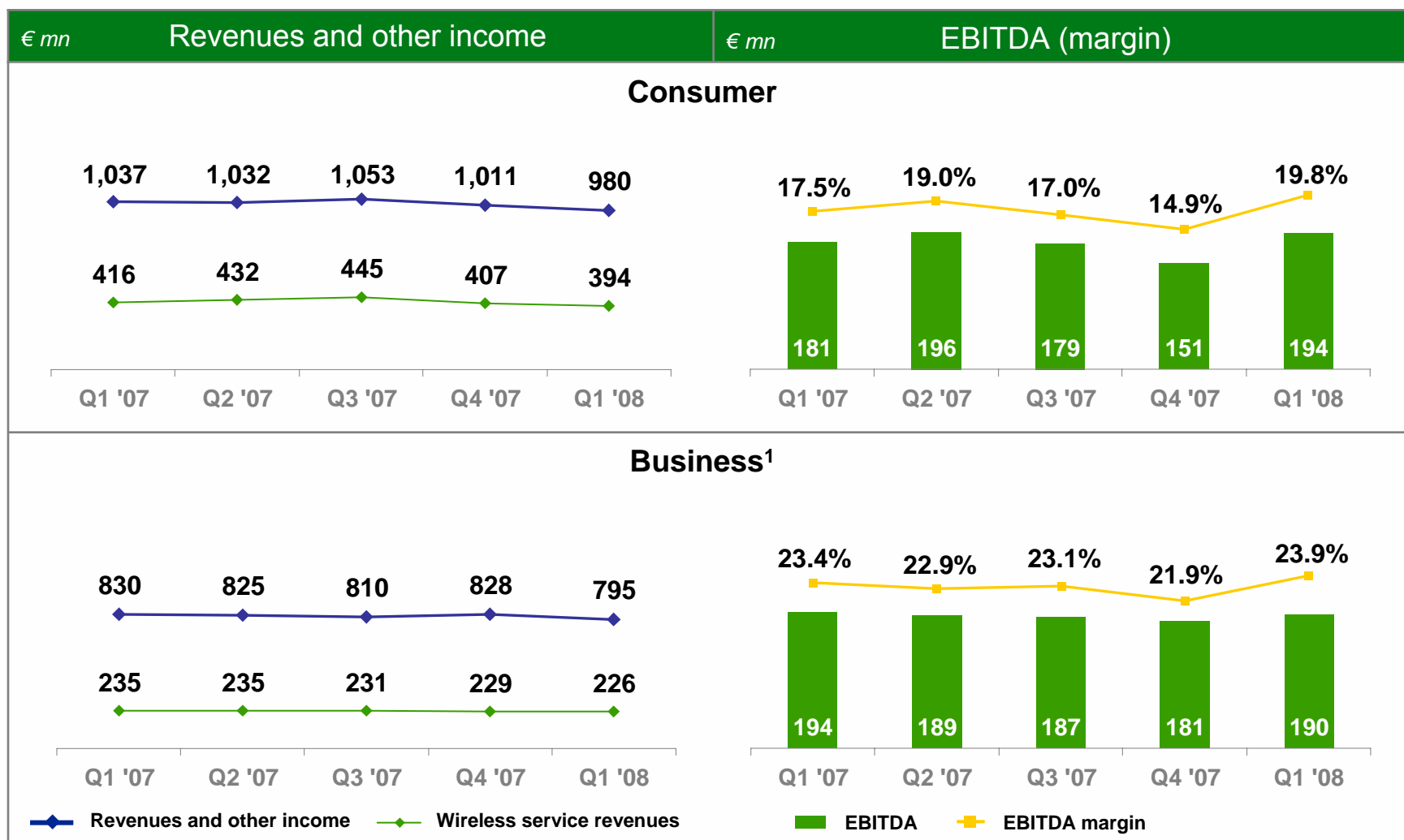
Significant contribution from acquisitions, solid underlying EBITDA trend

€ mn	Q1 '08	Q1 '07	%
Revenues and other income	2,594	2,062	26%
— of which wireless service revenues <sup>1</sup>	620	651	-4.8%
Operating expenses	2,096	1,643	28%
— of which D&A	379	440	-14%
Operating result	498	419	19%
EBITDA	877	859	2.1%
<b>EBITDA margin</b>	<b>33.8%</b>	<b>41.7%</b>	<b>-</b>

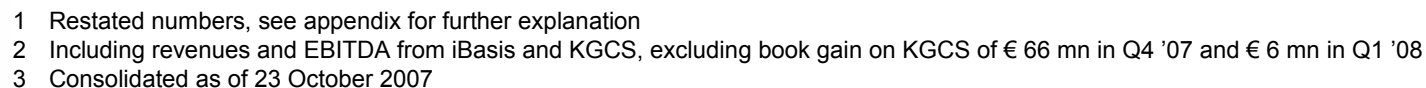
- Revenues and other income up 26% as a result of Getronics and iBasis
- Lower overall EBITDA margin due to lower margins on businesses acquired in 2007
- Solid EBITDA margin in wireless services despite regulatory tariff cuts
- € 11 mn book gain on sale of real estate in Q1 '08
- € 25 mn additional VoIP costs in Q1 '07

<sup>1</sup> Revenues and other income minus equipment sales and other income

# Financial review the Netherlands by segment



<sup>1</sup> Restated numbers, see appendix for further explanation



# Financial highlights Mobile International

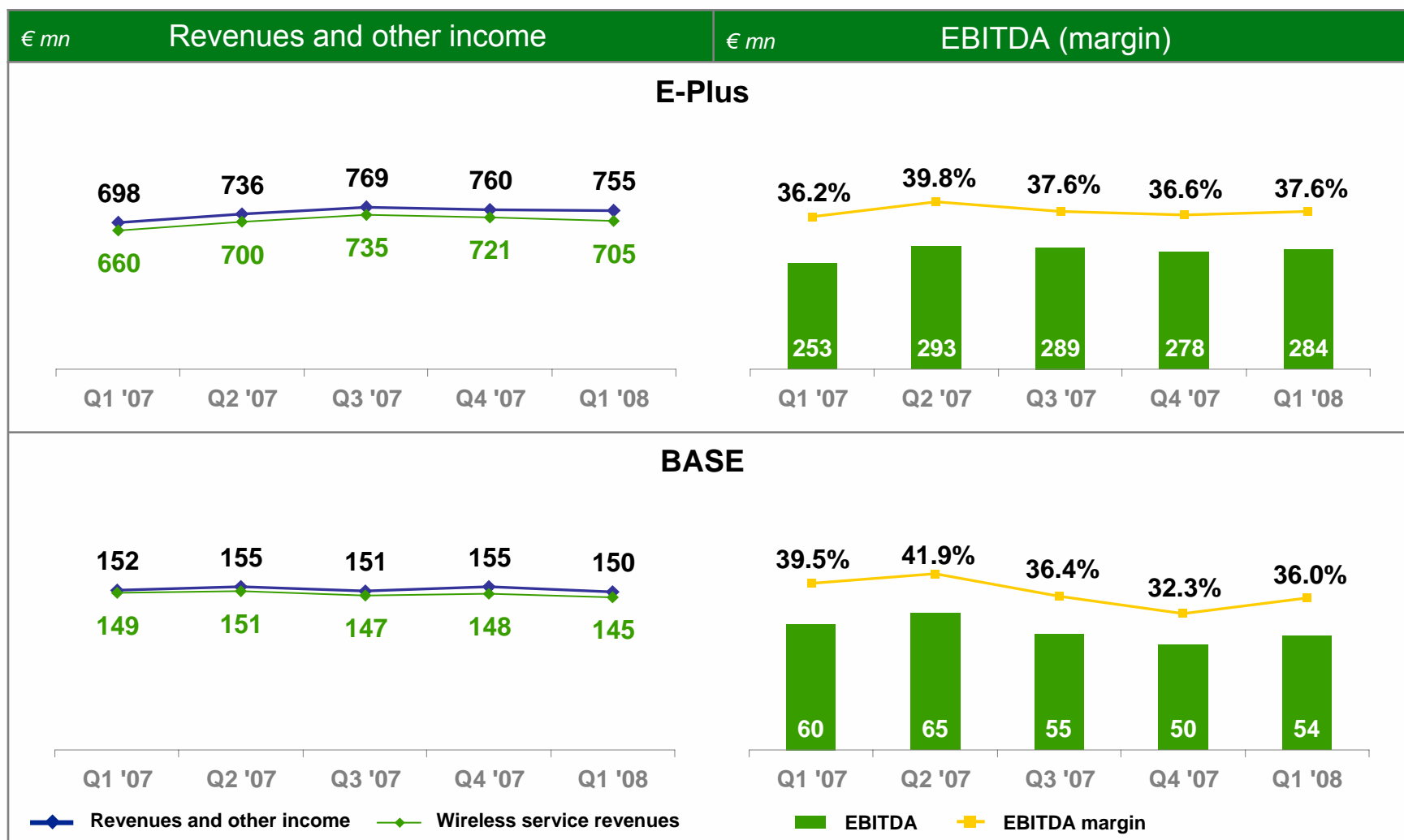
Continued profitable growth, especially at E-Plus

€ mn	Q1 '08	Q1 '07	%
Revenues and other income	1,028	937	9.7%
— of which wireless service revenues <sup>1</sup>	947	900	5.2%
Operating expenses	870	812	7.1%
— of which D&A	203	212	-4.2%
Operating result	158	125	26%
EBITDA	361	337	7.1%
<b>EBITDA margin</b>	<b>35.1%</b>	<b>36.0%</b>	<b>-</b>

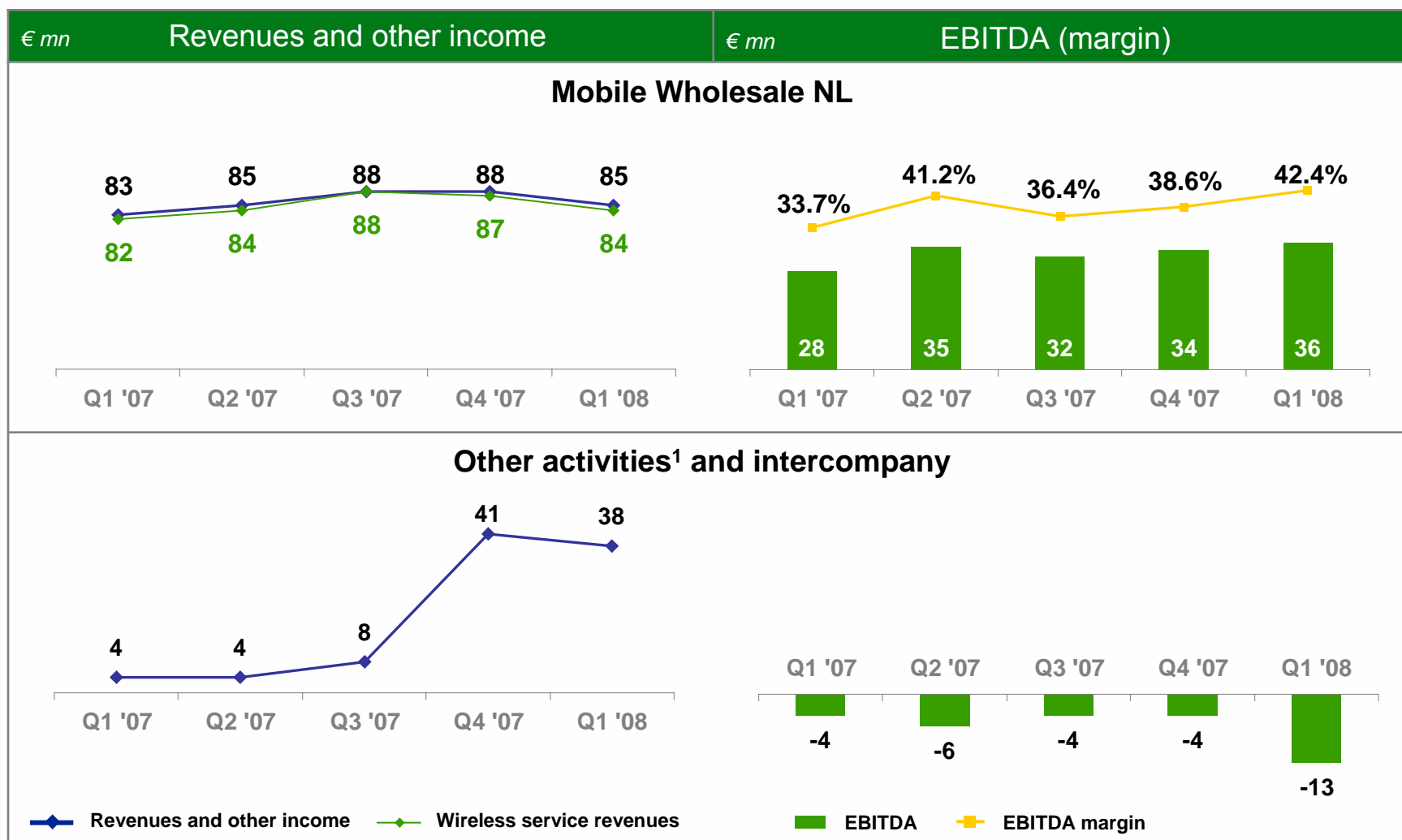
- **E-Plus:** service revenue growth accelerating, margin well above 35%
- **BASE:** focus on initiatives to reignite growth, positive draft decision on MTA regulation
- **Mobile Wholesale NL:** further growth from launch of new wholesale partnerships
- **Other:** MVNO in Spain successfully launched

<sup>1</sup> Revenues and other income minus equipment sales and other income

# Financial review Mobile International by segment



# Financial review Mobile International by segment (cont'd)



1 Including Tele2 / Versatel Belgium (as of 1 October 2007), Sympac, YES Telecom and MVNO in Spain

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	The Netherlands
	Mobile International
Concluding remarks	Ad Scheepbouwer, Chairman and CEO



# Consumer in Q1

Continued growth in new services, strong improvement in net line loss

## Customer focus



## Stop line loss



## Growth in wireless



## Simplified multi brand portfolio



## Mix of FttC and FttH



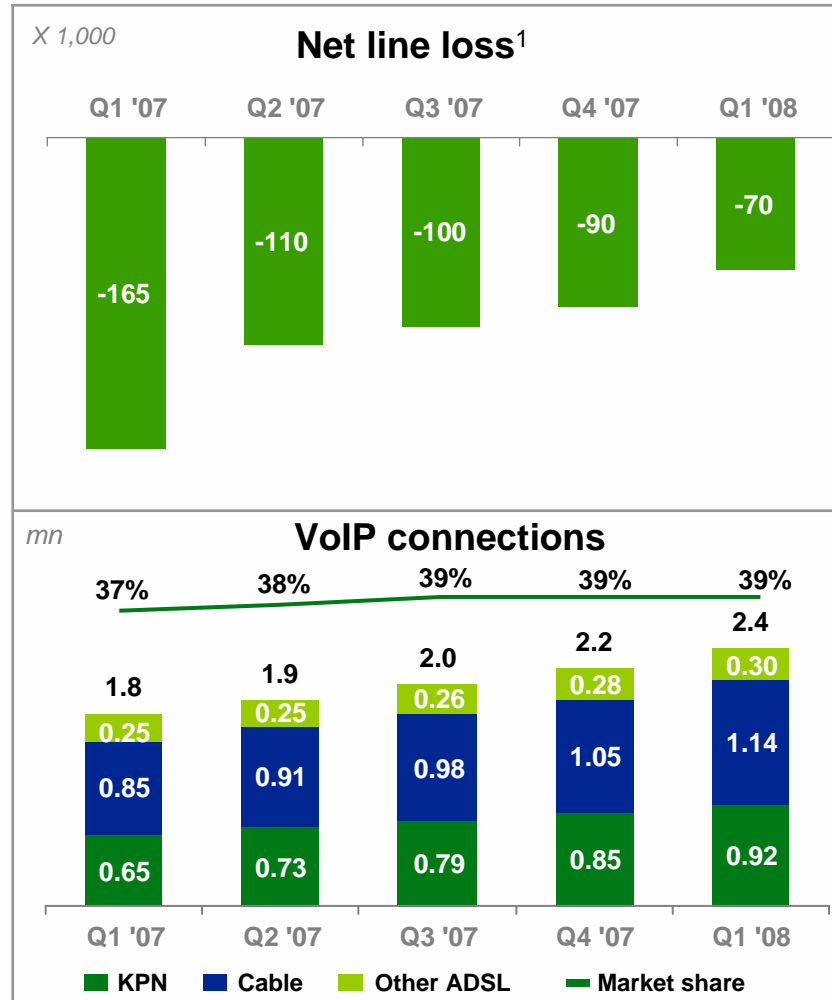
## Cost reduction



- Net line loss more than halved since Q1 '07
- Impact from regulation in wireless fully absorbed by cost reductions
- Growth in wireless data
- Continued growth in VoIP and TV
- First customers connected to fiber in April
- Cost savings from simplification and 'First time right' reflected in strong EBITDA

# Consumer wireline voice

Strong improvement in net line loss and continued growth in VoIP

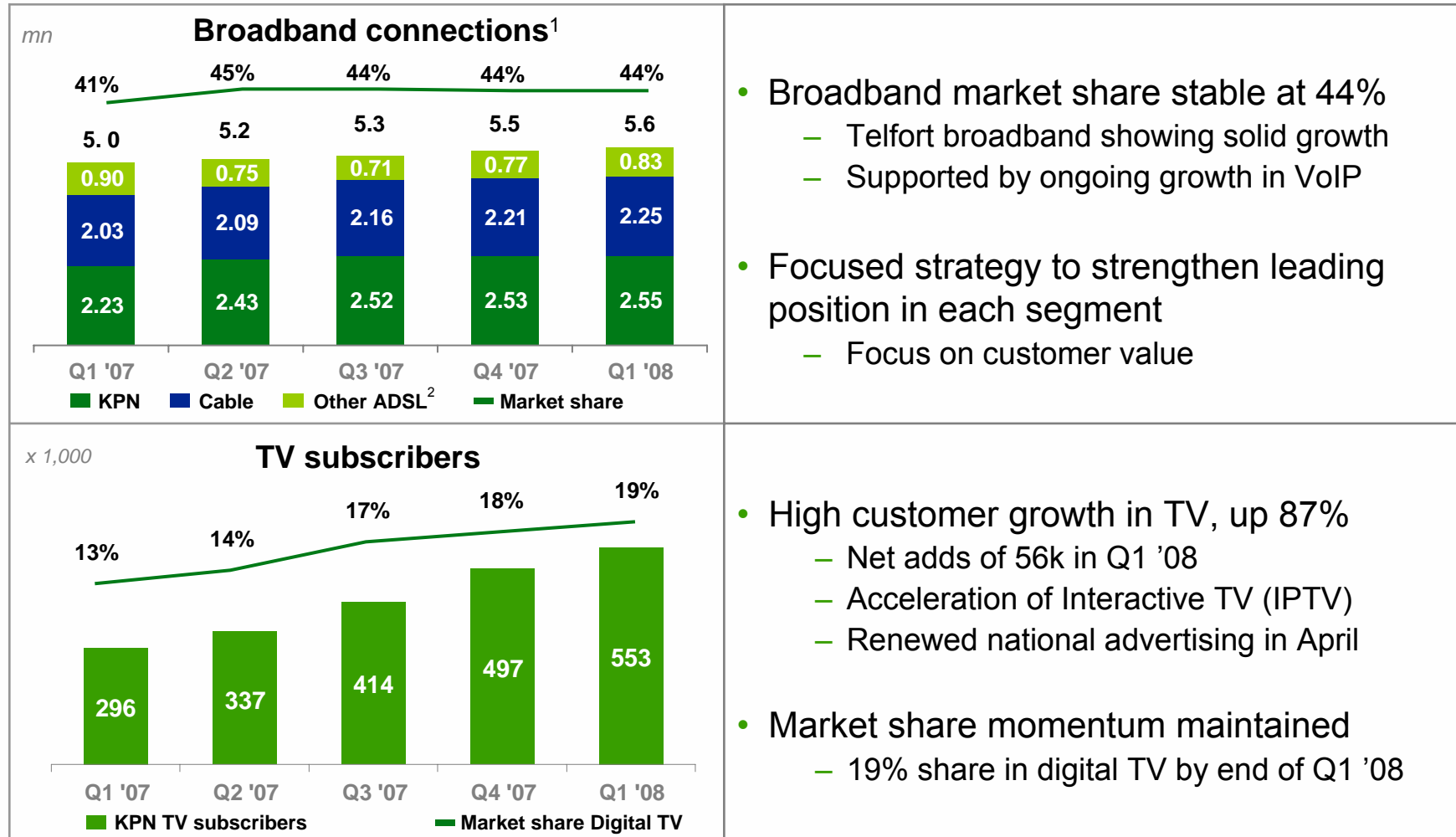


- Net line loss further improved to 70k
  - Going forward split into change in KPN retail subscribers (80k in Q1 '08) and change in Consumer WLR (10k in Q1 '08)
- Proactively slowing down decline in PSTN/ISDN
  - Successful range of retention offers
  - Outflow to WLR declining further in Q1 '08
- Market leadership in VoIP sustained
  - Market growth of 55-60k per month
  - Capturing fair share of net adds
  - Less impact from competitor offerings
- Focus on further improvement of net line loss beyond Q1 '08
  - Supported by FttC / FttH in near future

<sup>1</sup> PSTN / ISDN line loss + growth VoIP Consumer + growth ADSL only + growth WLR; management estimates

# Consumer internet wireline & TV

Strengthening leading position in broadband, strong growth in TV



<sup>1</sup> Based on management estimates, approximately 80% consumers and 20% businesses

<sup>2</sup> Excluding Bitstream

# Consumer fiber

First customers connected to fiber in April, scaling up in coming quarters

## Current status

- Customer demand for higher bandwidths increasing
- Platforms for VoIP and IPTV operational and stable
- Technical tests with FttC / FttH completed successfully in Q1
- New fiber (FttC and FttH) infrastructure, processes and propositions ready for commercial rollout

## Fiber-to-the-Curb (FttC)

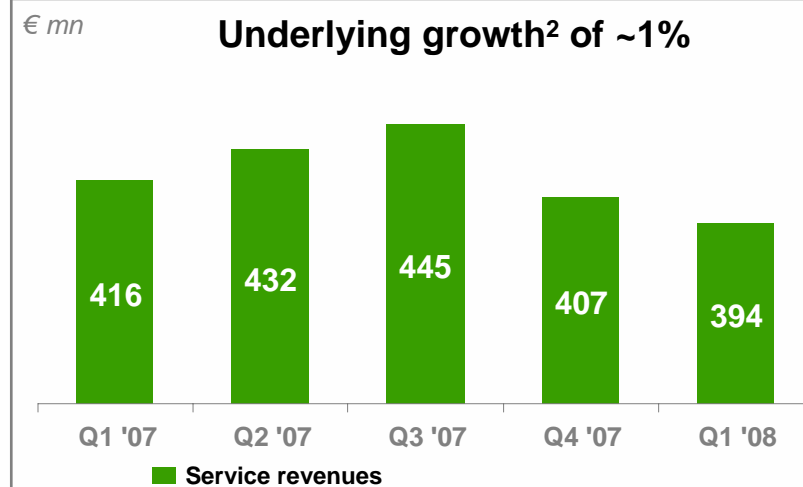
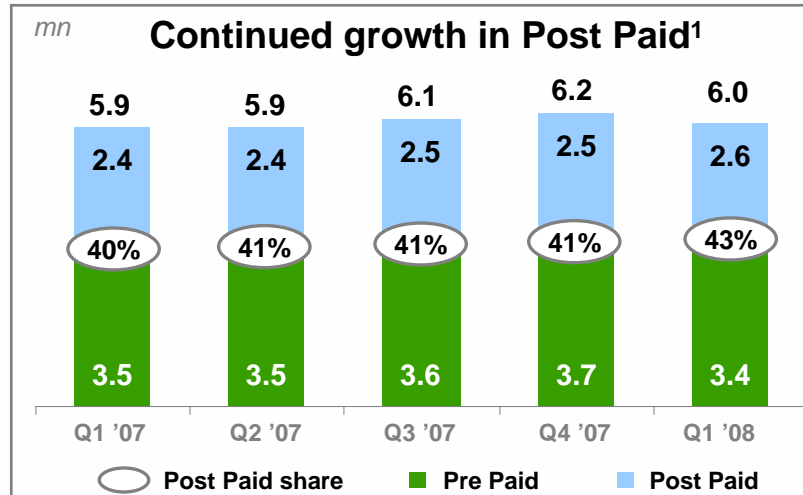
- FttC implementation started in one city (3,000+ households)
  - Migration from PSTN / ISDN and ADSL to FttC
  - First customers connected in April 2008
  - Commercial propositions on FttC to be launched as of Q2 '08

## Fiber-to-the-Home (FttH)

- FttH deployed in selective cases and in cooperation with partners
  - Glasnet Enschede started in 2007, first tranche of households activated in Q1 '08
  - Cooperation with Reggefiber to connect 70k households in Almere
- KPN operating as service provider on open infrastructure

# Consumer wireless

Impact from MTA and roaming absorbed by cost reductions



- Impact from regulation absorbed by cost reductions, resulting in strong Q1 EBITDA
- Customer base further strengthened in Q1
  - Share of high-value Post Paid customers up 3%-point y-on-y to 43%
  - Slight market share loss, mainly in Pre Paid
  - Growth in data taking off
- Dutch wireless market consolidating to a three-player market
  - Market expected to stabilize in H2 '08
  - KPN focusing on maintaining market share
- Expecting strong growth in wireless data
  - KPN well positioned with superior network

<sup>1</sup> Correction for ~220k inactive Pre Paid accounts in Q1 '08

<sup>2</sup> Excluding impact from MTA and roaming

# Wireless data

Range of data propositions expanded to meet growing demand

## Mobile handset

- 'Surf & Mail' propositions with flat-fee data services on mobile
  - € 4.95 per month with maximum use of 5 MB
  - € 9.95 per month for unlimited use<sup>1</sup> (128 kb/s down, 64 kb/s up)
- 'KPN Vandaag' portal for news, traffic and webmail



## Laptop data cards

- Broadband propositions using superior KPN HSDPA network
- Range of propositions with different speeds and usage limits
  - € 17.50 per month for 200 MB per month (768 kb/s)
  - € 45 per month for unlimited use<sup>1</sup> (1.5 Mb/s)



## DVB-H

- Wireless TV on handhelds (DVB-H) to be launched mid 2008
  - DVB-H selected as official European standard for wireless TV
  - Range of handsets available supporting DVB-H standard
- ~70% population coverage as at end Q1 '08
  - Rollout started in 2007, all major cities covered early 2008



<sup>1</sup> Subject to fair use policy

# Business in Q1

Growth in IP-based services, ICT-related services and outsourcing

## Customer focus



## Leveraging leading position



## Migration to IP-based services



## Moving up the value chain



## Simplified portfolio



## Cost reduction



- Continued migration from traditional to IP-based services
- Ongoing growth in wireless customer base, especially in data
- New partnerships in FttO
- Temporarily lower growth in PABX business
- Increased margins following customer focus and cost reductions
- New organizational structure aligned with strategy

# Business reporting

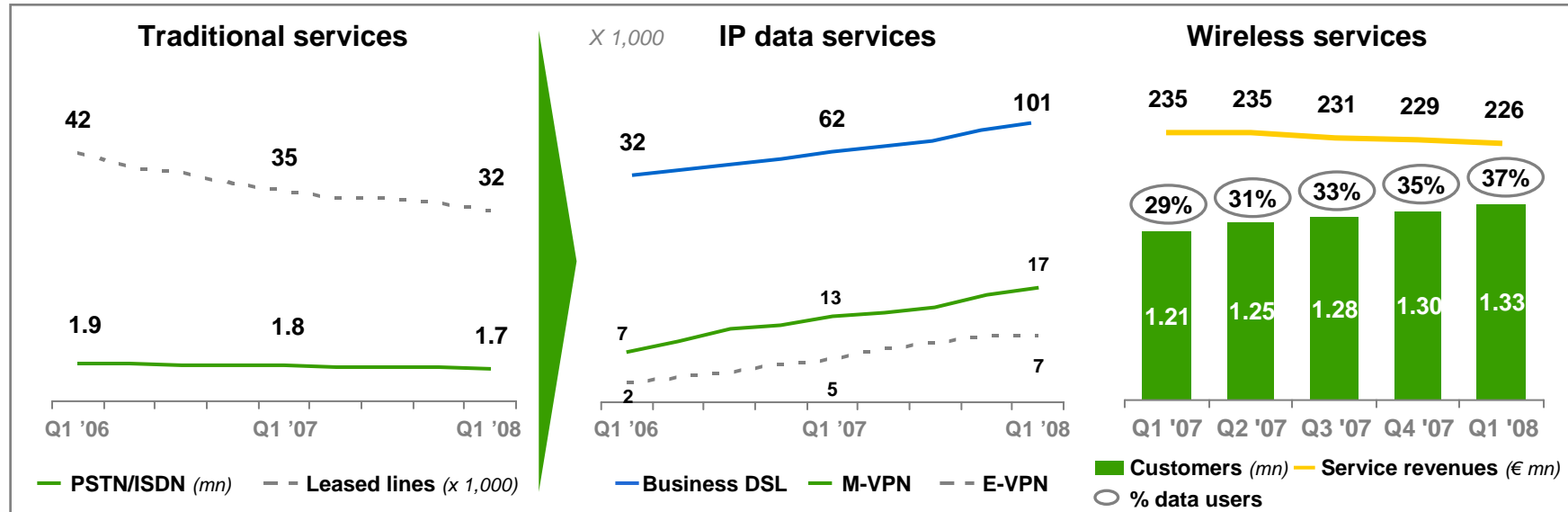
Key components of Business activities tied into reporting

Key segments	Scope	KPIs
<b>Corporate solutions</b>  <i>Revenues<sup>1</sup></i> <i>€ 0.5 bn</i>	<b>Outsourcing</b> <ul style="list-style-type: none"> <li>• Workspace management</li> <li>• End-to-end ICT services for top 500 clients</li> <li>• Outsourcing services</li> </ul>	<ul style="list-style-type: none"> <li>• Managed workspaces <ul style="list-style-type: none"> <li>– Voice</li> <li>– Mobile</li> <li>– Data</li> </ul> </li> </ul>
<b>ICT services</b>  <i>Revenues<sup>1</sup></i> <i>€ 0.5 bn</i>	<b>Application management</b> <ul style="list-style-type: none"> <li>• Managed services for voice and data</li> <li>• Online applications</li> <li>• Housing and hosting services</li> <li>• Installation and maintenance for (IP)-PBX</li> </ul>	<ul style="list-style-type: none"> <li>• Net accounts (#)</li> <li>• Housing services (m<sup>2</sup>)</li> <li>• Hosting services (servers)</li> </ul>
<b>Infrastructure services</b>  <i>Revenues<sup>1</sup></i> <i>€ 2.6 bn</i>	<b>Infrastructure services</b> <ul style="list-style-type: none"> <li>• Connectivity</li> <li>• Wireline <ul style="list-style-type: none"> <li>– Access, originating minutes, bundles</li> <li>– Traditional and IP-based voice</li> </ul> </li> <li>• Wireless <ul style="list-style-type: none"> <li>– Access, minutes, voice and data bundles</li> <li>– Value-added services</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• # leased lines</li> <li>• # IP-VPN, E-VPN, M-VPN</li> <li>• Traditional voice ARPU, MoU</li> <li>• Subscribers, % data users</li> <li>• ARPU, non-voice %, MoU</li> <li>• SAC/SRC</li> </ul>

<sup>1</sup> Revenues for FY '07, restated for new reporting structure

# Business – Infrastructure Services

Migration to new services in wireline, wireless services absorbing regulation



## Wireline services

- Continued substitution of traditional services by IP-based services
  - PSTN / ISDN down 8%
  - Business DSL and E-VPN up >60%
- Step-up in Fiber-to-the-Office

## Wireless services

- Customer base up 10% y-on-y
  - Data users representing 37% of total base
- Service revenues down 4%
  - Substantial negative impact from lower MTA and roaming tariffs
- Continued focus on managing SAC/SRC levels

## Business – Wireless data

Wide range of wireless data services using superior HSDPA network

### Mobile handset

- Strong growth in data users and usage following national advertising
- Add-on bundles for internet and e-mail on smartphone or PDA
  - € 9.95 – 19.95 per month depending on monthly use



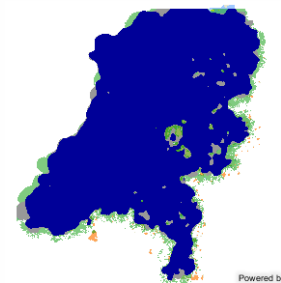
### Laptop data cards

- Solid growth in laptop data cards for business users
- High-speed laptop cards using UMTS, HSDPA or HSUPA
  - Maximum speed 3.6 Mb/s down, 1.4 Mb/s up
  - € 19.95 – 79.95 per month depending on speed and monthly use



### Network

- Superior network based on HSDPA 3.6, best data network coverage in the Netherlands<sup>1</sup>
- Plans to upgrade to HSDPA 7.2 / 14.4 under consideration
- HSUPA launched in Q1 '08, offering higher upload speeds



## Business - FttO

Step up in FttO initiatives, ambition for over 7,500 connections by YE '08

### Market leadership strategy

- 11 business parks connected to FttO in Q1
- Ambition for over 7,500 connections by YE '08
  - Targeting 60% market share on Top 300 business parks
- Regional marketing approach with local partners



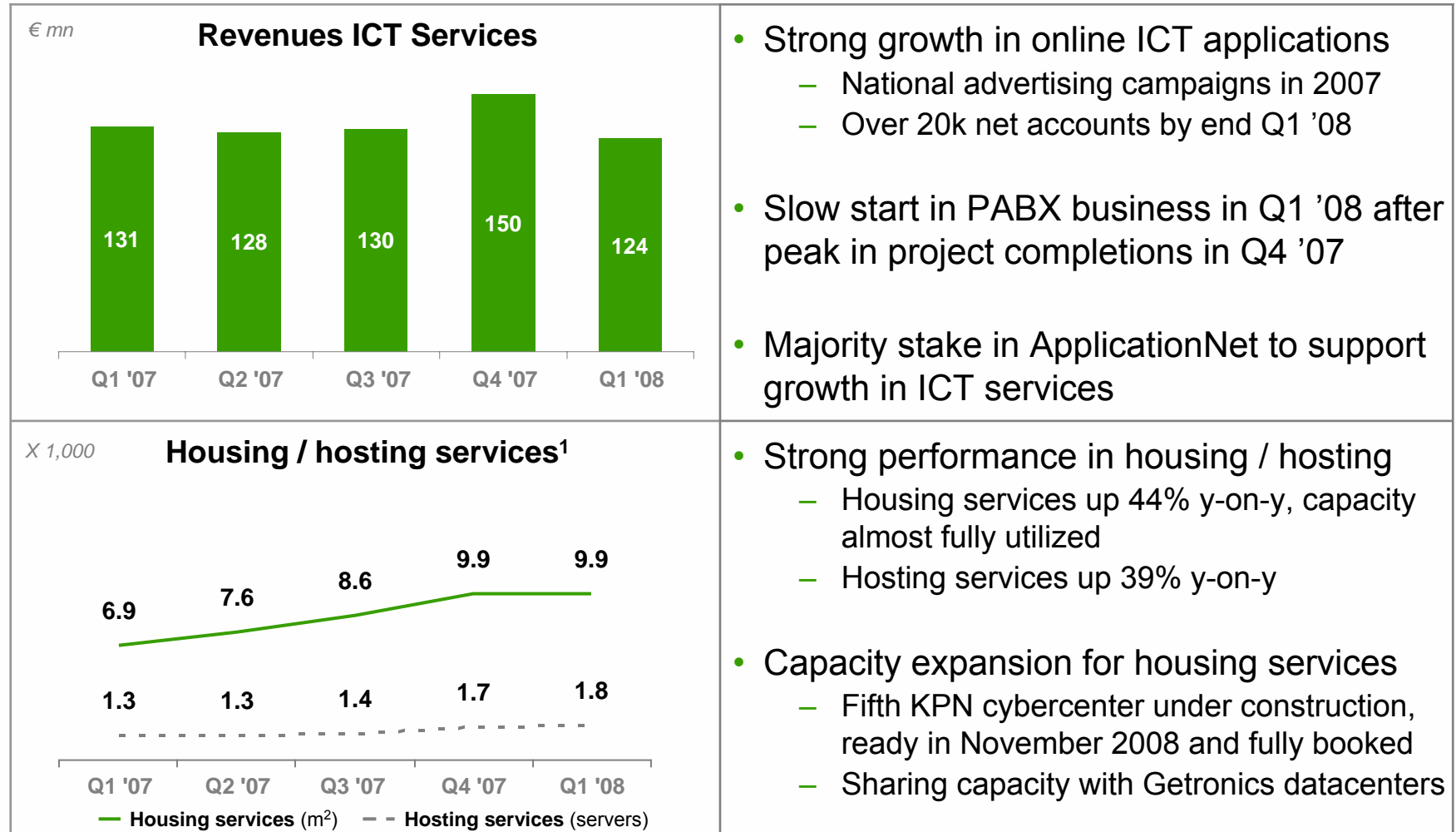
### Breednet Cooperation

- KPN announced participation in Breednet in April 2008
- Open partnership for rolling out FttO
  - 14 municipalities in Amsterdam area
  - Largest FttO project in the Netherlands
  - Financial contributions from government and municipalities
- Focus on SME and non-profit organizations



## Business – ICT Services

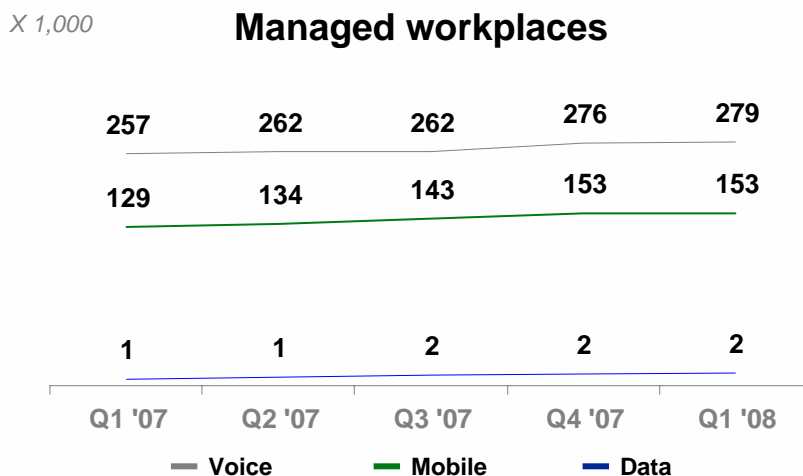
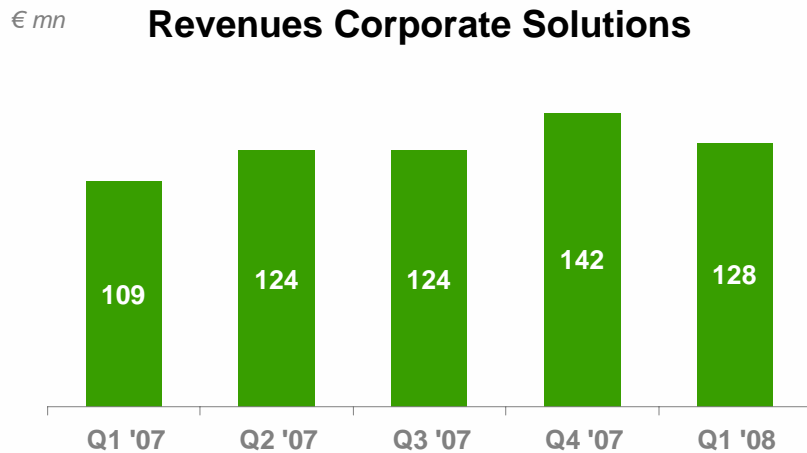
Expanding position in standardized ICT applications and housing & hosting



<sup>1</sup> Restated numbers

# Business – Corporate Solutions

Sustained growth in workspace management



- Revenues up 17% y-on-y
  - Efficient execution of contracts won in 2007
  - Cross and upselling existing customers
  - Higher Q4 revenues due to seasonality
- Customers serviced with dedicated programs by branch
  - Successful penetration of local government market with new propositions
- Ongoing growth in managed workplaces
  - Mobile managed workplaces up 19%, data workplaces up 64% y-on-y
  - Supported by ongoing contract wins

## Getronics strategy

Positive feedback on new strategy, confirming intention for non-core assets

### Strategy

- New Getronics strategy announced in February
  - Market leader in workspace management in the Benelux
  - Expanding global delivery capability for international clients
- Future-Ready Workspace 2.0 launched in March '08
  - Modular and standardized workspace management applications at lower costs
- Positive feedback from industry analysts on new Getronics strategy

### Disposal non-core assets

- Confirming intention for disposal of non-core assets as announced on 5 February
- Sale process for non-core assets in Benelux started in April
  - Final decision will be made depending on market circumstances
- Several divestments completed since October 2007
  - Spain and Portugal in December '07 – partnership with Tecnocom Telecom
  - Australia in February '08 – partnership with UXC

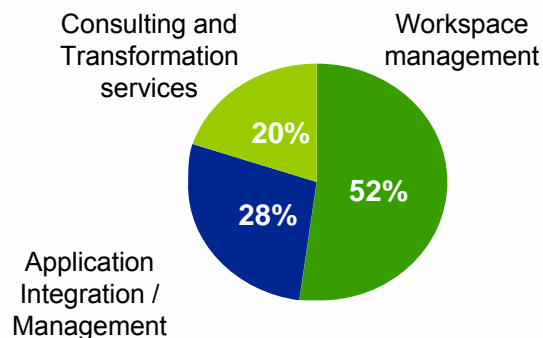
# Getronics results

Solid Q1 results, integration and restructuring on track

## Key financials Getronics

€ mn	2007 <sup>1</sup>	Q1 '08
Revenues	2,504	515
Service revenues	2,237	472
EBITDA	58 <sup>2</sup>	24

## Revenue split 2007<sup>1</sup>



- Solid revenues and EBITDA in Q1 '08
  - Recent divestments in Iberia and Australia
  - € 4 mn restructuring and integration costs in Q1, higher costs expected in coming quarters
  - Release of provisions of € 6 mn in Q1 '08
- Several multi-year contract wins in Q1
  - PSN, Nestlé and Kings College
- Integration and restructuring on track
  - HQ relocation in progress
  - Organizational restructuring in the Netherlands to be completed in Q2
- Confirming outlook for 2010 of ~€ 1.5 bn revenues and ~€ 125 mn EBITDA

<sup>1</sup> Source: Getronics Annual Report 2007

<sup>2</sup> Pro forma number, as EBITDA was not provided by Getronics

# Wholesale & Operations in Q1

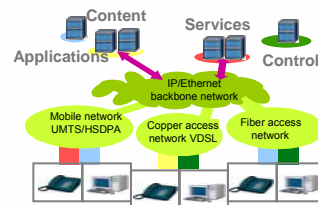
First customers connected to fiber, cost and FTE reductions on track

## Proactive network rollout

All-IP services and infrastructure



## Open access model



## Simplified processes



## Lowest cost



## International wholesale



## Committed wholesale partner



- All-IP network rollout on track
- First customers connected to fiber
- Sale of top real estate portfolio in progress
- Good progress in efficiency improvements and cost reductions
- iBasis focusing on integration efforts and synergies

## W&O – Operations

Good progress in All-IP network rollout, cost savings on track

### All-IP network rollout

- All-IP on track to achieve ambitions
- First customers connected to FttC and FttH following successful pilots
- Focus on commercial migration and network rollout going forward

### Real estate

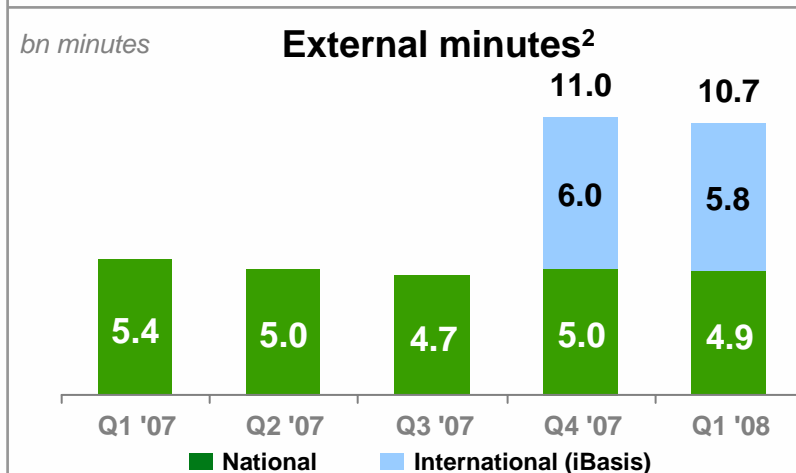
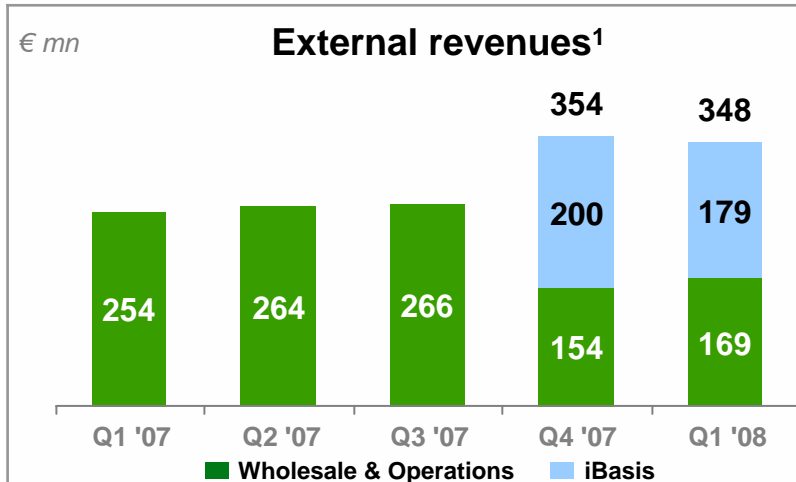
- Top real estate portfolio expected to be sold mid 2008
  - 34 buildings in prime locations with value of about € 300 mn
  - Information profile sent out, strong interest received from potential buyers
- Remaining real estate to be sold in 2009-2011

### Cost savings

- Efficiency improvements on track
  - Reduction of 186 FTE in Q1 '08 (405 FTE in total in the Netherlands)
  - Assessing cost reduction and outsourcing opportunities with suppliers
  - Gradually phasing out and rationalizing legacy infrastructure

## W&O – Wholesale

Step-up in external wholesale due to consolidation of iBasis



- External revenues up 37%
  - Consolidation of iBasis as of Q4 '07
  - Growth in WBA and WLR
- Revenue upside from outsourcing deal between iBasis and TDC
  - Additional revenues of ~\$ 80 mn per year
  - Approved by competition authorities
- iBasis focusing on integration efforts and synergies

<sup>1</sup> Including KGCS which has been consolidated into iBasis as of Q4 '07

<sup>2</sup> Restated numbers for external minutes

<sup>3</sup> Adjusted EBITDA used by iBasis as non-GAAP measurement to provide further information on operating trends

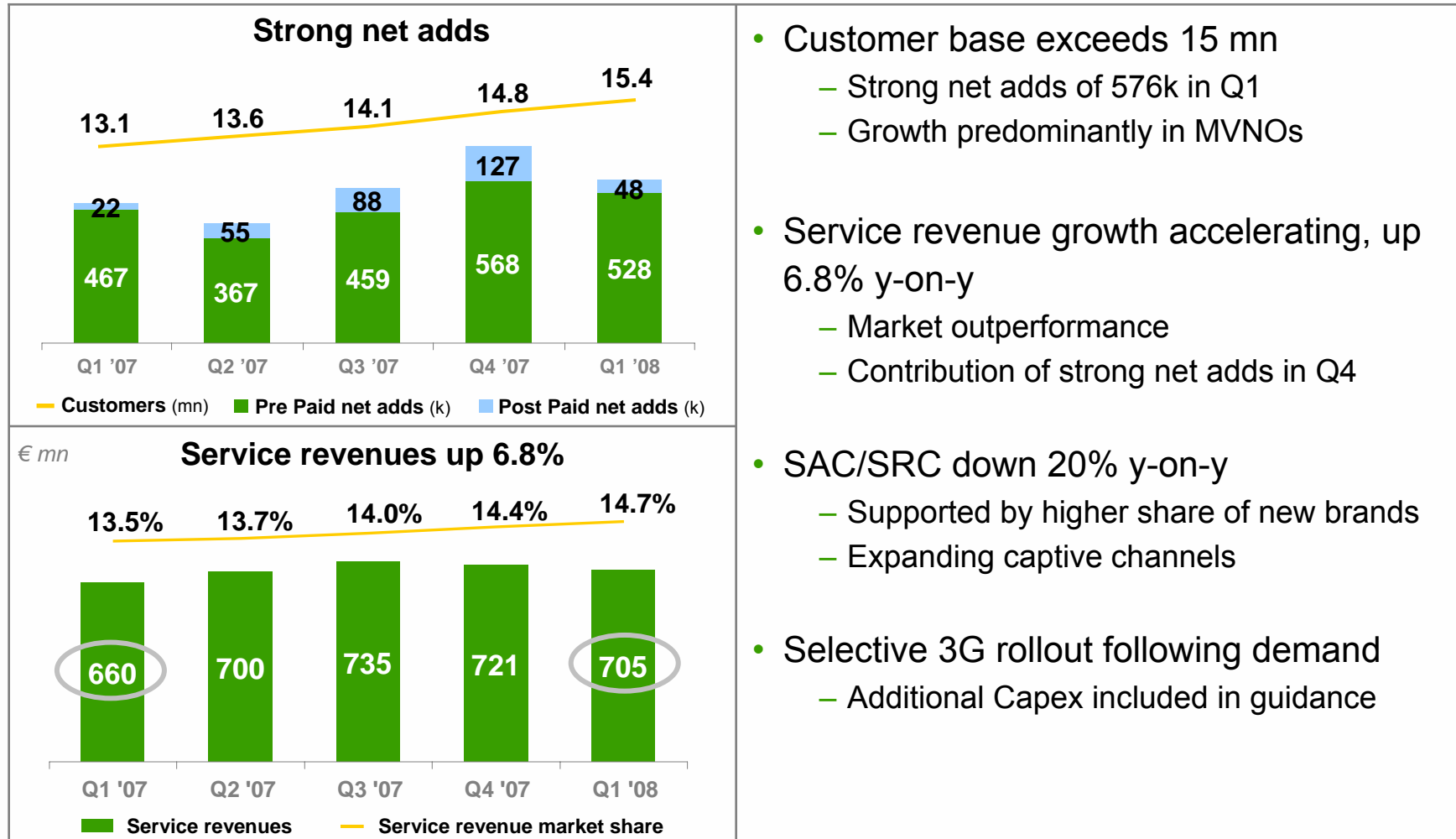
## Agenda

Chairman's review	Ad Scheepbouwer, Chairman and CEO
Financial review	Marcel Smits, CFO
<b>Operating review</b>	<b>Ad Scheepbouwer, Chairman and CEO</b>
	The Netherlands
	<b>Mobile International</b>
Concluding remarks	Ad Scheepbouwer, Chairman and CEO





# Operating review E-Plus

Service revenue growth accelerating, driven by new brands



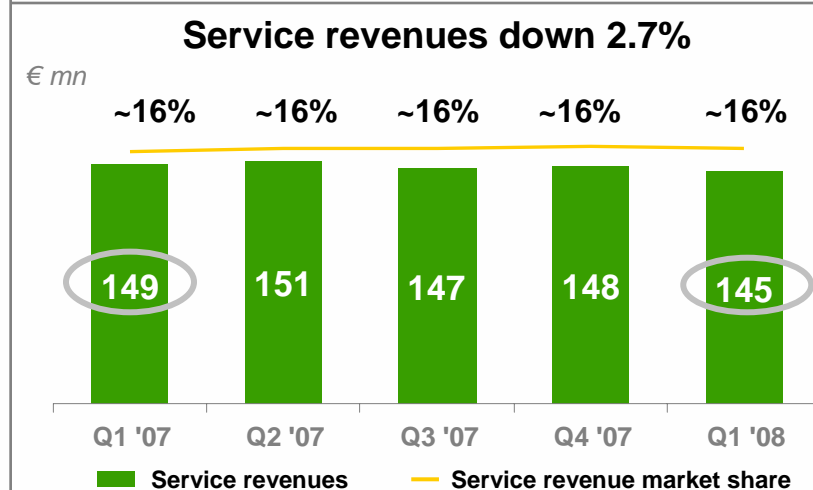
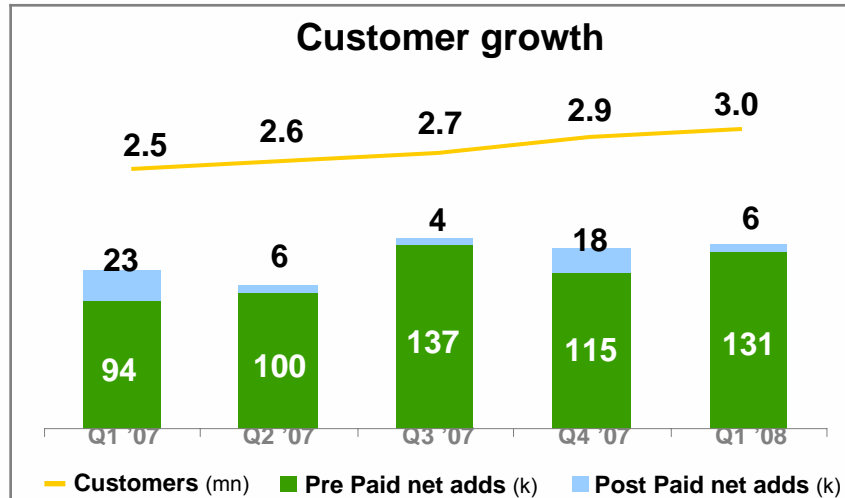
## E-Plus – distribution

More effective distribution through expansion of captive channels

Distribution strategy	Recent acquisitions in retail
<ul style="list-style-type: none"> <li>• Expanding E-Plus branch network from 500 to over 700 shops by YE '08</li> <li>• Shift from expensive dealers towards captive channels</li> <li>• Key factor in lowering SAC / SRC, in addition to growing share of wholesale partnerships</li> <li>• Focus on attracting high value Post Paid customers via own channels</li> <li>• In addition, acquisition of Ortel Mobile and Blau to strengthen distribution in ethnic and discount segments</li> </ul>	<div data-bbox="951 683 1199 756">  </div> <ul style="list-style-type: none"> <li>• Acquisition of SMS Michel in January</li> <li>• ~200 retail outlets in prime locations               <ul style="list-style-type: none"> <li>– ~100 shops to be rebranded to E-Plus</li> <li>– Other 100 shops to remain independent under SMS Michel brand</li> </ul> </li> </ul>
	<div data-bbox="982 1097 1163 1276">  </div> <ul style="list-style-type: none"> <li>• Agreement on the usage of over 50 former Tchibo retail outlets</li> <li>• Small shops on prime locations</li> </ul>

# Operating review BASE

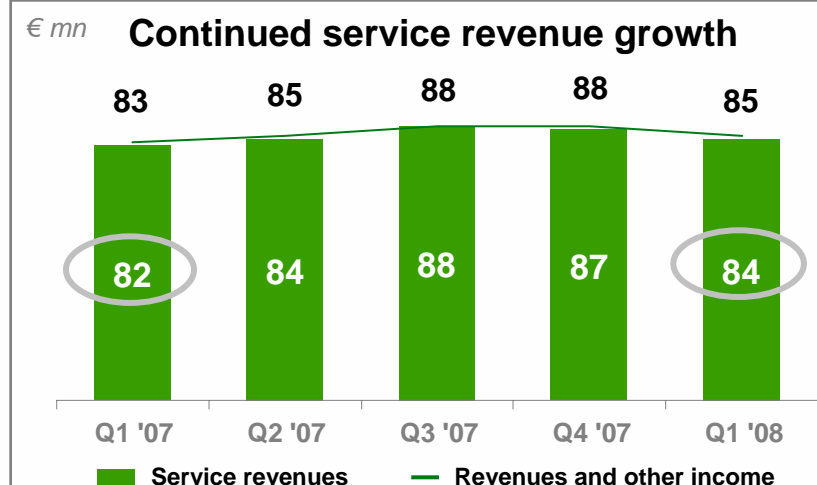
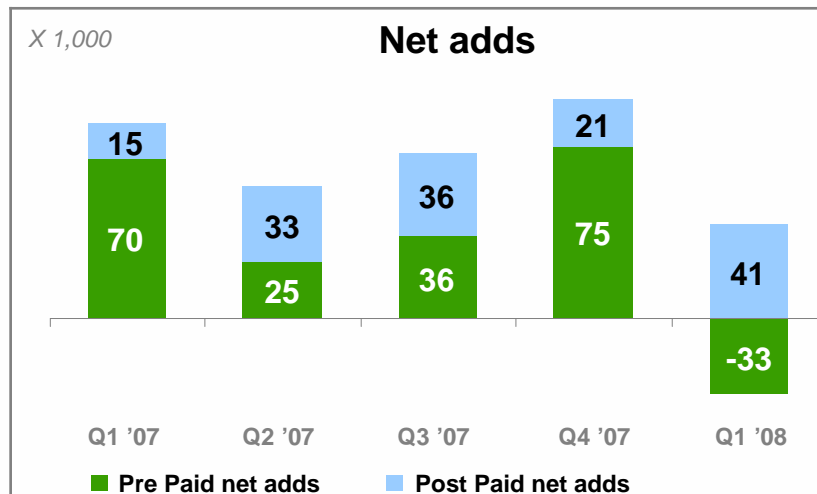
Focus on initiatives to reignite growth, positive draft decision on MTA tariffs



- Customer base reached 3 mn
  - Net adds of 137k in Q1 '08
  - Growth mainly in Pre Paid segment
  - Expanding leading position in MVNOs
- Service revenues down 2.7%
  - Negative impact of 8% from MTA
  - Positive draft decision from Belgian Court to maintain asymmetry in MTA tariffs
- Proactively reducing data roaming tariffs
  - Reduced prices for 10 European countries
  - Stimulating growth in data
- Building a growth platform with Allo Telecom and Tele2 Belgium

# Operating review Mobile Wholesale NL

Further growth from new wholesale partnerships



- Net adds of 8k in Q1 '08
  - High churn on inactive Pre Paid users
  - Further growth in MVNOs, especially in Post Paid
  - Increased competition in ethnic segment, position strengthened through Ortel Mobile
- Service revenue growth of 2.4% in Q1
  - MTA impact of ~2% on service revenue growth
- New wholesale partners added
  - Rabo Mobiel MVNO switched from Orange to KPN in February
  - Several new wholesale partnerships signed up for launch in Q2 '08

# Mobile wholesale strategy

Continued expansion in wholesale partnerships

## Wholesale strategy

- Continuous search for expansion opportunities based on proven business model
- MVNOs treated as true partners, creating long-term wholesale partnerships
- MVNO launched in Spain, exploring opportunities in other countries
  - Looking for attractive network deal in other countries
  - Leveraging platform resources
  - Opportunities for revenue upside with limited risk
- Acquisitions of Ortel and Blau
  - Increasing expertise in ethnic and discount segments

## Initiatives in Q1 '08

**simyo**  
MVNO Spain

- MVNO in Spain launched through Orange network
- First propositions launched in January
- Customer growth meeting expectations

**ortel**  
MOBILE

- Majority stake in Ortel Mobile announced in March
- Strong position and expertise in ethnic segment in three countries
- Reported € 85 mn revenues for 2007

**blau.de**  
Sei achillau, telefonier blau.

- Acquisition of Blau Mobilfunk announced in March
- Strong position in discount and ethnic segment in Germany
- Reported € 42 mn revenues for 2007

# MVNO Spain

Successful launch in Spain, providing platform for further growth

## Attractive Spanish Market

- Large market with high value potential
- Many interesting market segments
- Mutually attractive network deal with Orange
- Partners available with local knowledge

## Unique international platform

- MVNE platform and operations implemented within 7 months
- International platform enabling high quality services
  - Multi-host, multi-language and multi-country
  - Modular and flexible for multiple brands
  - Fully managed services
- Limited initial investment due to low capital intensity of business model

## Successful launch with partners

**simyo**

Online discounter

- Commercially launched in January 2008
- High customer awareness

**bankinter.**

Spanish commercial bank

- Soft launch in March and marketing in April 2008



**euphony**

Telecom and utility provider

- First proposition launched in the ethnic segment in March 2008



Spanish alternative telecom provider

- MVNE platform deal closed

- Strong pipeline with local and international partners

# Agenda

Chairman's review	Ad Scheepbouwer, Chairman and CEO
Financial review	Marcel Smits, CFO
Operating review	Ad Scheepbouwer, Chairman and CEO
Concluding remarks	Ad Scheepbouwer, Chairman and CEO



## Concluding remarks

- Solid Q1 performance in revenues, EBITDA and earnings
- Accelerating growth and continued market outperformance at E-Plus
- Robust underlying EBITDA in the Netherlands excluding acquisitions
- Growth in wireless data, VoIP and TV; further improvement of net line loss
- Solid financial and operational performance at Getronics
- Committed to shareholder returns of € 2 bn for 2008

# Q & A



# Annex

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## Analysis of results

Key items worth mentioning in results interpretation

€ mn		Q1 '08	Q1 '07
Revenue effect MTA tariff reduction	Group	-43	-31
EBITDA effect MTA tariff reduction	Group	-25	-14
Book gain on sale of subsidiaries	W&O / Other	6	4
Book gain on sale of real estate	W&O	11	1
Additional costs to solve VoIP issues	NL		-25
Restructuring charges	Group	-9	-9
Depreciation effect Telfort network integration	W&O		-19
Amortization effect Telfort network integration	W&O		-57
Accelerated depreciation copper network	W&O	-19	

# MTA regulation

## The Netherlands

€ 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 / O<sub>2</sub> lowered from € 9.94 to € 8.80 cents per minute

## Belgium

- BIPT proposal for less asymmetry suspended, current MTA tariffs unclear
- Former glide path with more asymmetry remaining in place for now

€ cents per minute	1 May '08	1 July '08
BASE	11.82	10.41
Proximus	7.48	6.56
Mobistar	9.38	8.21
Avg. asymmetry	3.39	3.03

# Impact MTA reduction<sup>1</sup>

€ mn	Q1 '08	
	Revenues	EBITDA <sup>2</sup>
E-Plus	-11	-6
BASE	-12	-9
Mobile Wholesale NL	-2	-2
<b>Mobile International</b>	<b>-25</b>	<b>-17</b>
Consumer	-13	-7
Business	-6	-1
Wholesale & Operations	-4	-
<b>The Netherlands</b>	<b>-23</b>	<b>-8</b>
Intercompany	5	-
<b>KPN Group</b>	<b>-43</b>	<b>-25</b>

<sup>1</sup> Additional decline compared to 2007

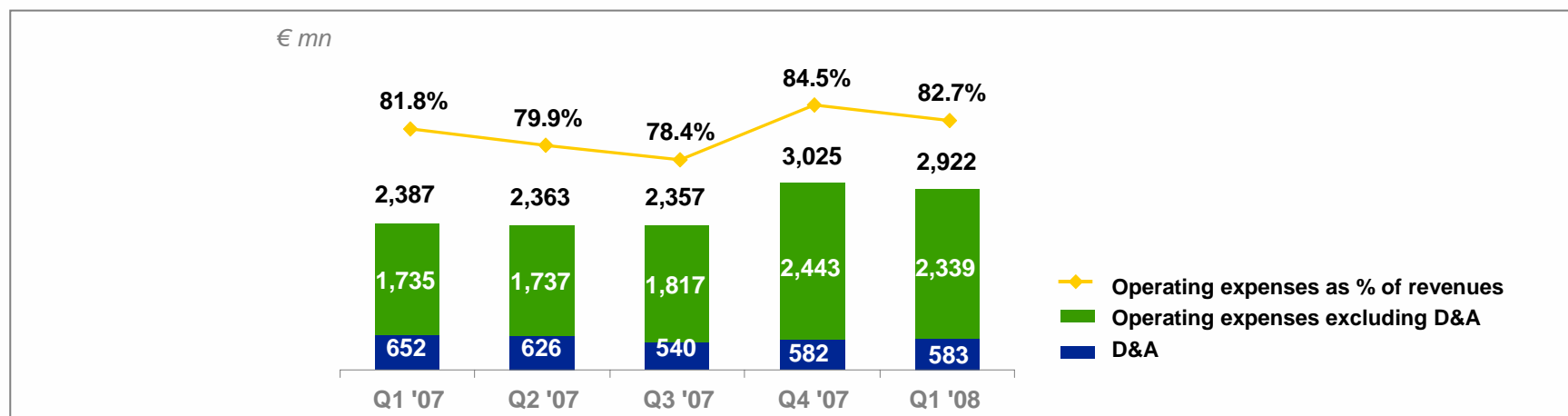
<sup>2</sup> Defined as Operating result plus depreciation, amortization and impairments

## Restructuring charges

€ mn	Q1 '08
E-Plus	
BASE	
Mobile Wholesale NL	
<b>Mobile International</b>	<b>-</b>
Consumer	-2
Business	-
Getronics	-1
Wholesale & Operations	-
<b>The Netherlands</b>	<b>-3</b>
Other	-6
<b>KPN Group</b>	<b>-9</b>

# Operating expenses

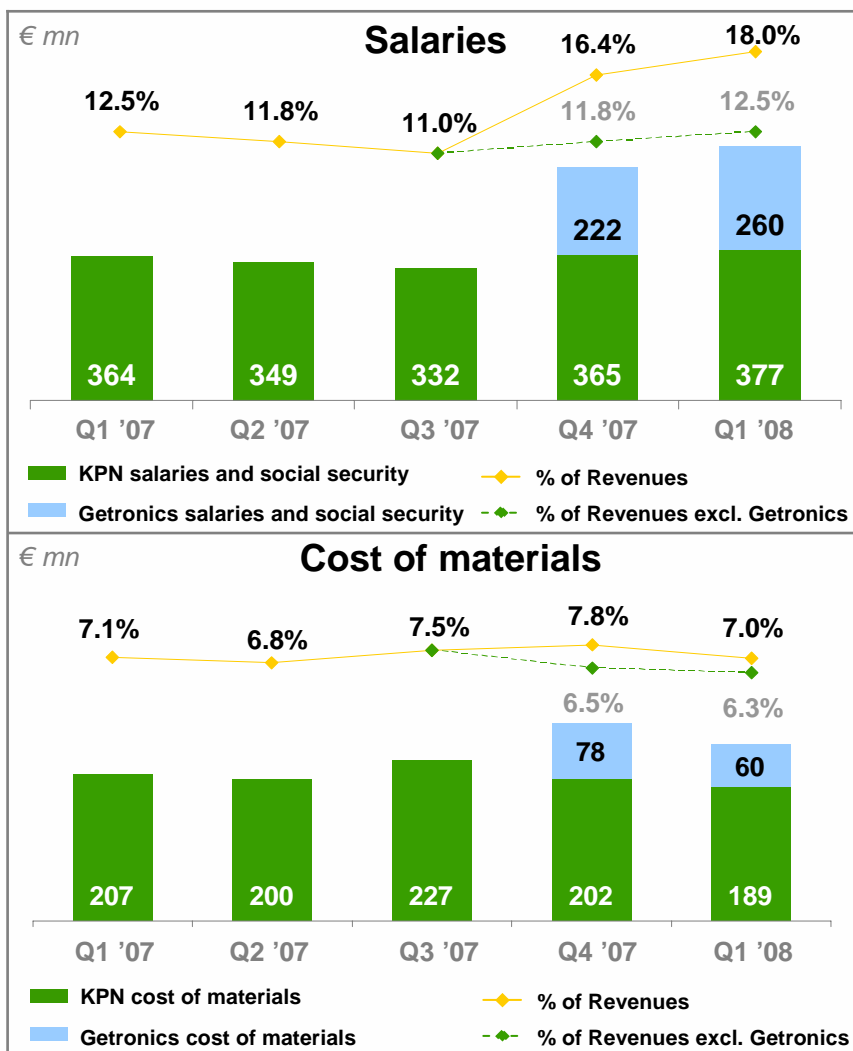
€ mn	Q1 '08	Q1 '07	%
Salaries and social security contributions	637	364	75.0%
Cost of materials	249	207	20.3%
Work contracted out and other expenses	1,260	1,047	20.3%
Own work capitalized	-24	-44	-45.5%
Other operating expenses	217	161	34.8%
Depreciation <sup>1</sup>	409	439	-6.8%
Amortization <sup>1</sup>	174	213	-18.3%
<b>Total</b>	<b>2,922</b>	<b>2,387</b>	<b>22.4%</b>



<sup>1</sup> Including impairments, if any

# Analysis operating expenses<sup>1</sup>

## Salaries & Cost of materials



### Y-on-Y increase

- Impact of acquisitions, partly offset by headcount reductions

### Q-on-Q increase

- Wage increase due to KPN collective labour agreement as of Q1 '08
- Impact of SMS Michel acquisition

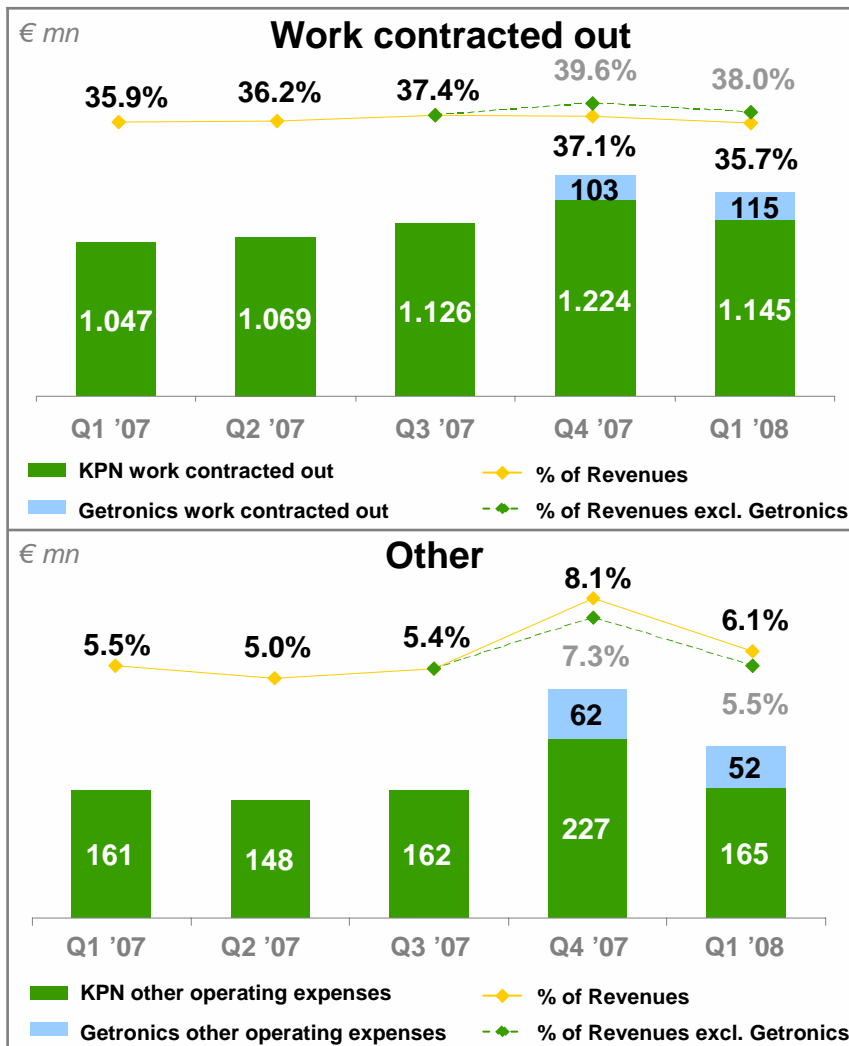
### Y-on-Y decrease

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

<sup>1</sup> Year-on-year and quarter-on-quarter analysis excluding Getronics acquisition

# Analysis operating expenses<sup>1</sup>

## Work contracted out & Other



### Y-on-Y increase

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

### Q-on-Q decrease

- Higher handset sales due to increase in (Post Paid) gross adds at Mobile in Q4 '07

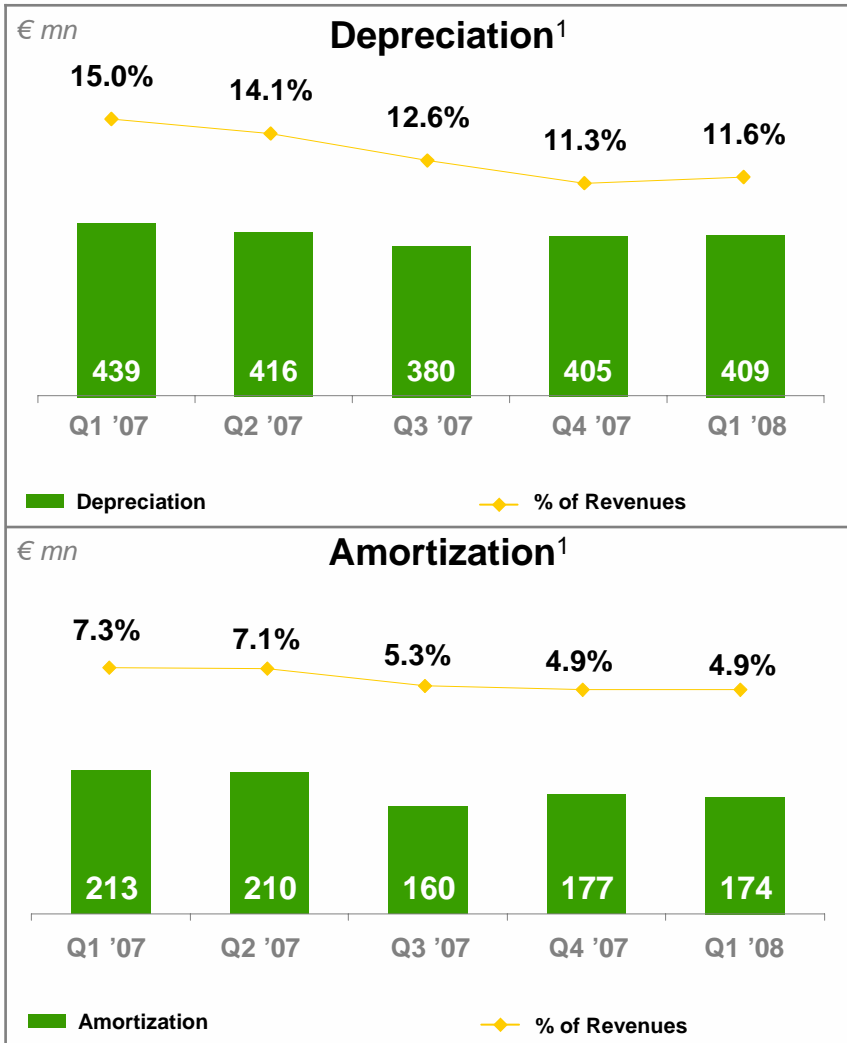
### Q-on-Q decrease

- € 9 mn restructuring costs in Q1 '08 (€ 33 mn in Q4 '07)
- Higher marketing costs at the Netherlands in Q4 '07

<sup>1</sup> Year-on-year and quarter-on-quarter analysis excluding Getronics acquisition

# Analysis operating expenses

## Depreciation & Amortization



### Y-on-Y decrease

- Lower asset base due to less CAPEX spending in prior years
- € 19 mn accelerated depreciation from Telfort network integration in Q1 '07, partly offset by depreciation from Getronics and iBasis

### Q-on-Q increase

- € 19 mn accelerated depreciation of copper network

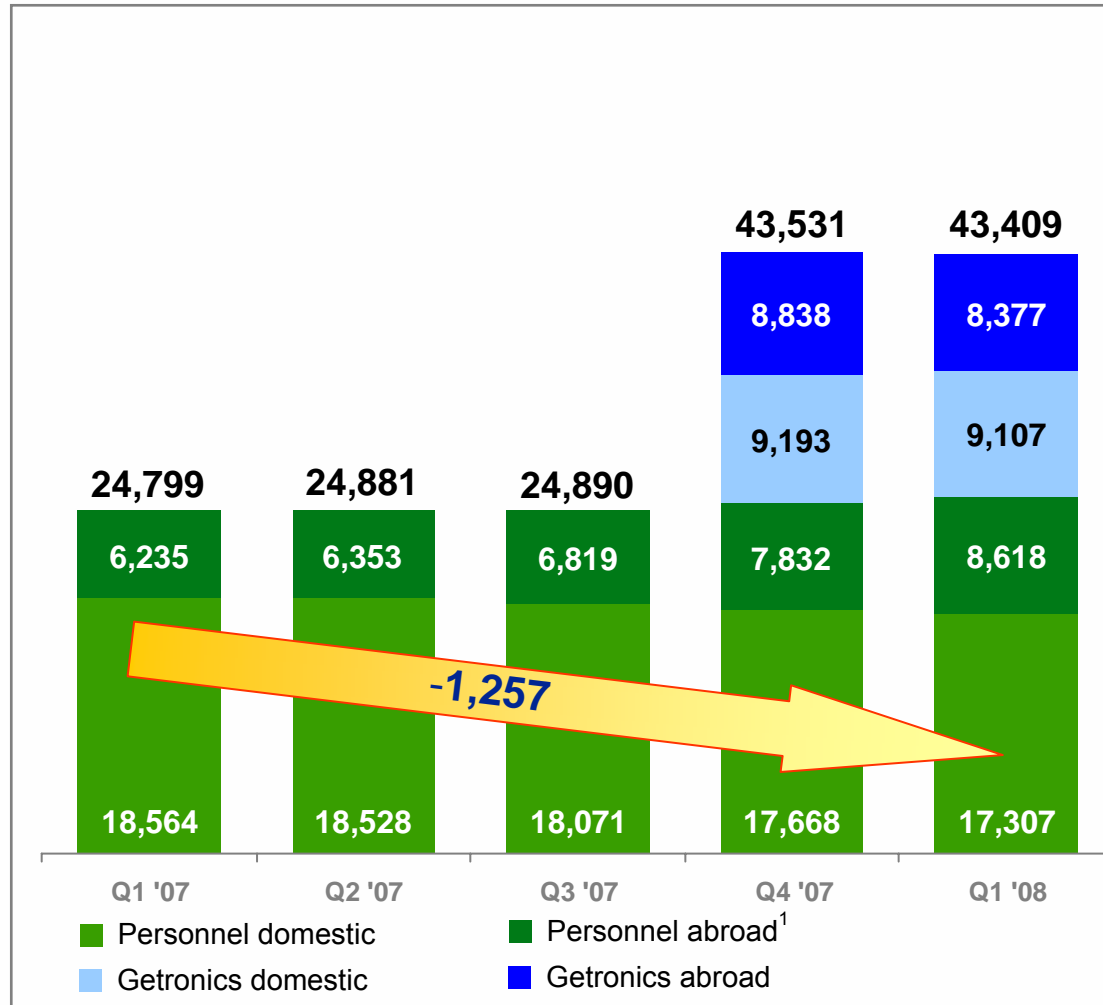
### Y-on-Y decrease

- € 57 mn accelerated amortization of Telfort license following network integration in Q1 '07,
- Partly offset by amortization from Getronics and iBasis

<sup>1</sup> Including impairments, if any

# Personnel

Continued underlying decline in the Netherlands



- Personnel increase Y-on-Y of 18,610 FTE
  - 17,484 FTE increase from Getronics
  - 1,257 FTE reduction in the Netherlands (excl. Getronics)
  - Reduction of 1,641 FTE in the Netherlands excluding acquisitions
- FTE decrease of 122 FTE compared to Q4
  - Decrease of 461 FTE at Getronics due to sale of Australia
  - Reduction of 405 FTE in the Netherlands excluding acquisitions of 44 FTE
  - Partly offset by increase of 786 FTE at personnel abroad mainly due to SMS Michel

<sup>1</sup> Including ~4,400 FTE in call center activities abroad, reported under Consumer the Netherlands

# Tax

Fiscal units (€ mn)	P&L		Cash flow	
	Q1 '08	Q1 '07	Q1 '08	Q1 '07
Dutch activities	-98	-84	-104	-
Getronics	-1	-	-	-
German Mobile activities	-35	-	-	-
Belgian Mobile activities	-9	-9	-	-
Other activities	-	-	-2	-
<b>Total</b>	<b>-143</b>	<b>-93</b>	<b>-106</b>	<b>-</b>

- € 104 mn Dutch corporate tax paid
  - Tax recapture on E-Plus EBITDA of € 46 mn paid to Dutch fiscal authorities
  - NOLs at KPN Mobile the Netherlands exhausted as of Q3 '07
- Higher P&L tax in Q1 '08
  - € 98 mn in the Netherlands due to higher taxable income
  - € 35 mn in Germany due to recognition of deferred tax asset at E-Plus in Q4 '07

## Net cash flow from operating activities

€ mn	Q1 '08	Q1 '07
<b>Operating Result</b>	<b>648</b>	<b>537</b>
Depreciation, amortization and impairments	583	652
Interest paid	-129	-59
Income tax paid	-106	-
Other income	-15	-6
Share based compensation	2	3
Change in provisions	-61	-65
<b>Net cash flow from operating activities before changes in working capital</b>	<b>922</b>	<b>1,062</b>
Inventory	14	3
Trade receivables	40	5
Other current assets	-197	-168
Current liabilities	-131	-68
<b>Change in working capital</b>	<b>-274</b>	<b>-228</b>
<b>Net cash flow from operating activities</b>	<b>648</b>	<b>834</b>
Capex <sup>1</sup>	-356	-276
Proceeds from real estate	13	-
Tax recapture E-Plus	46	-
<b>Free cash flow, excl. tax recapture<sup>2</sup></b>	<b>351</b>	<b>558</b>

1 Including Property, Plant & Equipment and software

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

# Total cash flow

€ mn	Q1 '08	Q1 '07
<b>Net cash flow from operating activities</b>	<b>648</b>	<b>834</b>
Capex <sup>1</sup>	-356	-276
Acquisitions	-61	-
Disposals real estate	13	-
Disposals other	7	15
Other	-	-
<b>Net cash flow from investing activities</b>	<b>-397</b>	<b>-261</b>
Dividends paid	-	-
Share repurchases <sup>2</sup>	-199	-199
Debt financing	-299	-266
Other	2	3
<b>Net cash flow used in financing activities</b>	<b>-496</b>	<b>-462</b>
<b>Changes in cash and cash equivalents</b>	<b>-245</b>	<b>111</b>

1 Including Property, Plant & Equipment and software

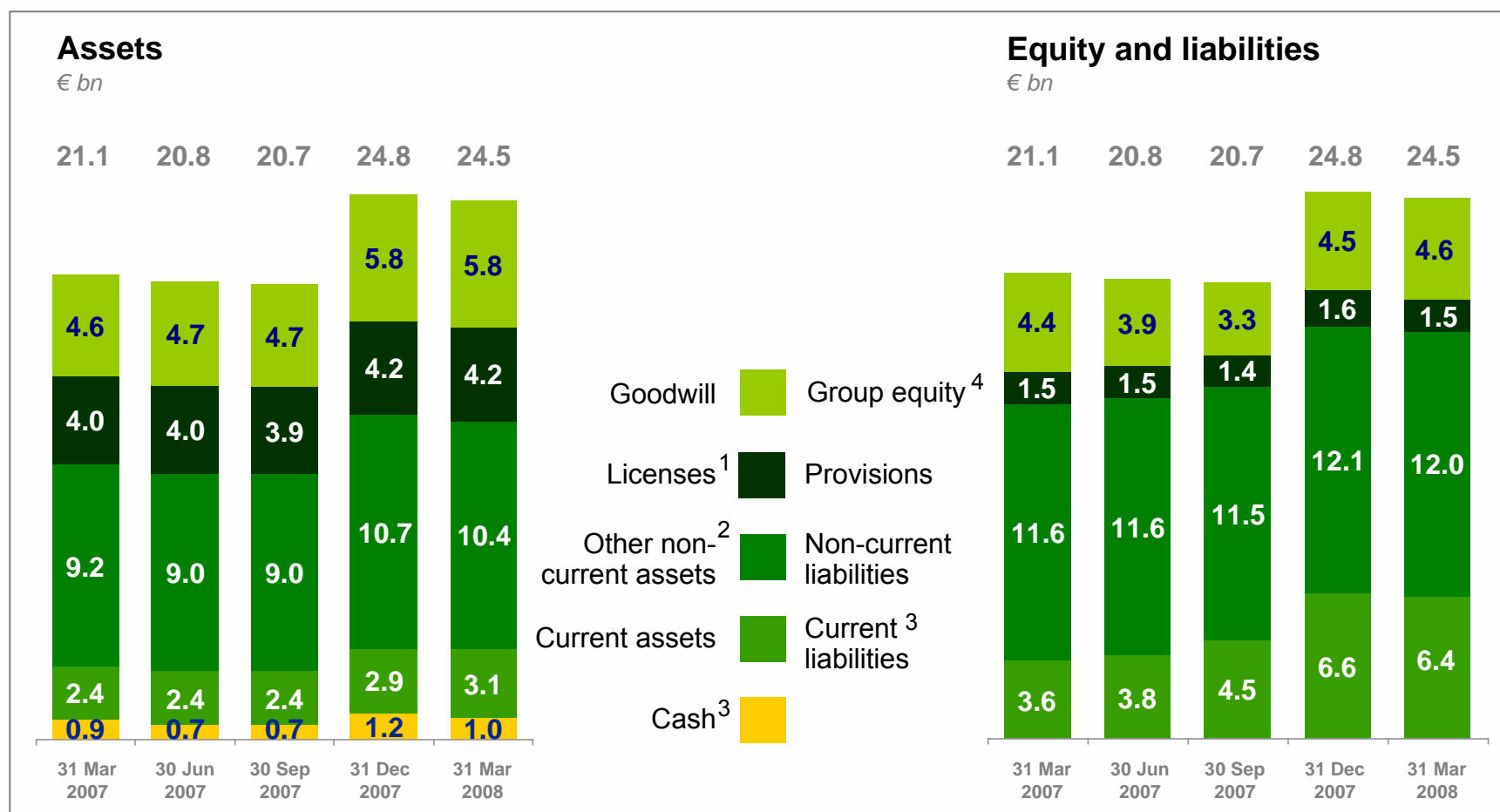
2 Including paid dividend tax in Q1'07

# Capex<sup>1</sup>

€ mn	Q1 '08	Q1 '07	%
<b>Mobile International</b>	<b>89</b>	<b>111</b>	<b>-19.8%</b>
<i>% Revenues Mobile International</i>	<i>8.7%</i>	<i>11.9%</i>	
E-Plus	68	92	-26.1%
<i>% Revenues E-Plus</i>	<i>9.0%</i>	<i>13.2%</i>	
BASE	15	17	-11.8%
<i>% Revenues BASE</i>	<i>10.0%</i>	<i>11.2%</i>	
Mobile Wholesale NL	1	1	0.0%
<i>% Revenues Mobile Wholesale NL</i>	<i>1.2%</i>	<i>1.2%</i>	
<b>The Netherlands</b>	<b>266</b>	<b>165</b>	<b>61.2%</b>
<i>% Revenues the Netherlands</i>	<i>10.3%</i>	<i>8.0%</i>	
Consumer	45	36	25.0%
<i>% Revenues Consumer</i>	<i>4.6%</i>	<i>3.5%</i>	
Business	54	14	>200%
<i>% Revenues Business</i>	<i>6.8%</i>	<i>1.7%</i>	
Getronics	14		
<i>% Revenues Getronics</i>	<i>2.7%</i>		
Wholesale & Operations	146	103	41.7%
<i>% Revenues Wholesale &amp; Operations</i>	<i>15.6%</i>	<i>11.2%</i>	
<b>Other</b>	<b>1</b>	<b>0</b>	<b>-</b>
<b>Total</b>	<b>356</b>	<b>276</b>	<b>29.0%</b>
<i>% Revenues</i>	<i>10.1%</i>	<i>9.5%</i>	

<sup>1</sup> 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 € 0.6 bn of non-netted cash balances per Q1 '08
- 4 Including minority interest

## Share repurchase progress

Date <sup>1</sup>	Value (€ mn)	mn shares	Avg. share price (€)
January	-	-	-
February	45.9	3.65	12.58
March	166.6	14.43	11.55
<b>Q1 '08</b>	<b>212.5</b>	<b>18.08</b>	<b>11.75</b>
April	77.3	6.74	11.48
<b>Total</b>	<b>289.8</b>	<b>24.82</b>	<b>11.68</b>

- € 1 bn share repurchase program commenced on 22 February 2007
  - 21% executed by end of Q1
  - 29% completed to date
- € 6.0 bn in shares repurchased since start in 2004
  - 709 mn shares repurchased until Q1, average price € 8.51
- Number of outstanding shares amounting to 1,802,902,513 as of 1 April 2008
  - 27.7% of outstanding shares cancelled since 2004

<sup>1</sup> Figures based on transaction date of share repurchases

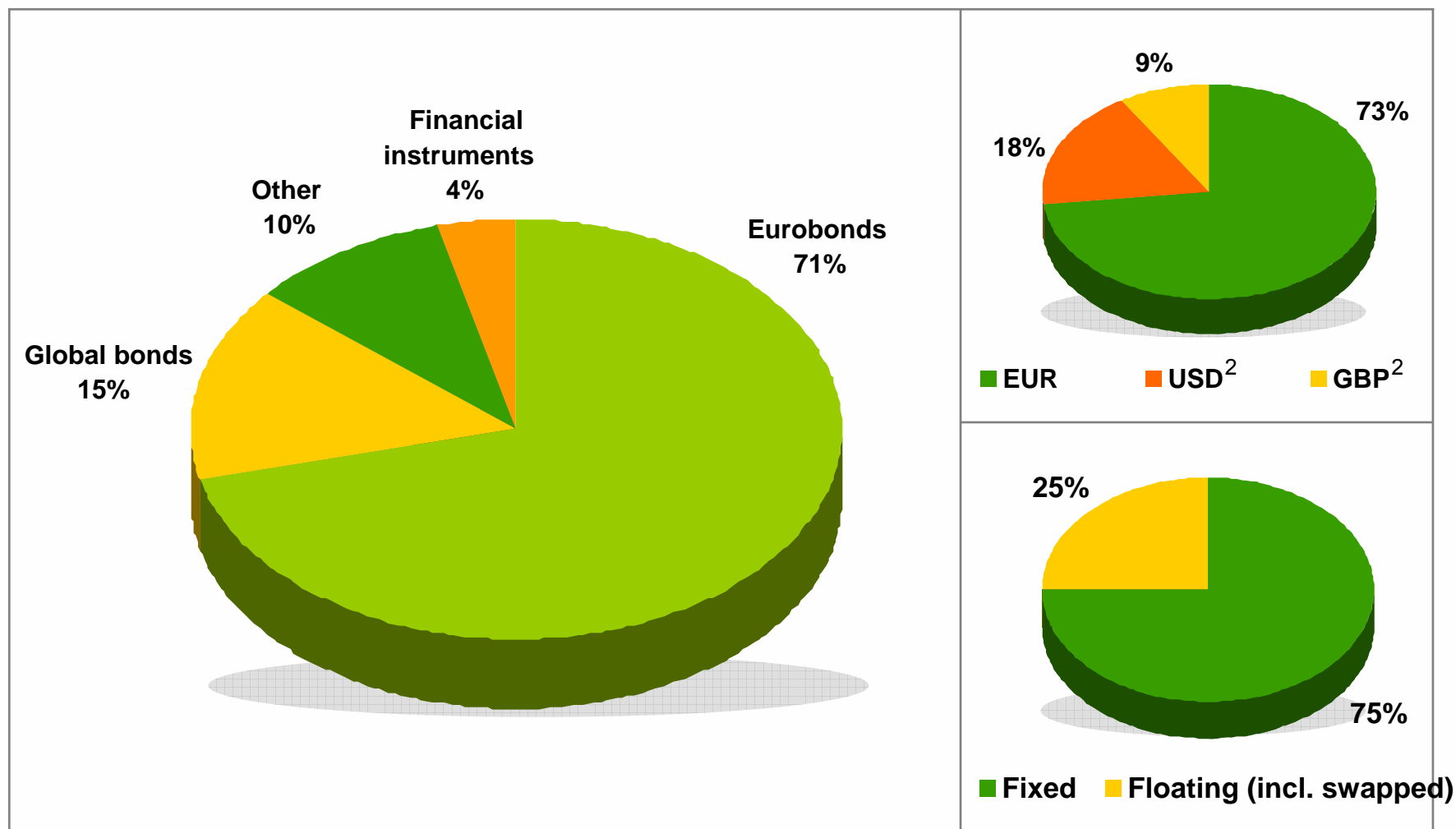
## Debt summary

€ bn	Q1 '08	Q4 '07	Q1 '07
<b>Bonds</b>	<b>10.20</b>	<b>10.37</b>	<b>8.36</b>
Eurobonds	8.42	8.48	6.31
Global bonds	1.78	1.89	2.05
<b>Other debt</b>	<b>1.18</b>	<b>1.38</b>	<b>0.42</b>
Other loans at Royal KPN <sup>1</sup>	1.11	1.29	0.38
Consolidated debt	0.07	0.09	0.04
<b>Fair value financial instruments</b>	<b>0.53</b>	<b>0.35</b>	<b>0.94</b>
<b>Total debt</b>	<b>11.91</b>	<b>12.10</b>	<b>9.72</b>
— of which short-term <sup>1</sup>	2.11	2.33	0.38
Cash and cash equivalents <sup>1</sup>	0.97	1.15	0.93
<b>Total net debt</b>	<b>10.94</b>	<b>10.95</b>	<b>8.79</b>

<sup>1</sup> Both cash and gross debt include approximately € 0.6 bn of non-netted cash balances per Q1 '08

# Debt portfolio

Breakdown of € 11.9 bn gross debt<sup>1</sup>



<sup>1</sup> Book value of interest bearing financial liabilities plus the fair value of financial instruments related to these financial liabilities

<sup>2</sup> Foreign currency amounts hedged into Euro

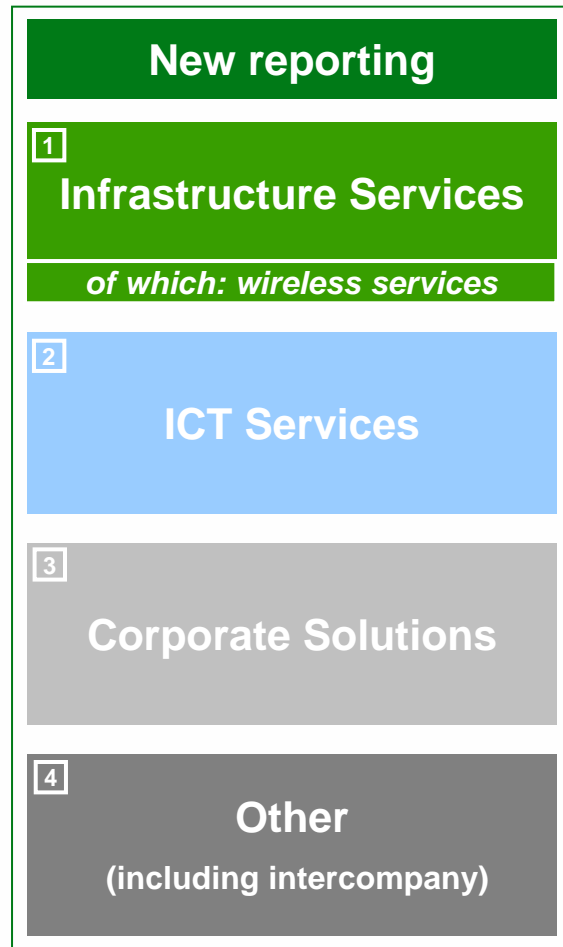
# Consumer voice market<sup>1</sup>

<i>mn</i>	Q1 '08	Q4 '07	Q1 '07
KPN PSTN / ISDN	2.68	2.85	3.58
Wholesale Line Rental (WLR)	0.34	0.32	0.05
<b>Total traditional voice</b>	<b>3.02</b>	<b>3.17</b>	<b>3.63</b>
KPN VoIP	0.92	0.85	0.65
Cable VoIP	1.14	1.05	0.83
Alternative DSL VoIP	0.30	0.28	0.25
<b>Total VoIP</b>	<b>2.36</b>	<b>2.18</b>	<b>1.73</b>
Cable voice analogue	0.08	0.11	0.13
Mobile-only	1.18	1.17	1.16
<b>Total households</b>	<b>6.64</b>	<b>6.63</b>	<b>6.65</b>

<sup>1</sup> Management estimates

# Business segment reporting

Aligning reporting with organizational structure



- Business segment restructuring into four reporting entities, following customer centric strategy
  1. **Infrastructure Services:** voice wireline & wireless and network services (excl. housing & hosting)
  2. **ICT Services:** housing & hosting and application services
  3. **Corporate Solutions:** workspace management (excl. intercompany revenues to infrastructure services relating to voice wireline & wireless)
  4. **Other**
- Smaller entities moved to other segments
  - Sympac and YES Telecom transferred to Mobile International
  - Several services for wholesale customers transferred to W&O
  - Revenue impact of -/- € 89 mn
  - EBITDA impact of -/- € 8 mn

## Restatement reported figures

Change in business reporting format as of Q1 '08

FY 2007 (€ mn)	Revenues and other income			EBITDA		
	Old reporting	New reporting	Change	Old reporting	New reporting	Change
E-Plus	2,963	2,963	-	1,113	1,113	-
BASE	613	613	-	230	230	-
Mobile Wholesale NL	344	344	-	129	129	-
Other (incl. intercompany)	40	57	17	-6	-18	-12
<b>Mobile International</b>	<b>3,960</b>	<b>3,977</b>	<b>17</b>	<b>1,466</b>	<b>1,454</b>	<b>-12</b>
Consumer	4,133	4,133	-	707	707	-
Business	3,382	3,293	-89	759	751	-8
Getronics	488	488	-	23	23	-
Wholesale & Operations	3,870	3,841	-29	1,995	2,017	22
Other (incl. intercompany)	-2,860	-2,770	90	-5	-7	-2
<b>The Netherlands</b>	<b>9,013</b>	<b>8,985</b>	<b>-28</b>	<b>3,479</b>	<b>3,491</b>	<b>12</b>
Other	10	10	-	-45	-45	-
Intercompany	-351	-340	11	-	-	-
<b>KPN Group</b>	<b>12,632</b>	<b>12,632</b>	<b>-</b>	<b>4,900</b>	<b>4,900</b>	<b>-</b>

# Business segment reporting

## Old reporting format

€ mn	Revenues and other income '07
<b>Corporate solutions</b>	<b>585</b>
• End-to-end ICT services	
• Outsourcing services	17%
<b>Voice wireline</b>	<b>1,028</b>
• Access, originating traffic	
• Traditional, VoIP	30%
<b>Wireless services</b>	<b>916</b>
• Originating, terminating voice	
• Data services	27%
<b>Network services</b>	<b>776</b>
• Connectivity	
• Housing, hosting services	23%
<b>Application services</b>	<b>477</b>
• Installation, servicing (IP) PBX	
• Managed services	14%
<b>Other</b>	<b>-400</b>
• Sales force	
• Narrow casting	
• Intercompany	
<b>Total</b>	<b>3,382</b>

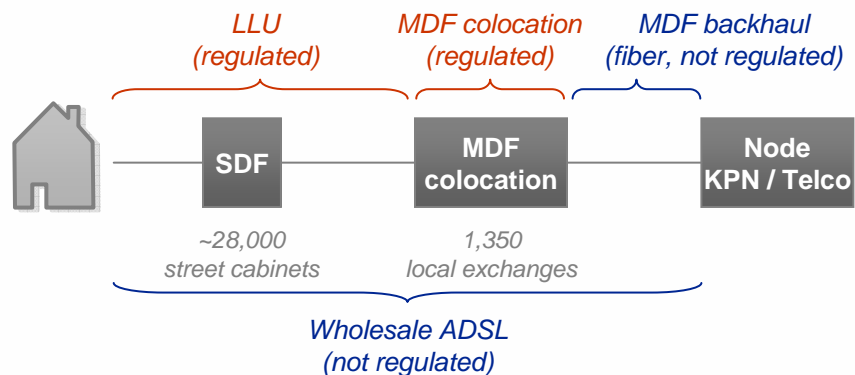
## New reporting format

€ mn	Revenues and other income '07
<b>1 Infrastructure Services</b>	<b>2,552</b>
• Voice wireline	
• Data, network services	77%
Of which:	
• <b>Wireless services</b>	<b>870</b>
<b>2 ICT Services</b>	<b>539</b>
• Installation, servicing (IP) PBX	
• Housing, hosting services	
• Narrow casting	16%
<b>3 Corporate Solutions</b>	<b>499</b>
• End-to-end ICT services	
• Outsourcing services	15%
<b>Other</b>	<b>-297</b>
• Sales force	
• Intercompany	
<b>Total</b>	<b>3,293</b>

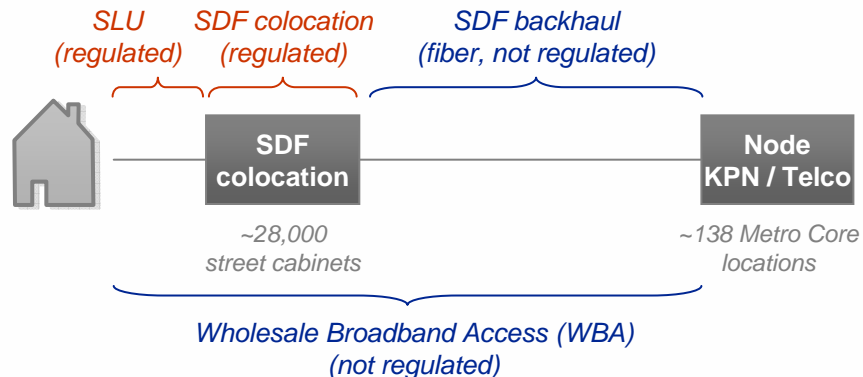
# Unbundling tariffs

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

## Unbundling in current network



## Unbundling in All-IP network



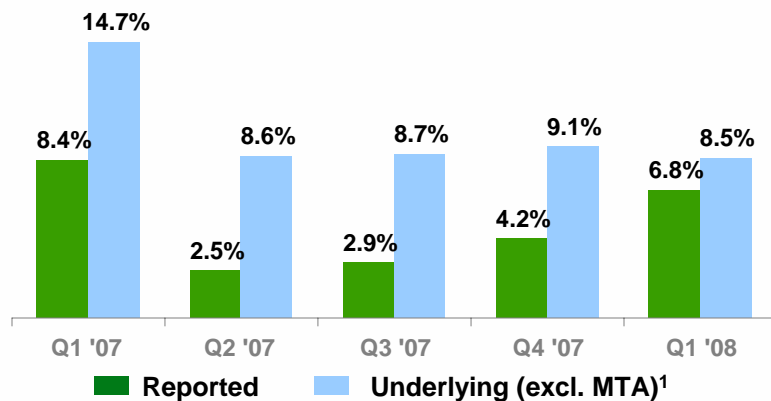
Category	Monthly tariffs
Line sharing (LLU)	€ 0.37 / line
Fully unbundled (LLU)	€ 8.00 / line
MDF colocation	€ 473 / footprint / year
MDF backhaul	Deal pricing
Wholesale ADSL	€ 7.50 shared € 15.18 non-shared

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

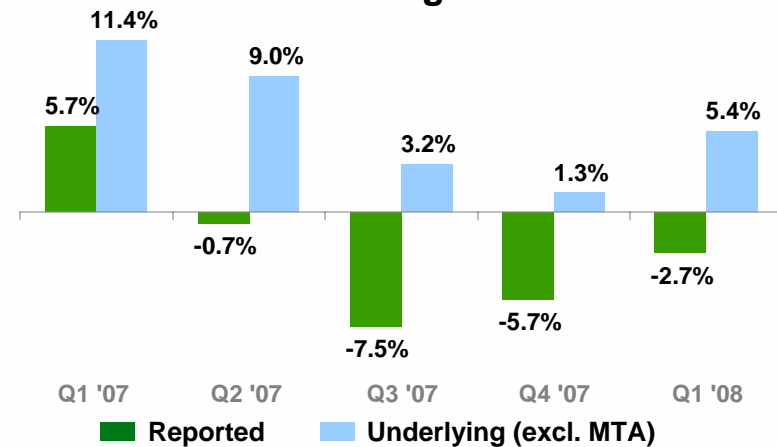
# Service revenue growth Mobile International

Strong underlying growth outperforming the market

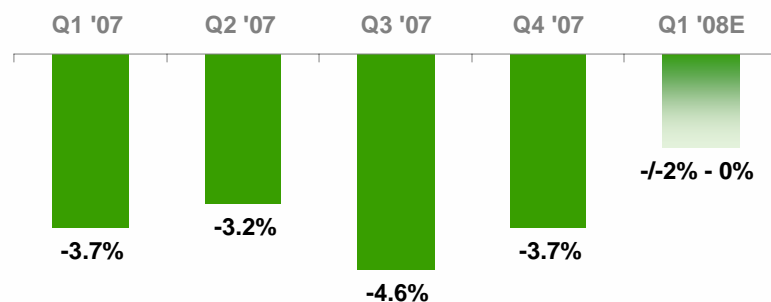
**Service revenue growth E-Plus**



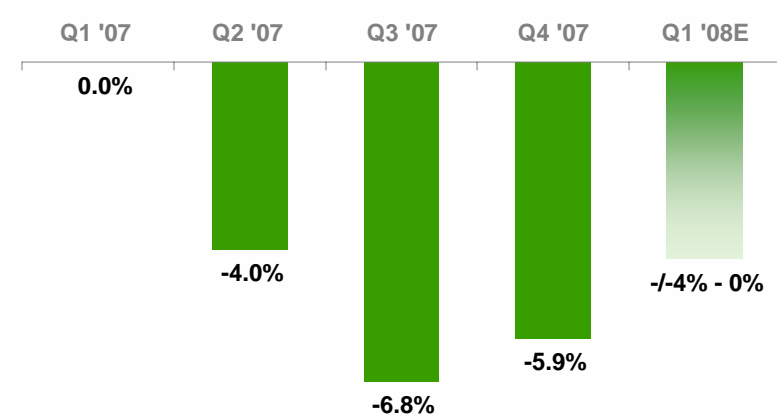
**Service revenue growth BASE**



**Market growth Germany<sup>2</sup>**



**Market growth Belgium<sup>2</sup>**



<sup>1</sup> Also excluding VAT increase with negative impact of 2.4% on service revenue growth in 2007

<sup>2</sup> Service revenue growth, based on equity research

# Dutch wireless services disclosure<sup>1</sup>

	Q1 '08	Q4 '07	Q1 '07
<b>Service revenues (€ mn)</b>	<b>704</b>	<b>723</b>	<b>733</b>
- Consumer	394	407	416
- Business	226	229	235
- Mobile Wholesale NL	84	87	82
<b>SAC / SRC (€)</b>			
- Consumer	142	130	129
- Business	366	315	288

<sup>1</sup> As of Q1 2008, KPN no longer provides the same pro forma disclosure as provided during 2007. Instead, total service revenues and SAC/SRC for wireless services offered by the segments Consumer, Business and Mobile Wholesale International will be provided.

# KPIs Consumer

## Voice

Voice	Q1 '08	Q4 '07	Q1 '07
<b>Market penetration<sup>1</sup></b>			
– Broadband	78%	76%	72%
– VoIP penetration	42%	40%	34%
<b>Market share</b>			
– Voice <sup>2</sup>	>55%	>55%	~ 60%
– Traditional voice <sup>3</sup>	~75%	~75%	~70%
– VoIP	39%	39%	37%
– Broadband <sup>4</sup>	44%	44%	41%
– TV	8%	7%	4%
<b>Access lines (x 1,000)</b>	<b>3.606</b>	<b>3,694</b>	<b>4,225</b>
– PSTN	2,415	2,563	3,230
– ISDN	268	284	345
– VoIP packages (Voice / Broadband)	923	847	650
<b>Net line loss<sup>5</sup> (x 1,000)</b>	<b>-70</b>	<b>-90</b>	<b>-165</b>
<b>Traditional voice ARPU (€)</b>	<b>25</b>	<b>26</b>	<b>26</b>
– Access	16	16	16
– Traffic	9	10	10

1 Based on management estimate

2 Share in total consumer voice (including VoIP); management estimates

3 Share in traditional consumer voice (excluding VoIP); management estimates

4 Including DSL and Cable; management estimates

5 Quarterly delta in PSTN/ISDN access lines + delta consumer VoIP, ADSL only and WLR; management estimates

# KPIs Consumer

## Broadband, TV & Wireless

Broadband	Q1 '08	Q4 '07	Q1 '07
<b>Broadband ISP customers (x 1,000)</b>	<b>2,443</b>	<b>2,402</b>	<b>2,114</b>
– KPN (Direct & Planet)	1,112	1,107	1,098
– Het Net	659	643	584
– XS4ALL	285	288	306
– Other	387	364	126
<b>Broadband ARPU (€)</b>	<b>30</b>	<b>30</b>	<b>27</b>
TV	Q1 '08	Q4 '07	Q1 '07
– Subscribers (x 1,000)	553	497	296
– ARPU (€)	6	6	7
Wireless	Q1 '08	Q4 '07	Q1 '07
– Customers <sup>1</sup> (x 1,000)	6,017	6,194	5,891
– Service revenues (€ mn)	394	407	416
– ARPU (€)	22	22	23
– MoU (originating, terminating)	109	109	111
– SAC/SRC (€)	142	130	129

1 Correction for ~220k inactive Pre Paid accounts in Q1 '08

# KPIs Business

## Infrastructure Services

Wireline	Q1 '08	Q4 '07	Q1 '07
<b>Market share voice<sup>1</sup></b>	<b>&gt;50%</b>	<b>~55%</b>	<b>~55%</b>
<b>Access lines (x 1,000)</b>	<b>1,672</b>	<b>1,695</b>	<b>1,796</b>
– PSTN	799	815	878
– ISDN	857	867	910
– VoIP	16	13	8
<b>Traditional voice ARPU (€)</b>	<b>51</b>	<b>46</b>	<b>55</b>
– Access	26	25	25
– Traffic	25	21	30
<b>Network services (x 1,000)</b>			
– Leased lines	31.7	32.7	35.1
– E-VPN connections	8.1	7.5	4.8
– Business DSL	100.8	90.5	62.4
<b>Managed network services (x 1,000)</b>			
– IP-VPN connections	32.7	30.4	33.0
– M-VPN routers	16.9	15.9	12.6
Wireless	Q1 '08	Q4 '07	Q1 '07
– Customers (x 1,000)	1,325	1,306	1,208
– of which data users	37%	35%	29%
– Service revenues (€ mn)	226	229	235
– ARPU (€)	58	59	66
– MoU (originating, terminating)	254	275	285
– SAC/SRC (€)	366	315	288

<sup>1</sup> Share in traditional voice (including VoIP and internet dial-up); management estimates

# KPIs Business

## ICT Services & Corporate Solutions

ICT Services	Q1 '08	Q4 '07	Q1 '07
<b>Applications online</b> (x 1,000)			
– Customers	22	18	4
<b>Housing &amp; Hosting</b> (x 1,000)			
– Housing services <sup>1</sup> (# m <sup>2</sup> )	9.9	9.9	6.9
– Hosting services <sup>2</sup> (# servers)	1.8	1.7	1.3
Corporate Solutions	Q1 '08	Q4 '07	Q1 '07
<b>Managed workspaces</b> (x 1,000)			
– Data	2	2	1
– Voice	279	276	257
– Mobile	153	153	129

<sup>1</sup> Restated number for Q4 2007

<sup>2</sup> Restated numbers for 2007

# KPIs Getronics<sup>1</sup>

Getronics	Q1 '08	Q4 '07
<b>Revenue and other income (€ mn)</b>	<b>515</b>	<b>488</b>
– of which assets held for sale	0	46
<b>Service revenues (€ mn)</b>	<b>472</b>	<b>433</b>
<b>Margin</b>		
– Gross profit <sup>2</sup>	19%	21%
– Service profit <sup>3</sup>	20%	22%
<b>Number of FTEs</b>	<b>17,484</b>	<b>18,031</b>

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	Q1 '08	Q4 '07	Q1 '07
<b>Retail voice</b> (without ADSL)	<b>4,339</b>	<b>4,529</b>	<b>5,363</b>
<b>Local loop</b> (x 1,000)			
MDF access lines <sup>1</sup>	3,527	3,445	3,233
– of which line sharing <sup>2</sup>	1,804	1,895	2,149
<b>Unbundling<sup>3</sup></b> (mn)	<b>1.0</b>	<b>0.9</b>	<b>1.0</b>
– Shared unbundled lines	0.3	0.3	0.6
– Fully unbundled lines	0.7	0.6	0.4
<b>Minutes<sup>4</sup></b> (bn)	<b>4.9</b>	<b>5.0</b>	<b>5.4</b>
– Originating	1.3	1.4	1.7
– Terminating	2.3	2.3	2.5
– Transit	1.3	1.3	1.2
<b>Population coverage</b>			
– ADSL 2+	57%	57%	57%
– UMTS / HSDPA	97%	95%	92%
<b>iBasis<sup>5</sup></b> (international wholesale)	<b>Q1 '08</b>	<b>Q4 '07</b>	<b>Q1 '07</b>
Minutes (bn)	5.8	6.0	
Average revenue per minute (€ cents)	3.8	4.1	

<sup>1</sup> Including Bitstream

<sup>2</sup> Includes KPN ADSL connections, line sharing other telcos and KPN Bitstream

<sup>3</sup> External lines based on management estimates

<sup>4</sup> Restated numbers for 2007 due to refined methodology; internal voice minutes no longer included

<sup>5</sup> Consolidated as of 1 October 2007; further information can be found on <http://www.ibasis.com>

# KPIs E-Plus

	Q1 '08	Q4 '07	Q1 '07
<b>Market share<sup>1</sup></b>			
Service revenue	14.7%	14.4%	13.5%
Base	15.3%	15.3%	14.9%
<b>Customers (x 1,000)</b>	<b>15,383</b>	<b>14,807</b>	<b>13,143</b>
— Of which new brands	8,423	7,575	5,149
— Post Paid	6,345	6,297	6,027
— Pre Paid	9,038	8,510	7,116
<b>Service revenues (€ mn)</b>	<b>705</b>	<b>721</b>	<b>660</b>
<b>ARPU (€)</b>	<b>16</b>	<b>17</b>	<b>17</b>
— Post Paid	29	30	30
— Pre Paid	6	6	6
<b>Non-voice as % of ARPU</b>	<b>22%</b>	<b>21%</b>	<b>19%</b>
<b>MoU (originating, terminating)</b>	<b>142</b>	<b>146</b>	<b>126</b>
— Post Paid	279	273	232
— Pre Paid	48	52	37
<b>SAC/SRC (€)</b>	<b>67</b>	<b>70</b>	<b>84</b>
— Post Paid	156	148	168
— Pre Paid	13	17	14

# KPIs BASE

	Q1 '08	Q4 '07	Q1 '07
<b>Market share<sup>1</sup></b>			
Revenue	~16%	~16%	~16%
Base	>23%	>23%	>22%
<b>Customers (x 1,000)</b>	<b>2,992</b>	<b>2,855</b>	<b>2,475</b>
— Post Paid	518	512	484
— Pre Paid	2,474	2,343	1,991
<b>Service revenues (€ mn)</b>	<b>145</b>	<b>148</b>	<b>149</b>
<b>ARPU (€)</b>	<b>17</b>	<b>18</b>	<b>21</b>
— Post Paid	47	49	52
— Pre Paid	10	11	13
<b>Non-voice as % of ARPU</b>	<b>17%</b>	<b>17%</b>	<b>16%</b>
<b>MoU (originating, terminating min)</b>	<b>130</b>	<b>137</b>	<b>132</b>
— Post Paid	423	425	397
— Pre Paid	67	74	68
<b>SAC/SRC<sup>2</sup> (€)</b>	<b>26</b>	<b>26</b>	<b>19</b>
— Post Paid	74	81	55
— Pre Paid	13	16	11

<sup>1</sup> Management estimates

# KPIs Mobile Wholesale NL

	Q1 '08	Q4 '07	Q1 '07
<b>Customers</b> (x 1,000)	<b>1,799</b>	<b>1,791</b>	<b>1,565</b>
— Post Paid	511	470	380
— Pre Paid	1,288	1,321	1,185
<b>Service revenues</b> (€ mn)	<b>84</b>	<b>87</b>	<b>82</b>