TNT

REVENUES €4,293 MILLION

OPERATING INCOME €480 MILLION

UNDERLYING CASH OPERATING INCOME* €341 MILLION

*OPERATING INCOME MINUS NON-RECURRING ITEMS ADJUSTED FOR THE RESTRUCTURING PAYMENTS AND THE DELTA TO REFLECT THE ACTUAL CASH PAYMENTS FOR PENSIONS

NUMBER OF EMPLOYEES 77,155

CUSTOMER satisfaction 89%

MAIL items delivered* 4,070 MILLION

*BY MAIL NETHERLANDS

ANNUAL OVERVIEW 2010

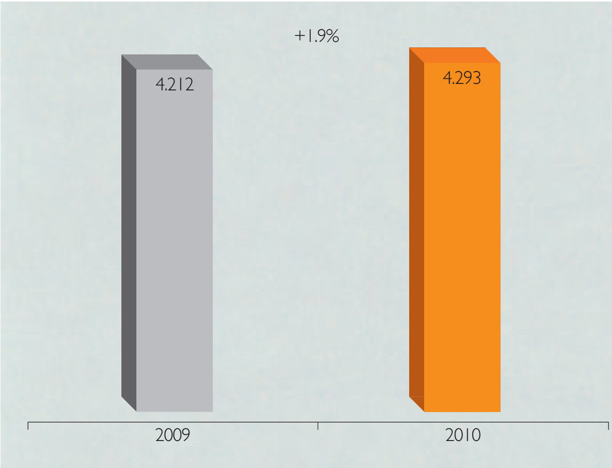
The information contained in this annual overview is a selection from TNT's 2010 annual report (the "annual report") and the 2010 Express supplementary report. For a complete presentation of the facts presented in this overview you should consult these reports. In case of any discrepancy between the information in this overview and the reports, the text in the reports prevails.

A Dutch translation of this document is also available. The information contained in this overview and in the annual report can also be found on our website group.tnt.com.

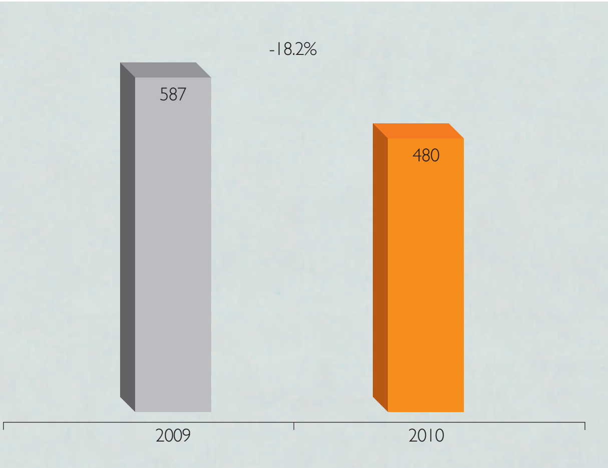
Contents

Mail

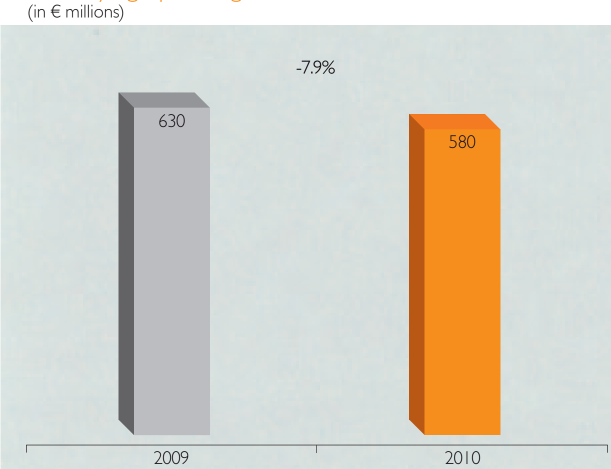
Reported revenue
(in € millions)



Reported operating income
(in € millions)

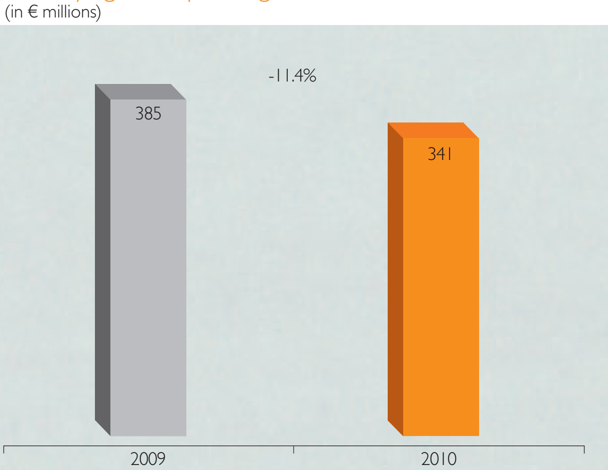


Underlying operating income *
(in € millions)



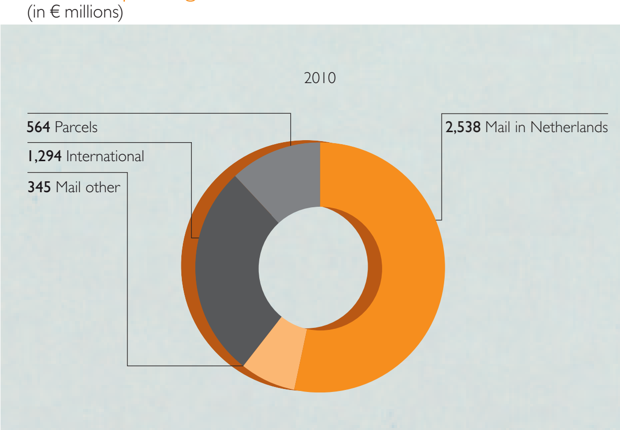
* Operating income minus non-recurring items

Underlying cash operating income *
(in € millions)

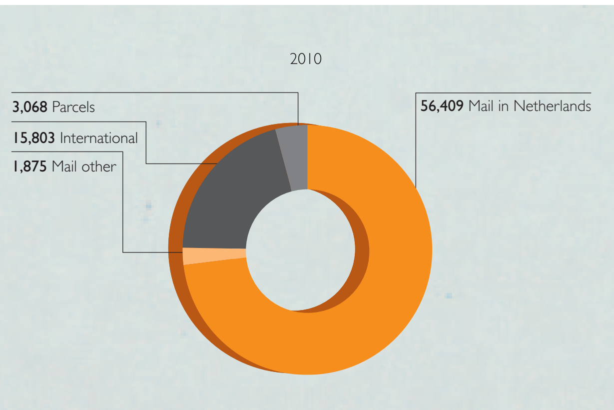


* Underlying operating income minus additional cash pension contributions

Revenue per segment
(in € millions)

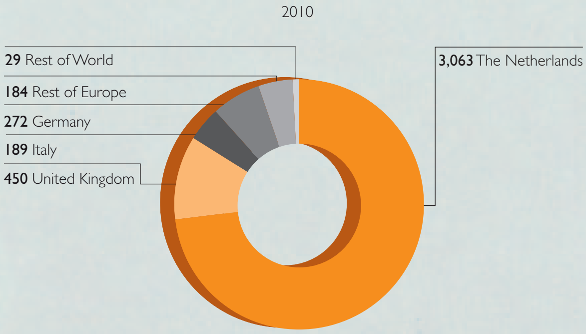


Employees per segment

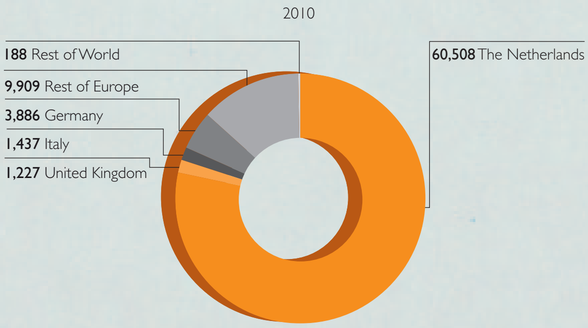


Net sales per country

(in € millions)



Employees per country



Operating income

	2009	% change	2010
Mail in NL	456	-58.8%	**188**
Parcels	57	40.4%	**80**
International	(181)	-84.0%	**(29)**
Mail other	255	-5.5%	**241**
TNT total	**587**	-18.2%	**480**

(in € millions, except percentages)

Volumes

	2009	% change	2010
Mail in NL	**4,473**	-9%	**4,070**
Single items	1,008	-7%	**941**
Bulk mail	3,465	-10%	**3,129**
Parcels	**90**	7%	**96**

(in € millions, except percentages)

Debt maturity

	< 1 yr	1-3 yr	3-5 yr	> 5 yr
Euro Bonds	–	–	–	1,537
Other loans	–	32	1	–
Financial leases	2	2	1	–

(in € millions, for full schedule see note 30 of our financial statements)

Financial performance

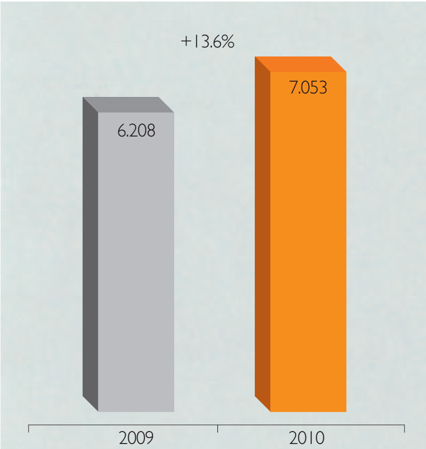
	2009	2010
Price/Earnings (closing share price/earnings per share)	28.0	**21.3**
Shareholder return (annual growth of the change in closing share price plus dividend)	60.7	**55.3**
Dividend yield (closing share price/dividend per share)	2.47	**2.89**
Quick ratio (current assets minus inventory/current liabilities)	1.0	**0.5**
Debt/Equity ratio (long term debt/equity of the equity holder)	0.9	**0.7**
Interest coverage (operating income/interest and similar expenses)	3.6	**4.0**

Corporate responsibility performance

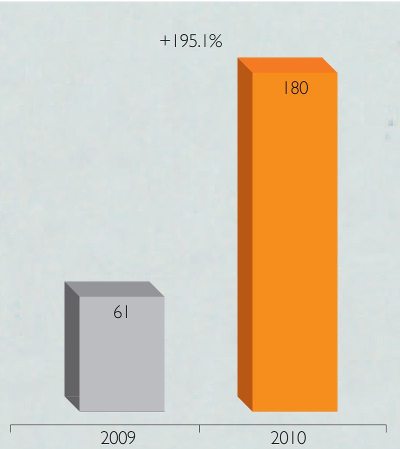
	2009	2010
CO_2 emissions ktonnes	83	**83**
CO_2 efficiency index	68.9	**70.4**
Fatal accidents own employees and subcontractors	4	**1**
Lost time accident frequency rate lost time accidents per 100 FTEs	2.08	**4.37**
Customer satisfaction	90%	**89%**
Employee engagement	–	**54%**

Discontinued operations (Express)

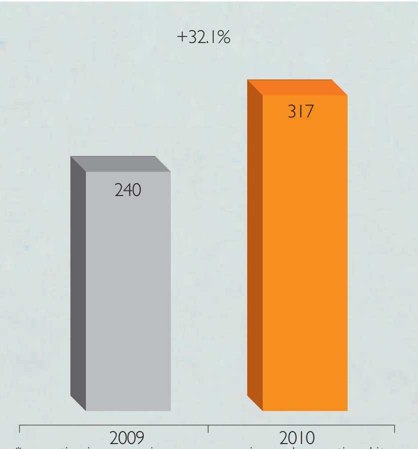
Reported revenues
(in € millions)



Reported operating income
(in € millions)

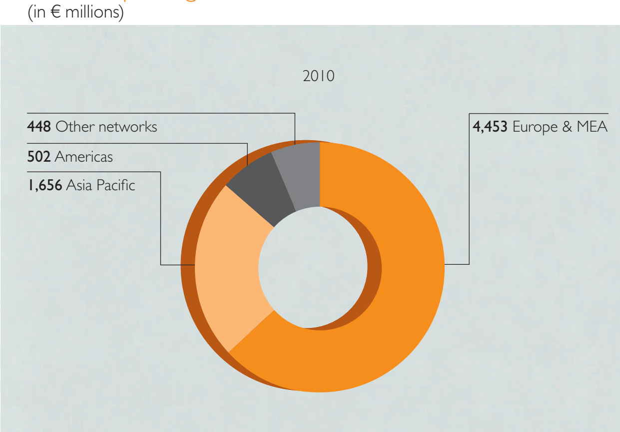


Underlying operating income *
(in € millions)

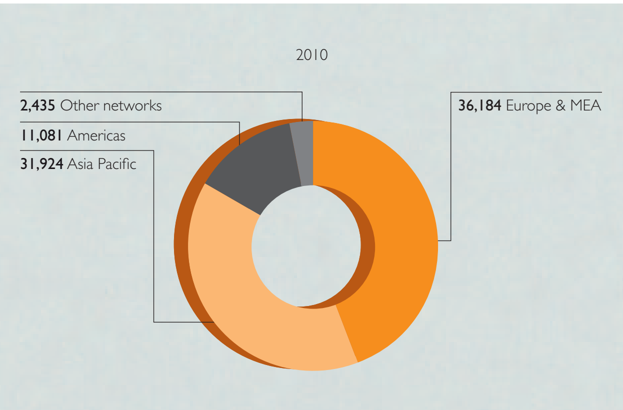


*operating income minus non-recurring and exceptional items

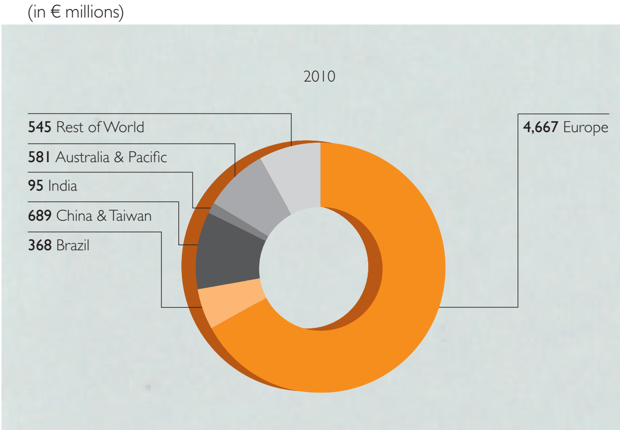
Revenue per segment
(in € millions)



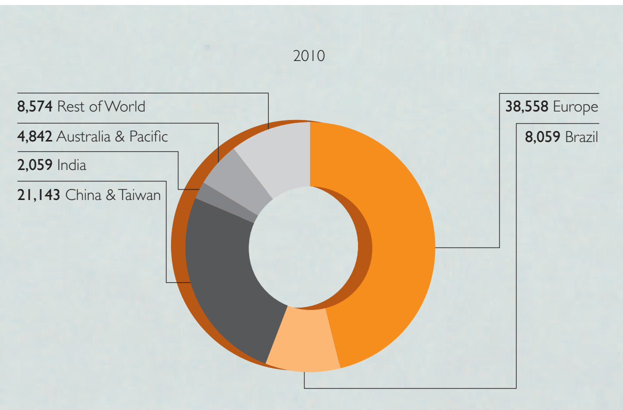
Employees per segment



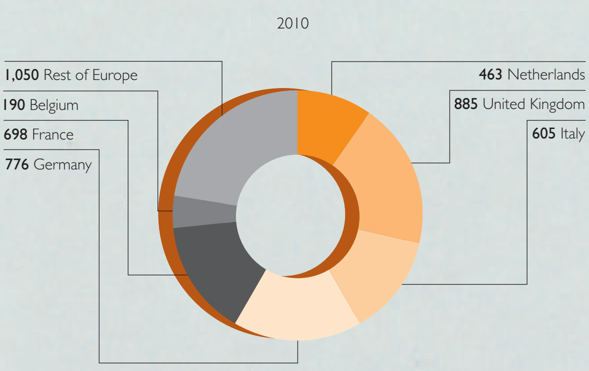
Net sales World
(in € millions)



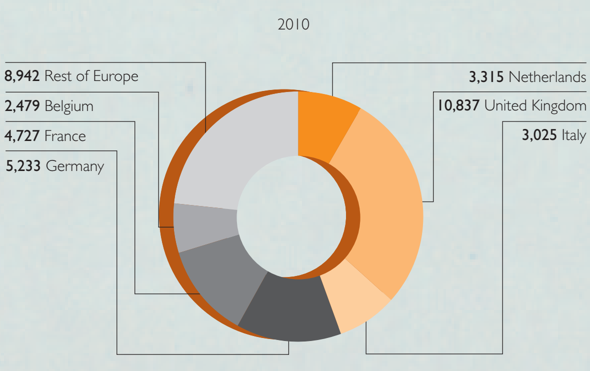
Employees World 2010



Net sales Europe
(in € millions)



Employees Europe



Operating income (EBIT)

	2009	% change	2010
Europe & MEA	281	32.0%	**371**
Asia Pacific	(32)	n/m	**14**
Americas	(32)	n/m	**(67)**
Other Networks	18	0.0%	**18**
Non-allocated	(174)	-10.3%	**(156)**
	61	195.1%	**180**

(in € millions, except percentages)

Volumes

	2009	% change	2010
Number of tons carried	7,695,844	6.6%	**8,207,603**
Average number of working days	254	1.2%	**257**
Number of depts/hubs	2,409	10.1%	**2,653**
Number of vehicles [1]	26,319	14.9%	**30,239**
Number of aircraft [1]	48	4.2%	**50**

[1] A substantial number of the vehicles and aircraft are not owned but leased or subcontracted.

Financial performance

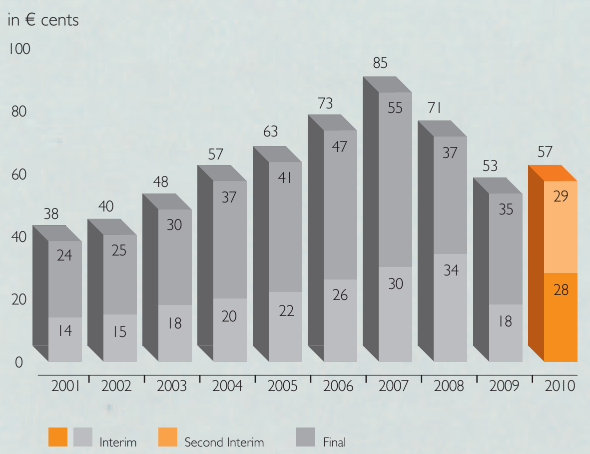
	2009	2010
Quick ratio (current assets minus inventory/current liabilities)	1.0	**1.1**
Interest coverage (operating income/interest and similar expenses)	0.8	**3.1**
Return on assets (profit for the period to the equity holder/total assets)	-0.2%	**1.2%**
Return on capital employed (operating income/total assets minus current liabilities)	1.8%	**5.2%**

Corporate responsibility performance

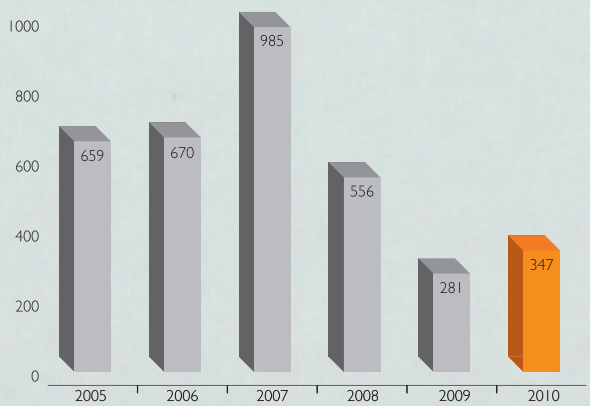
	2009	2010
CO_2 emissions ktonnes	788	**1,020**
CO_2 efficiency index	98.2	**92.8**
Fatal accidents own employees and subcontractors	27	**36**
Lost time accident frequency rate lost time accidents per 100 FTEs.	3.04	**2.98**
Customer satisfaction	93.6%	**92.2%**
Employee engagement	–	**69%**

TNT

Dividend per share
(in € cents)



Profit for the shareholders [1]
(in € millions)



[1] Pre 2005 data not meaningful as they pertain to the period before our first time adoption of IFRS

From the CEO – New directions

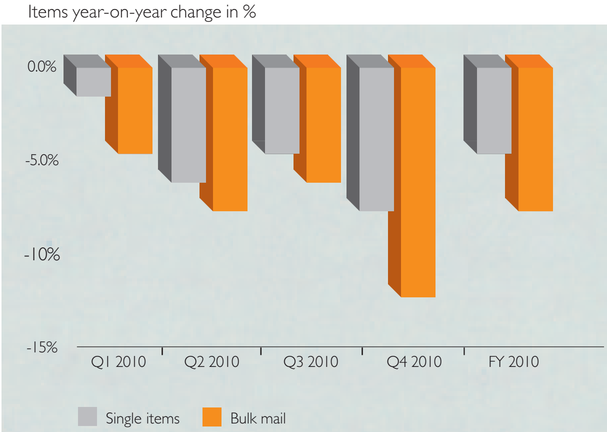
Dear stakeholders,
Looking back, 2010 was a year of large operational challenges. From the volcanic ash cloud in the spring to the mail strikes and harsh winter conditions, our company faced issues that tested our 'Sure we can' mentality.

But 2010 also saw the return of Express volumes to pre-economic crisis levels, and the volume growth in Parcels continued. On a corporate level we decided we would best serve our stakeholders' interests and the company's future by putting forward to the shareholders a proposal to separate the mail and express businesses.

MAIL

In Mail, the ongoing substitution of physical mail by electronic forms of communication and competition in the first full year of a liberalised market led to a letter mail volume decline in the Netherlands of 9.0%.

Volume decline versus 2009
Items year-on-year change in %

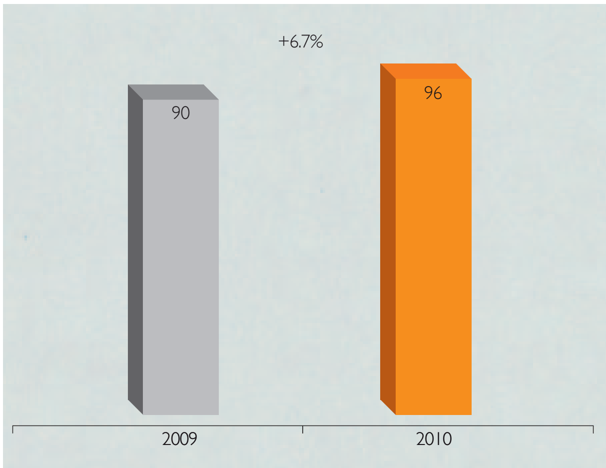


Fewer letters to be delivered, leads to less work for our employees. To deal with further volume decline, Mail needs to continue to make its work force more flexible. As a result, in 2007, the company announced its intention to replace 11,000 full-time mailmen jobs in the next few years. Most of the redundancies will be voluntary or through natural attrition, but in September 2010, Mail estimated the number of forced redundancies at 4,500.

These restructuring plans affect some of our most loyal and long-serving employees in a hard way. Protests against the restructurings led to four consecutive strikes in the Netherlands in November and December 2010. On 16 December 2010, Mail reached an in principle agreement with the unions. In this agreement, the restructuring plans were adjusted to reduce the number of forced redundancies to 2,800, with a further possible reduction of 200 jobs as a result of future organisational changes and a maximum effort by Mail to move as many people as possible into new jobs outside of TNT. The majority of the union members ratified this agreement at the end of January 2011.

Online shopping continues to drive the volume growth in Parcels. In 2010, the number of parcels delivered in the Netherlands grew by 6.7%.

Parcels volume growth
Items in millions



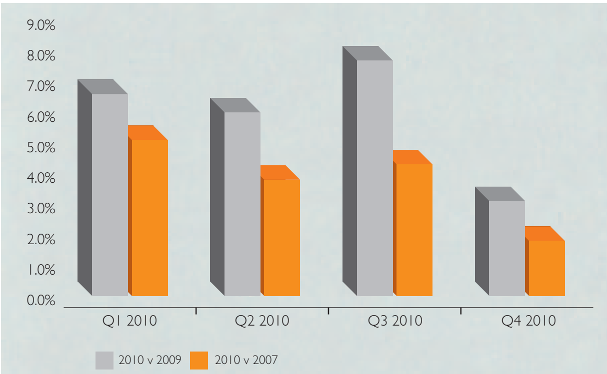
In order to accommodate this growth, Mail will invest a total of €240 million in the coming years to implement a new parcels infrastructure throughout the Netherlands that caters for a further 40% volume increase. Mail is concentrating its international activities on the addressed mail segments in the United Kingdom, Germany and Italy. Since 2005, revenues in these activities have grown from 0 to €1.3 billion. The focus will be on improving the profitability of this portfolio.

EXPRESS

The eruption of a volcano in Iceland in April 2010, led to a severe disruption of air travel and transport in Europe. Our express air hub in Liège, Belgium closed down for two days. We were successful in shifting all air volumes to our road operations, minimising the consequences for our customers. Later in the year, the threat of explosives caused further operating challenges, as did the harsh winter weather in Europe.

As the economy recovered Express volumes returned to 2007 levels in the third quarter.

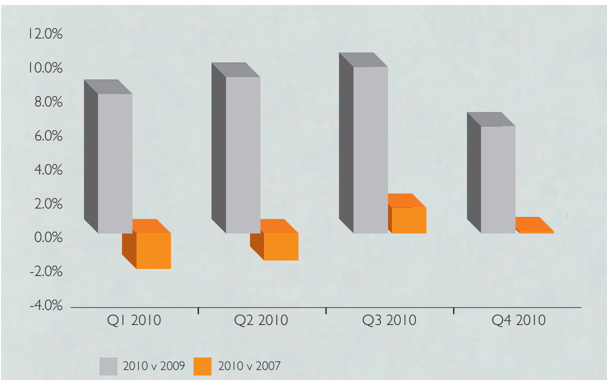
Growth in kilogrammes



Note: Average daily Domestic and International volumes growth by quarter excluding Hoau (China) and acquisitions in Brazil and Chile

Growth in consignments

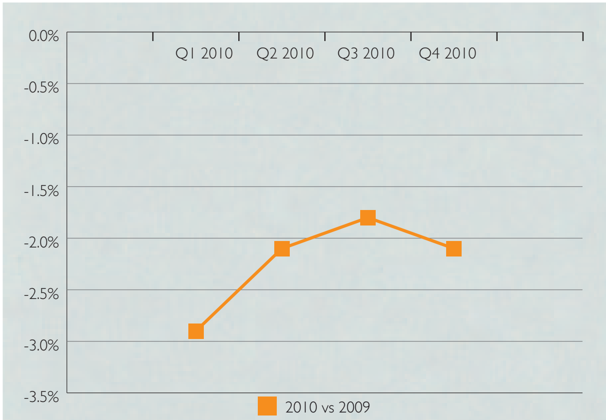
Items in millions



Note: Average daily Domestic and International volumes growth by quarter excluding Hoau (China) and acquisitions in Brazil and Chile

Competition and the higher growth in the large customer segment continued to put pressure on revenue-quality yield. Express is addressing this by a price increase announced in July and a yield management programme. The positive results will improve 2011 profitability.

Revenue-Quality



Note: Revenue-quality yield is the average of the growth in revenue per consignment and revenue per kilogramme for the domestic and international products excluding acquisitions

In the first half of 2010, volumes on the Asia to Europe route rose sharply, which required Express to add two Boeing 747 freighters between Hong Kong, Shanghai and Liège. Since October, Express has added three additional stops in Chongqing, which makes it the first integrator to operate dedicated flights to Europe from this main port destination in western China.

To cater for the positive development of volumes on the Asia to Europe route Express has ordered three Boeing 777 freighters, the most energy efficient longhaul aircraft currently available on the market. These airplanes are expected to be delivered in 2011.

CORPORATE STRATEGY

On 2 December 2010, TNT presented its next chapter in the development of our company with the launch of our proposal to separate our Mail and Express businesses into two independently listed companies. This separation is now in full motion and will be tabled for final decision at the Annual General Meeting of Shareholders on 25 May 2011. The separation decision is already reflected in the way this annual overview is structured: Express is reported as discontinued operations.

In August, CFO Henk van Dalen unexpectedly left TNT. However we were able to quickly fill this vacancy with an internal candidate: Bernard Bot, formerly group director Business Control.

In the area of corporate responsibility (CR) we have for the fourth consecutive time become a supersector leader in the Dow Jones Sustainability Indexes. The annual report 2010 is the second in which we provide an integrated presentation of both our financial and CR performance.

In our partnership with the World Food Programme in 2010 we offered more than 14,000 hours of support in two major crises, in Haiti and Pakistan. After the separation the partnership will be continued by Express.

LOOKING AHEAD

The coming months will see us preparing and publishing the demerger documents. After the announcement of the first quarter results, Express and Mail will be presented to the capital market during so-called Capital Markets days on 3 May 2011 and 9 May 2011, respectively. Following this, on 25 May 2011 the demerger proposal will be put to the vote at the Annual General Meeting of Shareholders. After shareholders agreement the separation will come into force at the end of May.

OUTLOOK

Mail expects addressed volume decline in 2011 in the Netherlands of between 8% to 10% due to ongoing substitution and competition, in this second full year after full liberalisation. Master Plan savings of €50 to €60 million are targeted for the year. Mail's underlying cash EBIT (defined as underlying EBIT minus pension cash outflows and cash out for restructuring) is expected to be €130 to €170 million. After separation, Mail's dividend guidelines for the next few years will include a payout of around 75% of underlying net cash income, with a minimum of €150 million per annum. In addition, shareholders will be given the dividend that Mail receives from the Express business.

For 2011, TNT assumes a mostly stable economic environment. To counter inflationary cost pressures (including fuel) and possible mix effects, Express will focus on structural costs and cash alongside yield improvements which continue to be a priority. For the full year, Express targets underlying revenue of €7.3 billion to €7.5 billion and underlying operating income of €400 to €420 million (operating income including the allocation of €20 million of TNT central costs). After separation, Express' dividend guideline will include a payout of around 40% of normalised net income.

The above excludes extra one-off costs directly related to the separation currently estimated at around €35 million.

I would like to thank all stakeholders for their interest in and support of TNT over the past year. A special mention is due to our employees whose energy and enthusiasm to the company helped us overcome significant operational challenges in 2010, including some of the worst weather we have seen in Europe in recent years. I salute all our truck drivers, delivery people and mail men and women who did their utmost to deliver express parcels and mail in spite of snow, wind and icy roads.

After the separation, the two new companies will be led by new management teams headed by Marie-Christine Lombard for Express and Harry Koorstra for Mail. I wish them a lot of wisdom and a clear strategic vision for the new directions they will choose for their companies. I'm confident of their ability and leave the legacy of 12 years of combined TNT in their capable hands.

The separation marks the end of the holding company, and with it the end of my role as CEO. I would like to thank everyone who over the years has helped to make TNT into what it is now: one of the most special companies in the world. I wish and expect Mail and Express to continue their success into the future.

Kind regards,

Peter Bakker,
CEO

Business profile and organisation

TNT N.V. TO FOCUS SOLELY ON MAIL FOLLOWING DEMERGER – TNT N.V. TO BE REBRANDED

The separation of the Express and Mail divisions will take place through the statutory demerger of the Express activities by TNT N.V., with the retention of a minority financial shareholding in Express by TNT N.V. of 29.9%.

RECONCILIATION 2009 – 2010

In light of the intended legal demerger of Express from TNT N.V., Express is presented as a discontinued operation within this annual overview.

Following the completion of the announced internal legal restructuring on 1 January 2011, the full legal scope of the Express entities to be demerged as well as the legal scope of the remaining TNT N.V. (Mail) Group after demerger have been defined. Accounting standards require TNT N.V. to publish its full-year 2010 results and subsequent reports anticipating the demerger of Express.

A reconciliation of the previous divisional operating income into the operating income for the new entities is shown in the following table:

Reconciliation 2010

Year ended at 31 December	2010 Results previous structure	Scope	Profit pooling	Pensions	2010 Results new structure
Express	6,782	271			7,053
Mail	4,298	(5)			4,293
Other networks	271	(271)			
Non-allocated and intercompany	(22)	22			
Total operating revenues	**11,329**	**17**	**0**	**0**	**11,346**
Express	309	(63)	(41)	(25)	180
Mail	402	12	41	25	480
Other networks	11	(11)			
Non-allocated	(62)	62			
Total operating income	**660**	**0**	**0**	**0**	**660**

(In € millions)

Reconciliation 2009

Year ended at 31 December	2009 Results previous structure	Scope	Profit pooling	Pensions	2009 Results new structure
Express	5,956	252			6,208
Mail	4,216	(4)			4,212
Other networks	253	(253)			
Non-allocated and intercompany	(23)	23			
Total operating revenues	**10,402**	**18**	**0**	**0**	**10,420**
Express	193	(16)	(92)	(24)	61
Mail	472	(1)	92	24	587
Other networks	7	(7)			
Non-allocated	(24)	24			
Total operating income	**648**	**0**	**0**	**0**	**648**

(In € millions)

Following TNT N.V.'s legal demerger of the Express business, TNT N.V. will focus solely on the Mail business. In the context of the legal demerger, TNT N.V. will be rebranded and the Mail business will be conducted under a new name.

The demerger is expected to be effective by the end of May 2011, following shareholder approval. As of 1 January 2011, the internal legal and organisational restructuring was completed.

BUSINESS DESCRIPTION

TNT N.V. (Mail) is responsible for the delivery of documents, small packages and standard parcels in the Netherlands and around the world. In addition, Mail in the Netherlands is responsible for the provision of the universal postal service in the Netherlands. Mail collects, transports, sorts, and delivers these items by combining physical infrastructures such as depots, trucks, sorting centres and delivery capabilities.

The items transported range from documents to parcels to palletised items. Mail's home market is the Netherlands, but it also competes with incumbent Mail operators by providing addressed mail services in several European countries (with a focus on the United Kingdom, Germany and Italy) and provides international services worldwide (among others through its subsidiary, Spring Global Mail).

Mail is increasingly active in offering mail-related data, communications and e-commerce solutions to its target customers. These solutions are largely provided through its subsidiary Cendris.

BOARD OF MANAGEMENT – TNT N.V.

As of January 2011, TNT completed its internal separation of the Mail and Express businesses. The Board of Management of TNT N.V. has agreed interim procedures to ensure proper management of TNT pending the proposed demerger.

BOARD OF MANAGEMENT – MAIL

Following the demerger, the Board of Management of Mail will be responsible for setting and executing Mail's strategy and will consist of four members: Mr Koorstra, CEO of Mail, also responsible for operations of Mail in the Netherlands; Mr Bos, CFO of Mail, Ms Verhagen, responsible for Parcels and International, and Mr Aben, the Human Resources director of Mail.

Mr Koorstra
CEO

Mr Bos
CFO

Mr Aben
HR

Ms Verhagen
Parcels and International

Mail market overview, strategy, performance and outlook

Mail's primary focus is to retain its leading position in the declining mature mail market in the Netherlands. In addition to this, Mail is well positioned to capture growth opportunities in mail-related businesses, standard parcels and in mail markets in the United Kingdom, Germany and Italy.

MARKET OVERVIEW

In most countries, the postal sector is highly regulated, with an incumbent in a protected, monopolistic position. In Europe, the sector is being liberalised slowly and unevenly. The majority of the European markets should de jure be liberalised by 2011, with a fully liberalised market expected throughout the EU by 2013. Formally, the Netherlands, the United Kingdom, Germany, Estonia, Sweden and Finland have fully liberalised their domestic markets. Nevertheless, different tax and regulatory regimes in many countries hinder de facto liberalisation. As a result of this, in most European markets, the incumbent continues to dominate with challengers holding a small, but slowly increasing market share. The incumbents also benefit from their historically developed extensive collection and delivery networks and their brand reputation.

In the United Kingdom, Germany and Italy, countries where Mail is active, barriers are being removed gradually, in part through increased pressure from customers for a choice of alternative delivery options.

MAIL STRATEGY AND ACTIONS

Mail's strategy is to capture the opportunities of the identified market trends while managing the decline of postal volumes in the Netherlands. This includes positioning Mail as an important player in the changing electronic communications market, including the development of the position of a service integrator offering value-added and supply chain-related services, and the introduction of new services that fit the developments in the growing parcel delivery market. Furthermore, Mail intends to capture growth opportunities outside the Netherlands and develop its addressed postal delivery services in the United Kingdom, Germany and Italy, and its parcel solutions in the Netherlands and Belgium.

Mail has established positions in several European countries. In the Netherlands, Mail is the market leader with a market share estimated at around 83% in 2010. In the United Kingdom, Germany and Italy, Mail is the main challenger to the incumbent.

In the fast growing business-to-consumer (B2C) parcels market, Mail is the market leader in the Netherlands, and is expanding its position in Belgium.

MAIL IN THE NETHERLANDS

In the Netherlands, Mail continues to face volume declines due to increasing substitution by new media (digitisation), competitive pressure, relatively high labour costs and uncertainty in the regulatory environment.

As a consequence of the combined market trends, the addressed postal volume decline in 2010 was 9%. For 2011, Mail estimates the decline of its addressed postal volumes to be around 8% to 10%. In the years thereafter, Mail estimates its annual volume decline to be 6% on average. Mail is continuously implementing change management and restructuring programmes to cope with this decline, and in 2010, Mail took further steps to prepare for the complete redesign of its postal network, which will be implemented in 2011.

Essential to this redesign is the concentration of sorting and preparation of mail in a limited number of locations, and further mechanisation of the preparation of mail rounds. As a result, the job of a traditional full-time mailman will cease to exist and Mail in the future will employ mainly part-time mail deliverers. The tasks of the part-time mail deliverers are significantly simplified compared with those of traditional mailmen. The implementation of this redesign will result in the loss of a significant number of jobs. In total 11,000 jobs in operations will be shed, most of which will be resolved through natural attrition and voluntary mobility. By the beginning of 2011, an agreement with labour unions was reached, including arrangements to limit the number of forced redundancies. This agreement lays the foundation for the transformation of Mail's operations to a sustainable long term efficient mail operation, while reflecting the responsibility that the company holds towards its employees.

In addition to the operational consequences of the redesign, a peak-day delivery service will be introduced. This is a competitive service offering targeted at non-time-sensitive business mail that is delivered within three peak days only.

The redesign is a successor to earlier Master Plans initiated between 2001 and 2006. In 2010, €93 million was realised. A further €337 million is planned up to 2017.

To realise these long-term savings, restructuring payments and investments in the new infrastructure will be needed in the years 2011 – 2013. This will impact the cash EBIT during this period. For more information, see the financial outlook below.

Other services

In addition to mail delivery services, Mail in the Netherlands also offers data and document management services and inbound call centres through Cendris, a leader in this market. Cendris is not only a strong supporting partner for mail and parcel delivery, but also offers Mail the opportunity to extend its position in the value-chain, with key activities fuelling Mail's growth. Cendris and Mail have experience in both online and off-line marketing.

In the area of fulfilment, Mail is well positioned with its mailing house Euro Mail. Mail has integrated these abilities to provide its customers with leading products through its website tntpost.nl and its webshop kadowereld.nl. In 2010, Mail combined these abilities with the abilities of its Parcels segment (see below) and marketed the full service offering to fashion retailers such as WE and M&S Mode.

Mail in the Netherlands experienced decreasing volumes of addressed postal items in 2010, resulting largely, as expected, from substitution (314 million items) in the Dutch mail market. In total, addressed mail items in the Netherlands decreased by 9.0%. In 2011, the volume decline is expected to be around 8% to 10%. The volume of unaddressed mail items increased by 11.4%.

FINANCIAL PERFORMANCE BY SEGMENT
MAIL IN THE NETHERLANDS

Financial review

Year ended at 31 December	2010	variance %	2009
Total operating revenues	**2,538**	(6.1)	2,704
Other income	**11**	(31.3)	16
Total operating expenses	**(2,361)**	(4.3)	(2,264)
Total operating income	**188**	(58.8)	456
as % of operating revenues	**7.4**		16.9

(in € millions, except percentages)

PARCELS

Financial review

Year ended at 31 December	2010	variance %	2009
Total operating revenues	**564**	6.2	531
Other income	–		–
Total operating expenses	**(484)**	(2.1)	(474)
Total operating income	**80**	40.4	57
as % of operating revenues	**14.2**		10.7

(in € millions, except percentages)

PARCELS

Mail operates parcels businesses in the Netherlands and Belgium. In the fast-growing B2C parcels market, Parcels is the market leader in the Netherlands with a 57% market share (2008). In the business-to-business (B2B) parcels market, it has a market share of 16%. The Dutch domestic standard parcels market was worth around €1.1 billion in 2010, €340 million of which was in the fast-growing B2C market. While the B2B market has shown single-digit growth over the years, the B2C market has experienced double-digit growth fuelled by e-commerce activities of many retailers. Parcels has benefited more from this growth than other market players, with volumes increasing by 50% over the last five years, leading to a robust operational result. Parcels has a good starting position to benefit from further developments in the parcels market and to extend its portfolio.

As part of its growth initiatives, Parcels is in the process of strengthening its position in the parcel market through a combination of e-fulfilment services, special mail and parcel services, and shop and media logistics. In addition to the traditional home and office delivery, Parcels is developing cargo and pallet distribution and is expanding in Belgium and in cross-border services. Retail distribution and specialised services also offer new opportunities for Parcels.

Through various acquisitions, Parcels has made steps to extend its propositions. The acquisition of Micropakket Nederland B.V. in 2009 enabled Parcels to target the high-end segment. Parcels moved further into the specialised distribution services and e-fulfilment services through the development in 2010 of a new service offering, 'Extra@Home', specialised in the delivery of white goods and furniture, and with the acquisition of TopPak Holding B.V. Parcels intends to further extend its service portfolio to other dedicated services.

Furthermore, using its international contracts and services Parcels aims to strengthen its position as a broker for international parcel distribution and offer its international customers, including other postal operators, a broad range of parcel solutions services, through integrated networks where possible and specialised networks where necessary.

Both in Germany and the United Kingdom, Parcels is in the process of establishing a small sales force to direct volumes to these services.

To absorb future growth, Parcels is changing its logistical operational infrastructure through the 'New Logistical Infrastructure' programme. Currently, Parcels operates a 'hub and spoke' model with three large sorting centres and a countrywide network of depots. This offers limited flexibility in a rapidly developing market. The new infrastructure has smaller hybrid hub and/or sorting locations throughout the country. This solution offers Parcels the opportunity to grow while at the same time reducing costs and remaining flexible to market developments. This process, which started in 2009, is expected to take until 2015, and requires an investment of around €240 million in total, spread over the period from 2010 to 2016. With this investment, the operational capacity will be increased by 40%.

Parcels continued its volume and revenue growth in 2010. Volume growth clearly benefited from the e-commerce trend as well as growth in B2B volumes, resulting in 6.7% overall growth in volumes.

The overall price trend continues to be negative (-3.8% in 2010), especially in the bulk mail segment in the Netherlands and in the international parcel volumes. Fierce competition in Europe and the Netherlands between the service providers, as well as an increased customer focus on delivery costs during the recession, resulted in lower average revenue per parcel.

INTERNATIONAL

Since the mid 1990s, Mail has taken steps to become the challenger in those European postal markets that were in the first phase of liberalisation. In terms of volume handled, Mail has an estimated market share in the addressed postal market of 16% in the United Kingdom, 5% in Germany and 4% in Italy. The uneven and often delayed liberalisation of postal markets has influenced the pace at which Mail's market share in Europe is able to grow and resulted in Mail focusing its international ambitions on the United Kingdom, Germany and Italy.

INTERNATIONAL

Financial review

Year ended at 31 December	**2010**	variance %	2009
Total operating revenues	**1,294**	21.0	1,069
Other income	**13**	(45.8)	**24**
Total operating expenses	**(1,336)**	(4.9)	(1,274)
Total operating income	**(29)**	84.0	**(181)**
as % of operating revenues	**(2.2)**		(16.9)

(in € millions, except percentages)

In line with this strategy, Mail is in the process of divesting its activities in other European countries. Mail's Austrian activities were divested in 2010 and it divested its Belgian subsidiary, De Belgische Distributiedienst, and its Italian unaddressed activities at the beginning of 2011. Mail believes it is well positioned to capture opportunities in the three large European postal markets of the United Kingdom, Germany and Italy, while taking into account the impact of regulatory discussions on its business.

In the United Kingdom, Mail has put more emphasis on a regional structure, which has helped to accelerate the development of TNT Post UK. Mail is currently investigating opportunities to develop end-to-end service offerings. In Germany, Mail's primary focus is to increase the profitability of its business. In Italy, the market share of TNT Post Italy is growing, particularly through the Formula Certa service offering, which includes a form of registered mail service. In all countries, despite regulatory uncertainty, Mail has managed to grow its positions, and to improve its operational results.

International includes the management of cross-border mail activities, both under the USO and through its subsidiary Spring Global Mail. These activities are strongly influenced by electronic media, due to the cost difference between traditional cross-border mail and electronic communication.

Revenues in International grew by 21.0% to €1,294 million in 2010 compared to 2009. Adjusting for €148 million from the changed invoicing method in Germany, revenues increased 7%. The new invoicing method applies an agent fee to gross revenue of client contracts for a part of the business (PostCon) as a result of a change in the regulatory environment (primarily related to VAT). In 2010, International operating income was a loss of €29 million, an improvement of €152 million, mainly due to recorded impairment charges and other value adjustments of €146 million in International in 2009.

CORPORATE RESPONSIBILITY PERFORMANCE

In 2010, Mail in the Netherlands focused on responsible downsizing. After approval in the collective labour agreement, including the social plan in March 2010, Mail and the unions discussed the implementation of the final restructuring (Master Plan III). After six days of strikes, an agreement was reached on 16 December 2010. The agreement provides the basis for an efficient mail operation and lays the foundation for a socially responsible transition. The agreement was ratified by the union members in January 2011.

The restructuring will decrease the number of FTEs by 11,000. Allowing for natural attrition and voluntary departures, 4,500 compulsory redundancies were expected to be necessary among operational staff. Ratification of the agreement by union members means that this number will now be substantially reduced. A confirmed total of 1,700 jobs will be retained, primarily at Mail's new 'Auto Unit' and Parcels. Mail will examine the possibilities of retaining another 200 jobs at the Auto Unit as part of future organisational changes. Temporary work will be offered to 300 employees until the end of 2013. Also, greater use will be made of TNT Mobility, with the aim of avoiding unemployment for an additional 500 workers.

Furthermore, Mail renewed certifications for OHSAS 18001, Investors in People (IiP), ISO 14001 and ISO 9001.

OUTLOOK 2011

Mail expects addressed volume decline in 2011 in the Netherlands of between 8% to 10% due to ongoing substitution and competition, in this second full year after full liberalisation. Master Plan savings of €50 to €60 million are targeted for the year. Mail's underlying cash EBIT (defined as underlying EBIT minus pension cash outflows and cash out for restructuring) is expected to be €130 to €170 million. After separation, Mail's dividend guidelines for the next few years will include a payout of around 75% of underlying net cash income, with a minimum of €150 million per annum. In addition, shareholders will be given the dividend that Mail receives from the Express business.

Discontinued operations (Express)

Express transports goods and documents around the world with a focus on time-certain and/or day-certain delivery.

Goods and documents have different weights, shapes and sizes and can have different requirements in terms of speed of delivery, security and point of delivery. Goods and documents can have very different distance requirements, ranging from domestic (volumes within the boundaries of a country) to international (volumes shipped between countries) e.g. cross-border and/or regional as well as intra-continental and intercontinental.

The express services provided and the prices Express charges are primarily classified by speed, distances to be covered, sizes and weights of consignments. Express provides its customers express and economy express (less time sensitive) services which differ in price. The revenue-quality is the average of the growth in revenue per consignment and revenue per kilo for the domestic and international products excluding acquisitions and foreign exchange translation impacts.

Express' customers range from small and medium enterprises, major customers, high volume shippers and global customers. Each category of customers is managed by dedicated teams and processes. Express builds strong relationships with its customers through regular personal contact and visits, as well as a wide range of communications media. The main sectors Express serves are high-tech, automotive and industrial, healthcare and lifestyle (fashion).

Express is among the leading Express players in Europe, and its global coverage extends to more than 200 countries with company-owned activities in 62 countries. In 2010, Express continued to build its positions in emerging markets while enhancing connectivity between those markets and Europe.

At present, Express operates in four reportable segments. Following the demerger, Express will report along these segments. There are three geographical segments and one business segment:

- Europe, Middle East and Africa (Europe & MEA) is the home market of Express and its main revenue and profit generator;
- Asia-Pacific (ASPAC) is a key growth area for Express, with China at its centre;
- Within Americas, Brazil and Chile have been the focus of the most recent expansion of Express, while maintaining a presence in the United States and Canada in order to provide its customers with full service access to these major economies, and
- Finally the business segment 'Other Networks' that consists of Express' Fashion and Innight activities.

Additionally, non-allocated consists of among others of the Express Head Office and ICS (Information Communication Services) activities.

EXPRESS BUSINESS PERFORMANCE

VOLUMES

In 2010, average daily volumes grew at a faster rate than initially expected in all quarters compared to 2009. Consignments were ahead of the 2007 levels (the last year unaffected by the economic crisis) but coupled with the decrease in weights per consignment, growth based on kilogrammes lagged behind.

Express international volumes experienced significant growth in 2010. Kilogrammes carried by the European Air and the European Road Network grew by 16.1% and 13.3% respectively, compared to 2009.

International growth was absorbed by adding additional road and air capacity to the network.

Domestic volumes grew albeit at a lower rate than international. In Europe, domestic consignments grew by 6.4% outperforming European GDP growth in 2010 compared to 2009. In Asia–Pacific, Express experienced strong domestic revenue growth, particularly in Australia and India. Hoau focused on replacing lower yielding domestic volumes with the new day-definite product offering which grew more than five times compared to 2009. In Americas (primarily Brazil), domestic volumes were down as a result of yield actions and contract rationalisation.

REVENUE-QUALITY

While overall volumes grew faster than anticipated for both domestic and international, pressure on revenue-quality in 2010 remained significant, compared to both 2009 and the benchmark year 2007. The decline in revenue-quality stabilised throughout 2010 although the yield was still behind the level of 2009. Customer mix was a key reason for this development, with stronger growth in global and major accounts, trading at previously agreed contract rates. Several yield-improvement measures were rolled out in July 2010. These included targets for improving Express' product and customer mix, increases in standardised tariffs, contract-specific increases and broader application of surcharges. However, given the lead time for these measures, the full effect will be felt in 2011. The yield dropped in the fourth quarter versus the third quarter, due to the adverse weather conditions in Europe in December, which had a larger impact on the international, higher yielding product than on domestic products.

NETWORK PERFORMANCE OPTIMISATION

In 2010, cost per consignment continued to decrease despite inflationary pressure, due to a wide range of cost saving programmes in the areas of procurement, network and operations optimisation coupled with an overall cost focus.

Cost per consignment excluding fuel, one-off costs relating to operation restructuring and foreign exchange charges in Europe & MEA was 2.6% lower than in 2009. Cost per consignment in ASPAC was 3.3% higher and in Americas was 11.4% higher due to significantly higher inflation pressure and higher average weights, more than offset on the revenue side by higher yields.

In the European Air Network, Express increased capacity while achieving its highest cargo load factor in recent history. The additional capacity was primarily addressed through additional chartered aircraft, which permitted greater capacity flexibility.

In light of intercontinental volume growth, Express added another two dedicated Boeing 747 freighters from its Liege hub to Hong Kong and Shanghai. In October, Express introduced a direct scheduled Boeing 747 service between Chongqing, a fast-growing high-tech manufacturing centre in Central China, and Europe. Express is the first express integrator to offer dedicated flights between Europe and Chongqing in response to growing demand from the region's high-tech industry. Express also announced the lease and delivery of three new Boeing 777 long range freighters, to commence service in 2011. The Boeing 777 freighters will replace the two Boeing 747 freighters currently on short term lease, and add capacity to Express' longhaul routes, mainly between Europe and China.

Express continued its roll-out of company wide 'Common Information and Communication Systems' in 2010, which over time are expected to lead to both improved processes and cost savings, once the legacy systems have been decommissioned.

Express took measures to streamline its organisation and align it with the new management structure announced on 2 December 2010. This realignment and several country specific reorganisations resulted in one-off restructuring charges of around €16 million.

FINANCIAL PERFORMANCE BY SEGMENT

Total underlying operating income grew by €98 million from €240 million in 2009 to €338 million in 2010 (€317 million at constant foreign currency exchange). All segments contributed to this improvement, with the exception of the Americas. Underlying operating income is calculated as operating income after the adjustment of restructuring and other non-recurring or extraordinary items.

Europe & MEA

Year ended at 31 December	2010	variance %	2009
Operating revenues	**4,453**	7.5	4,142
Operating income (EBIT)	**371**	32.0	281
Underlying operating income (EBIT)	**399**	20.9	330

(in € millions, except percentages)

Europe & MEA's revenue improved organically (excluding acquisitions/disposals and external factors, i.e. fuel and foreign currency exchange differences) in 2010, mainly due to higher volumes, partially offset by the lower revenue-quality. Eastern Europe, Middle East and Africa experienced double-digit growth while the mature markets increased at a slower rate albeit from a higher base. Continued focus on cost efficiency led to further unit cost reductions, in spite of inflationary pressure in many markets.

Asia-Pacific

Year ended at 31 December	2010	variance %	2009
Operating revenues	**1,656**	33.2	1,243
Operating income (EBIT)	**14**	143.8	(32)
Underlying operating income (EBIT)	**14**	170.0	(20)

(in € millions, except percentages)

Asia-Pacific experienced organic revenue growth of 17% (excluding acquisitions/disposals and foreign currency exchange differences) with the most significant contribution from China, mainly due to higher volumes from existing and new global customers. Currency effects added 15.9% to the revenue growth. Operating income improved in most markets, with the most significant improvement in China. Cost per consignment increased in line with higher inflation in most of these markets, but was offset by positive development of revenue-quality. Express increased its own capacity between China and Europe through the introduction of two additional Boeing 747 freighters to improve service and reduce its reliance on commercial linehaul, allowing the company to have more control over its linehaul costs in order to reduce costs.

Americas

Year ended at 31 December	2010	variance %	2009
Operating revenues	**502**	25.8	399
Operating income (EBIT)	**(67)**	(109.4)	(32)
Underlying operating income (EBIT)	**(39)**	(62.5)	(24)

(in € millions, except percentages)

Total Americas' revenue grew by 25.8%, driven by acquisitions (LIT Cargo, acquired in February 2009, and Expresso Araçatuba, acquired in May 2009: 10.3%) and currency related effects (17.8%). Americas' organic revenue decreased by 2.3% due to contract rationalisation in Brazil, partially offset by the positive improvement of revenue-quality.

Express operates on a relatively small scale in North America, predominantly catering for US inbound demands of its global customers; as such it is an important part of the Express global network even though it does not have the size that allows for a profitable operation.

The underlying operating income for the Americas include an adjustment of €20m related to Brazil integration, customer claims and provisions. The reduction in underlying operating income is related to foreign currency exchange differences, and lower results in Brazil.

Other Networks

Year ended at 31 December	2010	variance %	2009
Operating revenues	**448**	4.2	430
Operating income (EBIT)	**18**		18
Underlying operating income (EBIT)	**19**		19

(in € millions, except percentages)

Revenue increased organically by 3.5% mostly driven by increase in Innight activities. The operating income increase in Innight was offset by a similar decrease in the Fashion business, related to a few specific contracts.

Non-allocated

Year ended at 31 December	2010	variance %	2009
Operating revenues	**(6)**		(6)
Operating income (EBIT)	**(156)**	10.3	(174)
Underlying operating income (EBIT)	**(55)**	15.4	(65)

(in € millions, except percentages)

Non-allocated operating income

Year ended at 31 December	2010	2009
Demerger costs	**(45)**	
Projects	**(7)**	(5)
Profit pooling	**(41)**	(92)
Pensions	**(15)**	(12)
Other costs	**(48)**	(65)
Total	**(156)**	**(174)**

(In € millions)

In 2010, non-allocated operating costs amounted to €156 million (2009: 174) including €45 million of demerger costs and €41 million (2009: 92) relating to the profit and loss pooling arrangement (see chapter 5). Non-allocated pension costs of €15 million relate to Head Office employees, which have not been allocated to segments. Other costs relate to specific assigned tasks and events related to corporate activities which are not charged to segments.

CORPORATE RESPONSIBILITY PERFORMANCE

On the whole, CR performance in 2010 was positive with many key focus areas showing improvement compared to 2009. The highlights of Express' CR performance are summarised below.

The absolute CO_2 emission of Express' own operations increased as a result of business growth and as a result of a shift from subcontracted air transport to Express' own aircraft.

Significant progress has been made to improve the CO_2 efficiency, which is reflected by 5.4 points improvement of the CO_2 efficiency index compared to 2009. The underlying CO_2 efficiency performance of air transport and buildings is responsible for the improvement.

Despite the strong focus to improve road safety the number of fatalities increased in 2010. Express' Management Board remains fully committed to improving road safety across all of Express' operations, with a particular emphasis on the emerging markets. Specific detailed action plans have been developed that take a country's culture and road safety conditions into consideration and to ensure that subcontractors working for Express also adopt similar road safety standards. These action plans further set minimum standards for vehicle, driver, journey and subcontractor's management to ensure that effective road safety management systems are implemented and monitored.

Customer satisfaction (meeting customer expectations) within Express decreased from 93.6% in 2009 to 92.2% in 2010. However, consistent with 2009, 40% of customers rated Express services as exceeding expectations. The overall decrease was seen across all customer classifications. A key part of the continuous improvement approach in 2011 is the implementation of the 'Lean Improvement' methodology within the countries to ensure that the stated view of the customers drives the improvement initiatives.

The employee engagement survey (VOICE) was used in 2010 to measure employee engagement. The survey showed a decrease from 76% in 2008 (no survey performed in 2009) to 69% in 2010. The decrease is partly due to the organisational and economic climate. Actions plans have been developed to address this decline.

OUTLOOK 2011

For 2011, TNT assumes a mostly stable economic environment. To counter inflationary cost pressures (including fuel) and possible mix effects, Express will focus on structural costs and cash alongside yield improvements which continue to be a priority. For the full year, Express targets underlying revenue of between €7.3 billion to €7.5 billion and underlying operating income of between €400 million to €420 million (operating income including the allocation of €20 million of TNT central costs). After separation, Express' dividend guideline will include a payout of around 40% of normalised net income.

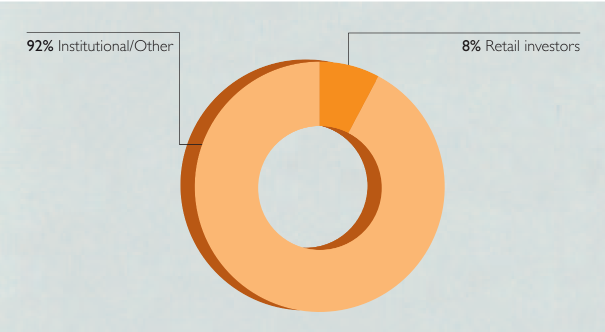
Shareholder information

The shares of TNT N.V. are listed on Euronext Amsterdam (ticker: TNT) and included in the AEX index, which normally consists of the top 25 companies in the Netherlands, ranked on the basis of their turnover on Euronext Amsterdam and free-float adjusted market capitalisation.

In 2010, 424 million TNT shares were traded on Euronext Amsterdam (2009: 464 million).

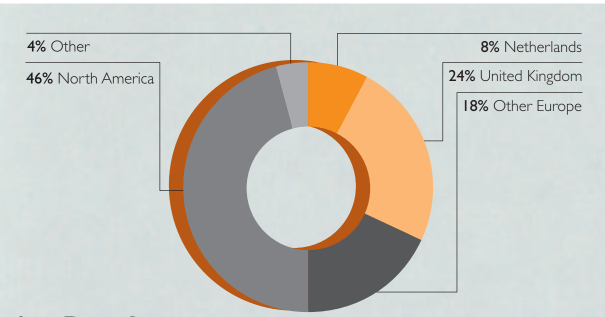
The majority of TNT's ordinary shares are in bearer form, so the analyses of shareholdings by region and investor type are best estimates based on the limited information available to TNT through various market sources. Estimates as of 31 December 2010, and shown as a percentage of total shares outstanding (excluding shares held by the company) on that date, are:

Shareholders by sector



Source: Thomson Reuters

Shareholders by country



Source: Thomson Reuters

Annual relative performance to Euronext Amsterdam (AEX)

Source: Bloomberg Professional (own currency based)

DIVIDEND

Currently, TNT aims to meet shareholders' return requirements in the long term through growth in the value of the company, and in the short term through dividends and, on an incidental basis, through tax-exempt share repurchases or other returns from excess cash, whereby TNT intends to pay an annual dividend (proposed for 2010: €57 cents per share) of around 40% of net normalised income by 2010, barring any unforeseen circumstances.

Starting in 2011, it is Mail's intention in principle to pay a dividend per share of around 75% of the underlying net cash income with a minimum of €150 million per year. The underlying net cash income is defined as 'profit attributable to equity holders of the parent' adjusted for significant one-off and special items, restructuring payments and additional cash pension contributions. This normalisation adjustment is based on the underlying cash EBIT, separately reported as one of the key performance indicators of the company. Mail intends to pay interim and final dividends annually in cash with the interim dividend set at €75 million.

In addition, Mail has the intention has the intention to distribute the excess capital relating to the 29.9% retained Express stake to the shareholders in a manner to be decided by Mail as soon as reasonably possible and within its distributable equity restrictions. The excess capital will be determined as the headroom within Mail's targeted credit rating of BBB+/Baa1 that is available over a medium-term horizon for distribution to shareholders of TNT above the anticipated regular dividends.

In the event any Express stake is (partially) sold, while return of excess capital to shareholders is not (yet) possible within the equity and credit rating headroom, Mail will make a most efficient use of the proceeds of the (partial) sale. It will do so by applying any such proceeds to its ordinary course of business, including without limitation, debt reduction, capital and operating expenses, provided, however, that Mail shall not use any of those proceeds to fund extraordinary capital expenses for new business development or any mergers and acquisitions not included in the 2010 – 2015 strategic business plans of Mail.

Mail considers the ordinary shares retained in Express as a purely financial stake. Accordingly, Mail intends, in addition to the regular dividend defined above and barring unforeseen circumstances, to return any (net) dividends received on its retained Express shares to the shareholders in a form to be decided upon by Mail.

Following its dividend guidelines, it is Express' intention to pay a dividend that develops substantially in line with the development of its operational performance. Express intends in principle to pay a dividend of around 40% of normalised net income. Normalised net income is defined as "profit attributable to equity holders of the parent" adjusted for significant one-off and exceptional items.

Express aims to pay interim and final dividends annually in cash and/or in stock. Furthermore, stock may be offered as part of an optional dividend.

The Reserves and Dividend Guidelines are available on TNT's corporate website, group.tnt.com.

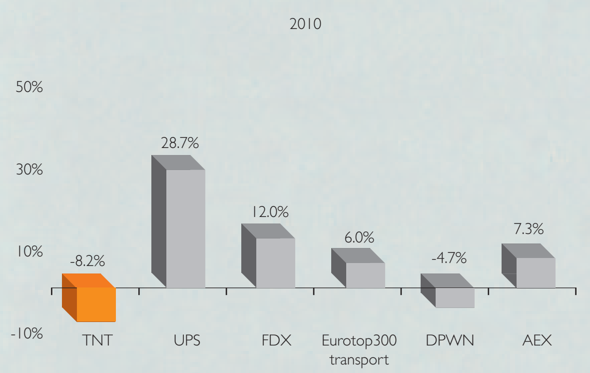
OTHER INFORMATION

PEER GROUP TOTAL SHAREHOLDER RETURN COMPARISON

In 2010, the TNT share price included both Mail and Express businesses. For comparative reasons, TNT has defined a peer group of listed companies with activities in industries similar to that in which the company operates. This peer group consists of Deutsche Post DHL (DPWN), FedEx (FDX) and UPS. Following the demerger, new peer groups for Mail and Express will be defined.

The comparative performance in terms of total shareholder return in 2010 and 2009 is charted below. Also shown is the relative performance against the AEX index.

Total shareholder return



Source: Bloomberg Professional (own currency based)

PUBLICATIONS

TNT Share is a magazine published three times a year and distributed to 13,000 individual shareholders and other interested readers. This magazine and other publications can also be viewed and ordered through the corporate website.

WEBSITES

For the latest and archived press releases, corporate presentations and speeches, current share price and other company information such as TNT's online annual report and interim reports, please visit the corporate website at group.tnt.com. TNT also invites you to visit the sites of TNT's two main trading brands: www.tnt.com and www.tntpost.nl.

TNT INVESTOR RELATIONS

Through the company's investor relations activities, TNT aims to provide shareholders with accurate and timely information. TNT proactively and openly communicates with institutional and retail investors and with intermediary groups such as analysts and financial journalists.

In addition to the quarterly, half-yearly and yearly result presentations, TNT maintains regular contacts with financial analysts and investors through meetings, roadshows, conference calls and company visits.

PUBLISHED BY
TNT N.V.
P.O. Box 13000
1100 KG AMSTERDAM
The Netherlands

Chamber of Commerce Amsterdam
Registration number 27168968

Design and cover illustrations
Addison Corporate Marketing

Print coordination
Cendris Print Management

Printing
Veenman Drukkers

VISITING ADDRESS
Taurusavenue 111
2132 LS Hoofddorp
The Netherlands

VISITING ADDRESS MAIL
Prinses Beatrixlaan 23
2595 AK The Hague
The Netherlands

P.O. Box 30250
2500 GG The Hague
The Netherlands

Telephone +31 88 868 61 61

MAILING ADDRESS
TNT Investor Relations
P.O. Box 13000
1100 KG Amsterdam
The Netherlands

Telephone +31 (0) 88 939 9000
Fax +31 (0) 88 939 3000
Email investorrelations@tnt.com
Website group.tnt.com

CAUTIONARY NOTE WITH REGARD TO "FORWARD-LOOKING STATEMENTS"

Some statements in this annual overview 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 TNT's 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 TNT operates and TNT 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 annual report and are neither predictions nor guarantees of future events or circumstances. TNT does not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date of this annual report or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

Visiting Address Mail

PRINSES BEATRIXLAAN 23
2595 AK THE HAGUE
THE NETHERLANDS

P.O. BOX 30250
2500 GG THE HAGUE
THE NETHERLANDS

TELEPHONE
+31 88 868 6161

Visiting Address TNT N.V.

TAURUSAVENUE 111
2132 LS HOOFDDORP
THE NETHERLANDS

P.O. BOX 13000
1100 KG AMSTERDAM
THE NETHERLANDS

TELEPHONE
+31 88 393 9000

FOR THE ONLINE VERSION OF THIS DOCUMENT AND FURTHER INFORMATION PLEASE VISIT GROUP.TNT.COM

TNT