
**EXPLANATORY NOTES TO THE PROPOSAL TO AMEND THE ARTICLES OF
ASSOCIATION
Grontmij N.V.,
with its registered office in De Bilt.**

as this will be proposed for adoption of a resolution
at the general meeting of shareholders of the company
On 18 May 2010

ALLEN & OVERY

EXPLANATORY NOTES TO THE PROPOSAL TO AMEND THE ARTICLES OF ASSOCIATION OF GRONTMIJ N.V. (GRONTMIJ or the COMPANY), as this will be presented for adoption of a resolution at the annual general meeting to be held on 18 May 2010.

1. General

It is proposed that the articles of association be amended so as to reflect the Act Implementing the Transparency Directive (*Wet tot implementatie van de transparantierichtlijn*) (the **Transparency Directive Act**). It is also proposed to have the articles of association anticipate as much as possible the expected introduction of the Act Implementing Shareholders Rights (**Wet tot implementatie van aandeelhoudersrechten**) (the **Bill on Shareholders Rights**). In addition, it is proposed to include the amendments arising from the Act Implementing the Second European Directive (*Wet tot implementatie Tweede Europese Richtlijn*) in the articles of association (the **Act Implementing the Second Directive**). Finally, it is proposed to make a number of amendments of a technical nature to the articles of association.

2. Transparency Directive Act and Bill on Shareholders Rights

Under the Bill on Shareholders Rights a general meeting has to be convened no later than on the forty-second day (at present the fifteenth day) prior to the meeting. In anticipation of this, it is hereby proposed to amend Article 34(2) in such a way that the convocation can occur on such a day as permitted by law.

The proposed amendment of Article 34(3) is related to the Bill on Shareholders Rights that prescribes rules for the content of the convocation notice. These prescribed rules are in line with what is already customary in practice.

Through the introduction of the Transparency Directive Act, the Company is no longer obliged to have the documents that will be discussed available at the office of a paying agent (*betaalkantoor*) located in the Netherlands (Article 34(7)). Moreover, the announcement of an issue of shares need no longer be published in the Official Price List of Euronext Amsterdam N.V. (Article 6(4)). In light of this, it is proposed to delete Articles 6(4) and 34(7).

The record date cannot be set earlier than the thirtieth day before the meeting (Article 38(7)). The Bill on Shareholders Rights provides that the record date cannot be set earlier than the twenty-eighth day before the meeting. For this reason, it is proposed to add to Article 38(7) that the record date is the day as permitted by law.

The other proposed amendments to Article 38 relate to the abolition of the requirement that evidence of ownership of shares is deposited in order to participate in the annual general meeting of shareholders under the Bill on Shareholders Rights.

The proposed amendment of Article 40(2) and the proposal to delete Article 44(3) (the term in which the annual accounts must be drawn up and the possibility of extending this term) is related to the coming into force of the Transparency Directive Act. Under the Transparency Directive Act

the annual accounts must be drawn up within four months of the end of the financial year by the Executive Board, this term can no longer be extended.

The proposed amendments to Article 44 are related to the coming into force of the Transparency Directive Act under which the Company is required to send its financial statements to the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*).

Under the Bill on Shareholders Rights convening general meetings by electronic means is permitted; the compulsory announcement in a national newspaper and the Official Price List lapses. It is proposed to amend Article 48 in that respect and to refer in general terms to what is laid down by law in this regard. The obligation to publish in the Official Price List already lapsed on 1 July 2009.

3. Act Implementing the Second Directive

Under the Act Implementing the Second Directive a company like Grontmij (and its subsidiaries) can furnish loans with a view to subscribing for or acquiring shares in its capital or their depositary receipts provided a number of conditions are satisfied. The Executive Board must adopt a resolution to this effect and this must have the prior approval of the general meeting of shareholders. Approval of such a resolution by the general meeting shall require 95% of the votes cast. It is proposed to amend Article 14(1) in this regard. The proposed amendment of Article 11(3) is related to this.

4. Other amendments. "Technical nature"

The Executive Board and the Supervisory Board wish to be able to hold the general meetings of shareholders in Amersfoort, Zeist and Soest. It is therefore proposed to add Amersfoort, Zeist and Soest to Article 35.

The proposal to delete the reference to the Dutch language in Article 44 (1 and 4) relates to the proposal of the Executive Board and the Supervisory Board to describe the items in the annual accounts and the annual report in the English language.

It is also proposed to shorten a number of points in the articles of association and to delete provisions that are literal citations from Acts. See Articles 6, 7, 9, 12, 15, 19 and Article 20 in this regard.

As no works council has been established at Grontmij, the definition of "works council" in Article 1 letter m, as well as Article 40(3) can be deleted. The proposal to delete the definition of "dependent company" (a definition related to the large companies' regime) (and to replace this definition in Article 24(2) by "subsidiary") relates to the fact that the large companies' regime is no longer applicable to Grontmij N.V.

Finally, it is proposed to have dividend and other distributions be payable within 30 days of the resolution instead of within 14 days (Article 47(1)). As such, the amended regulations of Euronext regarding the terms of dividend payments and other distributions can be observed.

Further, an extended term allows the Company to make an optional dividend payable; the current term of 14 days is too short.

For the rest a number of technical and textual amendments are proposed (see Articles 24(2) letter c and Article 33(2), letter f).

5. Power of attorney

The proposal to amend the articles of association also includes granting a power of attorney to each member of the Executive Board, the Company secretary, as well as each (deputy) civil law notary, paralegal and notarial employee of Allen & Overy LLP, *advocaten*, *notarissen* and *belastingadviseurs* in Amsterdam, in order to obtain a ministerial declaration of no objection on the draft deed of amendment of the articles of association and to execute this deed.

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