



Press release
27 July 2010

KPN Group Belgium announces strong increase of its wireless service revenues in Q2 2010

Brussels, July 27th 2010 – KPN Group Belgium publishes today its results for the second quarter 2010. Wireless service revenue in Belgium increased from EUR 167 million in Q2 2009 to EUR 178 million this second quarter. EBITDA in Belgium continues to progress and is up to EUR 81 million in Q2 2010 vs EUR 68 million in Q2 2009. KPN Group Belgium's customer base now totals 3,629,000, giving the company a customer market share of ~26%¹

Financial details

During the second quarter of 2010, revenues and other income of KPN in Belgium amounted to EUR 201 million which is a decrease of 1.5% compared to Q2 2009. This decrease is explained by the sale of KPN's fixed Belgian B2B and Carrier Business, including its fiber network, which closed on March 31st 2010. EBITDA in Belgium is up 19.1% y-on-y in Q2 2010; the EBITDA margin also rose compared to a year ago, up to 40.3% from 33.3%. The EBITDA was positively impacted by the release of a EUR 11 million provision. Without this release, the EBITDA margin would have been 34.8%.

KPN Group Belgium generated an increase of its wireless service revenues of 6,6% (from EUR 167 million in Q2 2009 vs EUR 178 million in Q2 2010). This increase is driven by the high value postpaid customers and by the regional focus.

Operational highlights

At the end of Q2 2010, KPN Group Belgium served a total of 3,629,000 customers, up +4.1% compared to Q2 2009. During this period, the number of postpaid customers increased significantly (+16.3% compared to Q2 2009) as a result of the simplified BASE portfolio. The number of prepaid customers showed an increase of 42,000 compared to Q2 2009. The strong uptake in the Walloon area continues due to the regional focus and the further strengthening of distribution and partnerships.

Other developments

Mobile data is becoming a mass market service with higher demand from customers. Following the roadmap made by KPN Mobile International, KPN Group Belgium will continue its smart follower strategy, its multi-brands approach and will accelerate the roll out of its high speed mobile data network at the lowest cost to serve. The mobile broadband services will be marketed on a region by region basis, initially where the company has the highest market share and will start in Q4 2010.

KPN Group Belgium nv/sa is a 100% subsidiary of Koninklijke KPN N.V. KPN offers mobile voice and data services in Germany (E-Plus and its sister brands), Belgium (BASE and its sister brands) and the Netherlands (KPN, Hi and Telfort). At the end of June 2010, KPN Group Belgium had 771 employees and a market share in number of mobile customers of ~26%. In 2009, KPN had a yearly turnover of 802 million euro in Belgium. The company's

¹ Management estimates

headquarters are in Brussels; it positions itself as an innovator in products and services via a segmented, multibranded approach. KPN Group Belgium commercializes the brands BASE, Ay Yildiz, Simyo, Zoniq and BASE business.

For more information:

KPN Group Belgium, Bart Vandesompele
E-mail: bart.vandesompele@kpngroup.be