
GENERAL MEETING OF SHAREHOLDERS OF NSI N.V.



Website: www.nsi.nl

to be held on Friday, 21 April 2017 at 2.00 pm at HNK Den Haag,
Oude Middenweg 17, 2491 AC The Hague

AGENDA

1.	Opening and announcements	
2.	Report of the Management Board for the 2016 financial year	
3a.	Report of the Supervisory Board for the 2016 financial year	
3b.	Application of the remuneration policy for the 2016 financial year	
4.	Adoption of the financial statements for the 2016 financial year	vote
5.	NSI dividend policy	
6.	Declaration of the final dividend for 2016	vote
7.	Discharge from liability of the members of the Management Board for the policy pursued in the 2016 financial year	vote
8.	Discharge from liability of the members of the Supervisory Board for the supervision exercised during the 2016 financial year	vote
9.	Composition of the Management Board	
10.	Composition of the Supervisory Board	vote
11.	Proposal to amend the Articles of Association of NSI N.V.	vote
12.	Decision as specified in paragraph 362 sub clause 7 of Book 2 of the Dutch Civil Code to describe the items in the annual accounts in the English language and decision as specified in paragraph 391 sub clause 1 of Book 2 of the Dutch Civil Code to make the annual report in the English language.	vote
13a.	Proposal for authorisation of the Management Board to issue ordinary shares (after having obtained approval for this from the Supervisory Board)	vote
13b.	Proposal for authorisation of the Management Board to limit or exclude the pre-emptive rights in effect in the event of the issue of ordinary shares (after having obtained approval for this from the Supervisory Board)	vote
13c.	Proposal for authorisation of the Management Board to buy back ordinary shares in the company's own capital (after having obtained approval for this from the Supervisory Board)	vote
14.	Outlook for 2017	
15.	Any other business	
16.	Closure discussion	

The language in which the General Meeting of Shareholders will be conducted is Dutch.
The agenda items above are explained in further detail in the shareholders' circular.

SHAREHOLDERS' CIRCULAR

Notes to the agenda of the General Meeting of Shareholders of NSI N.V. on Friday, 21 April 2017

Voting procedure

The voting will take place by means of a show of hands. In order to guarantee the privacy of shareholders, upon arrival at the room and handing in of his or her certificate of deposit, each shareholder will be provided with an envelope containing a card with a number. When voting, you will be asked to cite the number on this card. Your personal details such as your name or the number of shares you own need not be mentioned because the number assigned to you can be directly traced by the company to your shareholding and other details. We believe this safeguards your privacy.

2. Report of the Management Board for the 2016 financial year

The Management Board will give a presentation on the developments in 2016, as also described in the 2016 annual report.

3a. Report of the Supervisory Board for the 2016 financial year

The Supervisory Board will report on the main aspects of its supervisory activities during 2016.

3b. Application of the remuneration policy for the 2016 financial year

In accordance with Dutch legislation, the application of the remuneration policy for the 2016 financial year will be discussed in the General Meeting of Shareholders. Reference is made to the 2016 remuneration report in the 2016 annual report on page 45 and the information in the 2016 financial statements on page 88.

4. Adoption of the financial statements for the 2016 financial year

The General Meeting of Shareholders will be invited to adopt the financial statements of NSI N.V. for the 2016 financial year. Before a vote is held on this motion, the shareholders will be given the opportunity to ask questions to the Management Board and Supervisory Board about the annual report, the financial statements and agenda items 2 and 3, and to the external auditor concerning its opinion to the financial statements and its audit operations.

5. NSI dividend policy

In accordance with best practice provision IV.1.4 of the Dutch Corporate Governance Code the company's policy with regard to additions to the reserves and to dividends shall be dealt with and explained as a separate item on the agenda at the General Meeting. The current dividend policy – as adopted by the General Meeting of Shareholders in 2014 – stipulates that at least 75% of the direct result (as from 2017: of the comparable EPRA EPS) is distributed in cash.

For practical reasons the dividend is distributed twice a year: an interim dividend after the publication of the interim results and a final dividend following adoption by the General Meeting of Shareholders.

NSI will offer shareholders the option of receiving the final dividend in cash, in stock or a combination of both, subject to the approval of the proposed final dividend for 2016 by the General Meeting of Shareholders.

The choice enables shareholders to decide according to their needs whilst enabling NSI to retain liquidity within the company. This can subsequently be used for investment purposes or to repay loans.

6. Declaration of the final dividend for 2016

In line with the current dividend policy (cash distribution of at least 75% of the direct result, see also agenda item 5 above), NSI is proposing a final dividend of €0.14 per share. This brings the total dividend for 2016 to €0.27 per share, of which €0.13 was distributed as interim dividend on 9 August 2016.

The financial calendar has been adjusted slightly to give shareholders sufficient time to decide between a stock dividend and/or cash dividend. The exchange ratio for the stock dividend will be published on 19 April 2017. The shares will be quoted ex-dividend on 25 April 2017 and the dividend record date will be 26 April 2017. The election period for stating a preference for a dividend in cash or in shares will commence on 27 April and end on 11 May 2017. The proposed final dividend, if approved, will be payable from 15 May 2017.

The proposed final dividend amounts to €20,048,000. The final dividend is paid out of the reserves.

7. Discharge from liability of the members of the Management Board for the policy pursued in the 2016 financial year

It is proposed to discharge the members of the Management Board from liability for the policy pursued during the 2016 financial year, insofar as this policy is apparent in the financial statements or in information otherwise provided to the General Meeting of Shareholders prior to adoption of the financial statements.

8. Discharge from liability of the members of the Supervisory Board for the supervision exercised during the 2016 financial year

It is proposed to discharge the members of the Supervisory Board for the supervision exercised over the policy pursued by the Management Board during the 2016 financial year, insofar as this supervision is apparent in the financial statements or in information otherwise provided to the General Meeting of Shareholders prior to adoption of the financial statements.

9. Composition of the Management Board

On 15 October 2008 Daniel van Dongen was appointed Chief Financial Officer of NSI. His current term in office runs until 31 December 2017. Mr. van Dongen has indicated that he will not be available for reappointment for a third term.

During the coming months Mr. van Dongen will oversee the closing of the annual accounts and will step down as a statutory board member after the General Meeting of Shareholders of 21 April 2017. He will stay on at NSI until 30 June to manage the handover of his activities.

The Supervisory Board has initiated a process to find a successor for Mr. van Dongen and will provide further information on this at the General Meeting of Shareholders.

10. Composition of the Supervisory Board

The chairman of the Supervisory Board Henk Breukink has been a member of the NSI Supervisory Board since 2011. He will step down in accordance with the retirement rota after the General Meeting of Shareholders. He has indicated that will not be available for reappointment for a third term.

The Supervisory Board has initiated a process to fill the vacancy resulting from Mr. Breukink's retirement and will appoint a chairman from amongst its members after the General Meeting of Shareholders. The Supervisory Board will provide further information on this at the General Meeting of Shareholders.

11. Proposal to amend the Articles of Association of NSI N.V.

The Management Board and the Supervisory Board of the company propose to amend the Articles of Association in order to bring them into line with current legislation, to modernise them, to incorporate certain technical and practical developments and to bring them into line with the new Dutch Corporate Governance Code published on 8 December 2016.

The proposed amendments will not affect the allocation of authorities between the Management Board, the Supervisory Board and the General Meeting.

The amendments further aim to:

- change the system so that Management Board members are not longer solely authorised to represent the company, as is currently the case, but only jointly (four eyes principle).
- change the nominal value of the shares to €3.68 by combining eight old shares with a nominal value of €0.46 to create one new share (the "consolidation of shares"). The decrease in the number of shares as a consequence of this consolidation of shares will result in an increase in the share price. For a number of years the NSI share price has been fluctuating at a level below €5.00. An increase in the share price is warranted as many brokers and institutional investors have internal rules and guidelines that prohibit them from investing in shares quoted below a certain price level. In the US this boundary can be as low as €/\$ 5.00. Another effect of the current share price level is that it makes it hard to exactly mirror the level of profit in the dividend level since a difference of one eurocent in the dividend level could represent a difference of up to 3% in the level of profit.

In the event that the number of shares held by a shareholder is not divisible by eight positions will be rounded upwards or downwards by the bank or intermediary depending on the specific contractual provisions between the bank or intermediary and the shareholder, unless the parties have agreed otherwise.

For full details on the amendments to the Articles of Association please refer to a triptych containing the old wording, the new wording and an explanation of each amendment and the draft notarial deed, the latter two drawn up by Clifford Chance LLP (Amsterdam office), as published on the website (www.nsi.nl), available from the company's office and attached to this shareholders' circular (Attachments).

The decision to amend the Articles of Association includes an authorisation to be signed by every member of the Board of Management as well as every notary, assistant notary, attorney and paralegal of Clifford Chance LLP (Amsterdam office) to execute the notarial deed of amending the Articles of Association and do anything the authorised person deems necessary or instrumental in this respect.

12. Decision as specified in paragraph 362 sub clause 7 of Book 2 of the Dutch Civil Code to describe the items in the the annual accounts in the English language and decision as specified in paragraph 391 sub clause 1 of Book 2 of the Dutch Civil Code to make the annual report in the English language.

In the course of its history NSI has evolved from being a local Dutch investment fund into a stock listed REIT whose major shareholders are now international entities. For this reason NSI has prepared all its publications in both Dutch and English. The translation and checking for consistency of all annual reports, press releases and the like is a costly and time consuming matter. Going forward NSI intends to use only the English language for its publications in order to reduce costs, simplify and speed up its publication processes. The law provides for this possibility, on the condition that the General Meeting agrees to this. Several peers of NSI already make use of this possibility.

13. Authorisations

In the Extraordinary Meeting of Shareholders held on 11 December 2014, the policy with regard to the agenda items below was discussed. In accordance with that policy, the items below are placed on the agenda every year. This is in line with the practice of many Dutch listed companies. The scope of each of the authorisations as requested under this agenda item 13 is also in line with those of the majority of Dutch listed companies.

13a. Proposal for authorisation of the Management Board to issue ordinary shares (after having obtained approval for this from the Supervisory Board)

The Management Board and Supervisory Board propose that the Management Board be designated as the body authorised to issue ordinary shares, including the granting of rights to acquire ordinary shares (after having obtained approval from the Supervisory Board).

This authorisation is limited to a maximum of 10% of the outstanding number of shares on the date of issue, to be increased by at most 10% of the number of outstanding shares in connection with a merger or a takeover, but also in connection with the acquisition of property assets or property portfolios, and/or refinancing.

Furthermore, this authorisation is limited to a period of 18 months, which period can be extended at a meeting of shareholders at the request of the Management Board and Supervisory Board.

13b. Proposal for authorisation of the Management Board to limit or exclude the pre-emptive rights in effect in the event of the issue of ordinary shares (after having obtained approval for this from the Supervisory Board)

The Management Board and Supervisory Board propose that the Management Board be designated as the body authorised to limit or exclude the pre-emptive rights that take effect upon the issue of ordinary shares or granting of rights to acquire ordinary shares (after having obtained approval for this from the Supervisory Board).

This authorisation is limited to a maximum of 10% of the outstanding number of shares on the date of issue, to be increased by at most 10% of the number of outstanding shares in connection with a merger or a takeover, but also in connection with the acquisition of property assets or property portfolios, and/or refinancing.

This authorisation is limited to a period of 18 months, which period can be extended at a meeting of shareholders at the request of the Management Board and Supervisory Board.

13c. Proposal for authorisation of the Management Board to buy back ordinary shares in the company's own capital (after having obtained approval for this from the Supervisory Board)

The Management Board and Supervisory Board propose that the Management Board be designated as the body authorised to buy back the company's own shares on the stock market or otherwise, up to a maximum of 10% of the outstanding number of shares, on condition that the company may not hold more than 10% of the issued capital (after having obtained approval for this from the Supervisory Board). Ordinary shares can be acquired for a price that lies between the nominal value of a share and 10% above the average closing price of the share calculated over five trading days prior to the day of purchase. This authorisation is limited to a period of 18 months, which period can be extended at a meeting of shareholders at the request of the Management Board and Supervisory Board.

14. Outlook for 2017

The Management Board will give a presentation on the outlook for the year 2017.

HOW TO REGISTER FOR THE MEETING

The full agenda for the General Meeting, with supplementary notes and a copy of the 2016 annual report and financial statements are available at the company's offices and via www.nsi.nl. Copies of these are also available free of charge via ABN AMRO Bank N.V. ("ABN AMRO"), by phoning: 020 344 2000 or by sending an email to: corporate.broking@nl.abnamro.com.

Registration of meeting rights

Persons who (1) are registered in one of the registers or sub registers mentioned below as of 24 March 2017 (the "Registration date") after the processing of all new registrations and cancelled registrations as of this date and (2) have signed up in the manner described below can participate in the meeting. For shareholders, the administrations of the intermediaries as defined in the Securities (Bank Giro Transactions) Act (the "Intermediaries"), which show who is entitled to the particular shares as of the Registration date, are designated as registers or sub registers.

Registration and sign-up

Shareholders or their authorised representatives who wish to participate in this meeting can sign up in writing from 27 March 2017 until no later than 5.30 pm on 13 April 2017 with the Intermediary whose administration holds their shares or via www.abnamro.com/evoting. No later than at 11 am on 18 April 2017, the Intermediaries must provide ABN AMRO with an electronic statement via www.abnamro.com/intermediary stating the number of shares held by the particular holder on the Registration date and being reported for registration. ABN AMRO will send these holders an admission ticket via the Intermediary.

Voting by proxy

Shareholders who cannot attend the meeting can also grant the company a voting instruction, without prejudice to the provisions concerning sign-up stated above. A voting instruction can be granted electronically via www.abnamro.com/evoting until 13 April 2017 at the latest. If a shareholder does not have an opportunity to grant a voting instruction electronically, a voting instruction can also be granted in writing. For this, the form available from the company free of charge must be completed and returned to the company no later than 13 April 2017.

Number of issued shares and number of voting rights

As of 10 March 2017, the number of issued shares in the company is 143,342,678, of which 143,201,841 are shares with voting rights. 140,837 shares are vested in the company. No votes may be cast in respect of these shares in the General Meeting.