



KPN Analyst consensus Q2 2016

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The analyst consensus provided is based on forecasts provided by various leading equity analysts covering the KPN share. The analyst consensus for the Q2 2016 period and the full fiscal years 2016-2018 is based on the non-weighted average of 20 analyst forecasts (vs. 13 in Q1 2016). The analyst forecasts were submitted to KPN in the period of 22 June 2016 to 4 July 2016.

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| KPN divisional breakdown (EUR m) | | | | | | | | | | | | | | | | |
|--|-------------------|------------------|----------------|---------------|-------------------|------------------|----------------|---------------|-------------------|------------------|----------------|---------------|-------------------|------------------|----------------|---------------|
| Adjusted revenues ¹ | Q2 '16 Average | Q2 '16 Median | Q2 '16 High | Q2 '16 Low | FY '16 Average | FY '16 Median | FY '16 High | FY '16 Low | FY '17 Average | FY '17 Median | FY '17 High | FY '17 Low | FY '18 Average | FY '18 Median | FY '18 High | FY '18 Low |
| Consumer | 779 | 779 | 797 | 750 | 3,148 | 3,143 | 3,179 | 3,116 | 3,197 | 3,195 | 3,257 | 3,144 | 3,247 | 3,256 | 3,351 | 3,082 |
| Business | 575 | 574 | 585 | 564 | 2,333 | 2,335 | 2,371 | 2,295 | 2,247 | 2,247 | 2,345 | 2,150 | 2,207 | 2,204 | 2,346 | 2,041 |
| Wholesale | 181 | 181 | 184 | 178 | 720 | 718 | 732 | 708 | 713 | 712 | 742 | 685 | 704 | 706 | 743 | 661 |
| Network, Operations & IT | 4 | 4 | 5 | 3 | 16 | 16 | 19 | 16 | 17 | 16 | 20 | 16 | 17 | 16 | 21 | 15 |
| Other (incl. eliminations) | -39 | -40 | -32 | -42 | -162 | -161 | -150 | -174 | -158 | -160 | -134 | -170 | -155 | -160 | -100 | -171 |
| The Netherlands | 1,501 | 1,501 | 1,517 | 1,490 | 6,054 | 6,058 | 6,122 | 6,013 | 6,015 | 6,020 | 6,145 | 5,927 | 6,022 | 6,020 | 6,201 | 5,887 |
| iBasis | 222 | 222 | 236 | 215 | 885 | 884 | 920 | 857 | 865 | 865 | 929 | 658 | 869 | 864 | 938 | 773 |
| Other activities | 2 | 2 | 6 | 1 | 11 | 10 | 25 | 4 | 11 | 10 | 25 | 3 | 11 | 10 | 25 | 4 |
| Intercompany revenues | -28 | -28 | -25 | -30 | -113 | -112 | -106 | -123 | -114 | -109 | -103 | -160 | -113 | -109 | -100 | -160 |
| Total adjusted revenues¹ | 1,699 | 1,698 | 1,721 | 1,679 | 6,837 | 6,836 | 6,943 | 6,781 | 6,777 | 6,766 | 6,966 | 6,669 | 6,781 | 6,765 | 7,022 | 6,616 |
| Incidentals | 0 | 0 | 3 | 0 | 0 | 0 | 6 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total reported revenues | 1,699 | 1,698 | 1,721 | 1,679 | 6,837 | 6,836 | 6,943 | 6,787 | 6,777 | 6,766 | 6,966 | 6,669 | 6,781 | 6,765 | 7,022 | 6,616 |

1) Defined as revenues and other income adjusted for incidentals

| KPN divisional breakdown (EUR m) | | | | | | | | | | | | | | | | |
|--|-------------------|------------------|----------------|---------------|-------------------|------------------|----------------|---------------|-------------------|------------------|----------------|---------------|-------------------|------------------|----------------|---------------|
| Adjusted EBITDA ² | Q2 '16 Average | Q2 '16 Median | Q2 '16 High | Q2 '16 Low | FY '16 Average | FY '16 Median | FY '16 High | FY '16 Low | FY '17 Average | FY '17 Median | FY '17 High | FY '17 Low | FY '18 Average | FY '18 Median | FY '18 High | FY '18 Low |
| Consumer (contribution margin) | 466 | 467 | 478 | 450 | 1,873 | 1,869 | 1,898 | 1,846 | 1,928 | 1,925 | 1,976 | 1,901 | 1,968 | 1,963 | 2,044 | 1,917 |
| Business (contribution margin) | 346 | 345 | 361 | 334 | 1,417 | 1,415 | 1,477 | 1,377 | 1,365 | 1,348 | 1,454 | 1,304 | 1,355 | 1,354 | 1,459 | 1,242 |
| Wholesale (contribution margin) | 125 | 125 | 127 | 123 | 498 | 497 | 513 | 482 | 495 | 495 | 523 | 466 | 493 | 491 | 537 | 449 |
| Network, Operations & IT (contribution margin) | -290 | -293 | -273 | -305 | -1,152 | -1,153 | -1,097 | -1,201 | -1,120 | -1,118 | -1,038 | -1,191 | -1,101 | -1,092 | -984 | -1,192 |
| Other (incl. eliminations) | -65 | -66 | -60 | -70 | -253 | -255 | -235 | -270 | -253 | -248 | -235 | -284 | -253 | -245 | -232 | -296 |
| The Netherlands | 580 | 580 | 596 | 562 | 2,387 | 2,389 | 2,436 | 2,332 | 2,420 | 2,419 | 2,486 | 2,357 | 2,471 | 2,460 | 2,611 | 2,367 |
| iBasis | 5 | 6 | 7 | 2 | 23 | 23 | 27 | 20 | 23 | 23 | 27 | 18 | 23 | 23 | 28 | 18 |
| Other activities | -1 | -3 | 4 | -15 | 6 | 8 | 16 | -13 | 8 | 10 | 16 | -13 | 8 | 10 | 16 | -13 |
| Total adjusted EBITDA² | 584 | 586 | 602 | 555 | 2,417 | 2,420 | 2,459 | 2,370 | 2,453 | 2,454 | 2,524 | 2,401 | 2,504 | 2,495 | 2,649 | 2,405 |
| Incidentals and restructuring costs | -19 | -20 | -6 | -33 | -59 | -60 | -9 | -108 | -47 | -50 | 0 | -90 | -35 | -46 | 1 | -80 |
| Total reported EBITDA | 565 | 566 | 593 | 532 | 2,358 | 2,360 | 2,414 | 2,316 | 2,406 | 2,397 | 2,494 | 2,351 | 2,451 | 2,456 | 2,521 | 2,355 |

2) Defined as EBITDA adjusted for restructuring costs and incidentals

| KPN consolidated figures (EUR m) | | | | | | | | | | | | | | | | |
|---|---------|--------|--------|--------|---------|--------|--------|--------|---------|--------|--------|--------|---------|--------|--------|--------|
| P&L items from continuing operations | | | | | | | | | | | | | | | | |
| | Q2 '16 | Q2 '16 | Q2 '16 | Q2 '16 | FY '16 | FY '16 | FY '16 | FY '16 | FY '17 | FY '17 | FY '17 | FY '17 | FY '18 | FY '18 | FY '18 | FY '18 |
| | Average | Median | High | Low | Average | Median | High | Low | Average | Median | High | Low | Average | Median | High | Low |
| Total operating profit | 176 | 175 | 230 | 137 | 770 | 775 | 938 | 630 | 871 | 862 | 1,023 | 705 | 968 | 980 | 1,072 | 833 |
| Total D&A | 393 | 390 | 422 | 363 | 1,586 | 1,588 | 1,700 | 1,484 | 1,536 | 1,533 | 1,600 | 1,454 | 1,505 | 1,510 | 1,650 | 1,373 |
| Depreciation | 261 | 259 | 277 | 250 | 1,043 | 1,034 | 1,107 | 1,000 | 1,016 | 1,027 | 1,097 | 900 | 1,001 | 1,013 | 1,151 | 824 |
| Amortization | 132 | 127 | 168 | 108 | 557 | 551 | 677 | 480 | 526 | 511 | 640 | 470 | 511 | 493 | 640 | 412 |
| Profit for the period | 130 | 137 | 222 | 38 | 377 | 345 | 687 | 215 | 451 | 470 | 603 | 331 | 545 | 535 | 713 | 355 |
| Earnings per share (non-diluted) from continuing operations (in €) | 0.03 | 0.03 | 0.05 | 0.00 | 0.09 | 0.09 | 0.16 | 0.04 | 0.10 | 0.11 | 0.13 | 0.07 | 0.13 | 0.13 | 0.17 | 0.08 |
| Dividend per share (in EUR) - regular | 0.05 | 0.04 | 0.10 | 0.04 | 0.10 | 0.10 | 0.13 | 0.09 | 0.12 | 0.12 | 0.15 | 0.11 | 0.14 | 0.14 | 0.17 | 0.12 |
| Dividend per share (in EUR) - additional | 0.28 | 0.31 | 0.31 | 0.18 | 0.26 | 0.31 | 0.31 | 0.03 | 0.03 | 0.03 | 0.05 | 0.01 | 0.03 | 0.03 | 0.05 | 0.00 |
| Dividend per share (in EUR) | 0.21 | 0.22 | 0.41 | 0.04 | 0.38 | 0.41 | 0.43 | 0.13 | 0.15 | 0.15 | 0.25 | 0.11 | 0.17 | 0.17 | 0.25 | 0.12 |

| KPN consolidated figures (EUR m) | | | | | | | | | | | | | | | | |
|--|---------|--------|--------|--------|---------|--------|--------|--------|---------|--------|--------|--------|---------|--------|--------|--------|
| Free cash flow from continuing operations | | | | | | | | | | | | | | | | |
| | Q2 '16 | Q2 '16 | Q2 '16 | Q2 '16 | FY '16 | FY '16 | FY '16 | FY '16 | FY '17 | FY '17 | FY '17 | FY '17 | FY '18 | FY '18 | FY '18 | FY '18 |
| | Average | Median | High | Low | Average | Median | High | Low | Average | Median | High | Low | Average | Median | High | Low |
| Net cash flow from operating activities ³ | 505 | 489 | 654 | 400 | 1,926 | 1,913 | 2,024 | 1,841 | 2,031 | 1,994 | 2,192 | 1,881 | 2,113 | 2,136 | 2,273 | 1,894 |
| Capex | -293 | -291 | -260 | -339 | -1,199 | -1,200 | -1,165 | -1,263 | -1,122 | -1,113 | -1,072 | -1,213 | -1,082 | -1,082 | -988 | -1,241 |
| Proceeds from real estate | 1 | 1 | 1 | 1 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Free cash flow⁴, excl. TEFD dividend | 182 | 191 | 270 | 100 | 679 | 675 | 734 | 625 | 857 | 867 | 948 | 720 | 976 | 969 | 1,154 | 759 |
| Dividends received from Telefónica Deutschland | 111 | 110 | 120 | 108 | 114 | 111 | 171 | 108 | 118 | 120 | 146 | 63 | 124 | 126 | 172 | 0 |
| Free cash flow⁴, incl. TEFD dividend | 296 | 307 | 379 | 191 | 792 | 786 | 854 | 736 | 975 | 979 | 1,079 | 842 | 1,102 | 1,101 | 1,264 | 893 |
| Net debt (in EUR bn) | 6.56 | 6.61 | 6.84 | 6.07 | 6.32 | 6.28 | 8.00 | 5.06 | 6.09 | 5.96 | 8.11 | 5.29 | 5.89 | 5.68 | 8.04 | 5.13 |

3) Net cash flow from operating activities is before deduction of Capex spent and proceeds from real estate

4) Free cash flow is defined as cash flow from continuing operating activities, plus proceeds from real estate, minus capital expenditures (Capex), being expenditures on PP&E and software