

Agenda

Koninklijke KPN N.V. (“KPN”) invites its shareholders to its Annual General Meeting of Shareholders (“AGM”) to be held at KPN Headquarters, Maanplein 55 in The Hague on Wednesday 13 April, 2016.

The registration will be open as of 12:00 (CET), the meeting will commence at 14:00 (CET).

AGENDA

1. Opening and announcements.

Review of the year 2015

2. Report by the Board of Management for the financial year 2015.

Remuneration in the year 2015

3. Remuneration in the financial year 2015.

Financial statements for the financial year 2015

4. Proposal to adopt the financial statements for the financial year 2015 (Resolution).

Shareholder remuneration

5. Explanation of the financial and dividend policy.
6. Proposal to determine the dividend over the financial year 2015 (Resolution).
7. Proposal to implement a capital repayment through two subsequent amendments of the articles of association (Resolution).

Discharge from liability

8. Proposal to discharge the members of the Board of Management from liability (Resolution).
9. Proposal to discharge the members of the Supervisory Board from liability (Resolution).

Corporate matters

10. Proposal to appoint the external auditor for the financial year 2017 (Resolution).

Composition of the Supervisory Board

11. Opportunity to make recommendations for the appointment of a member of the Supervisory Board.
12. Proposal to reappoint Mr P.A.M. van Bommel as member of the Supervisory Board (Resolution).
13. Announcement concerning vacancies in the Supervisory Board arising in 2017.

Shares

14. Proposal to authorize the Board of Management to resolve that the company may acquire its own shares (Resolution).
15. Proposal to reduce the capital through cancellation of own shares (Resolution).
16. Proposal to designate the Board of Management as the competent body to issue ordinary shares (Resolution).
17. Proposal to designate the Board of Management as the competent body to restrict or exclude pre-emptive rights upon issuing ordinary shares (Resolution).

Miscellaneous

18. Any other business and closure of the meeting.

Agenda

Explanatory notes to the agenda

Item 2	<p>The Board of Management will give a presentation on the performance of KPN in 2015. Subsequently, the General Meeting will be invited to discuss this performance (described in more detail in the Integrated Annual Report 2015). Under this item the Supervisory Board report will also be discussed.</p>
Item 3	<p>This agenda item provides for a discussion on the implementation of the remuneration policy for the Board of Management in 2015.</p>
Item 4 – Resolution	<p>The Board of Management - with the approval of the Supervisory Board - proposes to the General Meeting to adopt KPN's financial statements for the financial year 2015.</p>
Item 5	<p>Under this agenda item the Board of Management will give an explanation of the financial and dividend policy of KPN as outlined in the Integrated Annual Report 2015.</p>
Item 6 - Resolution	<p>On 25 February 2016, the Board of Management, with approval of the Supervisory Board, has allocated an amount of EUR 243.4 million out of the profit to the other reserves. Taking into account the interim (dividend) distributions made at the expense of the profits in 2015, the remaining part of the profit of EUR 213 million is available for distribution and is proposed as a final dividend.</p> <p>On 4 February 2015, KPN announced its intention to pay a total dividend per ordinary share of EUR 0.08 in respect of the financial year 2015. On 11 September 2015 KPN made, with approval of the General Meeting, an interim (dividend) distribution of EUR 0.03 per ordinary share (being an aggregate amount of EUR 127.8 million), being approximately one third of the intended EUR 0.08 total dividend per ordinary share in respect of the financial year 2015.</p> <p>In addition, KPN decided to distribute the received dividend over the financial year 2014 on its shareholding in Telefónica Deutschland Holding AG to its shareholders as an additional interim (dividend) distribution of EUR 0.034 per ordinary share. The distribution amounted to EUR 144.8 million. This additional interim (dividend) distribution has been paid on 5 August 2015.</p> <p>The interim (dividend) distribution of EUR 0.03 and EUR 0.034 per ordinary share, jointly amounted to a total of EUR 272.6 million, of which EUR 90.9 million was paid out of the distributable part of the shareholders' equity and the remaining amount of EUR 181.7 million at the expense of the profits of the financial year 2015.</p> <p>After deduction of the interim (dividend) distribution of EUR 0.03 per ordinary share, there remains a final dividend to be paid of EUR 0.05 per ordinary share, such in accordance with the announcement to distribute EUR 0.08 per ordinary shares in respect of the financial year 2015. The (dividend) distribution of EUR 0.034 per ordinary share has not been taken into account in this respect, as this was an additional (dividend) distribution. In accordance with the provisions of Article 33 of the Articles of Association, the 2015 final dividend will become payable on 20 April 2016. The total dividend in respect of the financial year 2015, including the additional interim (dividend) distribution amounts to EUR 0.114 per ordinary share.</p> <p>The Board of Management therefore - with the approval of the Supervisory Board - proposes to the General Meeting to determine the total dividend over the financial year 2015 at EUR 0.114 per ordinary share.</p>
Item 7 – Resolution	<p>Explanation of the Capital Repayment and the proposed amendments of the articles of association.</p> <p>On 10 November 2015, KPN announced the sale of 150 million shares (approximately a quarter of its stake) in Telefónica Deutschland Holding AG at a price of EUR 5.37 per share, realizing EUR 805 million proceeds. KPN intends to distribute approximately 70% of the proceeds of this transaction to its shareholders.</p>

On 11 February 2016, KPN completed the sale of BASE Company to Telenet for a total cash consideration of EUR 1,325 million. After compensating for the loss of EBITDA from BASE Company, EUR 900 million of the proceeds are regarded as excess cash. KPN intends to distribute approximately 70% of this amount to its shareholders together with the distribution related to the sale of Telefónica Deutschland Holding AG shares mentioned above.

The retained proceeds from the above transactions will be used to reduce net debt and further strengthen KPN's financial flexibility.

To return in aggregate approximately EUR 1.2 billion to the holders of ordinary shares, it is proposed to the General Meeting to restructure the issued capital of KPN by way of consecutive changes of the nominal value of ordinary shares, resulting in a repayment of capital to holders of ordinary shares. After careful consideration, the Board of Management and the Supervisory Board have concluded that a distribution in the form of a capital repayment is the most advantageous method to return the proceeds to shareholders.

The capital repayment will be executed in the following two steps, each step requiring an amendment of the articles of association of KPN:

i. Increase of the nominal value of ordinary shares.

It is proposed to the General Meeting to amend the articles of association to increase the nominal value of each ordinary share from EUR 0.04 up to EUR 0.32. The increase of the nominal value will be paid at the expense of the share premium reserve. The notarial deed of amendment of the articles of association will be executed on the date to be decided by the Board of Management and only after the objection period as described under item 7(ii) below has ended and is subject to the condition that no objections have been received during that period or, in the event one or more creditors objected to the capital reduction, after the objection has been lifted.

ii. Reduction of the issued capital by decreasing the nominal value of ordinary shares with repayment to the holders of ordinary shares.

It is proposed to the General Meeting to amend the articles of association to decrease the nominal value of each ordinary share from the amount it was raised to after the amendment of the articles of association under item 7(i) to EUR 0.04, resulting in a capital repayment of EUR 0.28 per ordinary share, being an aggregate amount of approximately EUR 1.2 billion, to the holders of ordinary shares. This transaction is subject to the legally required filing with the Dutch Trade Register and a two-month creditor objection period pursuant to articles 99 and 100 of Book 2 of the Dutch Civil Code. The notarial deed of amendment of the articles of association will be executed on the same date and only after the execution of the notarial deed of amendment of the articles of association as described under item 7(i).

Under the second amendment, a textual amendment to the articles of association will also be made in order to comply with the requirements of the Dutch Act on the Implementation of the European Directive on Annual Financial Statements ('Uitvoeringswet richtlijn jaarrekening'): the term 'jaarsverslag' (annual report) will be replaced by the term 'bestuursverslag' (report of the Management Board).

These two proposals to amend the articles of association are inextricably linked together and will therefore be put to a vote collectively.

The proposed amendments of the articles also include granting a power of attorney to every member of the Board of Management, KPN's secretary, and every civil law notary (and deputy civil law notary), paralegal and notarial assistant at Allen & Overy LLP, Attorneys at Law, Civil Law Notaries and Tax Consultants, in Amsterdam, The Netherlands to have both deeds of amendment of the articles of association executed.

A complete version of the proposed amendments of the articles of association and the explanatory notes are available free of charge at www.kpn.com/ir.

Item 8 – Resolution

It is proposed to the General Meeting to discharge the members of the Board of Management from all liability in relation to the exercise of their duties in the financial year 2015, to the extent that such exercise is apparent from the financial statements or has been otherwise disclosed to the General Meeting prior to the adoption of the financial statements.

Item 9 – Resolution

It is proposed to the General Meeting to discharge the members of the Supervisory Board from all liability in relation to the exercise of their duties in the financial year 2015, to the extent that such exercise is apparent from the financial statements or has been otherwise disclosed to the General Meeting prior to the adoption of the financial statements.

Item 10 - Resolution

With the approval of the Supervisory Board, the Board of Management proposes to instruct Ernst & Young Accountants LLP to audit the financial statements for the financial year 2017.

Item 11

On 27 November 2015, Mr Von Hauske Solís stepped down as a member of the Supervisory Board. At the closure of the meeting, the four-year appointment term of Mr Van Bommel will end.

The Supervisory Board has the intention to fill the vacancy that arises as a result of the end of the appointment term of Mr Van Bommel by nominating a candidate for appointment at this AGM. The vacancy must be filled in accordance with the profile of the Supervisory Board. In particular, the Supervisory Board aims for a diverse composition in terms of age, gender, experience and expertise. Furthermore, candidates should have knowledge of or experience with, e.g., managing a large organisation, (inter)national business matters, financial matters and/or relations between a company and society, and have affinity with telecommunications and ICT industries.

The Supervisory Board firmly believes that it is in the best interest of the company to ensure continuity in the Supervisory Board. In that light, Mr Van Bommel has indicated that he is available for reappointment.

Upon the reappointment of Mr Van Bommel, the Supervisory Board believes it is properly composed, and therefore does at this moment not make a proposal to fill the vacancy that has arisen by the resignation of Mr Von Hauske Solís.

The General Meeting has the opportunity to put forward recommendations for the vacancy.

Item 12 - Resolution

Under the condition precedent that no recommendations for another person have been made by the AGM under item 11, the Supervisory Board nominates Mr P.A.M. van Bommel for reappointment as member of the Supervisory Board. The Board of Management supports this nomination. The Central Works Council has been given the opportunity to determine its position in relation to the nomination. The position of the Central Works Council, if any, will be made available on the company's website in due course.

Mr Van Bommel complies with the requirements of the profile of the Supervisory Board, in particular as to his extensive knowledge of and experience in financial and accounting matters. Mr Van Bommel is considered independent within the meaning of the Dutch Corporate Governance Code.

It is therefore proposed to the AGM to reappoint Mr Van Bommel in accordance with this nomination for a period of four years (ending at the closure of the AGM to be held in 2020). The details required under article 142 (3) of Book 2 of the Dutch Civil Code are attached to these notes.

Item 13

At the closure of the AGM to be held in 2017 two vacancies will arise, as Mr García Moreno Elizondo and Mr Haank will step down as they will then have reached the end of their four-year term.

Item 14 - Resolution

KPN considers it desirable to have financial flexibility with regard to the repurchase of its own ordinary shares, also to service incentive plans for management and personnel.

In accordance with article 98(4) of Book 2 of the Dutch Civil Code and Article 12 of the Articles of Association of KPN, the Board of Management, with the approval of the Supervisory Board, proposes to authorize the Board of Management to acquire the company's own ordinary shares for a period of 18 months starting 13 April 2016 and ending 13 October 2017 (the existing authorization on this matter – as granted by the Shareholders' meeting on 15 April 2015 – will expire upon the adoption of this resolution). The number of ordinary shares to be acquired shall be limited to a maximum of 10% of the issued capital per 13 April 2016.

The shares may be acquired on the stock exchange or through other means at a price per share of at least EUR 0.01 and at most the highest of (i) the Quoted Share Price plus 10% and (ii) if purchases are made on the basis of a programme entered into with a single counterparty or using a financial intermediary, the average of the Volume Weighted Average Prices during the course of the programme. The Quoted Share Price is defined as the average of the closing prices of KPN shares as reported in the official price list of Euronext Amsterdam over the five trading days prior to the acquisition date. The Volume Weighted Average Price is defined as the volume weighted average price of trades in KPN shares on Euronext Amsterdam between 9:00 (CET) and 17:30 (CET) adjusted for block, cross and auction trades. Resolutions by the Board of Management to acquire the company's own shares are subject to the approval of the Supervisory Board.

Item 15 - Resolution

The Board of Management proposes, with the approval of the Supervisory Board, that the General Meeting of Shareholders resolves to reduce the issued capital through cancellation of own shares, as provided for in Article 13 of the Articles of Association of KPN. The number of shares that will be cancelled following this resolution, will be determined by the Board of Management. It is restricted to a maximum of 10% of the issued capital per 13 April 2016. Only shares held by the company may be cancelled. Each time the amount of the capital reduction will be stated in the resolution of the Board of Management that shall be filed at the Commercial Register in The Hague. The capital reduction will enable the company to further optimize its equity structure and shall take place with due observance of the applicable provisions of Dutch law and the Articles of Association.

Item 16 - Resolution

To ensure continuing financial flexibility, the Board of Management proposes, with the approval of the Supervisory Board, to designate the Board of Management as the company body competent to issue ordinary shares and to grant rights to subscribe for ordinary shares as provided for in Article 9 of the Articles of Association of KPN for a period of 18 months, starting 13 April 2016 and ending 13 October 2017 (the existing designation on this matter – as granted by the Shareholders' meeting on 15 April 2015 – will expire upon the adoption of this resolution). The number of ordinary shares to be issued shall be limited to a maximum of 10% of the capital. The term "capital" means the issued capital per 13 April 2016. Resolutions by the Board of Management to issue ordinary shares or to grant rights to subscribe for ordinary shares are subject to the approval of the Supervisory Board.

Item 17 - Resolution

The Board of Management proposes, with the approval of the Supervisory Board, to designate the Board of Management as the company body competent to restrict or exclude pre-emptive rights of existing shareholders upon the issuance of ordinary shares or the granting of rights to subscribe for ordinary shares as provided for in Article 10 of the Articles of Association of KPN for a period of 18 months, starting 13 April 2016 and ending 13 October 2017 (the existing designation on this matter – as granted by the Shareholders' meeting on 15 April 2015 – will expire upon the adoption of this resolution). This authority shall be limited to a maximum of 10% of the capital. The term "capital" means the issued capital per 13 April 2016. Resolutions by the Board of Management to restrict or exclude pre-emptive rights are subject to the approval of the Supervisory Board.

Item 12: Information required under article 142 (3) of Book 2 of the Dutch Civil Code

Mr P.A.M. van Bommel

Year of birth:	1957
Current position:	Member of the board of management and CFO of ASM International N.V.
Nationality:	Dutch
KPN shares:	114,000
Supervisory directorships and other positions:	Mr Van Bommel is non-executive director of ASM PT (Hong Kong) and member of the Supervisory Board of Neways Electronics International N.V.
Reason for nomination:	Mr Van Bommel has been a member of the Supervisory Board since 2012. He is a member of the Audit Committee. His extensive knowledge of and experience in financial and accounting matters, his management expertise and continued involvement in international business are of great value for KPN. The nomination for reappointment of Mr Van Bommel also serves the continuity in the Supervisory Board. KPN is confident Mr Van Bommel is fully committed to KPN and its shareholders. In 2015, Mr Van Bommel attended 88.9 % of all Supervisory Board meetings (including both regular and ad hoc meetings).