



## **PROPOSAL BY KESKO CORPORATION'S BOARD OF DIRECTORS FOR ITS AUTHORISATION TO DECIDE ON SHARE ISSUE**

Kesco Corporation's Board of Directors proposes to the Annual General Meeting to be held on 4 April 2016 that the Board of Directors be authorised to decide on the transfer of own B shares held by the Company in treasury on the following conditions:

### **1. Maximum number of shares to be issued**

Under the authorization, the Board of Directors is entitled to decide on the transfer of a maximum of 1,000,000 B shares.

### **2. Right to subscribe shares**

Own B shares held by the Company in treasury can be issued for subscription by shareholders in a directed issue in proportion to their existing holdings of the Company shares, regardless of whether they own A or B shares.

Own B shares held by the Company in treasury can also be issued in a directed issue, departing from the shareholder's pre-emptive right, for a weighty financial reason of the Company, such as using the shares to develop the Company's capital structure, to finance possible acquisitions, capital expenditure or other arrangements within the scope of the Company's business operations, and to implement the Company's commitment and incentive scheme.

### **3. Amount paid for shares**

Own B shares held by the Company in treasury can be transferred either against or without payment. According to the Finnish Limited Liability Companies' Act, a directed share issue can only be without payment, if the Company, taking into account the best interests of all of its shareholders, has a particularly weighty financial reason for it.

### **4. Recognition of subscription price in the balance sheet**

The amount possibly paid for B shares held by the Company in treasury in connection with their transfer is recorded in the reserve of unrestricted equity.

### **5. Other conditions and validity**

The Board of Directors makes decisions concerning any other issues related to share issues.

The authorisation is valid until 30 June 2020, and it cancels the authorisation given to the Board of Directors by the General Meeting of 8 April 2013 to transfer a total maximum of 1,000,000 B shares. The authorisation applied for does not cancel the authorisation given to the Board of Directors by the Annual General Meeting of 13 April 2015 to issue a total maximum of 20,000,000 new B shares, valid until 30 June 2018.

Helsinki, 2 February 2016

KESKO CORPORATION  
Board of Directors