



## Notulen

Subject : General Meeting of Shareholders of  
Koninklijke Wegener NV  
Minutes secretary : Joyce van Heerden  
Date : 2 June 2009

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*These minutes were uploaded onto the company website on 14 July 2009. In accordance with the provisions of IV.3.8 of the Netherlands Corporate Governance Code, those entitled to attend the meeting had until 14 October 2009 to respond to these minutes. These minutes were adopted on 14 October 2009.*

*This meeting was conducted in English and in Dutch. The minutes were written entirely in Dutch (this document is a translation of the Dutch minutes).*

*Eight shareholders and holders of depository receipts attended the meeting in person or were represented, together representing the entire capital of the company (obviously with the exception of the certificates of cumulative financing preference shares purchased by the company).*

### 1. Opening

Mr Montgomery, chairman of the Supervisory Board, opens the meeting and welcomes those present. He suggests conducting the meeting in English, though if preferred, Dutch can, of course, be spoken. The chairman states that as usual, this shareholders' meeting was convened in accordance with article 48 of the articles of association. A convening notice was published in the Amsterdam Exchange Daily Official List and *Trouw* newspaper on 14 May.

He says that the exact number of shareholders and holders of depository receipts will be counted later on during the meeting, so as to ensure that numbers are correct and any latecomers are included (see *opening lines*).

As was done last year, holders of depository receipts that have registered have been given the authority to vote by the Koninklijke Wegener Administration Office Foundation and the Koninklijke Wegener Administration Office for Financing Preference Shares Foundation.

- The chairman proposes that Mr Kuit, head of legal services for the company, keeps the minutes of this meeting.

### 2. Discussion of the minutes of the Extraordinary Meeting of Shareholders on 26 March 2009

The chairman states that these minutes have not yet been adopted by the chairman and the secretary of this meeting, seeing as the prescribed three-month waiting period during which the minutes are made available on the company website has not yet expired. The minutes are also available for perusal at this meeting. No comments have been made in the period in which the minutes have been available.

The chairman concludes that there are no questions or remarks about these minutes.

### 3. Report by the Board of Management concerning the 2008 financial year

The chairman hands over to Mr Munsterman, chairman of the Board of Management. Together with Mr Boot (CFO), Mr Munsterman reports on his findings in a presentation attached as an appendix to these minutes.

Given that changes have taken place in the Supervisory Board, Mr Stevense, speaking on behalf of the Stichting Rechtsbescherming Beleggers (Foundation for the Legal Protection of Investors) asks who wrote the report of the Supervisory Board. Mr Boot replies that the incumbent Supervisory Board is responsible for the report.

Mr Stevense asks why the participating interest in Selektmail has been divested and whether the contracts with Selektmail have also been terminated for that reason. He has also noticed that the proceeds were recorded in 2008 while the actual transaction was effectuated in 2009. Mr Boot replies that an option structure had already been agreed with Deutsche Post during the period of the participating interest in Selektmail; from the start, the aim was to sell them this interest at one time or another. In the light of Selektmail's development, the competition in the market and the delay in the liberalisation of the postal market, this option has now been exercised. It was exercised in 2008 and, in accordance with IFRS rules, must therefore be assessed on the basis of the true value at the time. The shareholding in Selektmail was not linked to an obligation to outsource mail to Selektmail.

Mr Stevense notes that it can be concluded from page 23 of the annual report that Wegener will be affected if it should appear that Mecom is not able to meet its obligations under the financing arrangement. Mr Montgomery replies that there is no reason for misgivings as regards the financing of Mecom. The financing arrangement with the banks has meanwhile been signed and the issue underwritten in its entirety by Cazenove (that means that if investors are not interested, the bank JP Morgan Cazenove will underwrite the issue of shares).

Mr Stevense asks for financial details about the sale of the interest in AD NieuwsMedia BV to PCM. Mr Boot replies that a press release on this matter will be issued shortly.

Mr Stevense notes that there is an absence level of 5.2%, which he considers rather high. He asks whether the measures taken have had any effect yet. Mr Munsterman replies that it takes a while before such measures have a visible effect. The company is currently being reorganised and last year was turbulent. Circumstances such as these are always reflected in absence levels. The same effect was noticed when the free local publications were reorganised and the tools applied at the time were successful. Mr Munsterman is confident that these tools will also achieve good results with Wegener as a whole, and that should become clear within a year or a year and a half. An employee satisfaction survey will certainly be held in those sections of the company where the absence levels are highest. It goes without saying that the welfare of the people working in the company is of absolute importance, Munsterman says.

Mr Stevense asks about the situation concerning the collective bargaining agreement. Mr Boot replies that the Grafimedia agreements and those relating to newspaper journalists are of particular interest at Wegener. Both agreements are still in place this year, although negotiations about new agreements will have to start in the course of the year.

Mr Jorna, speaking on behalf of the Association of Stockholders (VEB), notes that 2008 was indeed an unsettled and eventful year. It is, after all, quite something if two thirds of both the Board of Management and the Supervisory Board resign and, in addition to that, the Central Works Council brings legal action. Mr Jorna has gained the impression from reports that insufficient information is being shared and that there is a lack of respect for each other's roles. Mecom is now the controlling shareholder. The VEB is concerned about this and wonders if the underlying reason for the disquiet lies in the cultural differences in governance between England and the Netherlands, or whether it is basically a question of personalities. After all, the Supervisory Board members and the financial director of Mecom resigned as well. Mr Jorna asks if this might not hamper the Board of Management.

Mr Munsterman replies that the changes in the Board of Management and the Supervisory Board were an item on the agenda of the previous shareholders' meeting. He is of the opinion that the turnaround from an independent company to one with a single majority shareholder was tricky for the then directors, and that the problems were not automatically attributable to Mecom alone. But things have meanwhile calmed down at Wegener and clear arrangements have been made with Mecom: the Board of Management does its work in the Netherlands and in the Dutch way, and Mecom is the shareholder. Mecom understands

that, which is why things have cooled down and the relationship with the Central Works Council is excellent.

Mr Jorna asks whether the Board of Management has sufficient latitude to operate as board and whether Mr Montgomery's role really is confined to that of chairman of the Supervisory Board. Mr Boot points out that the Supervisory Board comprises three people, two of whom are independent of Mecom. Mr Munsterman adds that the Board of Management approached the two other Supervisory Board members itself.

Mr Jorna says that Wegener is a formal guarantor for the debts of the entire Mecom group. Article 2 of the company's articles of association states that the company cannot act as guarantor for third-party shareholder debts. This means that the article must be amended, and also that the shareholders can invoke the nullity of a potential liability claim. With the consent of the Board of Management, the Central Works Council opposed the pledging of assets. The question now is which securities have been provided for financing Mecom. The accountant refers to this special construction in his statement but sees no grounds for reservations now that the Board of Management has indicated that it considers it unlikely that Wegener will be accountable for a higher sum than would appear from the accounts. Mr Jorna requests further explanation of this announcement.

Mr Boot replies that the item about the articles of association will be looked into. Furthermore, he says that when the financing arrangement was settled for Mecom's takeover of Wegener in 2007, an umbrella financing construction for Mecom as a whole was arranged, for which detailed legal advice was taken. The conclusion was that with such a large majority shareholder, you are entitled to take the group interest into consideration, which is why the guarantee was issued. This only concerned the level of the debts that did not relate to Mecom's acquisition of Wegener. This type of guarantee continues unchanged in the current financing arrangement. Mecom's shares in Wegener have been pledged to the bank as security: that was the case in the previous financing arrangement, and continues as such. During the negotiations, the Board of Management was informed in detail about the current financing and also took active part in it. Taking stock, the Board of Management considers it highly unlikely that the current financing arrangement will cause difficulties for Wegener. This has, of course, been discussed in detail with the accountants. Mr Van Kleef, the company's accountant, adds that the situation in 2008 is as shown in the balance sheet. The situation in April prompted the accountant to issue a 'clean' statement. Given the importance of the item Financing, however, it was decided to include this as an optional item in the explanatory notes.

In line with the analysts, Mr Jorna is concerned about Mecom's financial position. Mr Boot replies that that may well have been the case but is no longer so since the new financing arrangement. All knowledge about the developments in the market during the first months of this year was taken into account when concluding this financing arrangement, including the more sombre scenarios, and now the financing has been arranged in such a way that the company can stand up to a beating.

Mr Jorna compliments the Board of Management on the change of course towards a cross-media company, although that should have taken place sooner. Comparatively speaking, the change also leads to an increase in turnover, although in absolute terms, it does not amount to very much yet. Major investments are needed to inspire a cross-media approach, Mr Jorna says. The key question is, therefore, whether Wegener has the means to initiate this.

Mr Munsterman replies that it is not just about money. The consequence of the restructuring of Wegener, this year and last year, is that several people have had to go and at the same time, the step into the cross-media age has to be taken – a commitment that the Board of Management fully underscores. There is still much to learn from the experiences of other companies in the Mecom group, e.g. in Poland, Denmark and Norway, where there were increases of 40 and 50%. It is not so much about expenditure at Wegener as about a change in attitude to online services. To illustrate this, Munsterman mentions the photographer who was at a football match in Paris and shot a single photo of football team FC Twente for the newspaper whereas this would have been a unique opportunity to publish a *real-time* series of photos on the website of Twente's regional newspaper. Mr Montgomery provides another example: he followed the sad events on Queen's Day on the website of the *Danish* newspaper. Even though the regional newspaper De Stentor was the first to put information online at 11 am, the website was not updated until

late in the evening. The better the online information, the greater the reach, and, consequently, the greater the advertising volume.

Mr Jorna asks why Wegener and Limburg Media Groep (LMG) are not being fully integrated as was announced in 2007. This would allow for a better distribution of printing presses, he believes. Or is it Mecom's aim to keep LMG at arm's length, and so make it easier to sell? Mr Munsterman replies that selling LMG is not under discussion. Mr Cornelisse says that Wegener is constantly adapting printing capacity to market needs, and has been doing so for many years. This now involves the printing company in Heerlen as well, but it is not wise to replace everything in one go. There is a declining trend in circulation and printing presses have a useful life of twenty years.

Mr Jorna asks if the dispute about the cost of the forthcoming reorganisation at AD NieuwsMedia is still continuing. Mr Boot replies that the new shareholder is responsible for reorganisation.

Mr Jorna says he appreciates the need to make cuts in editorial boards as part of the cost reduction strategy. To do this, the agreement with NVJ (the national trade union for journalists) would have to be terminated. Does the Board of Management expect a strike threat? Mr Jorna also notes that if the company heads do not set a good example, this would give employees whose jobs are on the line the wrong message. The Guardian recently reported an 18% increase in Mr Montgomery's salary.

Mr Van Amerongen points out that Mr Montgomery is not employed by Wegener, and that the discussion about his salary as Mecom employee should be held at the meeting of Mecom shareholders. Mr Jorna is of the opinion that the majority shareholder is the leading figure of the company and that one of this majority shareholder's top executives is enriching himself while Wegener depends on that same majority shareholder for its funding.

As for the agreement with the NVJ, Mr Munsterman notes that the Central Works Council has been given access to Wegener's accounts and permission to share their findings with the NVJ. Based on their inspection, the Council concluded that the agreement must be negotiable. Subsequently, a settlement with the NVJ was reached fairly quickly, the only remaining points of discussion concern the wording. The crux is that a period of nine months is available to renegotiate the terms of the agreement. Evaluation will take place after that and a decision taken as to how to proceed for the remaining term of the agreement until the end of 2010. Mr Munsterman emphasises that there is absolutely no question of a strike threat. Things are calm, there is a high level of transparency and therefore a consensus of understanding. The climate in the company is excellent.

Mr Jorna has read that the Board of Management's remuneration policy has been amended, in the sense that an option scheme for Mecom shares is now being employed. Mr Montgomery replies that all senior managers in the group will receive options. It is now the Mecom Group's intention to ask the shareholders' permission to withdraw these options and replace them with new ones. Mr Jorna thinks that Mecom options have now taken the place of the Wegener share scheme and that such an amendment requires approval from the shareholders' meeting. Mr Kuit acknowledges that according to the articles of association, any changes in remuneration policy require approval from the shareholders' meeting. That is why, as in the previous year, the annual report indicates that changes are possible on the basis of the remuneration system used by Mecom. The implementation of the changes will be disclosed in full next year. Mr Boot promises to place the remuneration policy on the agenda of the next general meeting.

On behalf of the VEB, Mr Jorna raises serious objections to the severance package of €1.8 million awarded to Mr Busweiler, former member of the Board of Management. According to the VEB, a package of that kind does not conform to social standards in the Netherlands and he requests the Board of Management to distance itself from this and formally request Mr Busweiler to pay back part of the package on the grounds that it is excessive. The VEB feels very strongly about this. Under deviations from the Code in the annual report, no explanation is given why the standard maximum severance pay of one years' salary was not adhered to. Mr Montgomery replies that severance negotiations were finalised in accordance with Busweiler's employment contract. Legal advice was sought and negotiations were stiff. As shareholder, Mecom is fully satisfied with the negotiated result. Mr Boot adds that legal advisors were at all times aware of the contract, taking into consideration age, length of service, average bonuses, etc., and that the result is lower than the amount Busweiler would have been entitled to under the

agreement. Mr Jorna says that the company can expect to receive a letter from the VEB demanding disclosure of the contract.

Mr Dekker says that the fact that the boards of the Koninklijke Wegener Administration Office Foundation and the Koninklijke Wegener Administration Office for Financing Preference Shares Foundation are now under single control makes things difficult. Both foundations now have an ANT company as director. He thinks that the interests of the foundations, with regard to dividend payments for instance, are not always analogous. Mr Boot replies that holders of depository receipts enjoy the same rights as shareholders; there is, substantively speaking, no longer any difference. In addition, the payment of preferential dividends is a decision taken by the Board of Management and subject to the approval of the Supervisory Board; the board of the foundation plays no part in this. Mr Dekker asks if the administrative office ever commented on or was involved in the negotiations when the financing arrangement was being concluded. Mr Boot replies that the then incumbent Board of Management and Supervisory Board dealt with the financing arrangement in 2007, and that the boards of the foundation had no specific part to play. That said, it was all examined closely and all interests were taken into consideration.

Mr Kuit says that since the articles of association were amended in 2007, the function of both foundations has been purely an administrative one. Others functions related to conversion into depository receipts are no longer relevant because the depository receipt holders are, in all cases, granted full authority, with no exceptions. As for the complete abrogation of the conversion into depository receipts – this is not done for cost reasons.

Mr Dekker asks if the financing arrangement was entered into with a group of banks and how long this arrangement applies. He also wants to know which agreements the bank stipulated and what their effect is on Wegener's own financing requirements. Mr Montgomery replies that Mecom has sufficient securities in the agreements to survive this recession. This is explained in detail in the prospectus that Mecom has published. Obviously, we can only guess how advertisement volume will develop in the year ahead; according to Montgomery, the first signs of stabilisation are apparent even though the crisis is still far from over. Mr Boot says the financing arrangement has been made with a substantial group of banks. From the perspective of the Board of Management, and with the knowledge of their own forecasts and the level of the agreements, Mecom is quite solid. There is no question of a subset of covenants for Wegener alone. Mr Dekker urges that Wegener make every effort to secure its own financing.

Mr Jorna asks for an explanation of the negative net cash outflow in 2008. Mr Boot replies that the applicable legislation defines the format of the cash flow statement. It is better to look at developments in the net debt, which had dropped at the end of 2008 compared to 2007.

Mr Stevense asks about the situation concerning the goodwill entries relating to Autotrust. Mr Boot replies that originally, Wegener had an interest of just above 50% in this start-up with a new concept on the internet. The company's position was then reinforced by issuing new share capital. However, it was concluded in 2008 that the new product had not caught on sufficiently and so it was decided that Wegener would dispose of its interest.

Mr Stevense regrets that the former board members of the Administration Office Foundation are not attending the meeting. Aside from that, he thinks that the administration office should be disbanded. Mr Kuit repeats that the foundation's task is merely an administrative one, which is why the board that was in office at the time resigned. Lifting the issue of depository receipts for shares is a complex and especially costly business, and that is why it was dropped. The current board of the foundations is attending the meeting.

Mr Dekker asks whether there is a chance that important write-offs against goodwill will have to take place, and whether they figure in the calculation of the agreements with the banks. Mr Boot replies that the goodwill has no effect on the agreements.

#### **4. 2008 annual accounts**

##### **4.a Adoption of the annual accounts for the 2008 financial year**

The adoption of the annual accounts is put to the vote. Mr Jorna and Mr Stevense abstain and all others present are in favour. It is concluded that the shareholders' meeting adopts the annual accounts for the 2008 financial year.

##### **4.b Dividend recommendation**

The meeting is asked whether it can agree to the recommendation to pay no dividend on ordinary shares. It is concluded that this is passed by unanimous agreement of the General Meeting.

##### **4.c Discharge of the Supervisory Board**

Discharge of the Supervisory Board is put to the vote. It is concluded that the General Meeting of Shareholders discharges the supervisory board members with two votes against (representing 32 shares).

##### **4.d Discharge of the Board of Management**

The General Meeting of Shareholders unanimously discharges the Board of Management.

#### **5. Appointment of external accountant**

Mr Montgomery says that the re-appointment of the external accountant must be approved by the general meeting. He concludes that the meeting approves the re-appointment. Mr Stevense notes that he would prefer the re-appointment to be for one year so that it can be put to the vote again next year.

#### **6. Remuneration of Supervisory Board**

The chairman explains that the current remuneration of the members of the Supervisory Board is EUR 30,000 per annum for the chair of the Supervisory Board and EUR 25,000 per annum for the other Board members. Given the fact that these remunerations were last amended in 2005, and in the light of the remuneration that applies to the labour market benchmark group against which Wegener compares itself, it is proposed to amend the chairman's remuneration to a sum of EUR 40,000 per annum as of 1 January 2009 and that of the other members to a sum of EUR 35,000.

Mr Jorna says that this is a rise of 33 to 40% which is far beyond what employees receive. He says that a Supervisory Board giving itself an extra reward is yet another bad example. In terms of content, it would seem improbable that the Supervisory Board's pressure of work has increased in the current situation, with just a single majority shareholder; in fact, quite the opposite is true. Moreover, there are no longer any separate committees. The VEB believes therefore that this pay rise sends out the wrong message. Apart from that, the total cost of the Supervisory Board for the company has dropped seeing as the Board used to comprise five persons and now only three.

The resolution is put to the vote. Mr Jorna and Mr Stevense vote against (representing 32 shares), Mr Dekker disagrees with a rise for the chairman but not for the other two members.

The chairman concludes that the resolution is carried.

#### **7. Closing**

The chairman closes the meeting. Mr Jorna notes that the meeting cannot be closed until the item Any Other Business has been dealt with. The chairman explains that given the amount of time spent on other items on the agenda, there is no time left for AOB. Mr Dekker would like it taken down in the minutes that item number 7 has not been dealt with in the meeting as the chairman refuses to deal with it.