



The Offer expires at 17:40 hours, Amsterdam time, on 9 August 2017, unless extended

OFFER MEMORANDUM

Dated 13 June 2017

CASH OFFER

by

TALPA HOLDING N.V.

**a public company with limited liability (*naamloze vennootschap*)
incorporated under the laws of the Netherlands**

FOR (I) ALL THE ISSUED AND OUTSTANDING BEARER CONVERTIBLE DEPOSITORY RECEIPTS REPRESENTING ORDINARY SHARES, ISSUED BY THE STICHTING ADMINISTRATIEKANTOOR VAN AANDELEN TELEGRAAF MEDIA GROEP N.V. AND (II) ALL THE ISSUED AND OUTSTANDING ORDINARY SHARES WITH A NOMINAL VALUE OF EUR 0.25 EACH,

IN THE CAPITAL OF

TELEGRAAF MEDIA GROEP N.V.

**a public company with limited liability (*naamloze vennootschap*)
incorporated under the laws of the Netherlands**

This offer memorandum (the "Offer Memorandum") contains the details of the cash offer by Talpa Holding N.V. (the "Offeror") to all holders of (i) the issued and outstanding bearer convertible depository receipts representing ordinary shares in the capital of Telegraaf Media Groep N.V. ("TMG"), issued by the Stichting Administratiekantoor van aandelen Telegraaf Media Groep N.V. (the "Share Administration Foundation") (the "Depositary Receipts") and (ii) the issued and outstanding ordinary shares in the capital of Telegraaf Media Groep N.V. (the "Ordinary Shares", and together with the Depositary Receipts, the "Shares", holders of such Shares being referred to as "Shareholders") to purchase for cash 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 set out in Section 3 (Definitions) or elsewhere in this Offer Memorandum. Pursuant to Article 1:1 of the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*, the "Wft") the Offeror is qualified as an offeror in respect of this Offer.

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 6.50 (which includes any dividend or other distribution on the Shares that has been declared but has not yet been paid or that may be declared prior to the Settlement Date and, consequently, the Offer Price will be decreased by the amount of such declaration of dividend, payment of such previously declared dividend or other distribution, if any, prior to the Settlement Date) (the "**Offer Price**"). See Section 4 (Invitation to the Shareholders).

At the date of this Offer Memorandum, the Offeror does not hold any Ordinary Shares or Depositary Receipts directly. At the date of this Offer Memorandum, Talpa Beheer B.V. ("**Talpa Beheer**") and Dasym Investments II B.V. ("**Dasym II**") hold an aggregate amount of 13,516,049 Depositary Receipts, representing 29.16% of the Shares. Talpa Beheer and Dasym II are under common control with the Offeror, and have each committed to transfer their Depositary Receipts to the Offeror in connection with the Offer. See Sections 5.3 (Shares in the capital of TMG, Shares held by the Offeror, committed Shares) and 8 (Further declarations pursuant to the Decree).

The acceptance period under the Offer begins at 9:00 hours, Amsterdam time, on 14 June 2017 and ends at 17:40 hours, Amsterdam time, on 9 August 2017 (the "**Acceptance Closing Date**"), unless extended in accordance with the terms of the Offer Memorandum and Article 15 of the Decree on Public Takeover Bids (*Besluit openbare biedingen Wft*, the "**Decree**") (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. The Offeror reserves the right to extend the Acceptance Period once, for a minimum of two weeks and up to a maximum of ten weeks. If the Acceptance Period is extended, the Offeror will make an announcement to that effect no later than on the third Business Day following the Acceptance Closing Date in accordance with the provisions of Article 15, paragraph 2 of the Decree. During the Acceptance Period, the Offeror has the right pursuant to Article 15, paragraph 4 of the Decree to increase the Offer Price. The Acceptance Period must be open for at least seven Business Days following an increase of the Offer Price. Should the Acceptance Period be open for a shorter period, it will by virtue of law be extended to seven Business Days. During such extended Acceptance Period, the Offeror is not allowed to further increase the Offer Price. Shares tendered prior to such extension of the Acceptance Period may be withdrawn during the extended Acceptance Period in accordance with Article 15, paragraph 3 and Article 15a, paragraph 3 of the Decree. However, during any such extension of the Acceptance Period, any Shares previously tendered and not withdrawn will remain subject to the Offer. See Section 4 (Invitation to the Shareholders).

No later than on the third Business Day following the Acceptance Closing Date, the Offeror will announce whether the Offer is declared unconditional (*gestand wordt gedaan*) (the "**Unconditional Date**"). The Offeror reserves the right to waive any of the Offer Conditions (as set out in Section 5.2 (Offer Conditions and waiver)). See also Section 4.8 (Declaring the Offer unconditional).

Announcements declaring whether the Offer is declared unconditional (*gestand wordt gedaan*) and announcements in relation to an extension of the Acceptance Period will be made by press release. See Section 4.13 (Announcements).

In the event that the Offeror announces that the Offer is declared unconditional (*gestand wordt gedaan*), Shareholders tendering their Shares for acceptance pursuant to the Offer will receive no later than on the fifth Business Day 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*) on the terms and subject to the conditions and restrictions of the Offer. See Section 4 (Invitation to the Shareholders).

This Offer Memorandum has been prepared in accordance with Article 5:76 of the Wft in conjunction with Article 8, paragraph 1 of the Decree and has been approved by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the "**AFM**").

PART I

1. RESTRICTIONS AND IMPORTANT INFORMATION

1.1. Restrictions

1.1.1. General

The Offer is 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 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 Shareholder, 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 of the jurisdiction from which such acceptance has 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. The Offeror nor any of its Affiliates, managing or supervisory board members, employees, nor its 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 intend 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 distribution of this Offer Memorandum 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 laws of any such jurisdiction.

1.1.2. United States of America

The Offer is not being made, directly or indirectly, into the United States of America and may not be accepted in or from the United States of America by use or means of the interstate or foreign commerce or any facility of a securities exchange in these jurisdictions including, but without limitation, electronic mail, post, facsimile transmission, telex and telephone. This Offer Memorandum has not been submitted to or reviewed by the United States Securities and Exchange Commission or any state securities commission and neither the United States Securities and Exchange Commission 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.

This Offer Memorandum is not being and should not be mailed or otherwise distributed or sent in or into the United States of America.

1.1.3. Canada and Japan

The Offer and any solicitation in respect thereof is not being made, directly or indirectly, in or into Canada or Japan, or by use of the mails, or by any means or instrumentality of interstate or foreign commerce, or any facilities of a national securities exchange, of Canada or Japan. This includes, but is not limited to, post, facsimile transmission, telex or any other electronic form of transmission and telephone. Accordingly, copies of this Offer Memorandum and any related press announcements, acceptance forms or other documents are not being sent and must not be mailed or otherwise distributed or sent in, into or from Canada or Japan, or in their capacities as such, to custodians, nominees or trustees holding Shares for persons residing in Canada or Japan. Persons receiving this Offer Memorandum and/or such other documents must not distribute or send them in, into or from Canada or Japan, or use such mails or any such means, instrumentality or facilities for any purpose in connection with the Offer; doing so will invalidate any purported acceptance of the Offer. The Offeror will not accept any tender by any such use, means, instrumentality or facility from within Canada or Japan.

1.2. Important information

This Offer Memorandum contains important information that should be read carefully before any decision is made to tender Shares in connection with the Offer. Shareholders are advised to seek independent advice where appropriate to reach a balanced judgment in respect of the contents of the Offer Memorandum and the Offer itself. In addition, Shareholders may wish to consult with their tax advisers regarding the tax consequences of tendering their Shares in connection with the Offer.

The information included in Part II (Financial Statements) has been derived from public information available on the website of TMG (www.tmg.nl) and has not been commented on, amended or verified by the Offeror. As the information underlying the information on TMG included in Part II has been prepared by parties other than the Offeror, the Offeror cannot assume any responsibility for the accuracy of this underlying information. TMG has not given its consent to include this information in this Offer Memorandum.

Certain information in Sections 5.1, 5.3, 5.4, 5.7, 6.1, 6.2, 6.3, 6.4, 6.5, 6.6 and 11.6, as indicated as such, has been derived from public information available on the website of TMG, from the publicly available offer memorandum as published by the Consortium on 19 April 2017, from the notice and explanatory notes in respect of the annual general meeting of TMG held on 1 June 2017, from press releases of TMG and/or the Consortium, from the public registers held by the AFM or from the information included in the Commercial Register (*Handelsregister*) as kept by the Dutch Chamber of Commerce (*Kamer van Koophandel*). This information has not been commented on, amended or verified by the Offeror. As this information has been prepared by parties other than the Offeror, the Offeror cannot assume any responsibility for the accuracy of this underlying information. Neither TMG nor any other party involved has given its consent to include this information in this Offer Memorandum.

Except as set forth above, the information included in this Offer Memorandum has been provided solely by the Offeror. Section 11 (Nederlandse samenvatting van het Bod) is a translated summary in the Dutch language of information provided by the Offeror in the English language.

Except as set forth above, the Offeror is exclusively responsible for the accuracy and completeness of the information provided in this Offer Memorandum. The Offeror confirms, that, to the best of its knowledge and belief, having taken all reasonable care to ensure that such is the case, the information contained in this Offer Memorandum is in accordance with the facts and contains no omission likely to affect its import. Please be aware that certain financial and statistical information 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.

The information included in this Offer Memorandum reflects the situation as at the date of this Offer Memorandum unless specified otherwise. Neither the issue nor the distribution of this Offer Memorandum shall under any circumstances imply that the information contained herein is accurate and complete as of any time subsequent to this date or that there has been no change in the information set out in this Offer Memorandum or in the affairs of the Offeror or TMG since the date of this Offer Memorandum. The foregoing does not affect the obligation of the Offeror to make a public announcement pursuant to Article 4, paragraph 1 and paragraph 3 of the Decree, if applicable.

No person, other than the Offeror, is authorised in connection with the Offer to provide any information or to make any statements on behalf of the Offeror 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, such information or statements should not be relied upon as having been provided by or made by or on behalf of the Offeror. 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.

This Offer Memorandum and the Offer are, and any tender, purchase, acceptance or delivery (*levering*) of Shares will be, governed by and construed in accordance with the laws of the Netherlands. The District Court of Amsterdam (*rechtsbank Amsterdam*) and its appellate courts 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, acceptance or delivery (*levering*) of Shares. Accordingly, any legal action or proceedings arising out of or in connection with the Offer

Memorandum, the Offer and/or any tender, purchase, acceptance or delivery (*levering*) of Shares must be brought exclusively before such courts.

The Offer Memorandum is only available in the English language and a brief Dutch language summary of this Offer Memorandum is included as Section 11 (Nederlandse samenvatting van het Bod). In the event of any differences, whether or not in interpretation, between the English text of the Offer Memorandum and the Dutch summary thereof in this Offer Memorandum, the English text of the Offer Memorandum shall prevail.

1.3. Forward-looking statements

This Offer Memorandum includes "forward-looking statements" including statements about the expected timing and completion of the Offer. Forward-looking statements involve known or unknown risk and uncertainty because these statements relate to events and depend on circumstances that occur in the future. Generally, words such as may, should, aim, will, expect, intend, estimate, anticipate, believe, plan, seek, continue or similar expressions identify forward-looking statements. Although the Offeror believes the expectations reflected in such forward-looking statements are based on reasonable assumptions, no assurance can be given that such statements will be fulfilled or prove to be correct, and no representations are made as to the future accuracy and completeness of such statements. Any such forward-looking statements must be considered together with the fact that actual events or results may vary materially from such forward-looking statements due to, among other things, political, economic or legal changes in the markets and environments in which the Offeror and/or TMG does business, to competitive developments or risks inherent to the Offeror's or TMG's business plans and to uncertainties, risk and volatility in financial markets and other factors affecting the Offeror and/or TMG.

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.

1.4. Financial adviser

Bank of America Merrill Lynch is acting as financial adviser exclusively to the Offeror and to no one else in connection with the Offer and will not regard any other person (whether or not a recipient of this Offer Memorandum) as a client in relation to the Offer and will not be responsible to anyone other than the Offeror for providing the protections afforded to the clients of Bank of America Merrill Lynch or for providing advice in relation to the Offer.

2. TABLE OF CONTENTS

PART I	3
1. RESTRICTIONS AND IMPORTANT INFORMATION	3
1.1. Restrictions	3
1.2. Important information	4
1.3. Forward-looking statements	5
1.4. Financial adviser	5
2. TABLE OF CONTENTS	6
3. DEFINITIONS	8
4. INVITATION TO THE SHAREHOLDERS	11
4.1. Introduction	11
4.2. Offer Price	11
4.3. Acceptance by Shareholders	11
4.4. Withdrawal rights	12
4.5. Offer Conditions	13
4.6. Acceptance Period	13
4.7. Extension	13
4.8. Declaring the Offer unconditional	14
4.9. Settlement	14
4.10. Dividend	14
4.11. Commission	14
4.12. Restrictions	15
4.13. Announcements	15
4.14. Envisaged timetable	15
5. EXPLANATION AND BACKGROUND OF THE OFFER	16
5.1. Introduction	16
5.2. Offer Conditions and waiver	17
5.3. Shares in the capital of TMG, Shares held by the Offeror, committed Shares	19
5.4. Overview of Shares held by members of the Supervisory Board and Executive Board	19
5.5. Substantiation of the Offer Price	20
5.6. Rationale for the Offer and strategy	22
5.7. Consequences of the Offer	24
5.8. Employee statement	28
5.9. Clearance from competition authorities	28
5.10. Financing of the Offer	28
6. INFORMATION REGARDING TMG	29
6.1. Overview	29
6.2. Current business objectives and strategy	29
6.3. Supervisory Board, Executive Board and Employees	31
6.4. Capital and Shares	32
6.5. Main Shareholders	35
6.6. Share price of TMG	36
7. INFORMATION REGARDING THE OFFEROR	37
7.1. Introduction	37
7.2. Board of Directors of the Offeror, Talpa Beheer and Dasym II	37
7.3. Capital and Shares of the Offeror, Talpa Beheer and Dasym II	37
7.4. Shareholding structure of the Offeror, Talpa Beheer and Dasym II	37
7.5. Talpa Group	38
7.6. Talpa Group strategy	38
7.7. Social consequences relating to the Offer	38
8. FURTHER DECLARATIONS PURSUANT TO THE DECREE	39
8.1. Transactions in the TMG Shares	39
9. DUTCH TAX ASPECTS OF THE OFFER	42
9.1. General	42
9.2. Withholding taxes	42
9.3. Netherlands taxes on income and capital gains in connection with the acceptance of the Offer	42
9.4. Gift and inheritance taxes	44
9.5. Value added tax	44
9.6. Other taxes and duties	44

10.	OTHER INFORMATION.....	45
10.1.	Available documents	45
10.2.	Exchange Agent	45
11.	NEDERLANDSE SAMENVATTING VAN HET BOD.....	46
11.1.	Restricties en belangrijke informatie	46
11.2.	Nederlandse Definities	47
11.3.	Het Bod	49
11.4.	Motivering voor het Bod en strategie.....	50
11.5.	Financiering van het Bod.....	51
11.6.	Overzicht Aandelen en rechten gehouden door leden van de Raad van Commissarissen en de Raad van Bestuur	52
11.7.	Informatie over de Bieder, Talpa Beheer en Dasym II	52
11.8.	Gehouden Aandelen en gecommitteerde Aandelen	53
11.9.	Aanvaarding door Aandeelhouders	53
11.10.	Voorwaarden en afstand van Voorwaarden	54
11.11.	Aanmeldingstermijn, Gestanddoening, Verlenging en Betaling	56
11.12.	Mededelingen	58
11.13.	Indicatief tijdschema	58
12.	ADVISERS AND EXCHANGE AGENT	60
13.	PRESS RELEASES	61
	PART II – FINANCIAL STATEMENTS.....	62
	Restrictions	62
	Comparative Overview.....	62

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.

The following definitions apply throughout this Offer Memorandum, except for capitalised terms in Sections 11 (Nederlandse samenvatting van het Bod), 13 (Press Releases) and Part II (Financial Statements) of this Offer Memorandum.

Acceptance Closing Date	the time and date on which the Offer expires, being at 17:40 hours, Amsterdam time, on 9 August 2017, unless extended in accordance with Article 15, paragraph 2 of the Decree and the provisions of this Offer Memorandum
Acceptance Level	has the meaning ascribed to it in Section 5.2.1(i)
Acceptance Period	the period during which Shareholders can tender their Shares to the Offeror, which begins at 9:00 hours, Amsterdam time on 14 June 2017 and ends on the Acceptance Closing Date
Admitted Institutions	those institutions admitted to Euronext Amsterdam
Affiliate	In respect of a legal entity, any legal entities belonging to the same group as such legal entity as defined in Article 2:24b of the Dutch Civil Code, from time to time
AFM	the Netherlands Authority for the Financial Markets (<i>Stichting Autoriteit Financiële Markten</i>)
Annual Report 2015	the annual report of TMG for the financial year 2015, as published by TMG on its website
Annual Report 2016	the annual report of TMG for the financial year 2016, as published by TMG on its website
Articles of Association	the articles of association (<i>statuten</i>) of TMG
Bank of America Merrill Lynch	Bank of America Merrill Lynch International Limited
Boards	the Executive Board and Supervisory Board together
Business Day	any day other than a Saturday, Sunday or Dutch legal holiday, on which banks in the Netherlands, according to the collective agreements for the banking sector (<i>Algemene Bank-CAO</i>), and Euronext Amsterdam are generally open for business
Buy-Out	has the meaning ascribed to it in Section 5.7.2(b)
Call Option	has the meaning ascribed to it in Section 6.4.2
Consortium	Mediahuis N.V. and VP Exploitatie N.V.
Dasym II	Dasym Investments II B.V., a private company with limited liability (<i>besloten vennootschap met beperkte aansprakelijkheid</i>), incorporated under the laws of the Netherlands, with its registered office in Naarden, the Netherlands
Decree	the Dutch Decree on Public Takeover Bids (<i>Besluit openbare biedingen Wft</i>)

Depository Receipts	convertible bearer depositary receipts representing Ordinary Shares (<i>royeerbare certificaten van aandelen, aan toonder</i>) as issued by the Share Administration Foundation, as described in Section 6.4.1 (Share Administration Foundation)
Editorial Boards	the editorial boards of the TMG Group
EUR	euro, the legal currency of the European Monetary Union
Euronext Amsterdam	the regulated market operated by Euronext Amsterdam N.V.
Exchange Agent	NIBC Markets N.V.
Executive Board	the executive board (<i>raad van bestuur</i>) of TMG
Material Adverse Change	has the meaning ascribed to it in Section 5.2.1(xiii)
Offer	the offer for the Shares, as described in this Offer Memorandum
Offer Conditions	the conditions to declaring the Offer unconditional (<i>gestand doen</i>) as set out in Section 5.2.1 (Offer Conditions)
Offer Memorandum	this offer memorandum relating to the Offer
Offeror	Talpa Holding N.V., a public company with limited liability (<i>naamloze vennootschap</i>), incorporated under the laws of the Netherlands, with its registered office in Laren, the Netherlands
Offeror Group	the Offeror, including its group companies, as defined in Article 2:24b of the Dutch Civil Code
Offer Price	a cash amount of EUR 6.50 (which includes any dividend or other distribution on the Shares that has been declared but has not yet been paid or may be declared prior to the Settlement Date and, consequently, the Offer Price will be decreased by the amount of such declaration of dividend, payment of such previously declared dividend or other distribution, if any, prior to the Settlement Date) for each Share validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and delivered (<i>geleverd</i>) on the terms and subject to the conditions and restrictions of the Offer
Ordinary Shares	issued and outstanding ordinary shares (<i>gewone aandelen</i>) in the capital of TMG with a nominal value of EUR 0.25 each, as described in Section 6.4 (Capital and Shares)
Phantom Shares	has the meaning ascribed to it in Section 5.4
Post Closing Measures	has the meaning ascribed to it in Section 5.7.2(c)
Preference Shares	preference shares (<i>preferente aandelen</i>) in the capital of TMG with a nominal value of EUR 0.25 each, as described in Section 6.4 (Capital and Shares)
Preference Shares Foundation	Stichting Preferente aandelen Telegraaf Media Groep N.V., a foundation (<i>stichting</i>) established under the laws of the Netherlands, having its registered office in Amsterdam, the Netherlands
Priority Shares	issued and outstanding priority shares (<i>prioriteitsaandelen</i>) in the capital of TMG with a nominal value of EUR 0.25 each, as described in Section 6.4 (Capital and Shares)

Priority Shares Foundation	Stichting Beheer van Prioriteitsaandelen Telegraaf Media Groep N.V., a foundation (<i>stichting</i>) established under the laws of the Netherlands, having its registered office in Amsterdam, the Netherlands
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 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 three Business Days following the Unconditional Date
Share Administration Foundation	Stichting Administratiekantoor van aandelen Telegraaf Media Groep N.V., a foundation (<i>stichting</i>) established under the laws of the Netherlands, having its registered office in Amsterdam, the Netherlands
Shares	the Ordinary Shares and the Depositary Receipts
Shareholders	the holders of one or more Shares
Substantial Interest	has the meaning ascribed to it in Section 9.1
Supervisory Board	the supervisory board (<i>raad van commissarissen</i>) of TMG
Talpa Beheer	Talpa Beheer B.V., a private company with limited liability (<i>besloten vennootschap met beperkte aansprakelijkheid</i>), incorporated under the laws of the Netherlands, with its registered office in Naarden, the Netherlands
Tendered Shares	the Shares tendered under the Offer
TMG	Telegraaf Media Groep N.V., a public company with limited liability (<i>naamloze vennootschap</i>) incorporated under the laws of the Netherlands, with its registered office in Amsterdam, the Netherlands
TMG Group	TMG and its group companies as defined in Article 2:24b of the Dutch Civil Code
Unconditional Date	the date on which the Offeror publicly announces whether the Offer is declared unconditional (<i>gestand wordt gedaan</i>), being no later than on the third Business Day following the Acceptance Closing Date, in accordance with Article 16, paragraph 1 of the Decree
Wft	the Dutch Financial Markets Supervision Act (<i>Wet op het financieel toezicht</i>)

4. INVITATION TO THE SHAREHOLDERS

4.1. Introduction

Subject to the terms and conditions of this Offer Memorandum, the Offeror hereby makes a cash offer to all Shareholders to purchase all Shares held by them.

Shareholders are advised to review this Offer Memorandum (including all documents incorporated by reference herein) thoroughly and completely and to seek independent advice where appropriate to reach a balanced and informed judgment with respect to the Offer and the contents of this Offer Memorandum. 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 subject to the terms and conditions set out below.

4.2. Offer Price

For each Share validly tendered under the terms and subject to the conditions and restrictions contained in this Offer Memorandum (or defectively tendered provided that such defect has been waived by the Offeror) and delivered (*geleverd*) to the Offeror, the Offeror offers the Offer Price of EUR 6.50 in cash, which includes any dividend or other distribution on the Shares that has been declared but has not yet been paid or may be declared prior to the Settlement Date and, consequently, the Offer Price will be decreased by the amount of such declaration of dividend, payment of such previously declared dividend or other distribution, if any, prior to the Settlement Date.

During the Acceptance Period, the Offeror has the right pursuant to Article 15, paragraph 4 of the Decree to increase the Offer Price. The Acceptance Period must be open for at least seven Business Days following an increase of the Offer Price. Should the Acceptance Period be open for a shorter period, it will by virtue of law be extended to seven Business Days. During such extended Acceptance Period, the Offeror is not allowed to further increase the Offer Price. Shares tendered prior to such extension of the Acceptance Period may be withdrawn during the extended Acceptance Period in accordance with Article 15, paragraph 3 and Article 15a, paragraph 3 of the Decree. However, during any such extension of the Acceptance Period, any Shares previously tendered and not withdrawn will remain subject to the Offer. If and to the extent the Offeror, during the Acceptance Period, purchases any Shares outside the Offer at a price which is higher than the Offer Price, the Offeror will, upon declaring the Offer unconditional, pay such higher price for all Shares validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) by a Shareholder and delivered (*geleverd*) to the Offeror. In such a scenario, the Offeror will make a public announcement confirming that the Offer Price is increased to match such higher price.

4.3. Acceptance by Shareholders

4.3.1. General

To the extent permitted by applicable law, the Offeror reserves the right to accept any Shares tendered for acceptance, even if it has not been effected in the manner set out in this Section 4.3 (Acceptance by Shareholders).

4.3.2. Acceptance via an Admitted Institution

Holders of Shares which are held through an Admitted Institution are requested to make their acceptance known via their custodian, bank or stockbroker no later than 17:40 hours, Amsterdam time on 9 August 2017, unless the Acceptance Period is extended in accordance with Section 4.2 (Offer Price) or Section 4.7 (Extension). The relevant custodian, bank or stockbroker may set an earlier deadline for communication by Shareholders in order to permit the custodian, bank or stockbroker to communicate their acceptance to the Exchange Agent in a timely manner.

The Admitted Institutions may tender Shares for acceptance only to the Exchange Agent and only in writing. In submitting 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 him are being tendered in compliance with the restrictions set out in Section 1 (Restrictions and important information) and with applicable law and

(iii) they undertake to transfer these Shares to the Offeror on or before the Settlement Date, provided the Offer has been declared unconditional (*gestand wordt gedaan*).

Subject to the valid withdrawal of any tender of Shares in accordance with Article 5b, Article 15, paragraphs 3 and 8 or Article 15a, paragraph 3 of the Decree, the tendering of Shares in acceptance of the Offer shall constitute irrevocable instructions (i) to block any attempt to transfer the Shares tendered, so that on or prior to the Settlement Date no transfer of such Shares may be effected (other than to the Exchange Agent on or prior to the Settlement Date if the Offer has been declared unconditional (*gestand wordt gedaan*) and the Shares have been accepted for purchase) and (ii) 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 Offeror through the Exchange Agent of the Offer Price, in respect of those Shares.

4.3.3. Acceptance by holders of Ordinary Shares individually recorded in TMG's shareholders' register

Shareholders owning Ordinary Shares individually recorded in TMG's shareholders' register that choose to accept the Offer in respect of such Shares must deliver a completed and signed acceptance form to the Exchange Agent. Completed acceptance forms should be received by the Exchange Agent no later than 17:40 hours, Amsterdam time, on the Acceptance Closing Date. The acceptance forms are available upon request from the Exchange Agent:

NIBC Markets N.V.
Nieuwezijds Voorburgwal 162
1000 AE Amsterdam
The Netherlands
Telephone: +31 (0) 20 550 88 19
E-mail: OfferTMG@nibc.com

The acceptance form will also serve as a deed of transfer (*akte van levering*) with respect to the Ordinary Shares referenced therein.

4.3.4. Undertakings, representations and warranties by tendering Shareholders

Each Shareholder tendering Shares pursuant to the Offer, by such tender irrevocably 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 during any extension of the Acceptance Period, in accordance with Article 15, paragraph 3 or Article 15a, paragraph 3 of the Decree, that:

- the tender of any Shares constitutes an acceptance by the Shareholder of the Offer, on and subject to the terms, conditions and restrictions of the Offer as contained in this Offer Memorandum;
- such Shareholder has full power and authority to tender, sell and deliver (*leveren*), and has not entered into any other agreement to tender, sell or deliver 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, 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
- such Shares are being tendered in compliance with the restrictions as set out in Section 1.1 (Restrictions) 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 tender:

- during the extension of the Acceptance Period in accordance with the provisions of Article 15 of the Decree. During 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;
- following an announcement of a mandatory public offer in accordance with the provisions of Article 5b, paragraph 5 of the Decree, provided that such Shares were already tendered prior to the announcement and are withdrawn within seven Business Days following the announcement;
- following the filing of a request with the Dutch Enterprise Chamber of the Amsterdam Court of Appeals (*Ondernemingskamer*) to set a reasonable price for a mandatory public offer in accordance with the provisions of Article 15, paragraph 8 of the Decree, provided that (i) such request was granted, (ii) such Shares were already tendered prior to the filing of such request, and (iii) such Shares are withdrawn within seven Business Days following the date on which the judgment of the Dutch Enterprise Chamber was declared provisionally enforceable (*uitvoerbaar bij voorraad*) or became final and conclusive (*onherroepelijk*);
- following an increase of the Offer Price as a result of which the Offer Price does no longer only consist of a cash component and a document in relation thereto is made generally available in accordance with the provisions of Article 15a, paragraph 3 of the Decree, provided that such Shares were already tendered prior to the request and are withdrawn within seven Business Days following such document being made available.

To withdraw previously tendered Shares, holders of Shares held through Admitted Institutions must instruct the Admitted Institution they initially instructed to tender the Shares to arrange for the withdrawal of such Shares by the timely deliverance of a written or facsimile transmission notice of withdrawal to the Exchange Agent. Any notice of withdrawal for Shares must specify the name of the person having tendered the Shares to be withdrawn, the number of Shares to be withdrawn and the name of the registered holder of the Shares to be withdrawn, if different from that of the person who tendered such Shares. The signature(s) on the notice of withdrawal of Shares must be guaranteed by an Admitted Institution, unless such Shares have been tendered for the account of any intermediary.

4.5. Offer Conditions

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

4.6. Acceptance Period

The Acceptance Period begins at 9:00 hours, Amsterdam time on 14 June 2017 and ends at 17:40 hours, Amsterdam time on 9 August 2017, unless extended in accordance with Article 15 of the Decree and the provisions of this Offer Memorandum.

If one or more of the Offer Conditions set out in Section 5.2 (Offer Conditions and waiver) are not fulfilled or waived on the Acceptance Closing Date, the Offeror will consider extending the Acceptance Period once for a minimum of two weeks and up to a maximum of ten weeks until all such Offer Conditions have been satisfied or waived, unless it is clear that the relevant condition(s) cannot be met. See also Section 4.7 (Extension).

If all Offer Conditions are satisfied 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 on the terms of the Offer in accordance with the procedures set forth in Section 4.3 (Acceptance by Shareholders).

4.7. Extension

In accordance with Article 15, paragraph 1 of the Decree, the Offeror may extend the Acceptance Period past the Acceptance Closing Date only once, subject to a possible extension if the events referred to in Article 15, paragraph 5 or 9 of the Decree occur, in which case all references in this Offer Memorandum to the Acceptance Closing Date shall, unless the context requires otherwise, be moved

to the latest date and time to which the Offer has been so extended. However, as noted in Section 4.3.2 (Acceptance via an Admitted Institution), a custodian, bank or stockbroker may set an earlier deadline for Shareholders to communicate acceptances of the Offer in order to permit the custodian, bank or stockbroker to communicate such acceptances to the Exchange Agent in a timely manner.

If the Acceptance Period is extended and the obligation pursuant to Article 16 of the Decree to announce whether the Offer has been declared unconditional is postponed, a public announcement to that effect shall be made no later than the third Business Day following the initial Acceptance Closing Date in accordance with the provisions of Article 15 of the Decree. During an extension of the Acceptance Period, any Shares previously tendered and not withdrawn in accordance with Article 15, paragraph 3 of the Decree or otherwise withdrawn in accordance with the Decree will remain subject to the Offer. See Section 4.4. (Withdrawal rights).

4.8. Declaring the Offer unconditional

The Offer shall be subject to the fulfilment of the Offer Conditions. The Offeror reserves the right to waive certain Offer Conditions. See Section 5.2 (Offer Conditions and waiver).

No later than on the third Business Day following the Acceptance Closing Date, such date being the Unconditional Date, the Offeror will determine whether the Offer Conditions have been fulfilled or are to be waived. In addition, the Offeror will announce on the Unconditional Date, in accordance with Article 16, paragraph 1 of the Decree, whether (i) the Offer has been declared unconditional (*gestand wordt gedaan*), (ii) the Offer will be extended in accordance with Article 15 of the Decree, or (iii) the Offer is terminated as a result of the Offer Conditions not having been fulfilled or waived by the Offeror.

No later than on the third Business Day following the Unconditional Date, the Offeror may announce a post-acceptance period (*na-aanmeldingstermijn*) for the Offer for a maximum period of two weeks. Any such post-acceptance period will commence on the first Business Day following the announcement of a post-acceptance period. During a post-acceptance period, Shareholders that have not yet tendered their Shares under the Offer will be given 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 Decree. During the post-acceptance period, Shareholders have no right to withdraw Shares from the Offer, whether validly tendered during the Offer Period (or defectively tendered provided that such defect has been waived by the Offeror) or during the post-acceptance period.

4.9. Settlement

In the event that the Offeror announces that the Offer is declared unconditional (*gestand wordt gedaan*), Shareholders having tendered their Shares for acceptance will receive no later than 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*) on the terms and subject to the conditions and restrictions of the Offer.

Shareholders should note that the Offeror undertakes to make the payment of the Offer Price in respect of each Share tendered during the Acceptance Period within three Business Days following the Unconditional Date. The Offeror cannot guarantee that Shareholders will receive the payment within such period.

4.10. Dividend

The Offeror may elect not to cause TMG to pay (cash) dividends to Shareholders in the future.

4.11. Commission

Admitted Institutions shall receive from the Exchange Agent on behalf of the Offeror a commission in the amount of EUR 0.00195 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 1,000 per Shareholder account. The commission must be claimed from the Offeror through the Exchange Agent within 30 days of the Unconditional Date. No costs will be charged to Shareholders by the Offeror for the delivery and payment of the Shares if an Admitted Institution is involved. The Offeror cannot rule out that Admitted Institutions (or custodians, banks or

stockbrokers) will charge costs to Shareholders. Costs might also be charged if a foreign institution is involved in the delivery and payment of the Shares.

4.12. Restrictions

The Offer is being made with due observance of the statements, conditions and restrictions 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 set out above.

4.13. Announcements

Any announcements declaring whether the Offer is declared unconditional (*gestand wordt gedaan*), announcements in relation to an extension of the Acceptance Period or other announcements contemplated by this Offer Memorandum will be made by press release. Subject to any applicable requirements of the Decree and other applicable laws 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 above.

4.14. Envisaged timetable

The times and dates below are indicative only.

Expected date and time	Event
13 June 2017	Announcement of general availability of the Offer Memorandum as from 13 June 2017 and the Offer
09:00 hours 14 June 2017	Commencement of the Acceptance Period, in accordance with Article 14, paragraph 2 of the Decree
17:40 hours, 9 August 2017, unless extended	<i>Acceptance Closing Date</i> Deadline for Shareholders wishing to tender Shares, unless extended in accordance with Article 15, paragraph 2 of the Decree
Within three Business Days following the Acceptance Closing Date	<i>Unconditional Date</i> The date on which the Offeror shall publicly announce whether the Offer is declared unconditional (<i>gestand wordt gedaan</i>) in accordance with Article 16, paragraph 1 of the Decree
No later than on the third Business Day following the Unconditional Date	<i>Post-acceptance period</i> The Offeror may announce a post-acceptance period (<i>na-aanmeldingstermijn</i>) for the Offer for a maximum period of two weeks. During a post-acceptance period, Shareholders that have not yet tendered their Shares under the Offer will be given 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 Decree
No later than three Business Days after the Unconditional Date	<i>Settlement Date</i> The date on which, in accordance with the terms and conditions of the Offer, the Offeror shall pay the Offer Price per Share to 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

5. EXPLANATION AND BACKGROUND OF THE OFFER

5.1. Introduction

In response to market rumours, TMG confirms on 14 December 2016 that it has received an unsolicited non-binding, conditional proposal from the Consortium for the acquisition of all issued and outstanding Depository Receipts at an indicative offer price of EUR 5.25 per Depository Receipt.

On 22 January 2017, the Offeror submits to the Boards a non-binding indicative proposal for an acquisition of TMG at a price per Share of EUR 5.90.

On 23 January 2017 TMG publishes a press release confirming receipt of the Offeror's non-binding indicative proposal dated 22 January 2017.

On 23 January 2017, TMG informs the Offeror that it is willing to further discuss a potential transaction and to grant the Offeror the opportunity to conduct a limited due diligence investigation in view of establishing a level playing field between the Offeror and the Consortium.

The Offeror conducts its due diligence investigation from 26 January 2017 until 23 February 2017 (the "**Due Diligence Investigation**"). As part of this Due Diligence Investigation and the negotiations on the Offeror's proposal to acquire TMG, delegates from TMG and the Offeror engaged in a series of due diligence meetings and management interviews.

On 20 February 2017, TMG publishes a press release stating that it has received a revised offer from the Consortium to acquire TMG for a price per Depository Receipt of EUR 5.90.

On 20 February 2017, the Offeror publishes a press release confirming its intention to make a public offer at a price per Share of EUR 5.90 and confirming that it has taken note of the price increase of the offer from the Consortium.

On 26 February 2017, the Offeror informs the Supervisory Board and the advisers of TMG of its intention to increase its initial non-binding indicative proposal dated 23 January 2017.

On 27 February 2017, the Offeror attends a meeting with TMG's legal advisers to discuss the draft merger protocol. In this meeting it was agreed that TMG would provide the Offeror with additional strategy questions and that the Offeror would circulate a new draft merger protocol prior to a meeting to be scheduled on Thursday 2 March 2017.

On 28 February 2017, Mr J. Nooitgedagt, acting chairman of the Supervisory Board, informs the Offeror by telephone that TMG will enter into exclusive negotiations with the Consortium and that the negotiations with the Offeror will be suspended.

On 1 March 2017, following completion of the Due Diligence Investigation, the Offeror submits an increased proposal to the Boards for an acquisition of TMG at a price per Share of EUR 6.35. The Offeror also publishes a press release stating that this price increase is, among other things, based on completion of the Due Diligence Investigation and on certain discussions with the Boards.

On 1 March 2017, the Offeror attends several meetings with TMG's editorial boards and its central works council.

On 4 March 2017, the Offeror informs the Supervisory Board of its intention to further increase the offer price of its proposal.

On 5 March 2017, TMG publishes a press release stating that the Supervisory Board has suspended both members of the Executive Board.

On 5 March 2017, TMG and the Consortium announce that they have reached a conditional agreement on a recommended offer of EUR 6.00 per outstanding Depository Receipt or share in the capital of TMG.

On 5 March 2017, the Offeror increases its proposal for a second time and announces in a press release that it proposes an acquisition of TMG at a price per Share of EUR 6.50. The increase in the offer price is based on further analysis performed by and on behalf of the Offeror and on the Consortium's competing recommended cash offer of EUR 6.00 per outstanding Depositary Receipt as announced in the joint press release of TMG and the Consortium.

On 7 March 2017, Talpa Beheer and Dasym II request the Dutch Enterprise Chamber of the Amsterdam Court of Appeals (*de Ondernemingskamer*) to order an investigation into the affairs of TMG and to appoint an independent member to the Supervisory Board.

On 21 March 2017, the Dutch Enterprise Chamber of the Amsterdam Court of Appeals (*de Ondernemingskamer*) decides not to appoint an independent member to the Supervisory Board, and will give its final decision regarding Talpa Beheer and Dasym II's request to order an investigation into the affairs of TMG at a later stage.

On 18 April 2017, TMG issues a press release announcing that the central works council (COR) of TMG supports the recommended public offer of the Consortium.

On 19 April 2017, the Consortium and TMG issue a joint press release announcing the publication of the Consortium's offer memorandum regarding its public offer for all shares of TMG and TMG's position statement, launching the Consortium's cash offer of EUR 6.00 (cum dividend) per share. According to the joint press release, TMG holds an extraordinary general meeting of shareholders, combined with its annual general meeting of shareholders, on 1 June 2017 and the acceptance period for the offer of the Consortium ends on 15 June 2017 unless extended.

On 10 June 2017, the Offeror, Talpa Beheer and Dasym II issue a press release announcing the withdrawal of the request of Talpa Beheer and Dasym II to the Dutch Enterprise Chamber of the Amsterdam Court of Appeals (*de Ondernemingskamer*) to order an investigation into the affairs of TMG.

5.2. Offer Conditions and waiver

5.2.1. Offer Conditions

Notwithstanding any other provisions of the Offer, the obligation of the Offeror to declare the Offer unconditional (*gestand te doen*) and accept Shares for payment or, subject to the Wft and the Decree, pay for any Shares tendered shall be subject to the following conditions precedent (the "**Offer Conditions**") being satisfied or waived, as the case may be, on the Acceptance Closing Date:

- (i) on the Acceptance Closing Date, the number of Shares that are tendered under the Offer and not withdrawn, together with the Shares that are directly or indirectly held by the Offeror, Talpa Beheer and Dasym II, and the Shares that are unconditionally and irrevocably committed to the Offeror or any of its affiliates (the "**Acceptance Level**") shall represent more than 50% of all Shares at the Acceptance Closing Date on a fully diluted basis;
- (ii) the Offeror shall have received a written, binding and unconditional commitment from each member of the Supervisory Board that such member of the Supervisory Board shall (i) cooperate with the proposal (*voordracht*) by the Supervisory Board to the General Meeting of four persons to be designated by the Offeror for appointment as members of the Supervisory Board, as soon as possible after the Settlement Date and (ii) resign from the Supervisory Board as soon as possible upon the appointment to the Supervisory Board of the four persons to be designated by the Offeror;
- (iii) the Offeror shall have received a written, binding and unconditional commitment from each of Mr Vangeel and Mr Boot, the persons designated by the Consortium to be appointed as members of the Executive Board, (i) either to agree not to be appointed as member of the Executive Board or (ii) if such person has already been appointed, resign from the Executive Board as of the Settlement Date;
- (iv) the Priority Share Foundation, TMG and the Offeror shall have executed a binding written agreement pursuant to which the Priority Shares Foundation commits to, upon first request by the Offeror, transfer the Priority Shares held by the Priority Share Foundation to either the Offeror or TMG for no consideration (*om niet*), which agreement shall be in full force and effect

on the Acceptance Closing Date. The Offeror shall use its reasonable best efforts to procure the fulfillment of this Offer Condition;

- (v) all mandatory antitrust approvals or consents from all relevant competition authorities shall have been obtained and/or all waiting periods with respect to the notifications to such authorities shall have expired, as the case may be;
- (vi) the Boards shall not have taken or authorised any action or made or authorised any public announcement that prejudices or frustrates or reasonably may prejudice or frustrate the Offer;
- (vii) TMG shall not have issued any new shares in the capital of TMG or any subsidiary or announced an issuance of any new shares in the capital of TMG or any subsidiary after 13 June 2017;
- (viii) the Preference Share Foundation shall not have exercised, either in whole or in part, its Call Option to have protective Preference Shares issued to it;
- (ix) the board of the Share Administration Foundation shall not have approved any transfer of Ordinary Shares administered by the Share Administration Foundation and the Share Administration Foundation shall not have transferred any Ordinary Shares administered by it, other than pursuant to the conversion of Depositary Receipts into Ordinary Shares at the request of the holder of the relevant Depositary Receipts (*royement*), and the Share Administration Foundation shall not have amended its administration conditions (*administratievooraarden*);
- (x) no order, stay, judgment, decree, suit, action or proceeding is issued or initiated by any court, arbitral tribunal, government, governmental authority or other regulatory or administrative authority, 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 expected to restrain, prohibit or delay the consummation of the Offer or the ability of the Offeror to acquire effective control of TMG in any material respect;
- (xi) no notification shall have been received from the AFM stating that the preparation of the Offer is in violation of chapter 5.5 of the Wft, and that, pursuant to Article 5:80 of the Wft, investment firms (*beleggingsondernemingen*, as defined in the Wft) would not be allowed to cooperate with the Settlement nor is the AFM conducting an investigation that could reasonably be expected to result in such notification;
- (xii) trading in the Depositary Receipts on Euronext Amsterdam has not been suspended or ended as a result of a listing measure (*noteringsmaatregel*) taken by Euronext Amsterdam in accordance with Article 6901/2 or any other relevant provision of the Euronext Rulebook I (Harmonised Rules); and
- (xiii) no Material Adverse Change shall have occurred or become known to the Offeror, Talpa Beheer or Dasym II, whereby, "Material Adverse Change" means any change, event, circumstance or effect that, individually or together with other changes, events, circumstances or effects, has or could reasonably be expected to have a material adverse effect on the business, assets, liabilities, results of operations, cash flow, reputation, financial position, capitalisation or the prospects of TMG and its group, taken as a whole, that would (i) substantially impair the economic benefits that an acquirer of TMG may reasonably expect for itself and its shareholders to be realised from the acquisition of TMG and its group companies, (ii) reasonably be expected to prevent, materially delay or materially impede the consummation of the Offer or the other transactions contemplated by this Offer Memorandum or (iii) which would be such that the Offeror cannot reasonably be expected to continue with the Offer or to declare the Offer unconditional, and that does not directly result from any event or circumstance that is demonstrated by TMG to be caused by:
 - i. a general economic decline affecting the companies active in the industry in which TMG operates in a similar and proportionate way as TMG; or
 - ii. any matter to the extent such matter and its effect is actually known to the Offeror, Talpa Beheer or Dasym II prior to 13 June 2017.

5.2.2. Waiver

The Offer Conditions are for the benefit of the Offeror only and may be waived by the Offeror, but the Offeror is under no obligation to do so, to the extent permitted by law in whole or in part at any time in which case the Offeror shall make a public announcement in that respect. The Offeror shall only waive

the Offer Condition referred to under 5.2.1(i) if it also waives the Offer Conditions referred to under 5.2.1(ii), (iii) and (iv). If the Offeror waives the Offer Condition referred to under 5.2.1(i), declares the Offer unconditional, proceeds to settle the Offer and following settlement owns or controls 30% or more but not more than 50% of the Shares, the Offeror may be obliged to announce and make a mandatory public offer, in accordance with Article 5:70 of the Wft.

5.3. Shares in the capital of TMG, Shares held by the Offeror, committed Shares

5.3.1. Ordinary Shares and Depositary Receipts

According to the Annual Report 2016, at 31 December 2016 46,350,000 Ordinary Shares were issued and outstanding, and Depositary Receipts have been issued by the Share Administration Foundation with the co-operation of TMG for 63.6% of these issued and outstanding Ordinary Shares. See Section 6.4.1 (Share Administration Foundation).

5.3.2. Preference Shares

According to the Annual Report 2016, no Preference Shares are issued and outstanding. The Preference Shares Foundation has a call option with respect to Preference Shares. Until the date of this Offer Memorandum, no announcement has been made of the exercise of the call option by the Preference Shares Foundation. See Section 6.4.2 (Preference Shares Foundation).

5.3.3. Priority Shares

According to the Annual Report 2016, all issued Priority Shares are held by the Priority Shares Foundation. See Section 6.4.3 (Priority Shares Foundation).

5.3.4. Shares held by the Offeror, Talpa Beheer and Dasym II

At the date of this Offer Memorandum, the Offeror does not hold any Ordinary Shares or Depositary Receipts directly. At the date of this Offer Memorandum, Talpa Beheer and Dasym II hold an aggregate amount of 13,516,049 Depositary Receipts, representing 29.16% of the Shares. Talpa Beheer and Dasym II are under common control with the Offeror, and have each committed to transfer their Depositary Receipts to the Offeror in connection with the Offer.

If the Offeror, Talpa Beheer or Dasym II from the date of this Offer Memorandum onwards acquires Shares outside of the Offer and as a result thereof the Offeror comes to directly or indirectly own or control 30% or more of the Shares, the Offeror may be obliged to announce and make a mandatory public offer, in accordance with Article 5:70 of the Wft.

5.4. Overview of Shares held by members of the Supervisory Board and Executive Board

According to the Annual Report 2016, none of the members of the Executive Board or the Supervisory Board held any shares in TMG at 31 December 2016. The Annual Report 2016 does not state that any transactions or agreements in respect of the shares in TMG were effected or concluded by any of the members of the Executive Board or the Supervisory Board in 2016. Per the public registers held by the AFM with respect to notifications from directors and members of the supervisory board, and with respect to notifications regarding managers' transactions in connection with Article 19 of Regulation (EU) No 596/2014 (Market Abuse Regulation), none of the members of the Executive Board or the Supervisory Board has made a notification with the AFM of any shareholding in TMG between 31 December 2016 and the date of this Offer Memorandum.

According to the Annual Report 2016, the long-term variable component of the remuneration of the members of the Executive Board is awarded in the form of monetary units that reflect the value of a Share ("**Phantom Shares**"). A Phantom Share is a monetary unit that reflects the value of a Share. Settlement is in cash and furthermore the holders of Phantom Shares do not have any voting rights or meeting rights, nor are they entitled to receive any dividend. The Phantom Shares can be immediately awarded conditionally by the Supervisory Board at the start of the performance period. The number of Phantom Shares to be awarded conditionally is calculated as follows: four times 25% of the basic salary at the start of the performance period divided by the average price of Shares in the last quarter of 2014. On the basis of this calculation method, 74,013 Phantom Shares were conditionally awarded to CEO Mr Van der Snoek and 61,678 Phantom Shares were conditionally awarded to CFO Mr Epskamp. The definitive award of the number of Phantom Shares takes place at the end of the performance period. Award takes place on the basis of the performance criteria agreed on at the start

of the performance period. The performance criteria apply to the full performance period. At the end of the performance period, the Supervisory Board determines to what extent the targets set for the performance criteria have been achieved. Of the performance criteria, 70% consist of financial criteria and 30% consist of non-financial criteria. The maximum achievable unconditional award is 100% of the number of conditionally awarded Phantom Shares. Per 31 December 2016, the fair value of the conditionally allotted Phantom Shares amounted to EUR 4.75 per Phantom Share. At the end of 2016, the obligation amounted to EUR 145,020. The amount of employee benefits recognised in the statement of profit and loss was EUR 68,362.

According to the offer memorandum published by the Consortium on 19 April 2017, the Phantom Shares held by Mr Van der Snoek and Mr Epskamp, the former members of the Executive Board, will be cancelled without any payment being made in light of the suspension of the members of the Executive Board and the related events. According to the notice and explanatory notes in respect of the annual general meeting of TMG held on 1 June 2017, Mr Van der Snoek and Mr Epskamp have resigned from their positions as members of the Executive Board as of 19 April 2017.

5.5. Substantiation of the Offer Price

5.5.1. Analysis

In establishing the Offer Price, the Offeror has carefully considered the history and prospects of TMG, including analyses of historic financial information and potential future developments in the TMG's profitability, cash flows and balance sheet¹ derived from (a) TMG's interim financial statements, annual financial statements, press releases, analyst presentations and management presentations, (b) historical market valuation of the Shares and (c) analyst research reports.

On 22 January 2017, the Offeror submitted to the Boards a non-binding indicative proposal for an acquisition of TMG at a price per Share of EUR 5.90 based on public information. On 1 March 2017, the Offeror submitted an increased proposal to the Boards for an acquisition of TMG at a price per Share of EUR 6.35 based on, among other things, the completion of the Due Diligence Investigation and on certain discussions with the Boards. On 5 March 2017, the Offeror increased its proposal for a second time and proposed an acquisition of TMG at a price per Share of EUR 6.50. This second increase in the offer price was based on further analysis performed by and on behalf of the Offeror and on the Consortium's competing recommended cash offer of EUR 6.00 per outstanding Depositary Receipt as announced in the joint press release of TMG and the Consortium on 5 March 2017.

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

- (i) an analysis of the volume weighted average price of the Shares from 14 December 2015 up to and including 13 December 2016 (the day prior to the public disclosure of the discussions between TMG and the Consortium). The volume weighted average price per Share on Euronext Amsterdam for the one-, three-, six- and twelve-month periods prior to and including 13 December 2016 were EUR 3.58, EUR 3.56, EUR 3.65 and EUR 3.70, respectively;
- (ii) an analysis of the latest analyst price target for the Shares before 13 December 2016. Two research analysts considered comprise KBC Securities and NIBC Markets. Furthermore, one additional analysis comprises the price target for the Shares considered by Idea-Driven Equities Analyses company on 20 December 2016. These three aforementioned price targets comprise an average target price of EUR 5.93;
- (iii) a trading multiple analysis based on the expected financial performance of TMG and the closing prices of the Shares compared with those of selected publicly-traded companies and their Shares. Given that there are no identical comparable publicly traded peers, comparisons were made with European national and regional newspaper companies. Companies selected for comparison to TMG comprise (i) Johnston Press, (ii) Trinity Mirror, (iii) Gruppo Editoriale L'Espresso and (iv) Agora;

¹ The Offeror reviewed the balance sheet in order to estimate the net debt position. Based on the 31 December 2016 balance sheet, a net cash position of EUR 39 million was estimated. The net cash position consists of cash and cash equivalents, gross debt, pension liabilities, liabilities in relation to the Radio Veronica license and the book value (as per 31 December 2016) of EUR 45.1 million for the 22% stake TMG has in Talpa Radio Holding B.V.

- a. for this group of companies, the average trading multiples of enterprise value to consensus EBITDA² forecasts for the financial year ending 31 December 2017 and 31 December 2018 were approximately 4.8x and 4.7x on 5 March 2017, respectively. The median trading multiples of enterprise value to consensus EBITDA forecast for the financial year ending 31 December 2017 and 31 December 2018 were approximately 4.5x and 4.7x, respectively; and
 - b. by comparison, the trading multiples of the enterprise value of TMG, as implied by the Offer Price and based on reported financial net cash as at 31 December 2016 of EUR 39 million³ to consensus⁴ EBITDA as forecasted on 5 March 2017 for the year ending 31 December 2017 and 31 December 2018 were approximately 8.6x and 6.5x; and
- (iv) a precedent transaction analysis of acquisitions of companies comparable to TMG in terms of business mix, size and geographical presence. Companies selected for comparison to TMG comprise (i) NRC Media – Mediahuis, (ii) Mecom Group – De Persgroep, (iii) Northcliffe Media – Local World and (iv) GMG Regional Media – Trinity Mirror:
- a. the average multiple of the acquisition price to the last completed fiscal year EBITDA, based on their announcement dates, was approximately 3.4x for these transactions. The median multiple of the acquisition price to the last completed fiscal year EBITDA was approximately 3.5x; and
 - b. by comparison, the Offer Price translates to a multiple of enterprise value to EBITDA for the financial year ending 31 December 2016 for TMG, as implied by the Offer Price and reported financial net cash as at 31 December 2016 of EUR 39 million, of 11.9x; and
- (v) a standalone discounted cash flow analysis for TMG considering historic financial developments of TMG and assuming (i) broker consensus financial forecasts for TMG, (ii) a weighted average cost of capital of circa 10.5%, (iii) a perpetuity growth rate of circa 0.5% and (iv) Dutch corporate income tax of 25.0%. The applied forecast period was ten years (2017 to 2026). The residual value at the end of year ten is based on a perpetuity value of the cash flow in year ten.

5.5.2. Premiums

The Offer Price of EUR 6.50 per Share represents a premium of:

- 87% over the closing price as at 13 December 2016 (EUR 3.48), the last trading day before the public disclosure of the discussions between TMG and the Consortium;
- 81% relative to the volume weighted average price over the one-month period ending 13 December 2016 (EUR 3.58);
- 82% relative to the volume weighted average price over the three-month period ending 13 December 2016 (EUR 3.56);
- 78% relative to the volume weighted average price over the six-month period ending 13 December 2016 (EUR 3.65);
- 76% relative to the volume weighted average price over the twelve-month period ending 13 December 2016 (EUR 3.70); and
- 10% to the average of selected analyst price targets (EUR 5.93). Two analyst price targets for the Shares considered comprise KBC Securities and NIBC Markets. Furthermore, one

² All references in this Section 5.5.1 of the Offer Memorandum to EBITDA refer to EBITDA before exceptional and non-recurring items.

³ Net cash comprises cash and cash equivalents, gross debt, pension liabilities, liabilities in relation to the Radio Veronica license and the book value (as per 31 December 2016) of EUR 45.1 million for the 22% stake TMG has in Talpa Radio Holding B.V.

⁴ Consensus based on financial estimates as included in the latest broker reports of KBC Securities, NIBC Markets and Idea-Driven Equities Analyses company.

additional analysis includes the price target for the Shares considered by Idea-Driven Equities Analyses company on 20 December 2016. These three aforementioned price targets comprise an average target price of EUR 5.93.

By comparison, the median premium to the unaffected share price (closing price one day prior to the earlier of transaction announcement or material, public speculation of a transaction, if any) is 32% for public offers for 100% of the share capital of Dutch companies listed on the Euronext Amsterdam with equity values in excess of EUR 250 million that were announced in the five years prior to 5 March 2017, whereas the Offer represents a premium of 87% to the closing price as at 13 December 2016. The selected transactions comprise NN Group/Delta Lloyd, Recruit/USG People, Gilde/TenCate, Sweco/Grontmij, FedEx/TNT Express, BioMarin/Prosensa, SHV/Nutreco, Apax/Exact, Klépierre/Corio, Hesya Energy/H.E.S. Beheer, Liberty Global/Ziggo, Advent/Unit4, JAB/DE Master Blenders 1753, Advent/Mediq, Boskalis/Dockwise, Publicis Groupe/LBi International and Mexichem/Wavin.

See Section 6.6 (Share price of TMG).

5.5.3. Deductions from the Offer Price

Any dividend or distribution on the Shares received after the Acceptance Closing Date by a Shareholder which did not tender his Shares under the Offer on or before the Acceptance Closing Date will be deducted from the Offer Price payable to such Shareholder in respect of the Shares tendered after the Acceptance Closing Date. In the event of a Buy-Out or a legal merger, the Offeror anticipates that the economic value per Share will be equal to the Offer Price less the amount of such distribution. See Section 5.7.2 (Post-closing reorganisation of and future legal structure of TMG).

5.6. Rationale for the Offer and strategy

5.6.1. Strategy of the Combination

The Offeror has a clear vision for TMG and the Dutch media sector. TMG has a portfolio of strong and unique media brands in the Netherlands. The Offeror wishes to retain TMG's portfolio and to further develop this in combination with the activities of the Offeror Group. The Offeror, in combination with TMG, envisages to create a Dutch multimedia company with strong positions in print, radio, television and online, with the ability to provide consumers in the Netherlands with content 24/7. The Offeror endorses the strategy previously communicated by the Boards to deliver 24/7 content and the Offeror expects to be able to accelerate and support this 24/7 strategy with its experience and close connections with Talpa Media. The Offeror envisages that the combination of the Offeror Group and the TMG Group (the "**Combination**") will act as a platform for further integration between different media activities of interest to readers, viewers, listeners and advertisers in the Netherlands. The successful collaboration between TMG and the Offeror Group has already been demonstrated through the radio partnership established together in 2016.

The Offeror intends the Combination to focus on the realisation of revenue growth rather than the realisation of cost synergies. The three pillars that are expected to enable the Combination to realise such revenue growth consist of the following:

- (i) execution: the Offeror's international experience in content production is expected to contribute to the acceleration of the goals set by TMG for the 24/7 strategy, in particular in respect of the "*van woord naar beeld*" theme;
- (ii) sales: by setting up a multimedia sales house, the Combination is expected to be able to form a strong alliance towards the market. In this way, the Combination can create additional value from content by adding (local) relevance for first class advertisers through the whole media funnel. In addition, the Combination will be able to explore and activate new business models; and
- (iii) technology: activating a proven and working (back-end) platform to focus on the multimedia activities of the Combination. This platform is expected to be in place for both uniform content distribution (*push*) and for complete interaction (*pull*).

The Offeror considers the newspaper *De Telegraaf* to be an important component of the future Combination for the production of content that can be used on various media platforms. The Offeror

intends to maintain TMG's current key brands, names and titles and to support TMG to further invest in content production and journalistic quality to realise growth and to be ready for the future.

5.6.2. TMG within the Combination

Following the settlement of the Offer, TMG is expected to become a separate unit within the Offeror Group, alongside the Offeror Group's TV and radio assets. The Offeror intends to transfer at arm's length the TMG Group's interest in the radio business currently being operated in a joint venture with the Offeror Group, such that the Offeror will directly hold 100% of the radio business.

The vision of the Offeror is in line with the main components of the "Terra Nova" strategic plan presented by TMG in 2016:

- (i) rationalisation of the organisational structure and newspaper portfolio;
- (ii) expand front office to a sales house and a single marketing organisation;
- (iii) creation of a single editorial organisation; and
- (iv) no significant cost reductions, other than those proposed in "Terra Nova".

The Offeror intends to support the current strategy of TMG and the plans for its ongoing reorganisation (Terra Nova), which will be the starting point for further acceleration of the Combination's growth strategy.

5.6.3. Newspaper & Editorial Boards

The newspaper *De Telegraaf* offers a strong brand name, broadly recognised in the Netherlands and reaching a wide range of consumers on a daily basis, and as such the Offeror considers *De Telegraaf* an important component of the future Combination. The Offeror intends for the Editorial Boards of the TMG Group to have a central role within TMG to create content, which will be distributed through the various media formats. It is the Offeror's intention to support the Editorial Boards in a changing media landscape and to further invest in the production of content and journalistic quality in order to achieve this. The Offeror intends to respect and maintain the current independence of the Editorial Boards and to respect the editorial charters (*redactiestatuten*) and aspires to ensure journalistic quality.

5.6.4. Employees & HR

The Offeror currently does not foresee any material reorganisation or restructuring resulting in job losses as a direct result of the acquisition, other than the currently planned or ongoing reorganisation and restructuring plans within the TMG Group (including Terra Nova). The Offeror expects TMG to continue to rely on its available talent, in combination with the Offeror's capabilities, to further develop the business of TMG. The Offeror expects TMG to experience a positive impulse in attracting and retaining talent, as a consequence of the close interaction and association with the Offeror Group. The Offeror intends to invest in human resources to further improve journalistic quality.

5.6.5. The Consortium

Following the Offeror's announcement of its intended bid for TMG which was first made on 23 January 2017, the Consortium indicated that it did not intend to offer its Shares to the Offeror. It has also been suggested that the Offeror would not follow through on its announcements of its intended bid for TMG. By publishing this Offer Memorandum, the Offeror is now confirming its earlier announcements and is making a firm offer for the Shares at a price of EUR 6.50. The Offeror believes that Shareholders, including the members of the Consortium, will realise that the Offeror is indeed committed to acquire TMG at a price of EUR 6.50 per Share and that Shareholders may favour the superior offer of the Offeror and tender their Shares to the Offeror.

5.6.6. Position of TMG

On 5 March 2017, TMG entered into a merger protocol with the Consortium. Pursuant to the merger protocol, the Boards are obliged to recommend the offer of the Consortium and may not recommend

any other offer. However, the merger protocol also contains procedures by which the Boards can evaluate and act upon a superior offer. A superior offer is described in the merger protocol as an offer by a bona fide third party that exceeds the Consortium's offer price of EUR 6.00 by at least 8%, provides a realistic level of deal certainty and is determined by the Boards to be more beneficial than the offer of the Consortium to TMG, its business, its sustainable success and its stakeholders.

The Offeror's offer of EUR 6.50 exceeds the Consortium's offer price of EUR 6.00 by more than 8%, thereby satisfying the first element of a superior offer. In addition, whereas the Consortium justifies its offer on cost synergies, the Offeror will pursue revenue synergies. The Offeror's commitment to a strong and sustainable multimedia company beneficial to all TMG stakeholders is reaffirmed by its announcement of its acquisition of 100% of SBS Broadcasting. As such, the Offer is superior to the offer of the Consortium both in terms of price and in terms of being beneficial to TMG, its business, its sustainable success and its stakeholders. Finally, the Offeror believes that by confirming its earlier announcements and making a firm offer for TMG at EUR 6.50 per Share, Shareholders, including the members of the Consortium, may favour the superior offer of the Offeror and tender their Shares to the Offeror. As such the Offer provides a realistic level of deal certainty.

5.7. Consequences of the Offer

5.7.1. Liquidity and delisting of the Depositary Receipts

The purchase of Depositary Receipts by the Offeror pursuant to the Offer, among other things, will reduce the number of holders of Depositary Receipts and the number of Depositary Receipts that might otherwise trade publicly and thus adversely affect the liquidity and market value of any Depositary Receipts not tendered.

Subject to the Offer being declared unconditional (*gestand wordt gedaan*) and in the event that the Offeror has acquired 95% of the Depositary Receipts, the listing of the Depositary Receipts on Euronext Amsterdam will be terminated as soon as possible. This may further adversely affect the liquidity and market value of any listed Depositary Receipts not tendered.

In accordance with their policy on delisting, shares or depositary receipts can be delisted from Euronext Amsterdam at the request of an offeror which has made a public offer if such public offer for all shares or depositary receipts of a certain type admitted to listing is declared unconditional and at least 95% of such shares or depositary receipts admitted to listing are held by such offeror, and if the company whose shares or depositary receipts are admitted to listing consents to the delisting.

5.7.2. Post-closing reorganisation and future legal structure of TMG

Shareholders who do not intend to tender their Shares under the Offer should carefully review the entire Section 5.7 (Consequences of the Offer), which describe certain risks they will be subject to if they elect not to accept the Offer and certain measures the Offeror may take to achieve its goal of obtaining 100% of the Shares or full ownership of the business and operations of the TMG Group. These risks are in addition to the risks associated with holding securities issued by TMG generally, such as the exposure to risks related to the business of TMG and its subsidiaries, the markets in which the group operates, as well as economic trends affecting such markets generally as such business, markets or trends may change from time to time. The Offeror seeks to acquire 100% of the Shares or full ownership of the business and operations of the TMG Group, through the Offer and other subsequent restructuring steps (if necessary). These steps are likely to have significant consequences for Shareholders who do not tender their Shares under the Offer, including the possibility of a substantial delay in the receipt by them of their proceeds. Any measures or processes as set out in this Section may be subject to different tax consequences than those that apply in case Shareholders had tendered their Shares in the Offer. See Section 9 (Dutch tax consequences of the Offer). No decision in respect of pursuing such other subsequent restructuring steps as set out in this Section 5.7.2 (Post-closing reorganisation and future legal structure of TMG) has been taken by the Offeror and no such decision is envisaged to be taken prior to the Offer being declared unconditional.

a. Importance of 100% ownership

It is the intention of the Offeror to ultimately acquire 100% of the Shares or full ownership of the business and operations of the TMG Group and the Offeror's willingness to pay the Offer Price is predicated on the acquisition of 100% of the Shares or full ownership of the business and operations of the TMG Group. Also considering the strategic rationale of the Offer as set forth in Section 5.6

(Rationale for the Offer and strategy), it is important for the Offeror acquire 100% of the Shares or full ownership of the business and operations of the TMG Group. This importance is based, inter alia, on:

- (i) the fact that having a single shareholder and operating without a public listing increases the TMG Group's ability to achieve the goals and implement the actions of its strategy and reduces the TMG Group's costs (e.g. there will no longer be a requirement for physical general meetings and the Offeror and TMG shall no longer have to publish separate annual accounts);
- (ii) the ability to terminate the listing of the Depositary Receipts from Euronext Amsterdam; and
- (iii) to achieve an efficient capital structure (both from a tax and financing perspective, including the ability to form a fiscal unity between the Offeror and the TMG Group), which would, amongst others, facilitate intercompany transactions and dividend distributions.

b. Buy-Out proceedings

If, following the Settlement Date, the Offeror and its Affiliates, alone or together with TMG, hold at least ninety-five per cent (95%) of the Shares, the Offeror may commence a compulsory buy-out procedure (*uitkoopprocedure*) in accordance with Article 2:92a or Article 2:201a of the Dutch Civil Code or the takeover buy-out procedure in accordance with Article 2:359c Dutch Civil Code to buy-out the holders of Shares that have not tendered their Shares under the Offer (a "**Buy-Out**"). In such procedure, any remaining minority shareholders of TMG will be offered the Offer Price for their Shares unless there would be financial, business or other developments or circumstances that would justify a different price (including a reduction resulting from the payment of dividends) in accordance with, respectively, Article 2:92a, paragraph 5 or 2:201a, paragraph 5 or Article 2:359c, paragraph 6 of the Dutch Civil Code.

c. Other possible measures

Without prejudice to Section 5.7.2(b) (Buy-Out proceedings), after Settlement, the Offeror may effect or cause to effect any restructuring of the TMG Group for the purpose of achieving an optimal operational, legal, financial and/or fiscal structure in accordance with applicable law, some of which may have the side effect of diluting or adversely affecting the value of the interest of any remaining minority shareholders of TMG (the "**Post Closing Measures**"), including:

- (i) a sale and transfer of all, substantially all, or a substantial part of the assets and liabilities of TMG to the Offeror or an Affiliate of the Offeror, which may or may not be followed by a distribution of proceeds to the TMG shareholders;
- (ii) a subsequent public offer for any Shares held by minority shareholders;
- (iii) a statutory cross-border or domestic (bilateral or triangular) legal merger (*juridische (driehoeks-)fusie*) in accordance with Article 2:309 et seq of the Dutch Civil Code between TMG, the Offeror and/or one or more Affiliates of the Offeror;
- (iv) statutory legal demerger (*juridische splitsing*) of TMG in accordance with Article 2:334a et seq of the Dutch Civil Code;
- (v) a contribution of assets or a combination of assets and cash by the Offeror or by any Affiliate of the Offeror in exchange for Ordinary Shares or Preference Shares (in which circumstances the pre-emptive rights (*voordeursrechten*), if any, of TMG's minority shareholders may be excluded);
- (vi) a distribution of proceeds, cash and/or assets to the shareholders of TMG or share buybacks;
- (vii) a sale and transfer of assets and liabilities by the Offeror or any of its Subsidiaries to any member of the TMG Group, or a sale and transfer of assets and liabilities by any member of the TMG Group to the Offeror or any of its Subsidiaries;
- (viii) any transaction between the TMG Group and the Offeror Group at terms that may or may not be at arm's length;
- (ix) the conversion of TMG into a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*);

- (x) any transaction, including a sale and transfer of any material asset, between TMG and its Affiliates or between the TMG Group and the Offeror Group with the objective of utilising any tax losses carried forward available to the TMG Group or the Offeror Group;
- (xi) any combination of the foregoing; or
- (xii) any transactions, restructurings, share issues, procedures or proceedings in relation to the TMG Group required or desirable to effect the acquisition of 100% of the Shares or full ownership of the business and operations of the TMG Group.

The Offeror will only implement the Post Closing Measure listed under (i) above after acquiring 80% or more of all Shares.

In the implementation of any Post Closing Measure, due consideration will be given to the interests of all stakeholders including any minority shareholders of TMG (if any).

If any proposed Post Closing Measure could reasonably be expected to disproportionately prejudice the value of the Shares held by any remaining minority shareholders in TMG, or the rights relating to the Shares of such minority shareholders, other than pursuant to (i) a rights issue or any other share issue where they have been offered a reasonable opportunity to subscribe pro rata to their then existing shareholding, or any shares issued to a third party not being an Affiliate of the Offeror or TMG, (ii) a compulsory buy-out procedure (*uitkoopprocedure*) in accordance with Article 2:92a of the Dutch Civil Code, Article 2:102a Dutch Civil Code or the takeover buy-out procedure in accordance with Article 2:359c Dutch Civil Code, then the affirmative vote of the independent member of the Supervisory Board shall be required prior to the implementation of any such Post Closing Measure. The Supervisory Board will have the opportunity to engage for the account of TMG its own financial and legal advisers, if and to the extent it believes that the advice of such advisers is reasonably necessary to assist it in reviewing and assessing matters that come before the Supervisory Board.

d. Amendment of the Articles of Association

Subject to the Offer being declared unconditional, the Offeror expects to make certain amendments to the Articles of Association, including the following:

- (i) delete references to Priority Shares and cancel any and all rights granted to the holders of the Priority Shares in the Articles of Association or otherwise;
- (ii) delete references to protective Preference Shares and cancel any and all rights granted to the holders of the Preference Shares in the Articles of Association or otherwise;
- (iii) General Meeting to decide on the number of members of the Executive Board;
- (iv) General Meeting will be exclusively authorised to resolve on issuance of shares in TMG, limitation of pre-emptive rights and granting of any rights to acquire shares in TMG;
- (v) remove the authority Executive Board and approval Supervisory Board regarding the reservation of profit and (interim) distributions;
- (vi) replace the approval right of the Supervisory Board for the Executive Board rules (*bestuursreglement*) and the allocation of duties within the Executive Board (*taakverdeling*), as is currently included in Article 18 of the Articles of Association with an approval right for the General Meeting; and
- (vii) amend the list of reserved matters requiring Supervisory Board approval as currently included in Article 20, paragraph 2 of the Articles of Association such that these matters require approval from the General Meeting instead of the Supervisory Board.

e. Corporate Governance Code

Following the settlement of the Offer, as long as Depositary Receipts are listed on Euronext Amsterdam, the Offeror intends for TMG to continue to adhere to the Corporate Governance Code by way of complying or explaining any deviations in accordance with the provisions of the Corporate

Governance Code, provided that the Offeror intends to implement measures that may cause TMG to deviate from best practice provisions 2.1.7, 2.1.8 and 2.1.9 of the Corporate Governance Code (independence of members of the supervisory board), in addition to any current deviations by TMG from the Corporate Governance Code. The deviations by TMG from the Corporate Governance Code as at 31 December 2016 are described on page 64 of the Annual Report 2016.

5.7.3. Dividend Policy

The Offeror may elect not to cause TMG to pay (cash) dividends to Shareholders in the future.

5.7.4. Organisational and social consequences

Following the settlement of the Offer, TMG is expected to become a separate unit within the Offeror Group, alongside the Offeror Group's TV and radio assets. The Offeror intends to transfer at arm's length the TMG Group's interest in the radio business currently being operated in a joint venture with the Offeror Group, such that the Offeror or an Affiliate of the Offeror will directly hold 100% of the radio business. The large company regime (*structuurregime*) (full or mitigated) is expected to stay in place at the level of TMG.

The Offeror endorses the strategy previously communicated by the Boards to deliver 24/7 content. The Offeror envisages that the combination of the Offeror Group and the TMG Group may act as a platform for further integration between different media activities of interest to readers, viewers, listeners and advertisers in the Netherlands. The vision of the Offeror is in line with the main components of the "Terra Nova" strategic plan presented by TMG in 2016:

- (i) rationalisation of the organisational structure and newspaper portfolio;
- (ii) expand front office to a sales house and a single marketing organisation;
- (iii) creation of a single editorial organisation; and
- (iv) no significant cost reductions, other than those proposed in "Terra Nova".

The Offeror supports the current strategy of TMG and the plans for the ongoing reorganisation (Terra Nova), which will be the starting point for further acceleration of the Combination's growth strategy. The Offeror intends to maintain TMG's current key brands, names and titles and to support TMG to further invest in content production and journalistic quality to realise growth and to be future proof. The Offeror considers the newspaper *De Telegraaf* to be an important component of the future Combination for the production of content that can be used on various media platforms. The Offeror intends for the Editorial Boards to have a central role within TMG to create content, which will be distributed through the various media formats. It is the Offeror's intention to support the Editorial Boards in a changing media landscape and aims to further invest in the production of content and journalistic quality in order to achieve this. The Offeror intends to respect and maintain the current independence of the Editorial Boards and to respect the editorial charters (*redactiestatuten*) and aspires to ensure journalistic quality.

TMG's headquarters, relevant head office functions and center of management will remain in Amsterdam, the Netherlands. The Offeror currently does not foresee any material reorganisation or restructuring resulting in job losses as a direct result of the acquisition, other than the currently planned or ongoing reorganisation and restructuring plans within TMG (including Terra Nova). The Offeror expects the TMG Group to experience a positive impulse in attracting and retaining talent, as a consequence of the close interaction and association with the Offeror Group. The Offeror intends to invest in human resources to further improve journalistic quality.

The existing rights and benefits of the employees of TMG will be respected, including existing rights and benefits under individual employment agreements, collective labour agreements and social plans. The existing arrangements with the central works council and relevant trade unions, and the pension rights of current and former employees of TMG will also be respected. The trade unions and works' councils will, in accordance with the statutory co-determination rules, be involved with decisions regarding integration concerning TMG.

5.7.5. Future composition of the Supervisory Board and the Executive Board

Supervisory Board

Following the settlement of the Offer, the Offeror intends to replace all members of the Supervisory Board. As set out in Section 5.2 (Offer Conditions and waiver), the Offeror's obligation to declare the Offer unconditional (*gestanddoening*) is conditional upon the members of the Supervisory Board confirming their unconditional cooperation with (i) the proposal (*voordracht*) by the Supervisory Board to the General Meeting to appoint four new members of the Supervisory Board to be designated by the Offeror and (ii) their resignation pursuant to the appointment of the new members of the Supervisory Board.

The works council of TMG is expected to designate one new member of the Supervisory Board, to be appointed by the General Meeting at the proposal of the Supervisory Board, in accordance with the Articles of Association.

Executive Board

It is envisaged that following the settlement of the Offer, the Offeror will designate certain persons to be appointed as members of the Executive Board, in accordance with the Articles of Association.

As set out in Section 5.2 (Offer Conditions and waiver), the Offeror's obligation to declare the Offer unconditional (*gestanddoening*) is conditional upon Mr Vangeel and Mr Boot, the persons designated by the Consortium to be appointed as members of the Executive Board, unconditionally agreeing to (i) either not being appointed as member of the Executive Board or (ii) if such person has already been appointed, to resign from the Executive Board as of the Settlement Date.

5.8. Employee statement

The Offeror currently does not foresee any material reorganisation or restructuring resulting in job losses as a direct result of the acquisition, other than the currently planned or ongoing reorganisation and restructuring plans within the TMG Group (i.e. Terra Nova). The Offeror expects the TMG Group to experience a positive impulse in attracting and retaining talent, as a consequence of the close interaction and association with the Offeror Group. The Offeror intends to invest in human resources to further improve journalistic quality.

The existing rights and benefits of the employees of the TMG Group will be respected, including existing rights and benefits under individual employment agreements, collective labour agreements and social plans. The existing arrangements with the central works council and relevant trade unions, and the pension rights of current and former employees of the TMG Group will also be respected. The trade unions and works' councils will, in accordance with the statutory co-determination rules, be involved with decisions regarding integration concerning the TMG Group.

TMG's headquarters, relevant head office functions and center of management will remain in Amsterdam, the Netherlands.

5.9. Clearance from competition authorities

The Offeror intends to secure all relevant competition approvals required for the Offer. The Offeror intends to submit a merger notification with the *Autoriteit Consument en Markt* (ACM), the Dutch competition authority, shortly.

5.10. Financing of the Offer

The Offeror announced on 1 March 2017 that it has sufficient funds available to complete the Offer, in accordance with Article 7, paragraph 4 of the Decree. The Offer values 100% of the Shares at approximately EUR 301,275,000. The Offeror has sufficient funds available to finance the Offer from readily available cash resources, without having to use acquisition financing. Considering the activities of TMG, the Offeror is convinced that prudent financing of the Offer and TMG is essential.

6. INFORMATION REGARDING TMG

6.1. Overview

According to the Annual Report 2016, the TMG Group is one of the largest media companies in the Netherlands, with a focus on news, sports, lifestyle and entertainment through a variety of possible media and platforms: online, mobile, video, print, radio and events. TMG operates over multiple brands, including De Telegraaf, DFT, Telesport, Metro, Autovisie, Privé and VROUW; regional dailies such as Noordhollands Dagblad and De Gooi- and Eemlander; digital brands such as GeenStijl, Dumpert and Gaspedaal; Classic FM and – through a strategic partnership – national radio stations Sky Radio, Radio Veronica, Radio 538 and Radio 10. In addition, TMG has dozens of other brands and titles that focus on local news, entertainment and e-commerce, such as GroupDeal. Through Keesing Media Group, TMG is a market leader in Europe in puzzle magazines and digital puzzles.

As of 2016, TMG's comprises the following main operating segments:

- TMG Landelijke Media: publishing national newspapers, magazines, print-related internet activities and video productions.
- TMG Digital: business unit combining all primary online platforms and e-commerce activities since 1 January 2016.
- Holland Media Combinatie: publishing regional newspapers, free door-to-door papers and print-related internet activities.
- Keesing Media Group: publishing puzzle booklets in Europe
- Facilitating Services: activities including the printing and distribution of newspapers and providing office space and related facilities mainly for the TMG Landelijke Media and Holland Media Combinatie segments.
- Head Office and other: in addition to Classic FM and eliminations, includes the Executive Board, Corporate Communication, Corporate Development, Internal Audit & Risk Management, HRM, ICT and Legal corporate departments.

In 2016, TMG generated revenue of EUR 421.0 million and employed an average of 1,790 FTEs. TMG's headquarters are located in Amsterdam, the Netherlands. The Depository Receipts, representing Ordinary Shares in the capital of TMG, are listed on Euronext Amsterdam.

TMG is a public limited liability company (*naamloze vennootschap*) existing under the laws of the Netherlands, with its registered office and headquarters in Amsterdam, the Netherlands, its business address is Basisweg 30, 1043 AP, Amsterdam, the Netherlands.

6.2. Current business objectives and strategy

6.2.1. Industry trends and strategy

According to the Annual Report 2016, digitalisation and the transition from textual to visual content are unstoppable in the entertainment and media market. Moreover, the media industry has been experiencing strong consolidation. Due to the fast growth of digital media and changing media consumption and consumer behaviour, media companies started looking into opportunities for upscaling, synergies and cost savings in order to successfully leverage the drastic changes in the market. Accordingly, publishers, media companies, TV companies, telecom and internet providers are all vying for the attention and budgets of consumers and advertisers.

The Netherlands is one of the countries with the highest broadband and mobile data network coverage in the world. At the end of 2015, households had on average more than 3.7 devices at home, and the average Dutch consumer can be online 24/7, mainly using mobile devices and increasingly consuming media through visual rather than textual content. Convenience and autonomy are key, and consumers are no longer passive in their media consumption: they take control over their own content offer and are selective in their choices. Relatedly, access to media appears to be more important than

possessing it. Consumers choose the brands with which they can identify; only those are 'admitted'. They are also willing to pay for these trusted brands. But they do expect something in return: instant access to a broad and up-to-date content 'library'.

To reach consumers, advertisers are shifting their budgets to online: advertising spending figures in newspapers and magazines are shrinking; online is booming; the TV advertising market is flat; and radio advertising is on the decline. For advertisers, the main challenge is to continue to reach consumers online, as streaming services often offer advertising-free alternatives. Relatedly, advertising is moving into the content space: personalised and customised ads on the basis of personal preferences. Content generates the real connection with consumers: a successful campaign is no longer exclusively measured in terms of absolute reach, but also in terms of the time consumers spend watching it. Continuously improved data intelligence enables advertisers to communicate with their target groups in even more targeted ways.

6.2.2. Strategic objectives

According to the Annual Report 2016, TMG's strategy is to offer 24/7 relevant content via all possible channels and devices. TMG has carried out work in 2016 in an effort to realise its modern media ecosystem, including further expanding the content of its brands, strengthening the digital propositions and visibility of its brands, developing an accelerator process by TMG Digital, entering into new strategic partnerships, completing the outsourcing of its printing activities; and modernising its IT infrastructure and making it more flexible.

The six enumerated pillars supplying TMG's 24/7 strategy are focus, accelerated growth, new revenue models, improved efficiency, flexible organisation, and corporate social responsibility.

With regard to its first pillar, focus, TMG has sought to focus on further developing its brands in order to expand the reach in their market segments. In that vein, in 2016, De Telegraaf had a total brand reach of 6,923,000 in print and digital; Metro achieved a total brand reach of 6,216,000; VROUW realised a total brand reach of 2,639,000, with substantial growth in online reach; Dumptert booked 150,800,000 video views per month; and Noordhollands Dagblad achieved a total brand reach of 999,000 in print and digital.

To accelerate its second pillar, growth, TMG has expanded its range of content through a variety of means, including: VRIJ, an 80-page weekend supplement of De Telegraaf, with content on home living, travel, mobility, cooking, technology and healthy lifestyle; Privé's multi-platform app offering continuous access to Privé's latest entertainment news; Privé's new royalty special: Privé-Royal; TMG' Digital's launch of Autobahn.eu; Metro Lifestyle, a renewed monthly supplement; and children's puzzle booklets published by Keesing Media Group in collaboration with Viacom.

With regard to the third pillar of TMG's strategy, new revenue models, TMG's brands expanded their digital posture though the launch of Vrouw.nl; Telesport's launch of a dynamic sports platform though its website, which focuses on sports news, background stories and statistics, 24/7; De Financiële Telegraaf (DFT) launched a new website: dftkennis.nl, in collaboration with knowledge partners such as SingularityU The Netherlands and Nyenrode Business University; DFT launched a renewed app with stock exchange and business news; the renewed De Gooi- en Eemlander website kicked off TMG's regional brands with a customised online news offer; and Keesing Media Group introduced new mobile apps, including Sudoku, Tectonic and word search and crossword puzzles, which enable puzzlers to solve puzzles on their mobile phones as well as on their tablets.

TMG's fourth pillar, improved efficiency, saw the outsourcing of its printing activities; physically combining the offices of TMG Landelijke Media and Holland Media Combinatie; centralising and bundling of certain activities in Amsterdam, e.g., the move of Relatieplanet.nl, and the reduction in the number of locations; and substantial gains of Keesing Media Group in its core markets France, the Netherlands, Belgium and Denmark.

To facilitate its fifth pillar, flexible organisation, TMG retained its in-house development while also aiming for strategic collaborations. For instance, in 2016 TMG effected a partnership with Talpa, acquired Amsterdam FashionWeek, which is now part of TMG Landelijke Media, and effected partnerships between Keesing Media Group and Eye to Eye Media and Viacom, and between Holland Media Combinatie and game platform XGN.

Finally, TMG further rolled out its Corporate Social Responsibility policy, including by further reducing

its CO2 emissions, becoming officially yISO-14001 certified, further improving its transparency as reflected in its improved score in the Tax Transparency Benchmark, and its undertaking of various CSR initiatives, with a focus on knowledge sharing, development and charities.

6.3. Supervisory Board, Executive Board and Employees

6.3.1. Supervisory Board

As at the date of the Offer Memorandum, the Supervisory Board consists of five members:

M.A.M. (Michiel) Boersma (Chairman)

Nationality:	Dutch
Appointed:	2011
End of current term of office:	2019
Committees at TMG:	Chairman Selection and Appointment Committee (prevented from acting); member Remuneration Committee (prevented from acting)
Other positions:	Chairman of the Supervisory Board of PostNL; Chairman of the Supervisory Board of Avantium; member of the Supervisory Board of Electrica S.A. (Romania) and Nynas A.B. (Sweden); member of the Fugro Protective Preference Shares Trust; professor by special appointment in Corporate Governance for utility companies at the TIAS School for Business and Society

(According to the Annual Report 2016, due to health reasons Mr Boersma is temporarily unable to perform his duties as member and chairman of the Supervisory Board. During his absence vice chairman Mr Nootgedagt shall be the acting chairman of the Supervisory Board. On 1 June 2017 the General Meeting resolved during the annual general meeting of TMG to provisionally accept the resignation of Mr Boersma as a member of the Supervisory Board per the settlement date of the offer of the Consortium, under the condition precedent that the offer made by the Consortium will be declared unconditional (*gestand wordt gedaan*)).

J.J. (Jan) Nootgedagt (Vice Chairman)

Nationality:	Dutch
Appointed:	2013
End of current term of office:	2021
Committees at TMG:	Chairman Audit Committee; chairman Remuneration Committee; member Selection and Appointment Committee
Other positions:	Chairman of the Foundation Board of Nyenrode; Chairman of the Executive Board of VEUO; Vice-chairman of the Supervisory Board of BNG Bank N.V. and member of the Supervisory Board of Robeco Institutional Asset Management (RIAM) and Rabobank; member of the Executive Board of the Kasbank Share Administration Trust; member of the AFM's Financial Reporting and Accountancy Committee; member of the Audit Committee of the Ministry of Security and Justice

A.R. (Guus) van Puijenbroek

Nationality:	Dutch
Appointed:	2012
End of current term of office:	2020
Committees at TMG:	Member Audit Committee; member Remuneration Committee; member Selection and Appointment Committee
Other positions:	Director of VP Exploitatie N.V., Havep Holding B.V. and Bech N.V.; member of the Supervisory Board of Batenburg Techniek B.V.; member of the Supervisory Board of Billboard Technology Industries N.V.; member of the Supervisory Board of Koninklijke Van Puijenbroek Textiel

A.G. (Annelies) van den Belt

Nationality:	Dutch
Appointed:	2014
End of current term of office:	2018
Committees at TMG:	Member Audit Committee; (replacing) member Remuneration Committee; (replacing) member Selection and Appointment

	Committee
Other positions:	Director and founder of Anhalt Media; Non-executive director at CultureWhisper; director at Waterside point
(On 1 June 2017 the General Meeting resolved during the annual general meeting of TMG to provisionally accept the resignation of Ms Van den Belt as a member of the Supervisory Board per the settlement date of the offer of the Consortium, under the condition precedent that the offer made by the Consortium will be declared unconditional (<i>gestand wordt gedaan</i>).)	
S.G. (Simone) Brummelhuis	
Nationality:	Dutch
Appointed:	2014
End of current term of office:	2018
Committees at TMG:	Member Audit Committee; member Remuneration Committee; member Selection and Appointment Committee
Other positions:	Director of TheNextWomen (Crowd Fund); member of the Supervisory Board of Stern N.V.; non-executive director Annona Investment Fund, member of the Advisory Council of Lendahand BV, Storecove BV, Augeo and the Erasmus Centre for Entrepreneurship (ECE) at Erasmus University; Supervisory Board Innovation Sessions Knowledge Partner Hemingway Programme

6.3.2. Executive Board

The Executive Board consisted of two members, being Mr Van der Snoek and Mr Epskamp. On 5 March 2017, the members of the Executive Board were suspended by the Supervisory Board. On 14 March 2017, TMG issued a press release stating that Hans Bakker had been appointed as interim general manager of TMG with immediate effect and that he would remain in this position until a new Executive Board is appointed. According to the notice and explanatory notes in respect of the annual general meeting of TMG held on 1 June 2017, Mr Van der Snoek and Mr Epskamp have resigned from their positions as members of the Executive Board as of 19 April 2017. At the date of this Offer Memorandum, no members of the Executive Board are registered with the Commercial Register (*Handelsregister*) kept by the Dutch Chamber of Commerce (*Kamer van Koophandel*).

According to the notice and explanatory notes for the annual general meeting of TMG on 1 June 2017, TMG and the Consortium have agreed that Mr Vangeel and Mr Boot will be appointed as members of the Executive Board for a period of four years, provided that the offer made by the Consortium will be declared unconditional (*gestand wordt gedaan*).

6.3.3. Employees

According to the Annual Report 2016, the average number of TMG Group full-time equivalents in 2016 was 1,790, compared to 2,023 in 2015, and in 2016 32% of TMG's employees worked part-time.

6.4. Capital and Shares

According to the Articles of Association, the authorised share capital of TMG amounts to EUR 50,000,000 and is subdivided into:

- 99,999,040 ordinary shares of EUR 0.25 each;
- 960 priority shares of EUR 0.25 each; and
- 100,000,000 preference shares of EUR 0.25 each.

According to the Annual Report 2016, (i) a total number of 46,350,000 Ordinary Shares in the capital of TMG have been issued and paid up; (ii) a total number of 960 Priority Shares in the capital of TMG have been issued and paid up; and (iii) no Preference Shares have been issued.

6.4.1. Share Administration Foundation

According to the Annual Report 2016, depositary receipts for shares have been issued for 63.6% of the issued and outstanding Ordinary Shares with the co-operation of TMG. The Depositary Receipts representing Ordinary Shares are traded on Euronext Amsterdam. The Share Administration

Foundation administers the Ordinary Shares for which convertible bearer depositary receipts (*royeerbare certificaten aan toonder*) have been issued and exercises the rights, including the voting rights, attaching to them. Holders of depositary receipts may obtain a voting proxy from the board of the Share Administration Foundation for the duration of a General Meeting.

a. General

The Depositary Receipts representing Ordinary Shares are traded on Euronext Amsterdam. The Share Administration Foundation administers the Ordinary Shares for which the Depositary Receipts have been issued.

The Share Administration Foundation is a foundation (*stichting*) incorporated under Dutch law and was established on 2 November 1971. The Share Administration Foundation has its statutory seat (*statutaire zetel*) in Amsterdam, the Netherlands, and its registered office at Basisweg 30, 1043 AP, Amsterdam, the Netherlands. The Share Administration Foundation is registered with the Dutch Commercial Register (*Handelsregister*) under the number 41197055. The Share Administration Foundation is governed by its articles of association and by the terms and conditions of administration (*administratievoorwaarden*) as these may read from time to time. The corporate purpose of the Share Administration Foundation includes, among others, acquiring and administering registered Ordinary Shares in the share capital of TMG by way of fiducia cum amico (*ten titel van beheer*), in exchange for convertible Depositary Receipts.

b. Depositary Receipts

Each of the Depositary Receipts represents a financial interest in one Ordinary Share held by the Share Administration Foundation. Holders of Depositary Receipts are entitled to receive dividends or other distributions to shareholders. The Share Administration Foundation shall collect the net dividends and other distributions payable on the Ordinary Shares which it receives in its capacity as shareholder. Upon receipt, the Share Administration Foundation shall pay out these dividends and distributions to the holders of Depositary Receipts without any deductions. The depositary receipts can be converted to Ordinary Shares without limitation.

c. Voting rights

Voting rights on the Depositary Receipts are exercised by the Share Administration Foundation, unless the holders of Depositary Receipts have been granted a power of attorney. The Share Administration Foundation shall consider the interests of the holders of Depositary Receipts as well as the interests of TMG, taking into account its principles of continuation and maintenance of identity upon voting. Holders of Depositary Receipts are not entitled to give binding instructions to the Share Administration Foundation concerning the exercise of voting rights on the Ordinary Shares underlying their Depositary Receipts. Holders of Depositary Receipts can obtain powers of attorney, which can be granted only for a particular General Meeting and expire upon close of that General Meeting. After obtaining a power of attorney, the holders of Depositary Receipts may exercise its obtained voting right as it sees fit. In a limited number of cases the Share Administration Foundation can limit, exclude or renounce a power of attorney.

d. Board composition

The management board of the Share Administration Foundation comprises: Mr T. de Waard (chairman), Mr E. Schneider (secretary), Mr W. Ruijgrok, Mr J. van Exter and Mr E. Cornelissen.

6.4.2. Preference Shares Foundation

According to the articles of association of the Preference Shares Foundation, the object of the Preference Shares Foundation is to protect the interests of TMG and its affiliated companies, including taking such measures as required to protect to the maximum possible extent against influences that could threaten continuity, independence or identity. It also has the object to protect against the influence of third parties that could affect editorial independence and the principles that serve as the basis on which the opinion-forming publications of the companies within the TMG group are edited.

According to the Annual Report 2016, TMG entered into an agreement to grant a call option to the Preference Shares Foundation in 1984 which sets out the conditions under which the call option can be exercised (the "**Call Option**"). The Preference Shares Foundation is entitled to exercise this option in whole or in part at any time. To do this, the Preference Shares Foundation has the right to acquire at

most as many Preference Shares in the capital of TMG that correspond to 50% of the total number of ordinary shares in TMG in issue. Once the Preference Shares have been issued to the Preference Shares Foundation, it has the right to require TMG to submit a proposal to the General Meeting to withdraw all the Preference Shares held by the Preference Shares Foundation.

According to the Annual Report 2016, on 28 March 2008 TMG granted the Preference Shares Foundation the authority to submit a request for an inquiry pursuant to Article 2:346(1)(e) of the Dutch Civil Code. The Preference Shares Foundation determines independently, in accordance with its objects and in compliance with the applicable law, if, when and to what extent it will exercise the Call Option. The management board of the Preference Shares Foundation comprises: Mr H. Lindenbergh (chairman), Mr H. Bruijniks (vice-chairman), Mr J.P. Witsen Elias (secretary) and Mrs C. Sieburgh.

As set out in Section 5.2 (Offer Conditions and waiver), the Offeror's obligation to declare the Offer unconditional (*gestanddoening*) is conditional upon the Preference Shares Foundation not having exercised the Call Option.

6.4.3. Priority Shares Foundation

The Priority Shares Foundation holds all of the 960 issued Priority Shares in the capital of TMG. According to the articles of association of the Priority Shares Foundation the object of the Priority Shares Foundation is to acquire and manage the priority shares in TMG and, partly on this basis, to ensure continuity in the management of TMG, ward off any influences on the management that could affect TMG's independence in conflict with its interests and to promote sound policy in the interests of TMG.

The management board of the Priority Shares Foundation comprises: Mr G. van Puijenbroek, Mr A. Vos, Mr M. Boersma and Mr J. Nooitgedagt. The Priority Shares Foundation's management board appoints its own members. In principle, only holders of a 5% interest in TMG and affiliated persons are eligible for a seat on the Priority Shares Foundation's management board. The Priority Shares Foundation's management board may grant an exemption from this qualification criterion. If the shareholders with delegates on the Priority Shares Foundation's management board no longer represent more than 30% of the ordinary share capital of TMG, only members of the Executive Board and the Supervisory Board can serve as members of the management board of the Priority Shares Foundation.

As the holder of all issued priority shares, the Priority Shares Foundation has various rights and powers. The key rights and powers of the Priority Shares Foundation are that:

- (i) the Priority Shares Foundation may resolve to issue TMG shares;
- (ii) the Priority Shares Foundation determines the number of persons the Executive Board will consist of;
- (iii) the General Meeting can only resolve to amend the Articles of Association or to merge or demerge TMG upon a proposal made by the Priority Shares Foundation;
- (iv) the Executive Board can only resolve to reduce TMG's share capital, dispose of shares/depository receipts for shares in TMG, transfer all or virtually all of the TMG enterprise, or acquire or dispose of a participating interest in the capital of TMG of at least 1/3 of the amount of the assets stated on TMG's balance sheet with the prior approval of the Priority Shares Foundation;
- (v) the General Meeting can only resolve to make distributions charged to the non-statutory reserves to the holders of ordinary shares on the recommendation of the Priority Shares Foundation;
- (vi) after consulting the Supervisory Board and the Executive Board, the Priority Shares Foundation can make a non-binding nomination for a maximum of two members of the management board of the Preference Shares Foundation; and
- (vii) after consulting the Supervisory Board and the Executive Board, the Priority Shares Foundation can make a non-binding nomination for two members of the board of the Share Administration Foundation.

As set out in Section 5.2 (Offer Conditions and waiver), the Offeror's obligation to declare the Offer unconditional (*gestanddoening*) is conditional upon the Priority Shares Foundation, TMG and the Offeror having executed a binding written agreement pursuant to which the Priority Shares Foundation commits to, upon first request by the Offeror, transfer the Priority Shares held by the Priority Shares Foundation to either the Offeror or TMG for no consideration (*om niet*), which agreement shall be in full force and effect on the Acceptance Closing Date.

6.5. Main Shareholders

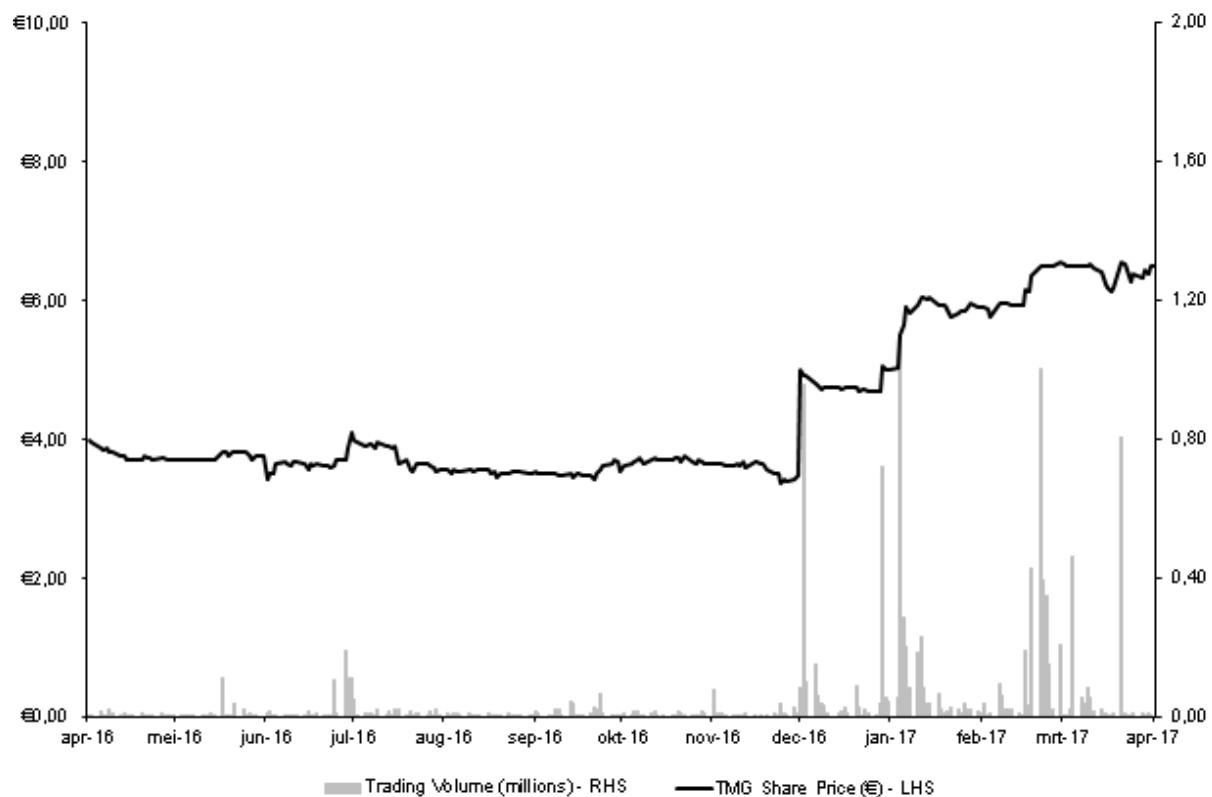
The following holders of Ordinary Shares and/or Depositary Receipts held more than 3% of TMG's outstanding share capital on the date of the Offer Memorandum, according to the Annual Report 2016 and per the notifications included in the public register held by the AFM after 31 December 2016, and, in respect of Bech N.V. and Mediahuis N.V., per the offer memorandum published by the Consortium on 19 April 2017, or, in respect of Mr J.H.H. de Mol, as disclosed in a public announcement in accordance with Article 5, paragraph 4 of the Decree:

Shareholder	Ordinary Shares
Bech N.V. (indirectly, via VP Exploitatie N.V.)	33.87%
Stichting Administratiekantoor van Aandelen Telegraaf Media Groep N.V. (the Share Administration Foundation)	63.6%

Shareholder	Depositary Receipts
Bech N.V. (indirectly, via VP Exploitatie N.V.)	7.44%
J.H.H. de Mol (indirectly, via Dasym II)	18.41%
J.H.H. de Mol (indirectly, via Talpa Beheer)	10.75%
Mediahuis N.V.	18.67%
Tweedy Browne Company LLC	4.71% (only voting rights)
Tweedy Browne Fund Inc	4.14% (only economic rights)
J. Paarlberg (indirectly, via Noblefir Anstallit, Grafitas Corporation N.V., Cantor Holding B.V.)	3.35%

6.6. Share price of TMG

The chart below shows the development of the price of the Share on Euronext Amsterdam in the period from 14 April 2016 to 14 April 2017.



7. INFORMATION REGARDING THE OFFEROR

7.1. Introduction

The Offeror is a public company with limited liability (*naamloze vennootschap*), incorporated under the laws of the Netherlands, with its registered office in Laren, the Netherlands and its business address is Zevenend 45 IV, 1251 RL, Laren, the Netherlands.

Talpa Beheer is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), incorporated under the laws of the Netherlands, with its registered office in Amstelveen, the Netherlands and its business address is Burgemeester A. Colijnweg 2, 1182 AL, Amstelveen, the Netherlands.

Dasym II is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), incorporated under the laws of the Netherlands, with its registered office in Naarden, the Netherlands and its business address is Flevolaan 41A, 1411 KC, Naarden, the Netherlands.

7.2. Board of Directors of the Offeror, Talpa Beheer and Dasym II

At the date of this Offer Memorandum, the board of directors of the Offeror consists of the following directors:

- Mr J.H.H. de Mol
- Mr P.M. Schmitz
- Mr S.P. Baboeram Panday
- Mr B.S. Masclee

At the date of this Offer Memorandum, the board of directors of Talpa Beheer consists of Mr J.H.H. de Mol, and the board of directors of Dasym II consists of Dasym Investment Strategies B.V.

None of the Offeror, Talpa Beheer or Dasym II has a supervisory board.

7.3. Capital and Shares of the Offeror, Talpa Beheer and Dasym II

The Offeror's issued share capital totals EUR 100,000 divided into 100,000 ordinary shares of the same class with a nominal value of EUR 1.00 per share. All shares are registered shares.

The issued share capital of Talpa Beheer totals EUR 54,500.05 divided into 1,090,001 ordinary shares of the same class with a nominal value of EUR 0.05 per share. All shares are registered shares

The issued share capital of Dasym II totals EUR 98,424 divided into 42,750 class A ordinary shares, 40,779 class B ordinary shares, 5,490 class C ordinary shares and 9,405 class D ordinary shares, each with a nominal value of EUR 1.00 per share. All shares are registered shares.

7.4. Shareholding structure of the Offeror, Talpa Beheer and Dasym II

The shares in the Offeror are 100% owned by Talpa Service Holding B.V., which entity is fully controlled by Mr J.H.H. de Mol and ultimately owned by Mr J.H.H. de Mol together with family members.

Talpa Beheer is fully controlled by Mr J.H.H. de Mol and ultimately owned by Mr J.H.H. de Mol together with family members.

Talpa Beheer owns more than 85% of the issued share capital of Dasym II. The other issued shares in Dasym II are held by Dasym II and by Dasym Investment Strategies B.V., an entity that is ultimately owned by Mr F.J. Botman.

7.5. Talpa Group

The Offeror is the holding company of Mr J.H.H. de Mol's media activities. The company was founded in 2005 and positioned itself as a 'full service' content company, where creation, production, distribution and broadcasting on various platforms form the foundation of this company.

Next to SBS Broadcasting, the Offeror is among others owner of Talpa Radio, the largest music entertainment company in the Netherlands consisting of the channels Radio 538, Radio 10, Sky Radio and Radio Veronica.

Talpa Media, formerly part of the Offeror, was acquired by the British ITV in 2015. Talpa Media continues to be responsible for the management of the company and thereby the creation and production of television formats and concepts. The biggest production is The Voice, which first aired in 2010. Currently over 65 local productions of this programme exist, broadcast in more than 180 countries.

Mr J.H.H. de Mol is the creator of a number of global blockbuster formats, such as Big Brother, Deal or No Deal and The Voice. For the latter he received three Emmy awards.

7.6. Talpa Group strategy

The strategy of the Offeror Group is to create a modern Dutch multimedia company with strong positions in print, radio, television and online content. The Offeror Group intends to function as a platform for the further integration of media activities that are relevant for readers, the viewing public, listeners and advertisers.

7.7. Social consequences relating to the Offer

The Offeror does 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 or any of its group companies, as a direct consequence of the Offer.

8. FURTHER DECLARATIONS PURSUANT TO THE DECREE

In addition to the other statements set out in this Offer Memorandum, the Offeror with regard to subjects (i)-(iii) and (vi), Talpa Beheer with regard to subject (vii), Dasym II with regard to subjects (viii) and (ix), the Offeror, Talpa Beheer and Dasym II with regard to subjects (iv) and (v), and the Offeror, Talpa Beheer, Dasym II and the management boards of the Offeror, Talpa Beheer and Dasym II with regard to subject (x), each individually, hereby declare as follows:

- (i) Despite discussions between the Offeror and the Executive Board, the Supervisory Board and the central works council (COR) of TMG, the Offeror and TMG have not reached agreement in respect of the Offer. See Section 5.1 (Explanation and Background of the Offer - Introduction) for an overview of the recent events leading up to the Offer.
- (ii) With due observance of and without prejudice to the restrictions referred to in Section 1 (Restrictions and important information), the Offer concerns all Shares and applies on an equal basis to all Shares and holders of Shares.
- (iii) The costs the Offeror has incurred and expects to incur in relation to the Offer amount to approximately EUR 6 million and relate to bank adviser fees, exchange agent fees, broker commissions, legal fees and financial and tax due diligence fees. These costs will be borne by the Offeror or its Affiliates.

8.1. Transactions in the TMG Shares

- (iv) At the date of the submission of the request for approval of this Offer Memorandum with the AFM, the Offeror did not hold any Shares or Depositary Receipts. At the date of the submission of the request for approval of this Offer Memorandum with the AFM, Talpa Beheer and Dasym II held an aggregate amount of 13,301,823 Depositary Receipts, representing 28.70% of the Shares. At the date of this Offer Memorandum, Talpa Beheer and Dasym II held an aggregate amount of 13,516,049 Depositary Receipts, representing 29.16% of the Shares. Talpa Beheer and Dasym II are under common control with the Offeror, and have each committed to transfer their Depositary Receipts to the Offeror in connection with the Offer. See Section 5.3.4 (Shares held by the Offeror, Talpa Beheer and Dasym II).
- (v) At the date of the submission of the request for approval of this Offer Memorandum with the AFM, TMG had no direct or indirect interest in the share capital of the Offeror, Talpa Beheer or Dasym II.
- (vi) In the year preceding the date of this Offer Memorandum, the Offeror has not directly acquired any Ordinary Shares or Depositary Receipts on Euronext Amsterdam or off market.
- (vii) In the year preceding the date of this Offer Memorandum, Talpa Beheer has in aggregate acquired 4,980,206 Depositary Receipts. See below for an overview of the Depositary Receipts acquired by Talpa Beheer over the past year:
 - On 17 January 2017, Talpa Beheer purchased 808,033 Depositary Receipts against a volume weighted average price of EUR 5.2695.
 - On 18 January 2017, Talpa Beheer purchased 202,103 Depositary Receipts against a volume weighted average price of EUR 5.6161.
 - On 3 March 2017, Talpa Beheer purchased 387,830 Depositary Receipts against a volume weighted average price of EUR 6.298.
 - On 6 March 2017, Talpa Beheer purchased 874,692 Depositary Receipts against a volume weighted average price of EUR 6.497.
 - On 7 March 2017, Talpa Beheer purchased 365,218 Depositary Receipts against a volume weighted average price of EUR 6.499.

- On 8 March 2017, Talpa Beheer purchased 341,378 Depositary Receipts against a volume weighted average price of EUR 6.50.
 - On 9 March 2017, Talpa Beheer purchased 130,609 Depositary Receipts against a volume weighted average price of EUR 6.50.
 - On 10 March 2017, Talpa Beheer purchased 14,980 Depositary Receipts against a volume weighted average price of EUR 6.499.
 - On 13 March 2017, Talpa Beheer purchased 199,984 Depositary Receipts against a volume weighted average price of EUR 6.50.
 - On 17 March 2017, Talpa Beheer purchased 457,354 Depositary Receipts against a volume weighted average price of EUR 6.50.
 - On 20 March 2017, Talpa Beheer purchased 37,253 Depositary Receipts against a volume weighted average price of EUR 6.50.
 - On 21 March 2017, Talpa Beheer purchased 30,400 Depositary Receipts against a volume weighted average price of EUR 6.50.
 - On 22 March 2017, Talpa Beheer purchased 74,098 Depositary Receipts against a volume weighted average price of EUR 6.480.
 - On 23 March 2017, Talpa Beheer purchased 37,854 Depositary Receipts against a volume weighted average price of EUR 6.496.
 - On 24 March 2017, Talpa Beheer purchased 12,039 Depositary Receipts against a volume weighted average price of EUR 6.50.
 - On 3 April 2017, Talpa Beheer purchased 794,296 Depositary Receipts against a volume weighted average price of EUR 6.499.
 - On 12 June 2017, Talpa Beheer purchased 212,085 Depositary Receipts against a volume weighted average price of EUR 6.497.
 - On 13 June 2017, Talpa Beheer purchases 2,141 Depositary Receipts against a volume weighted average price of EUR 6.50.
- (viii) In the year preceding the date of this Offer Memorandum, Dasym II has not acquired any Ordinary Shares or Depositary Receipts.
- (ix) In the year preceding the date of this Offer Memorandum, the following transactions were conducted in the shares in the capital of Dasym II, a fund whose assets consist solely of Depositary Receipts in TMG:
- On 29 December 2016, Talpa Beheer purchased 17,100 shares in Dasym II from Timber Invest 4 Coöperatief U.A. The purchase price for these shares was EUR 4,440,940 and was based on a valuation of the Depositary Receipts of EUR 5.25.
 - On 16 January 2017, Talpa Beheer purchased 40,779 shares in Dasym II from CF I Invest CV. The purchase price for these shares was in total EUR 30,828,267.16. An amount of this purchase price of EUR 11,473,667.75 was based on a valuation of the Depositary Receipts of EUR 4.75 and an amount of EUR 19,354,599.50 was based on a valuation of the Depositary Receipts of EUR 4.96.
 - On 16 January 2017, Delta Lloyd Levensverzekeringen N.V. ("**Delta Lloyd**") purchased 11,376 shares in Dasym II from CF I Invest CV. The purchase price for these shares was EUR 8,371,818 and was based on a valuation of the Depositary Receipts of EUR 4.75.

- On 16 January 2017, Dasym II repurchased all 11,376 shares held by Delta Lloyd in Dasym II against payment in kind of 1,807,553 Depositary Receipts.
 - On 10 March 2017, Talpa Beheer purchased 17,100 shares in Dasym II from Breedinvest B.V. The purchase price for these shares was EUR 5,583,622 and was based on a valuation of the Depositary Receipts of EUR 6.50.
 - On 10 March 2017, Talpa Beheer purchased 9,405 shares in Dasym II from Claudius Investments III B.V. The purchase price for these shares was EUR 2,797,019 and was based on a valuation of the Depositary Receipts of EUR 6.50. As a result of this transaction, Talpa Beheer became entitled to 100% of the economic rights on the Depositary Receipts held by Dasym II.
- (x) Other than as described in this Offer Memorandum, no securities in TMG are held, no transactions or agreements in respect of securities in TMG have been effected or have been concluded, and no similar transactions have been effected in respect of securities in TMG, over the year preceding the date of this Offer Memorandum, by the Offeror, Talpa Beheer or Dasym II, by any legal entities with which the Offeror is affiliated in a group, by the members of the management boards of the Offeror, Talpa Beheer or Dasym II nor by any of their spouses (*echtgenoten*), registered partners (*geregistreerde 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 Decree.

9. DUTCH TAX ASPECTS OF THE OFFER

9.1. General

The following summary outlines certain Netherlands tax consequences in connection with the acceptance of the Offer. As such, it only focusses on the transaction itself whereby the Offer is accepted and the Shares are transferred. All references in this summary to the Netherlands and Dutch law are to the European part of the Kingdom of the Netherlands and its law, respectively, only. The summary does not purport to present any comprehensive or complete picture of all Netherlands tax aspects that could be of relevance to a holder of Shares who may be subject to special tax treatment under any applicable law. The summary is based on the tax laws and practice of the Netherlands as in effect on the date of this Offer Memorandum, which are subject to changes that could prospectively or retrospectively affect the Netherlands tax consequences.

For purposes of Netherlands income and corporate income tax, Shares legally owned by a third party such as a trustee, foundation or similar entity or arrangement, may under certain circumstances have to be allocated to the (deemed) settlor, grantor or similar originator (the Settlor) or, upon the death of the Settlor, his/her beneficiaries (the Beneficiaries) in proportion to their entitlement to the estate of the Settlor of such trust or similar arrangement (the Separated Private Assets).

This summary does not address the Netherlands tax consequences of the Offer for a Shareholder who is an individual and who has a "**Substantial Interest**" (*aanmerkelijk belang*) in TMG. Generally, a Shareholder will have a substantial interest in TMG if such Shareholder, whether alone or together with his spouse or partner and/or certain other close relatives, holds, directly or indirectly or as Settlor or Beneficiary of Separated Private Assets (i) (x) the ownership of, (y) certain other rights, such as usufruct, over, or (z) rights to acquire (whether or not already issued), Shares representing 5% or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of Shares) of TMG.

In addition, a Shareholder has a substantial interest in TMG if he, whether alone or together with his spouse or partner and/or certain other close relatives, has the ownership of, or other rights over, shares in, or profit certificates issued by, TMG that represent less than 5% of the relevant aggregate that either (a) qualified as part of a substantial interest as set forth above and where shares, profit certificates and/or rights there over have been, or are deemed to have been, partially disposed of, or (b) have been acquired as part of a transaction that qualified for non-recognition of gain treatment.

This summary does not address the tax consequences of any Shareholder who:

- (i) has acquired or holds the Shares in connection with his or her employment activities or in his/her capacity as (former) member of the Executive Board and/or Supervisory Board of TMG; or
- (ii) is a resident of any non-European part of the Kingdom of the Netherlands.

Holders of Shares considering the Offer should consult their own professional adviser regarding the tax consequences of the Offer in their particular circumstances.

9.2. Withholding taxes

The Offer Price paid for the Shares will not be subject to any withholding or deduction of or for any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

9.3. Netherlands taxes on income and capital gains in connection with the acceptance of the Offer

9.3.1. Holders of Shares resident in the Netherlands: individuals

A holder of Shares, who is an individual, resident or deemed to be resident in the Netherlands will be subject to regular Netherlands income tax on any capital gain realised upon the transfer of the Shares if:

- (i) such holder of Shares has an enterprise or an interest in an enterprise, to which enterprise the

Shares are attributable; and/or

- (ii) such capital gain forms “a benefit from miscellaneous activities” (*resultaat uit overige werkzaamheden*) which, for instance, would be the case if the activities with respect to the Shares exceed “normal active asset management” (*normaal, actief vermogensbeheer*) or if such capital gain is derived from the holding, whether directly or indirectly, of (a combination of) shares, debt claims or other rights (together, a *lucratief belang*) that the holder thereof has acquired under such circumstances that such capital gain is intended to be remuneration for work or services performed by such holder (or a related person), whether within or outside an employment relation, where such lucrative interest provides the holder thereof, economically speaking, with certain benefits that have a relation to the relevant work or services.

If either of the above-mentioned conditions (i) or (ii) applies, any capital gain realised upon the transfer of the Shares will in general be subject to Netherlands income tax at the progressive rates.

If the above-mentioned conditions (i) and (ii) do not apply, a holder of Shares who is an individual, resident or deemed to be resident in the Netherlands will not be subject to taxes on a capital gain in the Netherlands upon the share transfer.

9.3.2. Holders of Shares resident in the Netherlands: corporate entities

A holder of Shares that is resident or deemed to be resident in the Netherlands for corporate income tax purposes, and that is:

- a corporation;
- another entity with a capital divided into shares;
- a cooperative (association);
- a mutual fund; or
- another legal entity that has an enterprise or an interest in an enterprise to which the Shares are attributable,

but which is not:

- a qualifying pension fund;
- a qualifying investment fund (*fiscale beleggingsinstelling*) or a qualifying exempt investment institution (*vrijgestelde beleggingsinstelling*); or
- another entity exempt from corporate income tax,

will in general be subject to regular corporate income tax, generally levied at a rate of 25% (20% over profits up to EUR 200,000) over any capital gain realised upon the transfer of the Shares, unless, and to the extent that, the participation exemption (*deelnemingsvrijstelling*) applies. The participation exemption applies if the holder of shares holds at least 5% of the nominal paid-in capital of TMG.

9.3.3. Holders of Shares resident outside the Netherlands: individuals

A holder of Shares who is an individual, not resident or deemed to be resident in the Netherlands will not be subject to any Netherlands taxes on any capital gain realised upon the transfer of the Shares, unless:

- (i) such holder has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in the Netherlands and to which enterprise or part of an enterprise, as the case may be, the Shares are attributable; or
- (ii) such capital gain forms a “benefit from miscellaneous activities in the Netherlands” (*resultaat uit overige werkzaamheden in Nederland*) which would for instance be the case if the activities in the Netherlands with respect to the Shares exceed “normal active asset management” (*normaal, actief vermogensbeheer*) or if such capital gain is derived from the holding, whether

directly or indirectly, of (a combination of) shares, debt claims or other rights (together, a "lucrative interest" (*lucratief belang*)) that the holder thereof has acquired under such circumstances that such capital gain is intended to be remuneration for work or services performed by such holder (or a related person), in whole or in part, in the Netherlands, whether within or outside an employment relation, where such lucrative interest provides the holder thereof, economically speaking, with certain benefits that have a relation to the relevant work or services.

If either of the above-mentioned conditions (i) or (ii) applies, any capital gain realised upon the transfer of the Shares will in general be subject to Netherlands income tax at the progressive rates.

9.3.4. Holders of Shares resident outside the Netherlands: legal and other entities

A holder of Shares that is a legal entity, another entity with a capital divided into shares, an association, a foundation or a fund or trust, not resident or deemed to be resident in the Netherlands, will not be subject to any Netherlands taxes on the capital gain realised upon the transfer of the Shares, unless:

- (i) such holder has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in the Netherlands and to which enterprise or part of an enterprise, as the case may be, the Shares are attributable; or
- (ii) such holder has a substantial interest in TMG, that (i) is held with the avoidance of Netherlands income tax or dividend withholding tax as (one of) the main purpose(s) and (ii) forms part of an artificial structure or series of structures (such as structures which are not put into place for valid business reasons reflecting economic reality).

If one of the above-mentioned conditions applies, such holder of Shares will in general be subject to regular corporate income tax, generally levied at a rate of 25% (20% over profits up to EUR 200,000) over any capital gain realised upon the transfer of the Shares, (x) unless, and to the extent that, with respect to a holder as described under (i), the participation exemption (*deelnemingsvrijstelling*) applies and (y) except that a holder as described under (ii) will generally be subject to an effective corporate income tax rate of 15% (for profits in excess of EUR 200,000) if it holds the substantial interest in TMG with the avoidance of Netherlands dividend withholding tax (but not Netherlands income tax) as (one of) the main purpose(s).

9.4. Gift and inheritance taxes

No Netherlands gift or inheritance tax will arise in connection with the acceptance of the Offer.

9.5. Value added tax

No Netherlands value added tax will arise in respect of or in connection with the acceptance of the Offer.

9.6. Other taxes and duties

No Netherlands registration tax, capital tax, custom duty, transfer tax, stamp duty or any other similar documentary tax or duty, other than court fees, will be payable in the Netherlands in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including the enforcement of any foreign judgment in the courts of the Netherlands) of any documents related to the Offer.

10. OTHER INFORMATION

10.1. Available documents

Copies of this Offer Memorandum are available at the website of the Offeror: <http://www.talpa.tv> and at the offices of the Exchange Agent, and can be obtained free of charge by contacting the Exchange Agent at the address below:

NIBC Markets N.V.
Nieuwezijds Voorburgwal 162
1000 AE Amsterdam
The Netherlands
Telephone: +31 (0) 20 550 88 19
E-mail: OfferTMG@nibc.com

10.2. Exchange Agent

NIBC Markets N.V. is designated as Exchange Agent with respect to the Offer.

11. NEDERLANDSE SAMENVATTING VAN HET BOD

11.1. Restricties en belangrijke informatie

In dit hoofdstuk 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 Aandeelhouders van belang kan zijn 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. Aandeelhouders wordt geadviseerd het volledige Biedingsbericht (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 uitbrengen van het Bod, de verkrijgbaarstelling van het Biedingsbericht en deze Nederlandse samenvatting, alsmede verspreiding van andere informatie met betrekking tot het Bod, kunnen in bepaalde jurisdicities aan bepaalde restricties onderhevig zijn. Dit Bod wordt niet, direct of indirect, gedaan in en mag niet worden geaccepteerd door of namens Aandeelhouders vanuit enige jurisdictie waarin het doen van het Bod of het accepteren daarvan niet in overeenstemming is met de in die jurisdictie geldende wet- en regelgeving of waarvoor enige registratie, goedkeuring of neerlegging bij enige toezichthoudende instantie vereist is die niet uitdrukkelijk in dit Biedingsbericht is voorzien. Echter, aanmeldingen onder het Bod door Aandeelhouders die niet in Nederland woonachtig zijn, zullen worden aanvaard door de Bieder indien zulke aanmeldingen in overeenstemming zijn met (i) de aanmeldingsprocedures zoals omschreven in dit Biedingsbericht en (ii) de van toepassing zijnde wet- en regelgeving van de jurisdicties van waaruit zulke aanmeldingen zijn gedaan. Personen die dit Biedingsbericht ontvangen dienen zorgvuldig kennis te nemen van en te handelen in overeenstemming met zulke restricties en iedere noodzakelijke autorisatie, goedkeuring of instemming te verkrijgen. Het niet voldoen aan deze restricties kan een overtreding van de effectenwet- en regelgeving van de betreffende jurisdictie opleveren. De Bieder en de met hem verbonden personen en vennootschappen, zijn bestuurders, werknemers en adviseurs sluiten iedere aansprakelijkheid ter zake van overtredingen van voornoemde beperkingen uit. Aandeelhouders dienen zo nodig onverwijld onafhankelijk advies in te winnen over hun positie. Voor de restricties van het Bod wordt tevens verwezen naar Hoofdstuk 1 (*Restrictions and important information*). Iedere persoon (inclusief maar niet beperkt tot bewaarders, gevormachte en beheerders) die dit Biedingsbericht of enig verwant document naar enige jurisdictie buiten Nederland wenst door te sturen of van plan zou zijn dit te doen dient zorgvuldig Hoofdstuk 1 (*Restrictions and important information*) te lezen voor enige actie wordt ondernomen.

De informatie zoals opgenomen in Part II (Financial Statements) is ontleend aan publiek beschikbare informatie op de website van TMG (www.tmg.nl) en deze informatie is niet becommentarieerd, gewijzigd of geverifieerd door de Bieder. Aangezien de onderliggende informatie van de informatie over TMG zoals opgenomen in Part II opgesteld is door partijen anders dan de Bieder, kan de Bieder geen verantwoordelijkheid nemen voor de juistheid van deze onderliggende informatie. TMG heeft geen toestemming gegeven om deze informatie op te nemen in dit Biedingsbericht.

Bepaalde informatie in de paragrafen 5.1, 5.3, 5.4, 5.7, 6.1, 6.2, 6.3, 6.4, 6.5, 6.6 en 11.6, zoals als zodanig aangegeven, is ontleend aan publieke informatie op de website van TMG, aan het biedingsbericht van het Consortium zoals gepubliceerd op 19 april 2017, aan de agenda en toelichting met betrekking tot de jaarlijkse algemene vergadering van TMG die gehouden werd op 1 juni 2017, aan persberichten van TMG, het Consortium, apart of gezamenlijk, aan de publieke registers van de AFM, of aan de informatie in het Handelsregister dat wordt beheerd door de Kamer van Koophandel. Deze informatie is niet becommentarieerd, gewijzigd of geverifieerd door de Bieder. Aangezien deze informatie opgesteld is door partijen anders dan de Bieder, kan de Bieder geen verantwoordelijkheid nemen voor de juistheid van deze onderliggende informatie. TMG noch enige andere betrokken partij heeft toestemming gegeven om deze informatie op te nemen in dit Biedingsbericht.

Behoudens hetgeen hierboven is vermeld, is de informatie opgenomen in dit Biedingsbericht uitsluitend door de Bieder verschaft. Dit Hoofdstuk 11 (Nederlandse samenvatting van het Bod) is een in de Nederlandse taal vertaalde samenvatting van de informatie die door de Bieder in de Engelse taal is verstrekt.

Behoudens hetgeen hierboven is vermeld, is uitsluitend de Bieder verantwoordelijk voor de juistheid en volledigheid van de informatie die in dit Biedingsbericht wordt verstrekt. De Bieder verklaart, voor zover hem redelijkerwijs bekend kan zijn, na het treffen van alle redelijke maatregelen om zulks te garanderen, dat de gegevens in het Biedingsbericht in overeenstemming zijn met de werkelijkheid en dat geen gegevens zijn weggelaten waarvan vermelding de strekking van het Biedingsbericht zou wijzigen. Tevens dient vermeld te worden dat bepaalde financiële en statistische informatie in het Biedingsbericht naar boven of beneden kan zijn afgerond en om die reden niet als exacte cijfers kan worden gezien.

De informatie in dit Biedingsbericht geeft de situatie weer op de datum van dit Biedingsbericht, tenzij anders aangegeven. Onder geen beding houdt de verspreiding van dit Biedingsbericht in dat de hierin opgenomen informatie ook na de publicatiедatum van dit Biedingsbericht juist en volledig is of dat er sinds deze datum geen wijziging is opgetreden in de in het Biedingsbericht uiteengezette informatie of in de gang van zaken bij de Bieder of TMG. Het voorgaande laat echter onverlet de verplichting van de Bieder om, indien zulks van toepassing is, een openbare mededeling te doen ingevolge artikel 4 lid 1 en 3 van het Bob.

Verwezen wordt ook naar Hoofdstuk 1 (*Restrictions and Important Information*).

11.2. Nederlandse Definities

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

Aandeelhouders	de houders van een of meerdere Aandelen
Aandelen	Gewone Aandelen en Certificaten
Aangemelde Aandelen	de Aandelen die zijn aangemeld onder het Bod
Aanmeldingstermijn	de periode, gedurende welke Aandeelhouders hun Aandelen bij de Bieder kunnen aanmelden, beginnend op 14 juni 2017, om 9:00 uur, Amsterdamse tijd, en eindigend op de Sluitingsdatum
AFM	Stichting Autoriteit Financiële Markten
Bieder	Talpa Holding N.V.
Biedingsbericht	dit biedingsbericht (zijnde de Engelse tekst en de Nederlandse samenvatting) met betrekking tot het Bod
Biedersgroep	De Bieder, inclusief zijn groepsmaatschappijen in de zin van artikel 2:24b van het Burgerlijk Wetboek
Biedprijs	een bedrag in contanten van EUR 6,50 (inclusief dividend of enige andere uitkering op de Aandelen die reeds is aangekondigd maar nog niet is betaald of die wordt aangekondigd voor de Dag van Overdracht en – als gevolg daarvan – zal de Biedprijs met een dergelijk bedrag verminderd worden) voor elk Aandeel dat op geldige wijze is aangemeld (of op ongeldige wijze, mits de Bieder de aanmelding daarvan desalniettemin heeft aanvaard) en geleverd onder de voorschriften, voorwaarden en restricties van het Bod
Bob	Besluit openbare biedingen Wft
Bod	het bod op de Aandelen zoals in dit Biedingsbericht beschreven

Call Optie	de call optie met betrekking tot Preferente Aandelen toegekend door TMG aan de Stichting Preferente Aandelen (volgens het Jaarverslag 2016)
Certificaten	royeerbare certificaten aan toonder van Gewone Aandelen, zoals uitgegeven door de Stichting Administratiekantoor
Combinatie	de combinatie van de Biedersgroep en de TMG Groep
Consortium	Mediahuis N.V. en VP Exploitatie N.V.
Dag van Overdracht	de datum waarop de Bieder, in overeenstemming met de voorschriften, voorwaarden en restricties van het Bod, de Biedprijs zal betalen aan 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 de derde Werkdag na de Gestanddoeningsdatum plaats
Dasym II	Dasym Investments II B.V.
EUR	euro, het wettig betaalmiddel van de Europese Monetaire Unie
Euronext Amsterdam	De geregelmenteerde markt van Euronext Amsterdam
Gestanddoeningsdatum	de datum waarop de Bieder publiekelijk aankondigt of het Bod gestand wordt gedaan, zijnde niet later dan de derde Werkdag na de Sluitingsdatum overeenkomstig artikel 16 lid 1 van het Bob
Gewone Aandelen	Geplaatste en uitstaande gewone aandelen in het kapitaal van TMG met elk een nominale waarde van EUR 0.25
Jaarverslag 2016	het jaarverslag van TMG voor het financiële jaar 2016, zoals gepubliceerd door TMG op haar website
Preferente Aandelen	preferente aandelen in het kapitaal van TMG met elk een nominale waarde van EUR 0.25
Prioriteitsaandelen	prioriteitsaandelen in het kapitaal van TMG met elk een nominale waarde van EUR 0.25
Omwissel- en Betaalkantoor	NIBC Markets N.V.
Raad van Bestuur	de raad van bestuur van TMG
Raad van Commissarissen	de raad van commissarissen van TMG
Raden	de Raad van Bestuur en de Raad van Commissarissen gezamenlijk
Sluitingsdatum	het tijdstip en datum waarop de Aanmeldingstermijn eindigt, te weten op 9 augustus 2017 om 17:40 uur, Amsterdamse tijd, behoudens verlenging met inachtneming van artikel 15 lid 2 van het Bob, in welk geval de Aanmeldingstermijn op die latere datum eindigt
Stichting Administratiekantoor	Stichting Administratiekantoor van aandelen Telegraaf Media Groep N.V., een stichting opgericht naar Nederlands recht, met haar statutaire zetel in Amsterdam, Nederland

Stichting Preferente Aandelen	Stichting Preferente aandelen Telegraaf Media Groep N.V., een stichting opgericht naar Nederlands recht, met haar statutaire zetel in Amsterdam, Nederland
Stichting Prioriteitsaandelen	Stichting Beheer van Prioriteitsaandelen Telegraaf Media Groep N.V., a foundation (<i>stichting</i>) een stichting opgericht naar Nederlands recht, met haar statutaire zetel in Amsterdam, Nederland
Talpa Beheer	Talpa Beheer B.V.
TMG	Telegraaf Media Groep N.V. een naamloze vennootschap, opgericht naar Nederlands recht, met statutaire zetel in Amsterdam, Nederland
TMG Groep	TMG, inclusief haar groepsmaatschappijen in de zin van artikel 2:24b van het Burgerlijk Wetboek
Toegelaten Instelling(en)	tot Euronext Amsterdam toegelaten instelling(en)
Voorwaarde(n)	de opschorrende voorwaarde(n) met betrekking tot het Bod zoals uiteengezet in Paragraaf 5.2.1 (<i>Offer Conditions</i>) en 11.10.1 (Voorwaarden)
Werkdag	iedere dag anders dan een zaterdag, zondag of officiële feestdag, waarop banken in Nederland, volgens de Algemene Bank-CAO, en Euronext Amsterdam over het algemeen open zijn voor zakelijk verkeer

11.3. Het Bod

Onder verwijzing naar de mededelingen, voorwaarden en restricties zoals opgenomen in dit Biedingsbericht worden Aandeelhouders hierbij uitgenodigd om hun Aandelen aan te bieden aan de Bieder op de wijze en onder de voorschriften en voorwaarden zoals in dit Biedingsbericht beschreven. Indien het Bod gestand wordt gedaan, zal aan Aandeelhouders die hun Aandelen onder het Bod aanmelden, betaling in contanten plaatsvinden van de Biedprijs ten bedrage van EUR 6,50 (inclusief dividend of enige andere uitkering op de Aandelen die reeds is aangekondigd maar nog niet is betaald of die wordt aangekondigd voor de Dag van Overdracht en – als gevolg daarvan – zal de Biedprijs verminderd worden om deze vaststelling van dividend, betaling van een eerder vastgesteld dividend, of andere uitkering, indien van toepassing, voor de Dag van Overdracht te reflecteren) voor elk Aandeel dat op geldige wijze is aangemeld (of op ongeldige wijze, mits de Bieder de aanmelding daarvan desalniettemin heeft aanvaard) en geleverd.

De Biedprijs vertegenwoordigt een premie van:

- 87% op grond van de slotkoers van 13 december 2016 (EUR 3,48), de laatste handelsdag voordat de openbare mededeling is gedaan van de besprekingen tussen TMG en het Consortium;
- 81% op grond van de gemiddelde slotkoers over een periode van één maand eindigend op 13 december 2016 (EUR 3,58);
- 82% op grond van de gemiddelde slotkoers over een periode van drie maanden eindigend op 13 december 2016 (EUR 3,56);
- 78% op grond van de gemiddelde slotkoers over een periode van zes maanden eindigend op 13 december 2016 (EUR 3,65); en
- 76% op grond van de gemiddelde slotkoers over een periode van twaalf maanden eindigend op 13 december 2016 (EUR 3,70);

- 10% op grond van het gemiddelde van bepaalde geselecteerde prijsdoelen (*price targets*) van analisten (EUR 5,93). Twee geselecteerde prijsdoelen met betrekking tot de Aandelen komen van analisten van KBC Securities en NIBC Markets. Daarnaast is er een aanvullende analyse van Idea-Driven Equities Analyses van 20 december 2016 met een prijsdoel met betrekking tot de Aandelen. De gemiddelde doelprijs op grond van de drie hiervoor genoemde prijsdoelen is EUR 5,93.

Verwezen wordt ook naar Paragrafen 4.2 (*Offer Price*), 5.5 (*Substantiation of the Offer Price*) en 6.6 (*Share price of TMG*)

11.4. Motivering voor het Bod en strategie

11.4.1. Strategie van de Combinatie

De Bieder heeft een duidelijke visie voor TMG en de Nederlandse mediasector. TMG heeft een portfolio van sterke en unieke mediamerken in Nederland. De Bieder wil TMG's portefeuille behouden en dit verder ontwikkelen in combinatie met de activiteiten van de Bieder. De Bieder, in combinatie met TMG, beoogt een Nederlands multimediacombo te creëren met sterke posities in print, radio, televisie en online, met de mogelijkheid om de consument 24/7 in Nederland te voorzien van content. De Bieder onderschrijft de strategie die eerder door de Raden werd meegedeeld om 24/7 content te leveren en de Bieder verwacht deze 24/7 strategie te kunnen versnellen en te ondersteunen met zijn ervaring en nauwe connectie met Talpa Media. De Bieder beoogt dat de combinatie van de Biedersgroep en de TMG Groep (de "**Combinatie**") een platform zal vormen voor verdere integratie tussen verschillende media-activiteiten die van belang zijn voor lezers, kijkers, luisteraars en adverteerders in Nederland. De succesvolle samenwerking tussen TMG en de Biedersgroep is al aangetoond door middel van het samenwerkingsverband op het gebied van radio in 2016.

De Bieder is voornemens de Combinatie te concentreren op de realisatie van omzetgroei in plaats van de realisatie van kostensynergien. De drie pijlers die naar verwachting de Combinatie in staat zullen stellen om dergelijke omzetgroei te realiseren, bestaan uit het volgende:

- (i) uitvoering: de internationale ervaring van de Bieder in de productie van *content* zal naar verwachting bijdragen aan de versnelling van de door TMG gestelde doelen voor de 24/7 strategie, met name wat betreft het 'van woord naar beeld'-thema;
- (ii) verkoop: door de oprichting van een multimedia verkoophuis wordt verwacht dat de Combinatie een sterke alliantie naar de markt toe kan vormen. Op deze manier kan de Combinatie extra waarde creëren uit *content* door meer (lokale) relevantie te bieden voor eersteklas adverteerders via de gehele mediatrechter. Daarnaast wordt verwacht dat de Combinatie nieuwe bedrijfsmodellen zal kunnen verkennen en invoeren; en
- (iii) technologie: activeren van een bewezen en werkend (*back-end*) platform om de multimedia-activiteiten van de Combinatie te concentreren. Dit platform zal naar verwachting worden opgezet voor zowel uniforme inhoudsverdeling (*push*) als voor volledige interactie (*pull*).

De Bieder beschouwt de krant *De Telegraaf* als een belangrijk onderdeel van de toekomstige Combinatie voor de productie van *content* die op verschillende mediaplatforms kan worden gebruikt. De Bieder is voornemens TMG's huidige kernmerken, namen en titels te handhaven en TMG te ondersteunen om verder te investeren in de productie van *content* en journalistieke kwaliteit, om groei te realiseren en klaar te zijn voor de toekomst.

11.4.2. De positie van TMG binnen de Combinatie

Na de afronding van het Bod wordt verwacht dat TMG een aparte eenheid binnen de Biedersgroep zal worden, naast de TV- en radioactiviteiten van de Biedersgroep. De Bieder is voornemens om TMG's belang in de radioactiviteiten die op dit moment zijn ondergebracht in een joint venture met de Biedersgroep, *at arm's length* over te dragen aan de Bieder, zodat de Bieder direct 100% van de radioactiviteiten zal houden.

De visie van de Bieder is in lijn met de hoofdcomponenten van het strategische plan "Terra Nova", gepresenteerd door TMG in 2016:

- (i) rationalisatie van de organisatiestructuur en het krantenportfolio;
- (ii) *front office* uitbreiden naar een verkoophuis en een enkele marketingorganisatie;
- (iii) oprichten van een enkele redactionele organisatie; en
- (iv) geen significante kostenreducties, anders dan die in "Terra Nova" zijn voorgesteld.

De Bieder is voornemens om de huidige strategie van TMG en de plannen voor de lopende reorganisatie (Terra Nova) te ondersteunen, hetgeen het uitgangspunt zal vormen voor een verdere versnelling van de groeistrategie van de Combinatie.

11.4.3. Het Consortium

Na de eerste aankondiging van de Bieder op 23 januari 2017 met betrekking tot haar voorgenomen bod op TMG, heeft het Consortium te kennen gegeven dat het niet van plan was zijn Aandelen aan te bieden aan de Bieder. Ook werd gesuggereerd dat de Bieder geen gevolg zou geven aan haar aankondigingen met betrekking tot haar voorgenomen bod op TMG. Door publicatie van dit Biedingsbericht voegt de Bieder daad bij het woord van haar eerdere aankondigingen en brengt zij een hard bod uit op de Aandelen voor een prijs van EUR 6,50. De Bieder gelooft dat Aandeelhouders, waaronder mede begrepen de leden van het Consortium, zullen beseffen dat de Bieder daadwerkelijk gecommitteerd is TMG te verwerven voor een prijs van EUR 6,50 per Aandeel en dat Aandeelhouders het betere bod van de Bieder mogelijk zullen prefereren en hun Aandelen aan de Bieder zullen aanbieden.

11.4.4. De positie van TMG

Op 5 maart 2017 is TMG een fusieprotocol aangegaan met het Consortium. Overeenkomstig het fusieprotocol zijn de Raden verplicht het bod van het Consortium aan te bevelen en geen ander aanbod aan te bevelen. Het fusieprotocol bevat echter ook procedures waarmee de Raden een superieure aanbieding kunnen evalueren en behandelen. In het fusieprotocol is vastgesteld dat er sprake is van een superieur bod als een bod van een *bona fide* derde de biedingsprijs van het Consortium van EUR 6,00 met tenminste 8% overschrijdt, een realistisch niveau van transactiezekerheid biedt en wordt vastgesteld door de Raden dat het gunstiger is dan het bod van het Consortium voor TMG, haar activiteiten, haar duurzame succes en haar aandeelhouders.

Het bod van de Bieder van EUR 6,50 is meer dan 8% hoger dan de biedingsprijs van het Consortium, waarmee aan het eerste element van een superieur bod is voldaan. Bovendien, waar het Consortium zijn bod fundamenteel ondersteunt op kostensynergiën, is de Bieder van plan om inkomstensynergiën te realiseren. De visie van de Bieder op een sterk en duurzaam multimediacommercieel bedrijf met voordelen voor alle stakeholders van TMG wordt nog eens bevestigd door de aankondiging van de overname door de Bieder van 100% van SBS Broadcasting. Als zodanig is het Bod beter dan het bod van het Consortium, zowel in termen van prijs als in termen van voordeel voor TMG, haar activiteiten, haar duurzame succes en haar aandeelhouders. Ten slotte gelooft de Bieder dat, door daad bij het woord van haar eerdere aankondigingen te voegen en een hard bod uit te brengen op TMG voor een prijs van EUR 6,50 per Aandeel, Aandeelhouders, waaronder mede begrepen de leden van het Consortium, het betere bod van de Bieder mogelijk zullen prefereren en hun Aandelen aan de Bieder zullen aanbieden. Als zodanig biedt het Bod een realistisch niveau van transactiezekerheid.

Verwezen wordt ook naar Paragraaf 5.6 (*Rationale for the Offer and strategy*).

11.5. Financiering van het Bod

De Bieder heeft op 1 maart 2017 aangekondigd over voldoende middelen te beschikken om het Bod te financieren in overeenstemming met artikel 7 lid 4 van het Bob. Het Bod waardeert 100% van de Aandelen op ongeveer EUR 301,275,000. De Bieder beschikt over voldoende middelen om het Bod te bekostigen met beschikbare kasmiddelen, zonder gebruik te hoeven maken van acquisitiefinanciering. Gelet op de activiteiten van TMG, is Bieder ervan overtuigd dat prudente financiering van het Bod en TMG essentieel is.

Verwezen wordt ook naar Paragraaf 5.10 (*Financing of the Offer*).

11.6. Overzicht Aandelen en rechten gehouden door leden van de Raad van Commissarissen en de Raad van Bestuur

Uit het Jaarverslag 2016 blijkt dat geen van de leden van de Raad van Bestuur of de Raad van Commissarissen per 31 December 2016 aandelen hield in het kapitaal van TMG. Het Jaarverslag 2016 verklaart niet dat enige transacties of overeenkomsten met betrekking tot de aandelen in het kapitaal van TMG zijn uitgevoerd of gesloten door een van de leden van de Raad van Bestuur of de Raad van Commissarissen in 2016. Uit de publieke registers van de AFM blijkt dat geen van de leden van de Raad van Bestuur of de Raad van Commissarissen een melding heeft gedaan bij de AFM van enig aandeelhouderschap tussen 31 December 2016 en de datum van dit Biedingsbericht.

Verwezen wordt ook naar Paragraaf 5.4 (*Overview of Shares held by members of the Supervisory Board and Executive Board*).

11.7. Informatie over de Bieder, Talpa Beheer en Dasym II

De Bieder is een naamloze vennootschap die is opgericht naar Nederlands recht, met statutaire zetel in Laren en met geregistreerd adres aan Zevenend 45 IV, 1251 RL, Laren, Nederland.

Talpa Beheer is een besloten vennootschap met beperkte aansprakelijkheid, die is opgericht naar Nederlands recht, met statutaire zetel in Amstelveen en met geregistreerd adres aan Burgemeester A, Colijnweg 2, 1182 AL, Amstelveen, Nederland.

Dasym II is een besloten vennootschap met beperkte aansprakelijkheid, die is opgericht naar Nederlands recht, met statutaire zetel in Naarden en met geregistreerd adres aan Flevolaan 41A, 1411 KC, Naarden, Nederland.

Op de datum van dit Biedingsbericht bestaat de raad van bestuur van de Bieder uit de volgende bestuurders:

- Dhr. J.H.H. de Mol
- Dhr. P.M. Schmitz
- Dhr. S.P. Baboeram Panday
- Dhr. B.S. Masclee

Op de datum van dit Biedingsbericht bestaat de raad van bestuur van Talpa Beheer uit dhr. J.H.H. de Mol en de raad van bestuur van Dasym II bestaat uit Dasym Investment Strategies B.V.

De Bieder, Talpa Beheer en Dasym II hebben geen raad van commissarissen.

De aandelen in de Bieder worden voor 100% gehouden door Talpa Service Holding B.V., welke entiteit volledig gecontroleerd wordt door dhr. J.H.H. de Mol en waarvan de uiteindelijke eigendom rust bij dhr. J.H.H. de Mol en familieleden. Talpa Beheer wordt volledig gecontroleerd door dhr. J.H.H. de Mol en de uiteindelijke eigendom rust bij dhr. J.H.H. de Mol en familieleden. Talpa Beheer houdt meer dan 85% van het uitgegeven aandelenkapitaal van Dasym II. De overige uitstaande aandelen in Dasym II worden gehouden door Dasym II en door Dasym Investment Strategies B.V., een entiteit waarvan de uiteindelijke eigendom rust bij dhr. F.J. Botman.

De Bieder is de holdingcompany voor de media-activiteiten van dhr. J.H.H. de Mol. Het bedrijf is opgericht in 2005 en positioneert zich als een 'full service' *content* bedrijf, waar creatie, productie, distributie en broadcast over verschillende platformen de basis vormen. De Bieder is naast SBS Broadcasting onder meer eigenaar van Talpa Radio, dat met de zenders Radio 538, Radio 10, Sky Radio en Radio Veronica het grootste muziek-entertainmentbedrijf van Nederland vormt. Talpa Media, voormalig onderdeel van de Bieder, is in 2015 overgenomen door het Britse ITV. Talpa Media is nog steeds verantwoordelijk voor het management van het bedrijf, en daarmee dus voor de creatie en productie van de televisieformats en concepten. De grootste productie is The Voice, voor het eerst uitgezonden in 2010. Inmiddels bestaan er van dit programma meer dan 65 lokale producties, uitgezonden in 180 landen. Dhr. J.H.H. de Mol is de bedenker van een aantal wereldwijde blockbuster formats, zoals Big Brother, Deal or No Deal en The Voice. Voor laatstgenoemde show ontving hij drie Emmy Awards.

Verwezen wordt ook naar Hoofdstuk 7 (*Information regarding the Offeror*).

11.8. Gehouden Aandelen en gecommitteerde Aandelen

Op de datum van dit Biedingsbericht houdt de Bieder geen Aandelen of Certificaten in het kapitaal van TMG. Op de datum van dit Biedingsbericht houden Talpa Beheer en Dasym II in totaal 13.516.049 Certificaten, welke 29,16% van de Aandelen vertegenwoordigen. Talpa Beheer en Dasym II hebben zich ieder ertoe verbonden om hun Certificaten over te dragen aan de Bieder in het kader van het Bod.

Indien de Bieder, Talpa Beheer of Dasym II vanaf de datum van dit Biedingsbericht Aandelen koopt buiten het Bod om, en indien de Bieder daardoor direct of indirect eigendom of controle verkrijgt over 30% of meer van de Aandelen, kan de Bieder verplicht zijn een verplicht openbaar bod uit te brengen in overeenstemming met artikel 5:70 van de Wft.

Verwezen wordt ook naar Paragraaf 5.3 (*Shares in the capital of TMG, Shares held by the Offeror, committed Shares*).

11.9. Aanvaarding door Aandeelhouders

11.9.1. Algemeen

Voor zover wettelijk toegestaan, behoudt de Bieder zich het recht voor om Aandelen te aanvaarden die zijn aangemeld voor aanvaarding, zelfs indien dit niet is geschied op de wijze zoals omschreven in deze Paragraaf 11.9 (Aanvaarding door Aandeelhouders).

Verwezen wordt ook naar Paragraaf 4.3 (*Acceptance by Shareholders*).

11.9.2. Aanvaarding via een Toegelaten Instelling

Houders van Aandelen die worden gehouden via een Toegelaten Instelling worden verzocht hun aanmelding kenbaar te maken via hun bewaarder, bank of effectenmakelaar die hun effecten- en/of geldrekening beheert niet later dan op 9 augustus 2017 om 17:40 uur Amsterdamse tijd, tenzij de Aanmeldingstermijn is verlengd met inachtneming van Paragraaf 11.11.4. (Verlenging). De relevante bewaarder, bank of effectenmakelaar kan een eerdere uiterste datum stellen voor de houders van zulke Aandelen om de bewaarder, bank of effectenmakelaar in de gelegenheid te stellen de aanmelding 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. Bij het indienen van de aanmeldingen dienen de Toegelaten Instellingen te verklaren dat (i) zij de Aangemelde Aandelen in hun administratie hebben, (ii) elke Aandeelhouder die het Bod aanvaardt onherroepelijk ervoor instaat en garandeert dat de Aandelen die door hem worden aangeboden, aangeboden worden in overeenstemming met de beperkingen als uiteengezet in Hoofdstuk 1 (*Restrictions and important information*) en met toepasselijk recht en (iii) zij zich verbinden deze Aandelen te zullen leveren aan de Bieder op de Dag van Overdracht, mits het Bod gestand wordt gedaan.

Behoudens de geldige herroeping van een aanmelding van Aandelen conform het bepaalde in artikel 5b, artikel 15 lid 3 en lid 8 en artikel 15a lid 3 van het Bob, betekent het aanmelden van Aandelen ter acceptatie van het Bod een onherroepelijke instructie om (i) iedere poging tot overdracht van de Aangemelde Aandelen te blokkeren, zodat op of voor de Dag van Overdracht geen overdracht van deze Aandelen kan worden geëffectueerd (anders dan aan het Omwissel- en Betaalkantoor op of voor de Dag van Overdracht indien het Bod gestand wordt gedaan en de Aandelen door de Bieder zijn aanvaard) en (ii) de betaling van de Biedprijs door het Omwissel- en Betaalkantoor ten aanzien van alle Aangemelde Aandelen op de Dag van Overdracht ten laste te boeken van de effectenrekening waarmee deze Aandelen worden gehouden.

11.9.3. Aanvaarding door houders van Gewone Aandelen die individueel zijn geregistreerd in het aandeelhoudersregister van TMG

Aandeelhouders die Gewone Aandelen hebben die individueel zijn geregistreerd in het aandeelhoudersregister van TMG en die hun aandelen willen aanmelden onder het Bod, moeten een

compleet en getekend aanmeldingsformulier overhandigen aan het Omwissel- en Betaalkantoor niet later dan om 17:40 uur Amsterdamse tijd op de Sluitingsdatum. De aanmeldingsformulieren zijn op aanvraag beschikbaar bij het Omwissel- en Betaalkantoor:

NIBC Markets N.V.
Nieuwezijds Voorburgwal 162
1000 AE Amsterdam
The Netherlands
Telephone: +31 (0) 20 550 88 19
E-mail: OfferTMG@nibc.com

Het aanmeldingsformulier zal tevens dienen als akte van levering met betrekking tot de Gewone Aandelen waarnaar daarin wordt verwezen.

11.9.4. Verplichtingen, verklaringen, en garanties door Aandeelhouders die hun Aandelen aanmelden

Door zijn/haar Aandelen aan te melden onder het Bod verklaart, verplicht en garandeert elke Aandeelhouder die zijn/haar Aandelen aanmeldt, zich jegens de Bieder op de dag dat die Aandelen worden aangemeld tot en met de Dag van Overdracht, behoudens geldige intrekking van een aanmelding gedurende enige verlenging van de Aanmeldingstermijn, in overeenstemming met artikel 15 lid 3 en 15a lid 3 van het Bob, dat:

- de aanmelding van Aandelen door Aandeelhouders een aanvaarding inhoudt van het Bod onder de voorschriften, voorwaarden en beperkingen van het Bod zoals vervat in dit Biedingsbericht;
- de betrokken Aandeelhouder volledig gerechtigd en bevoegd is de Aandelen aan te melden, te verkopen en te leveren, en geen andere overeenkomst is aangegaan tot aanmelding, verkoop of levering van de volgens opgave aangemelde Aandelen met derden anders dan de Bieder (zulks tezamen met alle bijbehorende rechten) en dat, wanneer deze Aandelen door de Bieder worden verworven, de Bieder die Aandelen in volledige en onbezwaarde vorm verwerft, vrij van rechten van derden en beperkingen van welke aard dan ook; en
- bij aanmelding van Aandelen, Hoofdstuk 1 (*Restrictions and important information*) en de effectenwetgeving en overige toepasselijke wet- en regelgeving van de jurisdictie waarin de betrokken Aandeelhouder zich bevindt of waarvan hij/zij ingezetene is, is nageleefd en geen registratie, goedkeuring of indiening bij enige toezichthoudende instantie van die jurisdictie vereist is in verband met de aanmelding van de Aandelen.

11.10. Voorwaarden en afstand van Voorwaarden

11.10.1. Voorwaarden

Niettegenstaande enige andere bepalingen met betrekking tot het Bod, is de verplichting van de Bieder om het Bod gestand te doen en Aandelen te accepteren tegen betaling of, in overeenstemming met de Wft en het Bob, te betalen voor Aangemelde Aandelen, voorwaardelijk aan de vervulling van (of, voor zover relevant, het afstand doen van) de volgende opschortende Voorwaarden op de Gestanddoeningsdatum:

- (i) het aantal Aangemelde Aandelen op de Sluitingsdatum, tezamen met de Aandelen die op dat moment direct of indirect worden gehouden door de Bieder, Talpa Beheer en Dasym II en de Aandelen die onvoorwaardelijk en onherroepelijk aan de Bieder of een van zijn aangesloten personen zijn aangemeld, meer dan 50% vertegenwoordigt van alle Aandelen op volledig verwaterde basis;
- (ii) de Bieder zal een schriftelijke, bindende en onvoorwaardelijke toezegging van ieder lid van de Raad van Commissarissen hebben ontvangen dat het betreffende lid van de Raad van Commissarissen (i) zal meewerken aan de voordracht door de Raad van Commissarissen aan de Algemene Vergadering tot benoeming van vier door de Bieder aan te wijzen personen tot benoeming als leden van de Raad van Commissarissen, zo spoedig als mogelijk na de Dag

van Overdracht en (ii) zo spoedig als mogelijk na de benoeming van de vier door de Bieder aan te wijzen personen tot de Raad van Commissarissen zal terugtreden als lid van de Raad van Commissarissen;

- (iii) de Bieder zal een schriftelijke, bindende en onvoorwaardelijke toezegging van de heer Vangeel en de heer Boot, de door het Consortium aangewezen personen tot benoeming als leden van de Raad van Bestuur, hebben ontvangen dat zij akkoord gaan (i) dan wel om niet benoemd te worden als lid van de Raad van Bestuur, (ii) dan wel, indien de persoon al is benoemd, om op de Dag van Overdracht terug te treden als lid van de Raad van Bestuur;
- (iv) de Stichting Prioriteitsaandelen, TMG en de Bieder zullen schriftelijk en bindend zijn overeengekomen dat de Stichting Prioriteitsaandelen zich verbindt om, op eerste verzoek van de Bieder, Prioriteitsaandelen gehouden door de Stichting Prioriteitsaandelen om niet over te dragen aan de Bieder of TMG, welke overeenkomst volledig geldig en van kracht zal zijn op de Sluitingsdatum. De Bieder zal zijn redelijkerwijs beste inspanningen verrichten om te zorgen voor de vervulling van deze Voorwaarde;
- (v) de verplichte goedkeuring of toestemming van alle relevante mededingingsautoriteiten zal reeds zijn verkregen en/of alle wachtermijnen met betrekking tot de meldingen aan die mededingingsautoriteiten zullen zijn verstrekken;
- (vi) de Raden hebben geen actie ondernomen of geautoriseerd of enige publieke mededeling gedaan of geautoriseerd waardoor het Bod belemmerd of gefrustreerd wordt of mogelijk belemmerd of gefrustreerd wordt;
- (vii) TMG zal geen nieuwe aandelen in het kapitaal van TMG of enige dochtervennootschap hebben uitgegeven dan wel hebben aangekondigd om nieuwe aandelen in het kapitaal van TMG of enige dochtervennootschap uit te geven na 13 juni 2017;
- (viii) de Stichting Preferente Aandelen zal niet, geheel of gedeeltelijk, haar calloptie hebben uitgeoefend op grond waarvan Preferente Aandelen aan haar worden uitgegeven;
- (ix) het bestuur van de Stichting Administratiekantoor zal geen goedkeuring hebben gegeven voor de overdracht van door de Stichting Administratiekantoor gehouden Aandelen en de Stichting Administratiekantoor zal geen door haar gehouden Aandelen hebben overgedragen, met uitzondering van de overdracht van Aandelen in het kader van het roayement van een of meer Certificaten, en de Stichting Administratiekantoor zal haar administratievooraarden niet hebben gewijzigd;
- (x) er is geen bevel, aanhouding, uitspraak of vonnis uitgevaardigd door enige rechbank, arbitraal college, regering, overheidsinstantie of andere toezichthoudende of administratieve instantie, en van kracht, of enige wet, regel, wetgeving, overheidsaanwijzing of maatregel uitgevaardigd, van kracht of van toepassing verklaard op het Bod welke het afronden van het Bod of de mogelijkheid van de Bieder om effectieve controle over TMG te verkrijgen op enige materiële wijze beperkt, verbiedt of vertraagt of waardoor het redelijkerwijs te verwachten is dat dit zal worden beperkt, verboden of vertraagd;
- (xi) er is geen kennisgeving ontvangen van de AFM waarin wordt gesteld dat de voorbereiding van het Bod in strijd is met hoofdstuk 5.5 van de Wft en dat beleggingsondernemingen op grond van artikel 5:80 van de Wft niet zouden mogen meewerken aan de uitvoering en voltooiing van het Bod, noch voert de AFM een onderzoek uit waarvan redelijkerwijs verwacht kan worden dat deze zal leiden tot een dergelijke kennisgeving;
- (xii) de handel in de Certificaten op Euronext Amsterdam is niet geschorst of beëindigd als gevolg van een noteringsmaatregel genomen door Euronext Amsterdam in overeenstemming met artikel 6901/2 of enig andere relevante bepaling van Euronext Rulebook I (Harmonised Rules);
- (xiii) geen Materiële Ongunstige Wijziging heeft zich voorgedaan of is bekend geworden bij de Bieder, Talpa Beheer of Dasym II, waarbij "Materiële Ongunstige Wijziging" iedere verandering, gebeurtenis, omstandigheid of gevolg omvat welke, individueel of gezamenlijk

andere veranderingen, gebeurtenissen, omstandigheden of gevolgen, een zodanig materieel nadelig effect heeft of waarvan het redelijkerwijs mogelijk is dat het een blijvend materieel nadelig effect zal hebben op de onderneming, de activa, de verplichtingen, de operationele resultaten, de cash flow, de reputatie, de financiële positie, de kapitalisatie of de vooruitzichten van TMG of de TMG Groep, welke wijziging, beschouwd in zijn geheel, (i) substantieel afbreuk zou doen aan economische voordelen die een overnemer van TMG redelijkerwijs zou mogen verwachten voor zichzelf en zijn aandeelhouders te realiseren met de aankoop van TMG en de TMG Groep, (ii) waarvan redelijkerwijs verwacht mag worden dat deze het afronden van het Bod of andere transacties zoals overwogen in dit Biedingsbericht voorkomt of op enige materiële wijze vertraagt of belemmert of (iii) waardoor het redelijkerwijs niet van de Bieder verwacht mag worden dat het Bod zal worden doorgezet of dat het Bod gestand wordt gedaan; en welke wijziging geen direct gevolg is van enig voorval of omstandigheid zoals aangetoond door TMG dat het gevolg is van:

- (i) een algemene economische teruggang die ondernemingen die opereren in de markt waarin TMG opereert op een gelijke en proportionele wijze als TMG raakt; of
- (iii) elk geval dat bekend is, en waarvan het effect daadwerkelijk bekend is, bij de Bieder, Talpa Beheer of Dasym II vóór 13 juni 2017.

Verwezen wordt ook naar Paragraaf 5.2 (*Offer Conditions and waiver*).

11.10.2. Afstand van Voorwaarden

De Voorwaarden zijn enkel ten behoeve van de Bieder en daarvan mag de Bieder, voor zover wettelijk toegestaan, te allen tijde (geheel of gedeeltelijk) afstand doen door middel van een publieke aankondiging, maar de Bieder zal hier niet toe verplicht zijn. De Bieder zal alleen afstand doen van de Voorwaarde zoals opgenomen onder 11.10.1(i) als hij ook afstand doet van de Voorwaarden zoals opgenomen onder 11.10.1(ii), (iii) en (iv). Indien de Bieder afstand doet van de Voorwaarde zoals opgenomen onder 11.10.1(i), het Bod gestand doet, overgaat tot afronding van het Bod en betaling van de Biedprijs onder het Bod, en na afronding van het Bod 30% of meer van de Aandelen (direct of indirect) houdt, maar niet meer dan 50% van de Aandelen, kan de Bieder verplicht zijn een verplicht openbaar bod uit te brengen in overeenstemming met artikel 5:70 van de Wft.

Verwezen wordt ook naar Paragraaf 5.2 (*Offer Conditions and waiver*).

11.11. Aanmeldingstermijn, Gestanddoening, Verlenging en Betaling

11.11.1. Aanmeldingstermijn

De Aanmeldingstermijn vangt aan om 9:00 uur, Amsterdamse tijd, op 14 juni 2017 en eindigt op 9 augustus 2017 om 17:40 uur, Amsterdamse tijd, tenzij de termijn wordt verlengd met inachtneming van artikel 15 van het Bob en het bepaalde in dit Biedingsbericht.

Indien uiterlijk op de Sluitingsdatum aan een of meer van de Voorwaarden zoals omschreven in Paragraaf 11.10.1 (Voorwaarden) niet is voldaan of daarvan geen afstand is gedaan, zal de Bieder overwegen om eenmaal de Aanmeldingstermijn te verlengen met ten minste twee weken en niet meer dan tien weken totdat aan zulke Voorwaarden zal zijn voldaan of daarvan afstand zal zijn gedaan, tenzij het duidelijk is dat aan de desbetreffende Voorwaarde(n) niet kan worden voldaan. Zie tevens Paragraaf 11.11.4 (Verlenging).

Indien aan alle Voorwaarden is voldaan, of, indien en voor zover van toepassing, daarvan afstand is gedaan, zal de Bieder alle Aandelen aanvaarden die op geldige wijze zijn aangemeld (of op ongeldige wijze, mits de Bieder de aanmelding daarvan desalniettemin heeft aanvaard) en niet eerder zijn ingetrokken in overeenstemming met de procedures zoals uiteengezet in Paragraaf 11.9 (Aanvaarding door Aandeelhouders).

Verwezen wordt ook naar Paragraaf 4.6 (*Acceptance Period*).

11.11.2. Gestanddoening

Het Bod wordt gedaan onder het voorbehoud van vervulling van de Voorwaarden. De Bieder behoudt zich het recht voor om afstand te doen van Voorwaarden. Zie tevens Paragraaf 11.10 (Voorwaarden en afstand van Voorwaarden).

De Bieder zal niet later dan op de derde Werkdag volgend op de Sluitingsdatum, zijnde de Gestanddoeningsdatum, vaststellen of aan de Voorwaarden is voldaan of dat hiervan afstand wordt gedaan. Bovendien zal de Bieder op de Gestanddoeningsdatum een openbare mededeling doen (i) of het Bod gestand wordt gedaan, (ii) of het Bod zal worden verlengd met inachtneming van artikel 15 van het Bob, of (iii) dat het Bod wordt beëindigd omdat er niet is voldaan aan de Voorwaarden of daarvan geen afstand is gedaan door de Bieder, alles met inachtneming van artikel 16 lid 1 van het Bob.

Binnen drie Werkdagen na de Gestanddoeningsdatum heeft de Bieder de mogelijkheid een na-aanmeldingstermijn aan te kondigen van het Bod, voor een periode van maximaal twee weken. Een dergelijke na-aanmeldingstermijn zal aanvangen op de eerste Werkdag volgend op de aankondiging van de betreffende na-aanmeldingstermijn. Gedurende de na-aanmeldingstermijn kunnen Aandeelhouders alsnog Aandelen onder het Bod aanmelden die nog niet zijn aangemeld, op dezelfde manier en onder dezelfde voorschriften en voorwaarden als uiteengezet in dit Biedingsbericht, alles met inachtneming van artikel 17 van het Bob. Gedurende de na-aanmeldingstermijn hebben Aandeelhouders niet het recht om de aanmelding van hun Aandelen te herroepen, ongeacht of de Aandelen gedurende de Aanmeldingstermijn geldig zijn aangemeld (of op ongeldige wijze, voor zover de Bieder de aanmelding desalniettemin heeft aanvaard) of gedurende de na-aanmeldingstermijn.

Verwezen wordt ook naar Paragraaf 4.8 (*Declaring the Offer unconditional*).

11.11.3. Herroepingsrecht

Aandelen die zijn aangemeld op of voor de Sluitingsdatum mogen niet worden herroepen, behoudens het recht op herroeping van een aanmelding in overeenstemming met het bepaalde in artikel 5b, artikel 15 lid 3 en lid 8 of artikel 15a lid 3 van het Bob.

Verwezen wordt ook naar Paragraaf 4.4 (*Withdrawal rights*).

11.11.4. Verlenging

De Bieder kan de Aanmeldingstermijn slechts eenmalig verlengen tot na de Sluitingsdatum overeenkomstig artikel 15 lid 1 van het Bob, behoudens een mogelijke verlenging indien de omstandigheden zoals bedoeld in artikel 15 lid 5 of 9 van het Bob zich voordoen, en in dat geval zullen alle verwijzingen in dit Biedingsbericht naar de Sluitingsdatum worden verschoven naar de uiterste datum en tijd waarnaar het Bod is verlengd, tenzij uit de context anders blijkt. Echter, zoals toegelicht in Paragraaf 11.9.2 (Aanvaarding via een Toegelaten Instelling), kan een bewaarder, bank of effectenmakelaar een vroegere uiterste termijn vaststellen voor de aanmelding door Aandeelhouders teneinde de bewaarder, bank of effectenmakelaar in staat te stellen hun acceptaties tijdig aan het Omwissel- en Betaalkantoor te communiceren.

Indien de Aanmeldingstermijn wordt verlengd met als gevolg dat de verplichting onder artikel 16 van het Bob om aan te kondigen of het Bod al dan niet gestand wordt gedaan in het geval dat een of meer van de Voorwaarden niet is vervuld of indien daarvan geen afstand is gedaan, wordt uitgesteld, zal dit uiterlijk op de derde Werkdag na de initiële Sluitingsdatum worden aangekondigd, met inachtneming van het bepaalde in artikel 15 van het Bob. Gedurende een verlenging van de Aanmeldingstermijn blijft elk Aandeel dat is aangemeld en niet is ingetrokken in overeenstemming met artikel 15 lid 3 Bob of op een andere wijze in overstemming met het Bob is ingetrokken, onderworpen aan het Bod. Zie tevens Paragraaf 11.11.3 (*Herroepingsrecht*).

Verwezen wordt ook naar Paragraaf 4.7 (*Extension*).

11.11.5. Betaling en overdracht

Indien de Bieder aankondigt dat het Bod gestand wordt gedaan, zullen Aandeelhouders die hun Aandelen hebben aangemeld de Biedprijs ontvangen op de Dag van Overdracht voor elk Aandeel dat op de juiste wijze is aangemeld (of op onjuiste wijze indien de bieder de Aanmelding desalniettemin aanvaardt) en geleverd in overeenstemming met de voorschriften, voorwaarden en restricties van het Bod.

Aandeelhouders worden erop gewezen dat de Bieder zich ertoe verbindt de betaling van de Biedprijs ten aanzien van elk Aandeel dat is aangemeld tijdens de Aanmeldingstermijn binnen drie Werkdagen na de Gestanddoeningsdatum te verrichten. De Bieder kan niet garanderen dat Aandeelhouders ook binnen deze termijn de betaling ontvangen.

Verwezen wordt ook naar Paragraaf 4.9 (*Settlement*).

11.11.6. Commissie

Toegelaten Instellingen ontvangen van het Omwissel- en Betaalkantoor ten behoeve van de Bieder een commissie van EUR 0,00195 voor elk Aandeel dat op geldige wijze is aangemeld (of op ongeldige wijze, mits de Bieder de aanmelding daarvan desalniettemin heeft aanvaard) en geleverd, met een maximum van EUR 1.000 per effectenrekening. De commissie dient via het Omwissel- en Betaalkantoor van de Bieder te worden gevorderd binnen 30 dagen vanaf de Gestanddoeningsdatum. Er zullen geen kosten door de Bieder of TMG aan Aandeelhouders in rekening worden gebracht voor de levering en betaling van de Aandelen indien een Toegelaten Instelling betrokken is. De Bieder kan niet uitsluiten dat Toegelaten Instellingen (of bewaarders, banken of effectenmakelaars) kosten in rekening zullen brengen aan Aandeelhouders. Tevens kunnen kosten in rekening worden gebracht indien een buitenlandse instelling bij de levering en betaling van de Aandelen betrokken is.

Verwezen wordt ook naar Paragraaf 4.11 (*Commission*).

11.12. Mededelingen

Verdere aankondigingen in verband met de gestanddoening van het Bod, een verlenging van de Aanmeldingstermijn, of andere mededelingen die zijn voorzien in dit Biedingsbericht zullen via een persbericht worden uitgebracht. Onder voorwaarde van toepasselijke vereisten van het Bob en andere toepasselijke wet- en regelgeving en zonder de wijze waarop de Bieder een publieke aankondiging kan doen te beperken, heeft de Bieder geen verplichting om enige openbare aankondiging te doen anders dan hierboven beschreven.

Verwezen wordt ook naar Paragraaf 4.13 (*Announcements*).

11.13. Indicatief tijdschema

Verwachte datum en tijd	Gebeurtenis
13 juni 2017	Aankondiging van de algemeen verkrijgbaarstelling van het Biedingsbericht, vanaf 13 juni 2017
09:00 uur, 14 juni 2017	Aanvang van de Aanmeldingstermijn, in overeenstemming met artikel 14 lid 2 van het Bob
17:40 uur, 9 augustus 2017, behoudens verlenging	<i>Sluitingsdatum</i> Uiterste datum waarop Aandeelhouders hun Aandelen onder het Bod kunnen aanmelden, behoudens verlenging met inachtneming van artikel 15 lid 2 van het Bob
Uiterlijk binnen drie Werkdagen na de Sluitingsdatum	<i>Gestanddoeningsdatum</i> De datum waarop de Bieder aankondigt of het Bod gestand wordt gedaan, overeenkomstig artikel 16 lid 1 van het Bob
Niet later dan op de derde	<i>Na-aanmeldingstermijn</i>

Werkdag na de
Gestanddoeningsdatum

De Bieder heeft de mogelijkheid een na-aanmeldingstermijn aan te kondigen van het Bod voor een periode van maximaal twee weken. Gedurende de na-aanmeldingstermijn kunnen Aandeelhouders alsnog Aandelen onder het Bod aanmelden die nog niet zijn aangemeld op dezelfde manier en onder dezelfde voorschriften en voorwaarden als uiteengezet in dit Biedingsbericht, alles met inachtneming van artikel 17 van het Bob

Uiterlijk drie Werkdagen na de
Gestanddoeningsdatum

Dag van Overdracht

De datum waarop de Bieder, in overeenstemming met de bepalingen van het Bod, de Biedprijs zal betalen aan Aandeelhouders die op geldige wijze hun Aandelen hebben aangemeld (of op ongeldige wijze, mits de Bieder de aanmelding desalniettemin heeft aanvaard) en hebben geleverd onder het Bod

Verwezen wordt ook naar Paragraaf 4.14 (*Envisaged timetable*).

12. ADVISERS AND EXCHANGE AGENT

Financial adviser

Bank of America Merrill Lynch International Limited
Rembrandt Tower 27th floor
Amstelplein 1
1096 HA Amsterdam
The Netherlands

Legal Adviser

Stibbe N.V.
Beethovenplein 10
1077 WM Amsterdam
The Netherlands

Tax Adviser

Meijburg & Co M&A Tax B.V.
Laan van Langerhuize 9
1186 DS Amstelveen
The Netherlands

Exchange Agent

NIBC Markets N.V.
Nieuwezijds Voorburgwal 162
1000 AE Amsterdam
The Netherlands

13. PRESS RELEASES

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PERSBERICHT

Talpa is voornemens een bod op TMG uit te brengen, om daarmee een onafhankelijk Nederlands multimediacommerijf te vormen

Kernpunten Voorstel

- Talpa stuurt de Raad van Bestuur en Raad van Commissarissen van TMG een voorstel tot het uitbrengen van een openbaar bod op alle uitstaande aandelen van TMG voor een prijs van €5.90 per TMG aandeel (cum dividend) in cash
- De geboden prijs betekent een premie van 70% ten opzichte van de slotkoers van de TMG aandelen van 13 december 2016, de dag voor het publiek bekend worden van de gesprekken tussen TMG en het consortium van Mediahuis N.V. en VP Exploitatie N.V.
- De geboden prijs betekent een premie van 12% ten opzichte van het bod van €5.25 per TMG aandeel zoals aangekondigd door het consortium van Mediahuis N.V. en VP Exploitatie N.V. op 14 december 2016
- Een combinatie van TMG en Talpa zal resulteren in het ontstaan van een nieuw Nederlands onafhankelijk multimediacommerijf met sterke posities in print, radio, televisie en online content
- Talpa wenst TMG als verzameling van sterke en unieke mediamerken in Nederland te behouden in één mediacommerijf en in combinatie met Talpa verder uit te bouwen
- Een combinatie met Talpa geeft TMG toegang tot de expertise en het netwerk van Talpa
- Talpa beschikt over afdoende financiële middelen om te investeren in TMG
- Het bod zal volledig gefinancierd worden uit direct beschikbare geldmiddelen bij Talpa

Laren, 23 januari 2017 – Talpa Holding N.V. (“Talpa”) doet Telegraaf Media Groep N.V. (“TMG”) een voorstel tot het uitbrengen van een openbaar bod op alle uitstaande (certificaten van) aandelen van TMG (“TMG Aandelen”) voor een prijs van €5.90 per TMG aandeel (cum dividend) in cash (het “Bod”). Talpa nodigt de Raad van Bestuur en de Raad van Commissarissen van TMG uit om op korte termijn in gesprek te treden over het voorstel, met het doel om overeenstemming te bereiken over een aanbevolen bod op alle uitstaande TMG Aandelen.

John de Mol, eigenaar Talpa:

“Ik heb een groot geloof in TMG als verzameling van een aantal sterke Nederlandse merken en de potentie van deze onderneming. Ik denk dat het goed is als de onderneming in private handen komt want uit ervaring weet ik dat een beursnotering de flexibiliteit van de bedrijfsvoering beperkt. Door de toevoeging van het belang in Talpa Radio en SBS Nederland ontstaat er een onderneming die een betere positie verwerft in een snel veranderend medialandschap. Het is mijn doel om dit gerespecteerde mediacommerijf voor Nederland te behouden en verder uit te bouwen.”

Achtergrond Voorstel

Met dit voorstel reageert Talpa op het bod dat door Mediahuis N.V. en VP Exploitatie N.V. (gezamenlijk, het “Consortium”) is aangekondigd op 14 december 2016. John de Mol controleert op dit moment een belang van 20.59% in TMG. Na het evalueren van het bod is Talpa tot de conclusie



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gekomen dat het bod van €5.25 van het Consortium (het “Consortium Bod”) niet getuigt van een sterk geloof in de kracht van TMG, de potentie van TMG en onze nationale mediasector. Bovendien is

TMG van strategisch belang voor Talpa en is verkoop van het belang in TMG daarom geen optie. Talpa is ervan overtuigd dat haar voorgenomen bod voor alle stakeholders van TMG aantrekkelijk is.

Strategische Overwegingen

Talpa heeft een duidelijke visie voor TMG en de Nederlandse mediasector. TMG is een verzameling van sterke en unieke mediamerken in Nederland. Talpa wenst deze verzameling in één mediabedrijf te behouden en in combinatie met Talpa activiteiten verder uit te bouwen.

Door TMG en Talpa samen te voegen (de “Combinatie”) ontstaat een nieuw onafhankelijk Nederlands mediabedrijf met sterke posities in print, radio, televisie en online content:

- met TMG, Talpa Radio en het Talpa-belang in SBS Nederland als kern van de Combinatie;
- dat zich verder kan ontwikkelen door te investeren in het produceren van content en journalistieke kwaliteit;
- dat als platform zal fungeren voor een verdere integratie tussen verschillende media activiteiten die interessant zijn voor zowel lezers, kijkers, luisteraars én adverteerders in Nederland.

De succesvolle samenwerking tussen TMG en Talpa is reeds bewezen door het samenwerkingsverband dat vorig jaar is aangegaan tussen beiden op het gebied van radio. Talpa gelooft in een multimediacombinatie dat flexibel is om in te spelen op het snel veranderende medialandschap.

Het Bod

Op basis van onze evaluatie van TMG en de overtuiging dat de Combinatie een duurzame en succesvolle toekomst heeft, is Talpa voornemens een prijs per TMG Aandeel te bieden van €5.90 (cum dividend) in cash.

Het Bod betekent:

- een premie van 70% ten opzichte van de slotkoers van de TMG Aandelen van 13 december 2016, de dag voor het publiek bekend worden van de gesprekken tussen TMG en het Consortium;
- een premie van 66% ten opzichte van de 3-maands volume gewogen gemiddelde prijs per TMG Aandeel (“VWAP”) en een premie van 60% ten opzichte van de 12-maands VWAP van 13 december 2016, de dag voor het publiek bekend worden van de gesprekken tussen TMG en het Consortium;
- een premie van 12% ten opzichte van het Consortium Bod van €5.25 per TMG Aandeel op 14 december 2016.



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Talpa is van mening dat het Bod een aantrekkelijke propositie is voor alle stakeholders van TMG en superieur is aan het Consortium Bod:

- Het Bod betekent een significant hogere prijs voor aandeelhouders; een prijs die bovendien recht doet aan de daadwerkelijke waarde van TMG en die de potentie van TMG erkent.
- In de Combinatie krijgt TMG toegang tot de expertise en het netwerk van Talpa.
- Door de toevoeging van haar belang in Talpa Radio en SBS Nederland ontstaat er een onderneming die een betere positie verwerft in het snel veranderende medialandschap.
- De Combinatie wil investeren in het produceren van content en journalistieke kwaliteit.
- Prudente financiering van het Bod middels direct beschikbare geldmiddelen.
- Talpa heeft afdoende financiële middelen om te investeren in de toekomst van de Combinatie.

Het is de intentie dat het Bod zal worden uitgebracht door Talpa of door één van haar groepsmaatschappijen.

Voorwaarden

Aan het voorstel is een aantal gebruikelijke voorwaarden verbonden, waaronder:

- Een positieve aanbeveling van de Raad van Bestuur en de Raad van Commissarissen van TMG.
- Overeenstemming over het fusieprotocol tussen TMG en Talpa.
- Overeenstemming over het intrekken of de overdracht van de prioriteitsaandelen gehouden door de Stichting Beheer van Prioriteitsaandelen Telegraaf Media Groep N.V.
- Het behalen van een minimum aanmeldingspercentage van 95%.
- Goedkeuring van de transactie door de relevante mededingingsautoriteiten of het verstrijken van de toepasselijke (wacht)termijnen.
- Het naar tevredenheid afronden van het due diligenceonderzoek.

Financiering

Het Bod zal volledig gefinancierd worden uit direct beschikbare geldmiddelen bij Talpa. Talpa beschikt verder over afdoende financiële middelen om te investeren in de toekomstige strategie van de Combinatie.

Aandeelhouders

Talpa is voornemens om Talpa Radio, het huidige belang in SBS Nederland én TMG samen te voegen en één succesvol multimediacompany te creëren. Talpa is van mening dat het succesvol bewerkstelligen van deze transformatie en integratie van activiteiten het best mogelijk is in een private setting. Om dit te bewerkstelligen is Talpa voornemens om 100% van de TMG aandelen te verwerven. Daartoe zal Talpa in gesprek treden met andere aandeelhouders in TMG.



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Conclusie

Talpa is erg enthousiast over de mogelijkheid om een onafhankelijk Nederlands multimediacompany te creëren. Het is Talpa's intentie om op korte termijn met de Raad van Bestuur en de Raad van Commissarissen in gesprek te treden om dit voorstel in detail te bespreken.

OVER TALPA HOLDING

Talpa Holding, het mediabedrijf van John de Mol, is onder meer eigenaar van Talpa Radio, dat met de zenders 538, Radio 10, Sky Radio en Radio Veronica het grootste muziek entertainment bedrijf van Nederland vormt. Ook houdt Talpa Holding een belang van 33% in SBS Nederland, dat vier TV-zenders exploiteert: SBS6, SBS9, NET5 en Veronica.

Talpa Media, dat vroeger deel uitmaakte van Talpa Holding, is in 2015 overgenomen door ITV Plc en functioneert als een zelfstandig bedrijfsonderdeel binnen ITV Studios waar John de Mol nog steeds verantwoordelijk is voor de creatie en productie van de (televisie)formats en concepten.

Contact

Voor meer informatie over Talpa kunt u contact opnemen met Maud Burgers:

Tel: +31 35 533 31 11

press@talpa.tv

Dit is een persbericht van Talpa Holding N.V. ("Talpa"), ingevolge artikel 5 lid 2 van het Besluit Openbare Biedingen Wft, in verband met het mogelijke openbaar bod door Talpa of een van haar groepsmaatschappijen op alle uitgegeven (certificaten van) aandelen in het kapitaal van Telegraaf Media Groep N.V. ("TMG"). Deze aankondiging en daaraan gerelateerde documenten zijn geen aanbod of uitnodiging tot het doen van een aanbod om effecten van TMG te verkopen, te kopen of hierop in te schrijven. Een bod zal slechts worden uitgebracht door middel van een apart, speciaal voor dit doel gepubliceerd biedingsbericht, in overeenstemming met de in Nederland van toepassing zijnde wet- en regelgeving. Deze aankondiging is niet bedoeld voor vrijgave, bekendmaking of verspreiding, geheel of gedeeltelijk, rechtstreeks of onrechtstreeks, in of naar jurisdicties waar dit een schending van de toepasselijke wetten of regels van die jurisdictie zou opleveren.



Persbericht

Talpa bevestigt voornemen van openbaar bod op TMG

Laren, 20 februari 2017 – Op 23 januari 2017 heeft Talpa Holding N.V. ("Talpa") haar voornemen kenbaar gemaakt om een openbaar bod uit te brengen op alle geplaatste en uitstaande (certificaten van) aandelen van Telegraaf Media Groep N.V. ("TMG") voor een prijs van €5.90 per TMG aandeel (cum dividend) in cash (het "Bod"). Ingevolge artikel 7 lid 1 onder a van het Besluit openbare biedingen bevestigt Talpa middels dit bericht dat zij nog steeds voornemens is het Bod uit te brengen. Talpa heeft verder kennisgenomen van de verhoging van het voorgenomen bod van Mediahuis en VP Exploitatie en zal zich hierover beraden. Talpa zal de markt informeren indien en zodra daar aanleiding toe is.

Sinds de aankondiging op 23 januari 2017, waarin Talpa haar voornemen kenbaar maakte om middels het Bod samen met TMG Nederlands grootste onafhankelijke multimedia bedrijf te creëren, heeft Talpa van TMG toegang gekregen tot informatie om een boekenonderzoek uit te voeren en zijn er verscheidene gesprekken gevoerd met de Raad van Bestuur en de Raad van Commissarissen van TMG. Talpa is voornemens om deze gesprekken voort te zetten, het boekenonderzoek zo spoedig mogelijk af te ronden en om in goed overleg met de Raad van Bestuur en de Raad van Commissarissen van TMG tot een door hen ondersteund bod te komen.

Een aanvraag tot goedkeuring van het concept biddingsbericht zal voor 17 april 2017 door Talpa bij de AFM ingediend worden.

Dit is een persbericht van Talpa Holding N.V. ("Talpa"), ingevolge artikel 7 lid 1 onder a van het Besluit Openbare Biedingen Wft, in verband met het mogelijke openbaar bod door Talpa of een van haar groepsmaatschappijen op alle uitgegeven (certificaten van) aandelen in het kapitaal van Telegraaf Media Groep N.V. ("TMG"). Deze aankondiging en daaraan gerelateerde documenten zijn geen aanbod of uitnodiging tot het doen van een aanbod om effecten van TMG te verkopen, te kopen of hierop in te schrijven. Een bod zal slechts worden uitgebracht door middel van een apart, speciaal voor dit doel gepubliceerd biddingsbericht, in overeenstemming met de in Nederland van toepassing zijnde wet- en regelgeving. Deze aankondiging is niet bedoeld voor vrijgave, bekendmaking of verspreiding, geheel of gedeeltelijk, rechtstreeks of onrechtstreeks, in of naar jurisdicties waar dit een schending van de toepasselijke wetten of regels van die jurisdictie zou opleveren.

OVER TALPA HOLDING

Talpa Holding, het mediabedrijf van John de Mol, is onder meer eigenaar van Talpa Radio, dat met de zenders 538, Radio 10, Sky Radio en Radio Veronica het grootste muziek entertainment bedrijf van Nederland vormt. Ook houdt Talpa Holding een belang van 33% in SBS Nederland, dat vier TV-zenders exploiteert: SBS6, SBS9, NET5 en Veronica.

Talpa Media, dat vroeger deel uitmaakte van Talpa Holding, is in 2015 overgenomen door ITV Plc en functioneert als een zelfstandig bedrijfsonderdeel binnen ITV Studios waar John de Mol nog steeds verantwoordelijk is voor de creatie en productie van de (televisie)formats en concepten.

Contact

Voor meer informatie over Talpa kunt u contact opnemen met Maud Burgers:

Tel: +31 35 533 31 11

E-mail: press@talpa.tv



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PERSBERICHT

Talpa verhoogt voorgenomen bod op TMG naar €6,35 per TMG Aandeel

- Talpa verhoogt haar voorgenomen bod naar €6,35 per TMG Aandeel, een premie van 8% ten opzichte van het voorgenomen bod van €5,90 zoals aangekondigd door het consortium van Mediahuis en VP Exploitatie op 19 februari 2017
- Talpa heeft haar boekenonderzoek inmiddels succesvol afgerond, gesprekken gevoerd met de Raad van Bestuur en Raad van Commissarissen van TMG en Talpa heeft hierin bevestigd gezien dat de combinatie Talpa/TMG het Nederlands multimediale succes kan worden dat Talpa voor ogen heeft
- Talpa onderschrijft en ondersteunt de strategie en plannen zoals geformuleerd door het senior management en de Raad van Bestuur van TMG en goedgekeurd door de Raad van Commissarissen
- Een combinatie van TMG en Talpa zal resulteren in een onafhankelijk Nederlands multimediabedrijf, met sterke en brede marktposities, en zal gericht zijn op het realiseren van groei en opbrengstsynergien in plaats van kostenbesparingen
- TMG zal een separate entiteit zijn binnen Talpa met behoud van haar eigen merken, een eigen directie en onafhankelijke redactieraden
- Talpa beschikt op basis van "certain funds" over direct beschikbare geldmiddelen om het voorgenomen verhoogde bod te financieren
- Talpa heeft de Raad van Commissarissen afgelopen zondag 26 februari 2017 bericht over haar voornemen om haar initiële bod op TMG op korte termijn te verhogen. Mede gelet daarop is het onbegrijpelijk dat de Raad van Commissarissen Talpa heeft geïnformeerd dat de Raad van Commissarissen heeft besloten om in exclusieve onderhandeling te treden met Mediahuis en VP Exploitatie en de onderhandelingen met Talpa op te schorten
- Gelet op de hoogte van het voorgenomen verhoogde bod van Talpa, de ondersteuning door Talpa van de door de Raad van Bestuur en Raad van Commissarissen voorgestane strategie en de verplichting voor de Raad van Bestuur en de Raad van Commissarissen om een *level playing field* te waarborgen, vertrouwt Talpa erop dat de Raad van Commissarissen de gesprekken met Talpa op zeer korte termijn weer zal hervatten en het verhoogde voorgenomen bod van Talpa in overweging zal nemen in lijn met de *fiduciary duties* van de Raad van Commissarissen

Laren, 1 maart 2017 – Talpa Holding N.V. (“Talpa”) verhoogt haar voorgenomen bod op Telegraaf Media Groep N.V. (“TMG”), na het succesvol afronden van haar boekenonderzoek. Talpa verhoogt haar voorgenomen bod op alle uitstaande (certificaten van) aandelen van TMG (“TMG Aandelen”) naar een prijs van €6,35 per TMG aandeel in cash (cum dividend) (het “Verhoogde Voorgenomen Bod”).



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Verhoogd Voorgenomen Bod

Op 23 januari 2017 heeft Talpa haar voornemen kenbaar gemaakt om een openbaar bod uit te brengen op alle TMG Aandelen voor een prijs van €5,90 per aandeel (cum dividend) in cash (het "Initiële Voorgenomen Bod").

Inmiddels heeft Talpa haar boekenonderzoek succesvol afgerond, gesprekken gevoerd met de Raad van Bestuur en Raad van Commissarissen van TMG en is mede op basis hiervan bereid haar Initiële Voorgenomen Bod te verhogen met 8% naar €6,35 per TMG aandeel (het "Verbeterde Voorgenomen Bod"). Dit Verbeterde Voorgenomen Bod doet recht aan een sterk geloof in de kracht van TMG, de zelfstandige strategie en potentie van TMG én de combinatie met Talpa die zal leiden tot een nationaal multimediacombinatie met groepspotentie en te verwachten opbrengstsynergien.

Het Verbeterde Voorgenomen Bod betekent:

- een premie van 8% ten opzichte van het voorgenomen bod van Mediahuis N.V. en VP Exploitatie N.V. (gezamenlijk, het "Consortium") van €5,90 per TMG Aandeel op 19 februari 2017;
- een premie van 83% ten opzichte van de slotkoers van de TMG Aandelen van 13 december 2016, de dag voor het publiek bekend worden van de gesprekken tussen TMG en het Consortium;
- een premie van 78% ten opzichte van de 3-maands volume gewogen gemiddelde prijs per TMG Aandeel ("VWAP") en een premie van 72% ten opzichte van de 12-maands VWAP van 13 december 2016, de dag voor het publiek bekend worden van de gesprekken tussen TMG en het Consortium.

Het is de intentie dat het Verbeterde Voorgenomen Bod zal worden uitgebracht door Talpa of door één van haar groepsmaatschappijen.

Strategie

Talpa wil samen met TMG een Nederlands onafhankelijk multimediacombinatie creëren met sterke posities in print, radio, televisie en online om consumenten in Nederland 24/7 te voorzien van content.

De strategie van Talpa en TMG (de "Combinatie") zal zich concentreren op het inzetten van multimediale content over verschillende platformen, waarbij deze platformen voor een verdere integratie zorgen tussen verschillende media activiteiten die interessant zijn voor zowel lezers, kijkers, luisteraars én adverteerders in Nederland. Print zal een belangrijk onderdeel zijn voor de ontwikkeling van content die cross mediaal ingezet kan worden.

Talpa onderschrijft en ondersteunt de strategie en plannen zoals geformuleerd door het senior management en de Raad van Bestuur van TMG en goedgekeurd door de Raad van Commissarissen. Talpa zal TMG ondersteunen om de huidige strategie uit te voeren inclusief het bestaande "Terra Nova" plan, wat het startpunt zal zijn voor verdere acceleratie van de groeistrategie van TMG.



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Talpa is voornemens zich met de Combinatie primair te concentreren op het realiseren van groei en opbrengstsynergiën in plaats van het realiseren van kostenbesparingen. Talpa ziet groei van opbrengsten door middel van het verbeteren van en investeren in kwaliteit van content en het creëren van een multimediaal saleshuis. Talpa verwacht geen significante besparingen en afvloeiing van werknemers, anders dan wat reeds besloten en aangekondigd is door de Raad van Bestuur met de steun van de Raad van Commissarissen.

Organisatiestructuur

TMG zal een separate entiteit vormen binnen Talpa. TMG zal blijven beschikken over een eigen directie en onafhankelijke redactieraden. De identiteit van TMG en haar merken, waaronder *De Telegraaf*, zullen daarmee behouden blijven. Talpa heeft afspraken en bescherming voorgesteld in het concept fusieprotocol om de status van TMG en de positie van haar werknemers en redactieraden binnen de Combinatie te waarborgen. Onafhankelijke commissarissen zullen daarbij nakoming van deze afspraken kunnen afdwingen.

De krant en de redacties zullen een centrale rol spelen bij het creëren van content, die via de verschillende platformen verspreid kan worden. Talpa zal de huidige onafhankelijkheid van redacties respecteren en behouden en ernaar streven om de kwaliteit van journalistiek te waarborgen. Het is de ambitie van Talpa om de redacties te ondersteunen in het veranderende medialandschap. Om dit te realiseren wil Talpa verder investeren in het produceren en creëren van content en journalistieke kwaliteit.

Financiering

Talpa beschikt op basis van "certain funds" over direct beschikbare geldmiddelen om het Verbeterde Voorgenomen Bod te financieren. Een prudente financiering in combinatie met de financiële kracht van Talpa zorgt ervoor dat Talpa kan investeren in de toekomstige strategie van de Combinatie.

Beste propositie voor alle stakeholders

Talpa is van mening dat het Verbeterde Voorgenomen Bod een aantrekkelijke propositie is voor alle stakeholders van TMG en superieur is aan het voorgenomen bod van het Consortium:

- Het Verbeterde Voorgenomen Bod betekent een significant hogere prijs voor aandeelhouders
- Talpa onderschrijft en staat volledig achter de strategie en plannen zoals geformuleerd door TMG, die de basis zullen vormen voor verdere acceleratie van de groeistrategie van de Combinatie
- De Combinatie zal resulteren in een onafhankelijk Nederlands multimediaal bedrijf met sterke en brede marktposities
- De Combinatie kan met de voorgestelde multimediale aanpak inspelen op het veranderende medialandschap
- De Combinatie zal zich primair richten op het realiseren van groei en opbrengstsynergiën in plaats van kostenbesparingen
- Talpa beoogt geen significante besparingen en afvloeiing van werknemers, anders dan wat reeds besloten en aangekondigd is door TMG



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- TMG zal een separate entiteit zijn binnen Talpa met een eigen directie en onafhankelijke redactieraden
- De identiteit van TMG en haar merken, waaronder *De Telegraaf*, zullen behouden blijven
- Talpa zal de huidige onafhankelijkheid van de redacties behouden en ernaar streven om de kwaliteit van journalistiek te waarborgen
- Talpa zal de redacties ondersteunen in het veranderende medialandschap en te investeren in het produceren en creëren van content en journalistieke kwaliteit
- Het Verbeterde Voorgenomen Bod zal gefinancierd worden uit direct beschikbare geldmiddelen
- Een prudente financiering en de financiële kracht van Talpa zorgen ervoor dat Talpa kan investeren in de toekomstige strategie van de Combinatie
- Talpa heeft afspraken en bescherming voorgesteld in het concept fusieprotocol om de status van TMG en de positie van haar werknemers en redactieraden binnen de Combinatie te waarborgen. Onafhankelijke commissarissen zullen daarbij nakoming van deze afspraken kunnen afdwingen

Met de steun van de Raad van Bestuur en Raad van Commissarissen verwacht Talpa dat zowel VP Exploitatie N.V. als Mediahuis N.V. overtuigd kunnen worden om hun belang in TMG onder het Verbeterde Voorgenomen Bod aan te bieden. Hiermee kan Talpa de beoogde Combinatie tot stand kan brengen, welke in het belang is van TMG en alle bij TMG betrokken stakeholders, waaronder de aandeelhouders, de redacties en de werknemers.

Besluit Raad van Commissarissen

Talpa heeft afgelopen zondag 26 februari 2017 aan de Raad van Commissarissen haar intentie kenbaar gemaakt om haar initiële bod op korte termijn te verhogen. Mede gelet daarop is het onbegrijpelijk dat de waarnemend voorzitter van de Raad van Commissarissen dinsdagmiddag telefonisch aan Talpa heeft laten weten dat hij "de regie naar zich toetrekt" en om – halverwege het proces – in exclusieve onderhandeling te treden met het Consortium en die met Talpa op te schorten. Voor dit abrupte afbreken van het door TMG in gang gezette proces bestaat geen valide reden en is in strijd met de verplichting om een *level playing field* te waarborgen.

Het Verbeterde Voorgenomen Bod ligt 8% hoger dan het bod van het Consortium en is volledig in lijn met de huidige strategie van TMG zoals die in 2016 door de Raad van Bestuur is vastgesteld en door de Raad van Commissarissen goedgekeurd. Het in exclusieve onderhandeling treden met het Consortium en daarmee de onderhandelingen met Talpa opschorten is niet in het belang van TMG en de bij TMG betrokken stakeholders.

Talpa vertrouwt er dan ook op dat de Raad van Commissarissen de gesprekken met Talpa op zeer korte termijn weer zal hervatten en het Verbeterde Voorgenomen Bod, in lijn met haar *fiduciary duties*, in overweging zal nemen om tot een aanbeveling hiervan te kunnen komen.

Talpa is voornemens de reeds geplande gesprekken met de belangrijke stakeholders van TMG voort te zetten.



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Een aanvraag tot goedkeuring van het concept biddingsbericht zal voor 17 april 2017 door Talpa bij de AFM ingediend worden.

OVER TALPA HOLDING

Talpa Holding, het mediabedrijf van John de Mol, is onder meer eigenaar van Talpa Radio, dat met de zenders 538, Radio 10, Sky Radio en Radio Veronica het grootste muziek entertainment bedrijf van Nederland vormt. Ook houdt Talpa Holding een belang van 33% in SBS Nederland, dat vier TV-zenders exploiteert: SBS6, SBS9, NET5 en Veronica.

Talpa Media, dat vroeger deel uitmaakte van Talpa Holding, is in 2015 overgenomen door ITV Plc en functioneert als een zelfstandig bedrijfsonderdeel binnen ITV Studios waar John de Mol nog steeds verantwoordelijk is voor de creatie en productie van de (televisie)formats en concepten.

Contact

Voor meer informatie over Talpa kunt u contact opnemen met Maud Burgers:

Tel: +31 35 533 31 11, E-mail: press@talpa.tv

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Talpa verhoogt voorgenomen bod op TMG naar €6,50 per TMG Aandeel

Laren, 5 maart 2017 – Talpa Holding N.V. (“Talpa”) verhoogt haar voorgenomen bod op alle uitstaande (certificaten van) aandelen (“Aandeel”) van Telegraaf Media Groep N.V. (“TMG”) naar een prijs van €6,50 per TMG Aandeel in cash (cum dividend).

- Het verhoogde bod van €6,50 per TMG Aandeel vertegenwoordigt een premie van 8,3% ten opzichte van het aanbevolen bod van €6,00 zoals aangekondigd door Mediahuis, VP Exploitatie en TMG op 5 maart 2017.
- Het voorgenomen bod van € 6,50 per TMG Aandeel ligt boven de drempel van een concurrerend bod, zoals vermeld in het gezamenlijke persbericht van Mediahuis, VP Exploitatie en TMG op 5 maart 2017.
- Talpa heeft de Raad van Commissarissen van TMG ("RvC") reeds op zaterdag 4 maart 2017 bericht over haar voornemen om haar bod van €6,35 op TMG op korte termijn weer te verhogen, en laten weten de huidige impasse op te willen lossen en de RvC tijdig te informeren in verband met mogelijke aanstaande besluitvorming. Talpa heeft daarbij de RvC nogmaals verzocht de gesprekken met Talpa te hervatten.
- Ondanks de herhaalde oproepen van Talpa aan de RvC om de gesprekken tussen Talpa en TMG te hervatten, constateert Talpa dat de RvC deze oproep naast zich heeft neergelegd. Door de gesprekken niet te hervatten heeft de RvC een gelijk speelveld tussen de verschillende partijen, zoals ook verzocht door een aantal stakeholders van TMG, illusoir gemaakt.
- Talpa heeft kennis genomen van het gezamenlijke persbericht van Mediahuis, VP Exploitatie en TMG op 5 maart 2017 en zal op korte termijn haar positie en verdere stappen bekend maken.

OVER TALPA HOLDING

Talpa Holding, het mediabedrijf van John de Mol, is onder meer eigenaar van Talpa Radio, dat met de zenders 538, Radio 10, Sky Radio en Radio Veronica het grootste muziek entertainment bedrijf van Nederland vormt. Ook houdt Talpa Holding een belang van 33% in SBS Nederland, dat vier TV-zenders exploiteert: SBS6, SBS9, NET5 en Veronica.

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7 maart 2017

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Talpa verzoekt Ondernemingskamer onderzoek te gelasten en onafhankelijke commissaris te benoemen

- Talpa verzoekt de Ondernemingskamer een onderzoek te gelasten naar het beleid en de gang van zaken van TMG
- Talpa verzoekt de Ondernemingskamer tevens om als onmiddellijke voorziening een onafhankelijke commissaris in de RvC te benoemen met verstrekende bevoegdheden
- In weerwil van uitdrukkelijk en publiekelijk gedane toezeggingen heeft de RvC het vereiste gelijke speelveld voor Talpa illusoir gemaakt
- De RvC heeft geen steekhoudende redenen gegeven voor het aanbevelen van het bod van Mediahuis en VP Exploitatie, terwijl het door Talpa aangekondigde bod qua prijs, strategie, financiering, positie van TMG binnen Talpa en vooruitzichten voor werknemers superieur is aan dat van Mediahuis en VP Exploitatie

Laren, 7 maart 2017 – Talpa Beheer B.V. en Dasym Investments II B.V. hebben vandaag gezamenlijk de Ondernemingskamer verzocht om een onderzoek in te stellen naar het beleid en de gang van zaken van Telegraaf Media Groep N.V. ("TMG") en tot het treffen van onmiddellijke voorzieningen.

De waarnemend voorzitter van de Raad van Commissarissen van TMG ("RvC") heeft op dinsdag 28 februari 2017 telefonisch aan Talpa Holding N.V. ("Talpa") laten weten dat hij "de regie naar zich toetrekt" en dat de RvC, halverwege het proces, in exclusieve onderhandeling zal treden met Mediahuis NV en VP Exploitatie N.V. ("Consortium") en dat hij de onderhandelingen met Talpa op zal schorten. Daarmee werd abrupt het initieel door de RvC explicet erkende level playing field beëindigd. Het abrupte ingrijpen in het proces heeft plaatsgevonden op een moment dat Talpa nog volop in gesprek was met TMG over de strategie en het fusieprotocol, er gesprekken gaande waren met diverse stakeholders van TMG en ondanks een op 26 februari 2017 aan de RvC aangekondigd hoger bod van Talpa, dat er op 1 maart 2017 kwam (van €6,35 per aandeel).

Op zaterdag 4 maart 2017 heeft Talpa aan de RvC haar intentie kenbaar gemaakt om haar voorgenomen bod op korte termijn nogmaals te verhogen. Talpa heeft aan de RvC laten weten de huidige impasse op te willen lossen en heeft de RvC hierover tijdig willen informeren in verband met mogelijke aanstaande besluitvorming. Talpa heeft daarbij opnieuw de RvC verzocht de onderhandelingen te hervatten.

Desondanks heeft de RvC besloten het bod van het Consortium aan te bevelen. Deze aanbeveling is publiekelijk aangekondigd door middel van een gezamenlijk persbericht op 5 maart 2017. In plaats van het gesprek met Talpa te hervatten heeft de RvC het door hem gecreëerde level playing field illusoir gemaakt door eenzijdig met het Consortium te onderhandelen, de Raad van Bestuur van TMG ("RvB") op 5 maart 2017 te schorsen, en op dezelfde dag namens TMG een fusieprotocol met het Consortium te ondertekenen, waarmee de RvC zich onnodig heeft gebonden aan het Consortium.



Enkele gronden voor een onderzoek door de Ondernemingskamer en het benoemen van een onafhankelijke commissaris

In het biddingsproces rondom TMG heeft de RvC gehandeld in strijd met de redelijkheid en billijkheid en de beginselen van goede corporate governance. Onder meer de volgende bezwaren zijn voor Talpa aanleiding om een gang naar de Ondernemingskamer te maken.

Geen level playing field

Het vereiste en door de RvC in eerste instantie erkende level playing field heeft de RvC illusoir gemaakt door dit zonder rechtvaardiging uit het niets te beëindigen. De redenen die de RvC daarvoor aanvoert, waaronder dat hij het level playing field wel moest opheffen omdat het bod van het Consortium anders geen waarborgen voor de belangen van TMG en haar stakeholders zou kennen, zijn oneigenlijk en onjuist. TMG is een structuurvennootschap en daarmee reeds beschermd tegen ongewenste interventie van (groot)aandeelhouders. Bovendien kent TMG een beschermingsstichting, die in het leven is geroepen om TMG te beschermen tegen een ongewenste overname.

Betekenisloze fiduciary out

De overeengekomen fiduciary out in het fusieprotocol tussen TMG en het Consortium is echter zonder betekenis. Als vereiste voor een alternatief superieur bod is immers met de RvC overeengekomen dat dit bod een realistische mate van dealzekerheid moet bieden, terwijl de RvC zelf in zijn berichtgeving impliceert dat dit niet mogelijk is voor een ander bod dan dat van het Consortium. De RvC doet hiermee voorkomen dat afspraken zijn gemaakt met het Consortium waardoor een superieur bod van een andere partij de medewerking van TMG nooit kan verkrijgen. De RvC heeft nagelaten een fiduciary out te creëren die hoort bij goede governance in het kader van een openbaar bod en die past bij een situatie waar er al twee biedingen zijn.

Overdracht zeggenschap aan het Consortium

Zelfs als er geen enkel aandeel onder het bod van het Consortium wordt aangemeld, heeft het Consortium de vrijheid om zijn bod gestand te doen met als gevolg dat hij de meerderheid van de commissarissen (3 van de 5) kan benoemen. Door hiermee in te stemmen dient de (al ongebruikelijk lage) acceptatielimits van 70% geen doel en heeft de RvC de facto de zeggenschap over TMG aan het Consortium overgedragen en daarmee de belangen van diverse andere stakeholders, in het bijzonder de werknemers en de minderheidsaandeelhouders, niet voldoende in zijn afweging betrokken.

Superieur bod Talpa

Prijs

Het voorgenomen bod van Talpa van €6,50 per aandeel vertegenwoordigt een premie van 8,3% ten opzichte van het aanbevolen bod van €6,00 zoals aangekondigd door het Consortium en TMG op 5 maart 2017. Het voorgenomen bod vertegenwoordigt een premie van 10,2% boven het eerdere bod van €5,90 per aandeel van het Consortium, welke eerder door het Consortium als een finaal bod omschreven werd, omdat het boekenonderzoek geen hogere prijs zou rechtvaardigen.

Het voorgenomen bod van €6,50 per aandeel ligt ook boven de drempel van een concurrerend bod, zoals vermeld in het gezamenlijke persbericht van het Consortium en TMG op 5 maart 2017.



Strategie

Talpa onderschrijft en ondersteunt de strategie en plannen zoals geformuleerd door het senior management en de RvB en welke zijn goedgekeurd door de RvC. Talpa heeft, in tegenstelling tot het Consortium, geen vooringenomen standpunten met betrekking tot de verkoop van Keesing. Talpa constateert dat het Consortium de verkoop van Keesing reeds heeft aangekondigd en dat deze stap een belangrijk element is van de strategische rationale voor het bod van het Consortium.

Prudente financiering

Talpa beschikt op basis van certain funds over direct beschikbare geldmiddelen om haar voorgenomen bod te financieren zonder gebruikmaking van acquisitiefinanciering. Dit in tegenstelling tot het Consortium. Gezien de activiteiten van TMG is Talpa ervan overtuigd dat een prudente financiering noodzakelijk is. Deze prudente financiering in combinatie met de financiële kracht van Talpa en de financiële positie van TMG, zonder verkoop van het tafelzilver, zorgt ervoor dat Talpa blijvend kan investeren in de toekomstige strategie van de combinatie van TMG en Talpa.

Separate entiteit binnen Talpa

TMG zal een separate entiteit vormen binnen Talpa. TMG zal blijven beschikken over een eigen directie en onafhankelijke redactieraden. De identiteit van TMG en haar merken zullen daarmee behouden blijven. Met betrekking tot de positie van TMG binnen Talpa, heeft Talpa afspraken en bescherming voorgesteld in het concept fusieprotocol om de positie van TMG binnen de combinatie van TMG en Talpa te waarborgen. Talpa heeft daarbij voorgesteld dat onafhankelijke commissarissen daarbij nakoming van deze afspraken kunnen afdwingen.

Positie werknemers en redactieraden

Talpa is voornemens zich met de combinatie van TMG en Talpa primair te concentreren op het realiseren van groei en opbrengstsynergiën in plaats van het realiseren van kostenbesparingen. Daarnaast verwacht Talpa geen significante besparingen en afvloeiing van werknemers bij TMG, anders dan wat reeds besloten en aangekondigd is door de RvB met de steun van de RvC.

Hoewel het Consortium heeft aangegeven dat er geen materieel banenverlies te voorzien is als direct gevolg van zijn bod, meldt het Consortium dat selectie van medewerkers zal plaatsvinden voor eventueel overlappende posities binnen de combinatie op basis van het 'best person for the job' principe, hetgeen duidelijk anders suggereert.

Talpa heeft in haar concept fusieprotocol afspraken en bescherming voorgesteld om de status van TMG en de positie van haar werknemers en redactieraden te waarborgen. In het voorstel van Talpa zullen onafhankelijke commissarissen toeziend oog houden op de naleving van deze afspraken.

Melding transacties Talpa

Op 7 maart 2017 heeft Talpa Beheer B.V., een groepsmaatschappij van Talpa, op de beurs 365.218 certificaten van aandelen in TMG gekocht tegen een volume gewogen gemiddelde prijs van €6,500. De hoogste prijs betaald per certificaat in een transactie op 7 maart 2017 was €6,50.

Datum	Type transactie	Aantal effecten	Type effecten	VWAP (€)
7 maart 2017	Koop	365.218	Certificaten	6,500

Als gevolg van deze transacties heeft Talpa - samen met haar groepsmaatschappijen - de zeggenschap over 11.171.578 certificaten in TMG, vertegenwoordigend 24,10% van het totaal aantal uitgegeven en uitstaande (certificaten van) aandelen in het kapitaal van TMG.



Dit is een persbericht van Talpa Holding N.V. ("Talpa"), ingevolge artikel 4 lid 3, artikel 5 lid 4 en artikel 7 lid 4 van het Besluit Openbare Biedingen Wft, in verband met het mogelijke openbaar bod door Talpa of een van haar groepsmaatschappijen op alle uitgegeven (certificaten van) aandelen in het kapitaal van Telegraaf Media Groep N.V. ("TMG"). Deze aankondiging en daaraan gerelateerde documenten zijn geen aanbod of uitnodiging tot het doen van een aanbod om effecten van TMG te verkopen, te kopen of hierop in te schrijven. Een bod zal slechts worden uitgebracht door middel van een apart, speciaal voor dit doel gepubliceerd biddingsbericht, in overeenstemming met de in Nederland van toepassing zijnde wet- en regelgeving. Deze aankondiging is niet bedoeld voor vrijgave, bekendmaking of verspreiding, geheel of gedeeltelijk, rechtstreeks of onrechtstreeks, in of naar jurisdicities waar dit een schending van de toepasselijke wetten of regels van die jurisdictie zou opleveren.

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Talpa Media, dat vroeger deel uitmaakte van Talpa Holding, is in 2015 overgenomen door ITV Plc en functioneert als een zelfstandig bedrijfsonderdeel binnen ITV Studios waar John de Mol nog steeds verantwoordelijk is voor de creatie en productie van de (televisie)formats en concepten.

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Talpa zet voorgenomen bod op TMG door

- Met de overname van SBS Broadcasting en haar voorgenomen bod op TMG kan Talpa het nieuwe Nederlandse multimediacompany creëren dat zij voor ogen heeft
- In overeenstemming met eerdere communicatie met betrekking tot het voorgenomen bod van Talpa op alle (certificaten van) aandelen van TMG zal Talpa dan ook voor 17 april aanstaande een verzoek tot goedkeuring van het biedingsbericht indienen bij de AFM
- Talpa biedt de werknemers van TMG een reëel en aantrekkelijk alternatief voor de strategie van Mediahuis en VP Exploitatie

Laren, 12 april 2017 – Talpa Holding N.V. ("Talpa") zal, zoals aangekondigd in eerdere berichten, voor 17 april aanstaande een verzoek tot goedkeuring van het biedingsbericht indienen bij de AFM dat ziet op haar voorgenomen bod op alle (certificaten van) aandelen in Telegraaf Media Groep ("TMG").

Het doorzetten van het voorgenomen bod door Talpa is mede ingegeven door de recente overname van SBS Broadcasting, waardoor Talpa een grote stap dichterbij is in het realiseren van een toonaangevend Nederlands multimediacompany met sterke posities in print, radio, televisie en online om consumenten in Nederland 24/7 te voorzien van content. Het bod op TMG past nadrukkelijk in deze strategie.

De prijs die Talpa bereid is te bieden is €6,50. Daarnaast is de strategie van Talpa gericht op het realiseren van opbrengst synergies in plaats van kostenbesparingen. Hiermee biedt Talpa tevens een reëel en aantrekkelijk alternatief voor de strategie van Mediahuis en VP Exploitatie aan de werknemers van TMG.

Talpa Holding

Talpa Holding is de holding company voor John de Mol's media-activiteiten. Het bedrijf is opgericht in 2005 en positioneert zich als een 'full service' content bedrijf, waar creatie, productie, distributie & broadcast over verschillende platformen de basis vormen.

Talpa Holding is naast SBS Broadcasting onder meer eigenaar van Talpa Radio, dat met de zenders Radio 538, Radio 10, Sky Radio en Radio Veronica het grootste muziek-entertainmentbedrijf van Nederland vormt.

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Talpa Media, voormalig onderdeel van Talpa Holding, is in 2015 overgenomen door het Britse ITV. Talpa Media is nog steeds verantwoordelijk voor het management van het bedrijf, en daarmee dus voor de creatie en productie van de televisieformats en concepten. De grootste productie is *The Voice*, voor het eerst uitgezonden in 2010. Inmiddels bestaan er van dit programma meer dan 65 lokale producties, uitgezonden in maar liefst 180 landen.



TALPA HOLDING

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E-mail: press@talpa.tv

Website: talpaholding.com

Dit is een persbericht van Talpa Holding N.V. ("Talpa"), ingevolge artikel 4 lid 3 van het Besluit Openbare Biedingen Wft, in verband met het mogelijke openbaar bod door Talpa of een van haar groepsmaatschappijen op alle uitgegeven (certificaten van) aandelen in het kapitaal van Telegraaf Media Groep N.V. ("TMG"). Deze aankondiging en daaraan gerelateerde documenten zijn geen aanbod of uitnodiging tot het doen van een aanbod om effecten van TMG te verkopen, te kopen of hierop in te schrijven. Een bod zal slechts worden uitgebracht door middel van een apart, speciaal voor dit doel gepubliceerd biddingsbericht, in overeenstemming met de in Nederland van toepassing zijnde wet- en regelgeving. Deze aankondiging is niet bedoeld voor vrijgave, bekendmaking of verspreiding, geheel of gedeeltelijk, rechtstreeks of onrechtstreeks, in of naar jurisdicties waar dit een schending van de toepasselijke wetten of regels van die jurisdictie zou opleveren.



Niet voor distributie in of naar de Verenigde Staten, Australië, Canada en Japan

Talpa verwacht biedingsbericht op korte termijn algemeen verkrijgbaar te stellen en trekt verzoek Ondernemingskamer in

Laren, 10 juni 2017 – Talpa Holding N.V. ("Talpa Holding") is nog steeds voornemens het bod op de (certificaten van) aandelen van Telegraaf Media Groep N.V. ("TMG") door te zetten. Talpa Beheer B.V. ("Talpa Beheer") en Dasym Investments II B.V. ("Dasym II") trekken het verzoek aan de Ondernemingskamer om een onderzoek te gelasten naar het beleid en de gang van zaken van TMG in.

Met verwijzing naar het persbericht van 12 april 2017 is Talpa Holding nog steeds voornemens het openbaar bod op de (certificaten van) aandelen van TMG door te zetten voor € 6,50 per aandeel. Talpa Holding verwacht het biedingsbericht met betrekking tot dit bod op korte termijn algemeen verkrijgbaar te stellen.

Na ampel beraad hebben Talpa Beheer en Dasym II besloten om het verzoek aan de Ondernemingskamer tot het gelasten van een onderzoek naar het beleid en de gang van zaken van TMG thans niet door te zetten. Dit verzoek wordt daarom ingetrokken.

Talpa Holding

Talpa Holding, het mediabedrijf van John de Mol, is onder meer eigenaar van Talpa Radio, dat met de zenders 538, Radio 10, Sky Radio en Radio Veronica het grootste muziek entertainment bedrijf van Nederland vormt. Ook heeft Talpa Holding recent aangekondigd de gehele eigendom van SBS Broadcasting te verkrijgen, dat vier TV-zenders exploiteert: SBS6, SBS9, NET5 en Veronica.

Talpa Media, dat vroeger deel uitmaakte van Talpa Holding, is in 2015 overgenomen door ITV Plc en functioneert als een zelfstandig bedrijfsonderdeel binnen ITV Studios waar John de Mol nog steeds verantwoordelijk is voor de creatie en productie van de (televisie) formats en concepten.

TALPA HOLDING

Voor meer informatie over Talpa Holding kunt u contact opnemen met Maud Burgers:

Tel: +31 35 533 31 11
E-mail: press@talpa.tv
Website: talpaholding.com



Dit is een persbericht van Talpa Holding N.V. ("Talpa"), ingevolge artikel 4 lid 3 van het Besluit Openbare Biedingen Wft, in verband met het mogelijke openbaar bod door Talpa of een van haar groepsmaatschappijen op alle uitgegeven (certificaten van) aandelen in het kapitaal van Telegraaf Media Groep N.V. ("TMG"). Deze aankondiging en daaraan gerelateerde documenten zijn geen aanbod of uitnodiging tot het doen van een aanbod om effecten van TMG te verkopen, te kopen of hierop in te schrijven. Een bod zal slechts worden uitgebracht door middel van een apart, speciaal voor dit doel gepubliceerd biddingsbericht, in overeenstemming met de in Nederland van toepassing zijnde wet- en regelgeving. Deze aankondiging is niet bedoeld voor vrijgave, bekendmaking of verspreiding, geheel of gedeeltelijk, rechtstreeks of onrechtstreeks, in of naar jurisdicities waar dit een schending van de toepasselijke wetten of regels van die jurisdictie zou opleveren.

PART II – FINANCIAL STATEMENTS

Restrictions

This Part II (Financial statements) contains certain financial information relating to the TMG Group. This information has been derived from the Annual Report 2016 and has not been commented on, amended or verified by the Offeror. As the information underlying the information on TMG in this Part II (Financial Information) has been prepared by parties other than the Offeror, the Offeror cannot assume any responsibility for the accuracy of this underlying information. TMG has not given its consent to include this information in this Offer Memorandum.

Comparative Overview

The tables below provide a comparative overview of TMG's consolidated statements of income, consolidated balance sheets and the consolidated statements of cash flows for the financial year 2016 (reported), the financial year 2015 (reported and restated) and the financial year 2014 (restated). All amounts were derived from the audited financial statements for the financial year 2016 and the financial year 2015, as published in the Annual Report 2016 and the Annual Report 2015. As TMG did not cooperate with the preparation of the Offer Memorandum and the Offeror did not have access to the auditor of TMG during the preparation of the Offer Memorandum, no auditor's statement in respect of the financial information included in this Part II was available to the Offeror for inclusion in the Offer Memorandum.

Consolidated Statement of Income

In thousands of EUR	For the years ending 31 December			
	2016	2015 Restated	2015	2014 Restated
CONTINUING OPERATIONS				
Revenue	420,370	451,409	481,333	515,547
Other operating income	669	999	999	2,165
Total revenue	421,039	452,408	482,332	517,712
Raw materials and consumables	20,732	28,879	28,879	38,263
Employee benefits	175,912	194,756	202,043	182,519
Depreciation, amortisation and impairment losses	17,388	24,460	35,449	77,475
Other operating expenses	215,414	221,055	236,961	250,875
Total operating expenses	429,446	469,150	503,332	549,132
Operating result	-8,407	-16,742	-21,000	-31,420
Result from associates	714	-40	-40	-5,137
Financial income	160	273	247	240
Financial expense	-903	-1,212	-2,005	-2,261
Financial income and expense	-29	-979	-1,798	-7,158
Result on continuing operations before tax	-8,436	-17,721	-22,798	-38,578
Income tax	-2,621	1,907	841	-491
Result for the year on continuing operations	-5,815	-19,628	-23,639	-38,087
Discontinued operations				
Result from discontinued operations after tax	7,373	-4,011	-	-
Result for the year	1,558	-23,639	-23,639	-38,087
Result for the year attributable to:				
Shareholders of Telegraaf Media Groep N.V.	1,558	-22,760	-23,639	-38,087
Non-controlling interest	-	-879	-	-
Result for the year	1,558	-23,639	-23,639	-38,087
EARNINGS PER SHARE				
Result for the year attributable to shareholders of ordinary shares in Telegraaf Media Groep N.V.	1,558	-22,760	-23,639	-38,087
Weighted average number of ordinary shares	46,350,000	46,350,000	46,350,000	46,350,000
Basic and diluted earnings per share from continuing operations (EUR)	-0.13	-0.42	-0.49	-0.73
Basic and diluted earnings per share (EUR)	0.03	-0.49	-0.49	-0.73

Consolidated Balance Sheets

In thousands of EUR	For the years ending 31 December			
	2016	2015 Restated	2015	2014 Restated
ASSETS				
Non-current assets				
Intangible assets	181,969	237,432	237,432	249,431
Property, plant and equipment	26,767	49,726	49,726	58,103
Investments in associates	48,143	24	24	159
Deferred tax assets	44,636	38,397	38,397	38,862
Other receivables	719	1,077	1,077	2,279
Total non-current assets	302,234	326,656	326,656	348,834
Current assets				
Inventories	1,175	1,859	1,859	6,651
Tax assets	46	623	623	2
Trade and other receivables	58,256	73,811	73,811	69,703
Cash and cash equivalents	19,485	42,928	42,928	41,260
Assets classified as held for sale	15,848	62	62	8,806
Total current assets	94,810	119,283	119,283	126,422
TOTAL ASSETS	397,044	445,939	445,939	475,256
EQUITY AND LIABILITIES				
Equity				
Issued capital	11,588	11,588	11,588	11,588
Other reserves	215,797	223,592	223,592	247,131
Attributable to equity holders Telegraaf Media Groep N.V.	227,385	235,180	235,180	258,719
Non-controlling interests	-	-7,974	-7,974	-8,018
Total shareholders' equity	227,385	227,206	227,206	250,701
Liabilities				
Interest-bearing loans and borrowings	-	472	472	21,623
Post-employment benefit liabilities	4,722	5,183	5,183	8,703
Provisions	-	216	216	274
Deferred tax liabilities	10,190	18,023	18,023	19,132
Total non-current liabilities	14,912	23,894	23,894	49,732
Interest-bearing loans and borrowings	6,200	25,546	25,546	8,986
Trade and other payables	131,593	131,943	131,943	132,499
Provisions	16,113	36,209	36,209	28,279
Tax payable	841	1,141	1,141	4,143
Liabilities classified as held for sale	-	-	-	916
Total current liabilities	154,747	194,839	194,839	174,823
Total liabilities	169,659	218,733	218,733	224,555
TOTAL EQUITY AND LIABILITIES	397,044	445,939	445,939	475,256

Consolidated Statement of Cash Flow

In thousands of EUR	For the years ending 31 December			
	2016	2015 Restated	2015	2014 Restated
CASH FLOW FROM OPERATING ACTIVITIES				
Result for the year	1,558	-23,639	-23,639	-38,087
ADJUSTMENTS FOR:				
Depreciation of property, plant and equipment	7,817	9,498	9,498	10,691
Amortisation of intangible assets	7,317	19,143	19,143	17,829
Impairment losses intangible assets	182	-	-	42,906
Impairment losses on property, plant and equipment	2,073	6,117	6,117	6,049
Impairment losses financial assets	-	691	691	-
Net financing costs	636	1,758	1,758	2,021
Gain on sale of property, plant and equipment	-671	-999	-999	-2,165
Share of result from investments recognised using the equity method	-721	-	-	-
Result from associates	4,284	40	40	5,137
Income tax	514	841	841	-491
	14,421	13,450	13,450	43,890
Movement in inventories	684	4,792	4,792	437
Movement in trade and other receivables	7,534	514	514	14,145
Movement in trade and other payables	2,336	-79	-79	-17,236
Movement in provisions and post-employment benefits	-21,183	3,362	3,362	-13,307
	3,792	22,039	22,039	27,929
Interest received	144	244	244	232
Interest paid	-736	-923	-923	-893
Income taxes paid	-6,051	-5,048	5,048	-3,139
Net cash from operating activities	-2,851	16,312	16,312	24,129
CASH FLOW FROM INVESTING ACTIVITIES				
Dividends received	1,163	142	142	-
Investments in intangible assets	-7,043	-3,966	-3,966	-5,613
Investments in property, plant and equipment	-4,447	-7,640	-7,640	-7,403
Acquisition of operations, net of cash acquired	58	-	-	-
Acquisition of associates	-1,106	-153	-153	-299
Disposals of associates and other financial assets	11	106	106	-
Disposals of operations, net of cash disposed of	-3	-	-	-1,449
Disposals of intangible assets	27	-	-	2,975
Disposals of property, plant and equipment	5,128	1,406	1,406	1,160
Net cash flow from investing activities	-6,212	-10,105	-10,105	-10,629
CASH FLOW FROM FINANCING ACTIVITIES				
Dividend paid	-7,416	-	-	-
Proceeds from borrowings	5,000	-	-	-
Redemption of borrowings	-6,264	-5,635	-5,635	-9,316
Movement in non-controlling interests	-5,700	-	-	-3,831
Net cash used in financing activities	-14,380	-5,635	-5,635	-13,147
Net decrease in cash and cash equivalents	-23,443	572	572	353
Cash and cash equivalents as at 1 January	42,928	41,260	41,260	41,311
Movement in cash and cash equivalents in assets held for sale	-	1,096	1,096	-404
Cash and cash equivalents at 31 December	19,485	42,928	42,928	41,260

TMG financial statements 2016



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Inspiring and connecting

With around 60 strong brands and a multi-million reach, TMG is particularly able to inform specific target groups, transfer knowledge and connect. Successful events such as the sharing of knowledge by DFT in collaboration with Nyenrode Business University also contribute to this.

Consolidated financial statements

Consolidated statement of profit or loss	88
Consolidated statement of comprehensive income	89
Consolidated statement of financial position	90
Consolidated statement of cash flows	91
Consolidated statement of changes in equity	92

Notes to the consolidated financial statements

1. Accounting policies	93
2. Segment reporting	105
3. Business combinations	107
4. Revenue	109
5. Other operating income	109
6. Raw materials and consumables	110
7. Employee benefits	110
8. Depreciation, amortisation and impairment losses	111
9. Other operating expenses	111
10. Financial income and expense	112
11. Income tax	112
12. Current tax assets and liabilities	114
13. Discontinued operations	114
14. Intangible assets	116
15. Property, plant and equipment	119
16. Investments in associates	120
17. Other receivables	121
18. Inventories	122
19. Trade and other receivables	122
20. Cash and cash equivalents	123
21. Assets and liabilities held for sale	123
22. Equity	124
23. Dividend	124
24. Earnings per share	125
25. Non-controlling interests	125
26. Interest-bearing loans and borrowings	126
27. Post-employment benefits	127
28. Provisions	131
29. Deferred tax assets and liabilities	133
30. Trade and other payables	135
31. Financial risk management *	135
32. Off-balance sheet assets and liabilities	138
33. Investment commitments	138
34. Contingent liabilities	138
35. Related parties	138
36. Subsequent events	139

Company financial statements 2016

88

140

Company statement of profit or loss	140
Company statement of financial position	141

Notes to the company financial statements

93

142

1. Significant accounting policies	142
2. Financial expense	142
3. Financial assets	142
4. Equity	144
5. Non-current liabilities	144
6. Current liabilities	145
7. Off-balance sheet liabilities	145
8. Subsequent events	146
9. Appropriation of profit	147
10. Remuneration of the members of the Executive and Supervisory Boards	147
11. Audit fees	148

Additional information

150

Independent Auditor's Report	150
Provisions in the Articles of Association concerning the appropriation of profit	151
Key figures per year	152
Annual report 2016 of the Telegraaf Media Groep N.V.	
Share Administration Trust	153

Consolidated statement of profit or loss

In thousands of euros	Note	2016	2015
Continuing operations			
Revenue	4	420,370	451,409
Other operating income	5	669	999
Total revenue		421,039	452,408
Raw materials and consumables	6	20,732	28,879
Employee benefits	7	175,912	194,756
Depreciation, amortisation and impairment losses	8	17,388	24,460
Other operating expenses	9	215,414	221,055
Total operating expenses		429,446	469,150
Operating result		-8,407	-16,742
Result from associates	10	714	-40
Financial income	10	160	273
Financial expense	10	-903	-1,212
Financial income and expense		-29	-979
Result on continuing operations before tax		-8,436	-17,721
Income tax	11	-2,621	1,907
Result for the year on continuing operations		-5,815	-19,628
Discontinued operations			
Result from discontinued operations after tax	13	7,373	-4,011
Result for the year		1,558	-23,639
Result for the year attributable to:			
Shareholders of Telegraaf Media Groep N.V.		1,558	-22,760
Non-controlling interest		-	-879
Result for the year		1,558	-23,639
Earnings per share			
Result for the year attributable to shareholders of ordinary shares in Telegraaf Media Groep N.V.	24	1,558	-22,760
Weighted average number of ordinary shares	24	46,350,000	46,350,000
Basic and diluted earnings per share from continuing operations (EUR)		-0.13	-0.42
Basic and diluted earnings per share (EUR)		0.03	-0.49

Consolidated statement of comprehensive income

<i>In thousands of euros</i>	Note	2016	2015
Result for the year		1,558	-23,639
Items that will not be reclassified subsequently to profit or loss			
Actuarial gains and losses on defined-benefit plans	27	-328	-881
Income tax		96	220
Other comprehensive income for the year, net of income tax		-232	-661
Total comprehensive income for the year		1,326	-24,300
Result attributable to:			
Shareholders of Telegraaf Media Groep N.V.		1,326	-23,421
Non-controlling interests		-	-879
Total comprehensive income for the year		1,326	-24,300

Consolidated statement of financial position

at 31 December

	In thousands of euros	Note	2016	2015
ASSETS				
Non-current assets				
Intangible assets	14	181,969	237,432	
Property, plant and equipment	15	26,767	49,726	
Investments in associates		48,143	24	
Deferred tax assets	29	44,636	38,397	
Other receivables	17	719	1,077	
Total non-current assets		302,234	326,656	
Current assets				
Inventories	18	1,175	1,859	
Tax assets	12	46	623	
Trade and other receivables	19	58,256	73,811	
Cash and cash equivalents	20	19,485	42,928	
Assets classified as held for sale	21	15,848	62	
Total current assets		94,810	119,283	
Total assets		397,044	445,939	
EQUITY AND LIABILITIES				
Equity				
Issued capital		11,588	11,588	
Other reserves		215,797	223,592	
Attributable to equity holders Telegraaf Media Groep N.V.	22	227,385	235,180	
Non-controlling interests	25	-	-7,974	
Total shareholders' equity		227,385	227,206	
Liabilities				
Interest-bearing loans and borrowings	26	-	472	
Post-employment benefit liabilities	27	4,722	5,183	
Provisions	28	-	216	
Deferred tax liabilities	29	10,190	18,023	
Total non-current liabilities		14,912	23,894	
Interest-bearing loans and borrowings	26	6,200	25,546	
Trade and other payables	30	131,593	131,943	
Provisions	28	16,113	36,209	
Tax payable	12	841	1,141	
Total current liabilities		154,747	194,839	
Total liabilities		169,659	218,733	
Total equity and liabilities		397,044	445,939	

Consolidated statement of cash flows

In thousands of euros	Note	2016	2015
Cash flow from operating activities			
Result for the year		1,558	-23,639
Adjustments for:			
Depreciation of property, plant and equipment	15	7,817	9,498
Amortisation of intangible assets	14	7,317	19,143
Impairment losses intangible assets	14	182	-
Impairment losses on property, plant and equipment	8	2,073	6,117
Impairment losses financial assets		-	691
Net financing costs	10	636	1,758
Gain on sale of property, plant and equipment	5	-671	-999
Share of result from investments recognised using the equity method	10	-721	-
Result from associates	13	-4,284	40
Income tax	11	514	841
		14,421	13,450
Movement in inventories		684	4,792
Movement in trade and other receivables		7,534	514
Movement in trade and other payables		2,336	-79
Movement in provisions and post-employment benefits		-21,183	3,362
		3,792	22,039
Interest received		144	244
Interest paid		-736	-923
Income taxes paid		-6,051	-5,048
Net cash from operating activities		-2,851	16,312
Cash flow from investing activities			
Dividends received		1,163	142
Investments in intangible assets	14	-7,043	-3,966
Investments in property, plant and equipment	15	-4,447	-7,640
Acquisition of operations, net of cash acquired	3	58	-
Acquisition of associates		-1,106	-153
Disposals of associates and other financial assets		11	106
Disposals of operations, net of cash disposed of		-3	-
Disposals of intangible assets	14	27	-
Disposals of property, plant and equipment		5,128	1,406
Net cash flow from investing activities		-6,212	-10,105
Cash flow from financing activities			
Dividend paid	23	-7,416	-
Proceeds from borrowings	26	5,000	-
Redemption of borrowings		-6,264	-5,635
Movement in non-controlling interests	22	-5,700	-
Net cash used in financing activities		-14,380	-5,635
Net decrease in cash and cash equivalents			
Cash and cash equivalents as at 1 January		42,928	41,260
Movement in cash and cash equivalents in assets held for sale		-	1,096
Cash and cash equivalents at 31 December		19,485	42,928

Consolidated statement of changes in equity

Attributable to equity holders of Telegraaf Media
Groep N.V.

<i>In thousands of euros</i>	Note	Share capital	Other reserves	Total	Non-controlling interests	Total equity
Balance as at 1 January 2015		11,588	247,131	258,719	-8,018	250,701
Result for the year		-	-22,760	-22,760	-879	-23,639
Other comprehensive income for the year, net of income tax		-	-661	-661	-	-661
Total comprehensive income for the year		-	-23,421	-23,421	-879	-24,300
Acquisition of minority interests	25	-	-118	-118	923	805
Change in non-controlling interests		-	-	-	-	-
Balance as at 31 December 2015		11,588	223,592	235,180	-7,974	227,206
Result for the year		-	1,558	1,558	-	1,558
Other comprehensive income for the year, net of income tax		-	-232	-232	-	-232
Total comprehensive income for the year		-	1,326	1,326	-	1,326
Dividends paid to shareholders	23	-	-7,416	-7,416	-	-7,416
Acquisition of minority interests	25	-	-1,705	-1,705	7,974	6,269
Balance as at 31 December 2016		11,588	215,797	227,385	-	227,385

Notes to the consolidated financial statements

1. Accounting policies

General information

Telegraaf Media Groep N.V. (the Company) has its registered office in Amsterdam, the Netherlands. Its primary activities are the publication of printed media and the operation of, and participation in, digital media and radio. The Company's shares are listed on the NYSE Euronext in Amsterdam.

The Company's consolidated financial statements for the year ended 31 December 2016 incorporate the Company and its subsidiaries (together referred to as TMG), jointly-controlled entities and TMG's interests in associates.

The financial statements have been prepared by the Executive Board. They were signed by the Executive Board and the Supervisory Board on 7 March 2017.

Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the European Commission and interpretations of these standards by the IFRS Interpretations Committee (IFRIC).

Basis of preparation

The financial statements are presented in euros, rounded to the nearest thousand. Following a change in the law, public interest entities are no longer permitted to present an abridged statement of profit or loss in the company financial statements (as previously permitted pursuant to Section 402 of Book 2 of the Netherlands Civil Code). This change has only a small impact given the limited activities within Telegraaf Media Groep N.V.

Changes in accounting policies

The accounting policies presented in these consolidated financial statements have been applied consistently in 2016 and 2015 except as stated below. Various changes in IFRS standards have been in force since January 2016 and their nature and impact are as follows:

- IAS 19 Employee Benefits – Defined benefit plans: employee contributions, effective for financial statements starting on or after 1 January 2016.
- IAS 16 and IAS 38 Property, plant and equipment and intangible assets – Clarification of acceptable methods of depreciation and amortisation (effective for financial statements starting on or after 1 January 2016).
- IFRS annual improvements cycle 2010-2012 (effective for financial statements starting on or after 1 January 2016).
- IFRS annual improvements cycle 2012-2014 (effective for financial statements starting on or after 1 January 2016).
- IAS 1 Presentation of Financial Statements – Disclosure initiative (effective for financial statements starting on or after 1 January 2016).

The changes do not currently impact TMG's financial position or accounting policies. Where necessary, disclosures and presentation will be amended in accordance with the changes in IFRS.

Changes in presentation

Certain comparative figures have been restated in line with the current presentation. The revenue categories have been changed compared to 2015 to provide a better view of the revenue per business unit; the comparative figures for 2015 have been restated.

Critical accounting estimates and judgements

When preparing the financial statements, management made judgements, estimates and assumptions which affect the application of the accounting policies and amounts recognised in the financial statements. The estimates and the related assumptions are based on historical experience and other factors that are believed to be reasonable in the circumstances. The outcomes of these form the basis for the evaluation of the carrying amount of assets and liabilities where this is not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The items where estimates may have a material effect on the amounts recognised are:

- intangible assets (useful life, discount rate and impairment: see [note 14](#));
- property, plant and equipment (useful life and impairment: see [note 15](#));
- investment in associates (measurement at fair value as initial measurement at cost: see [note 16](#));
- trade receivables (impairment: see [note 19](#));
- post-employment benefits (discount rate and growth of obligations: see [note 27](#));
- restructuring provision (amount of severance payments and form of redundancy: see [note 28](#));
- provision for legal disputes (probability and amount: see [note 28](#));
- deferred tax assets and liabilities (rate and term and utilisation of carry-forward losses: see [note 29](#)).

See the note referred to for individual items for the judgements and assumptions made by management when preparing the financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial information of TMG and its subsidiaries. The consolidation uses the parent company's accounting policies.

Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has power over an entity such that it is exposed, or has rights, to variable returns from its involvement and has the ability to use its power to affect its returns. The financial statements of subsidiaries are incorporated in the consolidated financial statements from the date that control commences until the date that control ceases. Material substantive potential voting rights are taken into account in assessing whether control exists.

Profit and loss and each component of other comprehensive income are attributed to the owners of the subsidiary and its non-controlling interests.

Joint arrangements

A joint operation is an agreement under which the Company exercises joint control and has rights to the assets and obligations for the liabilities. The following are recognised for joint operations where there is joint control:

- rights to the assets and obligations for the liabilities; and
- associated rights to revenue and obligations for the related expenses.

Joint ventures where joint control is exercised are recognised using the equity method and initially measured at cost. Cost includes transaction costs. Subsequently, the consolidated financial statements recognise the Company's share of the realised and unrealised results using the equity method until there is no further significant influence or joint control. Changes in the value of joint ventures as a result of dilution are recognised through profit or loss as share of result of associates.

Associates

Associates are those entities over which TMG exercises significant influence, but not individual or joint control, over the financial and operating policies. Subsidiaries and joint arrangements are not associates. The consolidated financial statements include TMG's share of the total result of associates using the equity method from the date that significant influence commences until the date that significant influence ceases. Changes in the value of associates as a result of dilution are recognised through profit or loss as share of result of associates.

Goodwill identified on acquisition is recognised in the carrying amount of the investee net of any accumulated impairment. TMG's consolidated financial statements include its share of the revenue and expenses and equity movements of investees, after adjustment to align the accounting policies with those of TMG. Impairment is recognised immediately through profit or loss. If TMG's

share of losses exceeds its interest in the associate, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that TMG has incurred legal or constructive obligations or made payments on behalf of an associate.

Transactions eliminated on consolidation

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions are eliminated when preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and jointly-controlled entities are eliminated in proportion to TMG's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment. The results of the subsidiaries acquired or disposed of during the financial year are recognised in the consolidated financial statements from or until the share transfer date. If necessary, the figures of subsidiaries are adjusted to align them with the accounting policies with those of TMG.

Foreign currency

Foreign currency transactions

Transactions denominated in foreign currencies are translated into euros at the exchange rate ruling at the date of the transaction.

The statement of financial position consists of monetary and non-monetary items. Monetary assets and liabilities denominated in foreign currencies are translated into euros at the reporting date at the exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of profit or loss. Non-monetary assets and liabilities measured at historical cost in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies measured at fair value are translated into euros at the exchange rate ruling at the date the fair value was determined.

Assets and liabilities of foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated into euros at the exchange rate ruling at the reporting date. Revenues and expenses of foreign operations are translated into euros at the date of the transaction. Foreign exchange differences arising on translation are recognised directly in a separate component of equity. Foreign exchange gains and losses arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognised directly in equity in the translation reserve. When a foreign operation is disposed of, the relevant amount in the translation reserve is transferred to the statement of profit or loss.

Intangible assets

Goodwill

Goodwill represents amounts arising on the acquisition of a subsidiary, associate or joint arrangement.

The consideration for a subsidiary, associate or joint arrangement is equal to the amount paid for the acquisition of the interest. If the consideration is higher than the share of the fair value of the identifiable assets, liabilities and contingent liabilities on the acquisition date, the excess is recognised as goodwill. Goodwill is stated at cost less any accumulated impairment. Goodwill is attributed to cash generating units and is not amortised. Instead, it is tested annually for impairment (see impairment accounting policy). The carrying amount of goodwill for associates and joint arrangements is recognised in the carrying amount of the investee. When an interest in a subsidiary, associate or joint arrangement is disposed of, the corresponding goodwill is included in the determination of the result of the transaction. Negative goodwill that arises during an acquisition is recognised directly in the statement of profit or loss. Acquisitions of non-controlling interests are accounted for as transactions between shareholders within equity and therefore no goodwill is recognised as a result of these transactions.

Other intangible assets

Other intangible assets are licences, internally-developed information systems and trademarks and publishing rights with a finite life. The other intangible assets acquired by TMG are measured at cost less accumulated amortisation and impairment (see impairment accounting policy). Expenditure for development activities where the research results are applied to a plan or design

for the production of new or substantially improved products and processes are capitalised if the product or process is technically and commercially feasible and can be separately identified, if the expenses can be measured reliably and if TMG has sufficient resources to complete the development.

The capitalised costs comprise the cost of materials, direct labour and the directly-attributable proportion of overheads. A statutory reserve is formed for the amount capitalised. Other development expenditure is recognised in the statement of profit or loss as an expense when incurred. Capitalised development expenditure is measured at cost less accumulated amortisation and impairment.

Subsequent expenditure

Subsequent expenditure on capitalised intangible assets is recognised in the statement of profit or loss unless it increases the future economic benefits embodied in the specific asset to which it relates. In that case, the costs are capitalised insofar as they increase the economic benefits.

Borrowing costs

Borrowing costs relating to acquisitions or specific internally-developed assets, are capitalised.

Amortisation

Amortisation is charged to the statement of profit or loss on a straight-line basis over the estimated useful life of an intangible asset unless such life is indefinite. Other intangible assets are amortised from the date they are available for use.

The estimated useful lives are as follows:

- trademarks and publishing rights 5 - 20 years
- licences 6 years
- software 2 - 5 years

The amortisation method and estimated useful lives are assessed annually.

Leases

Leases under which TMG has substantially all the risks and rewards of ownership are classified as finance leases. The leased asset is initially recognised at an amount equal to the lower of its fair value and the present value of the minimum lease payments.

Subsequently, the asset is recognised in accordance with the applicable accounting policy. Other leases are operating leases and the assets are not recognised in TMG's statement of financial position.

Property, plant and equipment

Owned assets

Property, plant and equipment is stated at cost less accumulated depreciation and impairment (see impairment accounting policy).

Property, plant and equipment under construction is stated at the cost of the new building, machinery or equipment.

Subsequent expenditure

TMG recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied in the item will flow to TMG and the cost of the item can be measured reliably. All other costs are recognised in the statement of profit or loss as an expense when incurred.

Borrowing costs

Borrowing costs relating to acquisitions or specific internally-developed assets, are capitalised.

Depreciation

Depreciation is charged to the statement of profit or loss on a straight-line basis over the estimated useful life of each part of an item of property, plant and equipment. Land is not depreciated.

The estimated useful lives are as follows:

- buildings 8 - 25 years
- machinery and equipment 5 - 10 years
- other assets 3 - 5 years

The depreciation method, estimated useful lives and residual values are assessed annually.

Investment in associates

On acquisition, an associate is initially recognised at cost (being the fair value when the shares are acquired plus expenses directly attributable to the transaction). Subsequently, associates are recognised using the equity method, under which the carrying amount of the associate is increased or decreased by the share of the result and movement in equity less dividends received from the associate. Any off-balance sheet liabilities relating to associates for which TMG may be held liable are disclosed in the note on off-balance sheet assets and liabilities ([note 32](#)).

Other receivables

Prepaid operating leases comprise the purchased ground rents for the land of the campus in Amsterdam. These are amortised on a straight-line basis over the duration of the leaseholds concerned. Non-current receivables are initially recognised at cost less attributable transaction costs and subsequently measured at amortised cost, with a difference between the cost and the redemption amount using the effective interest method being recognised in the statement of profit or loss over the duration of the receivables.

Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the selling expenses. The cost of the inventories is based on the 'first in, first out' (fifo) method and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

Securities

Investments in debt and equity instruments

Financial instruments held for trading are classified as current assets and stated at fair value, with any gain or loss recognised in the statement of profit or loss.

If TMG has the positive intent to hold financial instruments to maturity, they are stated at amortised cost less impairment. Other financial instruments held by TMG are classified as being available for sale and are measured at fair value with any resulting gain or loss being recognised in the equity, except for impairment losses and, in the case of monetary items such as debt securities, foreign exchange gains and losses. When these investments are derecognised, the accumulated gain or loss recognised directly through equity is recognised in the statement of comprehensive income.

Financial instruments

TMG does not use derivative financial instruments to hedge interest rate risk exposures and does not apply hedge accounting.

Trade and other receivables

Trade and other receivables are initially recognised at fair value. Subsequently they are recognised at amortised cost less impairment.

Cash and cash equivalents

Cash comprises cash and bank balances and call deposits.

Impairment

The carrying amount of TMG's assets is reviewed at each reporting date to determine whether there is an indication of impairment. If such indication exists, the asset's recoverable amount is estimated (see the policy for the calculation of recoverable amount).

The recoverable amount of goodwill, assets that have an indefinite useful life and intangible assets that are not yet available for use is estimated at each reporting date. An impairment loss is recognised whenever the carrying amount of an asset or cash-generating unit it belongs to exceeds the recoverable amount.

Impairment losses are recognised in the statement of profit or loss. Impairment losses recognised for cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units (or groups of units) and then to reduce the carrying amount of the other assets in the unit (or groups of units) on a pro rata basis.

When a reduction in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in the statement of profit or loss, even though the financial asset has been derecognised. The accumulated loss that is recognised in the statement of profit or loss is the difference between cost and the current fair value less any impairment loss on that financial asset previously recognised in the statement of profit or loss.

Calculation of the recoverable amount

The recoverable amount of TMG's investments in securities held to maturity and receivables measured at amortised cost is calculated as the present value of the expected future cash flows, discounted at the original effective interest rate (i.e. the effective interest calculated at the time when the financial assets were initially recognised). Receivables with a short residual term are not discounted to present value. The recoverable amount of other assets and associates is the higher of realisable value and the value in use. When determining the value in use, the present value of the estimated future cash flows is calculated using a pre-tax discount rate that reflects both the current market valuations of the time value of money and the specific risks related to the asset. The realisable value of an asset that generates no cash receipts which are significantly independent of those of other assets is determined for the cash generating unit to which the asset belongs.

Reversal of impairment

An impairment loss on a security held to maturity or a receivable carried at amortised cost is reversed if the subsequent increase, after recognising that loss, in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

Impairment losses on goodwill are not reversed. Impairment losses on other assets are reversed if there has been a change in the estimates used to determine the recoverable amount. Impairment is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Equity

Issued capital

The issued capital is the nominal amount of shares in issue.

Other reserves

Other reserves are the accumulated amount of annual comprehensive income attributable to the shareholders and changes in non-controlling interests less dividends distributed.

Non-controlling interests

Non-controlling interests are the portion of the profit or loss and net assets of a subsidiary attributable to equity interests of third parties. In the event of both a written put and a call option on shares, those shares will be included in TMG's economic interest and not classified as a minority interest. The remaining interest is classified as a liability, based on the most realistic estimate.

Changes in non-controlling interests

Changes in TMG's ownership interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. Any difference between the carrying amount of the non-controlling interest and the transaction price is recognised directly in equity as a transaction between shareholders.

Repurchase of shares

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs and net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and presented as a separate deduction from equity. The amount received for repurchased shares classified as treasury shares that are sold or reissued subsequently is recognised as an increase in equity and the resulting surplus or deficit on the transaction is transferred to/from retained earnings. Repurchased shares are deducted from issued capital at nominal value and the resulting surplus or deficit on the transaction is transferred to/from retained earnings.

Interest-bearing loans and borrowings

Interest-bearing loans and borrowings are recognised initially at fair value less costs relating to the loan or borrowings. Subsequently, interest-bearing loans and borrowings are measured at amortised cost with any difference between cost and redemption value being recognised in the statement of profit or loss over the period of the loans and borrowings on an effective interest basis.

Employee benefits

Pension plans

TMG has established various pension plans, some administered under its own management through Stichting-Telegraafpensioenfonds 1959 and some placed with external parties such as industry-wide pension funds and insurance companies.

a. Defined-benefit plans

TMG's net obligation in respect of defined-benefit plans is calculated separately for each plan by estimating the amount of future entitlements that employees have accrued in return for their service in the current and prior reporting periods. Those entitlements are discounted to determine their present value. Any unrecognised past-service costs and the fair value of plan assets are deducted. The discount rate is the yield at the reporting date on corporate bonds with at least an AA credit rating and maturities approximating to the terms of TMG's obligations. The calculation is performed by a certified actuary using the 'projected unit credit' method.

Actuarial gains and losses that arise when calculating TMG's obligation in respect of a plan, the effect of the changes in the asset ceiling and the return on plan assets (excluding interest) are recognised immediately in the statement of financial position over the expected average remaining service period of the employees who are members of the plan.

Where the calculation results in a gain for TMG, the asset recognised is limited to the net total of any unrecognised actuarial losses and past-service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan. If the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised as an expense in the statement of financial position on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in the statement of profit or loss. The result ensuing from the curtailment or termination of a defined-benefit plan is recognised in the statement of profit or loss immediately the curtailment or termination exists. The result consists of service costs and net interest expense and/or income. Other movements are recognised in the financial position.

b. Defined-contribution plans

Obligations for contributions to defined-contribution plans are recognised as an expense in the statement of profit or loss as incurred. Industry-wide pension funds for which no reliable information is available are treated as defined-contribution plans.

c. Long-service schemes

TMG's employment conditions include a long-service scheme under which employees who reach a certain length of service receive a gross payment. Under IAS 19 'Employee Benefits', a provision has been formed for the liability arising from the long-service scheme. This provision is calculated in the same way as the provision for the defined-benefit pension schemes. Actuarial gains and losses are recognised immediately in the statement of profit or loss. Benefits paid under the long-service scheme during the financial year are charged against the provision. The movement in the provision for the long-service scheme is recognised in the statement of profit or loss.

Share-based payments

Cash-settled share-based payments are a conditional element of remuneration which when granted are subject to the recipient meeting set performance criteria after a period of four years (the performance period). Payment is only made if the recipient is still in employment after the four-year period. A pro-rata grant may be made in certain circumstances if the contract of employment is terminated in the intervening period. The amount payable at the end of the four-year period is estimated at the end of each year and a proportionate amount is charged to profit or loss during the performance period.

Provisions

A provision is recognised in the statement of financial position when TMG has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic assets will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the specific risks related to the liability.

Restructuring provision

A provision for restructuring is recognised when TMG and the works council have agreed a detailed and formalised restructuring plan and the restructuring has either commenced or has been announced publicly and TMG has no possibility of withdrawing the plan. Termination benefits are recognised as an expense when TMG is demonstrably committed to either terminating the employment of current employees and/or job grades. To the extent they can be reliably estimated, benefits falling due more than 12 months after the reporting date are discounted to their present value.

Onerous contracts

TMG recognises a provision for an onerous contract when total contract costs exceed the economic benefits expected to be received from the contract.

Trade and other payables

Trade and other payables are stated at fair value. Subsequent recognition is at amortised cost.

Determination of fair value

A number of TMG's accounting policies and disclosures require the determination of fair value of financial and non-financial assets and liabilities. The following methods are used to determine fair value for measurement and/or disclosure purposes.

Intangible assets

The fair value of publishing rights and trademarks acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of the patent or trademark being owned. The fair value of other intangible assets is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

Property, plant and equipment

The fair value of property, plant and equipment recognised as a result of a business combination is based on market value. The market value of property is the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction in which the parties had each acted knowledgeably, prudently and

without compulsion. The market value of items of other plant, equipment, fixtures and fittings is based on the market prices for similar assets.

Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows discounted at the market rate of interest at the reporting date.

Derivatives

The fair value of interest rate swaps is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for similar instruments at the measurement date.

Assets and liabilities classified as held for sale

The fair value of assets and liabilities held for sale is based on discounted expected future cash flows or market observations and/or appraisals by a broker used to determine the expected net realisable value.

Further information on the assumptions made when determining fair values is disclosed in the notes to a specific asset or liability.

Revenue

Revenue excludes value added tax and is after discounts. Revenue from the sale of goods is recognised in the statement of profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. Revenue relating to services provided is recognised in the statement of profit or loss in proportion to performance in the financial year. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible returns of goods, or when there is continuing management involvement with the goods.

Barter transactions

If advertising space or time is exchanged or swapped for advertising space or time of a similar nature, fair value and target audience, such an exchange is not recognised as a revenue-generating transaction. If this condition is not applicable, the exchange will be regarded as a transaction that generates revenue. The amount of the revenue is determined on the basis of the fair value of the goods or services received plus or minus any cash or assets which have been received or paid and that can be converted into cash in the short term.

If the fair value of goods or services received cannot be measured reliably, revenue is determined on the basis of the fair value of the exchanged goods or services plus or minus cash or assets which have been received or paid and that can be converted into cash in the short term

Government grants

Government grants are initially recognised in the statement of financial position if received in advance and recognised as income when there is reasonable assurance that they will be received and that TMG will comply with the conditions attached to them. Grants that compensate TMG for expenses are recognised systematically in the statement of profit or loss in the same period the expenses are incurred.

Expenditure

Lease payments

Payments made under operating leases are recognised in the statement of profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in the statement of profit or loss as an integral part of the total lease expense.

The minimum lease payments for finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic interest rate on

the remaining balance of the liability. Conditional lease payments are incorporated by revising the minimum lease payments over the remaining lease term as soon as the amendment of the lease is confirmed.

Financial income and expense

The share of result of associates is TMG's share of the total result of an associate for the period in which TMG has significant influence. When determining the share of result of associates, where necessary the associates' accounting policies are brought into line with those of TMG.

A change in the value of a financial instrument through profit or loss is recognised as financial income and expense.

Financial income and expense includes interest payable on borrowings calculated using the effective interest method, interest income on funds invested, dividend income and foreign exchange gains and losses.

Interest income and expense is recognised in the statement of profit or loss using the effective interest method. Dividend income is recognised in the statement of profit or loss when the dividend is declared. Foreign currency gains and losses are reported net. Borrowing costs that are not directly attributable to an acquisition are recognised in the statement of profit or loss using the effective interest method.

Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the statement of profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or to be settled on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax is provided for using the balance sheet liability method, forming a provision for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not provided for: non-deductible goodwill and the initial recognition of assets or liabilities which affect neither the commercial nor the fiscal profit and differences related to investments in subsidiaries insofar as these are probably not going to be settled in the foreseeable future.

The amount of the provision for deferred tax liabilities is based on the way in which the carrying amount of the assets and liabilities is expected to be realised or settled, using tax rates in force or which had been enacted on the reporting date. A deferred tax liability is measured at nominal value. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax assets for losses carried forward are recognised only to the extent that it is probable that they can be utilised against future taxable profits.

Deferred tax liabilities and assets are netted if there is a legal entitlement to settle current and deferred tax, the income tax is charged by the same tax authorities and TMG intends to net the amounts.

Segment reporting

An operating segment is a clearly distinguishable unit of TMG that delivers goods or services or that delivers goods or services with other TMG units. All operating segments' operating results are reviewed regularly by the Executive Board for decision-making on allocating resources. The segment reporting is in line with the internal management reporting.

Assets classified as held for sale and discontinued operations

Assets classified as held for sale are those relating to an operation to be disposed of if that operation is available for immediate sale and a sale is highly probable. Liabilities related to these assets are classified as liabilities held for sale. Assets are not depreciated

from the time they are classified as held for sale. Assets and liabilities held for sale are measured at the lower of the carrying amount and fair value less costs to sell. Where necessary, external appraisals are used for the valuation. Impairment losses on assets held for sale are recognised in the statement of profit or loss.

A discontinued operation is a component of TMG's business that represents a separate major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view of resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. A disposal group that is to be abandoned may also qualify.

Statement of cash flows

The consolidated statement of cash flows is prepared using the indirect method, distinguishing between operating, investment and financing activities. The cash flow from operating activities is adjusted for items in the statement of profit or loss and movements in items in the statement of financial position that have no effect on the cash flow for the year.

New accounting standards and interpretations not yet applied

Certain amendments to standards and interpretations are not yet in force and have not been applied in these financial statements. TMG has decided not to apply the following new standards early: IFRS 9 'Financial instruments', IFRS 15 'Revenue from contracts with customers' and IFRS 16 'Leases'. The impact of these new standards on the TMG's financial statements is set out below:

IFRS 9 'Financial Instruments'

The impact of IFRS 9 on TMG's financial statements is expected to be very limited mainly because TMG has almost only current receivables and liabilities, does not have complex financial instruments and does not apply hedge accounting.

IFRS 15 'Revenue from contracts with customers'

TMG started a project with external reporting specialists in 2016 to determine the impact of IFRS 15. The current status is that the revenue categories that will be affected by the implementation of IFRS 15 have been identified. The financial impact and impact on systems will be addressed further during 2017. The greatest impact of IFRS 15 is expected to be on the following revenue categories:

Subscription income:

- TMG uses third-parties to acquire subscribers and pays them a fee for this. Under IFRS 15, the cost of acquiring subscriptions of longer than one year will be capitalised and amortised over the term of the subscription. This will result in phased recognition of the acquisition costs over the term of the subscription and the presentation of these costs as an amortisation charge instead of selling expenses.

Single-copy sales:

- TMG uses various distribution channels, distributors and sales outlets for its print and other products. The arrangements with the distributors and sales outlets may differ in respect of returns, pricing, TMG's influence over the outlets, etc. The changes in assessing the agent/principal classification under IFRS 15 mean that in some cases the distributor or sales outlet will be seen as an agent while under IAS 18 they were treated as principals. This will lead to an increase in revenue from single-copy sales and in selling expenses. There is no effect on the result.

Print and digital advertising revenue:

- Barter transactions: TMG regularly enters into similar barter transactions (advertising space and time for advertising space and time) with third parties. Under current revenue recognition standards, no revenue or expenses are recognised. Under IFRS 15, there will be higher advertising revenue and higher expenses. There is no effect on the result.
- Umbrella contracts: TMG enters into umbrella contracts with large advertisers under which they place advertisements with different brands and across different channels (print, online display, online video, etc.). TMG will have to allocate the contract revenue to the different performance obligations, with performance possibly being delivered at different times. These contracts were still small in volume in 2016 but this type of contract is expected to increase in the coming year.

E-commerce revenue:

- TMG generates revenue through online sales of third-party products ('e-commerce revenue'). The changes in the assessment of the agent/principal classification under IFRS 15 mean that in some transactions TMG will be acting as agent while under IAS 18 it was regarded as the principal. This will lead to a reduction in e-commerce revenue and cost of sales. There is no effect on the result.

IFRS 16 'Leases'

The impact of IFRS 16 has been examined and will lead to recognition of certain leases on the balance sheet. This applies mainly to a limited number of leased buildings (TMG owns the majority of its buildings), cars and printers.

During its Investor Relations day on 29 September 2016, TMG announced that it was examining the sale and leaseback of the land and buildings on Basisweg. The implementation of IFRS 16 will mean that the lease obligations of the leaseback will be recognised on the statement of financial position under IFRS 16.

2. Segment reporting

In thousands of euros	TMG Landelijke Media		TMG Digital	
	2016	2015	2016	2015
Continuing operations				
Revenues from third-party transactions	201,870	222,790	34,988	32,949
Intercompany transactions	-	-	-	-
Total revenue	201,870	222,790	34,988	32,949
Segment result before depreciation, amortisation and impairment losses	52,361	61,171	2,870	2,738
Total depreciation, amortisation and impairment losses	312	1,890	778	2,852
Operating result	52,049	59,281	2,092	-114
Share of result of associates	-	-140	55	100
Financial income	12	11	10	-10
Financial expense	-12	-26	-	-37
Income tax	-7,771	-10,537	651	36
Result for the year on continuing operations	44,278	48,589	2,808	-25
Result from discontinued operations after tax	-	-	-	-
Net result for the year	44,278	48,589	2,808	-25
Segment assets	26,780	31,722	12,100	13,352
Investments in associates	-	24	374	-
Total assets as at 31 December	26,780	31,746	12,474	13,352
Segment liabilities	46,835	57,972	1,511	5,367
Total liabilities as at 31 December	46,835	57,972	1,511	5,367
Segment capital expenditure	172	1,759	260	275
Total capital expenditure	172	1,759	260	275
Restructuring costs	5,420	10,599	323	-
Impairment losses on intangible assets	-	-	-	-
Impairment losses on property, plant and equipment	-	-	-	-
Other material non-cash items	5,420	10,599	323	-
Average number of employees (FTE)	508	583	127	110

Operating segments

The segment structure was revised with effect from 2016. TMG Digital, which was part of TMG Landelijke Media until 2016, is now managed as a separate segment. In addition, the ICT departments and activities of the various segments have been centralised in the Head Office segment. Sky Radio Group has been held for sale since January 2016 and is no longer presented as a segment. The comparative figures for 2015 have been restated.

TMG comprises the following main operating segments:

TMG Landelijke Media: publishing national newspapers, magazines, print-related internet activities and video productions.

TMG Digital: business unit combining all primary online platforms and e-commerce activities since 1 January 2016.

Holland Media Combinatie: publishing regional newspapers, free door-to-door papers and print-related internet activities.

and distribution are reviewed at group level and not allocated to operating segments. The internal allocation of costs was changed in 2015 and the recharging of fixed costs to segments was ended.

Prices for transactions between segments, mainly newspaper printing and distribution costs are set on a commercial and objective basis. A segment's results, assets and liabilities comprise items that can either directly or reasonably be attributed to it. A segment's capital expenditure includes the total cost incurred during the reporting period for the acquisition of assets which are expected to be in use for more than one reporting period.

The decline in revenue and operating profit at TMG Landelijke Media and Holland Media Combinatie was caused mainly by lower print advertising revenue. The increase in revenue at TMG Digital came from growth in e-commerce (GroupDeal.nl). The increase in revenue and operating profit at Keesing Media Group was due to price increases and growth in the number of editions per year. The decline in revenue at Facilitating Services came partly from ending printing for third parties. The fall in operating profit at the Head Office was mainly a result of higher consultancy fees and cost of temporary staff, in part in connection with various cost reduction programmes and investment in new products by the ICT department.

Geographical segments

The presentation of information based on geographical segments uses the geographical location of the customer for a segment's revenue. A segment's non-current assets are determined from their geographical location.

Revenue and non-current assets by geographical area:

	2016	
	Revenues	Non-current assets ¹
<i>In thousands of euros</i>		
The Netherlands	357,056	213,580
Other countries	63,983	44,018
Total	421,039	257,598

1 Excluding deferred tax assets.

	2015	
	Revenues	Non-current assets ¹
<i>In thousands of euros</i>		
The Netherlands	389,661	248,223
Other countries	62,747	40,036
Total	452,408	288,259

1 Excluding deferred tax assets.

Revenue and non-current assets in other countries include 44,385 (2015: 44,211) and 39,106 (2015: 39,924) respectively for puzzle activities in France.

3. Business combinations

TMG Landelijke Media B.V. acquired a 100% holding in the activities of International Fashion Week B.V. (IFW) on 28 April 2016. IFW has been consolidated in Telegraaf Media Groep N.V. (TMG) since 1 May 2016 and its operations have also been included in the TMG fiscal unity since that date. The results between 1 January and 1 May have been incorporated in the opening statement of financial position. The acquisition of IFW fits TMG's strategy of providing 24/7 online and offline content to its subscribers, directed by the strong brands in TMG's portfolio.

The initial purchase price of IFW was 500 and goodwill was established at 910. The purchase price will be paid in installments. Management agreements that have been entered into with two former shareholders include retention bonuses. These bonuses are being recognised in the statement of profit or loss over the period in which they work for IFW and consequently do not form part of the initial purchase price.

4. Revenue

<i>In thousands of euros</i>	2016	2015
Print-only subscriptions	61,328	95,409
Combi-subscriptions	114,378	86,394
Digital-only subscriptions	4,003	3,257
<i>B2C - subscriptions</i>	179,709	185,060
Single copy sales	91,771	92,111
Other revenues (E-commerce)	22,761	21,142
<i>B2C- transactions</i>	114,532	113,253
Print advertisements	70,727	89,136
Digital advertisements	28,871	32,643
<i>B2B - advertisements</i>	99,598	121,779
Distribution and printing	17,237	21,404
Other revenues	9,294	9,913
Total	420,370	451,409

The revenue of 420,370 (2015: 451,409) included barter transactions of 2,657 (2015: 3,260). Revenue declined in part due to lower subscription income and advertising revenue.

Subscription income (B2C subscriptions) consists of print-only subscriptions, combined print and digital access subscriptions (and digital-only subscriptions). Many print-only subscriptions for De Telegraaf were converted into combined subscriptions on 1 July 2016. This explains the sharp fall in revenue from print-only subscriptions and the sharp increase in revenue from combined subscriptions.

B2C transactions comprise single-copy sales and other transactions, mainly e-commerce transactions, with consumers. E-commerce revenue is from buying and selling products and services by internet, mainly through GroupDeal.

B2B advertisements are the revenue from print and digital advertising.

The decline in revenue from distribution and printing is mainly attributable to ending commercial printing for third parties following the decision to reduce the number of printing presses from 10 to 4.

Other revenue includes revenue from video-productions, events (including Amsterdam FashionWeek) and the iPad campaign by De Telegraaf.

5. Other operating income

<i>In thousands of euros</i>	2016	2015
Gain on sale of property, plant and equipment	669	999
Total	669	999

The gain on sale of property, plant and equipment related to the sale of buildings by TMG Landelijke Media (Haarlem and Utrecht) in 2016 and to the sale of buildings by the Facilitating Services segment in 2015.

6. Raw materials and consumables

In thousands of euros	2016	2015
Paper and ink	20,052	27,189
Consumables	680	1,690
Total	20,732	28,879

The decrease in the cost of paper and ink was mainly a result of lower volumes because of the decline in circulation and the ending of commercial printing for third parties.

7. Employee benefits

In thousands of euros	Notes	2016	2015
Wages and salaries		105,949	115,364
Compulsory social security contributions		15,919	18,380
Pension costs	27	10,822	9,652
Other employee benefits		30,196	24,391
		162,886	167,787
Restructuring costs	28	13,026	26,969
Total		175,912	194,756

The average number of employees (FTE) was 1,790 (2015: 2,023), of whom 184 (2015: 193) are abroad. Wages and salaries declined mainly due to the outflow of employees as a result of the cost reduction programme. This also reduced the social security contributions.

A one-time release of 2,400 was included in pension costs in 2015 due to the reduction in the reimbursement of medical expenses for pensioners. Ignoring this, there was a reduction in pension costs.

Other employee benefits increased due to higher costs of temporary staff, in part in connection with various cost reduction programmes and the development of new products.

Other employee benefits included 508 for the phantom share plan. See the note [Remuneration of the members of the Executive and Supervisory Boards](#) for more information on this plan. A number of managers joined the plan in 2016 in addition to the Executive Board. 546,679 phantom shares were outstanding at 31 December 2016 (31 December 2015: 135,691) and the liability was 584 (31 December 2015: 76).

Restructuring costs cover both large-scale and individual redundancy plans.

8. Depreciation, amortisation and impairment losses

In thousands of euros	Notes	2016	2015
Impairment losses on financial fixed assets		-	827
Reversal of impairment losses financial fixed assets		-	-136
Depreciation	15	7,816	9,036
Impairment losses property, plant and equipment	15	2,073	6,810
Reversal impairment losses property, plant and equipment		-	-693
Amortisation	14	7,317	8,616
Impairment losses intangible assets	14	182	-
Total		17,388	24,460

The impairment losses on financial assets of 827 in 2015 related to prepaid ground rent for a building no longer in use as a result of the restructuring of the printing activities. In 2015, a building that had been out of use since 2012 was returned to service, resulting in a reversal of previously recognised impairment losses of 693 on property, plant and equipment and 136 on financial assets.

An impairment loss on property, plant and equipment was recognised in 2016 to reduce properties held for sale to their lower realisable value less costs to sell. The lower realisable value was based on bids received in 2016. In 2015, the impairment loss related to machinery, printing presses and buildings of Facilitating Services as a result of the restructuring of the printing activities.

The impairment losses on intangible assets related mainly to a write down of the Dichtbij.nl brand as a result of the cessation of operations.

9. Other operating expenses

In thousands of euros	2016	2015
Transport and distribution costs	65,658	70,400
Subcontracted work and technical production costs	41,260	32,840
Selling costs	20,129	22,788
Editorial costs	16,594	16,293
Cost of e-commerce goods sold	15,183	13,335
Impairment of trade receivables	588	1,071
ICT costs	20,222	21,568
Accommodation	8,481	10,223
Other operating expenses	27,299	32,537
Total	215,414	221,055

Transport and distribution costs fell in 2016 as a result of lower average circulation of De Telegraaf and the regional newspapers, partly because of changes to the portfolio (closing the Sunday newspaper in 2015 and ending publication in Rotterdam).

Subcontracted work and technical production costs rose in 2016 as a result of subcontracting printing to third parties. TMG reduced the number of printing presses from 10 to 4 in 2016 and subcontracted some printing. Other operating expenses fell mainly due to movements in the provision for legal disputes.

10. Financial income and expense

In thousands of euros	2016	2015
Result from associates		
Share of result from associates	721	-
Other results of associates	-7	-40
Result from associates	714	-40
Financial income	160	273
Financial expenses	-903	-1,212
Total	-29	-979

The share of the result of associates related mainly to TMG's share of the result of Radio Newco B.V. in the fourth quarter of 2016.

11. Income tax

In thousands of euros	Notes	2016	2015
Current tax			
Current year		5,916	3,435
Prior-year adjustments		-304	-2,010
Deferred tax			
Prior-year adjustments	29	-683	5,316
Foreign tax rate adjustment	29	-625	-
Origination and reversal of temporary differences	29	-3,886	-6,120
Total income tax		418	621
Of which:			
Income tax recognised in the consolidated income statement		-2,621	1,907
Income tax on other results		-96	-220
Income tax on continuing operations		-2,717	1,687
Income tax on discontinued operations	13	1,436	-1,066
Income tax on sale of discontinued operations	13	1,699	-
Income tax on discontinued operations		3,135	-1,066
Total income tax		418	621

	2016	2015
Result before tax	-8,436	-17,721
Loss on sale from discontinued operations before tax	-328	-881
Result for the calculation of income tax	-8,764	-18,602
Tax rate in the Netherlands	25.0%	25.0%
Income tax based on Dutch tax rate	-2,191	-4,651
Effect of foreign tax rates	797	-1,320
Non-taxable profit	-250	-170
Non-deductible expenses	100	57
Results of non-resident associates not exempt from income tax	-	2,198
Write-off of pre-consolidation losses	-	3,046
Results of associates exempt from income tax	-178	-153
Unrecognised losses carried forward	11	26
Liquidation loss	-	-263
Gain from unrecognised losses carried forward	-81	-
Tax facilities	-61	-184
Prior-year adjustments	-864	3,101
Income tax on continued operations	-2,717	1,687

Prior-year adjustments in 2016 were differences between the returns to 2015 and the tax computed in the relevant financial statements. The adjustment recognised in 2016 mainly concerned liquidation losses on the participating interests in Cyprus not recognised in the 2015 financial statements.

Prior-year adjustments in 2015 related mainly to the participation exemption for a non-resident participating interest. The tax on its result amounted to 2,198 in 2015. In addition, recoverable pre-consolidation losses relating to Dichtbij.nl were impaired in 2015. It is no longer thought that these losses can be utilised within the period available for set off as a result of the restructuring of Dichtbij.nl in 2015.

Reconciliation of the effective tax rate

The effective tax rate on the result on all activities was 31.0% in 2016 (2015: -9.1%). The relationship between the tax rate in the Netherlands and the effective tax rate on income from total operations is as follows:

<i>In percentages</i>	2016	2015
Tax rate in the Netherlands	25.0	25.0
Tax effects of:		
Different rates	-9.1	7.1
Tax on share of results of associates	-	-11.8
Tax-exempt results and non-deductible costs	5.2	2.3
Liquidation loss	-	1.4
Write-off of pre-consolidation losses	-	-16.4
Prior-year adjustments	9.9	-16.7
Effective tax rate	31.0	-9.1

12. Current tax assets and liabilities

At year-end 2016, income tax of 46 was recoverable for the current and previous reporting periods (2015: 623). The current tax liability of 841 (2015: 1,141) related to the income tax payable for the current and previous years after deduction of prepayments. Both sums related at year-end 2016 to non-resident associates.

13. Discontinued operations

On 15 January 2016, TMG and Talpa agreed a comprehensive alliance which included combining radio activities. Under this, TMG sold Sky Radio Group (SRG) to Radio Newco B.V. and received a 22.85% holding in Radio Newco B.V. in exchange. See the note on investments in associates for further information.

	1/1-30/9 2016	1/1-31/12 2015
<i>In thousands of euros</i>		
Result from discontinued operations		
Total revenue	19,892	29,924
Wages and salaries	3,496	5,235
Social security contributions and pension costs	882	1,220
Other personnel costs	218	629
Other employee benefits	179	203
Amortisation	-	10,527
Depreciation	-	464
Other operating expenses	9,007	15,905
Total operating expenses	13,782	34,183
Operating result from discontinued operations	6,110	-4,259
Financial income and expense	107	-818
Income tax	1,436	-1,066
Result on discontinued operations after taxes	4,781	-4,011
Gain on sale of discontinued operations	4,291	-
Income tax on gain on sale of discontinued operations	1,699	-
Result for the year	7,373	-4,011
Average number of employees (FTE)	86	93
Basic and diluted earnings per share from discontinued operations (EUR)	0.16	-0.09
Cash flows from discontinued operations		
Cash flows from operating activities	752	631
Cash flows from investing activities	-36	-375
Cash flows from financing activities	-4,286	-4,524
Net cash flow from discontinued operations	-3,570	-4,268

From the time the decision was taken to sell the Sky Radio Group, its assets and liabilities were classified as assets and liabilities held for sale (see note 21) and amortisation and depreciation ceased. The book profit on the sale of Sky Radio Group comprised the transaction costs and the fair value of the rights and obligations (318) remaining with TMG, as agreed on the sale, including settlement of the dispute on the value of the Radio Veronica FM licence. The income tax of 1,699 on the book profit was a tax charge for the adjustment of the value of the Radio Veronica licence.

The net cash flow from financing activities related mainly to the payment for the Sky Radio licence.

<i>In thousands of euros</i>	2016	2015
Intangible assets	55,890	-
Property, plant and Equipment	1,957	-
Taks receivables	715	-
Trade and other receivables	4,755	-
Cash and cash equivalents	3	-
Deferred tax liabilities	-8,878	-
Interest-bearing loans and borrowings	-7,215	-
Accounts payables and other current liabilities	-4,811	-
Total assets and liabilities	42,416	0
Amounts to be paid	46,707	-
Loss on disposal of discontinued operations	4,291	-
 Cashflow from of sold activities		
Cash disposed of	-3	-
Net cash outflows	-3	0

14. Intangible assets

In thousands of euros	Notes	Trade names and publishing rights	Licences	Goodwill	Software	Assets under construction	Total
Cost		107,669	46,111	250,679	52,866	1,315	458,640
Accumulated amortisation		42,358	25,543	4,471	42,098	-	114,470
Impairment		1,998	-	90,738	2,003	-	94,739
Carrying amount at 1 January 2015		63,313	20,568	155,470	8,765	1,315	249,431
Additions		-	-	-	796	3,170	3,966
Disposals		-	-	-	-18	-8	-26
Reclassification from assets held for sale		868	-	1,386	950	-	3,204
Amortisation	8,13	-6,785	-7,663	-	-4,695	-	-19,143
Assets under construction taken into use		-	-	-	2,136	-2,136	-
Total movements		-5,917	-7,663	1,386	-831	1,026	-11,999
Cost		113,622	46,111	252,065	53,939	2,341	468,078
Accumulated amortisation		54,228	33,206	4,471	44,002	-	135,907
Impairment		1,998	-	90,738	2,003	-	94,739
Carrying amount at 1 January 2016		57,396	12,905	156,856	7,934	2,341	237,432
Additions		-	-	-	1,164	5,879	7,043
Disposals		-	-	-	-14	-13	-27
Held for sale	21	-29,264	-12,905	-13,665	-56	-	-55,890
Reclassification	37	-	-	-	-37	-	-
Acquired in business combinations	3	-	-	910	-	-	910
Amortisation	8	-2,871	-	-	-4,446	-	-7,317
Impairment	8,13	-141	-	-41	-	-	-182
Assets under construction taken in use		-	-	-	6,290	-6,290	-
Total movements		-32,239	-12,905	-12,796	2,901	-424	-55,463
Cost		70,899	-	154,402	50,665	1,917	277,883
Accumulated amortisation		43,603	-	4,471	37,827	-	85,901
Impairment		2,139	-	5,871	2,003	-	10,013
Carrying amount at 31 December 2016		25,157	-	144,060	10,835	1,917	181,969

The segment structure was revised with effect from 2016. TMG Digital, which was part of TMG Landelijke Media until 2016, is now managed as a separate segment. The goodwill relating to these digital activities was allocated to the new segment in 2016. The comparative figures for 2015 have been restated.

Trademarks and publishing rights include acquired trademarks and publishing rights of Keesing Media Group. Given the strong relationship between trademarks and publishing rights, these items are not presented separately. The amortisation period of trademarks and publishing rights ranges from 5 to 20 years.

Goodwill arose mainly on acquisitions, in particular of Keesing Media Group (91,160). In addition, 12,000 relates to synergy effects resulting from acquisitions at De Telegraaf Drukkerij Groep. Goodwill is assumed to have indefinite life and is therefore not amortised.

The cost and accumulated amortisation of intangible assets fell in 2016 as a result of the reclassification of Sky Radio Group's operations as held for sale in January 2016. The carrying amount of the intangible assets at that time was 55,890. This asset has not been amortised since reclassification.

182 was written down during 2016, mainly on the Dichtbij.nl brand which ceased operations in 2016.

Additions include information systems at TMG Landelijke Media and Head Office of which 1,001 were developed in-house. Sub-projects were still under construction on the reporting date. The information systems will be taken in use in 2017.

Impairment test

For the impairment test, intangible assets are allocated to segments, being the lowest level within TMG at which goodwill is monitored by the internal organisation, or a lower level within a segment at which goodwill is monitored.

The total carrying amount of intangible assets attributed to the groups of cash-generating units at 31 December 2016 and 2015 was as follows:

Intangible assets

In thousands of euros	2016	2015
TMG Landelijke Media	18,575	20,987
Holland Media Combinatie	12,552	13,166
TMG Digital	10,856	11,423
Facilitating services	12,000	12,000
Sky Radio Group	-	54,631
Keesing Media Group	118,594	121,509
Head Office	9,392	3,716
Total	181,969	237,432

Goodwill

In thousands of euros	2016	2015
TMG Landelijke Media	18,169	17,259
Holland Media Combinatie	12,452	12,452
TMG Digital	10,262	10,262
Facilitating services	12,000	12,000
Sky Radio Group	-	12,421
Keesing Media Group	91,160	91,201
Head Office	17	1,261
Total	144,060	156,856

The recoverable amount of the cash-generating units is based on the value in use calculation. The cash-generating units are based on operating segments within TMG. Cash flow projections used in the calculation are based on actual operating results and cash flow forecasts, the 2017 budget and the long-term plans up to and including 2019. This is consistent with previous years. The cash flows are based on EBITDA, expected capital expenditure and movements in net working capital. Cash flows after 2019, which are extrapolated on the basis of 0% growth (2015: 0%), are based on economic life. Since Facilitating Services and the Head Office support the other segments, their assets and future cash flows are allocated to the other segments.

The forecast cash flows are discounted using a pre-tax discount rate (WACC) of 9.5% (2015: 8.6%). The discount rate and growth factors are determined on the basis of the interest rate and risk profile for TMG as a whole. These assumptions have been applied

to all cash-generating units at TMG. The values assigned to the key assumptions represent management's assessment of future trends in the media industry and are based on both internal and external sources (historical data). A modification in assumptions and estimates could have consequences for the recoverable amount and expected economic life of an asset and affect the statement of profit or loss.

A 1% increase in WACC has no effect on impairment of any segment. The recoverable amount of a segment is equal to the carrying amount at the following WACC: TMG Landelijke Media 31% (2015: 63%), Holland Media Combinatie >100% (2015: 54%), TMG Digital 56% (2015: n/a) and Keesing Media Group 18% (2015: 12%). Furthermore, the recoverable amount is equal to the carrying amount at the following negative growth rates for cash flows after 2018: TMG Landelijke Media -32% (2015: > -100%) and Keesing Media Group -11% (2015: -5.2%). The recoverable amount for the TMG Digital and Holland Media Combinatie segments is equal to the carrying amount at negative growth rates exceeding 100%.

15. Property, plant and equipment

In thousands of euros	Notes	Land and buildings	Machines and installations	Other tangible fixed assets	Assets under construction	Total
Cost		169,025	190,743	45,319	2,909	407,996
Accumulated depreciation		138,937	162,347	38,520	-	339,804
Impairment		2,174	5,035	2,880	-	10,089
Carrying amount at 1 January 2015		27,914	23,361	3,919	2,909	58,103
Additions		457	73	1,321	5,789	7,640
Disposals		-88	-241	-11	-	-340
Reclassifications		-321	-	321	-	-
Held for sale		-62	-	-	-	-62
Depreciation	8,13	-3,543	-4,341	-1,614	-	-9,498
Impairment losses		-566	-6,244	-	-	-6,810
Reversal of impairment losses		693	-	-	-	693
Assets under construction taken into use		1,094	6,700	42	-7,836	-
Total movements		-2,336	-4,053	59	-2,047	-8,377
Cost		165,408	196,927	38,698	862	401,895
Accumulated depreciation		137,783	166,340	31,840	-	335,963
Impairment		2,047	11,279	2,880	-	16,206
Carrying amount at 1 January 2016		25,578	19,308	3,978	862	49,726
Additions		148	23	1,478	2,798	4,447
Acquired in business combinations	3	-	-	2	-	2
Disposals		-	-5	-47	-	-52
Reclassifications		432	-432	-	-	-
Held for sale	21	-15,836	-474	-1,157	-	-17,467
Depreciation	8	-3,128	-2,994	-1,694	-	-7,816
Impairment losses		-2,073	-	-	-	-2,073
Assets under construction taken into use		670	1,987	383	-3,040	-
Total movements		-19,787	-1,895	-1,035	-242	-22,959
Cost		72,541	132,339	18,256	620	223,756
Accumulated depreciation		62,630	103,647	12,433	-	178,710
Impairment		4,120	11,279	2,880	-	18,279
Carrying amount at 31 December 2016		5,791	17,413	2,943	620	26,767

Property, plant and equipment consists of land and buildings, machinery and equipment of the printing facility and other equipment. The carrying amount is the fair value.

Reclassification as held for sale and impairment losses

At the end of 2016 it was decided to hold the office buildings and car park in Amsterdam for sale along with certain regional properties of Holland Media Combinatie (in total 15,510). At that time, there was an appraisal of the expected proceeds less costs to sell. This led to impairment of certain properties (2,073).

The carrying amount of Sky Radio Group's property, plant and equipment was 1,957 at the time of the decision to sell in January 2016. Since then these assets have not been depreciated.

Impairment losses in 2015 related mainly to the production capacity of printing facilities. The impairment was a result of the decision to reduce the number of printing presses in the printing plant in Amsterdam from seven to four. The presses were impaired to net realisable value less costs to sell. The net realisable value was based on an appraisal by an independent expert based in particular on the values of similar assets.

The reversal of impairment losses in 2015 related to a building that was out of use and brought back into operation in 2015.

Assets under construction

Assets under construction mainly concern the renovation of the main hall of the office building in Amsterdam. This project will be completed in 2017.

16. Investments in associates

In percentages	Registered office	2016	2015
Holding at 31 December			
Radio Newco B.V.	Hilversum	22.0%	0.0%
Eye to Eye Puzzles Ltd	London	39.3%	0.0%
Latlong B.V.	Amsterdam	20.4%	0.0%
Autowereld B.V.	Amsterdam	35.0%	35.0%
Dutch Creative Industry Fund B.V.	Amsterdam	28.6%	28.6%
 <i>In thousands of euros</i>			
Carrying amount at 1 January		Notes	2016
Additions			46,615
Earn-out			1,946
Disposals			-
Share of result	10		721
Dividend received			- 1,163
Carrying amount at 31 December			48,143
			24
			2015
			159

<i>In thousands of euros</i>	2016	2015
Carrying amount at 31 December		
Radio Newco B.V.	45,051	-
Radio Newco B.V. earn-out	1,946	-
Eye to Eye Puzzles Ltd	772	-
Latlong B.V.	350	-
Autowereld B.V.	24	24
Total	48,143	24

The main addition in 2016 was the acquisition of a 22.85% holding in Radio Newco B.V. at 30 September 2016 in exchange for a contribution in the form of the shares in Sky Radio Group. The initial valuation of 45,509 was the fair value of the holding in Radio Newco B.V. (including purchase costs to the amount of 1,066) determined using a present value calculation of its future cash flows, applying a WACC of 10.2%. The valuation was supported by valuation specialists. Following the acquisition, there was a dilution of 0.85% in TMG's holding as a result of Radio Newco B.V. partly funding an acquisition with shares. The share of the result of this associate was 642 for the period from 30 September to the end of the financial year. After receipt of a dividend of 1,100, a carrying amount of 45,051 remained at year-end 2016.

Specific arrangements on an earn-out for TMG were agreed when the shares in Sky Radio Group were contributed to Radio Newco B.V. These resulted in an additional holding of 1% for TMG, representing a value of 1,946. Consequently, TMG's holding in Radio Newco B.V. was increased to 23% at the start of 2017.

In 2016, Keesing Media Group acquired a 39.3% holding in Eye to Eye Puzzles Ltd, a company that publishes puzzle booklets in the United Kingdom. The investment was 756; the share of the result for 2016 was 16.

Loss-making associates are measured at nil. All results of associates are recognised in the consolidated statement of profit or loss.

17. Other receivables

<i>In thousands of euros</i>	2016	2015
Prepaid operating leases	528	868
Non-current receivables	191	209
Total	719	1,077

Prepaid operating leases related to prepaid ground rent on the buildings in Amsterdam. This item decreased in 2016 mainly due to reclassification as held for sale.

18. Inventories

<i>In thousands of euros</i>	2016	2015
Raw materials	521	1,173
Consumables	210	263
Other	444	423
Total	1,175	1,859

The further decline in the stock of raw materials was due to the stricter stock control involving smaller quantities being ordered more frequently.

19. Trade and other receivables

<i>In thousands of euros</i>	2016	2015
Trade receivables	42,093	49,639
Other receivables	980	7,531
Prepayments and accrued income	15,183	16,641
Total	58,256	73,811

The reduction in trade receivables was directly related to the fall in revenue in the year. Trade receivables are shown net of impairment losses. During the current year, these losses amounted to 588 (2015: 1,071) and related to doubtful receivables. For more information see the note [Financial risk management](#).

Other receivables at 31 December 2015 included a receivable of 4,450 relating to the sale of a building.

Fair value

The nominal value is considered to reflect the fair value of current receivables which fall due within one year.

20. Cash and cash equivalents

In thousands of euros	2016	2015
Bank	19,485	42,928
Total	19,485	42,928

With the exception of issued bank guarantees as disclosed in note 34, bank balances are freely available. The fair value is regarded as being equal to the nominal value.

21. Assets and liabilities held for sale

In thousands of euros	2016	2015
Assets at the beginning of the year	62	8,806
Assets of the Sky Radio Group segment	63,320	-
Buildings of Facilitating Services and Holland Media Combination	15,510	62
Long-leases of buildings of Facilitating Services and Holland Media Combination	276	-
Sale of buildings not in use	-	-4,227
Reversal of Relatieplanet to assets in use	-	-4,579
Sale of Sky Radio Group segment	13	-63,320
Assets at the end of the year	15,848	62
Liabilities at 1 January	-	916
Liabilities of the Sky Radio Group segment	20,904	-
Reversal of Relatieplanet to continuing operations	-	-916
Sale of Sky Radio Group segment	13	-20,904
Liability at 31 December	-	-

Assets held for sale were 15,848 (2015: 62) in 2016 and related to printing presses, several regional business premises of Holland Media Combinatie (mainly Alkmaar) and the office building in Amsterdam. At year-end 2016, a sales plan was drawn up for the premises and an agent was engaged. The intention is to lease the office building in Amsterdam back after the sale.

Certain buildings of Facilitating Services were sold at the end of 2015.

Relatieplanet.nl had been classified as held for sale from 2013 but was reclassified to continuing operations in 2015 following the decision not to sell it but to include its operations in TMG Digital.

22. Equity

Issued capital

At 31 December 2016, the authorised share capital comprised 99,999,040 ordinary shares, 100,000,000 preference shares and 960 priority shares, which were issued and paid up as follows:

	2016/2015	
<i>Number of shares</i>	Authorised share capital	Issued and paid-up
In issue as at 31 December:		
Ordinary shares	99,999,040	46,350,000
Preference shares	100,000,000	-
Priority shares	960	960

All shares have been paid up and have a nominal value of €0.25 each. No preference shares have been issued.

The holders of priority shares receive a dividend of 5% of the nominal amount of the shares. The remaining profit is at the disposal of the meeting of shareholders.

The holders of ordinary shares and priority shares are entitled to cast one vote per share during the meeting. Each TMG shareholder may attend and vote at meetings of shareholders. A summary of the statutory and articles of association provisions relating to the appropriation of profit and other rights under the articles of association attaching to the ordinary shares, priority shares and preference shares is included under [Other information](#).

Stichting Beheer van Prioriteitsaandelen Telegraaf Media Groep N.V. has granted the right to issue TMG preference shares to Stichting Preferente Aandelen Telegraaf Media Groep N.V. Stichting Preferente Aandelen Telegraaf Media Groep N.V. manages the call option granted on the preference shares. At present, no preference shares have been issued. The provisions in the articles of association governing the income on the preference shares are in line with the market. The option to issue preference shares is valued at nil.

Treasury shares

TMG owned no repurchased ordinary shares at year-end 2016 and 2015.

23. Dividend

During the year, TMG paid a dividend of €0.16 per share or depositary receipt from other reserves (2015: nil). A total of 7,416 was distributed.

The profit of 1,558 for the financial year 2016 is at the disposal of the General Meeting of Shareholders. It is not proposed that a dividend should be distributed given the reduction in the cash position in 2016 and in order to have cash and cash equivalents available to invest in new initiatives, such as Online Video, and to finance the restructuring.

24. Earnings per share

Basic earnings per share

The calculation of the basic earnings per share at 31 December 2016 is based on the result attributable to ordinary shareholders of 1,558 (2015: -22,760) and the weighted average of 46,350,000 ordinary shares outstanding during 2016 (2015: 46,350,000), as shown below:

<i>In thousands of euros</i>	2016	2015
Earnings per share		
Result attributable to holders of ordinary shares in Telegraaf Media Groep N.V.	1,558	-22,760
Weighted average number of ordinary shares	46,350,000	46,350,000
Basic earnings per share (EUR)	0.03	-0.49

Diluted earnings per share

There was no dilution of shares in 2016 and 2015.

25. Non-controlling interests

The movements in non-controlling interests were as follows:

<i>In percentages</i>	2016	2015
Sienna Holding B.V.	0%	10%
<i>In thousands of euros</i>		
Balance as at 1 January	-7,974	-8,018
Share of profit for the year	-	-879
Acquisition of non-controlling interests	7,974	923
Balance as at 31 December	-	-7,974

In early 2016, TMG purchased V-Ventures B.V.'s 10% holding in Sienna Holding B.V. The transaction related to the purchase of ordinary and cumulative preference shares in Sienna Holding B.V. Under IFRS, the cumulative preference shares are classified as long-term debt. The purchase price was 5,700.

26. Interest-bearing loans and borrowings

This note provides information on the contractual terms of TMG's interest-bearing loans and borrowings. See note 31 for more information on TMG's exposure to interest rate and foreign currency risk.

	2016		
In thousands of euros	Total	Current	Non-current
Interest-bearing loans	5,000	5,000	-
Other financing	1,200	1,200	-
Total	6,200	6,200	-

	2015		
In thousands of euros	Total	Current	Non-current
Interest bearing loans	11,969	11,969	-
Other financing	14,049	13,577	472
Total	26,018	25,546	472

In thousands of euros	Curre ncy	Nominal interest rate	Nominal value	Redemption date	Carrying amount 2016	Carrying amount 2015
Interest-bearing loans						
Shareholders loan V-Ventures B.V. to Sienna Holding B.V.	EUR	4,1% (2015: 4,1%)	-	-	-	11,969
Bank financing – revolving credit facility	EUR	3-mnths Euribor + 1,50%	5,000	-	5,000	-
Total					5,000	11,969
Other financing						
Sky Radio Group licence liabilities	EUR	(2015: 2,0%)	-	2016-2017	-	11,233
Acquisition payables	EUR	-	-	-	1,200	2,672
Other current liabilities	EUR	-	-	-	-	144
Total					1,200	14,049

Terms and debt repayment schedule

The effective interest rate for all loans is equal to the nominal interest rate.

Interest-bearing loans

On 21 January 2016, TMG acquired the shareholder loan to Sienna Holding B.V. from V-Ventures B.V. along with its 10% non-controlling interest in Sienna Holding B.V. (see also [note 25](#)). As a result, TMG became sole shareholder of Sky Radio Group. On 30 September 2016, the shares in Sienna Holding B.V. were sold to Radio Newco B.V. in exchange for a 22.85% holding in this new radio company.

A three-year financing facility was agreed with a consortium of two banks on 10 July 2015. The facility consists of a revolving credit facility and a current account overdraft facility (ancillary credit facility). The financing is on market terms and is limited to 2.5 times NEBITDA (operating result excluding depreciation, amortisation and impairment losses and excluding exceptional items such as restructuring costs and results on sales of assets). In addition, interest expense may not exceed 1/5th of NEBITDA in the relevant period. Both conditions were met in 2016. No collateral has been provided for this loan.

At year-end 2016, 5,000 of this facility had been used.

Other financing

The Sky Radio Group license liabilities related to the annual prepayment to the Radiocommunications Agency to 1 September 2017. The final payment for the Sky Radio licence was paid in 2016. See [note 30 Trade and other payables](#) for information on the Radio Veronica licence.

The acquisition payables included liabilities for the acquisition of Metro and Fashion Week.

27. Post-employment benefits

Defined-contribution plans

The pension plans for most of the employees of TMG companies are administered by Stichting-Telegraafpensioenfonds 1959. The pension plans are conditionally indexed average salary plans. The only obligation of the employer is the payment of contributions. A new plan came into force in January 2017 under a new five-year administration agreement with Stichting-Telegraafpensioenfonds 1959.

Gross commitment for defined-benefit pension plans

TMG has a number of defined-benefit plans under which certain current and former employees in the Netherlands and France are entitled to additional benefit. These are:

Defined-benefit pension plans

Additions to pensions (guarantee arrangements)

Until January 2016, a specific group of workers was guaranteed a pension of a minimum percentage of their final pay. This final pay plan ended on 31 December 2015. The final-pay entitlements, funded entirely by the employer, were allocated to the participants at that date. TMG paid 350 to the pension fund in 2016 to fund the plan.

Keesing Media Group has a guaranteed indexation scheme for certain staff. The indexation scheme is for an annual increase in accrued entitlements of 50% of price inflation and is funded by the employer. The scheme is administered by an insurance company. Furthermore, there are schemes for Keesing Media Group employees in France that provide for a payment when the retirement age is reached. The amount depends on the number of years of service.

Contribution to the healthcare costs of pensioners

In 2016, a limited group of pensioners were receiving a contribution to their health insurance premiums. This group was notified on 1 July 2015 that the arrangement, which closed to new participants on 1 January 2006, would shortly end. In 2016, the compensation was 50% of that of 2015. The plan was terminated on 31 December 2016.

Other employee benefit schemes

This relates to supplementary disability and long-service schemes. The restructuring of TMG business units announced at the end of 2016 was taken into account when determining the provision for long-service benefits and a gain of 226 (past-service costs) was recognised in employee benefits. Restructurings announced in 2015 led to a release of 503.

TMG's pension plan for its graphical employees (mostly working in the printing facilities) is administered by the industry-wide Pensioenfonds Grafische Bedrijven (PGB) pension fund. This is a collective average pay plan for staff of several employers which is accounted for as a defined-contribution plan. Under the regulations, the employers are not required to make up any shortfall nor are they entitled to any buffers. The plan is therefore treated as a defined-contribution plan in the financial statements. The PGB had a coverage ratio of 100.7% at the end of 2016, which is below the legal minimum (about 121%). PGB has a recovery plan which has applied since 1 January 2015 and is updated annually, most recently on 1 January 2016. It includes various measures to improve the fund's financial position, one of which is not to index pension benefits in full. The possibility that pension benefits and/or accrued entitlements will be reduced in future cannot be precluded. This final measure can only be used as a last resort.

Risks

The provisions are determined actuarially. An increase in discount rates will lead to an increase in liabilities, which, in case of defined-benefit plans, is partly offset by an increase in the return on investments. An increase in life expectancy and salary increases will lead to an increase in liabilities. The benefits under the indexation arrangements and termination of employment benefits at Keesing Group are insured externally. Given the extent and size of the obligations, the exposure for TMG is assessed as very small.

Principal actuarial valuation assumptions at reporting date

In weighted averages

	2016	2015
Discount rate/return on plan assets	0,65% - 1,85%	1,25% - 2,20%
Duration	5,1 - 21,1	0,5 - 21,1
Expected return on plan assets at 31 December	2.00%	2.00%
Indexation for active members	1.00%	1.00%
Inflation adjustment	1.80%	1.80%
Indexation for non-active members/pensioners	0,9% - 1%	0,9% - 1%
Mortality table	AG 2016	AG 2014

The expected return on plan assets is the weighted average expected return. The expected return, depending on the term of the plan, is between 0.65% and 1.85% (2015: 1.25% and 2.20%) on investments at external insurance companies.

Net provision for defined-benefit obligations

In thousands of euros

	2016	2015
Net provision as at January 1	5,183	8,703
Net expense recognised in profit and loss statement	341	-2,244
Net expense recognised in other comprehensive income	328	881
Contributions paid	-1,130	-2,157
Provision for the defined-benefit plans	4,722	5,183
Of which:		
Defined-benefit plans	1,885	2,030
Other employment benefits	2,837	3,153
Provision at 31 December 31	4,722	5,183

Liability for defined-benefit obligations

In thousands of euros

	2016	2015
Present value of unfunded obligations	2,837	3,153
Present value of funded obligations	9,966	9,540
Present value of obligations	12,803	12,693
Fair value of plan assets	-8,081	-7,510
Recognised liability for defined-benefit obligations	4,722	5,183

Present value of the liability for defined-benefit obligations*In thousands of euros*

	2016	2015
As at 1 January	12,693	16,382
Service costs	226	282
Past-service costs	-226	-2,528
Result on long-service schemes	245	65
Termination settlement	-	-236
Interest expense	243	283
Actuarial losses (gains)	573	-536
Payments	-951	-1,019
As at 31 December	12,803	12,693

Movements in fair value of plan assets*In thousands of euros*

	2016	2015
As at 1 January	7,510	12,640
Contributions	1,130	2,157
Interest on plan assets	161	283
Actuarial results	245	-6,488
Additional costs	-14	-64
Payments	-951	-1,018
As at 31 December	8,081	7,510

Plan assets*In thousands of euros*

	2016	2015
Plan assets with insurance companies	8,081	7,510
As at 31 December	8,081	7,510

Recognised in the statement of profit or loss*In thousands of euros*

	2016	2015
Service costs	226	282
Past-service cost	-226	-2,528
Result on long-service obligations	245	65
Termination settlement	-	-236
Additional costs	14	64
Total contribution to defined benefit schemes	259	-2,353
Other employee benefit schemes	216	-222
Defined-benefit pension plan	7	43
Result on defined-benefit plans	259	-2,353
Contribution to defined-contribution plans	7	11,136
Costs related to employee benefit schemes¹	11,395	9,868
Interest	82	109
Total	11,477	9,977

1 11,179 (2015: 10,090) recognised in pension costs and 216 (2015: -222) in other employee benefits.

TMG estimates that the total contributions to be paid under the personnel benefit plans during 2017 will be 9,631 (2016: 11,582), as far as can be reasonably measured.

There are no specific exposures related to the pension fund. The exposures arising from the defined-benefit employee benefit plans relate to market developments in interest rates, inflation, life expectancy and investments.

Actuarial results recognised in other comprehensive income*In thousands of euros*

	2016	2015
Effect of changes in economical assumptions on the liabilities	901	-109
Effect of changes in life expectancy	38	-
Effect of experience adjustments on the liabilities	-66	-428
Rate of return on plan assets (excluding interest income)	-545	6,488
Changes in the effects on assets ceiling (excluding interest expense)	-	-5,070
Total	328	881

Sensitivity analyses

The sensitivity analyses below are based on various assumptions. An interval of 0.25% is used. The interdependence of the assumptions is ignored.

<i>In thousands of euros</i>	min 0.25%	assumed	plus 0.25%
Discount rate	0,40% - 1,60%	0,65% - 1,85%	0,90% - 2,10%
Pension liability at year-end	13,387	12,803	12,261
Service costs	242	235	228
Salary inflation	1.75%	2.00%	2.25%
Pension liability at year-end	12,740	12,803	12,870
Service costs	228	235	242
Price inflation	1.55%	1.80%	2.05%
Pension liability at year-end	12,803	12,803	12,803
Service costs	235	235	235
Indexation of active members	0.75%	1.00%	1.25%
Pension liability at year-end	12,803	12,803	12,803
Service costs	235	235	235
Indexation pensioners	0.75%	1.00%	1.25%
Pension liability at year-end	12,292	12,803	13,352
Service costs	235	235	235

28. Provisions

<i>In thousands of euros</i>	2016	2015
Restructuring	13,607	30,479
Onerous contracts	84	766
Legal disputes	2,422	5,180
	16,113	36,425
Non-current	-	216
Current	16,113	36,209
Carrying amount at 31 December	16,113	36,425

Restructuring provision

<i>In thousands of euros</i>	Notes	2016	2015
Balance at 1 January		30,479	24,025
Provisions formed during the financial year	7	14,224	30,664
Release	7	-1,198	-3,695
Recognised in the statement of profit or loss		13,026	26,969
Held for sale ¹	13	179	203
Provisions used		-30,077	-20,718
Balance at 31 December		13,607	30,479

1 Provision made by Sky Radio

Most of the 2015 restructuring provision was used in 2016. During 2016, a restructuring provision was formed for the cessation of operations at Dichtbij.nl and a restructuring announced in the newspaper marketing and sales departments, Facilitating Services and the regional editorial staff. The restructuring includes a reduction of approximately 200 employees (FTE).

Restructuring plans are communicated to TMG employees in several ways, creating a valid expectation amongst those affected that the restructuring will take place. At some units, restructuring is set in motion after agreement of the Works Council. The restructuring provision covers commitments related to job placement services and redundancies. A change in assumptions and estimates, including filling positions, redundancy options (buyout or job placement services), the social plan, timing and the period during which unemployment benefit or a lower salary at another employer will be supplemented, may affect the actual cost of the restructuring. The current part amounted to 13,607 (2015: 30,479), of which 2,655 related to agreements signed at 31 December 2016. The amount may depend on future estimates, such as the period during which unemployment benefit or a lower salary will be supplemented.

Onerous contracts

<i>In thousands of euros</i>		2016	2015
Balance at 1 January		766	1,453
Provisions formed during the financial year		-	652
Release		-100	-85
Recognised in the statement of profit or loss		-100	567
Provisions used		-582	-1,254
Balance at 31 December		84	766

The provision for onerous contracts related to ICT and distribution contracts. These contracts expire in 2017.

Legal disputes

In thousands of euros	2016	2015
Balance at 1 January	5,180	3,075
Provisions formed during the financial year	47	3,115
Release	-2,750	-688
Recognised in the statement of profit or loss	-2,703	2,427
Provisions used	-55	-322
Balance at 31 December	2,422	5,180

The provision for legal disputes concerns claims made by third parties against TMG. The disputes have arisen from TMG's regular business operations. No further details are given because of the potential adverse effects for the Company.

29. Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities were as follows at the end of the financial year:

In thousands of euros	Assets	Liabilities	2016
Intangible assets	-	-10,183	-10,183
Property, plant and equipment	3,376	-	3,376
Post-employment liabilities	736	-	736
Provisions	102	-	102
Carry-forward losses	40,422	-	40,422
Other items	-	-7	-7
Net tax asset/liability (-)	44,636	-10,190	34,446

In thousands of euros	Assets	Liabilities	2015
Intangible assets	-	-18,023	-18,023
Property, plant and equipment	2,655	-	2,655
Post-employment liabilities	363	-	363
Provisions	7,539	-	7,539
Carry-forward losses	27,840	-	27,840
Net tax asset/liability (-)	38,397	-18,023	20,374

Carry-forward losses

The carry-forward losses expire in the years 2022 to 2025. The increase in the net amount was due in part to losses in the Dutch fiscal unity in 2016 and the formation of restructuring provisions, and in part to ending the temporary differences on the restructuring provision. Until 2016, restructuring costs were recognised as an expense for tax purposes when they were paid; in 2016, the tax treatment was drawn into line with the commercial treatment of the restructuring provisions and this explains the fall in the deferred tax asset on provisions.

TMG expects to generate sufficient taxable income in coming years to utilise the deferred tax asset and to utilise part of the carry-forward losses through the possible sale and leaseback of land and buildings in Amsterdam and the contribution to results from various commercial initiatives (such as the Telegraaf VNDG online video platform), cost reduction measures and the sale of regional properties. The utilisation of carry-forward losses has been assessed in a stand-alone scenario for continuation of the current strategy. This ignores any acquisition of TMG and the possible effect on current business plans and related utilisation of carry-forward losses.

Unrecognised deferred tax assets

No deferred tax assets have been recognised for start-up and other losses of certain subsidiaries as these are not expected to be utilised in the near future. The utilisation of the deferred tax assets depends on future taxable profits. At year-end 2016, unrecognised deferred tax assets amounted to 4,856 (2015: 4,935).

Movements in temporary differences during the year

In thousands of euros	Balance 1 January 2016	Recognised in statement of profit or loss		Changes in consolidation	Balance 31 December 2016	
		Temporary differences	Prior-year adjustments		Other	
Intangible assets	-18,023	-1,347	-211	8,788	610	-10,183
Property, plant and equipment	2,655	752	-187	90	66	3,376
Post-employment benefits	363	373	-	-	-	736
Provisions	7,539	-7,174	-212	-	-51	102
Carry-forward losses	27,840	11,282	1,300	-	-	40,422
Other items	-	-	-7	-	-	-7
Net tax asset/liability (-)	20,374	3,886	683¹	8,878	625	34,446

1 See also note 11.

In thousands of euros	Balance 1 January 2015	Recognised in statement of profit or loss		Changes in consolidation	Balance 31 December 2016	
		Temporary differences	Prior-year adjustments		Other	
Intangible assets	-19,538	1,515	-	-	-	-18,023
Property, plant and equipment	3,046	-484	93	-	-	2,655
Post-employment benefits	962	-599	-	-	-	363
Provisions	5,763	1,697	79	-	-	7,539
Carry-forward losses	29,337	3,991	-5,488	-	-	27,840
Net tax asset/liability (-)	19,570	6,120	-5,316	-	-	20,374

30. Trade and other payables

In thousands of euros	2016	2015
Other amounts received in advance	35,884	40,186
Trade payables	8,977	5,428
Employee benefits (holidays/allowances)	23,595	23,380
Other taxes and social security contributions	13,992	20,834
Other liabilities and deferred income	11,221	14,030
Total	37,924	28,085
	131,593	131,943

Other liabilities and deferred income includes editorial, distribution and other general expenses, returns and accrued commissions. The balance at 31 December 2016 also included 14,720 (including statutory interest) for the fee payable to the government for the licence for the A2 register frequency lot ('Radio Veronica'). It was agreed on the sale of Sky Radio Group that all income and expense relating to the new valuation of the licence would be for TMG. In December 2016, TMG received the licence instalments and interest back from the government. The new value established for the licence was announced on 22 December 2016 and a bill for statutory interest on that amount was received in January 2017. The full amount had to be paid in early 2017. TMG has appealed against the new value set by the Minister and will also instigate legal proceedings against the interest decision.

The fair value of the liabilities does not differ from the recognised nominal value.

31. Financial risk management

TMG recognises the market, credit, currency and interest rate risks involved in regular business operations. The current economic situation has increased the pressure on circulation and advertising revenue, which several of TMG's products depend on. TMG has developed different scenarios to absorb fluctuations in revenue. These include further cost reduction measures, announced in 2016, designed to lower the cost base by 90,000 in 2018 compared with 2015, excluding the effects of increase in costs resulting from new initiatives. Some of the savings will come from the decision made in 2015 to sharply reduce the printing capacity of the printing facilities by cutting the number of presses from ten to four to allow a better response to falling circulation. The price of paper can also have a substantial effect on the commercial result.

The Executive Board has overall responsibility for establishing and overseeing TMG's risk control framework. The Executive Board makes an annual assessment of the strategic risks at both the central and decentralised level and evaluates the developments and monitors the strategic risks each quarter.

TMG's risk management policies were established to identify and analyse the risks faced by TMG, to set appropriate controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and TMG's activities. TMG, through its management standards and procedures, aims to develop a culture in which all employees understand their roles and obligations. Group Internal Audit undertakes regular and ad hoc reviews of controls and procedures, the results of which are reported to the Executive Board and the Audit Committee.

Market risk

Market risk is the risk that the availability of financing for businesses like TMG is limited by developments that are beyond the direct control of the Company itself. In an environment where businesses are heavily dependent on the availability of bank financing, it is important to maintain adequate access to alternative sources of finance.

Considering its relatively limited funding requirements, TMG's syndicated 70,000 financing facility (see the note on interest-bearing loans and borrowings) with a maturity of three years (to mid-2018) is currently sufficient. It will only become important for TMG to consider alternative financing if a substantial increase in its funding requirements occurs.

Credit risk

Credit risk arises from TMG's receivables if major customers fail to meet their payment obligations. Industry-wide payment terms, relatively limited dependence on individual customers and our customers' payment history make it unnecessary to use financial instruments to limit this risk. Most circulation revenue is received in advance. The credit risk is principally concentrated in the Netherlands.

Impairment losses

Customers are required to pay within an agreed period. Exceeding the deadline results in service deliveries being halted. Customers are primarily media outlets, companies and subscribers. The aging of trade receivables at the reporting date was:

In thousands of euros	Total	Not past due	Past due	Past due			
			30 - 60 days	60 - 90 days	Past due 90 - 180 days	Past due 180 - 360 days	More than 360 days
Balance at 31 December							
2016	44,868	33,174	4,380	2,396	2,701	769	1,448
Balance at 31 December 2015	53,263	39,601	8,220	1,702	1,094	1,057	1,589

TMG has established an impairment risk provision for estimated losses on trade receivables. The impairment is based on payment arrears and the stipulated payment terms. Changes in the impairment provision for trade receivables during the year were as follows:

In thousands of euros	2016	2015
Balance at 1 January	3,624	4,819
Additions	588	1,071
Use	-1,437	-2,266
Balance at 31 December	2,775	3,624

Liquidity risk

Liquidity risk is the risk that TMG is unable to meet its financial obligations as they fall due. The premise of managing liquidity risk is that sufficient cash and cash equivalents and/or credit facilities are available at all times to meet current and future financial obligations. At the reporting date, TMG had a credit facility of 70,000 of which 5,000 had been drawn (see [note 26](#)). In addition, a sale and leaseback project for the office building in Amsterdam was started in 2016 (see [note 21](#)).

Currency risk

Currency risk is the risk that fluctuations in exchange rates affect the profitability of transactions. TMG faces very limited currency risks and these are limited to activities outside the euro zone, namely in Denmark, the United Kingdom, Sweden and Poland. The net cash flows to and from the entities and their timing is such that no significant currency positions exist. TMG's sensitivity to exchange rates is, therefore, very limited. At year-end 2016, TMG had no forward contracts.

Interest-rate risk

TMG's most relevant interest-rate risk is that its cost of capital might be adversely affected by changes in interest rates on the financial markets. Given the limited size of its debt position, TMG has almost no sensitivity to interest rate fluctuations and so they do not have any significant influence on its financial position.

Other market price risk

Of the commodities traded on the global market, TMG only purchases paper to such an extent that fluctuations in its price can have a substantial impact on the operating result. TMG has decided not to hedge the risk of fluctuating paper prices as large manufacturers of paper have taken up positions on the futures market that make it insufficiently liquid to hedge significant volumes in a manner that would be attractive to TMG.

Fair value of financial liabilities

The fair value of financial liabilities is classified by the different levels of the fair value hierarchy:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities;
- Level 2 inputs are inputs other than quoted market prices included within Level 1 that are directly or indirectly observable for the asset or liability;
- Level 3 inputs are unobservable inputs (unobservable market activity) for the asset or liability.

The carrying amount of financial instruments largely corresponds to their fair value. The interest-bearing loans and borrowings, trade and other payables are classified and measured under level 3 (entity-specific measurement). There were no transfers between the levels in 2016 or 2015.

Maturity profile of financial liabilities

In thousands of euros	Total	6 months or less	7-12 months	1-2 years	2-5 years	More than 5 years
2016						
Interest-bearing loans and borrowings	6,200	5,600	600	-	-	-
Trade and other payables	131,593	127,632	3,961	-	-	-
Total	137,793	133,232	4,561	-	-	-
2015						
Interest-bearing loans and borrowings ¹	26,368	14,254	11,642	472	-	-
Trade and other payables	131,943	123,906	8,037	-	-	-
Total	158,311	138,160	19,679	472	-	-

1 Including interest

5,000 of the interest-bearing loans and other borrowings relate to the banking facility explained in [note 26](#). The contractual interest liabilities are minimal since only drawings on the overdraft facility bear interest and this is very short term.

In 2015, interest-bearing loans and borrowings included a shareholder loan of 11,969 from V-Ventures B.V. to Sienna Holding B.V. TMG acquired this loan from V-Ventures B.V. on 21 January 2016 along with the 10% minority interest in Sienna Holding B.V.

Capital management

The Executive Board's policy is to safeguard a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of business. The Executive Board monitors the return on capital, which TMG defines as the net operating income divided by total equity, excluding non-controlling interests. The Executive Board also monitors the level of dividends to ordinary shareholders.

From time to time, TMG purchases its own shares on the market. Buy and sell decisions are made for specific transactions by the Executive Board within limits set by the Supervisory Board and the General Meeting of Shareholders. TMG does not have a defined share-buy-back plan. There is no share-buy-back plan currently in force.

32. Off-balance sheet assets and liabilities

Liabilities under long-term leases expire as follows:

Operating leases

<i>In thousands of euros</i>	2016	2015
< 1 year	15,735	19,411
1-5 years	12,872	15,397
> 5 years	141	665
Total	28,748	35,473

Operating leases consist of long-term obligations related to building rental, lease cars and ICT and other services. An expense of 8,649 was recognised in the statement of profit or loss for operating leases in 2016, (2015: 9,893). The fall in 2016 was due to the deconsolidation of the Sky Radio Group on 30 September 2016 (balance on 31 December 2015: 6,833) and a reduction (1,600) in the public transport distribution contract between Dutch Railways (NS) and Landelijke Media that expires on 1 May 2018.

Other off-balance sheet liabilities

TMG has agreements with suppliers of raw materials and consumables under which the liabilities within one year amount to 4,285 (2015: 3,200).

TMG has a long-term contract for printing puzzle booklets and newspapers with a third party. The maximum purchase obligation between one and three years is 17,000 (2015: 17,000).

Legal disputes

A number of TMG group companies face legal proceedings. These cases primarily concern employment relations, disputes and rectifications of publications. TMG is confident about the outcome and has therefore not formed a provision for these disputes. See note 28 for disputes for which a provision is recognised.

33. Investment commitments

In 2015 and 2016, TMG did not enter into any significant agreements for software development or other capital expenditure, other than those stated in note 32.

34. Contingent liabilities

At year-end 2016 bank guarantees of 859 (2015: 9,137) had been issued to cover rental agreements. Bank guarantees issued at 31 December 2015 also covered FM licence obligations.

35. Related parties

Identity of related parties

TMG has a related-party relationship with its subsidiaries, associates (see note 16), joint arrangements, Stichting-Telegraafpensioenfonds 1959 and Stichting Preferente Aandelen Telegraaf Media Groep N.V. A list of Telegraaf Media Groep N.V.'s participating interests has been filed at the Chamber of Commerce in Amsterdam.

According to the AFM register, the following shareholders or holders of depositary receipts had an interest of more than 20% in TMG's capital at 31 December 2016:

- Stichting Administratiekantoor van aandelen Telegraaf Media Groep N.V.
- Bech N.V.
- Dasym Investment Strategies B.V.

Transactions with the Executive Board and Supervisory Board

See the company financial statements (note 10) for details of the directors' remuneration. The note on related parties refers to TMG's senior management, namely the Executive and Supervisory Boards. The total remuneration is included in employee benefits (see note 7 to the consolidated financial statements).

Transactions with shareholders and depositary receipt holders

In April 2015, TMG signed a Letter of Intent with Dasym Investment Strategies B.V. to enter into a strategic partnership in which the two parties jointly establish a fund to invest in the development of Over-The-Top content. There were no developments in respect of the fund during 2016 and the fund had still not been set up at 31 December 2016.

Other related-party transactions

Transactions with related parties relating to associates.

	2016		2015	
<i>In thousands of euros</i>	Transaction-value	Balance due	Transaction-value	Balance due
Sales of goods and services				
Eye to Eye Puzzles Ltd.	164	95	-	-
Recharged expenses				
Radio Newco B.V.	261	-2	-	-
Eye to Eye Puzzles Ltd.	11	11	-	-
Recharged expenses				
Media Librium B.V.	-	85	-	78
Latlong B.V.	-	68	-	187
Eye to Eye Puzzles Ltd.	-	387	-	-
Dutch Creative Industry Fund B.V.	-	88		188

A provision of 156 (2015: 453) has been formed on receivables from related parties. In 2016, TMG paid 9,709 (2015: 10,955) in contributions to Stichting-Telegraafpensioenfonds 1959. Including employees' contributions the total was 14,563 (2015: 15,803). All outstanding balances with these related parties are priced on an arm's length basis and are settled in cash within six months of the reporting date. None of the balances is secured.

36. Subsequent events

See [note 8](#) to the Company financial statements for information on events after the reporting date.

Company statement of profit or loss

In thousands of euros	Note	2016	2015
Operating result			
Result of subsidiaries		8,333	-10,023
Financial expense	2	-9,944	-10,277
Net financial expense		-1,611	-20,300
Result before tax		-1,611	-20,300
Income tax		-3,169	2,460
Result for the year		1,558	-22,760

Company statement of financial position

at 31 December, before appropriation of result

In thousands of euros	Notes	2016	2015
NON-CURRENT ASSETS			
Financial assets			
Participating interests in group companies		288,850	280,724
Loans to group companies		100,655	117,773
Deferred tax assets		39,661	27,696
Total financial assets	3	429,166	426,193
Total non-current assets		429,166	426,193
CURRENT ASSETS			
Receivables			
Group companies		2,461	1,161
Other receivables		-	182
Cash and cash equivalents		37	37
Total current assets		2,498	1,380
Total assets		431,664	427,573
EQUITY			
Issued capital		11,588	11,588
Statutory reserves		1,243	539
Other reserves		212,996	245,813
Retained earnings		1,558	-22,760
Total equity	4	227,385	235,180
NON-CURRENT LIABILITIES			
Group companies		177,824	177,824
Total non-current liabilities	5	177,824	177,824
CURRENT LIABILITIES			
Group companies		26,382	13,889
Other current liabilities		73	680
Total current liabilities	6	26,455	14,569
Total liabilities		204,279	192,393
Total equity and liabilities		431,664	427,573

Notes to the company financial statements

1. Significant accounting policies

The company financial statements have been prepared in accordance with the provisions of Part 9 of Book 2 of the Netherlands Civil Code. Telegraaf Media Groep N.V. uses the option in Section 362(8) of Book 2 of the Netherlands Civil Code when determining its accounting policies. This means that the accounting policies (the policies for the valuation of assets and liabilities and the determination of the result) for the company financial statements of Telegraaf Media Groep N.V. are the same as those used for the consolidated financial statements. Investments in group companies are recognised at net asset value established in accordance with the accounting policies for the consolidated financial statements. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board as adopted by the European Commission and interpretations of these standards by the IFRIC.

Please see pages 93 to 105 for a description of the accounting policies. The share of result of associates is the share of Telegraaf Media Groep N.V. in the results of these participating interests. Results on transactions which have involved the transfer of assets and liabilities between Telegraaf Media Groep N.V. and its participating interests and between participating interests themselves have not been recognised insofar as they cannot be regarded as having been realised. See the Notes to the consolidated financial statements, unless otherwise stated.

Following a change in the law, public interest entities are no longer permitted to present an abridged statement of profit or loss in the company financial statements (as previously permitted pursuant to Section 402 of Book 2 of the Netherlands Civil Code). This change has only a small impact given the limited activities within Telegraaf Media Groep N.V.

Telegraaf Media Groep N.V. has its registered office in Amsterdam and is registered under number 33121350 in the Trade Registry.

2. Financial expense

This is 5.5% interest on the intercompany loan from TMG Investeringen B.V.

3. Financial assets

Movements in financial assets were as follows:

In thousands of euros	Participating interests in group companies	Loans to group companies	Deferred tax assets	Total
Carrying amount at 1 January 2016	280,724	117,773	27,696	426,193
Share of result for the year	8,333	-	-	8,333
Share of actuarial results	-232	-	-	-232
Effect of acquisition of non-controlling interests	-1,705		-	-1,705
Tax asset on tax loss 2016	-	-	11,282	11,282
Other temporary differences	-	-	683	683
Repaid on loans	-	-17,118	-	-17,118
Other	1,730	-	-	1,730
Carrying amount at 31 December 2016	288,850	100,655	39,661	429,166

<i>In thousands of euros</i>	Participating interests in group companies	Loans to group companies	Deferred tax assets	Total
Carrying amount at 1 January 2015	282,912	-	26,148	309,060
Share of result for the year	-10,023	-	-	-10,023
Share of actuarial results	-662	-	-	-662
Effect of acquisition of non-controlling interests	-118	-	-	-118
Tax asset on tax loss 2015	-	-	7,036	7,036
Other temporary differences	-	-	-5,488	-5,488
Loans provided	-	117,773	-	117,773
Other	8,615	-	-	8,615
Carrying amount at 31 December 2015	280,724	117,773	27,696	426,193

Deferred tax assets relate mainly to the cumulative losses of the TMG fiscal unity for income tax purposes, see [note 29](#) to the consolidated financial statements.

A statement of the information required pursuant to Sections 379 and 414 of Book 2 of the Netherlands Civil Code has been filed with the Chamber of Commerce in Amsterdam.

4. Equity

The company equity is equal to the consolidated equity attributable to shareholders of Telegraaf Media Groep N.V. (see page 92).

Movements in equity were as follows:

<i>In thousands of euros</i>	Issued capital	Statutory reserve	Other reserves	Retained earnings	Total
Balance at 1 January 2016	11,588	539	245,813	-22,760	235,180
Treatment of loss	-	-	-22,760	22,760	-
Result for the year	-	-	-	1,558	1,558
Other comprehensive income	-	-	-232	-	-232
Total comprehensive income for the year	-	-	-232	1,558	1,326
Dividend paid	-	-	-7,416	-	-7,416
Acquisition of minority interest	-	-	-1,705	-	-1,705
Non-distributable results of associates	-	704	-704	-	-
Balance at 31 December 2016	11,588	1,243	212,996	1,558	227,385

The statutory reserve is maintained pursuant to Section 365 of Book 2 of the Netherlands Civil Code for non-distributable profits of associates. The movements in 2016 were the capitalisation of internally-developed assets at associates offset by a release to the other reserves because of the depreciation of the same assets in 2016, and legally-required reserves held by subsidiaries abroad.

5. Non-current liabilities

<i>In thousands of euros</i>	2016	2015
Group companies	177,824	177,824
Total	177,824	177,824

The non-current Group companies liability relates to a loan from TMG Investeringen B.V.

6. Current liabilities

<i>In thousands of euros</i>	2016	2015
Group companies	26,382	13,889
Acquisition payables	-	310
Other current liabilities	73	370
Total	26,455	14,569

The liability to Group companies relates to liabilities within the group as a result of intra-group transactions.

7. Off-balance sheet liabilities

Joint and several liability and guarantees

Pursuant to Section 403(1)(f) of Book 2 of the Netherlands Civil Code, the Company is liable for the debts arising from the legal transactions of the Dutch group companies in which it held an interest of 95% or more throughout the year. A list of group companies has been filed with the Chamber of Commerce and will be made available by the Company upon request.

Fiscal unity

TMG and almost all of its wholly-owned subsidiaries in the Netherlands form a single fiscal unity for both income tax and VAT purposes. Within the fiscal unity, TMG companies are jointly and severally liable for tax liabilities to the tax authorities.

Other contractual obligations

The other off-balance sheet liabilities were 1,000. Of these 500 have a term of less than one year and 500 a term of between one and five years.

8. Subsequent events

On 23 January 2017, TMG received an unsolicited, non-binding conditional bid from Talpa Holding N.V. for the acquisition of all issued and outstanding TMG depositary receipts and shares for an indicative price of €5.90 (cum dividend) in cash per TMG depositary receipt. This followed an unsolicited, non-binding conditional bid received on 14 December 2016 from Mediahuis and VP Exploitatie for an indicative price of €5.25 per TMG depositary receipt.

On 20 February 2017, Mediahuis and VP Exploitatie increased the indicative price for its unsolicited, non-binding conditional bid to €5.90 (cum dividend) and on 5 March 2017 to €6.00 (cum dividend) in cash per TMG depositary receipt and share.

On 1 March 2017, Talpa Holding N.V. announced its intention to raise its indicative price to €6.35 (cum dividend) in cash per TMG depositary receipt. On 6 March 2017, this was increased to €6.50 (cum dividend) in cash per TMG depositary receipt.

On 5 March 2017, the Supervisory Board resolved to suspend both members of the Executive Board with immediate effect. In accordance with TMG's articles of association, the Supervisory Board is temporarily performing the executive functions. Although they were both in office until the end of the 2016 financial year, in view of their suspension, the members of the Executive Board have not signed the financial statements.

On 5 March 2017, TMG, Mediahuis and VP Exploitatie entered into a conditional agreement in connection with the proposed bid by Mediahuis and VP Exploitatie for TMG. Mediahuis and VP Exploitatie have submitted a bid notice for approval by the Netherlands Authority for the Financial Markets on 8 March 2017. The bid will be made by publishing the approved bid notice. The bid will be conditional on certain requirements being met. TMG will announce its position with respect to the bid in a reasoned submission during an Extraordinary General Meeting of Shareholders in connection with the bid, that will be combined with the Annual General Meeting of Shareholders on 1 June 2017. It is expected that the bid will be finalised in the second or third quarter of 2017.

In connection with the conditional agreement that TMG, Mediahuis and VP Exploitatie entered into on 5 March 2017, Talpa Beheer B.V. and Dasym Investments II B.V. applied to the Enterprise Chamber of the Amsterdam Court to take immediate relief measures, to institute an investigation into the course of events at TMG and to appoint an independent supervisory director. The Enterprise Chamber made a provisional judgement on 21 March 2017, ruling that there were no valid grounds to doubt proper policy-making or the course of events at TMG. It dismissed all requests to impose immediate measures. The request submitted by the suspended members of the Executive Board of TMG to lift their suspension was also dismissed by the Enterprise Chamber. The date of the session during which the request to order an inquiry will be addressed, has not yet been determined.

On 14 March 2017, the Supervisory Board appointed Mr Hans Bakker as interim Executive Director of TMG with immediate effect. In this position, Mr Bakker will be responsible for the daily management of the company. He will continue to hold this position until a new Executive Board has been appointed.

On 13 March 2017, all conditions required to effectuate the revolving credit facility agreed in December 2016 were met. The amendments relate chiefly to allow a possible sale and leaseback of property and are chiefly the extension of the facility by 20 months to 10 March 2020, the reduction of the maximum amount that can be drawn to €50 million and the provision of collateral such as pledges of receivables, IP rights and shares in Keesing Media Group B.V. and a positive mortgage pledge on certain properties. The facility will be reduced to €30 million after a possible sale and leaseback has been completed.

On 23 March 2017, TMG announced the intended sale of a substantial part of its weekly magazines portfolio (door-to-door newspapers and brands), which is part of the Holland Media Combinatie segment, to BDUmedia (part of Koninklijke BDU in Barneveld). This is a component of the organisational changes announced in July 2016, aimed at continuation of the 24/7 strategy and structural cost reductions. In 2016, the contribution of the titles to be sold amounted to € 13,951 and their contribution to the result was marginal. The transaction will involve a restructuring charge of around €3,000.

9. Appropriation of profit

The Executive Board proposes, with the approval of the Supervisory Board, that the General Meeting of Shareholders adds the profit for the year of 1,558 for the financial year 2016 to the other reserves. This proposal has not yet been recognised in the Financial Statements.

10. Remuneration of the members of the Executive and Supervisory Boards

Remuneration

The short-term variable remuneration of the Executive Board is a maximum of 50% of the basic salary, 60% of which is determined by the degree to which the joint targets of the Executive Board are achieved and 40% by the degree to which the individual targets for members of the Executive Board are achieved. Mr van der Snoek's 2016 targets were strategic, financial, HR, communication-related and operational. Mr Epskamp's targets were primarily financial in nature. For 2016, 50% of the targets set were achieved by both board members. Mr van der Snoek's variable remuneration amounts to € 114,188 (2015: €202,500) for 2016. Mr Epskamp's variable remuneration amounts to € 95,156 (2015: €168,750) for 2016.

In 2015, the phantom share plan was added to the long-term remuneration of the members of the Executive Board. Under this plan, the members of the Executive Board are entitled to a cash payment equal to the number of unconditionally awarded phantom shares at the end of the performance period (31 December 2018) multiplied by the average price of the TMG share in the final quarter of the plan period (fourth quarter of 2019). These cash-settled phantom shares are conditional on being in office during the performance period and meeting the four performance targets. These targets relate to the development of the price of the TMG share compared to a peer group (30% weighting), a revenue target for 2018 (15% weighting), an EBITDA margin target for 2018 (25% weighting) and two ESG criteria, being the reduction of CO₂ and the implementation of an internal Talent Management Program (30% weighting). The fair value of the obligation on the reporting date was established taking into account the characteristics of the long-term remuneration plan and using an estimate of the extent to which the various performance criteria had been achieved.

On 31 December 2016, the fair value of the conditionally awarded phantom shares was € 4.75 per share and the outstanding liability for the phantom share plan was 145 (2015: 76). The cost charged to profit or loss was 69 (2015: 76). The maximum number of phantom shares that can be awarded at the end of the performance period is 74,013 to Mr van der Snoek and 61,678 to Mr Epskamp.

The table below shows the remuneration of the members of the Executive and Supervisory Boards on an accrual basis and other benefits.

In euros						2016
	Fixed remuneration	Variable remuneration	Deferred remuneration	Phantom shares	Other short- term benefits ¹	Total
Members of the Executive Board						
G.J.E. van der Snoek	456,750	114,188	14,937	37,288	89,268	712,431
L.N.J. Epskamp	380,625	95,156	14,937	31,074	70,929	592,721

¹ Car lease costs, expenses and compensation for cap on accrual of pension entitlements

In euros	Fixed remuneration	Variable remuneration	Deferred remuneration	Phantom shares	2015	
					Other short-term benefits	Total

Members of the Executive Board

G-J.E. van der Snoek	450,000	202,500	14,733	41,633	82,978	791,844
L.N.J. Epskamp	375,000	168,750	14,733	34,694	70,271	663,448

Remuneration of the Supervisory Directors

In euros	2016	2015
	Periodic remuneration	Periodic remuneration

Members of the Supervisory Board

M.A.M. Boersma , chairman	51,819	51,510
J.J. Nooitgedagt, vice-voorzitter	48,263	47,975
A.R. van Puijenbroek, secretaris	46,231	45,955
mevr. A.G. van den Belt	41,150	40,905
mevr. S.G. Brummelhuis	46,231	45,955

No deferred remuneration is granted to Supervisory Directors.

From 2015, the remuneration of Supervisory Directors is being indexed using the CPI index.

Share ownership at 31 December 2016

None of the members of the Executive Board or the Supervisory Directors held any shares in Telegraaf Media Groep N.V. on the reporting date (2015: nil).

11. Audit fees

The fee recognised in the financial statements for the external auditor Deloitte Accountants B.V. and its affiliated audit firms, pursuant to Section 382 of Book 2 of the Netherlands Civil Code, was as follows:

In thousands of euros	2016	2015
Audit of the financial statements	679	584
Other assurances services	62	109
Tax advice	-	-
Other non-audit services	-	-
Total	741	693

The external auditor has not received fees for tax and/or other non-audit services.

Amsterdam, 31 March 2017

In connection with the suspension of the Executive Board per 5 March 2017, this annual report is signed by the Supervisory Board, which is temporarily charged with this executive task in accordance with TMG's articles of association.

The Supervisory Board, temporarily responsible for the management of TMG:

Jan Nooitgedagt, Vice Chairman and acting Chairman

Guus van Puijenbroek, Secretary

Annelies van den Belt

Simone Brummelhuis

As, for health reasons, Michiel Boersma is temporarily unable to perform his tasks, his role, including the signing of this annual report, is being fulfilled by vice-chairman Jan Nooitgedagt.

Additional information

Independent Auditor's Report

For the independent auditor's report we refer to page 154 in the Dutch version of the annual report 2016.

Controleverklaring van de onafhankelijke accountant

Aan: de aandeelhouders en de Raad van Commissarissen van Telegraaf Media Groep N.V.

Verklaring over de in het jaarverslag opgenomen jaarrekening 2016

Ons oordeel

Wij hebben de jaarrekening 2016 van Telegraaf Media Groep N.V. ("TMG" of "de vennootschap") te Amsterdam gecontroleerd. De jaarrekening omvat de geconsolideerde en de vennootschappelijke jaarrekening.

Naar ons oordeel:

- geeft de in dit jaarverslag opgenomen geconsolideerde jaarrekening een getrouw beeld van de grootte en samenstelling van het vermogen van Telegraaf Media Groep N.V. op 31 december 2016 en van het resultaat en de kasstromen over 2016, in overeenstemming met de International Financial Reporting Standards zoals aanvaard binnен de Europese Unie (EU-IFRS) en met Titel 9 Boek 2 BW.
- geeft de in dit jaarverslag opgenomen vennootschappelijke jaarrekening een getrouw beeld van de grootte en samenstelling van het vermogen van Telegraaf Media Groep N.V. op 31 december 2016 en van het resultaat over 2016 in overeenstemming met Titel 9 Boek 2 BW.

Wat hebben wij gecontroleerd

De geconsolideerde jaarrekening bestaat uit:

- het geconsolideerd overzicht van de financiële positie per 31 december 2016.
- de volgende overzichten over 2016: de geconsolideerde winst-en-verliesrekening, het geconsolideerd overzicht van het totaalresultaat, het geconsolideerd mutatieoverzicht eigen vermogen en het geconsolideerd kasstroomoverzicht.
- de toelichting met een overzicht van de belangrijke grondslagen voor financiële verslaggeving en overige toelichtingen.

De vennootschappelijke jaarrekening bestaat uit:

- het vennootschappelijk overzicht van de financiële positie per 31 december 2016.
- de vennootschappelijke winst-en-verliesrekening over 2016.
- de toelichting met een overzicht van de belangrijke grondslagen voor financiële verslaggeving en overige toelichtingen.

De basis voor ons oordeel

Wij hebben onze controle uitgevoerd volgens het Nederlands recht, waaronder ook de Nederlandse controlestandaarden vallen. Onze verantwoordelijkheden op grond hiervan zijn beschreven in de sectie 'Onze verantwoordelijkheden voor de controle van de jaarrekening'.

Wij zijn onafhankelijk van Telegraaf Media Groep N.V. zoals vereist in de Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO) en andere voor de opdracht relevante onafhankelijkheidsregels in Nederland. Verder hebben wij voldaan aan de Verordening gedrags- en beroepsregels accountants (VGBA).

Wij vinden dat de door ons verkregen controle-informatie voldoende en geschikt is als basis voor ons oordeel.

Materialiteit

Op basis van onze professionele oordeelsvorming hebben wij de materialiteit voor de jaarrekening als geheel bepaald op € 1,6 miljoen (2015: € 3,0 miljoen). De materialiteit is gebaseerd op circa 7,5% van het geconsolideerde resultaat voor belastingen, exclusief interest, afschrijvingen, amortisatie en bijzondere waardeverminderingen op immateriële en materiële vaste activa en gecorrigeerd voor reorganisatiekosten.

Overzicht materialiteit

Materialiteit voor de jaarrekening als geheel	€ 1,6 miljoen
Basis voor de materialiteit	7,5% van het geconsolideerde resultaat voor belastingen, exclusief interest, afschrijvingen, amortisatie en bijzondere waardeverminderingen op immateriële en materiële vaste activa en gecorrigeerd voor reorganisatiekosten
Rapportagetolerantie voor geconstateerde afwijkingen	€ 80.000

Wij houden ook rekening met afwijkingen en/of mogelijke afwijkingen die naar onze mening voor de gebruikers van de jaarrekening om kwalitatieve redenen materieel zijn.

Wij zijn met de Raad van Commissarissen overeengekomen dat wij aan de raad tijdens onze controle geconstateerde afwijkingen boven de € 80.000 (2015: € 150.000) rapporteren alsmede kleinere afwijkingen die naar onze mening om kwalitatieve redenen relevant zijn.

Reikwijdte van de groepscontrole

Telegraaf Media Groep N.V. staat aan het hoofd van een groep van entiteiten. De financiële informatie van deze groep is opgenomen in de geconsolideerde jaarrekening van Telegraaf Media Groep N.V.

De activiteiten van Telegraaf Media Groep N.V. bevinden zich voornamelijk in Nederland. Alleen Keesing Media Group heeft ook activiteiten in het buitenland (voornamelijk in Frankrijk en België). De groepscontrole heeft zich derhalve voornamelijk gericht op de significante bedrijfsonderdelen in Nederland alsmede die in Frankrijk en België.

Bij de bedrijfsonderdelen in Nederland en België hebben wij zelf controlewerkzaamheden uitgevoerd, gericht vanuit de consolidatie op alle posten die individueel significant zijn of significante risico's met zich meebrengen.

We hebben gedetailleerde instructies uitgestuurd met daarin de significante controlegebieden, inclusief relevante risico's voor materiële fouten en een opgave van de te rapporteren informatie aan het groepscontroleteam, en deze met lokale Deloitte accountants besproken. Wij hebben gebruikgemaakt van lokale Deloitte accountants in Frankrijk bij de controle van het bedrijfsonderdeel Keesing France S.A.S. Gezien de omvang van de activiteiten van Keesing France S.A.S. in Frankrijk hebben wij een bezoek gebracht aan het betreffende bedrijfsonderdeel, een review uitgevoerd op het controledossier van Deloitte Frankrijk en de besprekking van de controlebevindingen met lokaal management bijgewoond.

Ten tijde van het opmaken van de jaarrekening van Telegraaf Media Groep N.V. zijn de werkzaamheden ten aanzien van de statutaire jaarrekening van de niet-geconsolideerde deelnemingen veelal nog niet afgerond. Daarom hebben wij bijvoorbeeld ten aanzien van de deelhoming in Radio NewCo B.V. (boekwaarde in de jaarrekening van Telegraaf Media Groep N.V. € 47 miljoen) werkzaamheden verricht in aanvulling op het werk van de statutaire accountant van Radio NewCo B.V.

Bij andere bedrijfsonderdelen hebben wij specifieke controlewerkzaamheden uitgevoerd. Op basis van deze werkzaamheden hebben wij 87% van de geconsolideerde bedrijfsopbrengsten en 99% van het geconsolideerde balanstotaal in onze controle betrokken.

Door bovengenoemde werkzaamheden bij (groeps)onderdelen, gecombineerd met aanvullende werkzaamheden op groepsniveau, hebben wij voldoende en geschikte controle-informatie met betrekking tot de financiële informatie van de groep verkregen om een oordeel te geven over de geconsolideerde jaarrekening.

De kernpunten van onze controle

In de kernpunten van onze controle beschrijven wij zaken die naar ons professionele oordeel het meest belangrijk waren tijdens onze controle van de jaarrekening. De kernpunten van onze controle hebben wij met de Raad van Commissarissen gecommuniceerd, maar vormen geen volledige weergave van alles wat is besproken.

Wij hebben onze controlewerkzaamheden met betrekking tot deze kernpunten bepaald in het kader van de jaarrekeningcontrole als geheel. Onze bevindingen ten aanzien van de individuele kernpunten moeten in dat kader worden bezien en niet als afzonderlijke ordelen over deze kernpunten.

Beschrijving van het kernpunt	Onze controleaanpak
Waardering latente belastingvorderingen Wij verwijzen naar de jaarrekening paragraaf 1 (grondslagen voor waardering en resultaatbepaling) en paragraaf 29 (toelichting latente belastingvorderingen en -verplichtingen). De latente belastingvorderingen uit hoofde van verliescompensatie bedragen ultimo 2016 € 40,4 miljoen (2015: € 27,8 miljoen).	Wij hebben in de controle aandacht besteed aan de realiseerbaarheid van de latente belastingvorderingen. Onze controleaanpak heeft onder andere bestaan uit een beoordeling van de aannames die ten grondslag liggen aan de geschatte toekomstige compensabele fiscale winsten. Deze aannames hebben wij getoetst op redelijkheid en op consistentie met de budgetten en meerjaren-prognoses, zoals gehanteerd voor de goodwill impairment analyse en strategische plannen voor komende jaren. Wij hebben ook onze belastingdeskundigen erbij betrokken om te verifiëren dat de compensatieperiodes consistent zijn met de van toepassing zijnde fiscale wet- en regelgeving. Voorts hebben wij de toelichting in de jaarrekening gecontroleerd.
De waardering van deze latente belastingvorderingen met betrekking tot compensabele verliezen in Nederland is gebaseerd op de verrekening met verwachte toekomstige fiscale winsten voor de komende 9 jaren. Dit is als kernpunt in de controle aangemerkt vanwege de mate van schattingsonzekerheid over de toekomstige fiscale winsten binnen de maximale compensatieperiode en het significante bedrag aan compensabele verliezen.	De controlewerkzaamheden die wij hebben uitgevoerd, bestaan onder andere uit een beoordeling van de aannames die ten grondslag liggen aan de inschatting van de toekomstige kasstromen op redelijkheid en consistentie met interne budgetten en langetermijnplannen zoals goedgekeurd door de Raad van Bestuur en Raad van Commissarissen.
Waardering van goodwill en overige immateriële activa Wij verwijzen naar de jaarrekening paragraaf 1 (grondslagen voor waardering en resultaatbepaling) en paragraaf 14 (toelichting immateriële activa).	De verwachtingen van de Raad van Bestuur ten aanzien van de ontwikkelingen in de omzet, kosten en uiteindelijk EBITDA-marge hebben wij vergeleken met de resultaten van vergelijkbare ondernemingen en ontwikkelingen in de markt.
Op 31 december 2016 bedragen de immateriële activa inclusief goodwill in de jaarrekening € 182,0 miljoen (2015: € 237,4 miljoen) en zijn daarmee de grootste actiefpost van TMG. De vennootschap is, op basis van EU-IFRS, verplicht om jaarlijks het bedrag van de goodwill als onderdeel van de immateriële activa te onderzoeken op bijzondere waardeverminderingen (impairment).	Wij hebben de herziening van de samenstelling van de kasstroomgenererende eenheden in 2016 beoordeeld in samenhang met de wijziging van de bedrijfssegmenten.
De beoordeling of sprake is van een bijzondere waardevermindering van de goodwill en overige immateriële activa wordt beschouwd als een kernpunt in de controle, omdat het inschattingsproces van de toekomstige kasstromen en de bepaling van de disconteringsvoet complex en subjectief zijn en gebaseerd op veronderstellingen met betrekking tot markt- en economische ontwikkelingen.	Onze waarderingsdeskundigen zijn betrokken geweest om te verifiëren dat de waarderingsmethodiek juist is toegepast en dat de disconteringsvoet, het groeipercentage op lange termijn en andere aannames consistent zijn met waarneembare marktgegevens.
Op grond van de impairmenttest heeft de Raad van Bestuur geconcludeerd dat er geen sprake is van bijzondere waardevermindering.	Wij hebben sensitiviteitsanalyses uitgevoerd ten aanzien van de belangrijkste aannames om de mate van verandering vast te stellen bij deze aannames, die ofwel individueel ofwel gezamenlijk zouden leiden tot een bijzondere waardevermindering op de goodwill.
De belangrijkste veronderstellingen en de gevoeligheidsanalyse zijn toegelicht in paragraaf 14 van de jaarrekening.	Daarnaast hebben wij ook aandacht besteed aan de juistheid en toereikendheid van de toelichtingen van de vennootschap over de veronderstellingen en de uitkomst van de impairmenttest.
Zoals vermeld in paragraaf 2 (Gesegmenteerde informatie), zijn er wijzigingen in de bedrijfssegmenten doorgevoerd in lijn met de wijze waarop de onderneming wordt aangestuurd, gegeven de marktbehoeften en aansluitend op de interne managementinformatie.	Deze aanpassingen leiden tot een herziening van de rapporterende bedrijfssegmenten zoals vereist op basis van IFRS 8 'Operating segments' en de kasstroomgenererende eenheden waarop de goodwill wordt gemonitord op basis van IAS 36 'Impairment of assets'.

Beschrijving van het kernpunt	Onze controleaanpak
<p>Betrouwbaarheid en continuïteit van de geautomatiseerde gegevensverwerking De vennootschap is afhankelijk van de IT-infrastructuur voor de continuïteit van de bedrijfsactiviteiten.</p>	<p>Onze controleaanpak Wij hebben de betrouwbaarheid en continuïteit van de geautomatiseerde gegevensverwerking beoordeeld, uitsluitend voor zover noodzakelijk binnen de reikwijdte van de controle van de jaarrekening. Daarbij hebben wij IT-auditspecialisten opgenomen in ons controleteam.</p>
<p>Verkoop Sky Radio Group en belang in Radio NewCo B.V. Wij verwijzen naar de jaarrekening paragraaf 1 (grondslagen voor waardering en resultaatbepaling), paragraaf 13 (toelichting beëindigde bedrijfsactiviteiten) en paragraaf 16 (toelichting investeringen in geassocieerde deelnemingen).</p> <p>Naar aanleiding van de besloten samenwerking tussen TMG en Talpa op 15 januari 2016, zijn de activiteiten van Sky Radio Group per 30 september 2016 verkocht aan Radio NewCo B.V. voor een belang in Radio NewCo B.V.</p> <p>De aankondiging van deze transactie heeft ertoe geleid dat de activiteiten van Sky Radio Group vanaf 15 januari 2016 aangemerkt zijn als beëindigd ("discontinued") in de geconsolideerde winst- en verliesrekening en aangehouden voor verkoop in het geconsolideerde overzicht van de financiële positie in overeenstemming met IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations'. Op de verkooptransactie is er een boekwinst gerealiseerd van € 4,3 miljoen.</p> <p>De eerste waardering, zijnde € 45,5 miljoen, betreft de reële waarde van het verkregen belang in Radio NewCo B.V., welke is bepaald op basis van een contante waarde berekening van de toekomstige kasstromen van Radio NewCo B.V. Hierbij heeft de Raad van Bestuur gebruikgemaakt van externe waarderingsspecialisten.</p> <p>We hebben dit als een kernpunt in de controle aangemerkt, omdat de reële waardebepaling van de deelneming (en daarmee de bepaling van de boekwinst) gebaseerd is op inschattingen van het management en veronderstellingen van subjectieve aard zoals bijvoorbeeld de disconteringsvoet voor toekomstige kasstromen, interne budgetten en langetermijn (strategische) plannen van Radio NewCo B.V.</p>	<p>Onze werkzaamheden bestonden uit de beoordeling van de ontwikkelingen in de IT-infrastructuur en het testen van de voor onze controle relevante interne beheersingmaatregelen met betrekking tot IT-systeem en processen. Voor zover wij niet (geheel) op deze interne beheersingmaatregelen konden steunen, hebben wij aanvullende gegevensgerichte werkzaamheden uitgevoerd.</p> <p>De controlewerkzaamheden die wij hebben uitgevoerd, bestaan onder andere uit een beoordeling van de aannames die ten grondslag liggen aan de inschatting van de toekomstige kasstromen op redelijkheid en consistentie met interne budgetten en langetermijn (strategische) plannen van Radio NewCo B.V.</p> <p>De verwachtingen van het management van Radio NewCo B.V. ten aanzien van de ontwikkelingen in de omzet, kosten en uiteindelijk EBITDA-marge hebben wij vergeleken met de resultaten van vergelijkbare ondernemingen en ontwikkelingen in de markt.</p> <p>Onze waarderingsdeskundigen zijn betrokken geweest om te verifiëren dat de waarderingsmethodiek juist is toegepast en dat de disconteringsvoet, het groeipercentage op lange termijn en andere aannames consistent zijn met waarneembare marktgegevens.</p> <p>Daarnaast hebben wij ook vastgesteld dat de presentatie van de activiteiten van Sky Radio Group als beëindigd ("discontinued") in de geconsolideerde winst- en verliesrekening en aangehouden voor verkoop in het geconsolideerde overzicht van de financiële positie in overeenstemming is met IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations'.</p>
<p>Verklaring over de in het jaarverslag opgenomen andere informatie</p>	

Naast de jaarrekening en onze controleverklaring daarbij, omvat het jaarverslag andere informatie, die bestaat uit:

- het bestuursverslag;
- feiten en cijfers 2016;
- het verslag van de Raad van Commissarissen;
- beloningsbeleid;
- risicomanagement;
- de overige gegevens.

Op grond van onderstaande werkzaamheden zijn wij van mening dat de andere informatie:

- met de jaarrekening verenigbaar is en geen materiële afwijkingen bevat;
- alle informatie bevat die op grond van Titel 9 Boek 2 BW is vereist.

Wij hebben de andere informatie gelezen en hebben op basis van onze kennis en ons begrip, verkregen vanuit de jaarrekeningcontrole of anderszins, overwogen of de andere informatie materiële afwijkingen bevat.

Met onze werkzaamheden hebben wij voldaan aan de vereisten in Titel 9 Boek 2 BW en de Nederlandse Standaard 720. Deze werkzaamheden hebben niet dezelfde diepgang als onze controlewerkzaamheden bij de jaarrekening.

De Raad van Bestuur is verantwoordelijk voor het opstellen van de andere informatie, waaronder het verslag van de Raad van Bestuur en de overige gegevens in overeenstemming met Titel 9 Boek 2 BW.

Verklaring betreffende overige door wet- en regelgeving gestelde eisen

Benoeming

Wij zijn door de algemene vergadering van aandeelhouders op 21 april 2016 benoemd als externe accountant van Telegraaf Media Groep N.V. voor het boekjaar 2016 en zijn sinds boekjaar 2010 de externe accountant.

Beschrijving van verantwoordelijkheden met betrekking tot de jaarrekening

Verantwoordelijkheden van de Raad van Bestuur en de Raad van Commissarissen voor de jaarrekening

De Raad van Bestuur is verantwoordelijk voor het opmaken en het getrouw weergeven van de jaarrekening in overeenstemming met EU-IFRS en met Titel 9 Boek 2 BW. In dit kader is de Raad van Bestuur verantwoordelijk voor een zodanige interne beheersing die de Raad van Bestuur noodzakelijk acht om het opmaken van de jaarrekening mogelijk te maken zonder afwijkingen van materieel belang als gevolg van fouten of fraude.

Bij het opmaken van de jaarrekening moet de Raad van Bestuur afwegen of de onderneming in staat is om haar werkzaamheden in continuïteit voort te zetten. Op grond van genoemde verslaggevingsstelsels moet de Raad van Bestuur de jaarrekening opmaken op basis van de continuïtsveronderstelling, tenzij de Raad van Bestuur het voornemen heeft om de vennootschap te liquideren of de bedrijfsactiviteiten te beëindigen of als beëindiging het enige realistische alternatief is. De Raad van Bestuur moet gebeurtenissen en omstandigheden waardoor gerede twijfel zou kunnen bestaan of de onderneming haar bedrijfsactiviteiten in continuïteit kan voortzetten, toelichten in de jaarrekening.

De Raad van Commissarissen is verantwoordelijk voor het uitoefenen van toezicht op het proces van financiële verslaggeving van de vennootschap.

Onze verantwoordelijkheden voor de controle van de jaarrekening

Onze verantwoordelijkheid is het zodanig plannen en uitvoeren van een controleopdracht dat wij daarmee voldoende en geschikte controle-informatie krijgen voor het door ons af te geven oordeel.

Onze controle is uitgevoerd met een hoge mate maar geen absolute mate van zekerheid, waardoor het mogelijk is dat wij tijdens onze controle niet alle fouten en fraude ontdekken.

Afwijkingen kunnen ontstaan als gevolg van fraude of fouten en zijn materieel indien redelijkerwijs kan worden verwacht dat deze, afzonderlijk of gezamenlijk, van invloed kunnen zijn op de economische beslissingen die gebruikers op basis van deze jaarrekening nemen. De materialiteit beïnvloedt de aard, timing en omvang van onze controlewerkzaamheden en de evaluatie van het effect van onderkende afwijkingen op ons oordeel.

Wij hebben deze accountantscontrole professioneel-kritisch uitgevoerd en hebben waar relevant professionele oordeelsvorming toegepast in overeenstemming met de Nederlandse controlestandaarden, ethische voorschriften en de onafhankelijkheidseisen. Onze controle bestond onder andere uit:

- het identificeren en inschatten van de risico's dat de jaarrekening afwijkingen van materieel belang bevat als gevolg van fouten of fraude, het in reactie op deze risico's bepalen en uitvoeren van controlewerkzaamheden en het verkrijgen van controle-informatie die voldoende en geschikt is als basis voor ons oordeel. Bij fraude is het risico dat een afwijking van materieel belang niet ontdekt wordt groter dan bij fouten. Bij fraude kan sprake zijn van samenspanning, valsheid in geschrifte, het opzettelijk nalaten transacties vast te leggen, het opzettelijk verkeerd voorstellen van zaken of het doorbreken van de interne beheersing;
- het verkrijgen van inzicht in de interne beheersing die relevant is voor de controle met als doel controlewerkzaamheden te selecteren die passend zijn in de omstandigheden. Deze werkzaamheden hebben niet als doel om een oordeel uit te spreken over de effectiviteit van de interne beheersing van de vennootschap;
- het evalueren van de geschiktheid van de gebruikte grondslagen voor financiële verslaggeving en het evalueren van de redelijkheid van schattingen door de Raad van Bestuur en de toelichtingen die daarover in de jaarrekening staan;
- het vaststellen dat de door de Raad van Bestuur gehanteerde continuïteitsveronderstelling aanvaardbaar is. Tevens het op basis van de verkregen controle-informatie vaststellen of er gebeurtenissen en omstandigheden zijn waardoor gerede twijfel zou kunnen bestaan of de onderneming haar bedrijfsactiviteiten in continuïteit kan voortzetten. Als wij concluderen dat er een onzekerheid van materieel belang bestaat, zijn wij verplicht om aandacht in onze controleverklaring te vestigen op de relevante gerelateerde toelichtingen in de jaarrekening. Als de toelichtingen inadequaat zijn, moeten wij onze verklaring aanpassen. Onze conclusies zijn gebaseerd op de controle-informatie die verkregen is tot de datum van onze controleverklaring. Toekomstige gebeurtenissen of omstandigheden kunnen er echter toe leiden dat een onderneming haar continuïteit niet langer kan handhaven;
- het evalueren van de presentatie, structuur en inhoud van de jaarrekening en de daarin opgenomen toelichtingen;
- het evalueren of de jaarrekening een getrouw beeld geeft van de onderliggende transacties en gebeurtenissen.

Gegeven onze eindverantwoordelijkheid voor het oordeel zijn wij verantwoordelijk voor de aansturing van, het toezicht op en de uitvoering van de groepscontrole. In dit kader hebben wij de aard en omvang bepaald van de uit te voeren werkzaamheden voor de groepsonderdelen. Bepalend hierbij zijn de omvang en/of het risicoprofiel van de groepsonderdelen of de activiteiten. Op grond hiervan hebben wij de groepsonderdelen geselecteerd waarbij een controle of beoordeling van de volledige financiële informatie of specifieke posten noodzakelijk was.

Wij communiceren met de Raad van Commissarissen onder andere over de geplande reikwijdte en timing van de controle en over de significante bevindingen die uit onze controle naar voren zijn gekomen, waaronder eventuele significante tekortkomingen in de interne beheersing.

Wij bevestigen aan de Raad van Commissarissen dat wij de relevante ethische voorschriften over onafhankelijkheid hebben nageleefd. Wij communiceren ook met de raad over alle relaties en andere zaken die redelijkerwijs onze onafhankelijkheid kunnen beïnvloeden en over de daarmee verband houdende maatregelen om onze onafhankelijkheid te waarborgen.

Wij bepalen de kernpunten van onze controle van de jaarrekening op basis van alle zaken die wij met de Raad van Commissarissen hebben besproken. Wij beschrijven deze kernpunten in onze controleverklaring, tenzij dit is verboden door wet- of regelgeving of in buitengewoon zeldzame omstandigheden wanneer het niet vermelden in het belang van het maatschappelijk verkeer is.

Amsterdam, 31 maart 2017

Deloitte Accountants B.V.

Was getekend: Drs. P. Kuijpers RA