

Programme overview 3 Dec 2009

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Vision 2015



Peter Bakker
3 December 2009

Introduction: Focus on Networks

Focus on Networks

Phase 1

2006
-
2007

Transforming the Foundations

Phase 2

2008
-
2009

Grow and Build Value



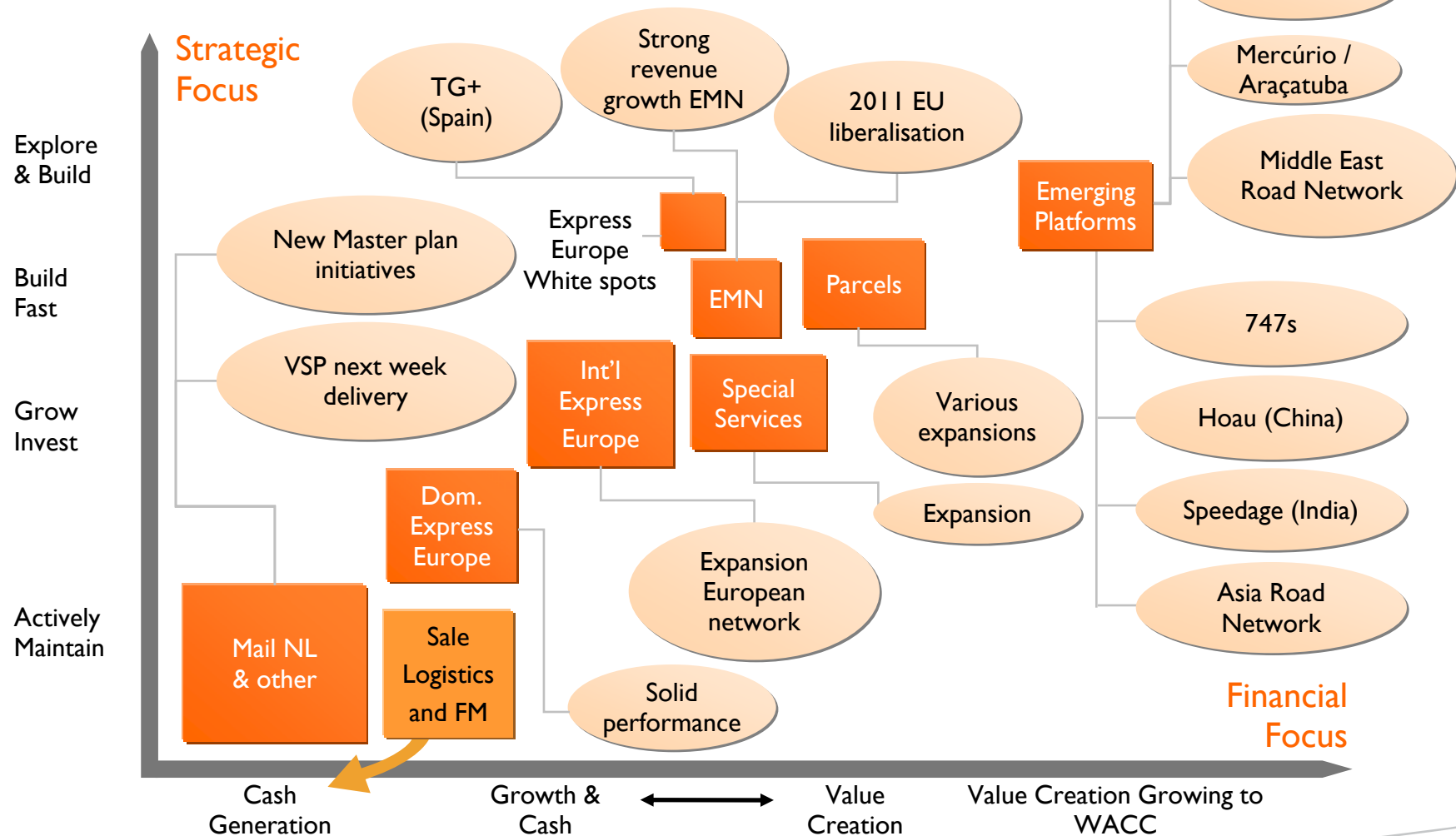
Economic crisis

Review

2010
-
2015

Vision 2015

“Focus on Networks strategy” 2005 – 2009 completed



Returns to shareholders 2005 - 2009

Dividends
€ 1.2 billion

Share buybacks
€ 3.2 billion



Total shareholder returns:
€ 4.4 billion

Awards 2009

- Overall leader in the Dow Jones Sustainability Index
- Clinton Global Initiative Corporate Citizenship award
- 13th in Fortune's Global Ranking of Top Companies for Leaders
- Dutch award for best annual report Henri Sijthoff prize
- One of only 43 companies worldwide with a maximum score on corporate governance as measured by GovernanceMetrics International
- Institutional Investor award 2009 and IR Magazine Award 2009



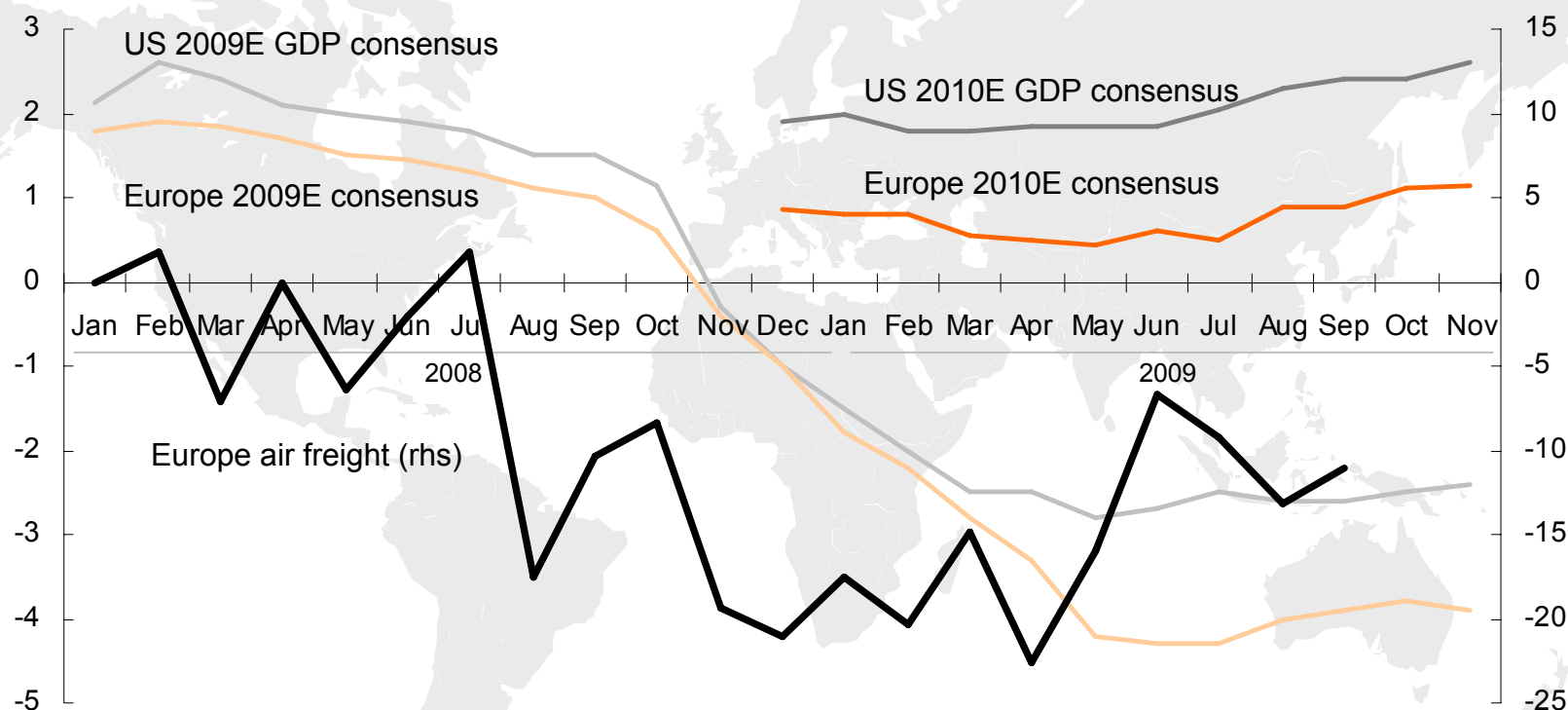


Weathering the perfect storm

Business environment forecast improving

Development of consensus forecasts GDP growth (%)

Air freight development Europe domestic and cross border, TFTK*, (% y-o-y)



* Total Freight Tonne Kilometers, as published by Association of European Airlines

Express 2009

Operational

- Stabilisation of volume decline
- Expanding road networks
- Launch Direct Express
- Two B747-400ERF between Europe and Asia

Financial

- Aggressive cost savings ahead of target
- Margins have improved sequentially

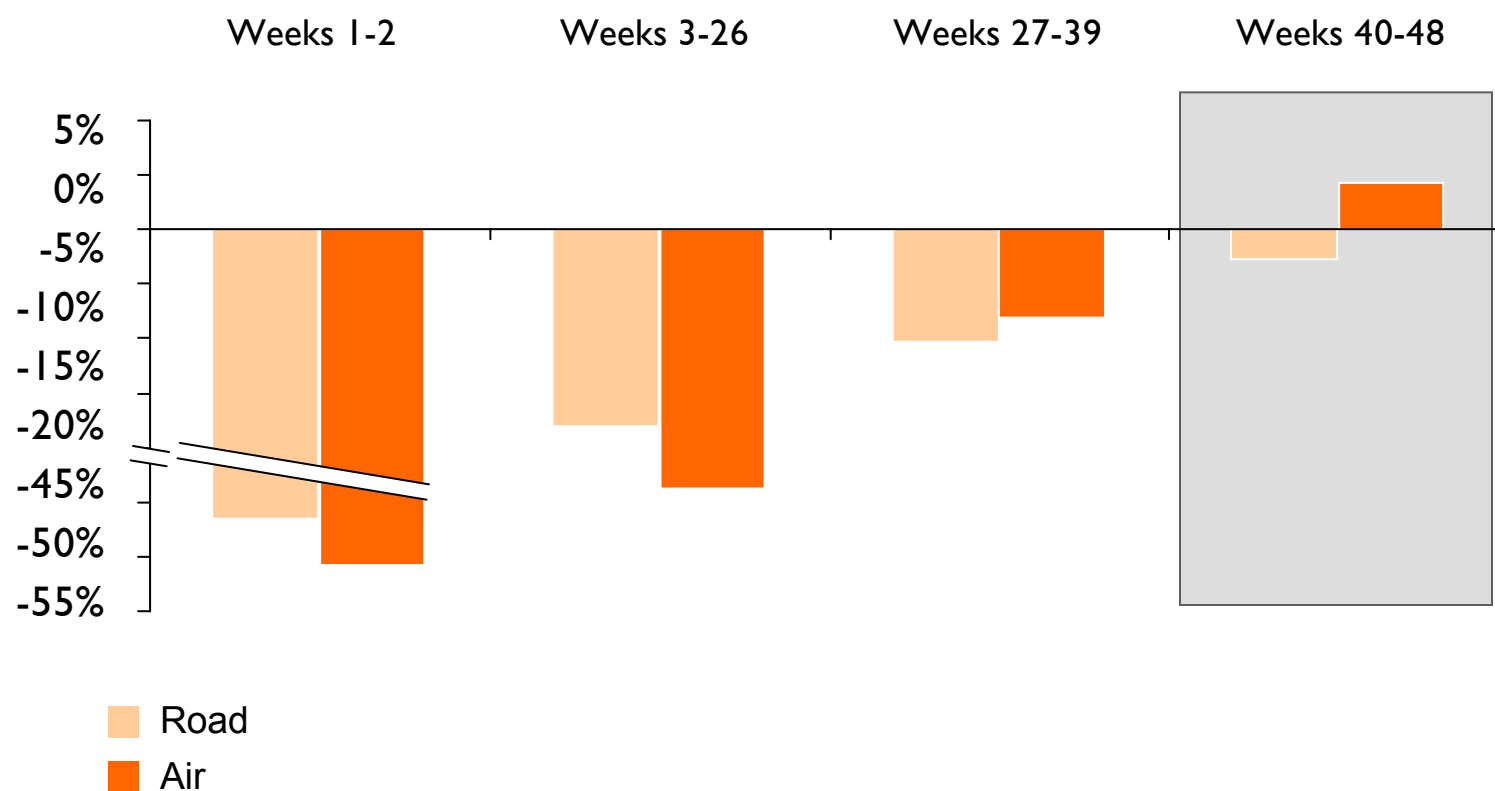
Total cost savings YTD Q3 3009:
€ 368 million



Express volume decline versus 2008

Volume development 2009 versus 2008

Core kilos, year-on-year change, in %

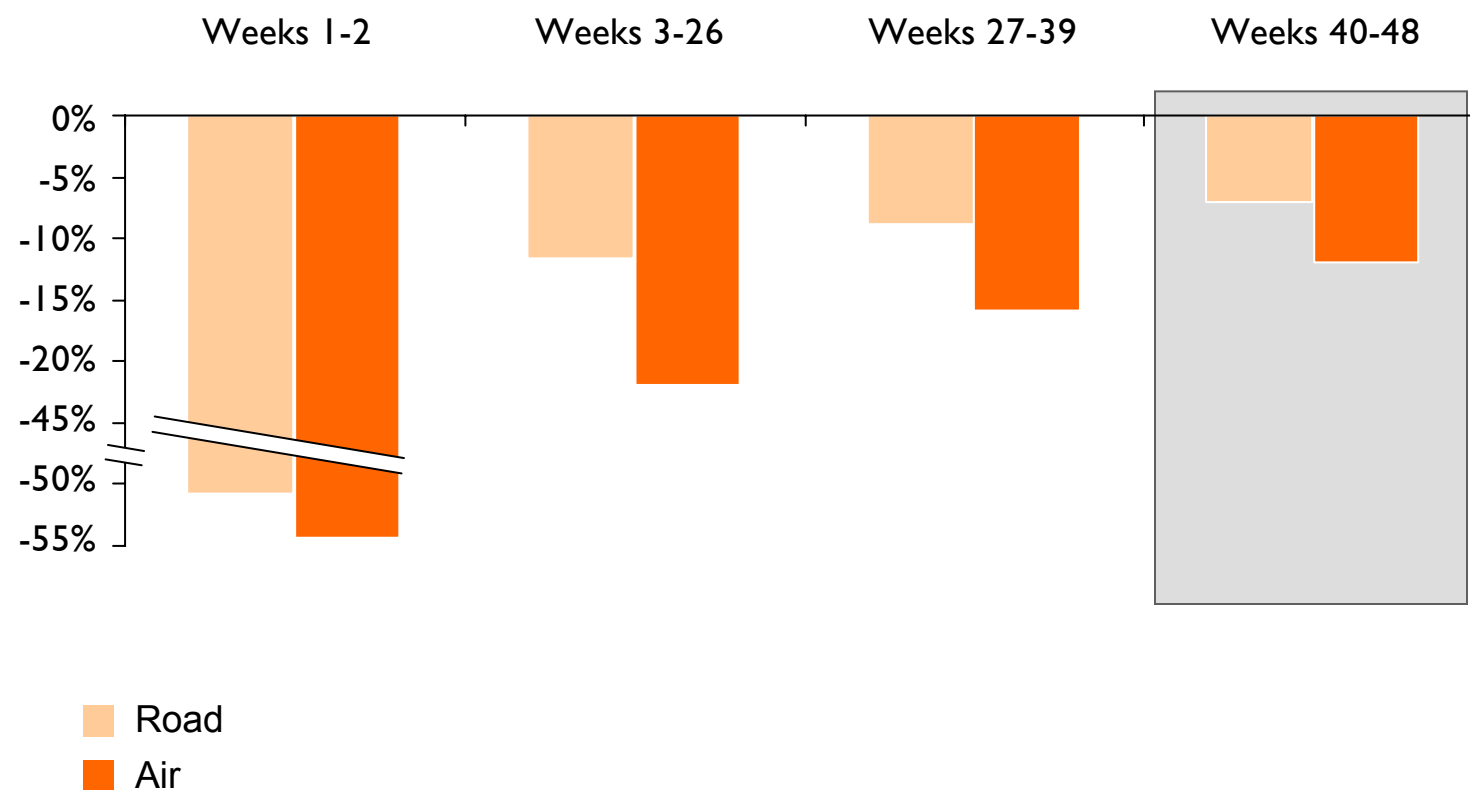


Core volumes exclude Special Services, Hoau, Mercurio, Aracatuba and LIT Cargo

Express volume decline versus 2007

Volume development 2009 versus 2007

Core kilos, year-on-year change, in %



Core volumes exclude Special Services, Hoau, Mercurio, Aracatuba and LIT Cargo

Mail 2009

Operational

- Addressed mail volume decline in line with expected trend
- Ecorys study basis for discussions collective labour agreement; union discussions currently taking place
- Dutch Mail market liberalised
- Liberalisation Europe disappointing eg. large VAT exemption Deutsche Post; minimum wage attempt German government



Financial

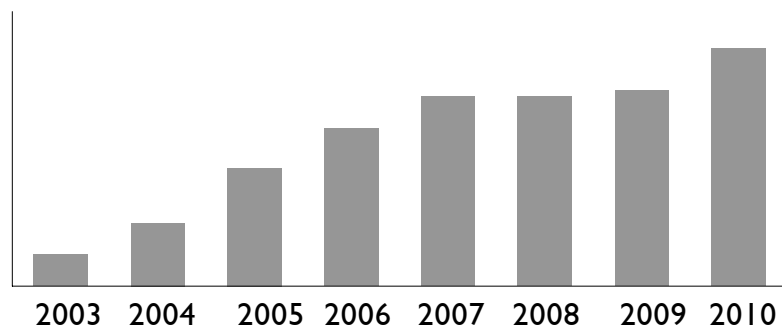
- Overall revenues in line with last year
- Performance in decline but still good
- Higher pension costs in the Netherlands but coverage ratio restoring
- Strong Master plan savings
- Good growth in parcels



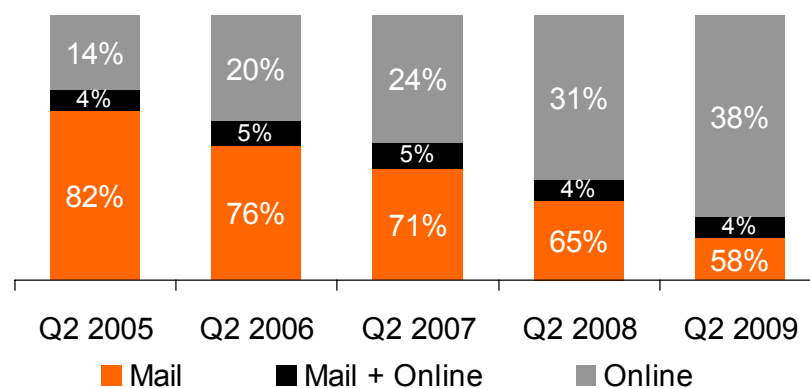
Mail NL volume decline

Competition volume development

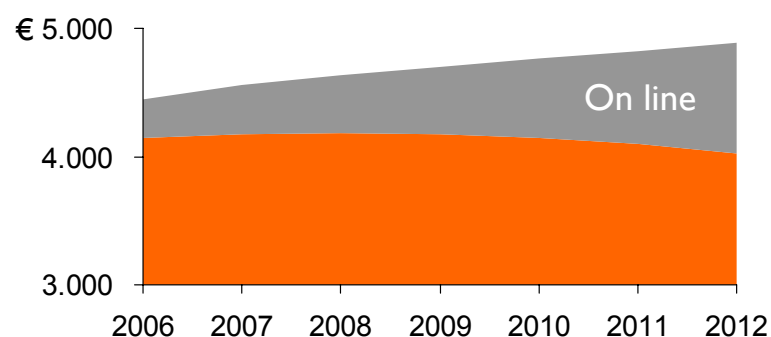
Total: 1 billion



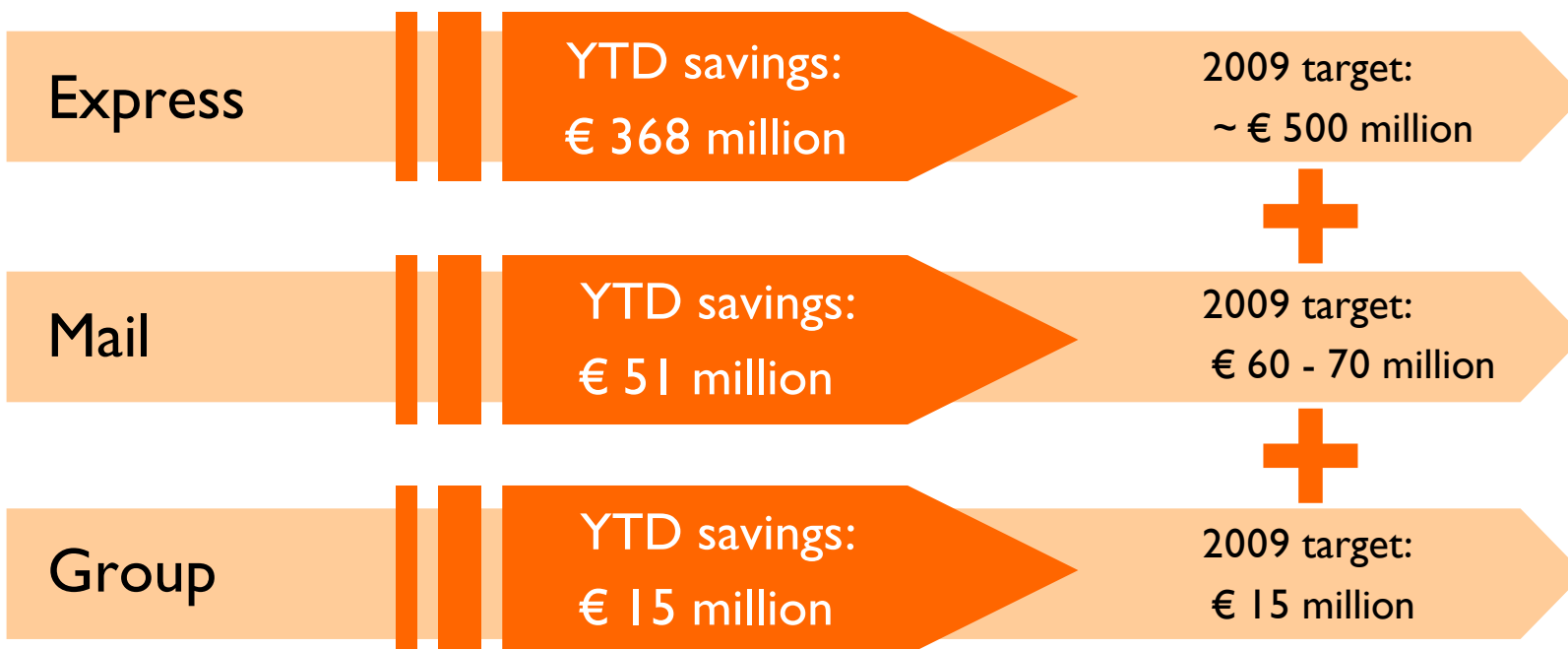
Growth e-transactions



On line versus off line media spend



Cost savings 2009 show business agility



Total savings Q3 YTD € 434 million

2009 FY objective:
€ 550 - 600 million



Business review

Transparency on portfolio and objectives

Realise upside

- Partner option EMN
- Dutch parcels
- New initiatives

Accelerate upside

- ▶ Cyclical and high growth
- ▶ Develop day-definite delivery services through cost leadership and customer focus
- ▶ Pole position in emerging economies

Current Mail portfolio

+

Current CEP portfolio

=



Prevent downside

- ▶ Structural volume decline Mail NL
- ▶ Challenges in liberalisation and regulation

Cyclical

Business challenges and opportunities

Express EU: moving from speed to reliability

- ▶ Growth = GDP growth x 2-3
- ▶ Customers shifting from air to road
- ▶ Blurring boundaries between integrators and standard operators, in parcels and in freight
- ▶ Price pressure continues
- ▶ Outsourcing across verticals

Express Emerging Platforms: first mover

- ▶ Strong starting positions in China and South America
- ▶ Grow and connect road networks in South East Asia and Middle East
- ▶ Main challenges and opportunities:
 - ▶ balance short-term investments and long-term profitability
 - ▶ transform networks to day-certain

Mail NL: structural decline

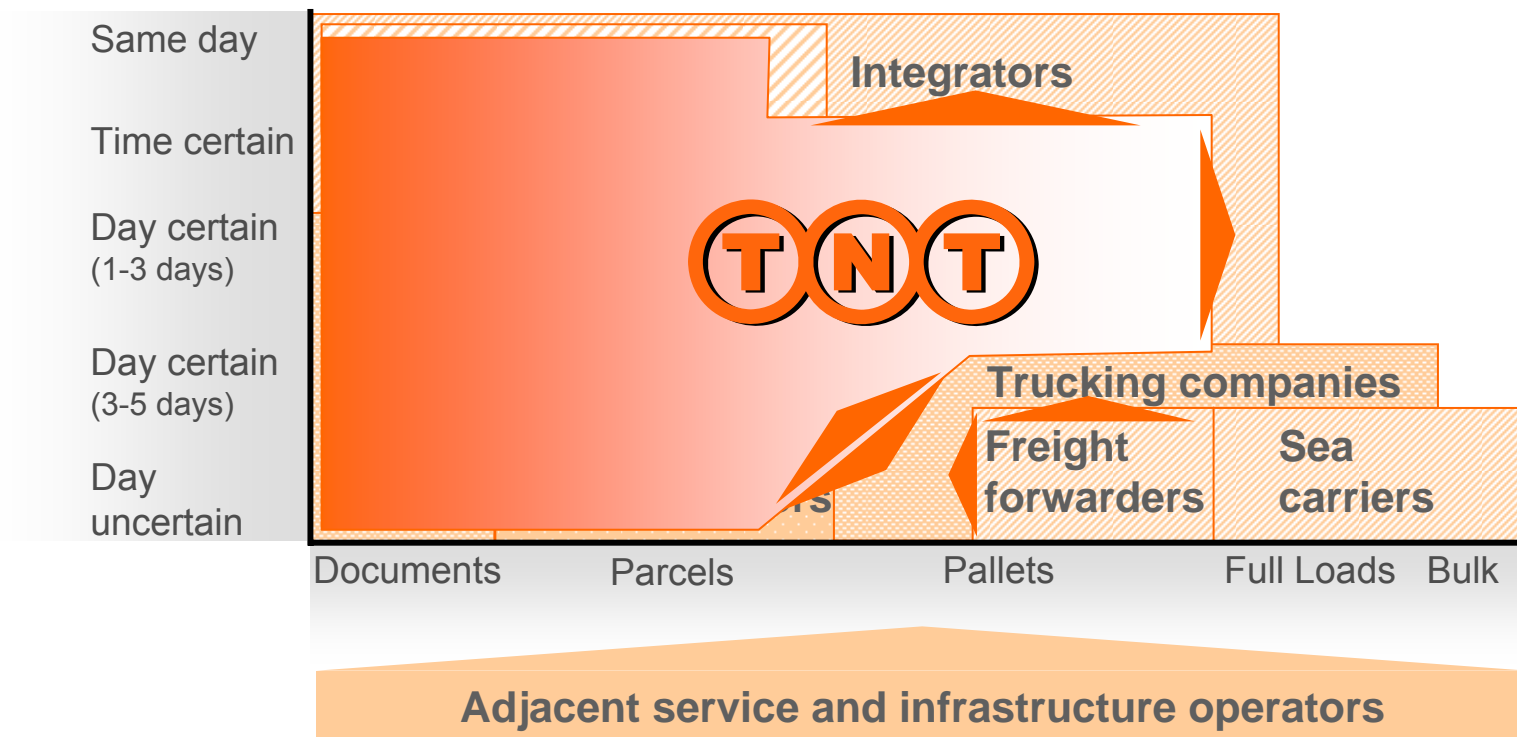
- ▶ Structural decline, through substitution and competition
- ▶ Difficult and prolonged negotiations on adapting wage system
- ▶ Uncertain regulatory environment
- ▶ VSP successful alternative network

EMN/Spring: environment no longer promising

- ▶ Incumbents intensifying competitive response
- ▶ Governments distorting competition

Blurring boundaries delivery sector

Total market size ~USD 3,500 billion



Response: Vision 2015

Vision 2015 - Summary

Vision

- Business challenges and opportunities translated into clear strategic choices
 - Five focus areas
 - Aiming for cost leadership and customer focus
 - Accelerated growth in Day Definite Delivery Services
 - Sustainable cash performance Mail NL

Portfolio

- Recognise different areas in portfolio
- Split does not address challenges and opportunities
- Exploring partnership options for parts of portfolio



Five focus areas new strategy



Vision 2015

1

EU Parcels

2

Freight

3

Emerging
Platforms

4

SDS

5

Mail NL

EMN

Cost leadership & customer focus

5 Strategic focus areas

1. **EU Parcels: Substantially reduce costs and grow standard parcels position in Europe**

- Grow to day-definite parcel position in Europe
- Continue to focus on costs
- Capture growth of E-commerce

2. **Freight: Further grow TNT's strong position in Freight**

- Expand European day-definite freight offering
- Use network layout to benefit from shift air to road
- Gradually separate freight and parcel networks

3. **Emerging Platforms: Grow no 1 positions**

- Take advantage of persistent high growth
- Further develop first mover advantage

4. **SDS: Grow into selected niche markets**

- Develop focused multi-customer solutions
- Improving economics of existing delivery networks
- Build e-commerce proposition to capture opportunities
- Delivery solutions to various verticals

5. **Mail: Sustain good cash flows**

- Need for continued restructuring towards 3-day delivery scheme
- Explore growth options close to the core
- Partner / sale of EMN and prepare for European consolidation



Conclusion

Vision 2015 - Summary

Vision

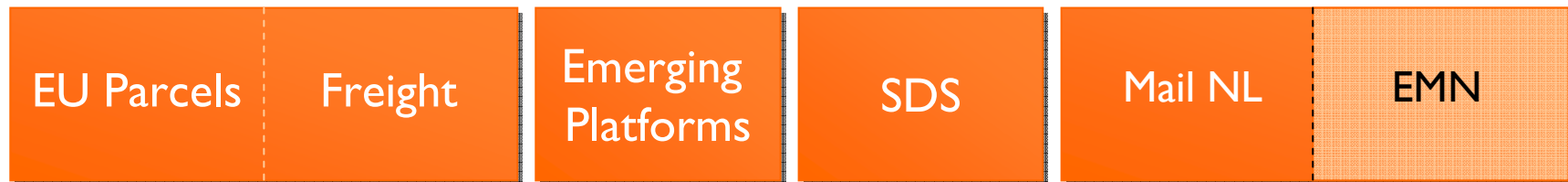
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Cost leadership and customer focus key to success



Cost leadership & Customer focus

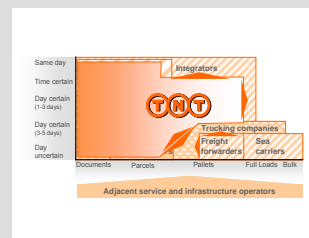
- Continue cost optimisation
- Grow volume to drive scale
- Increase density by sector focus
- Unique portfolio of networks in Europe and emerging markets
- Customer solutions through SDS
- Integrated sales and CS approach

Vision 2015 – Day-definite delivery services

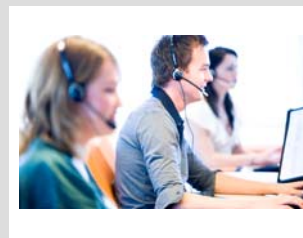
**Revenue
CAGR ~10%**



**EBITDA
~12%**



**Blurring
boundaries**



**Preference for
slower services**



**Emerging
economies growth**



Cost optimisation



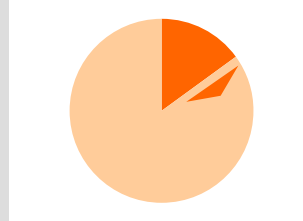
**Product portfolio
optimisation**



**Number 1 in selected
emerging economies**



**EU leadership in
Express parcels
& freight**



**Significant market
share in Standard
parcels & freight**



**Good
financial
performance**

Vision 2015 – Mail NL

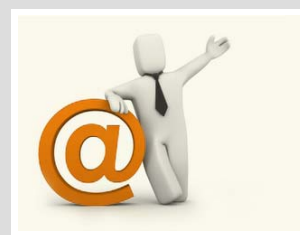
**Revenue
CAGR
(4) – (6)%**



**Cash
EBITDA
~16%**



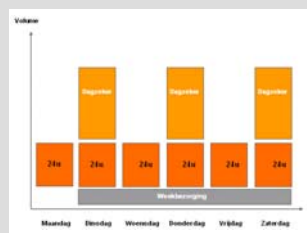
Stabilised position
competition



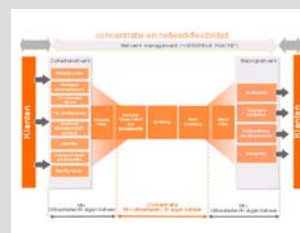
Continuing decline
transaction mail



Limited decline
Direct Mail



Clear service levels



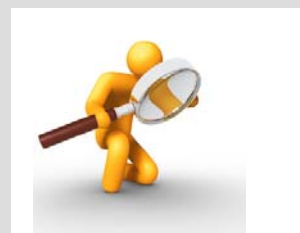
Clear business model



New business
initiatives



Cooperation with
trade unions/
works councils



Light touch
regulation



Good financial
Performance



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Some statements in this presentation are "forward-looking statements". 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. 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.