



AII IP

ERG

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Regulatory Officer

KPN

A large, curved green shape with a gradient, located in the top-left corner of the slide.

Safe harbor

Certain statements contained in this presentation constitute forward-looking statements. These statements may include, without limitation, statements concerning future results of operations, the impact of regulatory initiatives on our operations, our and our joint ventures' share of new and existing markets, general industry and macro-economic trends and our performance relative thereto, and statements preceded by, followed by or including the words “believes”, “expects”, “anticipates” or similar expressions. These forward-looking statements rely on a number of assumptions concerning future events and are subject to uncertainties and other factors, many of which are outside our control that could cause actual results to differ materially from such statements. A number of these factors are described (not exhaustively) in our 2005 Annual Report and Form 20-F.

All figures in this presentation are unaudited and based on IFRS as endorsed by the EU. 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 our GAAP figures. Our non-GAAP measures may not be comparable to non-GAAP measures used by other companies.

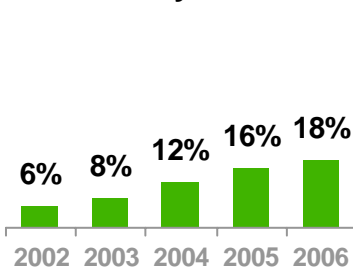
All market share information in this presentation is based on management estimates based on externally available information, unless indicated otherwise. Certain figures may be subject to rounding differences.

Market situation

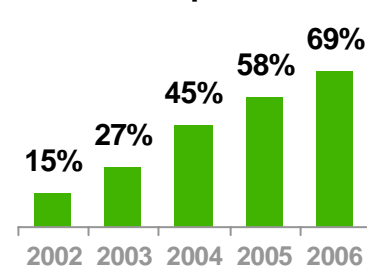
Very dynamic and competitive market in the Netherlands

The Netherlands is 'broadband champion' of Europe

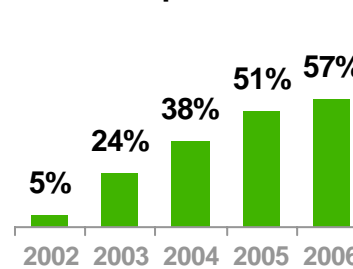
Mobile-only households



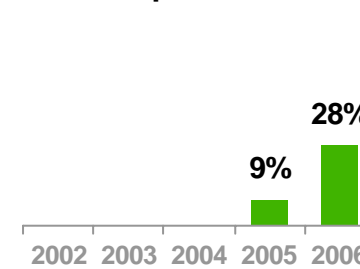
Broadband penetration



IP-VPN penetration



VoIP penetration¹



The Netherlands is 'competition champion' of Europe

Existing operators are consolidating
Fibre to the home operators are emerging



casema (televisie, internet, telefonie), essent, Multikabel, CITYNET Amsterdam, REGGEFIBER, eurofiber, TELE2, versatel

On top of existing service providers,
new entrants with other business models

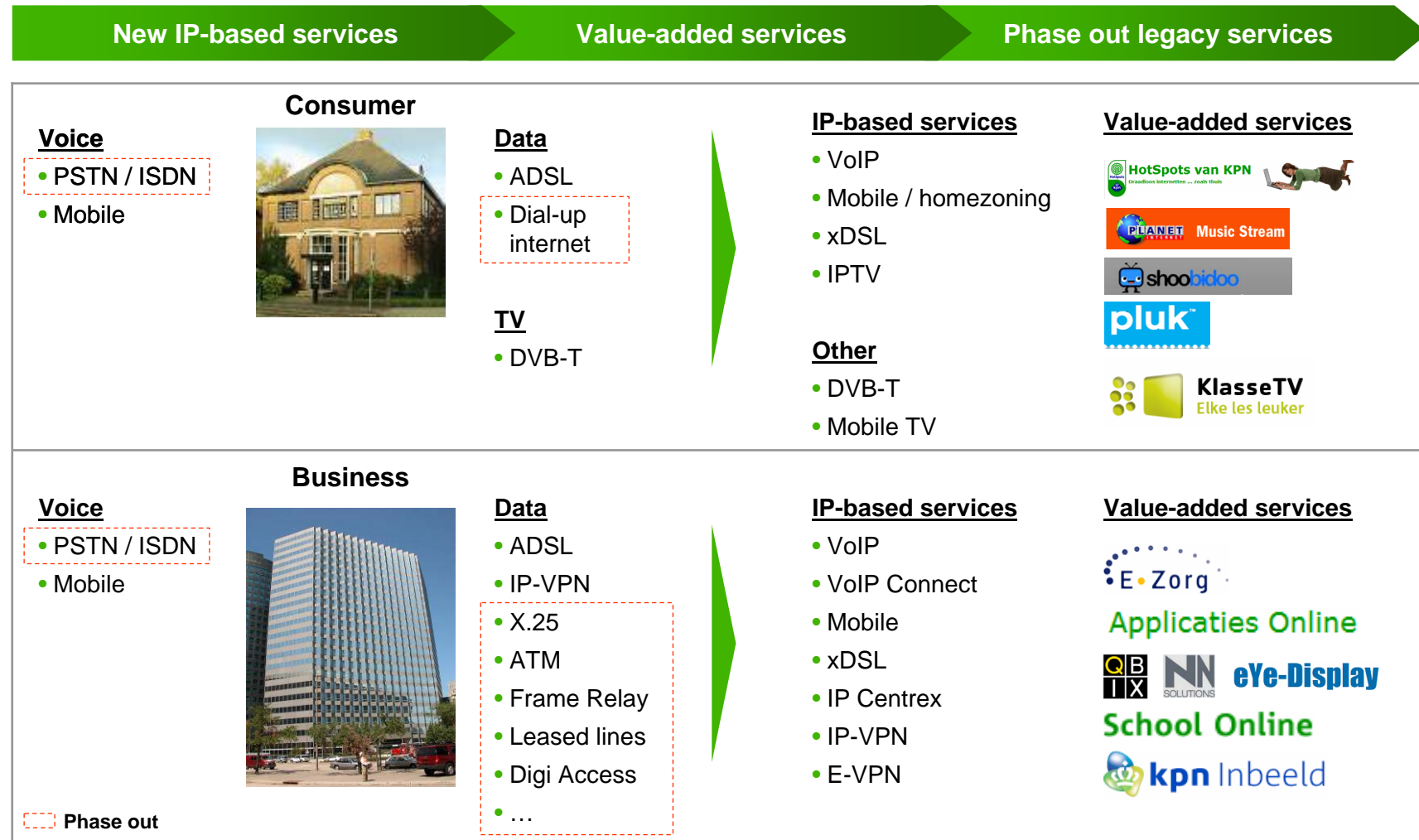


accenture, msn, eBay, Google Nederland, IBM, EDS, YAHOO!, skype

¹ % VoIP connections of broadband connections, excluding peer-to-peer, management estimates

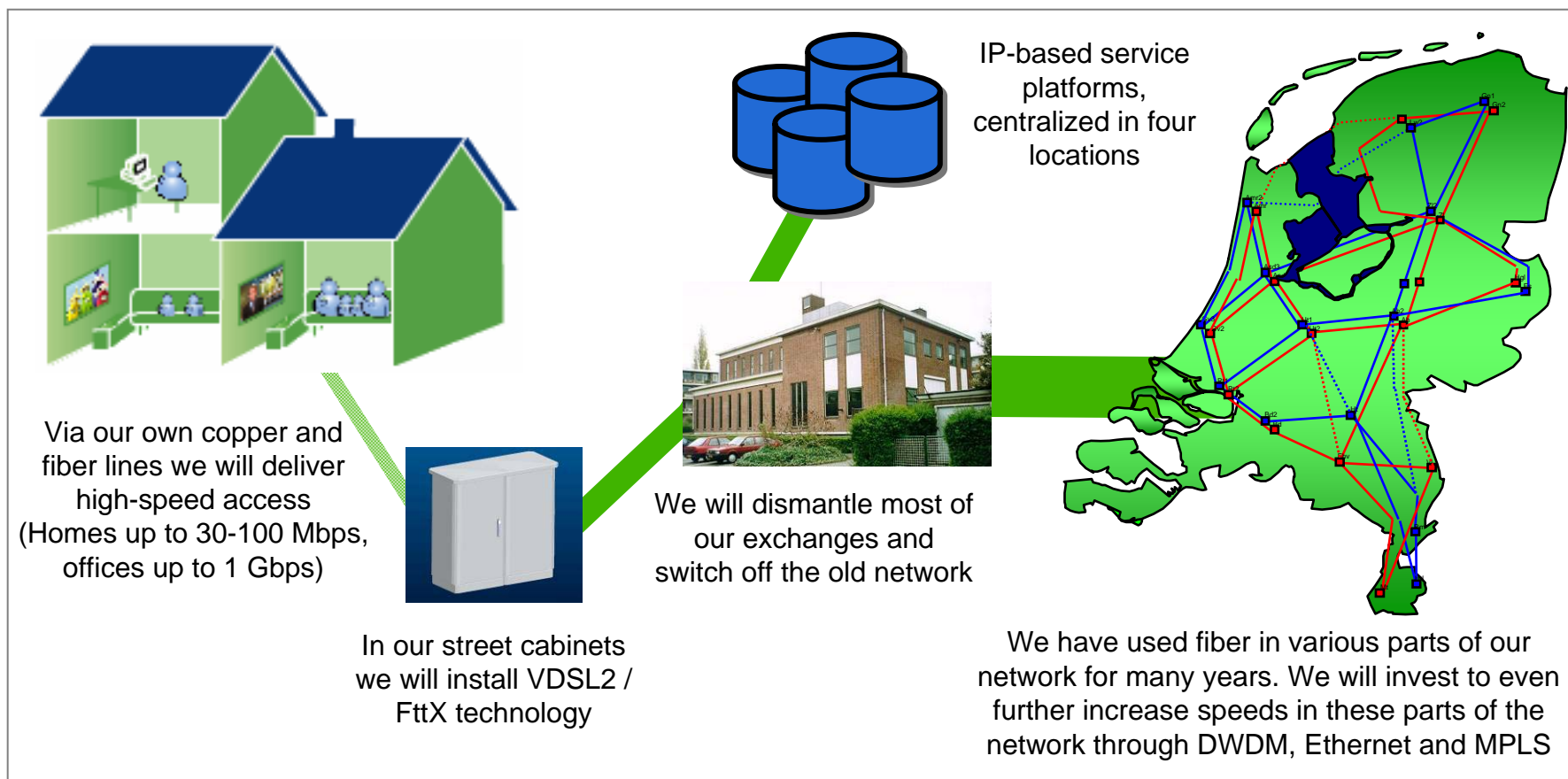
All IP: Services transition

Move to new services and phase out legacy services



All IP: Network transition

Four centralized IP service platforms, fiber to every street in next 4 years



Real estate

Releasing funds for All IP and unlocking value of non-core assets

Background

- Changed and reduced technical housing requirements due to All IP
- Critical buildings only partly vacated as they contain key infrastructure
- Cash proceeds from technical buildings to be used to fund All IP roll-out

Sale process

- Top portfolio to be sold either in straight sale(s) or through joint venture
- Aiming to maintain a share in redevelopment opportunities
- € 1 bn market value to be released (including limited contribution from other (real estate) assets)

Real estate portfolio

| Category | Number of Properties | Area (sqm x 1,000) |
|--------------|----------------------|-----------------------|
| Top | 456 | 807 |
| Tail | 935 | 139 |
| Total | 1,391 | 947 |

Open wholesale access model: access for Telecom operators at several network levels

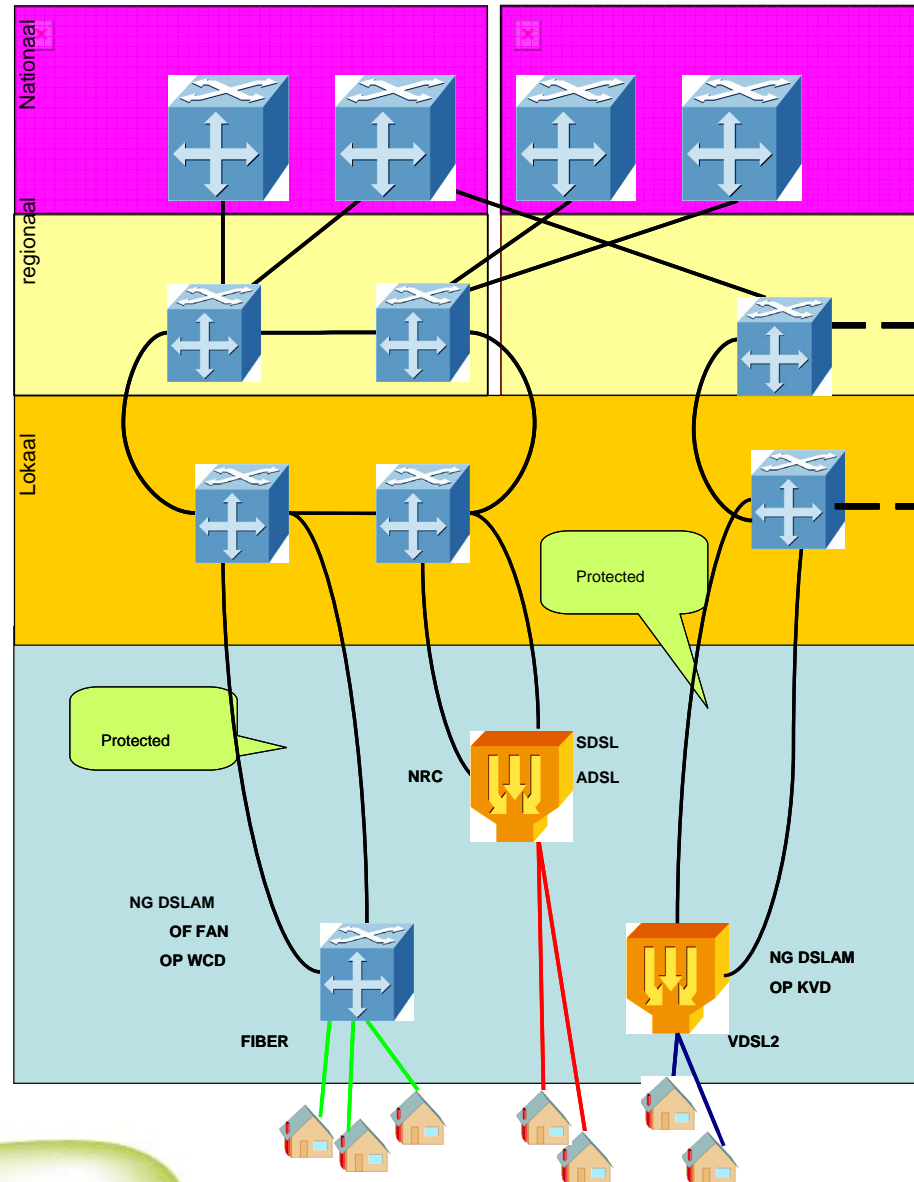


NATIONAL: 2

REGIONAL: 14

LOCAL: 15-200

STREETCABINETS:
24.000



Wholesale
Broadband
Access

Subloop
Unbundling

Open wholesale model: KPN offer to the market

- Wholesale Broadband Access (WBA) services:
 - VLAN between service platform and enduser;
 - Broadcast WBA will also be available
 - The Wholesale customer determines capacity, QoS, redundancy, transparency of the VLAN;
 - Available on 3 network levels
 - WBA is a public offer of KPN on a non-discriminatory basis
- Sub Loop Unbundling (SLU)
 - A proposal for a Reference offer is made by KPN (in a final fase in the discussions with OPTA)
 - Migration from MDF to SLU
- Telecom operators can use a mix of WBA and SLU to cover The Netherlands

All IP: maximum of end user choice

- End user can choose for one operator or an operator for each service;
 - Internet from A
 - Voice from B
 - Television from C
- A, B and C use a VLAN (WBA service) to deliver his service to the end user
- Fixed price element of the WBA service depends of the number of operators

Status

- General approach by OPTA
 - Positive attitude towards the All IP plan;
 - Safeguard competition and competitors;
 - The outcome of discussions between KPN and DSL operators is important for further actions of OPTA
- Phasing out of MDF access is an issue;
 - under discussion
- Pilot is running
- The roll-out of the new streetcabinets;
 - KPN can roll out from the 1 June (6 months after publication of proposal for a Reference Offer)
 - KPN announces 6 months ahead the roll out of a new streetcabinet;

Concluding remarks

- All IP/ NGN's is not the end of infrastructure competition;
 - it is mere a response to infrastructure competition;
 - It is a gradual and phased evolution where the market will slowly adapt
- NGN incumbents should have an open wholesale model!
- At a certain moment in time it is not reasonable anymore to mandate MDF access
- The minimset leased lines should be abolished
- Regulatory certainty is important