

Kesko Corporation's Annual General Meeting, 28 April 2020 / Esa Kiiskinen, kauppaneuvos, Chairman of Kesko's Board of Directors

Esteemed shareholders: welcome to Kesko's 2020 Annual General Meeting

I want to express my deepest gratitude that most of you heeded our request to not attend this meeting in person here at K-Kampus, thus enabling us to hold the Annual General Meeting while ensuring the health and safety of our shareholders.

These are exceptional times. The spread of the COVID-19 coronavirus has had a wide-ranging impact on the lives of people in Finland and on a global scale. We do not know how long these exceptional circumstances will last, or what the impact on our national economies will be. What is certain is that the epidemic will leave a lasting mark.

Kesko's ability to face exceptional circumstances such as these is good. Our financial position is strong, our strategy functional, and thanks to our transformation over recent years, our structures and processes can also withstand crises.

Even during the current crisis, we can be proud of our many successes in 2019. We managed to increase our net sales further and achieve a record operating profit of 462 million euros. Growth investments in line with our strategy have significantly improved our profitability.

Kesko's excellent success is founded on the growth strategy first established in 2015, and the successful execution of that strategy. Strong customer orientation drives everything we do. The cornerstones of our strategy are profitable growth, focus on our core businesses – the grocery trade, building and technical trade and car trade –, sustainability and combatting climate change, and operating as "One unified K". In his review, President and CEO Mikko Helander will elaborate on the themes of strategy execution, each division's progress, and our financial position.

Esteemed shareholders,

The Board of Directors of Kesko Corporation proposes to this General Meeting that a dividend of 2.52 euros per share be paid based on the 2019 adopted balance sheet. Kesko's good dividend capacity is based on strong and steady cash flow from operations. The Board proposes that the dividend be paid in two instalments in May and October.

The Board proposes to the General Meeting a share issue without payment, or a so-called share split. Kesko's share performance has been very good in recent years, thanks to successful strategy execution and good profit performance. The objective of the share split is to make Kesko and its A and B shares more attractive to private investors, thus improving the shares' liquidity.

On behalf of the whole Board of Directors, I want to thank Kesko's management, retailers, K Group personnel, our shareholders and all our other partners for the valuable work done towards our success.

We can confidently move forward even during these exceptional times. I believe Kesko will continue its strong transformation and that the company will significantly spur on the whole trading sector in upcoming years.

I warmly welcome you all to this exceptional Annual General Meeting of Kesko Corporation, and declare the meeting open.