MINUTES OF THE
GENERAL MEETING (OF SHAREHOLDERS)
OF ORDINA N.V.
HELD ON 2 MAY 2017
IN NIEUWEGEIN

1. Opening and notifications

Mr. Johan van der Werf, chairman of Ordina's Supervisory Board, opens the meeting at 14.30 hrs and welcomes those present, including the shareholders, the members of the Supervisory Board, the members of the Management Board and the representatives of the Works Council. The chairman introduces the members of the Supervisory Board and the members of Management Board who have taken their places at the table. The chairman also notes the presence in the room of Mr. De Jong of Ernst & Young Accountants LLP (EY) and Mrs. Leemrijse, civil law notary at Allen & Overy.

The chairman takes a moment to mark the death of Mr. Erry de Boer, the founder of Ordina, earlier this year.

The chairman notes that the full agenda and associated documents were published on the company website in a timely fashion, and that all statutory and legal conditions required to convene this meeting have been observed, which means the meeting is competent to pass legally binding resolutions.

The chairman continues with a number of notifications. The chairman notes that 74 shareholders are present or represented, together representing 28,900,321 shares, or around 31% of the share capital.

The paid-up share capital is nine million three hundred and twenty-five thousand five hundred and ninety-three euro and forty cents (EUR 9,325,593.40) divided into ninety-three million, two hundred and fifty-five thousand nine-hundred and thirty shares (93,255,930) shares as per Monday 1 May 2016.

The chairman appoints Mrs. Mulder as secretary to the meeting. The chairman notes that the meeting will be recorded on audio tape and requests that anyone asking questions first state their name and the organisation (if any) they represent and asks that they limit themselves to a maximum of three questions per turn so that everyone is given an opportunity to ask questions or make comments. The chairman subsequently asks that those present to set their mobile phones to silent mode.

Look back at 2016

2a. Report of the Supervisory Board for the financial year 2016

Acting on behalf of the Supervisory Board, the chairman presents the report of the Supervisory Board for the 2016 financial year. Following his comments, both the Management Board and the external auditor, Mr. De Jong of EY, will discuss the activities in and the results for the 2016 financial year. The chairman asks those present to put their questions to the external auditor as much as possible during the discussion of item 2d on the agenda.

The chairman points out that, as already noted in the annual report, Ordina succeeded in closing 2016 in profit and free of debt, despite a decline in revenues, most notably in the Public sector and Financial Services market segments. The Supervisory Board was provided with detailed information on the development of the strategy and employees were also involved in this development, which they saw as a positive move. This has also had a positive impact on employee engagement. The chairman notes that committed employees are crucial to Ordina's success; recruitment and retention of employees is therefore a top priority for Ordina.

The chairman notes that the Supervisory Board was closely involved in the cost-savings programme implemented as part of the tightened strategy, a programme that has since been successfully completed.

The chairman also notes that in 2016 the Supervisory Board also dedicated considerable attention to the succession procedures launched in response to changes to the composition of the Management Board. The chairman refers those present to the report of the Supervisory Board in the annual report for further information regarding how the Supervisory Board exercised its supervisory tasks and the number of meetings it held in the year under review.

The chairman offers those present the opportunity to ask questions or make comments regarding the report of the Supervisory Board. The meeting has no questions or comments on the report of the Supervisory Board and the chairman moves on to the next item on the agenda.

2b. Report on execution remuneration policy Management Board

The chairman notes that the remuneration of the members of the Management Board in 2016 is described in detail in the 2016 annual report and the 2016 remuneration report, as published on the Ordina website. The chairman refers those present to said documents, in which both policy and execution are discussed in greater detail.

The chairman asks those present at the meeting if they have any questions or comments regarding the above.

The chairman gives the floor to Mr. Kers, speaking on behalf of the Dutch shareholders association *Vereniging van Effecten Bezitters* (VEB), who has three questions/comments:

1) The financial performance criteria EBITDA, net profit and revenue, used for the granting of the 2016 short-term variable bonus seem rather crude criteria given that the increases in revenue and net profit recorded last year were largely realised due to the reorganisation that was implemented.
2) Why was the short-term variable bonus granted *pro rata temporis* to the (departing) CFO, Mrs. Poots-Bijl, for 2016 higher than the short-term variable bonus granted to the CEO?
3) With respect to the long-term variable bonus for the 2016 financial year, Mr. Kers asks why the choice was made to grant 173,782 performance-related shares unconditionally to Mrs. Poots-Bijl, while it had not been determined at the time whether the performance criteria established in that context would be realised. Mr. Kers also asks whether the assumptions made in this context are the same as those used for the impairment test?

The chairman responds to the questions as follows:

1) The chairman notes that realising EUR 15 million in savings in an organisation with the size of Ordina is not a simple matter, particularly in view of the fact that the company also managed to preserve the spirit within the organisation.

2) Mrs. Poots-Bijl was granted a bonus *pro rata temporis* as per the date she left Ordina. In this context, her performance was assessed, partly on the basis of assumptions, in relation to the set long-term targets. The results actually realised in the 2016 financial year deviated from the results of the above assessment.
3) The company opted to grant (the performance-related shares) unconditionally on the basis of conservative assumptions. Mrs. Den Otter adds that the assumptions used in the impairment test were taken into consideration, while the performance in the first half of 2016 was also taken into account.

Mr. Van der Bos, private shareholder, is given the floor and notes that granting a short-term variable bonus on the basis of the successful implementation of a reorganisation seems strange to him. Mr. Van der Bos also asks whether there is a claw-back clause in place in the long-term and short-term variable bonus schemes for the Management Board. The answer is affirmative.

With respect to the first question, the chairman notes that the question was why the effect of the cost savings programme that was implemented was taken into consideration in the granting of the short-term variable bonus. The Supervisory Board assessed this as part of the overall company management.

The chairman notes that there are no further questions and moves onto the next item on the agenda.

2c. <u>Report of the Management Board for the financial year 2016</u>

The chairman moves onto the report of the Management Board for the 2016 financial year and hands the floor to Mr. Jo Maes.

Mr. Maes thanks the chairman and notes that the company closed 2016 in profit and free of debt. Mr. Maes notes that revenue declined in the Netherlands in 2016, but rose considerably in Belgium/Luxembourg. The recurring EBITDA increased to EUR 21.1 million (2015: EUR 13.8 million) and the net result increased to EUR 5.0 million in 2016 (2015: EUR -3.2 million).

Mr. Maes subsequently comments on a number of key operational developments. In the Public sector market segment, revenue declined sharply in 2016 but the 11 recently won new framework agreements provide a solid foundation for growth. The market segment Financial Services also declined, by 5.5% to EUR 101.2 million (2015: EUR 107.1 million). This decline was partly due to lower levels of investment in existing IT systems and insourcing, the use of in-house IT solutions, by banks for instance. In the Industry market segment, Ordina realised growth of 3.5% to EUR 101.1 million (2015: EUR 97.7 million). In the Healthcare segment, revenue was up 36.6% at EUR 24.7 million (2015: EUR 18.1 million).

Mr. Maes subsequently notes that the Open Innovation days were highly successful in 2016, attracting more than 900 participants. Ordina was also successful in making innovation relevant to its clients, contributing to the transition from technology-driven to a more business-driven approach to clients.

Ordina was once again named Top Employer IT in 2016, in both the Netherlands and Belgium, and via the recruitment of 131 Young Professionals in 2016 Ordina is explicitly investing in the future. This future-focused approach will continue in the years to come. The total number of direct employees declined by 160 FTEs in 2016, partly due to the cost-savings programme. Ordina hired 439 FTEs in 2016, including the previously mentioned 131 Young Professionals. Retention and recruitment of employees are top priorities for 2017.

Mrs. Den Otter comments on the financial results for 2016 and notes that EBITDA increased to EUR 21.1 million, or a margin of 6.1%, despite the decline in revenue (2015: EUR 13.8 million, 4.0%). Recurring EBITDA in the Netherlands increased to EUR 12.1 million, or a margin of 4.7% (2015: EUR 7.5 million, 2.8%), largely driven by the cost-savings programme. In Belgium/Luxembourg, recurring EBITDA came in at EUR 9.1 million, or a margin of 10.4% (2015: EUR 6.3 million, 8.3%). The innovation cluster recorded a slight decline; this was largely due to the investments in the development of propositions and the restructuring activities carried out.

Looking at the Income Statement, revenue in 2016 came in at EUR 343.6 million (2015: EUR 348.3 million), a decline of 1.3% compared with 2015. However, net profit increased by EUR 8.2 million and came in at EUR 5.0 million (2015: EUR -3.2 million). This improvement was due to factors including higher productivity, the cost-savings programme that was implemented and the strong performance of Ordina in Belgium/Luxembourg. The lower number of FTEs reduced staff costs to EUR 222.3 million (2015: EUR 229.2 million). Redundancy costs amounted to EUR 6.0 million in 2016 (2015: EUR 7.8 million). Earnings per share came in at EUR 0.05 and, in line with Ordina's dividend policy, it is proposed that the General Meeting (of shareholders) approve the payment of a dividend of 2 eurocents per share.

The net cash position stood at EUR 2.7 million at year-end 2016 (2015: EUR 4.5 million), and Ordina operated well within the bandwidth of the bank covenants in 2016. The term of the financing agreed in May 2015 is five years, with an initial term of three years and an option of two one-year extensions. In July 2016, the first extension of one year was agreed at unchanged terms until May 2019, in April 2017 the second extension of one year was agreed at unchanged terms until May 2020.

Mrs. Den Otter refers to the main results realised in the field of Corporate Social Responsibility (CSR) in 2016. Ordina has three key focus areas with defined objectives. These objectives are in line with the main guidelines available, such as the CO2 Performance ladder:
Sustainable business operations: Ordina exceeded the targets set for energy consumption reduction (2%) and CO2 emissions reduction (2%), partly with the aid of the programme related to the car fleet, which encourages energy-efficient driving, and via sustainable housekeeping practices in its business premises.
Sustainable services: Ordina strives for sustainable services in co-creation with its clients, by using smart solutions. However, the results realised are difficult to quantify.
Social projects: each year, Ordina nominates social projects for which it makes know-how and expertise available. In 2016, these were the Red Cross and the dance company Nederlands Danstheater (NDT).

Finally, Mrs. Den Otter also notes that in 2016, for the first time, the annual report included an Assurance Report from the auditor, whose engagement was to provide limited assurance with respect to the CSR results section. This is a further move towards Ordina's goal of Integrated Reporting.

The chairman asks whether those present have any questions or comments with respect to the explanations so far.

The chairman gives the floor to Mr. Stevense, who asks three questions on behalf of the shareholders organisation Stichting Rechtsbescherming Beleggers (SRB).

1) Why are the results in Belgium/Luxembourg so much better than those in the Netherlands and is that knowledge being used at all to improve the results in the Netherlands?
2) Are the reasons known for the higher absenteeism in the Netherlands compared to Belgium/Luxembourg?
3) Is the level of education of the Belgian employees higher than that of the Dutch employees?

Mr. Maes answers the questions as follows:

1) In the Netherlands, the development of revenues is more dependent on the developments in the Public sector and Financial Services market segments, while in Belgium/Luxembourg Ordina is more focused on the market segments Industry and Healthcare. The higher wage costs in the Netherlands due to the higher average age of the employees also play a part. With respect to indirect costs, the ability to absorb those is greater in Belgium/Luxembourg than in the Netherlands, in view of the fact that the organisation in the Netherlands has decreased in size in the past period, while the organisation in Belgium/Luxembourg has grown. The joint knowledge of both countries is indeed shared and one good example of cross-pollination is the 'internet of things' know-how developed in the Netherlands, which is now being used in Belgium, for instance in the development of the Mythings platform for Proximus. This kind of cross-pollination will be expanded in the future.
2) Absenteeism in the Netherlands is no different than the average in the country as a whole. However, this does not make it any less important to devote attention to a further reduction of absenteeism.
3) The guidance, coaching and training of employees is the same in both countries.

Mr. Bruijn, private shareholder, is given the floor and notes he is pleased with the appointment of Mr. Maes as CEO. Mr. Bruijn asks three questions.

1) Referring to the weak results in the first quarter of 2017, which followed a weak fourth quarter in 2016, Mr. Bruijn asks whether this reflects a downward trend.
2) Mr. Bruijn asks for an explanation of the amount of corporate income taxes paid in 2016, and whether increases in potential loss carry-forwards from previous years has been taken into account.
3) Why did the costs per employee increase in 2016?

The questions are answered as follows:

1) The chairman notes that Mr. Maes will elaborate on the results of the first quarter of 2017 at a later time. No statements will be made about expectations for future results.
2) Mrs. Den Otter explains that the corporate income taxes to be paid are included in the Income Statement. In this, Dutch tax rates apply to the Dutch activities and Belgian and Luxembourgian tax rates apply to the activities in those countries respectively. In total, this amounts to a tax rate of around 44%. Where possible, loss carry-forwards have been taken into account and information on this subject is available in the (consolidated) cash flow statement included in the annual report for the financial year 2016.
3) Revenues per employee have increased slightly. The costs per employee remained more or less stable.

The chairman gives the floor to Mr. Kers (VEB), who asks four questions.

1) Is Mr. Maes based in the Netherlands or Belgium?
2) Employee engagement increased slightly in the Netherlands but, at 6.5 (2015: 6.3), remains relatively low. What are the reasons for this score and is the management satisfied with this score?
3) What are the short-term and medium-term expectations in terms of the developments in the Public sector segment? For instance, is that segment showing trends similar to those in the Financial Services segment on fronts such as digitisation and insourcing?
4) What is the estimation of Ordina's competitive position in the medium term?

The questions are answered as follows:

1) The chairman responds that Mr. Maes is based in the Netherlands and works on the basis of a management contract.

2) The chairman notes that the increasing employee engagement is a positive fact and that the objective remains a score of at least 7. It is difficult to pinpoint a specific reason for the score.
3) Mr. Maes does indeed see a trend in the Public sector market segment similar to that seen in the Financial Services segment, but with some delay.
4) The chairman notes that this subject will be discussed during Mr. Maes' presentation at a later stage.

The chairman gives the floor to Mr. Van der Leeuw, private shareholder. Mr. Van der Leeuw refers to the previously mentioned insourcing trend in the Financial Services segment and asks if and, if so, how Ordina plans to respond to this development. Mr. Maes notes that this subject will be raised in the presentation he will continue after this round of questions.

Mr. Wendelgelst, private shareholder, refers to the strong performance of the Belgian division and asks what the key internal and external success factors or differences are between the Belgian and Dutch divisions.

Mr. Maes replies that, with respect to the external factors, the Belgian government's spending levels have remained fairly high in recent years, while they lagged in the Netherlands. With respect to the Industry market segment, Belgian has a relatively high number of small to medium-sized companies and (very) few large companies, compared to the Netherlands. This enables Ordina Belgium to play a greater role by providing a total package of IT services and solutions, often thanks to (more) direct contacts. In Belgium, the scope and potential of the Financial Services segment is smaller than in the Netherlands. When it comes to the Healthcare segment, Ordina Belgium focuses primarily on pharmaceutical production, which offers enormous opportunities in Belgium, while this industry is relatively small in the Netherlands. Ordina Netherlands is more focused on care institutions, which is a very different market. Mr. Maes notes that the internal factors have been explained earlier during the meeting and in short boils down to a slightly different market focus, the difference in the average age of the Dutch and Belgian workforces and the capacity of Belgium/Luxembourg versus the Netherlands, to absorb indirect costs in relation to a rapidly growing versus a more shrinking organisation respectively.

Mr. Van der Bos is given the floor and asks three questions:
1) Referring to the previously asked question regarding the corporate income tax to be paid, Mr. Van der Bos asks whether there are/were no loss carry-forwards.
2) Mr. Van der Bos refers to the items trade and other receivables and ask whether sufficient attention is being paid to collecting bad debts?
3) Do pension commitments made in the past result in extra reservations for Ordina?

Mrs. Den Otter answers the questions as follows:
1) The total tax liability is consolidated in the Income Statement and the corporate income tax payable is offset against loss carry-forwards. As a consequence of the above, the (consolidated) cash flow statement on page 107 of the annual report for the 2016 financial year therefore states that no corporate income tax was paid in the Netherlands for the year 2016.
2) A major proportion of the bad debts (EUR 1 million) are related to a broker who has gone bankrupt. The other outstanding amounts are actively managed on a daily basis.
3) The pension commitments are shown on the basis of actuarial principles and there is no reason to assume that these commitments will result in major fluctuations in the future.

Mr. Samsom, private shareholder, is given the floor and asks, with respect to the item Trade and other receivables, what Ordina's policy is in terms of the level of the 'current ratio' and which standard is used with respect to the credit term for receivables.

Mrs. Den Otter responds that working capital management receives a great deal of attention as does a further tightening of the process of collecting on invoices. With respect to the latter, Ordina strives for a payment term of 30 days. The status of the outstanding invoices as at year-end 2016 was also affected by a large payment not being received until January 2017, rather than at the end of December 2016.

Mr. Kers (VEB) asks four questions.

1) How many years does the deferred tax asset of around EUR 8 million, as stated on the balance sheet in the context of loss carry-forwards, relate to?
2) Did the Dutch fiscal unity book a (considerable) profit in 2016?
3) Did the impairment calculation take into account provisions such as redundancy costs, economic trends, etc.?
4) What percentage of the stated 'value in use' relates to the residual period in terms of the calculation?

Mrs. Den Otter responds to the questions as follows:

1) The basic premise used is the general principle of 'nine years carry forward, one year carry back'. The stated deferred tax assets for loss carry-forwards have varying terms, depending on the year in which the loss was realised.
2) In line with prevailing Dutch tax regulations and legislation, in 2016 Ordina realised a loss rejuvenation, and this reduced the tax loss carry-forwards by a total of around EUR 33.8 million.
3) All assumptions are recognised in the financial statements. The continuous growth in the multi-year projection stood at 1.0% at year-end 2016. Factors that are taken into account do indeed include redundancy costs, EBITDA and future profitability.
4) Mrs. Den Otter does not have a detailed calculation at hand but it does concern a considerable proportion.

The chairman notes that there are no further questions and gives the floor to Mr. Maes to explain the Management Agenda and the results for the first quarter of 2017.

Mr. Maes explains the Management Agenda.

Looking at the field of influence in which Ordina operates, it can be said that the traditionally strong competition from offshore providers is declining. Ordina is agile and flexible and works closely with its clients. And thanks to the automation of IT activities, Ordina has in recent years also been increasingly capable of increasing productivity and providing custom-made solutions. With respect to a development such as insourcing, Ordina supports its clients on this front and acts as a partner. The company provides expertise and manpower in so-called joint High Performance teams, so it is able to provide a rapid response to its clients' wishes. Another trend seen in recent years is standardisation, and standard solutions from the cloud. Ordina's response to this is to further increase its differentiating potential by adding value. The final noteworthy development of recent years pertains to the advent of small niche players that are capable of responding quickly to innovations. Ordina's profile is agile and enterprising and Ordina adds robustness to this mix.

The strategy with outlined Vision & Mission introduced last year, together with the Corporate themes, have by now been translated into concrete propositions. These propositions are geared towards the market dynamics Ordina wishes to respond to. Examples of these include High Performance organisations, intelligent data-driven organisations and organisations that aim for digital acceleration. In addition, Ordina offers IT solutions in the field of security & privacy and business platforms.

With these propositions, Ordina is putting particular focus on the further broadening and deepening of the relationships with its key clients. In addition, the company is aiming to achieve a number one position among local medium-sized companies by providing a total package of IT services and solutions. In order to achieve this, Ordina needs enthusiastic and enterprising (own) employees and, in addition to recruitment of new employees, will in future also continue to devote considerable attention to the strategic competency development of employees. Finally, efficiency has Ordina's constant attention.

The chairman gives those present the opportunity to ask questions about this part of the presentation.

The chairman gives the floor to Mr. Van der Bos who refers to the previously presented explanation of the strategy and asks how this translates into an improvement in future results. What are the expectations for the results in 2017? The chairman points out that the company never makes such statements, nor does it issue forecasts.

Mr. Wendelgelst is given the floor and asks three questions:
1) What is the synergy between the Netherlands and Belgium?
2) Is the focus on medium-sized companies a material change in strategy?
3) Will the Management Board issue long-term objectives?

Mr. Maes answers the questions as follows:
1) The same market trends are notable in the Netherlands and Belgium and action is taken in both countries on the basis of the same Management Agenda. The propositions the company has formulated are the same for both countries and synergy should be sought on that basis.
2) Ordina focused and continues to focus also on medium-sized companies, insofar as these are companies with some 1,000 to 1,500 employees. This is not a strategy change, but a continuation of a previously defined/launched strategy.
3) The long-term objectives have been communicated.

Mr. Bruijn, private shareholder, is given the floor and asks whether the costs of this building are not too high. Mrs. Den Otter responds that the company rented three towers. In early April 2017, the lease agreement for the third tower was terminated and the m2 price for the remaining towers was reduced.

The chairman gives the floor to Mr. Greve, who speaks on behalf of Greve Holding. Mr. Greve refers to the high percentage of employee turnover in recent years and concludes that the HRM policy is not working well. Mr. Greve believes more attention should be given to the individual wishes of employees and asks the Management Board for their views on that subject and what they consider the solution to the problem noted above.

Mr. Maes acknowledges that staff turnover was relatively high in the past year, partly as a result of the implemented reorganisation. When it comes to employee turnover, Ordina is focussing its attention on the following items, in addition to its employment terms and conditions:

- offering an inspiring and challenging working environment;
- offering interesting and challenging projects, and
- clear communications about the formulated propositions, also aimed at further increasing employee engagement and job satisfaction.

Mr. Stevense (SRB) is given the floor and asks three questions:

1) Can Ordina charge higher consultancy costs in response to the rising demand for consultants?
2) What is Ordina's response to standardisation?
3) Is Ordina active on the 'internet of things' front?

Mr. Maes answers the questions as follows:

1) There is indeed notable upward pressure on the consultancy rates, which creates opportunities. However, wage costs are also under pressure due to the same market forces.
2) As explained earlier in the presentation, Ordina is focusing on a further increase in its differentiating potential by adding value.
3) Ordina focuses strongly on the 'internet of things' by taking the lead in the development of new technologies. Examples include the previously mentioned project at Proximus and a project for the Belgian automotive and tourist organisation ANWB in which users are given Wi-Fi access via the placement of a dongle in their cars, while at the same time ANWB receives continuous technical information and can take pro-active action in the event of car problems.

The chairman notes that there are no further questions regarding this part of the presentation and gives the floor to Mr. Maes for his explanation of the results in the first quarter of 2017.

With reference to the results for the first quarter of 2017 published this morning, Mr. Maes notes that is was a mediocre quarter. Revenue fell by 1.8% to EUR 88.2 million (Q1 2016: EUR 89.9 million) and EBITDA declined to EUR 4.3 million (Q1 2016: EUR 4.6 million). Taking a look at the various market segments, it is worth noting that revenue in the Public sector segment rose by 2.1% to EUR 31.1 million (Q1 2016: EUR 30.5 million). In the Financial Services segment, revenue was down 13.9% at EUR 24.0 million (Q1 2016: EUR 27.9 million). The Industry market segment recorded growth of 6.0% to EUR 26.9 million (Q1 2016: EUR 25.4 million) and the Healthcare market segment booked growth of 1.4% to EUR 6.2 million (Q1 2016: EUR 6.1 million).

The chairman gives those present the opportunity to ask questions about this part of the presentation.

The chairman gives the floor to Mr. Burger, private shareholder, who asks four questions.

1) What is the term of the previously mentioned framework agreements that Ordina has won and what is the average contract size?
2) Ordina is looking for new employees. What are the requirements for these employees? How much are the related investment costs and after how long can these new employees be deployed on behalf of clients?
3) How much revenue is required for the Ordina operation in Groningen to operate at break-even?
4) What are the effects of the new DBA act on Ordina's business?

The questions are answered as follows:

1) Mrs. Den Otter responds that the life of such framework agreements is a maximum of four years. The company does not make statements on the average size of the contract.
2) Mr. Maes explains that these employees need to have specialist IT expertise and must be capable of developing to junior, senior or expert level. The employees must also be capable of working together in team and project contexts. Ordina employees also have to be capable of understanding the client's business and making new technologies relevant to clients.
3) Ordina does not make financial statements about individual locations.
4) That is difficult to say at this moment. However, what is seen is that Ordina's larger clients currently seem to be hiring fewer freelance workers which could itself be an opportunity for Ordina.

Mr. Van der Bos is given the floor and asks why the company does not communicate more actively that it is looking for new employees, for instance by placing large-scale banners on the building. Mr. Maes responds that there was a large banner on the back of the building for several weeks. In addition, Ordina has launched a new recruitment campaign via various media and via posters on masts alongside motorways.

The chairman thanks Mr. Maes and Mrs. Den Otter for their explanations and closes this item on the agenda.

2d. Report Ernst & Young Accountants LLP on its 2016 audit

The chairman notes that the auditor reported the findings of the 2016 audit to the Supervisory Board. This report is in line with the guidelines of the Dutch financial markets regulator Autoriteit Financiële Markten (AFM).

The chairman gives the floor to Mr. De Jong (EY) for an explanation of the audit.

Mr. De Jong introduces himself and notes that he will discuss the following subjects in succession:
- the 2016 audit and the key findings of same;
- the approach to the audit and the recognised risk areas; and
- the communications and interaction with the Management Board and the Supervisory Board.

With respect to the 2016 audit, Mr. De Jong explains that EY audited the company and consolidated financial statements. The main result was that EY concluded that the financial statements for 2016 give a fair representation of the facts. The annual report has been assessed for its compliance with legal requirements, the compatibility with the figures in the financial statements and as to whether the content and tone of the report are in line with the knowledge EY has of the company. EY also devoted special attention to potential material inaccuracies in the annual report. The 2016 audit resulted in an unqualified auditor's report, which you will find on page 164 onwards of the Dutch annual report. In addition, EY drew up an Assurance Report for the first time this year with respect to the section on the CSR results, which you will find on page 172 of the Dutch annual report.

With respect to the approach taken to the 2016 audit, Mr. De Jong notes EY conducted the 2016 audit with a team of specialists. In Belgium, the local EY team conducted the audit, in close cooperation with and under the guidance and supervision from EY in the Netherlands. Mr. De Jong notes that, in consultation with the Management Board and the Supervisory Board, the materiality for 2016 was set at EUR 1.2 million, or 0.35% of the revenues, which meant that the materiality was slightly higher than in the previous year.

The recognised risk areas, or key audit matters, for 2016 were:

- The adjustment of the reporting segments and cash flow generating units. In 2016, Ordina adjusted its reporting segments, and, as a consequence of this, changed the cash flow generating units, which is of importance in the impairment analysis of the recognised goodwill. EY assessed whether the change in segmentation was correct and in accordance with the actual management of same. This was done via interviews, the reading of reports and the execution of consistency checks.
- The valuation of the goodwill and other intangible fixed assets. The valuation of the goodwill depends on a large number of assumptions as made by the management, which EY tested.
- The valuation of the deferred tax asset. In this context, EY paid particular attention to the transaction related to loss rejuvenation.

- Revenue recognition and the valuation of projects, which are looked at in terms of risk.

Mr. De Jong concludes by outlining the communication and interaction with the Management Board and the Supervisory Board. There are a number of formal reports (audit plan, management letter, auditor's report). In addition, there are various contact moments in various forums. Mr. De Jong states that communication was professional, mutually critical and respectful, in which the EY's findings were taken seriously by both the Management Board and the Supervisory Board.

The chairman thanks Mr. De Jong for his clear explanation and gives those present the opportunity to ask questions and make comments.

The chairman gives the floor to Mr. Burger, who asks three questions.

1) Which items did EY pay particular attention to?
2) Were any corrections offset against each other in the audit?
3) What is the materiality of the corrections made?

The questions are answered as follows:

1) Mr. De Jong replies that EY focused its attention on large, high-risk items and items that are subject to management estimates. These items are connected to known risk areas such as goodwill, deferred tax assets, revenue recognition, pensions (insofar as these include elements of estimation) and management board remuneration.
2) Mr. De Jong states that a limited number of audit discrepancies were found and corrected. Mrs. Den Otter adds that the auditor's findings related to audit discrepancies are in principle followed up on immediately. Three findings, which were identified shortly before the financial statements were drawn up, will, in consultation with EY, be corrected in 2017. These pertained to the valuation of the deferred tax assets, a correction to the presentation of a negative bank balance and a correction to the management board remuneration, which turned out to be lower than the reservation for same.
3) Mrs. Den Otter explains that the valuation of the deferred tax assets was incorporated in the figures for the first and second quarters of 2017, which will have a positive impact as a result of the effected loss rejuvenation. The correction of the above-mentioned negative bank balance was the result of the incorrectly executed netting of bank balances, which has no impact. In 2016, Ordina reserved an excess of EUR 50,000 for management board remuneration.

The chairman gives the floor to Mr. Kers (VEB), who asks two questions.

1) The deferred tax assets include a deferred asset based on future loss carry forward of tax losses amounting to approximately EUR 8 million over a loss period of nine years. Assuming a corporate income tax rate of 25%, this would mean that the company expects to generate an accumulated EUR 32 million in (taxable) profit over the coming nine years. Is this thinking correct?
2) Looking back at previous years, Mr. Kers notes that results forecasts are difficult to estimate for Ordina. How does EY assess the assumptions used in the impairment model?

The questions are answered as follows:

1) Mr. De Jong declines to make any statements regarding Ordina's results expectations. The deferred tax asset is settled over a certain period, with the period depending on the period of time in which the losses are recorded, ranging from 1 through 9 years. Subsequently, the 5-year settlement period stipulated by IFRS rules is applied. EY understands the recognition in the financial statements, which is based on the impairment model with the related future data, assumptions and considerations.

2) Mr. De Jong declines to make any explicit statements regarding the assumptions used in the impairment model. When assessing the assumptions in the model, EY deploys specialists who also conduct these kinds of analyses at other companies and are therefore well qualified to give an opinion. Mrs. Den Otter adds that the EBITDA is included in the impairment model, which means that (future) redundancy costs are also taken into account.

Mr. Stevense (SRB) is given the floor and asks three questions.

1) To what extent does EY audit the Ordina office in Luxembourg?
2) What is EY's role with respect to the goodwill on acquisitions?
3) What are EY's findings with respect to Ordina's IT-system and what information on this subject is included in the Management Letter?

Mr. De Jong answers the questions as follows:

1) Ordina Luxembourg's financial statements are audited by the local EY team. Ordina Luxemburg is not involved in the audit at group level due to the relatively low level of materiality. The central EY team does check after the fact whether the figures in Ordina Luxembourg's financial statements match the figures that are incorporated in the consolidated financial statements of Ordina N.V.
2) EY is not involved in any way with providing advice regarding takeovers and mergers. This is to safeguard the independence of the audit function EY executes.
3) Mr. De Jong does not make any specific statements regarding the contents of the Management Letter. EY has devoted extensive attention to Ordina's IT system, how internal controls are integrated in the IT system and whether this functions appropriately.

The chairman gives the floor to Mr. Van der Bos, private shareholder, who asks two questions.

1) Does the Management Letter for 2016 cite more or fewer key issues than the 2015 letter?
2) Which EY partner co-signed the Management Letter?

Mr. De Jong answers the questions as follows:

1) The number of key issues cited in the Management Letter was lower in 2016 than in 2015, which EY sees as a positive development.
2) Mr. De Jong has final responsibility.

Mr. Burger, private shareholder, is given the floor and asks two questions.

1) How is the increase in audit costs explained?
2) Has the AFM approached the auditor and/or Ordina for an investigation?

Mrs. Den Otter answers the questions as follows:

1) The increase in the audit costs is related to the expansion of the auditor's activities, which is partly related to the increasing regulatory pressure from the AFM and other regulators.
2) Neither Ordina nor EY have been approached by the AFM for an investigation.

The chairman notes that there are no further questions and thanks the auditors for his contribution.

2e. Motion to adopt Ordina N.V.'s Financial Statements 2016

The chairman puts the motion to adopt the financial statements for the financial year 2016 to the meeting and notes that there are no questions or comments regarding this agenda item.

The chairman moves on to the vote to adopt the financial statements for the financial year 2016, such without reservation. Following the closing of the vote, the chairman notes that Ordina N.V.'s financial statements for the financial year 2016 have been adopted unanimously.

2f. 1. Explanation reservation and dividend policy

The chairman refers to the dividend policy as adopted during the General Meeting (of shareholders) dated 14 May 2014, which was included on page 96 of the 2016 annual report.

The chairman notes that there are no questions or comments and moves on to the following agenda item.

2f. 2. Motion to distribute profit

The chairman refers to the explanatory note in the agenda and states that, in line with the dividend policy, it is proposed that the General Meeting (of shareholders) approve the payment of a dividend of 2 euro cents per share in cash, to be charged to the net profit for 2016. The remaining part of the net profit will be added to the general reserve.

The chairman gives those present the opportunity to ask questions and make comments. The chairman notes that there are no questions or comments and moves on to the vote. After the closing of the vote, the chairman notes that the meeting voted unanimously to adopt the motion to distribute the profit as stated in the agenda and explanatory notes. Ordina N.V. shares will be listed ex-dividend on 4 May 2017. The registration date is 5 May 2017, and the dividend will be payable on 12 May 2017.

Discharge

3a. Motion to discharge the members of the Management Board for their management of the company

The chairman submits a motion to discharge the current and former members of the Management Board for their management of the company in the financial year under review and asks the shareholders present to cast their vote.

After the closing of the vote, the chairman notes that the meeting has voted unanimously in favour of the motion to discharge the current and former members of the Management Board for the management of the company in the past financial year.

3b. Motion to discharge the members of the Supervisory Board for their supervision of the management of the company

The chairman submits a motion to discharge the Supervisory Board for its supervision of the management of the company in the financial year under review. He asks those present to cast their votes.

After the closing of the vote, the chairman notes that the meeting has voted unanimously in favour of the motion to discharge the members of the Supervisory Board for their supervision of the management of the company in the past financial year.

Supervisory Board

4. Motion to reappoint Mrs. P.G. Boumeester as a member of the Supervisory Board

The chairman notes that, in accordance with the Supervisory Board's rotation schedule and as already announced at the General Meeting (of shareholders) in 2016, Mrs. P.G. Boumeester will step down as a member of Ordina N.V.'s Supervisory Board as per 2 May 2017. Mrs. Boumeester is eligible for reappointment and has made herself available for same. The chairman notes that Mrs. Boumeester complies with the provisions laid down in relevant laws and legislation, such as the Dutch Management and Supervision Act.

Mrs Boumeester has been nominated due to her clear and significant contribution to the development of Ordina over the past four years, due to her executive and managerial experience, as well as her experience with labour relations and employee-related aspects. Mrs. Boumeester's reappointment is in line with the ambition of Ordina's Supervisory Board to have a diverse composition in terms of knowledge, experience and (social) background among its members. The information referred to in article 142 section 3 Book 2 of the Dutch Civil Code has been made available for inspection at the offices of the company. In addition, said information has been included in the explanatory notes to the agenda.

The chairman notes that, at the recommendation of Ordina Works Council, in accordance with article 22 section 6 of Ordina's articles of association (enhanced right of recommendation) and the profile of the Supervisory Board, the Ordina Group Priority (share) Foundation (Stichting Prioriteit Ordina Groep) submits a motion to reappoint Mrs. Boumeester for a period of two years.

The chairman gives the shareholders the opportunity to ask questions.

The chairman gives the floor to Mr. Stevense (SRB), who asks what motivates Mrs. Boumeester's to make herself available for reappointment. Mrs. Boumeester replies that she has worked as a member of the Supervisory Board with a great deal of pleasure over the past eight years. She indicates that she would very much like to make her contribution to the continuity of the company, also in view of the new composition of the Management Board.

Mr. Van der Bos is given the floor and asks why a period of two years has been chosen, as opposed to the more usual period of four years. The chairman explains that, partly in the context of the new Dutch Corporate Governance Code, the company opted for a third term of two years with the option to reappoint for another period of two years.

The chairman asks those present to vote in favour of the reappointment of Mrs. Boumeester.
After the closing of the vote, the chairman notes that the meeting has voted by a majority of more than 99% of the votes cast in favour of the reappointment of Mrs. Boumeester as a member of the Ordina N.V. Supervisory Board for a period of two years. The chairman congratulates Mrs. Boumeester on her reappointment.

The chairman notes that after the end of the General Meeting (of shareholders) in 2017, he will step down as a member of the Supervisory Board. In accordance with the current rotation schedule, Mr. J.G. van der Werf is eligible for reappointment.

Shares

5a. Motion to renew the authorisation of the Management Board of Ordina N.V. to acquire treasury shares

The chairman submits a motion to authorise the Management Board to acquire – subject to the approval of the Supervisory Board – treasury shares on behalf of Ordina N.V. The requested extension of the current authorisation is valid for a period of 18 months and is limited to a maximum of 10% of the issued capital as this stands on 2 May 2017. If the motion is adopted, the authorisation will replace the current authorisation that was granted to the Management Board by the General Meeting (of shareholders) on 26 April 2016. The acquisition price of the shares should be between:

1. The nominal value (EUR 0.10); and
2. The share price plus 10%. The share price is understood to refer to the average closing price of the shares over five (trading) days prior to the day of purchase.

The chairman asks those present to vote in favour of the motion to authorise the Management Board for a period of 18 months, such to commence on 2 May 2017, to acquire treasury shares on behalf of the company under the conditions formulated above.

The chairman puts the motion to a vote and notes that this motion has been adopted unanimously.

5b. Motion to renew the authorisation of the Management Board to issue shares after receiving approval for same from the Supervisory Board

Pursuant to article 5 section 4 of the articles of association, the General Meeting (of shareholders) can designate the Management Board as the body authorised to issue shares. The chairman submits a motion to designate the Management Board as the body authorised to issue shares for 18 months, such to commence on 2 May 2017. The designation is limited to a maximum of 5% of the issued share capital on 2 May 2017 and, if the motion is adopted, the authorisation replaces the current authorisation that was granted to the Management Board by the General Meeting (of shareholders) on 26 April 2016.

The chairman puts the motion to a vote and notes that this motion has been adopted unanimously.

5c. Motion to renew the authority of the Management Board to limit or exclude pre-emptive rights upon the issue of shares, after receiving approval from same from the Supervisory Board

Pursuant to the articles of association, the General Meeting (of shareholders) can designate the Management Board as the competent body to limit and exclude pre-emptive rights. The chairman submits a motion to designate the Management Board as the body authorised to limit or exclude pre-emptive rights upon the issuance of shares for a period of 18 months, such to commence on 2 May 2017. If this motion is adopted, the authorisation will replace the current authorisation that was granted to the Management Board by the General Meeting (of shareholders) on 26 April 2016.

The chairman puts the motion to a vote and notes that the motion has been adopted by a majority of more than 99% of the votes cast.

6. Questions & Answers

Mr. Burger asks four questions.

1) Does the outcome of the impairment test provide a reasonable indication of Ordina's outlook for the future?
2) Does the company have any acquisition plans or plans to, say, link up with a strategic partner?
3) Have the members of the Management Board or the Supervisory Board been approached in the context of the 'Panama Papers' investigation?
4) Have the tax authorities conducted investigations into one or more of the members of the Management Board or the Supervisory Board as a result of the tax returns filed and if so what was the outcome?

The questions are answered as follows:

1) Mrs. Den Otter replies that the impairment test is indeed carried out on the basis of the assumptions regarding the future.
2) The chairman replies that Ordina is focused on organic growth.
3) The chairman replies that none of the members of the Management Board or the Supervisory Board have notified the chairman of any such investigations.
4) The chairman states this is privacy sensitive information and no statement will be made on this subject.

Mr. Van der Bos is given the floor and asks whether Ordina will offer an optional dividend (stock, cash) in the future. The chairman replies that no principle decision has been made on this subject. Mr. Van der Bos continues with the question as to whether, given the fact that Mr. Niessen is both a member of the Supervisory Board and a (major) shareholder (via Mont Cervin S.a.r.l.), any instances of conflict of interest situations are being dealt with in an adequate fashion. The chairman confirms that the company will deal with same adequately if any such situations should arise.

Mr. Kers (VEB) is given the floor and asks about the possibilities of Ordina dealing more flexibly with its cost structure. Mrs. Den Otter replies that the possibilities are limited, as the largest part of the company's direct and indirect costs consist of staff costs. Whenever possible, Ordina uses a flexible layer of employees, but on the other hand Ordina's ambition is to realise growth with (as many as possible of) its own employees.

Mr. Stevense (SRB) asks whether the date of the next General Meeting (of shareholders) is already known. The chairman replies that the next General Meeting (of shareholders) will be held on 26 April 2018.

7. Close

The chairman closes the meeting at 17.00 hrs. He thanks those present for their attendance and invites them to enjoy a after the meeting.

Thus adopted and signed by the chairman and the secretary of the meeting.

Chairman	Secretary
J.G. van der Werf	H.E. Mulder