

Minutes

legal affairs

Of the Annual General Meeting of Shareholders of Royal Ten Cate nv, held at 2 pm on Tuesday 4 April 2006 at the Muziekcentrum in Enschede.

Date
10 May 2006

Number of pages
1

1 Opening of the meeting

The Chairman opened the meeting and welcomed all those present to the Annual General Meeting of Shareholders of Royal Ten Cate nv.

2 Announcements

The Chairman announced the following formalities:

General meetings of shareholders are chaired by the Chairman of the Supervisory Board, in accordance with article 31 paragraph 1 of the articles of association of Royal Ten Cate nv. The Chairman confirmed that the meeting had been convened by the Supervisory Board and the Executive Board by an announcement on Monday 20 March 2006 in

- Het Financieele Dagblad
- De Twentsche Courant Tubantia and in
- The Official Price List of Euronext Amsterdam nv,

being the fifteenth day before the day of the meeting and thus in accordance with the requirements of the articles of association.

The business to be transacted was contained in the notice convening the meeting. This also stated that the complete text of the agenda with the explanatory notes, the annual report and accounts and the integral text of the proposed amendment to the articles of association had been made available for inspection, free of charge, in the prescribed manner. The documents referred to had been made available at the company's offices from the day the meeting was convened and would be available there until the end of the present meeting.

The Chairman recorded that the meeting had been convened in accordance with statutory requirements and with the requirements of the articles of association. Legally valid resolutions could therefore be adopted in this meeting in regard to all the business announced. The Chairman also recorded that no request from shareholders had been received either by the Executive Board or by the Supervisory Board to place items on the agenda other than those that were already on the agenda.

There were 66 people in attendance as shareholders or as representatives

of shareholders, with all the holders of voting rights, both those present and those represented, being jointly entitled to cast 1,400,215 votes, together representing approx. 27% of the total issued share capital.

Those present were given the opportunity to ask questions or make remarks about each of the items on the agenda. To enable the meeting to proceed in an orderly manner, the Chairman requested that questions and remarks be limited to the business in hand and that other subjects be kept until the final item on the agenda: Any Other Business.

Minutes of the meeting would be prepared. Mr A.J. ten Cate had expressed his willing to co-sign the minutes.

The Chairman then announced that the Stichting Preferente Shares Koninklijke Ten Cate had been dissolved on 1 December 2005. Both the Executive Board and the Supervisory Board of Royal Ten Cate nv as well as the Board of Trustees of the Stichting felt that it was no longer in the interests of Royal Ten Cate nv to maintain this Stichting. The issuing of preference shares in order to prevent a takeover of the company was outdated. The shareholders were well able to decide themselves whether they wished to transfer their shares and thus control of the company. Item 10 on the agenda, which dealt with the proposal to amend the articles of association, contained the proposal to remove preference shares from the articles of association.

The Chairman devoted attention to the death of Mr C.J.A.J.M. van Gestel shortly after the 2005 Annual General Meeting. Mr Van Gestel had been involved with the company as a member of the Supervisory Board from 1985 and had supported the company with a critical yet always positive attitude and had made a significant contribution to the company's growth. Mr Van Gestel had frequently participated in management meetings and in consultative meetings with the Central Works Council. We remember him with gratitude and respect.

3 Discussion of the 2005 annual report

The Chairman called on Mr De Vries, Chairman of the Executive Board, to provide a commentary on the performance, prospects and strategy.

Mr De Vries, with the aid of transparencies, gave the following commentary:

“Royal Ten Cate’s mission is directed at achieving, among other things, leadership in growing global niche markets for specialist and functional materials. TenCate has five core markets, namely antiballistic materials, composites for the aerospace industry, protective and safety fabrics, geosynthetics and artificial grass. In these core markets TenCate seeks to lead the field. These core markets are grouped around core technologies. TenCate also aims to achieve a systematic approach: to make products that form part of a system. A good example of this is the artificial grass pitch. Knowledge of the entire system is important and we therefore prefer to sell artificial grass systems rather than just the artificial grass fibre. A systematic approach clearly offers additional advantages and in that systematic approach TenCate endeavours to be enterprising and innovative. It is also important to supply products that have added value for the entire chain, which also includes the end-users. This will produce profitable growth and value creation for the company. Technology is the binding factor for the company and being engaged in technological innovation is of paramount importance. Working on the further development of product-market combinations within the five above-mentioned strategic core activities. A greater focus on the market. Transforming the company from an inside-out to an outside-in mindset and marketing our products through our own strong brands. Being less dependent on the brands of suppliers and preventing our product from disappearing into that of the customer. Our own positioning by means of a specific brand policy. Research has shown that both customers and suppliers see TenCate as a company that makes materials with a distinctive capacity: materials that provide different solutions from those offered by our competitors. This is why the tagline ‘materials that make a difference’ has been added to the restyled logo (the bow). A new corporate identity.

Cost leadership is important, but not paramount. A more offensive strategy is now being pursued, based on technological development and end-user marketing, in order to gain greater control of the value chain. A specific brand policy is vital in achieving this, which is why uniformity in the presentation of brands has been introduced and the name TenCate added to each brand. TenCate is now working with its own strong brands and this will strengthen our position in the value chain, thus enabling TenCate to gain its own look. This is also the reason why the five market groups now present an unambiguous image.

Mr De Vries then turned his attention to the Protective & Outdoor Fabrics market group. This market group is concerned with products that offer

protection at the workplace. The acquisition of Southern Mills has enabled TenCate to become market leader in the USA, with a market share of approx. 55%. This acquisition has also had tremendous spin-offs for Europe, and Ten Cate Advanced Textiles products can now be sold in the USA using the distribution channels of Southern Mills.

The Aerospace and Armour Composites market group supplies composites for the aerospace industry. Materials for the Airbus 380 and the Boeing 787, for example. The 'Cirrus', a small private aircraft, is made entirely of composite material supplied by TenCate. This market group also supplies plate material for bullet-proof vests, armoured vehicles and helmets for the army and the police force.

Another market group, called Geosynthetics, has acquired a leading position in the world, primarily also as a result of the acquisition of Polyfelt in Austria. Thanks to this acquisition the Asian market in particular has become more accessible to TenCate. When making acquisitions TenCate is looking increasingly at the hidden strategic value that can support an existing product, market or technological position. TenCate is in this way now able to deploy geosynthetics for land reclamation, shore protection and environmental applications (storing polluted sludge in geotubes).

Mr De Vries then directed his attention to the Industrial Fabrics market group, which is market leader in the USA, in particular with trampoline canvas. It is ahead of the field in Europe with its mushroom cultivation nets.

Through Polyloom Tennessee, the Grass Group has acquired a leading position in the USA. In the rest of the world too the Grass group is strongly represented by artificial grass fibres for sports pitches and other applications.

The sales of the Advanced Textiles & Composites sector amounted to € 286 million in 2005; the Geosynthetics & Grass sector € 274 million and the Technical Components & Participations sector (50% Synbra) € 126 million.

The major developments in 2005 can be summarized as follows:

- A substantial autonomous growth in the core activities;
 - Advanced Textiles & Composites 13%
 - Geosynthetics & Grass 17%

- Sales € 687 million;
- Progress in our buy & build and fix-it/exit strategy;
- Substantial sales and profit contribution by Southern Mills;
- Improvement in the profit of Ten Cate Enbi is sluggish.

Mr De Vries added that the buy & build strategy is, on the one hand, focused on strengthening the five core markets through targeted investments in product, market and technology positions and, on the other, on acquiring companies that support existing product, market and technology combinations.

A great deal of work has been devoted to the fix-it /exit strategy in the past few years. In 2005, for example the Mega Valves group and the companies of Permess and Multistiq were sold and the Plasticum group is expected to be divested in 2006. In addition, talks are taking place with the co-owner of the Synbra group about a possible sale of the TenCate interest in Synbra.

Mr De Vries stated that the major financial developments in 2005 were:

- A net result of € 3.7 million as a result of divestments;
- Significant investments in capacity and technology;
- An autonomous EBIT increase of 15% (€ 38.5 million);
- A net profit growth of 29% (€ 30.5 million);
- A RONA of 15.3% (in 2004: 13.5%).

Mr De Vries then added that the net result on divestments of € 3.7 million was € 1.7 million higher than the previous year, which can be attributed to the sale of Mega Valves and Permess/Multistiq.

TenCate is growing and the markets offer us opportunities that we wish to exploit. We are therefore investing in new capacity. As a part of our Value Chain management model, we also aim to be technologically innovative and are making considerable investments in this. The cash flow analysis shows an amount of € 26 million, which is well in excess of the amount of depreciation. The autonomous increase in the EBIT of 15% is well above the autonomous increase in sales, which is a good development. The net profit was higher than expected at € 30.5 million, partly as a consequence of a positive result on the sale of Permess/Multistiq in the fourth quarter. For the first time in a very long time the RONA was above 15%.

Finally, a brief reaction to the performance in the US compared with

Europe. As can be seen in our annual report, 85% of pre-tax profit originates in the US, with a sales share of over 45%. It should be noted that, although the market in Europe has shown far less pronounced growth, a number of factors should be taken into consideration. The preparation of Permess/ Multistiq for sale has had a depressive effect on the profit of the European company.

When we look at our artificial grass activities, for example, our European company's margin is only fractionally below that of Thiolon USA. The Holding costs have also distorted the picture.

Mr De Vries wished to remove the impression that the TenCate companies in Europe lagged far behind our American counterparts. In Europe there is potential for improvement. He illustrated this with a number of developments and growth opportunities:

- Investments in new technology at Ten Cate Advanced Textiles. The finishing technology relating to digital processes, which has been submitted to the European Commission for the granting of a subsidy. The technology may well represent a breakthrough for TenCate.
- The integration of Nicolon Almelo into the Polyfelt organization. Measures are being taken to increase the sales strength and reduce costs at Ten Cate Thiolon.
- Substantial expansion of capacity at Ten Cate Advanced Composites in Nijverdal as a result of the huge demand for thermoplastic materials.

Mr De Vries then considered the increase in the working capital. This was caused principally by the integration of the stocks of the acquired company Polyfelt, which took place on 15 December 2005, and as a result of holding safety stocks at the Advanced Composites & Armour Group and Southern Mills.

The debt position of TenCate increased from € 99 million in 2004 to € 157 million in 2005, which was the result of the purchase of Polyfelt and growth in the working capital. Solvency declined as a result from approx. 46% in 2004 to 37% in 2005.

The financial position of TenCate is healthy. Should a fitting acquisition be under discussion, there is still the possibility at all times of financing this through the market. Growth does not therefore need to be a problem.

The autonomous increase in sales of 10% in 2005 is composed of the 6% increase in volume and the 4% increase in prices. TenCate has been able to pass on approx. 80% of the increase in the price of raw materials to the customer.

Developments per market group then came under review.

- The Protective & Outdoor market group

This market group is the world market leader in safety fabrics, partly as a result of the acquisition of Southern Mills. Both in Europe and particularly in the USA there is a rapidly growing demand for protective professional wear and multi-risk fabrics, such as Tecasafe. The market for tentcloth and awnings remains stable.

In this context Mr De Vries referred to the Master Plan in the town of Nijverdal (NL), which envisions the integration of companies at a single location. In this way the conditions will be created to enable production to be carried out even more efficiently. This concentration will also bring advantages once the innovative process of digital finishing has been completed and brought on stream.

Finally, Mr De Vries remarked that the EBIT margin of this market group of 5.8% was regarded as too low. Within a few years it would have to be possible to achieve an EBIT margin of 8%.

- The Aerospace & Armour Composites market group

This market group is among the top four in the field of advanced composite materials. Cetex material, as an alternative to aluminium or similar materials, is now widely accepted, for example in the automotive, shipbuilding and aerospace industries. The supplies to the Airbus 380 (and possibly the Boeing 787) have been a breakthrough here. This all requires a considerable expansion of production capacity.

Strong growth can also be seen in composite applications for the defence industry. In the Armour segment, personal and vehicle protection is showing growth, particularly as a result of orders from the American army. The KLPD (the police in the Netherlands) has also placed orders for bullet, fragment and stab-proof vests, the supply of which will take place in 2006.

- The Grass market group

TenCate is world market leader in artificial grass. Sales of artificial grass in the USA increased spectacularly. In Europe the picture is somewhat more modest. There are now more players on the market and there is still somewhat less awareness of the differences in quality, which is why this market is more price-sensitive. It is not always possible to pass on the increases in the price of raw materials.

Efforts are being made to achieve an improvement in the profitability of the European group by means of such measures as the strengthening of the commercial organization, better utilization of the USPs and scale.

- The Technical Components market group

Sales in this sector showed an autonomous decline of 5.6%, which can be entirely ascribed to Ten Cate Enbi. A provision of € 1.4 million was made to cover the costs of closure of the Ten Cate Enbi site in France. The sale of the Ten Cate Plasticum group is expected to be completed in the second quarter of 2006. The improvement in profits at Ten Cate Enbi stagnated in 2005. New opportunities are appearing on the replacement market, particularly in relation to cartridges for colour printers.

Other matters to which TenCate was paying attention were:

- Socially responsible enterprise. Attention is being called specifically to this matter within the company.
- In the context of corporate governance, the whistle-blowers' scheme and integrity code are being developed and implemented.
- The risk management system has been further developed and implemented, as stated in the annual report
- In this connection TenCate will not issue any in control statement without specific stipulations Such a statement is hard to reconcile with an international organization that aims to be enterprising and that has a strongly decentralized structure. The risk management system, on the other hand, is fit for purpose, however, now of course the necessary checks and balances have been incorporated.

- Another important subject is the use also of corporate positioning and branding as a means of end-user marketing.
- In the field of innovation the “Digifin” project is of importance (digital finishing). Research is being conducted in this field together with universities and research institutes. This project is expected to be eligible for a European subsidy.

Finally, Mr De Vries turned his attention to the outlook for 2006 and remarked that ongoing autonomous growth is anticipated, as well as progress in the acquisitions and divestments process. Changes in the costs of raw materials, however, remain an uncertain factor. A profit forecast will therefore not be issued.

TenCate continues to focus on the four main themes of its strategy, which are:

- Cost monitoring;
- Product differentiation;
- End-user marketing;
- Technological innovation.

“Our plans in these areas support our expectation that TenCate will also be able to strengthen its position in the value chain in the longer term, which will lead to profitable growth of the company”, Mr De Vries said in conclusion.

The Chairman thanked Mr De Vries for his commentary and gave those present the opportunity to ask questions.

Mr W. F. Burgers complimented the Executive Board on the results for 2005 and asked the following questions.

1. In the 2006 outlook a gradual increase in the EBIT margin was announced, with an operational EBIT margin target per sector of at least 8% within two to three years. How do you think you will achieve this substantially higher margin?
2. What amount do you intend to invest in 2006? I understand that this will be in excess of the € 26 million in 2005.
3. Is there still scope within TenCate to further exploit the desired advantages, resulting from the acquisition of Southern Mills?

4. As a result of the higher prices of raw materials and other market conditions, a negative result was recorded at Polyfelt. Are the problems at Polyfelt after all somewhat greater than expected?
- Ad 1 Mr De Vries answered that the Advanced Textiles & Composites group was now achieving an operational EBIT margin of 5.6%. This percentage is low for this sector. It should be at least 8% within a period of two to three years. After all, the losses from the divested companies Permess and Multistiq will not return, and the size of the workforce will be reduced. In addition, the coming on stream of the bleaching line, an investment of € 8 million, will bring about a decrease in the production costs and the introduction of digital finishing will have a favourable effect on the EBIT margin in due course.
- Ad 2 Mr Lock answered that for the year 2006 an investment level of € 50 to €60 million should be factored in, approx. € 30 million above the level of depreciation. This is because TenCate must expand its production facilities and continue to innovate. An expansion at Polyloom in the USA as well as at Bryte is now being implemented. In addition, an investment is planned for the Geosynthetics group in China.
- Ad 3 Mr De Vries answered that a substantial costs restructuring had taken place at Southern Mills through the downsizing of the workforce, the reduction in the number of operating companies from six to four, and other means. We shall continue to exploit the advantages by further joint use of the sales channels of the Advanced Textiles group and Southern Mills, and through the creation of buying power in respect of the same suppliers and joint actions to achieve increased sales in Asia.
- Ad 4 Mr De Vries answered that within the buy & build strategy, TenCate had set its sights on companies that have negative goodwill. Polyfelt has always enjoyed good years in the past and operated at a loss only in the year 2005. TenCate believes that, with the aid of its current strong product position and technology - particularly in the USA - together with Polyfelt's distribution network in Asia, its leading position in Europe and the right organizational measures, it will be able to position the group in such a way that it will again achieve results.

Mr C.S.M. Molenaar (Hidden Value Fund) complimented the company on its good result and the excellent quality of its annual report

1. Mr Molenaar asked whether the digital finishing project had a good chance of being granted European subsidies and whether that subsidy would have to be divided among the other parties with whom we are working and whether this project would result in further patents for TenCate?
2. Margins in the artificial turf sector in Europe are under pressure. Can improved margins be expected or will we end up in a cut-throat market?

The Chairman thanked Mr Molenaar for his compliments relating to the result and the quality of the annual report.

Mr De Vries answered:

- Ad 1 The digital finishing project has applied for a European subsidy. This subsidy will have to go to the benefit of European industry, thus also to the other parties with whom we are working on this project. Mr De Vries added that within this collaboration the knowledge that TenCate has in this field is being handled with extreme care and that this knowledge would if possible be protected by patents. If this project proves successful, it will be an entirely new invention in the textile industry: a breakthrough in technology.
- Ad 2 As regards artificial grass, there is a great difference between the American and Asian market on the one hand and the European market on the other. The American and Asian market goes for quality. The European market is more concerned with price, which entails pressure on margins. This trend was started by local authorities, who work to tight budgets when artificial grass pitches are installed for amateur clubs. In the top sector – professional football clubs – they focus on quality. In order to bring the margin back to its former level, costs will have to go down and the product will have to meet quality requirements: a good infill, a particular leaf shape and the grass must look natural. In addition we shall have to target the end-customer more in our marketing

efforts.

Mr H.J. Meier (on behalf of the Dutch Association of Securities Holders (VEB)) remarked that if all companies were like TenCate, the VEB would not have a great deal to do. It is a splendid company and one to be proud of. Mr Meier then asked the following questions:

- 1 Did I understand correctly that the good results of Southern Mills can be mainly ascribed to autonomous growth and that synergy effects in part still have to appear?
2. You mentioned a long-term objective of raising the earnings per share to the level of 10%. What is meant by long term in this connection?
3. How does TenCate deal with the hedging of exchange rate risks, now that TenCate is increasingly becoming an internationally based company?
4. Do you have plans to acquire the remaining 50% interest in Synbra?

Ad 1 Mr De Vries answered that the view that he had sketched in relation to Southern Mills was correct.

Ad 2 Mr Lock answered that efforts were being made to achieve a growth in net profit in the long term of approx.10% per year, as stated in the annual report on page 2 under the heading "Financial Objectives".

Ad 3 Mr Lock answered that TenCate is a European company and therefore provides statement of its transactions in Euros. Dollars and other currencies are hedged.

Ad 4 Mr De Vries answered that TenCate is in ongoing discussions with Gilde Investments, the joint shareholder in Synbra.

Mr A.J. ten Cate asked the following questions:

1. What is the company's outlook on Ten Cate Enbi in the context of the fix-it/exit strategy, now that this company has started up a production facility in Asia?

2. We all know that in Asia they are good at counterfeiting products. Can you indicate whether there are also dangers for TenCate in this respect?
3. Do you expect even more opportunities for the Geosynthetics group in the USA as a result of disasters like hurricane Katrina?
4. What is the situation now with the lawsuit United Fabrics versus TenCate?

Mr De Vries answered:

- Ad 1 This is a matter of a relatively small investment in China. Since Ten Cate Enbi in Singapore was no longer able to achieve the right cost prices, part of the production has been transferred to China, where it is still possible to manufacture against low production costs. It is and remains our intention eventually to sell Ten Cate Enbi.
- Ad 2 TenCate is extremely aware of the danger of being confronted with plagiarism in Asia and is alert to this. For artificial turf, the formulations, for instance, are important and we monitor them with great care.
- Ad 3 In view of their knowledge in the field of dyke protection and land protection, in the USA the Geosynthetics group is repeatedly being asked to take part in projects in the field of water management. Discussions are for example taking place about various projects in New Orleans. It remains to be seen, however, whether this will result in orders.
- Ad 4 The Chairman answered that TenCate was awaiting a pronouncement from the Dutch Supreme Court, which was expected on 28 April 2006. No further statement would be issued on the substance of the lawsuit.

As there were no further questions, the Chairman concluded that the 2005 annual report had been discussed.

4. **2005 Financial statements and appropriation of profit**

A. Adoption of the 2005 financial statements

By way of introduction, the Chairman announced that the 2005 financial statements appear on pages 65 to 127 inclusive of the 2005 annual report, consisting of a balance sheet, a profit and loss account and the accompanying explanatory notes. The financial statements were signed by the members of the Executive Board and the Supervisory Board. KPMG Accountants nv, the company's auditor, issued an unqualified auditors' report that appears on page 129 of the 2005 annual report. This agenda item relates to the proposal by the Annual General Meeting of Shareholders to adopt the 2005 financial statements.

The Chairman asked if anyone wished to speak about the financial statements or had any questions on this matter. Messrs. Van Hulsenbeek and Oude Weernink, representing KPMG Accountants nv, were present to answer questions if necessary.

Mr W.F. Burgers asked the following questions:

1. A substantial part of the pre-tax profit originates in the USA and, as a consequence of the high tax rate there, the average tax charge is high: 38%. Can we still count on a gradual decline in the tax charge in the years ahead and what are the prospects with regard to the possibility of making use of losses available for set-off?
2. Is it possible that there will be a release of book profits from the sale of tangible assets in the near future?

Mr Lock answered:

Ad 1 We do not expect the tax charge to decrease in a spectacular fashion in the coming years. It is simply a fact of life that there are a lot of profitable activities in the USA and that a high tax rate applies there. As regards the losses available for set-off, there is still scope. At the end of 2005 there was more than € 19 million in losses available for set-off. From this €2.5 million could be deducted from the sale of the Plasticum group. That still leaves €16.5 million primarily in France, Hungary and Singapore.

Ad 2 As to the release of book profit resulting from the sale of tangible

assets, you should not hold any high hopes about this.

Mr H.J. Meier (Association of Securities Holders) asked the following questions:

1. Does TenCate have any plans to dispose of the company pension fund or to seek cooperation with other company pension funds?
2. The Association of Securities Holders would appreciate it if more transparency could be given regarding the criteria that are applied to the awarding of the bonus to the Executive Board. It is a pity that these criteria are not divulged on account of their sensitivity to competition. What is the reason for this reticence?

Ad 1 Mr Lock answered that there were no plans to transfer the company pension fund elsewhere.

Ad 2 The Chairman answered that the information on the criteria for determining the variable remuneration - the bonus – is and will remain restricted. You may, however, rest assured that these criteria are directly linked to the company's performance.

As there were no further questions and no vote had been requested, the Chairman concluded that that the 2005 financial statements had been unanimously adopted.

B. Adoption of the appropriation of profit

The Chairman announced that, as shown on page 133 of the annual report, the Executive Board had resolved, on the basis of what had been determined in the articles of association, that if the financial statements were adopted unchanged an amount of approx. € 13.5 million would be reserved. The Supervisory Board approved this resolution in its meeting of 1 March 2006.

The remaining portion of the profit was available to the General Meeting of Shareholders. The Executive Board and the Supervisory Board proposed to distribute this amount as a dividend, resulting in a dividend of € 2.40 per share. This would be payable in cash or in the form of a stock dividend to be charged against the share premium reserve.

The dividend of € 2.40 per share would be made payable on 28 April 2006 through the affiliated institutes.

The Chairman concluded that, as there were no questions and no vote had been required, the appropriation of profit had been adopted unanimously.

5. Approval of the rules for the granting of share acquisition rights to members of the Executive Board

The Chairman stated that, with due regard to the remuneration policy established last year, the remuneration of the members of the Executive Board would be established by the Supervisory Board. In the context of the remuneration, option rights would be granted to the Chairman of the Executive Board for the acquisition of shares in Royal Ten Cate nv. The proposal is to grant 15,000 options to the Chairman of the Executive Board on a conditional basis. The performance condition of these option rights is that over three consecutive years earnings per share must be at 3% above inflation in the year concerned.

The Chairman concluded that, as there were no questions and no vote had been required, the rules for the granting of share acquisition rights to the members of the Executive Board had been unanimously adopted.

6. Granting of discharge to members of the Executive Board and the Supervisory Board

By way of introduction the Chairman remarked that, as stated in the explanatory notes to the agenda, the granting of discharge to the members of the Executive Board and the granting of discharge to the members of the Supervisory Board would be put to the vote as two separate agenda items.

A. Granting of discharge to members of the Executive Board

This is in respect of the management by the Executive Board during the 2005 financial year. The Chairman proposed the resolution to grant discharge to the members of the Executive Board in respect of their management of the company during the 2005 financial year.

The Chairman concluded that, as a vote was not required, the

resolution to grant discharge had been unanimously adopted.

B. Granting of discharge to members of the Supervisory Board

This agenda item relates to the granting of discharge to the members of the Supervisory Board in respect of their supervision during the 2005 financial year of the management of the Executive Board during the 2005 financial year.

The Chairman concluded that, as a vote was not required, the resolution to grant discharge had been unanimously adopted.

7 Composition of the Supervisory Board

A. Notification of vacancy in the Supervisory Board

The Chairman stated that Mr P.P.A.I. Deiters would retire on the basis of the retirement schedule, creating a vacancy on the Supervisory Board.

B. Opportunity for the Annual General Meeting of Shareholders to make a recommendation

The Chairman concluded that the Annual General Meeting of Shareholders had made no recommendation to nominate a candidate. The Works Council had made it known that it would not make use of its right of recommendation.

C. Notification of the person nominated for reappointment by the Supervisory Board

The Chairman stated that the Supervisory Board had decided on 1 March 2006 to nominate Mr P.P.A.I. Deiters for reappointment as a member of the Supervisory Board for a subsequent period of four years.

D. Proposal to reappoint the person nominated by the Supervisory Board

The Chairman concluded that, as no vote was required, Mr Deiters had been unanimously reappointed as a member of the Supervisory Board.

8. Authorization repurchase own shares

The Chairman remarked that this subject related to the proposal to grant authority to the Executive Board, for a period of 18 months, from 4 April 2006 to 3 October 2007, to acquire fully paid own shares or depositary receipts for such shares (in a stock exchange or by other means). The maximum number of shares to be thus acquired should be equivalent to 10% of the issued capital at the time of acquiring the shares (or depositary receipts for such shares). The acquisition price of the acquired shares or depositary receipts for such shares must be between one eurocent (€ 0.01) and the amount equivalent, as a maximum, to the stock market price, plus 10%. The stock market price should be taken to mean the average of the closing prices according to the Official Price List of Euronext Amsterdam nv on the five trading days prior to the date of acquisition. Any acquisition of own shares or depositary receipts for such shares should be subject to the applicable legal provisions.

The Chairman concluded that, as there were no questions and no vote was required, the authorization had been unanimously granted.

9 Delegation of powers to issue shares and limit the pre-emptive right

A Resolution on the delegation of authority to issue shares

The Chairman stated that on 24 March 2005 the Annual General Meeting of Shareholders had resolved to grant authority to the Executive Board, with the approval of the Supervisory Board, to issue shares and to exclude or limit the pre-emptive right for the period from 1 April 2005 to 30 September 2006. In order to prevent the Executive Board losing such authority for several months between 1 April 2006 and the subsequent regular meeting of shareholders, the Executive Board and the Supervisory Board proposed that the Executive Board be designated, with the approval of the Supervisory Board, for a period of 18 months from 1 April 2006 to 30 September 2007, as the body authorized to issue shares (including the granting of rights to acquire shares) and to exclude or limit the pre-emptive right. The authority to issue shares relates to 10% of the issued share capital, plus a further issue in the framework of a merger or acquisition. The same applies to the authority of the Executive Board, with the approval of the Supervisory Board, to limit or exclude the pre-emptive right,

on the basis of article 6 of the articles of association.

The Chairman then concluded that, as there were no questions and no vote was required, the Annual General Meeting of Shareholders had unanimously granted the designation of the Executive Board as the body authorized to issue shares.

B Resolution on the delegation of authority to limit the pre-emptive right

The Chairman also concluded that the Annual General Meeting of Shareholders had unanimously granted the designation of the Executive Board as the body authorized to exclude or limit the pre-emptive right

10 Proposal to amend the articles of association

The Executive Board proposed to amend the articles of association of Royal Ten Cate nv in accordance with the amendment proposal drawn up by Loyens & Loeff N.V. The proposal of the Executive Board had been approved by the Supervisory Board.

The immediate reason for the proposed amendment to the articles of association was the desire to promote the marketability of the shares by implementing a 'share split', in the sense that each ordinary share with a nominal value of EUR 10, would be split into four shares of EUR 2.50, as a result of the amendment to the articles of association. As a result, there would be no fractions of shares.

The remaining amendments relate principally to Royal Ten Cate nv's allowing the possibility of issuing A preference shares (financing prefs) and B shares (protection prefs) to lapse. Every reference to the (possible) existence of these A and/or B preference shares will therefore lapse on the occasion of the implementation of the amendment to the articles of association.

Furthermore, it was proposed to proceed to the complete dematerialization of shares; for this purpose it was determined that all shares would henceforth be registered. The Royal Ten Cate ordinary shares that are part of the giro deposit as referred to in the Securities Giro Act shall be entered in the register of the company's shareholders in the name of the Nederlands Centraal Instituut voor Giraal Effectenverkeer

B.V. (Euroclear Nederland), the central institute, as referred to in the Securities Giro Act, with the notation that these are a part of the giro deposit of stocks of the type concerned.

The proposal to amend the articles of association contains general information concerning the background to the amendment of the articles of association. Furthermore, a brief explanation is given for each article, where relevant, in the third column of the proposal to amend the articles of association.

At the time of convening the meeting it was stated that transcripts of the proposal to amend the articles of association, in which the above-mentioned amendments were included verbatim, as well as explanatory notes to the proposal, had been made available to you all, free of charge, at the locations mentioned from the day the meeting was convened.

The resolution to amend the articles of association also authorized each member of the Executive Board, and each notary and junior notary associated with Loyens & Loeff, either jointly or individually, to request the required ministerial statement that no objection had been recorded with regard to the amendment to the articles of association and to have the deed of amendment of the articles of association executed.

Mr C.S.M. Molenaar remarked that he was glad that TenCate had proceeded to withdraw the so-called protection preference shares. He hoped that this step would serve as a guide for other listed companies. The best protection is, after all, a high share price.

The Chairman then concluded that the Annual General Meeting of Shareholders had unanimously resolved to amend the articles of association.

11. Any other business

No remarks.

12. Closure of the meeting

The Chairman thanked everyone for their attendance and their commitment to the company and then declared the meeting closed.



Date
1 May 2006

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March 2006

Approved,

A.W. Veenman

A.J. Ten Cate