TNT Express

2Q13 results presentation

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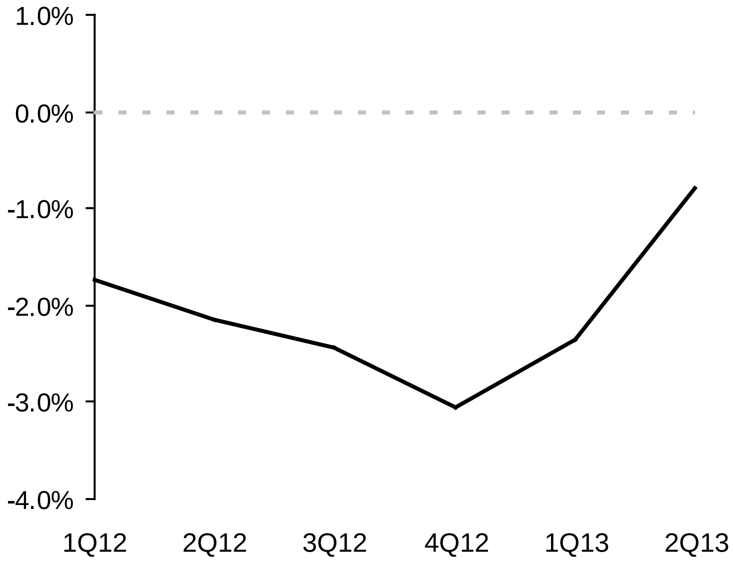
2Q13 highlights

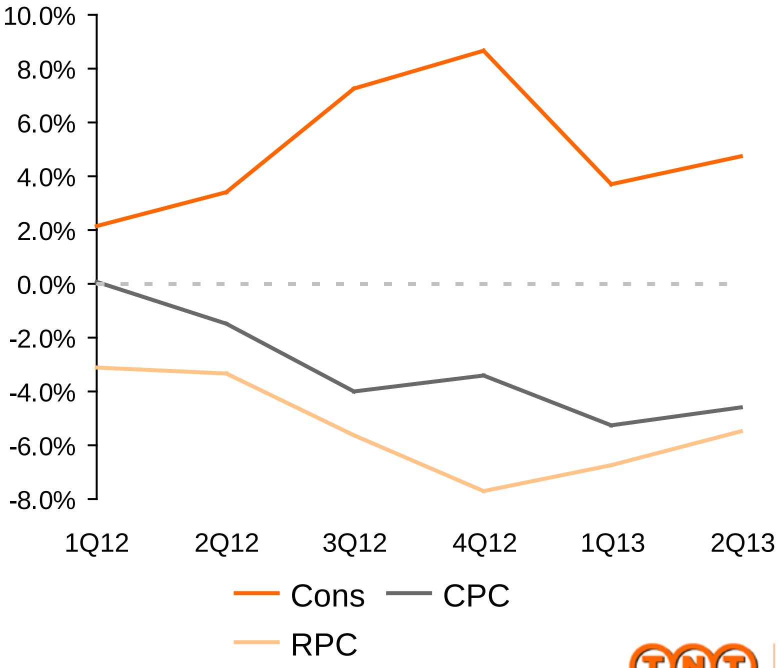
TNT Express	▪ Trading conditions continued to reflect generally challenging economic conditions ▪ Adjusted revenues €1,736m (-1.1%), adjusted operating income €71m (2Q12: €97m) ▪ Solid period end net cash €287m (1Q13: €280m)
Cost savings & *Deliver!*	▪ Strong focus on operational improvements; year-to-date adjusted operating expenses -1.4%, with significant consignment growth ▪ *Deliver!* gaining momentum; accelerated reorganisation Italy announced
Segmental performance	▪ Europe Main profit decline as a result of pricing pressure, mitigated by volume growth and savings ▪ Good performance Europe Other & Americas as a whole, but mixed picture by country, mostly depending on local economic conditions ▪ Pacific operating income below prior year. Strong consignment growth but significantly lower weight per consignment and higher input costs ▪ Asia Middle East & Africa profitability higher, despite weaker economic growth and negative effect introduction of VAT in China

European market environment and trends

Total European Union production
*(%chg YoY) **

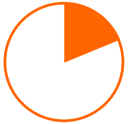
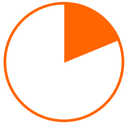
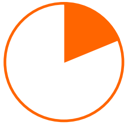


Europe Main, Europe Other and Americas combined
(%chg YoY)



* Source: Reuters / Eurostat (Total Production excl. construction)

Deliver! progress to date

	Highlights	
Reshape portfolio	▪ Closing of sale China Domestic expected in 2H13 ▪ Sale process Brazil Domestic started – adjusted operating income losses reduced to €(5)m	
Focus on distinctive service proposition	▪ Additional locations across 16 countries in Europe to offer pre 12:00 time guaranteed delivery ▪ Express freight service expanded to six new countries ▪ Global roll-out new MyTNT customer shipping tool	
Execute better	▪ Streamlined company-wide functions being established; consultation with employee representatives initiated ▪ Start of implementation of various operational improvement projects ▪ Savings realised from central air linehaul optimisation ▪ Accelerated reorganisation in Italy announced in June 2013	
Invest in infrastructure and IT	▪ Supporting IT projects underway	

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2013 guidance

- Challenging trading conditions foreseen for the rest of 2013, with continued negative development of operating results for Europe Main and Europe Other & Americas combined
- Asia Middle East & Africa expected to perform better than prior year
- Pacific decline in operating profits
- Unallocated around €(25)m (consists of unallocated costs and operating income from Fashion and Innight)
- Brazil expected to reduce losses

2015 ambitions

- The economic climate remains uncertain with limited visibility on the future
- Assuming a return to normal economic conditions in Europe (moderate economic growth and 2% annual inflation), ambition for Europe Main and Europe Other & Americas combined to achieve an adjusted operating income margin of around 8% and sales growth for the period of around 2% (CAGR)
- All other reportable segments to contribute to profitability
- Other indicators:
  - €220m improvements from *Deliver!*
  - Unallocated around €(25)m
  - ETR around 30%
  - Capex 2-3% of revenues (excluding additional investments *Deliver!* programme)
  - Trade working capital around 8% of revenues

2Q13 and 1H13 statement of income

(€m)	2Q13	2Q12	*%chg*	1H13	1H12	*%chg*
Revenues	1,702	1,756	*-3.1*	3,368	3,500	*-3.8*
Operating income	(280)	94		(49)	148	
Net financial expense	(5)	(10)	*50.0*	(12)	(15)	*20.0*
Income taxes	(15)	(24)		(82)	(34)	
Effective tax rate	*-5.3%*	*28.6%*		*-134.4%*	*25.6%*	
Profit for the period from continuing operations	(300)	61		(143)	100	
Loss from discontinued operations	(3)	(23)		(16)	(47)	
Profit / (loss) for the Period	(303)	38		(159)	53	

- 2Q13 reported revenues declined by 3.1%
- 2Q13 operating income includes €350 million in goodwill impairments, fair value adjustments and other one-offs
- Reported ETR impacted by one-offs
- Discontinued operations Brazil Domestic continues improvement

2Q13 and 1H13 statement of cash flows

(€m)	2Q13	2Q12	1H13	1H12
Cash generated from operations	102	98	294	131
Net cash from operating activities	54	63	222	82
Net cash used in investing activities	(26)	(10)	(54)	(21)
Net cash used in financing activities	(43)	(24)	(59)	(44)
Total changes in cash	(15)	29	109	17

- Net cash from operating activities €9m below prior year
- Net cash used in investing activities lower because of lower proceeds from sale of PP&E
- Net capex 1.6% of revenues
- Trade working capital 8.5% of revenues
- Net cash €287m (1Q13: €280m net cash)

New reporting segments

Operating income; € million @ average 2012 rates and adjusted for one-offs

	Old segmentation							
New segmentation	Europe Middle East & Africa	Asia Pacific	Other Americas	Other Networks	Non-allocated	Total Continued	Brazil	Total incl. Brazil
Europe Main	50			-2		48		48
Europe Other & Americas	20		-4			16		16
Pacific		3				3		3
Asia, Middle East & Africa	4	13				17		17
Unallocated	0			2	-15	-13		-13
							-5	-5
Total 2Q13	**74**	**16**	**-4**	**0**	**-15**	**71**	**-5**	**66**
Total 2Q12	88	16	-5	4	-6	97	-18	79
% chg	*-15.9*		*-20.0*			*-26.8*	*72.2*	*-16.5*

New Cash Generating Units and goodwill impairments

	Previous	New
Cash Generating Units	Northern Europe, Southern Europe & MEA, Asia Pacific, North America, Brazil, Other South America	Benelux, France, Germany, Italy, UK & Ireland, Europe Other, North America, Brazil, Other South Americas, Asia Middle East & Africa, Pacific and Other Networks
Goodwill value	€1,338m	€1,042m

- €296m impairment following impairment test
- Impact worsening trading conditions Southern Europe, loss of Fashion contract and decline Innight result
- Higher level of granularity of new CGUs also affected review
- 2015 ambitions reconfirmed

Europe Main

(€m)	2Q13	2Q12	*%chg YoY*	1H13	1H12	*%chg YoY*
Adjusted revenues	829	847	*-2.1*	1,652	1,702	*-2.9*
Adj operating income	48	61	*-21.3*	78	114	*-31.6*
Avg daily cons ('000)	707	670	*5.5*	705	661	*6.7*
RPC (€) (at constant FX)	18.9	20.4	*-7.4*	18.7	20.3	*-7.9*
Avg daily kilos ('000)	11,412	11,289	*1.1*	11,267	11,160	*1.0*
RPK (€) (at constant FX)	1.17	1.21	*-3.3*	1.17	1.20	*-2.5*

- Overall, negative trends remain in difficult market environment
- Lower RPC as a result of price pressure, lower weight per consignment in International and higher proportion of domestic light-weight parcels
- Volume growth and good cost control supported profitability
- Most units weaker, with particular pressure on results in Italy and France

Europe Other & Americas

(€m)	2Q13	2Q12	*%chg YoY*	1H13	1H12	*%chg YoY*
Adjusted revenues	301	295	*2.0*	590	590	*0.0*
Adj operating income	16	14	*14.3*	28	22	*27.3*
Avg daily cons (‘000)	114	114	*0.0*	112	111	*0.9*
RPC (€) (at constant FX)	42.7	41.9	*1.9*	42.1	41.8	*0.7*
Avg daily kilos (‘000)	4,238	4,387	*-3.4*	4,219	4,344	*-2.9*
RPK (€) (at constant FX)	1.15	1.08	*6.5*	1.12	1.07	*4.7*

- Overall moderate revenue growth with good yield, but mixed volume development by country
- Positive RPC and RPK due to successful yield enhancement programme, but WPC lower
- Revenue in all products in line with or higher than prior year
- Good cost containment

AMEA

(€m)	2Q13	2Q12	*%chg YoY*	1H13	1H12	*%chg YoY*
Adjusted revenues	295	305	*-3.3*	557	601	*-7.3*
Adj operating income	17	15	*13.3*	14	5	
Avg daily cons ('000)	102	111	*-8.1*	96	105	*-8.6*
RPC (€) (at constant FX)	46.7	44.5	*4.9*	46.4	45.2	*2.7*
Avg daily kilos ('000)	8,435	8,635	*-2.3*	7,702	8,012	*-3.9*
RPK (€) (at constant FX)	0.56	0.57	*-1.8*	0.58	0.59	*-1.7*

- Year-on-year volume and price comparisons impacted by last year's closure of India Air Domestic
- Business conditions in China weakening and lower export volumes from large accounts; VAT introduction negatively impacting TNT Express pricing
- Operating result in Asia outside China well ahead of prior year

Pacific

(€m)	2Q13	2Q12	*%chg YoY*	1H13	1H12	*%chg YoY*
Adjusted revenues	177	174	*1.7*	350	348	*0.6*
Adj operating income	3	6	*-50.0*	2	11	*-81.8*
Avg daily cons ('000)	79	72	*9.7*	77	70	*10.0*
RPC (€) (at constant FX)	36.4	39.3	*-7.4*	36.5	38.9	*-6.2*
Avg daily kilos ('000)	2,958	2,998	*-1.3*	2,916	2,922	*-0.2*
RPK (€) (at constant FX)	0.97	0.94	*3.2*	0.96	0.94	*2.1*

- High consignment growth result of successful business development
- Significantly lower WPC, with related decline in RPC, due to downtrading large mining and resource sector customers and changes in customer mix
- Cost increases driven by high consignment growth and wage inflation, mitigated by productivity improvements
- Cost and commercial measures accelerated

Unallocated

- Adjusted for one-off items, Unallocated was €14m lower than the prior year mostly because of lower results from Central Networks, higher reallocation to the reportable segments of lower than expected corporate costs and increase in other costs
- Innight showing higher volumes in agriculture and automotives after slower start of the year

Discontinued operations

- Good financial and operational performance
- Strong RPC and RPK development pushed adjusted revenues up 18%
- Adjusted operating income €(5)m (2Q12: €(18)m)

Interim dividend 2013

Interim dividend €0.022

in Cash

Or

in Stock

Premium targeted at, but not lower than, 3% above cash dividend

1H13 Reported Net Profit Attributable to shareholders	€ (160)m
Adjustments (net of tax)	
+ Goodwill impairments	
+ Fair value adjustments	
+ Restructurings	
- Claim settlement	
+ UPS offer related costs	
- UPS termination fee	
Normalised Net Income	€ 30m

Interim pro forma dividend of €0.022 per share declared representing 40% of 1H13 normalised net income – in line with dividend guidelines

Normalised net income based on 1H13 profit adjusted for one-offs (after tax)