

## TNT press release



## 2006 Full Year & Fourth Quarter Results

## ‘Focus on Networks’ strategy successful

TNT full-year revenues up 7.8% and operating income 11.1% higher

### ⌚ ‘Focus on Networks’ is working

- 2006 group revenues up 7.8% and operating income 11.1% higher
- Continued strong cash generated from operations - up 14.0%
- Divestment of logistics and freight management activities successfully completed
- New growth platforms in Express emerging markets - India, Brazil and China - and in European Mail Networks
- Over € 1.9 billion of cash distributed to shareholders in 2006

### ⌚ Strong results in fourth quarter

- Record margin of 10.7% in Express, with double digit revenue growth
- Continued revenue growth in Mail driven by 28.1% increase in European Mail Networks

### ⌚ 2006 dividend of € 292 million proposed, 7% higher than in 2005

### ⌚ New share repurchase of up to € 400 million announced today, starting after AGM

### ⌚ Outlook for 2007 aims at further revenue and profit growth

Key numbers	Q4 2006			FY 2006		
	€ mil	€ mil	% Change	€ mil	€ mil	% Change
Revenues	2,767	2,571	7.6%	10,060	9,329	7.8%
Operating income (EBIT)	355	319	11.3%	1,276	1,148	11.1%
Profit from continuing operations	236	209	12.9%	828	770	7.5%
Profit/(loss) from discontinued operations	(46)	(100)		(157)	(109)	
Profit/(loss) attributable to the shareholders	189	108	75.0%	670	659	1.7%
Cash generated from operations	425	366	16.1%	1,338	1,174	14.0%
EPS (in € cents)	46.1	23.8	93.7%	159.3	145.0	9.9%
EPS from continuing operations (in € cents)	57.3	45.8	25.1%	196.6	169.0	16.3%

### CEO Peter Bakker:

“TNT concludes the first full year of its ‘Focus on Networks’ strategy with good progress on all fronts. Our continuing operations have delivered robust results, with the record operating margin in Express and further cost efficiencies in Mail Netherlands, all leading to a double digit operating income growth. The logistics and freight management activities have been successfully divested. We have accelerated revenue growth in several key areas including Express emerging markets, with important acquisitions in India, Brazil and soon China, as well as in the UK and German Mail businesses. For the first time, TNT has complied with all SarbOx regulations, with no material weaknesses.

I wish to thank everyone in the company for their contribution to making 2006 a very good year for TNT. With the group in good shape, we look forward to the opportunities and challenges of 2007 with enthusiasm.”

## 2006 Summary

TNT reports a year of strong operational performance from its continuing operations: group revenues were up 7.8% and operating income was 11.1% higher. With close attention to the quality of operations and customer care, Express grew revenues by 12.1%, with a record full-year operating margin of 9.6%. In Mail, the Dutch operations achieved € 64 million more masterplan savings in 2006, whilst maintaining 97% next day delivery quality, and European Mail Networks grew revenues 25.5%. In total, Mail revenues were 2.8% higher than last year, at a margin of 18.7%, which was at the high end of our stated outlook. As a result of these strong performances and helped by the share repurchases, earnings per share from continuing operations climbed 16.3%.

The group made strategic progress with the successful divestments of its logistics and freight management operations. New growth platforms were created in Express, with acquisitions in Spain (TG+), India (Speedage), and the signing of the equity transfer agreement for Hoau in China. After the year end, TNT acquired Brazil's leading domestic express operator, Mercúrio, and launched the Boeing 747 freighter service between China and Europe. In European Mail Networks, capacity growth was accelerated in Germany and the UK, incurring start-up costs. New masterplan initiatives were announced to achieve € 300 million of cost savings in Mail Netherlands over the next few years, on top of the remaining € 72 million from existing initiatives.

Over € 1.9 billion of cash was distributed to shareholders in 2006 (€ 1,656 million in the form of share repurchases and € 282 million in dividends). The € 1 billion share repurchase that commenced with the launch of the Focus on Networks strategy was completed in April 2006 and an additional € 1 billion share repurchase program was launched in November 2006 and completed last month.

On 16 November, TNT and the State of the Netherlands announced the agreement to transfer the special share to TNT. On 20 November, the State disposed of its remaining 10.9% holding of ordinary shares in TNT.

Today, we announce a new share repurchase of up to € 400 million, to start as soon as possible after the Annual General Meeting of shareholders (AGM) on 20 April 2007. This amount represents the majority of the proceeds from the sale of Freight Management.

At the AGM, we will propose cancellation of the repurchased shares and the special share.

## 2006 Financial review

Group operating income increased by € 128 million to € 1,276 million. Express was the main driver of the increase, together with the reduction in non-allocated costs from € 103 million to € 65 million.

The net interest expense was € 47 million (2005: nil), the increase compared with 2005 reflecting the higher gearing of the group. This amount included € 52 million of net interest income from discontinued operations.

The 2006 effective tax rate of 32.3% was an improvement

on last year's 32.8%. The fourth quarter ETR of 25.6% was substantially lower than last year's 34.1%, mainly as a result of the tax credit for liquidation losses on French entities, partially off-set by accrual adjustments related to previous years.

The loss from discontinued operations was € 157 million, including an € 87 million loss on the sale of the logistics business (see page 8 for details). The profit attributable to shareholders, after deducting a small minority interest effect, was € 670 million, 1.7% up on last year.

The cash generated from operations was € 1,338 million, € 164 million more than last year.

With increased investment in growth, gross capital expenditure increased from € 310 million to € 520 million (including € 110 million for the Boeing 747 finance lease).

The 2006 proposed dividend amount is € 292 million, which is 7% higher than the prior year. The dividend per share is 73 cents, which is a 15.9% year-on-year increase. About half of this increase is explained by the reduced share count due to past share repurchases.

We have made good progress in resolving the past tax matters. All relevant issues have been investigated and in several jurisdictions we have already reached agreements with those authorities. In the UK, the tax authorities will issue initial assessments before they and we can effectively continue to seek an agreed solution. The amounts raised in such initial assessments could exceed our previous disclosed and unchanged estimated realistic total contingent liability range of €100 - €250 million. However we believe, supported by strong external specialist advice, that it is unlikely that any of these past tax matters will lead to an additional liability beyond what has been accrued to date.

## Review of operations in fourth quarter

**Express** achieved a record operating margin of 10.7%, with revenue growth of 12.5% or 13.5% excluding Fx, despite one fewer working day. Organic revenue growth was 11.4%, with strong growth in international consignments and a small increase in the average weight per consignment. Both the European road hub and air hub processed record volumes. The top-line growth, coupled with further network optimization, produced a 16.1% increase in operating income and a record quarterly margin of 10.7%.

In **Mail**, revenue growth of 1.8% was driven by EMN (+28.1%), helped by Cross-border (+4.1%). Mail Netherlands revenues were 2.3% lower than last year affected by the one fewer working day and volume declines due to competition and substitution. The operating margin was 17.4%, 1.4 percentage points lower than last year, broadly in line with our stated outlook. The masterplans added another € 18 million of savings bringing the total to € 298 million. This amount represents over 80% of the full targeted amount of € 370 million, excluding the already announced new initiatives, which target an additional € 300 million of savings.

Further details on fourth quarter on pages 6 and 7.

## 2007 Outlook

In **Express**, we expect to achieve revenue growth of around 15%. This represents double-digit organic growth augmented with acquisitions. We expect an operating margin in the range 9% to 10% (this margin is after the allocation of central costs mentioned below and the integration effects of the recent acquisitions).

In **Mail**, we expect total revenue growth in the mid-single-digit range, with an operating margin of around 17% (this margin excludes the effect of any provisions related to the new masterplan initiatives mentioned below). As in 2006, we expect a year-on-year margin reduction related to the increased size of EMN, start up costs in EMN and the pace of masterplan savings compared with volume reductions in the Netherlands. In EMN, we forecast around 25% total revenue growth at a low-single-digit operating margin. For Mail, there will be two fewer working days in the first half of 2007 compared with 2006, as shown on page 14.

### Other information:

*In 2007, we will allocate certain costs to the Mail and Express divisions that previously were included in the non-allocated category. We are now finalising the allocation approach. The non-allocated cost level for the group is expected to be roughly € 30 million in 2007. We will provide pro forma 2006 figures on the basis of this reallocation approach during our first quarter results announcement, for comparative purposes.*

*The profit from the sale of the discontinued freight management business of approximately € 190 million will be booked in Q1 2007.*

*As mentioned in December 2006, we will consider forming provisions during 2007 in Mail in respect of the new masterplan initiatives.*

*The group net interest expense in the 2007 income statement ceases to benefit from the net interest income from discontinued operations, following the sale of those operations. (For comparison, excluding the net interest income from discontinued operations, the 2006 group net interest expense would have been € 99 million.)*

*The 2007 effective tax rate will be positively affected by the decrease in the Dutch statutory tax rate from 29.6% to 25.5%, effective from 1 January 2007.*

## Significant events since third quarter

10 Oct 06	⌚ TNT Post accelerates expansion in Germany with key acquisition – PostCon
30 Oct 06	⌚ Decision to divest Freight Management business unit
4 Nov 06	⌚ Sale of Logistics division completed
6 Nov 06	⌚ Share repurchase program of €1.0 billion started
8 Nov 06	⌚ TNT Express Germany wins European Award for Business Excellence
16 Nov 06	⌚ TNT sells Freight Management to GEODIS
16 Nov 06	⌚ TNT and the State of the Netherlands reach agreement on the transfer of the Special Share
20 Nov 06	⌚ TNT repurchases 18.2 million shares from the State of the Netherlands
23 Nov 06	⌚ TNT's corporate website ranked number one in Europe
7 Dec 06	⌚ Worldwide coverage for Economy Express started
20 Dec 06	⌚ Boeing delivers first 747-400ER Freighter to TNT
10 Jan 07	⌚ Mercúrio acquisition, the express market leader in Brazil
31 Jan 07	⌚ TNT Wins European Business Award for Customer Focus
5 Feb 07	⌚ Freight Management sale completed

Group Summary
---------------

	Q4 2006	Q4 2005	% Change		
	€ mil	€ mil	Operational	Fx	Total
<b>Revenues</b>	2,767	2,571	8.1%	-0.5%	7.6%
<b>Operating income (EBIT)</b>	355	319	11.6%	-0.3%	11.3%
<b>Profit from continuing operations</b>	236	209	13.9%	-1.0%	12.9%
<b>Profit/(loss) from discontinued operations</b>	(46)	(100)	53.0%	1.0%	54.0%
<b>Profit/(loss) attributable to the shareholders</b>	189	108	75.0%	0.0%	75.0%

Segment Summary
-----------------

	Q4 2006	Q4 2005	% Change		
	€ mil	€ mil	Operational	Fx	Total
<b>Express</b>					
Revenues	1,624	1,444	13.5%	-1.0%	12.5%
Operating income (EBIT)	173	149	16.8%	-0.7%	16.1%
Operating margin	10.7%	10.3%			
<b>Mail</b>					
Revenues	1,145	1,125	1.8%	0.0%	1.8%
Operating income (EBIT)	199	212	-6.1%	0.0%	-6.1%
Operating margin	17.4%	18.8%			
<b>Non-allocated</b>	(17)	(42)			59.5%
<b>Operating income (EBIT)</b>	<b>355</b>	<b>319</b>	<b>11.6%</b>	<b>-0.3%</b>	<b>11.3%</b>

Comparative 2005 figures are adjusted for the impact of the Focus strategy, including: the decision to divest Logistics and Freight Management; the transfers of Innlight from Logistics to Express and Cendris UK from Mail to Express.

## Group Summary

	FY 2006	FY 2005	% Change		
	€ mil	€ mil	Operational	Fx	Total
<b>Revenues</b>	10,060	9,329	8.0%	-0.2%	7.8%
<b>Operating income (EBIT)</b>	1,276	1,148	11.3%	-0.2%	11.1%
<b>Profit from continuing operations</b>	828	770	7.8%	-0.3%	7.5%
<b>Profit/(loss) from discontinued operations</b>	(157)	(109)	44.0%	0.0%	44.0%
<b>Profit/(loss) attributable to the shareholders</b>	670	659	1.9%	-0.2%	1.7%

## Segment Summary

	FY 2006	FY 2005	% Change		
	€ mil	€ mil	Operational	Fx	Total
<b>Express</b>					
Revenues	6,011	5,363	12.4%	-0.3%	12.1%
Operating income (EBIT)	580	476	22.2%	-0.4%	21.8%
Operating margin	9.6%	8.9%			
<b>Mail</b>					
Revenues	4,065	3,955	2.8%	0.0%	2.8%
Operating income (EBIT)	761	775	-1.8%	0.0%	-1.8%
Operating margin	18.7%	19.6%			
<b>Non-allocated</b>	(65)	(103)			36.9%
<b>Operating income (EBIT)</b>	<b>1,276</b>	<b>1,148</b>	<b>11.3%</b>	<b>-0.2%</b>	<b>11.1%</b>

Comparative 2005 figures are adjusted for the impact of the Focus strategy, including: the decision to divest Logistics and Freight Management; the transfers of Innight from Logistics to Express and Cendris UK from Mail to Express.

FY	⇒ A year of strong revenue growth, with further margin improvement		
Q4	<ul style="list-style-type: none"> <li>⇒ 12.5% revenue growth in fourth quarter</li> <li>⇒ All-time high margin of 10.7%</li> <li>⇒ Industry recognition for customer excellence</li> </ul>		

Express Summary	Q4 2006	Q4 2005	% Change	FY 2006	FY 2005	% Change
	€ mil	€ mil		€ mil	€ mil	
Revenues	1,624	1,444	12.5%	6,011	5,363	12.1%
Operating income (EBIT)	173	149	16.1%	580	476	21.8%
<b>Operating margin</b>	<b>10.7%</b>	<b>10.3%</b>		<b>9.6%</b>	<b>8.9%</b>	

2005 figures have been adjusted for comparative purposes.

The fourth quarter operating margin of 10.7% was an all-time record. It was achieved with top line growth of 13.5% (excluding the Fx effect), or around 14.5% adjusted for the number of working days. The 11.4% organic revenue growth came from a healthy increase in domestic consignments and double digit growth in cross-border consignments and special services. There was strong customer demand for Express Economy products. TNT Express remained focused on revenue yield, which continued to make a positive contribution to growth.

The 2.1% acquisition effect related mostly to the addition of the Spanish domestic operations (TG+) at the start of

2006, helped by the Speedage acquisition in India that was completed in the third quarter.

The first of the two new Boeing 747 freighters made its inaugural operational flight on 18 January 2007 flying from Shanghai to the TNT European air hub in Liège, with a full payload.

TNT Express continued to win excellence awards, including EFQM Business Excellence Award for TNT Germany and the European Business Award for Customer Focus.

Revenue Analysis	Q4 2006	Q4 2005	% Change	% Change		
	€ mil	€ mil		Organic	Acq	Fx
Express Europe	1,311	1,160	13.0%	10.9%	2.0%	0.1%
Express Rest of the World	313	284	10.2%	13.0%	2.8%	-5.6%
<b>Express Business Segment</b>	<b>1,624</b>	<b>1,444</b>	<b>12.5%</b>	<b>11.4%</b>	<b>2.1%</b>	<b>-1.0%</b>

2005 figures have been adjusted for comparative purposes.

Revenue Analysis	FY 2006	FY 2005	% Change	% Change		
	€ mil	€ mil		Organic	Acq	Fx
Express Europe	4,905	4,378	12.0%	9.7%	2.4%	-0.1%
Express Rest of the World	1,106	985	12.3%	12.9%	0.8%	-1.4%
<b>Express Business Segment</b>	<b>6,011</b>	<b>5,363</b>	<b>12.1%</b>	<b>10.3%</b>	<b>2.1%</b>	<b>-0.3%</b>

2005 figures have been adjusted for comparative purposes.

In **Europe**, the best revenue growth performers in the fourth quarter were Germany, Benelux and the UK. In percentage terms, eastern Europe continued to lead, with growth exceeding 20%. International road network volumes were up 17.2% and in the air network volumes were up 10.0%, accompanied by further aircraft payload optimization. The average weight per consignment increased 3%, affected by the relatively higher growth of cross-border flows, which tend to be heavier than domestic, as well as the generally increased demand for heavier consignments.

All **Rest of World** regions reported good organic growth, particularly the Middle East and Asia. Australia, TNT's largest and longest established RoW region, continued to make good progress, with high single digit organic revenue growth.

**FY** Revenues improved to over € 4 billion, and high margin achieved

**Q4** Continued revenue growth, fuelled by EMN  
 Large new contracts in EMN UK and increased household coverage in Germany  
 17.4% operating margin in fourth quarter, in line with stated outlook

Mail Summary	Q4 2006	Q4 2005	% Change	FY 2006	FY 2005	% Change
	€ mil	€ mil		€ mil	€ mil	
Revenues	1,145	1,125	1.8%	4,065	3,955	2.8%
Operating income (EBIT)	199	212	-6.1%	761	775	-1.8%
<b>Operating margin</b>	<b>17.4%</b>	<b>18.8%</b>		<b>18.7%</b>	<b>19.6%</b>	

2005 figures have been adjusted for comparative purposes.

The Mail division ended 2006 with the ninth consecutive quarter of revenue growth. EMN provided the main impetus with a combination of organic growth and acquisitions, focused on the UK and German addressed mail markets.

The operating margin of 17.4% included the expected

softening against the prior year, affected by EMN growth and one-off items, including re-branding costs. The masterplans added another € 18 million savings in Q4 to reach € 298 million in total, which represents over 80% of the total targeted amount, excluding the new initiatives that we announced in December 2006.

Revenue Analysis	Q4 2006	Q4 2005	% Change	% Change		
	€ mil	€ mil		Organic	Acq	Fx
Mail Netherlands	733	750	-2.3%	-2.0%	-0.3%	0.0%
European Mail Networks	219	171	28.1%	12.3%	15.2%	0.6%
Cross-border Mail	152	146	4.1%	4.8%	0.0%	-0.7%
Data and Document Management	41	58	-29.3%	-8.6%	-20.7%	0.0%
<b>Mail</b>	<b>1,145</b>	<b>1,125</b>	<b>1.8%</b>	<b>0.7%</b>	<b>1.1%</b>	<b>0.0%</b>

2005 figures have been adjusted for comparative purposes.

Revenue Analysis	FY 2006	FY 2005	% Change	% Change		
	€ mil	€ mil		Organic	Acq	Fx
Mail Netherlands	2,596	2,647	-1.9%	-1.7%	-0.2%	0.0%
European Mail Networks	749	597	25.5%	17.1%	8.2%	0.2%
Cross-border Mail	534	515	3.7%	3.7%	0.0%	0.0%
Data and Document Management	186	196	-5.1%	-6.1%	1.0%	0.0%
<b>Mail</b>	<b>4,065</b>	<b>3,955</b>	<b>2.8%</b>	<b>1.6%</b>	<b>1.2%</b>	<b>0.0%</b>

2005 figures have been adjusted for comparative purposes.

**Mail Netherlands** saw a 2.0% organic decline in revenues in Q4. Addressed domestic mail volumes were 2.4% lower and addressed direct volumes were 5.7% lower, resulting in a total decline of 3.6% (4.8% election adjusted). Fourth quarter volumes in both 2006 and the prior year benefited from special mailings, so the year on year effect was minimal. However, there was one fewer working day in 2006 compared with last year.

In **EMN**, revenues grew by 27.5%, excluding Fx effects. The growth came mainly from the addressed business (particularly the UK and Germany), which now accounts for more sales than the unaddressed activities. In the UK, important new contracts were signed with Centrica and British Telecom (signed January 2007), together representing annual volumes of some 340 million items.

**Germany** saw a doubling of addressed volumes compared with the prior year, helped by the acquisition of local delivery companies. TNT now delivers to a fifth of German households, through its own 'Regioservice' and covers most of the rest of the country with partners, through TNT Post AG.

The **Cross-Border** business saw increases in Dutch outbound volumes and international parcels, with stable revenues from the Spring JV, leading to organic growth of almost 5%.

**DDM** recorded lower revenues due mainly to the divestment of Dutch mailroom activities. The organic decline was also from the divested activities, prior to sale.

The revenue information on discontinued operations, described below, is excluded from group revenues. The post-tax profit/(loss) from discontinued operations, also described below, is included in the group's consolidated statement of income on a separate line 'profit/(loss) from discontinued operations'.

Discontinued operations Summary	Q4 2006		% Change	FY 2006		% Change
	€ mil	€ mil		€ mil	€ mil	
Revenues	558	1,135	-50.8%	3,777	4,345	-13.1%
Profit/(loss) from discontinued operations	(46)	(100)		(157)	(109)	

2005 figures have been adjusted for comparative purposes.

The 2006 full-year loss from discontinued operations was € 157 million, comprised of the € 87 million loss from the disposal of logistics assets held for sale and a € 70 million loss for the period. The latter amount included operating income of € 55 million, net financial expense of € 63 million (€ 52 million of which was payable to group entities), a € 45 million loss from associates related mostly to the impairment of GAL and a tax charge of € 17 million.

The sale of the freight management activities was completed on 5 February 2007. The profit arising on the sale, estimated to be € 190 million, and the net cash proceeds of approximately € 450 million will be booked in Q1 2007.

Taking into account the last two years' net losses from discontinued operations, the estimated profit on the freight management sale and the tax credit for liquidation losses on French entities, the net impact on profits attributable to shareholders is broadly neutral, as indicated already during our 2006 Analysts Meeting.

Consolidated statements of income	Q4 2006	Q4 2005	FY 2006	FY 2005
	€ mil	€ mil	€ mil	€ mil
Net sales	2,745	2,552	9,948	9,274
Other operating revenues	22	19	112	55
<b>Total revenues</b>	<b>2,767</b>	<b>2,571</b>	<b>10,060</b>	<b>9,329</b>
<b>Other income</b>	<b>30</b>	<b>12</b>	<b>65</b>	<b>38</b>
Cost of materials	(115)	(117)	(409)	(408)
Work contracted out and other external expenses	(1,181)	(1,002)	(4,160)	(3,582)
Salaries and social security contributions	(871)	(862)	(3,384)	(3,318)
Depreciation, amortisation and impairments	(92)	(87)	(318)	(303)
Other operating expenses	(183)	(196)	(578)	(608)
<b>Total operating expenses</b>	<b>(2,442)</b>	<b>(2,264)</b>	<b>(8,849)</b>	<b>(8,219)</b>
<b>Operating income</b>	<b>355</b>	<b>319</b>	<b>1,276</b>	<b>1,148</b>
Interest and similar income*	40	24	199	117
Interest and similar expenses*	(75)	(26)	(246)	(117)
Net financial (expense)/income	(35)	(2)	(47)	0
Results from investments in associates	(3)	0	(6)	(2)
<b>Profit before income taxes</b>	<b>317</b>	<b>317</b>	<b>1,223</b>	<b>1,146</b>
Income taxes	(81)	(108)	(395)	(376)
<b>Profit from continuing operations</b>	<b>236</b>	<b>209</b>	<b>828</b>	<b>770</b>
Profit/(loss) from discontinued operations	(46)	(100)	(157)	(109)
<b>Profit for the period</b>	<b>190</b>	<b>109</b>	<b>671</b>	<b>661</b>
Attributable to:				
Minority interests	1	1	1	2
<b>Shareholders</b>	<b>189</b>	<b>108</b>	<b>670</b>	<b>659</b>
EPS (in € cents)**	46.1	23.8	159.3	145.0
Number of employees	139,222	136,300		
Full time equivalent employees	92,973	87,392		

2005 figures have been adjusted for comparative purposes.

\* New cash pool arrangements in the FY2006 result in a € 93 million grossing up of the interest income and expenses compared with 2005.

\*\* Based on an average number of 420.7 million ordinary shares, including ADS (2005: 454.4 million).

The total number of shares outstanding as of 31 December, 2006 was 422.8 million, including 30.5 million shares held in treasury.

2.9 million shares in treasury were held to cover for option and share incentive programmes, and 27.6 million shares for cancellation.

€ mil	Q4 2006	Q4 2005
<b>EXPRESS</b>		
<b>Express Europe</b>		
Revenues	1,311	1,160
Growth %	13.0%	2.9%
Organic	10.9%	1.7%
Acquisition / Disposal	2.0%	0.2%
Fx	0.1%	1.0%

Express Rest of the World	313	284
Revenues	313	284
Growth %	10.2%	11.4%
Organic	13.0%	3.2%
Acquisition / Disposal	2.8%	0.0%
Fx	-5.6%	8.2%

Total Express	1,624	1,444
Revenues	1,624	1,444
Growth %	12.5%	4.4%
Organic	11.4%	2.0%
Acquisition / Disposal	2.1%	0.1%
Fx	-1.0%	2.3%
Working days	63	64
Core consignments (mil)	49.3	45.4
Core kilos (mil)	918.7	826.3
Core revenue quality yield improvement	1.0%	3.3%
<b>Operating income (EBIT)</b>	<b>173</b>	<b>149</b>
<b>Operating margin</b>	<b>10.7%</b>	<b>10.3%</b>

2005 figures have been adjusted for comparative purposes.

€ mil	Q4 2006	Q4 2005
<b>MAIL</b>		
<b>Mail Netherlands</b>		
Revenues	<b>733</b>	<b>750</b>
Growth %	-2.3%	1.6%
Organic	-2.0%	1.7%
Acquisition / Disposal	-0.3%	-0.1%
Fx	0.0%	0.0%
Addressed mail pieces (millions)	1,427	1,480
Growth %	-3.6%	-5.6%
Working days	63	64
<b>European Mail Networks</b>		
Revenues	<b>219</b>	<b>171</b>
Growth %	28.1%	22.1%
Organic	12.3%	21.4%
Acquisition / Disposal	15.2%	0.0%
Fx	0.6%	0.7%
<b>Cross-border Mail</b>		
Revenues	<b>152</b>	<b>146</b>
Growth %	4.1%	-5.2%
Organic	4.8%	-7.1%
Acquisition / Disposal	0.0%	0.0%
Fx	-0.7%	1.9%
<b>Data and Document Management</b>		
Revenues	<b>41</b>	<b>58</b>
Growth %	-29.3%	13.7%
Organic	-8.6%	-3.9%
Acquisition / Disposal	-20.7%	17.6%
Fx	0.0%	0.0%
<b>Total Mail</b>		
<b>Revenues</b>	<b>1,145</b>	<b>1,125</b>
Growth %	1.8%	3.9%
Organic	0.7%	2.8%
Acquisition / Disposal	1.1%	0.7%
Fx	0.0%	0.4%
<b>Operating income (EBIT)</b>	<b>199</b>	<b>212</b>
<b>Operating margin</b>	<b>17.4%</b>	<b>18.8%</b>

2005 figures have been adjusted for comparative purposes.

	Q4 2006 € mil	Q4 2005 € mil	FY 2006 € mil	FY 2005 € mil
<b>Profit before income taxes</b>	<b>317</b>	<b>317</b>	<b>1,223</b>	<b>1,146</b>
Adjustments for:				
Depreciation, amortisation and impairments	92	87	318	303
Share based payments	2	2	9	8
Investment income:				
Profit /loss on sale of property, plant and equipment	(29)	(25)	(61)	(38)
Interest and similar income	(40)	(22)	(199)	(117)
Foreign exchange gains	0	0	0	1
Interest and similar expenses	75	24	246	116
Results from investments in associates	3	0	6	2
Changes in provisions:				
Pension liabilities	(37)	(38)	(124)	(121)
Other provisions	(23)	31	10	52
Changes in working capital:				
Inventory	(2)	0	(5)	(2)
Accounts receivable	(138)	(105)	(170)	(143)
Other current assets	25	29	(29)	(2)
Trade payables	51	(1)	80	(85)
Other current liabilities excl. short term financing and taxes	129	67	34	54
<b>Cash generated from operations</b>	<b>425</b>	<b>366</b>	<b>1,338</b>	<b>1,174</b>
Interest paid**	(92)	(25)	(199)	(80)
Income taxes paid	(109)	(30)	(282)	(125)
<b>Net cash from operating activities</b>	<b>224</b>	<b>311</b>	<b>857</b>	<b>969</b>
Acquisition of group companies (net of cash)	(24)	(4)	(89)	(35)
Disposals of group companies and joint ventures	1,355	(5)	1,365	(5)
Investment in associates	(2)	(1)	(20)	(13)
Disposals of associates	0	0	0	3
Capital expenditure on intangible assets	(29)	(31)	(103)	(80)
Disposal of intangible assets	1	0	2	2
Capital expenditure on property, plant and equipment	(64)	(80)	(277)	(230)
Proceeds from sale of property, plant and equipment	17	24	65	43
Other changes in (financial) fixed assets	3	11	7	16
Changes in minority interests	3	0	7	(3)
Interest received**	57	11	111	40
<b>Net cash used in investing activities</b>	<b>1,317</b>	<b>(75)</b>	<b>1,068</b>	<b>(262)</b>
Repurchase of shares	(898)	(214)	(1,747)	(473)
Other equity changes	11	24	52	16
Net change long term borrowings	(8)	11	(51)	26
Net change short term borrowings	(416)	34	162	(50)
Net change finance leases	(8)	2	(10)	2
Dividends paid	0	0	(282)	(268)
Financing relating to our discontinued logistics business	(198)	(57)	(276)	(21)
<b>Net cash used in financing activities</b>	<b>(1,517)</b>	<b>(200)</b>	<b>(2,152)</b>	<b>(768)</b>
<b>Changes in cash</b>	<b>24</b>	<b>36</b>	<b>(227)</b>	<b>(61)</b>
Cash as reported in the previous period	272	442	559	633
Changes in discontinued business	0	0	(32)	(101)
<b>Cash at beginning of the period</b>	<b>272</b>	<b>442</b>	<b>527</b>	<b>532</b>
Adoption of IAS 32/39 per 1 January 2005 *	0	46	0	46
Exchange rate differences	1	3	(3)	10
Changes in cash	24	36	(227)	(61)
<b>Cash at end of period</b>	<b>297</b>	<b>527</b>	<b>297</b>	<b>527</b>

2005 figures have been adjusted for comparative purposes.

\* On adoption of IAS 32 as of 1 January 2005, bankoverdraft of € 46 million was no longer netted off from cash and cash equivalents.

\*\* New cash pool arrangements in 2006 resulted in a respective € 36 million (for the quarter) and € 89 million (for the full year) grossing up impact on both the interest income and expenses when compared with 2005.

	31 Dec 2006 € mil	31 Dec 2005 € mil
Goodwill	1,573	1,626
Other intangible assets	212	212
<b>Intangible assets</b>	<b>1,785</b>	<b>1,838</b>
Land and buildings	823	805
Plant and equipment	342	313
Aircraft	306	221
Other	162	169
Construction in progress	45	44
<b>Property, plant and equipment</b>	<b>1,678</b>	<b>1,552</b>
Investments in associates	58	47
Other loans receivable	7	13
Deferred tax assets	211	188
Prepayments and accrued income	38	25
<b>Financial fixed assets</b>	<b>314</b>	<b>273</b>
<b>Total non-current assets</b>	<b>3,777</b>	<b>3,663</b>
Inventory	29	29
Accounts receivable	1,561	1,471
Income tax receivable	8	78
Prepayments and accrued income	227	218
Cash and cash equivalents	297	559
<b>Total current assets</b>	<b>2,122</b>	<b>2,355</b>
Assets held for sale	409	2,378
<b>Total assets</b>	<b>6,308</b>	<b>8,396</b>
Equity attributable to the equity holders of the parent	1,983	3,262
Minority interests	25	17
<b>Total equity</b>	<b>2,008</b>	<b>3,279</b>
Deferred tax liabilities	240	233
Provisions for pension liabilities	23	136
Other employee benefit obligations	57	49
Other provisions	106	105
Long-term debt	1,183	1,071
Accrued liabilities	3	14
<b>Total non-current liabilities</b>	<b>1,612</b>	<b>1,608</b>
Trade accounts payables	308	320
Short term provisions	87	29
Other current liabilities	731	571
Income tax payable	280	233
Accrued current liabilities	1,136	1,126
<b>Total current liabilities</b>	<b>2,542</b>	<b>2,279</b>
Liabilities related to assets classified as held for sale	146	1,230
<b>Total liabilities and equity</b>	<b>6,308</b>	<b>8,396</b>

## Capital expenditure on property, plant and equipment and other intangible assets

	Q4 2006		Q4 2005		FY 2006		FY 2005	
	€ mil	€ mil						
Express	178		71		392		194	
Mail	35		36		121		102	
Non-allocated	3		4		7		14	
<b>Total</b>	<b>216</b>		<b>111</b>		<b>520</b>		<b>310</b>	

Capital expenditure includes financial leases, which are non-cash transactions.

## Movement in equity attributable to the equity holders of the parent

	Q4 2006		Q4 2005		FY 2006		FY 2005	
	€ mil	€ mil						
<b>Opening balance</b>	<b>2,636</b>		<b>3,354</b>		<b>3,262</b>		<b>3,057</b>	
Profit/(loss) attributable to the shareholders	189		108		670		659	
Foreign exchange effects and other	14		(4)		(1)		19	
Repurchases of shares	(887)		(231)		(1,736)		(231)	
Other reserves	31		35		70		26	
Cash dividend	0		0		(282)		(268)	
<b>Closing balance</b>	<b>1,983</b>		<b>3,262</b>		<b>1,983</b>		<b>3,262</b>	

## Net debt<sup>\*</sup>

	31 Dec 2006		31 Dec 2005	
	€ mil	€ mil	€ mil	€ mil
Short term debt	383		213	
Long term debt	1,183		1,071	
<b>Total interest bearing debt</b>	<b>1,566</b>		<b>1,284</b>	
Cash and other interest bearing assets	(298)		(559)	
<b>Net debt</b>	<b>1,268</b>		<b>725</b>	

\* Net debt does not include adjustments for operating leases and pension liabilities that are incorporated in the definition of total net debt used for credit rating purposes.

2005 figures have been adjusted for comparative purposes.

## Working daycount 2005-2007

	Q1	Q2	Q3	Q4	Total	
					2005	2006
<b>Express</b>						
2005	62	63	64	64		<b>253</b>
2006	64	60	64	63		<b>251</b>
2007	64	60	64	63		<b>251</b>
<b>Mail</b>						
2005	64	63	65	64		<b>256</b>
2006	65	62	65	63		<b>255</b>
2007	64	61	65	63		<b>253</b>

## Reconciliation of Profit

	FY 2006 € mil	FY 2005 € mil
<b>Profit attributable to the shareholders under IFRS</b>	<b>670</b>	<b>659</b>
Adjustments for:		
Employee benefits	4	(16)
Depreciation and amortisation related to our discontinued business	(60)	(8)
Impact of US GAAP differences on sale of logistics business	31	0
Other	0	(11)
Tax effect of adjustments	12	8
<b>Profit attributable to the shareholders under US GAAP</b>	<b>657</b>	<b>632</b>
of which related to discontinued operations	(173)	(131)
of which related to continued operations (including minority interests)	830	763
<b>Profit per ordinary share /ADS under US GAAP<sup>*</sup> (in € cents)</b>	<b>156.2</b>	<b>139.1</b>
<b>Profit per diluted ordinary share /ADS under US GAAP<sup>**</sup> (in € cents)</b>	<b>155.0</b>	<b>138.5</b>

\* Based on an average number of 420.7 million ordinary shares, including ADS (2005: 454.4 million).

\*\* Based on an average number of 423.9 million diluted ordinary shares, including ADS (2005: 456.4 million).

## Reconciliation of Equity<sup>\*</sup>

	31 Dec 2006 € mil	31 Dec 2005 € mil
<b>Total equity</b>	<b>2,008</b>	<b>3,279</b>
Minority interest	(25)	(17)
<b>Equity for the equity holders of the parent under IFRS</b>	<b>1,983</b>	<b>3,262</b>
Adjustments for:		
Employee benefits	(5)	18
Other long lived intangible assets	147	43
Other intangible assets amortisation	(7)	(10)
Pension liability	(539)	(587)
Depreciation and amortisation related to our discontinued logistics business	0	(8)
Other	(1)	(6)
Deferred taxes on adjustments	(7)	45
<b>Equity for the equity holders of the parent under US GAAP</b>	<b>1,571</b>	<b>2,757</b>

\* As at 31 December 2006 the minimum pension liability is no longer recorded as a consequence of the adoption of FAS 158. In 2006 the pension liability was increased by € 500 million (net of tax) due to the adoption of this pronouncement.

The impact of FAS 158 within equity was offset by an overall reduction in the pension liability, primarily due to an increase in the discount rate from 4.3% to 4.7%. The comparative figures have not been adjusted for this.

2005 figures have been adjusted for comparative purposes.

s

<b>Friday</b>	<b>20 April, 2007</b>	Annual General Meeting
<b>Tuesday</b>	<b>24 April, 2007</b>	Ex-final dividend date
<b>Wednesday</b>	<b>2 May, 2007</b>	Payment of final dividend
<b>Thursday</b>	<b>3 May, 2007</b>	Publication of 2007 first quarter results
<b>Monday</b>	<b>30 July, 2007</b>	Publication of 2007 second quarter results
<b>Monday</b>	<b>29 October, 2007</b>	Publication of 2007 third quarter results

Additional information available at <http://group.tnt.com>

**Mike Richardson**

Director Investor Relations  
Phone +31 20 500 62 41  
Fax +31 20 500 7515  
Email [mike.richardson@tnt.com](mailto:mike.richardson@tnt.com)

**David van Hoytema**

Manager Investor Relations  
Phone +31 20 500 65 97  
Fax +31 20 500 7515  
Email [david.van.hoytema@tnt.com](mailto:david.van.hoytema@tnt.com)

**Sabine Post – de Jong**

Manager Investor Relations  
Phone +31 20 500 6242  
Fax +31 20 500 7515  
Email [sabine.post@tnt.com](mailto:sabine.post@tnt.com)

**Pieter Schaffels**

Director Media Relations  
Phone +31 20 500 6171  
Fax +31 20 500 7520  
Email [pieter.schaffels@tnt.com](mailto:pieter.schaffels@tnt.com)

**Daphne Andriesse**

Senior Press Officer Media Relations  
Phone +31 20 500 6224  
Fax +31 20 500 7520  
Email [daphne.andriesse@tnt.com](mailto:daphne.andriesse@tnt.com)

**Cyrille Gibot**

Senior Press Officer Media Relations  
Tel. +31 20 500 6223  
Fax +31 20 500 7520  
E-mail [cyrille.gibot@tnt.com](mailto:cyrille.gibot@tnt.com)

**Published by:**

TNT N.V.  
Neptunusstraat 41-63  
2132 JA Hoofddorp  
P.O. Box 13000  
1100 KG Amsterdam

Phone +31 20 500 6000  
Fax +31 20 500 7000  
Email [investorrelations@tnt.com](mailto:investorrelations@tnt.com)  
Internet [www.tnt.com/group](http://www.tnt.com/group)



## Warning about forward-looking statements

---

Some statements in this press release are "forward-looking statements" within the meaning of U.S. federal securities laws. We intend that these statements be covered by the safe harbors created under these laws. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. These forward-looking statements involve known and unknown risks, uncertainties and other factors that are outside of our control and impossible to predict and may cause actual results to differ materially from any future results expressed or implied. These forward-looking statements are based on current expectations, estimates, forecasts, analyses and projections about the industries in which we operate and management's beliefs and assumptions about future events. In addition to the assumptions specifically mentioned in this press release, important factors that could cause actual results to differ materially from those expressed or implied include, but are not limited to, the results and the timing of the conclusion of our tax investigations and our discussions or disagreements with other tax authorities and the other factors discussed in our annual report on Form 20-F and our other reports filed with the US Securities and Exchange Commission. Given these uncertainties, no assurance can be given as to our future results and achievements. You are cautioned not to put undue reliance on these forward-looking statements, which only speak as of the date of this press release and are neither predictions nor guarantees of future events or circumstances. We do not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.