



Half Year Results 2008

23 July 2008

Safe harbor

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All figures in this presentation are unaudited and based on IFRS. This presentation 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.

All market share information in this presentation is based on management estimates based on externally available information, unless indicated otherwise.

Disclaimer

We define EBITDA as operating result before depreciation and impairments of PP&E and amortization and impairments of intangible assets. Note that our 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 all cases, a reconciliation of EBITDA and the nearest GAAP measure (operating result) is provided. In the net debt/EBITDA ratio, we define EBITDA as a 12 month rolling average excluding book gains, release of pension provisions and restructuring costs, all over EUR 20m. For 2008 and subsequent years, 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 at E-Plus.

Agenda

Chairman's review	Ad Scheepbouwer, Chairman and CEO
Financial review	Marcel Smits, CFO
Operating review The Netherlands	Baptiest Coopmans, MD Consumer
	Eelco Blok, MD Business / W&O
Operating review Mobile Int'l	Ad Scheepbouwer, Chairman and CEO
Concluding remarks	Ad Scheepbouwer, Chairman and CEO



Highlights Q2

Strong performance across the group, outlook for the Netherlands upgraded

- Visible results of 'Back to Growth' strategy
 - First quarter results beaten on all key metrics
- Domestic performance ahead of expectations
 - Growth in new services, line loss further improving, wireless performance restored
- EBITDA outlook 2008 for the Netherlands upgraded to 'flat'
- Excellent quarter for Mobile International
 - Record net adds of 780k at E-Plus, highest since 2000
- Strong free cash flow

Financial highlights

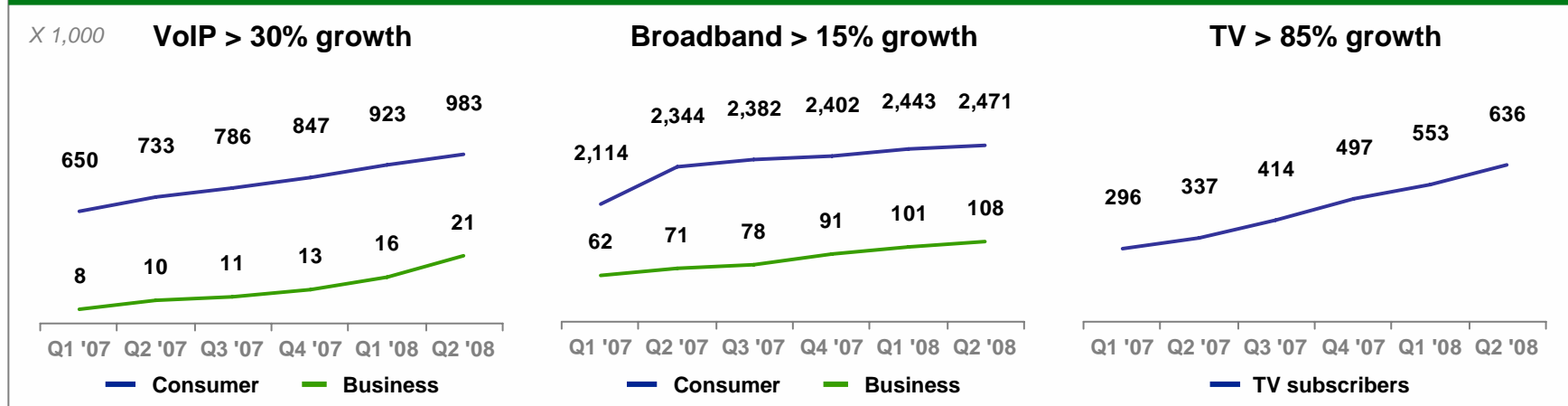
- Strong financial performance Q2 '08
 - Revenues and other income of € 3.7 bn, up 22%
 - EBITDA flat at € 1.3 bn
 - Capex of € 0.5 bn, up 38%
 - Free cash flow¹ of € 0.8 bn, on track to meet full-year guidance
- Release of pension provisions of € 199 mn, solid position going forward
- Provision of € 207 mn covering majority of restructuring charges until 2010
- On track to deliver € 2 bn in shareholder returns in 2008
 - Final dividend 2007 of € 0.36 per share paid in April, € 637 mn in total
 - Interim dividend of € 0.20 per share, up 11%
 - € 1 bn share repurchase program started on 22 February
 - 80% of share repurchases completed to date, with acceleration since June

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

Strategic progress the Netherlands

Acceleration in recent growth initiatives, new services selectively added

Accelerating recent growth initiatives



Selectively adding new services

First homes activated with FttC and FttH



DVB-H successfully launched in June



Online applications growth > 100%



Wireless data revenues almost doubled



Strategic progress the Netherlands (cont'd)

Main cost reduction initiatives defined until 2010, all segments contributing

Segment	Opex 2007 ¹ (excl. D&A)	Cost reduction initiatives until 2010
Consumer	~€ 1.8 bn	<ul style="list-style-type: none"> • Simplification of processes and services • 'First time right' processes • Focus on SAC/SRC
Business	~€ 1.2 bn	<ul style="list-style-type: none"> • 'First time right' processes • Simplified and standardized portfolio • FTE reductions and outsourcing
Wholesale & Operations	~€ 1.1 bn	<ul style="list-style-type: none"> • Network simplification and All-IP rollout • Ongoing efficiency improvements • FTE reductions and outsourcing
IT	~€ 0.3 bn	<ul style="list-style-type: none"> • ~50% reduction of overall IT spend • Reduction in number of applications • FTE reductions and outsourcing
Total	~€ 4.5 bn	

Important contribution for realizing EBITDA guidance of €5.5 bn in 2010

¹ Excluding intercompany charges

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Group results

Strong second quarter results, on track with 'Back to Growth' strategy

€ mn	Q2 '08	Q2 '07	%	YTD '08	YTD '07	%
Revenues and other income	3,662	3,012	22%	7,232	5,936	22%
– of which Revenues	3,654	2,957	24%	7,186	5,875	22%
Operating expenses	3,006	2,363	27%	5,928	4,750	25%
– of which Depreciation ¹	407	416	-2.2%	816	855	-4.6%
– of which Amortization ¹	204	210	-2.9%	378	423	-11%
Operating result	656	649	1.1%	1,304	1,186	9.9%
Financial income/(expense)	-175	-133	32%	-340	-265	28%
Share of profit of associates	0	2	-100%	-6	3	-
Profit/(Loss) before taxes	481	518	-7.1%	958	924	3.7%
Taxes	-128	-118	8.5%	-271	-211	28%
Profit/(Loss) after taxes	353	400	-11.8%	687	713	-3.6%
Earnings per share²	0.20	0.22	-9.1%	0.39	0.38	2.6%
EBITDA³	1,267	1,275	-0.6%	2,498	2,464	1.4%

- € 55 mn book gain on real estate in Q2 '07, € 7 mn book gain in Q2 '08
- € 116 mn accelerated amortization from Telfort network integration in H1 '07, € 22 mn goodwill impairment for Getronics in Q2 '08

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 result plus depreciation, amortization & impairments

Group cash flow Q2 '08

Free cash flow in line with guidance, seasonality effects largely reversed in Q2

€ mn	Q2 '08	Q2 '07	%
Operating result	656	649	1.1%
Depreciation and amortization ¹	611	626	-2.4%
Interest paid/received	-145	-194	-25%
Tax paid/received	-85	-42	100%
Change in provisions	-41	-67	-39%
Change in working capital ²	190	-38	-
Other movements	-9	-52	-83%
Net cash flow from operating activities	1,177	882	33%
Capex³	451	327	38%
Proceeds from real estate	1	82	-99%
Tax recapture E-Plus	71	-	-
Free cash flow⁴	798	637	25%
Cash return to shareholders	1,011	954	6%
€ mn	YTD '08	YTD '07	%
Free cash flow⁴	1,149	1,195	-3.8%
Cash return to shareholders	1,210	1,153	4.9%

- Free cash flow of € 0.8 bn in Q2
 - Working capital effect from Q1 reversed in Q2 '08
 - € 82 mn proceeds from real estate in Q2 '07, € 1 mn in Q2 '08
- On track to meet full-year guidance of > € 2.4 bn in 2008
 - Full-year real estate proceeds partly offset by higher tax and interest payments in H2 '08
- Capex up 38% to € 451 mn
 - ~€ 100 mn increase in the Netherlands, mainly from All-IP
 - ~€ 20 mn increase at E-Plus from selective 3G investments
- € 1.2 bn shareholder returns YTD
 - € 0.6 bn final dividend paid in April
 - € 0.6 bn share repurchases YTD

1 Including impairments, if any

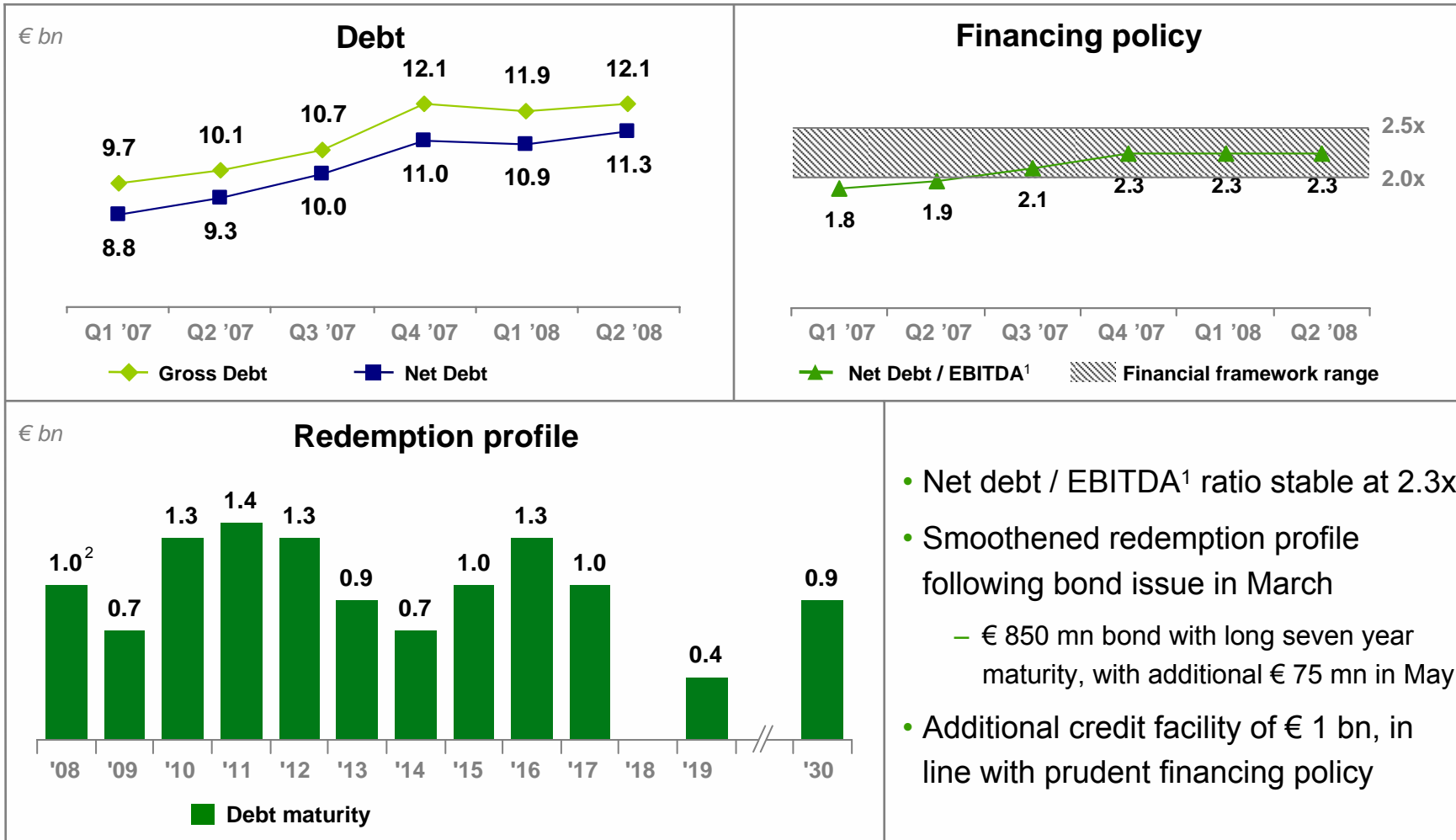
2 Excluding changes in deferred taxes

3 Including Property, Plant & Equipment and software

4 Defined as cash flow from operating activities plus proceeds from real estate minus Capital expenditures and excluding tax recapture at E-Plus

Group financial profile

Smoothened redemption profile following bond issue in March



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

2 Including € 250 mn drawings on credit facility

Pension provisions

Pension provisions release of € 199 mn in Q2 '08, solid position going forward

Release of pension provisions

- New Dutch collective labour agreement signed in March 2008
- Pension indexation method based on price inflation instead of KPN's salary increases
- Release of pension provisions of € 199 mn in Q2 '08 following change in indexation method
- Cash contribution for Dutch pensions reduced by ~€ 40 mn per year
 - IFRS pension charges largely unchanged

Pensions going forward

- Solid pension position going forward
 - Based on independent audit
 - Lower obligations from phase-out of early retirement schemes
- Limited impact from more volatile financial markets on pension liabilities
 - P&L effect if value of pension gains and losses exceed corridor of +/-10% of obligations or assets
 - KPN's change in pension liabilities in H1 '08 still within corridor
- No additional cash funding expected due to healthy coverage ratio
 - 132% per Q2 '08 vs. minimum of 105%

Restructuring provision the Netherlands

Provision of € 207 mn covering majority of restructuring charges until 2010

Restructuring provision

- FTE reduction plans as part of 'Back to Growth' strategy finalized
 - Detailed restructuring plans up to 2010
 - Full visibility on restructuring charges
- Completion of restructuring plans allows for recognition of € 207 mn restructuring provision in Q2 '08
 - Relates to ~4,500 FTE reduction in 2008-2010
 - Plans prepared per segment as well as across segments
 - Reduction through redundancies, outsourcing and natural attrition
 - Recorded in P&L in 'Other activities'

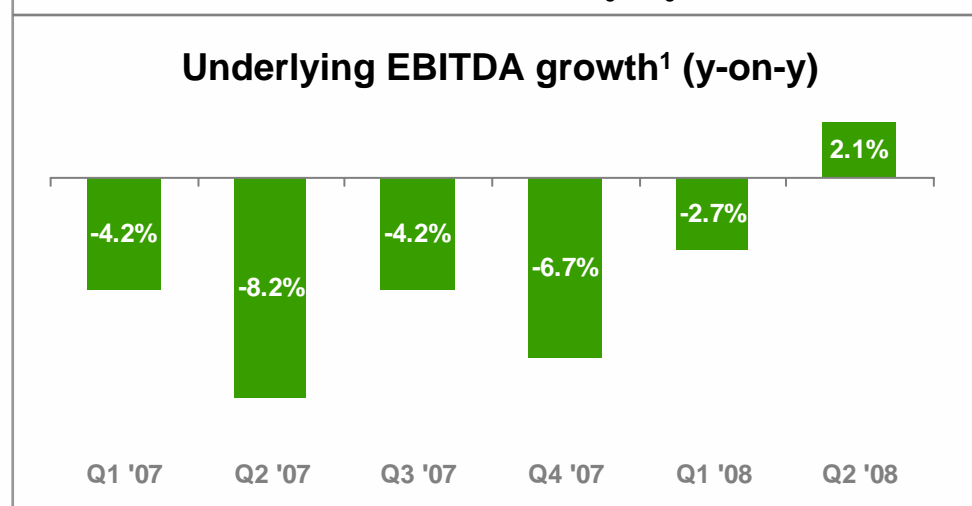
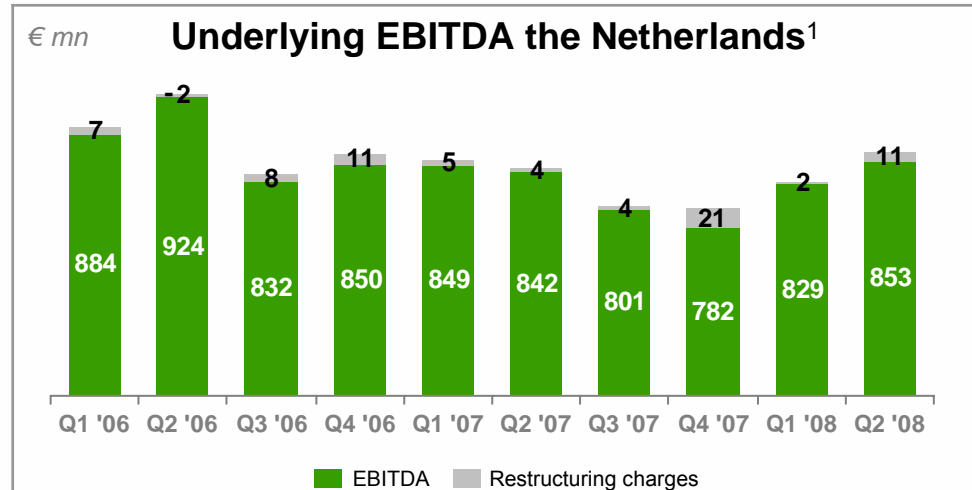
Restructuring charges going forward

- Provision covering majority of restructuring charges until 2010
 - Minimal restructuring charges in the Netherlands going forward
 - Excluding any charges for Getronics and Mobile International
- Lower future restructuring charges positively impact results in the Netherlands
 - Revised EBITDA base figure¹ for outlook purposes, excluding restructuring charges in prior years

¹ The Netherlands excluding Getronics, iBasis/KGCS, restructuring costs and book gains on sale of real estate

EBITDA outlook in the Netherlands

Upgrading outlook 2008 for the Netherlands excluding acquisitions

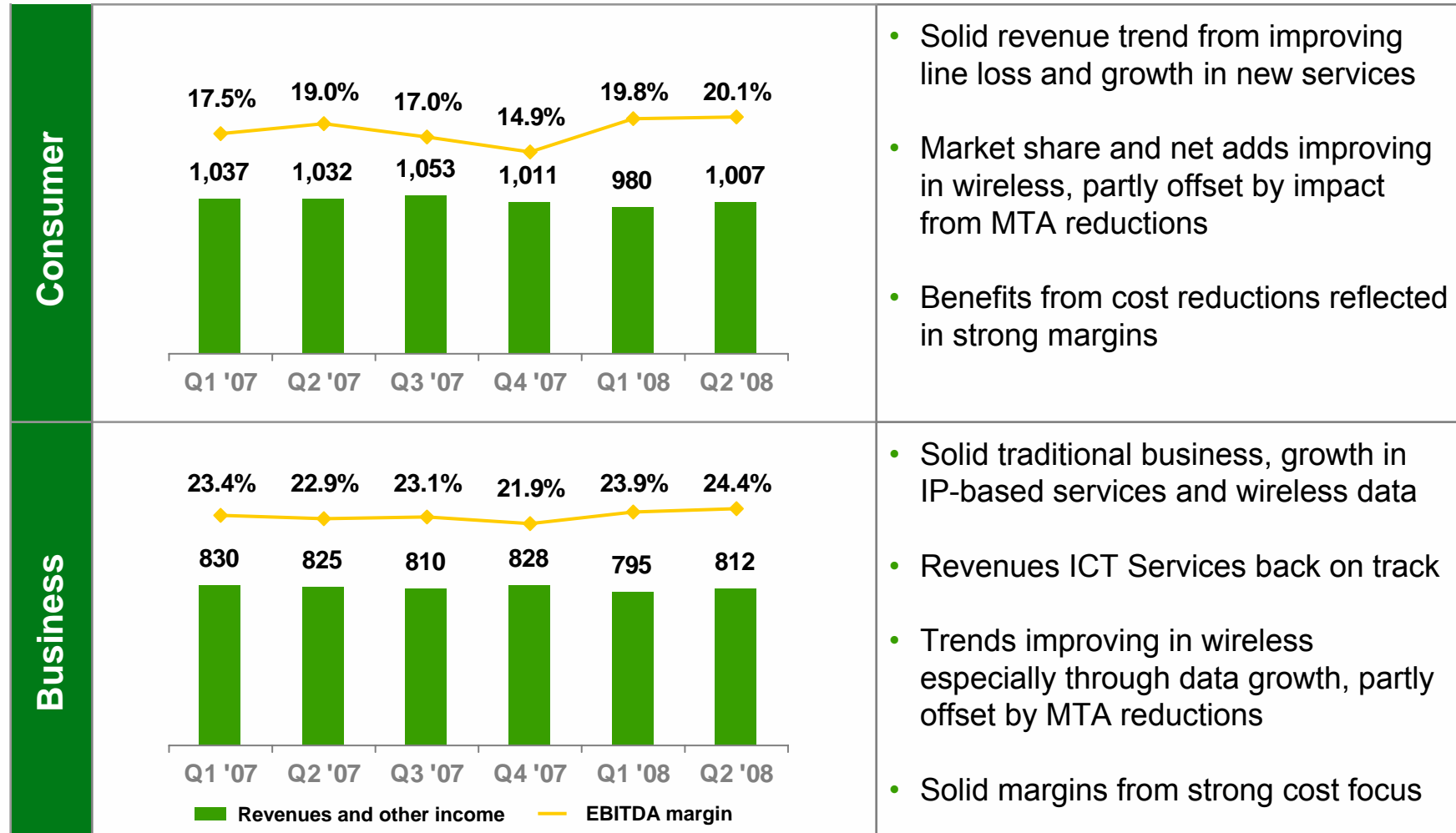


- Further improvement in underlying EBITDA in the Netherlands¹
 - EBITDA up € 18 mn in Q2 '08, or 2.1% y-on-y
 - € 20 mn additional costs for VoIP issues in Q2 '07
 - Upgrading EBITDA outlook to “flat”
 - Previously guiding for maximum decrease of € 100 mn, based on an EBITDA of € 3,274 mn for 2007
 - New EBITDA base figure¹ of € 3,308 mn for 2007
- ➔ EBITDA outlook the Netherlands¹ “flat” in 2008

¹ The Netherlands excluding Getronics, iBasis/KGCS, restructuring charges and book gains on sale of real estate

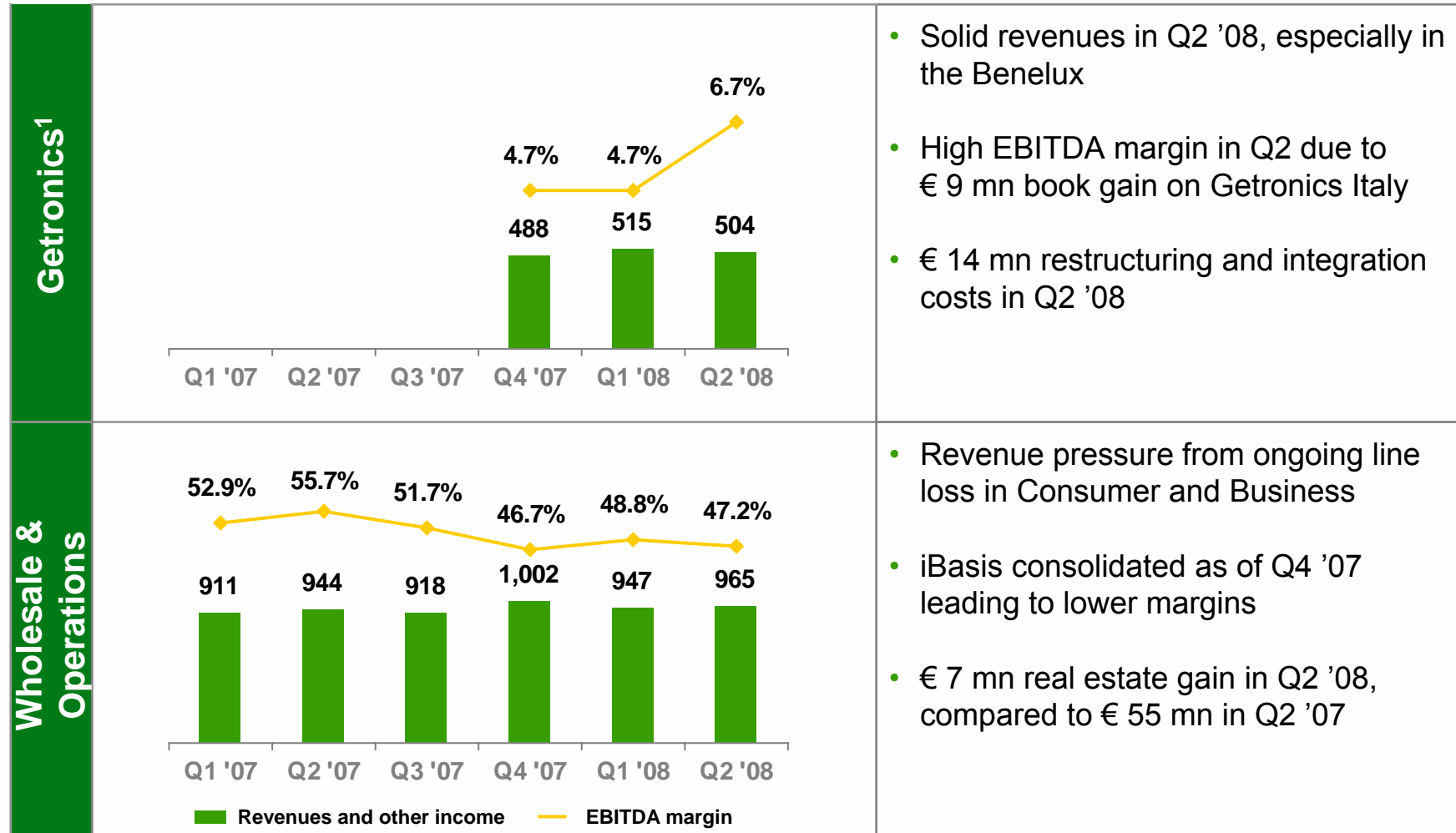
Financial review the Netherlands by segment

Solid revenue trends and strong margins in Consumer and Business



Financial review the Netherlands by segment (cont'd)

Solid performance Getronics, lower margins at W&O from consolidation iBasis



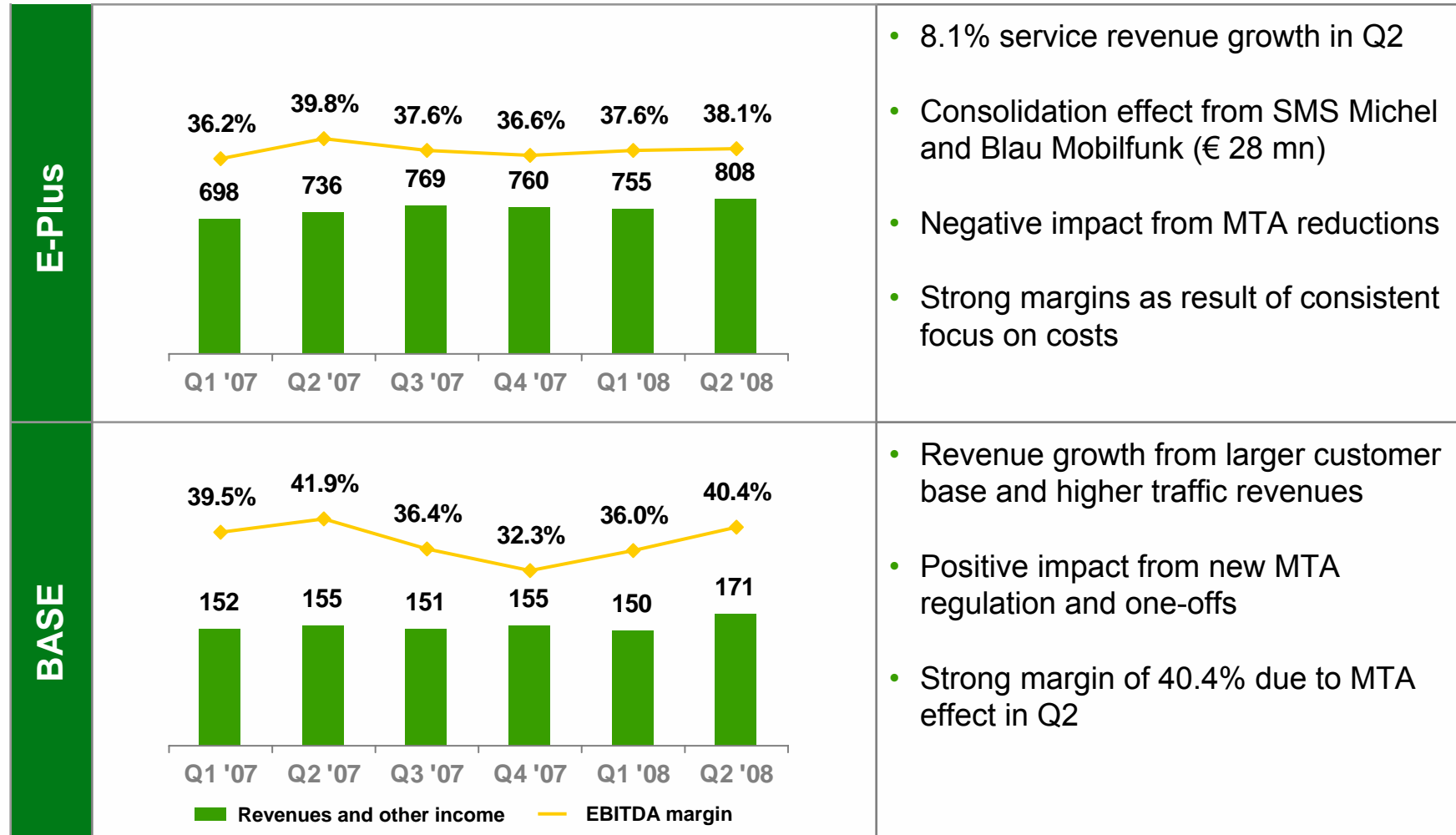
- Solid revenues in Q2 '08, especially in the Benelux
- High EBITDA margin in Q2 due to € 9 mn book gain on Getronics Italy
- € 14 mn restructuring and integration costs in Q2 '08

- Revenue pressure from ongoing line loss in Consumer and Business
- iBasis consolidated as of Q4 '07 leading to lower margins
- € 7 mn real estate gain in Q2 '08, compared to € 55 mn in Q2 '07

¹ Consolidated as of 23 October 2007

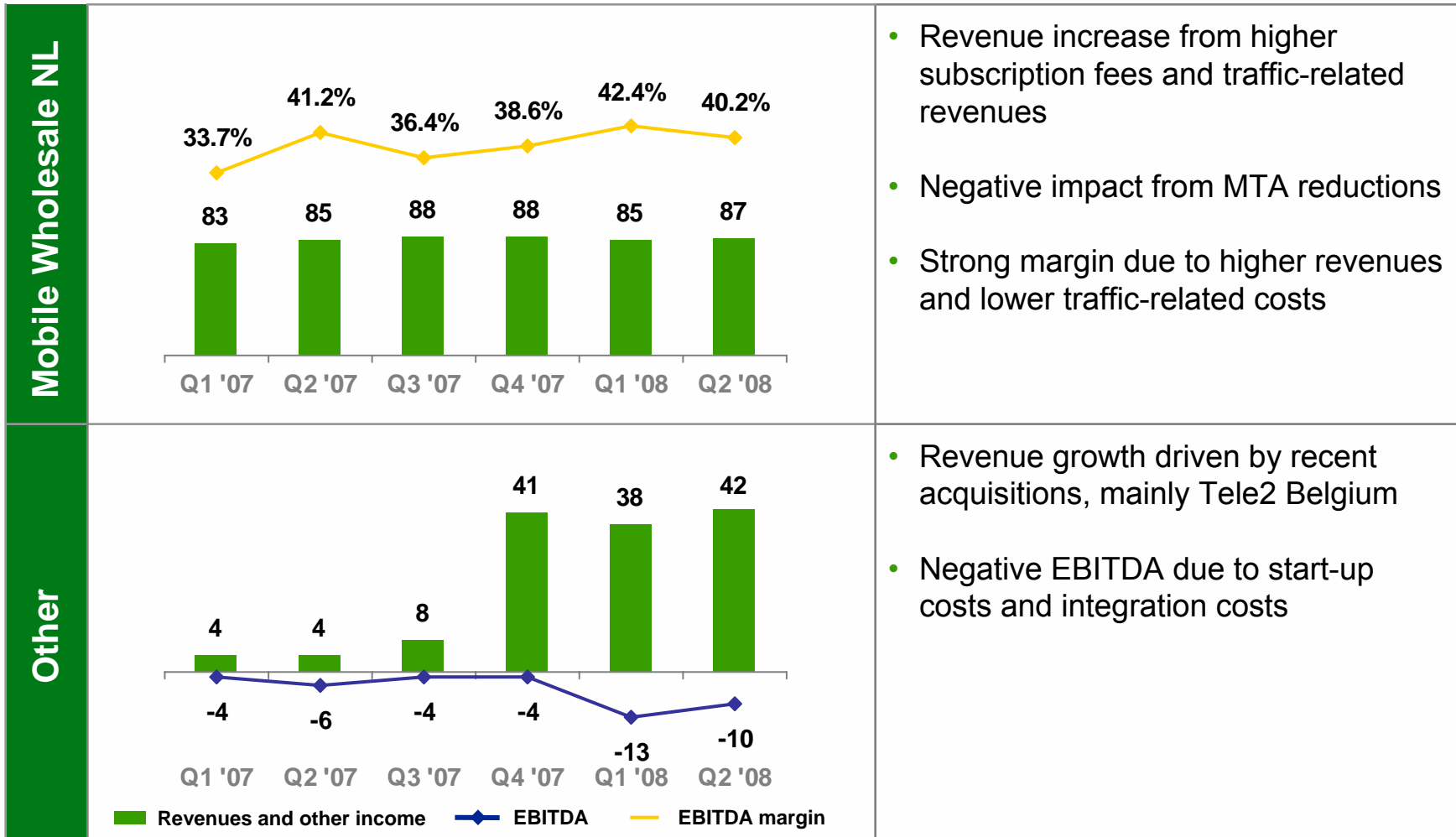
Financial review Mobile International by segment

Strong revenue growth at E-Plus and BASE with solid margins



Financial review Mobile International by segment (cont'd)

Continued growth in wholesale and contribution from recent acquisitions







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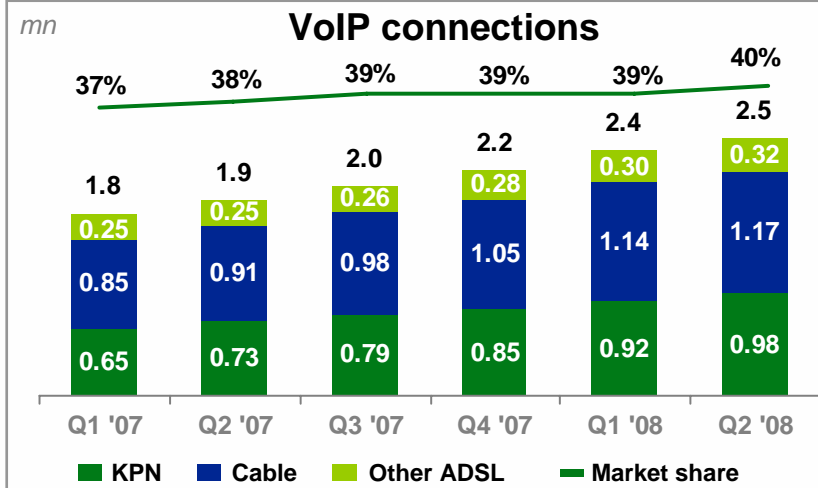
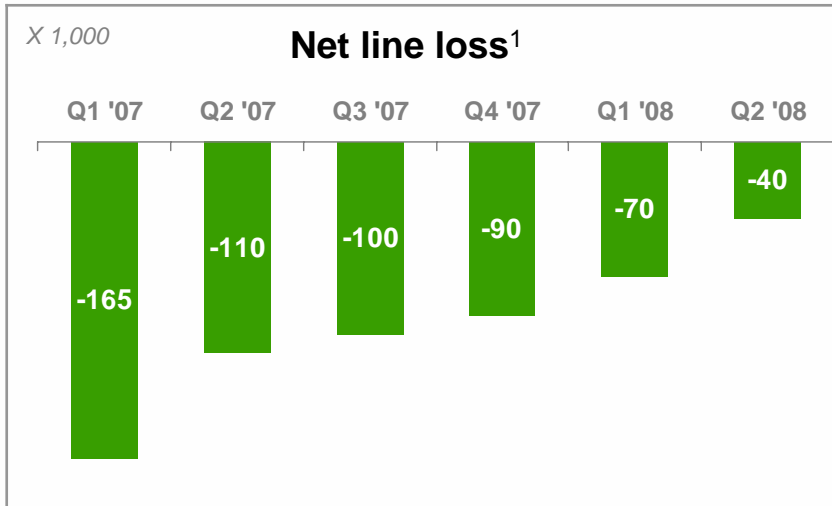
Simplification Consumer

Focused operations to accelerate growth and achieve structurally lower costs

<p>Reduction in brands</p>	<ul style="list-style-type: none"> • Rebranding well on track, number of brands already halved from ten to five • Broadband service portfolio substantially simplified 	
<p>Simplified installation packages</p>	<ul style="list-style-type: none"> • Simplified installation packages available • Lower rework, helpdesk and installation costs 	
<p>Single modem for all speeds</p>	<ul style="list-style-type: none"> • New standard modem to be introduced in Q3 '08 • Future-proof modem serving all networks (ADSL, FttC, FttH) and all services (VoIP, broadband, TV) 	
<p>Paperless billing</p>	<ul style="list-style-type: none"> • Paperless billing for most customers as of Q4 '08 • Lower printing and distribution costs 	

Consumer wireline voice

Net line loss further reduced to 40k through retention offers and VoIP growth

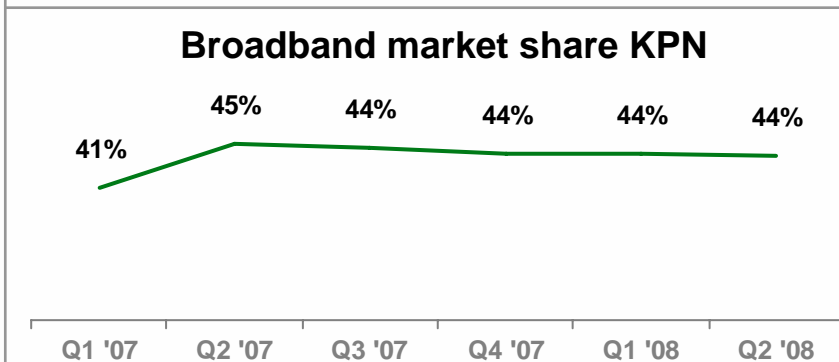
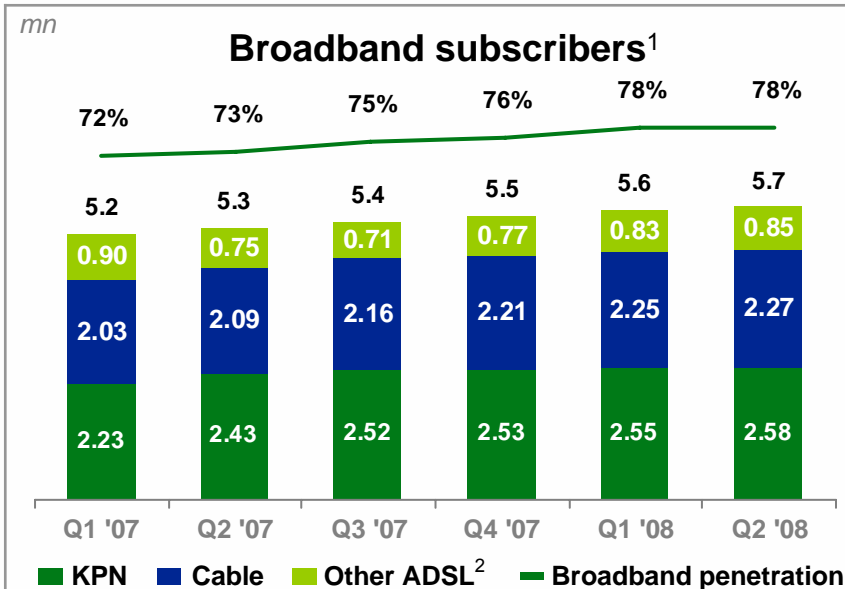


- Net line loss further reduced to 40k in Q2 '08
 - 45k loss in KPN retail subscribers and 5k change in Consumer WLR
 - Fifth consecutive quarter of improvement
- Line loss in PSTN/ISDN decelerating
 - Over 600k customers on PSTN/ISDN retention offers at end of Q2
- Market leadership in VoIP maintained
 - Customer base approaches 1 million
 - Taking more than fair share by capturing ~50% of market growth during Q2
- New competitive VoIP offers as of July
 - Higher bandwidths for same price
 - Simplified pricing schemes

¹ PSTN / ISDN line loss + growth VoIP Consumer + growth ADSL only + growth WLR; management estimates

Consumer broadband

Differentiating strategy to maximize customer value in broadband



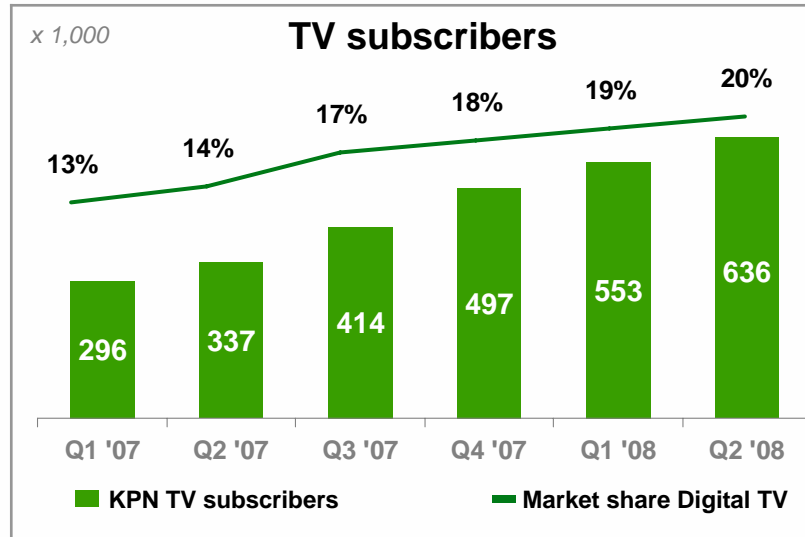
- Broadband market share stable at 44%
 - Continued market growth, despite very high broadband penetration
 - KPN focusing on high-value customers
- Bundling broadband in different packages rather than focus on triple-play only, e.g.
 - Broadband + PSTN
 - Broadband + VoIP + Interactive TV
 - Broadband + Interactive TV
- Multi-brand strategy addressing all market segments
 - Focus on KPN, Het Net, Telfort and XS4All
 - Planet brand migrated to KPN

¹ Based on management estimates, approximately 80% consumers and 20% businesses

² Excluding Bitstream

Consumer TV

Strategy aimed at creating meaningful scale in Dutch TV market



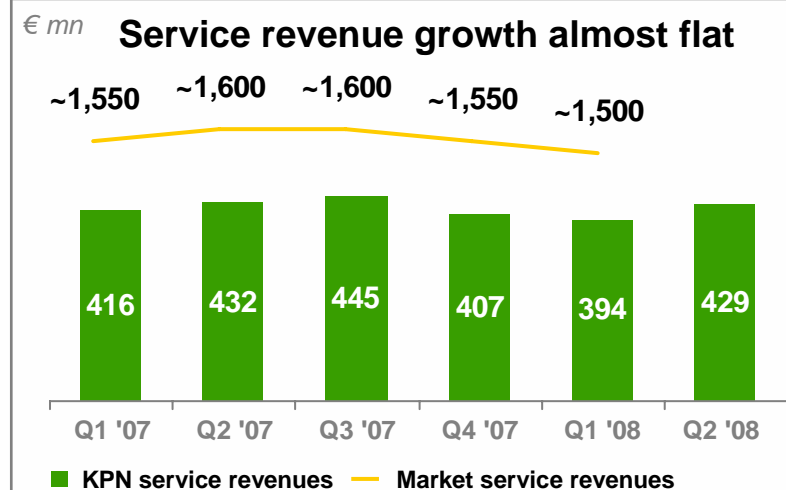
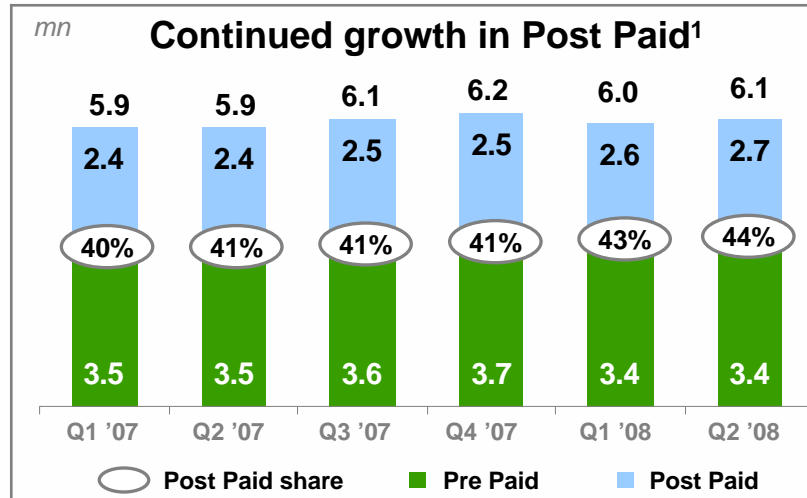
DVB-H launched in June



- Continued strong growth in TV
 - 636k subscribers at end Q2 '08, up 89%
 - Both Digitenne (DVB-T) and Interactive TV contributing to record net adds
- Continued network expansion in DVB-T
 - 70% population coverage at end Q2 '08
 - Ten additional antennae to be installed in Q3
- Interactive TV offer further expanded
 - New set-top box introduced in April
 - Deal with video rental company Videoland
- Sub-licence extended for broadcasting live Dutch premier league football
- DVB-H successfully launched in June, offering Mobile TV on handhelds

Consumer wireless

Upward trend from Q1 with service revenues and market share improving



- Focus on growing overall market size
 - Step-up in commercial activities for new services, e.g. wireless data and DVB-H
- Continued balance between market share and profitability
- Capturing fair share of net adds in Q2 '08
 - Focus on Post Paid and retention
 - Post Paid net adds of 76k, up >70% q-on-q
 - Wireless data revenues up >150% y-on-y
- Service revenues down 0.7% y-on-y
 - Underlying growth² accelerating to 5-6%
- Continued focus on managing costs
 - Value-based retention improving SAC/SRC in relation to ARPU

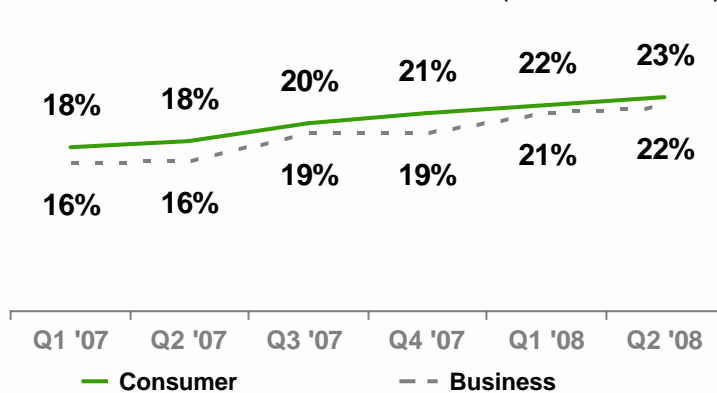
¹ Correction for ~220k inactive Pre Paid accounts in Q1 '08

² Based on service revenues excluding impact from MTA and roaming

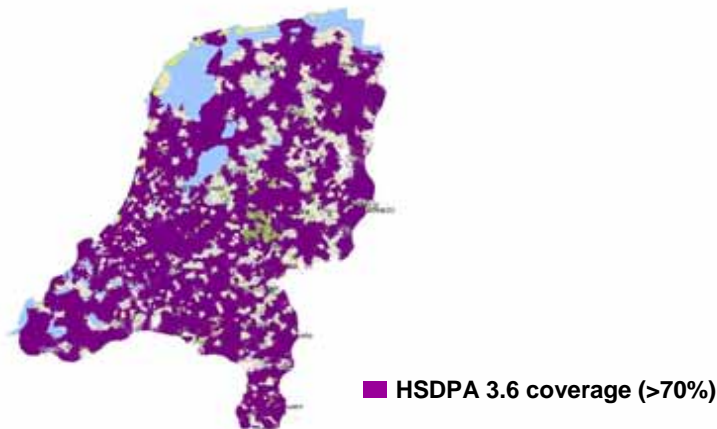
Wireless data

Strong growth in wireless data, especially in non-SMS data services

Non-voice as % of ARPU (SMS and data)



HSDPA coverage (May 2008)



- Revenues from wireless data almost doubled since Q2 '07
- Rapid growth in non-SMS data services, both in Consumer and Business
 - Consumer data users up >150% y-on-y to ~200k
 - Business data users up >30% y-on-y to ~300k¹
- KPN best positioned to capture data market potential in the Netherlands
 - Leveraging superior data network coverage and highest bandwidth
 - HSUPA rollout almost completed and preparing for HSDPA 14.4
 - Sufficient capacity available for strong growth in data traffic

¹ Business data users defined as PDA, blackberry and 3G laptop data cards, excluding M2M

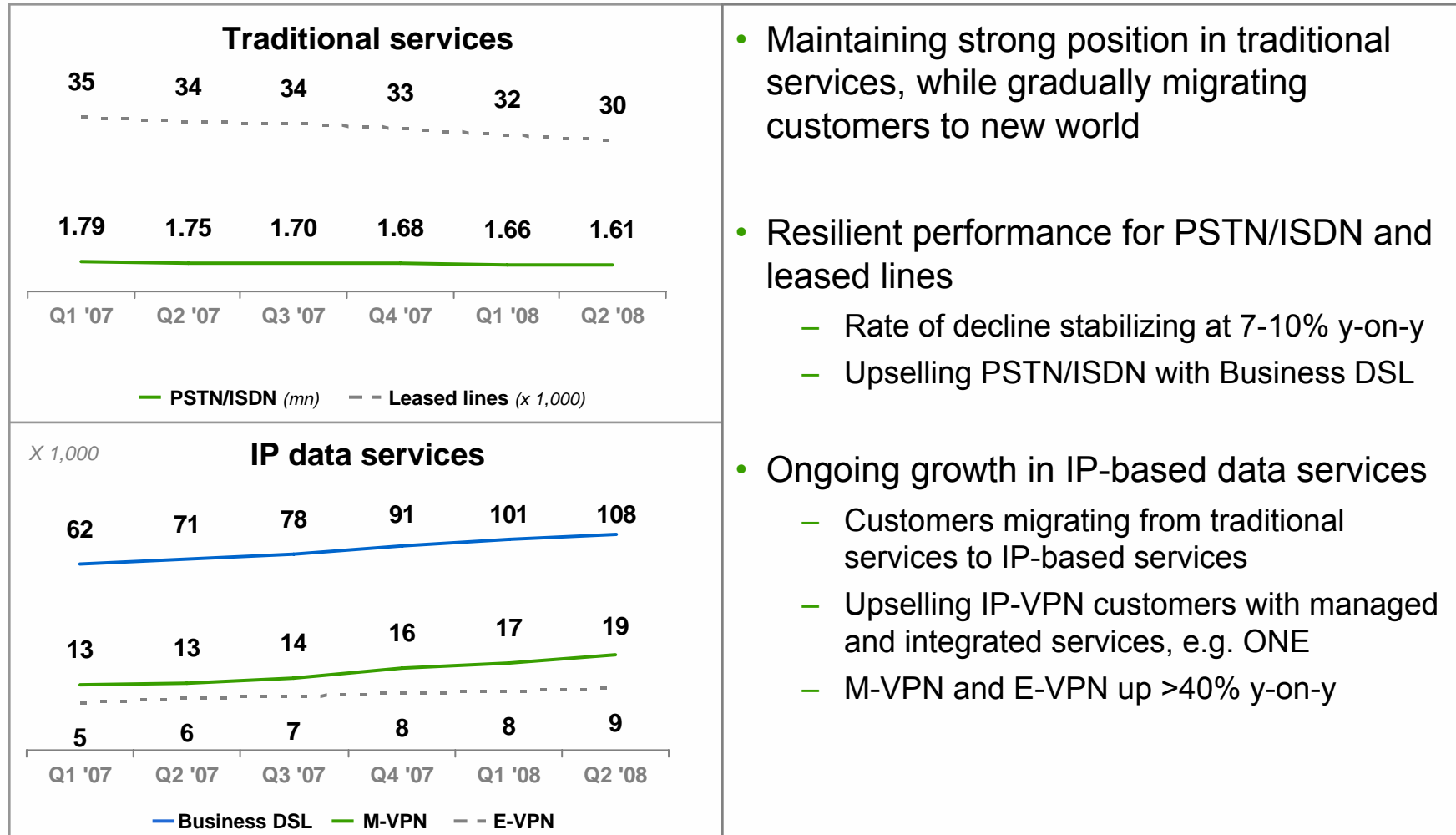
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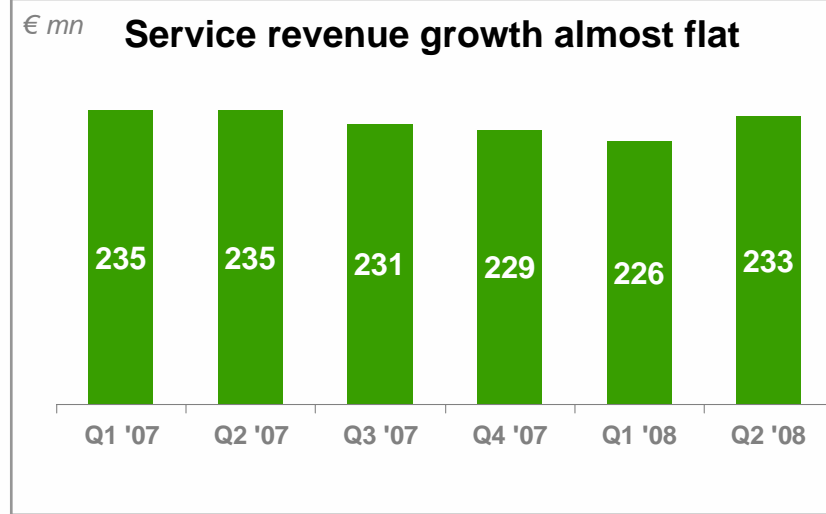
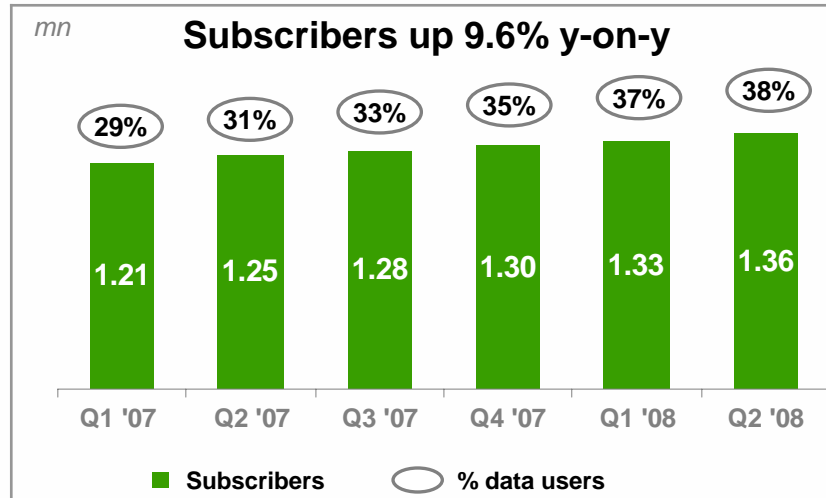
Business – Infrastructure Services

Maintaining strong position in traditional services, growth in new services



Business – wireless services

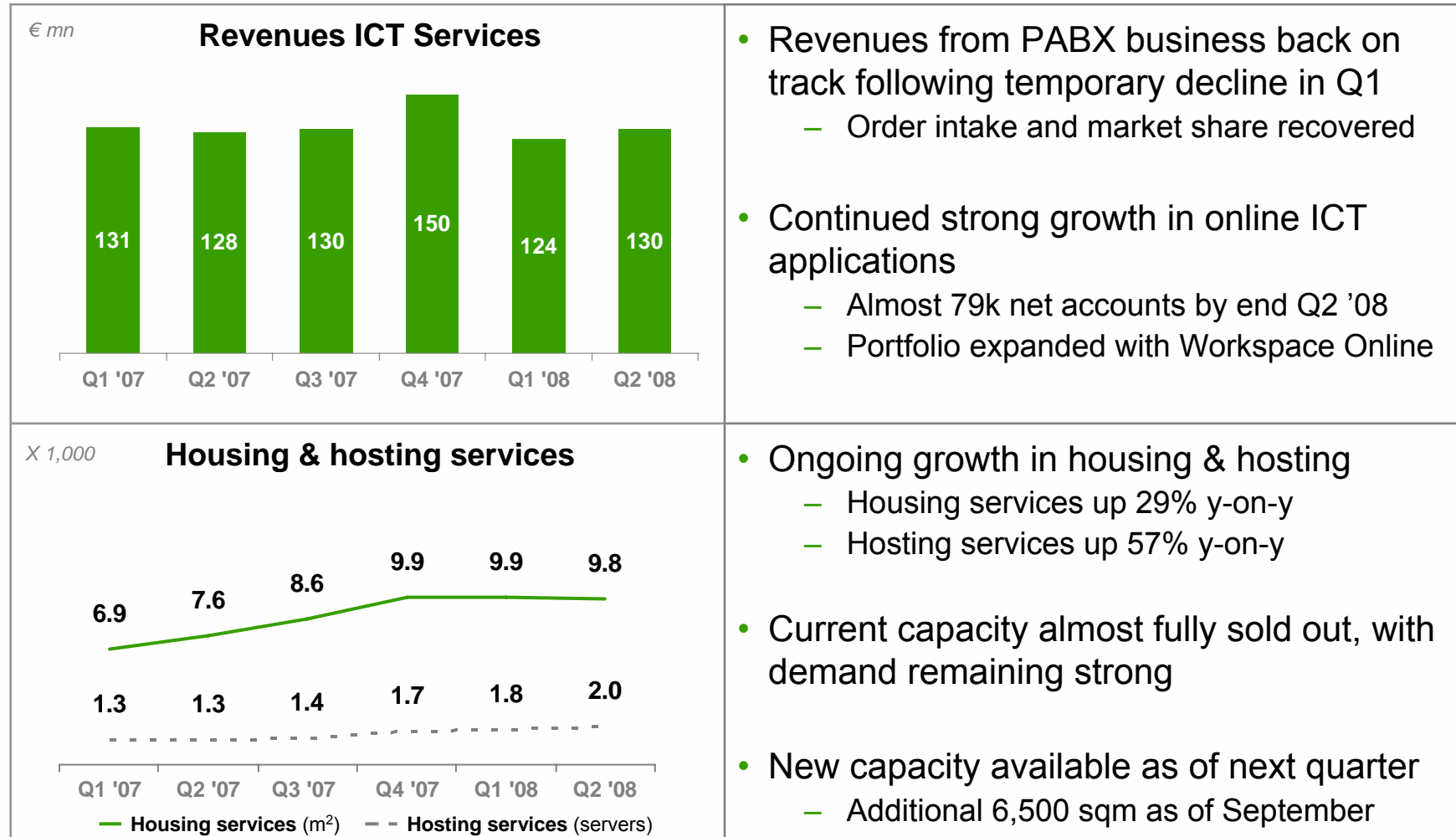
Trends improving from Q1 with service revenues almost flat in Q2



- Focus on maintaining market share and retaining high-value corporate customers
- Customer base up 9.6% y-on-y
 - Growth coming from data connections, mainly PDAs and laptop data cards
 - M2M representing ~17% of total base
- Service revenues almost flat in Q2, substantially improving from Q1
 - Service revenue decline of 0.9% in Q2, with MTA impact of 2.6%
 - ARPU pressure due to MTA/roaming and lower ARPU on data-only subscriptions
- Solid margin despite regulatory tariff cuts
 - Focus on managing SAC/SRC

Business – ICT Services

ICT revenues back to level of previous quarters



Getronics

Solid performance in Q2, strong progress in divestment program

Operational performance Q2 '08

- Solid operational performance in Q2 '08
 - Performance in the Benelux in line with expectations
 - UK and US operations impacted by exchange rate effects
- Major 6-year contract won with CSC for 60,000 workspaces

Integration and restructuring

- Integration with KPN Business Market on track
 - KPN Sales Corporate Market transferred to Getronics as of 1 July 2008
 - Transfer Corporate Solutions and part of ICT services planned for Jan 2009
- HQ moved from Amsterdam to lower cost location in Zoetermeer
- Dutch organization to be grouped in five local offices

Progress divestments

- Significant progress on divestments announced in February
- Scope enlarged with divestment of North American operations
- Outlook update after completion of entire divestment program

Getronics divestments

Strong progress on divestments

North America

- Strategic partnership with CompuCom in North America signed in June
 - Strengthening position in workspace management
 - Creating #3 player in North America
- In line with earlier announced strategy to strengthen global delivery capability
- Divestment of Getronics North America
 - Annual revenues of ~€ 300 mn
 - Minority stake in new entity to secure service levels for international clients

Non-core operations Benelux

- Disposal of non-core operations in the Benelux, as announced in February
- IT solutions provider Everest sold to Total Specific Solutions in July
- Transaction for disposal of Business Application Services expected in Q3
- Other disposals in the Benelux expected well before year-end
 - Business Solutions for local governments and healthcare
 - Document Services

All-IP status

Simplification and asset optimization leading to substantial savings

Commercial strategy

- Fiber network rollout linked to commercial strategy in Consumer and Business
 - FttC / FttH substantially strengthening competitive position versus cable
- Commercial attractiveness and potential for ARPU uplift included in rollout plan

Simplification

- Simplified new product portfolio will lead to lower costs for network, processes and IT
- Integrated approach across Consumer, Business and Wholesale & Operations
- Focused innovation for standardized services on fiber

Efficiency increase

- Savings on legacy platforms largely realized before switch-off
- Asset optimization through FTE reductions and minimal innovation spend
- Customers gradually migrated to IP-based platforms

Sale of real estate

- Buildings in top real estate portfolio sold individually, instead of block sale
 - Planned cash proceeds of ~€ 300 mn in 2008
- Timing of real estate sale made more independent from network rollout
- Increase in operational efficiency already before vacating buildings

All-IP rollout

Proven fiber rollout capability by end of 2008, mass FttC rollout as of 2009

FttC	<ul style="list-style-type: none"> • First customers activated on FttC • Commercial propositions, IT and processes ready • Fiber rings rolled out, deployment of street cabinets and active equipment ongoing • 300k homes connected by end of 2008, ambition for > 1 mn homes connected by end of 2009
FttH	<ul style="list-style-type: none"> • First customers activated in Enschede, Almere and other areas <ul style="list-style-type: none"> – Early customer uptake in line with expectations – Projects in progress to prove seamless activation process • Strengthening capabilities through announced joint venture with Reggiber FttH
FttO	<ul style="list-style-type: none"> • Continued solid demand for FttO • 37 business parks connected by the end of Q2 '08 • FttO rollout started in 185 business parks
Wireless-to-the-Home	<ul style="list-style-type: none"> • Implementing high-bandwidth solutions in wireless • Complementing FttC and FttH in less densely populated areas and later in other regions • Scale dependent on results of fiber rollout

Proven fiber rollout capability in place by end of 2008

Mass FttC rollout planned for 2009

Visibility on switch-off legacy infrastructure

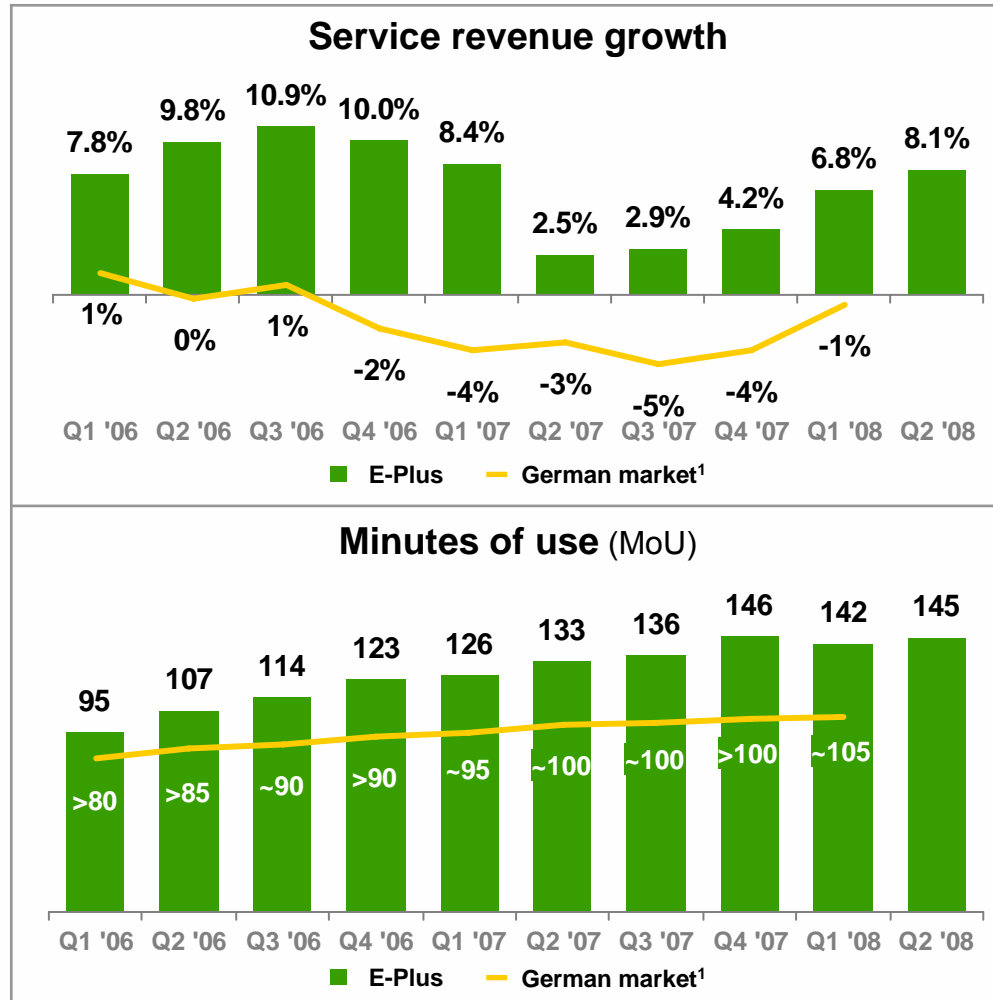
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German market

E-Plus consistently outperforming German market

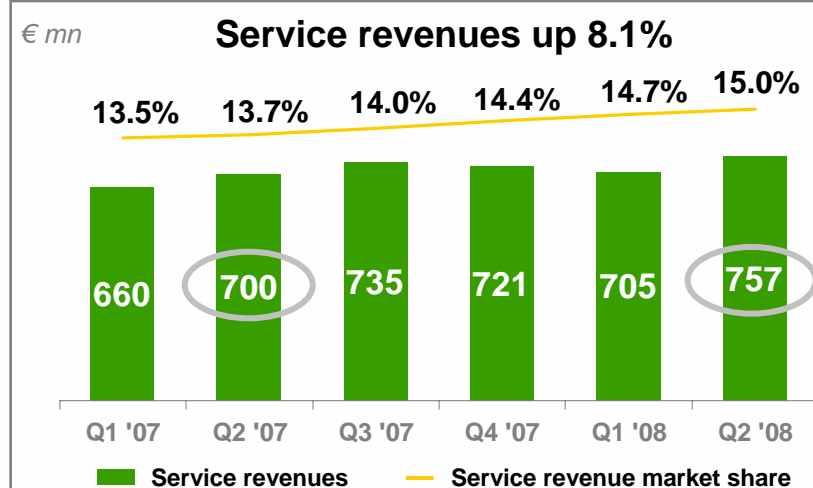
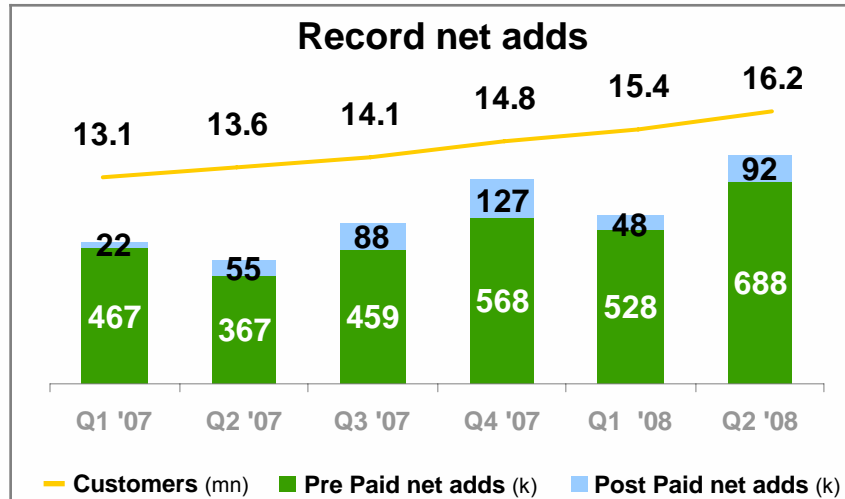


- E-Plus consistently outperforming German market
 - E-Plus ~8% ahead of average market growth in past year
 - Showing sustained success of challenger strategy
 - Market growth temporarily lower in 2007 due to MTA and VAT effects
- E-Plus MoU doubled in 3 years
 - Mainly driven by new brands
 - Elasticity effects as a result of attractive minute pricing
 - Community effects
- Mobile usage still low compared to other European countries
 - MoU of ~105 in Germany vs. European average of ~200

¹ Management estimates

Operating review E-Plus

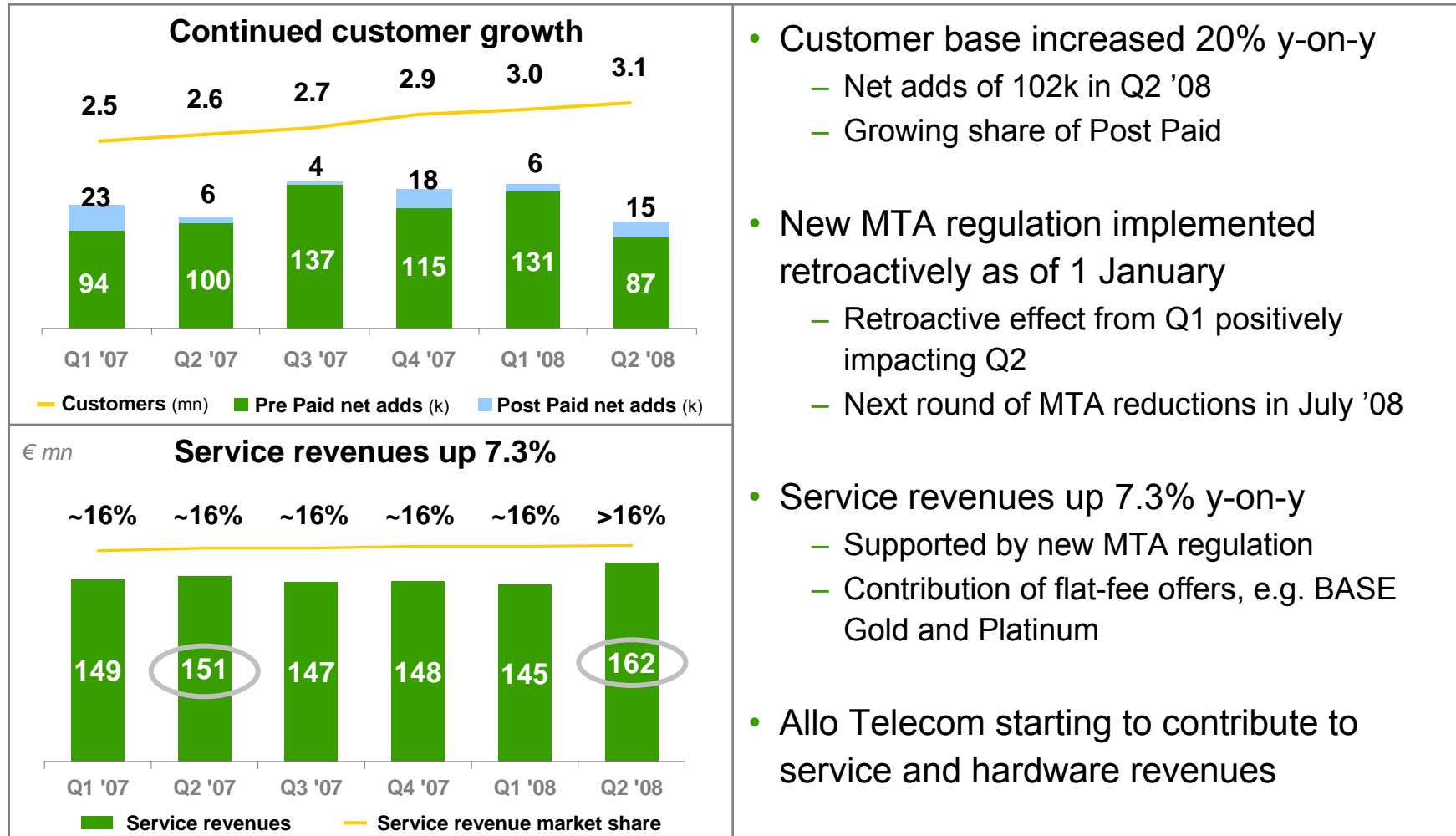
Continued profitable growth with record net adds in Q2 '08



- Record net adds of 780k in Q2 '08
 - Customer base exceeds 16 mn
 - Highest quarterly growth since 2000
 - Additional contribution from retail chain SMS Michel and Blau
- Service revenue growth of 8.1%
 - Result of high net adds in past quarters
- SAC/SRC down 32% to € 52
 - Differentiated dealer commissions to stimulate growth in high-value segment
 - More captive channels, e.g. through SMS Michel and Blau Mobilfunk
 - Launch of handset lease models

Operating review BASE

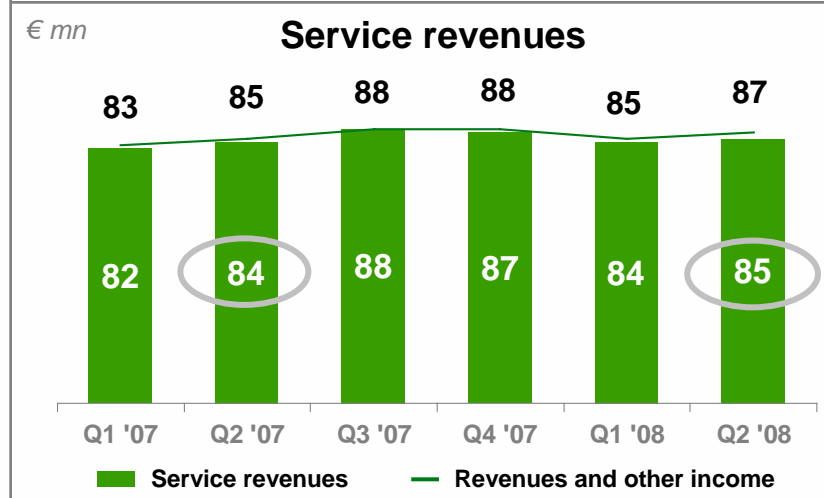
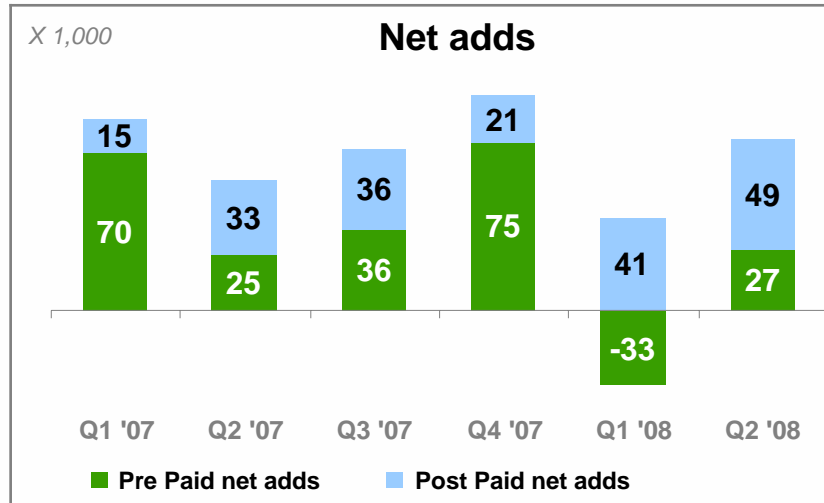
Service revenues returning to growth, positive impact from new MTA regulation



1 Management estimates, based on revenues

Operating review Mobile Wholesale NL

Ongoing growth from wholesale partnerships



- Maintaining market leading position in competitive Dutch MVNO market
 - Solid net adds of 76k in Q2 '08
 - Growth in both Post Paid and Pre Paid
- Service revenue growth of 1.2% in Q2
 - Negative MTA impact of 3.6%
- MVNO Rabo Mobiel launched on KPN's network in Q2
 - Innovative services like online banking, payment services via SMS and parking services

Mobile International - Other

Recent acquisitions and new businesses starting to contribute

MVNO Spain

- Off to a good start, customer growth in line with expectations
- New brand partner 'XL móvil' launched in June
 - Leveraging distribution through travel agencies and media presence
 - Targeted at young people and seniors
- Extensive deal pipeline with prospective wholesale partners

Tele2 Belgium

- Aiming for growth in both wireline and wireless services
- Exploiting business opportunities in cooperation with BASE
- Scope for MVNO on BASE network further expanded
 - Tele2 Liberty targeting fixed-line customers with flat-fee bundle
 - Triple play offer 'All-In Plus' bundling wireless services, VoIP and DSL

Acquisitions wholesale partners

- Acquisition of Ortel Mobile and Blau Mobilfunk closed in Q2
- Tapping ethnic and discount segments, with above average growth
- Integration with KPN Mobile International in progress

Agenda

Chairman's review	Ad Scheepbouwer, Chairman and CEO
Financial review	Marcel Smits, CFO
Operating review The Netherlands	Baptiest Coopmans, MD Consumer
	Eelco Blok, MD Business / W&O
Operating review Mobile Int'l	Ad Scheepbouwer, Chairman and CEO
Concluding remarks	Ad Scheepbouwer, Chairman and CEO



Concluding remarks

Strong performance across the group, outlook for the Netherlands upgraded

- Visible results of 'Back to Growth' strategy
 - First quarter results beaten on all key metrics
- Domestic performance ahead of expectations
 - Growth in new services, line loss further improving, wireless performance restored
- EBITDA outlook 2008 for the Netherlands upgraded to 'flat'
- Excellent quarter for Mobile International
 - Record net adds of 780k at E-Plus, highest since 2000
- Strong free cash flow
- Interim dividend of € 0.20 per share, up 11%

Q & A





Annex

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Analysis of results

Key items worth mentioning in results interpretation

€ mn		Q2 '08	Q2 '07	YTD '08	YTD '07
Revenue effect MTA tariff reduction	Group	-36	-35	-79	-66
EBITDA effect MTA tariff reduction	Group	-18	-19	-43	-33
Book gain on sale of subsidiaries	Other/W&O			6	4
Book gain on sale of real estate	W&O	7	55	18	56
Additional costs to solve VoIP issues	NL		-20		-45
Restructuring charges	Group	-221	-5	-230	-14
Depreciation effect Telfort network integration	W&O		-13		-32
Amortization effect Telfort network integration	W&O		-59		-116
Accelerated depreciation copper network	W&O	-18		-37	
Release pension provisions	Other	199		199	
Goodwill impairment	Getronics	-22		-22	

MTA regulation

The Netherlands

€ cents per minute	15 Aug '07	1 July '08	1 April '09	1 July '09
KPN	10.0	9.0	8.0	7.0
Vodafone	10.0	9.0	9.0	7.0
T-Mobile	11.4	10.4	10.4	8.1
Avg. asymmetry	1.4	1.4	2.4	1.1

Germany

- MTA tariffs valid from 1 December 2007 until 31 March 2009
 - T-Mobile / Vodafone lowered from € 8.78 to € 7.92 cents per minute
 - E-Plus / O₂ lowered from € 9.94 to € 8.80 cents per minute

Belgium

- BIPT proposal for less asymmetry suspended
- Former glide path with more asymmetry remains in place for now and has been implemented retrospectively as of 1 February

€ cents per minute	1 May '08	1 July '08
BASE	11.82	10.41
Proximus	7.48	6.56
Mobistar	9.38	8.21
Avg. asymmetry	3.39	3.03

Impact MTA reduction¹

€ mn	Q2 '08		YTD '08	
	Revenues	EBITDA ²	Revenues	EBITDA ²
E-Plus	-12	-7	-23	-13
BASE ³	-2	-1	-14	-10
Mobile Wholesale NL	-3	-2	-5	-4
Mobile International	-17	-10	-42	-27
Consumer	-13	-7	-26	-14
Business	-6	-1	-12	-2
Wholesale & Operations	-5	-	-9	-
The Netherlands	-24	-8	-47	-16
Intercompany	5		10	
KPN Group	-36	-18	-79	-43

1 Additional decline compared to 2007

2 Defined as Operating result plus depreciation, amortization and impairments

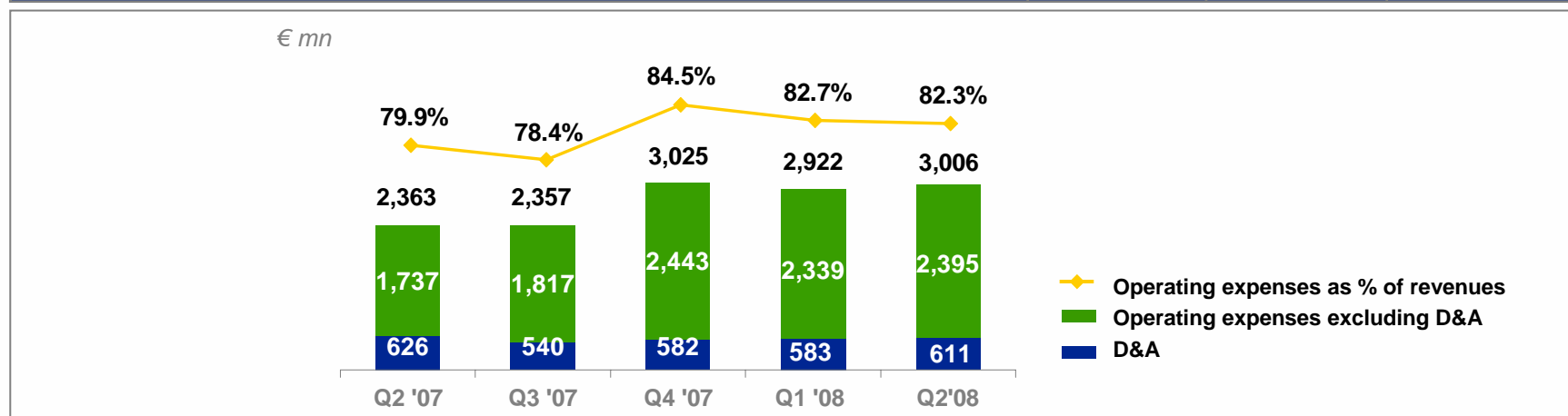
3 Q2 '08 MTA impact includes the retroactive payments for Q1, received in Q2, from other network operators

Restructuring charges

€ mn	Q2 '08	YTD '08
E-Plus		
BASE		
Mobile Wholesale NL		
Mobile International	-	-
Consumer	-1	-3
Business	-	-
Getronics	-1	-2
Wholesale & Operations	-10	-10
The Netherlands	-12	-15
Other	-209	-215
KPN Group	-221	-230

Operating expenses

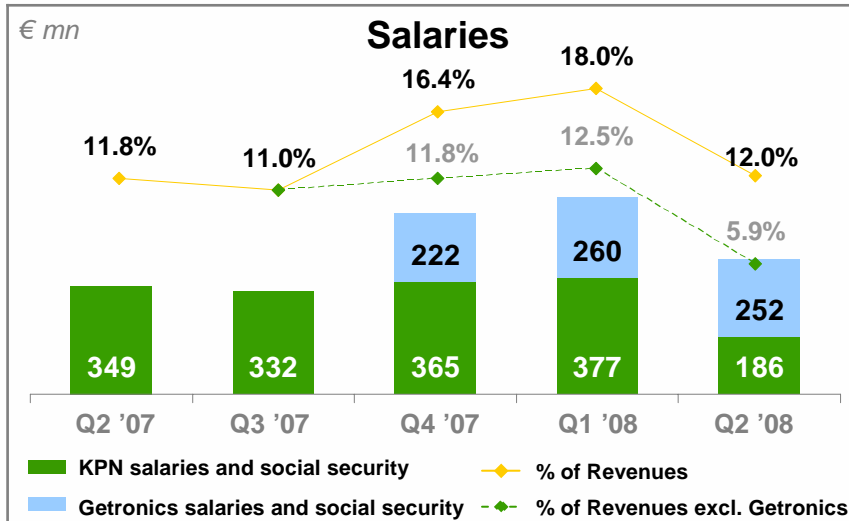
€ mn	Q2 '08	Q2 '07	%
Salaries and social security contributions	438	349	26%
Cost of materials	236	200	18%
Work contracted out and other expenses	1,335	1,069	25%
Own work capitalized	-23	-29	-21%
Other operating expenses	409	148	>150%
Depreciation ¹	407	416	-2.2%
Amortization ¹	204	210	-2.9%
Total	3,006	2,363	27%



¹ Including impairments, if any

Analysis operating expenses¹

Salaries & Cost of materials

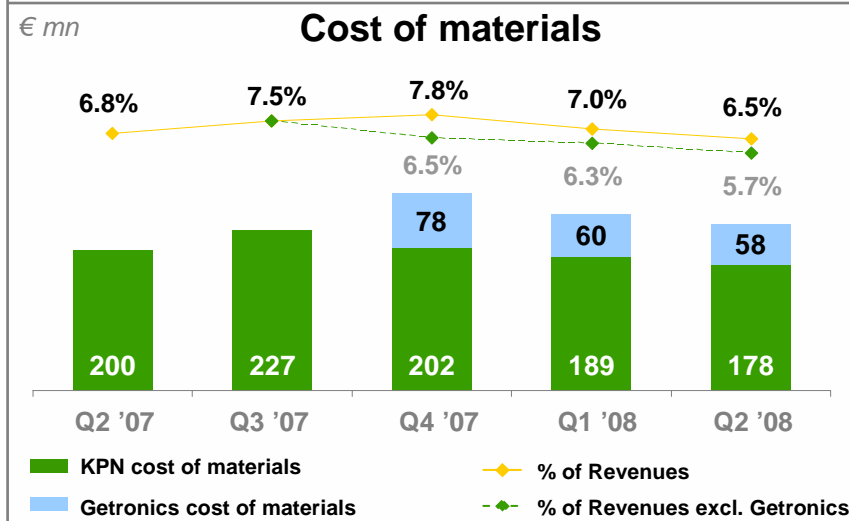


Y-on-Y increase

- Impact of acquisitions, partly offset by headcount reductions

Q-on-Q decrease

- Release of pension provision of € 199 mn



Y-on-Y decrease

- Less handset sales due to SIM-only and wholesale offers

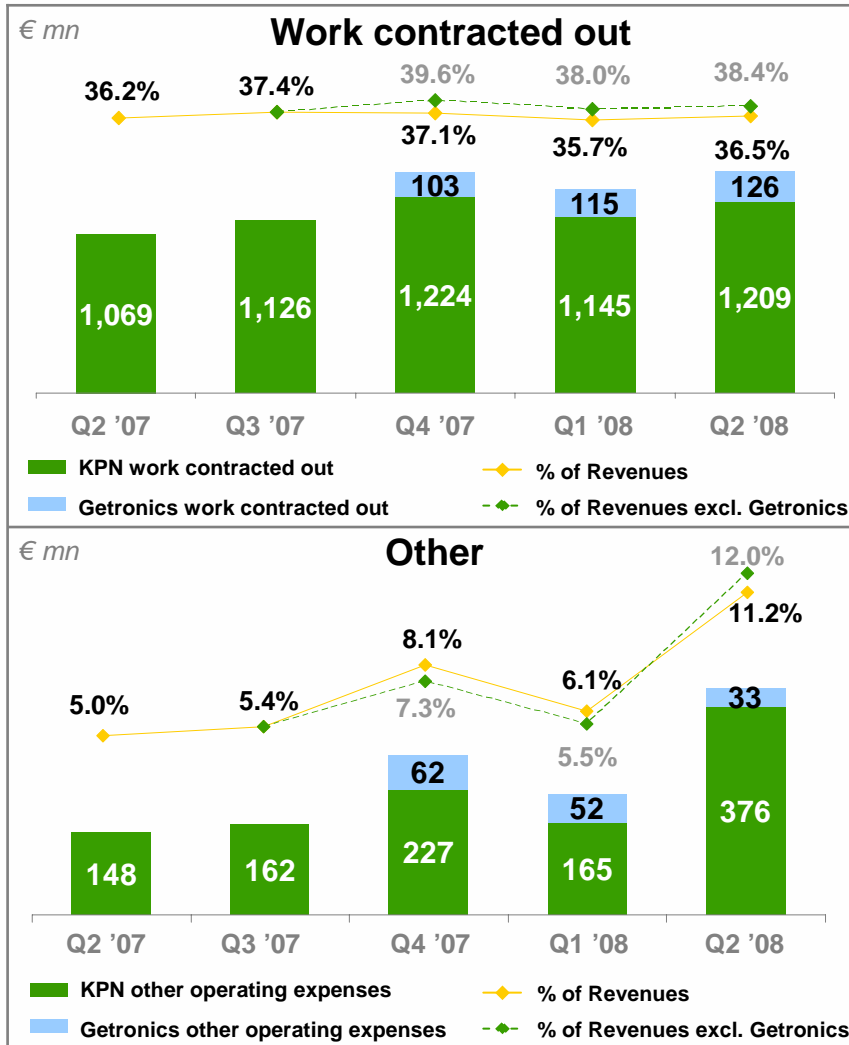
Q-on-Q decrease

- Introduction of handset lease at E-Plus

¹ Year-on-year and quarter-on-quarter analysis excluding Getronics acquisition

Analysis operating expenses¹

Work contracted out & Other



Y-on-Y increase

- Higher wireless traffic volumes
- Partly offset by lower wireline volumes

Q-on-Q increase

- Higher wireless traffic volumes
- Higher distribution costs at E-Plus and Consumer
- Changing traffic mix at iBasis following TDC outsourcing contract

Q-on-Q and Y-on-Y increase

- Restructuring provision of € 207 mn

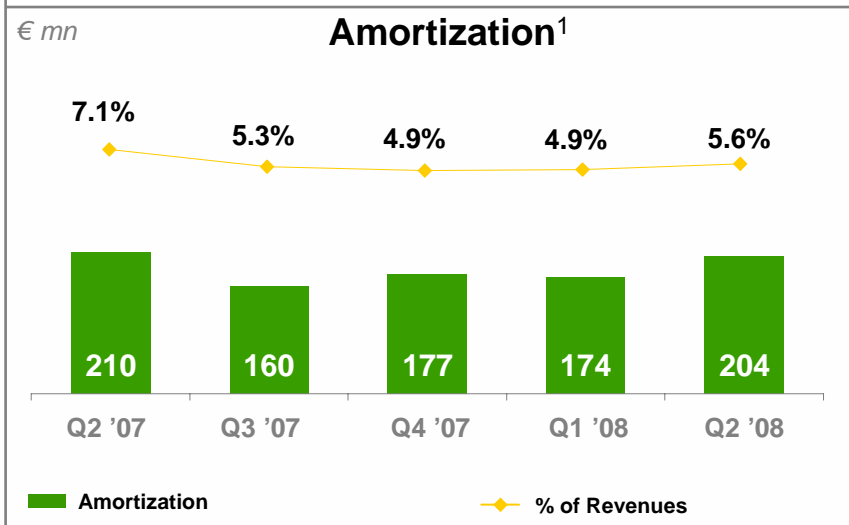
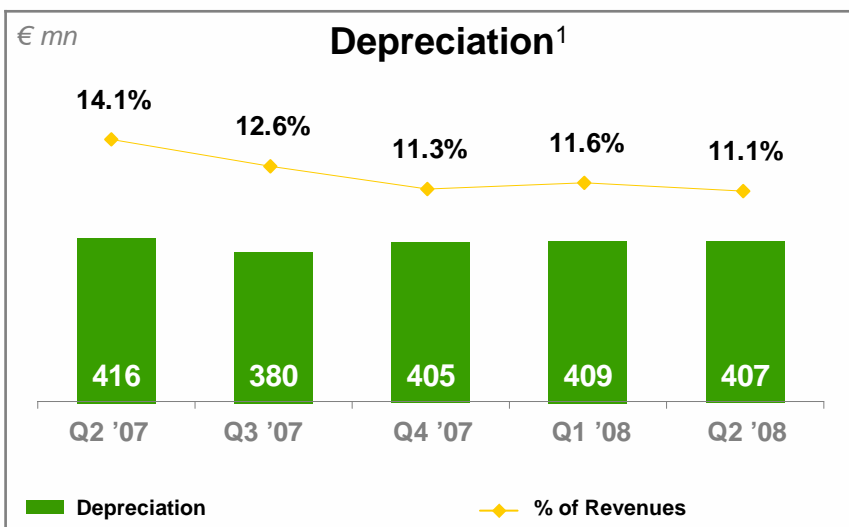
Q-on-Q decrease at Getronics

- Release of provisions in Italy of € 9 mn
- Reclassification of selling expenses due to assets held for sale valuation

¹ Year-on-year and quarter-on-quarter analysis excluding Getronics acquisition

Analysis operating expenses

Depreciation & Amortization



Y-on-Y decrease

- Lower asset base due to less CAPEX spending in prior years
- € 13 mn accelerated depreciation from Telfort network integration in Q2 '07
- Accelerated depreciation of € 18 mn on the copper network in Q2 '08
- Consolidation Getronics and iBasis

Y-on-Y decrease

- € 59 mn accelerated amortization of Telfort license following network integration in Q2 '07
- Partly offset by amortization from Getronics and iBasis

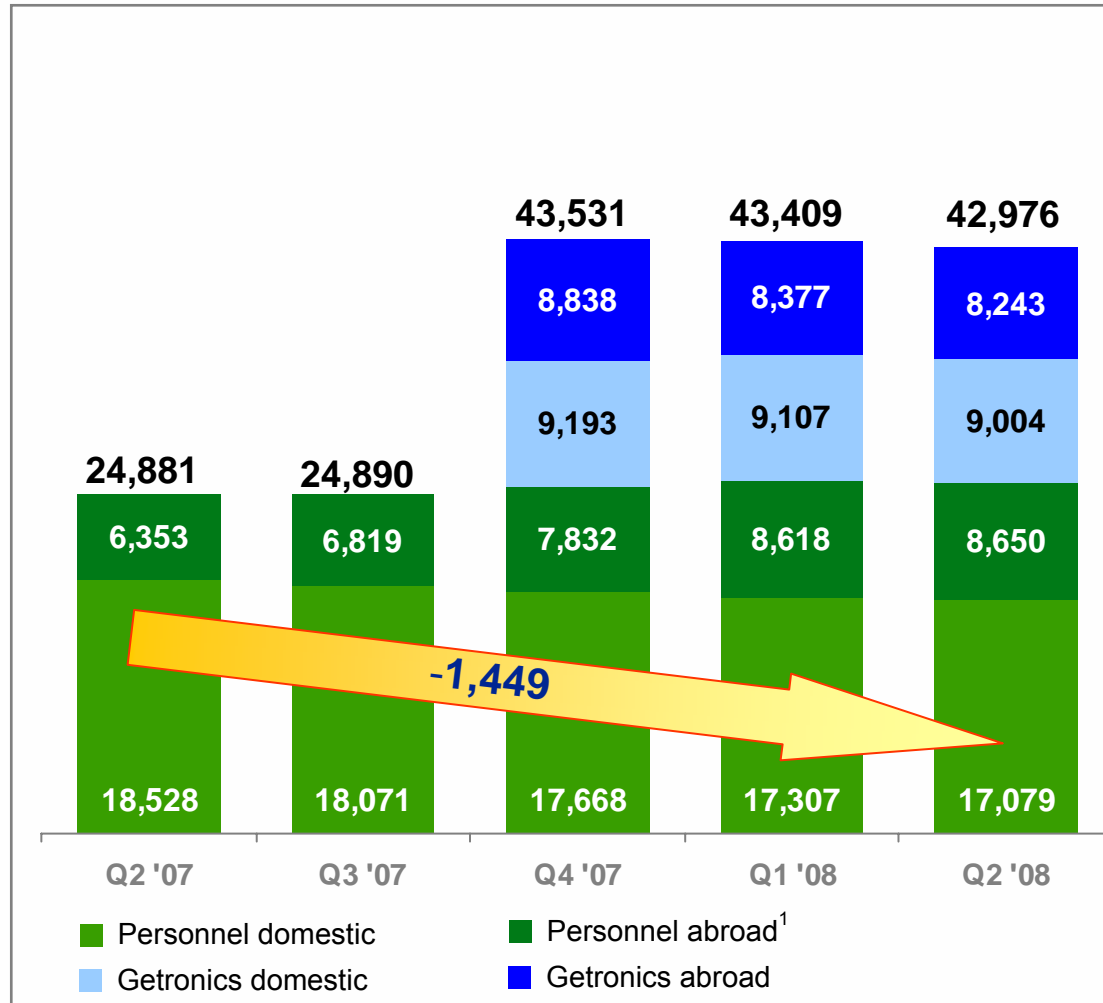
Q-on-Q increase

- Impairment of goodwill at Getronics of € 22 mn

¹ Including impairments, if any

Personnel

Continued underlying decline in the Netherlands



- Personnel increase Y-on-Y of 18,095 FTE
 - 17,247 FTE increase from Getronics
 - 1,449 FTE reduction in the Netherlands (excl. Getronics)
 - Reduction of 1,833 FTE in the Netherlands excluding acquisitions
- FTE decrease of 433 FTE compared to Q1
 - Decrease of 237 FTE at Getronics due to continued restructuring
 - Reduction of 228 FTE in the Netherlands², no acquisitions
 - Increase of 32 FTE abroad due to acquisitions of Ortel and Blau, partly offset by fewer FTE at call centers

¹ Including ~4,400 FTE in call center activities abroad, reported under Consumer the Netherlands

² Including Station to Station, consolidated as of 1 May (65 FTE)

Tax

Fiscal units (€ mn)	P&L		Cash flow	
	Q2 '08	Q2 '07	Q2 '08	Q2 '07
Dutch activities	-82	-95	-85	-42
Getronics	-1	-	-	-
German Mobile activities	-32	-12	-	-
Belgian Mobile activities	-13	-11	-	-
Other activities	-	-	-	-
Total	-128	-118	-85	-42

- € 85 mn net Dutch corporate tax paid
 - Tax recapture on E-Plus EBITDA of € 71 mn paid to Dutch fiscal authorities
 - NOLs at KPN Mobile the Netherlands exhausted as of Q3 '07
- Higher P&L tax in Q2 '08 mainly attributable to higher tax expense in Germany due to recognition of deferred tax asset at E-Plus in Q4 '07

Net cash flow from operating activities

€ mn	Q2 '08	Q2 '07	YTD '08	YTD '07
Operating Result	656	649	1,304	1,186
Depreciation, amortization and impairments	611	626	1,194	1,278
Interest paid	-145	-194	-274	-253
Income tax paid	-85	-42	-191	-42
Other income	-8	-54	-23	-60
Share based compensation	-1	2	1	5
Change in provisions	-41	-67	-102	-132
Net cash flow from operating activities <i>before changes in working capital</i>	987	920	1,909	1,982
Inventory	-18	-11	-4	-8
Trade receivables	46	-40	86	-35
Other current assets	16	42	-181	-126
Current liabilities	146	-29	15	-97
Change in working capital	190	-38	-84	-266
Net cash flow from operating activities	1,177	882	1,825	1,716
Capex ¹	-451	-327	-807	-603
Proceeds from real estate	1	82	14	82
Tax recapture E-Plus	71	-	117	-
Free cash flow²	798	637	1,149	1,195

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

€ mn	Q2 '08	Q2 '07	YTD '08	YTD '07
Net cash flow from operating activities	1,177	882	1,825	1,715
Capex ¹	-451	-327	-807	-603
Acquisitions	-110	-233	-162	-233
Disposals real estate	1	82	14	82
Disposals other	-9	0	-2	15
Other	-4	-8	-13	-8
Net cash flow from investing activities	-573	-486	-970	-747
Dividends paid	-637	-645	-637	-645
Share repurchases	-374	-309	-573	-508
Debt financing ²	689	276	669	10
Other	7	20	9	23
Net cash flow used in financing activities	-315	-658	-532	-1,120
Changes in cash and cash equivalents	289	-262	323	-151

1 Including Property, Plant & Equipment and software

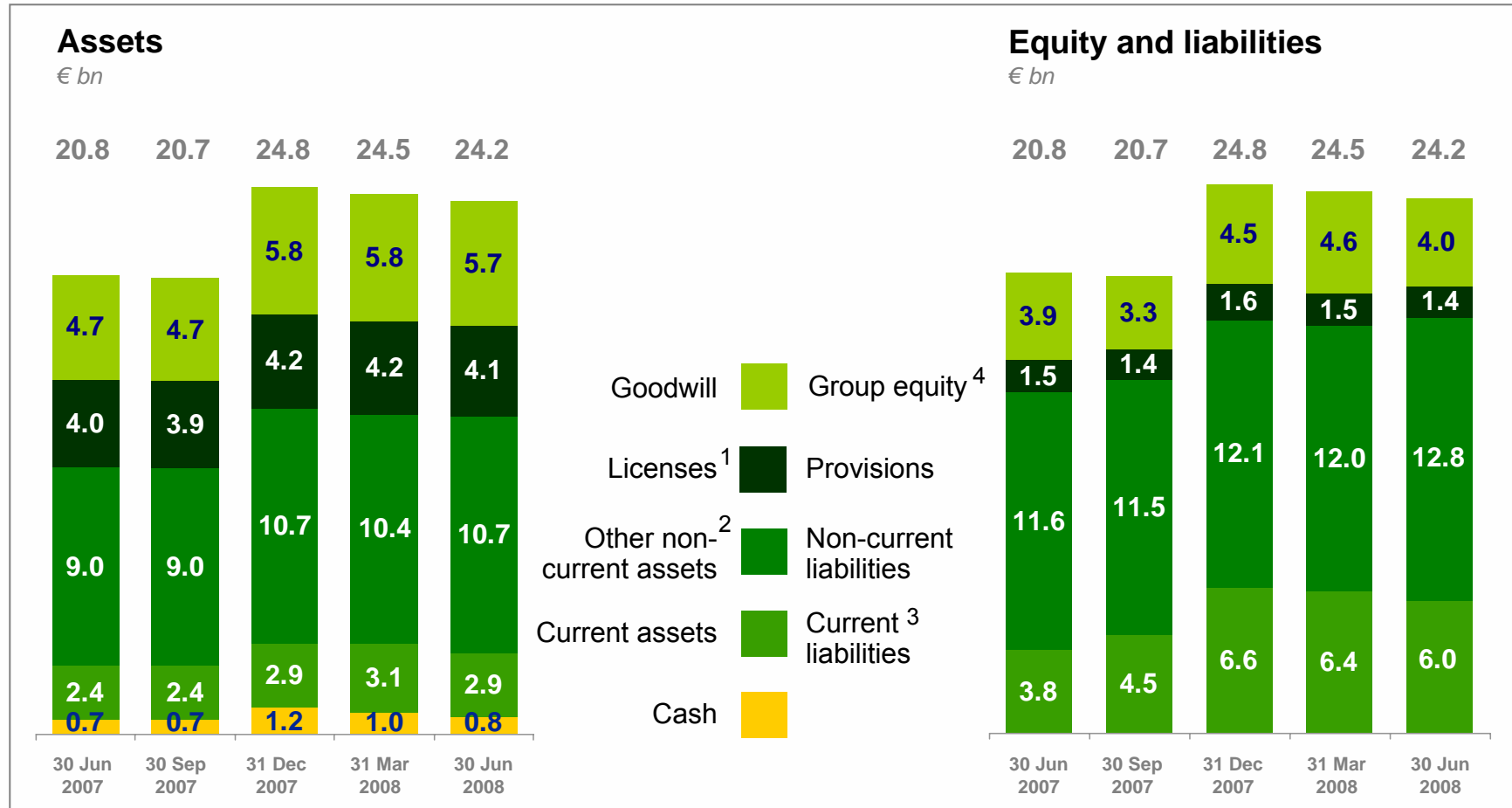
2 Reclassification of credit facility as it is used as bank overdraft and therefore included in net cash and cash equivalents as of 2008. Restated numbers for Q1 2008 following reclassification

Capex¹

€ mn	Q2 '08	Q2 '07	%	YTD '08	YTD '07	%
Mobile International	135	127	6.3%	224	238	-5.9%
<i>% Revenues Mobile International</i>	<i>12.2%</i>	<i>13.0%</i>		<i>10.5%</i>	<i>12.4%</i>	
E-Plus	119	99	20.2%	187	191	-2.1%
<i>% Revenues E-Plus</i>	<i>14.7%</i>	<i>13.5%</i>		<i>12.0%</i>	<i>13.3%</i>	
BASE	10	28	-64.3%	25	45	-44.4%
<i>% Revenues BASE</i>	<i>5.8%</i>	<i>18.1%</i>		<i>7.8%</i>	<i>14.7%</i>	
Mobile Wholesale NL	0	1	-100.0%	1	2	-50.0%
<i>% Revenues Mobile Wholesale NL</i>	<i>0.0%</i>	<i>1.2%</i>		<i>0.6%</i>	<i>1.2%</i>	
The Netherlands	313	200	56.5%	579	365	58.6%
<i>% Revenues the Netherlands</i>	<i>11.9%</i>	<i>9.7%</i>		<i>11.1%</i>	<i>8.9%</i>	
Consumer	55	49	12.2%	100	85	17.6%
<i>% Revenues Consumer</i>	<i>5.5%</i>	<i>4.7%</i>		<i>5.0%</i>	<i>4.1%</i>	
Business	60	41	46.3%	114	55	107.3%
<i>% Revenues Business</i>	<i>7.4%</i>	<i>5.0%</i>		<i>7.1%</i>	<i>3.3%</i>	
Getronics	11			25		
<i>% Revenues Getronics</i>	<i>2.2%</i>			<i>2.5%</i>		
Wholesale & Operations	176	123	43.1%	322	226	42.5%
<i>% Revenues Wholesale & Operations</i>	<i>18.4%</i>	<i>13.8%</i>		<i>17.0%</i>	<i>12.6%</i>	
Other	3	0		4	0	
Total	451	327	37.9%	807	603	33.8%
<i>% Revenues</i>	<i>12.3%</i>	<i>11.1%</i>		<i>11.2%</i>	<i>10.3%</i>	

¹ Including Property, Plant & Equipment and software

Balance sheet



1 Including other intangibles

2 Including Property, Plant & Equipment and software

3 Current liabilities include approximately € 0.62 bn of non-netted cash balances per Q2 '08, of which € 0.25 bn credit facility drawings

4 Including minority interest

Share repurchase progress

Date ¹	Value (€ mn)	mn shares	Avg. share price (€)
Q1 '08	212.5	18.08	11.75
April	81.5	7.10	11.48
May	95.0	8.24	11.53
June	247.2	22.21	11.13
Q2 '08	423.7	37.55	11.28
July	163.6	15.1	10.83
Total	799.9	70.7	11.31

- € 1 bn share repurchase program commenced on 22 February 2008
 - 64% executed by end of Q2
 - 80% completed to date
- € 6.5 bn in shares repurchased between start in 2004 and Q2 '08
 - 747 mn shares repurchased until Q2, average price € 8.65
- Number of outstanding shares amounting to 1,802,902,513 as of 1 April 2008
 - 27.7% of outstanding shares cancelled since 2004
 - 57,836,433 shares to be cancelled in Q3 '08

¹ Figures based on transaction date of share repurchases

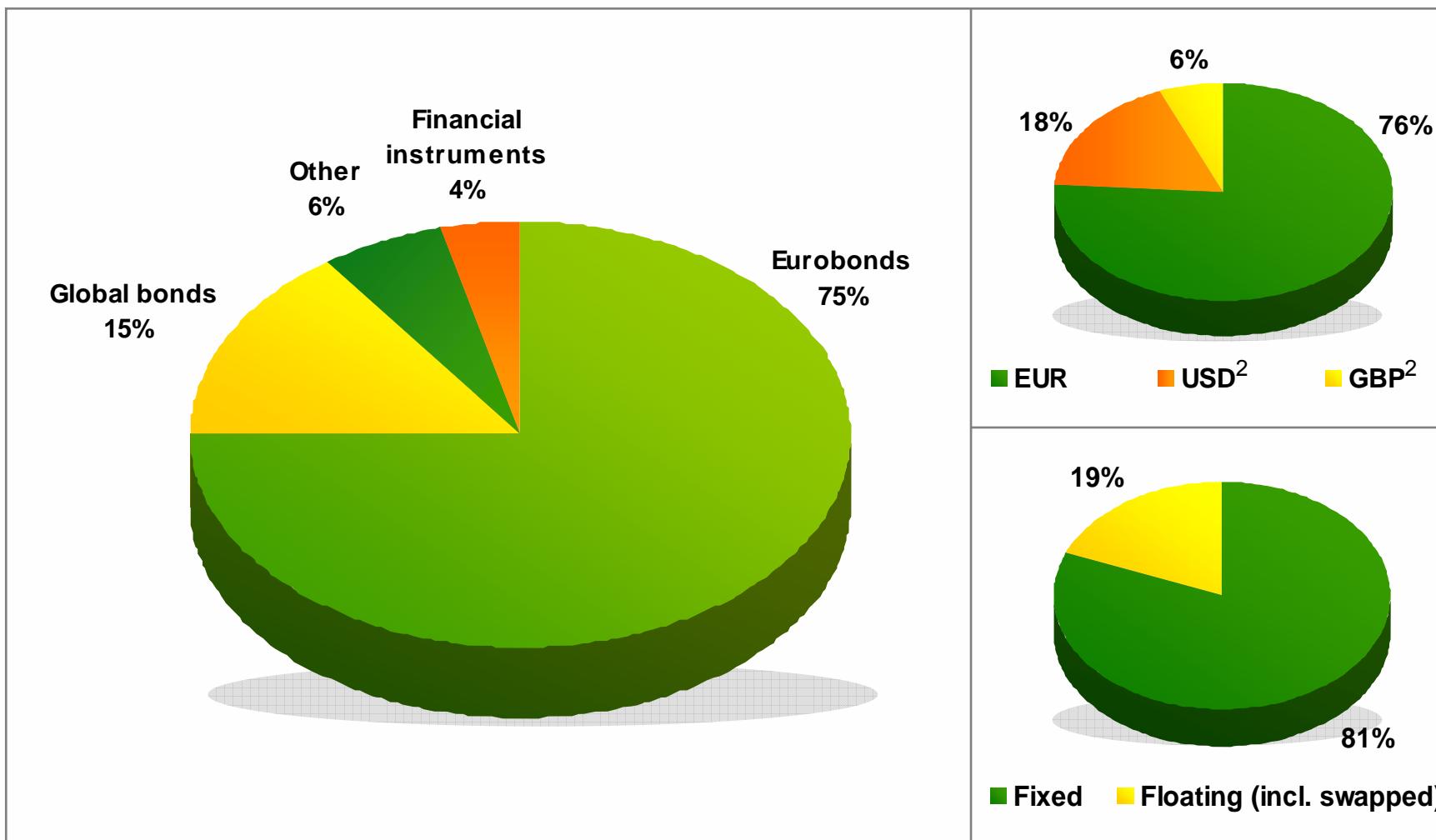
Debt summary

€ bn	Q2 '08	Q1 '08	Q2 '07
Bonds	10.89	10.20	9.30
Eurobonds	9.13	8.42	7.32
Global bonds	1.76	1.78	1.98
Other debt	0.71	1.18	0.52
Other loans at Royal KPN ¹	0.06	1.11	0.44
Consolidated debt	0.65	0.07	0.08
Fair value financial instruments	0.50	0.53	0.24
Total debt	12.10	11.91	10.06
– of which short-term ¹	1.40	2.11	0.71
Cash and cash equivalents	0.80	0.97	0.72
Total net debt	11.31	10.94	9.34

¹ Current liabilities include approximately € 0.62 bn of non-netted cash balances per Q2 '08, of which € 0.25 bn credit facility drawings

Debt portfolio

Breakdown of € 11.9 bn 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>mn</i>	Q2 '08	Q1 '08	Q2 '07
KPN PSTN / ISDN	2.57	2.68	3.28
Wholesale Line Rental (WLR)	0.36	0.34	0.18
Total traditional voice	2.93	3.02	3.46
KPN VoIP	0.98	0.92	0.73
Cable VoIP	1.17	1.14	0.91
Alternative DSL VoIP	0.32	0.30	0.25
Total VoIP	2.47	2.36	1.89
Cable voice analogue	0.08	0.08	0.11
Mobile-only	1.18	1.18	1.17
Total households	6.64	6.64	6.63

¹ Management estimates

OPTA regulation

Draft decision market analyses

- Draft market analyses for fixed line in the Netherlands published on 15 July
- All relevant markets covered, including fixed termination and cable regulation
- Consultation period started, final decision expected in December 2008

Retail deregulation telephony

- KPN pleased with deregulation of fixed-line telephony
 - More flexible pricing allowing Consumer to better compete with cable
 - Better instruments to retain Business customers through custom-made offerings
- Higher upside for KPN if deregulation would have been introduced earlier

Business market

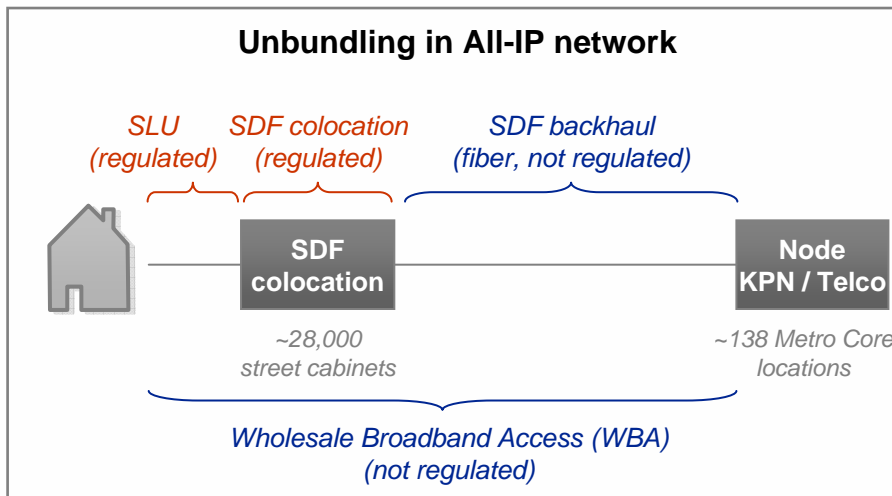
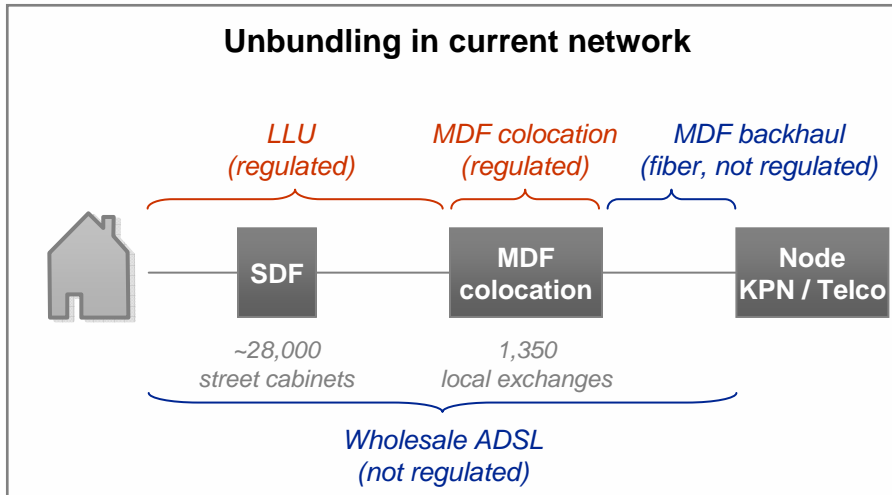
- Wholesale Broadband Access (WBA) on copper access network regulated
 - Previously non-regulated service
- Impact of tighter wholesale regulation to become apparent following further detailing by OPTA

No regulatory clarity for FttH / FttO

- No retail regulation for FttH and FttO, view on wholesale regulation still unclear
- More regulatory clarity required to reduce uncertainty around FttH investments
- KPN continues All-IP program and FttC rollout as communicated earlier

Unbundling tariffs

SLU and colocation set by OPTA, backhaul and WBA based on deal pricing

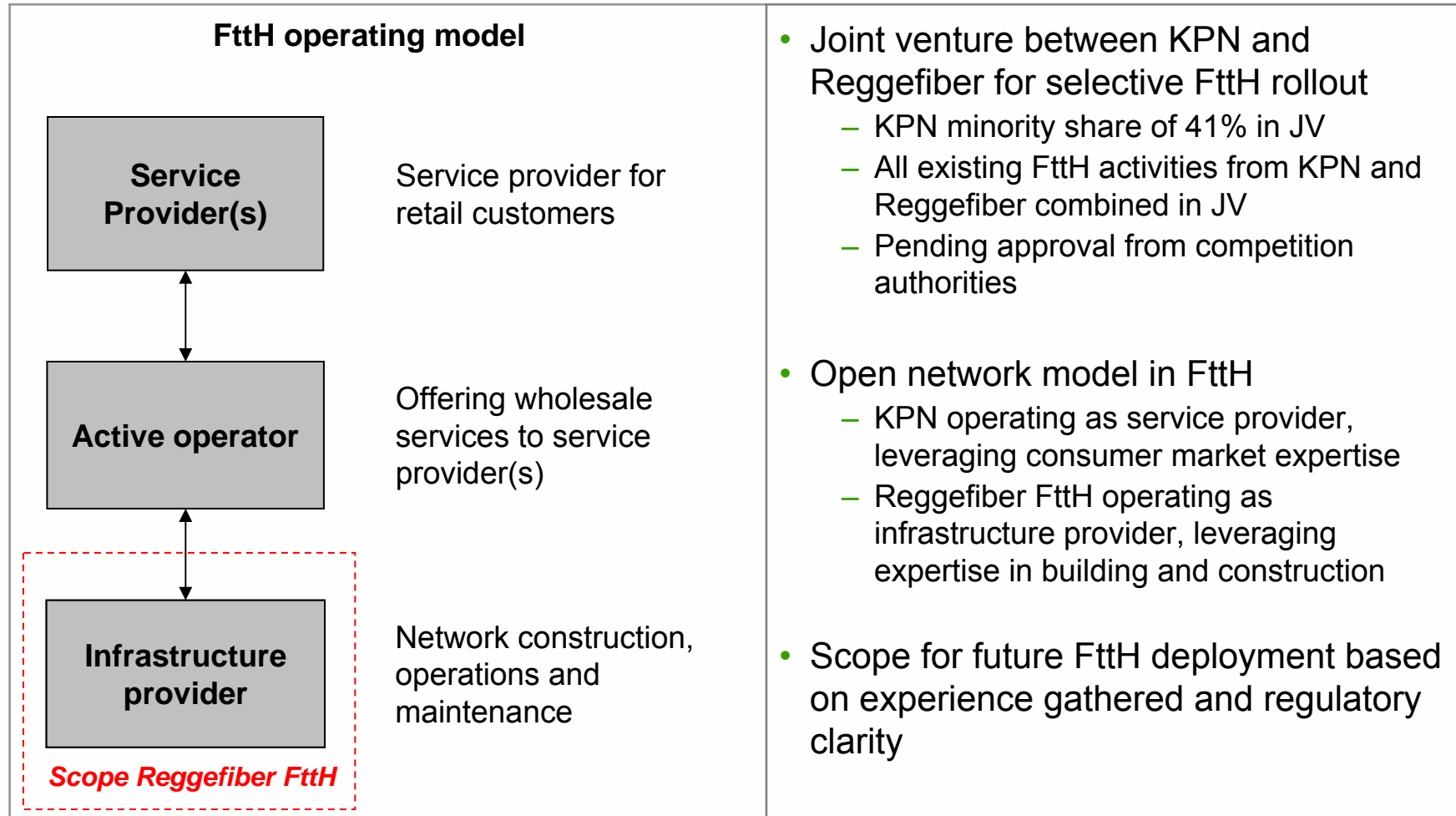


Category	Monthly tariffs
Line sharing (LLU)	€ 0.37 / line
Fully unbundled (LLU)	€ 8.00 / line
MDF colocation	€ 473 / footprint / year
MDF backhaul	Deal pricing
Wholesale ADSL access fee	€ 5.32 shared € 13.00 non-shared

Category	Monthly tariffs
Line sharing (SLU)	€ 6.17 / line
Fully unbundled (SLU)	€ 8,00 / line
SDF colocation	€ 50-100 / cabinet One-off € 3,000-6,000
SDF backhaul	Deal pricing
Wholesale Broadband Access (WBA)	Deal pricing

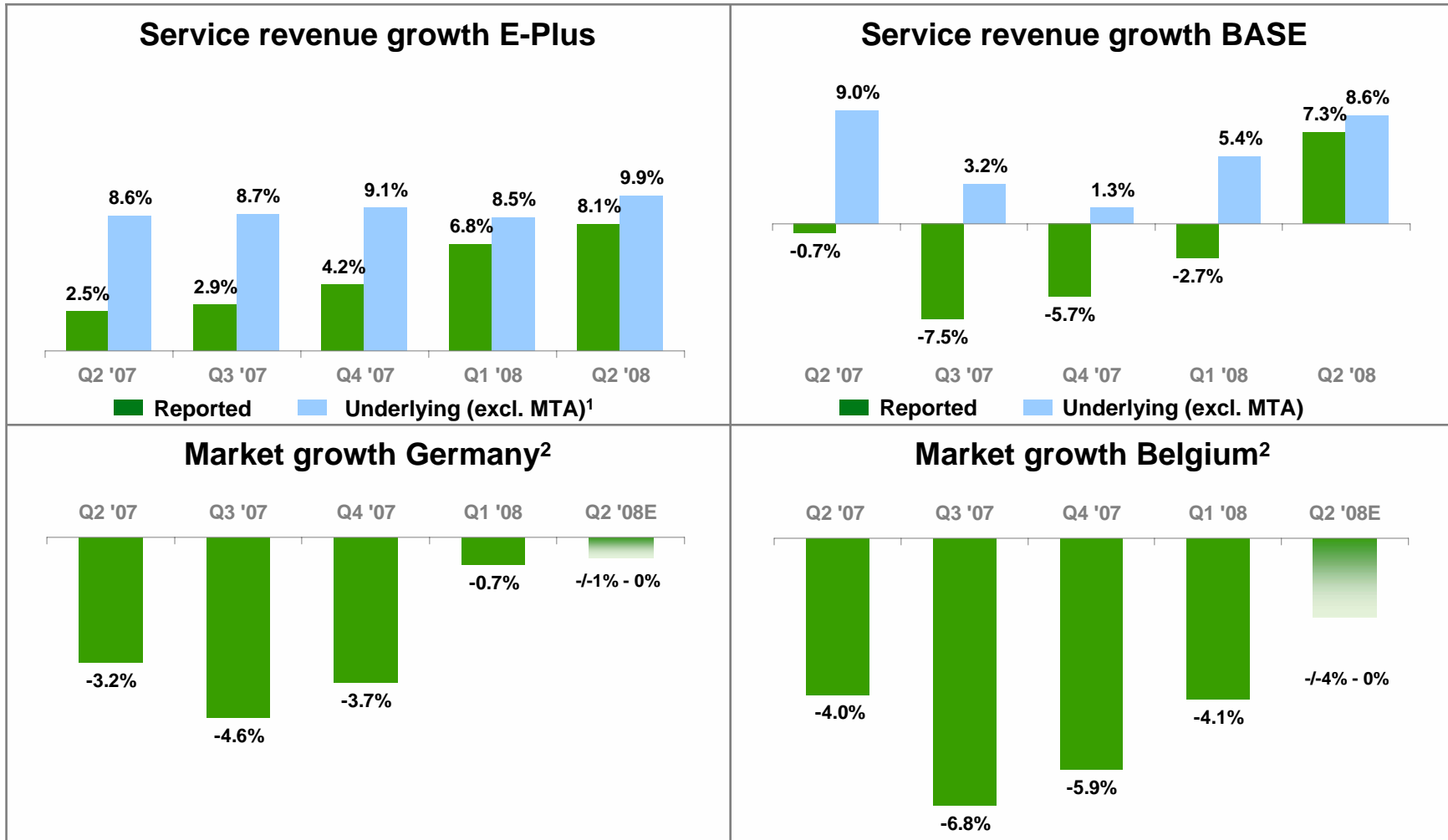
Reggefiber joint venture

Strengthening FttH capabilities through minority stake in Reggefiber FttH



Service revenue growth Mobile International

Strong underlying growth outperforming the market



1 Also excluding VAT increase with negative impact of 2.4% on service revenue growth in 2007

2 Service revenue growth, based on equity research

Dutch wireless services disclosure

	Q2 '08	Q1 '08	Q2 '07
Service revenues (€ mn)	756	706	753
- Consumer	429	394	432
- Business	233	226	235
- Other Dutch activities ¹	94	86	86
SAC / SRC (€)			
- Consumer	150	142	131
- Business	354	366	351

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

KPIs Consumer

Voice

Voice	Q2 '08	Q1 '08	Q2 '07
Market penetration¹			
– Broadband	78%	78%	73%
– VoIP penetration	44%	42%	36%
Market share			
– Voice ²	>55%	>55%	>55%
– Traditional voice ³	~75%	~75%	~70%
– VoIP	40%	39%	38%
– Broadband ⁴	44%	44%	45%
– TV	9%	8%	5%
Access lines (x 1,000)	3,554	3,606	4,017
– PSTN	2,314	2,415	2,961
– ISDN	257	268	323
– VoIP packages (Voice / Broadband)	983	923	733
Net line loss⁵ (x 1,000)	-40	-70	-110
Traditional voice ARPU (€)	25	25	25
– Access	16	16	16
– Traffic	9	9	9

1 Based on management estimate

2 Share in total consumer voice (including VoIP); management estimates

3 Share in traditional consumer voice (excluding VoIP); management estimates

4 Including DSL and Cable; management estimates

5 Quarterly delta in PSTN/ISDN access lines + delta consumer VoIP, ADSL only and WLR; management estimates

KPIs Consumer

Broadband, TV & Wireless

Broadband	Q2 '08	Q1 '08	Q2 '07
Broadband ISP customers (x 1,000)	2,471	2,443	2,344
- KPN (Direct & Planet)	1,108	1,112	1,106
- Het Net	672	659	607
- XS4ALL	286	285	294
- Other	405	387	337
Broadband ARPU (€)	29	29	29
TV	Q2 '08	Q1 '08	Q2 '07
- Subscribers (x 1,000)	636	553	337
- ARPU (€)	7	6	6
Wireless	Q2 '08	Q1 '08	Q2 '07
- Customers ¹ (x 1,000)	6,055	6,017	5,891
- Service revenues (€ mn)	429	394	432
- ARPU (€)	24	22	24
- MoU (originating, terminating)	117	109	114
- SAC/SRC (€)	150	142	131

1 Correction for ~220k inactive Pre Paid accounts in Q1 '08

KPIs Business

Infrastructure Services

Wireline	Q2 '08	Q1 '08	Q2 '07
Market share voice¹	>50%	>50%	>55%
Access lines (x 1,000)	1,632	1,672	1,757
- PSTN	774	799	852
- ISDN	837	857	895
- VoIP	21	16	10
Traditional voice ARPU (€)	52	51	51
- Access	26	26	25
- Traffic	26	25	26
Network services (x 1,000)			
- Leased lines	30.5	31.7	34.1
- E-VPN connections	9.1	8.1	5.9
- Business DSL	107.6	100.8	71.2
Managed network services (x 1,000)			
- IP-VPN connections	32.4	32.7	33.1
- M-VPN routers	18.6	16.9	13.1
Wireless	Q2 '08	Q1 '08	Q2 '07
- Customers (x 1,000)	1,364	1,325	1,245
- of which data users	38%	37%	31%
- Service revenues (€ mn)	233	226	235
- ARPU (€)	58	58	64
- MoU (originating, terminating)	253	254	277
- SAC/SRC (€)	354	366	351

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

KPIs Business

ICT Services & Corporate Solutions

ICT Services	Q2 '08	Q1 '08	Q2 '07
Applications online (x 1,000)			
- Customers	79	22	8
Housing & Hosting (x 1,000)			
- Housing services ¹ (# m ²)	9.8	9.9	7.6
- Hosting services (# servers)	2.04	1.8	1.31
Corporate Solutions	Q2 '08	Q1 '08	Q2 '07
Managed workspaces (x 1,000)			
- Data	2	2	1
- Voice	321	279	262
- Mobile	162	153	134

KPIs Getronics¹

Getronics	Q2 '08	Q1 '08
Revenue and other income (€ mn)	504	515
Service revenues (€ mn)	462	472
Margin		
- Gross profit ²	18%	19%
- Service profit ³	19%	20%
Number of FTEs	17,247	17,484

1 Consolidated as of 23 October 2007

2 Defined as total gross profit divided by total revenue. Gross profit defined as revenue minus revenue related direct costs

3 Defined as service gross profit divided by service revenue. Gross profit defined as revenue minus revenue related direct costs

KPIs Wholesale & Operations

Wholesale & Operations	Q2 '08	Q1 '08	Q2 '07
Retail voice (without ADSL)	4,182	4,339	5,031
Local loop (x 1,000)			
MDF access lines ¹	3,580	3,527	3,327
– of which line sharing ²	1,726	1,804	1,959
Unbundling³ (mn)	1.0	1.0	0.9
– Shared unbundled lines	0.3	0.3	0.3
– Fully unbundled lines	0.7	0.7	0.6
Minutes⁴ (bn)	4.7	4.9	5.0
– Originating	1.2	1.3	1.5
– Terminating	2.1	2.3	2.3
– Transit	1.4	1.3	1.2
Population coverage			
– ADSL 2+	57%	57%	57%
– UMTS / HSDPA	98%	97%	93%
iBasis⁵ (international wholesale)	Q2 '08	Q1 '08	Q2 '07
Minutes (bn)	6.2	5.8	
Average revenue per minute (€ cents)	3.7	3.8	

1 Including Bitstream

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

3 External lines based on management estimates

4 Restated numbers for 2007 due to refined methodology; internal voice minutes no longer included

5 Consolidated as of 1 October 2007; further information can be found on <http://www.ibasis.com>

KPIs E-Plus

	Q2 '08	Q1 '08	Q2 '07
Market share¹			
Service revenue	15.0%	14.7%	13.7%
Base	15.5%	15.3%	15.1%
Customers (x 1,000)	16,163	15,383	13,565
– Of which new brands	9,387	8,423	5,880
– Post Paid	6,437	6,345	6,082
– Pre Paid	9,726	9,038	7,483
Service revenues (€ mn)	757	705	700
ARPU (€)	16	16	17
– Post Paid	30	29	31
– Pre Paid	6	6	6
Non-voice as % of ARPU	22%	22%	19%
MoU (originating, terminating)	145	142	133
– Post Paid	284	279	246
– Pre Paid	54	48	43
SAC/SRC (€)	52	67	76
– Post Paid	137	156	161
– Pre Paid	12	13	13

KPIs BASE

	Q2 '08	Q1 '08	Q2 '07
Market share¹			
Revenue	>16%	~16%	~16%
Base	~24%	~24%	>22%
Customers (x 1,000)	3,094	2,992	2,581
– Post Paid	533	518	490
– Pre Paid	2,561	2,474	2,091
Service revenues (€ mn)	162	145	151
ARPU (€)	18	17	20
– Post Paid	53	47	52
– Pre Paid	11	10	12
Non-voice as % of ARPU	15%	17%	16%
MoU (originating, terminating min)	128	130	147
– Post Paid	442	423	419
– Pre Paid	63	67	83
SAC/SRC² (€)	22	26	22
– Post Paid	62	74	72
– Pre Paid	13	13	15

KPIs Mobile Wholesale NL

	Q2 '08	Q1 '08	Q2 '07
Customers (x 1,000)	1,875	1,799	1,623
– Post Paid	560	511	413
– Pre Paid	1,315	1,288	1,210
Service revenues (€ mn)	85	84	84