

**MINUTES OF THE EIGHTEENTH ANNUAL GENERAL MEETING OF  
EUROCOMMERCIAL PROPERTIES N.V. HELD AT AMSTEL INTER  
CONTINENTAL HOTEL, PROF. TULPPLEIN 1, AMSTERDAM ON TUESDAY  
3 NOVEMBER 2009 AT 11.00 AM.**

**1. Opening**

The meeting was opened at 11.00 am by the Chairman of the Supervisory Board, Mr. W.G. van Hassel, acting as Chairman of the meeting. The Chairman extended a warm welcome to all present.

The Chairman appointed Mr. J.D. van der Beek as Secretary of the meeting.

The Chairman introduced the members of the Supervisory Board present at the meeting, namely Messrs H.W. Bolland, J.C. Pollock, A.E. Teeuw and P.W. Haasbroek, and the members of the Board of Management Messrs J.P. Lewis and E.J. van Garderen.

The Chairman reported that the meeting had been properly convened and all statutory requirements had been met to convene a legally valid meeting in which legally valid resolutions could be adopted. The notice to convene the meeting had been published in Het Financieele Dagblad on Friday 9 October 2009 and notices of this date had been sent to all holders of registered shares.

The meeting was combined with a meeting of holders of depositary receipts as referred to in Article 11 of the Conditions of Administration of Stichting Administratiekantoor Eurocommercial Properties.

The Chairman indicated that the Company presently had 359,718,938 ordinary shares and 100 priority shares in issue. There were 358,287,290 shares present or represented, including depositary receipts. This implied that 99.9% of the issued capital of the Company was present and/or represented at the meeting. The Chairman pointed out that each share was entitled to 1 vote and each depositary receipt was entitled to 10 votes.

There then followed a brief address by the Chairman, in which he indicated that, although the Company's most recent financial year had been one of the most dramatic economically, the Company's business had continued to develop according to plan: occupancy rates and doubtful debtors had remained at very low levels, the Company's overall rental income had increased steadily by 4.3%.

Nevertheless, the Company's management had monitored the negative developments with extreme care.

At this moment it was thought however that the situation had stabilized and there was no cause for pessimism; the Company's balance sheet and its outlook were robust, and allowed for complimenting the Company's management and staff for their ongoing excellent performance.

The Chairman then handed over to Mr. J.P. Lewis for a brief review of the Annual Report of the Board of Management.

## 2. **Annual Report of the Board of Management**

### Introduction

Mr. Lewis welcomed everyone to the eighteenth annual general meeting.

Mr. Lewis started by pointing out that the Company's logo - not its company name - had been changed to "Eurocommercial Shopping Centres", due to the fact that - following the sale of the last office building in The Netherlands last year - the Company's portfolio now essentially consisted of retail property, and the Company would continue to focus on retail markets.

### The portfolio

Mr. Lewis showed an overview of the Company's retail property and country balance. 75% of the retail property were shopping centres, 21 % were city centre shops/galleries and 4% were retail parks.

The portfolio balance by country was: France 37%, Italy 41%, Sweden 22%.

### Results

Mr. Lewis said that, despite the banking crisis and recession, the Company's performance in terms of income had been very similar to the previous year, and he was proud that the Company had managed to produce a sound performance. This was due to a lot of people, and Mr. Lewis thanked his colleagues and the Company's shareholders, bankers, retailers and customers.

Mr. Lewis showed the results for the past financial year:

- Direct investment result rose by 4.3% to € 65.1 million
- Like for like rental growth was 4.7%
- Net property income rose by 4.0% to € 114.4 million
- Property revaluations decreased by 8.8%

- Adjusted net asset value decreased by 17.1% to € 33.02 per depositary receipt
- Proposed dividend was € 1.78 per depositary receipt (€ 1.75 per depositary receipt in 2007/2008).

Mr. Lewis explained that the dividend probably could have been € 1.82 per depositary receipt, but without knowing what the indexation for France and Sweden would be, the Company had deliberately held back a bit. Clearly the Company wanted to be able to continue the unbroken line of dividends going up each year.

### Share and Property performance

#### *Sustainable income*

Mr. Lewis stressed that sustainable income was the key to the Company's performance, and in that respect presented the following figures (with which the Company was among the lowest in the industry):

- Occupancy cost ratio was 7.9%
- Vacancy levels were less than 1%
- Rental arrears were 1.16%
- Interest costs were fixed at 4.6%
- Overheads were controlled and stable
- Only 6 shops out of 1,170 had tenants in administration.

All together these figures gave the reason why the income of the Company had been stable and was also likely to remain stable.

#### *Sound Balance sheet*

Mr. Lewis then informed the meeting of some of the numbers of the Company's balance sheet:

- Debt to equity was 77%
- Loan to value was 43%
- The average loan term was 9 years
- There were no major debt repayments due before 2015/2016
- Property values were stabilising

Property values had gone down because of market yield shifts, however Mr. Lewis pointed out that the shopping centre market had been the least affected – due to the fact that there were relatively few shopping centre owners in Western Europe, all of which were well financed.

#### *Retail rental growth*

Mr. Lewis showed a chart of the retail rental growth numbers for the Company's centres for the year to June 2009 (excluding extensions at

Carosello, Carugate, Milano; Elins Esplanad, Skövde and Ingelsta Shopping, Norrköping), which were:

|          |      |
|----------|------|
| France:  | 4.0% |
| Italy:   | 4.9% |
| Sweden:  | 5.7% |
| Overall: | 4.7% |

Mr. Lewis expected the September numbers not to be very different.

#### *Retail sales turnover*

Mr. Lewis then showed a chart of the retail sales turnover numbers for the Company's centres over the twelve months to September 2009 (excluding extensions at Carosello, Carugate, Milano; Elins Esplanad, Skövde and Ingelsta Shopping, Norrköping), which were:

|         |                 |                  |
|---------|-----------------|------------------|
| ECP:    | overall: -1.1%; | boutiques: -0.8% |
| France: | overall: -3.2%; | boutiques: -0.6% |
| Italy:  | overall: -0.6%; | boutiques: 0.1%  |
| Sweden: | overall: 1.0%;  | boutiques: -2.0% |

The performance in Italy had been best because debt levels of Italian households were relatively low and there had been no real banking crisis.

#### *Occupancy costs ratios*

Mr. Lewis showed an overview of the Company's occupancy cost ratios at September 2009 (excluding hypermarkets), which were:

|          |      |
|----------|------|
| France:  | 7.8% |
| Italy:   | 8.2% |
| Sweden:  | 7.4% |
| Overall: | 7.9% |

Mr. Lewis stressed the importance of the occupancy cost ratios; the Company's rents were reasonable and sustainable and that had produced the Company's low vacancies and low arrears.

Up to date the Company had given no rent reductions anywhere, though whether that would remain so in the next year was hard to predict.

Mr. Lewis would guess that in the most pessimistic scenario temporary rent reductions of up to a minimum of € 150,000 might be given at worst (out of a total rent roll of € 134 million).

#### *Property valuation changes*

Property values had gone down, though Mr. Lewis thought that the Company's markets were amongst the most stable in the world.

The reduction in the Company's property values was similar to its major competitors, which was hardly surprising because all valuations were done by the same very small group of professional international firms of valuers.

The Company's property valuation changes per June 2009 (compared to June 2008) were:

|          |        |
|----------|--------|
| France:  | -9.2%  |
| Italy:   | -8.8%  |
| Sweden:  | -8.4%  |
| Overall: | -8.8%. |

Mr. Lewis concluded that the reduction in property values was not significant nor had in any way affected the solidity of the Company's debt to equity ratios and the Company's stability.

He then handed over to Mr. E.J. van Garderen for a financial summary.

#### Finance Director's commentary

Mr. Van Garderen started by stating that in 2009 investors, banks and other stakeholders had serious concerns about balance sheets of property companies and had focussed strongly on covenants regarding outstanding debt.

The Company had also monitored its bank covenants very carefully, but always had considerable headroom due to its prime property portfolio in three more stable countries.

The Company's property values had decreased, but not as massively as in other markets.

Further, the Company had used proceeds from the sale of its warehouses and last office building in its portfolio to partly repay its debt and partly to invest in various extensions in the existing portfolio.

Therefore, but also due to the fact that the Company had no committed development pipeline, the Company was considered as one of the more financially sound property companies in Europe and its stockprice had suffered less dramatically than that of others in the sector.

The Company had had no equity funding needs last year.

Mr. Van Garderen stressed that the Company would only consider funding in the form of equity in the case of expanding the property portfolio through earnings accretive deals.

To keep the dividend growing or at least maintain the dividend was a fundamental goal, so the Company preferred avoiding dilution.

Mr. Van Garderen informed the meeting that the Company's total debt had been reduced from € 970 million to just above € 900 million in the last year, despite the capital expenditure needs to realise the various extensions in the portfolio.

Though the maturity profile of the Company's loan book was already very well balanced, with a long average of almost nine years and the first major refinancing only in 2014, the Company had been very active in improving its loan book further, focusing on three items:

- streamlining definitions in bank covenants
- maintaining the very long average term of the loan book
- improving the spread among good quality banks.

This strategy had been implemented by clarifying the debt to equity ratio in the Company's bank covenants, which had resulted in a debt to equity ratio per 30 June 2009 of 77%, far away from the limit of 100% , leaving a theoretical unused loan capacity of € 270 million, and a marginal increase from 75% last year.

Mr. Van Garderen stressed that the Company was certainly not considering using the unused loan capacity. The Company's borrowings should in principle stay at around € 900 million, but due to the fact that some of the Company's borrowings were short term and an annual amortisation of around € 14 million, there was a continuing need for new long term bank loans with a modest ticket size of around € 40 million each.

As the Company's loan to value ratio remained stable at 43%, the Company experienced that there were a number of banks in Europe that were keen to enter into long term financing contracts, as long as the amount to be borrowed was below € 50 million.

The Company had concluded two new long term loans in the current financial year for an amount of € 40 million each - one in France for a term of ten years and one in Italy for a term of twelve years, overall at a margin of not more than 100 basis points. These two deals further improved the amount of committed debt facilities.

At 30 June 2009 the Company had committed debt facilities of € 927 million, of which € 913 million was drawn down. Furthermore, the Company had € 128 million of uncommitted facilities spread among a number of European banks with which the Company had long term relationships.

Mr. Van Garderen further informed the meeting that the average overall interest rate including margins paid by the Company during the year was 4.6%.

92% of the Company's total borrowings was hedged for an average term of almost six years.

This was consistent with the Company's defensive interest rate hedge policy. Though as a result of this policy the Company did not benefit from low market interest rates, Mr. Van Garderen pointed out that floating interest rates would incur risk.

The Company preferred very stable cashflows and if one wanted a predictable and steadily growing dividend, there was no room for speculating on interest rates as one wanted to know its future interest expense – which was by far the largest expense in the profit and loss account of a property company using leverage.

Also the Company's lending banks preferred this policy.

Other funding ratios of the Company at 30 June 2009 were, as shown on an overview:

- € 56 million of the Company's total debt of € 913 million was short term (less than 1 year), € 857 million was long term (more than 1 year)
- Shareholders' equity was € 1,184 million
- The average margin paid to its lenders was 48 basis points
- The interest coverage ratio for the past year was 2.6%.

### Dividend

The Board of Management recommended to declare a cash dividend of € 1.78 per depositary receipt to be paid on 30 November 2009.

Instead of the proposed cash dividend the Company also offered the shareholders the option to take new depositary receipts: for each 17 existing depositary receipts the shareholders could receive 1 new depositary receipt, which implied an issue price of € 30.26 (ex 2009 dividend), which was slightly below adjusted net asset value and slightly above current stock prices, therefore avoiding dilution but also avoiding that too many shareholders might take up the stock.

Finally Mr. Van Garderen informed the meeting that the Company would announce its financial results for the first quarter 2009/2010 on Friday 6 November 2009 before opening of NYSE Euronext.

Mr. Van Garderen then handed over to Mr. Tom Newton to talk about the French property market.

### France

Mr. Newton started by briefly indicating the Company's current centres in France, which overall had produced a gross rent last year of € 46 million.

In that respect Mr. Newton thanked the Company's rent collection department in Paris for their efforts, and in particular Ms. Caroline Bonaldi, who had already cashed for the third quarter of this year 99.3 % of the rents, and was on her way to a similar figure for the fourth quarter.

Mr. Newton showed an overview with overall figures for the year to 30 June 2009 on the Company's properties in France.

- Rental growth was 4.0%
- There had been 31 relettings and renewals, which had resulted in an 18% uplift in base rent
- 63% of the retail leases were now on the ILC index, which meant that these rents would go up by a touch over 0.8% per 1 January 2010. The rest of the retail leases (37%) were still on the old index, which meant that these rents would go down by a shade over 4% per 1 January 2010. Mr. Newton was however confident, as the Company was well advanced in some further lease renewal negotiations, that the total rent next year would be pretty similar to that of this year
- Valuations were down by 9.2% since June 2008 (-5.5% since December 2008). There had been two deals in France in June/July this year that had set a benchmark for the Company's valuers: the sale of a property near the Italian border in Chambéry to Generali and the sale of a property in Lille to a German open ended fund
- Net initial yield was 5.7% compared with 4.8% in June 2008 and 5.1% in December 2008:
  - Paris properties: 5.5%
  - Provincial shopping centres: 5.8%
  - Ile de France retail parks: 6.5%
- Occupancy cost ratio was 7.6%

#### *Retail sales turnover*

Mr. Newton continued by showing an overview of the retail sales turnover percentages to September 2009 for the Company's shopping centres in France, by sector. These figures were:

|                   |       |
|-------------------|-------|
| Fashion           | -3.6% |
| Gifts & jewellery | 6.5%  |
| Health & beauty   | 2.4%  |
| Home goods        | 4.0%  |
| Restaurants       | 3.6%  |
| Electricals       | -7.8% |
| Overall           | -3.2% |
| Boutiques         | -0.6% |

A lease renewal with Fnac for the Passage du Havre was being negotiated, which Mr. Newton expected to result in a higher rent for the next period.

### *Projects*

Mr. Newton further informed the meeting in detail about the restructuring at ground and first floor level of the shops at Rue de Rivoli (Paris) and the completed refurbishment of the centre Passy Plaza (Paris).

Mr. Newton then handed over to Mr. Tim Santini to talk about the Italian properties.

### Italy

Mr. Santini started by indicating the Company's current centres in Italy. There had been no changes in the property portfolio in Italy last year, apart from finishing a food court in the centre Carosello (Carugate, Milan), as final part of the extension opened in October 2008.

Consumer confidence in Italy was up, while retail sales were down slightly but were expected to pick up soon.

A research by the Boston Consulting Group had indicated that the cheaper outlets were not winning structural market shares in Italy.

Mr. Santini then showed an overview with overall figures for the year to 30 June 2009 on the Company's properties in Italy:

- valuations were down by 8.8% since June 2008 (-4.8% since December 2008)
- net initial yield was 5.6% compared with 5.0% in June 2008 and 5.4% in December 2008

Mr. Santini explained that yields were the result of investment activity in comparable transactions in the market. The Italian market had been quite active with nine transactions in the last six months.

Funds were able to raise equity again in Italy.

Mr. Santini concluded that the Italian shopping centre market was healthy and some valuers in Italy expected the yields to start hardening again in 2010 for Italian shopping centres, as was happening in the UK.

- rental growth was 4.9%
- occupancy cost ratio was 8.2%
- 93 relettings and renewals (excluding the Carosello extension) had resulted in a 29% uplift in base rent

- there had not been an increase in vacancies levels, which were still at only 0.5%

#### *Retail sales turnover*

Mr. Santini continued to show an overview of the retail sales turnover percentages to September 2009 for the Company's shopping centres in Italy, by sector. These figures (excluding the extension at Carosello, Carugate, Milan) were:

|                   |       |
|-------------------|-------|
| Fashion           | 0.0%  |
| Gifts & jewellery | -3.1% |
| Health & beauty   | -1.8% |
| Home goods        | -3.8% |
| Restaurants       | 3.7%  |
| Electricals       | -1.8% |
| Books & toys      | 2.1%  |
| Overall           | -0.6% |

#### *Projects*

Mr. Santini then informed the meeting in detail about the completed extension and refurbishment of the Company's centre Carosello (Carugate, Milan).

Further, next year the Company would be refurbishing its centres in Ferrara and in Florence.

Mr. Santini then handed over to Mr. Peter Mills to discuss the property investments in Sweden and The Netherlands.

#### Sweden

Mr. Mills started by briefly indicating the Company's current centres in Sweden. There had been no change in the property portfolio in Sweden last year.

Mr. Mills then showed an overview with overall figures for the year to 30 June 2009 on the Company's properties in Sweden:

- Retail rental growth was 5.7%, which had been the result of very strong indexation (3.5%) and of an average rental uplift of 16% in base rent from 21 relettings and lease renewals.
- Mr. Mills informed the meeting that the 2010 indexation was expected to be flat or even marginally negative (budgeted at -1.5%), which Mr. Mills expected to be compensated by some further lease renewals next year
- Occupancy cost ratio was low at 7.6%

- Valuations were down by 8.4% since June 2008 (-3.0% since December 2008)
- Net initial yield was 5.5% (excluding Växjö, the average yield was 5.75%), compared with 4.9% in June 2008 and 5.3% in December 2008

#### *Retail sales turnover*

Mr. Mills continued to show an overview of the retail sales turnover percentages to September 2009 for the Company's shopping centres in Sweden, by sector. These figures (excluding the extensions at Elins Esplanad, Skövde and Ingelsta Shopping, Norrköping) were:

|                   |        |
|-------------------|--------|
| Fashion           | -2.9%  |
| Sport             | 3.4%   |
| Gifts & jewellery | -2.1%  |
| Health & beauty   | 4.1%   |
| Home goods        | -15.1% |
| Restaurants       | -1.0%  |
| Hypermarkets      | 4.3%   |
| Overall           | 1.0%   |

#### *Projects*

Mr. Mills then informed the meeting in detail about the extension of the Company's centres in Skövde (Elins Esplanad), opened at the end of November 2008, and Norrköping (Ingelsta Shopping), opened in May 2009.

The Company continued its investigations into the development of an 18,000m<sup>2</sup> shopping centre at Samarkand, Växjö.

#### The Netherlands

Mr. Mills finally spoke briefly about the portfolio in The Netherlands. The office building in Amsterdam, at Kingsfordweg 1, had been sold at book value in March 2009 for € 86.5 million. The proceeds had been used to reduce debt.

This sale had marked the Company's exit from the office market.

Mr. Mills then handed back to Mr. Lewis to talk about the outlook.

#### Outlook

##### *Market*

Mr. Lewis started by saying that the property market was still tricky at the moment. People were predicting the end of the crisis, and the signs indeed were generally favourable, but a lot of the growth we were now seeing was due to historically low interest rates.

What would happen when inflation and interest rates went up, though so far this had not happened?

The recession was still there, and retail sales were constrained, but rental and occupancy levels were stable in good centres.

Buyers were coming back into the property market, and the market had settled down almost back to normal. There were fewer sellers and yields were stabilising.

#### *Investments strategy*

Mr. Lewis then gave an overview of the Company's plans for the next period, which were:

- to focus on the existing retail markets of France, Northern Italy and Sweden. For the foreseeable future the Company had no plans to invest in other countries
- to restart some extensions, Sweden first
- to only consider new acquisitions that were earnings enhancing.

Concluding, Mr. Lewis said that the Company's outlook now was one of cautious optimism, and he thanked the audience for listening.

### **3. Financial Statements**

The Chairman then asked the Meeting if there were any questions or comments with respect to the Annual Report.

Mr. A. Knibbe of ING raised a few questions:

1. Did the Company see any difference in impact of the crisis between grocery anchored retail centres versus super regional malls?

Mr. Lewis answered that the distinction between small and big centres was false. There were both good and bad small centres and good and bad big centres. What mattered was not so much the size but whether centres were good within their particular sector.

Mr. Knibbe argued that with larger scale the Company could investigate into issues like SRI or e-commerce.

Mr. Lewis answered that the danger with big companies was that they forgot to focus on their basic business. The Company's personnel cost to assets ratio was about half of some of the very big companies.

The Company did not want to be a huge company, but wanted to strike a reasonable balance.

2. Mr. Knibbe pointed out that the Company's triple net NAV was 12% below the Company's headline NAV, and asked if this was the result of the Company's conservative long term debt policy.

Mr. Lewis assumed that Mr. Knibbe referred to the IFRS and adjusted figures, and explained that this difference was simply the deferred taxation and the marked to market of the swaps.

Mr. Lewis stressed that this matter was very theoretical, the Company's swaps were there to stabilize its interest costs.

But indeed these figures did reflect the fact that interest rates were lower than the Company's swap rates.

3. Finally, Mr. Knibbe asked whether the Company still was not interested in the south of Italy.

Mr. Lewis shortly answered that the Company would never be.

Mr. H.P. Koedam of the Vereniging van Effectenbezitters asked why two profitable projects, in Lille and Chambéry, in France had been sold, and if there were any strategic reasons for these sales.

Mr. Newton pointed out that these two sales had not been sales by the Company, and further dwelled on some of the details of these sales.

Mr. Koedam then referred to the fact that in the year 2009/2010 an amount of € 100 million of the Company's loan portfolio would have to be refinanced. Would the more strict borrowing policy of banks constitute a problem?

Mr. Van Garderen answered that part of the maturity profile of the Company's debt shown in the Annual Report in essence showed part of the long term loan financing becoming short term because a particular loan was maturing and/or there was some amortization which was in the portfolio anyhow, but also because there was a number of long term loans which could be repaid partly any day, reducing the total borrowed amount, but still offered the capacity to draw down more, so in fact the funds needed for the next years were already committed.

This was also one of the reasons the Company still continued entering into long term loans; it wanted to have a buffer to be able to meet its financial obligations, hence entering into new long term as well as short term loans, which was still possible.

The Company was working with around twelve banks for its long term financing, and around fifteen banks for its short term financing.

Finally, Mr. Koedam asked whether the Company had seen the worst in respect to the decrease in value of its property portfolio, or was this just the beginning?

Mr. Lewis answered that property yields had pretty much settled, but valuers would be looking closer to rental growth prospects. All in all Mr. Lewis expected values not to go down further, or if so, very little. When asked for an estimate figure however, Mr. Lewis said he was unable to give this.

Mr. N.A.A. Dirksen asked about the levels of household debt in Italy, which were comparatively low.

Mr. Lewis explained that household debt levels in Italy had always been low. Italians, especially in the North, were very conservative, and had strong family links.

Children seemed to leave home often only when they were in their thirties, and it was customarily for Italian parents to pay for their children's first apartment.

Generally Italians distrusted governments and preferred to keep things in the family.

Therefore saving ratios and home ownership were high, and debt levels were low.

Mr. Dirksen then asked about the environmental and energy aspects of the Company's centres.

Mr. Lewis said that it was in the Company's interest to be as efficient as possible. If this could be done by being sensitive to the environmental situation, the Company would do so.

Mr. T. Niemeijer expressed his amazement over the fact that the service charge income of the Company was lower than its service charge expenses, as mentioned in the Company's profit and loss account.

Mr. Van Garderen explained that under IFRS the Company was required to take up the service charges into its profit and loss account only when the Company controlled such service charges – for instance when the Company owned the entire building. Therefore, the Company's profit and loss account did not show the service charges of the total portfolio.

Furthermore, depending on country or even individual lease contracts, not all service costs could be charged to the Company's tenants.

Mr. Niemeijer had been unable to find in the Annual Report the remuneration of the Board members of the Company.

Mr. Van Garderen referred to page 74 of the Annual Report, where the remuneration was reported.

The Chairman asked the meeting if there were other questions.

As there were no further questions, the Chairman then proposed the meeting to (i) consider and adopt the financial statements of the Company for the financial year ended 30 June 2009 and (ii) to allocate the profit of the financial year ended 30 June 2009.

The Chairman then put the resolution to the vote.

With respect to this proposal there were holders of in total 7,300 depository receipts (0.02% of the presented or represented share capital), who wished to vote against the proposal.

Having taken note of the opposing votes, and there being no abstentions, the Chairman confirmed that the resolution, by a majority (358,214,290 votes in favour and 73,000 votes opposing, resulting in a majority of 99.98%) was adopted by the meeting.

#### **4. Dividend**

The Chairman then proposed the meeting to, in accordance with the recommendation of the Board of Supervisory Directors and the Board of Management, declare a dividend for the financial year ended 30 June 2009 of € 0.178 per ordinary share (€ 1.78 per depository receipt) to be paid on 30 November 2009.

Mr. Koedam asked if there were any tax consequences due to the fact that the Company, by declaring the above dividend, did not distribute its entire direct investment result as required by law.

Mr. Van Garderen explained that the law only required the Company to distribute its entire fiscal profit, which this year had been much lower than its direct investment result – there even was a big loss under IFRS.

The Company did have a dividend policy to distribute in principle its entire direct investment result, but this policy was off-set against the Company's goal to have a consistent growing dividend each year.

The Chairman then put the resolution to the vote. There being no abstentions or opposing votes, the Chairman confirmed that the resolution was adopted unanimously by the meeting.

## **5. Discharge of the Board of Management**

The Chairman proposed that the meeting would resolve to discharge the Board of Management from liability in respect of its management in the financial year ended 30 June 2009.

With respect to this proposal there were holders of in total 12,400 depositary receipts (0.03% of the presented or represented share capital), who wished to abstain from voting.

The Chairman then put the resolution to the vote. Having taken note of the abstentions, the Chairman confirmed that the resolution, by a majority (358,163,290 votes in favour and 124,000 votes abstaining, resulting in a majority of 100%) was adopted by the meeting.

## **6. Discharge of the Board of Supervisory Directors**

The Chairman proposed that the meeting would resolve to discharge the Board of Supervisory Directors from liability in respect of its supervision in the financial year ended 30 June 2009.

With respect to this proposal there were holders of in total 12,400 depositary receipts (0.03% of the presented or represented share capital), who wished to abstain from voting.

The Chairman then put the resolution to the vote. Having taken note of the abstentions, the Chairman confirmed that the resolution, by a majority (358,163,290 votes in favour and 124,000 votes abstaining, resulting in a majority of 100%) was adopted by the meeting.

## **7. Re-appointment of Mr. J.C. Pollock as Supervisory Director**

The Board of Supervisory Directors and the Board of Management proposed to re-appoint Mr. J.C. Pollock as Supervisory Director. Mr. J.C. Pollock, retiring by rotation, and being eligible, offered himself for re-election effective 3 November 2009 for a period of four years, as further set out in Annex II attached to the Agenda.

The Chairman then put the resolution to the vote. There being no abstentions or opposing votes, the Chairman confirmed that the resolution was adopted unanimously by the meeting.

## **8. Remuneration of the Board of Supervisory Directors**

The Board of Supervisory Directors and the Board of Management proposed to determine the remuneration of the members of the Board of Supervisory Directors as set out in the 2008/2009 Remuneration Report, which was attached to the Agenda as Annex I.

The Chairman then put the resolution to the vote. There being no abstentions or opposing votes, the Chairman confirmed that the resolution was adopted unanimously by the meeting.

## **9. Remuneration of the Board of Management**

The Board of Supervisory Directors and the Board of Management proposed to determine the remuneration of the members of the Board of Management as set out in the 2008/2009 Remuneration Report and to adopt the remuneration policy of the Company as set out in the 2008/2009 Remuneration Report, which was attached to the Agenda as Annex I.

Mr. H. Op 't Veld of PGGM referred to his comments on this item during last year's annual meeting, where he had remarked that PGGM would like to see a cap on bonuses. Mr. Op 't Veld asked whether the Company had reached a conclusion on that - if not, PGGM would be forced to vote against the proposal.

The Chairman said that the Company had discussed this, but as already explained last year, the Company believed it overall had a well balanced remuneration system.

Mr. Lewis added that actually the bonuses had been capped in the past. The matter of future bonuses had been discussed, but it was still a matter of debate because the current system so directly linked bonuses to the Company's performance.

The Chairman then put the resolution to the vote.

With respect to this proposal there were holders of in total 719,607 depository receipts (2% of the presented or represented share capital), who wished to vote against this proposal.

Having taken note of the opposing votes, and there being no abstentions, the Chairman confirmed that the resolution, by a majority (351,091,220 votes in favour and 7,196,070 votes opposing, resulting in a majority of 98%) was adopted by the meeting.

## **10. Re-appointment of Auditors**

The Chairman proposed that the meeting would re-appoint Ernst & Young Accountants, Amsterdam, as Auditors of the Company for the current financial year.

The Chairman then put the resolution to the vote.

With respect to this proposal there were holders of in total 7,300 depository receipts (0.02% of the presented or represented share capital), who wished to vote against the proposal.

Having taken note of the opposing votes, and there being no abstentions, the Chairman confirmed that the resolution, by a majority (358,214,290 votes in favour and 73,000 votes opposing, resulting in a majority of 99,98%) was adopted by the meeting.

## **11. Power to Issue Shares and/or Options thereon**

The Chairman referred to the existing designation of the power to issue shares in the capital of the Company for a period until 30 November 2011.

The Chairman proposed that the meeting would resolve to continue the existing designation, expiring on 30 November 2011, pursuant to Article 2:96 and 2:96a of the Netherlands Civil Code, of the meeting of holders of Priority Shares as the authorised body in connection with the issue of shares and rights to obtain shares, and the exclusion or restriction of pre-emptive rights thereon to the amount of the difference between (i) the available number of shares according to the authorised capital as amended and (ii) the number of issued shares and/or options thereon; said designation and authorisation to be made for the period until 30 November 2012 and to apply mutatis mutandis to the sale and transfer of bought back shares and depository receipts thereon by the Company. Further background information was set out in Annex III attached to the Agenda.

On this issue Mr. Op 't Veld referred to his comments made during last year's annual meeting.

Though he complimented the Company for not issuing any shares last year during all the turmoil, PGGM would like to see both the duration of the power as well as the number of shares to be issued based on the power to be limited.

The Chairman said that Mr. Op t Veld's comments of course had been discussed, but ultimately the Company had decided it should not limit the power to issue shares.

The Chairman further referred to what had been said by the Company on this issue last year.

Mr. Van Garderen added that where the Company requested such power each year from its shareholders, management of its Dutch peers that were investments companies with variable capital in the sector by law already had all the power to issue and buy back shares without any reference to shareholders.

Mr. Op 't Veld commented that in any case the duration of the power could easily be restricted to twelve or eighteen months. PGGM would vote against the proposal.

Mr. Lewis stressed that this issue had been specifically discussed; the point was very much taken.

Mr. Koedam said that the Vereniging van Effectenbezitters would also vote against the proposal.

Mr. Koedam had two questions:

1. Mr. Koedam had attended this years' annual meeting of shareholders of NSI; NSI had limited the power to issue and buy back shares to 10% of its issued share capital and to a duration of eighteen months. Why could the Company not follow the example of other Dutch stock exchange listed companies such as NSI?
2. Did the Company have any intention to issue shares?

Mr. Van Garderen answered and stressed again that there were still other companies that by law had all the power to issue and buy back shares.

As to the second question, Mr. van Garderen answered that the Company had at this moment no intention to issue shares.

However it was impossible to declare that the Company would in no event issue shares, being a property company.

The Company would not issue shares just for the sake of issuing, but if for example it would come across property acquisitions that had an earnings enhancing effect, the Company would consider funding them through equity.

Ms. M. Hogeslag, of Activinvestor Real Estate, said that Activinvestor would be voting against the proposal, as it was not its policy to grant such authorisation to a management team.

The Chairman then put the resolution to the vote.

With respect to this proposal there were holders of in total 12,400 depositary receipts (0.03% of the presented or represented share capital), who wished to abstain from voting.

To this proposal objections were raised on behalf of the holders of in total 5,798,248 depository receipts (16.18% of the presented or represented share capital), who wished to vote against the proposal.

Having taken note of the abstentions and the opposing votes, the Chairman confirmed that the resolution, by a majority (300,180,810 votes in favour, 57,982,480 votes opposing and 124,000 votes abstaining, resulting in a majority of 83.81%) was adopted by the meeting.

## **12. Power to Buy Back Shares and/or Depository Receipts**

The Chairman referred to the existing authorisation of the Board of Management to buy back shares in the capital of the Company and/or depository receipts thereof.

The Chairman proposed that the meeting would resolve to continue the existing authorisation of the Board of Management to acquire fully paid shares or depository receipts thereof on behalf of the Company pursuant to Article 2:98 of the Netherlands Civil Code up to a maximum of 10% of the issued share capital and for a price being equal to or ranging between the nominal value and the higher of the prevailing net asset value or the prevailing stock market price; said authorisation to be made for the period until 31 December 2010. Further background information was set out in Annex III attached to the Agenda.

With respect to this proposal there were holders of in total 12,400 depository receipts (0.03% of the presented or represented share capital), who wished to abstain from voting.

The Chairman then put the resolution to the vote. Having taken note of the abstentions, the Chairman confirmed that the resolution, by a majority (358,163,290 votes in favour and 124,000 votes abstaining, resulting in a majority of 100%) was adopted by the meeting.

## **13. Any other business**

The Chairman asked the meeting if there were any further questions.

Mr. Koedam had noticed that Mr. Lewis was 64 years of age, and asked if already was known how long Mr. Lewis would continue his work as CEO of the Company.

The Chairman answered that there was no date set for Mr. Lewis' retirement.

Besides, the Company had a very capable management team and staff, allowing the Company to continue its business and expansion headed by a 64-year old CEO.

It was much too early to talk about succession or concrete plans in this respect, especially as Mr Lewis clearly still enjoyed his role and the Company is in a strong position today with excellent prospects for the future.

Mr. Lewis stressed that all management decisions were made jointly, and he was just one member of a very competent and experienced management team.

#### 14. Closing

There being no other business to discuss, the Chairman thanked all present for attending and invited them for a buffet lunch. The meeting was formally closed at 13.12 pm.

\_\_\_\_\_  
Mr. W.G. van Hassel  
Chairman  
Date: \_\_\_\_\_ 2009

\_\_\_\_\_  
Mr. J.D. van der Beek  
Secretary  
Date: \_\_\_\_\_ 2009