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## **PROPOSALS OF THE BOARD OF DIRECTORS OF MUNKSJÖ OYJ TO THE ANNUAL GENERAL MEETING CONVENING ON 15 APRIL 2015**

### **Resolution on the use of the profit shown on the balance sheet and the payment of dividend**

There being no distributable retained earnings in the balance sheet of Munksjö Oyj as per 31 December 2014, the Board of Directors proposes that no dividend will be paid for the fiscal year 2014.

### **Payment of funds as return of equity from the reserve for invested non-restricted equity**

The Board of Directors proposes that the Annual General Meeting would decide to pay funds from the reserve for invested unrestricted equity as return of equity based on the balance of 31 December 2014 adopted by the Annual General Meeting, the amount of return being EUR 0.25 per share.

The return of equity shall be paid to a shareholder who on the record date of the payment 17 April 2015 is registered in the shareholder register of the Company held by Euroclear Finland Ltd. The Board further proposes that the return of equity shall be paid on 24 April 2015.

### **Auditor and Auditor's remuneration**

Upon the recommendation of the Audit Committee, the Board of Directors proposes that KPMG Oy Ab be re-elected as the company's auditor. KPMG Oy Ab has designated Authorized Public Accountant Sixten Nyman as the Responsible Auditor.

Upon the recommendation of the Audit Committee, the Board of Directors proposes that the auditor's remuneration be paid according to invoicing accepted by the company.

### **Authorizations to repurchase and distribute the company's own shares as well as to accept them as pledge**

The Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors to resolve to repurchase and to distribute the company's own



shares as well as to accept them as pledge in one or more instalments on the following conditions:

The number of shares to be repurchased or accepted as pledge by virtue of the authorization shall not exceed 4,000,000 shares in the company, yet always taking into account the limitations set forth in the Companies' Act as regards the maximum number of shares owned by or pledged to the company or its subsidiaries. The shares may be repurchased only through public trading at the prevailing market price on the date of repurchase by using unrestricted shareholders' equity. The authorization includes the right for the Board of Directors to decide upon all other terms and conditions for the repurchase of the company's own shares, or their acceptance as pledge, including the right to decide on the repurchase of the company's own shares otherwise than in proportion to the shareholders' holdings in the company.

By virtue of the authorization, the Board of Directors has the right to resolve to distribute a maximum of 4,000,000 own shares held by the company. The Board of Directors will be authorized to decide to whom and in which order the own shares will be distributed. The Board of Directors may decide on the distribution of the company's own shares otherwise than in proportion to the existing pre-emptive right of shareholders to purchase the company's own shares. The shares may be used e.g. as consideration in acquisitions and in other arrangements as well as to implement the company's share-based incentive plans in the manner and to the extent decided by the Board of Directors. The Board of Directors also has the right to decide on the distribution of the shares in public trading for the purpose of financing possible acquisitions. The authorization also includes the right for the Board of Directors to resolve on the sale of the shares accepted as a pledge. The authorization includes the right for the Board of Directors to resolve upon all other terms and conditions for the distribution of the shares held by the company.

The authorizations for the Board of Directors to repurchase the Company's own shares, to distribute them as well as to accept them as pledge are valid for 18 months from the close of the Annual General Meeting but will, however, expire at the close of the next Annual General Meeting, at the latest.

Helsinki, 12 February 2015

Board of Directors