1Q16 results presentation

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TNT THE PEOPLE NETWORK

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1Q16 Outlook progress

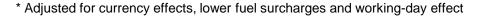
2	FOCUS ON PROFITABLE GROWTH	 Move More by Road Drive sales from four priority industries Serve more SMEs even better Increase profitability Domestics and AMEA 	 Revenue growth from SMEs of 6.5% Customer satisfaction score at all-time high Expanded road network into Eastern Europe Improved adjusted operating income in both segments
	INVEST IN OPERATIONAL EXCELLENCE	 Realise the Perfect Transaction Increase efficiency and productivity in Network Operations Transform IT and Global Business Services Prioritise Health & Safety practices 	 On-time delivery performance improved YoY Cash capex of €51 million (3.2% of revenues) Plans for new international road transit hub in the UK and new sorter in Nuremberg
Y	ORGANISE TO WIN	 Local Customer Focus, Global Business Services Integrated International Europe organisation, focused Domestics organisation Strengthen leadership performance culture 	 Rolled out Global Business Services (GBS) project in several European and Asian countries On-going transformation of IT infrastructure



1Q16 statement of income

(€m) @ respective rates	1Q16	1Q15	%chg YoY
Revenues	1,587	1,622	-2.2
Reported operating income / (loss)	(1)	(11)	90.9
One-offs	10	12	
Adjusted operating income / (loss)	9	1	
Net financial (expense) / income	(5)	(6)	
Results from associates and JVs	0	2	
Income taxes	(8)	(4)	
Effective tax rate	-133%	-27%	
Profit / (loss) for the period	(14)	(19)	

- Reported revenues affected by fewer working days, particularly in Europe
- Underlying comparable revenue growth* of 4.2%
- 1Q16 operating income includes one-off charges of €10 million
- Adjusted operating income of €9 million, up €8 million YoY, includes *Outlook*-related transition and project costs (€9 million)





1Q16 statement of cash flows

<i>(€m)</i> @ respective rates	1Q16	1Q15	%chg YoY
Cash generated from / (used in) operations	(31)	(93)	
Net cash from / (used in) operating activities	(46)	(111)	
Net cash from / (used in) investing activities	(27)	(51)	
Net cash from / (used in) financing activities	(20)	11	
Total changes in cash	(93)	(151)	
Net cash	145	330	-56.1

- Cash capex of €51 million (3.2% of revenues), compared with €78 million in 1Q15 (4.8% of revenues)
- Trade working capital 7.6% of revenues at end of 1Q16 at respective rates, compared with 8.5% one year earlier
- Net cash position of €145 million (YE15: €231 million), reflecting the investments made as part of the Outlook strategy



International Europe

(€m) @ respective rates	1Q16	1Q15	%chg YoY
Revenues	679	663	2.4
Adjusted operating income	(2)	8	
Adjusted operating income margin (%)	-0.3	1.2	
Avg daily cons ('000)	272	243	11.9
RPC (€) (at constant FX @avg15)	42.9	44.7	-4.0
Avg daily kilos ('000)	9,254	8,393	10.3
RPK (€) (at constant FX @avg15)	1.26	1.29	-2.3

- Underlying comparable revenue growth* of 7.8%
- Higher revenues from SMEs (+8.3%)
- Strong increase in volumes, but RPC affected by lower fuel surcharges and higher demand for Economy Express products
- Adjusted operating income of €(2) million impacted by profitability drop in North America, working-day effect and higher network costs, linked to continued investments in Outlook, sales and marketing

* Adjusted for currency effects, lower fuel surcharges and working-day effect

International AMEA

(€m) @ respective rates	1Q16	1Q15	%chg YoY
Revenues	235	233	0.9
Adjusted operating income	15	9	66.7
Adjusted operating income margin (%)	6.4	3.9	
Avg daily cons ('000)	56	55	1.8
RPC (€) (at constant FX @avg15)	74.1	69.8	6.2
Avg daily kilos ('000)	1,351	1,162	16.3
RPK (€) (at constant FX @avg15)	3.05	3.29	-7.3

- Underlying comparable revenue growth* of 8.3%
- 12.1% revenue growth from SME customers
- Return to revenue growth in China, powered by higher sales to SMEs
- Volumes up 1.8%, after declines in 2015, due to improved performance in China; RPC up 6.2%
- Adj. operating income up €6 million YoY to €15 million, driven by revenue growth and strict cost management

* Adjusted for currency effects, lower fuel surcharges and working-day effect



Domestics

(€m) @ respective rates	1Q16	1Q15	%chg YoY
Revenues	575	621	-7.4
Adjusted operating income	9	(4)	
Adjusted operating income margin (%)	1.6	-0.6	
Avg daily cons ('000)	671	656	2.3
RPC (€) (at constant FX @avg15)	15.4	15.5	-0.6
Avg daily kilos ('000)	13,101	12,883	1.7
RPK (€) (at constant FX @avg15)	0.79	0.79	0.0

- Underlying comparable revenue growth* of 0.7%
- Revenue growth in Europe offset revenue declines in Brazil and Australia
- Average daily consignments up 2.3%; RPC and RPK comparable to last year's levels
- Adjusted operating income increased by €13 million YoY to €9 million, reflecting higher profitability in Europe



* Adjusted for currency effects, lower fuel surcharges and working-day effect

Unallocated

(€m) @ respective rates	1Q16	1Q15	%chg YoY
Revenues	102	107	-4.7
Adjusted operating income / (loss)	(13)	(12)	-21.4

- The Unallocated segment consists of Other Networks (TNT Innight), Central Networks and corporate head office functions
- Adjusted operating loss (€13 million) in line with last year

Guidance reiterated

- TNT reiterates its Outlook agenda and guidance for 2018/19, as presented during the capital markets day on 18 February 2015.
- The company expects to achieve structural improvements from 2016 onwards and to see the full benefit of the Outlook strategy from 2018/2019.
- TNT expects continued economic volatility in some markets outside Europe, especially in Brazil.
- TNT anticipates restructuring charges of about €30 million in the second quarter.
- Closing of the FedEx Offer to acquire TNT is anticipated in the first half of calendar year 2016.



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Q & A