

# **ANNEXE A TO THE SYNDICATION AGREEMENT**

## **PRICING SUPPLEMENT**

22nd February, 1999

**KONINKLIJKE KPN N.V.**

**€477,420,000 4.75 per cent. Notes of 1999/2008  
(to be consolidated and form a single series with  
the DM2,000,000,000 4.75 per cent. Deutsche Mark Bearer Notes  
of 1998/2008 issued on 5th November, 1998  
following their redenomination into euro)**

**issued pursuant to its  
U.S.\$2,000,000,000 Euro Medium Term Note Programme**

(Terms used herein shall be deemed to be defined as such for the purposes of the Conditions)

### **TYPE OF NOTE**

- |    |   |                  |
|----|---|------------------|
| 1. | Type of Notes:  | Fixed Rate Notes |
| 2. | Whether Senior Notes or Subordinated Notes:                               | Senior Notes     |
| 3. | <i>Instalment Notes:</i>  |                  |
|    | (a) Instalment Amount(s):   | N/A              |
|    | (b) Instalment Date(s):   | N/A              |
| +  | <i>Partly Paid Notes:</i>   |                  |
|    | (a) Amount of each instalment of Issue Price:                             | N/A              |
|    | (b) Due dates for subsequent instalments and consequences on non-payment: | N/A              |
|    | (c) Details regarding dates for forfeiture of Notes:                      | N/A              |
|    | (d) Rate(s) of interest to accrue on unpaid instalments:                  | N/A              |

- (e) other relevant information: N/A

### **FORM AND DESCRIPTION OF THE NOTES**

5. Notes issued in temporary global form, permanent global form or definitive form: Temporary Global form
6. (a) Details of exchange of temporary global Note: Exchangeable for Permanent Global Note
- (b) Details of exchange of permanent global Note: Exchangeable into definitive Notes only upon the occurrence of an Exchange Event
- 7 (a) Coupons attached to Definitive Notes: Yes
- (b) Talons for future Coupons attached (and dates on which such Talons mature): No
8. (a) Series Number: 1
- (b) If part of an existing Series: Yes. Upon exchange of the Temporary Global Note for a Permanent Global Note, the Notes will be consolidated and form a single series with the DM2,000,000,000 4.75 per cent. Deutsche Mark Bearer Notes of 1998/2008 (the "Original Notes") following their redenomination into euro (which is expected to take place on or before 2nd April, 1999).
- (c) Nominal amount of each Global Note (if more than one): N/A
9. (a) Nominal Amount (and aggregate Nominal Amount if there is more than one issue for the Series): €477,420,000 on issue. Upon consolidation with the Original Notes, the aggregate Nominal Amount of the Series will be €1,500,000,000.
- (b) Specified Currency(ies): euro ("€")
- (c) Specified Denomination(s): €0.01
- (d) Form of Definitive Notes: Standard Euromarket

10. Issue Price: 103.686 per cent. of their Nominal Amount plus 109 days' accrued interest from and including 5th November, 1998
11. Issue Date: 24th February, 1999
12. Interest Commencement Date: 5th November, 1998

***PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE***

13. *Fixed Rate Notes:*

- (a) Fixed Rate(s) of Interest: 4.75 per cent. per annum
- (b) Fixed Interest Date(s): 5th November
- (c) Broken Amounts: N/A
- (d) Other relevant terms: With effect from and including 5th November, 1999, the fourth sentence of Condition 4(a) shall cease to apply and shall instead read as follows:

"Where interest is required to be calculated in respect of a period ending on a date other than 5th November in each of the years 2000 up to and including 2008 (each an "Interest Payment Date"), it shall be calculated on the basis of the number of days in the period from and including the most recent Interest Payment Date (or, if none, 5th November, 1999) to but excluding the relevant payment date divided by the number of days in the period from and including the most recent Interest Payment Date (or, if none, 5th November, 1999) to but excluding the next scheduled Interest Payment Date."

14. *Zero Coupon Notes:*

- (a) Accrual Yield N/A
- (b) Reference Price N/A
- (c) Other relevant terms: N/A

15. *Floating Rate Notes:*

- (a) (i) Interest Payment Date(s): N/A
- (ii) Interest Period(s): N/A
- (b) Margin: N/A

|     |       |   |     |
|-----|-------|---|-----|
|     | (c)   | Minimum Rate of Interest:   | N/A |
|     | (d)   | Maximum Rate of Interest:   | N/A |
| 16. | (a)   | ISDA Determination:   | N/A |
|     |       | <i>If yes to ISDA Determination:</i>  |     |
|     | (i)   | Floating Rate Option:   | N/A |
|     | (ii)  | Designated Maturity:  | N/A |
|     | (iii) | Reset Date(s):  | N/A |
|     | (b)   | Screen Rate Determination:  | N/A |
|     |       | <i>If yes to Screen Rate Determination:</i>                                   |     |
|     | (i)   | Reference Rate:   | N/A |
|     | (ii)  | Interest Determination Date:  | N/A |
|     | (iii) | Relevant Screen Page:   | N/A |
|     | (c)   | Other:  | N/A |
|     | (d)   | Business day convention:  | N/A |
|     | (e)   | (i) Additional Business Centre:   | N/A |
|     |       | (ii) Business Day definition (if other than as set out in Condition 4(b)(i)): | N/A |
|     | (f)   | Other terms relating to the method of calculating interest:                   | N/A |

17. *General:*

- |     |  |       |
|-----|--|-------|
| (a) | Interest basis:  | Fixed |
| (b) | Details of whether Notes are convertible automatically or at the option of the Issuer and/or the Noteholders into Notes of another Interest Basis: | N/A   |
| (c) | Whether the Agent or another party (giving details) will be responsible for calculating the Rate of Interest and Interest Amount:                  | N/A   |

**PROVISIONS REGARDING PAYMENTS**

- |     |   |  |
|-----|---|--|
| 18. | Payment Day (if different from that set out in Condition 5(c)): | Condition 5(c) applies on the basis that the reference to "Business Day" shall be construed as a reference to a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) system is open. |
|-----|---|--|

**PROVISIONS REGARDING REDEMPTION/MATURITY**

- |     |  |                    |
|-----|--|--------------------|
| 19. | Maturity Date:<br>(Non-Floating Rate Notes)  | 5th November, 2008 |
| 20. | Redemption Month:<br>(Floating Rate Notes)   | N/A                |
| 21. | Issuer's/Noteholders' Optional Redemption:   | No                 |
|     | <i>If yes:</i>   |                    |
| (a) | At whose option:   | N/A                |
| (b) | Optional Redemption Date(s):   | N/A                |
| (c) | Optional Redemption Price(s) and method, if any, of calculation of such amount(s): | N/A                |

- |      |                            |     |
|------|----------------------------|-----|
| (d)  | If redeemable in part:     | N/A |
| (i)  | Minimum Redemption Amount: | N/A |
| (ii) | Higher Redemption Amount:  | N/A |
| (e)  | other relevant provisions: | N/A |

22. Final Redemption Amount(s): 100 per cent. of the Nominal Amount

23. Early Redemption Amount(s): 100 per cent. of the Nominal Amount

#### **DUAL CURRENCY AND INDEXED NOTES**

24. Dual Currency Notes No

25. Indexed Notes: No

#### **GENERAL PROVISIONS APPLICABLE TO AN ISSUE OF NOTES**

26. Relevant clearing and settlement systems: Euroclear/Cedelbank

27. Selling restrictions: TEFRA D

28. (a) Method of distribution: Syndicated

(b) Name(s) of Managers/Dealer(s):  
 ABN AMRO Bank N.V.  
 UBS AG, acting through its division Warburg Dillon Read  
 Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A.  
 Credit Suisse First Boston (Europe) Limited  
 Deutsche Bank Aktiengesellschaft  
 Dresdner Bank AG London Branch  
 Generale Bank  
 Bank Brussel Lambert N.V.  
 J.P. Morgan Securities Ltd.  
 Paribas  
 Salomon Brothers International Limited  
 Westdeutsche Landesbank Girozentrale

9. Stabilising Manager: ABN AMRO Bank N.V.

(a) Common Code for Euroclear and Cedel: Initially 9484469. Following consolidation with the Original Notes, 9194541.

- (b) ISIN number: Initially XS0094844692. Following consolidation with the Original Notes, XS0091945419.
- (c) Fondscore: Initially 12644. Following consolidation with the Original Notes, 12609.
- (d) any other relevant code: WKN: Initially 292871. Following consolidation with the Original Notes, 176460.
31. Listing of the Notes: AEX-Stock Exchange and London Stock Exchange
32. For the purposes of Condition 13, notices to be published in the Financial Times:  
(generally yes, but no for domestic NLG issues): Yes
33. Condition 7(a) or 7(b) of the Notes applies: Condition 7(b) applies
34. Redenomination and/or Exchange applicable: No. Upon consolidation with the Original Notes, Condition 3 will cease to apply.
35. Any relevant terms/special conditions of such Notes or any modifications to the Terms and Conditions of the Notes or the Agency Agreement: To facilitate the consolidation of the Notes with the Original Notes, the Issuer intends, pursuant to Condition 3(e) of the Original Notes, to give notice in accordance with Condition 13 (the "Notice") of the Original Notes that, with effect from the Redenomination Date specified in the Notice, the Original Notes will be redenominated into euro in the denomination of €0.01 with a principal amount for each Original Note of €511.29. The Redenomination Date is expected to be on or before 2nd April, 1999. Upon redenomination, a new Permanent Global Note representing the Original Notes (as redenominated) will be issued against surrender and cancellation of the existing Permanent Global Note representing the Original Notes. Upon exchange of the Temporary Global Note (which will take place by reducing the nominal amount of the Temporary Global Note by the nominal amount of Notes exchanged and increasing the new Permanent Global Note by such nominal amount) which is expected to occur on or after 5th April, 1999, the Notes will be consolidated and form a single series with the Original Notes giving rise to an aggregate principal amount of €1,500,000,000 of 4.75 per cent. Notes of 1998/2008.

36. The use of proceeds of the issue of the Notes:  
(*Amsterdam listed Notes only*)      The proceeds, amounting to approximately €500,332,314.12 before deduction of expenses, will be used for refinancing loans provided by the Dutch State and for domestic investments.
37. The effective yield of the Notes:  
(*Amsterdam listed Notes only*)      4.275 per cent. per annum
38. In the case of Paris Bourse listed Notes:      Not Paris Bourse listed

### Recent Developments

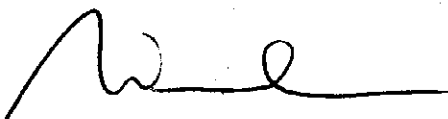
In September 1998, the independent Post and Telecommunications Authority of The Netherlands (OPTA), which regulates part of the end user tariffs of the Issuer, issued a policy statement regarding a price cap on a substantial part of the Issuer's business. OPTA also requested the Issuer to propose a new tariff scheme for 1999. Based on more recent information regarding cost and investment levels, the Issuer filed tariff proposals which would have significantly less of an impact on the Issuer's revenues for 1999 than originally envisaged by OPTA. In November 1998, OPTA agreed with the Issuer's proposal for a tariff cut as of 1st January, 1999. OPTA also stated that the final verdict will be combined with the introduction of a price cap system. This price cap is expected to come into effect as from 1st July, 1999. The details of the price cap model are still unknown.

In addition, it has been alleged in the Czech Republic that the acquisition of shares by the Issuer in the Czech telecommunications company SPT Telecom a.s. in 1995 was linked to payments made by the Issuer to Czech political parties. This allegation has been repeatedly denied by the Issuer. An investigation conducted by the Czech authorities has not revealed any evidence to substantiate the allegation that inappropriate payments were made by the Issuer. To end the continued circulation of unsubstantiated rumours, the Supervisory Board of the Issuer has appointed the accounting firms of KPMG and PricewaterhouseCoopers to jointly conduct an independent investigation into the matter.

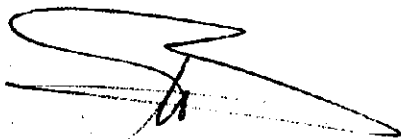
A declaration is hereby made to list this issue of Notes pursuant to the listing of the U.S.\$2,000,000,000 Euro Medium Term Note Programme of KONINKLIJKE KPN N.V. (as from 24th February, 1999).

Banque Internationale à Luxembourg S.A.

(as Agent)



Jean-Jacques Kinnen  
Conseiller



Jean-Marc Richard  
Conseiller