

Second Quarter 2015 Results

29 July 2015



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 ('FCF'). These non-GAAP figures should not be viewed as a substitute for KPN's GAAP figures.

KPN defines EBITDA as operating result before depreciation (including impairments) of PP&E and amortization (including 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 as adopted by the European Union. In the Net Debt / EBITDA ratio, KPN defines Net Debt as the nominal value of interest bearing financial liabilities excluding derivatives and related collateral, representing the net repayment obligations in Euro, taking into account 50% of the nominal value of the hybrid capital instruments, less net cash and short-term investments, and defines EBITDA as a 12 month rolling total excluding restructuring costs, incidentals and major changes in the composition of the Group (acquisitions and disposals). 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. Revenues are defined as the total of revenues and other income unless indicated otherwise. Adjusted revenues and adjusted EBITDA are derived from revenues (including other income) and EBITDA, respectively, and are adjusted for the impact of restructuring costs and incidentals.

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 ir.kpn.com

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", "will", "may", "could", "should", "intends", "estimate", "plan", "goal", "target", "aim" 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 and speak only as of the date they are made. A number of these factors are described (not exhaustively) in the Integrated Annual Report 2014.

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Eelco Blok

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Jan Kees de Jager

3 **Outlook and concluding remarks**

Eelco Blok

Highlights Q2 '15

Operating strategy yielding results, outlook 2015 strengthened



Services & Innovation

- Leading innovator in Dutch TV
 - Entered into smart content partnerships
- Continued positive results new mobile data bundles
- Further improvement customer satisfaction
- Increasing fiber penetration: 57% of households FtTC / FtTH

Operational

- Strong base growth Consumer
 - +31k broadband net adds
 - +64k IPTV net adds
 - +70k postpaid net adds
- Growth fixed-mobile bundles Consumer
 - 26% of retail postpaid base
 - 21% of broadband base
- Business segment transformation in progress

Financial¹ & Portfolio

- Adjusted revenues Q2 '15: € 1,751m, -3.8% y-on-y
- Adjusted EBITDA Q2 '15: € 602m, +1.5% y-on-y
- FCF H1 '15 (excl. TEFD dividend): € 116m vs. € -206m in H1 '14
- Outlook 2015 strengthened
- Sale of BASE Company on track

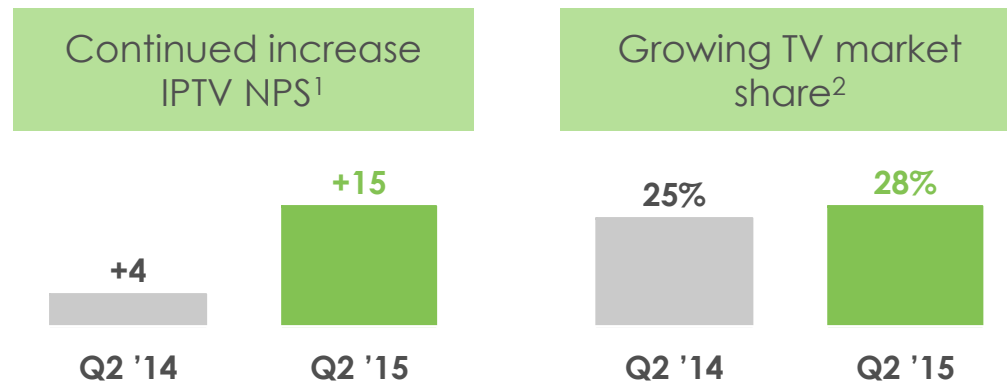
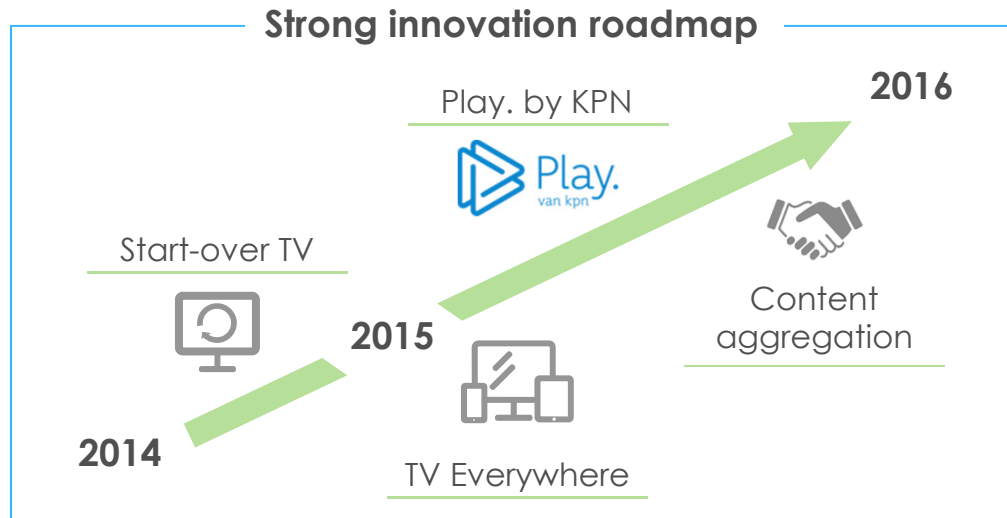
- Simplification program on track: ~€ 230m run-rate savings realized²

¹ All figures based on continuing operations, unless stated otherwise. BASE Company classified as discontinued operation

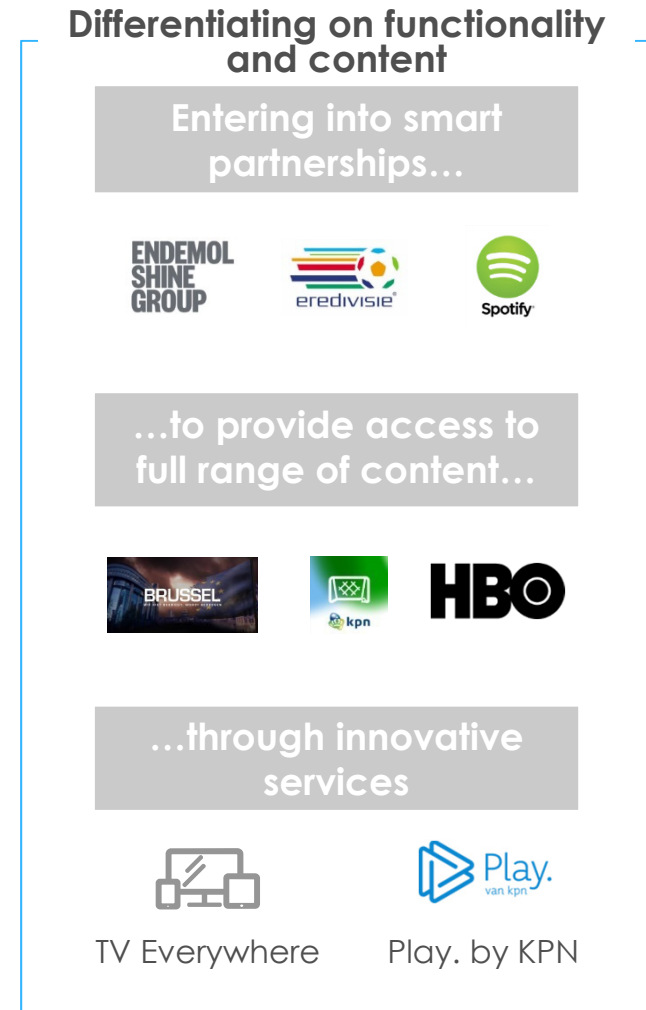
² End Q2 '15 vs. end Q4 '13

Differentiating through innovative services

Next phase TV roadmap: content aggregation through partnerships



1 Source: TNS NIPO, KPN brand
2 Based on number of subscribers

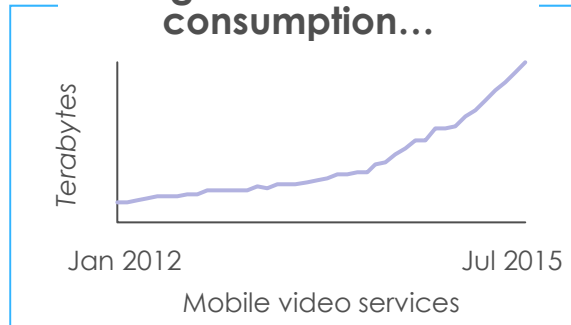


Consistent value creation in Consumer Mobile

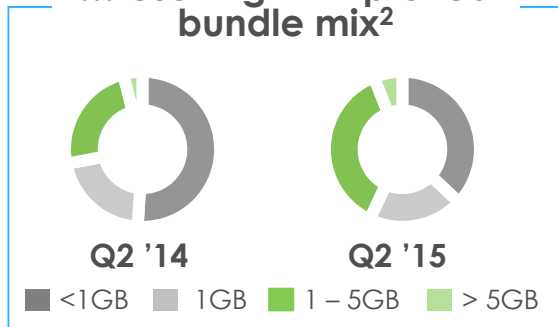
New mobile data bundles and innovative services drive upsell



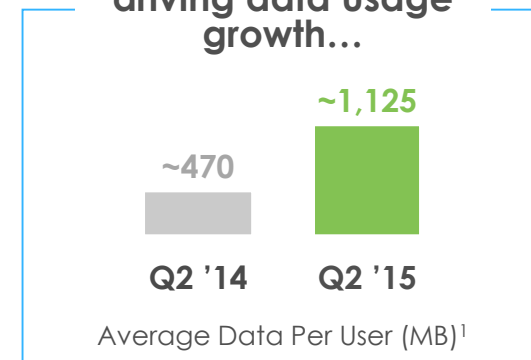
Strong increase in video consumption...



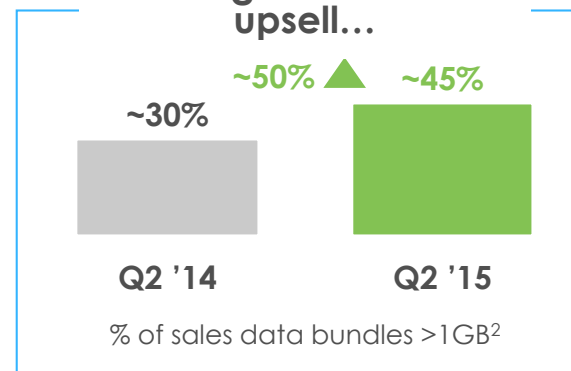
...resulting in improved bundle mix²



driving data usage growth...



leading to increased upsell...



1 KPN brand, 3G and 4G postpaid users
2 KPN brand

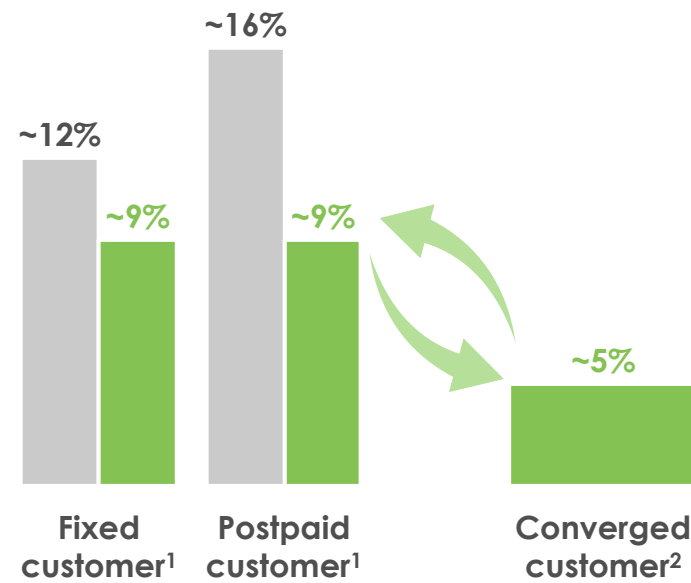
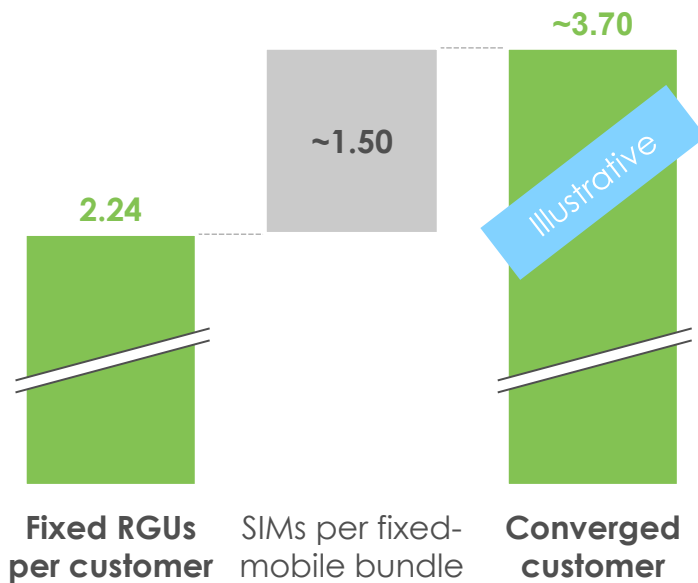
Clear benefits from convergence

Increasing number of services per household and decreasing churn



Increasing number of services per household

Decreasing churn



■ Q2 '14 ■ Q2 '15

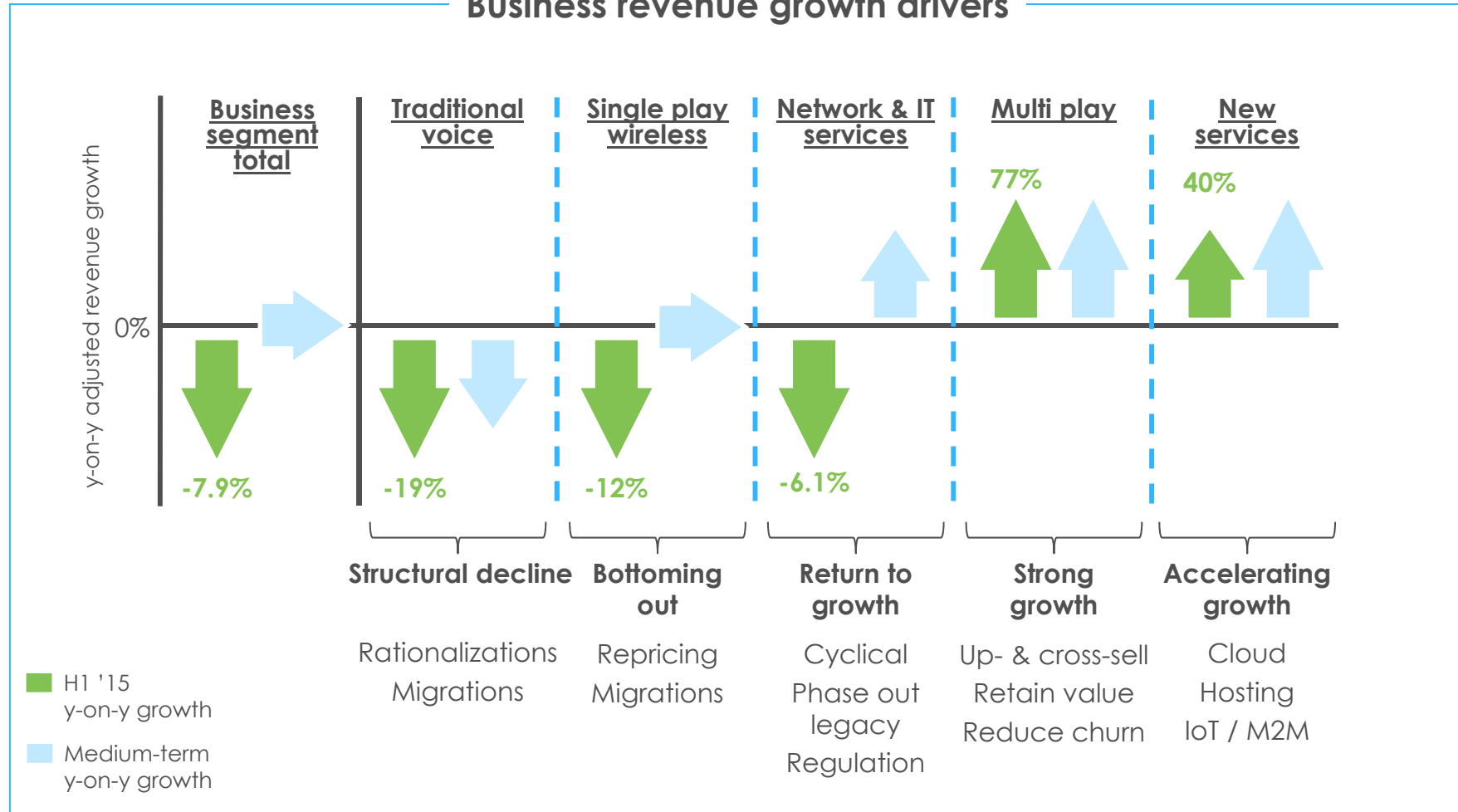
1 Annualized gross churn KPN brand
 2 Annualized gross churn quad play customer KPN brand

Business market changing rapidly

Opportunities to retain value and stabilize revenues in medium-term

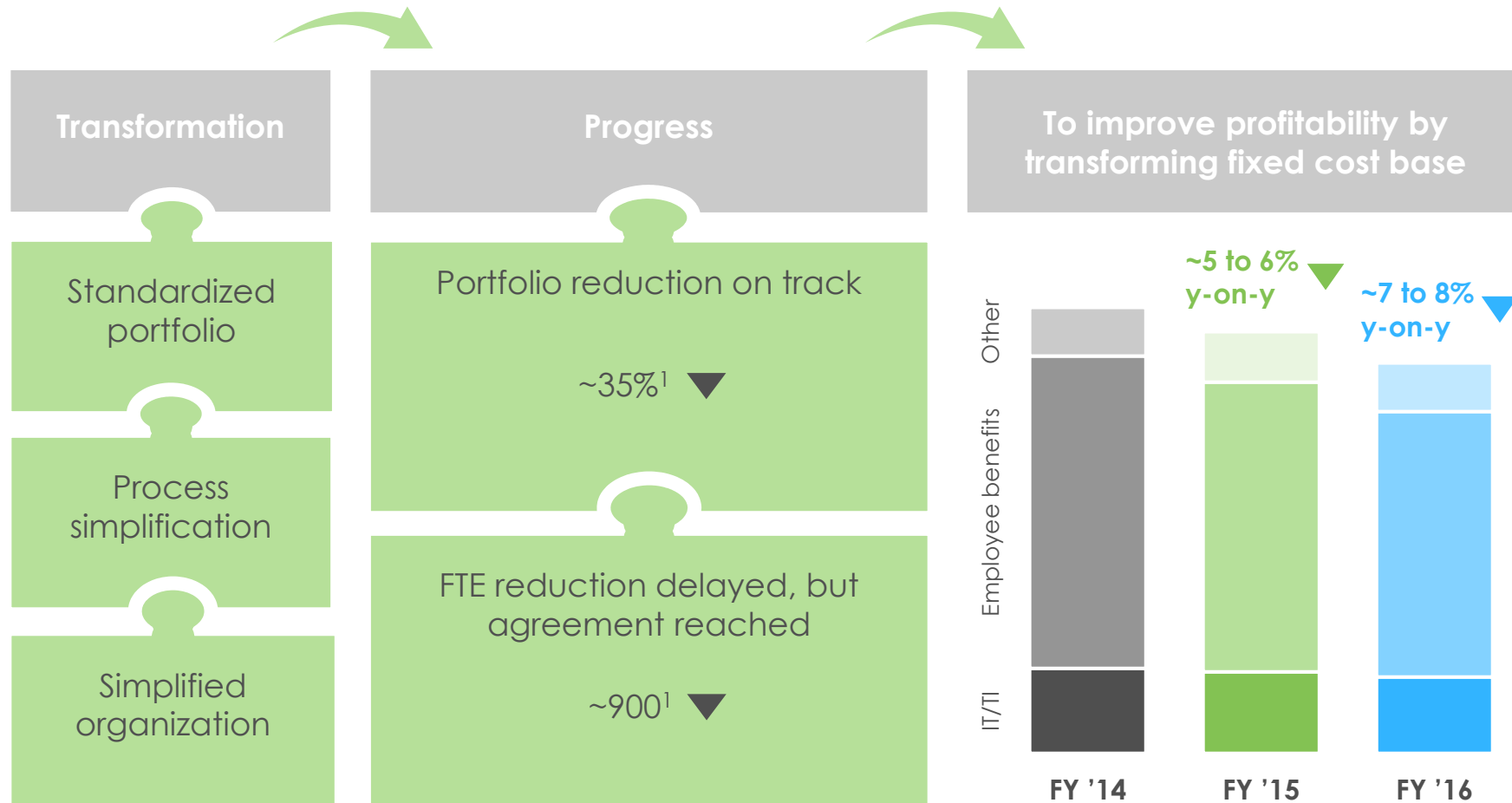


Business revenue growth drivers



Transforming the Business segment

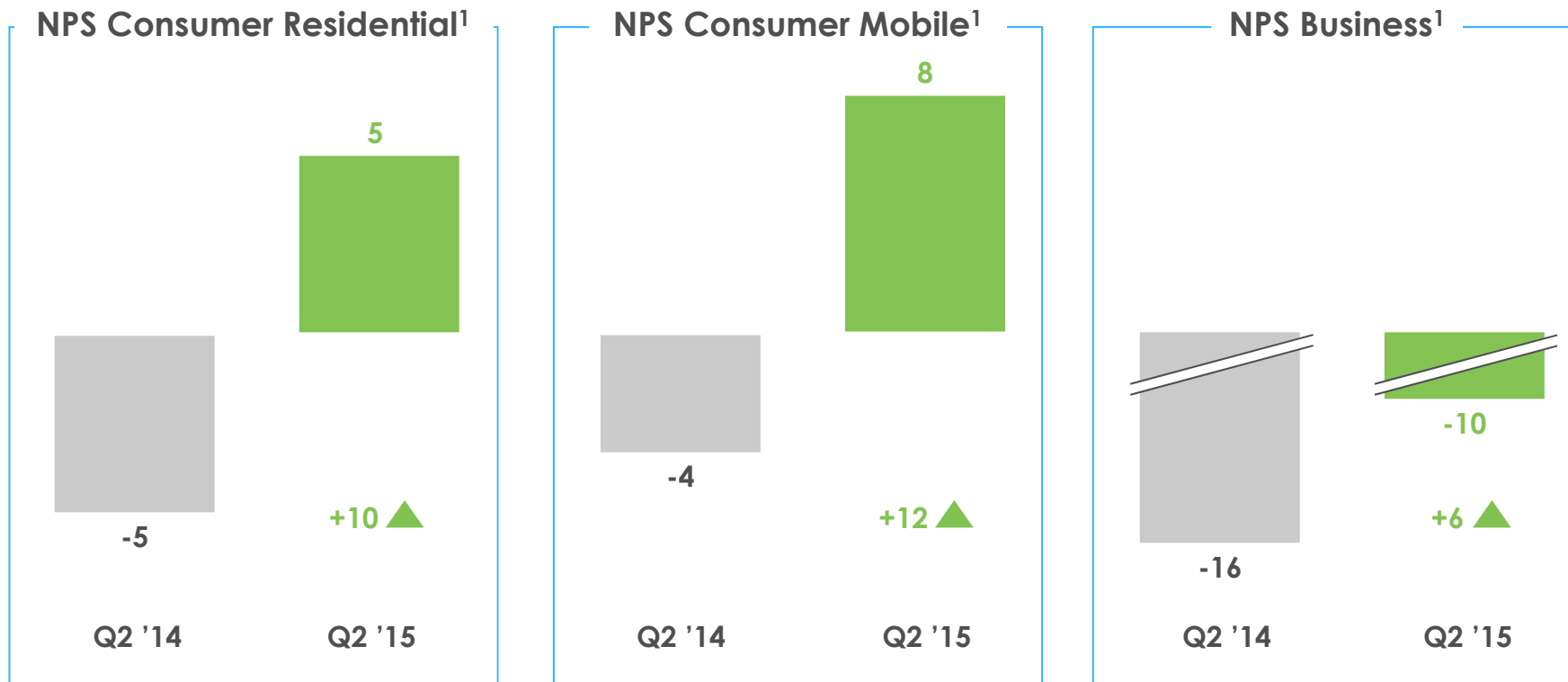
Simplification to mitigate revenue pressure



¹ End Q2 '15 vs. end Q4 '13

Developing as best-in-class service provider

NPS continues to improve across all segments



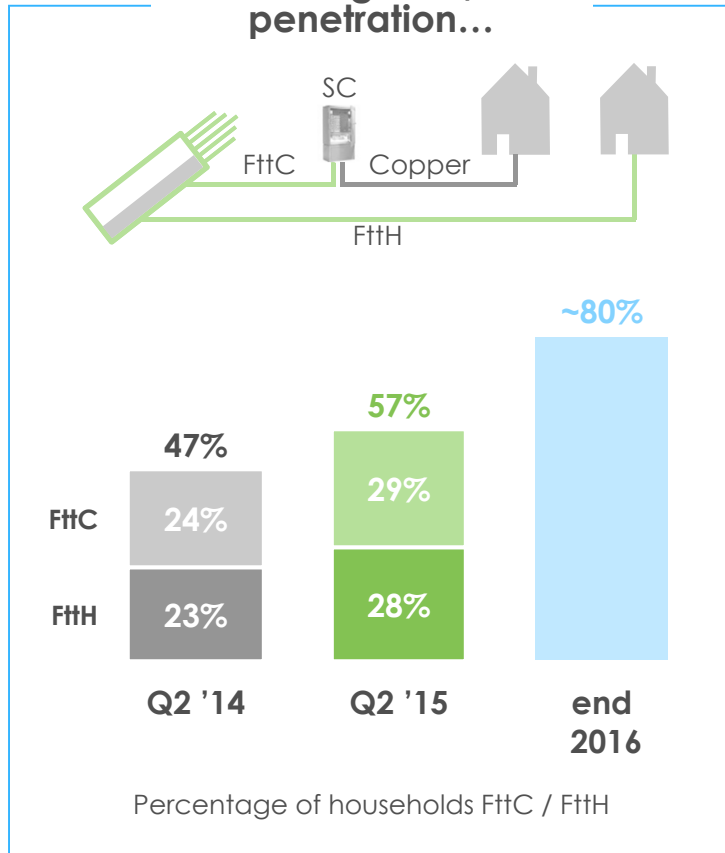
¹ Source: TNS NIPO. Consumer Residential (all brands), Consumer Mobile (all brands), Business (KPN brand)

Increasing fiber penetration within fixed network

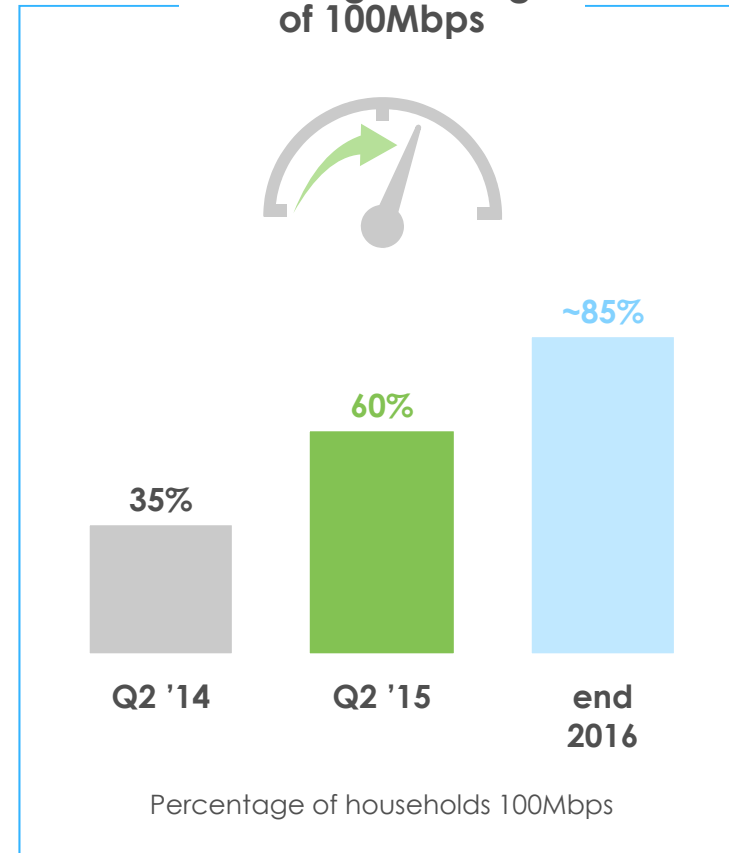
Copper speeds enhanced through FttC, vectoring and pair bonding



Increasing FttC / FttH penetration...



...driving coverage of 100Mbps

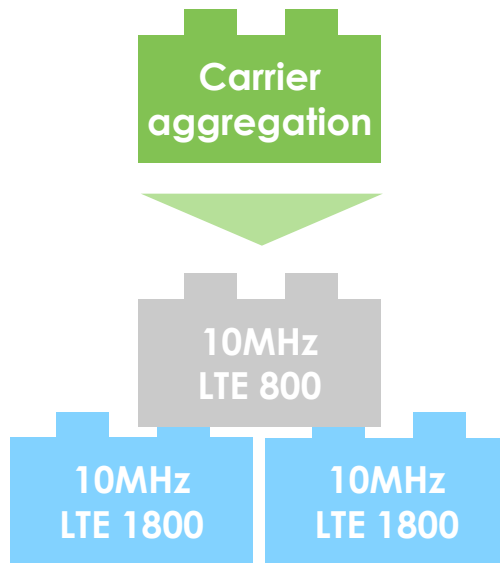


Expanding superior 4G network

Carrier aggregation driving strong increase in average speeds

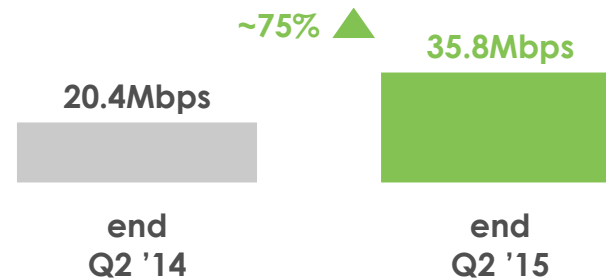


Utilization of full 1800MHz spectrum for carrier aggregation

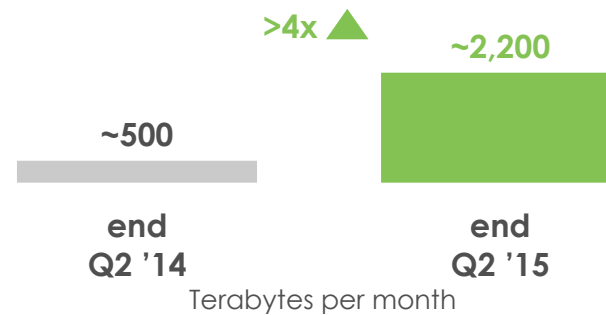


Carrier aggregation activated in seven largest cities

Driving strong increase in average 4G download speed

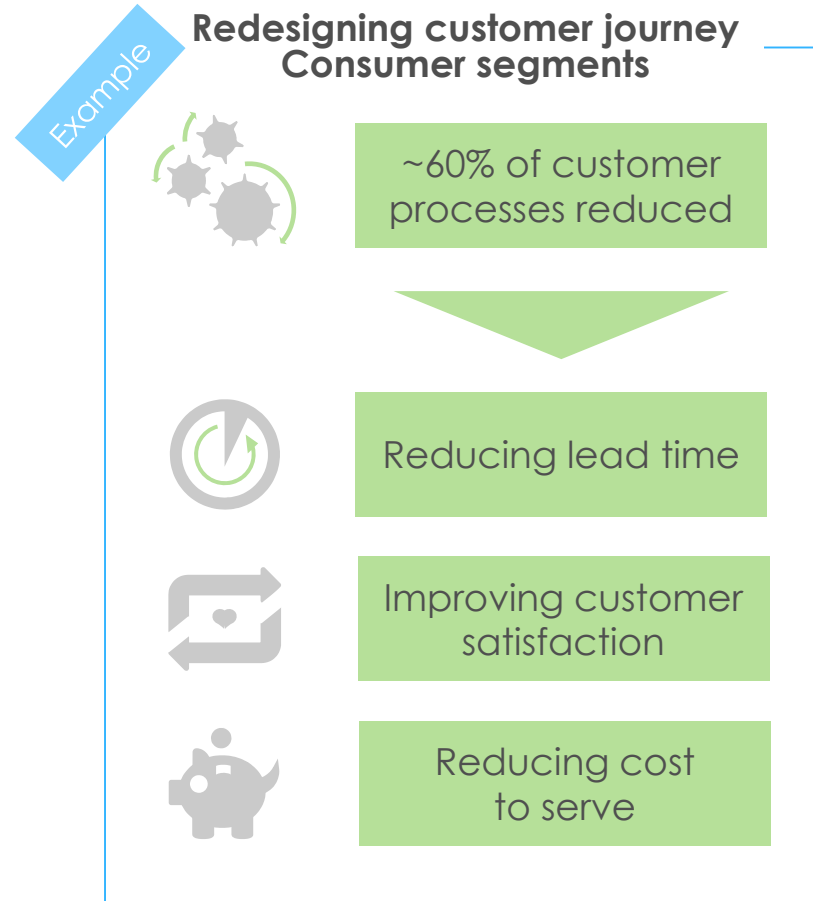
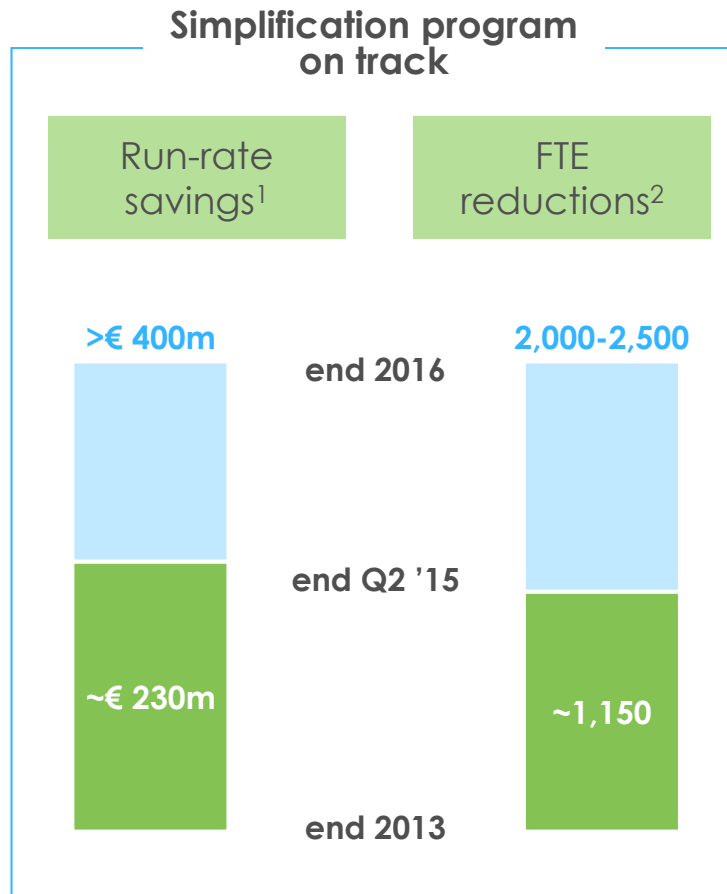


Despite strong increase in 4G data volume



Building efficient and lean operating model

Standardizing and simplifying processes to drive efficiency gains



1 Run-rate Capex and opex savings target vs. FY 2013 level
2 FTE reduction target vs. end 2013 level

Strict cost discipline implemented

Further enhancing operational excellence



- Proactive procurement management
- Optimize IT / TI spend
- Reduce management layers
- Savings leading to additional FCF potential

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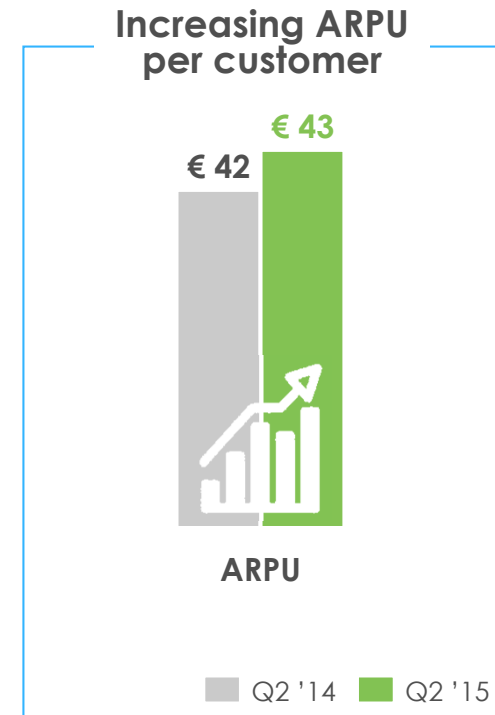
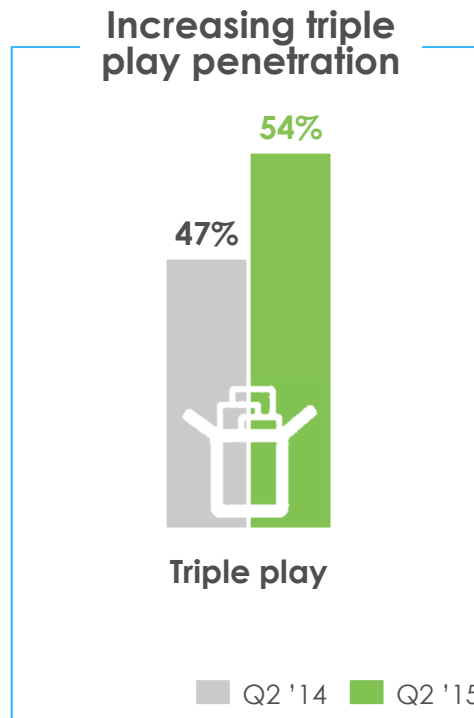
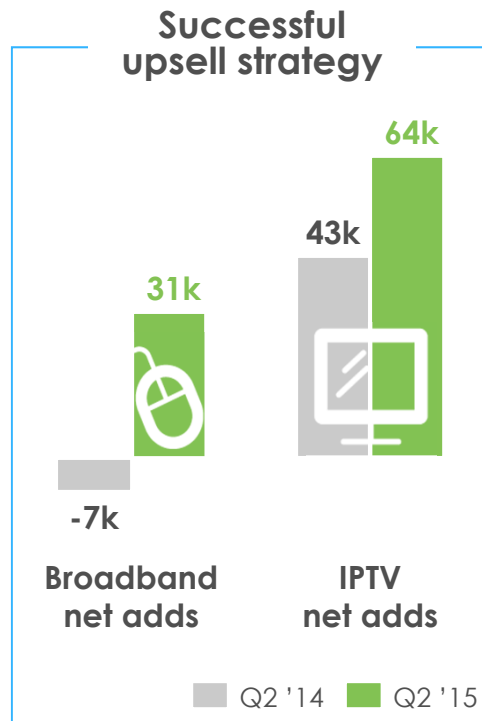
Jan Kees de Jager

3 **Outlook and concluding remarks**

Eelco Blok

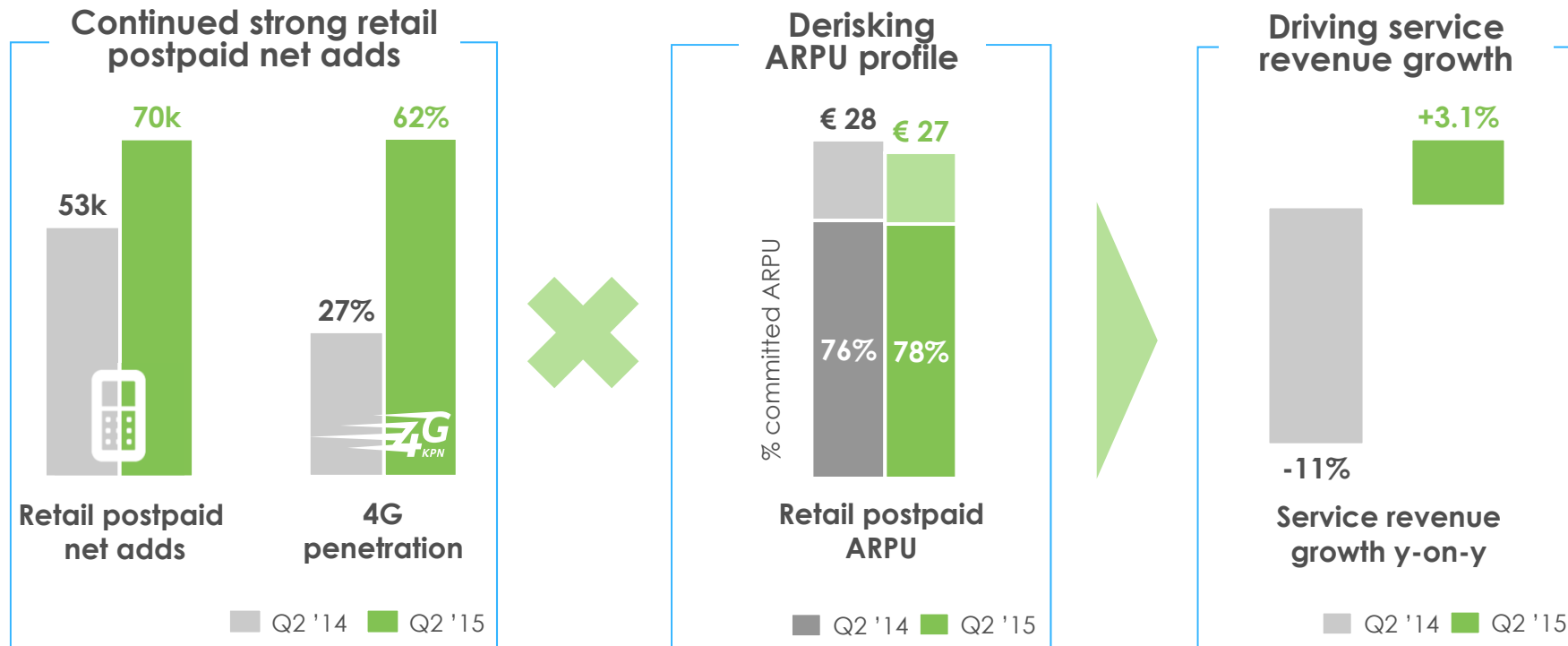
Continued base growth in Consumer Residential

Increasing revenues per household through upsell strategy



Inflection reached in Consumer Mobile

Continued strong customer intake driving service revenue growth

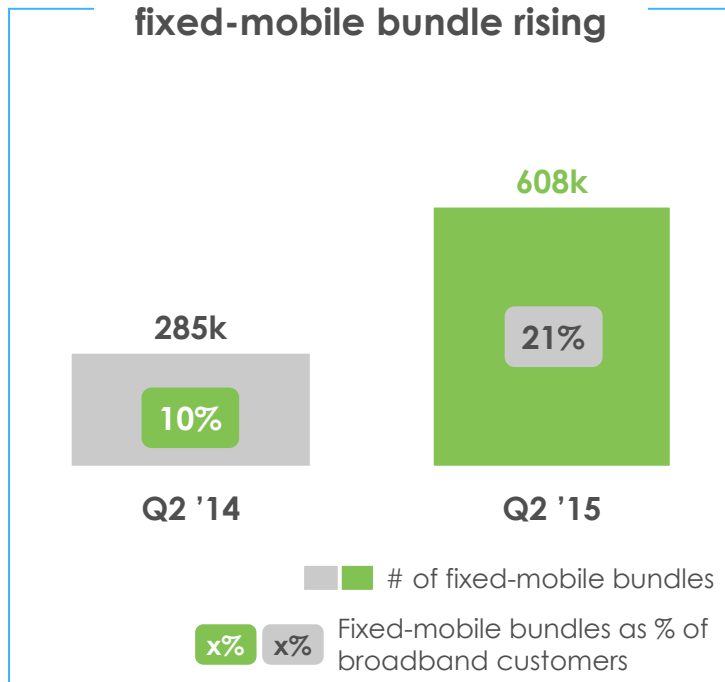


Good multi play growth in Consumer

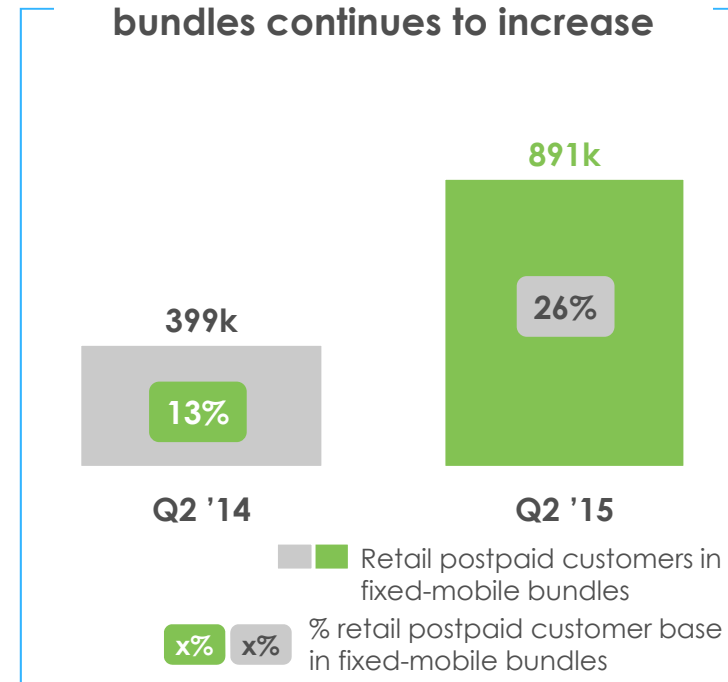
Successful take-up driving customer loyalty and reducing churn



Number of households with fixed-mobile bundle rising



Mobile customers in fixed-mobile bundles continues to increase



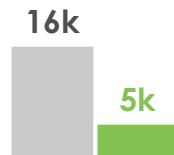
Challenging environment in Business

Focus on growing multi play, cloud portfolio strengthened



Challenging environment

Wireless

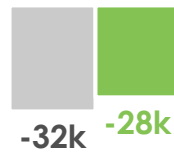


Wireless net adds¹



Wireless single play ARPU²

Wireline



Line loss

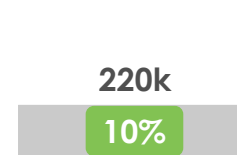


Traditional voice ARPU

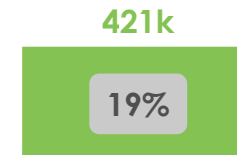
■ Q2 '14 ■ Q2 '15

Growing new services

Multi play



Q2 '14



Q2 '15

■ Multi play seats

x% x% Mobile customers in multi play as % of mobile customer base

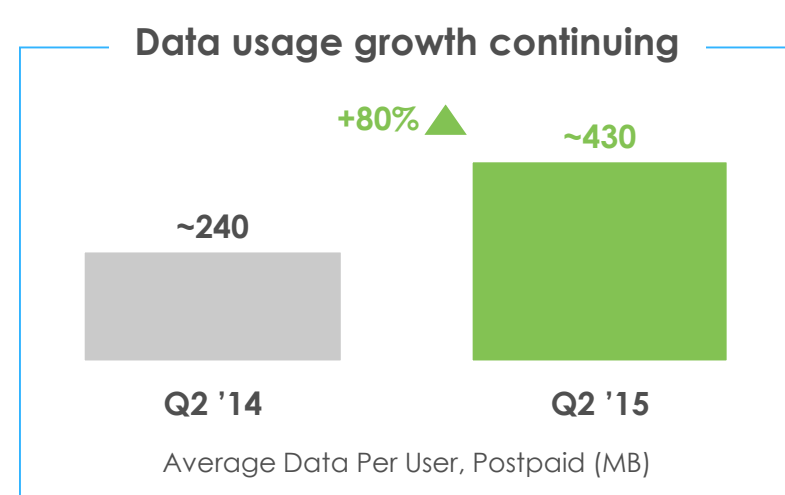
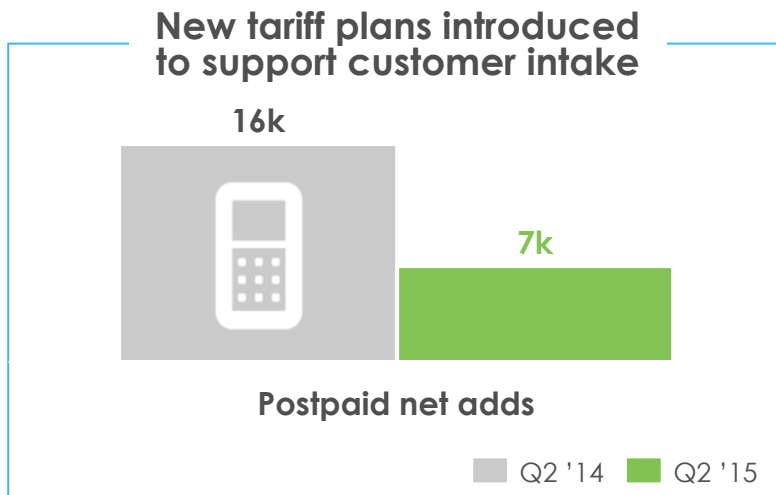
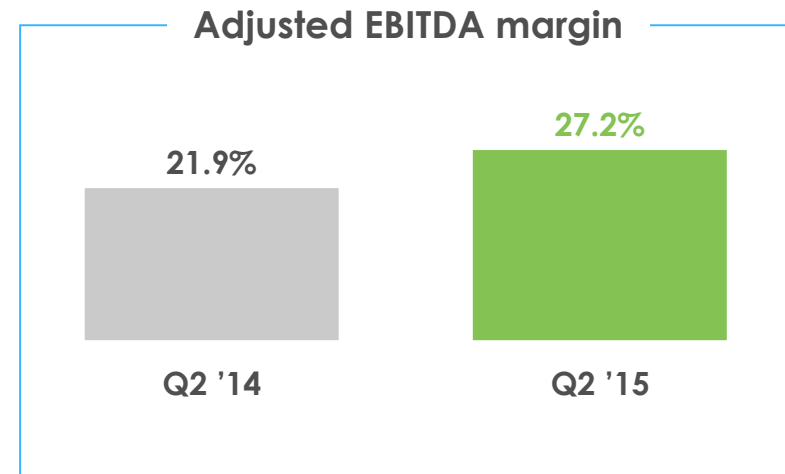
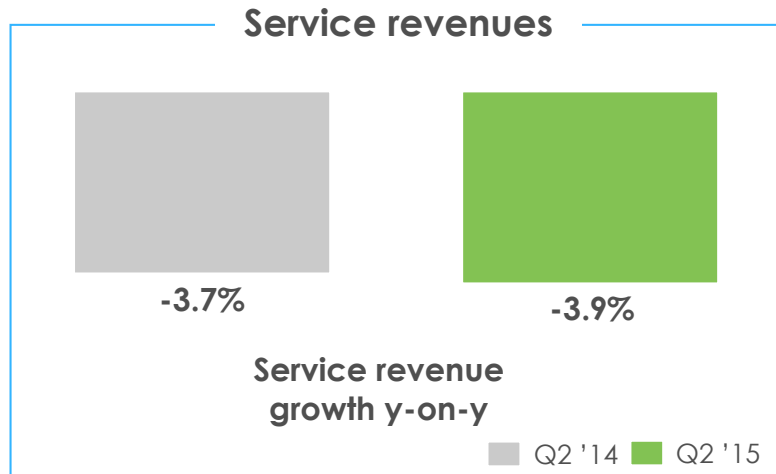
Leading Dutch cloud position



1 Excluding M2M
2 Excluding M2M and multi play customers

BASE Company¹ operating in competitive market

Adjusted EBITDA margin improving



¹ BASE Company classified as discontinued operation

Improving financial results... (continuing operations)¹

...driven by strong operational performance

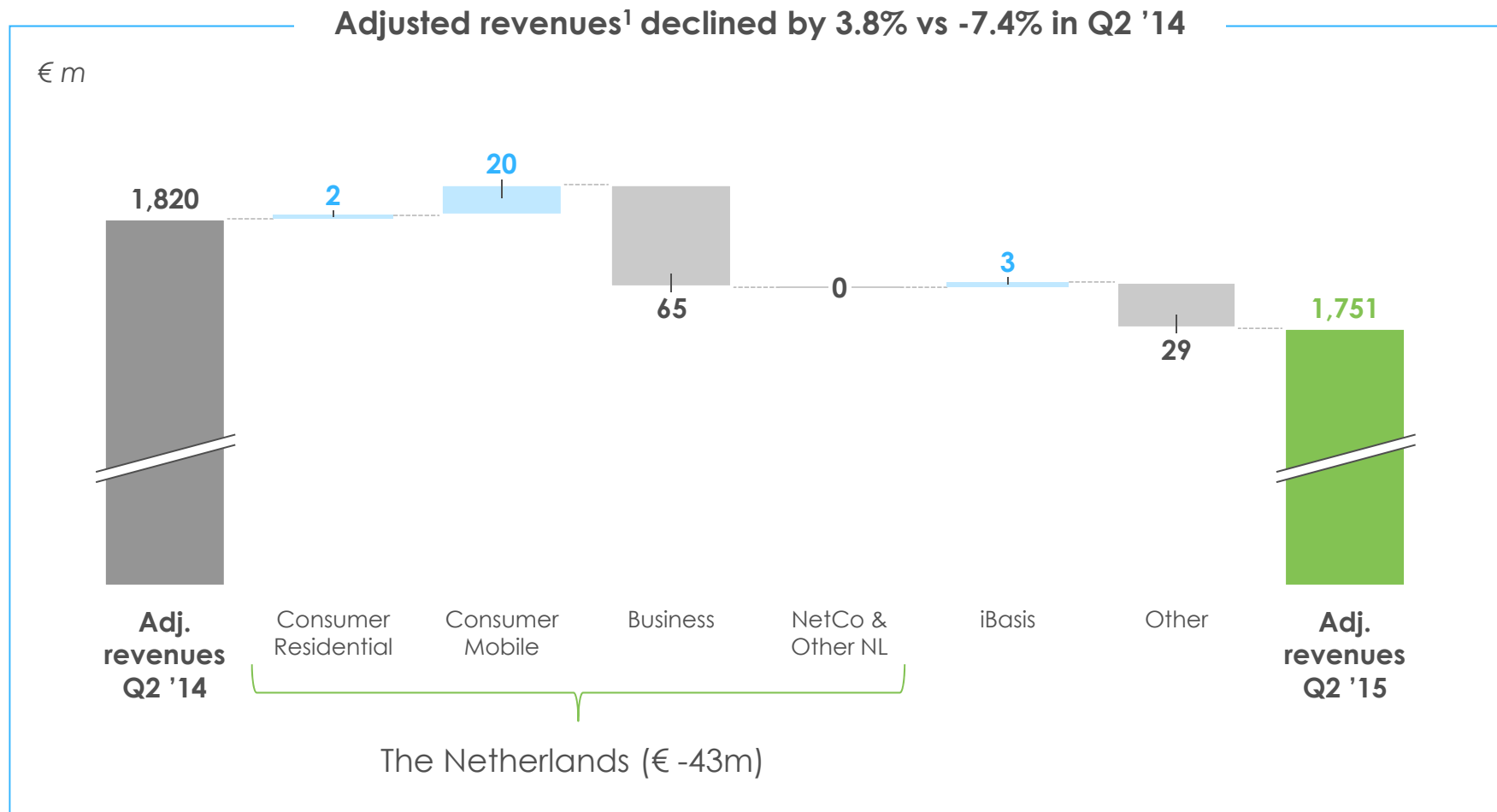


€ m	Q2 '15	Q2 '14	y-on-y %
Adjusted revenues	1,751	1,820	-3.8%
Adjusted EBITDA	602	593	1.5%
Net profit	160	352	-55%
Capex	306	275	11%
FCF	232	70	>100%

¹ All figures based on continuing operations, unless stated otherwise. BASE Company classified as discontinued operation

Revenue trend improving

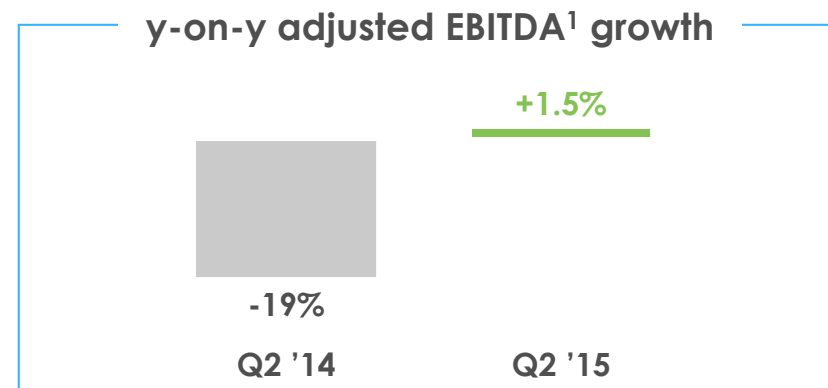
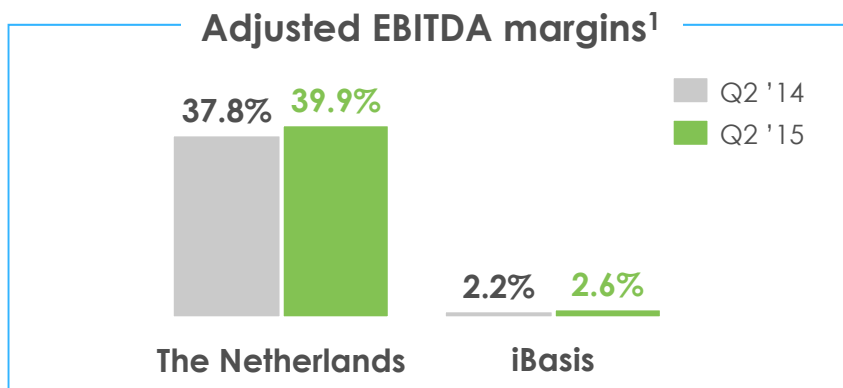
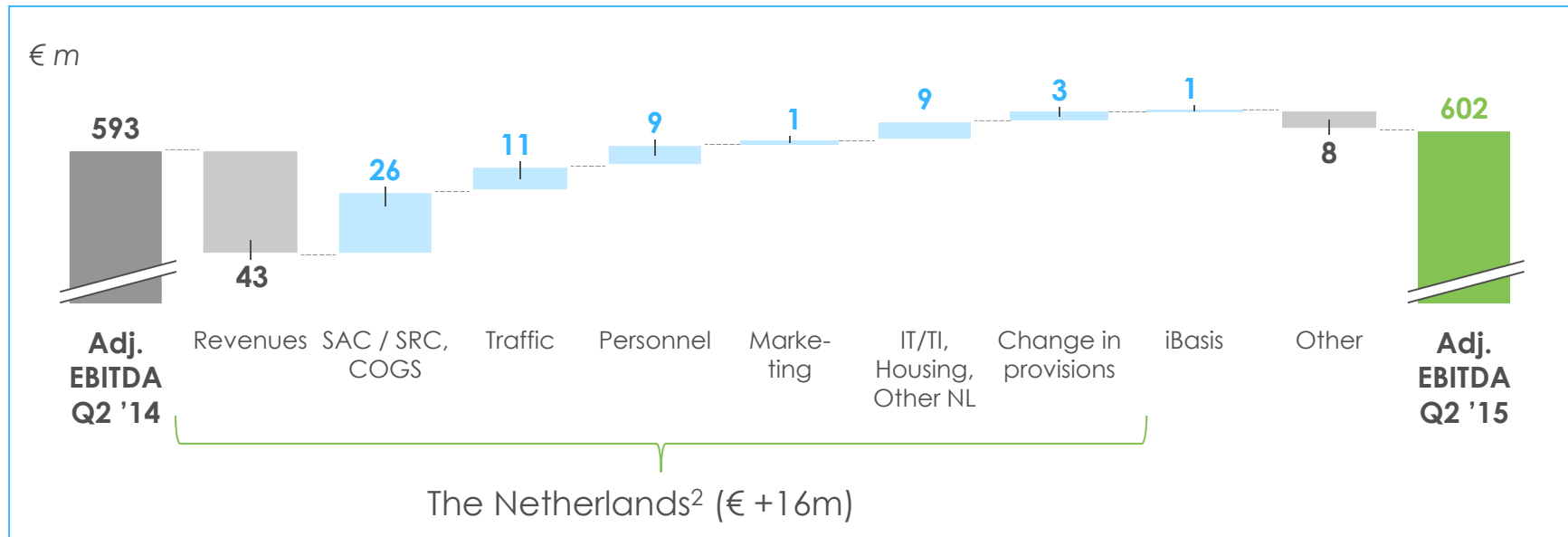
Stable Consumer revenues still offset by declining business market



¹ All figures based on continuing operations, unless stated otherwise. BASE Company classified as discontinued operation

Adjusted EBITDA stabilized¹

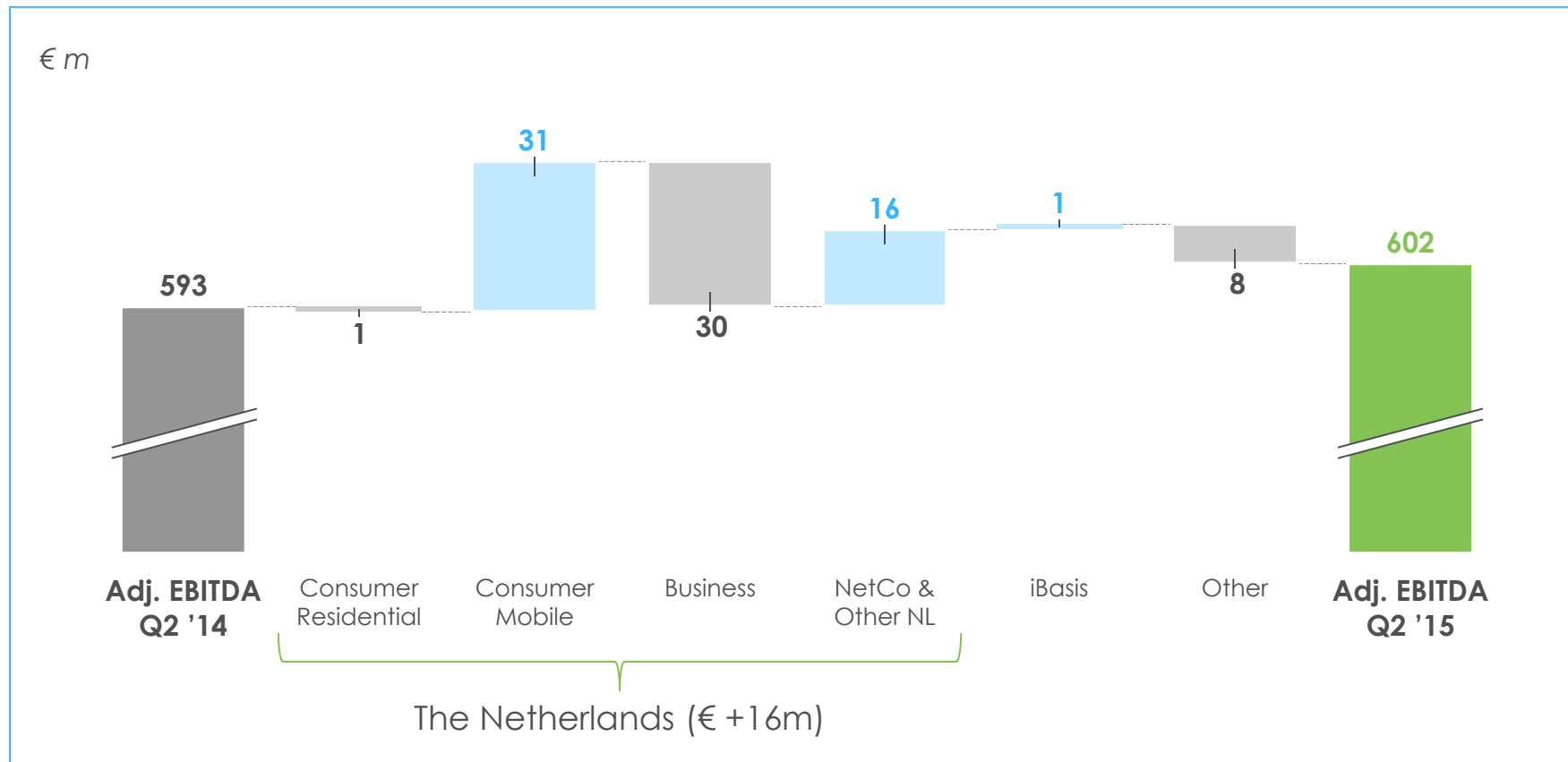
Positive impact of cost savings offset revenue decline



¹ All figures based on continuing operations, unless stated otherwise. BASE Company classified as discontinued operation
² The presented categories differ from the opex breakdown as presented in KPN's Integrated Annual Report 2014

Adjusted EBITDA stabilized¹ (cont'd)

Positive contribution Consumer Mobile, Business remains challenging



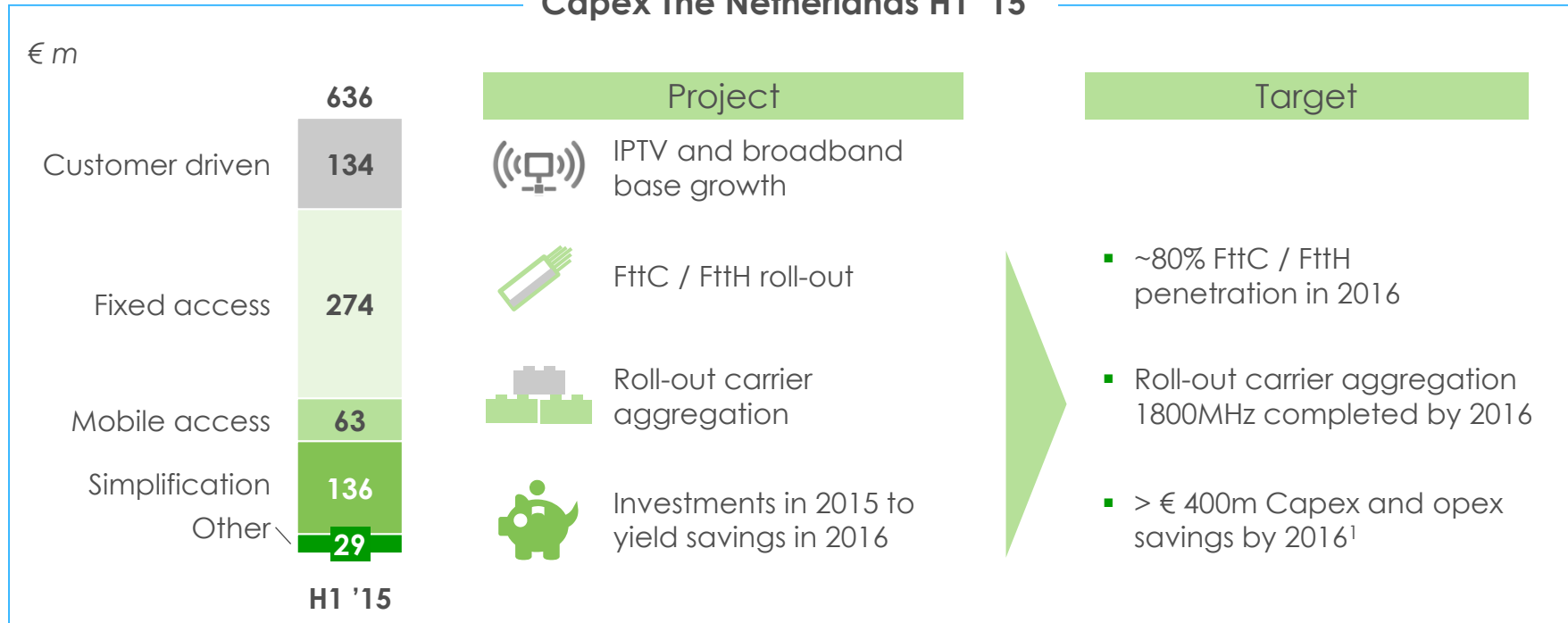
¹ All figures based on continuing operations, unless stated otherwise. BASE Company classified as discontinued operation

Simplification to drive down Capex The Netherlands

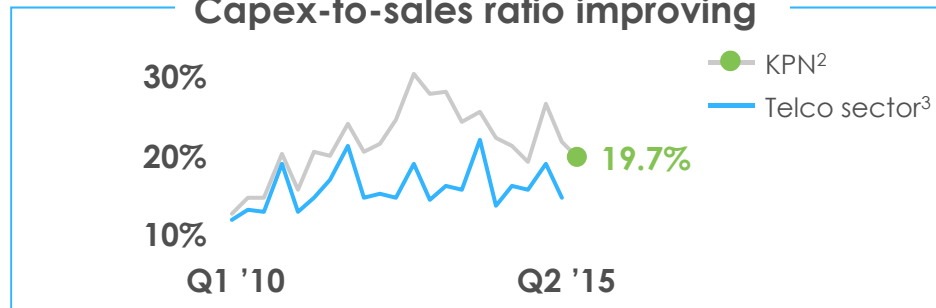
Investments in capacity and Simplification currently at higher level



Capex The Netherlands H1 '15



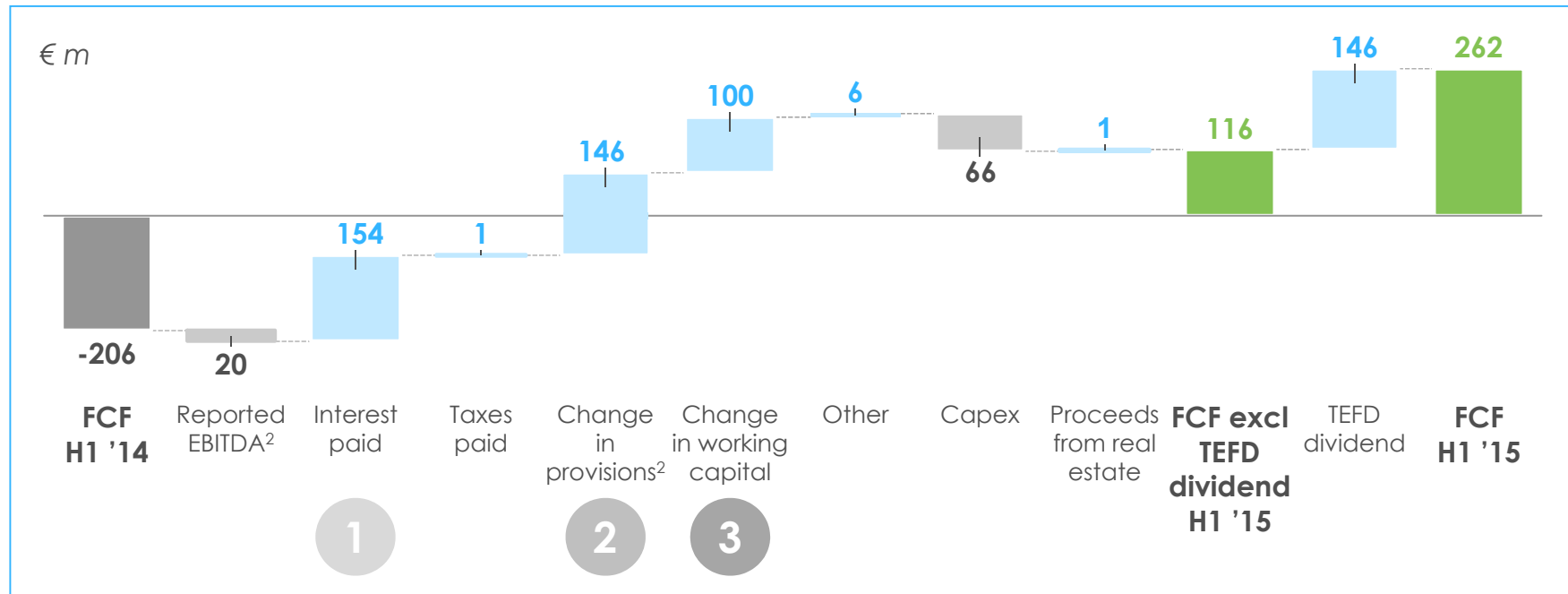
Capex-to-sales ratio improving



1 Run-rate Capex and opex savings target vs. FY 2013 level
 2 Capex adjusted to include Reggefiber Capex before consolidation
 3 Euro Telco sector based on company reports, management estimates

Improvement in free cash flow¹

Free cash flow H1 '15 higher y-on-y supported by lower interest paid



- 1 Lower gross debt
- 2 Settlement legal claims and additional pension payment in H1 '14
- 3 Different intrayear phasing and improvement in working capital

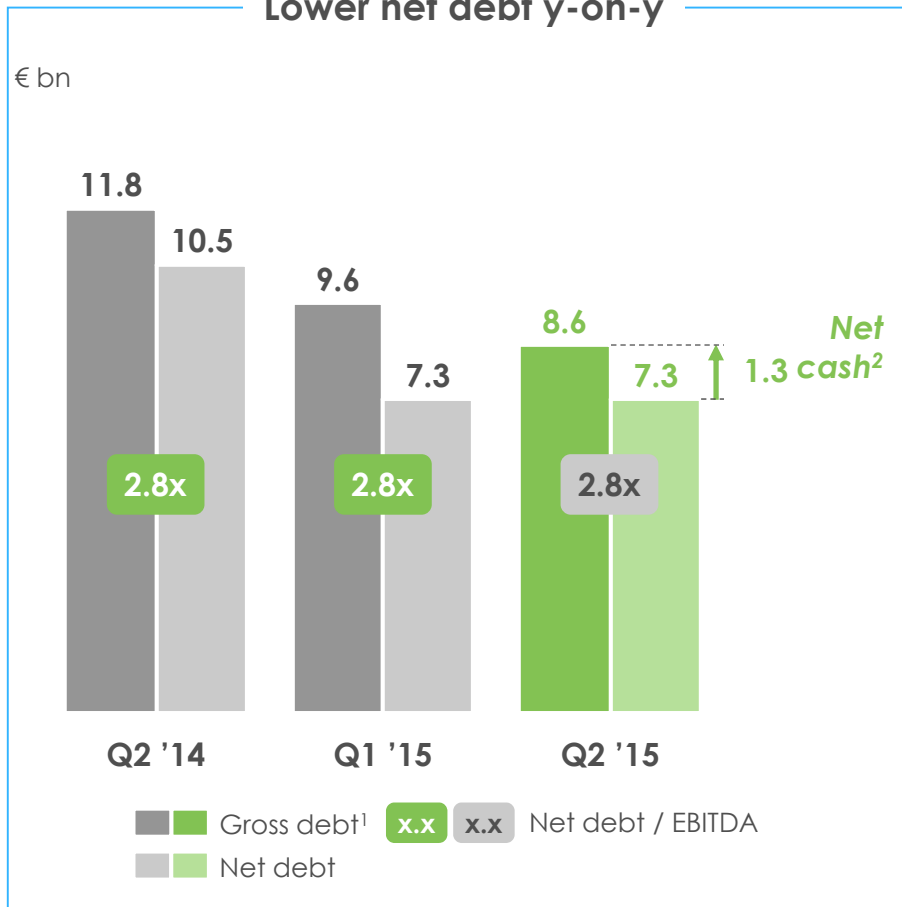
¹ All figures based on continuing operations, unless stated otherwise. BASE Company classified as discontinued operation
² Excluding release of pension provision of € 451m in Q2 '14

Solid financial position

Telefónica Deutschland stake provides additional financial flexibility



Lower net debt y-on-y



Debt portfolio

- Gross debt € 1.0bn lower vs. Q1 '15
 - Reducing interest payments by ~€ 40m as of 2016
- Average maturity senior bonds 7.4 years
- Average coupon senior bonds 5.1%

Financial flexibility

- Additional financial flexibility via 20.5% stake in Telefónica Deutschland
- Cash proceeds of € 1,325m related to sale of BASE Company

1 Gross debt defined as the nominal value of interest bearing financial liabilities, excluding derivatives and related collateral, representing the net repayment obligations in Euro, taking into account 50% of the nominal value of the hybrid capital instruments

2 Including short-term investments (not taking into account 20.5% Telefónica Deutschland stake)

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Eelco Blok

Outlook 2015 strengthened

Strong operational performance and strict cost discipline supporting outlook



Outlook continuing operations 2015

- Adjusted EBITDA in line with 2014
- Capex < € 1.3bn
- Free cash flow > € 500m (excl. TEFD dividend)
- Additional cash flow via dividend from 20.5% stake in Telefónica Deutschland

Shareholder remuneration

- Intended DPS of € 8.0ct in respect of 2015
 - € 3.0ct interim dividend, subject to EGM approval
- Growing DPS expected in respect of 2016
- 20.5% stake Telefónica Deutschland treated as financial investment
 - Distribution TEFD dividend to KPN shareholders of € 3.4ct, ex-dividend 31 July 2015
- Excess cash could be utilized for
 - Operational / financial flexibility
 - (Small) in-country M&A
 - Shareholder remuneration



Q&A

Q2 2015 – Information Pack

For further information please contact

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KPN ADR program

KPN has a sponsored Level 1 ADR program



ADR program

Bloomberg ticker	KKPNY
Trading platform	Over-the-counter (OTC)
CUSIP	780641205
Ratio	1 ADR : 1 Ordinary Share
Depository bank	Deutsche Bank Trust Company Americas
Depository bank contact	Begonia Roberts
ADR broker helpline	+1 212 250 9100 (New York) +44 207 547 6500 (London)
E-mail	adr@db.com
ADR website	www.adr.db.com
Depository bank's local custodian	Deutsche Bank, Amsterdam

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Group results Q2 '15 (continuing operations)



(€ m)	Q2 '15	Q1 '15	Q2 '14	y-on-y %
Revenues	1,741	1,758	1,835	-5.1%
Adjusted revenues	1,751	1,758	1,820	-3.8%
Operating expenses (excl. D&A)	1,173	1,182	805	46%
EBITDA	568	576	1,030	-45%
Adjusted EBITDA	602	595	593	1.5%
Depreciation	274	273	292	-6.2%
Amortization	125	128	130	-3.8%
Operating expenses	1,572	1,583	1,227	28%
Operating profit	169	175	608	-72%
Financial income/expense	19	-143	-162	n.m.
Share of profit of associates and joint ventures	-	-	-1	-100%
Profit before taxes	188	32	445	-58%
Income taxes	-28	-9	-93	-70%
Profit after taxes	160	23	352	-55%

Group results YTD '15 (continuing operations)



(€ m)	YTD '15	YTD '14	y-on-y %
Revenues	3,499	3,665	-4.5%
Adjusted revenues	3,509	3,643	-3.7%
Operating expenses (excl. D&A)	2,355	2,050	15%
EBITDA	1,144	1,615	-29%
Adjusted EBITDA	1,197	1,175	1.9%
Depreciation	547	574	-4.7%
Amortization	253	257	-1.6%
Operating expenses	3,155	2,881	9.5%
Operating profit	344	784	-56%
Financial income/expense	-124	-320	-61%
Share of profit of associates and joint ventures	-	-1	-100%
Profit before taxes	220	463	-52%
Income taxes	-37	-111	-67%
Profit after taxes	183	352	-48%

Group cash flow Q2 '15 (continuing operations)



(€ m)	Q2 '15	Q2 '14	y-on-y %
EBITDA	568	1,030	-45%
Interest paid/received	-79	-123	-36%
Tax paid/received	-2	-15	-87%
Change in provisions ¹	-9	-492	-98%
Change in working capital ¹	-90	-51	76%
Other movements (incl. TEFD dividend)	149	-4	n.m.
Net cash flow from operating activities	537	345	56%
Capex	-306	-275	11%
Proceeds from real estate	1	-	n.m.
Free cash flow	232	70	>100%
Coupon on perpetual hybrid	-	-	n.m.

¹ Excluding changes in deferred taxes

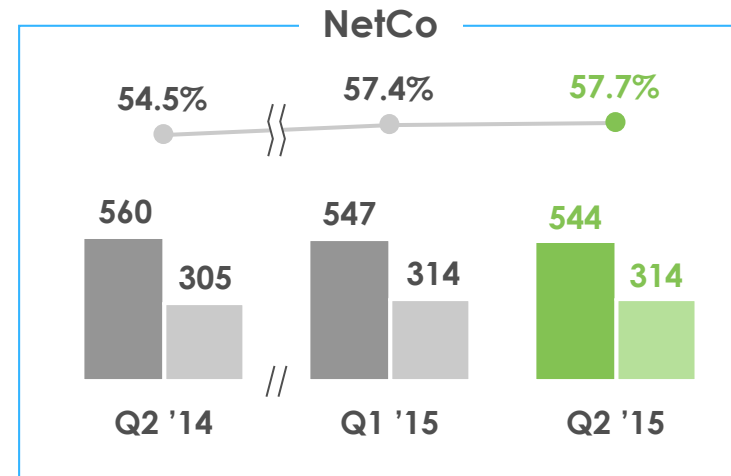
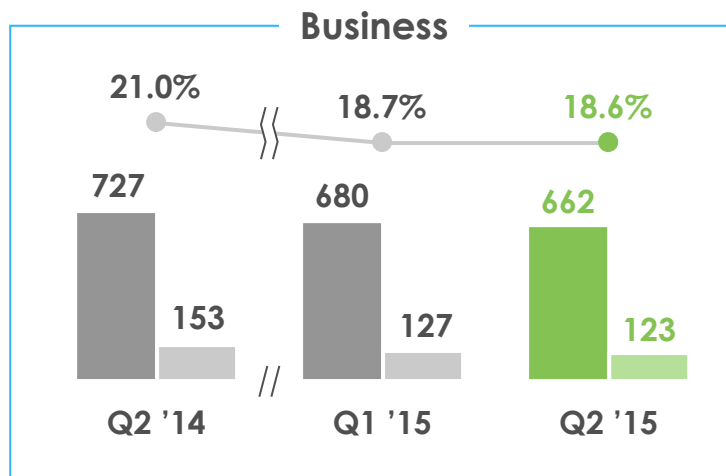
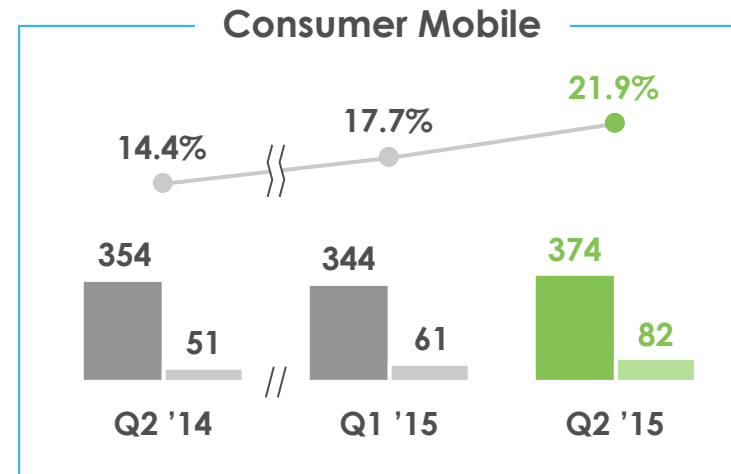
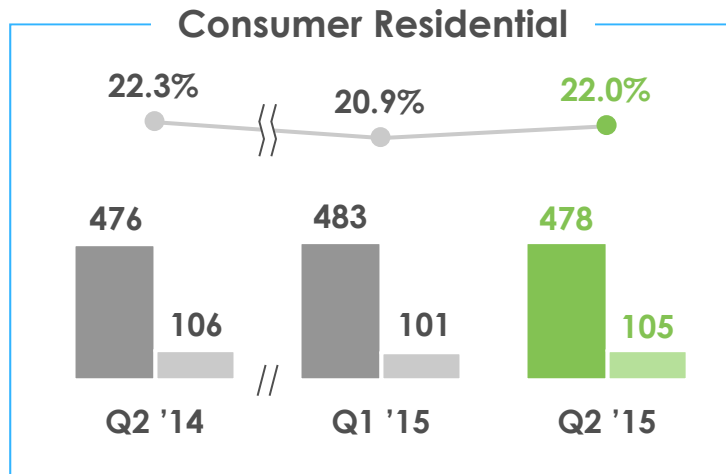
Group cash flow YTD '15 (continuing operations)



(€ m)	YTD '15	YTD '14	y-on-y %
EBITDA	1,144	1,615	-29%
Interest paid/received	-301	-455	-34%
Tax paid/received	-12	-13	-7.7%
Change in provisions ¹	-10	-607	-98%
Change in working capital ¹	-69	-169	-59%
Other movements (incl. TEFD dividend)	149	-3	n.m.
Net cash flow from operating activities	901	368	>100%
Capex	-640	-574	11%
Proceeds from real estate	1	-	n.m.
Free cash flow	262	-206	n.m.
Coupon on perpetual hybrid	-	-	n.m.

¹ Excluding changes in deferred taxes

Financials by segment

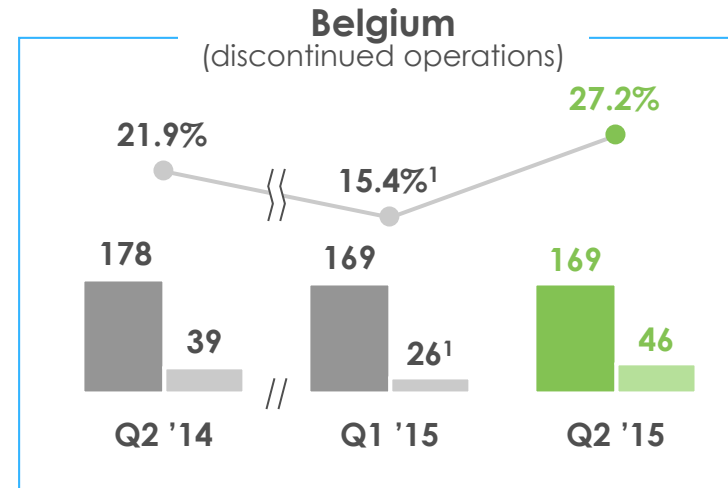
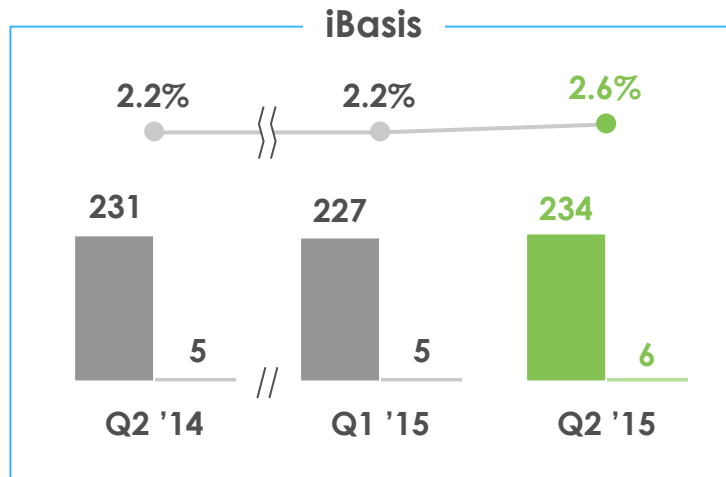


Adjusted revenues (€ m)

 Adjusted EBITDA (€ m)

 Adjusted EBITDA margin

Financials by segment (cont'd)



Adjusted revenues (€ m)

 Adjusted EBITDA (€ m)

 Adjusted EBITDA margin

¹ Including € 12m site tax expense related to Q2-Q4 '15 period

Analysis of adjusted results Q2 '15

Impact incidentals and restructuring costs on revenues & EBITDA



Revenues (€ m)		Q2 '15	Q2 '14
Revenue related provision	Business	-10	-
Sale of fixed assets (hardware)	Business	-	5
Change in provision	NetCo	-	10
KPN Group		-10	15
<i>Of which discontinued operations</i>		-	-
KPN Group continuing operations		-10	15
EBITDA (€ m)		Q2 '15	Q2 '14
Restructuring costs	Group	-35	-32
Revenue related provision	Business	-10	-
Sale of fixed assets (hardware)	Business	-	5
Release of asset retirement obligation	NetCo	6	-
Change in provision	NetCo	-	10
Release of provision	Other activities	5	-
Release of pension provision	Other activities	-	451
KPN Group		-34	434
<i>Of which discontinued operations</i>		-	-3
KPN Group continuing operations		-34	437

Analysis of adjusted results YTD '15

Impact incidentals and restructuring costs on revenues & EBITDA



Revenues (€ m)		YTD '15	YTD '14
Revenue related provision	Business	-10	-
Sale of fixed assets (hardware)	Business	-	5
Change in provision	NetCo	-	17
KPN Group		-10	22
<i>Of which discontinued operations</i>		-	-
KPN Group continuing operations		-10	22
EBITDA (€ m)		YTD '15	YTD '14
Restructuring costs	Group	-54	-36
Revenue related provision	Business	-10	-
Sale of fixed assets (hardware)	Business	-	5
Release of asset retirement obligation	NetCo	6	-
Change in provision	NetCo	-	17
Release of provision	Other activities	5	-
Release of pension provision	Other activities	-	451
KPN Group		-53	437
<i>Of which discontinued operations</i>		-	-3
KPN Group continuing operations		-53	440

Restructuring costs



(€ m)	Q2 '15	Q2 '14	YTD '15	YTD '14
Consumer Mobile	-	-1	-3	-1
Consumer Residential	-1	-3	-2	-6
Business	-25	-16	-32	-13
NetCo	-5	-1	-8	-1
Other	3	-4	2	-3
The Netherlands	-28	-25	-43	-24
iBasis	-	-	-	-
Belgium (incl. discontinued operations)	-	-3	-	-3
Other activities	-7	-4	-11	-9
KPN Group	-35	-32	-54	-36
<i>Of which discontinued operations</i>	-	-3	-	-3
KPN Group continuing operations	-35	-29	-54	-33

Dutch wireless disclosure



Service revenues (€ m)	Q2 '15	Q2 '14	%	YTD '15	YTD '14	%
Consumer retail	296	283	4.6%	567	560	1.3%
Business ¹	178	189	-5.8%	356	379	-6.1%
Other ²	42	46	-8.7%	79	86	-8.1%
KPN The Netherlands	516	518	-0.4%	1,002	1,025	-2.2%

SAC/SRC per subscriber (€)	Q2 '15	Q2 '14	%
Consumer retail ³	203	210	-3.3%
Business	218	226	-3.5%

1 Includes partial allocation of multi play revenues to mobile service revenues

2 Includes amongst others Consumer Mobile wholesale and visitor roaming revenues at NetCo

3 Including handset subsidies, commissions, SIM costs and capitalization of handsets adjusted for residual value

Tax



Regions (€ m)	P&L		Cash flow	
	Q2 '15	Q2 '14	Q2 '15	Q2 '14
The Netherlands	-25	-93	-1	-14
Belgium	-2	-1	-	-
Other	-3	-	-1	-1
Total reported tax	-30	-94	-2	-15
<i>Of which discontinued operations</i>	-2	-1	-	-
Reported tax continuing operations	-28	-93	-2	-15
<i>Effective tax rate continuing operations</i>	14.9%	20.9%		

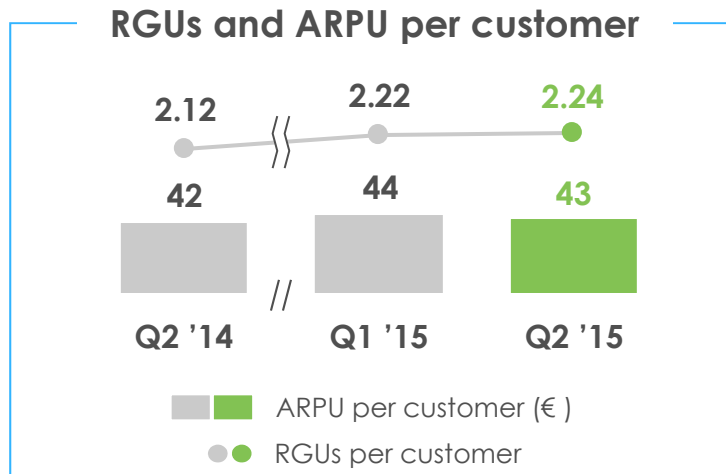
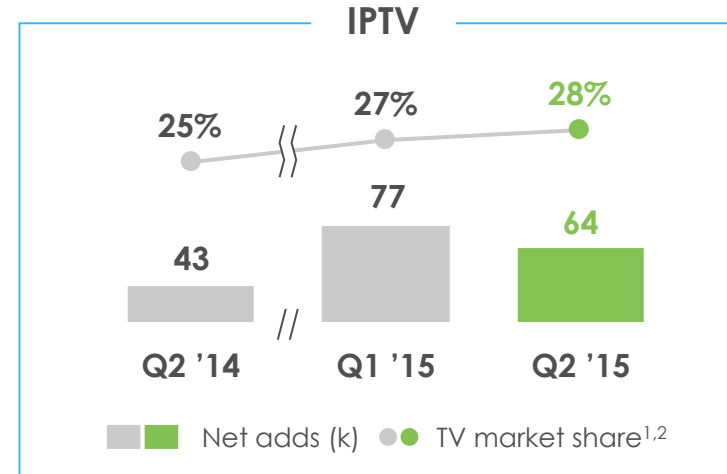
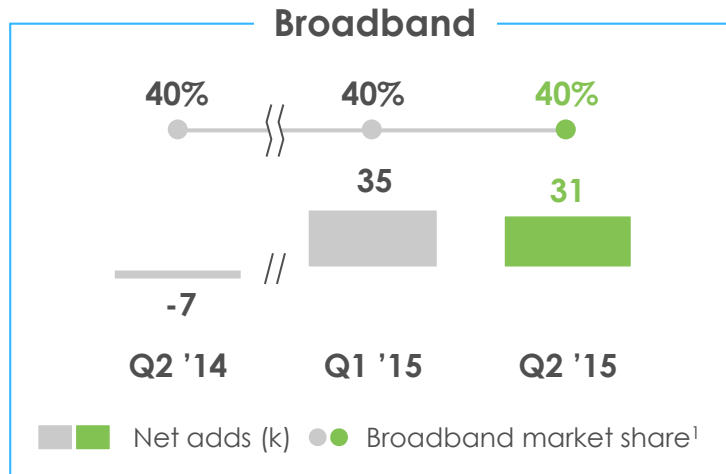
- The effective tax rate for Q2 '15 of 14.9% is mainly caused by one-off items for tax purposes
 - Corrected for these non-deductible expenses the Q2 '15 effective tax rate would have been ~21%
- For the 2015-2016 period, the effective tax rate, excluding one-off effects¹, is expected to be ~20%

¹ Excluding effects of, amongst others, settlements with tax authorities, impairments, revaluations

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Consumer Residential

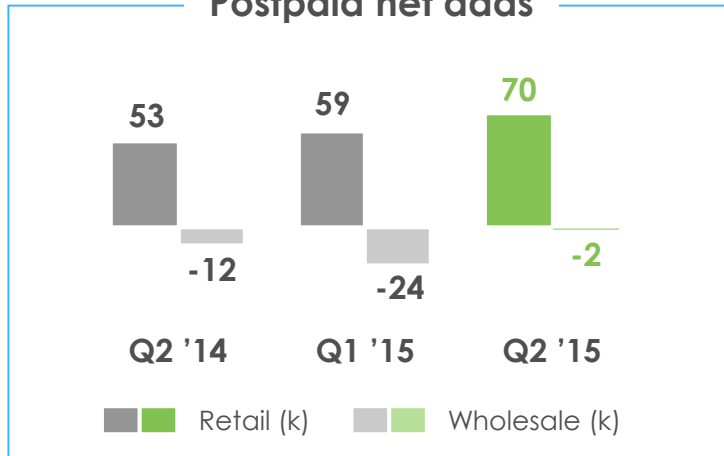


1 Source: Telecompaper, management estimates for Q2 '15
 2 2014 figures adjusted following adjustment of external available information

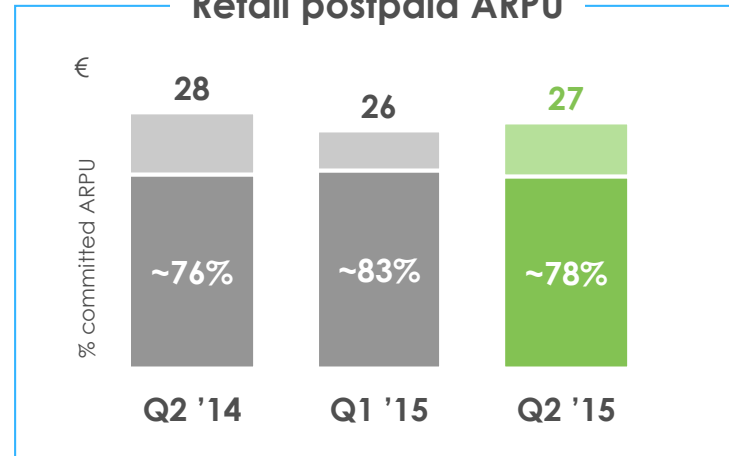
Consumer Mobile



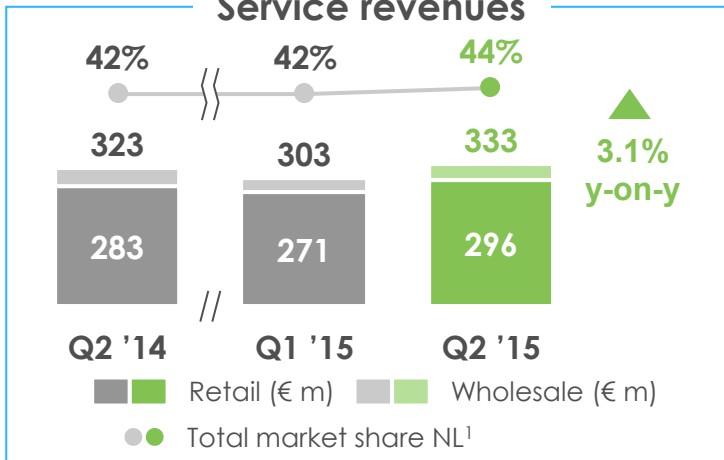
Postpaid net adds



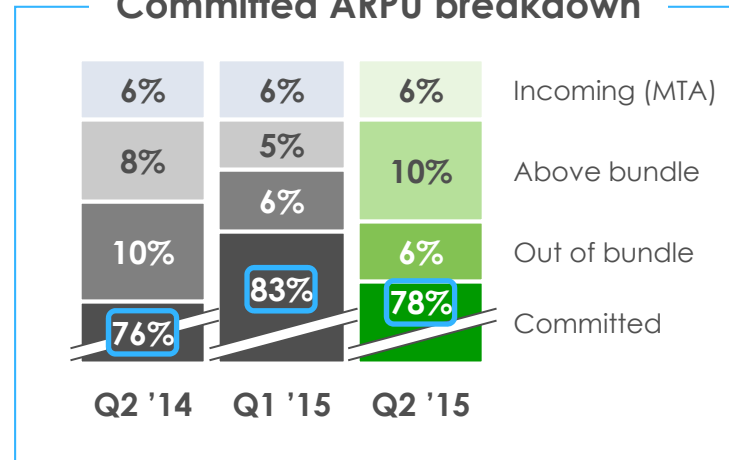
Retail postpaid ARPU



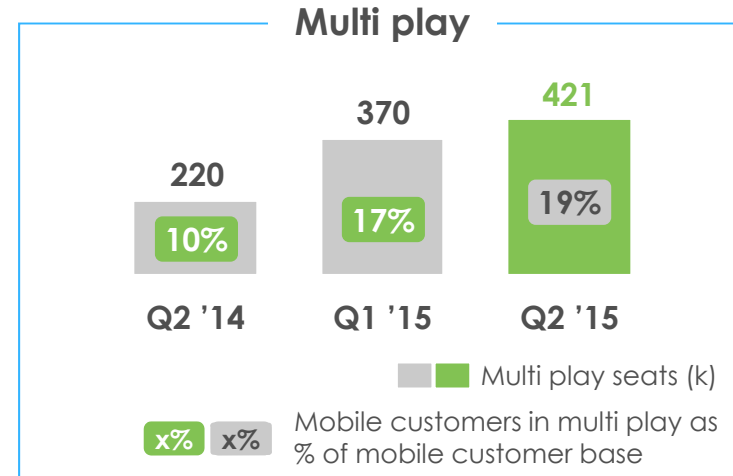
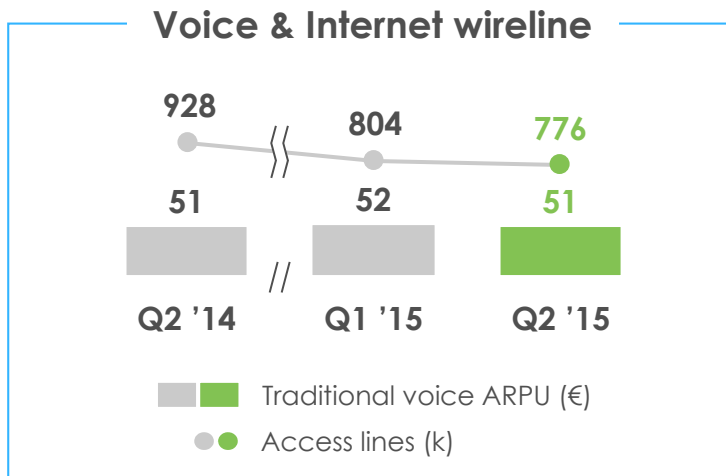
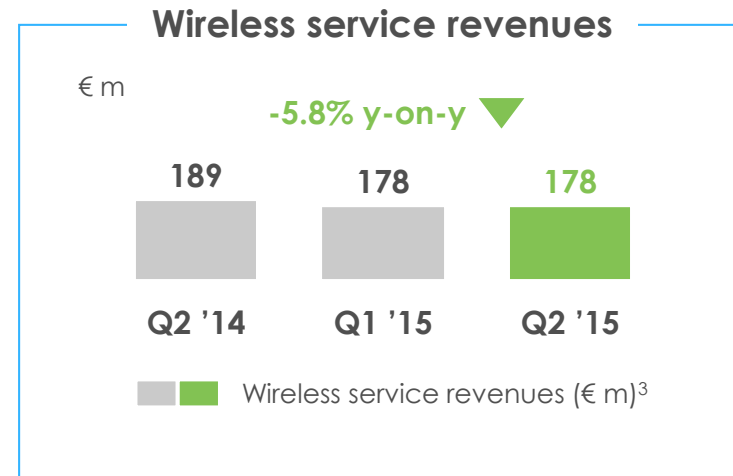
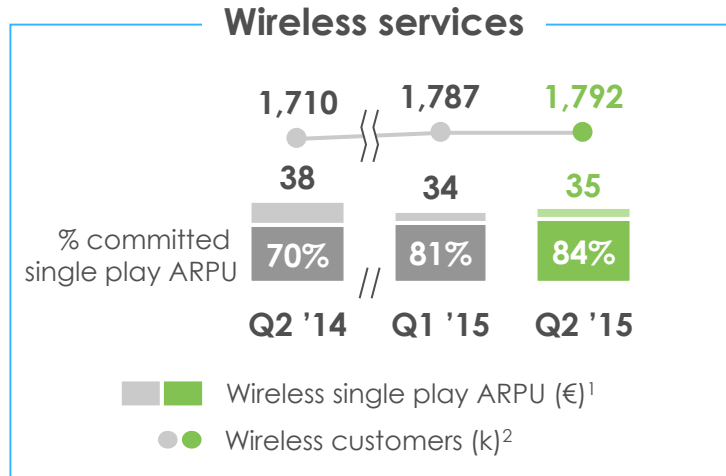
Service revenues



Committed ARPU breakdown



¹ Total Dutch (Consumer and Business) mobile service revenue market share

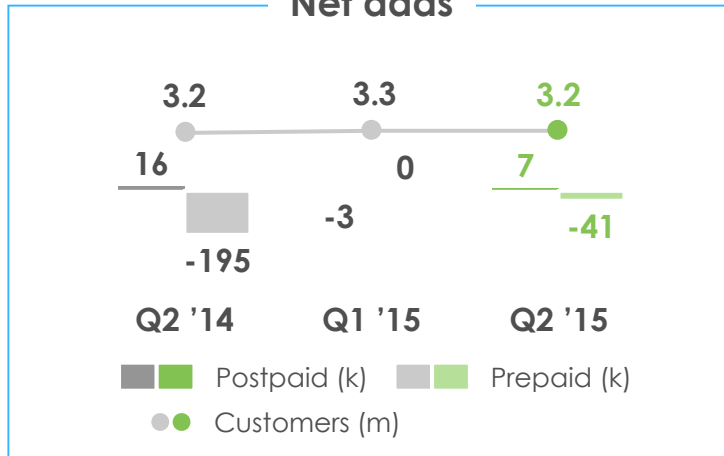


1 Excluding M2M and multi play customers
 2 Excluding M2M
 3 Includes partial allocation of multi play revenues to mobile service revenues

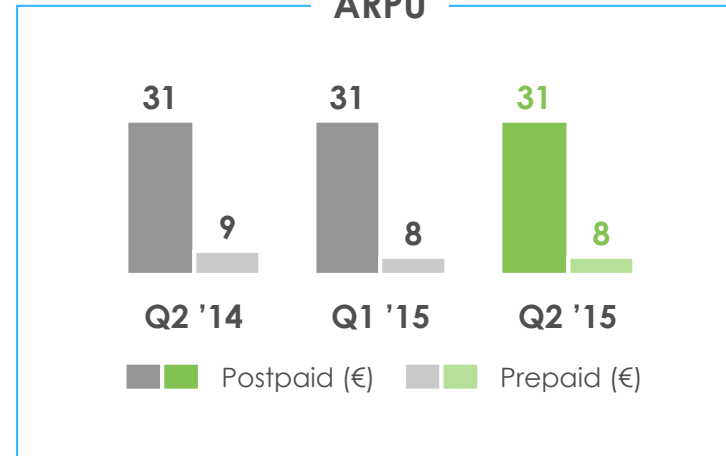
Belgium (discontinued operations)



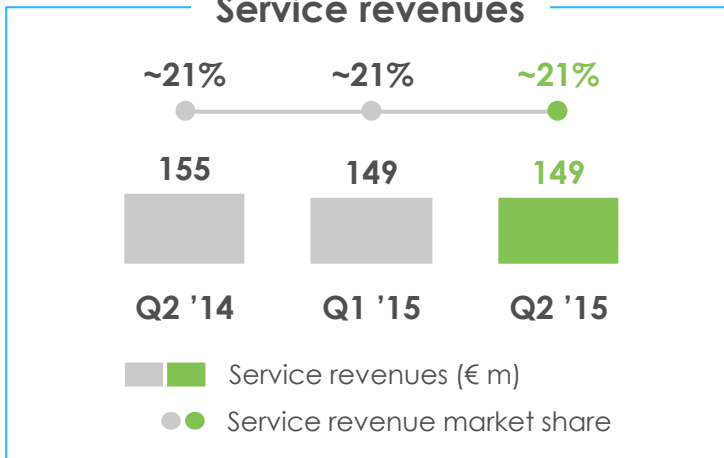
Net adds



ARPU



Service revenues



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Debt summary¹



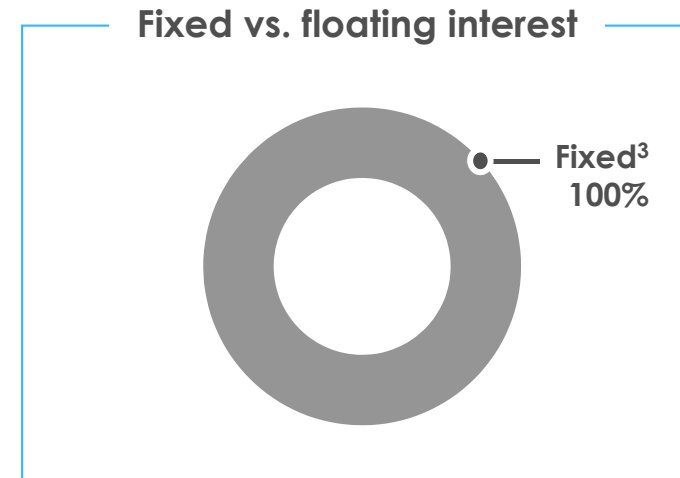
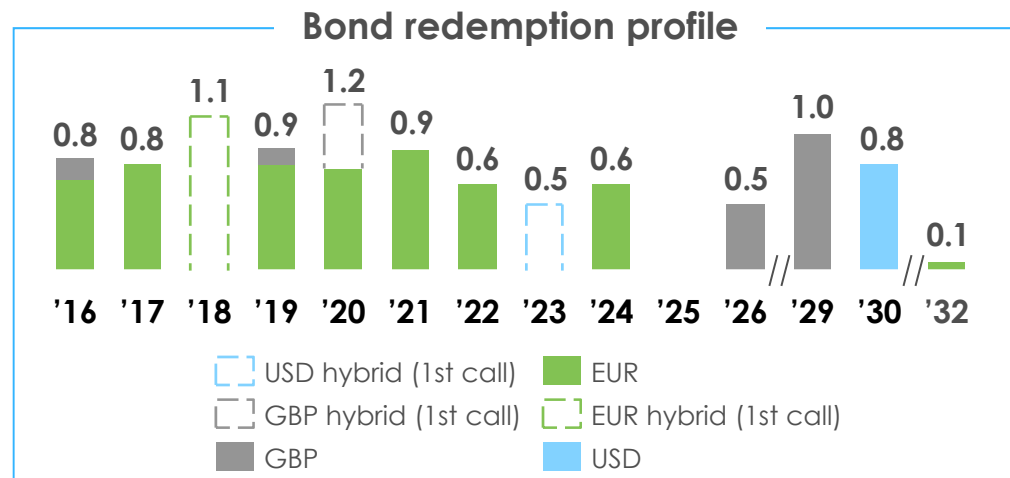
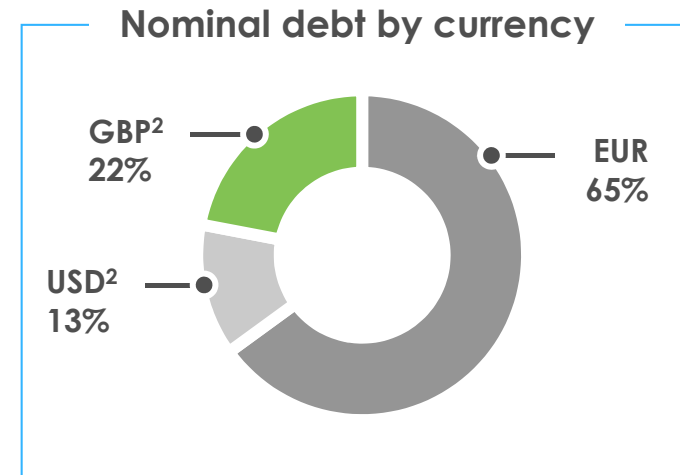
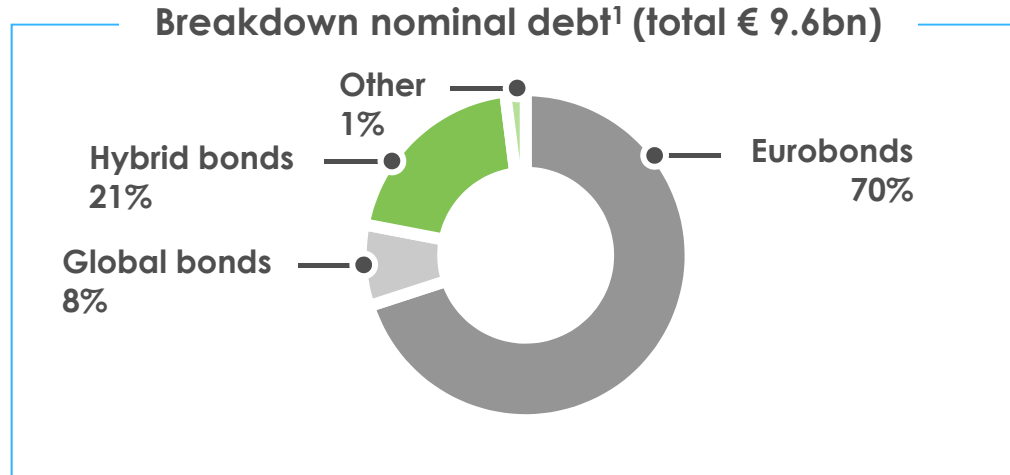
(€ bn)	Q2 '15	Q1 '15	%
Eurobonds	6.67	7.67	-13%
Global bonds	0.76	0.76	n.m.
Hybrid bonds	2.03	2.03	n.m.
Financial leases and other loans	0.13	0.13	n.m.
Nominal debt	9.59	10.59	-9.4%
Equity credit hybrid bonds	-1.01	-1.01	n.m.
Cash collateral on derivatives	0.04	0.00	n.m.
Adjustments to nominal debt	-0.97	-1.01	-4.0%
Gross debt²	8.62	9.58	-10%
<i>Of which short-term</i>	0.82	1.82	-55%
Cash & cash equivalents	1.10	2.13	-48%
Bank overdraft	-0.01	-0.01	n.m.
Net cash & cash equivalents	1.09	2.12	-49%
Short-term investments	0.20	0.15	33%
Net debt	7.33	7.31	0.3%

1 Including discontinued operations

2 Gross debt defined as the nominal value of interest bearing financial liabilities, excluding derivatives and related collateral, representing the net repayment obligations in Euro, taking into account 50% of the nominal value of the hybrid capital instruments

Debt portfolio

Breakdown of € 9.6bn nominal debt¹ including hybrid bonds



1 Based on the nominal value of interest bearing liabilities after swap to EUR, including EUR 1.1bn hybrid bond, GBP 400m hybrid bond and USD 600m hybrid bond
 2 Foreign currency amounts hedged into EUR
 3 Excludes bank overdrafts

Treatment of hybrid bonds



KPN & Credit rating agencies

- Each tranche of the hybrid bonds is recognized as 50% equity and 50% debt by the rating agencies
- Definition of KPN net debt includes: ' [...], taking into account 50% of the nominal value of any hybrid capital instrument'
 - Hybrid bonds are part of KPN's bond portfolio
 - Independent of IFRS classification
 - In line with treatment by credit rating agencies

IFRS

- EUR tranche is a perpetual, accounted for as equity
 - Coupon payments treated as equity distribution, hence not expensed through P&L, not included in FCF, but in financing cash flow^{1,2}
- GBP and USD tranche have 60 years specified maturity, accounted for as financial liability
 - Coupon payments treated as regular bond coupon, hence expensed through P&L, included in FCF

Tranch	Nominal	KPN net debt	Maturity	Rates (swapped) ¹	IFRS principal	IFRS coupon
EUR 1.1bn 6.125%	€ 1,100m	€ 550m	Perpetual (non-call 5.5)	6.125%	Equity	Financing cash flow ² (not incl. in FCF)
GBP 0.4bn 6.875%	€ 460m	€ 230m	60 years (non-call 7)	6.777%	Liability	Interest paid (incl. in FCF)
USD 0.6bn 7.000%	€ 465m	€ 233m	60 years (non-call 10)	6.344%	Liability	Interest paid (incl. in FCF)
Total	€ 2,025m	€ 1,013m				

1 EUR tranche had short first coupon payment (0.5 years was payable in September 2013), annual coupon payments in September thereafter; USD tranche has semi-annual coupon payments (March / September); GBP tranche has annual coupon payments in March

2 Cash flow item 'Paid coupon perpetual hybrid bonds'

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Regulation

MTA rates across the Group



The Netherlands

- ACM decision to base MTA rates on 'pure BULRIC' of € 1.019 cent per minute as of 1 September 2013 is under appeal (Court announced prejudicial questions to European Court of Justice)
- Dutch Court suspended ACM decision and mandated interim rates based on 'plus BULRIC' of € 1.861 cent per minute

(€ ct / min)	Until 7 July '10	7 July '10	Sep '10	Jan '11	Sep '11	Sep '12	Sep '13
MTA rate	7.00	5.60	5.60	4.20	2.70	2.40	1.861

Belgium

- On 24 September 2014, the Court of Appeal of Brussels annulled BIPT decision of 29 June 2010 for procedural reasons, but decided that the effects of the decision will be maintained until 30 June 2015. On 6 May 2015, the BIPT Council renewed the decision of 29 June 2010 for tariffs per 1 July 2015
- BIPT new tariffs setting in progress

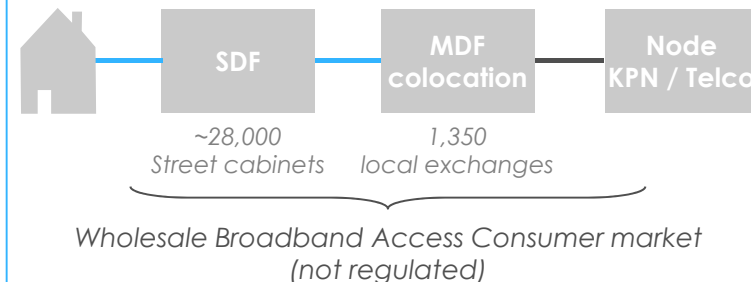
(€ ct / min)	Until Aug '10	Aug '10	Jan '11	Jan '12	Jan '13
MTA rate	11.43	5.68	4.76	2.92 ¹	1.08 ¹

¹ After indexation the MTA rates applicable as of January 2012 and January 2013 are calculated at € ct / min 3.11 and € ct / min 1.18 respectively

Unbundling tariffs

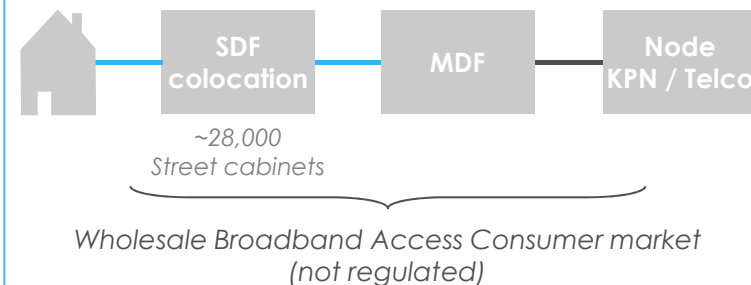


Unbundling in copper network



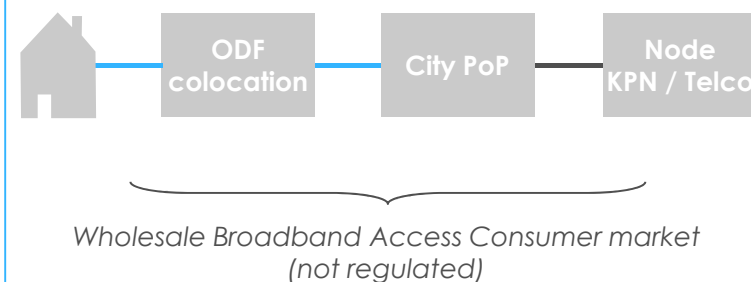
Category	Monthly tariff
Line sharing (LLU)	€ 0.11 per line
Fully unbundled (LLU)	€ 7.87 per line
MDF colocation	€ 956.45 footprint per year
Wholesale Broadband Access ¹	€ 5.32 per line shared € 13.00 per line non-shared

Unbundling in network FttC



Category	Monthly tariff
Line sharing (SLU)	€ 5.03 per line
Fully unbundled (SLU)	€ 7.03 per line
SDF colocation	€ 5.64 per unit One-off € 516.23 per unit
Wholesale Broadband Access ¹	€ 5.32 per line shared € 13.00 per line non-shared

Unbundling in network FttH



Category	Monthly tariff
Fully unbundled (ODF FttH)	€ 14.36 - € 18.25 per line
ODF FttH colocation	≤ € 553 per month per Area Pop One-off ≤ € 3,318 per Area Pop
ODF FttH backhaul	≤ € 664 per month
Wholesale Broadband Access FttH ²	€ 26.38 - € 45.00 per line non-shared

¹ List prices WBA CM excluding PVC/VLAN tariffs
² List prices WBA CM including PVC/VLAN tariffs

— Regulated — Not regulated

Spectrum in The Netherlands

Current status



800MHz (Paired)	Tele2 2*10	VOD 2*10	KPN 2*10						2*30
900MHz (Paired)	VOD 2*10	KPN 2*10	T-Mob 2*15						2*35
1.8GHz (Paired)	KPN 2*20		VOD 2*20		T-Mob 2*30				2*70
1.9GHz (Unpaired)	T-Mob 10	KPN 5	VOD 5.4	T-Mob 14.6					1*35
2.1GHz (Paired)	VOD 2*14.6		KPN 2*14.8		T-Mob 2*10	KPN 2*5	VOD 2*5	T-Mob 2*10	2*59.4
2.6GHz (Unpaired)	T-Mob 25			KPN 30			Tele2 5		1*60
2.6GHz (Paired)	VOD 2*10	Ziggo4 2*20		T-Mob 2*5	KPN 2*10	Tele2 2*20			2*65
Total	KPN 174.6MHz		VOD 144.6MHz		T-Mob 189.6MHz		Tele2 65MHz	Ziggo4 40MHz	613.8MHz

Spectrum in Belgium

Current status



800MHz (Paired)	BASE 2*10	Proximus 2*10	Mobistar 2*10	2*30		
900MHz¹ (Paired)	BASE 2*10	Proximus 2*12	Mobistar 2*12	2*34		
1.8GHz² (Paired)	BASE 2*24.8		Proximus 2*24.8	Mobistar 2*24.8	2*74.4	
2.1GHz (Paired)	Proximus 2*15		BASE 2*14.8	Mobistar 2*14.8	2*44.6	
2.1GHz (Unpaired)	BASE 5	Mob. 5	Prox. 5	1*15		
2.6GHz (Unpaired)	BUCD 45			1*45		
2.6GHz (Paired)	Proximus 2*20		BASE 2*15	Mobistar 2*20	2*55	
Total	Proximus 168.6MHz		BASE 154.2MHz	Mobistar 168.2MHz	BUCD 45MHz	536MHz

1 As of 27 November 2015, the 900MHz spectrum will be divided as follows: BASE Company (2*10.2), Mobistar (2*11.8), Proximus (2*12.2)
 2 As of 15 June 2015, BASE Company, Proximus and Mobistar each have 2*24.8MHz available in the 1800MHz band

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Infrastructure

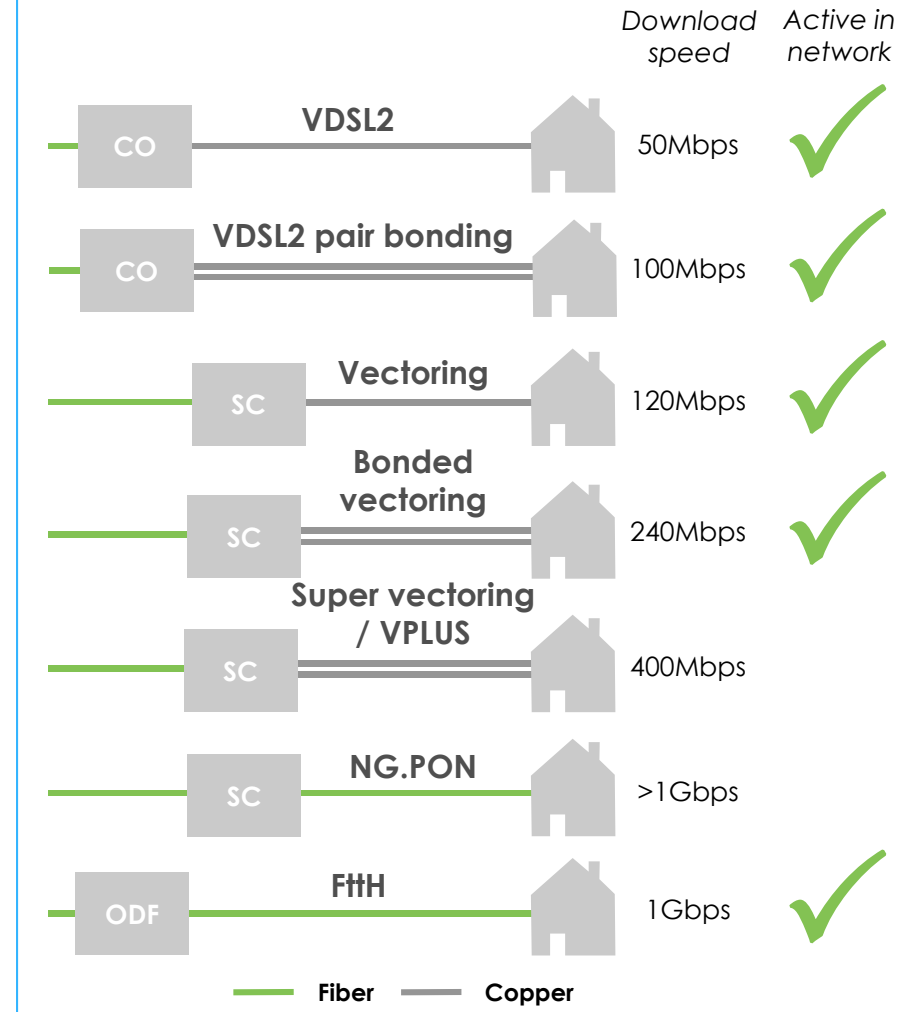
Fixed network ahead of customer demand



Download speed ahead of demand

Download speed ¹	2014	2015	2016
>40Mbps	~75%	~85%	~90%
100Mbps	~50%	~70%	~85%
≥200Mbps	~27%	~55%	~70%

Next round of upgrades



¹ Percentage of households

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Telefónica Deutschland stake

Accounting treatment



Balance sheet

- Stake will be included as financial asset¹
- Fair value of KPN's stake will be based on Telefónica Deutschland's share price and adjusted quarterly
 - Fair value movements will be recorded in *other comprehensive income*
 - Significant or prolonged value decreases will be booked as an impairment through the P&L within *net finance costs*

P&L

- Dividends received will be reported as finance income within *net finance costs*
- Upon sale of (part of) the stake, all related capital gains or losses are recognized through the P&L as *financial income*
- Significant or prolonged value decreases will be booked as an impairment through the P&L within *net finance costs*

Cash flow

- Dividends received will be part of operating cash flow and free cash flow as *dividends received*

Tax

- Dividends received and/or capital gains realized (proceeds above tax book value) on KPN's stake will be subject to Dutch corporate income tax
- Deferred tax asset can be utilized to offset income related to KPN's stake

¹ Defined under IFRS as available for sale financial asset