

# Resultaten 2017

Eelco Blok, CEO  
Jan Kees de Jager, CFO

31 januari 2018





## Alternative performance measures and management estimates

This financial report contains a number of alternative performance measures (non-GAAP figures) to provide readers with additional financial information that is regularly reviewed by management, such as EBITDA and Free Cash Flow ('FCF'). These non-GAAP figures should not be viewed as a substitute for KPN's GAAP figures and are not uniformly defined by all companies including KPN's peers. Numerical reconciliations are included in KPN's quarterly factsheets and in the Integrated Annual Report 2016. KPN's management considers these non-GAAP figures, combined with GAAP performance measures and in conjunction with each other, most appropriate to measure the performance of the Group and its segments. The non-GAAP figures are used by management for planning, reporting (internal and external) and incentive purposes. KPN's main alternative performance measures are listed below.

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. Operating free cash flow is defined as adjusted EBITDA minus Capex. 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](http://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 2016.

# Goede strategische voortgang met Vereenvoudigen, Groeien, Innoveren

Strategische prioriteiten op schema



Versnellen bundeling van diensten

Groei in TV en IT-services

Transformatie Zakelijke Markt afronden

Flexibilisering en vereenvoudiging van geïntegreerd netwerk en bedrijfsmodel afronden

Leidende netwerkpositie verstevigen door toepassing innovatieve technologieën en hogere glasvezelpenetratie

Financieel raamwerk optimaliseren en dividend groei

Vereenvoudigen

Groeien

Innoveren

# 2017: Meer klanten en meer tevreden klanten, Consumenten en Zakelijk



## Groeiend aantal klanten 2017

Mobiele abonnees  
Consumentenmarkt

**+14k<sup>(1)</sup>**

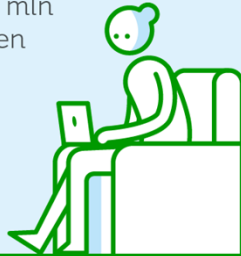
Totaal  
3,674 mln  
klanten



Breedbandklanten

**+85k**

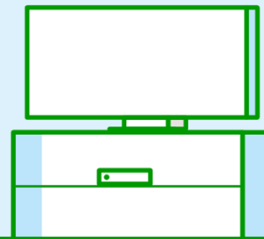
Totaal  
2,958 mln  
klanten



iTV klanten

**+113k**

Totaal 2,116 mln klanten



Vast-mobiele huishoudens

**+176k**

Totaal  
1,253 mln  
huishoudens



Zakelijke multi play  
werkplekken (MKB)

**+158k**

Totaal  
474k  
werkplekken



## Klanttevredenheid verbetert (NPS)

Consumentenmarkt

**+13 (NPS)**



versus +10  
eind '16

Zakelijke Markt

**-1 (NPS)**



versus -3  
eind '16

1 Gecorrigeerd voor opschoning en migraties naar Zakelijke Markt



# Zakelijke Markt: positie als leidende ICT dienstverlener versterkt

Vereenvoudigd aanbod versterkt met acquisities speelt in op wensen zakelijke klant



<b>Klantfocus</b>	<b>KPN kleinzakelijk</b> <5 werknemers	<b>KPN ÉÉN MKB</b> 5-150 werknemers	<b>LE &amp; Corporate</b> 7 heldere proposities >150 werknemers	<b>Industrie proposities</b> Zorg, Overheid & Maakindustrie		
<b>Aanbod</b>	<b>Communicatie diensten</b>	<b>IT diensten</b>	<b>Professionele diensten &amp; Consultancy</b>			
<b>Distributie</b>	 <b>kpn</b>	 <b>RoutIT</b>	 <b>kpn</b> internedservices	 <b>@div/der</b> managed cloud services	 <b>QSight IT</b>	 <b>dearBytes</b>

KPN uitgeroepen tot beste ICT service provider in NL<sup>1</sup>

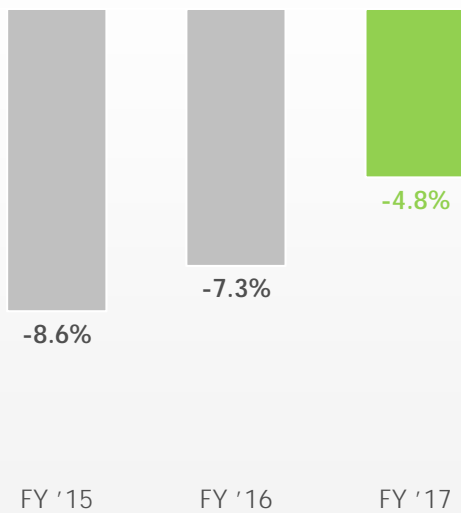
1 Bron: Nederlandse IT Partner Preference onderzoek

# 2017: Omzettrend Zakelijk Markt verbetert door focus op bundeling en ICT

Belangrijke Grootzakelijke deals stuwen orderintake



Omzettrend ZM verbetert



Orderportefeuille groeit



Toonaangevende Grootzakelijke ICT-deals



# 2017: Vereenvoudiging en digitalisering verbetert klantervaring

Verhoogt kwaliteit, biedt kansen voor nieuwe vormen van dienstverlening



Digitalisatie



Rationalisatie



Decentralisatie



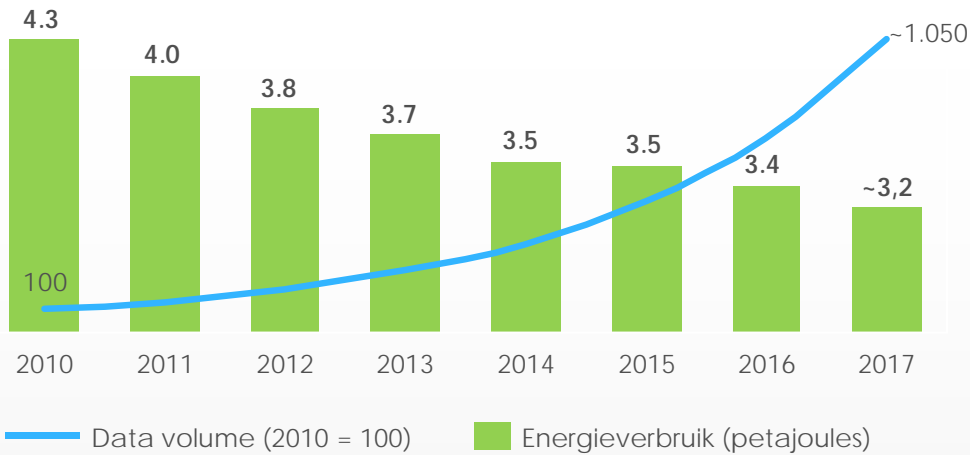
Virtualisatie

# Belangrijke mijlpalen in duurzaamheidsagenda

Ambitie om nagenoeg circulair te worden in 2025



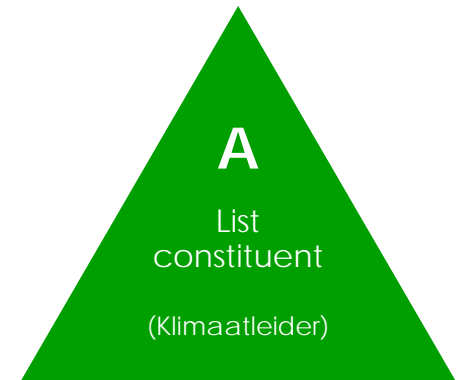
## Dalend energieverbruik ondanks toename dataverkeer<sup>1</sup>



MEMBER OF  
**Dow Jones  
Sustainability Indices**  
In Collaboration with RobecoSAM



## Klanten helpen energie te besparen<sup>1</sup>



<sup>1</sup> 2017 o.b.v inschattingen management



# Operationele resultaten in Kw4 2017



## Groeiend aantal klanten

Mobiele abonnees  
Consumentenmarkt

**-9k<sup>(1)</sup>**

Totaal  
3,674 mln  
klanten



### Consumenten Thuis

Breedbandklanten

**+7k**

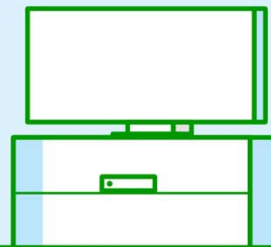
Totaal  
2,958 mln  
klanten



iTV klanten

**+21k**

Totaal 2,116 mln klanten



### Consumenten Mobiel

Vast-mobiele huishoudens

**+64k**

Totaal  
1,253 mln  
huishoudens



### Zakelijke Markt

Zakelijke multi play  
werkplekken (MKB)

**+38k**

Totaal  
474k  
werkplekken



- +7k breedbandklanten, + 21k iTV klanten
- 42% breedbandklanten combineert vast-mobiele diensten (37% Kw4 '16)
- Omzet: +2,5% in Kw4 '17

- 51% abonnees combineert vast-mobiele diensten (43% Kw4 '16)
  - 65% KPN abonnees in vast-mobiel (56% in Kw4 '16)
- Groei abonnees op KPN merk (+8k<sup>1</sup>)
- Omzet: -7,0% in Kw4 '17, voornamelijk door regulering

- Groei in gebundelde diensten en IT
- Omzettrend verbeterd: -1,4% in Kw4 '17
  - Multi play omzet: +42%
  - Omzet Nieuwe Diensten: +38%
  - Omzet traditionele diensten: -19%

(1) Gecorrigeerd 6k opschoning

## Financiële prestaties Kw4 '17 en FY 2017

Vereenvoudigingsprogramma loopt voor op schema



€ mln <sup>(1)</sup>	Kw4 '17	Kw4 '16	Kw4 j-o-j %	FY2017	FY2016	FY j-o-j %
Omzet	1.614	1.704	-5,3%	6.500	6.780	-4,1%
EBITDA	596	606	-1,7%	2.417	2.428	-0,5%
Netto winst	70	115	-39%	485	370	31%
Investerings	394	298	32%	1.139	1.193	-4,5%
Vrije kasstroom <sup>(2)</sup>	223	370	-40%	745	683	9,1%

**Gerealiseerde besparingen Vereenvoudigingsprogramma 2017: ~€ 110 mln**

**Doelstelling besparingen 2017-2019 verhoogd naar >€ 350 mln**

(1) Voortgezette activiteiten en geschoond voor herstructureringskosten en eenmalige posten

(2) Excl. TEFD dividend (€ 70 mln in FY 2017 en € 110 mln in FY 2016), vrije kasstroom 2016 exclusief cash optimization acties van EUR 52 mln

# 2018: Prioriteiten en vooruitzichten

Focus op Vereenvoudigen, Groeien, Innoveren



## Prioriteiten

- Vereenvoudigen
  - Verder vereenvoudigen en digitaliseren
  - Verwachte besparing eind 2019 t.o.v. eind 2016 >€ 350 mln
- Groeien
  - Focus op ICT dienstverlening en gebundelde diensten in Consumentenmarkt én Zakelijke Markt
  - Verder verbeteren klantervaring
- Innoveren
  - Continue innovatie in netwerken en diensten

## Vooruitzichten 2018

- Geschoonde EBITDA in lijn met 2017
- Investerings ~€ 1,1 mld
- Groei vrije kasstroom (excl. TEFD dividend)
- Intentie om TEFD dividend aan KPN aandeelhouders uit te keren
- Voorgenomen regulier dividend over 2018 van 12ct per aandeel

**Nederland vooruit helpen met de digitale transformatie**



# SAMEN HELPEN WE NEDERLAND **VERDER**

Het netwerk van KPN zit tot in de haarvaten van ons land. Deze fijnmazige infrastructuur biedt oneindig veel mogelijkheden voor innovaties die het leven vrijer, leuker en makkelijker maken.

