

The Offer expires at 17.30 hours CET on 5 August 2009, unless extended

OFFER MEMORANDUM

dated 24 June 2009

RECOMMENDED CASH OFFER

by

SHV ALKMAAR B.V.

an indirectly wholly owned subsidiary of SHV Holdings N.V.



**FOR ALL ISSUED AND OUTSTANDING ORDINARY SHARES
WITH A NOMINAL VALUE OF EUR 0.50 EACH
IN THE CAPITAL OF**

ERIKS N.V.



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This offer memorandum (the **“Offer Memorandum”**) contains details of the recommended cash offer by SHV Alkmaar B.V. (the **“Offeror”**) to all holders of issued and outstanding ordinary shares with a nominal value of EUR 0.50 each in the capital of ERIKS N.V. (**“ERIKS”** or the **“Company”**) including any and all ordinary shares in the capital of the Company that may be issued and/or delivered by the Company prior to the Settlement Date pursuant to the stock dividend over the financial year of ERIKS ended 31 December 2008 (the **“Financial Year 2008”**) and the existing bonus investment share matching plan in which the members of the executive board of ERIKS and certain key personnel of ERIKS participate (the **“Bonus Investment Share Matching Plan”**) (the **“Shares”**) excluding the Offeror and its group companies (such holders of Shares being referred to as **“Shareholders”**) to purchase for cash all or part of the Shares held by them, on the terms and subject to the conditions and restrictions contained in this Offer Memorandum (the **“Offer”**). Capitalised terms used in this Offer Memorandum have the meaning as set out in Section 3 (Definitions) or elsewhere in this Offer Memorandum.

Shareholders tendering their Shares under the Offer will be paid, on the terms and subject to the conditions and restrictions contained in this Offer Memorandum, in consideration of each Share validly tendered (or defectively tendered, provided that such defect has been waived by the Offeror) and delivered (*geleverd*), a cash amount of EUR 48.00 per Share (excluding dividend over the Financial Year 2008) (the **“Offer Price”**). See Section 4 (Invitation to the Shareholders).

Each of the supervisory board of ERIKS (the **“Supervisory Board”**) and the executive board of ERIKS (the **“Executive Board”**) fully support and unanimously recommend the Offer for acceptance to the Shareholders. See Section 6 (Recommendations of the Boards).

The acceptance period under the Offer commences at 9:00 hours CET, on 25 June 2009 and, unless extended, expires at 17.30 hours CET, on 5 August 2009 (the **“Acceptance Closing Date”**) (the **“Acceptance Period”**). Acceptance under the Offer must be made in the manner specified in this Offer Memorandum. Shares tendered on or prior to the Acceptance Closing Date may not be withdrawn, subject to the right of withdrawal of any tender during an extension of the Acceptance Period in accordance with the provisions of Article 15, paragraph 3 of the Decree on public offers Wft (*Besluit openbare biedingen Wft*) (the **“Takeover Decree”**). The Offeror reserves the right to extend the Offer past the Acceptance Closing Date if one or more of the Offer Conditions are not fulfilled by the Acceptance Closing Date. If the Offer is extended past the Acceptance Closing Date, the Offeror will make an announcement to that effect in accordance with the Takeover Decree. See Section

4 (Invitation to the Shareholders). The provisions of Article 15, paragraph 2 of the Takeover Decree, require that such an announcement be made within three (3) Business Days following the Acceptance Closing Date.

Unless the Acceptance Period is extended, the Offeror will, in accordance with Article 16 of the Takeover Decree, announce whether the Offer is declared unconditional (*gestand wordt gedaan*) within three (3) Business Days following the Acceptance Closing Date (the “**Unconditional Date**”). See Section 4.7 (Declaring the Offer Unconditional (*gestanddoening*)). The Offeror reserves the right to waive certain Offer Conditions, if relevant and to the extent permitted by applicable law. See Section 5.2 (Offer Conditions).

Announcements will be made by press release and published in at least one nationally distributed newspaper in the Netherlands (*Het Financieele Dagblad* or *De Telegraaf*). See Section 4.14 (Announcements).

In the event that the Offeror announces that the Offer is declared unconditional (*gestand wordt gedaan*), the Shareholders who have tendered and delivered their Shares to the Offeror prior to the Acceptance Closing Date will receive within five (5) Business Days following the Unconditional Date (the “**Settlement Date**”) the Offer Price in respect of each Share validly tendered (or defectively tendered, provided that such defect has been waived by the Offeror) and delivered (*geleverd*).

This Offer Memorandum (Part I together with Part II, Financial Statements) has been prepared in accordance with Article 5:76 of the Wft in conjunction with Article 8, paragraph 1 of the Takeover Decree and has been approved by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the “**AFM**”). The information required under Article 18, paragraph 2 and Annex G of the Takeover Decree is included in the Position Statement (Part III). The Position Statement including all Appendices thereto included as Part III do not form part of the Offer Memorandum and are not subject to review and approval by the AFM. However, the Position Statement is subject to review by the AFM after publication thereof.

PART I

1. RESTRICTIONS AND IMPORTANT INFORMATION

1.1 Restrictions

The Offer is being made with due observance of such statements, conditions and restrictions as are included in the Offer Memorandum. The Offeror reserves the right to accept any tender under the Offer, which is made by or on behalf of a Shareholder, even if it has not been effected in the manner as set out in this Offer Memorandum. The Offer is not being made, and the Shares will not be accepted for purchase from or on behalf of any Shareholders, in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities or other laws or regulations of such jurisdiction or would require any registration, approval or filing with any regulatory authority not expressly contemplated by the terms of this Offer Memorandum. However, acceptances of the Offer by Shareholders not residing in the Netherlands will be accepted by the Offeror if such acceptances comply with (i) the acceptance procedure set out in this Offer Memorandum, and (ii) the applicable laws and regulations in the jurisdiction from which such acceptances have been made. Persons obtaining the Offer Memorandum are required to take due note and observe all such restrictions and obtain any necessary authorisations, approvals or consents. Neither the Offeror, nor SHV, nor ERIKS, nor any of their respective affiliates or any of their respective supervisory or managing directors, employees or advisers accepts any liability for any violation by any person of any such restriction. Any person (including, without limitation, custodians, nominees and trustees) who would or otherwise intends to forward this Offer Memorandum or any related document to any jurisdiction outside the Netherlands should carefully read this Section 1 (Restrictions and important information) before taking any action. The release, publication or distribution of this Offer Memorandum and any documentation regarding the Offer or the making of the Offer in jurisdictions other than the Netherlands may be restricted by law and therefore persons into whose possession this Offer Memorandum comes should inform themselves about and observe such restrictions. Any failure to comply with any such restrictions may constitute a violation of the law of any such jurisdiction.

United States of America

The Offer is not being made, directly or indirectly, in or into, or by use of the mailing systems of, or by any means or instrumentality (including, without limitation, electronic mail, post, telephone, facsimile, telex or electronic transmission) of interstate or foreign commerce of, or of any facility of a securities exchange of the United States of America, and the Offer cannot be accepted by any such use, means, instrumentality or facility of or from within the United States of America. Accordingly, this Offer Memorandum and any related documents are not being and must not be mailed or otherwise distributed or sent in or into the United States of America or in their capacities as such custodians, trustees, or nominees holding shares for American persons and persons receiving such documents (including, without limitation, custodians, nominees and trustees) must not distribute or send them into such jurisdictions and doing so will render invalid any relevant purported acceptance of the Offer.

This Offer Memorandum has not been submitted to or reviewed by the United States Securities and Exchange Commission (“SEC”) or any state securities commission and neither the SEC nor any such state securities commission has approved or disapproved or determined whether this Offer Memorandum is truthful or complete. Any representation to the contrary is a criminal offence in the United States of America.

Australia, Canada or Japan

The Offer is not being made, directly or indirectly, in or into, or by use of the mailing systems of, or by any means or instrumentality (including, without limitation, electronic mail, post, telephone, facsimile,

telex or electronic transmission) of interstate or foreign commerce of, or of any facility of a securities exchange of Australia, Canada or Japan, and the Offer cannot be accepted by any such use, means, instrumentality or facility of or from within Australia, Canada or Japan. Accordingly, this Offer Memorandum and any related documents are not being and must not be mailed or otherwise distributed or sent in or into Australia, Canada or Japan and persons receiving such documents (including, without limitation, custodians, nominees and trustees) must not distribute or send them into such jurisdictions.

1.2 Important Information

This Offer Memorandum contains important information that should be read carefully before any decision is made to tender Shares under the Offer. Shareholders are advised to seek independent advice where necessary. In addition, Shareholders may wish to consult with their tax advisers regarding the tax consequences of tendering their Shares under the Offer.

The information included in Sections 1 - 4, 5 (excluding Sections 5.3, 5.5 and 5.8.5), 8 - 10, 12 and 13 of Part I has been solely provided by the Offeror. The information included in Sections 5.5, 6 and 7 of Part I and the information included in Part II (other than the information included in Sections 2, 4 and 6 thereof) has been solely provided by the Company. The information included on the front page, on the introduction page and in Sections 5.3, 5.8.5 and 11 of Part I has been jointly provided by the Offeror and the Company.

The information included in Sections 2 (Auditor's report relating to the ERIKS consolidated financial Information for the Financial Years 2008, 2007 and 2006), 4 (Auditor's report relating to the ERIKS consolidated financial Information for the Financial Year 2008) and 6 (Review report relating to the ERIKS condensed consolidated interim financial information relating to the three month period ended 31 March 2009) of Part II has been provided to the Company by PWC and is included as such in the Offer Memorandum by the Company and is identical to the original auditor's reports as of the same dates issued by PWC.

The Offeror and the Company are responsible for the information provided in this Offer Memorandum, each exclusively with respect to the information as it has provided individually, and jointly with respect to the information they have provided together, except for information that has not been provided by either of them (which includes the auditor's reports included in Sections 2 (Auditor's report relating to the ERIKS consolidated financial Information for the Financial Years 2008, 2007 and 2006), 4 (Auditor's report relating to the ERIKS consolidated financial Information for the Financial Year 2008) and 6 (Review report relating to the ERIKS condensed consolidated interim financial information relating to the three month period ended 31 March 2009) of Part II).

Both the Offeror and the Company confirm, with respect to the information the Offeror and the Company, respectively, has provided and jointly with respect to the information they have provided together in this Offer Memorandum, that to the best of its knowledge and belief, having taken all reasonable care to ensure that such is the case, as of the date hereof the information contained in this Offer Memorandum is in accordance with the facts and contains no omission likely to affect its import.

It is pointed out that certain financial and statistical information and other figures in this Offer Memorandum may have been rounded up or down to the nearest whole number or the nearest decimal and should therefore not be regarded as exact.

No person, other than the Offeror, SHV and the Company and without prejudice to the auditor's reports issued by PWC included in this Offer Memorandum, is authorised in connection with the Offer to provide any information or to make any statements on behalf of the Offeror, SHV and/or the Company in connection with the Offer or any information contained in this Offer Memorandum. If any such information or statement is provided or made by parties other than the Offeror, SHV and/or the Company,

such information or statements should not be relied upon as having been provided by or made by or on behalf of the Offeror, SHV and/or the Company. Furthermore, any information or representation not contained in this Offer Memorandum must not be relied upon as having been provided by or made by or on behalf of the Offeror, SHV and/or the Company.

This Offer Memorandum and the Offer are, and any tender, purchase or delivery of Shares will be, governed by and construed in accordance with the laws of the Netherlands. The District Court of Amsterdam (*Rechtbank Amsterdam*) and its appellate courts shall have exclusive jurisdiction to settle any disputes which might arise out of or in connection with this Offer Memorandum, the Offer and/or any tender, purchase or delivery of Shares. Accordingly, any legal action or proceedings arising out of or in connection with this Offer Memorandum, the Offer and/or any tender, purchase or delivery of Shares may be brought exclusively before such courts.

This Offer Memorandum is published in the English language and a summary in the Dutch language is included as Section 12 (*Nederlandse samenvatting van het bod*). In the event of any differences, whether or not in interpretation, between the English text of this Offer Memorandum and the summary in Dutch of this Offer Memorandum, the English text of this Offer Memorandum shall prevail.

Addresses

The Offeror

SHV Alkmaar B.V.
Rijnkade 1
3511 LC Utrecht
The Netherlands

The Company

ERIKS N.V.
Arcadialaan 14, Victory Building 32-C
1813 KN Alkmaar
The Netherlands

The Exchange Agent

ING Bank N.V.
ING Wholesale Banking Securities Services
Section Paying Agency Services
Van Heenvlietlaan 220
1083 CN Amsterdam
The Netherlands
iss.pas@ing.nl
+ 31 (0)20 797 9398

Availability of copy documentation

(Digital) Copies of this Offer Memorandum are available on the website of SHV (www.shv.nl) and free of charge at the offices of the Offeror and the Exchange Agent and can be obtained by contacting the Offeror or the Exchange Agent at the addresses mentioned above. Digital copies of this Offer Memorandum are also available on the website of ERIKS (www.eriks.com). The SHV and the ERIKS websites do not constitute a part of and are not incorporated by reference in this Offer Memorandum.

Documentation incorporated by reference

Copies of the ERIKS Articles of Association and the annual consolidated financial statements of ERIKS for the Financial Year 2008 (as adopted by the general meeting of Shareholders of the Company) including notes and auditor's report which documents are incorporated by reference in, and form an integral part of, this Offer Memorandum, are available free of charge at the offices of ERIKS and can be obtained by contacting ERIKS at the address mentioned above and also on the website of ERIKS (www.eriks.com).

Forward looking statements

This Offer Memorandum includes “forward looking statements” and language indicating trends, such as “anticipated” and “expected”. Although SHV believes that the assumptions upon which its financial information and forward looking statements are based are reasonable, it can give no assurance that these assumptions will prove to be correct. Important factors that could cause actual results to differ materially from SHV’s projections and expectations are disclosed in SHV’s annual report for the year ended 31 December 2008 and in other documents which are available on SHV’s website (www.shv.nl). These factors include, among others, changes in consumer preferences and product trends, price discounting by major competitors, failure to realise anticipated results from synergy initiatives, failure to obtain regulatory consents or other third party approvals, and increases in costs generally. All forward looking statements in this Offer Memorandum are expressly qualified by such cautionary statements and by reference to the underlying assumptions. SHV does not undertake to update forward looking statements relating to its businesses, whether as a result of new information, future events or otherwise. SHV does not accept any responsibility for any financial information contained in this Offer Memorandum relating to the business or operations or results or financial condition of ERIKS.

The Offeror undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise, except as required by applicable laws and regulations or by any appropriate regulatory authority.

Financial advisers

ING Corporate Finance is acting as financial adviser exclusively to the Offeror and SHV and to no one else in connection with the Offer and will not be responsible to anyone other than the Offeror and SHV for providing the protections afforded to the clients of ING Corporate Finance or for providing advice in relation to the Offer.

MeesPierson is acting as the sole financial adviser and Fairness Opinion provider exclusively to the Company and to no one else in connection with the Offer and will not be responsible to anyone other than the Company for providing the protections afforded to the clients of MeesPierson or for providing advice in relation to the Offer.

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3. DEFINITIONS

Any reference in this Offer Memorandum to defined terms in plural form shall constitute a reference to such defined terms in singular form, and vice versa. All grammatical and other changes required by the use of a definition in singular form shall be deemed to have been made herein and the provisions hereof shall be applied as if such changes have been made. A reference to “including” means, where the context so permits, “including without limitation”.

Defined terms used in this Offer Memorandum shall have the following meanings:

Acceptance Closing Date	the time and date on which the Offer expires, being at 17.30 hours CET, on 5 August 2009, unless extended by the Offeror in accordance with Article 15 of the Takeover Decree
Acceptance Period	the period during which the Shareholders can tender their Shares to the Offeror, which commences on 25 June 2009 and ends on the Acceptance Closing Date
Admitted Institutions	those institutions admitted to Euronext Amsterdam
AFM	the Netherlands Authority for the Financial Markets (<i>Stichting Autoriteit Financiële Markten</i>)
ANT Trust	ANT Trust & Corporate Services N.V., located at Claude Debussylaan 24, 1082 MD, Amsterdam, the Netherlands
Appendix	an appendix included in this Offer Memorandum
Boards	the Supervisory Board and the Executive Board of ERIKS collectively
Bonus Investment Share Matching Plan	the existing bonus investment share matching plan in which the members of the Executive Board and certain key personnel of ERIKS participate
Business Day(s)	a day other than a Saturday or Sunday on which banks in the Netherlands, according to the collective agreements for banking sector (<i>Algemene Bank-CAO</i>), and Euronext Amsterdam are generally open for normal business
CET	Central European Time
Committed Shareholders	those large Shareholders of the Company, Delta Lloyd Levensverzekering N.V., Delta Deelnemingen Fonds N.V., Darlin N.V., Navitas B.V., Parcom Capital B.V., Kempen Capital Management (on behalf of Orange Fund and Orange Oranje Participaties) and TG Holding AG (and certain entities related thereto) who entered into an Irrevocable Undertaking to tender their Shares under the Offer

Company or ERIKS	ERIKS N.V., a public limited liability company (<i>naamloze vennootschap</i>), incorporated under the laws of the Netherlands, having its statutory seat (<i>statutaire zetel</i>) in Alkmaar, the Netherlands, having its registered office at Arcadialaan 14, Victory Building 32-C, 1813 KN, Alkmaar, the Netherlands
Competing Offer	has the meaning ascribed thereto in Section 5.10 (Certain arrangements between the Offeror and the Company)
Daily Official List	the Daily Official List (<i>Officiële Prijscourant</i>) of Euronext Amsterdam
Disappearing Entity	has the meaning ascribed thereto in Section 5.8 (Post Offer restructuring of ERIKS)
Dutch Corporate Governance Code	the Dutch Corporate Governance Code dated 10 December 2008
EBITA	operating profit before amortisation of acquisition-related intangible assets and impairment goodwill
EBITDA	operating profit before amortisation of acquisition-related intangible assets and impairment goodwill, depreciation of property plant and equipment and amortisation of software
ERIKS or Company	ERIKS N.V., a public limited liability company (<i>naamloze vennootschap</i>), incorporated under the laws of the Netherlands, having its statutory seat (<i>statutaire zetel</i>) in Alkmaar, the Netherlands, having its registered office at Arcadialaan 14, Victory Building 32-C, 1813 KN, Alkmaar, the Netherlands
ERIKS Articles of Association	the articles of association (<i>statuten</i>) of ERIKS, as most recently amended on 18 May 2009
ERIKS EGM	the extraordinary general meeting of Shareholders of the Company to be held on 10 July 2009, at which meeting the Offer, among other matters, will be discussed in accordance with the provisions of Article 18, paragraph 1 and paragraph 2 of the Takeover Decree, and a vote will be requested on resolutions referred to in Section 7 (Agenda ERIKS EGM) of the Position Statement
ERIKS Group	ERIKS and its group companies as referred to in article 2:24b of the Dutch Civil Code
EUR	euro, the legal currency of the European Economic and Monetary Union
Euro Convenantsraad	the group works council of ERIKS
Euronext Amsterdam	the stock exchange of Euronext Amsterdam by NYSE Euronext, the regulated market of Euronext N.V.
European Commission	the Commission of the European Community

Exchange Agent	ING Wholesale Banking Securities Services, a subsidiary of ING Bank N.V., located at Van Heenvlietlaan 220, 1083 CN, Amsterdam, the Netherlands
Executive Board	the executive board (<i>raad van bestuur</i>) of ERIKS
Fairness Opinion	statement of MeesPierson based on Dutch market practice dated 19 May 2009 that the Offer Price is, in its opinion, fair to the Shareholders from a financial point of view
Financial Year 2006	financial year of ERIKS ended 31 December 2006
Financial Year 2007	financial year of ERIKS ended 31 December 2007
Financial Year 2008	financial year of ERIKS ended 31 December 2008
Financial Year 2009	financial year of ERIKS ending on 31 December 2009
IFRS	International Financing Reporting Standards
ING Corporate Finance	ING Corporate Finance, located at Foppingadreef 7, 1102 BD, Amsterdam Z.O., the Netherlands; the organisation and trade name used by ING Bank N.V. and certain of its subsidiaries for the conduct of international corporate and investment banking business
Irrevocable Undertaking	an agreement between SHV and each of the Committed Shareholders in which the terms and conditions are agreed to which the Committed Shareholders tender each of their Shares under the Offer
Legal Merger	has the meaning ascribed thereto in Section 5.8 (Post Offer restructuring of ERIKS)
Matching Shares	has the meaning ascribed thereto in the Bonus Investment Share Matching Plan in Section 7.11 (Information on Bonus Investment Share Matching Plan)
Material Adverse Change	has the meaning ascribed thereto in Section 5.2(f)
MeesPierson	the Corporate Finance & Capital Markets department of Fortis Bank (Nederland) N.V., acting under its trade name MeesPierson and located at Rokin 55, 1012 KK, Amsterdam, the Netherlands
Merger Protocol	the merger protocol relating to the Offer between ERIKS and SHV dated 19 May 2009
Merger Rules	all applicable laws and regulations, including without limitation the applicable provisions of the Wft, the Takeover Decree, any rules and regulations promulgated pursuant to the Wft and/or the Takeover Decree, the Dutch Works Council Act (<i>Wet op de ondernemingsraden</i>), the Merger Code 2000 (<i>SER besluit Fusiegedragsregels 2000</i>), the rules and regulations of Euronext Amsterdam, the Dutch Civil Code and any other applicable securities or competition regulatory laws

Offer	the offer for the Shares as described in this Offer Memorandum
Offer Conditions	the conditions precedent to declaring the Offer unconditional (<i>gestanddoening</i>) as set out in Section 5.2 (Offer Conditions)
Offer Memorandum	this offer memorandum relating to the Offer
Offeror	SHV Alkmaar B.V., a private limited liability company (<i>besloten vennootschap met beperkte aansprakelijkheid</i>), incorporated under the laws of the Netherlands, having its statutory seat (<i>statutaire zetel</i>) in Utrecht, the Netherlands, having its registered office at Rijnkade 1, 3511 LC, Utrecht, the Netherlands
Offer Price	a cash amount of EUR 48.00 per Share (excluding dividend over the Financial Year 2008)
Position Statement	the position statement of ERIKS including all Appendices thereto included as Part III, but which do not form part of this Offer Memorandum
Protection Trust	Stichting ERIKS Group, the foundation which represents and defends the interest of ERIKS and its stakeholders by acquiring protective preference shares in the Company
PWC	PricewaterhouseCoopers Accountants N.V.; PricewaterhouseCoopers Accountants N.V. is located at Thomas R. Malthusstraat 5, 1066 JR, Amsterdam, and the partner responsible for the audit is a member of the Royal Netherlands Institute of Registered Accountants (<i>Koninklijk Nederlands Instituut voor Registeraccountants</i>)
SEC	United States Securities and Exchange Commission
Section	a (sub)section of this Offer Memorandum
Settlement	the payment of the Offer Price per Share by the Offeror to the Shareholders who have validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and delivered (<i>geleverd</i>) under the Offer
Settlement Date	the date on which, in accordance with the terms and subject to the conditions and restrictions of the Offer, the Offeror shall pay the Offer Price to the Shareholders for each Share validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and delivered (<i>geleverd</i>) under the Offer, being no later than the fifth Business Day after the Unconditional Date
Share(s)	all issued and outstanding ordinary shares with a nominal value of EUR 0.50 each in the capital of ERIKS including any and all ordinary shares in the capital of the Company that may be issued and/or delivered by the Company prior to the Settlement Date pursuant to the stock dividend over the Financial Year 2008 and the Bonus Investment Share Matching Plan

Shareholder(s)	holders of one or more Share(s)
SHV	SHV Holdings N.V., a private limited liability company (<i>naamloze vennootschap</i>), incorporated under the laws of the Netherlands Antilles, having its statutory seat (<i>statutaire zetel</i>) in St Martin, the Netherlands Antilles, having its registered office at Rijnkade 1, 3511 LC, Utrecht, the Netherlands
SHV Nederland	SHV Nederland B.V., a private limited liability company (<i>besloten vennootschap met beperkte aansprakelijkheid</i>), incorporated under the laws of the Netherlands, having its statutory seat (<i>statutaire zetel</i>) in Utrecht, the Netherlands, having its registered office at Rijnkade 1, 3511 LC, Utrecht, the Netherlands
Squeeze-out	has the meaning ascribed thereto in Section 5.8 (Post Offer restructuring of ERIKS)
Statutory Squeeze-out	has the meaning ascribed thereto in Section 5.8 (Post Offer restructuring of ERIKS)
Supervisory Board	the supervisory board (<i>raad van commissarissen</i>) of ERIKS
Surviving Entity	has the meaning ascribed thereto in the Section 5.8 (Post Offer restructuring of ERIKS)
Takeover Decree	the Decree on public offer Wft (<i>Besluit openbare biedingen Wft</i>)
Takeover Squeeze-out	has the meaning ascribed thereto in Section 5.8 (Post Offer restructuring of ERIKS)
Unconditional Date	the date on which the Offeror shall publicly announce that the Offer is declared unconditional (<i>gestand wordt gedaan</i>), being no later than three (3) Business Days following the Acceptance Closing Date, in accordance with Article 16, paragraph 1 of the Takeover Decree
Wft	the Netherlands Financial Markets Supervision Act (<i>Wet op het financieel toezicht</i>)
Works Council Act	the Dutch Works Council Act (<i>Wet op de ondernemingsraden</i>)

4. INVITATION TO THE SHAREHOLDERS

The Offeror hereby makes a recommended public cash offer for all Shares not already held by itself or its group companies. Shareholders are advised to review this Offer Memorandum (including all documents incorporated by reference herein) and in particular Section 1 (Restrictions and important information) thoroughly and completely and to seek independent advice where appropriate in order to reach a balanced judgment with respect to the Offer and this Offer Memorandum. Shareholders who consider not tendering their Shares are advised to review Section 5.8.1 (Liquidity and Delisting) and Section 5.8.2 (Post Offer restructuring of ERIKS).

With due reference to all statements, terms, conditions and restrictions included in this Offer Memorandum, Shareholders are hereby invited to tender their Shares under the Offer in the manner and on the terms and subject to the conditions and restrictions set out in this Offer Memorandum.

4.1 Offer Price

Shareholders tendering their Shares under the Offer will be offered, on the terms and subject to the conditions and restrictions contained in this Offer Memorandum, an amount in cash of EUR 48.00 (excluding dividend over the Financial Year 2008) for each Share (the “**Offer Price**”), without interest and subject to any withholding of taxes in consideration of each Share validly tendered pursuant to the Offer (or defectively tendered provided that such defect has been waived by the Offeror) and delivered (*geleverd*), subject to the Offer being declared unconditional (*gestanddoening*).

The Offer Price is excluding dividend over the Financial Year 2008 but includes any (other) cash or share dividends or other distributions on the Shares that is or may be declared by the Company on or prior to the Settlement Date. Consequently, if on or prior to the Settlement Date any such cash or share dividend or other distribution is declared in respect of the Shares, and the record date for such cash or share dividend or other distribution occurs on or prior to the Settlement Date, the Offer Price will be decreased by an amount per Share equal to any such cash or share dividend or other distribution per Share.

4.2 Acceptance by Shareholders of the Offer

4.2.1 Acceptance by Shareholders through an Admitted Institution

Shareholders who hold their Shares through an Admitted Institution are requested to make their acceptance known via their bank or stockbroker no later than 17:30 hours CET, on the Acceptance Closing Date, unless the Acceptance Period is extended in accordance with Section 4.8 (Extension of the Acceptance Period) and/or Section 4.9 (Post Acceptance Period). The bank or stockbroker may set an earlier deadline for communication by Shareholders in order to permit the bank or stockbroker to communicate its acceptances to the Exchange Agent in a timely manner.

The Admitted Institutions may tender Shares for acceptance only in writing to the Exchange Agent. In tendering the acceptance, the Admitted Institutions are required to declare that (i) they have the tendered Shares in their administration, (ii) each Shareholder who accepts the Offer irrevocably represents and warrants that the Shares tendered by it are being tendered in compliance with the restrictions set out in Section 1 (Restrictions and important information), and (iii) they undertake to deliver (*leveren*) these Shares to the Offeror prior to or ultimately on the Settlement Date, provided the Offer is declared unconditional (*gestand wordt gedaan*).

Subject to Article 15, paragraph 3 of the Takeover Decree, the tendering of Shares in acceptance of the Offer shall constitute irrevocable instructions to block any attempt to transfer the Shares tendered, so that between the tendering and the Settlement Date no transfer of such Shares may be effected (other

than to the Exchange Agent on the Settlement Date if the Offer is declared unconditional (*gestand wordt gedaan*) and the Shares have been accepted for purchase, or if withdrawal rights are available because of an extension of the Offer Period) and to debit the securities account in which such Shares are held on the Settlement Date in respect of all of the Shares tendered, against payment by the Exchange Agent on behalf of the Offeror of the Offer Price in respect of those Shares.

4.2.2 Acceptance by Shareholders individually recorded in the ERIKS Shareholders' register

Shareholders owning Shares individually recorded in the ERIKS Shareholders' register who choose to accept the Offer in respect of such Shares must deliver a completed and signed acceptance letter to ANT Trust. In accordance with the terms and conditions of the Offer, the acceptance letters must be received by ANT Trust no later than 17:30 hours CET, on the Acceptance Closing Date, unless the Acceptance Period is extended in accordance with Section 4.8 (Extension of the Acceptance Period) and/or Section 4.9 (Post Acceptance Period). ANT Trust will notify the Shareholders by mail about the details of the acceptance letter. The acceptance letter will also serve as a deed of transfer (*akte van levering*) with respect to the Shares referenced therein.

4.3 Undertakings, representations and warranties by tendering Shareholders

Each Shareholder tendering Shares pursuant to the Offer, by such tender, undertakes, represents and warrants to the Offeror, on the date that such Shares are tendered up to and including the Settlement Date, subject to the proper withdrawal of any tender in accordance with Article 15, paragraph 3 of the Takeover Decree, that:

- (a) the tender of any Shares constitutes an acceptance by the Shareholder of the Offer, on and subject to the terms and conditions of the Offer;
- (b) such Shareholder has full power and authority to tender, sell and deliver (*leveren*) the Shares tendered by it, and has not entered into any other agreement to tender, sell or deliver (*leveren*) the Shares stated to have been tendered to any party other than the Offeror (together with all rights attaching thereto) and, when the same are purchased by the Offeror for the Offer Price, the Offeror will acquire such Shares, with full title guarantee and free and clear of all third party rights and restrictions of any kind; and
- (c) such Shares are being tendered in compliance with the restrictions as set out in Section 1 (Restrictions and important information) and the securities and other applicable laws or regulations of the jurisdiction in which such Shareholder is located or of which it is a resident and no registration, approval or filing with any regulatory authority of such jurisdiction is required in connection with the tendering of such Shares.

4.4 Withdrawal rights

Shares tendered on or prior to the Acceptance Closing Date may not be withdrawn, subject to the right of withdrawal of any tendered Shares during the extension of the Acceptance Period in accordance with the provisions of Article 15, paragraph 3 of the Takeover Decree. During any such extension of the Acceptance Period, any Shares previously tendered and not withdrawn will remain subject to the Offer. Shares tendered during the extension of the Acceptance Period may not be withdrawn.

4.5 Offer Conditions

The Offer shall be declared unconditional (*wordt gestand gedaan*) if the Offer Conditions as set out in Section 5.2 (Offer Conditions) are fulfilled or, if permitted by applicable law, waived by the party entitled to waive such Offer Conditions. Subject to the Offer Conditions set out in Section 5.2 (Offer Conditions),

the Offeror reserves the right to accept any Shares tendered for acceptance, even if it has not been effected in such manner as set out in Section 4.2 (Acceptance by Shareholders of the Offer).

4.6 Acceptance Period

The Acceptance Period commences on 25 June 2009 at 09:00 hours CET, and ends, subject to extension in accordance with Article 15, paragraph 1 and paragraph 2 of the Takeover Decree, on 5 August 2009 at 17:30 hours CET.

If one or more of the Offer Conditions set out in Section 5.2 (Offer Conditions) is not fulfilled or, where appropriate, waived by the Acceptance Closing Date, the Offeror may extend the Acceptance Period for a minimum period of two (2) weeks and a maximum period of ten (10) weeks in order to fulfil or waive such Offer Conditions. Extension of the Acceptance Period may occur once (extension for more than one period is subject to clearance of the AFM, which will only be given in exceptional circumstances) for all such Offer Conditions to be fulfilled or, where appropriate, waived. See also Section 4.9 (Extension of the Acceptance Period) and Section 4.10 (Post Acceptance Period).

If all Offer Conditions are fulfilled or, where appropriate, waived, the Offeror will accept all Shares that have been validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and not previously withdrawn pursuant to the provisions of Article 15, paragraph 3 of the Takeover Decree and the terms of the Offer. Such acceptances will be made in accordance with the procedures set forth in Section 4.2 (Acceptance by Shareholders of the Offer).

4.7 Declaring the Offer unconditional (*gestanddoening*)

The Offer shall be subject to the fulfilment of the Offer Conditions, including, but not limited to, the condition that the number of Shares that is tendered for acceptance on the Acceptance Closing Date, whether or not extended, plus the Shares which are held, directly or indirectly, by the Offeror at the Acceptance Closing Date plus the Shares to which the Offeror is entitled (*gekocht maar nog niet geleverd*), represent at least eighty (80) per cent. of the aggregate of the Company's issued and outstanding ordinary share capital (*geplaatst en uitstaand kapitaal*) on a fully diluted basis as at the Acceptance Closing Date, whether or not extended. See also Section 5.2 (Offer Conditions). The Offeror reserves the right to waive any such Offer Conditions to the extent permitted by law. If the Offeror wishes to (partly) waive or reduce one or more Offer Conditions, the Offeror will inform the Shareholders that it (partly) waives or reduces such Offer Conditions by such means as required by the Merger Rules.

Unless the Acceptance Period is extended, the Offeror will announce, in accordance with Article 16, paragraph 1 of the Takeover Decree, within three (3) Business Days after the Acceptance Closing Date whether or not it declares the Offer unconditional, and if the Offer is declared unconditional (*gestand wordt gedaan*) such date being the Unconditional Date. In the event that the Offer is not declared unconditional, the Offeror will motivate such decision.

In the event that the Offeror announces that the Offer is declared unconditional (*gestand wordt gedaan*), the Offeror will accept for payment all Shares validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and may continue the Offer by way of a post Acceptance Period (*na-aanmeldingstermijn*) as set out in Section 4.9 (Post Acceptance Period).

4.8 Extension of the Acceptance Period

The Offeror may extend the Offer past the Acceptance Closing Date only once at its discretion (extension for more than one period is subject to clearance of the AFM, which will only be given in exceptional circumstances) if one or more of the Offer Conditions is not fulfilled by the Acceptance Closing Date, in which case all references in this Offer Memorandum to the Acceptance Closing Date or "17:30 hours

CET, on 5 August 2009” shall, unless the context requires otherwise, be deemed to be moved to the latest date and time to which the Acceptance Period has been so extended.

If the Acceptance Period is extended, a public announcement to that effect shall be made not later than the third Business Day following the initial Acceptance Closing Date, in accordance with the provisions of Article 15, paragraph 1 and paragraph 2 of the Takeover Decree.

During such extension of the Acceptance Period, any Shares previously tendered and not withdrawn will remain subject to the Offer. In accordance with Article 15, paragraph 3 of the Takeover Decree, Shares tendered on or prior to the original Acceptance Closing Date may be withdrawn during the Acceptance Period as extended.

4.9 Post Acceptance Period

In the event that the Offeror announces that the Offer is declared unconditional (*gestand wordt gedaan*), the Offeror may, at its discretion, in accordance with article 17 of the Takeover Decree, within three (3) Business Days after declaring the Offer unconditional (*gestanddoening*), publicly announce a post Acceptance Period (*na-aanmeldingstermijn*) to enable Shareholders that did not tender their Shares in the Acceptance Period to tender their Shares under the same terms and conditions as the Offer. Such post Acceptance Period shall commence on the first Business Day following the announcement of a post Acceptance Period for a period of no longer than two (2) weeks. The Offeror will publicly announce the results of the post Acceptance Period and the total amount and total percentage of Shares held by it in accordance with Article 17, paragraph 4 of the Takeover Decree ultimately on the third Business Day following the end of the post Acceptance Period. The Offeror shall continue to accept for payment all Shares validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) during such post Acceptance Period and shall pay for such Shares promptly, but in any event within five (5) Business Days following the end of the post Acceptance Period.

4.10 Settlement of the Offer

In the event the Offeror announces that the Offer is declared unconditional (*gestand wordt gedaan*), the Shareholders who have tendered their Shares for acceptance pursuant to the Offer prior to or on the Acceptance Closing Date will receive on the Settlement Date the Offer Price in respect of each Share validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and delivered (*geleverd*) under the terms and conditions of the Offer, at which point, dissolution or annulment of a Shareholder’s tender or delivery (*levering*) shall not be permitted.

4.11 Dividends

On the terms of and subject to the Offer Conditions, the Offer shall commit the Offeror to acquire each Share tendered pursuant to the Offer against cash payment of the Offer Price. In the event that prior to the Settlement Date any cash or share dividends (other than dividend over the Financial Year 2008) or other distributions are declared in respect of the Shares, the Offer Price will be decreased with an amount per Share equivalent to any such cash or share dividend or other distribution per Share. The Offeror may elect not to cause ERIKS to pay (cash or share) dividends or other distributions to the Shareholders in the future.

4.12 Commission

Admitted Institutions shall receive from the Exchange Agent on behalf of the Offeror a commission in the amount of EUR 0.06994 in respect of each Share validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and delivered (*geleverd*), up to a maximum of EUR 2,500 per depot. The commission must be claimed from the Offeror through the Exchange Agent within thirty

(30) days of the Unconditional Date. No costs will be charged to the Shareholders by the Offeror or the Company for the delivery and payment of the Shares if an Admitted Institution is involved. However, Shareholders may be charged certain fees by their banks and stockbrokers. Costs may also be charged if an institution not located in the Netherlands is involved in the delivery and payment of the Shares. Shareholders should consult their banks and stockbrokers regarding any such fees.

4.13 Restrictions

The Offer is being made with due observance of such statements, conditions and restrictions as are included in this Offer Memorandum. Subject to the Offer Conditions set out in Section 5.2 (Offer Conditions), the Offeror reserves the right to accept any Shares tendered for acceptance, even if such tender has not been effected in the manner as set out in Section 4.2 (Acceptance by Shareholders of Offer).

4.14 Announcements

Announcements contemplated by this Offer Memorandum will be issued by press release and advertisement and will be published in the Daily Official List (*Officiële Prijscoûrant*) and one nationally distributed daily newspaper (*Het Financieele Dagblad* or *De Telegraaf*). Subject to any applicable requirements of the Merger Rules and without limiting the manner in which the Offeror may choose to make any public announcement, the Offeror will have no obligation to communicate any public announcement other than as described in this Section 4.14 (Announcements).

4.15 Indicative Timetable

Expected date and time	Event
24 June 2009	Publication of the press release announcing the availability of this Offer Memorandum and commencement of the Offer.
25 June 2009	Publication of the advertisement announcing the availability of this Offer Memorandum and commencement of the Offer.
9:00 hours CET, 25 June 2009	Commencement of the Acceptance Period under the Offer in accordance with Article 14 of the Takeover Decree.
10:00 hours CET, 10 July 2009	ERIKS EGM, at which meeting the Offer, among other matters, will be discussed in accordance with the provisions of Article 18, paragraph 1 and paragraph 2 of the Takeover Decree, and a vote will be requested on resolutions referred to in Section 7 (Agenda ERIKS EGM) of the Position Statement.
17:30 hours CET, 5 August 2009, subject to extension	Acceptance Closing Date: final date of the Acceptance Period under the Offer.

Not later than three (3) Business Days after the Acceptance Closing Date	<p>On this date the Offeror shall publicly announce in accordance with Articles 15 and 16 of the Takeover Decree either that:</p> <ul style="list-style-type: none"> • the Offer is declared unconditional (<i>gestand wordt gedaan</i>), the Unconditional Date; • the Offer is not declared unconditional and has lapsed; or • the Offer is extended for a period of between two (2) and ten (10) weeks.
Not later than five (5) Business Days after the Unconditional Date	<p>Settlement Date: the date on which, in accordance with the terms and conditions of the Offer, the Offeror shall pay the Offer Price per Share to the Shareholders who have validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and delivered (<i>geleverd</i>) their Shares under the Offer, subject to the Offer being declared unconditional (<i>gestanddoening</i>).</p>
Not later than on the fourth Business Day following the Unconditional Date	<p>Commencement of post Acceptance Period (<i>na-aanmeldings-termijn</i>): the Offeror may, at its discretion, announce a post Acceptance Period for the Offer for a maximum period of two (2) weeks. During a post Acceptance Period, Shareholders that have not yet tendered their Shares under the Offer will have the opportunity to do so in the same manner and under the same conditions as set out in this Offer Memorandum all in accordance with Article 17 of the Takeover Decree.</p>

5. EXPLANATION OF THE OFFER

5.1 History of the Offer

On 7 May 2009, the Company announced and SHV confirmed that they were in discussions with each other regarding SHV's intention to make a cash offer of EUR 42.00 per ordinary share (excluding dividend over the Financial Year 2008) for all Shares. See Section 11.1 (Press releases dated 7 May 2009).

On 20 May 2009, SHV and the Company jointly announced that they had reached conditional agreement on the terms and conditions of the Offer at an Offer Price in cash of EUR 48.00 per Share (excluding dividend over the Financial Year 2008). In this press release it was announced that SHV will fulfil its obligations under the Offer from cash resources which are currently available within SHV's group of companies (certainty of funds), and that the Company's large shareholders including Delta Lloyd Levensverzekering N.V., Delta Deelnemingen Fonds N.V., Darlin N.V., Navitas B.V., Parcom Capital B.V. and Kempen Capital Management (on behalf of Orange Fund B.V. and Orange Oranje Participaties B.V.) have entered into irrevocable undertakings to tender their Shares under the Offer, when it is made, at the Offer Price and on the same terms and conditions applicable to the Offer as set out in this Offer Memorandum. See Section 11.2 (Press release dated 20 May 2009).

On 16 June 2009, SHV and the Company jointly announced that preparations for the Offer, including preparations with regard to the Offer Memorandum, were well under way and that it was expected that the Offer would be formally made at short notice. See Section 11.3 (Press release dated 16 June 2009).

5.2 Offer Conditions

The obligation of the Offeror to declare the Offer unconditional (*gestand te doen*) shall be subject to the fulfilment or waiver, as the case may be, of the following Offer Conditions:

- (a) the number of (i) tendered Shares, (ii) Shares directly or indirectly held by the Offeror or committed to the Offeror subject only to the Offer being declared unconditional (*gestanddoening*), and (iii) Shares held by the Company for its own account, together represent at least eighty (80) per cent. of the Company's issued and outstanding share capital (*geplaatst kapitaal*) on a fully diluted basis;
- (b) no public announcement has been made of a Competing Offer;
- (c) the Merger Protocol has not been terminated;
- (d) no order, stay, judgment or decree has been issued by any court, arbitral tribunal, government, governmental authority or other regulatory or administrative authority and being in effect, or any statute, rule, regulation, governmental order or injunction has been enacted, enforced or deemed applicable to the Offer, any of which restrains, prohibits or delays or is reasonably likely to restrain, prohibit or delay consummation of the Offer in any material respect;
- (e) the Protection Trust has not exercised its call option right on the preference shares in the capital of the Company under the option agreement between the Protection Trust and the Company dated 8 April 2008, and a written confirmation from the Protection Trust and the Company has been obtained that the option agreement will be terminated effective per Settlement;
- (f) no Material Adverse Change has occurred,

where a “**Material Adverse Change**” means an event or circumstance that materially adversely affects the business, cash flow, financial position or assets of the ERIKS Group taken as a whole, which is such that the Offeror cannot reasonably be expected to declare the Offer unconditional and that does not arise as a result of:

- (i) a general economic decline in the business generally affecting companies such as the Company;
 - (ii) any matter which is known to the Offeror or its advisors prior to the date of the Merger Protocol, or which is reasonably understandable from the Offeror’s due diligence investigation on the ERIKS Group, information filed by any member of the ERIKS Group as a matter of public record or made public by the Company pursuant to applicable laws or regulations;
 - (iii) the announcement, making and implementation of the Offer; or
 - (iv) a violation of the Merger Protocol or applicable law by the Offeror;
- (g) no notification has been received from the AFM that the Offer has been made in conflict with any of the provisions of chapter 5.5 of the Wft or the Takeover Decree, within the meaning of Article 5:80 Wft in which case, pursuant to those rules, securities institutions (*effectenininstellingen*) would not be permitted to co-operate with the execution and completion of the Offer;
- (h) trading in the Shares has not been permanently suspended by Euronext Amsterdam;
- (i) no Shares or equity interest in the capital of the Company (including, for the avoidance of doubt, protection preference shares or finance preference shares), or securities convertible into Shares or equity interests, have been created or issued or have been agreed to be created or issued, save as a result of the stock dividend over the Financial Year 2008 or provided by the Bonus Investment Share Matching Plan or any amendment thereof as may be agreed with the Offeror;
- (j) the ERIKS EGM has appointed the new members of the Supervisory Board nominated by the Offeror subject to and effective per Settlement; and
- (k) one of the following events has occurred no later than three (3) Business Days prior to the Acceptance Closing Date:
- (i) the European Commission and, if required, all other relevant competition authorities in jurisdictions where a material part of the ERIKS Group’s business is conducted have approved the acquisition of the Company by the Offeror; or
 - (ii) the expiry, lapsing or termination of all applicable waiting and other time periods (including extensions thereof) under any applicable legislation or regulation in any jurisdiction described in Section 5.2(k)(i).

The Offer Conditions 5.2(c), 5.2(d), 5.2(e), 5.2(h) and 5.2(k) are for the benefit of each of the Offeror and the Company and may, to the extent permitted by applicable law, only be waived by the Offeror and the Company jointly, either in whole or in part, at any time by written notice.

The Offer Conditions 5.2(b), 5.2(f), 5.2(i) and 5.2(j) are for the benefit of the Offeror and may, to the extent permitted by applicable law, only be waived by the Offeror, either in whole or in part, at any time by written notice to the Company.

The Offer Condition 5.2(a) is for the benefit of the Offeror and may only be waived by the Offeror provided that if the Shares tendered, directly or indirectly held by the Offeror (or SHV) or committed to the Offeror (subject to the Offer being declared unconditional (*gestand wordt gedaan*)), and owned by the Company for its own account, represent less than sixty-six point sixty seven (66.67) per cent. of the Company's issued and outstanding capital (*geplaatst kapitaal*), the waiver requires the prior express written approval of the Boards.

The Offer Condition 5.2(g) cannot be waived.

Each of the Offeror and the Company undertakes to use its best efforts to procure the fulfilment of the Offer Conditions as soon as reasonably practicable. If at any time the Offeror or the Company becomes aware of a fact or circumstance that might prevent an Offer Condition being fulfilled, it shall immediately inform the Offeror, respectively the Company, in writing.

5.3 Respective cross shareholding SHV – ERIKS

At the date of this Offer Memorandum, SHV and/or any of its group companies do not directly or indirectly hold any Shares in the Company.

The Company does not directly or indirectly hold any shares in SHV and/or any of its group companies.

5.4 Committed Shares

Each of the Committed Shareholders have entered into an Irrevocable Undertaking in which they irrevocably agree, subject to the terms and conditions of the Irrevocable Undertaking (i) to accept the Offer in respect of their total number of five million five hundred seventy-five thousand twenty-eight (5,575,028) Shares and any shares in the capital of the Company over which they obtain disposal power (*beschikkingsbevoegdheid*) prior to the Acceptance Closing Date, and (ii) to tender such Shares to the Offeror in the Acceptance Period and pursuant to which they irrevocably agree to cooperate with such acceptance. The acceptance of the Offer by the Committed Shareholders as described in the Irrevocable Undertaking will be made on the same conditions and restrictions as set forth in this Offer Memorandum. Other than the information contained in this Offer Memorandum, no relevant information was disclosed to the Committed Shareholders regarding the Offer which would be relevant for Shareholders when considering to tender their Shares under the Offer.

The Irrevocable Undertaking contains certain customary undertakings and conditions including that the Committed Shareholders will only tender their Shares to a *bona fide* third party, if and when such *bona fide* third party offers a price which is at least fifteen (15) per cent. above the Offer Price. In the event of such a competing offer, the Offeror may revise its Offer in order to match such a competing offer. See Section 5.10 (Certain arrangements between the Offeror and the Company) including a description of the consequences of a Competing Offer as agreed between the Offeror and the Company and which are substantially similar to the agreements in the Irrevocable Undertakings in respect of a competing offer.

5.5 Overview of Shares and options held by members of the ERIKS Boards and related transactions and concluded agreements

General

At the date of this Offer Memorandum, no member of the Supervisory Board holds, directly or indirectly, any Shares. No options on Shares have been granted to the members of the Supervisory Board.

At the date of this Offer Memorandum, the members of the Executive Board jointly hold a total of twenty-five thousand one hundred two (25,102) Shares by way of long-term investment. This number does not include the Matching Shares. No options on Shares have been granted to the members of the Executive Board. Each member of the Executive Board holds the following number of Shares at the date of this Offer Memorandum:

Name	Number of Shares
J. van der Zouw	9,095
J.G. de Boer	8,308
H.J. Maier	2,982
M. Beckers	1,060
B. Wilson	820
M.R.G. Dixon	808
J.F.A.M. van Os	2,029
TOTAL	25,102

In the Merger Protocol, the Company and SHV have agreed that the Company shall use its best efforts to procure that each of the members of the Executive Board who holds Shares, directly or indirectly, including the Shares acquired or Matching Shares awarded pursuant to the Bonus Share Matching Plan as set out in Section 7.11 under (a), will agree to tender all Shares (including Matching Shares) held by him to the Offeror in the Acceptance Period under the terms and subject to the conditions of the Offer.

Share transactions in the year prior to the date of this Offer Memorandum

The following transactions were performed by the members of the Executive Board during the year 2008 and until the date of this Offer Memorandum:

Name	Buy/Sell	Number of Shares	Date of trade
J. van der Zouw	Buy	1,000	29 Aug 2008
H.J. Maier	Buy	750	13 Nov 2008
J.G. de Boer	Buy	1,000	17 Nov 2008
J. van der Zouw	Buy	1,000	17 Nov 2008
J.F.A.M. van Os	Buy	1,975	21 Nov 2008

During the year 2008 and until the date of this Offer Memorandum the following notifications were made relating to stock dividend received by the members of the Executive Board:

Name	Number of Shares
H.J. Maier	53
H.J. Maier	79
J. van der Zouw	218
J. van der Zouw	182
J.G. de Boer	221
M. Beckers	28
J.F.A.M. van Os	54

Bonus Investment Share Matching Plan

In 2008, as a result of the participation in the Bonus Investment Share Matching Plan, the members of the Executive Board have acquired in aggregate seven thousand five hundred sixty-three (7,563) Shares and have been awarded an equal number of Matching Shares.

Subject to the Offer being declared unconditional (*gestand wordt gedaan*), each member of the Executive Board will receive the following payments in respect of the Bonus Investment Share Matching Plan:

- (a) subject to each member of the Executive Board participating in the Bonus Investment Share Matching Plan tendering (i) the Shares which have been acquired by them in 2008 by investing a portion of their bonus over 2007 and (ii) the relevant Matching Shares, the following payments at Settlement:

Name	Aggregate number of Shares acquired under plan in 2008 and relevant Matching Shares	Payment at Settlement
J. van der Zouw	4,644	EUR 222,912
J.G. de Boer	3,098	EUR 147,704
H.J. Maier	2,064	EUR 99,072
M. Beckers	2,064	EUR 99,072
B. Wilson	1,640	EUR 78,720
M.R.G. Dixon	1,616	EUR 77,568
J.F.A.M. van Os	0	0

and

- (b) in respect of the relevant Matching Shares which would have been awarded to each member of the Executive Board participating in the Bonus Investment Share Matching Plan in 2009 had they invested the maximum permitted portion of their bonus over 2008 to acquire ordinary

shares in the capital of ERIKS at the Offer Price, the following payment in cash as if the Matching Shares were tendered under the Offer:

Name	Payment in cash
J. van der Zouw	EUR 135,000
J.G. de Boer	EUR 108,000
H.J. Maier	EUR 90,000
M. Beckers	EUR 90,000
B. Wilson	GBP 80,400
J.F.A.M. van Os	EUR 90,000

For a description of the Bonus Investment Share Matching Plan reference is made to Section 7.11 (Information on Bonus Investment Share Matching Plan).

5.6 Substantiation of the Offer Price

5.6.1 Analyses

The Offer Price has been based on the following financial analyses:

- (a) discounted cash flow analysis, assuming financial forecasts for ERIKS stand-alone, a weighted average cost of capital of nine (9) to ten (10) per cent. and a long-term effective corporate tax rate of twenty-five point five (25.5) per cent. The applied forecast period is ten (10) years, the residual value at the end of year ten (10) is based on perpetuity of the cash flow in year ten (10). Discounting of the projected cash flows in year one (1) to ten (10) is based on the assumption that the cash flow is generated at the end of the year;
- (b) a trading multiple analysis, whereby valuation multiples of ERIKS are compared to valuation multiples of certain publicly traded companies. The comparability is limited as ERIKS' peers often have a different service portfolio and/or geographic presence. Selected peers reviewed are Addtech, Arrow Electronics, Brammer, BSS Group, Daetwyler, Electrocomponents, Fastenal, Premier Farnell, Rexel, WESCO International and WW Grainger. The trading multiple analysis has largely been based on consensus EV/EBITDA and EV/EBITA multiples for the years 2009 and 2010. The above has resulted in a median 2009-2010 range of EV/EBITDA multiples for the peer group of around 7.0x-8.0x and a median 2009-2010 range of EV/EBITA multiples for the peer group of around 9.0x-10.0x. Consensus range EV/EBITDA for ERIKS for 2009-2010 is 9.5x-9.6x and consensus range EV/EBITA for the same period for ERIKS amounts to 11.0x-11.7x. One should consider that the preceding numbers reflect arithmetic calculations, at a certain point in time, based on a relatively limited sample size consisting of widely diverging individual valuation multiples. Hence, analysis of trading multiple has been deemed to have little value added from a valuation perspective, in particular as analyst reports available that provide forecasts for ERIKS' beyond 2008 are limited with inconsistent views on future performance (driven by the current economic climate), and ERIKS itself has refrained from providing guidance on future performance; and
- (c) an analysis of bid premiums in public offers that were concluded in the period 1 July 2007 to 1 May 2009 (Adecco/DNC, Staples/Corporate Express, ERIKS/Econosto, Randstad/Vedior,

Candover/STORK, Rexel-Sonepar/Hagemeyer, SABMiller/Grolsch, TomTom/Tele Atlas, KPN/Getronics, Danone/Numico and CVC/Univar, showing a one-day median premium of fifty-two (52) per cent.

In addition, certain financial information as derived from annual and interim accounts, analyst reports (issued by ING Wholesale Banking, Kempen & Co, Fortis Bank Nederland, RBS, SNS Securities and Theodoor Gilissen Securities), market reports and press releases have been reviewed.

The Offer Price has been calculated based on ten million seven hundred eighty-seven four hundred sixteen (10,787,416) Shares issued and outstanding as at 19 May 2009, the last Business Day prior to the initial public announcement of the Offer on 20 May 2009.

5.6.2 Premiums

Subject to the Offer being declared unconditional (*gestanddoening*), Shareholders tendering their Shares under the Offer will be paid the Offer Price (excluding dividend over the Financial Year 2008). The ERIKS' dividend over the Financial Year 2008 was for a cash consideration of EUR 1.25 per Share. Alternatively, Shareholders were given the option of electing to receive a stock dividend, the value of which will be three (3) to five (5) per cent. higher than that of the cash dividend. No (interim) 2009 dividends are expected to be declared prior to completion of the Offer. The Offer represents a premium of:

- (a) seventy-two point five (72.5) per cent. relative to the closing share price of EUR 29.08 of a Share on 6 May 2009, the last trading day prior to 7 May 2009, the day on which SHV announced it had expressed its interest in making an offer, minus the proposed 2008 dividend of EUR 1.25 per Share (*i.e.* assuming a full cash dividend);
- (b) seventy-four point nine (74.9) per cent. relative to the average closing share price of EUR 28.69 of a Share during the last one hundred eighty (180) trading days prior to 7 May 2009, the day on which SHV announced it had expressed its interest in making an offer, minus the proposed 2008 dividend of EUR 1.25 per Share (*i.e.* assuming a full cash dividend); and
- (c) fifty point four (50.4) per cent. relative to the average closing share price of EUR 33.17 of a Share during the last twelve (12) months prior to 7 May 2009, the day on which SHV announced it had expressed its interest in making an offer, minus the proposed 2008 dividend of EUR 1.25 per Share (*i.e.* assuming a full cash dividend).

5.7 Rationale for the Offer and Strategy

The rationale of the Offer is to be found in the combination of the SHV's investment strategy and the strengths and know-how to be found in the Company. SHV has a strong tradition as an entrepreneurial investor in operational activities, particularly in the services and distribution sectors. The SHV's decentralised management philosophy focuses on talent management and operational efficiencies as the basis for ensuring high levels of customer satisfaction and sound, sustainable growth. The Company has demonstrated a strong fit in terms of both the cultural and operational features that are also among the key strengths of SHV. The Company is a services and distribution oriented company, creating and offering distinct value added content to its wide ranging professional customer base. The Company is continuously building upon its reputation as a knowledge-based organisation with a decentralised management model in which there is clear commitment to excellence in customer service. SHV, the Offeror and the Boards are all equally determined to pursue a growth strategy for the Company both organically and through strategic acquisitions. SHV, the Offeror and the Boards are also committed to a long term value creation strategy in existing and new markets, and also to enhancing the Company's services and product range. To achieve this, SHV and the Offeror intend to fully support ERIKS in

implementing its prior – publicly – formulated strategies. When future opportunities arise (e.g. new markets or additions to its services and product range), ERIKS will continue to judge these opportunities in the light of these prior – publicly – formulated strategies. For a further outline of ERIKS' strategy reference is made to Section 7.4 (Business objectives and strategy).

5.8 Consequences of the Offer

Shareholders who do not tender their Shares under the Offer should carefully review this Section 5.8 (Consequences of the Offer), which describes certain risks they will be subject to after the Offer is declared unconditional (*gestand wordt gedaan*). These risks are in addition to the exposure to the business of the ERIKS Group, as such business and the structure of ERIKS may change from time to time after the Settlement Date.

5.8.1 Liquidity and Delisting

The purchase of the Shares by the Offeror pursuant to the Offer, among other things, will reduce the number of Shareholders and the number of Shares that might otherwise trade publicly and could adversely affect the liquidity and market value of the remaining Shares not tendered and not held by the Offeror and its group companies.

Should the Offer be declared unconditional (*gestanddoening*), it is intended that the listing of the Shares on Euronext Amsterdam will be terminated as soon as legally practicable. This would further adversely affect the liquidity of any Shares not tendered. In addition, the Offeror may initiate any of the procedures described in Section 5.8.2 (Post Offer restructuring of ERIKS) including procedures which would result in termination of the listing of the Shares (including Shares not being tendered). As a policy rule, in the event of a public offer Euronext Amsterdam does not permit delisting until at least ninety-five (95) per cent. of the listed shares are held by a single entity or by a group controlled by a single entity.

5.8.2 Post Offer restructuring of ERIKS

General; Strategy

Following the Settlement Date, the Offeror intends that ERIKS will continue its current operations at its current place of establishment, as a direct or indirect wholly owned subsidiary of the Offeror and as a separate group within SHV's group of companies. The Offeror supports the Company's business strategy and intends to work with the Company to grow the business in a manner that reflects such strategy. The Company is seen as a successful and competitive business and as such the Offeror does not expect any material changes to the management and operations of the ERIKS Group.

Shareholders who do not exchange their Shares in the Offer will hold a minority interest in ERIKS unless and until the Offeror becomes the sole Shareholder in ERIKS. Certain steps may be required for the Offeror to obtain ownership of one hundred (100) per cent. of the Shares and the Offeror reserves the right to use any legally permitted method to obtain ownership of one hundred (100) per cent. of the Shares. If following the Settlement Date the Offeror has not obtained one hundred (100) per cent. of the Shares, the Offeror intends to propose (where applicable) and to implement (or cause to be implemented) the following reorganisation measures.

Squeeze-Out

In the event that upon the Settlement Date the Offeror holds ninety-five (95) per cent. or more of the issued and outstanding capital of ERIKS, the Offeror's current intention is to acquire the remaining Shares not tendered by means of a squeeze-out procedure (*uitkoopprocedure*) in accordance with Article 2:92a or 2:201a of the Dutch Civil Code (a "**Statutory Squeeze-Out**"), or the takeover buy-out procedure

in accordance with Article 2:359c of the Dutch Civil Code (a **“Takeover Squeeze-Out”** and together with the Statutory Squeeze-Out, a **“Squeeze-Out”**).

Despite the Offeror having acquired ninety-five (95) per cent. or more of the Shares and thus being entitled to initiate a Squeeze-Out procedure as set out above, the Offeror may also, and instead of proceeding with a Squeeze-Out, by a simple majority vote (if less than fifty (50) per cent. of the share capital is present or represented at such meeting, a 2/3 majority is required) of the general meeting of Shareholders of ERIKS, resolve that a Legal Merger between the Offeror and ERIKS will be entered into or take any of the other steps set out under “Other Possible Measures” in this Section 5.8.2 (Post Offer restructuring of ERIKS). The legal consequences of a Legal Merger, including the possibility to pursue a Squeeze-Out thereafter, are the same as set forth under “Legal Merger” in this Section 5.8.2 (Post Offer restructuring of ERIKS).

Legal Merger

In the event that the Offeror has declared the Offer unconditional (*gestand heeft gedaan*) and has not acquired ninety-five (95) per cent. or more of the Shares following the Settlement Date, the Offeror, subject to approval of the Supervisory Board (whereby the members nominated by the Offeror shall abstain from voting in respect thereof) as set out in Section 5.8.6 (Future composition of the Supervisory Board and Executive Board of ERIKS), may by simple majority vote (if less than fifty (50) per cent. of the share capital is present or represented at such meeting, a 2/3 majority is required) of the general meeting of Shareholders of ERIKS effect a legal merger (*juridische fusie*) between ERIKS and the Offeror in accordance with Articles 2:309 and 2:334 of the Dutch Civil Code (which Articles refer to a “triangular merger” pursuant to which the shareholders of the disappearing entity will become shareholders of a group company of the surviving company) (a **“Legal Merger”**). As a result of such a Legal Merger, one of the two legal entities involved (the **“Disappearing Entity”**) will disappear and the other (the **“Surviving Entity”**) will survive and acquire all assets and liabilities of the Disappearing Entity by operation of law on the date on which the Legal Merger becomes effective.

In the event that a Legal Merger is effected, Shareholders who have not tendered their Shares under the Offer will become, by operation of law, shareholders in the Surviving Entity alongside the existing shareholders in the Surviving Entity or, in the event of a “triangular merger”, will become shareholders in the relevant group company. If, after a Legal Merger is effected, the majority shareholder of the Surviving Entity holds ninety-five (95) per cent. or more of the capital of the Surviving Entity, such majority shareholder may initiate a Statutory Squeeze-Out in relation to any shares in the Surviving Entity not held by such majority shareholder.

Other possible measures

The Offeror reserves the right to use any other permitted method to obtain one hundred (100) per cent. of the Shares or otherwise obtain full ownership of the ERIKS business, including by way of a liquidation, a legal de-merger (*splitsing*) as specified in Article 2:334a of the Dutch Civil Code, a sale of all or substantially all of the assets of ERIKS which may or may not be followed by a liquidation, in which case the proceeds of the transaction will be distributed to its Shareholders, all in accordance with Dutch law, other applicable laws and the ERIKS Articles of Association in force at the relevant time. Also, the Offeror reserves the right to align the company structure of ERIKS with the new holding, financing and optimal tax structure of SHV that will exist once Settlement has taken place, including the contribution of assets by the Offeror to ERIKS against the issue of new shares in the capital of ERIKS, whilst at the same time excluding the pre-emptive rights (*voorkeursrechten*) (if any) of other Shareholders, all in accordance with Dutch law and the ERIKS Articles of Association in force at the relevant time. Any distributions made may take the form of a distribution out of reserves, an interim dividend, a final dividend, payment upon cancellation or, in case ERIKS is liquidated, a liquidation distribution.

Interim governance

A Legal Merger or any other (corporate) restructuring of the ERIKS Group referred to in this Section 5.8.2 (Post Offer restructuring of ERIKS) will require the prior written approval of the Supervisory Board (whereby the members nominated by the Offeror shall abstain from voting in respect thereof) as set out in Section 5.8.6 (Future composition of the Supervisory Board and Executive Board of ERIKS).

As long as the Shares remain listed on Euronext Amsterdam, ERIKS shall continue to comply (which might include explain) with the Dutch Corporate Governance Code. ERIKS has generally indicated, and will continue to do so in the future as long as the Shares remain listed on Euronext Amsterdam, to which provisions of the Dutch Corporate Governance Code ERIKS does not adhere (including an explanation in respect of such non-adherence).

5.8.3 Dividend Policy

Following the Settlement Date the current dividend policy of ERIKS may be discontinued. Shareholders should be aware that ERIKS may not pay (cash or share) dividends or other distributions to the Shareholders in the future.

5.8.4 Social consequences relating to the Offer

The Offeror will respect the existing rights and benefits of the ERIKS' employees. The Offeror expects that there will not be a reduction in the number of employees of the Company as a direct consequence of the Offer.

With respect to the Bonus Investment Share Matching Plan see Section 7.11 (Information on Bonus Investment Share Matching Plan).

5.8.5 Employee consultation

The trade unions involved with ERIKS, and the secretariat of the Social Economic Council (*Sociaal Economische Raad*) have been informed in writing of the Offer in accordance with the Merger Code (*SER Besluit Fusiegedragsregels 2000 ter bescherming van de belangen van werknemers*). To the extent required and necessary, a meeting will be arranged with the trade unions once there is more certainty regarding the post-restructuring and more information will be provided during the process.

The relevant works council(s) within each of ERIKS and SHV has been informed regarding the Offer. ERIKS has a group works council (the “**Euro Convenantsraad**”) and the Euro Convenantsraad is involved in decisions relating to topics which concern the entire ERIKS Group or to such topics that are important to at least two (2) subsidiaries of ERIKS. SHV has for all its activities a central works council. To the extent that intended decisions regarding the Offer are subject to the relevant works councils' advice or consent at ERIKS and/or SHV, the proper procedures have been followed pursuant to the Works Councils Act (*Wet op de ondernemingsraden*) and in accordance with standard practice within ERIKS and SHV. The Euro Convenantsraad has provided positive advice in respect of those decisions regarding the Offer which are subject thereto.

5.8.6 Future composition of Supervisory Board and Executive Board of ERIKS

Supervisory Board

As from the Settlement Date, the Supervisory Board shall, subject to the affirmative resolution on their appointment by the ERIKS EGM, consist of six (6) members of whom four (4) shall be nominated by

the Offeror, being Mr. P.J. Kennedy, Mr. J.J. de Rooij, Mr. F.E. Bruneau and Mr. S.R. Nanninga, and two (2) shall be remaining, current members of the Supervisory Board, Mr. A.A. Olijslager and Mr. A. Wateler, who will be considered independent members (*i.e.* within the definition of the Dutch Corporate Governance Code).

As from the Settlement Date, all current members of the Supervisory Board, other than the two (2) members that will remain, will resign from their positions as members of the Supervisory Board. Each resigning member of the Supervisory Board, being Mr. R.J.A. van der Bruggen and Mr. R.A.A. Oliemans, will confirm that he has no claim whatsoever against the Company in respect of loss of office or otherwise, except with respect to compensation duly accrued in respect of services rendered to the Company during the Financial Year 2009. The Company and the Offeror shall use their best efforts to procure that any resigning member of the Supervisory Board will be fully released from his duties as per the date of resignation and granted discharge for the period until the date of resignation, provided that by the time of such resignation, no fraud, gross negligence or wilful misconduct of such member has become apparent or other compelling reason against such discharge has arisen.

The resigning members of the Supervisory Board, Mr. R.J.A. van der Bruggen and Mr. R.A.A. Oliemans, are, upon resignation, each entitled to receive payment of the amount of compensation for their activities as members of the Supervisory Board as accrued until the date of resignation. Reference is made to the overview below, assuming resignation will take place by the end of July 2009.

Name	Compensation
R.J.A van der Bruggen	EUR 23,340
R.A.A. Oliemans	EUR 23,340

The remaining independent members of the Supervisory Board, being Mr. A.A. Olijslager and Mr. A. Wateler, shall have a veto right in respect of decisions regarding the entering into and implementation of a Legal Merger and any other (corporate) restructuring of the ERIKS Group. The independent members of the Supervisory Board will always be required to entertain any Merger proposal or (corporate) restructuring if the Offeror has acquired at least eighty (80) per cent. of the Shares. Mr. A.A. Olijslager and Mr. A. Wateler might resign from their positions as members of the Supervisory Board upon the Offeror becoming the sole shareholder of ERIKS.

Executive Board

The current members of the Executive Board, Mr. J. van der Zouw, Mr. J.G. de Boer, Mr. M. Beckers, Mr. B. Wilson, Mr. H.J. Maier and Mr. J.F.A.M. van Os, will continue to serve as the sole members of the Executive Board after Settlement. Mr. M.R.G. Dixon has announced to resign as member of the Executive Board per 1 July 2009 (which decision was taken before SHV and ERIKS started their discussions in relation to the Offer).

5.8.7 Amendment of the ERIKS Articles of Association

Following Settlement and termination of the listing of the Shares on Euronext Amsterdam (see Section 5.8.1 (Liquidity and Delisting)), the Offeror intends to propose and vote in favour of amendments of the ERIKS Articles of Association, which amendments will mainly relate to (i) in respect of the amendments after Settlement, the deletion of references to the preference shares and the finance preference shares, Utrecht as additional meeting place, and (ii) in respect of amendments after delisting, deletion of references to the regulations of Euronext Amsterdam, transitional provisions with respect to the delisting, the compulsory notarial deed for the transfer of shares, the addition of transfer restrictions and the possibility of decision making outside the general meeting.

5.9 Financing of the Offer

With reference to Article 7, paragraph 4 of the Takeover Decree, the Offeror is able to fulfil its obligations under the Offer from cash resources which are currently available within SHV's group of companies (certainty of funds).

5.10 Certain arrangements between the Offeror and the Company

In the Merger Protocol, the Company and SHV have agreed that the Company is permitted to respond to certain unsolicited alternative written proposals involving a (public) offer for all Shares or for substantially all of the business, a merger of the Company with a party or another proposal made by a *bona fide* third party that would involve a change of control of the Company, which is in the reasonable opinion of the Boards, taking into account the identity and track record of the Offeror and that of such third party, certainty of execution (including certainty of financing and compliance with all anti-trust and other regulatory laws), conditionality, the nature of the consideration, the future plans of such third party with respect to the Company and the Company's strategy, management, employees and other stakeholders and the other interests of all stakeholders of the Company, a more beneficial offer than the Offer and exceeds the Offer Price by at least ten (10) per cent. (a "**Competing Offer**").

If a *bona fide* third party makes a Competing Offer, the Company shall notify the Offeror promptly and shall provide reasonable details on the Competing Offer to the Offeror.

The Company may however not accept a Competing Offer if the Offeror submits in writing to the Boards a revision of its Offer within a period of five (5) Business Days after the date on which the Offeror has received notice of the Competing Offer and, on balance, such revised offer is on terms and conditions which, in the reasonable opinion of the Boards, at least equal to those of the Competing Offer.

In the event that a Competing Offer will be declared unconditional by the competing offeror, the Company shall pay to the Offeror a fee which is equal to EUR 2.250 million as compensation for opportunity costs and other costs incurred by the Offeror in connection with the Offer. Such payment is to be made within four (4) weeks after the date that a Competing Offer will have been declared unconditional.

5.11 Termination events

The Merger Protocol may be terminated immediately by written notice (i) if any or all of the Offer Conditions have not been satisfied or waived by the relevant party on the Acceptance Closing Date or if it is apparent that such Offer Conditions cannot be satisfied and will not be waived by the relevant party before such date, (ii) in the event of a breach of the Merger Protocol by the Offeror or the Company, which has or is expected to have a material adverse effect on the Offer, provided that such breach has not been waived by the other party or has not been remedied by the defaulting party within ten (10) Business Days after the defaulting party has obtained actual knowledge of such material breach, and (iii) in the event that the Offeror has not announced a revision of its Offer which is, in the reasonable opinion of the Boards, on terms and conditions at least equal to those of a Competing Offer or if the Boards have concluded that the Competing Offer is superior to the revised Offer.

6 RECOMMENDATIONS OF THE BOARDS

The Boards, after having received extensive legal and financial advice and having given due and careful consideration to the strategic, financial and social aspects and consequences of the proposed transaction and having considered other alternatives available to ERIKS (including a stand-alone scenario and potential third party transactions), have reached the conclusion that the Offer is in the best interests of ERIKS, the Shareholders and all other stakeholders of ERIKS.

Throughout the process, the Boards have met on a frequent basis and discussed the progress of the process and key decisions in connection therewith. The terms and conditions of the Offer, as documented in the Merger Protocol, have been agreed between ERIKS and SHV only with the prior approval of the Supervisory Board.

The Supervisory Board and the Executive Board are of the opinion that the Offer Price and the other terms of the Offer are reasonable and fair to the Shareholders. In this respect, reference is made to the Boards' financial assessment of the Offer, as included in the Position Statement in Section 2.1 (The Boards' financial assessment of the Offer) of Part III, and the Fairness Opinion rendered by MeesPierson, as included in the Position Statement in Section 6 (Fairness Opinion) of Part III. With reference to the above, the Boards fully support the Offer and unanimously recommend the Offer to the Shareholders for acceptance.

7. INFORMATION ON ERIKS

7.1 Overview

ERIKS is the holding company of a group of technical distribution companies. ERIKS N.V. is listed on Euronext Amsterdam.

ERIKS is an international industrial service provider offering a wide range of high-quality mechanical engineering components and associated technical and logistics services. Based on its passion for technology, its broad and deep knowledge of market developments, product properties, product applications, product processing, logistics and its state-of-the-art infrastructure which complements all these factors, ERIKS offers its products and services to industrial end-users. This enables ERIKS to contribute positively to its customers' and manufacturers' business operations.

ERIKS has become a leading, innovative supplier to certain defined segments of industry, fulfilling the twin roles of specialist and broad Maintenance (MRO) supplier. Its customers are primarily in the Original Equipment Manufacturers (OEM), project and maintenance markets.

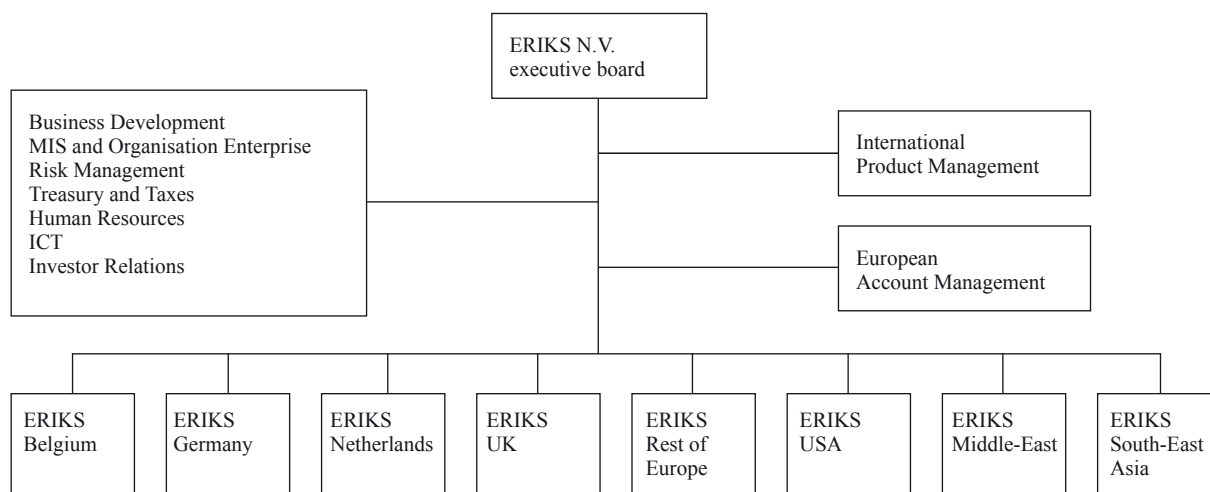
The ERIKS Group currently consists of more than fifty (50) group companies with branches in twenty-four (24) countries. The geographical focus of the ERIKS Group's activities is in Western Europe, where ninety-two (92) per cent. of its sales are achieved. ERIKS also has branches in the Middle East, South-east Asia and the United States of America. ERIKS is building up a leading market position in Western and Central Europe and Spain, and aims to do so in Northern Europe in due course. The ERIKS Group also wants to further expand its presence in the Middle East and have a direct or indirect presence in the United States of America and South-east Asia where this is complementary to its position in Europe and the Middle East.

In 2008 ERIKS achieved sales of EUR 1,131.5 million with an average workforce of five thousand one hundred thirty-eight (5,138) people. The net result in 2008 was EUR 52.5 million.

7.2 ERIKS Group structure

ERIKS is a public limited liability company (*naamloze vennootschap met beperkte aansprakelijkheid*) incorporated under Dutch law. The headquarters of ERIKS are located in Alkmaar, the Netherlands.

Corporate organisation chart



ERIKS as the holding company acts as a strategic parent company. It performs the role of capital provider, initiator, motivator, implementer, monitor and coordinator of the strategy developed for the ERIKS Group. The ERIKS Group has been divided into ten (10) clusters. A cluster consists of a group of companies and serves a specific geographical market area. A cluster engages in one or more core activities and has at its disposal all the disciplines it needs to carry out complete operational management on its own.

7.3 Business description

ERIKS operates through its group of technical distribution companies which procure, stock, processes, sell and distribute a wide range of high-quality engineering parts and provide a highly developed range of technical and logistics services. ERIKS is an innovative, progressive and flexible partner to its customers while also having sufficient market share and volume to have a very strong and complementary relationship with its manufacturing partners.

ERIKS works for more than one hundred thousand (100,000) industrial customers supplying a range of more than six hundred thousand (600,000) articles purchased worldwide from over thousand (1,000) qualified suppliers/manufacturers. This requires approximately three (3) million shipments on an annual basis, which are easily handled by the ERIKS logistics infrastructure. Sourcing of new suppliers/manufacturers and evaluation of existing suppliers and products around the world occurs on a continuous basis in order to keep on providing the most innovative, trustworthy and competitive products.

ERIKS sources and supplies a wide range of quality brands from stock. In this connection, ERIKS has strategic agreements and strong relationships with brand manufacturers that are of immediate benefit to its customers. At the same time, ERIKS sensibly operates in a brand-independent manner allowing it to supply every product or quality level that may be required by its customers to match with any application.

Under its private labels, which include RX® and ECON, ERIKS markets a robust, growing range of high quality and competitive products. Only a select group of manufacturers with ISO 9001:2000 certification are able to produce these products. ERIKS works very closely with its manufacturers on product development and manufacturing specifications. Other private labels owned by ERIKS are Fenner, Format, Flexitube, SRB and Futuris.

7.4 Business objectives and strategy

ERIKS aims to be a leading, innovative, international supplier of a wide, high-quality range of mechanical engineering components in all of its market areas.

To its customers, ERIKS strives to be the innovative, reliable and flexible supplier of choice in line with its defined mission. To its manufacturers, ERIKS strives to be a reliable, cooperative partner with sufficient market share and volume, serving the industrial market based on its extensive technical and logistics know-how. Driven by a highly developed group identity, ERIKS strives to achieve the following objectives:

- to build up leading market positions in Western and Central Europe and Spain and, in due course, in Northern Europe;
- to take a strong market share (in the top-3) in all core activities in its range in all regions where the ERIKS Group has its own operations;

- to have a balanced spread of sales across the main customer types (purchasing profiles) of Maintenance (MRO) and Original Equipment Manufacturers (OEM) and Projects in order to control its risk profile;
- to expand its current activities in the United States of America (buy-build strategy);
- to organically maintain its activities in the Middle East by expanding its range of products in the Flow technology core activity and by reinforcing and expanding its presence in this region;
- to maintain and gradually expand its activities in South-east Asia organically;
- to expand its international presence by offering its own range of private label valves developed for shipbuilding; and
- to be a port of call for coordination, quality control and supply of valves for infrastructural projects at an international level.

ERIKS endeavours to be a modern company in every respect, and in this connection it continues investing in the development of its employees, its range of products and its infrastructure (ICT, machinery, storage methods and buildings).

ERIKS applies a twin business model which enables it to service two (2) different market segments with the same products and know-how from centralised distribution centres. Further development of the twin business model is of prime importance for the growth of ERIKS in Europe. ERIKS envisages employing a roll-out strategy over the next few years to further expand its market area, with the main focus on Germany and Central Europe. ERIKS is also interested in increasing its presence in Spain and it does not rule out related strategic acquisitions in Scandinavia. To reinforce its market positions in its current activities, ERIKS envisages acquisitions within its existing market areas (with a view to obtaining a top-3 position).

ERIKS devotes continuous attention to administrative and physical logistics. The ERIKS Group has invested in advanced systems and accommodation appropriate to its operations and will continue to do so. The objective is for all the companies within a cluster to utilise one and the same business information system (one cluster – one system). The functionalities of the business information systems are to be expanded and systems in some clusters will to be modernised in the coming years.

The group companies of ERIKS also work together wherever there is potential synergy. ERIKS has appointed specific officers that are actively involved in and jointly responsible for a variety of coordinative and monitoring tasks which aim at identifying and benefiting from synergies in the relevant areas (such as development of private label products and logistic services, identifying new markets and candidates for acquisition, monitoring the level of know-know and maintaining relationships with existing and potential manufacturers).

Following a number of acquisitions in 2008, ERIKS is pursuing an integration process in respect of the acquired companies. These companies satisfy the profile aimed by ERIKS to a significant extent and will be further integrated to achieve an optimised fit in the current ERIKS cluster and company structure in terms of products, services and market concepts.

7.5 Recent developments

In line with its strategy and the key objectives defined for 2008, ERIKS acquired five (5) companies in 2008. The companies ERIKS has acquired generate annual sales totalling EUR 288.5 million. Its international presence has increased as a result of the acquisition of Econosto, and the market positions

of the specialist companies in the ERIKS USA, ERIKS Middle East and ERIKS South-east Asia clusters have also improved. The purchase price, including the debts taken over, was EUR 172.5 million.

Econosto was acquired through a successfully completed public offer on 1 June 2008. In addition to enabling ERIKS to expand its international presence, Econosto offers ERIKS the opportunity to achieve its commercial objectives and develop the markets in which Econosto already operates, including priority areas such as shipbuilding, sourcing and international projects.

Econosto achieves about forty (40) per cent. of its total sales with its own private label products, predominantly in shipbuilding, general industry and its activities in the Middle East. Econosto also has strong ties with leading manufacturers throughout the world. Sales from projects account for almost fifty (50) per cent. of its total sales and are achieved mainly through its companies in Germany and the Middle East.

To finance the acquisition of Econosto, the existing syndicated credit facility was increased by EUR 150 million to EUR 400 million. This facility runs until June 2012 and consists of a EUR 70 million senior loan and a permanent credit facility of EUR 330 million. The EUR 70 million loan is being redeemed in equal instalments over a period of four (4) years.

No guarantees or securities have been provided for the syndicated credit facility. A net debt/EBITDA ratio of less than three (3) is the main condition ERIKS has to meet. As at the end of 2008, with a debt of EUR 244 million, this ratio was two point two (2.2).

7.6 Financial outlook

In all regions where ERIKS operates, industrial activity decreased significantly. To date there are no signs that activities will increase in the short term. With the implementation of the cost savings program, EUR 20 million on an annual basis, the ERIKS organisation is being adapted to the reduced activities. Just as in previous years, ERIKS expects to be able to increase its market share. At this time, however, ERIKS is unable to pronounce a forecast of sales and results for the full Financial Year 2009.

7.7 Current ERIKS Boards

Supervisory Board

The Supervisory Board consists of the following members:

A.A. Olijslager (1944), chairman

Nationality: Dutch

Mr. Olijslager was appointed as a member of the Supervisory Board in 2007. His term of office ends at the time of the general meeting of Shareholders in 2011. Other positions held by Mr. Olijslager:

- vice-chairman of the supervisory board of ABN-AMRO Holding N.V.;
- vice-chairman of the supervisory board of AVEBE U.A.;
- member of the supervisory board of Center Parcs N.V.;
- chairman of the supervisory board of Heijmans N.V.;
- member of the investment committee of NPM Capital N.V.;

- non-executive director of TREP Holding SE;
- member of the board of Stichting Administratiekantoor Unilever N.V.;
- chairman of Nederlandse Vereniging van Participatiemaatschappijen (Netherlands Association of Venture Capitalists);
- member of the supervisory board of the Nyenrode Foundation;
- chairman of the board of Stichting Maatschappij en Onderneming (Society and Enterprise Foundation) / Member of the supervisory board of SMO B.V.;
- member of the supervisory board of the Fries Museum; and
- chairman of the board of Stichting Zeesleepboot Holland.

R.J.A. van der Bruggen (1947)

Nationality: Dutch

Mr. Van der Bruggen was appointed as a member of the Supervisory Board in 2005. His term of office ends at the time of the general meeting of Shareholders in 2013. Other positions held by Mr. Van der Bruggen:

- chief executive officer of Imtech N.V.;
- member of the advisory council of Cisco Systems;
- member of the advisory board of Issuing Institutions of NYSE Euronext;
- member of the supervisory board of Gelderse Vallei Hospital;
- member of the supervisory board of Gamma Holding N.V.; and
- member of the board of Trustees for the construction of TSM Business School.

R.A.A. Oliemans (1944), Vice-chairman

Nationality: Dutch

Mr. Oliemans was appointed as a member of the Supervisory Board in 1997. His term of office ends at the time of the general meeting of Shareholders in 2010. Mr. Oliemans is also a member of the advisory council of VM&M B.V.

A. Wateler (1946)

Nationality: Dutch

Mr. Wateler was appointed as a member of the Supervisory Board in 2006. His term of office ends at the time of the general meeting of Shareholders in 2010. Mr. Wateler was a director of Parcom Capital B.V. Parcom Capital B.V. is part of ING Groep N.V. and has a nineteen point fifty-two (19.52) per cent. holding in ERIKS. Other positions held by Mr. Wateler:

- member of the supervisory board of BN International B.V.;
- member of the supervisory board of Fashion Fund I B.V.;
- member of the supervisory board of Ergon Capital Partners; and
- various additional social positions.

Executive Board

The Executive Board consists of the following members:

J. van der Zouw (1954), chairman and CEO

Nationality: Dutch

Mr. Van der Zouw was appointed to the Executive Board in January 2002 and as its chairman in May 2005. Mr. Van der Zouw has worked at ERIKS since 1999. His primary responsibilities are general and external affairs, clusters ERIKS Netherlands, ERIKS South-east Asia and ERIKS USA, business development in the Netherlands, human resources management and investor relations.

J. de Boer (1953), CFO

Nationality: Dutch

Mr. De Boer was appointed to the Executive Board in January 1996. Mr. De Boer has worked at ERIKS since 1985. His primary responsibilities are administrative logistics, financial information provision and legal affairs, taxes, pensions, enterprise risk management, the ERIKS Group ICT policy (jointly with Mr. Maier) and investor relations.

M. Beckers (1951)

Nationality: Belgian

Mr. Beckers was appointed to the Executive Board in May 2005. Mr. Beckers has worked at ERIKS since 2004. His primary responsibilities are clusters ERIKS Belgium and ERIKS France, international product management as well as business development in Belgium and France. As of 1 July 2009 Mr. Beckers will take on the responsibilities in respect of cluster ERIKS UK.

M.R.G. Dixon (1964)

Nationality: British

Mr. Dixon was appointed to the Executive Board in November 2006. Mr. Dixon has worked at ERIKS since 2006. His primary responsibilities are ERIKS UK/Ireland, ERIKS Industrial Services and ERIKS International, international product management and business development in the United Kingdom and Ireland. Mr. Dixon has resigned as member of the Executive Board, effective as of 1 July 2009.

H.J. Maier (1960)

Nationality: German

Mr. Maier was appointed to the Executive Board in January 2002. Mr. Maier has worked at ERIKS since 1997. His primary responsibilities are clusters ERIKS Germany and ERIKS Central Europe, international product management, business development in Germany and Central Europe and ERIKS Group ICT policy (jointly with Mr. De Boer).

J.F.A.M. van Os (1954)

Nationality: Dutch

Mr. Van Os was appointed to the Executive Board in August 2008. Mr. Van Os has worked at ERIKS since 2008. His primary responsibilities are Econosto and group international product management.

B. Wilson (1955)

Nationality: British

Mr. Wilson was appointed to the Executive Board in November 2006. Mr. Wilson has worked at ERIKS since 2006. His primary responsibilities are Wyko Specialist Technology, business development in Scandinavia and European account management.

7.8 Major Shareholders

The following holdings were registered in the public register of the AFM:

	Percentage	Date of notification
ING Groep N.V.	19.52	24 January 2007
Kempen Capital Management N.V.	9.95	2 March 2009
Delta Deelnemingen Fonds N.V.	7.35	1 November 2006
Darlin N.V.	5.78	1 November 2006
Aviva PLC	5.28	1 November 2006
Navitas B.V.	5.06	28 November 2007

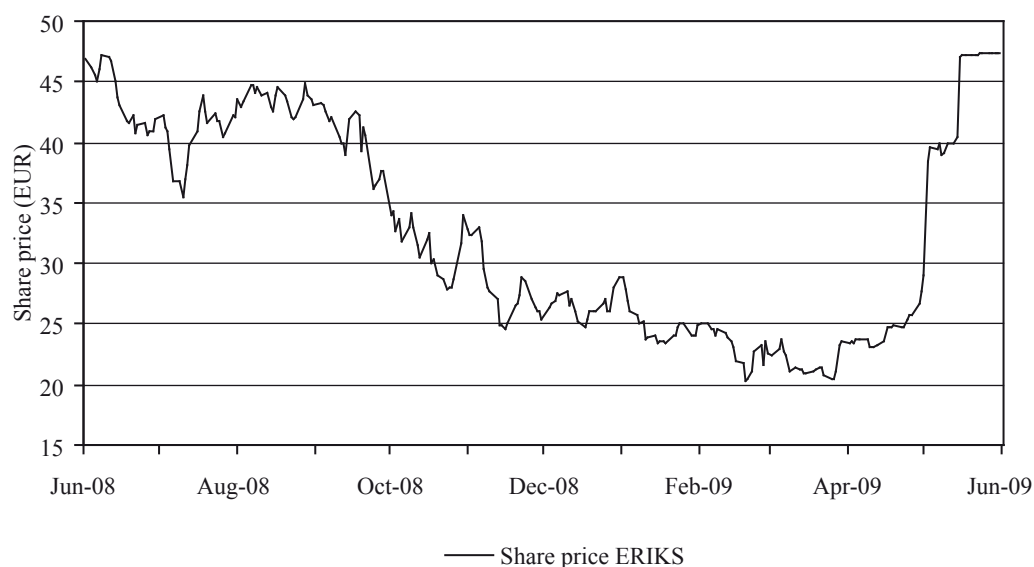
7.9 Capital and Shares

The authorised share capital of ERIKS amounts to EUR 19 million and is divided into fifteen (15) million ordinary Shares with a nominal value of EUR 0.50 each and nineteen (19) million preference shares with a nominal value of EUR 0.50 each, and four (4) million finance preference shares, divided into two (2) series of two (2) million shares of EUR 0.50 each.

At the date of this Offer Memorandum, ten million nine hundred ninety-eight thousand seven hundred sixty-three (10,998,763) ordinary Shares in the capital of ERIKS have been issued and paid up. No preference and no finance preference shares are issued at the date of this Offer Memorandum.

7.10 Share price development

This graph sets out the Share price development from 8 June 2008 to 8 June 2009.



Source: Datastream

7.11 Information on Bonus Investment Share Matching Plan

Certain key personnel of ERIKS including the members of the Executive Board participate in the Company's Bonus Investment Share Matching Plan. The Bonus Investment Share Matching Plan is a loyalty bonus plan set up for the purpose of incentivising its participants to maintain a long-term relationship with ERIKS and to purchase and keep Shares for a longer period of time.

Pursuant to the Bonus Investment Share Matching Plan the participants can choose to invest part of their short-term bonus to purchase Shares. If a participant chooses so, he or she can invest at least ten (10) per cent. and not more than fifty (50) per cent. of the gross short-term bonus to acquire Shares. The Shares which have been so acquired are subject to a mandatory blocking period of three (3) years during which period they may not be sold, transferred, assigned, or encumbered with any security rights by the participant. For each acquired Share the participant is granted a conditional Matching Share which becomes unconditional after three (3) years provided that the participant is still employed by ERIKS. If at any time during the three year period the employment relationship between ERIKS and the participant is terminated (other than as a result of retirement or death of the participant) the conditionally granted Matching Shares are cancelled. Once they become unconditional the Matching Shares are subject to a blocking period of two (2) years during which period they may not be sold, transferred, assigned, or encumbered with any security rights by the participant.

The maximum aggregate number of Matching Shares that can be conditionally awarded by the Company in a given year pursuant to the Bonus Investment Share Matching Plan is not to exceed point seventy-five (0.75) per cent. of the outstanding share capital of ERIKS as per 1 January of that year.

In view of the desire of the Offeror to acquire one hundred (100) per cent. of the Shares and the intended delisting of the Shares, the Executive Board has proposed and the Supervisory Board has approved the following arrangements in respect of the Bonus Investment Share Matching Plan.

Subject to the Offer being declared unconditional (*gestand wordt gedaan*):

- (a) in respect of the Shares which have been acquired by the participants in 2008 by investing a portion of their bonus over 2007, the Matching Shares which have already been awarded conditionally to the participants pursuant to the Bonus Investment Share Matching Plan, will become unconditional (*i.e.* will vest) prior to the Acceptance Closing Date;
- (b) in respect of the Matching Shares which would have been awarded to the participants had they acquired ordinary shares in the capital of ERIKS in 2009 by investing the maximum permitted portion of their bonus over 2008 at the Offer Price, the participants will receive in cash an amount equal to the amount they would have received if they had tendered the Matching Shares to the Offeror under the Offer; and
- (c) a new incentive plan will be put in place in replacement of the existing flexible remuneration arrangements in terms which include overall at least equivalent rights for the beneficiaries thereof.

8. INFORMATION ON THE OFFEROR

8.1 Overview

The Offeror is a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*), incorporated under the laws of the Netherlands, having its statutory seat (*statutaire zetel*) in Utrecht, the Netherlands, having its registered office at Rijnkade 1, 3511 LC, Utrecht, the Netherlands. The Offeror is registered with the Commercial Register of the Chamber of Commerce and Industry of Midden-Nederland under number 30264522.

The Offeror is a directly wholly owned subsidiary of SHV Nederland B.V., a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*), incorporated under the laws of the Netherlands, having its statutory seat (*statutaire zetel*) in Utrecht, the Netherlands, having its registered office at Rijnkade 1, 3511 LC, Utrecht, the Netherlands. SHV Nederland is registered with the Commercial Register of the Chamber of Commerce and Industry of Midden-Nederland under number 30048815.

SHV Nederland is a directly wholly owned subsidiary of SHV Holdings N.V., a private limited liability company (*naamloze vennootschap*), incorporated under the laws of the Netherlands Antilles, having its statutory seat (*statutaire zetel*) in St Martin, the Netherlands Antilles, having its registered office at Rijnkade 1, 3511 LC, Utrecht, the Netherlands. SHV is registered with the Commercial Register of the Chamber of Commerce and Industry of Midden-Nederland under number 30065974.

8.2 Business Description

The corporate purpose of the Offeror is the making of a public offer on all the Shares in ERIKS, to participate, to do manage and supervise ERIKS and other businesses and companies. In operating its business, the Offeror shall also be guided by the interests of its group companies.

SHV is a privately held family company which aims to maintain its strong position in a number of operational activities and selected investment activities. SHV is active in LPG trade and distribution (SHV Gas), cash and carry wholesale (Makro), heavy lifting and transport activities (Mammoet), provision of private equity (NPM Capital), investing in exploration, development and production of oil and gas (Dyas), and renewable energy (The Clean Energy Company). SHV is present in forty-five (45) countries on all continents and employs about thirty-eight thousand (38,000) people. SHV's net earnings in 2008 amounted to EUR 1,382 million (2007: EUR 569 million). Earnings included extraordinary income of EUR 872 million as a result of the divestment of The David J. Joseph Company, active in the United States of America in metals recycling, and the Makro cash and carry wholesale activities in China, Pakistan and Indonesia. Reference is made to SHV's website: www.shv.nl.

8.3 Executive board of the Offeror

The executive board of the Offeror consists of SHV Nederland.

8.4 Executive board of SHV Nederland

The executive board of SHV Nederland consists of SHV.

8.5 SHV boards

Supervisory board

The supervisory board of SHV consists of the following members: Mrs. A.M. Siderius-Fentener van Vlissingen (chairman), Mr. J.A. Fentener van Vlissingen (vice-chairman), Mr. J.R. Behlau,

Mrs. L.A.A. van den Berghe, Mr. A. Burgmans, Mr. P.A.F.W. Elverding, Mr. R.W.J. Groenink, Mr. P.C. Klaver, Mr. M.L. Mautner Markhof and Mr. H.H.F. Wijffels.

Executive board of directors

The executive board of directors of SHV consists of the following members: Mr. P.J. Kennedy (chairman), Mr. J.J. de Rooij, Mr. F.E. Bruneau and Mr. S.R. Nanninga.

8.6 Share capital of the Offeror

The Offeror's issued and outstanding share capital totals EUR 18,000 divided into 18,000 ordinary shares of the same class with a nominal value of EUR 1 per share. All the outstanding shares are fully paid up. The Offeror's articles of association provide that shares are held in registered form.

8.7 Social consequences relating to the Offer

The Offeror and SHV do not expect that there will be any changes made to the existing rights and benefits of, nor there to be a reduction in the number of directors and employees of, the Offeror, SHV and any of their respective group companies, or as a direct consequence of the Offer.

9. FURTHER DECLARATIONS PURSUANT TO THE TAKEOVER DECREE

In addition to the other statements set out in this Offer Memorandum, the Offeror with regard to subject (b) below, the Offeror and the Supervisory Board and Executive Board each per se with regard to subjects (a), (c) and (d) below, hereby declare as follows:

- (a) There have been consultations between SHV and ERIKS regarding the Offer, which have resulted in (conditional) agreement regarding the Offer. Discussions regarding the Offer Price, financing of the Offer, the Offer Conditions and the future strategy of ERIKS took place between SHV and the Boards and their advisers.
- (b) With due observance of and without prejudice to the restrictions referred to in Section 1 (Restrictions and Important Information), the Offer concerns all Shares not already held by the Offeror or its group companies and applies on an equal basis to all Shares and Shareholders.
- (c) No securities in ERIKS are held, no transactions or concluded agreements in respect of securities in ERIKS have been effected or have been concluded, and no similar transactions have been effected in respect of securities in ERIKS, by the Offeror, SHV or any of either of their group companies, the executive board members of the Offeror, the supervisory board members of SHV, the members of the executive board of directors of SHV, the members of the Boards, nor by any of their spouses (*echtgenoten*), registered partners (*geregistreeerde partners*), minor children (*minderjarige kinderen*) and any entities over which these members or other persons referred to have control (*zeggenschap hebben in*) within the meaning of Annex A, paragraph 2, subparagraphs 5, 6, and 7 of the Takeover Decree, other than in respect of the members of the Executive Board and certain key personnel of ERIKS as described in Section 5.5 (Overview of Shares and options held by members of the ERIKS Boards and related transaction and concluded agreements).
- (d) The costs of SHV and the Offeror incurred and expected to be incurred in relation to the Offer amount to approximately EUR 5 million and relate to bank adviser fees, exchange agent fees, broker commissions, legal fees, financial and tax due diligence fees, public relations and communications advice and printing. These costs will be borne by SHV. The costs of ERIKS' fees of legal advisers, financial advisers, tax advisers, accountants and public relations and communication advisers incurred and expected to be incurred in relation to the Offer amount to approximately EUR 2.5 million. These costs will be borne by ERIKS and accounted for in 2009.

10. NETHERLANDS TAX ASPECTS OF THE OFFER

10.1 General

The following summary outlines certain principal Netherlands tax consequences of the disposal of the Shares, but does not purport to be a comprehensive description of all Netherlands tax considerations that may be relevant. This summary is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of the disposal of the Shares.

This summary is based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Offer Memorandum, and it does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

This summary does not address the Netherlands tax consequences for:

- (i) Shareholders holding a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the Company and Shareholders of whom a certain related person holds a substantial interest in the Company. Generally speaking, a substantial interest in the Company arises if a person, alone or, where such person is an individual, together with his or her partner (statutory defined term), directly or indirectly, holds (i) an interest of five (5) per cent. or more of the total issued capital of the Company or of five (5) per cent. or more of the issued capital of a certain class of shares of the Company, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit sharing rights in the Company;
- (ii) investment institutions (*fiscale beleggingsinstellingen*);
- (iii) pension funds, exempt investment institutions (*vrijgestelde beleggingsinstellingen*) or other entities that are exempt from Netherlands corporate income tax; and
- (iv) corporate Shareholders qualifying for the participation exemption (*deelnemingsvrijstelling*). Generally speaking, a shareholding is considered to qualify as a participation for the participation exemption if it represents an interest of five (5) per cent. or more of the nominal paid-up share capital.

10.2 Withholding tax

Gains realised upon the sale of the Shares will be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

10.3 Corporate and individual income tax

Residents of the Netherlands

If a holder is a resident or deemed to be a resident of the Netherlands for Netherlands tax purposes and is fully subject to Netherlands corporate income tax or is only subject to Netherlands corporate income tax in respect of an enterprise to which the Shares are attributable, gains realised upon the disposal of the Shares are generally taxable in the Netherlands (at up to a maximum rate of twenty-five point five (25.5) per cent.).

If an individual holder is a resident or deemed to be a resident of the Netherlands for Netherlands tax purposes (including an individual holder who has opted to be taxed as a resident of the Netherlands), gains realised upon the disposal of the Shares are taxable at the progressive rates (at up to a maximum rate of fifty-two (52) per cent.) under the Netherlands income tax act 2001 (*Wet inkomstenbelasting 2001*) if:

- (i) the holder is an entrepreneur (*ondernemer*) and has an enterprise to which the Shares are attributable or the holder has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde*), to which enterprise the Shares are attributable; or
- (ii) such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which include the performance of activities with respect to the Shares that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither condition (i) nor condition (ii) applies to the holder of the Shares, taxable income with regard to the Shares must be determined on the basis of a deemed return on income from savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. At present, this deemed return on income from savings and investments has been fixed at a rate of four (4) per cent. of the average of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year and the individual's yield basis at the end of the calendar year, insofar as the average exceeds a certain threshold. The average of the individual's yield basis is determined as the fair market value of certain qualifying assets held by the holder of the less the fair market value of certain qualifying liabilities on 1 January and 31 December, divided by two. The fair market value of the Shares will be included as an asset in the individual's yield basis. The four (4) per cent. deemed return on income from savings and investments will be taxed at a rate of thirty (30) per cent.

Non-residents of the Netherlands

If a holder is not a resident nor is deemed to be a resident of the Netherlands for Netherlands tax purposes (or has not opted to be taxed as a resident of the Netherlands), such holder is not taxable in respect of gains realised upon the disposal of the Shares, unless:

- (i) the holder is not an individual and such holder (1) has an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or a permanent representative the Shares are attributable, or (2) is entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands (other than by way of securities) and to which enterprise the Shares are attributable.

This income is subject to Netherlands corporate income tax at up to a maximum rate of twenty-five point five (25.5) per cent.

- (ii) the holder is an individual and such holder (1) has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Shares are attributable, or (2) realises income or gains with respect to the Shares that qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*) in the Netherlands with respect to the Shares which exceed regular, active portfolio management (*normaal, actief vermogensbeheer*), or (3) is entitled to a share in the profits of an enterprise that is effectively managed in the Netherlands (other than by way of securities or an employment contract) and to which enterprise the Shares are attributable.

Income derived from the Shares as specified under (1) and (2) by an individual is subject to individual income tax at up to a maximum rate of fifty-two (52) per cent. Income derived from Shares as specified under (3) that is not already included under (1) or (2) will be taxed on the basis of a deemed return on income from savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. At present, this deemed return on income from savings and investments has been fixed at a rate of four (4) per cent. of the average of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year and the individual's yield basis at the end of the calendar year, insofar as the average exceeds a certain threshold. The average of the individual's yield basis is determined as the fair market value of certain qualifying assets held by the holder of the less the fair market value of certain qualifying liabilities on 1 January and 31 December, divided by two. The fair market value of the Shares will be included as an asset in the individual's yield basis. The four (4) per cent. deemed return on income from savings and investments will be taxed at a rate of thirty (30) per cent.

10.4 Value added tax

In general, no value added tax will arise as a result of the disposal of the Shares.

10.5 Other taxes and duties

No registration tax, customs duty, transfer tax, stamp duty, capital tax or any other similar documentary tax or duty will be payable in the Netherlands by a holder in respect of a disposal of the Shares.

11. PRESS RELEASES

11.1 Press releases dated 7 May 2009

Press release ERIKS

From Executive board ERIKS group nv
Telephone +31-72 54 75 888
Date 7 May 2009
Subject RECEIPT OF EXPRESSION OF INTEREST

ERIKS has received an expression of interest

The executive board and supervisory board of ERIKS group nv (“ERIKS”) announce that they have received an expression of interest from SHV Holdings N.V. (“SHV”) inviting the executive board and the supervisory board of ERIKS to discuss its intention to make a cash offer of € 42.00 per ordinary share (ex 2008 dividend) for all issued and outstanding ordinary shares in the capital of ERIKS.

The boards are discussing the expression of interest with SHV and have allowed SHV to perform a due diligence.

At this time it is uncertain whether a transaction will materialize.

Further announcements will follow as circumstances require.

This is an announcement as referred to in article 4 of the Decree on Public Takeover Offers (*Besluit openbare biedingen Wft*) and article 5:59 of the Financial Markets Supervision Act (*Wet op het financieel toezicht*).

Press release SHV

Release date: May 7, 2009
Number: 09-04

SHV Holdings N.V. confirms expression of interest for ERIKS Group nv

SHV Holdings N.V. (“SHV”) confirms that it has sent an expression of interest to the executive board and the supervisory board of ERIKS Group nv (“ERIKS”) inviting the executive board and the supervisory board of ERIKS to discuss SHV’s intention to make a cash offer of EUR 42.00 per ordinary share (ex dividend 2008) for all issued and outstanding ordinary shares in the capital of ERIKS.

The boards of ERIKS are discussing the expression of interest with SHV and have allowed SHV to perform a due diligence.

At this time it is uncertain whether a transaction will materialize.

Further announcements will follow as circumstances require.

This is an announcement as referred to in article 4 of the Decree on Public Takeover Offers (*Besluit openbare biedingen Wft*).

11.2 Joint press release dated 20 May 2009

This press release may not be published, distributed, disseminated or otherwise sent into the United States of America, Japan, Australia or Canada. This press release does not constitute an extension into the United States of America, Japan, Australia or Canada of the intended offer mentioned in this press release. This press release does not constitute or form part of an offer for ordinary shares in ERIKS N.V., but is an announcement that a conditional agreement has been reached between ERIKS N.V. and SHV Holdings N.V. in connection with a public offer as set out in this press release.

This press release is issued pursuant to the provisions of article 5 paragraph 1 and article 7 paragraph 4 of the Dutch Decree on Public Takeover Bids (*Besluit openbare biedingen Wft*).

SHV Holdings N.V. intends to make a recommended cash offer of EUR 48.00 per ordinary share for ERIKS N.V.

- **The offer price represents a 72.5% premium to ERIKS' closing share price on 6 May 2009**
- **ERIKS' Supervisory Board and Executive Board unanimously support and recommend the intended offer by SHV Holdings N.V.**

Alkmaar and Utrecht, 20 May 2009

ERIKS N.V. (formerly known as ERIKS Group N.V., “**ERIKS**”) and SHV Holdings N.V. (“**SHV**”) jointly announce that they have reached a conditional agreement in connection with a public offer by SHV for all outstanding shares of ERIKS at an offer price of EUR 48.00 (the “**Offer Price**”) per ordinary share in cash (the “**Offer**”). The Supervisory Board and the Executive Board of ERIKS (the “**Boards**”) unanimously support the Offer and believe the Offer is in the best interests of ERIKS and its shareholders and unanimously recommend that ERIKS' shareholders accept the Offer when made.

Commenting on the Offer, Jan van der Zouw, Chief Executive Officer of ERIKS said:

“ERIKS is excited by the prospect of having SHV as new long-term shareholder. SHV is fully committed to supporting us in our strategy to further develop the group. Both the Supervisory Board and the Executive Board of ERIKS fully support this transaction as we are convinced it is beneficial to ERIKS' employees, customers, suppliers and shareholders.”

Commenting on the Offer, Pat Kennedy, Chief Executive Officer of SHV said:

“SHV has been seeking growth opportunities that fit with the company's investment criteria. ERIKS is an attractive and well-managed business. ERIKS is a proven and reliable partner in the supply of a wide range of mechanical engineering components and associated technical and logistics services to industrial customers across an extensive variety of sectors. ERIKS management has a successful track record in pursuing organic growth and growth through acquisitions in a number of key European markets. SHV is fully committed to the ongoing future growth of ERIKS in both existing and new markets into the future.”

Large shareholders

The intended Offer is also supported by large shareholders, including Delta Lloyd, Delta Deelnemingen Fonds N.V., Darlin N.V., Navitas B.V., Parcom Capital B.V. and Kempen Capital Management (Orange Fund and Orange Oranje Participaties). These large shareholders have entered into irrevocable undertakings to tender their shares under the Offer, when it is made, at the Offer Price and on the same

terms and conditions applicable to the Offer as will be set out in the offer memorandum. ERIKS and SHV have not provided any other information to these large shareholders than that which will be included in the offer memorandum. The irrevocable undertakings to tender the shares in ERIKS include certain customary undertakings and conditions, including that the large shareholders will only be entitled to tender their shares to a *bona fide* third-party offeror under a competing offer as defined in such irrevocable undertaking (including a threshold of 15%). The shares committed represent approximately 52% of the outstanding shares.

Offer highlights

The Offer will be a cash offer for all the outstanding ordinary shares of ERIKS. Based on the Offer Price of EUR 48.00 per ordinary share, the fully diluted share capital (excluding any 2008 stock dividend) of ERIKS is valued at approximately EUR 518.4 million. No (interim) 2009 dividends are expected to be declared prior to completion of the Offer. The Offer Price represents compelling value to ERIKS' shareholders and represents a 72.5% premium over the closing price of 6 May 2009.

Certain funds statement SHV

With reference to article 7 paragraph 4 of the Dutch Decree on Public Takeover Bids, SHV will fulfil its obligations under the Offer from cash resources which are currently available within the SHV Group.

Pre-Offer and Offer conditions

SHV will make the Offer subject to the satisfaction or waiver of certain pre-offer conditions customary for a transaction of this kind, such as complying with the notification procedures pursuant to the Dutch Merger Code (*SER-besluit Fusiegedragregels 2000*), obtaining works council advice, no termination of the conditional agreement and the absence of a material adverse effect. When the Offer has been made, declaring the Offer unconditional will be subject to the satisfaction or waiver of certain offer conditions customary for transactions of this kind, such as EU merger control approval, the absence of a public announcement of a Competing Offer and the absence of a material adverse effect. Furthermore, the number of tendered shares, together with the shares held by or committed in favor of SHV, must represent at least 80% of the issued share capital of ERIKS which percentage can be waived by SHV, provided that SHV can not waive such acceptance condition without the prior approval of ERIKS if the shares tendered under the Offer, together with the shares held by or committed in favor of SHV or any of its affiliated undertakings, do not represent at least 66.67% of the issued share capital of ERIKS.

Competing Offer

ERIKS may terminate the conditional agreement with SHV in the event that a *bona fide* third-party offeror makes an offer which is, in the reasonable opinion of the Boards, a more beneficial offer than the Offer and which exceeds the Offer Price by 10% (a “**Competing Offer**”). In the event of a Competing Offer, SHV will be given the opportunity to revise its Offer. If this revised Offer by SHV is at least equal to the Competing Offer, ERIKS may not terminate the conditional agreement with SHV. The same is true for any subsequent Competing Offers. If such Competing Offer is declared unconditional ERIKS shall pay to SHV a fee which is equal to EUR 2,250,000, as compensation for opportunity costs and other costs incurred by SHV in connection with the Offer.

Process and indicative timetable

The Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten*), the Social-Economic Council (*Sociaal-Economische Raad*), all relevant competition authorities and relevant trade unions will be informed of the Offer. The relevant works councils of ERIKS and SHV will be consulted and, if appropriate, requested for advice.

SHV intends to make the Offer prior to 30 June 2009. ERIKS will hold an EGM in connection with the Offer in due course.

If the Offer is declared unconditional, it is intended that ERIKS' shares will be delisted from Euronext Amsterdam as soon as possible.

Future strategy and governance

As a result of the transaction the existing rights and benefits of ERIKS' employees will not be affected. The current members of ERIKS' Executive Board will continue as members of the Executive Board after settlement. ERIKS' Supervisory Board will, subject to and effective per settlement, comprise two members of ERIKS' current Supervisory Board and four new members nominated by SHV, provided that the two members of ERIKS' current Supervisory Board will have a veto right with respect to any post-settlement corporate restructuring steps of ERIKS (if any).

As long as ERIKS' shares are listed on Euronext Amsterdam, SHV and ERIKS will ensure that ERIKS shall continue to comply (which might include explain) with the Dutch corporate governance code.

SHV supports ERIKS' business strategy as set out in ERIKS' 2008 annual report. After settlement, SHV intends to grow the business in a manner that reflects ERIKS' business strategy.

Advisors

MeesPierson Corporate Finance & Capital Markets is acting as financial advisor and De Brauw Blackstone Westbroek N.V. is acting as legal advisor to ERIKS.

ING Corporate Finance is acting as financial advisor and Allen & Overy LLP is acting as legal advisor to SHV.

Further information

The information in this press release is not intended to be complete. Explicit reference is made to the offer memorandum for further information, which is expected to be published prior to 30 June 2009 and which will contain details of the Offer. ERIKS' shareholders are advised to review the offer memorandum in detail and to seek independent advice where appropriate in order to reach a reasoned judgment in respect of the content of the offer memorandum and the Offer itself.

Enquiries

ERIKS

For further information please contact Mr. J. van der Zouw, CEO, and/or Mr. J. de Boer, CFO.

SHV

Further announcements will follow as circumstances require. Reference is made to SHV's website: www.shv.nl.

ERIKS profile

ERIKS is an international industrial service provider offering a wide range of high-quality mechanical engineering components and associated technical and logistics services. ERIKS is the Dutch holding company of a group of technical distribution companies. ERIKS is listed on the Euronext Amsterdam

stock exchange. Sales of EUR 1,131.5 million were achieved in 2008 with an average workforce of 5,138 people. The net result in 2008 was EUR 52.5 million. Reference is made to ERIKS website: www.eriks.com.

SHV profile

SHV originated in 1896 in the Netherlands from a merger between a number of large coal trading companies, some of which had been active since the 18th century. SHV is a privately held family company which aims to maintain its strong position in a number of operational activities and selected investment activities. SHV is active in LPG trade and distribution (SHV Gas), cash and carry wholesale (Makro), heavy lifting and transport activities (Mammoet), provision of private equity (NPM Capital), investing in exploration, development and production of oil and gas (Dyas), and renewable energy (The Clean Energy Company). SHV is present in 45 countries on all continents and employs about 38,000 people. SHV's net earnings in 2008 amounted to € 1,382 million (2007: € 569 million). Earnings included extraordinary income of € 872 million as a result of the divestment of The David J. Joseph Company, active in the United States of America in metals recycling, and the Makro cash and carry wholesale activities in China, Pakistan and Indonesia. Reference is made to SHV's website: www.shv.nl.

11.3 Joint press release dated 16 June 2009

This is a joint press release of SHV Holdings N.V. and ERIKS N.V. This is a public announcement as referred to in Article 7, paragraph 1 under a of the Dutch Decree on Public Takeover Bids (Besluit openbare biedingen Wft). This announcement does not constitute or form part of a public offer by SHV Holdings N.V. for shares in ERIKS N.V. This announcement may not be released, published, distributed or otherwise sent, in whole or in part, in or into the United States of America, Canada, Japan or Australia and does not constitute an extension to the United States of America, Canada, Japan or Australia of the intended public offer by SHV Holdings N.V. mentioned in this press release.

Utrecht and Alkmaar, 16 June 2009

For immediate release

GOOD PROGRESS ON THE PREPARATIONS FOR THE PUBLIC OFFER FOR ERIKS

With reference to the press release of 20 May 2009 of SHV Holdings N.V. ("SHV") and ERIKS N.V. ("ERIKS") in which SHV and ERIKS jointly announced that they had reached conditional agreement regarding the recommended cash offer by SHV for all issued and outstanding ordinary shares with a nominal value of EUR 0.50 each in the capital of ERIKS at an offer price of EUR 48.00 per share (excluding dividend over the financial year 2008) (the "Offer"), SHV and ERIKS hereby announce that preparations for the Offer, including preparations with regard to the offer memorandum and obtaining approval from the Dutch Financial Markets Authority with respect thereto, are well under way. SHV and ERIKS have further initiated the merger control procedure with the European Commission on 9 June 2009 and the ERIKS EURO-Convenantsraad has positively advised on the contemplated transaction on 11 June 2009. The executive boards of both companies are working side by side to ensure the process will run as smoothly as possible.

SHV and ERIKS expect to formally make the Offer in the course of next week but in any event before 1 July 2009.

Enquiries

SHV Holdings N.V.

Further announcements will follow as circumstances require. Reference is made to SHV's website: www.shv.nl.

ERIKS N.V

For further information please contact Jan van der Zouw, CEO, and/or Jan de Boer, CFO.

ERIKS profile

ERIKS is an international industrial service provider offering a wide range of high-quality mechanical engineering components and associated technical and logistics services. ERIKS is the Dutch holding company of a group of technical distribution companies. ERIKS is listed on the Euronext Amsterdam stock exchange. Sales of EUR 1,131.5 million were achieved in 2008 with an average workforce of 5,138 people. The net result in 2008 was EUR 52.5 million. Reference is made to ERIKS website: www.eriks.com.

SHV profile

SHV originated in 1896 in the Netherlands from a merger between a number of large coal trading companies, some of which had been active since the 18th century. SHV is a privately held family company which aims to maintain its strong position in a number of operational activities and selected investment activities. SHV is active in LPG trade and distribution (SHV Gas), cash and carry wholesale (Makro), heavy lifting and transport activities (Mammoet), provision of private equity (NPM Capital), investing in exploration, development and production of oil and gas (Dyas), and renewable energy (The Clean Energy Company). SHV is present in 45 countries on all continents and employs about 38,000 people. Reference is made to SHV's website: www.shv.nl.

12. NEDERLANDSE SAMENVATTING VAN HET BOD

In dit Hoofdstuk 12 wordt een samenvatting gegeven van een aantal elementen uit het Biedingsbericht. Deze Nederlandse samenvatting maakt deel uit van het Biedingsbericht, maar vervangt deze niet. Deze Nederlandse samenvatting is niet volledig en bevat niet alle informatie die voor de Aandeelhouders van belang is om een afgewogen oordeel te kunnen vormen over het Bod. Het bestuderen van deze Nederlandse samenvatting mag derhalve niet worden beschouwd als een alternatief voor het bestuderen van het volledige Biedingsbericht. De Aandeelhouders worden geadviseerd het volledige Biedingsbericht (Deel I tezamen met Deel II), inclusief alle documenten die daarin door middel van verwijzing (*“incorporation by reference”*) zijn opgenomen, zorgvuldig te bestuderen en zo nodig onafhankelijk advies in te winnen teneinde zich een afgewogen oordeel te kunnen vormen over het Bod en de beschrijving daarvan in het Biedingsbericht. In geval van verschillen tussen deze Nederlandse samenvatting en de Engelse tekst van het Biedingsbericht prevaleert de Engelse tekst van het Biedingsbericht (inclusief alle documenten die daarin door middel van verwijzing (*“incorporation by reference”*) zijn opgenomen).

Het Position Statement inclusief alle daarbij behorende bijlagen opgenomen als Deel III maken geen deel uit van het Biedingsbericht en zijn niet onderhevig aan beoordeling door en goedkeuring van de AFM. Daarentegen, het Position Statement is onderworpen aan beoordeling van de AFM na publicatie daarvan.

12.1 Het Bod

Motivering van het Bod De Bieder brengt het Bod uit teneinde alle Aandelen te verwerven van de Aandeelhouders, onder de voorwaarden en conform de bepalingen en beperkingen zoals opgenomen in dit Biedingsbericht.

De Biedprijs van EUR 48,00 vertegenwoordigt een premie van:

- (a) tweeënzeventig komma vijf (72,5) procent ten opzichte van de slotkoers per Aandeel van EUR 29,08 op 6 mei 2009, de laatste Werkdag voorafgaand aan 7 mei 2009, de dag waarop SHV haar interesse voor het doen van een openbaar bod kenbaar maakte, minus het voorgestelde dividend over 2008 van EUR 1,25 per Aandeel (NB. uitgaande van een dividend in contanten);
- (b) vierenzeventig komma negen (74,9) procent ten opzichte van de gemiddelde slotkoers per Aandeel van EUR 28,69 gedurende de laatste honderd tachtig (180) Werkdagen voorafgaand aan 7 mei 2009, de dag waarop SHV haar interesse voor het doen van een openbaar bod kenbaar maakte, minus het voorgestelde dividend over 2008 van EUR 1,25 per Aandeel (NB. uitgaande van een dividend in contanten); en
- (c) vijftig komma vier (50,4) procent ten opzichte van de gemiddelde slotkoers per Aandeel van EUR 33,17 gedurende de laatste twaalf (12) maanden voorafgaand aan 7 mei 2009, de dag waarop SHV haar interesse voor het doen van een openbaar bod kenbaar maakte, minus het voorgestelde dividend over 2008 van EUR 1,25 per Aandeel (NB. uitgaande van een dividend in contanten).

Biedprijs	<p>Onder de voorwaarde dat het Bod gestand wordt gedaan, zal aan Aandeelhouders die hun Aandelen aanmelden onder het Bod een bedrag van EUR 48,00 in contanten (exclusief dividend over het Boekjaar 2008) (de “Biedprijs”) worden aangeboden, onder de voorwaarden en condities zoals uiteengezet in dit Biedingsbericht, zonder rente en onder voorwaarde van belastinginhouding voor ieder Aandeel dat rechtsgeldig is aangemeld onder het Bod (of op ongeldige wijze, indien de Bieder de aanmelding daarvan toch aanvaardt) en geleverd.</p> <p>De Biedprijs is exclusief dividend over het Boekjaar 2008, maar is inclusief enig (ander) dividend in contanten of aandelen dat is of zal worden vastgesteld door de Vennootschap voor of op de Dag van Overdracht. Dientengevolge zal, wanneer enig dividend of andere uitkering is vastgesteld (waarbij de <i>record date</i> die bepalend is voor gerechtigheid tot een dergelijke uitkering plaatsvindt voor betaling en overdracht voor of op de Dag van Overdracht), de Biedprijs worden verminderd met het volledige bedrag van een dergelijke uitkering op elk Aandeel.</p> <p>Het vastgestelde dividend over het Boekjaar 2008 bestaat uit een contante vergoeding van EUR 1,25 per Aandeel. Als alternatief wordt Aandeelhouders de optie geboden voor een aandelendividend, waarvan de waarde drie (3) tot vijf (5) procent hoger ligt dan het dividend in contanten. Voor de Uiterste Dag van Aanmelding worden geen vaststellingen van (tussentijdse) dividenden over het Boekjaar 2009 verwacht.</p>
Financiering van het Bod	Onder verwijzing naar Artikel 7 lid 4 van het Bob, is de Bieder in staat aan zijn verplichtingen onder het Bod te voldoen uit de kasmiddelen die op dit moment beschikbaar zijn binnen de Groepsmaatschappijen van SHV.
Voorwaarden van het Bod	<p>De verplichting van de Bieder om het Bod gestand te doen geldt slechts indien aan elk van de volgende Voorwaarden wordt voldaan, tenzij van bepaalde Voorwaarden afstand wordt gedaan:</p> <ul style="list-style-type: none"> (a) het aantal (i) aangeboden Aandelen, (ii) Aandelen die direct of indirect door de Bieder worden gehouden of waartoe de Bieder, enkel afhankelijk van de gestanddoening van het Bod, gerechtigd is, en (iii) Aandelen die door de Vennootschap voor eigen rekening worden gehouden, tezamen ten minste tachtig (80) procent van het geplaatste en uitstaande aandelenkapitaal van de Vennootschap vertegenwoordigt; (b) geen openbare aankondiging is gedaan over een Concurrerend Bod; (c) het Fusieprotocol niet is beëindigd; (d) geen opdracht, onderzoek, vonnis of beschikking is uitgesproken door enige rechtbank, arbitragecommissie, regering, overheidsinstantie of andere toezichthoudende of administratieve instantie en van kracht is, of enig statuut, regel, wetgeving, overheidsopdracht of maatregel van toepassing is verklaard op het Bod welke het afronden van het Bod zal beperken of verbieden op enige wezenlijke wijze;

- (e) de Stichting ERIKS Group haar calloptie op de preferente aandelen in het kapitaal van de Vennootschap krachtens de optie overeenkomst tussen de Stichting ERIKS Group en de Vennootschap, gedateerd op 8 april 2008, niet heeft uitgeoefend en een op schrift gestelde bevestiging van de Stichting ERIKS Group en de Vennootschap is verkregen dat de optie overeenkomst op de Dag van Overdracht zal zijn beëindigd;
- (f) geen gebeurtenis of omstandigheid dat een wezenlijk negatief effect heeft op de business, cash flow, financiële positie of activa van de ERIKS Groep als geheel genomen, zodanig dat van de Bieder redelijkerwijs niet kan worden verwacht het Bod gestand te doen, mits deze gebeurtenis of omstandigheid niet voortvloeit uit (**“Belangrijke Negatieve Verandering”**):
 - (i) een algemene economische teruggang in de bedrijfssector van de Vennootschap welke in het algemeen bedrijven in deze sector, zoals de Vennootschap, aantast;
 - (ii) enig geval dat bekend is bij de Bieder of haar adviseurs voorafgaand aan de datum van het Fusieprotocol, of wat redelijkerwijs te verklaren is uit het due diligence onderzoek van de Bieder met betrekking tot de ERIKS Groep, of informatie gedeponereerd door een lid van de ERIKS Groep dat is aangemerkt als publieke informatie of wat door de Vennootschap openbaar is gemaakt op grond van toepasselijk recht en regelgeving;
 - (iii) de bekendmaking, het doen en de tenuitvoerlegging van het Bod; of
 - (iv) een schending van het Fusieprotocol of toepasselijk recht door de Bieder;
- (g) geen mededeling van de AFM is ontvangen waarin wordt gesteld dat het Bod is gedaan in strijd met één of meer bepalingen van hoofdstuk 5.5 Wft of het Bob en dat op grond van deze regels de effecteninstellingen in de zin van Artikel 5:80 Wft niet zouden mogen meewerken aan de executie en de voltooiing van het Bod;
- (h) de handel in de Aandelen niet permanent geschorst is door Euronext Amsterdam;
- (i) geen Aandelen of kapitaaldeelname in het kapitaal van de Vennootschap (waaronder, om verwarring te voorkomen, preferente beschermingsaandelen of financieel preferente aandelen) of in aandelen converteerbare obligaties of kapitaaldeelnames, in het leven zijn geroepen of uitgegeven, tenzij als resultaat van het aandelendividend over het Boekjaar 2008 of krachtens het Bonus Investment Share Matching Plan of enige, met de Bieder overeen te komen, wijziging daarop;
- (j) de ERIKS BAVA de nieuwe leden van de Raad van Commissarissen heeft benoemd, die door de Bieder zijn voorgedragen, onder voorbehoud van het plaatsvinden van en met ingang van de Overdracht; en

(k) uiterlijk drie (3) Werkdagen voorafgaand aan de Uiterste Dag van Aanmelding zullen zich één van de navolgende gebeurtenissen hebben voorgedaan:

- (i) de Europese Commissie en, indien vereist, elke andere relevante mededingingsautoriteit in jurisdicties waar een materieel gedeelte van de werkzaamheden van de ERIKS Groep wordt uitgevoerd, heeft toestemming gegeven ten aanzien van de overname van de Vennootschap door de Bieder; of
- (ii) de afloop, het verval of de beëindiging van alle toepasselijke wachttermijnen en andere termijnen (inclusief verlengingen daarvan) naar iedere relevante wet- en regelgeving in elke jurisdictie beschreven in Voorwaarde (k)(i).

Voorwaarden (c), (d), (e), (h) en (k) zijn ten behoeve van de Bieder en de Vennootschap, en daarvan mag, voor zover toegestaan op grond van de wet, te allen tijde door middel van een schriftelijke verklaring door de Bieder en de Vennootschap gezamenlijk (geheel of gedeeltelijk) afstand worden gedaan.

Voorwaarden (b), (f), (i) en (j) zijn ten behoeve van de Bieder en uitsluitend de Bieder mag, voor zover toegestaan op grond van de wet, daarvan te allen tijde (geheel of gedeeltelijk) afstand doen door middel van een schriftelijke verklaring aan de Vennootschap.

Voorwaarde (a) is ten behoeve van de Bieder en uitsluitend de Bieder mag daarvan afstand doen. In het geval dat de aangeboden Aandelen, de Aandelen die direct of indirect door de Bieder (of SHV) worden gehouden of waartoe de Bieder, enkel afhankelijk van de gestanddoening van het Bod, gerechtigd is, en de Aandelen die door de Vennootschap voor eigen rekening worden gehouden, minder dan zesenzestig komma zevenenzestig (66,67) procent van alle geplaatste en uitstaande Aandelen in het kapitaal van de Vennootschap vertegenwoordigt, is voor het doen van afstand de uitdrukkelijke voorafgaande schriftelijke goedkeuring van de Raden vereist.

Van Voorwaarde (g) kan geen afstand worden gedaan.

Zowel de Bieder als de Vennootschap zullen hun uiterste best doen om zo snel als redelijkerwijs mogelijk de vervulling van de Voorwaarden te bewerkstelligen. Wanneer op enig moment de Bieder of de Vennootschap zich bewust wordt van een feit of een omstandigheid die ertoe zou kunnen leiden dat een Voorwaarde niet wordt vervuld, zal de Bieder respectievelijk de Vennootschap daarvan onmiddellijk schriftelijk op de hoogte worden gesteld.

Aanvaarding door
Aandeelhouders

Aandeelhouders die hun Aandelen houden via een Toegelaten Instelling worden verzocht hun aanmelding kenbaar te maken via hun bank of commissionair niet later dan op de Uiterste Dag van Aanmelding om 17:30 uur MET, tenzij de Aanmeldingstermijn is verlengd in overeenstemming met Hoofdstuk 4.8 (Extension of the Acceptance Period) en/of Hoofdstuk 4.9 (Post Acceptance Period). De relevante bank of commissionair kan een eerdere uiterste datum stellen voor de Aandeelhouders om de bank of commissionair in de gelegenheid te stellen de aanmelding van die Aandeelhouders op tijd aan het Omwissel- en Betaalkantoor te communiceren.

	De Toegelaten Instellingen mogen de Aandelen uitsluitend schriftelijk voor aanvaarding aanmelden bij het Omwissel- en Betaalkantoor.
Aanvaarding door Aandeelhouders die individueel zijn opgenomen in aandeelhoudersregister van ERIKS	<p>Aandeelhouders die individueel zijn geregistreerd in het aandeelhoudersregister van ERIKS en die het Bod willen aanvaarden ten aanzien van hun Aandelen, dienen een complete en getekende aanmeldingsbrief te overhandigen aan ANT Trust.</p> <p>Overeenkomstig de voorwaarden van het Bod, dient de aanmeldingsbrief te zijn ontvangen door ANT Trust niet later dan om 17:30 uur MET, op de Uiterste Dag van Aanmelding, tenzij de Aanmeldingstermijn door de Bieder is verlengd met inachtneming van Hoofdstuk 4.8 (Extension of the Acceptance Period) en/of Hoofdstuk 4.9 (Post Acceptance Period). ANT Trust zal de Aandeelhouders per brief berichten over de details van de aanmeldingsbrief. De aanmeldingsbrief zal dienen als akte van levering met betrekking tot de daarin genoemde Aandelen.</p>
Besluitvorming en aanbeveling Raad van Commissarissen en de Raad van Bestuur van ERIKS	<p>Zoals uiteengezet in Hoofdstuk 6 (Recommendation of the Boards) in Deel I van het Biedingsbericht, hebben de Raad van Commissarissen en de Raad van Bestuur, na uitgebreid juridisch en financieel advies te hebben ingewonnen en na een zorgvuldige afweging van de strategische, operationele, financiële en sociale aspecten en de gevolgen van de voorgenomen transactie, alsmede andere alternatieven voor ERIKS (waaronder een stand-alone scenario en eventuele transacties met derde partijen), geconcludeerd dat het Bod in het belang is van ERIKS, de Aandeelhouders en alle andere betrokkenen van de Vennootschap.</p> <p>Gedurende het hele proces, hebben de Raad van Commissarissen en de Raad van Bestuur regelmatig overleg gevoerd over de voortgang van het proces en de bepalende beslissingen daartoe. De voorwaarden en condities van het Bod, zoals neergelegd in het Fusieprotocol, zijn uitsluitend tussen ERIKS en SHV tot stand gekomen met de voorafgaande goedkeuring van de Raad van Commissarissen.</p> <p>De Raad van Commissarissen en de Raad van Bestuur zijn van oordeel dat de Biedprijs en de andere voorwaarden van het Bod redelijk en evenwichtig zijn jegens de Aandeelhouders. In dat kader wordt verwezen naar Hoofdstuk 2.1 (The Boards' financial assessment of the Offer) in Deel III, en de fairness opinion die door MeesPierson is afgegeven, zoals opgenomen in het Position Statement in Hoofdstuk 6 (Fairness Opinion) in Deel III. Onder verwijzing naar het bovenstaande, ondersteunen de Raden het Bod volledig en bevelen zij unaniem hun Aandeelhouders aan om het Bod te aanvaarden.</p>
Toegezegde Aandelen	Elk van de Gecommitteerde Aandeelhouders is een Onherroepelijke Toezeggingaangegaan op grond waarvan deze Gecommitteerde Aandeelhouders onherroepelijk hebben toegezegd, onder de voorwaarden en condities van de Onherroepelijke Toezegging, om (i) het Bod te aanvaarden met betrekking tot hun totale aantal van vijf miljoen vijf honderd vijfenzeventig duizend en achtentwintig (5,575,028) Aandelen en enige andere aandelen in het kapitaal van de Vennootschap waarover zij beschikkingsbevoegdheid verwerven voorafgaand aan de Uiterste Dag van Aanmelding, en (ii) die Aandelen aan te bieden aan de Bieder in de Aanmeldingstermijn en dientengevolge onherroepelijk instemmen mee te werken met de aanvaarding. De

aanvaarding van het Bod door de Gecommitteerde Aandeelhouders, zoals opgenomen in elk van de Onherroepelijke Toezegging, zal geschieden onder dezelfde condities en beperkingen als vermeld in dit Biedingsbericht. De Gecommitteerde Aandeelhouders hebben geen relevante informatie met betrekking tot het Bod verkregen dat niet is opgenomen in dit Biedingsbericht.

De Onherroepelijke Toezegging bevat gebruikelijke toezeggingen en condities, waaronder de voorwaarde dat de Gecommitteerde Aandeelhouders hun Aandelen slechts aan een derde partij te goeder trouw mogen aanbieden, indien die derde partij te goeder trouw een prijs biedt die ten minste vijftien (15) procent boven de Biedprijs ligt. In het geval van een dergelijk concurrerend bod zal de Bieder het recht hebben om haar Bod te herzien om zo het concurrerende bod te evenaren. Zie Hoofdstuk 5.10 (Certain arrangements between the Offeror and the Company).

Gevolgen van het Bod met betrekking tot liquiditeit en beëindiging beursnotering

De aankoop van de Aandelen door de Bieder onder het Bod zal, onder andere, het aantal Aandeelhouders en het aantal Aandelen dat anders openbaar verhandeld zou kunnen worden, verminderen en zou een negatieve invloed kunnen hebben op de liquiditeit en de marktwaarde van de overige Aandelen die niet zijn aangemeld en niet worden gehouden door de Bieder en haar Groepsmaatschappijen.

Indien het Bod gestand wordt gedaan, is het voornemen om zo spoedig als juridisch mogelijk de notering van de Aandelen aan Euronext Amsterdam te beëindigen. Dit zou verdere negatieve invloed kunnen hebben op de liquiditeit van de Aandelen die niet zijn aangemeld. Verder zou de Bieder één of meerdere van de procedures zoals beschreven in Hoofdstuk 5.8.2 (Post Offer restructuring of ERIKS) kunnen starten, daaronder mede begrepen procedures welke zouden kunnen leiden tot de beëindiging van de beursnotering van de Aandelen (inclusief de niet aangeboden Aandelen). In het geval van een openbaar bod staat Euronext Amsterdam geen beëindiging van de beursnotering toe, indien niet tenminste vijftennegentig (95) procent van de genoteerde aandelen wordt gehouden door één entiteit of door een groep die wordt gecontroleerd door één entiteit.

Juridische structuur van ERIKS na het Bod

Aandeelhouders die hun Aandelen niet aanmelden onder het Bod zullen Hoofdstuk 5.8.2 (Post Offer restructuring of ERIKS) aandachtig moeten lezen. Hierin worden bepaalde risico's beschreven die verbonden zijn aan het niet aanvaarden van het Bod na gestanddoening van het Bod. Deze risico's zijn in aanvulling op de risico's gerelateerd aan de onderneming van ERIKS en haar Groepsmaatschappijen en de aan haar gelieerde vennootschappen, aangezien zulke ondernemingen en de structuur van ERIKS van tijd tot tijd kunnen veranderen na de Dag van Overdracht.

Aankondigingen

Aankondigingen voorzien in dit Biedingsbericht, zullen via een persbericht en een advertentie worden uitgebracht en worden gepubliceerd in de Officiële Prijscourant en één landelijk gepubliceerd dagblad (Het Financieele Dagblad of De Telegraaf). Onverminderd Nederlandse wet- en regelgeving met betrekking tot openbare biedingen en zonder de wijze waarop de Bieder een publieke aankondiging kan doen te beperken, heeft de Bieder geen verplichting enige publieke aankondiging te doen anders dan beschreven in Hoofdstuk 4.14 (Announcements).

12.2 Beoogd tijdschema van het Bod

Verwachte datum en tijd (Alle tijden zijn in MET)	Gebeurtenis
24 juni 2009	Publicatie van het persbericht waarin de verkrijgbaarstelling van dit Biedingsbericht en aanvang van het Bod wordt aangekondigd.
25 juni 2009	Publicatie van de verkrijgbaarstellingsadvertentie waarin de verkrijgbaarstelling van dit Biedingsbericht en aanvang van het Bod wordt aangekondigd.
9:00 uur, 25 juni 2009	Aanvang van de Aanmeldingstermijn onder het Bod, in overeenstemming met artikel 14 van het Bob.
10:00 uur, 10 juli 2009	ERIKS BAVA waarin onder meer het Bod zal worden besproken in overeenstemming met artikel 18 lid 1 en 2 van het Bob en een stemming zal worden gevraagd met betrekking tot de besluiten waarnaar wordt verwezen in Hoofdstuk 7 (Agenda ERIKS EGM) van het Position Statement.
17:30 uur, 5 augustus 2009, behoudens verlenging	Uiterste Dag van Aanmelding: laatste dag van de Aanmeldingstermijn van het Bod.
Uiterlijk drie (3) Werkdagen na de Uiterste Dag van Aanmelding	Op deze dag zal de Bieder in overeenstemming met artikel 15 en 16 van het Bob aankondigen dat: <ul style="list-style-type: none">• het Bod gestand wordt gedaan, Dag van Gestanddoening;• het Bod niet gestand wordt gedaan en is komen te vervallen; of• het Bod zal worden verlengd voor een periode van tussen de twee (2) en tien (10) weken.
Uiterlijk vijf (5) Werkdagen na de Dag van Gestanddoening	Dag van Overdracht: de dag waarop, overeenkomstig de voorwaarden van het Bod, de Bieder de Biedprijs aan de Aandeelhouders die op geldige wijze hun Aandelen hebben aangemeld (of op ongeldige wijze, mits de Bieder de aanmelding en levering daarvan desalniettemin aanvaardt) en geleverd, zal betalen, onder de voorwaarde dat het Bod gestand wordt gedaan.
Uiterlijk vier (4) Werkdagen na de Dag van Gestanddoening	Aanvang van de Na-aanmeldingstermijn: de Bieder kan, indien de Bieder dit wenst, een Na-aanmeldingstermijn voor het Bod openstellen voor een periode van maximaal twee (2) weken. Tijdens de Na-aanmeldingstermijn hebben Aandeelhouders die hun Aandelen niet hebben aangemeld onder het Bod, de mogelijkheid dit alsnog te doen onder de voorwaarden van het Bod en conform de bepalingen en beperkingen zoals die zijn uiteengezet in het Biedingsbericht en in overeenstemming met artikel 17 van het Bob.

12.3 Restricties

Het Bod wordt gedaan met inachtneming van de verklaringen, op de voorwaarden en binnen de restricties die zijn beschreven in dit Biedingsbericht. De Bieder behoudt zich het recht voor om iedere aanmelding van of namens een Aandeelhouder onder het Bod te aanvaarden, ook indien de aanmelding niet is geschied op de wijze die is beschreven in dit Biedingsbericht. Het Bod wordt niet, direct of indirect, gedaan in, en mag niet worden aanvaard door, of namens Aandeelhouders vanuit een jurisdictie waarin het doen van het Bod of het aanvaarden daarvan niet in overeenstemming is met de in die jurisdictie geldende wet- en regelgeving, of waarvoor enige registratie bij, goedkeuring van of kennisgeving aan een toezichthoudende instantie door de Bieder is vereist en waarin niet expliciet door dit Biedingsbericht is voorzien. Aanmeldingen onder het Bod door of namens Aandeelhouders buiten Nederland zullen worden aanvaard door de Bieder, indien de aanmelding is geschied op (i) de wijze die is beschreven in dit Biedingsbericht, en (ii) in overeenstemming met de wet- en regelgeving in de jurisdictie waaruit de aanmelding wordt gedaan. Personen die het Bod willen aanvaarden, dienen alle restricties te respecteren in die jurisdictie die van toepassing zijn onder de toepasselijke wet- en regelgeving en iedere vereiste autorisatie, goedkeuring of instemming te verkrijgen. Noch de Bieder, noch SHV, noch ERIKS, noch ieder van hun respectievelijke gelieerde entiteiten, bestuurders en commissarissen, werknemers en adviseurs aanvaarden enige aansprakelijkheid terzake van overtredingen van voornoemde restricties. Elke persoon (waaronder begrepen, zonder beperkingen, bewaarders, gevolmachtigden en beheerders) die dit Biedingsbericht of enig hieraan gerelateerd document naar een jurisdictie buiten Nederland wenst te zenden, of van plan zou zijn dit te doen, dient zorgvuldig Hoofdstuk 1 (Restrictions and important information) van het Biedingsbericht te lezen voordat hij hiertoe overgaat. De uitgifte, publicatie of distributie van dit Biedingsbericht in of naar een jurisdictie buiten Nederland kan wettelijk zijn beperkt. Personen buiten Nederland die dit Biedingsbericht ontvangen dienen kennis te nemen van deze restricties en deze na te leven. Indien deze restricties niet worden nageleefd, kan dit een strafbaar feit opleveren naar het recht van de desbetreffende jurisdictie.

12.4 Belangrijke informatie

De informatie in de Hoofdstukken 1 – 4, 5 (met uitzondering van de Hoofdstukken 5.3, 5.5 en 5.8.5), 8 – 10, 12 en 13 in Deel I is uitsluitend verschaft door de Bieder. De informatie in de Hoofdstukken 5.5, 6 en 7 in Deel I en de informatie in Deel II (met uitzondering van de informatie in de Hoofdstukken 2, 4 en 6 daarvan) is uitsluitend verschaft door de Vennootschap. De informatie op het voorblad, in de inleiding en in de Hoofdstukken 5.3, 5.8.5 en 11 in Deel I is door de Bieder en de Vennootschap gezamenlijk verschaft.

De informatie in de Hoofdstukken 2 (Auditor's report relating to the ERIKS consolidated financial Information for the Financial Years 2008, 2007 and 2006), 4 (Auditor's report relating to the ERIKS consolidated financial Information for the Financial Year 2008) en 6 (Review report relating to the ERIKS condensed consolidated interim financial information relating to the three month period ended 31 March 2009) in Deel II is verstrekt door PWC aan de Vennootschap en is zodanig door de Vennootschap in dit Biedingsbericht opgenomen en is identiek aan de originele accountantsverklaringen, die door PWC zijn afgegeven op dezelfde datum.

De Bieder en de Vennootschap zijn verantwoordelijk voor de informatie die in dit Biedingsbericht is opgenomen, ieder afzonderlijk voor de informatie die door henzelf is verstrekt en gezamenlijk voor de informatie die door hen gezamenlijk is verstrekt, behalve met betrekking tot informatie die door geen van beide is verstrekt (waaronder de accountantsverklaringen in de Hoofdstukken 2 (Auditor's report relating to the ERIKS consolidated financial Information for the Financial Years 2008, 2007 and 2006), 4 (Auditor's report relating to the ERIKS consolidated financial Information for the Financial Year 2008) en 6 (Review report relating to the ERIKS condensed consolidated interim financial information relating to the three month period ended 31 March 2009) in Deel II).

De Bieder en de Vennootschap verklaren beide, ieder voor de informatie die door henzelf in dit Biedingsbericht is verstrekt en gezamenlijk voor de informatie die door hen gezamenlijk is verstrekt, dat de informatie in dit Biedingsbericht op de publicatiedatum van dit Biedingsbericht voor zover hen bekend, na het treffen van alle redelijke maatregelen om zulks te garanderen, in overeenstemming is met de werkelijkheid, en dat er geen gegevens zijn weggelaten waarvan de vermelding de strekking van dit Biedingsbericht zou wijzigen. Bepaalde financiële en statistische informatie in dit Biedingsbericht kan naar boven of beneden afgerond zijn en dient derhalve niet als exact te worden beschouwd.

12.5 Nederlandse Definities

Gedefinieerde termen in deze Nederlandse samenvatting zullen de volgende betekenis hebben:

Aande(e)l(en)	alle geplaatste en uitstaande Aande(e)l(en) in het aandelenkapitaal van ERIKS, elk met een nominale waarde van EUR 0,50 (vijftig eurocenten) inclusief (een) aande(e)l(en) uitgegeven door de Vennootschap voor de Dag van Overdracht als gevolg van de uitvoering van het aandelendividend over het Boekjaar 2008 en het Bonus Investment Share Matching Plan
Aandeelhouder(s)	houder(s) van één of meer Aande(e)l(en)
Aanmeldingstermijn	de periode, gedurende welke de Aandeelhouders hun Aandelen bij de Bieder kunnen aanmelden, beginnend op 25 juni 2009 en eindigend op de Uiterste Dag van Aanmelding
AFM	de Stichting Autoriteit Financiële Markten
Appendix	een appendix bij dit Biedingsbericht
ANT Trust	ANT Trust & Corporate Services N.V., met adres aan de Claude Debussylaan 24, 1082 MD, Amsterdam, Nederland
Bericht van de Vennootschap	het standpunt van de Vennootschap inclusief alle appendices daarbij opgenomen in Deel III (Position Statement), maar dat geen deel uitmaakt van dit Biedingsbericht
Biedingsbericht	dit biedingsbericht (zijnde de Engelse tekst en de Nederlandse samenvatting) met betrekking tot het Bod (Deel I tezamen met Deel II)
Bieder	SHV Alkmaar B.V., een besloten vennootschap met beperkte aansprakelijkheid, opgericht naar Nederlands recht, met statutaire zetel te Utrecht, Nederland, gevestigd te Rijnkade 1, 3511 LC, Utrecht, Nederland
Biedprijs	een vergoeding in contanten van EUR 48,00 per Aandeel (exclusief dividend over het Boekjaar 2008)
Bob	Besluit openbare biedingen Wft
Bod	het bod zoals in dit Biedingsbericht beschreven
Boekjaar 2006	boekjaar van ERIKS dat eindigde op 31 december 2006
Boekjaar 2007	boekjaar van ERIKS dat eindigde op 31 december 2007

Boekjaar 2008	boekjaar van ERIKS dat eindigde op 31 december 2008
Bonus Investment Share Matching Plan	het bonus investment share matching plan waaraan de leden van de Raad van Bestuur en bepaalde belangrijke personeelsleden deelnemen
Concurrerend Bod	heeft de betekenis zoals opgenomen in Hoofdstuk 5.10 (Certain arrangements between the Offeror and the Company)
Dag van Gestanddoening	de datum waarop de Bieder aankondigt dat het Bod gestand wordt gedaan in overeenstemming met artikel 16 lid 1 van het Bob. Gestanddoening vindt niet later dan de derde Werkdag na de Uiterste Dag van Aanmelding plaats
Dag van Overdracht	de datum waarop de Bieder, in overeenstemming met de voorschriften, de voorwaarden en beperkingen van het Bod, de Biedprijs zal betalen aan de Aandeelhouders die op geldige wijze hun Aandelen hebben aangemeld (of op ongeldige wijze, mits de Bieder de aanmelding daarvan desalniettemin heeft aanvaard) en hebben geleverd onder het Bod; dit vindt niet later dan op de vijfde Werkdag na de Dag van Gestanddoening plaats
ERIKS BAVA	de buitengewone vergadering van Aandeelhouders van de Vennootschap die wordt gehouden op 10 juli 2009, tijdens welke vergadering, in overeenstemming met de bepalingen van artikel 18 lid 1 en lid 2 van het Bob, onder andere het Bod zal worden besproken, en een stemming zal worden gevraagd met betrekking tot de besluiten waarnaar wordt verwezen in Hoofdstuk 7 (Agenda ERIKS EGM) van het Position Statement
ERIKS of de Vennootschap	ERIKS N.V., een naamloze vennootschap met beperkte aansprakelijkheid, opgericht naar Nederlands recht met statutaire zetel in Alkmaar, Nederland, gevestigd aan de Arcadialaan 14, Victory Building 32-C, 1813 KN, Alkmaar, Nederland
ERIKS Groep	ERIKS en haar groepsmaatschappijen zoals beschreven in artikel 2:24b van het Burgerlijk Wetboek
EUR	euro, het wettig betaalmiddel in de lidstaten van de Europese Economische en Monetaire Unie
Euronext Amsterdam	de beurs van Euronext Amsterdam door NYSE Euronext, de geregementeerde markt van Euronext N.V.
Fusieregels	alle toepasselijke wet- en regelgeving, inclusief maar niet beperkt tot de toepasselijke artikelen van en alle nadere regelgeving en beleidsregels afgekondigd onder de Wft, het Bob, het SER-Besluit Fusiegedragsregels 2000, de Wet op de ondernemingsraden, de regelgeving en beleidsregels van Euronext Amsterdam en het Burgerlijk Wetboek
Fusieprotocol	het fusieprotocol met betrekking tot het Bod tussen ERIKS en SHV gedateerd 19 mei 2009

Gecommitteerde Aandeelhouders	die grote Aandeelhouders van de Vennootschap, Delta Lloyd Levensverzekering N.V., Delta Deelnemingen Fonds N.V., Darlin N.V., Navitas B.V., Parcom Capital B.V., Kempen Capital Management (namens Orange Fund en Orange Oranje Participaties) en TG Holding AG (en bepaalde daaraan gerelateerde ondernemingen) die ieder een Onherroepelijke Toezegging zijn aangegaan om hun Aandelen aan te melden onder het Bod
Groepsmaatschappijen	heeft de betekenis van groepsmaatschappij(en) als daaraan toegekend in artikel 2:24b van het Burgerlijk Wetboek
Hoofdstuk(ken)	de hoofdstukken van dit Biedingsbericht, en elk een Hoofdstuk
ING Bank	ING Bank N.V., een naamloze vennootschap opgericht naar Nederlands recht met statutaire zetel in Amsterdam, Nederland
MeesPierson	de afdeling Corporate Finance & Capital Markets van Fortis Bank (Nederland) N.V., actief onder de handelsnaam MeesPierson en gevestigd aan het Rokin 55, 1012 KK, Amsterdam, Nederland
MET	Midden-Europese tijd
Na-aanmeldingstermijn	de Bieder kan, indien de Bieder dit wenst, een Na-aanmeldingstermijn voor het Bod openstellen voor een periode van maximaal twee (2) weken. Tijdens de Na-aanmeldingstermijn hebben Aandeelhouders die hun Aandelen niet hebben aangemeld onder het Bod, de mogelijkheid dit als nog te doen onder de voorwaarden van het Bod en conform de bepalingen en beperkingen zoals die uiteen zijn gezet in het Biedingsbericht en in overeenstemming met artikel 17 van het Bob
Officiële Prijscourant	de Officiële Prijscourant van Euronext Amsterdam
Omwissel- en Betaalkantoor	ING Wholesale Banking Securities Services Section Paying Agency Services, Van Heenvlietlaan 220, 1083 CN Amsterdam, Nederland, faxnummer +31 (0) 20 797 9607
Onherroepelijke Toezegging	een overeenkomst tussen SHV en elk van de Gecommitteerde Aandeelhouders waarin de voorwaarden en condities overeen zijn gekomen op basis waarvan de Gecommitteerde Aandeelhouders elk hun Aandelen zullen aanmelden onder het Bod
Overdracht	de betaling van de Biedprijs per Aandeel door de Bieder aan de Aandeelhouders die op geldige wijze hun Aandelen hebben aangemeld (of op ongeldige wijze, mits de Bieder de aanmelding daarvan desalniettemin heeft aanvaard) en hebben geleverd onder het Bod
PWC	PricewaterhouseCoopers Accountants N.V., PricewaterhouseCoopers Accountants N.V. is gevestigd met postbus 90357, 1006 BJ Amsterdam, Nederland en de partner verantwoordelijk voor de audit is lid van het Koninklijk Nederlands Instituut van Registeraccountants
Raad van Bestuur	de raad van bestuur van ERIKS

Raad van Commissarissen	de raad van commissarissen van ERIKS
Raden	de Raad van Bestuur en Raad van Commissarissen gezamenlijk
SHV	SHV Holdings N.V., een naamloze vennootschap met beperkte aansprakelijkheid, opgericht naar het recht van de Nederlands Antillen met statutaire zetel in St Maarten, Nederlandse Antillen, gevestigd aan de Rijnkade 1, 3511 LC, Utrecht, Nederland
Stichting ERIKS Group	Stichting ERIKS Group, de stichting die het belang van ERIKS en haar belanghebbenden vertegenwoordigt en bewaakt door preferente beschermingsaandelen in de Vennootschap te verwerven
Toegelaten Instelling(en)	een tot Euronext Amsterdam toegelaten instelling
Uiterste Dag van Aanmelding	het tijdstip en datum waarop de Aanmeldingstermijn eindigt, te weten op 5 augustus 2009 om 17:30 uur MET, behoudens verlenging in overeenstemming met artikel 15 van het Bob
Vennootschap of ERIKS	ERIKS N.V., een naamloze vennootschap met beperkte aansprakelijkheid), opgericht naar Nederlands recht met statutaire zetel in Alkmaar, Nederland, gevestigd aan de Arcadialaan 14, Victory Building 32-C, 1813 KN, Alkmaar, Nederland
Voorwaarden	de opschortende voorwaarden met betrekking tot het Bod zoals uiteengezet in Hoofdstuk 5.2 (Offer Conditions)
Werkdag(en)	een dag anders dan een zaterdag of zondag waarop in het algemeen banken in Nederland, ingevolge de Algemene Bank-CAO, en Euronext Amsterdam open zijn
Wft	Wet op het financieel toezicht

13. ADVISERS AND EXCHANGE AGENT

Advisers to:

THE OFFEROR AND SHV

Financial Adviser

ING Corporate Finance
Foppingadreef 7
1102 BD Amsterdam Z.O.
The Netherlands

Legal Adviser

Allen & Overy LLP
Apollolaan 15
1077 AB Amsterdam
The Netherlands

THE COMPANY

Financial Adviser

MeesPierson

Rokin 55
1012 KK Amsterdam
The Netherlands

Legal Adviser

**De Brauw Blackstone
Westbroek N.V.**
Burgerweeshuispad 301
1076 HR Amsterdam
The Netherlands

Accountant

**PricewaterhouseCoopers
Accountants N.V.**
Thomas R. Malthusstraat 5
1066 JR Amsterdam
The Netherlands

Exchange Agent:

ING Bank N.V.

ING Wholesale Banking Securities Services
Section Paying Agency Services
Van Heenvlietlaan 220
1083 CN Amsterdam
The Netherlands
iss.pas@ing.nl
+31 (0)20 7979 398

PART II – FINANCIAL STATEMENTS

Part II (Financial Statements) of this Offer Memorandum contains, amongst others, information extracted from the annual consolidated financial statements (*jaarrekeningen*) of ERIKS for the Financial Year 2008, the Financial Year 2007 and the Financial Year 2006. Furthermore, the Financial statements are provided for the Financial Year 2008. Additionally, unaudited condensed consolidated financial information is provided for the three month period ended 31 March 2009.

The following financial information is made available:

- Comparative overview of the Financial Years 2008, 2007 and 2006, including consolidated balance sheet, consolidated income statement, consolidated cash flow statement.
- Auditor's report relating to the ERIKS consolidated financial information for the Financial Years 2008, 2007 and 2006.
- Financial statements for the Financial Year 2008, including accounting policies and explanatory notes.
- Auditor's report relating to the ERIKS consolidated financial information for the Financial Year 2008.
- ERIKS condensed consolidated interim financial information relating to the three month period ended 31 March 2009, including balance sheet, profit and loss account, the statement of changes in equity and cash flow statement.
- Review report relating to the ERIKS condensed consolidated interim financial information relating to the three month period ended 31 March 2009.

1. COMPARATIVE OVERVIEW OF THE FINANCIAL YEARS 2008, 2007 AND 2006

1.1 Consolidated balance sheet

In EUR thousands	31-Dec-2008	31-Dec-2007	31-Dec-2006
ASSETS			
Fixed assets			
Intangible fixed assets	278,289	191,117	202,913
Property, plant and equipment	76,633	67,000	68,469
Participating interests	-	13	37
Deferred tax assets	22,027	8,795	14,222
Derivative financial instruments	19,098	6,923	316
Total fixed assets	396,047	273,848	285,957
Current assets			
Inventories	175,687	116,950	105,857
Accounts receivable trade	211,118	161,996	152,023
Assets held for sale	3,668	-	-
Other receivables	9,849	8,094	7,651
Liquid resources	60,025	73,887	44,754
Total current assets	460,347	360,927	310,285
Total ASSETS	856,394	634,775	596,242
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	5,394	5,291	4,015
Share premium	121,902	121,906	476
Other reserves	(40,997)	(9,139)	654
Retained earnings	217,547	179,770	143,067
Share capital and reserves at the disposal of shareholders	303,846	297,828	148,212
Minority interest	1,011	1,017	698
Total shareholders' equity	304,857	298,845	148,910
Long-term liabilities			
Loans	245,270	109,748	22,877
Employee benefits	7,963	9,067	16,783
Other provisions	4,996	4,122	4,688
Deferred tax liabilities	32,308	19,704	21,684
Total long-term liabilities	290,537	142,641	66,032
Short-term liabilities			
Bank overdrafts	42,058	43,060	27,744
Repayment obligations on loans	16,706	10,453	221,661
Suppliers	115,730	90,953	87,175
Profit taxes	1,159	1,184	3,056
Other short-term liabilities	85,347	47,639	41,664
Total short-term liabilities	261,000	193,289	381,300
Total liabilities	551,537	335,930	447,332
Total SHAREHOLDERS' EQUITY AND LIABILITIES	856,394	634,775	596,242

1.2 Consolidated profit and loss account

In EUR thousands	2008	2007	2006
Net sales	1,131,496	949,139	543,313
Cost of sales	843,010	704,471	402,340
Gross profit on sales	288,486	244,668	140,973
Sales expenses	171,565	146,628	84,468
General administrative expenses	31,355	26,958	13,243
Total expenses	202,920	173,586	97,711
	85,566	71,082	43,262
Other operating income and expenses	(821)	-	526
Operating profit	84,745	71,082	43,788
Financial income and expenses	(12,175)	(8,032)	(3,808)
Movement in fair value of derivative financial instruments	(731)	(1,992)	844
Financial income and expenses	(12,906)	(10,024)	(2,964)
Result from participating interests	(4)	25	(15)
Result before taxes	71,835	61,083	40,809
Taxes	19,078	16,897	12,898
Result after taxes	52,757	44,186	27,911
At the disposal of shareholders	52,538	43,701	27,763
Minority interest	219	485	148
Result after taxes	52,757	44,186	27,911
Average number of shares issued	10,702,082	10,330,246	7,991,945
Earnings per share (in euros) at the disposal of shareholders (ordinary and diluted)	4.91	4.23	3.47

1.3 Consolidated cash flow statement

In EUR thousands	2008	2007	2006
Operating activities			
Result after taxes	52,757	44,186	27,911
Adjustments for:			
Depreciation, incl. amortisation of software	11,041	9,867	6,458
Amortisation of other intangible assets	6,545	5,244	757
Cash flow from ordinary activities	70,343	59,297	35,126
Exceptional results	171	(467)	(526)
Financial income and expenses	12,175	8,032	3,808
Profit taxes	19,078	16,897	12,898
Movement in working capital	(15,189)	(16,615)	(11,089)
Movement other accounts receivable and short-term liabilities, excluding repayment obligations on loans	8,560	5,585	430
Movement in deferred tax assets and liabilities	(31)	3,110	-
Movement in provisions	(4,561)	(8,509)	(2,635)
Movement in fair value of derivative financial instruments	731	1,992	(844)
Other movements	101	(46)	15
Cash flow generated from operating activities	91,378	69,276	37,183
Interest paid	(11,360)	(8,562)	(2,946)
Profit taxes paid	(19,103)	(18,769)	(11,712)
	(30,463)	(27,331)	(14,658)
Net cash flow from operating activities	60,915	41,945	22,525
Investing activities			
Investments in property, plant and equipment and software	(18,565)	(12,465)	(5,681)
Investments in other intangible fixed assets	(346)	-	-
Disposals of property, plant and equipment and software	592	897	5,231
Acquisition of group companies	(182,895)	(4,899)	(209,106)
Disposal of group companies	13,010	711	-
Cash flow from investing activities	(188,204)	(15,756)	(209,556)
Financing activities			
Withdrawals on loans	148,439	101,333	218,749
Repayments on loans	(6,534)	(225,670)	(11,669)
Repayments on bank overdrafts – cash loans	(2,500)	(3,000)	(500)
Proceeds from share issue	-	122,646	-
Movement in exchange rate part of financial instruments ¹	(23,530)	(7,862)	-
Cash dividend and costs paid	(14,658)	(6,938)	(7,495)
Dividend payment minority interest	(352)	(120)	(286)
Cash flow from financing activities	100,865	(19,611)	198,799
Net cash flow	(26,424)	6,578	11,768
Liquid resources and bank overdrafts at 1 January	33,327	22,510	11,352
Exchange differences	11,064	4,239	(610)
Liquid resources and bank overdrafts at 31 December	17,967	33,327	22,510
Presentation in balance sheet			
Liquid resources	60,025	73,887	44,754
Banks – current account overdraft	(42,058)	(40,560)	(22,244)
	17,967	33,327	22,510

1 ERIKS considers this adjustment of net income to be part of the (economical) net debt as it relates to the movement in the value of the cross currency swap. For further information, reference is made to note 25 of ERIKS' Financial Statements for the Financial Year 2008, as included in section 3.6 of Part II – Financial Statements.

2. AUDITOR'S REPORT RELATING TO THE ERIKS CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

To the Executive Board of ERIKS nv (former ERIKS group nv)

Introduction

We have audited whether the accompanying summary consolidated financial information of ERIKS nv (former ERIKS group nv) for the years 2006, 2007 and 2008 as included in the Offer Memorandum under part II, as initialled by us for identification purposes, has been correctly derived from the audited financial statements for the years 2007 and 2008 of ERIKS nv (former ERIKS group nv). The information with respect to the financial year 2006 has been derived from the comparative information in the financial statements 2007. In our auditor's reports dated 28 February 2008 and 26 February 2009 we expressed an unqualified opinion on the financial statements 2007 and 2008 respectively. Those financial statements, and the summary consolidated financial information, do not reflect the effects of events that occurred subsequent to the date of the auditor's reports on those financial statements.

Management is responsible for the preparation of the summary consolidated financial information of ERIKS nv (former ERIKS group nv) for the years 2006, 2007 and 2008 as included in the Offer Memorandum under part II. Our responsibility is to express an opinion on the summary consolidated financial information of ERIKS nv (former ERIKS group nv) for the years 2006, 2007 and 2008 based on our audit.

Scope

We conducted our audit in accordance with Dutch law. This law requires that we plan and perform the audit to obtain reasonable assurance whether the summary consolidated financial information of ERIKS nv (former ERIKS group nv) for the years 2006, 2007 and 2008 as included in the Offer Memorandum under part II has been correctly derived from the financial statements for the years 2007 and 2008.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the summary consolidated financial information of ERIKS nv (former ERIKS group nv) for the years 2006, 2007 and 2008 as included in the Offer Memorandum under part II has been correctly derived, in all material respects, from the financial statements for the years 2007 and 2008.

Emphasis of matter

For a better understanding of the company's financial position and results and the scope of our audit, we emphasize that the aforementioned summary consolidated financial information should be read in conjunction with the financial statements 2007 and 2008, from which it has been derived and our unqualified auditor's reports thereon dated 28 February 2008 and 26 February 2009. Our opinion is not qualified in respect of this matter.

Other matter – restriction of use

The summary consolidated financial information of ERIKS nv (former ERIKS group nv) for the years 2006, 2007 and 2008 of ERIKS nv (former ERIKS group nv) and our auditor's report thereon are intended solely for the Executive Board of ERIKS nv (former ERIKS group nv) for inclusion in the Offer memorandum, part II and are not suitable for any other purpose.

Amsterdam, 10 June 2009

PricewaterhouseCoopers Accountants N.V.

P. Jongerius RA

3. FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2008

3.1 Consolidated profit and loss account

In EUR thousands	Ref.	2008	2007
Net sales	1	1,131,496	949,139
Cost of sales		843,010	704,471
Gross profit on sales		288,486	244,668
Sales expenses		171,565	146,628
General administrative expenses		31,355	26,958
Total expenses		202,920	173,586
		85,566	71,082
Other operating income and expenses	3	(821)	-
Operating profit	3	84,745	71,082
Financial income and expenses	5	(12,175)	(8,032)
Movement in fair value of derivative financial instruments	5	(731)	(1,992)
Financial income and expenses	5	(12,906)	(10,024)
Result from participating interests		(4)	25
Result before taxes		71,835	61,083
Taxes	6	19,078	16,897
Result after taxes		52,757	44,186
At the disposal of shareholders		52,538	43,701
Minority interest	18	219	485
Result after taxes		52,757	44,186
Average number of shares issued		10,702,082	10,330,246
Earnings per share (in euros) at the disposal of shareholders (ordinary and diluted)		4.91	4.23

3.2 Consolidated balance sheet

In EUR thousands	Ref.	31-Dec-2008	31-Dec-2007
ASSETS			
Fixed assets			
Intangible fixed assets	7	278,289	191,117
Property, plant and equipment	8	76,633	67,000
Participating interests	9	-	13
Deferred tax assets	22	22,027	8,795
Derivative financial instruments	25	19,098	6,923
Total fixed assets		396,047	273,848
Current assets			
Inventories	10	175,687	116,950
Accounts receivable trade	11	211,118	161,996
Assets held for sale	12	3,668	-
Other receivables	11	9,849	8,094
Liquid resources	13	60,025	73,887
Total current assets		460,347	360,927
Total ASSETS		856,394	634,775
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	14	5,394	5,291
Share premium	14	121,902	121,906
Other reserves	15	(40,997)	(9,139)
Retained earnings	16	217,547	179,770
Share capital and reserves at the disposal of shareholders		303,846	297,828
Minority interest	18	1,011	1,017
Total shareholders' equity		304,857	298,845
Long-term liabilities			
Loans	19	245,270	109,748
Employee benefits	20	7,963	9,067
Other provisions	21	4,996	4,122
Deferred tax liabilities	22	32,308	19,704
Total long-term liabilities		290,537	142,641
Short-term liabilities			
Bank overdrafts	23	42,058	43,060
Repayment obligations on loans	19	16,706	10,453
Suppliers		115,730	90,953
Profit taxes		1,159	1,184
Other short-term liabilities	24	85,347	47,639
Total short-term liabilities		261,000	193,289
Total liabilities		551,537	335,930
Total SHAREHOLDERS' EQUITY AND LIABILITIES		856,394	634,775

3.3 Consolidated statement of movements in total shareholders' equity

In EUR thousands	Ref.	Share capital	Share premium	Other reserves	Retained earnings		Minority interest	Total shareholders' equity
Balance at 1 January 2007		4,015	476	654	143,067	148,212	698	148,910
Hedging reserve		-	-	606	-	606	-	606
Less: deferred taxes		-	-	(155)	-	(155)	-	(155)
Currency translation differences		-	-	(10,244)	-	(10,244)	(46)	(10,290)
Income / (expenses) recognised in shareholders' equity		-	-	(9,793)	-	(9,793)	(46)	(9,839)
Result after taxes		-	-	-	43,701	43,701	485	44,186
Total result		-	-	(9,793)	43,701	33,908	439	34,347
Issue of ordinary shares	14	1,216	121,430	-	-	122,646	-	122,646
Profit appropriation 2006		60	-	-	(6,998)	(6,938)	(120)	(7,058)
Balance at 31 December 2007 / 1 January 2008	14 - 18	5,291	121,906	(9,139)	179,770	297,828	1,017	298,845
Hedging reserve		-	-	(10,373)	-	(10,373)	-	(10,373)
Less: deferred taxes		-	-	2,645	-	2,645	-	2,645
Currency translation differences		-	-	(24,231)	-	(24,231)	35	(24,196)
Income / (expenses) recognised in shareholders' equity		-	-	(31,959)	-	(31,959)	35	(31,924)
Result after taxes		-	-	-	52,538	52,538	219	52,757
Total result		-	-	(31,959)	52,538	20,579	254	20,833
Matching share plan reserve		-	(4)	101	-	97	-	97
Movement due to acquisitions/ disposal		-	-	-	-	-	92	92
Profit appropriation 2007		103	-	-	(14,761)	(14,658)	(352)	(15,010)
Balance at 31 December 2008	14 - 18	5,394	121,902	(40,997)	217,547	303,846	1,011	304,857

With regard to the profit appropriation for 2006 and 2007, please refer to the notes on the shareholders' equity.

3.4 Consolidated cash flow statement

In EUR thousands	Ref.	2008	2007
Operating activities			
Result after taxes		52,757	44,186
Adjustments for:			
Depreciation, incl. amortisation of software	7-8	11,041	9,867
Amortisation of other intangible assets	3	6,545	5,244
Cash flow from ordinary activities		70,343	59,297
Exceptional results		171	(467)
Financial income and expenses	5	12,175	8,032
Profit taxes	6	19,078	16,897
Movement in working capital		(15,189)	(16,615)
Movement other accounts receivable and short-term liabilities, excluding repayment obligations on loans		8,560	5,585
Movement in deferred tax assets and liabilities		(31)	3,110
Movement in provisions		(4,561)	(8,509)
Movement in fair value of derivative financial instruments		731	1,992
Other movements		101	(46)
Cash flow generated from operating activities		91,378	69,276
Interest paid		(11,360)	(8,562)
Profit taxes paid		(19,103)	(18,769)
		(30,463)	(27,331)
Net cash flow from operating activities		60,915	41,945
Investing activities			
Investments in property, plant and equipment and software	7-8	(18,565)	(12,465)
Investments in other intangible fixed assets		(346)	-
Disposals of property, plant and equipment and software	7-8	592	897
Acquisition of group companies	2	(182,895)	(4,899)
Disposal of group companies	2	13,010	711
Cash flow from investing activities		(188,204)	(15,756)
Financing activities			
Withdrawals on loans	19	148,439	101,333
Repayments on loans	19	(6,534)	(225,670)
Repayments on bank overdrafts – cash loans	23	(2,500)	(3,000)
Proceeds from share issue		-	122,646
Movement in exchange rate part of financial instruments		(23,530)	(7,862)
Cash dividend and costs paid	16	(14,658)	(6,938)
Dividend payment minority interest	18	(352)	(120)
Cash flow from financing activities		100,865	(19,611)
Net cash flow		(26,424)	6,578
Liquid resources and bank overdrafts at 1 January		33,327	22,510
Exchange differences		11,064	4,239
Liquid resources and bank overdrafts at 31 December	13	17,967	33,327
Presentation in balance sheet			
Liquid resources		60,025	73,887
Banks – current account overdraft		(42,058)	(40,560)
		17,967	33,327

3.5 Accounting policies

The accounting policies below have been derived directly from the financial statements of ERIKS for the Financial Year 2008.

General

The consolidated financial statements of the holding company ERIKS group nv and all its group companies were drawn up using the accounting policies set out below. ERIKS group nv has its registered office in Alkmaar, the Netherlands.

The financial statements have been drawn up by the executive board and were discussed as part of the annual report at the supervisory board meeting of 26 February 2009. It was decided to present these financial statements to the general meeting of shareholders on 14 May 2009 for adoption.

These 2008 financial statements have been drawn up in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU-IFRS).

A difference with regard to last year is that IFRIC 14 came into effect in 2008. This standard gives an interpretation of IAS 19 and establishes the conditions under which a surplus in a pension plan can be recognised as an asset in the balance sheet. It also gives an interpretation of how a pension plan surplus or pension commitments are affected by statutory or contractual minimum funding requirements. The changes to IFRS rules in the course of 2008 have been incorporated in the accounting policies applied by ERIKS. The accounting policies used have been applied in a consistent fashion to all the periods shown in these consolidated financial statements.

A number of standards due to come into effect in 2009 and could have impact for the ERIKS group have not yet been applied in these financial statements. An example is IFRS 3, which includes significant changes to how the costs of acquisitions are dealt with; they are charged to the profit and loss account rather than included in the goodwill. IFRS 8 also comes into effect in 2009. This introduces the management approach to reporting on individual segments, whereby reported segment information should be based on internal reports used to assess how each segment is developing and to allocate resources.

As permitted under Section 402 of Part 9, Book 2 of the Netherlands Civil Code, only the 'net result of group companies' and the 'other income and expenses after taxes' have been disclosed in the company profit and loss account. The latter item concerns the net amount of the ERIKS group nv income and expenses.

Accounting policies

The accounting policies used to value assets and liabilities are based on historical cost, unless otherwise stated.

The preparation of financial statements under IFRS requires management to make judgements, estimates and assumptions (and continually review these) about the application of guidelines and the reported amounts for assets, liabilities, income and expenses. The estimates and assumptions made when accounting for these items are based on historical experience and various other factors considered reasonable given the circumstances. Actual results may, however, differ from these estimates.

Changes as a result of estimates and assumptions being revised are recognised in the period in which the estimates are revised and in future periods, if applicable.

A list of clusters and group companies is set out in this report.

Basis of consolidation

The assets and liabilities as well as income and expenses of the group companies are consolidated in full. The minority interest in total shareholders' equity and liabilities and in the profit or loss for the period under review is reported separately. Group companies are defined as being those participating interests whose policies are or can be controlled by ERIKS group nv. Group companies are included in the consolidated figures from the date on which ERIKS group nv obtains control. The results of group companies sold during the year under review are consolidated until the date on which control ceases. Unrealised gains or losses on intra-group transactions and balance sheet items have been eliminated.

Acquisition and disposal of group companies

Newly acquired group companies are accounted for using the purchase accounting method and are recognised at the fair value of identifiable assets, liabilities and contingent liabilities (net asset value) at the time of acquisition. The purchase price consists of the purchase sum paid for the acquisition, plus any costs directly attributable to the acquisition.

The positive difference between the purchase price and the net asset value, the goodwill, is allocated to cash-generating units and is not amortised. Instead, it is subjected to an annual impairment test.

If the purchase price is lower than the net asset value of the acquired assets, liabilities and contingent liabilities, the difference is taken to the profit and loss account.

When a group company is sold, the difference between the selling price and the book value of the group company (including goodwill) is taken to the profit and loss account.

Foreign currency

The euro is the functional and reporting currency of the ERIKS group. The functional currency of group companies is the currency of the economic area in which the individual group company primarily operates.

Transactions in foreign currency are initially stated at the rate of exchange on the trade date. All non-euro monetary assets and liabilities as at the balance sheet date are converted at the rate of exchange on the balance sheet date. Exchange differences arising from the conversion and settlement of monetary assets and liabilities are taken to the profit and loss account, except in the case of cash flow hedges.

In the consolidation, the profit and loss accounts of participating interests denominated in a functional currency other than the euro are converted at the average exchange rates for the period under review. The balance sheets of participating interests are converted at the exchange rates prevailing on the balance sheet date. Currency translation differences arising from this, as well as the exchange differences on fixed financing of foreign participating interests stated in a foreign currency, are taken directly to shareholders' equity.

Upon disposal of these participating interests, the exchange differences included in shareholders' equity via the profit and loss account are recognised as part of the book profit or loss on the disposal.

Derivative financial instruments

ERIKS group nv uses derivative financial instruments to hedge its exposure to interest rate and exchange rate risks arising from operating and financing activities. In accordance with the group's treasury policy, derivative financial instruments are not held or issued for trading purposes. Derivative financial instruments are carried at their fair value. Value adjustments to derivative financial instruments are

recognised directly in the result, unless they are eligible for hedge accounting under the IFRS provisions.

The fair value of interest rate swaps, including cross currency swaps, is the estimated amount that would have to be received or paid in order to terminate this swap on the balance sheet date taking into account the current interest rate. The fair value of currency forward contracts and currency options is the market price (forward rate) on the balance sheet date.

Cash flow hedging

The effective part of changes in the fair value of derivative financial instruments intended to hedge cash flows and also classed as such is taken to shareholders' equity. The profit or loss on the ineffective part is taken directly to the profit and loss account as financial income and expenses.

Amounts recognised in shareholders' equity are recognised in the result (as financial income or expenses) as soon as the hedged position affects the profit and loss account (for instance, when the hedged, anticipated sale of the position takes place).

If a hedging instrument expires or is sold or if an instrument can no longer be regarded as a hedging instrument, the cumulative profits and losses remain in shareholders' equity until the anticipated future transaction is finally recognised in the profit and loss account. If the anticipated future transaction is no longer likely, the cumulative result is transferred directly from shareholders' equity to the profit and loss account and recognised as other financial income and expenses.

Intangible fixed assets

(a) Goodwill

How goodwill is determined is explained in 'Acquisition and disposal of group companies'.

(b) Intangible fixed assets from acquisitions

Intangible fixed assets from acquisitions are stated at the fair values of the acquired identified intangible fixed assets on the acquisition date, less cumulative amortisation and impairment.

Amortisation of intangible fixed assets from acquisitions is calculated over their expected useful lives using the straight-line method.

(c) Other

Other intangible fixed assets acquired by the ERIKS group, such as software, are carried at cost less the cumulative straightline amortisation over their expected useful lives and impairment.

Internally generated intangible fixed assets are recognised in the balance sheet if their costs can be reliably determined and if it is likely that ERIKS will derive economic benefits from the asset.

Property, plant and equipment

Items of property, plant and equipment owned by the ERIKS group are carried at cost net of straight-line depreciation based on their estimated expected useful lives, and impairment losses. Land is not depreciated.

Expenditure on property, plant and equipment incurred after the initial investment was made, such as maintenance costs, is in principle charged to the profit and loss account and is only taken to the balance sheet if it results in an upward value adjustment of the asset.

Book profits and losses on the sale of property, plant and equipment are incorporated in the operating profit. The residual values and useful lives of property, plant and equipment are reviewed each year and adjusted if appropriate.

Leasing

Lease contracts are classified as finance leases if, in reality, almost all the risks and rewards incidental to ownership are transferred to the ERIKS group. Property, plant and equipment acquired through finance leases are recognised at the lower of the fair value and the present value of the minimum number of compulsory lease payments at the lease's inception, net of straight-line depreciation in accordance with the estimated expected useful life and impairment losses.

A lease is classified as an operating lease if the risks and rewards incidental to ownership remain with the lessor. Operating lease costs are recognised in the profit and loss account on a straight-line basis over the lease term.

Assets held for sale

Any assets held for sale are carried at book value or fair value less sales expenses, whichever is the lower.

Impairment

Each year, an assessment is made as to whether there is evidence that an asset may be impaired. If there is evidence that the book value of an asset is no longer recoverable, the recoverable value is assessed. The recoverable value of an asset is the higher of its fair value and its value in use. The value in use is calculated on the basis of the present value of future cash flows derived from the long range budget.

Assets with an indefinite useful life, including goodwill, are subject to annual impairment testing. For the purposes of the test, these assets are allocated to the cash-generating units that are expected to benefit from the acquisition giving rise to goodwill.

If the recoverable value is lower than the book value, the difference is charged to the result as an impairment loss.

No impairments are reversed with regard to goodwill.

For other assets, impairments are only reversed if the estimates taken as a basis when calculating the recoverable value have changed. Impairments are only reversed in cases where the book value of the asset does not exceed the book value, less depreciation or amortisation, which would have been calculated had no impairment occurred.

Participating interests

Associated companies on which significant influence can be exercised but where the ERIKS group does not have control are initially carried at cost. This initial valuation at cost is subsequently adjusted by (the proportionate share in) the results of the associated companies. A participating interest is defined as being an associated company if the interest held is between 20 and 50 percent.

Other participating interests in which an interest of less than 20 percent is held are, in principle, carried at fair value, or at purchase price if the fair value cannot be reliably determined. Participating interests' results are recognised in the profit and loss account separately.

Receivables from participating interests are carried at face value, net of provisions for bad debts and impairment losses where necessary.

Inventories

Inventories of trade goods and raw materials are carried at the lower of cost, being the average purchase price plus transport and other additional expenses and net realisable value. The net realisable value is the estimated selling price in the ordinary course of business less the estimated sales expenses.

Work in progress is carried at production cost, consisting of the costs of wages and materials and a margin for indirect production costs and overheads.

Accounts receivable trade and other receivables

Accounts receivable trade and other receivables are initially carried at fair value and then at amortised cost. If it is anticipated that receivables may not be able to be collected in full, a provision will be made for bad debts.

Liquid resources and bank overdrafts

Liquid resources and bank overdrafts consist of cash and bank balances and are carried at face value. The 'liquid resources and bank overdrafts' item in the cash flow statement includes current account overdrafts with banks that are payable on demand.

Shareholders' equity

Dividend payable to shareholders is recognised as a liability once the general meeting of shareholders has approved the profit appropriation.

Loans and repayment obligations

Loans payable are initially recognised at fair value, taking attributable transaction costs into account. After initial recognition, loans payable are subsequently measured at amortised cost using the effective interest method.

Repayment obligations on loans falling due within 1 year of the balance sheet date are presented as short-term liabilities.

Employee benefits

The group operates a number of pension and pre-pension plans, all of which comply with local laws and regulations. The pension obligations of nearly all the Dutch business units are administered by the ERIKS company pension fund (a collective defined contribution plan). Most of the other pension obligations, including those of the foreign business units, are administered by external insurers/reinsurers or are insured with local authorities.

The majority of the current plans can be characterised as defined contribution plans. A small number of plans is a defined benefit plan.

(a) Defined contribution plan

Defined contribution plans are plans for which the ERIKS group pays fixed contributions for the employees without these employees having any rights to benefits or the ERIKS group having any obligation towards these employees. Obligations with respect to contributions for pension and related plans based on defined contributions are charged to the profit and loss account in the period to which they relate.

(b) Defined benefit plan

Defined benefit plans are all plans that are not taken up as a defined contribution plan. Under defined benefit plans employees receive pension rights; the amount depends on age, salary level and years of service. The obligation included in the balance sheet is the present value of the projected pension payments at the balance sheet date net of the fair value of plan assets.

Unrecognised actuarial gains and losses and unrecognised past service pension costs are netted.

Each year independent actuaries calculate the obligations arising from defined benefit plans using the projected unit credit method, based on the interest rates for high-quality company bonds.

Actuarial gains and losses that exceed 10 percent of the higher of plan assets or obligations resulting from changes in actuarial assumptions are taken to the profit and loss account during the expected, average future years of service of the employees involved.

Past service pension costs that have not yet been recognised are taken directly to the profit and loss account, unless remaining in service for a number of years (vesting period) is a condition for the changes in the pension plan. If so, the past service costs are processed on a straight-line basis during the vesting period.

A pension surplus is recognised as an asset if it is probable that the premiums to be paid by the company in the future will be lower than the pension fund service costs.

(c) Jubilee benefits

The provision for jubilee benefits is based on actuarial calculations using a discount rate that is an approximation for the yield on high-quality company bonds at the balance sheet date.

(d) Matching share plan

The costs of transactions settled in shareholders' equity instruments with the participants in the matching share plan are carried at their fair value on the allocation date. These costs, together with an equal increase in shareholders' equity (matching share plan reserve), are carried in the period in which the plan conditions are met, ending on the date on which the participants acquire the full rights to their entitlements (the date on which they become unconditional).

More information is to be found in the notes on the remuneration of the board.

Other provisions

Provisions are actual or legally enforceable obligations arising from an event in the past, making it likely that an outflow of resources will be required and where a reliable estimate can be made of the extent of the obligation. Provisions are determined by discounting the expected future cash flows using a current interest rate.

A reorganisation provision is formed when there is a detailed, formalised plan for the reorganisation and the reorganization has commenced or been announced to the parties involved on or before the balance sheet date.

Accounts payable trade and other liabilities

Accounts payable trade and other liabilities are initially carried at fair value and then at amortised cost.

Deferred taxes

A deferred tax liability or deferred tax asset is recognised in accordance with the liability method for temporary (recoverable) differences between the commercial value of assets and liabilities and their value for tax purposes at the expected rate in the year of settlement, insofar as laid down by law.

Deferred tax assets on account of off-settable losses available are recognised, insofar as it is reasonable to expect that these losses will be set off.

Revenue recognition

Net sales are defined as being the revenues from supplying goods and services to third parties, net of discounts and sales tax.

The sale of goods is recognised as revenue when all the significant risks and rewards of ownership of the goods are transferred to the buyer. Revenues from the rendering of services are recognised in proportion to the stage of completion.

Cost of sales

Cost of sales is made up of the purchase price and reductions in value directly attributable to the goods supplied, as well as the costs of warehousing, production and distribution.

Taxes

Tax on the profit or loss is calculated using the nominal standard tax rate in force in the financial year concerned, allowing for tax relief facilities and changes in deferred tax.

Taxes relating to items that are taken directly to shareholders' equity are also taken to shareholders' equity.

Financial income and expenses

Financial income and expenses comprise the time-weighted interest gains and losses, taking account of the effective interest rate for the receivable or debt concerned. Changes in the fair value of derivative financial instruments are also included under financial income and expense.

Consolidated cash flow statement

The cash flow statement has been prepared according to the indirect method, based on the profit and loss account and the other movements between the opening and closing balances. Cash and cash equivalents consist of liquid resources and current account overdrafts.

Movements between the opening and closing balances resulting from the acquisition and disposal of consolidated participating interests are shown as part of the investing activities. Interest paid and received and profit taxes are accounted for as part of cash flow from operating activities.

Financial risk management

The main financial instruments include bank loans, current account overdrafts, cash balances and derivatives for the purpose of financing the ERIKS group. Other financial assets and liabilities, such as accounts receivable trade and accounts payable trade, are a direct result of operational business operations.

The financial risks arising from the ERIKS group financial instruments can be broken down into credit risks, liquidity risks, interest rate risks and exchange rate risks.

To manage liquidity, exchange rate and interest rate risks, the ERIKS group uses derivative financial instruments such as currency forward contracts, interest and currency swaps. These contracts are concluded solely by the treasury department and are never used for speculative purposes. Translation exposure is not generally hedged.

(a) Credit risk

Credit risk concerns accounts receivable trade, other receivables and exposure to financial institutions.

Under the credit policy, exposure to financial institutions with which treasury transactions are concluded is continually monitored. The counterparties involved in treasury activities are assessed on their credit rating. No counterparties are expected to default.

Due to the broad spread of customers and markets for ERIKS products, there was no significant concentration of credit risk in the ERIKS group's accounts receivable trade on 31 December 2008.

The worsening economic climate has led the group companies to tighten up the measures for monitoring receivables from customers and ensuring they are collected.

(b) Liquidity risk

Liquidity risks are determined by cash flows, access to funds and the requirements demanded by the syndicate of banks regarding solvency and interest coverage. The ERIKS group has managed to limit its liquidity risk by systematically running company operations to manage cash flows and at the same time deliberately aiming for and maintaining a high credit rating (solvency, interest coverage, net debt/EBITDA and so on).

In 2007 ERIKS arranged a syndicated credit facility of EUR 250 million (without collateral or guarantees) with five banks.

The syndicated credit facility was raised by EUR 150 million to EUR 400 million in the year under review in order to finance the acquisition of Econosto and to make resources available for further growth. At the end of 2008 the net debt was EUR 244 million. The syndicated credit facility runs until June 2012. ERIKS currently meets the requirements agreed with the banks with ease regarding the ratios for net debt/EBITDA (<3) and interest coverage (>4). ERIKS also expects to continue to meet these ratio requirements in the year ahead. ERIKS did take measures in the final quarter of 2008 in view of the current economic crisis to keep net debt as low as possible.

In normal economic conditions, the cash flow generated by the anticipated development of sales and results would enable the ERIKS group to finance some of its growth from its own resources.

The ERIKS group also has sufficiently generous credit facilities to fully finance the planned 10 percent to 15 percent growth organically. Should the need to take significantly larger steps arise, ERIKS will look for alternative funding. The options for doing so have been reviewed with the aid of scenario planning and are set out in the company's long-range financing plan.

The ERIKS group financing and the net capital invested can be summarised as follows:

	2008	2007
Total loans, including repayment obligations	261,976	120,201
Bank overdrafts	42,058	43,060
Less: liquid resources	(60,025)	(73,887)
Net debt	244,009	89,374
Total shareholders' equity	304,857	298,845
Total financed capital	548,866	388,219
Add: provisions, deferred taxes (tax assets and liabilities), participating interests and derivative financial instruments	4,142	17,162
Net capital invested	553,008	405,381

(c) Interest rate risks

Interest rate risks are important for the ERIKS group because the level of interest rates determines the cost of borrowed capital. The ERIKS group holds debt instruments and interest rate derivatives but does not trade in them, so its policy on interest rate risk is not based on changes in the value of these contracts. With interest rates as they are at present, the policy is geared to fixing interest rates for the medium to long term.

ERIKS group uses interest rate swaps to achieve the appropriate risk profile regarding fixed and variable interest rate exposure. Any change in the current level of interest rates will have little impact on the result for the coming year, subject to the effect of the resulting movements in the market value of the derivative financial instruments used.

(d) Exchange rate risks

Exchange rate risks are important to the ERIKS group because it purchases its trade goods all over the world. As fluctuations in exchange rates can usually be fully passed on through changes in selling prices, albeit with some delay, the policy on exchange rate risk concentrates on hedging significant risks in the transaction sphere. Currency forward contracts and currency options are entered into for the purpose of hedging major risks arising from obligations on account of purchasing and sales transactions.

The main exchange rates used over the past few years were:

	2008		2007		2006	
	Close	Average	Close	Average	Close	Average
AED / EUR	0.19325	0.18993	-	-	-	-
GBP / EUR	1.04987	1.25583	1.36361	1.46127	1.48920	1.48449
SGD / EUR	0.49900	0.48644	0.47252	0.48460	0.49500	0.50148
USD / EUR	0.71855	0.67992	0.67930	0.72967	0.75930	0.79643

The relative impact of the different foreign currencies on net sales and EBITA was as follows:

	2008 (in %)		2007 (in %)		2006 (in %)	
	Net sales	EBITA	Net sales	EBITA	Net sales	EBITA
EUR	61.0	70.0	55.9	66.9	86.7	89.8
USD	3.9	4.8	4.8	7.8	4.4	6.0
GBP	29.3	15.2	37.5	23.4	7.2	2.9
Other	5.8	10.0	1.8	1.9	1.7	1.3
	100.0	100.0	100.0	100.0	100.0	100.0

Compared with 2007, the average GBP and USD exchange rates fell by 14.1 percent and 6.8 percent respectively against the euro in 2008.

If the average exchange rate had been 1 percent higher than that which applied in 2008, net sales for 2008 would have come to EUR 1,135.9 million (0.39 percent higher), EBITA to EUR 92.4 million (0.30 percent higher) and the net profit to EUR 52.7 million (0.28 percent higher). If the closing exchange rate had been 1 percent higher than that applying on 31 December 2008, shareholders' equity would have been about EUR 1.3 million higher (0.43 percent).

Significant estimates and formation of opinion by the executive board

When preparing the annual report, the executive board of ERIKS group nv makes basic assumptions and estimates for the future which, in practice, can deviate from reality.

In this context, the annual goodwill impairment test is regarded as being susceptible to such divergences.

Furthermore, estimates were made when determining the value of deferred tax assets relating to off-settable losses, as to whether these assets are realisable.

Valuation methods of external parties are used to assess the value of the defined benefit pension plan and the derivative financial instruments. The basic assumptions and estimates made for that purpose were determined on the basis of reasonableness.

3.6 Notes to the consolidated accounts

Except where otherwise stated, all amounts in these notes are in EUR thousands, this being the functional and reporting currency, unless stated otherwise.

1. Reporting by segment

The information is broken down geographically by cluster. This primary segmentation ties in with the organisational structure, risk profile and management of the ERIKS group. The nature of the business operations is so similar across the clusters that secondary segmentation is not considered necessary. Sales are subdivided further in the report by the executive board.

Net sales

Net sales to external customers increased from EUR 949.1 million in 2007 to EUR 1,131.5 million in 2008, an increase of 19.2 percent.

By cluster

	2008	2007
ERIKS Belgium	170,237	151,031
ERIKS Germany	172,788	124,431
ERIKS Netherlands	324,139	237,087
ERIKS UK	342,365	370,567
Rest of Europe	28,946	22,196
Subtotal for Europe	1,038,475	905,312
ERIKS Middle East	42,675	-
ERIKS USA	37,366	35,786
ERIKS South-east Asia	12,980	8,041
	1,131,496	949,139

Intra-group sales between the clusters are small-scale.

By region (in percent)

	2008	2007
Belgium	12.5	13.2
Germany	15.6	13.6
The Netherlands	26.2	23.4
United Kingdom	27.3	34.9
Rest of Europe	7.7	6.6
Middle East	3.8	-
United States	3.8	4.5
South-east Asia	1.7	2.9
Rest of the World	1.4	0.9
	100.0	100.0

Personnel

The average number of people employed by the group during the year, expressed in terms of full-time equivalents and broken down by cluster, was as follows:

Personnel

	2008	2007
ERIKS Belgium	712	655
ERIKS Germany	536	454
ERIKS Netherlands	1,178	928
ERIKS UK	2,211	2,128
Rest of Europe	163	125
Subtotal for Europe	4,800	4,290
ERIKS Middle East	100	-
ERIKS USA	131	122
ERIKS South-east Asia	86	66
ERIKS group nv	21	17
	5,138	4,495

Operating profit

By cluster	2008	2007
ERIKS Belgium	15,412	15,182
ERIKS Germany	17,312	12,438
ERIKS Netherlands	38,602	27,837
ERIKS UK	8,997	14,501
Rest of Europe	(449)	768
Subtotal for Europe	79,874	70,726
ERIKS Middle East	5,897	-
ERIKS USA	4,870	4,276
ERIKS South-east Asia	1,425	660
ERIKS group nv	(6,500)	(4,580)
	85,566	71,082
Other operating income and expenses	(821)	-
Operating profit	84,745	71,082
Financial income and expenses	(12,906)	(10,024)
Result from participating interests	(4)	25
Taxes	(19,078)	(16,897)
Result after taxes	52,757	44,186

Other information by cluster

Year-end 2008	Participating interests				Investments			Depreciation		
	Goodwill and intangible fixes assets from acquisition	Other assets	Liabilities	Participating interests	Result from participating interests	Property, plant and equipment and software	Goodwill and intangible fixes assets from acquisition	Property, plant and equipment and software	Goodwill and intangible fixes assets from acquisition	
ERIKS Belgium	12,755	82,879	(61,836)	-	(4)	2,456	2,376	1,856	64	
ERIKS Germany	26,975	84,220	62,550	-	-	1,366	13,858	1,232	705	
ERIKS Netherlands	40,294	159,687	125,620	-	-	7,025	34,668	3,639	1,184	
ERIKS UK	95,587	165,935	173,303	-	-	6,051	5,565	3,565	3,940	
Rest of Europe	7,056	21,674	23,947	-	-	474	1,576	236	248	
Subtotal for Europe	182,667	514,395	323,584	-	-	17,372	58,043	10,528	6,141	
ERIKS Middle East	8,964	54,608	36,342	-	-	180	9,286	213	322	
ERIKS USA	3,383	13,711	8,101	-	-	77	-	111	82	
ERIKS South-east Asia	-	8,947	8,675	-	-	368	-	111	-	
ERIKS group nv	75,088	(5,369)	174,835	-	-	568	63,418	78	-	
	270,102	586,292	551,537	-	(4)	18,565	130,747	11,041	6,545	

Year-end 2007	Participating interests				Investments			Depreciation		
	Goodwill and intangible fixes assets from acquisition	Other assets	Liabilities	Participating interests	Result from participating interests	Property, plant and equipment and software	Goodwill and intangible fixes assets from acquisition	Property, plant and equipment and software	Goodwill and intangible fixes assets from acquisition	
ERIKS Belgium	10,443	63,188	46,685	13	(24)	2,286	-	1,718	8	
ERIKS Germany	13,788	46,812	33,689	-	-	865	-	879	25	
ERIKS Netherlands	6,810	105,561	71,770	-	-	4,942	-	2,723	56	
ERIKS UK	133,878	174,733	201,777	-	-	3,872	3,791	4,117	4,869	
Rest of Europe	6,577	13,595	13,782	-	-	158	30	205	198	
Subtotal for Europe	171,496	403,889	367,703	13	(24)	12,123	3,821	9,642	5,156	
ERIKS Middle East	-	-	-	-	-	-	-	-	-	
ERIKS USA	3,280	11,997	8,460	-	-	277	84	83	88	
ERIKS South-east Asia	-	4,464	2,477	-	-	20	-	64	-	
ERIKS group nv	11,670	27,979	(42,710)	-	-	45	-	78	-	
	186,446	448,329	335,930	13	(24)	12,465	3,905	9,867	5,244	

2. *Acquisition and disposal of group companies*

On 1 January 2008, all the shares in Schmitztechnik GmbH were acquired via ERIKS Germany for the amount of EUR 7.1 million in cash. Of that amount, EUR 2.0 million related to identified assets and liabilities, including intangible fixed assets from acquisitions to the value of EUR 2.3 million (before taxes). The remaining goodwill totalled EUR 5.1 million. The annual contribution to sales is EUR 5.5 million with 15 employees.

On 31 January 2008, all the shares in Wielens Beheer bv in Groningen in the Netherlands were acquired for the amount of EUR 23.5 million in cash. Of that amount, EUR 9.0 million related to identified assets and liabilities, including intangible fixed assets from acquisitions to the value of EUR 6.2 million. The remaining goodwill totalled EUR 14.5 million. The annual contribution to sales is EUR 22 million with 70 employees.

ERIKS sold its Rencol Tolerance Rings (RTR) activities on 4 March 2008. RTR was purchased in November 2006 as part of Wyko in the United Kingdom. ERIKS received an amount of GBP 12.5 million (enterprise value). When set against the amount of the operational assets and the amount paid in November 2006 for the intangible fixed assets and goodwill, this gave a positive transaction result of GBP 0.9 million. This profit on the transaction was incorporated in the 2008 result as part of the other operating profit.

On 26 May 2008, ERIKS group nv honoured its public bid for all subscribed and issued ordinary shares in Econosto nv at a bid price of EUR 8.21 per share in cash. Econosto is located in Capelle aan den IJssel in the Netherlands and has annual sales of around EUR 250 million (projection at the time of the acquisition), with 700 employees. The acquisition price including acquisition costs and the acquired bank balances totalled EUR 144.4 million (EUR 0.4 million of which still has to be paid to the remaining shareholders). Of that amount, EUR 95.1 million related to identified assets and liabilities, including EUR 47.8 million for intangible fixed assets from acquisitions. The remaining goodwill totalled EUR 48.9 million.

In the Central Europe cluster the activities of TIM Sp.j.w and Hydro-met s.c. were acquired on 1 April 2008 for a purchase price of PLN 7.2 million in cash (PLN 4.3 million in goodwill and PLN 1.4 million in identified intangible fixed assets from acquisitions). Annual sales are PLN 7 million with 18 employees.

On 1 August 2008, a building and all the shares in Seals, Packings and Gaskets (SPG) Limited were acquired via ERIKS UK for the amount of GBP 5.9 million. Of that amount, GBP 3.0 million related to identified assets and liabilities, including intangible fixed assets from acquisitions to the value of GBP 0.9 million. The remaining goodwill totalled GBP 2.9 million. The annual contribution to sales is GBP 7 million with 52 employees.

On 1 July 2007, the entire share capital of Flexible Hose Supplies (FHS) was acquired in Great Britain for an amount of GBP 3.3 million, of which GBP 1.6 million related to identified assets and liabilities. Of that amount, GBP 0.8 million related to intangible fixed assets from acquisitions. The remaining goodwill totalled GBP 1.7 million. The annual contribution to sales is GBP 5.1 million with 45 employees.

Also in 2007, the trading activities of Forco Electrical Services were acquired through the ERIKS UK cluster for the amount of GBP 0.1 million, all of which can be qualified as goodwill. The annual contribution to sales is GBP 0.4 million with 9 employees.

Complete overview of the acquisitions in 2008:

	2008	2007
Paid to counterparties	193,285	5,652
Fair value of acquired assets and liabilities (see breakdown)	120,328	3,108
Goodwill paid	72,957	2,544

Goodwill paid represents the value allocated to the acquired existing internal organisation, infrastructure, profit-earning capacity and synergy.

The following assets and liabilities at fair value were involved in the acquisitions:

	2008	2007
Liquid resources	10,390	989
Land, buildings and equipment and software	11,815	357
Intangible fixed assets from acquisitions:		
- clients	42,783	818
- brand name	13,952	102
- suppliers	-	205
- other	735	-
Subtotal for intangible fixed assets from acquisitions	57,470	1,125
Working capital	73,039	1,267
Other accounts receivable and liabilities	(32,386)	(630)
Net assets acquired	120,328	3,108
Purchase prices paid, including costs	193,285	5,652
Goodwill paid	72,957	2,544
Purchase prices paid, including costs	193,285	5,652
Less: contribution of liquid resources from acquisition(s)	(10,390)	(989)
Cash flow due to acquisitions in financial year	182,895	4,663
Cash flow due to acquisitions in previous financial year	-	236
Cash flow due to disposals	(13,010)	(711)
Net cash flow on account of acquisitions and disposals	169,885	4,188

The original book value of the acquired assets and liabilities is virtually the same as the fair value, with the exception of the identified intangible fixed assets from acquisitions of the value of EUR 57.5 million and other relative limited adjustments in various book values.

The cash flow of EUR 13,010 due to disposals is the result of the sale in 2008 of all the Rencol Tolerance Rings activities in Great Britain.

The cash flow in 2007 is the result of the sale of the Adjil sarl shares in France.

3. *Operating profit*

The operating profit includes the following staff costs:

	2008	2007
Wages and salaries	197,131	176,419
Social security costs	29,700	27,814
Defined contribution plan costs	5,302	2,803
Defined benefit plan costs	1,867	847
	234,000	207,883
Average number of group employees	5,138	4,495
Average salary costs per employee	45.5	46.3

The operating profit also includes the following items:

	2008	2007
Depreciation and impairment of property, plant and equipment	9,612	8,973
Amortisation of software	1,429	894
Amortisation and impairment losses on other intangible fixed assets	6,545	5,244
Gain on the sale of property, plant and equipment	187	64
Amounts on account of rents paid and operating lease	27,348	25,453
Costs for the audit of the financial statements	1,193	836

The group auditor costs can be broken down into fees for:

	2008
the audit of the financial statements	884
other audit assignments	-
tax advice	634
other non-audit services	315

The amortisation of intangible fixed assets from acquisitions has been recognised under general administrative expenses.

	2008	2007
Other operating income and expenses		
Net book profit on sale of participating interest in Great Britain	1,130	-
Net book loss on sale of participating interest in France	(1,951)	-
Book profits on the sale of an office building	-	700
Non-recurring project costs	-	(700)
	(821)	-

4. *Remuneration of the board*

Remuneration of the supervisory board

Number of shares Members	Remuneration	
	2008	2007
- J.L. Bouma (chairman, retired May 2007)	-	19.0
- R.J.A. van der Bruggen	40.0	40.0
- R.A.A. Oliemans	40.0	40.0
- A.A. Olijslager (chairman, appointed May 2007)	50.0	25.0
- A. Wateler	40.0	40.0

All members of the supervisory board receive a fixed annual remuneration that is not dependent on the results in any single year. The current supervisory board members do not own any shares in ERIKS group nv. They have not been granted any options on ERIKS group nv shares.

Remuneration of the executive board

The current members of the executive board held a total of 24,538 ERIKS group nv shares at year-end 2008. No options on ERIKS group nv shares were granted to the members of the executive board. The members of the executive board were granted the following salaries, bonuses and allowances for 2008:

Number of shares	Members	Gross salary	Variable remuneration short + long	Pension premium	Total 2008	Total 2007
8,913	J. van der Zouw, chairman and CEO	450	540	172	1,162	956
8,087	J.G. de Boer, CFO	360	432	152	944	809
1,032	M.T.A. Beckers	300	360	96	756	573
808	M.R.G. Dixon	301	181	55	537	540
2,903	H.J. Maier	300	360	59	719	580
1,975	J.F.A.M. van Os (appointed August 2008)	125	75	41	241	-
820	B. Wilson	337	202	65	604	684

Total remuneration and the composition of the remuneration package are determined on the basis of the market rate for similar positions. Salaries are reviewed annually.

The variable performance-related pay consists of two components: one which is awarded annually and one which is determined over a three-year period (long-term incentive).

Following approval by the general meeting of shareholders, a matching share plan was introduced in May 2008 for the members of the executive board and senior management, supplementing their existing remuneration package.

The size of the short-term incentive depends on the following criteria:

- quantitative: realisation of the annual objectives for growth and profitability
- qualitative: realisation of the key objectives in the policy plan.

The size of the long-term incentive depends entirely on achieving quantitative criteria, such as growth and profitability. In the year under review, all qualitative and quantitative objectives used to determine the two incentive components were fully realised. The remuneration package also contains contributions to pension schemes and occupational disability benefit schemes amounting to 20 percent to 35 percent of the basic salary.

Matching share plan

The aim of the new matching share plan is to ensure the retention in the group of potential participants for a longer period of time and reinforce their loyalty to the company by encouraging them to buy ordinary shares in the company and hold them for a relatively long time.

Individuals eligible for participation can choose to invest part of their short-term incentive bonus (after tax) in shares in the company. Participation in the scheme is voluntary. Should an individual decide to invest, that investment is limited to 50 percent of the gross short-term incentive bonus with the minimum investment being 10 percent. The shares purchased by a participant are subjected to an obligatory vesting period of three years.

Each participant receives one share granted conditionally (the matching share) for every share purchased; the matching share only becomes unconditional after three years, provided the participant is then still employed by the ERIKS group. The matching shares are then subjected to an obligatory vesting period of two years. The right to the matching shares lapses if the participant's employment contract is terminated at any moment during the three-year period (except in the case of retirement or death).

The maximum number of matching shares allocated conditionally to all the eligible individuals (the executive board members and senior management) in any one year on the basis of the matching share plan may not exceed 0.75 percent of the company's subscribed and issued share capital in the form of ordinary shares as at 1 January of that year.

The following amounts have been recognised in the profit and loss account for the matching share plan:

	2008	2007
Expenses on account of payments based on shares	101	-
Matching share plan reserve	101	-

5. *Financial income and expenses*

This item can be broken down as follows

	2008	2007
Financial income and expenses		
Bank interest	(3)	567
Interest expense on loans	11,335	6,430
Other financial expenses, including exchange rate results	843	1,035
	12,175	8,032
Movements in fair value of derivative financial instruments	731	1,992
Balance of financial income and expenses	12,906	10,024

The formal requirements of IFRS for the application of hedge accounting have been satisfied with regard to a number of derivative financial instruments. Consequently, the effective part of movements in the fair value of these derivative financial instruments has been recognised in shareholders' equity. The other movements in the fair values of derivative financial instruments have been recognised in the result.

6. *Taxes*

The taxes on the 2008 and 2007 result before tax are EUR 19,078 and EUR 16,897 respectively. The tax burden was 26.6 percent in 2008 and 27.7 percent in 2007.

	2008	2007
Weighted average of legal profit tax rates	28.3	30.7
Tax effect of off-settable losses not recognised	1.8	0.3
Tax effect of off-settable losses claimed	(1.6)	(1.4)
Effect of group financing	(1.0)	(3.0)
Expenses deductible or not deductible for tax purposes (permanent differences)	1.8	1.3
Effect on deferred taxes, including tax rate change	(2.7)	(0.4)
Charges paid for previous years	-	0.2
Effective tax rate	26.6	27.7

The average statutory tax rate is the average of the statutory tax rates applicable in the countries in which the ERIKS group operates, weighted according to the result from ordinary activities before tax in each of these countries.

7. *Intangible fixed assets*

Intangible fixed assets comprise goodwill, intangible fixed assets from acquisitions (brand name, clients and suppliers) and software.

Movements in intangible fixed assets in 2007 and 2008 were as follows:

	Goodwill	From acquisition	Software	Total
Balance at 1 January 2007				
Cost	152,482	48,895	11,730	213,107
Cumulative amortisation and impairments	59	889	9,246	10,194
Balance sheet value	152,423	48,006	2,484	202,913

Movements in 2007:

Movement in book value due to acquisitions and disposals of group companies	-	-	11	11
Investments	2,780	1,125	3,099	7,004
Disposals	-	-	-	-
Amortisation	-	(5,244)	(894)	(6,138)
Exchange differences	(9,256)	(3,388)	(29)	(12,673)

Balance at 31 December 2007 / 1 January 2008

Cost	146,006	46,632	14,201	206,839
Cumulative amortisation and impairments	59	6,133	9,530	15,722
Balance sheet value	145,947	40,499	4,671	191,117

Movements in 2008:

Movement in book value due to acquisitions and disposals of group companies	-	35	386	421
Investments	72,957	57,790	4,482	135,229
Disposals and reclassifications	(6,953)	(2,711)	177	(9,487)
Amortisation and impairment losses	(45)	(6,500)	(1,429)	(7,974)
Exchange differences	(23,141)	(7,775)	(101)	(31,017)

Balance at 31 December 2008

Cost	188,869	91,322	20,116	300,307
Cumulative amortisation and impairments	104	9,984	11,930	22,018
Balance sheet value	188,765	81,338	8,186	278,289
Amortisation percentages in 2007 and 2008	0	7-33%	20-33%	

Goodwill relates to the acquisition of the activities specified under ‘Acquisition and disposal of group companies’. Please refer to the notes to ‘Acquisition and disposal of group companies’ (see 2.) for a breakdown of intangible fixed assets from acquisitions.

The book value of intangible fixed assets from acquisitions is as follows:

	2008	2007
Clients	64,458	36,052
Brand name	15,488	3,070
Suppliers	1,059	1,377
Other	333	-
Balance sheet value at 31 December	81,338	40,499

The annual impairment test was conducted based on discounted cash flow projections. The balance sheet value of goodwill has been allocated to the cash-generating units as follows:

	2008	2007
Cluster ERIKS UK	71,450	97,977
Econosto (group)	48,926	-
Wielens (group)	14,492	-
ERIKS bv	11,589	11,589
ERIKS Aandrijftechniek bv (group)	3,531	3,531
Vemoflex (group)	3,486	3,486
Baudoin (group)	9,887	9,564
Cluster ERIKS Germany	17,214	12,133
Cluster ERIKS Central Europe	5,310	4,944
Cluster ERIKS USA	2,880	2,723
Balance sheet value of goodwill at 31 December	188,765	145,947

The recoverable amount of a cash-generating unit in which goodwill has been recognised in the balance sheet is the higher of the cash-generating unit's fair value less the costs of selling it and its value in use. The value in use is determined on the basis of future cash flows in a three-year projection. Cash flows after three years are extrapolated, allowing for an annual growth rate of 0 percent to 2 percent. A pre-tax discount rate of 9.9 percent (9.8 percent in 2007) was used in the calculations of future cash flows. The impairment tests did not lead to any impairments.

8. *Property, plant and equipment*

The book values of property, plant and equipment can be broken down as follows:

	Land and buildings	Machinery and equipment	Other operating assets	Total
Balance at 1 January 2007				
Cost	54,681	42,815	58,176	155,672
Cumulative depreciation and impairments	9,763	33,029	44,411	87,203
Balance sheet value	44,918	9,786	13,765	68,469

Movements in 2007:

Movement in book value due to acquisitions and disposals

of group companies	142	(57)	106	191
Investments	1,168	4,047	4,151	9,366
Book value of disposals	(93)	86	(190)	(197)
Reclassifications	1	(54)	53	-
Exchange differences	(1,201)	(440)	(215)	(1,856)
Depreciation	(1,669)	(2,580)	(4,724)	(8,973)

Balance at 31 December 2007 / 1 January 2008

Cost	53,956	42,936	57,318	154,210
Cumulative depreciation and impairments	10,690	32,148	44,372	87,210
Balance sheet value	43,266	10,788	12,946	67,000

Movements in 2008:

Movement in book value due to acquisitions of group companies

	7,095	1,327	2,795	11,217
Movement in book value due to disposals of group companies	(140)	(1,150)	(363)	(1,653)
Investments	6,460	3,908	3,715	14,083
Book value of disposals	-	(43)	(626)	(669)
Reclassifications	14	136	149	299
Exchange differences	(2,474)	(1,193)	(365)	(4,032)
Depreciation	(1,887)	(2,638)	(4,773)	(9,298)
Impairments	(314)	-	-	(314)

Balance at 31 December 2008

Cost	67,847	44,777	64,453	177,077
Cumulative depreciation and impairments	15,827	33,642	50,975	100,444
Balance sheet value	52,020	11,135	13,478	76,633
Depreciation percentages in 2007 and 2008	0-4%	7-20%	5-25%	

The value of property, plant and equipment acquired through finance leases is negligible.

The other operating assets are made up of transport and IT equipment, and office and warehouse fixtures and fittings.

The buildings in Alkmaar and Roermond owned by the group have been used as mortgage collateral for a total amount of EUR 20 million.

No impairments took place except for one impairment of a property.

9. Participating interests

This item concerns the following participating interest:

	2008	2007
TradCom nv (as at 31 December 2007: 33.3 percent)	-	13
Balance sheet value at 31 December	-	13

TradCom nv is a company in which an internet portal is managed.

In June 2008 all of the shares in TradCom nv were acquired and this company has been fully included in the consolidated figures from that point onwards.

10. Inventories

Inventories were made up of the following:

	2008	2007
Trade inventories	166,469	106,259
Raw materials	3,214	1,786
Work in progress	6,004	8,905
	175,687	116,950

11. Accounts receivable trade and other receivables

This item can be broken down as follows:

	2008	2007
Accounts receivable trade	219,182	167,067
Less: provision	(8,064)	(5,071)
Accounts receivable trade	211,118	161,996
Other receivables and prepayments	9,849	8,094
Other receivables	9,849	8,094

The fair values of the receivables are equal to the reported balance sheet values.

Movements in the provision for bad trade debts were as follows:

	2008	2007
Balance at 1 January	5,071	4,853
Movement due to acquisitions or disposals of group companies	2,340	6
Add: allocation to provision	2,634	846
Less: write-off of accounts receivable trade	(1,773)	(525)
Exchange differences	(208)	(109)
Balance at 31 December	8,064	5,071

The ages of the overdue accounts receivable are as follows:

	2008	Amount of provision	2007	Amount of provision
Accounts receivable trade not overdue	141,307	65	116,465	-
Overdue accounts receivable trade				
- Less than 30 days overdue	47,791	350	33,485	897
- Between 31 and 60 days overdue	12,004	1,299	9,575	1,136
- More than 60 days overdue	18,080	6,350	7,542	3,038
	219,182	8,064	167,067	5,071

12. Assets held for sale

This refers to all the assets of the participating interest in Baudoux Industrie sas, France, held for sale. The assets consist primarily of inventories and accounts receivable trade.

13. Liquid resources

These consist primarily of positive bank balances in cash pools. All liquid resources are freely available.

The following items are of relevance for the purposes of the cash flow statement:

	2008	2007
Liquid resources	60,025	73,887
Bank overdrafts – current account (see 23.)	(42,058)	(40,560)
	17,967	33,327

14. Share capital

Issued and paid-up share capital

At year-end 2008, the issued and paid-up share capital comprised 10,787,416 ordinary shares with a par value of EUR 0.50, i.e. EUR 5,393,708.

Authorised share capital

The authorised share capital amounts to EUR 19 million and consists of:

- 15 million ordinary shares with a par value of EUR 0.50 each
- 4 million cumulative preference shares with a par value of EUR 0.50 each
- 19 million preference shares with a par value of EUR 0.50 each.

Movements in the number of shares and average number of shares issued

	2008	2007
Number of ordinary shares issued at 1 January	10,582,614	8,030,776
Issue of new ordinary shares	-	2,432,693
Stock dividend	204,802	119,145
Number of ordinary shares issued at 31 December	10,787,416	10,582,614
Average number of ordinary shares issued	10,702,082	10,330,246

In 2007, an issue of ordinary shares took place in connection with a refinancing and 2,432,693 new ordinary shares with a par value of EUR 0.50 were issued. The total issue revenues of approximately EUR 122.6 million (after deduction of the costs associated with the issue) have been accounted for as authorised subscribed and paid-up share capital (EUR 1.2 million) and share premium (EUR 121.4 million).

Share premium reserve

The share premium reserve can be qualified as paid-up capital.

Movements in the share premium reserve were as follows:

	2008	2007
Balance at 1 January	121,906	476
Revenues from share issue	-	125,284
Less: issue costs, less taxes	-	(3,854)
Less: costs of matching share plan	(4)	-
Balance at 31 December	121,902	121,906

15. Other reserves

The other reserves comprise the hedging reserve and the exchange differences reserve on account of exchange gains and losses on the net asset value of foreign participating interests and the share in the fixed financing of foreign participating interests. Movements were as follows:

	Matching share plan reserve	Hedging reserve	Exchange differences reserve	Total
Balance at 1 January 2007	-	1,003	(349)	654
Movements:				
Hedging reserve	-	606	-	606
Less: deferred taxes	-	(155)	-	(155)
Exchange differences	-	-	(10,244)	(10,244)
Balance at 31 December 2007 / 1 January 2008	-	1,454	(10,593)	(9,139)
Movements:				
Share matching plan reserve	101	-	-	101
Hedging reserve	-	(10,373)	-	(10,373)
Less: deferred taxes	-	2,645	-	2,645
Exchange differences	-	-	(24,231)	(24,231)
Balance at 31 December 2008	101	(6,274)	(34,824)	(40,997)

The above other reserves are not at the free disposal of the shareholders for distribution. The hedging reserve comprises the effective part of the cumulative net movement in the fair value of cash flow hedging instruments with regard to hedged transactions that have not yet taken place.

16. Retained earnings

Movements were as follows:

	2008	2007
Balance at 1 January	179,770	143,067
Profit appropriation:		
- cash dividend	(14,595)	(6,888)
- stock dividend	(103)	(60)
- costs associated with the issue of the stock dividend	(63)	(50)
Sub-total after profit appropriation	165,009	136,069
Result for financial year	52,538	43,701
Balance at 31 December	217,547	179,770

17. *Earnings per share*

Earnings per share at the disposal of shareholders are as follows:

	2008	2007
Average number of shares issued	10,702,082	10,330,246
Net earnings per share (ordinary and diluted) in euros	4.91	4.23
Dividend per share (in euros)	April '09	2.25

18. *Minority interest*

Movements in the minority interest were as follows:

	2008	2007
Balance at 1 January	1,017	698
Movement due to acquisitions and disposals	92	-
Dividend	(352)	(120)
Exchange differences	35	(46)
Share in result	219	485
Balance at 31 December	1,011	1,017

19. *Loans*

Loans comprise:

	2008			2007		
	Total	Long term	Short term	Total	Long term	Short term
- term loan credit facility	55,376	39,379	15,997	43,860	33,956	9,904
- revolving credit facility	186,973	186,973	-	57,440	57,440	-
- ancillary credit facility	-	-	-	-	-	-
	242,349	226,352	15,997	101,300	91,396	9,904
- mortgage credit facility	18,250	17,750	500	18,750	18,250	500
- other loans	1,377	1,168	209	151	102	49
	261,976	245,270	16,706	120,201	109,748	10,453

Of which with a term
> 5 years

15,750

16,250

All loans are denominated in euros. Costs of financing recognised in the balance sheet have been included in the loan amounts.

The fair values of the loans are almost the same as the face values.

With regards to interest rates, the policy is to fix the interest on the existing (strategic) financing requirements for the longer term. Refer to note 25 'Derivative financial instruments'.

Syndicated credit facility

In 2007 a credit facility of EUR 250 million was arranged with a syndicate of credit institutions. This credit facility was extended in May 2008 to EUR 400 million under almost the same conditions on account of the acquisition of Econosto nv.

The syndicated credit facility has a term of five years until June 2012 and consists of three components:

	Principal	Year-end 2008
- term loan credit facility	70,000	56,875
- revolving credit facility	250,000	250,000
- ancillary credit facility	80,000	80,000
Total syndicated credit facility	400,000	386,875

The most important conditions as at 31 December 2008 are:

	Term loan	Revolving	Ancillary
Term	5 years until June 2012	5 years until June 2012	5 years until June 2012
Interest period	variable	variable	variable
Interest	Euribor + surcharge percent	Euribor + surcharge percent	Euribor + surcharge percent
Repayment	Straight-line, half-yearly	-	-

This loan involved an agreement on some financial ratios for net debt/EBITDA (cannot exceed 3) and interest coverage (cannot be less than 4). At year-end 2008 these ratios were 2.2 and 8.1 respectively.

The surcharge on the interest payable is also based on the financial ratios. The surcharges are as follows:

net debt / EBITDA	<1.5	1.5 – 2.0	2.0 – 2.5	2.5 – 3.0	>3.0
Surcharge	0.55%	0.70%	0.85%	1.00%	1.20%

The interest rates are largely fixed for the longer term by means of interest rate swaps (see note 25).

A commitment fee of 35 percent of the relevant surcharge (EUR 425 in 2008) is payable on the undrawn portion of the credit facility.

Mortgage credit facility

At year-end 2008, two loans were drawn under mortgage credit facilities originally totalling EUR 20 million. The most important conditions applying to these facilities are:

Principal per facility	EUR 10,000	EUR 10,000
Balance at year-end	EUR 8,250	EUR 10,000
Term	20 years to 2025	20 years to 2024
Interest period	3 months	3 months
Interest	EURIBOR + 0.85 percent	EURIBOR + 0.85 percent
Repayment	Straight-line, quarterly	Interest only

Business premises in Alkmaar and Roermond have been used as mortgage collateral. Financial ratios relating to interest coverage and solvency have been agreed, which are easily being met. An amount of EUR 15,750 has a remaining term of more than 5 years.

20. *Employee benefits*

Employee benefits can be broken down as follows:

	2008	2007
Present value of expected and projected pension payments	123,357	100,773
Fair value of plan assets	130,267	102,163
Net assets	(6,911)	(1,390)
Unrecognised actuarial differences	11,650	7,806
Defined benefit plan obligations	4,739	6,416
Other retirement and early retirement obligations	1,793	1,798
Jubilee obligations	1,431	853
	7,963	9,067
- Short-term	603	474
- Long-term	7,360	8,593

Movements in the valuation of expected and projected pension payments are as follows:

	2008	2007
Balance at 1 January	100,773	109,039
Costs recognised in result	1,939	1,783
Interest	6,964	5,274
Contribution due to acquisitions	56,570	-
Actuarial gains and losses	(17,497)	(4,456)
Payments to participants	(4,494)	(2,849)
Contributions by participants	1,210	1,096
Exchange differences	(22,109)	(9,114)
Balance at 31 December	123,356	100,773

Movements in the valuation of the fair value of plan assets are as follows:

	2008	2007
Balance at 1 January	102,163	94,149
Expected return on plan assets	7,625	6,361
Contribution due to acquisitions	64,240	-
Contributions paid by employer	4,346	8,323
Difference between actual and expected return	(21,353)	3,624
Payments to participants	(4,494)	(2,849)
Contributions by participants	1,210	1,096
Exchange differences	(23,470)	(8,541)
Balance at 31 December	130,267	102,163

The costs recognised in the profit and loss account can be broken down as follows:

	2008	2007
Net current service pension costs, less payments made to participants	1,939	1,783
Interest on obligations	6,964	5,274
Expected return on plan assets	(7,625)	(6,361)
Amortisation of pension costs for past years	5	151
Not valued net pension assets	584	-
	1,867	847

The expected employer contributions to plans for payments after the retirement date for the year ending on 31 December 2009 are EUR 3.6 million. The employer contributions in 2008 and 2007 include payments of EUR 1.7 million and EUR 6.3 million respectively, agreed when Wyko Holdings Ltd was acquired.

The following actuarial assumptions were made when calculating the defined benefit plan obligations:

	2008	2007
Discount rate at 31 December	5.9 – 6.7 percent	4.5 – 5.7 percent
Expected return on plan assets	4.0 – 6.0 percent	4.0 – 6.3 percent
Future salary increases	0 – 3.0 percent	0 – 3.0 percent
Inflation adjustment	1.9 – 2.7 percent	2.0 – 3.2 percent

21. Other provisions

Other provisions can be broken down as follows:

	2008			2007		
	Reorgani- sation	Other	Total	Reorgani- sation	Other	Total
Balance at 1 January	791	3,331	4,122	987	3,701	4,688
Movement due to acquisitions/disposals	443	1,365	1,808	-	147	147
Additions	-	462	462	150	434	584
Withdrawals	(137)	(733)	(870)	(346)	(763)	(1,109)
Exchange differences	-	(526)	(526)	-	(188)	(188)
Balance at 31 December	1,097	3,899	4,996	791	3,331	4,122
- Short-term	160	3,283	3,443	297	2,410	2,707
- Long-term	937	616	1,553	494	921	1,415

The other provisions relate mainly to warranties, product liability and future repair commitments with respect to buildings in use.

22. *Deferred taxes*

Based on the expected realisation term, deferred taxes can be broken down as follows:

Deferred tax assets	Goodwill and intangible fixed assets from acquisition	Employee benefits	Financial instruments	Off-settable losses	Other	Total
Balance at 1 January 2008	682	1,855	-	1,227	5,031	8,795
Movement due to acquisition	-	18	-	8,463	198	8,679
Movement due to disposals	(16)	(30)	-	-	(190)	(236)
Movement via profit and loss account	(140)	(729)	8,194	(513)	292	7,104
Movement due to tax rate changes	-	(115)	-	(506)	-	(621)
Exchange differences	-	(156)	-	(496)	(1,042)	(1,694)
Balance at 31 December 2008	526	843	8,194	8,175	4,289	22,027

Deferred tax liabilities	Goodwill and intangible fixed assets from acquisition	Employee benefits	Financial instruments	Other	Total
Balance at 1 January 2008	12,893	373	1,765	4,673	19,704
Movement due to acquisition	11,232	606	-	80	11,918
Movement due to disposals	(759)	-	-	(667)	(1,426)
Movement via profit and loss account	(1,567)	(973)	5,783	4,580	7,823
Movement via shareholders' equity	-	-	(2,645)	-	(2,645)
Movement due to tax rate changes	(663)	-	-	(20)	(683)
Exchange differences	(1,891)	-	-	(492)	(2,383)
Balance at 31 December 2008	19,245	6	4,903	8,154	32,308

	2008	2007
Deferred tax assets		
Short-term < 1 year	4,230	3,550
Long-term > 1 year	17,797	5,245
	22,027	8,795
Deferred tax liabilities		
Short-term < 1 year	2,748	975
Long-term > 1 year	29,560	18,729
	32,308	19,704

Off-settable losses

The off-settable losses at year-end and their valuation can be broken down as follows:

	2008	2007
Carry-over period within 1 year	16,882	4,297
Carry-over period between 1 and 5 years	8,277	8,187
Carry-over period after 5 years	10,878	4,332
Total off-settable losses	36,037	16,816
Of which recognised as deferred tax asset	6,304	1,227

In addition to the before mentioned off-settable losses, the acquired companies in 2006 contributed significant off-settable losses (GBP 52.5 million). It is doubtful whether most of these off-settable losses can be used within a reasonable period. Where they have already been set off, the income must be shared with the previous owners of WYKO Holdings Ltd.

Further are the so called capital allowances available in Great Britain (GBP 6.4 million) off-settable with fiscal profits. These are valued as deferred tax assets amounting to EUR 1.9 million (recorded as off-settable losses).

23. *Bank overdrafts*

This item relates to current account overdrafts with financial institutions amounting to EUR 42,058 (EUR 40,560 in 2007) and cash loans (EUR 2,500 in 2007).

	2008	2007
Bank overdrafts – cash loans	-	2,500
Bank overdrafts – current account (see note 13)	42,058	40,560
	42,058	43,060

The interest on the cash loans has been fixed for the longer term by means of interest rate swaps.

24. *Other short-term liabilities*

The other short-term liabilities all have a term of less than one year and comprise:

	2008	2007
Other taxes and social security costs	15,944	12,912
Other short-term liabilities and accrued expenses	69,403	34,727
	85,347	47,639

25. *Derivative financial instruments*

The fair values of derivative financial instruments at the balance sheet date are as follows:

	2008	2007
Cross currency interest rate swaps	30,226	5,474
Interest rate swaps	(11,080)	1,301
Other derivative financial instruments	(48)	148
Total recognised as financial fixed assets	19,098	6,923
Of which short-term (< 1 year)	5,237	77
Between 1 and 5 years	20,627	5,745
Longer than 5 years	(6,766)	1,101

Interest rate swaps

ERIKS group uses interest rate swaps to control interest rate risks; its policy is to fix the interest on the existing (strategic) financing requirements for the longer term.

The financing requirement for the longer term and the interest rate risk exposure was reassessed during the second quarter of 2008 after the refinancing was complete. The principal sums involved in the interest rate swap contracts current at yearend totalled EUR 237.1 million (EUR 97.8 million in 2007), with the interest payable fixed at rates ranging from 2.7 percent to 5.1 percent (2.7 percent to 4.5 percent in 2007). Interest received is variable. The bulk of the drop down of the market value of the interest rate swap of EUR 12.381 is qualified for hedge accounting and accounted for via the shareholders' equity (EUR 10.373).

Cross currency interest rate swaps

ERIKS group also uses cross currency interest rate swaps to manage interest rate and exchange rate risks. In March 2007, cross currency swaps totalling GBP 75 million were concluded, with terms of 2 to 6 years. The swaps involve swapping principal amounts in EUR and GBP at a fixed exchange rate and swapping interest payable at fixed EUR and GBP interest rates.

The total market value of the cross currency interest rate swaps was EUR 30,226 on 31 December 2008 (EUR 5,474 in 2007). The market value of EUR 31,392 (EUR 7,862 in 2007) for the exchange rate part of this derivative financial instrument is naturally hedged via the profit and loss account by the exchange rate results for the loan to ERIKS UK. The movement in the market value of the interest rate part is not naturally hedged and has been recognised as an expense in the profit and loss account. The interest results over the entire term of this financial instrument total zero.

Other derivative financial instruments

The group uses currency forward contracts and currency options to hedge exchange rate risks. The fair value of the other outstanding derivative financial instruments is EUR 48 (EUR 148 in 2007).

26. *Rights and liabilities not included in the balance sheet*

The following rights and liabilities were not included in the balance sheet:

	2008	2007
Contingent liabilities		
Guarantees and deposits for banks and rental of business premises	1,053	724
Rental and operating lease obligations		
These mainly relate to office buildings and vehicles		
Terms expiring within 1 year	23,442	20,512
Terms expiring between 1 and 5 years	56,217	49,131
Terms expiring after 5 years	30,562	14,126

ERIKS group nv has assumed liability with respect to the banks for the sub credit facilities of some group companies for the sum of EUR 39.9 million on the balance sheet date (EUR 5.2 million in 2007), to be charged to the ancillary credit facility.

27. *Related-party transactions*

The ERIKS group has the following related parties: the ERIKS pension fund and the members of the executive board. The remuneration of the board is explained under note 4.

The profit and loss account for 2008 includes EUR 3.2 million (EUR 2.6 million in 2007) for pension premiums paid by the affiliated Dutch companies to the ERIKS pension fund.

28. *Events after the balance sheet date*

All the shares in Baudoux Industrie sas have been sold as at 1 January 2009. The associated assets and liabilities were recognised in the 2008 financial statements and carried in the balance sheet as short-term assets/liabilities held for sale. The book loss on the transaction of EUR 1.9 million (before tax) is recognised in the result for 2008 as 'other income and expenses'.

3.7 *Company profit and loss account*

In EUR thousands	2,008	2,007
Net result of group companies	58,314	44,034
Other income and expenses after taxes	(5,776)	(333)
Net result	52,538	43,701

3.8 Company balance sheet

Before proposed profit appropriation

In EUR thousands	Ref.	31-Dec-2008	31-Dec-2007
ASSETS			
Fixed assets			
Intangible fixed assets	3	75,713	11,782
Property, plant and equipment		58	80
Financial fixed assets			
Group companies	4	442,084	215,697
Loans to group companies	4	73,628	168,883
Deferred tax assets		934	1,016
Derivative financial instruments		19,228	6,923
		<u>535,874</u>	<u>392,519</u>
Current assets			
Receivables	5	9,730	1,719
Corporation tax		1,334	2,317
Liquid resources		671	41,147
		<u>11,735</u>	<u>45,183</u>
Total ASSETS		623,380	449,564
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	6	5,394	5,291
Share premium		121,902	121,906
Hedging reserve		(6,274)	1,454
Exchange differences reserve		(34,824)	(10,593)
Matching share plan reserve		101	
Other reserves		165,009	136,069
Result for the financial year		52,538	43,701
		<u>303,846</u>	<u>297,828</u>
Provisions			
Deferred tax liabilities	7	6,141	2,721
Other provisions		1,410	1,410
		<u>7,551</u>	<u>4,131</u>
Long-term liabilities			
Loans		226,550	91,734
Short-term liabilities			
Bank overdrafts		32,249	41,869
Repayment obligations on loans		15,996	9,904
Other short-term liabilities	8	37,188	4,098
		<u>85,433</u>	<u>55,871</u>
Total SHAREHOLDERS' EQUITY AND LIABILITIES		623,380	449,564

3.9 Notes to the company accounts

In EUR thousands

1. General

ERIKS group nv prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

2. *Accounting policies*

The ERIKS group nv company financial statements are prepared in accordance with the statutory provisions in Part 9, Book 2 of the Netherlands Civil Code. The option granted in Section 362 (8) of Book 2 of the Netherlands Civil Code of applying the same accounting policies to the company financial statements as are applied in the consolidated financial statements, is invoked.

Consequently, shareholders' equity and the result after taxes in the company financial statements are, in principle, equal to shareholders' equity in the consolidated financial statements. This principle is generally accepted in the Netherlands.

Another benefit is the simplified reporting basis, since ERIKS group nv now only needs to apply one set of accounting policies for its (consolidated) participating interests.

If no further details on accounting policies are provided, the accounting policies stated in the consolidated financial statements apply.

Financial fixed assets

Participating interests in group companies and other companies in which ERIKS group nv has control are carried at net asset value. Net asset value is determined by valuing assets, provisions and liabilities and calculating the result in accordance with the accounting policies applied in the consolidated financial statements.

3. *Intangible fixed assets*

Movements in intangible fixed assets in 2007 and 2008 were as follows:

	Goodwill	Software	Total
Cost at 1 January 2007	11,670	168	11,838
Cumulative amortisation		(40)	(40)
Balance sheet value as at 1 January 2007	11,670	128	11,798
Movements in balance sheet value for 2007:			
Investments		29	29
Amortisation and impairments		(45)	(45)
Cost at 31 December 2007 and 1 January 2008	11,670	197	11,867
Cumulative amortisation		(85)	(85)
Balance sheet value at 31 December 2007 and 1 January 2008	11,670	112	11,782
Movements in balance sheet value for 2008:			
Investments	63,418	560	63,978
Amortisation and impairments		(47)	(47)
Cost at 31 December 2008	75,088	757	75,845
Cumulative amortisation		(132)	(132)
Balance sheet value as at 31 December 2008	75,088	625	75,713

No events or changes in circumstance have taken place that would lead to impairment. See the notes to the consolidated financial statements.

4. *Financial fixed assets*

Movements in the value of group companies were as follows:

	2008	2007
Balance at 1 January	215,697	213,453
Movements:		
- capital contributions to group companies	128,504	140
- investments in / (disposals of) group companies	93,030	(144)
- result from participating interests	58,314	44,034
- exchange rate result	(24,231)	(10,244)
- declared dividends	(29,230)	(31,542)
Balance at 31 December	442,084	215,697

Movements in loans to group companies were as follows:

	2008	2007
Balance at 1 January	168,883	171,912
Movements:		
- granted in the period under review	221,355	269,234
- repaid in the period under review	(307,340)	(262,092)
- exchange rate result	(9,270)	(10,171)
Balance at 31 December	73,628	168,883

The loans to group companies have varying terms. Loans with a term of more than 1 year total EUR 28,670 (EUR 126,047 in 2007).

The interest rates on loans to group companies range from 4.0 percent to 8.5 percent (from 5.45 percent to 7.9 percent in 2007).

5. *Receivables*

The receivables comprised:

	2008	2007
Other taxes and social security costs	101	74
Receivables from group companies	9,494	1,549
Other receivables and accrued expenses	135	96
Balance at 31 December	9,730	1,719

6. Shareholders' equity

For notes on the share capital and the share premium, see the notes to the consolidated balance sheet. Movements in the hedging reserve, exchange differences reserve, matching share plan reserve, other reserves and result for the financial year were as follows:

	Hedging reserve	Exchange differences reserve	Matching share plan reserve	Other reserves	Results for the financial year
Balance at 1 January 2007	1,003	(349)	-	115,304	27,763
Movements in 2007:					
Profit appropriation for 2006:					
- Cash dividend paid	-	-	-	-	(6,888)
- Stock dividend	-	-	-	-	(60)
- Costs associated with the payment of the stock dividend	-	-	-	-	(50)
- Addition to other reserves	-	-	-	20,765	(20,765)
Addition to hedging reserve	606	-	-	-	-
Less: deferred taxes	(155)	-	-	-	-
Exchange rate result on the net asset value of foreign participating interests	-	(10,244)	-	-	-
Result for financial year	-	-	-	-	43,701
Balance at 31 December 2007 / 1/1/2008	1,454	(10,593)	-	136,069	43,701
Movements in 2008:					
Profit appropriation for 2007:					
- Cash dividend paid	-	-	-	-	(14,595)
- Stock dividend	-	-	-	-	(103)
- Costs associated with the payment of the stock dividend	-	-	-	-	(63)
- Addition to other reserves	-	-	-	28,940	(28,940)
Addition to reserve	(10,373)	-	101	-	-
Less: deferred taxes	2,645	-	-	-	-
Exchange rate result on the net asset value of foreign participating interests	-	(24,231)	-	-	-
Result for financial year	-	-	-	-	52,538
Balance at 31 December 2008	(6,274)	(34,824)	101	165,009	52,538

7. Provisions

The following provisions were recognised:

	Balance at 1/1/2008	Additions	Withdrawals	Balance at 31/12/2008
Employee benefits	205			205
Reorganisation	594			594
Other	611			611
	1,410			1,410
Provision for deferred taxes	2,721	3,555	(135)	6,141
	4,131	3,555	(135)	7,551

Expected settlement time by category of provision:

	Less than 1 year	More than 1 year
Employee benefits	180	25
Reorganisation	100	494
Other	-	611
	280	1,130
Provision for deferred taxes	1,543	4,598
Balance at 31 December 2008	1,823	5,728
Balance at 31 December 2007	483	3,648

8. Other short-term liabilities

This item can be broken down as follows:

	2008	2007
Other taxes and social security costs	219	172
Group companies	31,560	168
Other liabilities and accrued expenses	5,409	3,758
Balance at 31 December	37,188	4,098

9. Related-party transactions

See the notes to the consolidated financial statements for a list of related parties, including remuneration of the board.

10. Rights and liabilities not included in the balance sheet

With respect to the securities, required by the syndicate of banks, we refer to the notes to the consolidated balance sheet.

ERIKS group nv and the Dutch wholly-owned group companies form a fiscal unity. For corporation tax purposes, the company is the head of the ERIKS group nv fiscal unity and as such has joint and several liability for the liabilities of the fiscal unity as a whole.

Alkmaar, 26 February, 2009

Executive board

*J. van der Zouw
J.G. de Boer
M.T.A. Beckers
M.R.G. Dixon
H.J. Maier
J.F.A.M. van Os
B. Wilson*

Supervisory board

*A.A. Olijslager
R.J.A. van der Bruggen
R.A.A. Oliemans
A. Wateler*

3.10 Other information

Foundation ERIKS Group

Foundation ERIKS Group has been granted the right to acquire preference shares in ERIKS group nv up to 100 percent of the total par value of the ordinary and cumulative preference shares in the capital of ERIKS group nv in circulation at the time the right is exercised.

The board of the Foundation comprises Mr A. Buitendam, Mr P.A.M. Hemels and Mr F.M. Tempelaar.

The executive board of ERIKS group nv and the board of Foundation ERIKS Group hereby state that in their joint opinion, the independence requirements applicable to the members of the board of Foundation ERIKS Group, as referred to in article 5:71 lid 1, sub c Wft.

Alkmaar, 26 February, 2009

ERIKS group nv
Executive board

Foundation ERIKS Group
Board

Articles of association provisions concerning profit appropriation (artikel 33, 34 en 35)

The following is a summary of the stipulations of articles 33, 34 and 35 of the articles of association on the appropriation of profit. The profit disclosed in the financial statements adopted by the general meeting of shareholders shall be appropriated

as follows:

1. firstly, a dividend is paid to the holders of preference shares;
2. secondly, if the profit permits, a dividend is paid to the holders of cumulative preference shares;
3. if the profit for any financial year should be insufficient to cover the above distributions on the preference or cumulative preference shares, the shortfall is to be made up from the company's freely distributable reserves, insofar as possible. If the distributions on those two classes of shares cannot be made in full in that way either, the shortfall is to be made up from the profit earned in subsequent financial years;
4. no dividend may be paid on cumulative preference shares for as long as any dividend, whether current or in arrears, is owing on preferred shares. No dividend may be paid on ordinary shares for as long as any dividend is owing on the preference or cumulative preference shares;
5. the profit remaining after 1. and 2. is at the disposal of the general meeting of shareholders;
6. the general meeting of shareholders may resolve that dividends be paid in whole or in part in a form other than cash provided the motion in question is tabled by the executive board and approved by the supervisory board;
7. subject to the approval of the supervisory board, the executive board may pay an interim dividend.

Profit appropriation proposal for 2008

Insofar as circumstances allow, ERIKS pays out as a dividend about 50 percent of the result available to shareholders plus amortisation. Under the current economic conditions it is the responsibility of the supervisory board and the executive board to carry out a prudent financial policy. The ERIKS board intends to follow the developments over the short term and will publish a proposal for the amount and structure of the dividend over 2008 in April next.

3.11 Clusters and group companies

as at 26 February 2009

ERIKS has a 100% direct or indirect shareholding in the group companies unless otherwise specified.

ERIKS Belgium

ERIKS nv, Hoboken

www.eriks.be

ERIKS Motion Control nv, Brussels

www.ieco.be

Econosto nv, Wijnegem

www.econosto.be

Baudoin-groep:

Baudoin nv, Mol

www.baudoin.be

Baudoin Luxembourg sa, Howald

www.baudoin.be

Mekanische Konstruktie Baudoin nv, Mol

www.baudoin.be

Baudoin Wyko nv, Mol

www.baudoin.be

Baudoin Champion sas, Roncq, France

www.champion.fr

TradCom nv, Mol

www.tradcom.be

Vemoflex-groep:

Vemoflex nv, Asse

www.vemoflex.be

Hydromeka nv, Wijnegem

www.hydromeka.com

LMC nv, Asse (80%)

www.lmc-couplings.com

Vemoflex France Sud eurl, Chassieu, France

www.vemoflex.be

Vemoflex France Nord sarl, Cheminot, France

www.vemoflex.be

Betaflex bv, Hoogezand, The Netherlands

www.betaflex.nl

Vermeulen nv, Roeselare

www.vermeulen-eriks.be

Sealing technology

Power transmission

Flow technology

Industrial plastics

Tools and maintenance products

ERIKS Germany

ERIKS Holding Deutschland GmbH, Bielefeld

ERIKS NordWest GmbH, Bielefeld

www.eriks.de

ERIKS GmbH Division Dichtungstechnik, Bielefeld

www.eriks.de

ERIKS NordOst GmbH, Garbsen/Hanover + Blankenburg

www.eriks.de

ERIKS Nord GmbH, Glinde/Hamburg

www.eriks.de

ERIKS West GmbH, Neuss + Würselen

www.eriks.de

ERIKS Hessen GmbH, Dietzenbach

www.eriks.de

ERIKS SüdWest GmbH, Mannheim

www.eriks.de

ERIKS SüdWest GmbH, Stuttgart + Saarbrücken

www.eriks.de

ERIKS Bayern GmbH, Maisach

www.eriks.de

www.eriks.de
www.schmitztechnik.de
www.econosto.de

www.eriks.nl + www.erxs.nl
www.flexion.nl + www.elmeq.nl
www.econosto.nl
www.eriks.nl
www.eriks.nl
www.wielens.nl

ERIKS bv, Alkmaar + Rotterdam
ERIKS Aandrijftechniek bv, Roermond + Schoonhoven
Econosto Nederland bv, Capelle aan den IJssel
Bruhamij Kunststoffen bv, Ede
Noton bv, Huizen
Wielens Beheer bv, Groningen

www.eriks.co.uk
www.eriks.co.uk
www.eriks.co.uk
www.eriks.co.uk
www.eriks.co.uk
www.eriks.co.uk
www.eriks.co.uk
www.eriks.co.uk
www.eriks.ie
www.flexiblehose.co.uk
www.spg-gaskets.co.uk

Real estate company for buildings in the Netherlands

ERIKS UK Holdings Ltd, Halesowen

www.wyko-europe.sk
www.wyko-europe.cz
www.wyko.co.uk/nigeria
www.eriks.co.uk
www.ace-bearings.co.uk

www.revolvo.com
www.wykotiretechnology.com
www.wykotiretechnology.com
www.wykotiretechnology.com
www.econosto.uk.com

Tools and maintenance products
Tire Technology
Integrated Solutions

ERIKS Poland

Mowta Sp z.o.o., Gdansk, Poland
Passerotti Sp z.o.o., Bielsko-Biala, Poland

www.mowta.com.pl
www.passerotti.com.pl

Sealing technology
Mechanical power transmission
Flow technology (valves and instrumentation)

ERIKS France

ERIKS France holding sarl, Trappes
ERIKS sas, Trappes

www.eriks.fr

Sealing technology
Flow technology

ERIKS Spain

Econosto Ibérica S.A. with branches in Barcelona, Madrid
San Sebastian, Leioa, Tarragona

www.econostoiberica.com

Flow technology

ERIKS USA

ERIKS Corporation, Ft. Worth, TX
ERIKS Southwest, Inc., Ft. Worth, TX
ERIKS Midwest, Inc., New Berlin, WI
ERIKS West, Inc., Seattle, WA
Turpen & Associates, Inc., Tulsa, OK
Sealing technology
Power transmission
Industrial plastics

www.eriksusa.com
www.eriksusa.com
www.eriksusa.com
www.turpen.com

ERIKS Middle East

Econosto Mideast bv with branches in Dubai, Abu Dhabi
Sharjah, Qatar, Saudi Arabia, Kazakhstan,
Pakistan en India

www.econosto-mideast.com

Flow technology

ERIKS South-east Asia

ERIKS pte ltd, Singapore
ERIKS sdn bhd, Kuala Lumpur, Malaysia
Econosto Singapore pte ltd, Singapore
Econosto Maleisië sdn bhd, Kuala Lumpur, Malaysia
Econosto Shanghai ltd, Shanghai, China

www.eriks.com.sg
www.eriks.com.my
www.econosto.com.sg
www.econosto.com.my

Sealing technology
Flow technology

4. AUDITOR'S REPORT RELATING TO THE ERIKS CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEAR 2008

To the general meeting of shareholders of ERIKS group nv

Report on the financial statements

We have audited the accompanying financial statements 2008 of ERIKS group nv, Alkmaar as set out on pages 95 to 132. The financial statements consist of the consolidated financial statements and the company financial statements. The consolidated financial statements comprise the consolidated balance sheet as at 31 December 2008, the profit and loss account, statement of movements in total shareholders' equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes. The company financial statements comprise the company balance sheet as at 31 December 2008, the company profit and loss account for the year then ended and the notes.

The executive board's responsibility

The executive board of the company is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Netherlands Civil Code, and for the preparation of the report by the executive board in accordance with Part 9 of Book 2 of the Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the executive board, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion with respect to the consolidated financial statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position of ERIKS group nv as at 31 December 2008, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Netherlands Civil Code.

Opinion with respect to the company financial statements

In our opinion, the company financial statements give a true and fair view of the financial position of ERIKS group nv as at 31 December 2008, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under 2:393 sub 5f of the Netherlands Civil Code, we report, to the extent of our competence, that the report by the executive board is consistent with the financial statements as required by 2:391 sub 4 of the Netherlands Civil Code.

Amsterdam, 26 February 2009

PricewaterhouseCoopers Accountants N.V.

P. Jongerius RA

The auditor's report stated above is the original auditor's report as issued 26 February 2009 in connection with the 2008 annual report of ERIKS N.V. (former ERIKS group nv) in which, next to the financial statements, also a report by the executive board was included. For the purpose of this Offer Memorandum the report by the executive board is not included. The page numbers included in the auditor's report stated above refer to the page numbers in the original 2008 financial statements of ERIKS N.V. (former ERIKS group nv).

5. ERIKS CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION RELATING TO THE THREE MONTH PERIOD ENDED 31 MARCH 2009

5.1 INTERIM MANAGEMENT REPORT – HIGHLIGHTS FIRST QUARTER 2009

Financial results (€ millions)	First quarter 2009	First quarter 2008	Change
• Sales	270.0	245.2	10.1%
• Organic growth, excluding currency fluctuations	-14.3%	+4.5%	
• Organic growth per working day	-13.5%	+7.0%	
• EBITDA	18.4	24.1	-23.6%
• EBITA, excluding reorganisation costs / result divestment participating interest	15.7	21.6	-27.3%
• EBITA, including reorganisation costs / result divestment participating interest	15.1	22.6	-33.2%
• Amortization of intangible fixed assets	1.8	1.3	
• Operating result	13.3	21.3	-37.4%
• Net result	6.3	14.6	-56.9%
Ratios			
• EBITDA as a percentage of sales	6.8	9.8	
• EBITA, excluding reorganisation costs, as a percentage of sales	5.8	8.8	
• Interest coverage ratio (EBITDA / financial expenses)	6.5	12.7	
• Net debt / EBITDA	2.1	1.3	
• EBITA as a percentage of net capital invested (incl. goodwill)	11.3	20.9	

CEO J. van der Zouw: ‘The market conditions for ERIKS deteriorated rapidly in the space of a few months due to the worldwide recession. We do not see any improvement yet. The industrial business units are being adapted to the reduced level of activity without impacting the organisations commercial power. As a result, the number of employees will decline by approximately 450. All clusters will continue their present strategies. ERIKS has the know-how, products and services to expand its market share also in difficult economic conditions.’

Commercial / Operational

- Sales for the first quarter 2009 were € 270.0 million, an increase of 10.1% compared to the same period last year. This increase may be further specified as follows:
 - increase of € 75.1 million due to the acquisitions realised in 2008 and 2009;
 - negative organic growth of € 32.6 million or -14.3% (per working day: 13.5%). Due to the recession, demand for ERIKS’ products and services decreased in all regions;
 - decrease of € 5.6 million due to the sale of activities;
 - decrease of € 12.1 million due to lower exchange rates (especially of the Pound Sterling).
- Organic growth per working day, compared to the same period last year, in the past five quarters:

Q1 2008:	+7.0%	Q1 2009:	-13.5%
Q2 2008:	+7.4%		
Q3 2008:	+3.7%		
Q4 2008:	-1.4%		

- Taking into account the development of sales of the companies acquired in 2008, growth per working day decreased by about 10%.
- Cost saving programs have been implemented in all clusters and operating companies. This will result in a cost cutback of approximately € 20 million on an annual basis. In addition to the cost savings already realised in the first quarter, costs will further decrease in the coming months. Operations are being adapted to the reduced level of activity without compromising intrinsic strength.

Expansion

In order to strengthen its activities in Germany, ERIKS acquired the commercial activities (asset deal) of Arnold Frommeyer GmbH & Co. KG in Isernhagen (Hanover), Germany for an amount of EUR 0.1 million. The company realises annual sales of € 3.0 million with 15 employees. The acquisition was legally finalised on 28 April 2009.

Divestment of participating interests

On 1 January 2009, the shares of Baudoux Industries sas were transferred to MB Industrie in Lyon, France. The book loss on the transaction of EUR 1.9 million (before tax) is recognised in the result of 2008. Annual sales of Baudoux amounted to some € 7.5 million with 47 employees. The divested activities did not contribute to the operational result of the ERIKS group in the last 2 years.

5.2 CONSOLIDATED PROFIT AND LOSS ACCOUNT (€ millions)

	First quarter 2009		First quarter 2008	
		in %		in %
Net sales	270.0	100.0	245.2	100.0
Gross profit on sales	67.1	24.9	65.2	26.6
Sales expenses	45.5	16.9	37.2	15.2
General administrative expenses	8.3	3.1	6.6	2.7
Total expenses	53.8	20.0	22.6	17.9
Operating result	13.3	4.9	21.3	8.7
Financial income and expenses:				
- interest	(3.8)	(1.4)	(1.9)	(0.8)
- movements in fair value of financial instruments	(1.1)	(0.4)	1.0	0.4
Result before taxes	8.4	3.1	20.4	8.3
Taxes	(2.1)	(0.8)	(5.7)	(2.3)
Result after taxes	6.3	2.3	14.7	6.0
Minority interest	-	-	(0.1)	(0.1)
Result at the disposal of shareholders	6.3	2.3	14.6	5.9
Average number of shares issued	10,787,416		10,582,614	
Earnings per share (in euros) at the disposal of shareholders (ordinary and diluted)	0.58		1.38	

5.3 CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2009 (€ millions)

	31 March 2009	31 December 2008
ASSETS		
Fixed assets		
Intangible fixed assets: - goodwill and from acquisitions	272.1	272.2
Intangible fixed assets: - software	8.0	8.2
Tangible fixed assets	78.3	76.6
Deferred tax assets	20.6	22.8
Derivative financial instruments	5.3	19.1
	384.3	398.9
Current assets		
Inventories	167.1	172.8
Accounts receivable trade	202.0	211.1
Other current assets	14.8	13.5
Liquid resources	78.7	60.1
	462.6	457.5
Total ASSETS	846.9	856.4
LIABILITIES		
Shareholders' equity	310.6	303.8
Minority interest	1.0	1.1
Total shareholders' equity	311.6	304.9
Long-term liabilities		
Loans	226.3	245.3
Provisions	13.0	12.9
Deferred tax liabilities	29.5	32.3
	268.8	290.5
Short-term liabilities		
Banks – current account overdraft	46.5	42.1
Repayment obligations on long-term liabilities	16.7	16.7
Suppliers	116.0	115.7
Income tax	(1.8)	1.2
Other short-term liabilities	89.1	85.3
	266.5	261.0
Total LIABILITIES	846.9	856.4

5.4 STATEMENT OF COMPREHENSIVE INCOME (€ millions)

	First quarter 2009	First quarter 2008
Net profit for the period	6.3	14.6
Other comprehensive income:		
- currency exchange differences	3.8	(8.8)
- hedge accounting, net of tax	(3.3)	(0.6)
Total comprehensive income for the period	6.8	5.2

5.5 STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (€ millions)

	2009	2008
Balance 1 January	303.8	297.8
net result for the period	6.3	14.6
currency exchange differences reserve	3.8	(8.8)
hedge reserve	(3.3)	(0.6)
Subtotal "comprehensive income"	6.8	5.2
Balance 31 March	310.6	303.0

5.6 CONSOLIDATED CASH FLOW STATEMENT (€ millions)

	First quarter 2009	First quarter 2008
Operating activities		
Result after taxes (before minority interests)	6.3	14.7
Adjustments for:		
- depreciations, including amortization of software	2.7	2.5
- amortization of other intangible fixed assets	1.8	1.3
Cash flow from ordinary activities	10.8	18.5
Exceptional gain	-	(1.0)
Financial income and expenses	3.8	1.9
Income tax	2.1	5.7
Movements in working capital	15.1	(9.8)
Other accounts receivable and short-term liabilities, excl. repayment obligations	(0.5)	(2.9)
Movements in deferred tax liabilities	0.5	2.7
Movements in provisions	0.1	(2.5)
Movements in fair value derivative financial instruments	1.1	(1.0)
Cash flow generated from operating activities	33.0	11.6
Financial expenses paid	(0.8)	(1.6)
Income tax paid	(5.0)	(7.0)
Cash flow from operating activities	27.2	3.0
Investments in tangible fixed assets and software	(4.3)	(2.9)
Disposals of tangible fixed assets and software	0.9	0.1
Acquisition of participating interests	-	(30.4)
Divestment of participating interests	-	15.5
Cash flow from investing activities	(3.4)	(17.7)
Repayment on loans, including repayment obligations	(19.0)	(6.0)
Repayment on bank overdrafts – cash loans	-	1.5
Movements in exchange rate part of derivative financial instruments	7.9	(8.4)
Dividend payment minority interest	-	(0.3)
Cash flow from financing activities	(11.1)	(13.2)
Cash flow on balance	12.7	(27.9)
Liquid resources and bank overdrafts 1 January	18.0	33.3
Exchange differences	1.5	3.5
Liquid resources and bank overdrafts 31 March	32.2	8.9
Presentation in the balance sheet:		
Liquid resources	78.7	28.2
Banks – current account overdraft	(46.5)	(19.3)
	32.2	8.9

5.7 NOTES TO THE INTERIM FINANCIAL STATEMENTS

GENERAL

The consolidated interim financial statements of the holding company ERIKS nv and all its group companies were drawn up using the accounting policies set out below. ERIKS nv has its registered office in Alkmaar, the Netherlands.

The interim financial information for the period ending 31 March 2009 has been prepared in accordance with IAS 34 Interim Financial Reporting adopted by the European Union.

The interim financial information does not include all of the information required for a full set of annual report and should be read in conjunction with the most recent financial statements as per 31 December 2008.

The accounting principles and methods of computation applied in the interim financial information are the same as those used in the annual report for 2008, with the exception of the following new standards that came into effect as per 1 January 2009:

- IAS 1 (revised), which stipulates the required disclosure of a comprehensive income statement.
- IFRS 8 on segment reporting, which introduces the management approach to reporting on individual segments, whereby reported segment information should be based on internal reports used to assess how each segment is developing and to allocate resources. The outcome of our analysis is that this standard does not change significantly our way of segment reporting.

Other amendments and interpretations that came into effect as per 1 January 2009 are currently not relevant for the ERIKS group.

Compared to the 2008 Annual report, the Purchase Price Allocation regarding the acquisition of Econosto was modified. The calculation of the inventory provisions at the Econosto companies was finalised in the first quarter of 2009 and brought in line with the ERIKS guidelines. After taxes, this has resulted in an increase of the goodwill of EUR 2.1 million. The comparative numbers of 31 December 2008 have been restated accordingly.

No unusual items affecting assets, liabilities, equity, net income or cash flow need to be disclosed other than those disclosed in these interim financial statements. The interim operations of ERIKS are not significantly impacted by seasonal patterns.

SEGMENT INFORMATION

The total assets per segment have not significantly changed compared to the assets per segment that are taken up in the latest annual report 2008.

Sales by cluster (€ millions)

	First quarter 2009	First quarter 2008	Change in %	Organic growth in % (excl. currency fluctuations)
ERIKS Belgium	39.3	41.4	(5.0)	(14.1)
ERIKS Germany	44.1	35.7	23.6	(21.3)
ERIKS Netherlands	79.2	65.4	21.0	(15.4)
ERIKS UK	69.6	86.0	(19.1)	(8.1)
Rest of Europe	5.5	5.6	(1.0)	(4.9)
ERIKS Europe	237.7	234.1	1.5	(13.6)
ERIKS USA	7.7	9.2	(16.2)	(27.1)
ERIKS Middle East	20.7	-	-	-
ERIKS South-east Asia	3.9	1.9	104.3	(22.8)
	270.0	245.2	10.1	(14.3)

As of 1 June 2008, the results of Econosto are included in the consolidation. The realised sales are spread among the various clusters. 'Rest of Europe' covers the activities in Central Europe, France and Spain.

Sales by customer type (€ millions)

	First quarter 2009	First quarter 2008	Change in %	Organic growth in % (excl. currency fluctuations)
Maintenance	141.5	151.2	(6.4)	(9.8)
OEM	66.3	67.3	(1.6)	(19.7)
Contractors and projects	48.6	10.0	487.6	(26.8)
Distributors and export	13.6	16.7	(18.4)	(23.6)
	270.0	245.2	10.1	(14.3)

The sales figures are being impacted considerably by fluctuations of foreign currencies (first quarter 2009: € -12.1 million). For the most important foreign currencies, the following average exchange rates were applied:

	Average exchange rates		
	First quarter 2009	First quarter 2008	Change
Pound Sterling	1.1004	1.3210	-16.7%
US dollar	0.7675	0.6677	+14.9%
U.A.E. Dirham	0.2110	n/a	-
Singapore dollar	0.5074	0.4738	+7.1%

EBITA and operating result

EBITA excluding reorganisation costs decreased by € 5.9 million to € 15.7 million, equalling 5.8% of sales (2008: 8.8%). All clusters realised positive EBITA, yet EBITA decreased compared to 2008. The reorganisation costs reflect additional costs in the context of the realisation of the cost saving programmes.

The operating result per cluster, including reorganisation costs and impairment, is as follows:

	First quarter 2009	First quarter 2008
ERIKS Belgium	2.1	4.2
ERIKS Germany	2.9	4.0
ERIKS Netherlands	6.4	8.3
ERIKS UK	(0.3)	4.3
Rest of Europe	0.2	(0.1)
ERIKS Europe	11.3	20.7
ERIKS USA	0.4	1.3
ERIKS Middle East	2.6	-
ERIKS South-east Asia	0.4	0.3
ERIKS group nv	(1.4)	(1.0)
	13.3	21.3
Financial income and expenses	(4.9)	(0.9)
Taxes	(2.1)	(5.7)
Minority interest	-	(0.1)
Result at the disposal of shareholders	6.3	14.6

FINANCIAL INCOME AND EXPENSES

Specification:

	First quarter 2009	First quarter 2008
Movements in fair value derivative financial instruments	(1.1)	1.0
Interest paid	(3.8)	(1.9)
	(4.9)	(0.9)

TAXES ON RESULT FROM ORDINARY ACTIVITIES

The tax rate on the result for the first quarter of 2009 amounted to 25.2%. The tax rate was positively influenced by the application of certain group financing tax rules. Corporate income taxes are accrued based on the expected effective tax rate.

FIXED ASSETS

	Goodwill	Intangible fixed assets from acquisition	Software	Tangible
Balance 31 December 2008	188.8	81.3	8.2	76.6
PPA adjustment	2.1	-	-	-
Adjusted balance 31 December 2008 / 1 January 2009	190.9	81.3	8.2	76.6
Investments	-	-	0.2	4.1
Disposals	-	-	-	(0.9)
Amortisation and impairment losses	-	(1.8)	(0.4)	(2.3)
Currency exchange differences	1.2	0.5	-	0.8
Balance 31 March 2009	192.1	80.0	8.0	78.3

For an explanation of the PPA adjustment reference is made to the section “GENERAL”.

DERIVATIVE FINANCIAL INSTRUMENTS

	31 March 2009	31 December 2008
Cross currency interest rate swaps	22.9	30.2
Interest rate swaps	(17.2)	(11.1)
Other derivative financial instruments	(0.4)	-
	5.3	19.1

The decrease of the fair value of the financial instruments is partly caused by the settlement in March of one (fifth) part of the cross currency interest rate swaps (part of GBP 15 million of the total GBP 75 million). The market value as per 31 December 2008 of this part of the cross currency interest rate swap was EUR 6.0 million. Other movements in the fair value of derivative financial instruments are caused by market movements of the interest rates that are accounted for via equity (movement in the hedge reserve before taxes is EUR 4.6 million) or via the profit and loss account (EUR 1.1 million). The remaining movement of EUR 2.1 million is the exchange rate part of the market value of the cross currency swap that is naturally hedged via the profit and loss account by the exchange rate results for the loan to ERIKS UK.

RIGHTS AND LIABILITIES NOT INCLUDED IN THE BALANCE SHEET

No significant changes in rights and liabilities not included in the balance sheet are noted compared to the situation reported in the latest Annual report 2008.

EVENTS AFTER BALANCE SHEET DATE

At the annual general meeting of shareholders held on 14 May 2009, the shareholders declared the dividend for the year 2008 at € 1.25 per share of EUR 0.50 par value, resulting in a pay-out rate of 25.7% of the net result placed at the disposal of shareholders. As last year, shareholders are given the option of electing to receive a stock or cash dividend chargeable to reserves. In June 2009, ERIKS nv has announced that the number of dividend rights providing an entitlement to two new ordinary shares has been set at 73 dividend rights of the ordinary share with a par value of EUR 0.50. The average share price from 26

May up to and including 1 June 2009 amounted to EUR 47.27 per ordinary share and has been used as a reference value in setting the number of dividend rights providing an entitlement to two new ordinary shares. On the basis of that share price $\frac{2}{73}$ th part of one ordinary share represents a value of EUR 1.30, which is 3.6% higher than the cash dividend of EUR 1.25.

6. REVIEW REPORT RELATING TO THE ERIKS CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION RELATING TO THE THREE MONTH PERIOD ENDED 31 MARCH 2009

To the Executive Board of ERIKS nv (former ERIKS group nv)

Introduction

We have reviewed the accompanying condensed consolidated interim financial information for the three month period ended 31 March 2009 of ERIKS nv (former ERIKS group nv) which comprises the consolidated condensed balance sheet as of 31 March 2009 and the related consolidated condensed statements of income, changes in equity, comprehensive income and cash flows for the three-month period then ended. The financial information per the three month period ended 31 March 2008 have not been audited nor reviewed by us. Therefore, we do not express any assurance on the information included for comparative purposes in the condensed consolidated financial information. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard 34, 'Interim financial reporting' as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with Dutch law including Standard 2410, 'Review of interim financial information performed by the auditor of the entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim financial reporting' as adopted by the European Union.

Other matter – restriction of use

The condensed consolidated interim financial information of ERIKS nv (former ERIKS group nv) for the three month period ended 31 March 2009 and our review report thereon are intended solely for the Executive Board of ERIKS nv (former ERIKS group nv) for inclusion in the Offer memorandum, part II and are not suitable for any other purpose.

Amsterdam, 10 June 2009

PricewaterhouseCoopers Accountants N.V.

P. Jongerius RA

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