No agreement with América Móvil on intended unsolicited public offer

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Royal KPN N.V.'s ("KPN") Supervisory Board and Board of Management (the "KPN Boards") today announce that discussions with América Móvil S.A.B. de C.V. ("América Móvil") regarding its announced intention to make an unsolicited public offer (the "Intended Offer") have not led to an agreement which could be recommended by the KPN Boards to its shareholders. KPN today notes that América Móvil has formally withdrawn its Intended Offer.

Since the announcement of the Intended Offer on 9 August 2013, the KPN Boards have had numerous discussions with América Móvil on all aspects of the Intended Offer including financial and non-financial items consistent with their fiduciary duties. During the period of these discussions, a number of key developments occurred:
- On 26 August 2013, KPN announced improved terms for the sale of E-Plus, increasing shareholder value and KPN's financial flexibility;
- On 29 August 2013, the Foundation Preference Shares B KPN ("Foundation") announced that it exercised the option granted by KPN to purchase Class B preference shares in KPN in order to safeguard the interests of KPN and its stakeholders, including shareholders, employees, customers, trade unions and Dutch society more generally;
- On 16 September 2013, KPN announced that it had reached an agreement with the Dutch tax authorities on a tax book loss of EUR 3.7bn upon the sale of E-Plus, reflecting material value for KPN and its shareholders; and
- On 2 October 2013, the sale of E-Plus was approved by KPN's Extraordinary General Meeting ("EGM").

Despite these developments América Móvil has not improved or shown any willingness to improve the Intended Offer of EUR 2.40 per share. From the outset KPN has stated to América Móvil that, in the view of the KPN Boards, the Intended Offer did not reflect sufficient value for securing a positive recommendation from the Boards. In addition, the KPN Boards were not able during their numerous discussions to obtain an acceptable proposal on the content, firmness, duration and enforceability of América Móvil's commitments to KPN's stakeholders including shareholders, employees, customers, trade unions and Dutch society more generally.

Jos Streppel, Chairman of the Supervisory Board and Eelco Blok, Chairman of the Board of Management and CEO
"We have conducted a thorough process with regard to the Intended Offer. Throughout this process we have weighed the interests of all our stakeholders on financial and non-financial matters. We have not been able to agree on an offer price, and other terms and conditions, which would reflect appropriate value and minority shareholder protection for selling control of KPN. We remain fully committed to serving our customers in the best possible way and creating value for shareholders."

Over the last years, KPN has gone through a transition period in The Netherlands where increased investments in networks, services and customers have materially strengthened the business. In addition, the sale of E-Plus at an attractive price will provide increased financial flexibility to support our long-term strategy. KPN will continue to focus on its market leading position in The Netherlands and its strong Challenger position in Belgium.

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