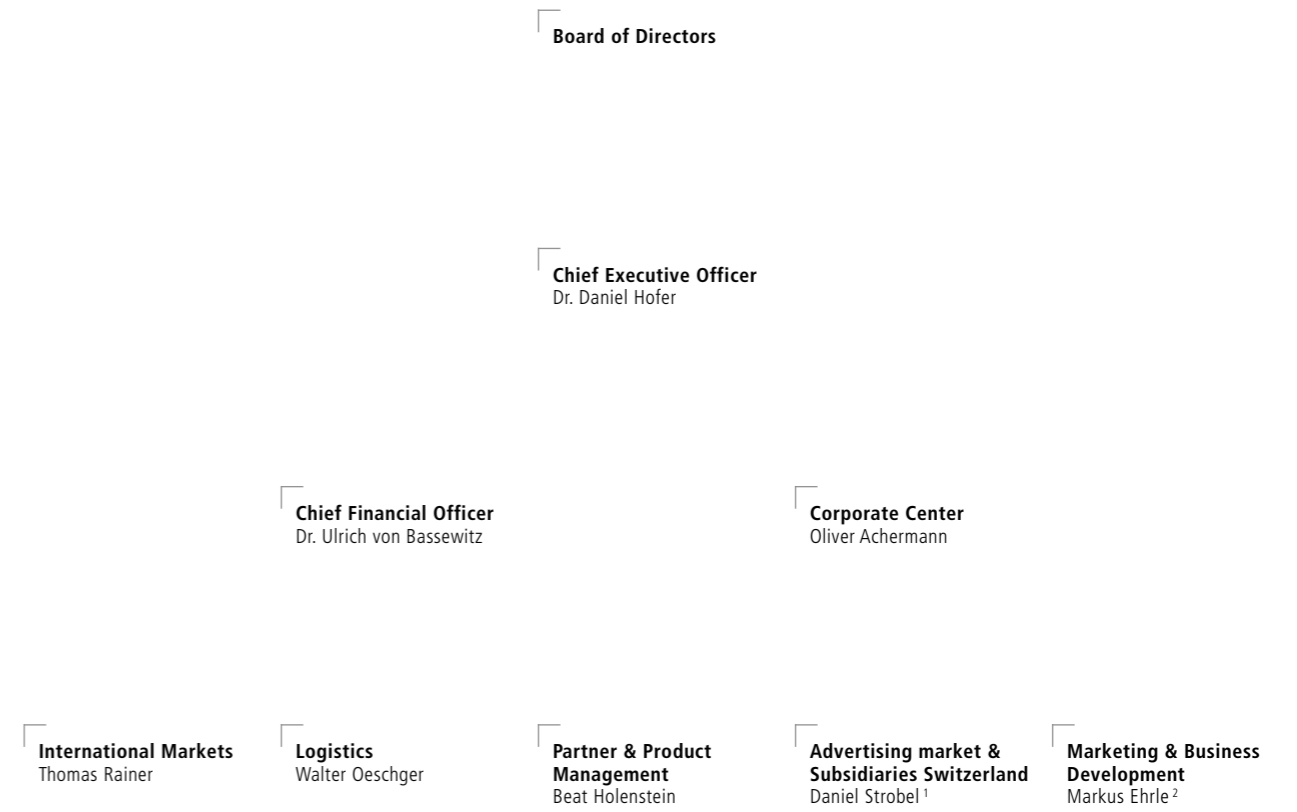


**Operational structure of the Affichage Group**

Status January 1, 2011



<sup>1</sup> Entry as at March 1, 2011

<sup>2</sup> Entry as at April 1, 2011

## Group structure and shareholders

### Introduction

The principles and rules that govern the management and supervision of the Affichage Group are set forth in the articles of incorporation, the organization regulations of the Board of Directors, and the regulations of the Executive Committees. The Board of Directors regularly reviews these documents and updates them in case of new developments. The articles of incorporation of Affichage Holding SA can be viewed at [www.affichage.com/articlesofincorporation](http://www.affichage.com/articlesofincorporation). The information published here corresponds to the requirements of the Directive on Information Relating to Corporate Governance by SIX Swiss Exchange.

### Listed company

Company name, headquarters: Affichage Holding SA, Geneva  
Market capitalization as at December 31, 2010:  
CHF 420 million  
Place listed: SIX Swiss Exchange  
Security No.: 1 910 702  
ISIN: CH0019107025  
Ticker: AFFN

### Significant shareholders<sup>1</sup>

|   | Shares as reported as at December 31, 2010 |                      | Shares as reported as at December 31, 2009 |                      |
|---|--|----------------------|--|----------------------|
|   |  | in %                 |  | in %                 |
| JCDecaux SA, Neuilly-sur-Seine (F)  | 900 000                                    | 30.00 <sup>2,3</sup> | 900 000                                    | 30.00 <sup>2,3</sup> |
| Albert Frère, Gerpinnes (B), Compagnie Nationale à Portefeuille, Loverval (B) | 758 888                                    | 25.30 <sup>2,8</sup> | 758 888                                    | 25.30 <sup>2</sup>   |
| Béatrice and Paul-Henry Binz, Grisobi Holding SA, Bulle (CH)                  | 180 956                                    | 6.03 <sup>2,5</sup>  | 180 956                                    | 6.03 <sup>2,5</sup>  |
| Shareholder group Max Müller, Magglingen (CH)                                 | 156 808                                    | 5.23 <sup>6,9</sup>  | –  | –                    |
| International Value Advisers LLC, New York (USA)                              | 104 500                                    | 3.48 <sup>7,10</sup> | 150 669                                    | 5.02 <sup>4</sup>    |
| Affichage Holding SA, Genève (CH) (shares)                                    | 64 816                                     | 2.16 <sup>4,5</sup>  | 66 086                                     | 2.20 <sup>4,5</sup>  |
| Affichage Holding SA, Genève (CH) (conditional purchase option)               | 147 000                                    | 4.90 <sup>3,4</sup>  | 147 000                                    | 4.90 <sup>3,4</sup>  |

<sup>1</sup> 3% or more shares, in the form of stocks or rights to purchase or sell stocks. The information is derived from announcements made by shareholders pursuant to Art. 20 BEHG as at December 31, 2010, subject to the availability of other information.

<sup>2</sup> Of which 5% registered with voting rights

<sup>3</sup> On February 29, 2008, JCDecaux announced that it had granted a stock purchasing option to Affichage Holding SA. The option is an entitlement to purchase up to 147,000 Affichage Holding SA shares which represent up to 4.9% of the voting rights of the company (see *Annual Report, Corporate Governance: Clauses on changes of control*, pages 53–54).

<sup>4</sup> Registered without voting rights

<sup>5</sup> Number of shares according to stock register as at December 31, 2010 and 2009

<sup>6</sup> On October 8, 2010, the shareholder group Max Müller, consisting of: – Starlet Investment AG, Nidau (CH), directly controlled by Ludmilla Müller, Magglingen (CH), Max Müller, Magglingen (CH), Max Igor Müller, Studen (CH), and Sandra Nadine Müller, Emmenbrücke (CH), each with 25% – Bruellan Corporate Governance Action Fund, Grand Cayman (CAI), Bruellan SA, Genève (CH), directly held by Bruellan Holding SA, Crans-Montana (CH)

– Margarete Rilliet, Genève (CH)

– William Rilliet, Chambésy (CH)

### Participating interests

The list of participating interests is provided in the Financial Report on pages 36–37.

### Cross-shareholdings

No capital or voting cross-shareholdings exist between the Affichage Group and other companies.

## Capital structure

### Ordinary, authorized, and conditional capital

As at December 31, 2010, the share capital of Affichage Holding SA amounted to CHF 7,800,000, fully paid up and subdivided into 3,000,000 registered shares with a par value of CHF 2.60 per share. As at December 31, 2010, Affichage Holding SA had neither authorized nor conditional capital.

As at December 31, 2010, shareholders' equity before minority interests amounted to CHF 99.8 million (PY CHF 165.2 million). Details on the changes in shareholders' equity are provided in the respective annual reports: for the years 2010/2009 on page 60 of the present report, for the years 2009/2008 on page 52 of the 2009 report.

### Shares, participation, and bonus certificates

Affichage Holding SA shares are registered shares with a par value of CHF 2.60 per share. Each individual share entitles to one vote. At the General Meeting of Shareholders, no single shareholder may execute voting rights for more than 5% of all share votes. There exist no differential dividend entitlements except that no dividend is paid on treasury shares. There are no preferential rights for individual shareholders.

Affichage Holding SA has issued neither participation nor bonus certificates.

### Limitations on transferability and nominee registrations

Registration with voting rights may be denied for the following reasons:

- If the purchaser, after registration as a shareholder with full rights, would directly or indirectly own a total of more than 5% of the share capital.
- If the purchaser, upon request by the company, fails to explicitly confirm that he/she has purchased or is holding such registered shares in his/her own name and for his/her own account.
- If the registration of the purchaser could prevent the company from being able to produce the evidence required by the Swiss legal provisions regarding the acquisition of real estate by persons residing abroad.

Legal entities and partnerships linked with one another by means of capital or votes, by combined management, or by similar means shall be considered as single shareholders.

Nominee registrations are permissible only without voting rights.

### Convertible bonds and options

No convertible bonds have been issued. Option plans for employees or members of the Board do not exist.

## Board of Directors



Jean-François Decaux

Paul-Henry Binz

Klaus Hug

Gilles Samyn

Markus Scheidegger

### Members, activities, and interests

The Board of Directors of Affichage Holding SA comprises five members.

| Name  | Member since | End of term |
|---|--------------|-------------|
| Jean-François Decaux, Chairman <sup>1</sup> | 2002         | 2011        |
| Paul-Henry Binz, Vice-Chairman              | 1993         | 2011        |
| Klaus Hug <sup>2</sup>                      | 2002         | 2011        |
| Gilles Samyn                                | 2008         | 2011        |
| Markus Scheidegger                          | 2000         | 2012        |
| Left as at May 26, 2010                     |              |             |
| Gérard Degonse                              | 2005         | 2011        |
| Georges Gagnebin                            | 2005         | 2011        |
| Christian Kauter, Delegierter               | 2006         | 2012        |
| Jean-Claude Marchand                        | 2002         | 2011        |
| Carlo Schmid-Sutter                         | 1989         | 2010        |
| Secretariat                                 |              |             |
| Laïla Clerc, Oliver Achermann               |              |             |

<sup>1</sup> Since May 26, 2010

<sup>2</sup> Chairman until May 26, 2010

The Board members execute additional functions outside their responsibility for Affichage Holding SA and/or other companies of the Group and have informed Affichage Holding SA about these functions. These functions comprise activities within the framework of important associations, foundations, or institutions in Switzerland and abroad, as well as official positions and political mandates.

### Jean-François Decaux (1959)

Chairman, non-executive member.

French citizen, graduate of the Institut Supérieur de Gestion, Paris (France), co-CEO of JCDecaux SA and CEO of JCDecaux Holding, Paris (France), member or chairman of the boards of various associated companies of the JCDecaux Group, Paris (France) at home and abroad. Member of the European Advisory Board of Harvard Business School and of the International Advisory Board of UC Rusal PLC.

### Paul-Henry Binz (1941)

Vice-Chairman, non-executive member.

Swiss citizen, lic. oec. of the University of Lausanne (Hautes Etudes Commerciales HEC), joined the family enterprise Grisoni-Zaugg SA in 1970 as general manager, since 1995 chairman of the board of Grisoni-Zaugg SA and Grisobi Holding SA, Bulle, member of Caisse interprofessionnelle AVS de la Fédération des Entreprises Romandes, Geneva.

### Klaus Hug (1940) Non-executive member.

Swiss citizen, Dr. iur., attorney-at-law, director of the Federal Office for Industry, Trade, and Labor (OFIAMT) from 1984 to 1991, president of the Swiss Retail Federation from 1992 to 2005; from 1995 to 2007 president of the Council of the Federal Institute for Intellectual Property, Bern, and member of the Federal Competition Commission; member of the executive board of Economiesuisse until 2007, member of the board of directors of ACE Casino Holding AG, Zürich, of Westiform Holding AG, Bern, and of various Swiss SMEs.

### Gilles Samyn (1950) Non-executive member.

Belgian citizen, distribution engineer of the Université Libre de Bruxelles (Solvay Brussels School of Economics and Management), vice-president and managing director of Compagnie Nationale à Portefeuille, Gerpinnes (Belgium), president, member and member, respectively, of the committees, boards of directors or supervisory boards of various subsidiaries of Compagnie Nationale à Portefeuille in Belgium and abroad, lecturer at the Solvay Brussels School of Economics and Management (ULB).

### Markus Scheidegger (1965)

Non-executive member. Handles executive duties in the subsidiaries Impacta AG and Ecofer AG.

Swiss citizen, attorney-at-law, managing director of Impacta AG and of Ecofer AG, Bern, two associated companies of Affichage Holding SA, delegate of the board of directors of Interplakat AG, Bern, member of the board of directors of Polymedia Holding AG, Bern, chairman of the board of directors of Maxomedia AG, Bern, chairman of the board of directors of Serigraphie Uldry AG, Hinterkappelen, member of the board of directors of various Swiss SMEs, member of the Legislative Council of Burgergemeinde Bern.

### Gérard Degonse (1947)

Non-executive member, left as at May 26, 2010.

French citizen, Diploma in Political Sciences from IEP Paris and licentiate in Economics, Paris (France), served from 1989 to 1994 as vice-president, financial manager, and secretary general of Euro Disney and from 1994 to 2000 as vice-president and financial manager of the Elf Aquitaine Group, since 2000 chief officer of finance and administration and member of the board of directors of the JCDecaux Group, Paris (France), member of the boards of directors of several other companies of the JCDecaux Group.

### Georges Gagnebin (1946)

Non-executive member, left as at May 26, 2010.

Swiss citizen, Federal bank clerk diploma, until 1998 active in several executive positions for Swiss Bank Corporation, member of the group executive board of the UBS Group until 2004. Vice-chairman of the board of directors of Julius Bär Holding AG, Zürich, until 2008. Actually president of the board of directors of Infidar Vermögensberatung AG, Zürich, subsidiary of Julius Bär Group AG, member of the board of directors of Lansdowne Partners Limited, London, and of Symphony International Holdings Limited, British Virgin Islands.

### Christian Kauter (1947)

Managing Director, executive member, left as at May 26, 2010.

Swiss citizen, studied business management and economics at the Universities of Geneva and Bern (lic. rer. pol.). From 1978 to 1987, he fulfilled various international executive functions for the Federal Office of Foreign Trade, Bern, and in 1988 was elected secretary general of the Swiss Liberal-Democratic Party (FDP). Joined the Affichage Group as deputy general manager in 1997. Chairman of the board of directors of several associated companies of the Affichage Group, member of the board of directors of Maschinenfabrik Wifag, Bern, president of FEPE International, Federation of Outdoor Advertising, president of the Cantonal Employers' Association of Bern (until April 2009).

### Jean-Claude Marchand (1946)

Non-executive member, left as at May 26, 2010.

Swiss citizen, grad. eng., continuing education in management (Insead and Harvard Business School), member of the board of directors and president/general manager marketing and information of the Reuters Group until 2001, CEO of Edipresse Publications SA, Lausanne, and member of the board of directors of the newspaper Le Temps until 2007, member of the board of directors of Schroder & Co Bank AG, Zürich, of Symbiotics SA Information, Consulting & Services, Geneva, and of GL Trade (Suisse) SA, Geneva, since 2008.

### Carlo Schmid-Sutter (1950)

Non-executive member, left as at May 26, 2010.

Swiss citizen, lic. iur., attorney-at-law, notary public, chief of the Executive Council and, until 2007, State Councilor of the Canton of Appenzell Innerrhoden, president of the Swiss Natural Disaster Relief Fund, Bern, president of Schweizer Werbung, Zürich, president of the Swiss Commission of Electricity ElCom since 2007 and member of various SMEs and Swiss foundations.

### **Elections and terms of office**

According to the articles of incorporation, the Board of Directors comprises three to five members, which must be nominated from the circle of shareholders and must own at least 100 shares. They are individually elected by the General Meeting of Shareholders for a maximum term of three years and may be re-elected without restrictions. Members who have reached age 71 are required to resign on the date of the subsequent General Meeting.

### **Internal organizational structure**

According to the law and the articles of incorporation, the Board of Directors is the supreme management body of the Group. It has authority to decide on all matters which, according to the law and the articles of incorporation, are not in the competence of the General Meeting, or which it has not delegated to other bodies through regulations and decisions. It determines by majority vote the strategic, organizational, financial, and accounting guidelines to be followed by the Affichage Group. In the event of a tie, the Chairman does not have a casting vote. The Board of Directors elects, for one-year terms, the chairmen, vice-chairmen, and members of the committees.

The Board of Directors meets as often as business requires but at least once per quarter. Each member of the Board of Directors may ask the Chairman to convoke a meeting. In financial 2010, the Board of Directors held 5 ordinary and 4 extraordinary meetings with the regular participation of the Executive Board. The average duration of individual meetings is one or half a day. Most meetings were attended by all members of the Board of Directors.

The Board of Directors has appointed two permanent committees to assist it in its activities: the Supervisory Committee and the Nomination and Remuneration Committee. Their tasks and competences are defined in the regulations of the Board committees and encompass primarily functions of assessment, consulting, and supervision. In some individual cases, delegated by the Board of Directors, they also have decision-making powers. The committees prepare the activities of the Board of Directors in the domains assigned to them and directly inform the Board on all important matters.

Until May 26, 2010, the following members of the Board of Directors were represented in the Supervisory Committee: Binz (chairperson), Degonse, Gagnebin, and Hug. Thereafter, the Committee was composed of Directors Binz (chairperson), Hug, and Samyn. It has the following tasks:

- to supervise the independence and efficiency of external audits
- to review risk management in the finance and operations areas
- to review the organization and efficiency of internal audits, analyzing the reports and forwarding them to the Board of Directors
- to determine the investment strategy and the real estate policy
- to analyze the consolidated intermediate and annual statements and forward them to the Board of Directors

In the year under report, the Supervisory Committee held 3 ordinary meetings (in February, July, November) as well as one extraordinary meeting (in May), with participation of the CEO and the CFO. At one meeting, the external auditors were present.

Until May 26, 2010, the following members of the Board of Directors were represented in the Nomination and Remuneration Committee: Hug (chairperson), Binz, and Marchand. Thereafter, the Committee was composed of Directors Decaux (chairperson) and Binz. This committee reviews:

- the remuneration policy
- the selection criteria for the members of the Executive Board and the Senior Management
- their basic conditions of employment
- the proposals regarding their remuneration and participation
- management development and succession planning

In the year under review, the Nomination and Remuneration Committee held 1 meeting (in November), with participation of the CEO and the CFO.

To ensure the continuous improvement of its operation, the Board of Directors annually undertakes a self-evaluation procedure.

### **Delimitation of the areas of responsibility between Board of Directors and Executive Board**

The Board of Directors decides on all matters entrusted to it by the law, the articles of incorporation, and the organization regulations. Implementing and complementing article 716a of the Swiss Code of Obligations and article 27 of the articles of incorporation, the following decisions in particular are in the exclusive authority of the Board of Directors:

- Determination of business policies and financial strategies
- Approval of sales, cost, and investment budgets of the Affichage Group
- Establishment, acquisition, sale, liquidation, or merger of subsidiaries
- Exercise of voting rights in the general meetings of the subsidiaries and drafting of the recommendations to private individuals who represent the company on the boards of directors or in other bodies of subsidiaries
- Conclusion of loan contracts (whether as lender or borrower), contracts of surety, or any other form of guaranty contracts – excluding concession contracts – which involve obligations by the company toward third parties in excess of CHF 2 million
- Conclusion of contracts for non-budgeted items whose amount exceeds CHF 1 million

The Board of Directors has entrusted the Executive Board, under the direction of the CEO, with the management of current operations. The Executive Board is responsible for all matters which, according to the law, the articles of incorporation, or the organization regulations, are not in the competence of the Board of Directors or any other body of the company.

### **Information and control instruments vis-à-vis the Executive Board**

In addition to the tasks assigned to the Supervisory and the Nomination and Remuneration Committees, the Board of Directors is provided at every meeting with the relevant information pertaining to management, revenue, and profit of each associated company. The Board of Directors is informed orally and in writing about the following financial data for each associated company and for the corporation as a consolidated whole:

- quarterly, semi-annual and annual statements (balance sheet, statement of income, cash flow)
- annual budget figures, regular comparisons of actual with budgeted figures, and projections
- three-year medium-term planning
- extraordinary occurrences

In addition, the Chairman of the Board of Directors is in constant contact with the CEO. Extraordinary occurrences must be reported immediately by the members of the Executive Board and of the Senior Management to the CEO, who shall inform without delay the Chairman of the Board of Directors. If required, the Chairman of the Board of Directors participates in the meetings of the Executive Board. With the consent of the Chairman, each member of the Board of Directors may request management to provide information on the Group's business performance, as well as access to records and documents. The Board of Directors assigns signatory powers to staff members. Basically, signatory powers are collective (two signatures required).

## Management

| Executive Board   |  | since             |
|---|--|-------------------|
| Christian Kauter (1947), Swiss citizen, lic. rer. pol.          | Chief Executive Officer                        | 2000 <sup>1</sup> |
| Markus Scheidegger (1965), Swiss citizen, attorney at law       | Chief Executive Officer                        | 2010 <sup>2</sup> |
| Daniel Hofer (1963), Swiss citizen, Dr. MBA/DBA                 | Chief Executive Officer                        | 2010 <sup>3</sup> |
| Ulrich von Bassewitz (1961), Swiss/German citizen, Dr. oec. HSG | Chief Financial Officer                        | 2000              |
| Thomas Rainer (1971), Italian citizen, Dott. econ. az.          | Head of International Markets                  | 2010 <sup>4</sup> |
| <b>Senior Management</b>  |  |                   |
| Oliver Achermann (1969), Swiss citizen                          | Head of Corporate Center                       | 2007              |
| Beat Hostenstein (1968), Swiss citizen                          | Partner & Product Management                   | 2007              |
| Felix H. Mende (1973), German citizen, lic. rer. pol.           | Regional Director & Head of Market Development | 2008 <sup>5</sup> |
| Walter Robert Oeschger (1949), Swiss citizen                    | Logistics                                      | 2006              |
| Ivan Schultheiss (1970), Swiss citizen                          | APG General Manager                            | 2004 <sup>6</sup> |
| Florian Walz (1970), Swiss citizen                              | Head of Media & Product Development            | 2009 <sup>6</sup> |

<sup>1</sup> Left as at June 30, 2010

<sup>2</sup> Interim July 1–September 30, 2010

<sup>3</sup> Entry as at October 1, 2010

<sup>4</sup> Entry as at June 1, 2010

<sup>5</sup> Until December 31, 2010

<sup>6</sup> Left as at December 31, 2010

**Christian Kauter** see page 47

**Markus Scheidegger** see page 47

**Daniel Hofer** was employed by the NZZ Media Group from 2006 to 2010 and as a member of the executive committee headed up the Zürich-based publishing houses. He joined NZZ after a long-standing career with Publigroupe SA, where he initially managed a number of business units in Switzerland. From 2002 to 2005, he was the CEO of the International Division and member of the management board. Moreover, he was elected president of the IAA International Advertising Association, Swiss Chapter, in 2008. He holds a Master of Business Administration (University of Rochester, New York/USA) and a Doctorate of Business Administration (University of South Australia, Adelaide/AUS).

**Ulrich von Bassewitz** was active in international top management consulting and training, working – among others – for SMP Management Programm St. Gallen AG Group and Bossard Consultants/Gemini Consulting before he joined the Affichage Group. He holds a degree in business economics from the University of St. Gallen (Dr. oec. HSG).

**Thomas Rainer** was head of International Business with out-of-home specialist Wall AG, Berlin (Germany) for nearly two years before he joined the Affichage Group in mid-year. Previously, he had already worked for Affichage Holding SA for six years as head of Europlakat International Werbegesellschaft m.b.H., Vienna (Austria), and was responsible for the Group's foreign business in Central Europe. Additionally, he was Vice President of FEPE International, Federation of Outdoor Advertising, for several years. He holds a degree in business administration from Leopold Franzens Universität (Mag. rer. soc. oec.), Innsbruck (Austria), and a doctoral degree from Università Cà Foscari (Dott. Econ. Az.), Venezia (Italy).

**Oliver Achermann** graduated from grammar school, received advanced in-service training in business administration and completed several courses at the Institute of Applied Psychology, Zürich. Before acting as general manager of Affichage subsidiary Sportart AG from 1999 to 2007, he served in management positions in financial consulting, training, and sponsoring/marketing of Credit Suisse. He has been head of the Corporate Center of Affichage Holding SA since October 2007.

**Beat Hostenstein** completed a commercial apprenticeship with Legrand Schweiz AG (electrical installations). From 1987 to 1996, he worked for Zürcher Kantonalbank in the marketing and organization divisions. In 1996, he joined APG as head of the Dietikon branch. In 1997, he was appointed as implementation manager of the Zürich branch, where he assumed overall responsibility in 2001. Additionally, he was head of Key Account Management (KAM) since 2004. From 2009 to 2010, he was Head of Marketing/Acquisition and Deputy General Manager of APG, and since January 1, 2011 has been responsible for Partner & Product Management of the Affichage Group. In several in-service courses, he earned Swiss federal diplomas as organizer (1996), marketing planner (1999), and sales manager (2001).

**Felix H. Mende** assumed his current position after having developed the Swiss poster research program as the general manager of Swiss Poster Research Plus AG (SPR+). Previously, he worked as a business consultant at Input AG in Zürich and in container shipping at Hapag-Lloyd in Hong Kong. He studied business economics at the Université de Fribourg (earning the degree of lic. rer. pol.). Since 2008, he has been in charge of Affichage International's market development and serves as the company's Regional Director. Additionally, he has been Deputy General Manager of Affichage International as of November 1, 2009.

**Walter Robert Oeschger** joined APG in 1987 as operations manager. Before his current function as head of logistics, he served for 7 years as implementation manager and subsequently headed the Basel and Aarau branch offices as branch office manager from 1995 to 2006. After completing a technical apprenticeship and further education, he earned a Higher Business Management Diploma (HWD) and subsequently held an executive position as head of manufacturing at Obrist AG, Magden, from 1977 to 1981. From 1981 to 1987, he served on the management committee of Chematec AG, Möhlin. He also completed in-service training, earning Swiss Federal diplomas in sales management and logistics management.

**Ivan Schultheiss** completed a commercial apprenticeship and obtained a degree in advertising management; thereafter, he honed his skills in various positions with Fust AG; Werbeagentur Sulzer, Sutter; Publipresse; and Publicitas. For 4 years, he was advertising director for *Die Weltwoche* at Jean-Frey AG. In August 2003, he joined APG as head of Key Account Management (KAM). Since 2004, he was responsible for national sales. Effective January 1, 2009, he was appointed General Manager of APG by the Board of Directors of Affichage Holding SA (left as at December 31, 2010).

**Florian Walz** joined e-advertising AG (now eAd, an APG profit center), a unit of Affichage Holding AG specialized in digital advertising media, in 2003. Previously, he was out-of-home advertising unit head and member of the executive committee of Optimedia AG, a media agency, for nearly 10 years. From 2004 to 2007, he accompanied the *Swiss Poster Research Plus* study, initially as a research delegate and finally as project manager with the Affichage Group. He also designed the *SPR+ Expert* planning tool. Since 2007, he was in charge of Media & Product Development at the Group level, focusing on the ongoing media digitization trend (left as at December 31, 2010).

### Management contracts

Affichage Holding SA and its associated companies have concluded no management contracts with third parties.

## Compensations, participations, and loans

### Scope and stipulation procedure of compensations

The Nomination and Remuneration Committee submits to the Board of Directors annually proposals for approval of the remuneration policy and the compensations of the members of the Board of Directors. The members of the Board of Directors receive a fixed and a variable compensation. The variable compensation is dependent on the consolidated net income. It is paid in cash and in the form of Affichage Holding SA shares which are blocked for three years. Since the General Meeting on May 26, 2010, the Board of Directors continues to renounce all fees until dividend payments are resumed.

The salaries of the Executive Board and the Senior Management are determined by the Board of Directors upon a proposal by the Nomination and Remuneration Committee and reviewed annually. All employees of the Affichage Group receive a fixed salary plus an optional incentive bonus dependent on the financial result. The variable portion or members of the Executive Board and the Senior Management depends on the profit earned by the respective operational unit as well as the consolidated net income of the Group. It is paid in cash and in the form of Affichage Holding SA shares which are blocked for three years. The mean variable salary portion for members of the Senior Management responsible for domestic operations is 13% of their total remuneration, of which 25% is paid out in the form of Affichage shares valued at the average December share price. Members of the Executive Board and of the Holding Senior Management will not receive any variable remuneration components for financial 2010.

The disclosure of remunerations as well as of shares held by the members of the Board of Directors, the members of the Executive Board, and of Senior Management officers is provided on pages 46–47 of the financial report.

## Shareholders' participation rights

### Restriction and representation of voting rights

At the General Meeting of Affichage Holding SA, each individual share entitles its owner to one vote. A shareholder may directly or indirectly exercise the voting rights for shares that he/she owns or represents, but no single shareholder may execute voting rights for more than 5% of all share votes. Legal entities and partnerships linked with one another by means of capital or voting rights, by combined management, or by similar means shall be considered as single shareholders with regard to their voting rights. The voting right can only be exercised if the shareholder is registered in the share register and thus entitled to participate at the General Meeting. Shareholders may be represented at the General Meeting by third parties authorized by written power of attorney. The shares are indivisible and the company recognizes only one single representative per share.

### Statutory quorums

The following decisions require the votes of at least two thirds of the represented shares and the absolute majority of the par value of the represented shares:

- changing the company purpose
- introduction of shares carrying voting rights
- authorized or conditional capital increase
- capital increase from shareholders' equity, with non-cash contributions or acquisitions in kind, and granting special privileges
- limitation or elimination of subscription rights
- relocation of the company domicile
- dissolving the company without liquidation

Any amendments to or elimination of regulations regarding the limitation of transferability of shares or the annulment of statutory voting right limitations shall require a decision by the General Meeting approved by at least 80% of the represented votes and 80% of the par value of the represented shares.

## Changes of control and defensive measures

### Duty to make an offer

There are no statutory opting-out or opting-up clauses.

### Clauses on changes of control

The employment contracts of one member of the Executive Board and of three further employees of the Affichage Group contain clauses concerning a change of control. If the working relationships of these persons are terminated by the employer without important reasons as a consequence of a change of control of the employer, initiated by a public takeover or swap bid that is not endorsed by the employer's Board of Directors, these persons shall be entitled to claim severance pay. This remuneration shall consist of two years' salary based on their gross annual salary as well as the premiums they received in the year prior to the change of control. It shall be owed when the contractual period of notice of at least one year has expired. This entitlement to severance pay also applies if the contractual relationship is terminated by these persons for important (but not without important) reasons. Furthermore, these persons are not entitled to claim severance pay if their employment contract is terminated by the employer for important reasons.

Should a change of control at Affichage Holding SA occur as a result of a takeover offer not endorsed by the Board of Directors, Polymedia Holding AG, Bern (Polymedia), which currently holds 50% of the share capital of Impacta AG and of Ecofer AG, would be entitled to purchase from Affichage Holding SA one additional percent (1%) of the share capital of these companies. In case of a change of control over Polymedia, Affichage Holding SA has an analogous purchasing right. Markus Scheidegger is both a member of the board of directors of Polymedia (which is owned by the Scheidegger family) and a member of the Board of Directors of Affichage Holding SA.

### Convocation of the General Meeting of Shareholders

The ordinary General Meeting of Shareholders shall take place every year within six months after the close of the financial year. Extraordinary General Meetings shall be convoked as often as necessary, particularly in cases provided by statute. Shareholders representing a par value of at least 10 percent may demand the convocation of an extraordinary General Meeting. Any such demand must be made no less than 50 days prior to the proposed meeting date. The convocation of the General Meeting of Shareholders by the Board of Directors shall be dispatched no less than 20 days in advance of the day of the meeting and shall list the agenda and the motions of the Board of Directors and the shareholders.

### Agenda

Shareholders representing a par value of CHF 225,000 may demand inclusion of an item in the agenda. Any such demand must be made no less than 50 days prior to the proposed meeting date.

### Registrations in the share register

No registrations are performed between the time of dispatching the invitation to and the closing of a General Meeting.

Gewista Werbegesellschaft mbH (Austria) (Gewista) and JCDecaux SA (France) (JCDecaux) on the one hand and Affichage Holding SA on the other hand have terminated the joint venture contract governing their mutual relationship in conjunction with Europlakat International Werbegesellschaft mbH (Austria) (EPI) in whose stock capital Gewista and Affichage Holding SA participated with 50% each. The contract concluded on October 26, 2007, grants both parties mutual rights of pre-emption as well as change-of-control-related purchasing options in the participating interests that were split up within the scope of the dissolution of the joint venture. Additionally, the contract grants JCDecaux SA pre-emption rights as well as purchasing options in certain foreign subsidiaries of Affichage Holding SA, whereby such options are conditional upon a change of control in Affichage Holding SA.

In this context, JCDecaux has agreed not to expand its current participation in Affichage Holding SA (30%). Affichage Holding SA is entitled to a purchasing option of maximally 4.9% of its own share capital in case JCDecaux should fail to comply with the obligations stated above. The preferential price of the purchasing option is the average closing price of Affichage Holding SA shares in the last thirty days before exercise of the option.

## Auditors

### Duration of mandate and term of office of the auditor in charge

Arthur Andersen/Ernst & Young has been the statutory auditor of Affichage Holding SA and the group auditor of its Swiss associated companies since 1999. Fredi Widmann, the auditor in charge, has held this position since 2009. The Supervisory Committee shall assure that the auditor in charge is rotated after no more than 7 years.

### Auditing honorarium and additional honorariums

For financial 2010, the auditing honorarium of Ernst & Young for services in conjunction with the auditing of the financial statements totaled CHF 505,000. For fiscal counsel and special investigation, Ernst & Young has invoiced CHF 214,000.

### Information instruments of the auditors

On behalf of the Board of Directors, the Supervisory Committee annually reviews the independence, qualification, performance, and honorariums of the auditors. It prepares for the Board of Directors a proposal for the election of the auditor, which is then submitted by the Board to the General Meeting. The Board of Directors annually reviews the extent of the external audit, the audit plans, and the respective procedures and discusses the audit results with the external auditors. At least once a year in a joint meeting, the auditor reports to the Supervisory Committee of the Board of Directors on the auditing work and its key results. A regular exchange of information takes place between the auditor and the CFO.

## Information policy

The Affichage Group implements an open information policy toward the financial market and the general public. The shareholders receive semi-annual letters informing them about the Group's business performance.

The annual report, the detailed Financial Report, the letters to shareholders, the stock price, as well as media releases are available at [www.affichage.com](http://www.affichage.com). Financial media and analysts conferences are held at least once per year. Further information is available from the contact addresses mentioned in the annual report. The publication of share-price-relevant facts is governed by the provisions concerning ad-hoc publicity of SIX Swiss Exchange. Subscriptions to the media releases can be ordered at [www.affichage.com/mediaannouncements](http://www.affichage.com/mediaannouncements).

The most important dates

- Closing date:  
December 31
- Announcement of annual results:  
March 2, 2011
- Financial media and analysts conference:  
March 2, 2011
- Publication of the annual report:  
April 28, 2011
- General Meeting:  
May 26, 2011
- Closing date for semi-annual results:  
June 30
- Announcement of semi-annual results:  
July 28, 2011