

MINUTES OF THE  
GENERAL MEETING OF SHAREHOLDERS  
OF ORDINA NV  
HELD ON 12 MAY 2004  
IN ECHELD, THE NETHERLANDS

**1. Opening**

Mr C.J. de Swart, the chairman, opened the meeting at 2.30 p.m., and welcomed all present.

It was noted that all formalities for holding the meeting had been met, and such the meeting could pass legally valid resolutions.

The chairman appointed Mr M.J. van Buren as secretary of the meeting.

In all, 46 shareholders were present or represented at the meeting, representing a total of 5,774,031 shares, which equals 15.8% of the outstanding share capital.

**2. Minutes of the meeting held on 14 May 2003**

The minutes of the General Meeting of Shareholders held on 14 May 2003 were adopted by the chairman and the secretary of that meeting, in accordance with the relevant provisions of the company's Articles of Association.

The chairman asked the meeting whether there were any comments in connection with the minutes of that previous General Meeting of Shareholders. No comments were put forward by the meeting.

The chairman noted that, in future, the minutes of General Meetings would be placed on the company's website as soon as they are available.

**3. Annual Report 2003 and dividend**

*Director's report on the 2003 financial year*

Mr R. Kasteel, chairman of the Management Board of Ordina NV, explained – with reference to the Director's report – the course of events during the 2003 year and Ordina's outlook.

After his presentation, which will also be placed on the Ordina website, Mr Kasteel asked the meeting whether there were any questions in connection with the Director's report.

Mr Van de Meer asked permission to speak, having the following questions and comments:

1. To what extent do developments in the field of offshore outsourcing pose a threat to Ordina? Will these developments result in a reorganisation of the present workforce?
2. Based on the outlook presented, it may be concluded that the net earnings per share will be around EUR 0.40 in 2004. This is not exactly great.
3. The ReplIT company was acquired in 2001 and fully written off in 2003. What is the reason for this?
4. What is the background to the tax gain included in the annual accounts?

5. The margin has dropped considerably in recent years.
6. The company aims to achieve a better balance between direct and indirect staff. What can be expected in this connection? What is the percentage of benchwarmers?
7. What does taking responsibility for results mean in relation to projects?
8. What is the ideal distribution of turnover over the various market segments?
9. Why will relocating the various Ordina divisions to the new Head Office in Nieuwegein take more than three years?
10. How can the company's vulnerability to cyclical influences be reduced?
11. In connection with the acquisition of The Vision Web, 2,350,000 shares in Ordina were issued. What will The Vision Web's contribution be?
12. The remuneration of the Management Board is fair; however, why was the decision made to grant the members options?

The following replies were given in response to Mr Van de Meer's questions and comments.

1. Mr Kasteel replied that no major reorganisation is to be expected as a result of developments in the field of offshore outsourcing. He also noted that the strategic alliance that Ordina has entered into with WIPRO of India offers Ordina opportunities to participate in very large-scale projects.
2. Mr Kasteel explained that, aside from the outlook for the first six months of 2004 that had been presented to the stock exchange that day, no statements would be made about expected earnings.
3. The concrete value of RepIT lay mainly in the *Plato* toolbox, which it had developed for its client Interpolis. However, it became apparent that the toolbox is rarely used now, and so it was decided to write down RepIT. The acquisition lived up to its expectations, and helped consolidate the growing relationship between Ordina and Interpolis.
4. Mr Den Hartog explained that, historically, Ordina has always approached its corporate income tax position conservatively, and as a matter of caution, costs that might be tax deductible were not taken into account in calculating the effective tax burden. In 2003, a number of assessments were finalised, and the possibilities for deducting those costs became clearer. This resulted in a one-off corporate income tax gain of EUR 7.2 million. In addition, part of the tax losses available for offset were taken into the valuation.
6. Mr Kasteel replied that the ratio of direct to indirect staff at the time of the previous General Meeting was approximately 1 to 4.5. At the time of the present meeting, this ratio was around 1 to 5. This ratio can be improved further. As regards the number of benchwarmers, Mr Kasteel explained that he could not provide concrete figures, in view of the company's competitive position. However, he noted that the number of benchwarmers is dropping and the productivity levels are increasing.
7. Mr Kasteel explained that responsibility is only taken for projects and/or results after a thorough analysis of the activities and the potential risks. An internal system has been developed for controlling this.
8. Mr Kasteel replied that although the Public Sector will continue to occupy an important position in the distribution of turnover, its relative importance will decline. The importance of the Utilities/Energy market is expected to increase.
9. Mr Den Hartog explained that the new Head Office is being leased in phases. This is a financially advantageous approach, since it causes little or no frictional vacancies. In addition, relocations can be scheduled well in advance, and the gradual transition limits the impact of the relocation on the day-to-day conduct of business to a minimum.
10. Mr Kasteel replied that one of the ways in which this can be realised is through a larger proportion of managed services – contracts for three to five years – in the company's turnover. The target here is that managed services will constitute approximately 30-35% of the turnover.
11. Mr Kasteel replied that the profitability of The Vision Web is approximately the same as Ordina's profitability.

12. Mr De Swart observed that the remuneration policy is set out on pages 78 and 79 of the Annual Report. During the past year, a benchmark study revealed that the non-variable salaries are relatively low compared with the situation at similar and comparable enterprises. In this connection, options should be seen as a long-term component of the variable remuneration. Partly in view of the activities carried out, such as implementing and completing a major reorganisation of the business, it was decided early in 2004 that the members of the Management Board would be granted options. Further to another question, Mr De Swart replied that the assessment criteria on which options are/can be granted, will be set out in more detail in the future.

Next, Ms De Waard asked permission to speak on behalf of the Association for the Protection of Investors (*Stichting Rechtsbescherming Beleggers*), asking the following questions.

1. What is the exercise price of the options granted?
2. Why does the Supervisory Board not have an audit committee?
3. Has the management letter been discussed with the external auditor?
4. Has the independence of the external auditor been verified?
5. The net turnover per employee has dropped slightly, but the net profit per employee has dropped significantly. What is the reason for this?
6. What is the status of the tender for the authority implementing employee insurance schemes (*UWV*)?
7. EUR 5 million is being invested in the new premises. What are the additional costs?
8. The acquisition of The Vision Web has been completed. What lock-up period was agreed upon? What was the issue price of the shares that were paid as the purchase price?
9. What is the staff turnover figure?

The following answers are given in response to Ms De Waard's questions:

1. Mr Den Hartog answered that the exercise price of the options was equal to the current rate on the date of grant.
2. Mr De Swart explained that the Supervisory Board of Ordina is relatively small. Consequently, it was decided not to set up any separate committees. Although the Board does of course call upon the specific expertise of its various members, all consultations are held and decisions made by the full Board.
3. Mr De Swart replied that the management letter had been discussed with the external auditor and with the Management Board at great length.
4. Mr De Swart answered in the affirmative.
5. Mr Kasteel explained that the drop in the net profit per employee in 2003 was due to the reorganisation costs – amounting to EUR 7.5 million – that were incurred in that year.
6. Mr Kasteel stated that Ordina lost a tender for workstation management, and that as a result, existing activities will be cut back.
7. Mr Den Hartog replied that the costs over and above the normal basic relocation costs would be small, and given the fact that the occupation of the new premises is being phased, double lease costs are being kept to a minimum.
8. The Ordina shares were issued at the current rate. The lock-up period is approximately 24 months, with an equal percentage of the shares being released every 4 months.
9. Mr Kasteel replied that although staff turnover was relatively high, it was below the market average.

Mr Dorresteijn asked permission to speak on behalf of the Dutch Association of Securities Holders (*VEB*). Mr Dorresteijn had eight questions:

1. Is the development of Ordina's turnover subject to seasonal influences?
2. What percentage of Ordina's turnover is realised from its largest client?
3. What percentage of Ordina's turnover is realised from long-term contracts?

4. How can productivity be increased?
5. Are the margins under pressure?
6. What is the ratio of indirect staff to direct staff?
7. Does Ordina still have aspirations to achieve a Top-3 position?
8. Does the partnership with WIPRO affect the position of employees in the Netherlands?

Mr Kasteel gave the following replies in response to Mr Dorresteyn's questions:

1. Yes, Ordina's turnover is subject to seasonal influences, particularly in the holiday periods. However, on a semi-annual basis, these influences have little actual impact.
2. No announcements – apart from information already stated in the annual accounts – would be made on that matter.
3. Approximately 27%.
4. Winning more orders, in particular, should result in improved productivity.
5. Yes. The rates are still under pressure, particularly in the public sector market.
6. At present the ratio is 1 to 5.
7. Becoming one of the leading players in the Netherlands is – and will always be – one of Ordina's goals. In order to rank the players properly, the market should be split into distinct segments. Within the segment of the Dutch ICT services market that is relevant to Ordina, the top 2 places are occupied by Cap Gemini and LogicaCMG. The third place is shared by Atos Origin, Pink Roccade and Ordina.
8. No negative consequences are expected for the Ordina staff.

Finally, Mr Dijkstra of the Dutch Association of Investors for Sustainable Development (*VBDO*) asked permission to speak. Mr Dijkstra complimented Ordina on its activities in the area of social involvement. He also noted that companies should realise that transparency applies to more than just financial information. He then went on to ask the following questions.

1. What is Ordina's view on the relationship between short-term and long-term shareholders' interests?
2. When will the code of conduct that was announced be implemented?
3. Will Ordina draw up and introduce a scheme for whistleblowers?
4. Is there a proper internal organisation for socially-responsible entrepreneurship?
5. Can any information be supplied about levels of absenteeism due to illness, compulsory redundancy, reports of discrimination, and the use of raw materials and energy?

Mr Kasteel gave the following answers in reply to Mr Dijkstra's questions:

1. Ordina recognises the importance of a healthy, short-term basis for realising long-term growth prospects.
2. In the second half of 2004. The code will also be placed on Ordina's website.
3. Ordina will introduce a scheme for whistleblowers in the second half of 2004.
4. Yes.
5. Ordina will examine the possibilities for providing its shareholders with more extensive information as well as more actively. However, all information provided must be relevant, and may not endanger Ordina's competitive position.

*Approval of the annual accounts for the 2003 financial year*

The chairman invited those present to ask any questions they might have concerning the annual accounts for 2003. The chairman noted that the external auditor was present at the meeting, and could be asked questions about the audit activities and the auditor's report issued.

Mr Van de Meer asked permission to speak, and posed the following eight questions:

1. How is the profit broken down over the various market segments?
2. Can the item 'Various' be specified in more detail?
3. Is the provision for 'Vacant premises' sufficient?
4. What pension system does Ordina operate?
5. Based on the annual accounts, it would appear as if the price of Clockwork was approximately EUR 10 million. Is that amount not too high?
6. Why are the available losses of EUR 23 million not used for offset?
7. Will the reporting procedures for options change under IFRS?
8. The value of the software and hardware used by Ordina is low. Are they obsolete?

In response to Mr Van de Meer's questions, Mr Den Hartog stated the following:

1. For considerations to do with competition, no further breakdown of the distribution of the profits would be given than was already available.
2. The item 'Various' in the annual accounts covers matters such as reorganisation costs, housing costs, and marketing and communication costs. This item will be broken down further in the annual accounts for 2004.
3. This provision is sufficient.
4. Most pension schemes at Ordina use a system of 'defined contributions'; approximately 75% of Ordina employees are covered by such schemes. There are also a limited number of other pension schemes.
5. That observation is incorrect.
6. A large portion of those available losses stem from long ago, and are governed by old tax rules. As such, they cannot simply be used for offset within a fiscal unity. It should also be noted that Ordina chooses only to capitalise those losses which it is reasonably sure that they can be offset against future tax profits in the short term.
7. Under IFRS, options will be presented in the profit and loss account. If necessary, comparative figures will be supplied after the introduction of IFRS.
8. In recent years, some of the hardware has been leased out, while investments in Ordina's own business have been cut back. However, replacements and investments are made as necessary, using lease contracts, if appropriate.

Mr Van de Meer asked whether the expected 35% increase in profits before amortisation of goodwill and taxes realised during the first half of 2004 could be extrapolated for the whole year.

Mr Kasteel replied that no concrete forecast could be given for the whole year at present.

Ms De Waard then asked on behalf of Association for the Protection of Investors (*Stichting Rechtsbescherming Beleggers*) why the auditor's approving report was signed on behalf of PricewaterhouseCoopers, rather than by the auditor personally. The company's external auditor, Mr Romme, replied that the company possesses a copy of the report signed by him. He also noted that this signing procedure is normal practice within PricewaterhouseCoopers'.

Finally, Mr Dorresteijn asked the following questions on behalf of Dutch Association of Securities Holders (VEB).

1. Can the company's dividend and reserves policies be explicitly placed on the agenda?
2. The solvency is quite high. What are the ratios used to calculate this?
3. Can quarterly figures be provided?
4. Is the provision for reorganisation sufficient?

Mr Dorresteijn also noted that, in his opinion, insufficient grounds had been given for granting options to members of the Management Board.

The following replies were made in response to Mr Dorresteijn's questions:

1. The calculation of dividends had been placed on the agenda as item 3 C.
2. Mr Den Hartog replied that the present solvency ratio is indeed rather high. It is Ordina's intention that this ratio be at least 35%.
3. Mr Kasteel explained that quarterly figures are very much 'short-cycle data', making it difficult to form a realistic picture of how turnover and earnings are developing. In addition, quarterly figures are tabled for discussion under IFRS.
4. Mr Kasteel answered in the affirmative.

Mr De Swart once again explained why Ordina decided to grant the options. He also noted that in future instances of granting options to members of the Management Board, the criteria used will be explained in more detail.

The chairman then noted that there were no further questions about the annual accounts. The chairman then announced that the annual accounts for 2003 had been adopted by the Supervisory Board in accordance with the company's Articles of Association, and proposed that the meeting approve the adopted annual accounts for 2003.

Ms Snellaars, representing 238,765 shares, abstained from voting.

The chairman announced that the proposal to approve the 2003 annual accounts was passed unanimously, although one shareholder, representing 238,765 shares, had abstained from voting.

#### *Appropriation of the profits and dividend*

The chairman proposed to add the net profits for 2003, totalling EUR 10,522,307, to the other reserves.

The chairman noted that the meeting agreed to the proposed allocation of the profits by acclamation.

The chairman finally proposed to approve the distribution of a cash dividend of EUR 0.09 per share from the general reserve. In this connection, the chairman referred to the proposal set out in Mr Kasteel's presentation, to raise the payout ratio from approximately 15% of net profit to approximately 25%, starting in 2005 (distribution over the 2004 financial year).

The chairman noted that the meeting agreed by acclamation to the proposed dividend distribution for the 2003 financial year, and to the proposed change to the dividend policy.

Finally, the chairman also observed that the shares in Ordina NV would be listed ex dividend as from Friday, 14 May 2004. The dividend would become payable on 26 May 2004.

#### **4. Discharge of the Management Board and Supervisory Board**

The chairman proposed that the members of the Management Board be discharged from their management responsibilities. The chairman noted that the meeting decided by acclamation to discharge the Management Board from its management responsibilities.

The chairman then proposed that the members of the Supervisory Board be discharged from their supervisory responsibilities.

The chairman noted that the meeting decided by acclamation to discharge the Supervisory Board from its supervisory responsibilities.

#### **5. Appointment of an auditor**

The chairman announced that the appointment of a new auditor, or reappointment of the present auditor, had been placed on the agenda in accordance with Article 28(2) of the company's Articles of Association, and in accordance with the current principles of corporate governance.

The chairman proposed appointing PricewaterhouseCoopers as the company's external auditor for the auditing of the annual accounts for the 2004 financial year.

Ms Snellaars, representing 238,765 shares, abstained from voting.

The chairman noted that the proposal to appoint PricewaterhouseCoopers as the company's external auditor was passed unanimously, although one shareholder, representing 238,765 shares, had abstained from voting.

#### **6. Corporate Governance**

The chairman announced that Ordina endorses the importance of proper entrepreneurship. In order to inform its shareholders of the positions Ordina has adopted on this subject, the company has decided to place the subject of 'corporate governance' on the agenda of the General Meeting. In addition, the Supervisory Board and Management Board formulated a response to the Dutch Corporate Governance Code drawn up by the *Tabaksblat* Committee. This response was enclosed as Annex B to the meeting's agenda and documents, as well as being placed on Ordina's website.

The chairman called upon Mr Den Hartog to give a short presentation on this subject.

The chairman then asked whether there were any further questions about this matter.

Mr Dorresteyn complimented Ordina on behalf of the Dutch Association of Securities Holders (*VEB*) with its approach to, and implementation of, the subject of corporate governance. Given the fact that Ordina deviates from the recommendation formulated in the Dutch Corporate Governance Code – that members of the Management Board should be appointed for a fixed term of four years – Mr Dorresteyn asked whether Ordina would reconsider its position. In the opinion of the Dutch Association of Securities Holders, fixed-term appointments are desirable. Mr Dorresteyn also noted that fixed-term appointments would be easy to realise for new members of the Management Board.

In response to Mr Dorresteyn's suggestion, Mr De Swart announced that he had noted the position of the Dutch Association of Securities Holders (*VEB*), and referred Mr Dorresteyn to the reaction to that recommendation as set out in Ordina's response to the Dutch Corporate Governance Code.

Mr Dijkstra of the Dutch Association of Investors for Sustainable Development (*VBDO*) then requested permission to speak. He asked what companies constitute the peer group, which was used for the benchmark study into the remuneration of the Management Board.

Mr De Swart explained that the composition of the peer group was based on factors such as turnover level, complexity of the organisation, geography, and number of employees.

#### **7. Authorisation to repurchase shares in the company's own capital**

The chairman explained that, in accordance with Article 8 and Article 19(1a) of the company's Articles of Association, the company may repurchase shares in its own capital based on a management resolution to that effect; the resolution then has to be ratified by the Supervisory Board.

In accordance with Section 98 of Book 2 of the Dutch Civil Code and Article 8(6) of the company's Articles of Association, this has to be authorised by the General Meeting.

The chairman then proposed that the General Meeting authorise the Management Board to repurchase shares in the company's own capital, subject to the Supervisory Board's approval, for a period of 18 months commencing 12 May 2004. The shares in the company's own capital will be repurchased on the stock exchange, or in some other fashion, to a maximum of 10% of the issued share capital as at 12 May 2004, and at a price between (i) the nominal value, and (ii) the price of the shares on the stock exchange plus 10%.

The stock exchange value as referred to above is the average of the closing prices of the ORDINA share, as stated in the Official List of Euronext Amsterdam NV, for five consecutive trading days immediately preceding the day of the repurchase.

The chairman observed that the meeting decided by acclamation to authorise the Management Board to repurchase shares in the company's own capital.

#### **8. Renewal of the appointment of Stichting Prioriteit Ordina Groep, as the entity authorised to issue shares and restriction/exclusion of pre-emptive rights**

The chairman explained that these are items that are on the agenda of the General Meeting of Shareholders every year, and serve to authorise Stichting Prioriteit Ordina Groep – the holder of the only priority share in Ordina NV – to issue shares and to grant rights to obtain shares, as well as restricting or excluding pre-emptive rights in the case of issues of shares or the granting of rights to obtain shares.

In view of this, the chairman proposes to appoint Stichting Prioriteit Ordina Groep as the entity that, in accordance with Articles 5(1) and (2) of the company's Articles of Association, is authorised to make decisions to issue shares and to grant rights to obtain shares in Ordina NV, for a period of 18 months commencing on 12 May 2004. The appointment is limited to not more than 20% of the issued share capital as at 12 May 2004.

The chairman observed that the meeting decided by acclamation to appoint Stichting Prioriteit Ordina Groep as the entity that, in accordance with Articles 5(1) and (2) of the company's Articles of Association, is authorised to make decisions to issue shares and to grant rights to obtain shares in Ordina NV, for a period of 18 months commencing on 12 May 2004. The appointment is limited to 20% of the issued share capital as at 12 May 2004.

The chairman then proposed that Stichting Prioriteit Ordina Groep be appointed as the entity that, in accordance with Article 6(3) of the company's Articles of Association, is authorised to restrict or exclude pre-emptive rights, for a period of 18 months commencing on 12 May 2004. The appointment is limited to not more than 20% of the issued share capital as at 12 May 2004.

Mr Post announced on behalf of the shareholders he represented, that he could not agree to the proposition as phrased by the chairman. In view of the number of shares Mr Post represented, and the majority required to approve the proposition, the meeting discussed whether the proposition could be modified.

Mr Wateler asked whether Mr Post agreed to an appointment that is limited to not more than 10% of the issued share capital as at 12 May 2004. Mr Post agreed to that proposition.

Ms Snellaars, representing 238,765 shares, abstained from voting.

The chairman observed that the meeting decided unanimously – although one shareholder, representing 238,765 shares, abstained from voting – to appoint Stichting Prioriteit Ordina Groep as the entity that, in accordance with Article 6(3) of the company's Articles of Association, is authorised to restrict or exclude pre-emptive rights, for a period of 18 months commencing 12 May 2004. The appointment is limited to not more than 10% of the issued share capital as at 12 May 2004.

#### **9. Composition of the Supervisory Board**

Mr De Swart announced that, in accordance with the retirement schedule, Mr Baar will step down as a member of the Supervisory Board of Ordina NV this year, and, given the maximum term of membership as laid down in the regulations of the Supervisory Board, is not eligible for re-election. Mr De Swart thanked Mr Baar for his contribution to the growth and development of the Ordina Group.

The chairman then explained that, in view of the Ordina's statutory two-tier status, the appointment of a new member would follow a different process from the one used in previous years. As a result, he allowed the meeting the opportunity to recommend a candidate. The chairman noted that if no one was recommended, the Supervisory Board intended to appoint Mr R.J. van de Kraats as a member of the Supervisory Board. The chairman also noted that Mr Van de Kraats was unfortunately not present at the meeting, since Randstad Holding NV, of which Mr Van de Kraats is the CFO, also had its annual General Meeting that afternoon.

The chairman observed that the meeting did not take the opportunity to recommend a candidate.

The chairman then asked whether the meeting objected to the appointment of Mr Van de Kraats as a member of Ordina NV's Supervisory Board. The data within the meaning of Section 142(3) of Book 2 of the Dutch Civil Code pertaining to Mr Van de Kraats, had been available for inspection at the company's office and had been enclosed with the documents for the General Meeting. The Management Board fully endorsed the appointment.

The chairman observed that the meeting had no objections to the appointment of Mr Van de Kraats.

#### **10. Irrevocable authorisation of the Management Board to determine a registration date**

The chairman explained that the Management Board very much wished to be able to determine a registration date at the next General Meeting, if necessary. The Board will take social and legal developments about this into account in its decisions on the subject.

The chairman proposed that the Management Board of Ordina NV be irrevocably authorised to determine a registration date, for a period of 18 months commencing 12 May 2004.

Ms Snellaars, representing 238,765, abstained from voting.

The chairman observed that the meeting decided unanimously – although one shareholder, representing 238,765 share abstained from voting – to authorise the Management Board to determine a registration date, for a period of 18 months commencing 12 May 2004.

#### 11. Any other business

Mr Wateler remarked that it would be a good idea for institutional investors to clarify their voting behaviour, and to explain why they vote against a proposition or abstain from voting.

Mr Dorresteyn asked when the shares for the purchase of The Vision Web were issued. Mr Den Hartog replied that the shares were issued in early April. He also noted that there was a freeze on the trading of the issued shares.

#### 12. Close

Since there were no other matters to be discussed, the chairman closed the meeting and thanked those present for attending.

Adopted in Nieuwegein, the Netherlands, by the chairman and the secretary of the meeting.

Chairman  
C.J. de Swart

Secretary  
M.J. van Buren