

**KESKO CORPORATION'S ANNUAL GENERAL MEETING**  
MINUTES NO. 1/2012

<b>Place</b>	Fair Centre congress wing, Rautatieläisenkatu 3, Helsinki
<b>Date</b>	16 April 2012 at 13.00–15.56
<b>Participants</b>	Shareholders and representatives of 1,358 shareholders <b>Appendix 1</b>

**Board members**

Heikki Takamäki Chair  
Seppo Paatelainen Deputy Chair  
Esa Kiiskinen  
Ilpo Kokkila  
Mikko Kosonen  
Maarit Näkyvä  
Rauno Törrönen

**New Board members**

Tomi Korpisaari  
Toni Pokela  
Virpi Tuunainen

**Auditor**

Johan Kronberg, APA, the auditor with principal responsibility  
Ylva Eriksson, APA

Those present also included members of the company's top management, technical staffs and media representatives.

**1. Opening of the meeting**

The Board Chair Heikki Takamäki welcomed the participants and opened the meeting. The Board Chair gave a speech, which is attached to the minutes.  
**Appendix 2**

**2. Calling the meeting to order**

Professor Seppo Villa was elected as the Chair of the meeting. The Chair called Vice President, General Counsel Anne Leppälä-Nilsson to act as the secretary of the meeting. The Chair explained the confines of the meeting room, the recording of the speeches for ensuring the accuracy of the minutes, and other instructions to the participants. The Chair noted that the items would be handled in the order in which they were listed on the agenda distributed to the participants.

### 3. Election of persons to scrutinise the minutes and to supervise the counting of votes

It was resolved to elect Heikki Kinnunen and Jari Peltonen as scrutinisers.

It was resolved to elect Ritva Karling and Heimo Välinen to supervise the counting of votes.

### 4. Recording the legality of the meeting

The Chair explained the provisions of the Limited Liability Companies Act and the Articles of Association concerning the convocation of the General Meeting and the availability of documents relating to the meeting.

The Chair noted that in its meeting on 1 February 2012, the company's Board of Directors had decided that Helsingin Sanomat and Kauppalehti are the newspapers, referred to in article 9 of the Articles of Association, in which the notices of General Meeting are published.

The Chair noted that the notice of meeting had been published in Helsingin Sanomat and Kauppalehti on 27 February 2012. The notice of meeting and the proposals of the Board and the Board's Audit Committee to the General Meeting had also been available on the company's website.

**Appendix 3**

The Chair noted that the financial statements documents had been available on the company's website since 23 March 2012.

- **It was noted** that the meeting had been properly convened and that it had a quorum.

### 5. Recording the attendance at the meeting and adoption of the list of votes

The Chair explained the provisions of the Limited Liability Companies Act and the Articles of Association concerning shareholders' participation rights. The record date of the General Meeting had been 2 April 2012 and the registration had ended on 11 April 2012 at 16.00. Holders of nominee registered shares wishing to participate in the General Meeting had had to temporarily register in the register of the company's shareholders not later than 11 April 2012 at 10.00.

The Chair noted that, at the beginning of the meeting, there was an attendance of 1,358 representatives of shareholders included in the list of votes, representing 167,781,551 votes and 35,559,014 shares. The shares accounted for around 36% of all shares and the votes for around 43.7% of all votes.

**Appendix 1**

The Chair noted that proxies of Nordea Bank Finland Plc, Skandinaviska Enskilda Banken AB (publ) Helsinki Branch and Svenska Handelsbanken AB (publ), Branch Operation in Finland, representing holders of nominee registered shares, had in advance expressed their opinions about certain items on the General Meeting agenda to the company, and at the same time, had advised that they would not demand a vote on the issues whose

draft resolutions their clients objected, or that they would abstain from voting.

They would settle with an appropriate record in the minutes at the relevant items, provided that the Chair could reliably ascertain that the majority required in each case was in favour of the draft resolution.

**Appendix 4**

- **It was noted** that the list of votes as at the beginning of the meeting would be attached to the minutes of the meeting.

## **6. Review by the President and CEO**

President and CEO Matti Halmesmäki gave a review of the Kesko Group operations. The slides he presented are attached to these minutes.

**Appendix 5**

The Chair opened a discussion on the review given by the President and CEO.

President and CEO Matti Halmesmäki answered shareholders' questions. A question asked by shareholder Tapio Niemi was attached to the minutes on his request.

**Appendix 6**

## **7. Presentation of the 2011 financial statements, the report of the Board of Directors and the auditors' report**

Kesko Corporation's 2011 financial statements, report by the Board of Directors and the auditors' report were presented.

**Appendices 7-8**

The Chair noted that the original financial statements documents were available at the meeting.

The Chair opened a discussion on the financial statements.

The Board Chair Heikki Takamäki, Audit Committee Chair Maarit Näkyvä and President and CEO Matti Halmesmäki answered shareholders' questions.

## **8. Adoption of the financial statements**

The Chair noted that the auditors' report recommended the adoption of the financial statements and the consolidated financial statements.

- **It was resolved** to adopt Kesko Corporation's 2011 financial statements and consolidated financial statements.

## 9. Distribution of the profits shown on the balance sheet and resolution on the payment of dividend

The Chair explained the Board's proposal for the distribution of profits and the payment of dividend.

The Chair opened the discussion.

The Board Chair Heikki Takamäki answered a shareholder's question.

- **It was resolved**, in accordance with the Board's proposal for profit distribution, to distribute a dividend of €1.20 per share on shares held outside the company, or a total amount of €117,643,117.20.

The record date for dividend distribution is 19 April 2012 and the dividend pay date was resolved to be 26 April 2012.

It was recorded that shareholder Arvi Kekäläinen proposed increasing the dividend to €1.50 for consideration and noted that he did not demand a vote but would settle with a record in the minutes.

## 10. Resolution on discharging the Board members and the Managing Director from liability

- **It was resolved** that the Board members and the Managing Director are discharged from liability for the financial year 2011.

It was recorded that holders of nominee registered shares holding a total of 12,526 votes and shares had announced their objection to this item, and that shareholders holding a total of 362 votes and shares had announced that they would abstain from voting on this item.

## 11. Resolution on the Board members' fees and the basis for reimbursement of expenses

The Chair noted that, according to the notice of the General Meeting, shareholders jointly representing over 10% of the votes carried by Kesko Corporation shares proposed that the Board members' fees be unchanged as follows:

- the Chair of the Board, an annual fee of €80,000
- the Deputy Chair of the Board, an annual fee of €50,000
- a member of the Board, an annual fee of €37,000, and
- a meeting fee of €500 per meeting to a member for a Board meeting and its Committee's meeting, with the exception that the Chair of a Committee who is not the Chair or the Deputy Chair of the Board is paid €1,000 per Committee meeting
- daily allowances and compensation for travel expenses are paid in accordance with the general travel rules of Kesko.

A representative of the proposing shareholder repeated the proposal mentioned in the notice of the General Meeting.

The Chair opened the discussion.

The Board Chair Heikki Takamäki answered shareholders' questions.

- **It was resolved** that the Board members and Committee members are paid the following annual and meeting fees:

Annual fees:

- the Chair of the Board	€80,000
- the Deputy Chair of the Board	€50,000
- Board member	€37,000

and meeting fees:

- for a Board meeting and its Committee's meeting	€500/meeting
- for a Committee meeting to a Committee Chair who is not the Chair or the Deputy Chair of the Board	€1,000/meeting

In addition, it was resolved that daily allowances and compensation for travel expenses are paid to the members of the Board of Directors and the members of the Board's Committees in accordance with the general travel rules of Kesko.

It was recorded that shareholder Timo Määttä proposed for the Board's consideration to make a proposal to the next Annual General Meeting for the payment of Board members' fees partly in company shares.

## 12. Resolution on the number of Board members

The Chair noted that, according to the notice of the General Meeting, shareholders jointly representing over 10% of the votes carried by Kesko shares had proposed that the number of Board members be resolved to be unchanged at seven (7).

According to the Articles of Association, the Board of Directors is composed of at least five but no more than eight members whose term is three years.

A representative of the proposing shareholder repeated the proposal mentioned in the notice of the General Meeting.

The Chair opened the discussion.

A proposal by shareholder Ritva Siipi, that the next Annual General Meeting should discuss increasing the number of Board members with view of gender equality, was recorded in the minutes.

- **It was resolved** to confirm the number of Board members to be seven.

It was recorded that holders of nominee registered shares jointly holding 34,475 votes and 32,891 shares had announced their objection to this item.

### 13. Election of the Board members

The Chair noted that the notice of the General Meeting had mentioned that shareholders jointly holding over 10% of votes carried by the Kesko Corporation shares had proposed that the following persons be elected as Board members:

from among the present members

- Esa Kiiskinen
- Ilpo Kokkila
- Maarit Näkyvä and
- Seppo Paatelainen

and as new members

- Tomi Korpisaari
- Toni Pokela, and
- Virpi Tuunainen

A representative of the proposing shareholder repeated the proposal mentioned in the notice of the General Meeting.

The Chair opened the discussion.

- **It was resolved** to elect:  
Esa Kiiskinen, Tomi Korpisaari, Ilpo Kokkila, Maarit Näkyvä, Seppo Paatelainen, Toni Pokela and Virpi Tuunainen as Board members.

Consents to the membership from the persons elected as Board members were included in the appendices of the minutes.

#### Appendix 9

It was recorded that holders of nominee registered shares jointly holding 4,406,848 votes and 4,354,396 shares had announced their objection to this item, and that shareholders jointly holding 199,600 votes and shares had announced that they would abstain from voting.

### 14. Resolution on the auditor's fee and the basis for reimbursement of expenses

The Chair noted that the Board's Audit Committee had proposed to the General Meeting that the auditor's fee be paid and expenses reimbursed according to invoice approved by the company.

- **It was resolved** that the auditor's fee is paid and expenses are reimbursed according to invoice approved by the company.

It was recorded that holders of nominee registered shares jointly holding a total of 129,238 votes and 101,905 shares had announced their objection to this item.

## 15. Election of the auditor

The Chair noted that the Board's Audit Committee had proposed that the firm of auditors PricewaterhouseCoopers Oy, Authorised Public Accountants, be elected as the company's auditor, who have announced that, if elected, Johan Kronberg, APA, would continue as the auditor with principal responsibility.

**It was resolved** to elect the firm of auditors PricewaterhouseCoopers Oy as the company's auditor, who have announced that Johan Kronberg, APA, will continue as the auditor with principal responsibility.

The consent to the election from the firm of auditors was attached to the minutes. **Appendix 10**

It was recorded that holders of nominee registered shares jointly holding a total of 100,242 votes and 74,691 shares had announced their objection to this item, and that shareholders jointly holding 6,000 votes and shares had announced that they would abstain from voting.

## 16. The Board of Directors' proposal for Board authorisation to decide on share issue

The Chair explained the Board's proposal for its authorisation to decide on the issuance of a total maximum of 20,000,000 new B shares.

The Chair opened the discussion.

President and CEO Matti Halmesmäki answered a shareholder's question.

- **It was resolved**, in accordance with the Board's proposal, to authorise Kesko Corporation's Board of Directors to decide on the issuance of a total maximum of 20,000,000 new B shares.

The shares can be issued against payment for subscription by shareholders in a directed issue in proportion to their existing shareholdings regardless of whether they consist of A or B shares, or, deviating from the shareholder's pre-emptive right, in a directed issue, if there is a weighty financial reason for the company, such as using the shares to develop the company's capital structure, and financing possible acquisitions, investments or other arrangements within the scope of the company's business operations. The amount paid for the shares is recognised in the reserve of invested non-restricted equity.

The authorisation also includes the Board's authority to decide on the share subscription price, the right to issue shares against non-cash consideration and the right to make decisions on other matters concerning share issuances. The authorisation will be valid until 30 June 2015 and it does not cancel the Board's authorisation

by the Annual General Meeting of 4 April 2011 to issue a total maximum of 1,000,000 own B shares held by the company valid until 30 June 2014.

It was recorded that holders of nominee registered shares jointly holding a total of 959,923 votes and shares had announced their objection to this item, and that shareholders jointly holding 4,013 votes and shares had announced that they would abstain from voting.

## 17. Donations for charitable purposes

The Chair noted that the Board had proposed that the General Meeting resolve to authorise Kesko Corporation's Board to decide on the donations in a total maximum of €300.000 for charitable or corresponding purposes until the Annual General Meeting to be held in 2013, and to authorise the Board to decide on the donation recipients, purposes of use and other terms of the donations.

The Chair opened the discussion.

President and CEO Matti Halmesmäki answered a shareholder's question.

- **It was resolved** to authorise Kesko Corporation's Board to decide on the donations in a total maximum of €300.000 for charitable or corresponding purposes until the Annual General Meeting to be held in 2013, and to authorise the Board to decide on the donation recipients, purposes of use and other terms of the donations.

It was recorded that holders of nominee registered shares holding a total of 88,351 votes and shares had announced their objection to this item.

## 18. Closing of the meeting

The Chair noted that all of the business specified for this meeting had been handled. The minutes of the General Meeting would be made available to shareholders on the company's website on 30 April 2012 at the latest. The Chair thanked the shareholders and the company management and closed the General Meeting.

Seppo Villa  
Chair



In fidem

Anne Leppälä-Nilsson  
Secretary

The minutes have been confirmed and approved.

Scrutiniser  
Heikki Kinnunen

Scrutiniser  
Jari Peltonen