

**KESKO CORPORATION'S ANNUAL GENERAL MEETING
MINUTES NO. 1/2013**

Place	Fair Centre Congress Wing, Rautatietäisenkatu 3, Helsinki
Date	8 April 2013 at 13.00–16.04
Participants	Shareholders and representatives of 1,316 shareholders Appendix 1

Board members

Esa Kiiskinen Chair
Seppo Paatelainen Deputy Chair
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 and technical staffs.

1. Opening of the meeting

The Board Chair Esa Kiiskinen 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 Manu Koskiniemi and Jari Peltonen as scrutinisers.

It was resolved to elect Teemu Tähtinen 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 4 February 2013, 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 25 February 2013. The notice of meeting and the proposals of the Board and its 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 6 March 2013.

- **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 25 March 2013 and the registration had ended on 3 April 2013 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 3 April 2013 at 10.00.

The Chair noted that, at the beginning of the meeting, there was an attendance of 1,316 representatives of shareholders included in the list of votes, representing 169,429,898 votes and 35,214,014 shares. The shares accounted for around 35.6% of all shares and the votes for around 44.1% of all votes.

Appendix 1

The Chair noted that the 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 they had advised that their clients objected, or on which they had advised 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

7. Presentation of the 2012 financial statements, the report of the Board of Directors and the auditors' report

Kesko Corporation's 2012 financial statements, report by the Board of Directors and the auditors' report were presented.

Appendices 6-7

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 Esa Kiiskinen and President and CEO Matti Halmesmäki answered shareholders' questions.

It was recorded that shareholders Pekka Jaakkola, Ritva Siipi and Hannu Kyrölä wished that the Board's term would be changed to be one year.

A question by Joonas Tuomivaara, a representative of the Kesko Employees' Branch of Service Union United PAM, was attached to the minutes on his request.

Appendix 8

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 2012 financial statements and consolidated financial statements.

It was recorded that holders of nominee registered shares, representing a total of 28,252 votes and shares, had advised that they would abstain from voting on this item.

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.

President and CEO Matti Halmesmäki 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 €117,892,576.80.

The record date for dividend distribution is 14 April 2013 and the dividend pay date was resolved to be 18 April 2013.

It was recorded that holders of nominee registered shares, representing a total of 28,252 votes and shares, had advised that they would abstain from voting on this item.

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 2012.

It was recorded that holders of nominee registered shares holding a total of 6,088 votes and shares had announced their objection to this item, and that shareholders holding a total of 28,513 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, as stated in the notice of the General Meeting, shareholders jointly representing over 10% of the votes carried by Kesko Corporation shares had 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 are paid and travel expenses are reimbursed 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.

- **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
- but for a Committee meeting to a Committee Chair who is not also the Chair or the Deputy Chair of the Board	€1,000/meeting

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

It was recorded that holders of nominee registered shares, representing a total of 28,252 votes and shares, had advised that they would abstain from voting on this item.

12. Resolution on the number of Board members

The Chair noted that, as stated in 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.

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

It was recorded that holders of nominee registered shares holding a total of 1,120 votes and shares had announced their objection to this item, and that shareholders holding a total of 28,252 votes and shares had announced that they would abstain from voting on this item.

13. Election of the Board members

The Chair noted that the Annual General Meeting of 16 April 2012 had resolved that the number of Board members is seven and had elected the Board members all of whose term will end at the close of the 2015 Annual General Meeting in accordance with the Articles of Association. Therefore, and because it had just been resolved that the number of Board members is seven, Board members were not elected at this General Meeting.

The Chair opened the discussion.

It was recorded that holders of nominee registered shares holding a total of 160,208 votes and shares had announced their objection to this item, and that shareholders holding a total of 7,896,010 votes and 7,762,855 shares had announced that they would abstain from voting on this item.

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 holding a total of 48,681 votes and shares had announced their objection to this item, and that shareholders holding a total of 29,079 votes and shares had announced that they would abstain from voting on 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 had 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 had announced that Johan Kronberg, APA, would be the auditor with principal responsibility.

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

Appendix 9

It was recorded that holders of nominee registered shares jointly holding a total of 25,398 votes and shares had announced their objection to this item, and that shareholders jointly holding 35,079 votes and shares had announced that they would abstain from voting.

16. Board's proposal for the Amendment of Article 9 of the Articles of Association

The Chair explained the Board's proposal for the amendment of the clause in Article 9 of the Articles of Association, concerning the delivery of the notice of a General Meeting, to the effect that the notice of a General Meeting shall be given to shareholders by means of publishing it on the company's website at the earliest two (2) months and at the latest three (3) weeks before the General Meeting, but in any case, at least nine (9) days before the record date of the General Meeting, referred to in the Limited Liability Companies' Act.

The Chair opened the discussion.

The Board Chair Esa Kiiskinen and President and CEO Matti Halmesmäki answered shareholders' questions.

- **It was resolved** to amend Article 9 of the Articles of Association as stated in Appendix 10. **Appendix 10**

A motion by shareholders Pekka Jaakkola and Timo Määttä for having a short reminder of the official notice of General Meeting being published on Kesko Corporation's website also in a couple of daily newspapers was recorded. In addition, a motion by shareholder Kaj Backas for including in the reminder the exact address of the website on which the notice of the General Meeting is published was recorded.

It was recorded that holders of nominee registered shares jointly holding a total of 28,252 votes and shares had announced that they would abstain from voting on this item.

17. Board's proposal for its authorisation to decide on the acquisition of own shares

The Chair explained the Board's proposal for its authorisation to decide on the acquisition of a maximum of 500,000 own B shares.

- **It was resolved**, as proposed by the Board, to authorise Kesko Corporation's Board to decide on the acquisition of a maximum of 500,000 own B shares.

Own shares shall be acquired with the company's unrestricted equity not in proportion to shares held by shareholders, but at the market price quoted in public trading organised by NASDAQ OMX Helsinki Ltd ("stock exchange") at the time of acquisition. The shares shall be acquired and paid in accordance with the rules of the stock exchange.

The shares shall be acquired to be used in the development of the company's capital structure, to finance possible business acquisitions, capital expenditures and/or other arrangements within the scope of the company's business operations, and to implement the company's incentive plan, or to be assigned otherwise, or cancelled.

The Board shall make decisions concerning other matters related to the acquisition of own B shares. The authorisation is valid until 30 September 2014.

It was recorded that holders of nominee registered shares jointly holding a total of 71,998 votes and shares had announced their objection to this item, and that shareholders jointly holding 29,372 votes and shares had announced that they would abstain from voting.

18. Board's proposal for its authorisation to decide on share issuance

The Chair explained the Board's proposal for its authorisation to decide on the issuance of a maximum of 1,000,000 own B shares held as treasury shares by the company.

The Chair opened the discussion.

The Board Chair Esa Kiiskinen answered shareholders' questions.

- **It was resolved**, as proposed by the Board, to authorise the Board to decide on the issuance of a maximum of 1,000,000 own B shares held as treasury shares by the company.

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

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

The own B shares held as treasury shares by the company can be delivered either against or without consideration. According to the Limited Liability Companies Act, a directed share issue can only be without consideration, if the company, taking into account the best interests of all its shareholders, has a particularly weighty financial reason for that.

The amount possibly paid for treasury shares is recognised in the reserve of invested non-restricted equity.

The Board shall make decisions concerning any other matters related to share issuances. The authorisation is valid until 30 June 2017 and it supersedes the Board's share issue authorisation resolved by the Annual General Meeting held on 4 April 2011, but it does not supersede the Board's share issue authorisation resolved by the Annual General Meeting held on 16 April 2012.

It was recorded that holders of nominee registered shares jointly holding a total of 8,020 votes and shares had announced their objection to this item, and that shareholders jointly holding 28,252 votes and shares had announced that they would abstain from voting.

19. 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 2014, and to decide on the donation recipients, purposes of use and other terms of the donations.

- **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 2014, and to decide on the donation recipients, purposes of use and other terms of the donations.

It was recorded that holders of nominee registered shares jointly holding a total of 22,548 votes and shares had announced their objection to this item, and that shareholders jointly holding 28,252 votes and shares had announced that they would abstain from voting.

20. 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 22 April 2013 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
Manu Koskiniemi

Scrutiniser
Jari Peltonen