



Press release
27 January 2009

BASE continues its growth and announces rock-solid results for 2008

- **Customer base up 21% to reach 3.4 million end 2008**
- **Total revenues increase by 6% to €647 million**

Brussels, 27 January 2009 – Mobile telephone operator BASE managed to increase its customer base by 590.000 customers net in 2008. This brings BASE's total customer base to more than 3.444 million customers and increases its market share from 23% to 24%*. BASE continues to outperform the market with solid revenue growth despite important MTA cuts. This improved growth was driven by continued subscriber growth and the good performance of the commercial focus on postpaid clients.

Financial details : BASE pursues growth

The results were announced today by Ad Scheepbouwer, CEO of KPN, and Marcel Smits, CFO. In 2008, the operational revenues reached € 647 million, a 5.5% growth compared to 2007. BASE succeeds in increasing its revenues despite significant MTA tariff reductions in Belgium. This high revenue is explained by the increased volume of subscription fees and higher revenues, related to traffic. The service revenue shows a strong progression at the end of the 2008. It keeps BASE ahead of the Belgian mobile market growth. This performance results from continued subscriber growth and the good performance of the postpaid plans. The ARPU shows a year to year variance of 11%. BASE EBITDA grew by 4.3% or € 10 million compared to 2007. The MTA effect on EBITDA amounted to € 19 million in 2008.

Network investments

Independent tests in 2008 have shown that BASE has the best network quality in more than half of the regions in Belgium. For many years, BASE has invested to increase network capacity and coverage. BASE made several investments in UMTS and completed investments of EDGE. KPN remains committed to invest in Belgium, including wireless broadband (mobile Internet), based on a combination of EDGE and UMTS. This commitment is contingent on the regulatory authorities ensuring an appropriately balanced playing field.

Operational highlights

BASE increased its customer base by another 590.000 net subscribers to over 3.4 million at the end of 2008. In the fourth quarter of 2008, BASE added another 204.000 customers to its client base, of which 21.000 are postpaid customers. This represents an increase of 20.7% compared to 31 December 2007. BASE reduced the data roaming tariffs in 10 European countries and continued its offer based on ATAN concept. BASE signed several partnerships and focused on Wallonia by extended distribution channels and special product offers.

Regulatory developments

On 25 November 2008, the BIPT and the Minister of Economic Affairs informed the 2G license holders that their 2G licenses will not be extended automatically. The 2G license of BASE is valid until July 2013. The government has announced that it will decide in the course of 2009 on the conditions for the license renewals beyond 2013.



BASE n.v./s.a. is a 100% subsidiary of Koninklijke KPN N.V. KPN offers mobile voice and data services in Germany (E-Plus), Belgium (BASE) and the Netherlands (KPN, Hi and Telfort). In 2008, BASE had 573 employees and a market share in number of customers of ca. 24%. In 2008, BASE had a yearly turnover of 647 million euro. The company's headquarters are in Brussels; it positions itself as an innovator in products and services via a segmented approach.

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* KPN Management estimates