

Half Year Results 2010

27 July 2010

Safe harbor

Non-GAAP measures and management estimates

This financial report 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.

KPN defines EBITDA as operating result before depreciation and impairments of PP&E and amortization and impairments of intangible assets. Note that KPN's 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 the net debt/EBITDA ratio, KPN defines EBITDA as a 12 month rolling average excluding book gains, release of pension provisions and restructuring costs, when over EUR 20m. 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 regarding E-Plus.

The term service revenues refers to wireless service revenues.

All market share information in this financial report is based on management estimates based on externally available information, unless indicated otherwise. For a full overview on KPN's non-financial information, reference is made to KPN's quarterly factsheets available on www.kpn.com/ir.

Forward-looking statements

Certain statements contained in this financial report 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, KPN's 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 KPN's control that could cause actual results to differ materially from such statements. A number of these factors are described (not exhaustively) in the Annual Report 2009.

Agenda

Chairman's review	Ad Scheepbouwer
Group financial review	Carla Smits-Nusteling
International	Eelco Blok
Dutch Telco	Baptiest Coopmans
Getronics	Ad Scheepbouwer
Concluding remarks	Ad Scheepbouwer



Highlights Q2

Profitability again improved through focus on EBITDA, FCF and market shares

- Continued focus on costs, customer value and market shares in Dutch Telco leads to solid profitability
- Service revenue growth and strong profitability at Mobile International
- Good result German spectrum auction, enabling mobile data as an additional area of growth
- Outlook confirmed, € 0.27 interim dividend 2010

Financial highlights Q2

- Financial performance Q2 '10
 - Revenues and other income € 3,354m, down 1.7% y-on-y
 - EBITDA of € 1,386m, up 4.8% y-on-y
 - Capex of € 380m, in line with Q2 '09
 - Free cash flow of € 707m, € 935m YTD
 - Earnings per share of € 0.29, up 32% y-on-y

- Continued focus on industry-leading shareholder returns
 - € 1.0bn SBB for 2010 started in February, 58% completed to date following acceleration in May
 - Final dividend of € 0.46 per share paid in April, € 733m in total
 - Total cash returned to shareholders in H1 up 8% y-on-y
 - Interim dividend declared for 2010 of € 0.27 per share, up 17% compared to 2009

Outlook

Outlook for 2010 and 2011 confirmed

	Reported 2009	Outlook 2010
Revenues and other income	€ 13.5bn	In line with 2009
EBITDA	€ 5.2bn Incl. real estate: € 56m	> € 5.5bn Incl. real estate: Not material
Capex	€ 1.8bn	< € 2bn
Free cash flow¹	> € 2.4bn	> € 2.4bn
Dividend per share	€ 0.69	€ 0.80

- Higher revenues in H2 y-on-y, excluding disposals
- EBITDA growth of € 300m for full year 2010 remains unchanged
- Balancing profitability with market shares

Outlook 2011

- Growth in EBITDA, free cash flow and dividend per share
- Dividend per share at least € 0.85 for 2011

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

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Group results Q2 '10

EBITDA on track to reach € 5.5bn for 2010

€ m	Q2 '10	Q2 '09	%	YTD '10	YTD '09	%
Revenues and other income	3,354	3,411	-1.7%	6,631	6,807	-2.6%
Operating expenses	2,515	2,669	-5.8%	4,999	5,433	-8.0%
— of which Depreciation ¹	351	391	-10%	699	783	-11%
— of which Amortization ¹	196	189	3.7%	378	399	-5.3%
Operating profit	839	742	13%	1,632	1,374	19%
Financial income/expense	-194	-212	-8.5%	-386	-387	-0.3%
Share of profit of associates	-11	-2	>100%	-21	-1	>100%
Profit before taxes	634	528	20%	1,225	986	24%
Taxes	-169	-158	7.0%	-311	-299	4.0%
Profit after taxes	465	370	26%	914	687	33%
Earnings per share²	0.29	0.22	32%	0.57	0.41	39%
EBITDA³	1,386	1,322	4.8%	2,709	2,556	6.0%

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 profit plus depreciation, amortization & impairments

Group cash flow Q2 '10

On track to meet full-year guidance of at least € 2.4bn free cash flow for 2010

€ m	Q2 '10	Q2 '09	%	YTD '10	YTD '09	%
Operating profit	839	742	13%	1,632	1,374	19%
Depreciation and amortization ¹	547	580	-5.7%	1,077	1,182	-8.9%
Interest paid/received	-107	-124	-14%	-366	-282	30%
Tax paid/received	-4	58	<i>n.m.</i>	-558	-554	0.7%
Change in provisions	-82	-61	34%	-166	-103	61%
Change in working capital ²	-95	-75	27%	-293	-439	-33%
Other movements	-26	0	<i>n.m.</i>	-25	1	<i>n.m.</i>
Net cash flow from operating activities	1,072	1,120	-4.3%	1,301	1,179	10%
Capex³	380	386	-1.6%	715	842	-15%
Proceeds from real estate	15	5	200%	22	19	16%
Tax recapture E-Plus	-	-	<i>n.m.</i>	327	327	0.0%
Free cash flow⁴	707	739	-4.3%	935	683	37%
Dividend paid	733	664	10%	733	664	10%
Share repurchases	431	196	>100%	532	511	4.1%
Cash return to shareholders	1,164	860	35%	1,265	1,175	7.7%

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 E-Plus

Regulatory

New MTA glide paths implemented in the Netherlands and Belgium

MTA NL

- Draft proposal on MTA glide path from April 2010 has been modified by OPTA
 - Updated glide path implemented per 7 July 2010
 - Limited effects for 2010, lower tariffs for 2011 compared to draft proposal
 - KPN is considering an appeal to the decision

€ ct / min	Until 7 July '10	7 July '10	Sep '10	Jan '11	Sep '11	Sep '12
KPN	7.00	5.60	5.60	4.20	2.70	1.20
Vodafone	7.00	5.60	5.60	4.20	2.70	1.20
T-Mobile	8.10	7.10	5.60	4.20	2.70	1.20

MTA Belgium

- Belgian regulator published final decision on new glide path
 - Implementation of new tariffs per 1 August, minor changes in tariffs compared to draft proposal
 - KPN will launch a suspension and an annulment procedure against the decision

€ ct / min	Current	Aug '10	Jan '11	Jan '12	Jan '13
KPN Group Belgium	11.43	5.68	4.76	2.92	1.08
Mobistar	9.02	4.94	4.17	2.62	1.08
Proximus	7.20	4.52	3.83	2.46	1.08

Pension update and collective labor agreement

New collective labor agreement in place; pension fund below 105% threshold

Pension update

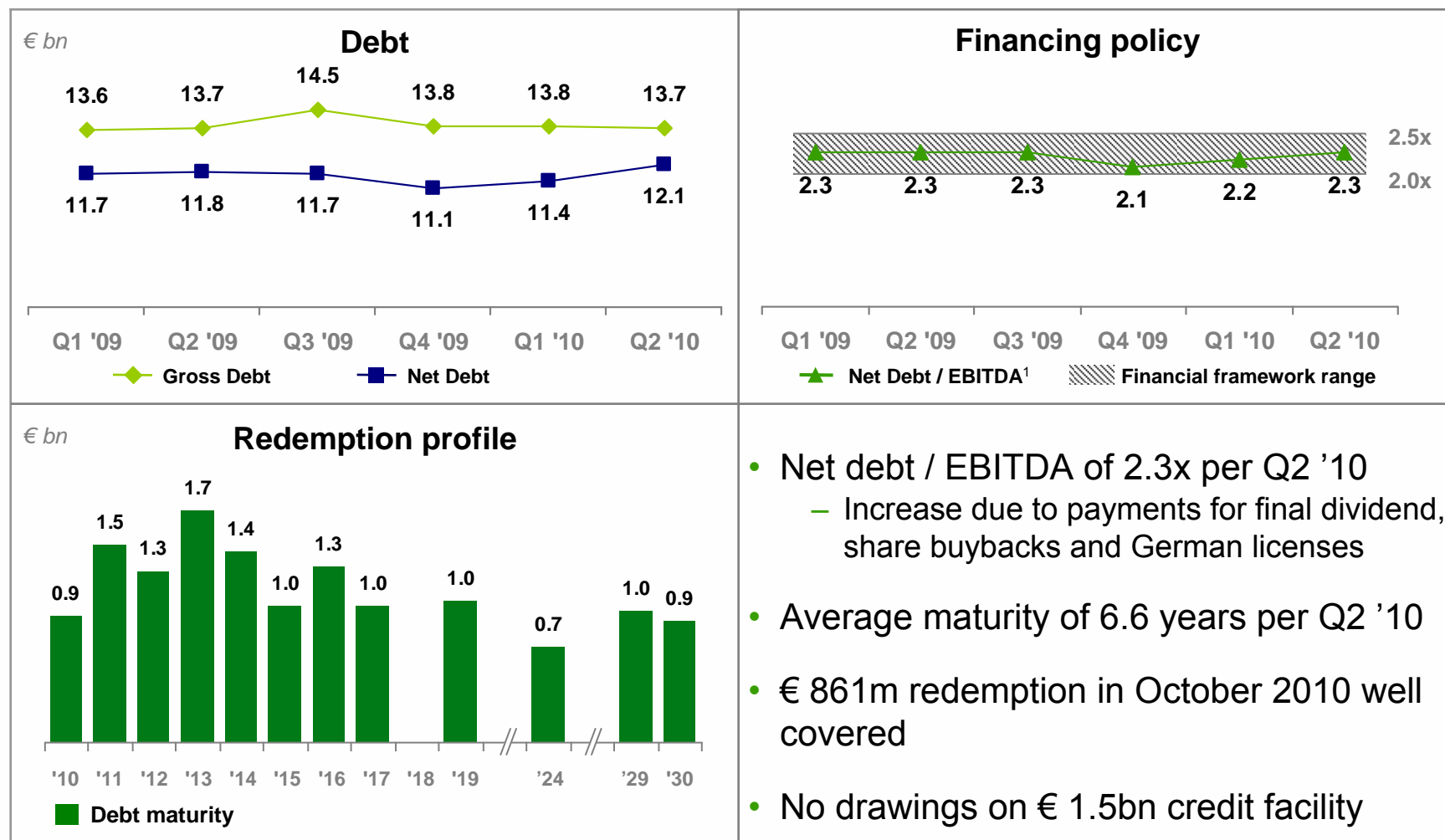
- KPN pension funds in the Netherlands negatively impacted by declining interest rates and deterioration of financial markets
- Average coverage ratio of KPN's pension funds at 100.5% at end of Q2 '10
 - Additional cash payment of € 11m required in Q4 '10
 - Further payments with a maximum of € 360m over a five year period, until the coverage ratio reaches the 105% threshold

New collective labor agreement

- New collective labor agreement in place for 2010
 - Fixed salary increase of 1% per 1 January 2010
 - Variable salary (bonus) increase of 1% point
 - Employee pension contribution increase of 1-3% points
- Promoting 'New Way of Working'
 - Cost savings due to reduction in office space and lower travelling expenses
 - With 10,000 employees at KPN and Getronics working accordingly, KPN is an example for prospective clients
 - Providing employees flexibility on when and where to work, thereby increasing efficiency and improving work-life balance
- Getronics the Netherlands agreed a one time payment of € 300 per employee with no structural salary increase

Group financial profile

Maintaining solid financial profile



¹ Based on 12 months rolling EBITDA excluding book gains/losses, release of pension provisions and restructuring costs, all over € 20m

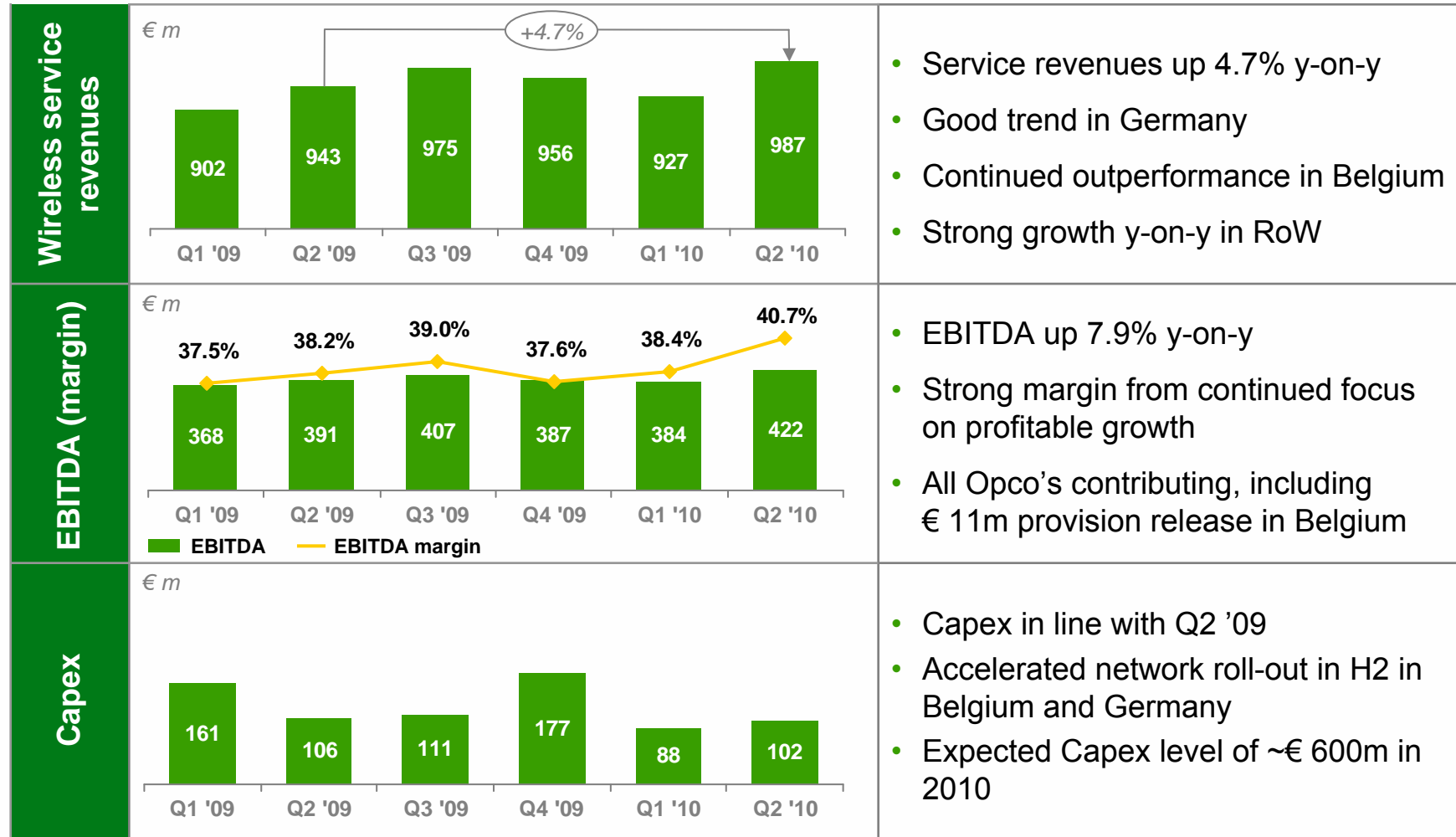
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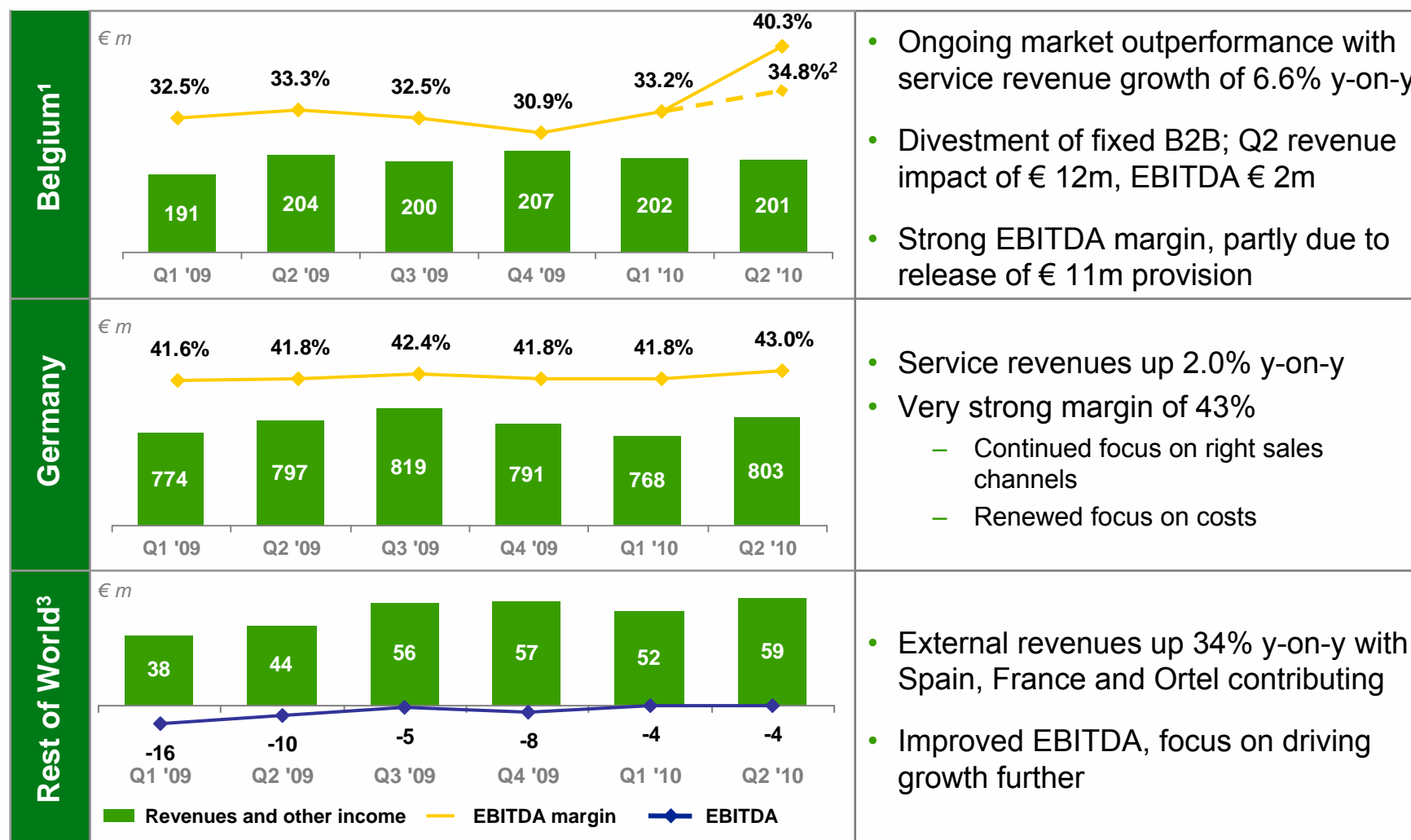
Analysis - Mobile International

Continued service revenue growth with strong profitability



Financial review - Mobile International by segment

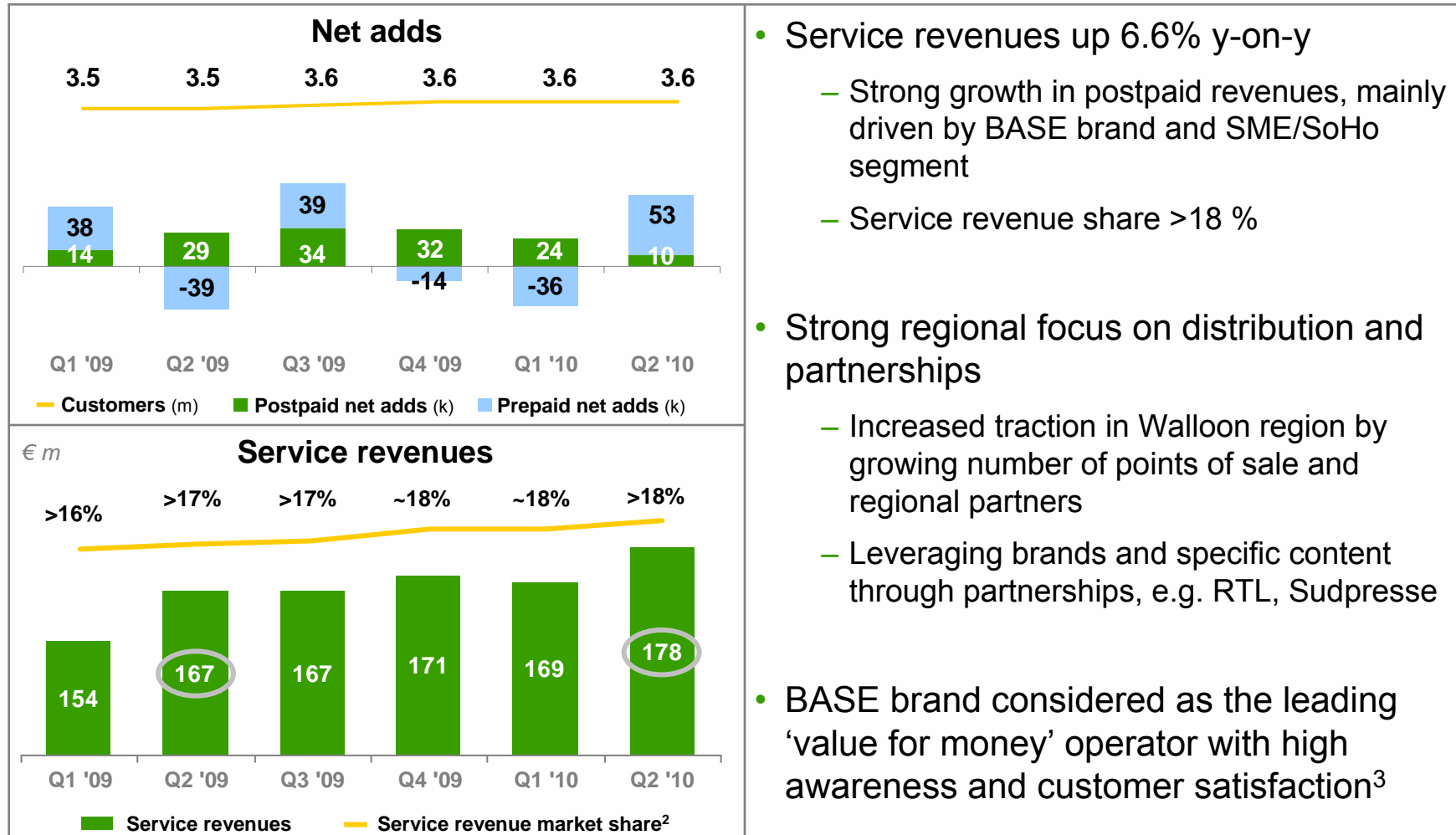
Continued revenue growth with strong margins



1 Including fixed Belgian B2B and Carrier business, including the fiber network; divested per 31 March 2010
 2 EBITDA margin excluding release of provision
 3 External revenues, excluding intercompany

Operating review - Belgium¹

Service revenues up 6.6%, driven by BASE, partnerships and regional focus



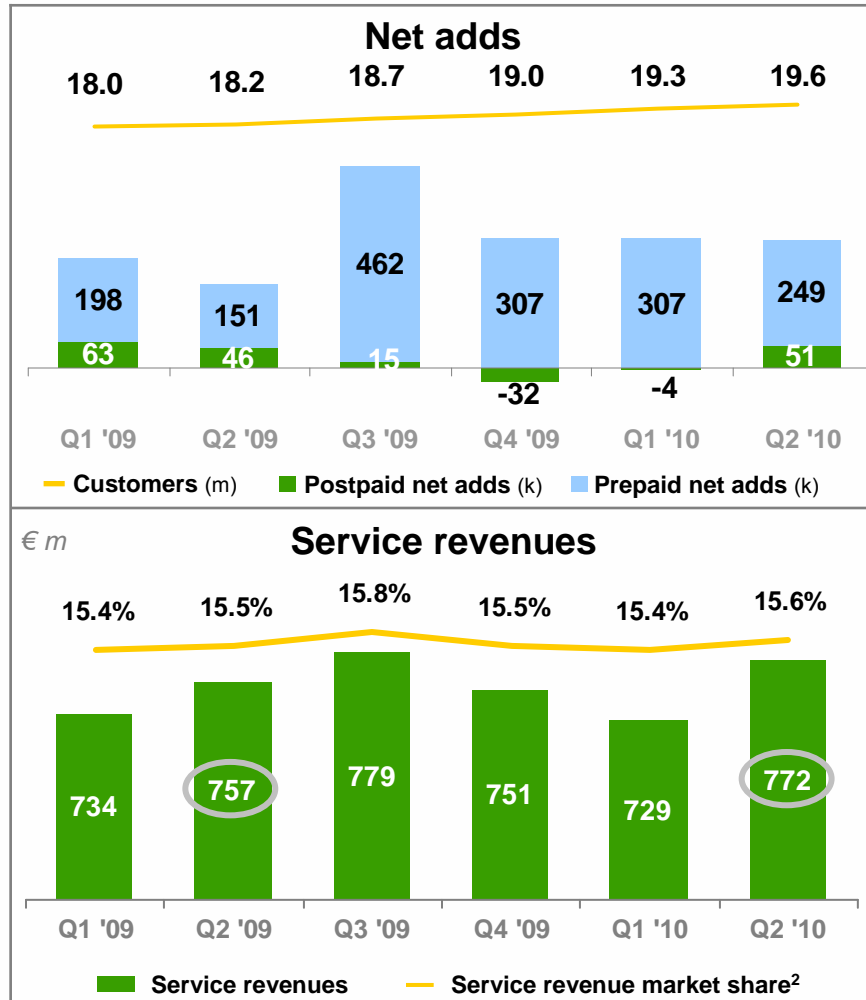
¹ Refers to wireless only

² Management estimates, based on service revenues

³ 2009 Annual report of Belgian Telecom Mediation Service

Operating review - Germany

Return to service revenue growth, higher growth in next quarters



- Increased marketing efforts paying off
 - Regional organization established, city analysis completed and now showing first positive results within key cities
 - Net adds of 300k in Q2 '10 with strong increase in postpaid of 51K
- 'Mein BASE' highly visible in the market, BASE has highest customer satisfaction¹
 - Strong improvement in gross adds performance since launch of 'Mein BASE'
 - Higher uptake in captive channels
- Service revenues up 2.0% y-on-y
 - Supported by 0.5% from consolidating Multiconnect (former part of SNT Germany)
 - Higher growth in next quarters

¹ Based on company survey

² Management estimates, based on service revenues

Operating review - Germany (cont'd)

BASE relaunch and regionalization examples

BASE relaunch



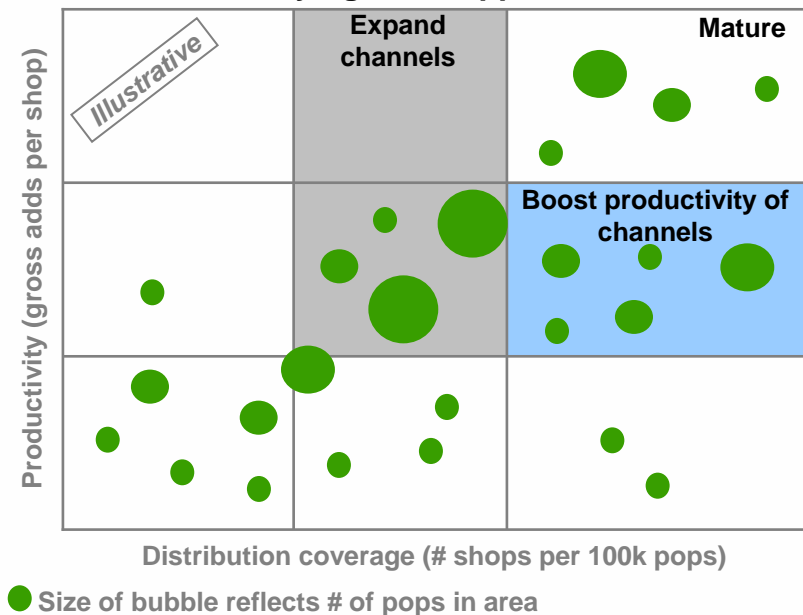
- Various initiatives to improve customer intimacy, e.g. 'Ambassador' program
 - Recruiting ambassadors who recommend 'Mein BASE' to friends and family
 - Relationship with ambassadors closely monitored by local shops

Gross adds in local shops more than doubled in weeks following launch

Regionalization

- Regional profiling based on 4 key elements
 - Network coverage
 - Point of sale coverage
 - Point of sale productivity
 - Postpaid subscriber share

Identifying sales opportunities



Operating review - RoW

MVNOs in Spain and France on track, leveraging Ortel

Spain



- Continued subscriber growth with healthy ARPU, mainly Simyo
 - Total customer base at ~400k
- Significantly improved network conditions in Q2 '10
- Focus on key commercial leads and execution thereof

France



- Growth mainly driven by Simyo
 - Total customer base at ~200k
- Continued focus on improving network conditions
- Ortel France launched in March '10, several agreements signed with cultural distribution channels

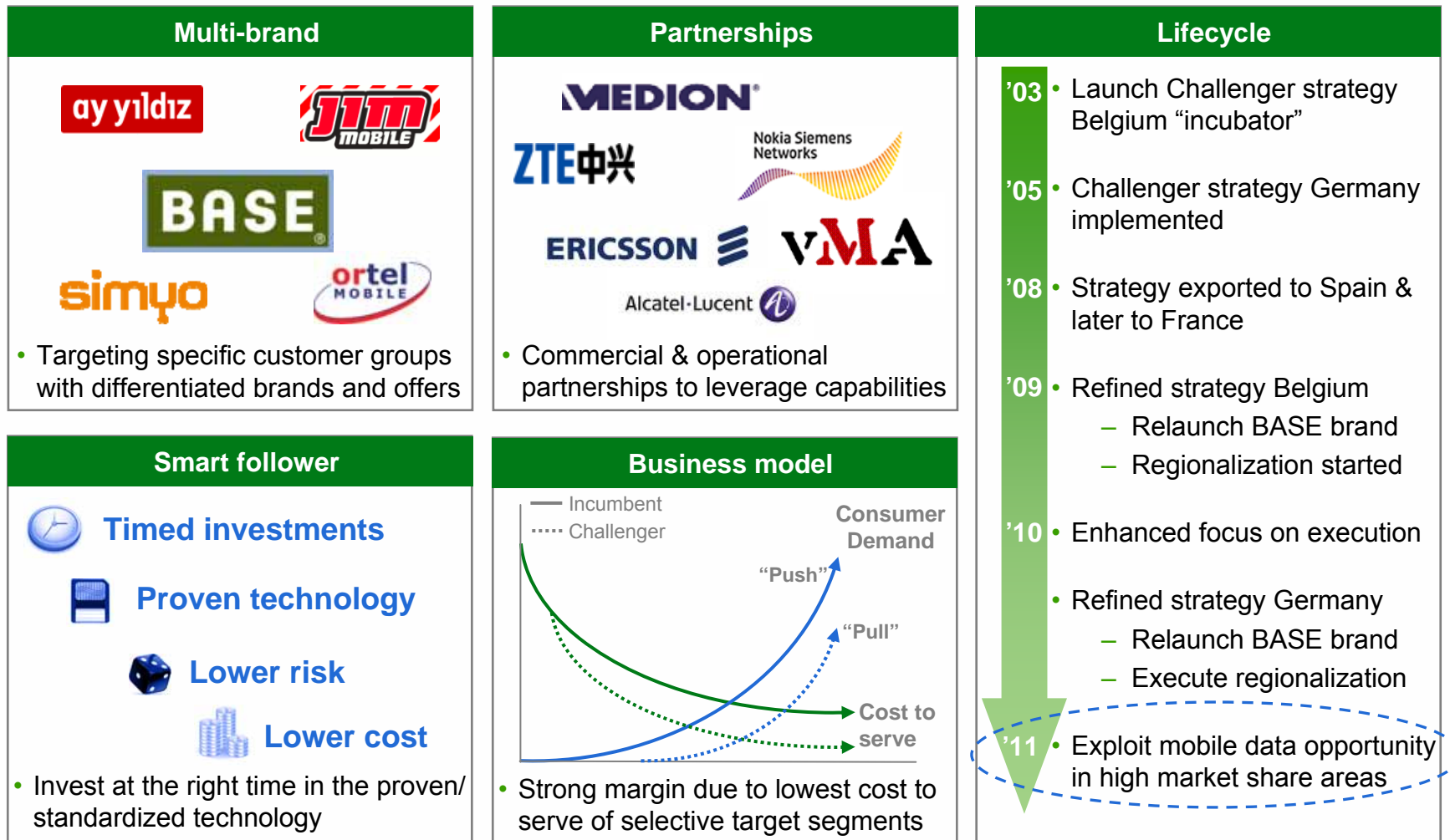
Ortel



- Profitable growth in existing markets: the Netherlands, Germany and Belgium
- Successful launch of Ortel France in March 2010, > 1,000 sales per day
- Further footprint expansion to Spain expected end of year 2010

Mobile International - Challenger strategy

Key pillars for continued profitable growth



German spectrum auction

Good auction outcome, capacity and standardization are key

														Total	E-Plus	
800MHz Paired	O	O	T	T	V	V								60.0MHz	0%	
	2x5	2x5	2x5	2x5	2x5	2x5										
900MHz Paired	E	O	T	V	T	V								69.6MHz	14%	
	2x5	2x5	2x5	2x5	2x7.4	2x7.4										
1.8GHz Paired	T	T	T	T	E	O	O	O	V	E	E	E	E	140.4MHz	39%	
	2x5	2x5	2x5	2x5	2x5	2x5	2x5	2x7.4	2x5.4	2x5	2x5	2x5	2x7.4			
2.1GHz Paired	V	V	V	E	E	E	E	O	O	O	T	T		120.0MHz	33%	
	2x5	2x5	2x5	2x5	2x5	2x5	2x5	2x5	2x5	2x5	2x5	2x5				
2.1GHz Unpaired	E	T	V	O	O	1								34.2MHz	15%	
	1x5	1x5	1x5	1x5	1x14.2											
2.6GHz Paired ¹	T	T	T	T	O	O	O	O	E	E	V	V	V	V	140.0MHz	14%
	2x5	2x5	2x5	2x5	2x5	2x5	2x5	2x5	2x5	2x5	2x5	2x5	2x5	2x5		
2.6GHz Unpaired ¹	V	V	V	V	V	E	E	O	O	T				50.0MHz	20%	
	1x5	1x5	1x5	1x5	1x5	1x5	1x5	1x5	1x5	1x5						
														614.2MHz	23%	3

Standardized

Standardized

2

3

- 1 4 connecting blocks, leading to highest capacity in most standard spectrum for data
- 2 E-Plus has obtained and holds most spectrum in standardized bands
- 3 E-Plus doubled capacity, now at 23% of total spectrum in the German mobile market

¹ Spectrum blocks will be connected, but location in the band is not known yet
E: E-Plus, O: O₂, T: T-Mobile, V: Vodafone, colors indicate acquired spectrum

German spectrum auction (cont'd)

E-Plus acquired unique combination of spectrum, suiting challenger strategy

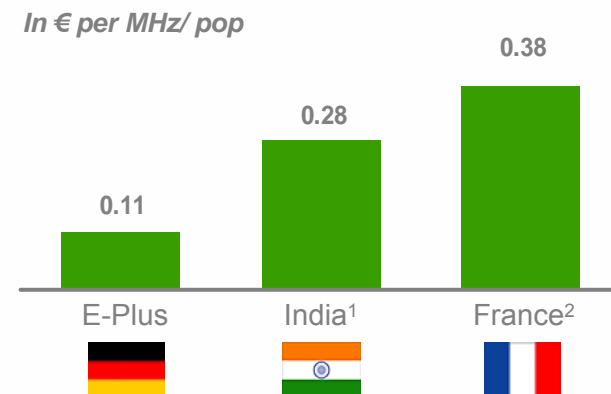
Spectrum provides flexibility at low cost

- Doubling amount of spectrum, with most spectrum acquired in standardized bands
- 4 blocks in a row in 2.1GHz is a unique outcome
 - Highest possible capacity, leveraging existing roll-out plans
 - Acquired at very low cost
- 2.1GHz particularly suited for mobile data
 - Most standard frequency for mobile data
 - Flexibility in technology, e.g. HSPA+, LTE
 - E-Plus can make use of current grid
 - Wide availability of handsets
- No roll-out obligations

Prices paid in auction

Band	Acquired spectrum	Price paid	Price per MHz/ pop
800MHz	-	-	-
1.8GHz	20	€ 43m	€ 0.03
2.1GHz	20	€ 187m	€ 0.11
2.6GHz	30	€ 54m	€ 0.02
Total	70	€284m	€0.05

Comparable prices for 2.1GHz



¹ Includes spectrum allocated to MTNL and BSNL pre auction

² Includes May 2010 spectrum of 2x5 MHz to SFR, 2x4.8 MHz to Orange and Jan 2010 spectrum of 2x5 MHz to Free Mobile (assuming similar price for 900 and 2100)

Key pillars of business model

Mobile International well positioned to benefit from data opportunity

	Exploit existing capabilities	Leverage new capabilities	Implications
Cost to serve	<ul style="list-style-type: none"> Focus on consumer segment No push: low acquisition/distribution cost Outsourcing/ partnerships Standardized technology 	<ul style="list-style-type: none"> ZTE and incumbent vendors used for roll-out and equipment Most efficient spectrum for data network roll-out 	<ul style="list-style-type: none"> Remaining most profitable #3 operator Capex ~€ 550 - 750m for the medium term
Customer demand	<ul style="list-style-type: none"> Established reputation of value for money Target segments through multi-brands Wholesale partnerships 	<ul style="list-style-type: none"> Affordable smartphones Data partnerships Highest speed network at lowest cost Regionalization 	<ul style="list-style-type: none"> Confident of achieving market share of 20-25% Offering high speed mobile data services <ul style="list-style-type: none"> Q4 '10 in Belgium Q2 '11 in Germany

Gradual enhanced focus on data

Continuation of proven Challenger strategy based on same principles


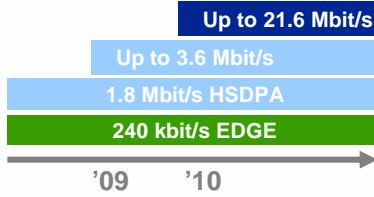
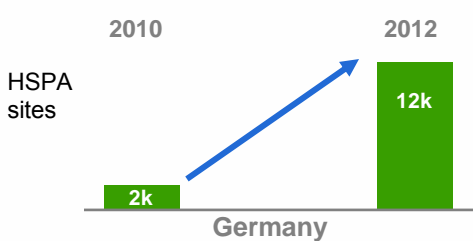



	Since 2005: focus on voice	Additional growth area: mobile data
Market perspective	<ul style="list-style-type: none"> 2005: >95% voice & SMS, data uncertain 	<ul style="list-style-type: none"> 2010: data starting to become mass market service
Fixed-Mobile Substitution	<ul style="list-style-type: none"> Mobile share of voice still low, large untapped potential 	<ul style="list-style-type: none"> Potential to leverage mobile data network
Wholesale & Partnerships	<ul style="list-style-type: none"> Leverage proven business models to new markets/ segments Build new partnerships & business models 	<ul style="list-style-type: none"> Build M2M partnerships and explore new data wholesale business models
Regionalization	<ul style="list-style-type: none"> Expand voice target regions based on regional approach 	<ul style="list-style-type: none"> Monetize leading position in voice to build data position
Return on Capital Employed	<ul style="list-style-type: none"> Maximize return on existing assets 	<ul style="list-style-type: none"> Exploit spectrum auction outcome Benefit from lower equipment pricing

**Continued profitable growth
in voice and SMS**

**Data as % of service revenues
from low/mid single digit to
market average**

Network & commercial roll-out

Groundwork is done, focus on execution of accelerated data network roll-out

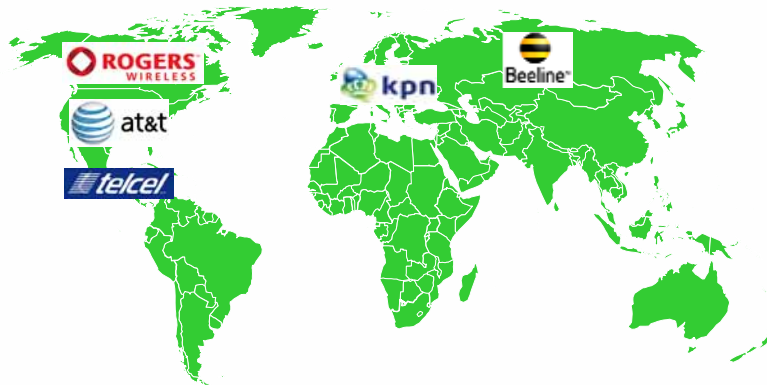
	Objective	Realized	Next steps
Network	 <ul style="list-style-type: none"> Provide highest speed data network at lowest cost Cover target segments in Germany & Belgium 	 <ul style="list-style-type: none"> Nationwide data coverage Roadmap for accelerated roll-out of high speed data network 	 <ul style="list-style-type: none"> Execute on accelerated roll-out roadmap Open to partnerships
Commercial	 <ul style="list-style-type: none"> Provide high quality data services for target segments Leverage value for money leadership 	 <ul style="list-style-type: none"> Regional action plan Partnerships, e.g. for content, wholesale and smartphones 	 <ul style="list-style-type: none"> Create additional partnerships Further develop wholesale data offerings

M2M opportunity

Independent platform levered with partnerships

Strategic partnership

- Strategic partnership with independent platform of Jasper Wireless
 - Lead exchange with other telecom operators that use the Jasper platform
 - Jasper platform provides a global solution and is highly user friendly



- Scale is key in M2M market
 - Partners for Australia, South America and South East Asia to follow

KPN group wide strategy

- Become leading M2M service provider in the pan-European and local markets
 - Service large clients that require pan-European solutions with one European team
 - Service clients that require local solutions with local teams

Major contract wins KPN

Pan-European solution



Global solution



Pan-European solution

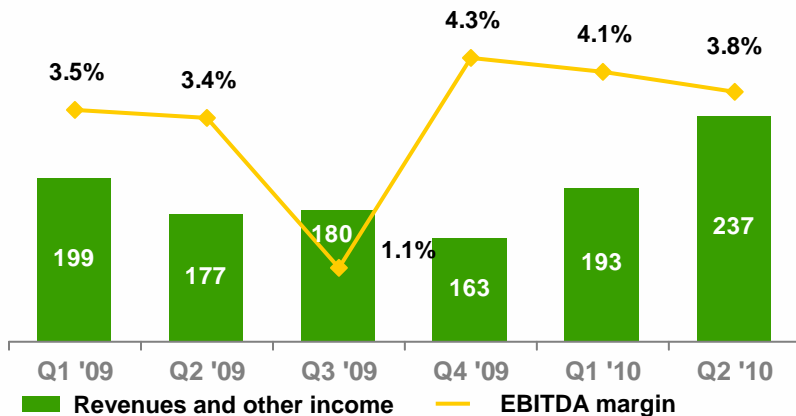


Operating review - iBasis

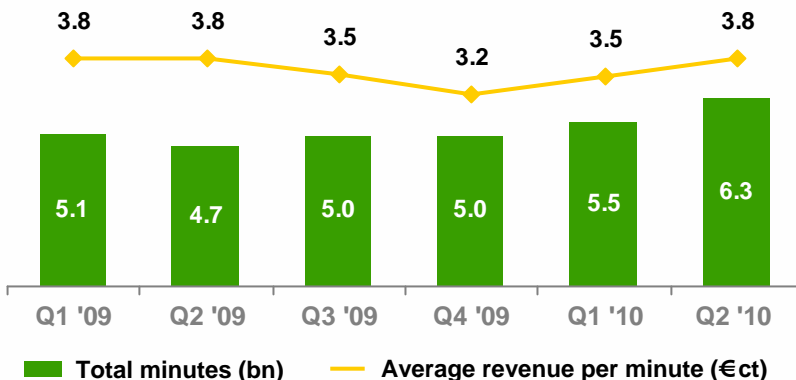
Focus on revenues and profitability, increased traction of turnaround

Performance

Financial



Operational



Progress

- Focus on balancing revenue growth with profitability, whilst improving market share
 - New sales commission plan aligning revenue with margin focus
- Revenues of € 237m in Q2, up 34% y-on-y
 - Supported by currency effect of € 4m (~2%)
- EBITDA up 50% y-on-y, due to savings on overhead, increase in revenues and focus on profitability
- Increased traction of iBasis turnaround
 - More stability and focus following full takeover by KPN
- Record quarter in number of minutes
 - 6 days in Q2 within top 10 of record minute days in iBasis' history
 - Improving market share position

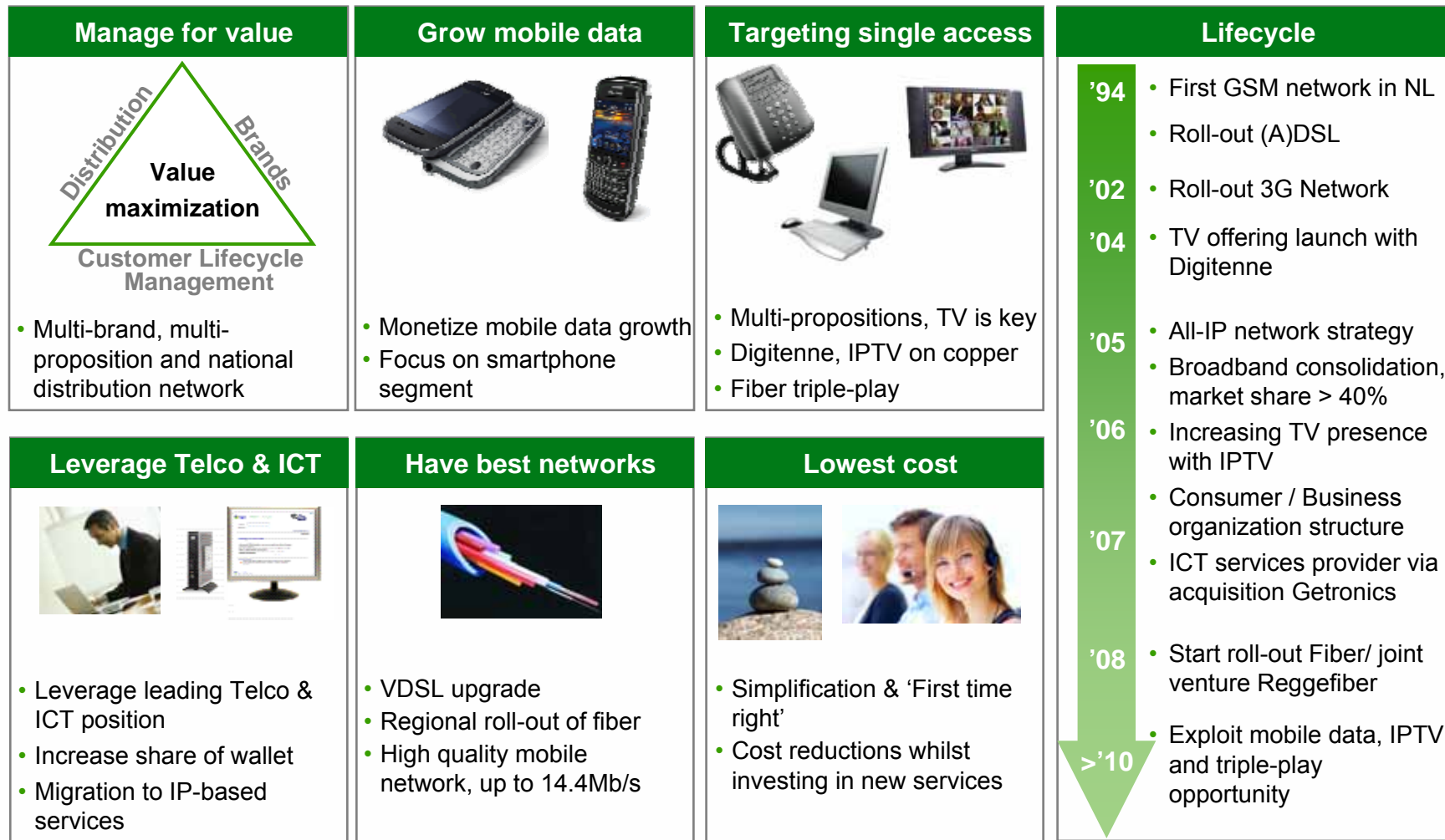
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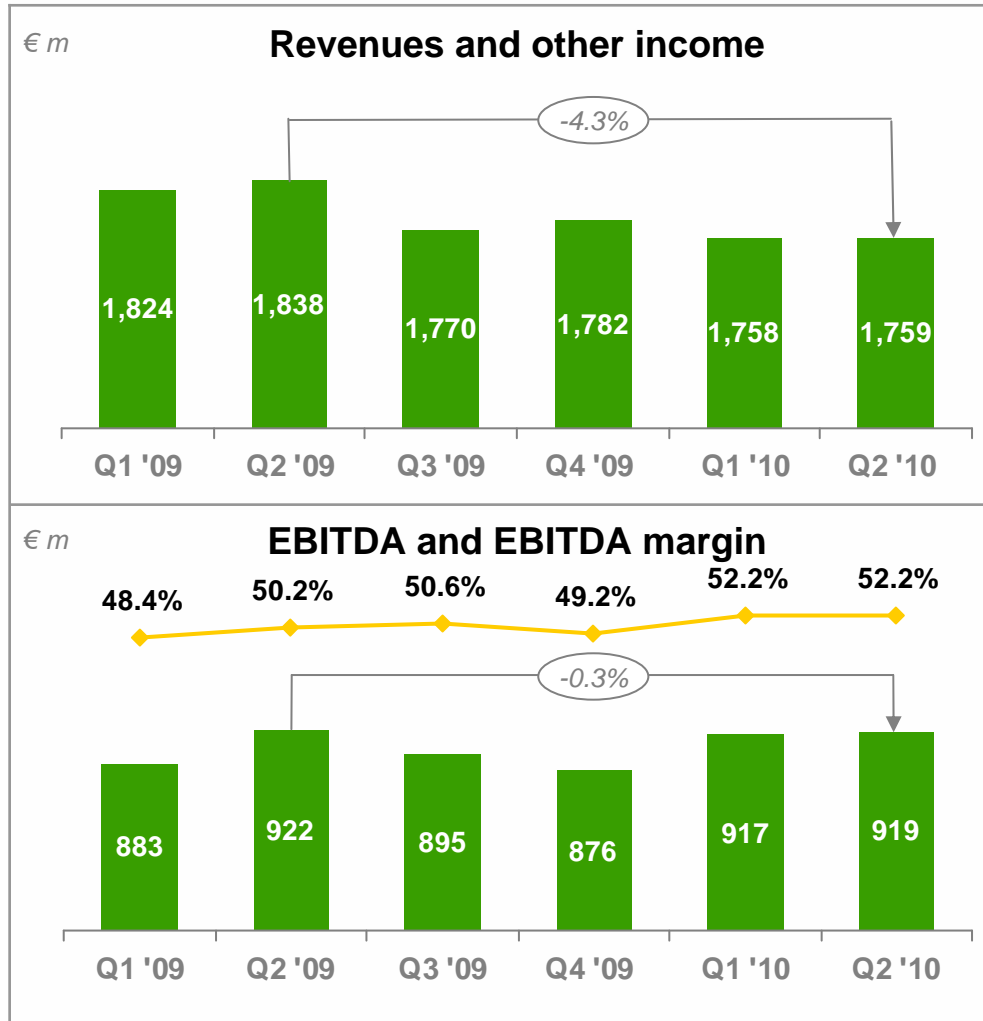
Dutch Telco - strategy

Key elements of value maximizing strategy



Analysis - Dutch Telco business

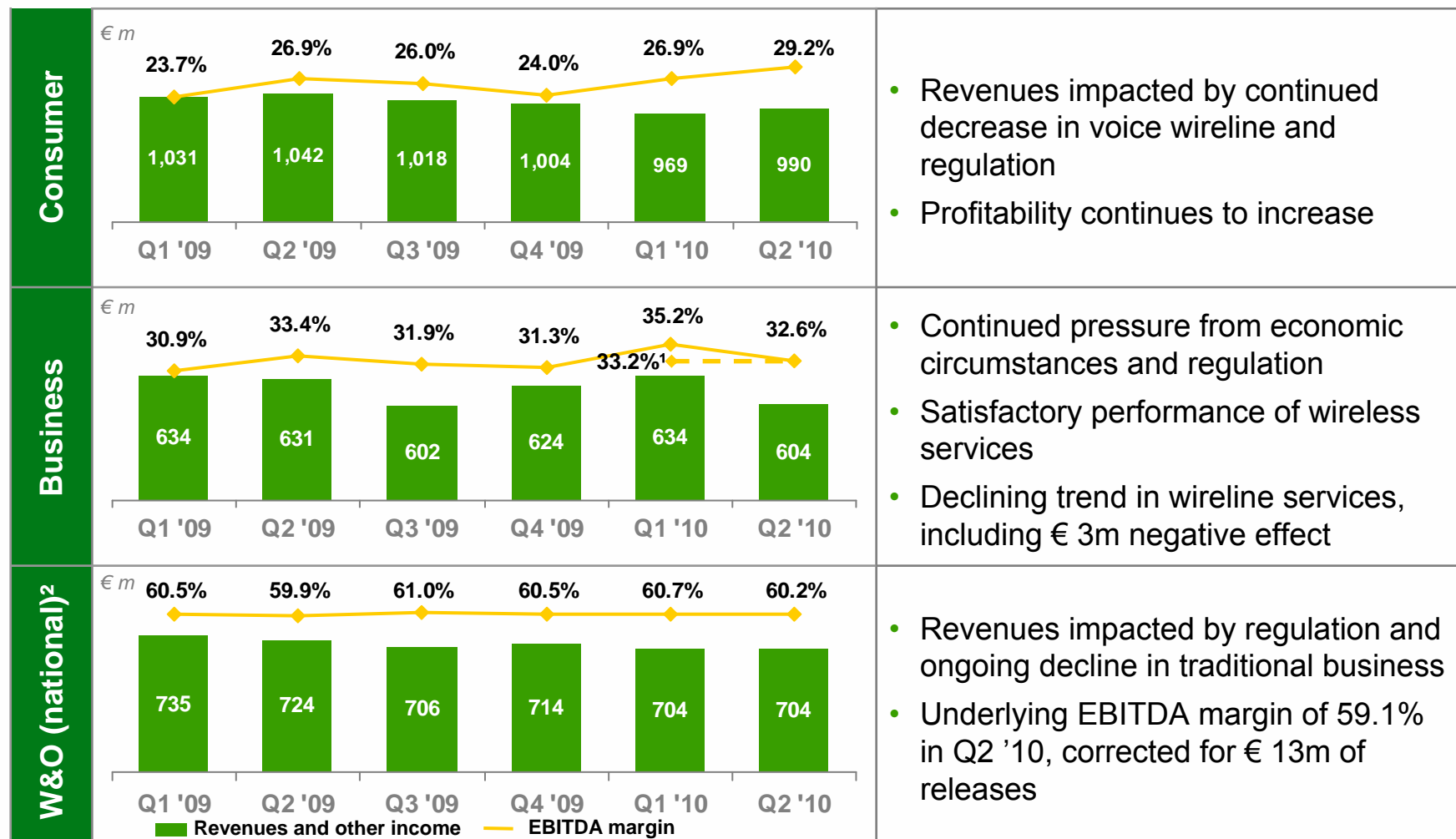
Stable EBITDA due to focus on costs and customer value



- Revenues and other income down 4.3% y-on-y in Q2 '10
 - Continued pressure on traditional business
 - Ongoing impact economic situation in Business
 - 2.2% impact from regulation
- EBITDA flat y-on-y in Q2 versus a very strong quarter last year
 - Maintaining focus on maximizing market value and customer value
 - Continued “best-in-class” benchmarking supports cost reductions
 - Benefitting from incidentals, totaling € 10m
- EBITDA margin of 52.2% in Q2 '10

Financial review - Dutch Telco business by segment

Solid profitability across all segments



- Revenues impacted by continued decrease in voice wireline and regulation
- Profitability continues to increase

- Continued pressure from economic circumstances and regulation
- Satisfactory performance of wireless services
- Declining trend in wireline services, including € 3m negative effect

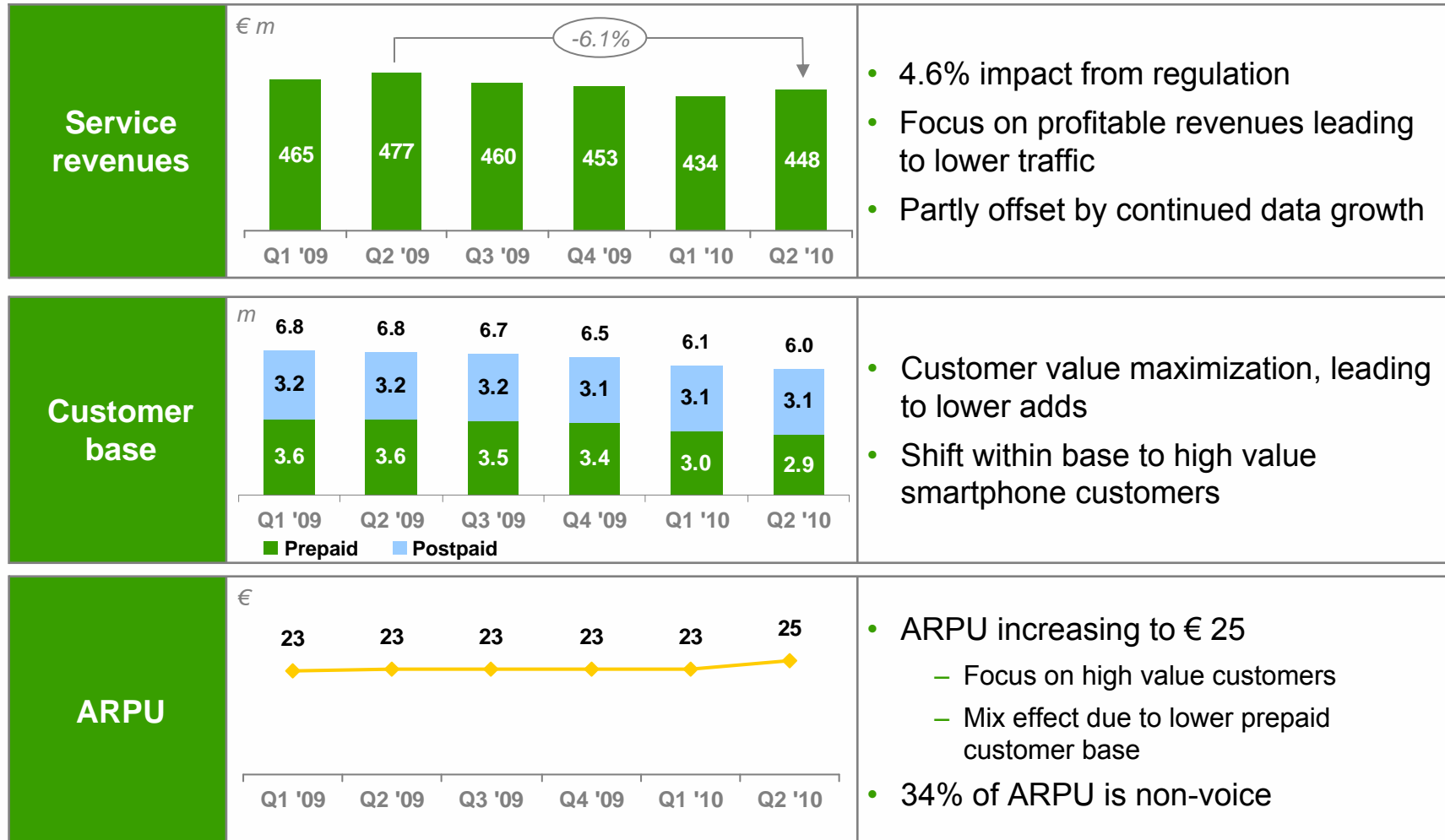
- Revenues impacted by regulation and ongoing decline in traditional business
- Underlying EBITDA margin of 59.1% in Q2 '10, corrected for € 13m of releases

1 EBITDA margin excluding € 19m release of deferred connection fees in Q1 '10

2 Excluding book gains

Operating review - Consumer wireless¹

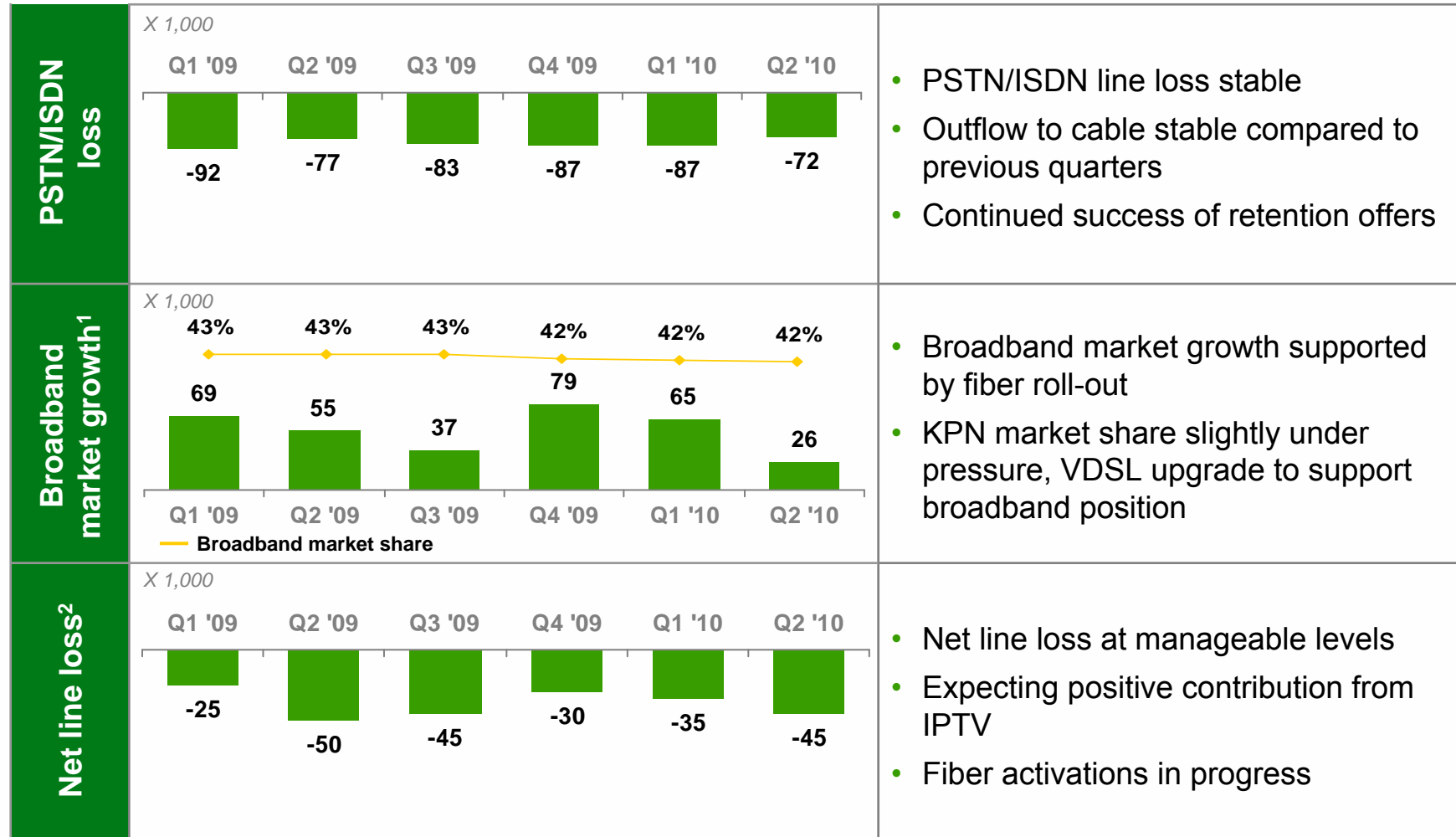
Service revenues down 6.1%, impacted by regulation



¹ Excluding Mobile Wholesale NL

Operating review - Consumer wireline

Net line loss at manageable level in Q2

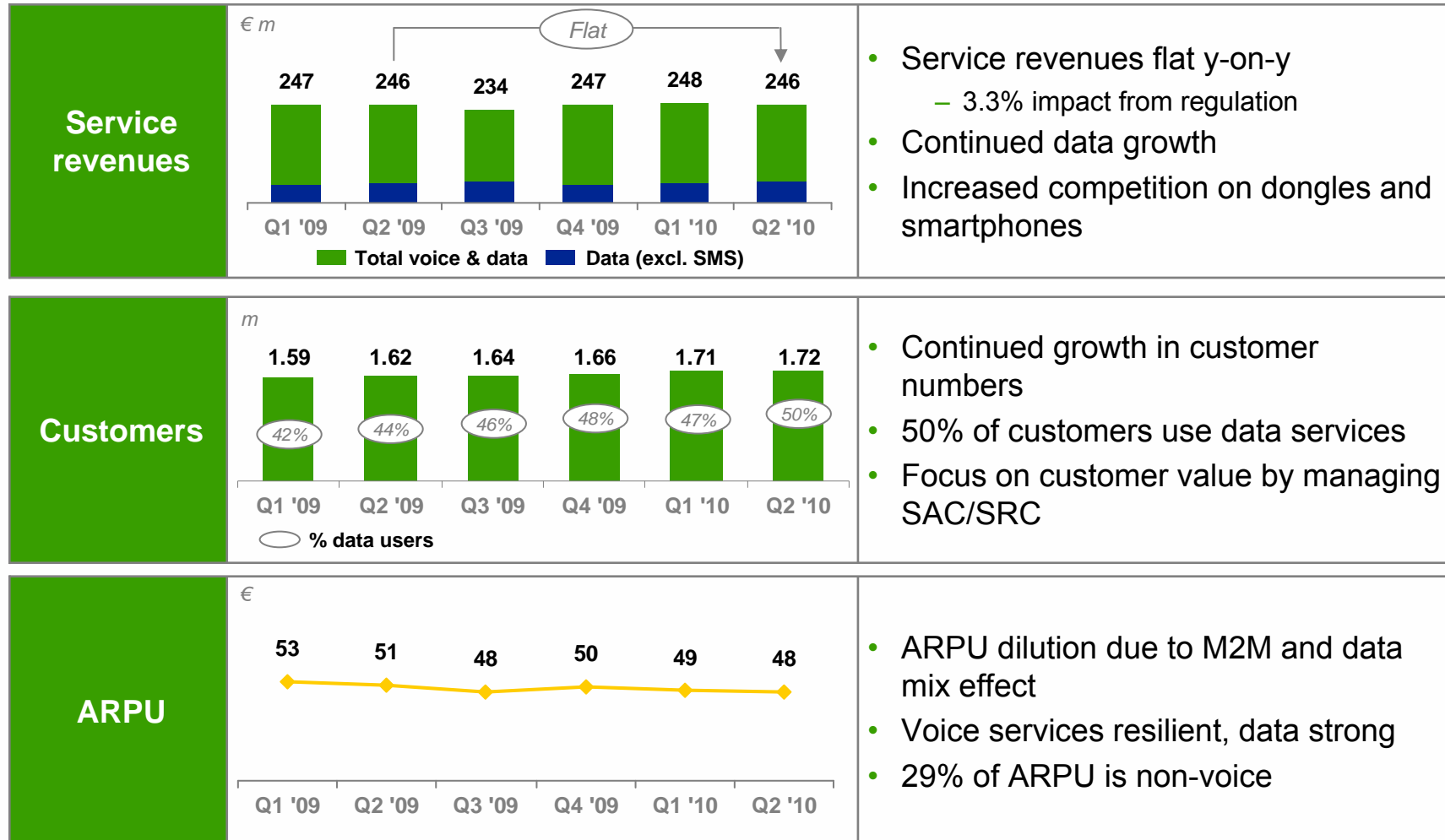


¹ Broadband market including fiber; management estimates conform Telecom Paper

² Quarterly delta in PSTN/ISDN access lines + delta Consumer VoIP, ADSL Only and delta Consumer Fiber

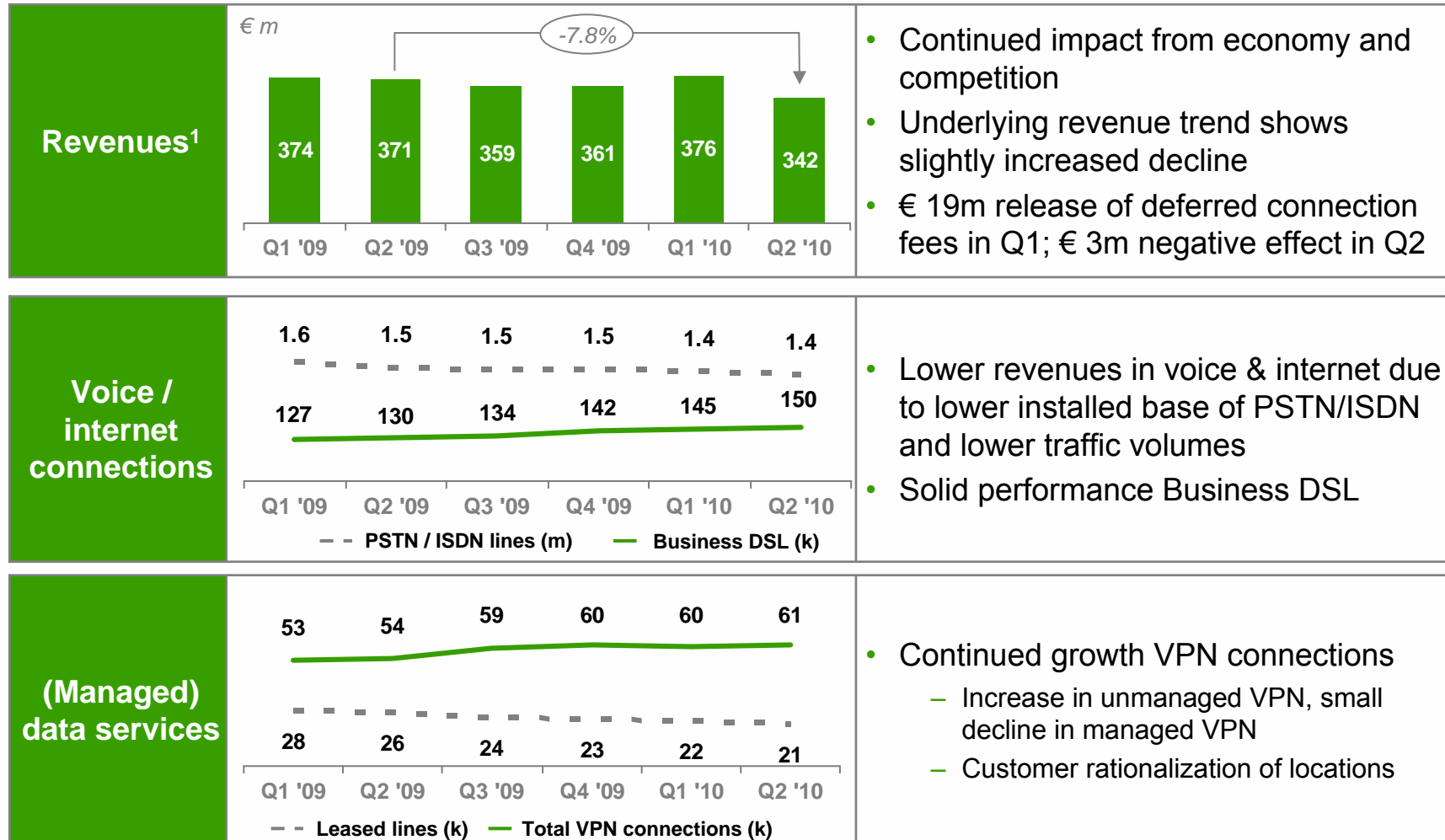
Operating review - Business wireless

Satisfactory performance of wireless services



Operating review - Business wireline

Continued negative revenue trend



- Continued impact from economy and competition
- Underlying revenue trend shows slightly increased decline
- € 19m release of deferred connection fees in Q1; € 3m negative effect in Q2

- Lower revenues in voice & internet due to lower installed base of PSTN/ISDN and lower traffic volumes
- Solid performance Business DSL

- Continued growth VPN connections
 - Increase in unmanaged VPN, small decline in managed VPN
 - Customer rationalization of locations

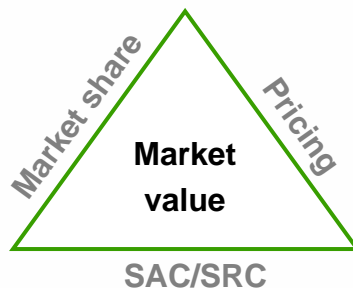
¹ Revenues for Voice & Internet wireline and Data network services

Managing for value

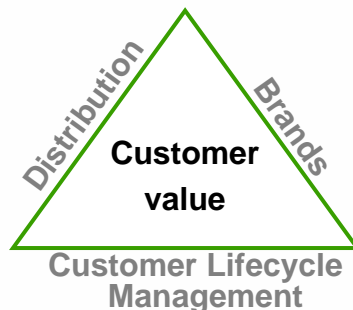
Strategic objective to maximize market value and customer value

Managing for value

- Dutch Telco strategy has two pillars: **market value** and **customer value**
- Balancing market share, pricing and SAC/SRC to maximize **market value**



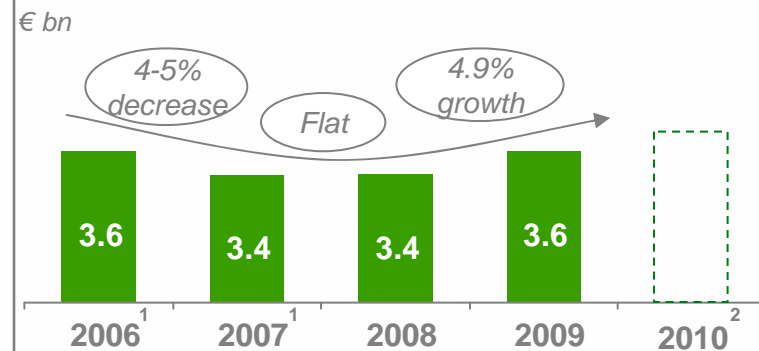
- Distribution, multi-brand and Customer Lifecycle Management to maximize **customer value**



Dutch Telco profitability rising

- Value maximization strategy leading to growing profitability Dutch Telco

Dutch Telco EBITDA inflection



Continuous evaluation of value play, current status

- Market value stable
- Consumer mobile and broadband market shares slightly under pressure, TV rising
- ARPU stable/ growing
- Continued EBITDA growth

¹ Approximations for Dutch Telco business, due to different reporting format before 2008

² Management estimates

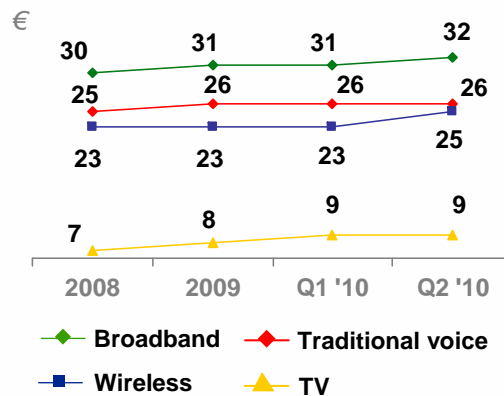
Managing for value (cont'd)

Actions to increase market value while carefully watching market shares

Selective price increases

- Selective price increases across all products and brands
- Reintroducing activation fees

ARPU¹ stable/ growing



SAC/SRC trending down

- Efficient use SAC/SRC, based on customer value
- Lowered distribution fees

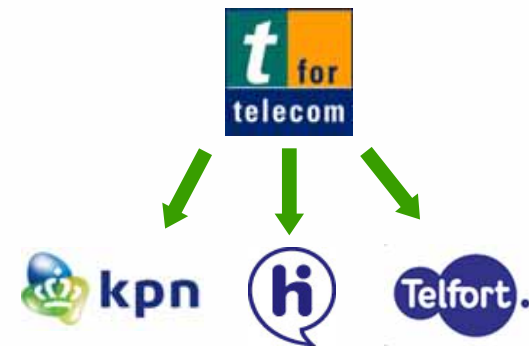
SAC/SRC² trending down



- SAC/SRC² trending down despite
 - Focus on high value customers
 - 50% of new postpaid subs take smartphone, higher SAC

Strengthen distribution

- Strengthening distribution footprint
 - Increase customer intimacy
 - Increase own store sales
- Expanding with stores from 3rd party reseller, *t for telecom*



Carefully watching mobile and broadband market shares that are slightly under pressure, TV rising

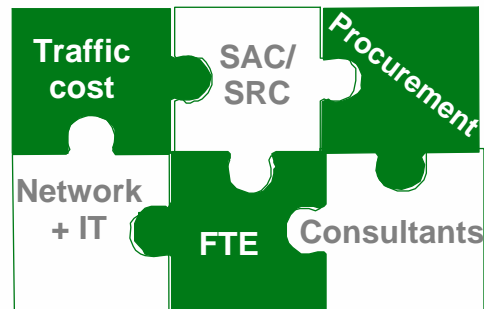
- # of KPN shops up 52 to 213
- National distribution footprint for three KPN brands

1 Consumer
2 Consumer wireless, postpaid

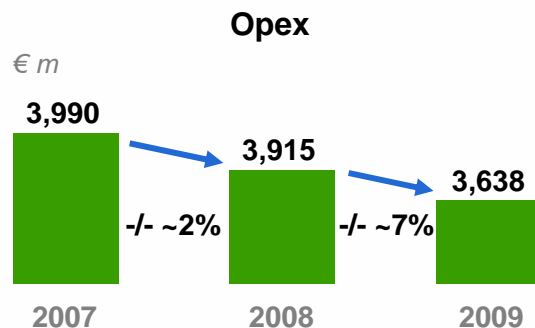
Continuous cost reductions

Cost reductions continue in 2010 and beyond, whilst investing in new services

Continuous cost scrutiny



- Strong track record of reducing cost
- Continued focus on “old” cost areas
- Materializing over multi-year period



Investments in new services



Investments in new services

- TV: Digitenne & IPTV
- Fiber
- Mobile data
- IP connectivity
- New Way of Working
- Software online
- Healthcare

New cost efficiency areas

Various new areas

- Network rationalization
- Billing systems
- Service delivery streets
- Operating costs TI platforms

Selective centralization within NL

- For example: Shared services, Finance

Procurement costs down

- Next discount wave, leverage scope in growth areas
- Combined purchasing Mobile International

Simplifying organization

- Improve efficiency of Innovation, Product- and Project management

How?

- Continued ‘Best in class’ benchmarking

Consumer wireline - key beliefs

FttH is superior technology, mix of infrastructures going forward

FttH superior



- FttH considered to be long-term superior solution for the Dutch market

TV proposition



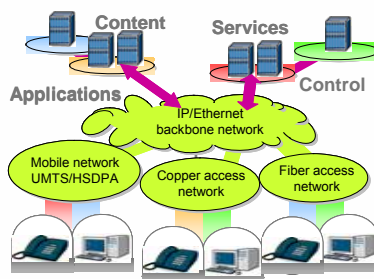
- TV proposition key in competitive triple-play package

Copper still competitive



- Bandwidths on copper infrastructure still sufficient for most customers in medium term

Open access



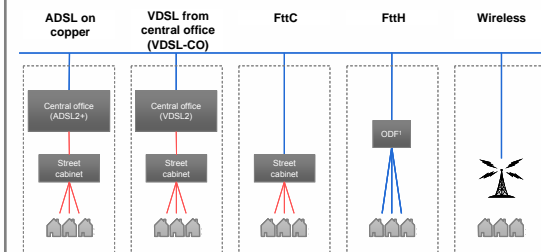
- KPN sharing infrastructure on all networks
- Committed wholesale partner

Fiber roll-out takes time



- Fiber roll-out takes time, as a result of constraints on roll-out capacity

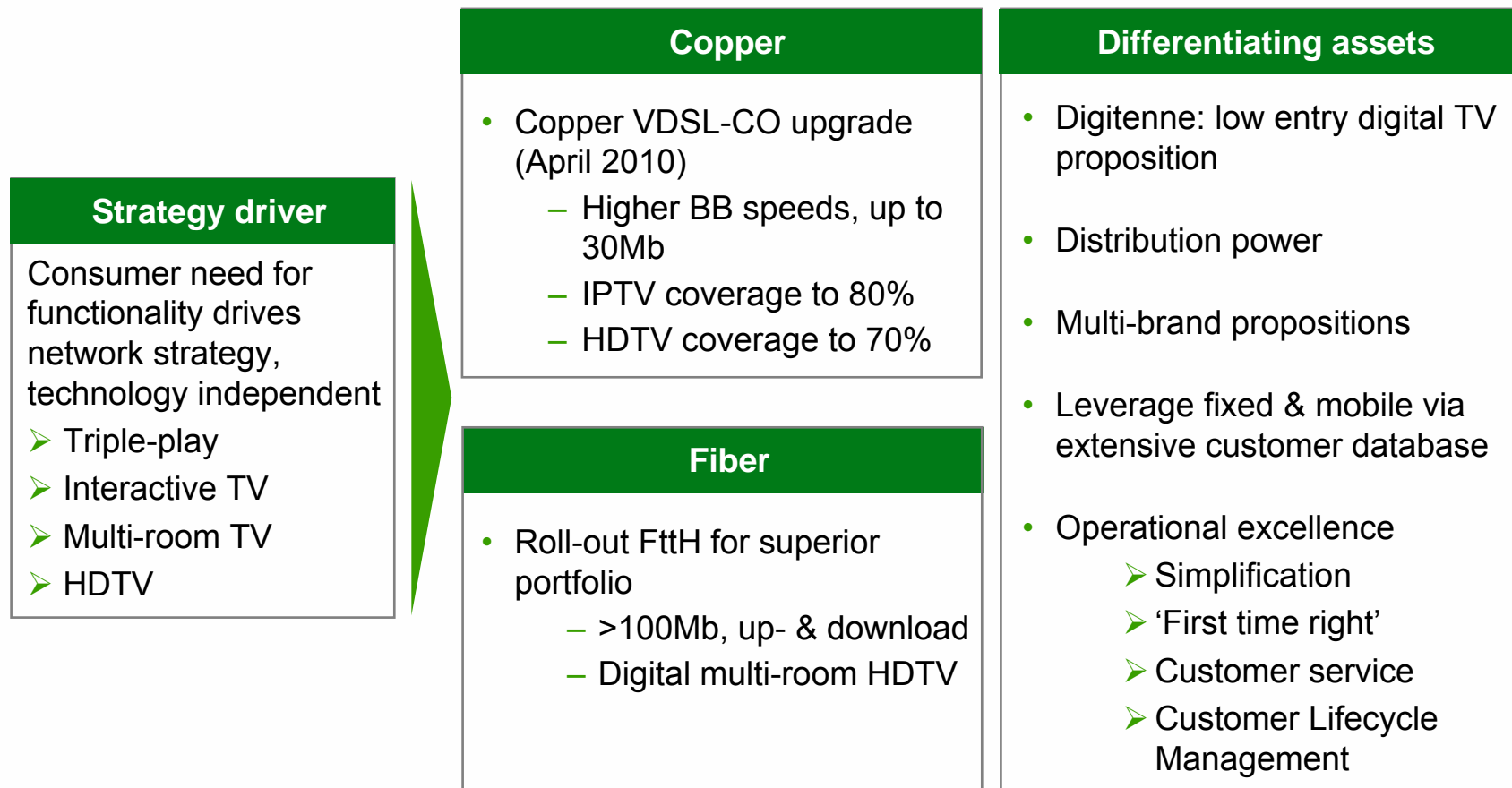
Mix of infrastructures



- Mix of fixed and mobile technology
- Regional differentiation, based on business case by region

Consumer wireline - strategy

Balanced mix to maintain medium-term position, while securing long-term position



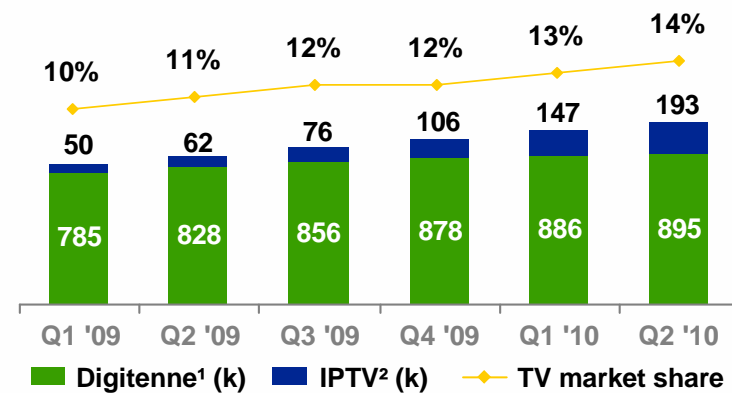
Copper - status

VDSL enabling nationwide IPTV, matching customer needs

VDSL upgrade matching customer needs

- VDSL-CO upgrade (April 2010)
 - Sufficiently high broadband speeds, up to 30Mb
 - IPTV coverage of 80%
 - HDTV coverage of 70%
 - Continuing VDSL network upgrades, next step ('outer rings') completed in Q2 '11
 - Further penetration of higher BB speeds
 - IPTV coverage increased to 88%
- +
- Aligning FttC & VDSL due to similar customer experience, no further roll-out of FttC
 - Marketing initial FttC homes passed using VDSL approach
 - Less complex customer activation
 - Lower installation Capex

IPTV accelerating, support broadband base



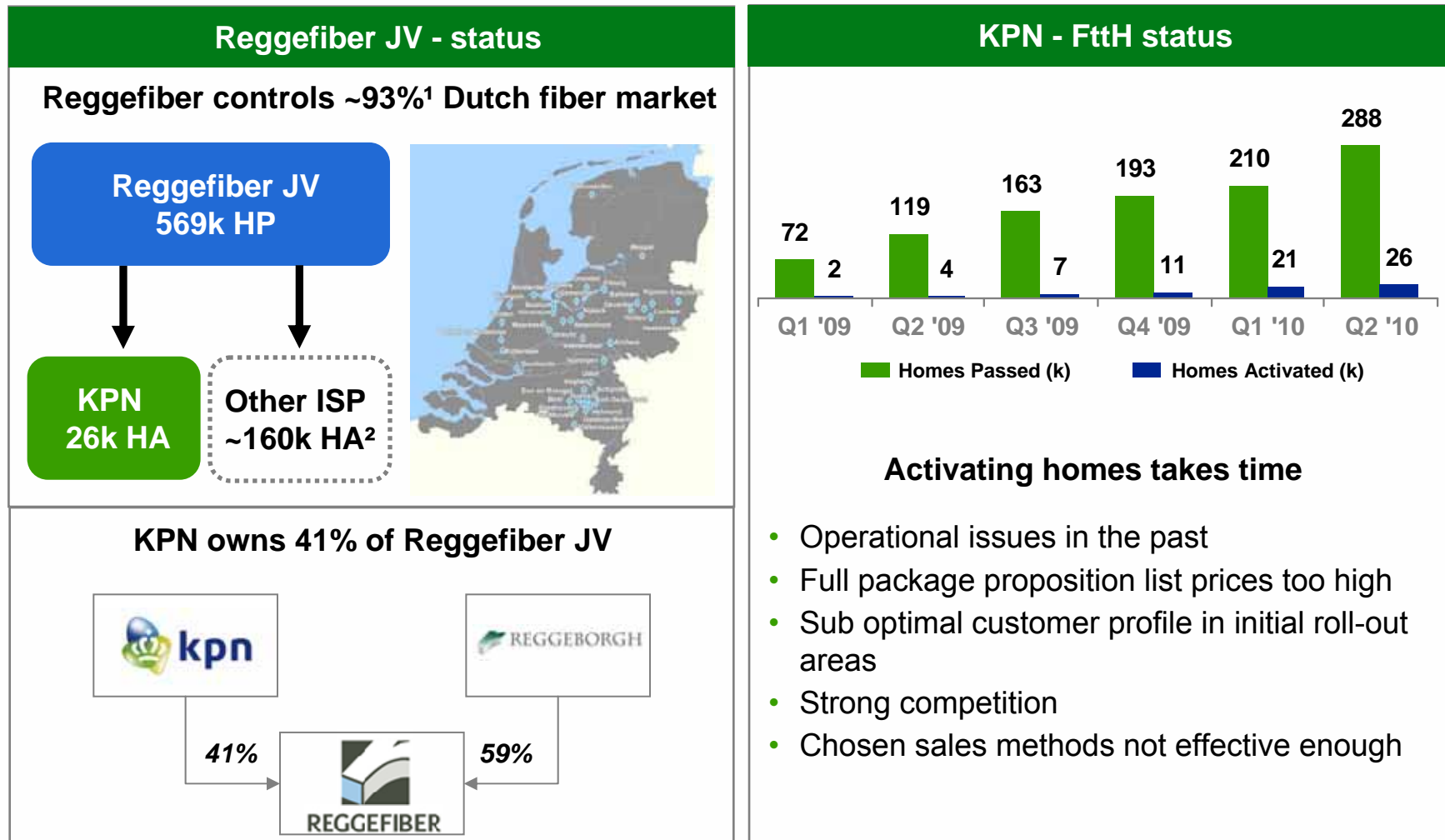
- National IPTV launch successful, acceleration in customers additions
 - IPTV adds from ~2k to ~4k per week since May
 - On track for total TV base of 1.5m by 2012
- Broadband customer base remains relatively stable despite increased competition
 - IPTV helps retaining customers
 - ~50% of new IPTV subs are new broadband customers

1 Digitenne used as primary TV connection

2 Including FttH IPTV

Fiber-to-the-Home - status

Reggefiber performance promising, KPN FttH activations take time



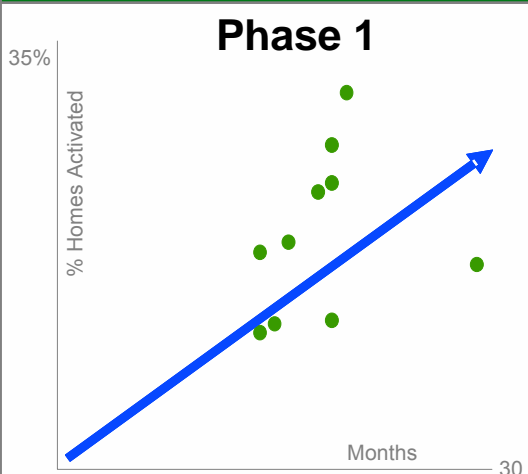
Fiber-to-the-Home - going forward

Adjusted approach implemented, long-term ambition intact

FttH KPN - adjusted approach

Turning 'lessons learned' into adjusted approach to improve penetration:

- Introduced new pricing & proposition strategy
- Improved selection criteria regional roll-out areas
- Full deployment of all sales channels
- KPN's fiber department now fully embedded in KPN organization
- Optimized fiber delivery process; shortened delivery time & increased first time right

Penetration ¹	Increase penetration	Ambition
<p>Phase 1</p> 	<p>Phase 2-4</p> <ul style="list-style-type: none"> • Introducing other KPN brands • Selling dual-play • Wholesale • Smart migration <p>Increasing penetration of homes activated takes time</p>	<ul style="list-style-type: none"> • Targeting 1.1-1.3m homes passed on FttH by 2012, incl. HP contributed by Reggefiber • Reach long-term penetration of ~60% homes activated² • Targeting minimum of 250k active KPN customers on FttH by 2012

¹ Homes Activated (HA) in areas where Homes Passes (HP) roll-out is finished

² Including wholesale

New pricing & proposition strategy

Lower product entry levels, stable ARPU

Previous offering



Copper

	Broadband	Television	VoIP
Basis € 45,-	3 / 0,5 Mbps	IPTV	Evening/ weekend Bundle
Extra € 60,-	8 / 1 Mbps	IPTV	Always bundle
Premium € 75,-	20 / 1 Mbps	IPTV	Always bundle

Fiber

	Broadband	Television	VoIP
Bronze € 65,-	30 / 30 Mbps	IPTV Incl. tv-receiver	Always bundle
Silver € 80,-	50 / 50 Mbps	IPTV Incl. 2 receivers one w/ HD recorder, extra channels	Always bundle
Gold € 110,-	100 / 100 Mbps	IPTV Incl. 2 receivers w/ HD recorder, extra channels, HD	Always bundle

New: As from 1 July '10

- Voice bundles optional instead of inclusive
- Lower list prices
- No ARPU decrease expected

Copper/VDSL

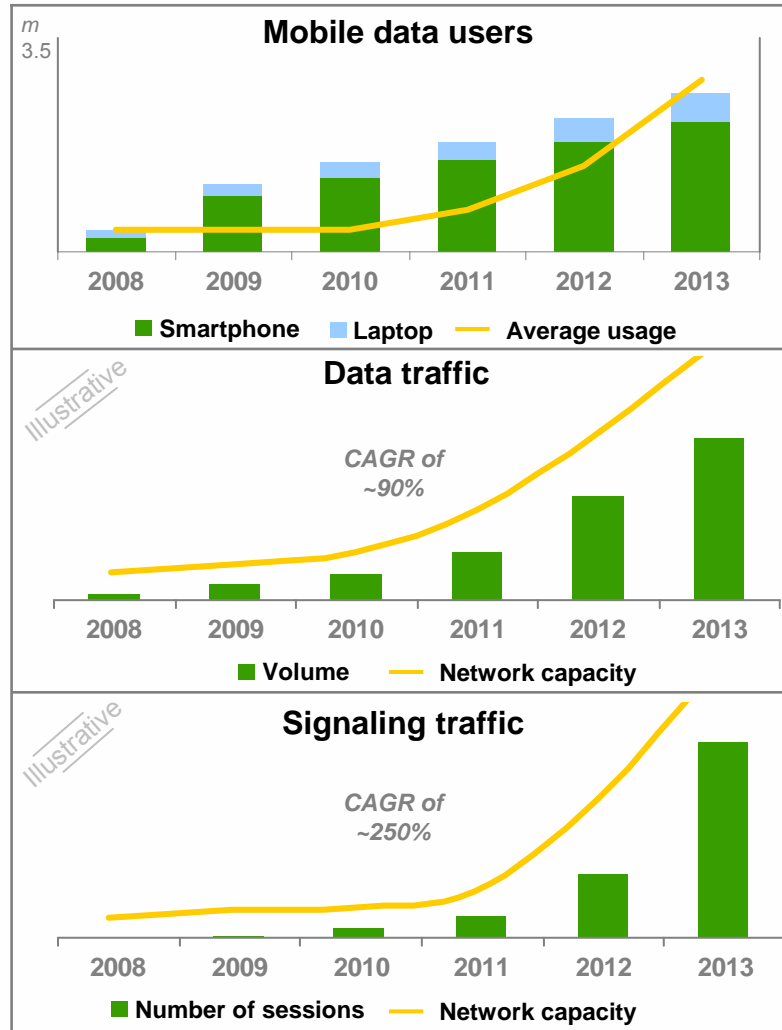
	Broadband	Television	VoIP
Basis € 40,-	8 / 1 Mbps Mobile BB	IPTV Incl. tv-receiver	Access
Extra € 50,-	16 / 2 Mbps Mobile BB	IPTV Incl. tv-receiver	Access
Premium € 65,-	40 / 3 Mbps Mobile BB	IPTV Incl. tv-receiver	Access

Fiber

	Broadband	Television	VoIP
Bronze € 55,-	30 / 30 Mbps	IPTV Incl. tv-receiver	Access
Silver € 70,-	50 / 50 Mbps	IPTV Incl. 2 receivers one w/ HD recorder, extra channels	Access
Gold € 100,-	100 / 100 Mbps	IPTV Incl. 2 receivers w/ HD recorder, extra channels, HD	Access

Mobile data¹

Mobile data is a growth opportunity in the years to come



¹ Excluding M2M data users; figures based on management estimates

Trends

- Strong increase in data users
 - Smartphone data users grow with CAGR of >50%
 - Laptop data users grow with CAGR of >30%
- Average data usage increasing
- Accelerating growth in signaling traffic due to increase in smartphones and applications

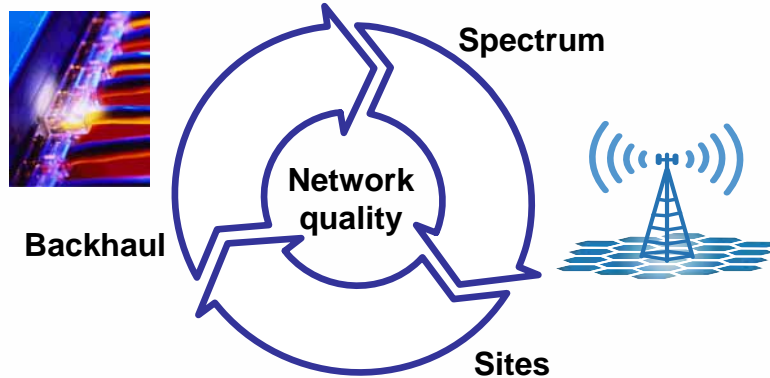
Key beliefs KPN

- Mobile data is a growth opportunity in the years to come
- High quality network results in superior customer experience, capturing strong data uptake
- Continued investments in capacity and further improvement of active traffic controls is required to effectively manage network
- Further implementing pricing differentiation is key to monetize data opportunity

Mobile data (cont'd)

Align data pricing with cost to serve

Network planning



- Network quality and capacity depending on spectrum, backhaul and number of sites
- High quality network ready for data growth
 - Highest number of 3G sites in the Netherlands
 - Upgrading connection to sites with fiber
 - Implementation of additional traffic control tools

Limited additional Capex required to upgrade network

ARPU

- Declining voice ARPU offset by growing data ARPU
- Aligning data pricing with cost to serve, e.g.
 - Volume
 - Bandwidth
 - Timing
 - Quality of Service
 - Latency
 - Priority
- Informing customers

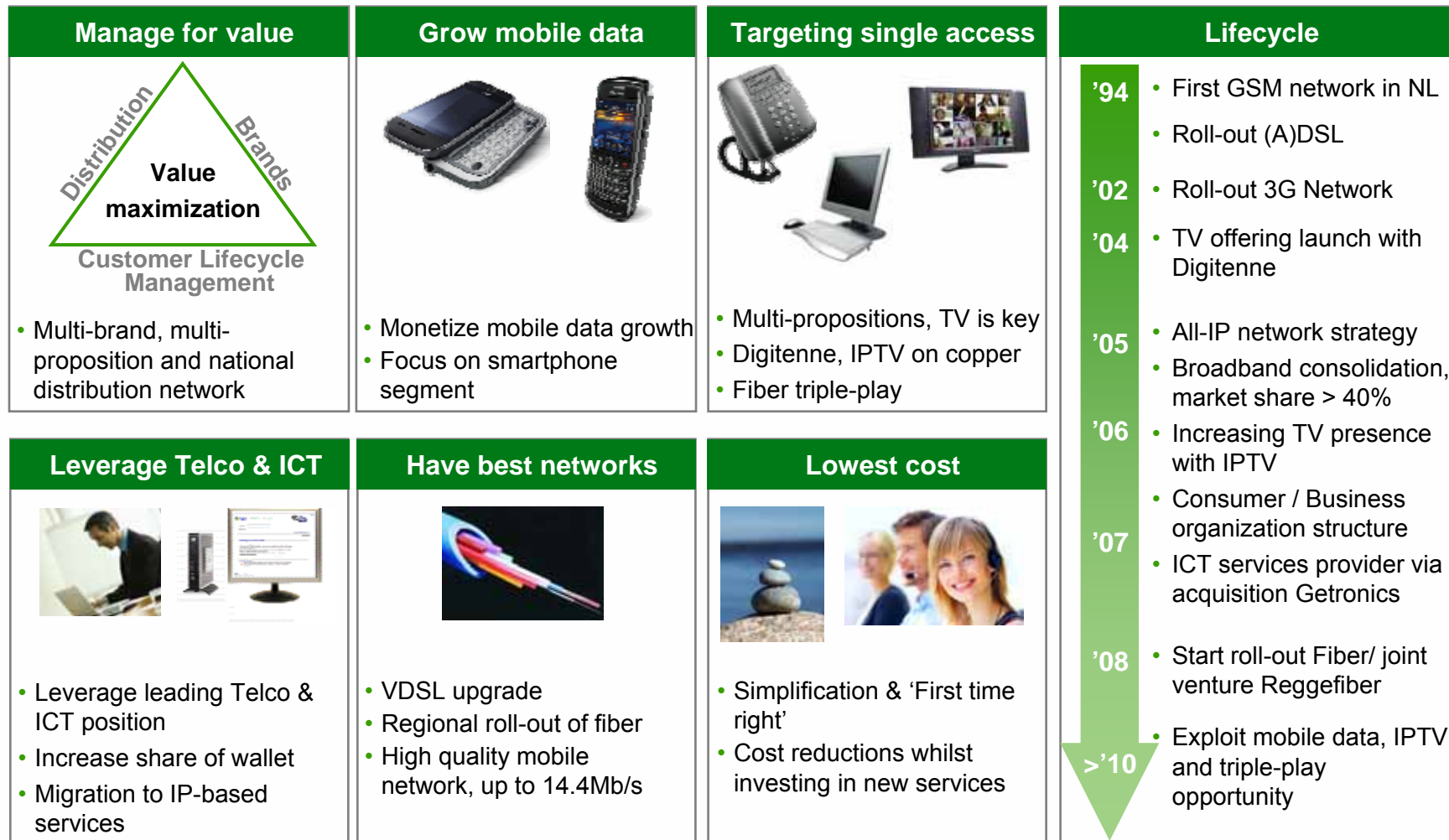
KPN to End Unlimited Mobile Internet Flat Rates

KPN believes that the business model of 'one size fits all' flat rate tariffs for mobile Internet are coming to an end.

Significance KPN appears to be the latest operator to discontinue the provision of 'unlimited' mobile data allowances.

Dutch Telco - strategy

Key elements of value maximizing strategy



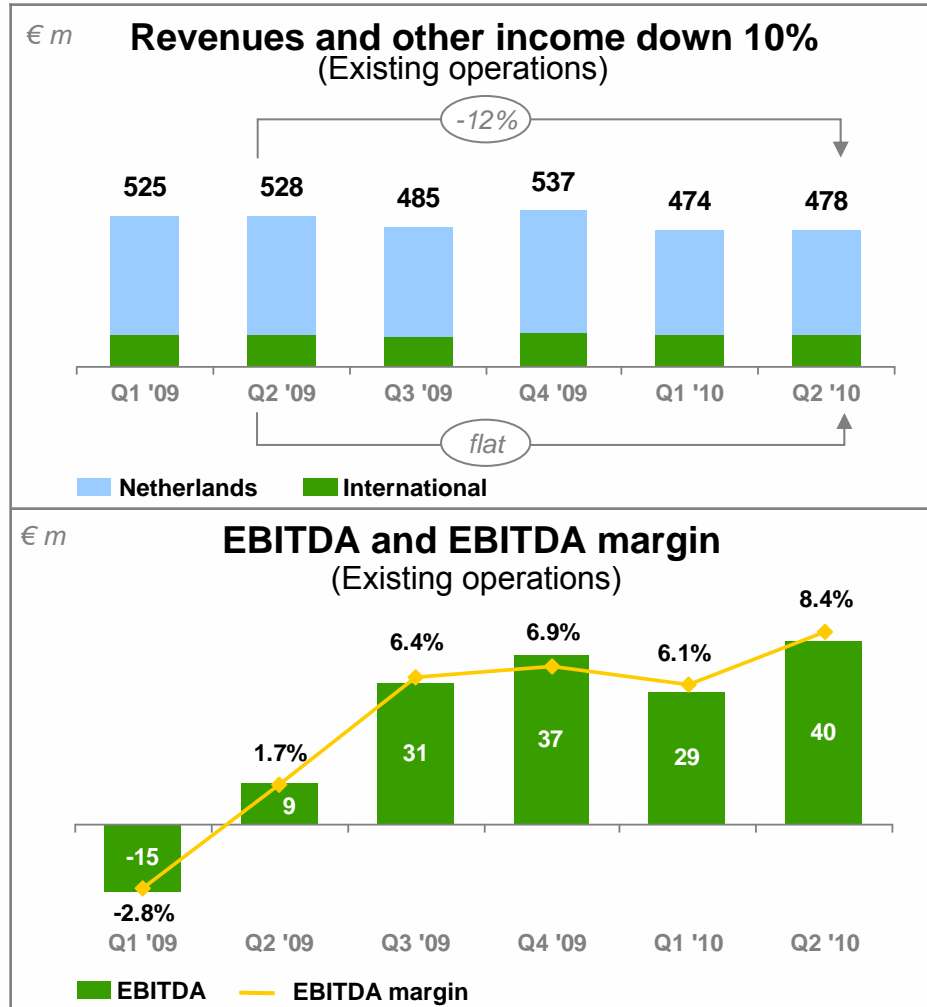
Agenda

Chairman's review	Ad Scheepbouwer
Group financial review	Carla Smits-Nusteling
International	Eelco Blok
Dutch Telco	Baptiest Coopmans
Getronics	Ad Scheepbouwer
Concluding remarks	Ad Scheepbouwer



Operating review - Getronics

Impact of economic circumstances remains, on track for EBITDA uplift in 2010



- Difficult market conditions result in top-line pressure, no change in customer behavior
 - The Netherlands down 12% y-on-y in Q2
 - International flat y-on-y in Q2, including positive foreign exchange impact ~6%
- Y-on-y revenue performance to improve in Q3 and Q4, compared to revenue declines in H1 '10
- EBITDA margin of 8.4% in Q2 '10, on track for 8% EBITDA margin in 2010
 - EBITDA growth supported by absence of restructuring costs (€ 26m in Q2 '09)
 - € 5m release of provision in Q2 '10
 - Full impact of FTE reductions and other cost savings coming through in 2010
- Recovery in the Netherlands lagging behind European market
 - Getronics maintained market share

Agenda

Chairman's review	Ad Scheepbouwer
Group financial review	Carla Smits-Nusteling
International	Eelco Blok
Dutch Telco	Baptiest Coopmans
Getronics	Ad Scheepbouwer
Concluding remarks	Ad Scheepbouwer



Concluding remarks

- Continued focus on cost, customer value and market shares
- Multi-brand and partner approach, cost cutting track record
- Growth potential from new services, e.g. IPTV, fiber, mobile data
- Good result German spectrum auction
- Prudent financial framework
- Sustainable free cash flow, industry-leading returns
- Outlook confirmed, € 0.27 interim dividend 2010

Q&A



Annex

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Analysis of results

Key items worth mentioning in results interpretation

€ m		Q2 '10	Q2 '09	YTD '10	YTD '09
Revenue effect					
MTA tariff reduction	Group	-23	-56	-78	-81
EBITDA effect					
MTA tariff reduction	Group	1	-33	-19	-43
Book gain on sale of real estate	Other	4	2	6	10
Restructuring charges	Group	8	-29	1	-35
Goodwill impairment	iBasis	-	-	-	-11
Goodwill impairment	Getronics	-	-	-	-13
Release of provisions	W&O	5	-	5	-
Release of provisions	Getronics	5	-	5	-
Release of provisions	Belgium	11	-	11	-
Revenue & EBITDA effect					
Release of deferred connection fees	Business	-3	-	16	-
Release of deferred connection fees	W&O	9	-	9	-

MTA regulation

The Netherlands

€ ct / min	Until 7 July '10	7 July '10	Sep '10	Jan '11	Sep '11	Sep '12
KPN	7.00	5.60	5.60	4.20	2.70	1.20
Vodafone	7.00	5.60	5.60	4.20	2.70	1.20
T-Mobile	8.10	7.10	5.60	4.20	2.70	1.20

Germany

- MTA tariffs valid from 1 April 2009 until 30 November 2010
 - T-Mobile / Vodafone lowered from € 7.92 to € 6.59 cents per minute
 - E-Plus / O₂ lowered from € 8.80 to € 7.14 cents per minute

Belgium

€ ct / min	Current	Aug '10	Jan '11	Jan '12	Jan '13
KPN Group Belgium	11.43	5.68	4.76	2.92	1.08
Mobistar	9.02	4.94	4.17	2.62	1.08
Proximus	7.20	4.52	3.83	2.46	1.08

Impact MTA reduction

€ m	Q2 '10		YTD '10	
	Revenues	EBITDA ¹	Revenues	EBITDA ¹
Germany	-	-	-21	-10
Belgium	-	-	-	.-
Rest of World	-	-	-	-
Mobile International	-	-	-21	-10
Consumer	-13	1	-31	-7
<i>Of which: Mobile Wholesale</i>	-1	-	-2	-1
Business	-8	1	-19	-1
Wholesale & Operations ²	-2	- 1	-11	-1
Intercompany	-	-	4	-
Dutch Telco business	-23	1	-57	-9
KPN Group	-23	1	-78	-19

¹ Defined as Operating result plus depreciation, amortization and impairments

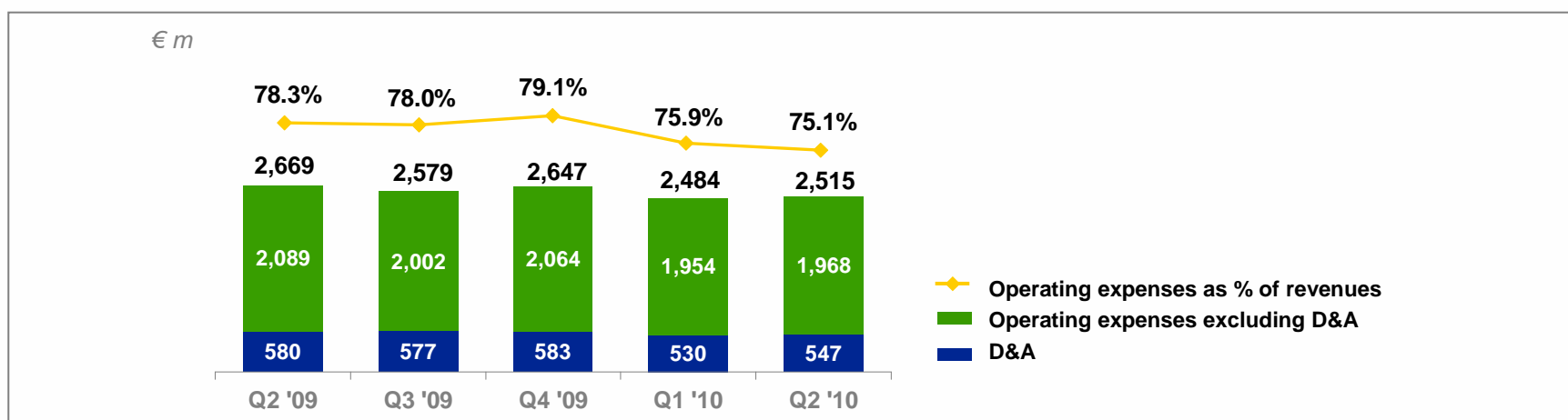
² As of Q2 '10 W&O figures are reported excluding iBasis. The Q1 '10 revenue impact of iBasis is corrected in Q2 '10. YTD figures show the total W&O impact excluding iBasis

Restructuring charges

€ m	Q2 '10	Q2 '09	YTD '10	YTD '09
Germany	-2	-1	-2	-1
Belgium	-	-	-	-
Rest of World	-	-	-	-
Mobile International	-2	-1	-2	-1
Consumer	-1	-5	-2	-4
Business	-	-	-	-
Getronics	1	-26	1	-29
Wholesale & Operations	6	-3	3	-5
The Netherlands	6	-34	2	-38
Other	4	6	1	4
KPN Group	8	-29	1	-35

Operating expenses

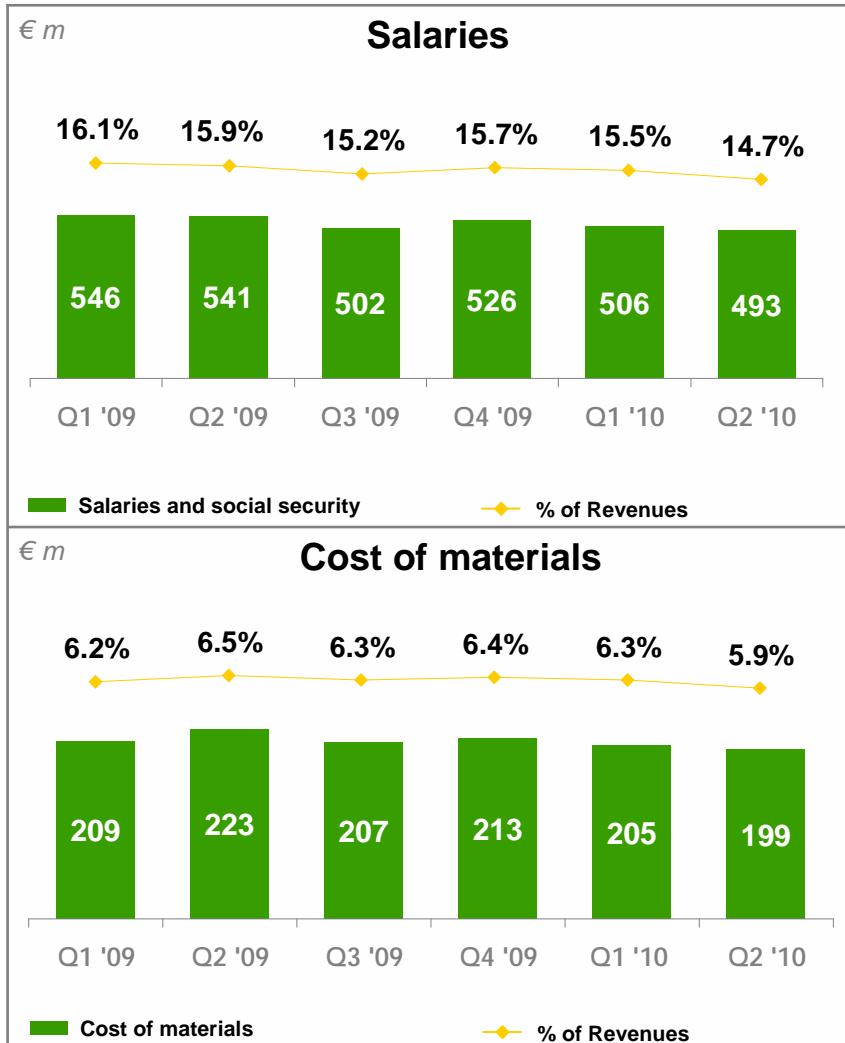
€ m	Q2 '10	Q2 '09	%
Salaries and social security contributions	493	541	-8.9%
Cost of materials	199	223	-11%
Work contracted out and other expenses	1,144	1,182	-3.2%
Own work capitalized	-25	-28	-11%
Other operating expenses	157	171	-8.2%
Depreciation ¹	351	391	-10%
Amortization ¹	196	189	3.7%
Total	2,515	2,669	-5.8%



¹ Including impairments, if any

Analysis operating expenses

Salaries & Cost of materials



Y-on-Y decrease

- Reduction of own personnel at all segments

Q-on-Q decrease

- Reduction of own personnel Dutch Telco business and Getronics

Y-on-Y decrease

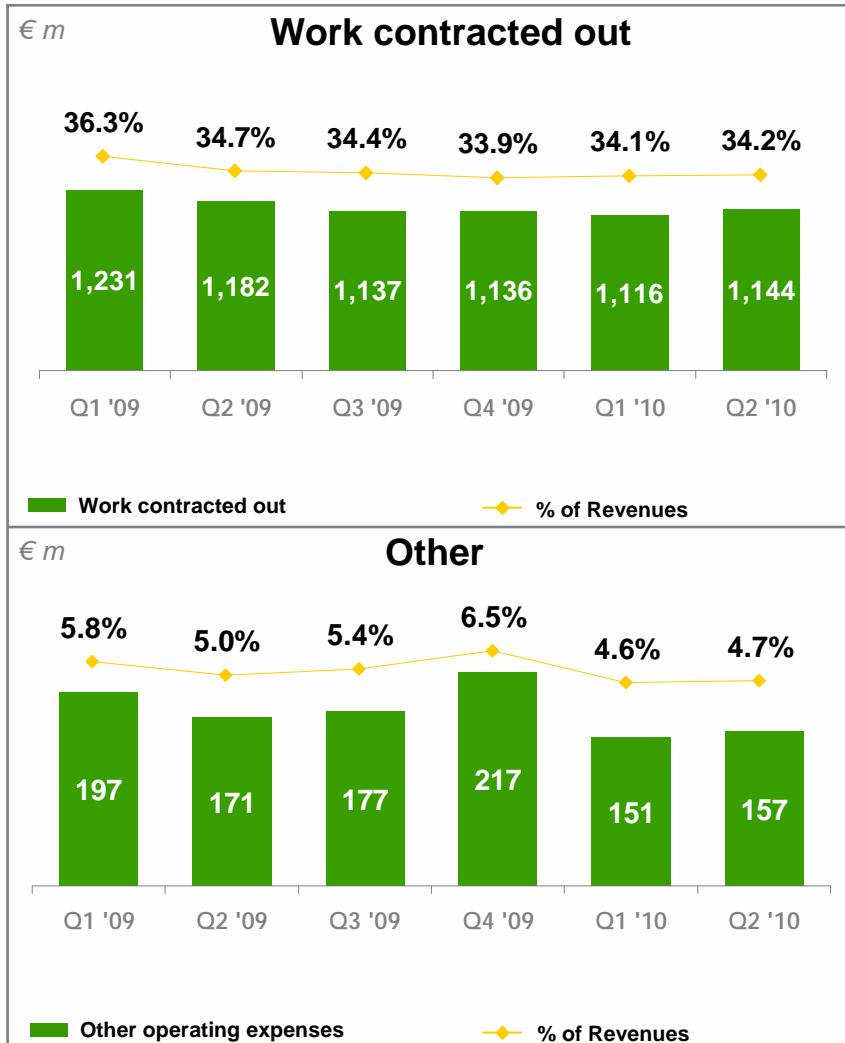
- Fewer gross adds due to focused approach leading to fewer handsets distributed
- Simplification and 'First time right' strategy leading to lower costs
- Continued decline in handset prices leading to lower procurement costs

Q-on-Q decrease

- Fewer gross adds due to focused approach leading to fewer handsets distributed

Analysis operating expenses

Work contracted out & Other



Y-on-Y decrease

- Lower traffic costs due to regulatory tariff cuts
- Disposal of SNT leading to lower external personnel
- Focus on own sales channels in Germany leading to lower payments to 3rd parties

Q-on-Q increase

- Higher revenues at iBasis leading to higher costs

Y-on-Y decrease

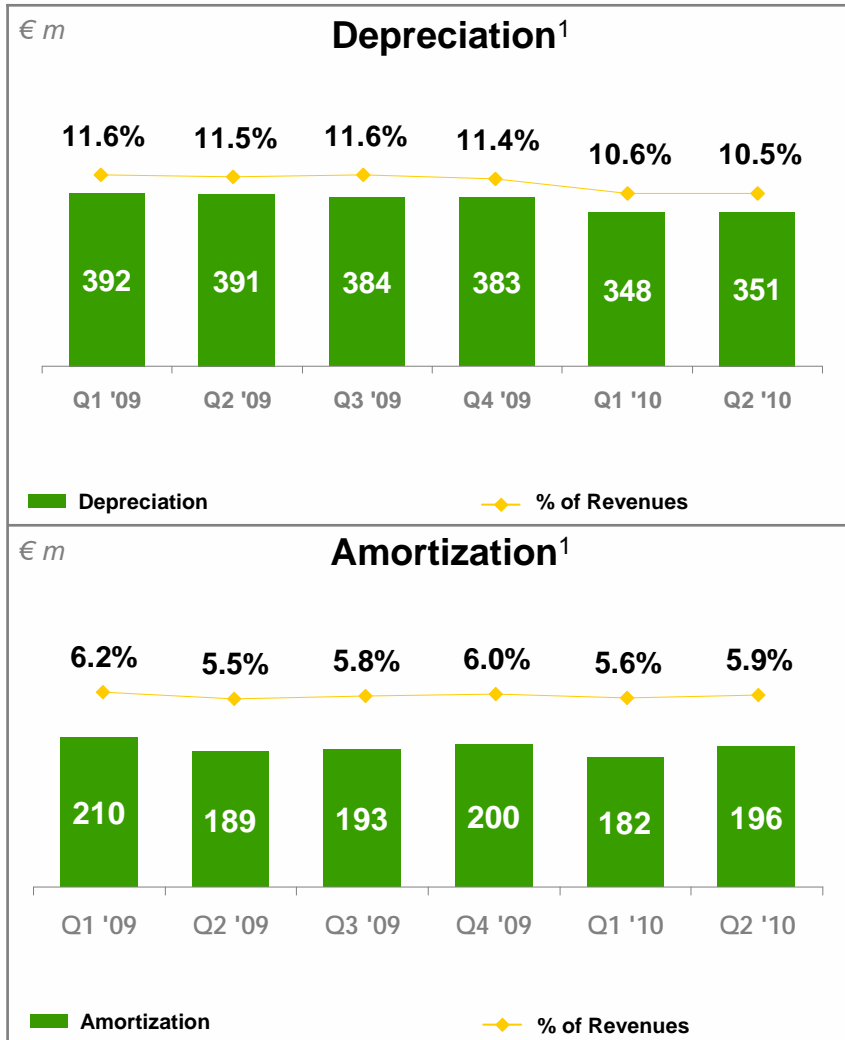
- Lower costs due to divestment of SNT
- Absence of restructuring costs at Getronics (€ 26m in Q2 '09)
- Partly compensated by higher marketing spend at E-Plus

Q-on-Q increase

- Higher marketing spend at E-Plus
- Partly offset by release of various restructuring provisions

Analysis operating expenses

Depreciation & Amortization



Y-on-Y decrease

- Lifetime of mobile masts increased, lowering depreciation charges
- Smaller asset base across all segments, lowering depreciation charges

Y-on-Y increase

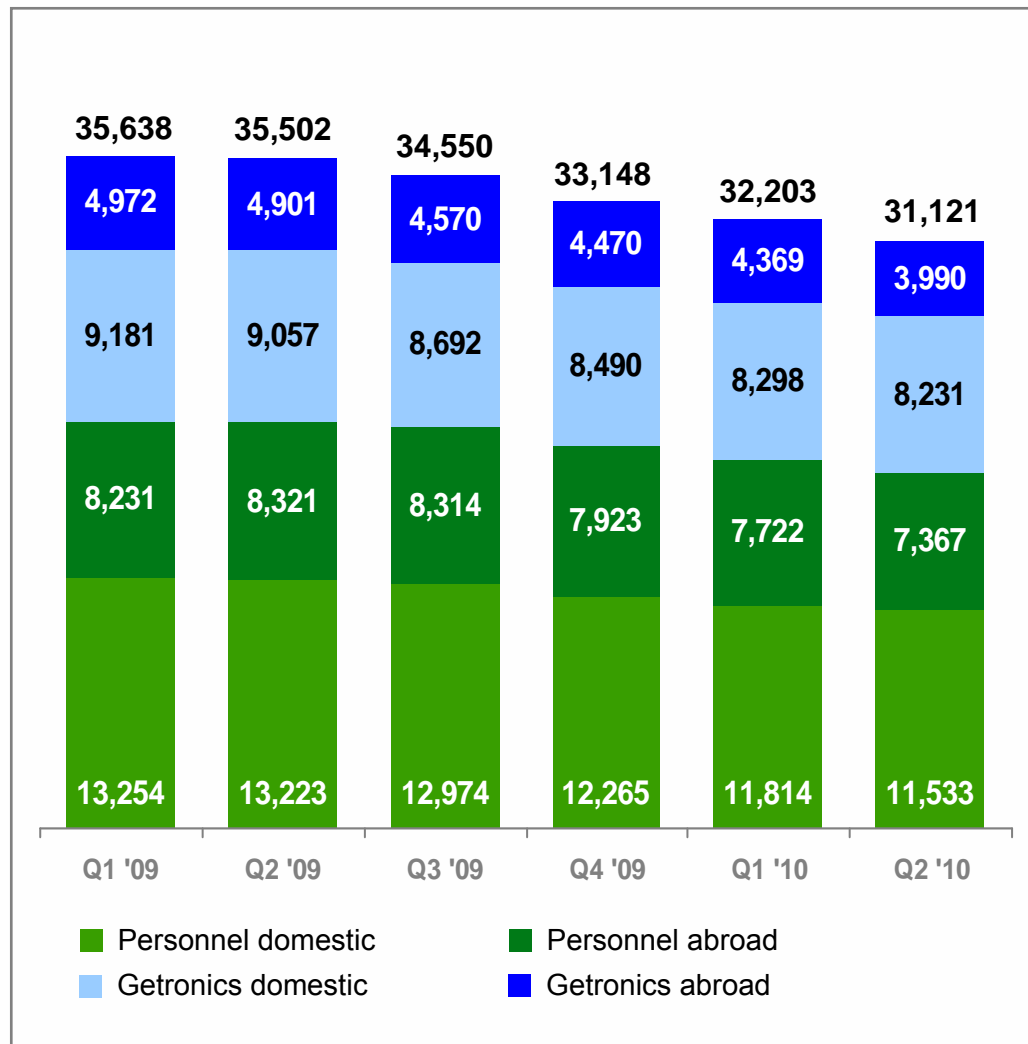
- Extended spectrum licenses in the Netherlands leading to higher amortization
- Acquired software in Belgium leading to higher amortization
- Partly compensated by final write-down of Telfort customer base per Q3 '09, lowering amortization charges

Q-on-Q increase

- Extended spectrum licenses in the Netherlands leading to higher amortization
- Acquired software in Belgium leading to higher amortization

¹ Including impairments, if any

Personnel



- Decrease of 4,381 FTE y-o-y
 - Reduction of 1,690 FTE in the Netherlands (excl. Getronics) from all segments and due to divestment of SNT Netherlands (Q4 '09)
 - Reduction of 1,737 FTE at Getronics, mainly from divestments and restructuring
 - Reduction of 954 FTE at KPN abroad, mainly from Belgium, Germany and call centers
- Decrease of 1,082 FTE q-o-q
 - Reduction of 281 FTE in the Netherlands, specifically Dutch Telco
 - Reduction of 446 FTE at Getronics
 - Reduction of 355 FTE at KPN abroad, mainly from Germany and SNT
- Cumulative reduction of 8,957 FTE in the Netherlands since 2005
 - Excluding Getronics and acquisitions
 - Reduction target of 10,000 FTE in the Netherlands by year end 2010
 - Taking a number of outsourcing decisions in H2 '10

Tax

Fiscal units (€ m)	P&L		Cash flow	
	Q2 '10	Q2 '09	Q2 '10	Q2 '09
Dutch activities	-111	-98	-2	60
Getronics	-2	5	1	-
German Mobile activities	-33	-53	-1	-1
Belgian Mobile activities	-16	-10	-	-
Other	-7	-2	-2	-1
Total	-169	-158	-4	58

- Tax receipt of € 60m in Q2 '09 related to prior years
- Effective tax rate decreased from 29.6% in Q2 '09 to 26.0% in Q2 '10
 - Decrease is due to new DTA valuation methodology at E-Plus
 - DTA E-Plus is expected to remain more or less at the same level, see tax paper published on 26 January 2010 for more information
- Effective tax rate increased from 23.8% in Q1 '10 to 26.0% in Q2 '10
 - One-off charges of € 11m leading to temporarily inflated tax rate
 - Slightly higher share of group taxable income generated in the Netherlands leading to higher effective tax rate
 - Expected tax rate for FY 2010 is around 23%

Net cash flow from operating activities

€ m	Q2 '10	Q2 '09	YTD '10	YTD '09
Operating Profit	839	742	1,632	1,374
Depreciation, amortization and impairments	547	580	1,077	1,182
Interest paid	-107	-124	-366	-282
Income tax paid	-4	58	-558	-554
Other income (including dividends received)	-2	-1	-7	-6
Share based compensation	-24	1	-18	7
Change in provisions	-82	-61	-166	-103
Net cash flow from operating activities <i>before changes in working capital</i>	1,167	1,195	1,594	1,618
Inventory	0	13	-9	10
Trade receivables	-39	63	-71	139
Other current assets	36	80	-167	-107
Current liabilities	-92	-231	-46	-481
Change in working capital	-95	-75	-293	-439
Net cash flow from operating activities	1,072	1,120	1,301	1,179
Capex ¹	-380	-386	-715	-842
Proceeds from real estate	15	5	22	19
Tax recapture E-Plus	0	0	327	327
Free cash flow²	707	739	935	683

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

€ m	Q2 '10	Q2 '09	YTD '10	YTD '09
Net cash flow from operating activities	1,072	1,120	1,301	1,179
Capex ¹	-380	-386	-715	-842
Acquisitions	-18	-20	-66	-100
Disposals real estate	15	5	22	19
Disposals other	-3	1	75	48
Other ²	-250	-5	-317	-3
Net cash flow from investing activities	-636	-405	-1,001	-878
Dividends paid	-733	-664	-733	-664
Share repurchases	-431	-196	-532	-511
Debt financing	-25	-8	-126	1,468
Other	6	10	12	11
Net cash flow used in financing activities	-1,183	-858	-1,379	304
Changes in cash and cash equivalents	-747	-143	-1,079	605

1 Including Property, Plant & Equipment and software

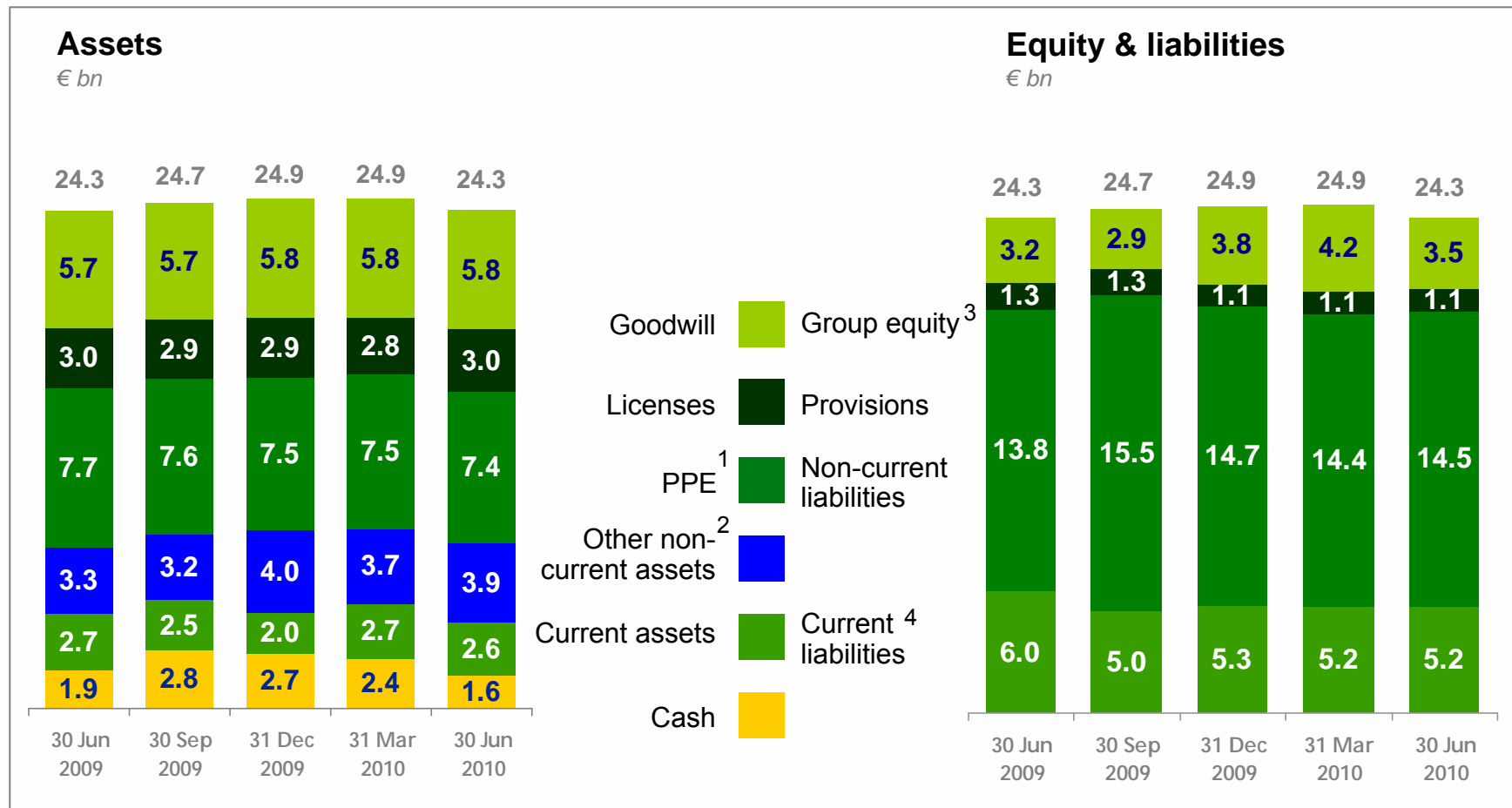
2 For H1 '10 mainly related to spectrum auction Germany

Capex¹

€ m	Q2 '10	Q2 '09	%	YTD '10	YTD '09	%
Germany	89	83	7.2%	163	225	-28%
% Revenues Germany	11%	10%		10%	14%	
Belgium	12	22	-45%	25	40	-38%
% Revenues Belgium	6.0%	11%		6.2%	10%	
Rest of World	1	1	0%	2	2	0%
% Revenues Rest of World	2.9%	4.5%		3.2%	5.3%	
Mobile International	102	106	-3.8%	190	267	-29%
% Revenues Mobile International	9.8%	10.4%		9.3%	13%	
Consumer	88	54	63%	160	107	50%
% Revenues Consumer	8.9%	5.2%		8.2%	5.2%	
Business	17	25	-32%	34	61	-44%
% Revenues Business	2.8%	4.0%		2.7%	4.8%	
Wholesale & Operations (national)	134	164	-18%	266	342	-22%
% Revenues Wholesale & Operations (national)	19%	23%		19%	23%	
Dutch Telco business	255	256	-0.4%	477	530	-10%
% Revenues Dutch Telco business	15%	14%		14%	15%	
Getronics	16	21	-24%	38	36	5.6%
% Revenues Getronics	3.4%	4.0%		4.0%	3.4%	
The Netherlands	277	279	-0.7%	523	570	-8.2%
% Revenues the Netherlands	12%	12%		11%	12%	
Total	380	386	-1.6%	715	842	-15%
% Revenues	11%	11%		11%	12%	

¹ Including Property, Plant & Equipment and software

Balance sheet



- 1 Property, plant & equipment
- 2 Including deferred tax assets, software and other intangibles and assets held for sale
- 3 Including minority interest
- 4 Current liabilities include approximately € 0.04bn of non-netted cash balances per Q2 '10

Share repurchase progress

Date ¹	Value (€ m)	Shares (m)	Avg. share price (€)
Q1 '10	103.1	8.9	11.60
April	172.5	15.3	11.31
May	224.4	21.4	10.49
June	57.2	5.4	10.49
Q2 '10	454.1	42.1	10.79
July ²	23.9	2.3	10.34
Total	581.1	53.3	10.90

- € 1bn share repurchase program for 2010 started on 4 February 2010
 - 58% completed to date²
 - 42.1m shares repurchased in Q2 '10, average price of € 10.79
- € 8.4bn in shares repurchased since start in 2004, average price of € 9.05
 - ~35% of outstanding shares cancelled since 2004
- Number of outstanding shares amounting to 1,618,143,699 per 30 June 2010
 - 45,533,785 shares will be cancelled in Q3 '10

¹ Figures based on transaction date of share repurchases, some rounding changes may be applicable

² Until 26 July 2010

Debt summary

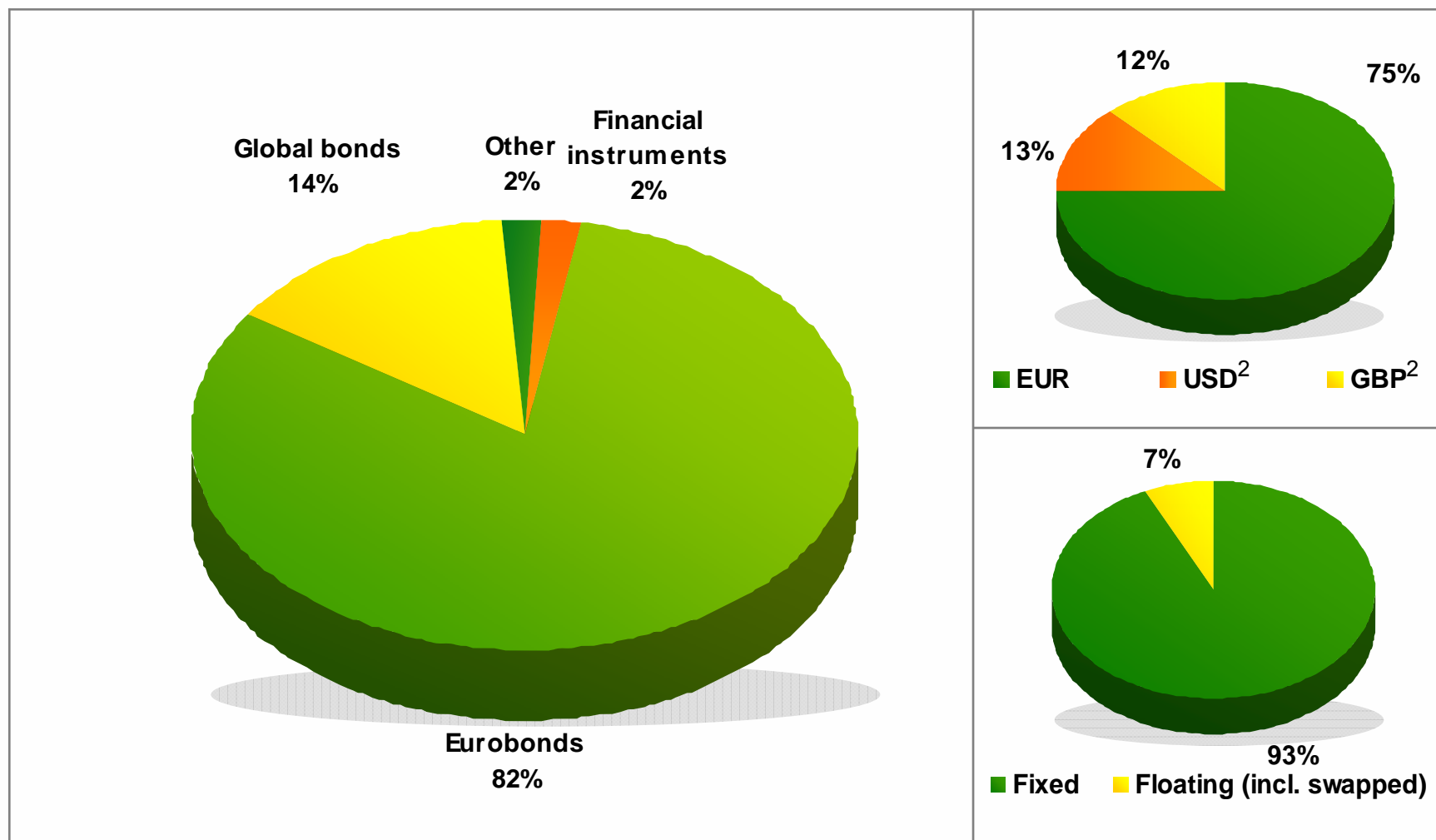
€ bn	Q2 '10	Q1 '10	Q2 '09
Bonds	13.75	13.30	12.73
Eurobonds	11.75	11.61	10.68
Global bonds	2.00	1.69	2.05
Other debt	0.21	0.22	0.69
Other loans at Royal KPN	0.17	0.16	0.14
Consolidated debt	0.04	0.06	0.55
Fair value financial instruments	-0.21	0.25	0.32
Total debt	13.75	13.77	13.74
— of which short-term ¹	0.93	0.93	1.70

Cash and cash equivalents	1.62	2.37	1.92
Total net debt	12.13	11.40	11.82

¹ Current liabilities include approximately € 0.04bn of non-netted cash balances per Q2 '10

Debt portfolio

Breakdown of € 13.8bn 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

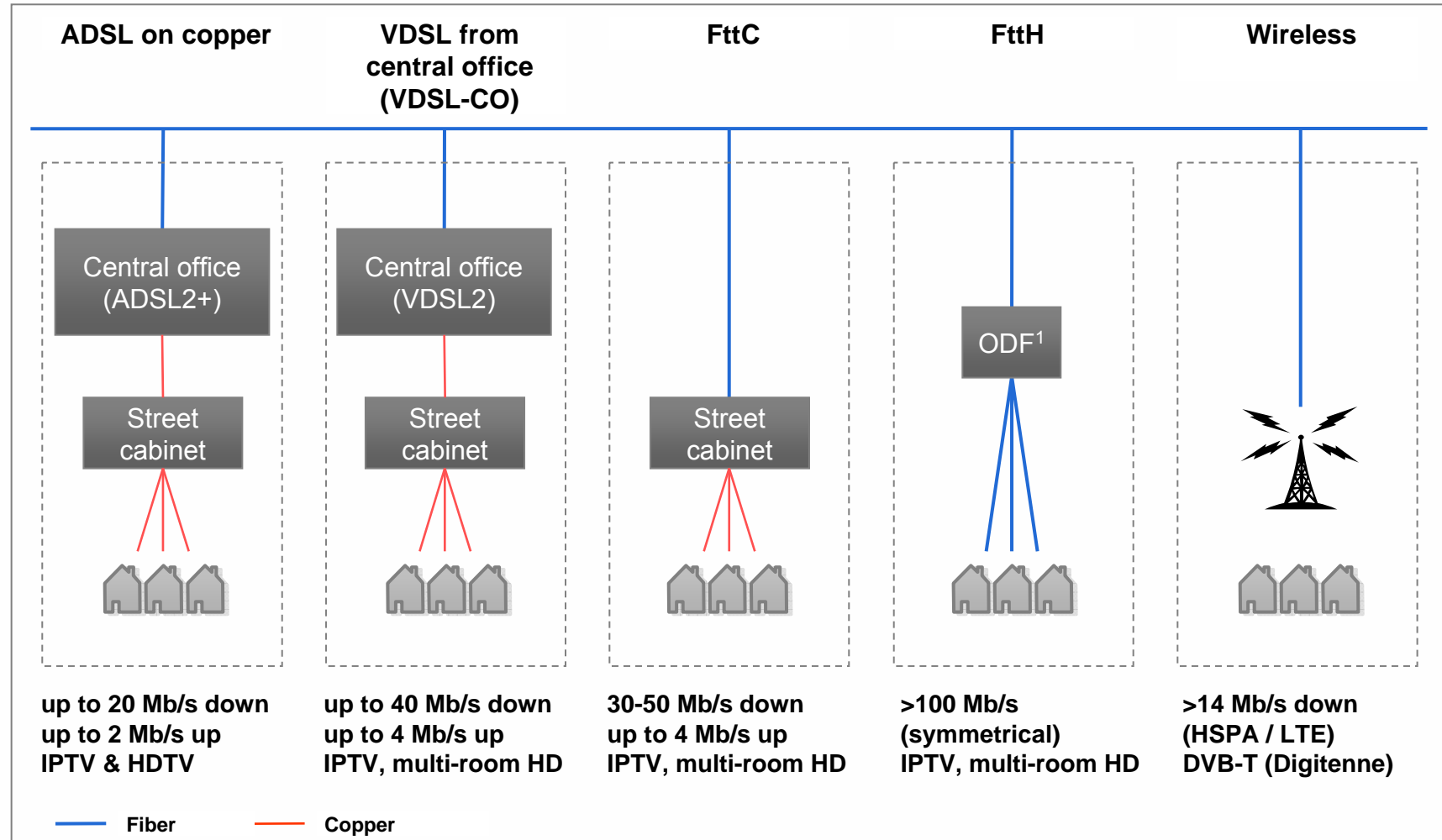
Consumer voice market¹

<i>m</i>	Q2 '10	Q1 '10	Q2 '09
KPN PSTN / ISDN	1.85	1.92	2.19
Wholesale Line Rental (WLR)	0.40	0.41	0.42
Total traditional voice	2.25	2.33	2.61
KPN VoIP	1.27	1.26	1.18
Cable VoIP	1.66	1.60	1.39
Alternative DSL VoIP	0.42	0.41	0.37
Total VoIP	3.35	3.27	2.94
Mobile-only	1.25	1.25	1.25
Total households	6.85	6.85	6.80

¹ Management estimates, figures updated due to better insights

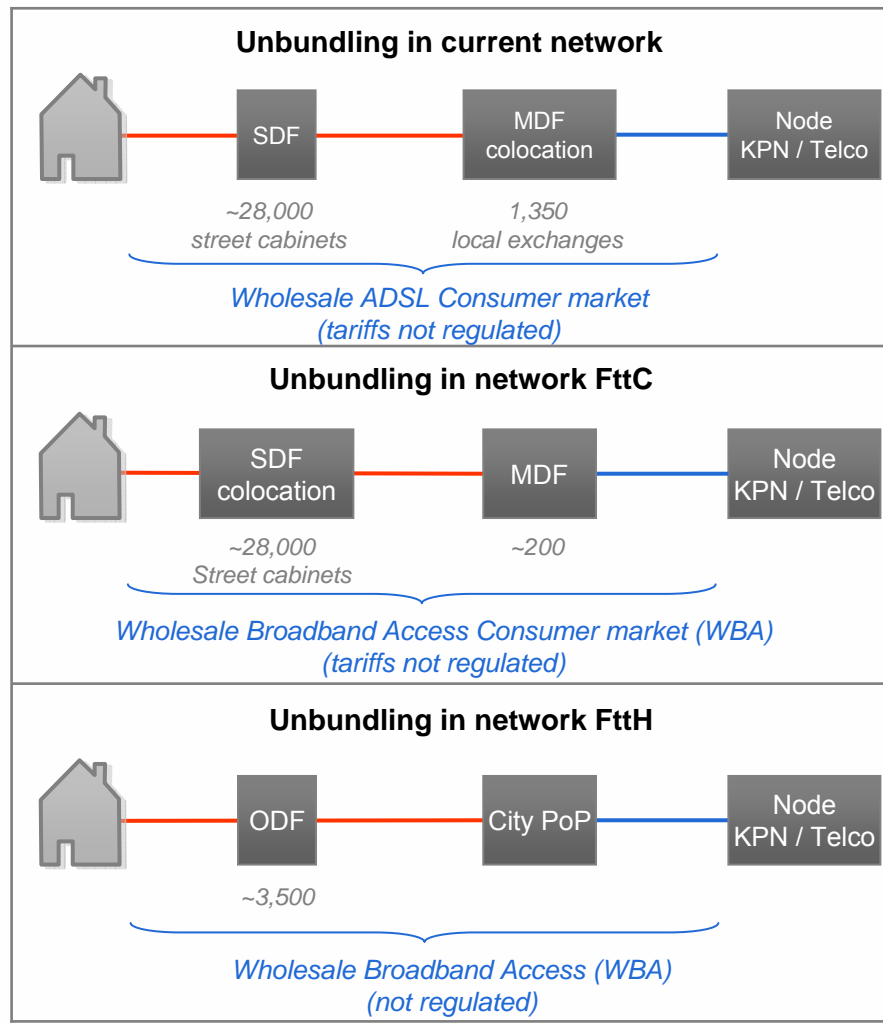
Infrastructure

Deploying mix of technologies going forward



1 Optical distribution frame

Unbundling tariffs



Category	Monthly tariff
Line sharing (LLU) ¹	€ 0.10 / line
Fully unbundled (LLU) ¹	€ 6.53 / line
MDF colocation ¹	€ 839.60 / footprint / year
MDF backhaul	Commercial pricing, not regulated
Wholesale ADSL access fee ¹	€ 5.32 shared € 13.00 non-shared

Category	Monthly tariff
Line sharing (SLU) ¹	€ 7.58 / line
Fully unbundled (SLU) ¹	€ 7.44 / line
SDF colocation ¹	€ 1.20 / line or 5.36 / per unit One-off € 492.74/ per unit
SDF backhaul	To be regulated
Wholesale Broadband Access (WBA) ¹	€ 5.32 shared € 13.00 non-shared

Category	Monthly tariff
Fully unbundled (ODF FttH)	€ 12.14 – € 17.71
ODF FttH colocation	≤ € 506 / month One-off ≤ € 3,036
ODF FttH Backhaul	≤ 607 / month
Wholesale Broadband Access (WBA) FttH	€ 19.00 non-shared
ODF FttO	To be regulated

¹ Tariffs refer to WPC 2009-2011 [(WPC 2A); WPC 2B currently in consultation, expected to be confirmed in Q3 2010

Spectrum Germany

<i>in MHz</i>		Current allocation			
Band	T-Mobile	Vodafone	E-Plus	O ₂	Total
800 MHz	2 x 10	2 x 10	-	2 x 10	60
900 MHz	2 x 12.4	2 x 12.4	2 x 5	2 x 5	69.6
1800 MHz	2 x 20	2 x 5.4	2 x 27.4	2 x 17.4	140.4
2.1 GHz	2 x 10 1 x 5	2 x 15 1 x 5	2 x 20 1 x 5	2 x 15 1 x 19.2	154.2
2.6 GHz	2 x 20 1 x 5	2 x 20 1 x 25	2 x 10 1 x 10	2 x 20 1 x 10	190
Total	154.8	155.6	139.8	164.0	614.2

Spectrum in Belgium

Currently fairly allocated, potential new entrant

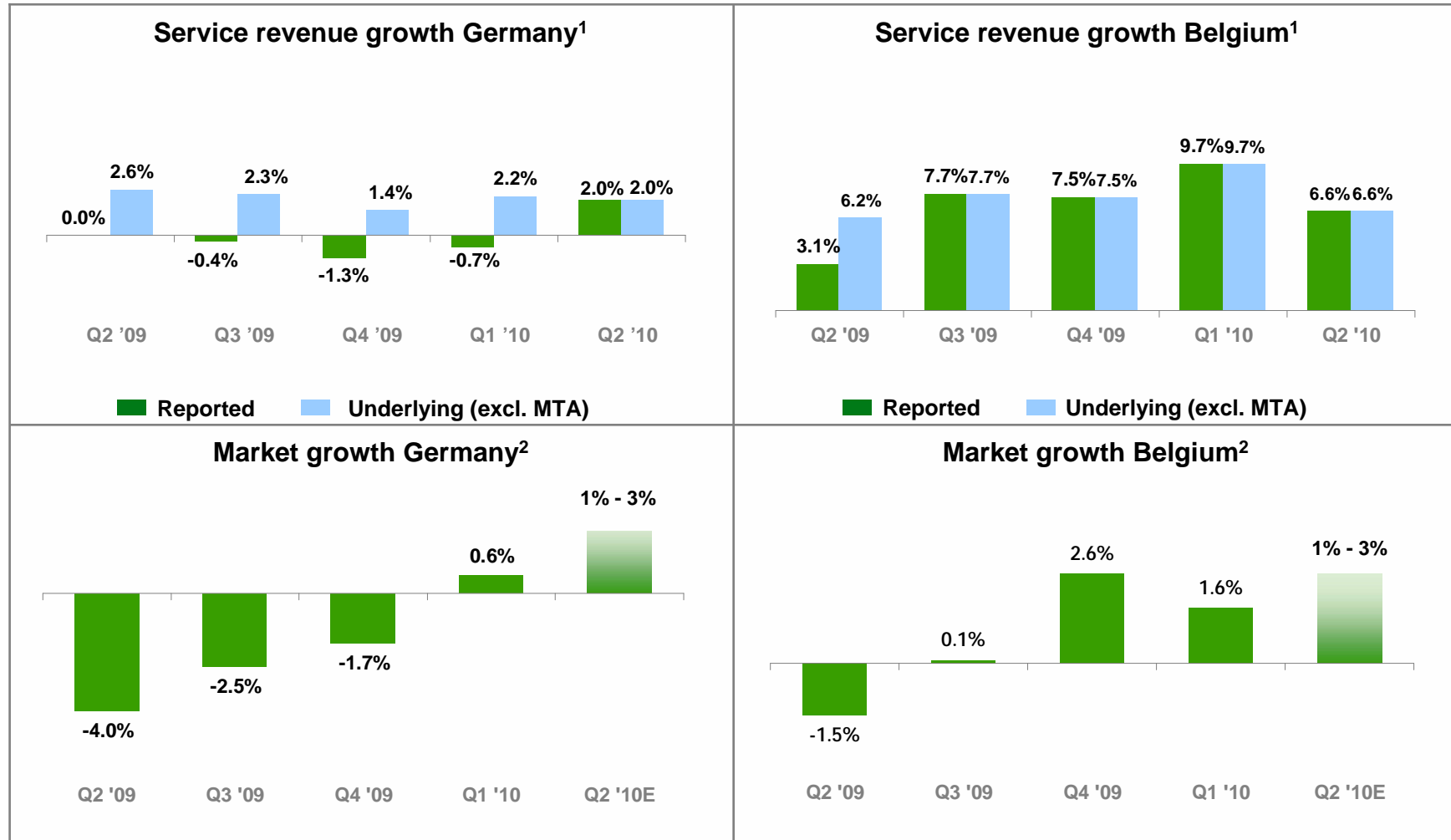
Current status

900MHz	KPNgB	Proximus	Mobistar				
	2x10.8	2x12	2x12				
1.8GHz	KPNgB		Proximus	Mobistar	Prox	Mob	Free
	2x22		2x15	2x15	2x5.8	2x5.8	2x11.4
2.1GHz	KPNgB		Proximus		Mobistar		Free
	2x15	1x5	2x15	1x5	2x15	1x5	2x14.8 1x5
2.6GHz	Free						
	140MHz paired, 50MHz unpaired						
Total	KPNgB		Proximus		Mobistar		Free
	100.6MHz		100.6MHz		100.6MHz		247.4MHz

Upcoming auctions

- Auction of 15MHz in 2.1GHz band in coming quarters, 5MHz reserved for possible fourth entrant
 - New entrant could receive 900MHz and 1.8GHz spectrum in 2015
- Auction of 190MHz in 2.6GHz spectrum in coming quarters
 - Operators capped at 2x20MHz
- Current 2G licenses can be extended to 2021
- No clarity on 800MHz frequency yet

Service revenue growth Mobile International



¹ Management estimates for MTA impact

² Management estimates for market service revenue growth, based on equity research

Dutch wireless services disclosure

	Q2 '10	Q1 '10	Q2 '09
Service revenues (€ m)	761	740	783
- Consumer	448	434	477
- Business	246	248	246
- Other Dutch activities ¹	67	58	60
SAC / SRC (€)			
- Consumer	157	183	116
- Business ²	215	255	323

1 Indicates amongst others Mobile Wholesale NL, Simyo and visitor roaming revenues within KPN the Netherlands

2 Restated numbers following recalculation, now also including all data SAC/SRC in addition to voice SAC/SRC

KPIs Consumer

Wireline Voice & TV

Voice	Q2 '10	Q1 '10	Q2 '09
Market share			
– Voice ¹	>50%	>50%	~55%
– Traditional voice ²	>80%	>80%	>75%
– VoIP ³	37%	37%	39%
Market penetration VoIP³	56%	55%	51%
Access lines (x 1,000)	3,102	3,164	3,351
– VoIP ³ (packages broadband and voice)	1,256	1,246	1,162
Net line loss⁴ (x 1,000)	-45	-35	-50
Traditional voice ARPU (€)	26	26	26
– Access	17	17	17
– Traffic	9	9	9
TV	Q2 '10	Q1 '10	Q2 '09
Market share TV⁵	14%	13%	11%
– Subscribers (x 1,000)	1,088	1,033	890
– ARPU (€)	9	9	7

1 Market shares defined as share in total consumer voice (including VoIP), based on management estimates

2 Market shares defined as share in traditional consumer voice (excluding VoIP), based on management estimates

3 Including fiber, based on management estimates

4 Quarterly delta in PSTN/ISDN access lines + delta Consumer VoIP, ADSL Only and delta Consumer Fiber

5 Including fiber

KPIs Consumer

Broadband & Fiber

Broadband	Q2 '10	Q1 '10	Q2 '09
Market penetration Broadband ¹	83%	83%	81%
Market share Broadband ISP ²	42%	42%	43%
Broadband ISP customers ² (x 1,000)	2,568	2,584	2,568
Broadband ARPU (€)	32	31	30
Fiber	Q2 '10	Q1 '10	Q2 '09
Subscribers	42	31	5
– FttC (x 1,000)	16	10	1
– FttH (x 1,000)	26	21	4

¹ Including fiber, based on management estimates

² Broadband ISP customers and broadband ISP market share including fiber, based on management estimates

KPIs Consumer

Wireless & Mobile Wholesale NL

Wireless	Q2 '10	Q1 '10	Q2 '09
– Customers ¹ (x 1,000)	5,992	6,079	6,795
– Service revenues (€ m)	448	434	477
– ARPU (€)	25	23	23
– MoU ² (originating, terminating)	116	109	110
– SAC/SRC (€)	157	183	116

Mobile Wholesale NL	Q2 '10	Q1 '10	Q2 '09
Customers (x 1,000)	2,310	2,228	1,760
– Postpaid	430	422	335
– Prepaid	1,880	1,806	1,425

Service revenues (€ m)	56	51	51
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1 Change of disconnection policy at Hi brand (impact of ~280k) in Q1 '10

2 MoU restated as data customers are now excluded per Q1 '10

KPIs Business

Infrastructure services

Wireline & Data	Q2 '10	Q1 '10	Q2 '09
Market share voice¹	>45%	>45%	~50%
Access lines (x 1,000)	1,414	1,446	1,533
– PSTN	671	682	719
– ISDN	716	735	786
– VoIP	20	21	20
Business DSL	150.0	145.4	130.3
Traditional voice ARPU (€)	51	57	51
– Access ²	27	32	27
– Traffic	24	25	24
Network services (x 1,000)			
– Leased lines	20.7	21.9	26.1
– Ethernet-VPN (# connections)	9.3	9.5	8.2
IP-VPN (x 1,000)			
– Managed-VPN (# connections)	29.9	30.4	18.0
– Unmanaged-VPN (# connections)	31.1	29.5	35.8

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

2 For Q1; increase of ARPU due to release of deferred connection fees in Q1 '10

KPIs Business

Wireless services

Wireless	Q2 '10	Q1 '10	Q2 '09
- Customers (<i>x 1,000</i>)	1,715	1,712	1,616
- of which data users	50%	47%	44%
- Service revenues (€ <i>m</i>)	246	248	246
- ARPU (€)	48	49	51
- MoU (<i>originating, terminating</i>)	200	211	211
- SAC/SRC (€)	215	255	323

KPIs Getronics & iBasis

Getronics	Q2 '10	Q1 '10	Q2 '09
Service revenues (€ m)	418	419	492
Workspaces (in m)			
– Serviced IT workspaces	1.7	1.7	1.7
– Serviced Voice workspaces	0.6	0.6	0.6

Getronics - ICT Services	Q2 '10	Q1 '10	Q2 '09
Housing & Hosting (x 1,000)			
– Housing services (# m ²)	25.0	25.0	24.9
– Hosting services (# servers)	13.9	13.6	9.8

iBasis (international wholesale)	Q2 '10	Q1 '10	Q2 '09
Minutes (bn)	6.3	5.5	4.7
Average revenue per minute (€ cents)	3.8	3.5	3.8

KPIs Wholesale & Operations

Wholesale & Operations	Q2 '10	Q1 '10	Q2 '09
Retail voice (without ADSL)	3,233	3,335	3,694
Local loop (x 1,000)			
MDF access lines ¹	3,699	3,725	3,760
– of which line sharing ²	1,246	1,304	1,494
Unbundling³ (m)	1.1	1.1	1.1
– Shared unbundled lines	0.2	0.2	0.2
– Fully unbundled lines	0.9	0.9	0.9
Minutes (bn)	3.9	4.2	4.2
– Originating	0.9	1.0	1.1
– Terminating	1.8	2.0	1.9
– Transit	1.2	1.2	1.2
Population coverage			
– UMTS / HSDPA	100%	99%	99%
FttC (x 1,000)			
– Homes passed	464	464	464
– Homes activated	16	10	1
FttH (x 1,000)			
– Homes passed	288	210	119
– Homes activated	26	22	6

1 Including Bitstream

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

3 External lines based on management estimates

KPIs Germany

	Q2 '10	Q1 '10	Q2 '09
Market share¹			
– Service revenue	15.6%	15.4%	15.5%
– Customer base	17.8%	17.6%	16.9%
Customers (x 1,000)	19,590	19,290	18,235
– Postpaid	6,815	6,764	6,785
– Prepaid	12,775	12,526	11,450
Service revenues (€ m)	772	729	757
ARPU (€)	13	13	14
– Postpaid	26	25	27
– Prepaid	6	6	6
Non-voice as % of ARPU	28%	28%	27%
MoU (originating, terminating)	152	148	147
– Postpaid	279	280	283
– Prepaid	88	80	70
SAC/SRC (€)	44	44	53
– Postpaid	112	115	129
– Prepaid	15	16	16

KPIs Belgium (Mobile)¹

	Q2 '10	Q1 '10	Q2 '09
Market share²			
– Service revenue	>18%	~18%	>17%
– Customer base	~26%	~26%	>25%
Customers (x 1,000)	3,629	3,566	3,487
– Postpaid	712	702	612
– Prepaid ³	2,917	2,864	2,875
Service revenues (€ m)	178	169	167
ARPU (€)	17	16	16
– Postpaid	48	46	50
– Prepaid	9	8	9
Non-voice as % of ARPU	16%	18%	17%
MoU (originating, terminating)	138	131	124
– Postpaid	470	460	451
– Prepaid	56	52	55
SAC/SRC (€)	16	18	21
– Postpaid	59	55	54
– Prepaid	8	8	11

1 Relating to Mobile business only

2 Management estimates

3 Clean-up of 221k inactive prepaid customers in Q2 '10, 208k in Q1 '10 and 96k in Q2 '09