



TNT Express

2Q11 results presentation

1 August 2011

2Q11 results highlights

TNT	<ul style="list-style-type: none"> • Due to strong EMEA performance, aggregate adjusted operating income excluding Americas +12.0% • Some cost inflation and one-offs • ~€50m indirect cost savings programme started
EMEA	<ul style="list-style-type: none"> • Stronger profitability • Continuing strong growth in International Economy, slower International Express, Domestic growth controlled • Yield and volume development positive
ASPAC	<ul style="list-style-type: none"> • Volatile Asia-Europe demand • Negative impact higher fuel costs on intercontinental services • China domestic developed in line with expectations, upgrading LTL to Day Definite
Americas	<ul style="list-style-type: none"> • Brazil turnaround on track for 2H12 deadline, short term challenging <ul style="list-style-type: none"> – Service quality stabilised and new growth opportunities targeted • Full impact of major customer losses in Brazil evident in volume deterioration
Other	<ul style="list-style-type: none"> • Positioning in domestic emerging markets rests on continuing evidence that medium-term targets are achievable • Good cost control ensured a significantly lower Non-allocated result • Capital Markets Day in 1Q12

Financial highlights

(€m)	2Q11	2Q10	%chg
Reported revenues	1,800	1,784	0.9
Adjusted revenues*	1,835	1,784	2.9
Reported operating income	46	60	-23.3
Adjusted operating income*	79	86	-8.1
Net cash from operating activities	49	81	-39.5
Net cash used in investing activities	(39)	(45)	13.3

- Revenue growth reflects combination of positive price trend EMEA, continuing growth Asia Pacific but lower revenues Brazil
- RPC positive in EMEA, ASPAC and Americas; RPK trend positive
- Excluding Americas, aggregate adjusted operating income +12.0%

* The adjusted revenues and operating income figures are at constant currency (2010 rates) and exclude the impact of one-off charges in 2010 and 2011. Please see 2Q11 press release for details of these adjustments.

2Q11 results per segment

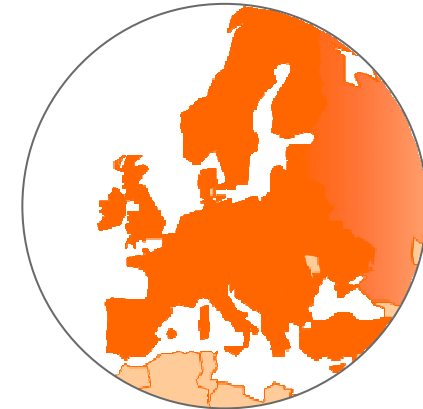
(€m)	Adjusted revenues			Adjusted operating income		
	2Q11	2Q10	%chg	2Q11	2Q10	%chg
Europe & MEA	1,149	1,122	2.4	109	98	11.2
Asia Pacific	458	420	9.0	(3)	8	
Americas	120	134	-10.4	(33)	(14)	
Other networks	109	110	-0.9	2	4	-50.0
Other/Non-allocated	(1)	(2)		4	(10)	
	1,835	1,784	2.9	79	86	-8.1

- Positive pricing and volume development EMEA
- Asia Pacific good revenue growth; profitability held back by higher input costs and volatile intercontinental volumes
- Americas' loss reflects significantly lower Brazil volumes
- Good cost control

EMEA – mixed economic environment, strong operating result

Product and customer mix	<ul style="list-style-type: none"> • International Economy ↑ • International Express ↓ • Domestic → • Large/global > SME
x Price	<ul style="list-style-type: none"> • Base rate increased • Fuel and other surcharges deployed
= Revenue	+2.4%
- Costs	<ul style="list-style-type: none"> • Productivity ↑ • Cost control initiatives ↑ • Operational gearing ↑
= Operating income	+11.2%

Yield improvement programme



Brazil turnaround – on track for 2H12 deadline

Organisation	<ul style="list-style-type: none">• New management structure, including former owners• Depot managers re-engaged• Decentralisation of sales and operations
Operations	<ul style="list-style-type: none">• Quality stabilised• Top-25 customers secured• Damage/loss ratio at acceptable level
Sales	<ul style="list-style-type: none">• No further significant customer losses• Significant pipeline developing



On track to meet 2H12 turnaround deadline – short term will be challenging

Asia Pacific – volume optimisation

Backdrop	<ul style="list-style-type: none">• Volatile Asia-Europe volumes
Capacity	<ul style="list-style-type: none">• Capacity optimisation:<ul style="list-style-type: none">– B777s and B747s fleet optimisation– Integrated India-China rotation
Frequency	<ul style="list-style-type: none">• 11 flights Asia-Europe per week



2011 aims

Barring major changes in the economy, TNT Express' aims for the year are unchanged:

- Europe & MEA revenue to continue to grow modestly, with an underlying operating margin in line with last year (9% or slightly above)
- Asia Pacific only partially to recover
- Americas' continuing negative performance being addressed through a full range of corrective measures
- Other networks to perform in line with the prior year
- Cash flow to be supported by tight cash capex and working capital management
- In addition, TNT targets annualised ~ €50m cost savings, with expected related charges and write-offs €45-65m. Implementation has started, with €5m restructuring charges taken in 2Q11 and TNT Express' head office restructuring planned for 3Q11.

2Q11 statement of income

(€m)	2Q11	2Q10	YTD'11	YTD'10
Revenues	1,800	1,784	3,596	3,469
Operating income	46	60	(33)	119
Net financial expense	(14)	(11)	(22)	(20)
Income taxes	(29)	(20)	(48)	(48)
Profit for the period	3	29	(103)	51

2Q11 one-offs, non-GAAP adjustments

(€m)	2Q11	2Q10	
Revenues	1,800	1,784	
FX	35		
Adjusted revenues	1,835	1,784	
Operating income	46	60	
FX	5		
Demerger related	(1)	25	
Pension asset recognition	(16)		<i>One-off settlement gain</i>
Share-based payments	14		<i>Accelerated vesting share plans</i>
Demerger costs	1	25	<i>Demerger related costs</i>
Restructuring / one-offs	29	1	
Restructuring	5	3	<i>Mainly Asia Pacific</i>
Software impairment	12		<i>Cessation certain software developments</i>
One-off Brazil	12		<i>Past claims, restructuring and other</i>
Book gain aircrafts		(2)	<i>Business related</i>
Adjusted operating income	79	86	

2Q11 statement of cash flows

(€m)	2Q11	2Q10	YTD'11	YTD'10
Cash generated from operations	97	110	100	107
Net cash from operating activities	49	81	25	62
Net cash used in investing activities	(39)	(45)	(88)	(71)
Net cash used in financing activities	(559)	(226)	(488)	(208)
Total changes in cash	(549)	(190)	(551)	(217)

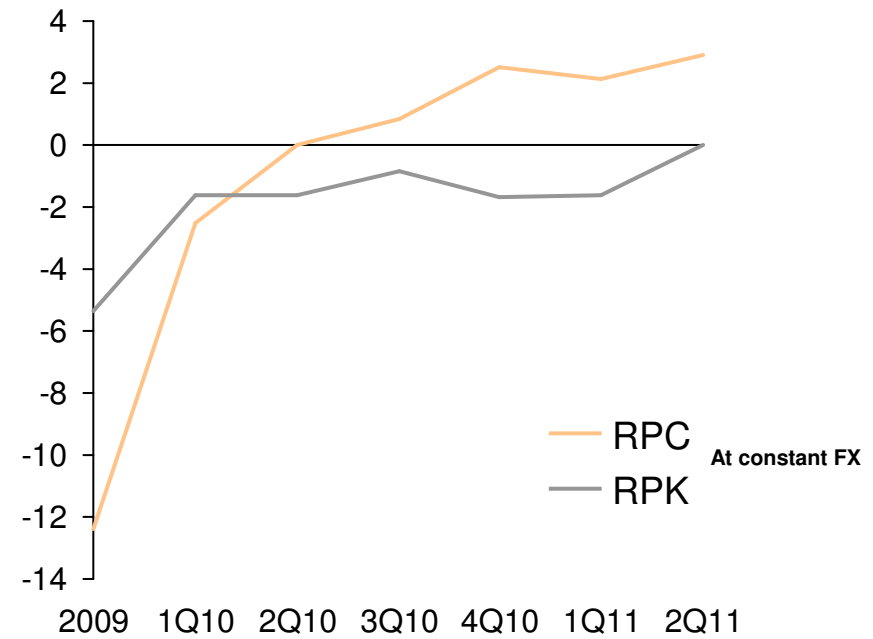
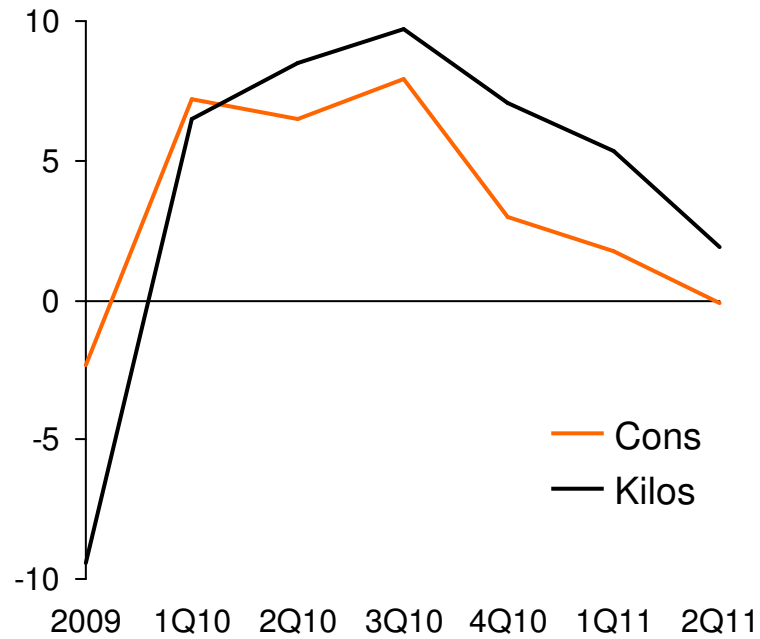
EMEA

(€m)	2Q11	2Q10	%chgYoY	YTD'11	YTD'10	%chgYoY
Adjusted revenue	1,149	1,122	2.4	2,293	2,222	3.2
Adj operating income	109	98	11.2	214	199	7.5
Avg daily cons ('000)	752	753	-0.1	745	739	0.8
RPC (€) (at constant FX)	24.7	24.0	2.9	24.2	23.7	2.1
Avg daily kilos ('000)	14,901	14,623	1.9	14,759	14,245	3.6
RPK (€) (at constant FX)	1.24	1.24	0.0	1.22	1.23	-0.8

- Solid profit margin driven by price-improvement initiatives and cost control and higher productivity
- Continuing strong growth in International Economy, slower growth International Express addressed through commercial initiatives, controlled growth Domestic
- Relatively higher growth of higher-weight International Economy products
- Yield environment good
- Southern Europe, Middle East and UK performed well

EMEA: volume (average per day) and price development

YoY %chg



Asia Pacific

(€m)	2Q11	2Q10	%chg YoY	YTD'11	YTD'10	%chg YoY
Adjusted revenue	458	420	9.0	856	782	9.5
Adj operating income	(3)	8		(20)	5	
Avg daily cons ('000)	193	189	2.1	183	178	2.8
RPC (€) (at constant FX)	38.2	35.8	6.7	36.9	34.6	6.6
Avg daily kilos ('000)	14,194	14,552	-2.5	13,364	13,316	0.4
RPK (€) (at constant FX)	0.52	0.47	10.6	0.50	0.46	8.7

- Volatile Asia-Europe demand
- Negative impact of higher fuel costs on intercontinental services
- Domestic China continues targeted growth of day-definite product to reduce proportion of LTL services (the principal reason for Asia Pacific's -2.5% average kilos per day)
- Positive RPC and RPK development partially offsetting input-cost inflation

Americas

(€m)	2Q11	2Q10	%chg	YTD'11	YTD'10	%chg
Adjusted revenue	120	134	-10.4	225	248	-9.3
Adj operating income	(33)	(14)		(64)	(26)	
Avg daily cons ('000)	56	68	-17.6	54	64	-15.6
RPC (€)	34.2	31.9	7.2	32.9	30.6	7.5
Avg daily kilos ('000)	3,333	4,346	-23.3	3,267	4,289	-23.8
RPK (€)	0.58	0.50	16.0	0.54	0.46	17.4

- Full impact of major customer losses in Brazil evident in significant year-on-year volume deterioration and related operating losses
- Turnaround proceeding according to plan: new organisation and team in place, service quality stabilised and key controls implemented
 - €12m of restructuring and one-off costs
 - Significant local and global new customer interest and sales pipeline
 - 2H12 turnaround deadline reiterated
- Overall, the rest of Americas performed in line with expectations

Other Networks and other

- Other Networks performing in line with expectations
- Non-allocated costs lower as a result of overhead control and reduced project-related costs
- Indirect cost savings programme started

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