

# Terms of the loyal customers share options of Stockmann plc

## Maximum number of share options

STOCKMANN plc (hereinafter also referred to as the "Company" or "Stockmann") issues without payment to its loyal customers a maximum of 2 500 000 share options.

Each share option entitles its holder to subscribe for one (1) Series B share in STOCKMANN plc, with the nominal value of two (2) euros, in accordance with the share subscription terms set forth below.

## Directing of share options

The share options will be issued in deviation from the shareholders' pre-emption right to subscription to a part of Stockmann's loyal customers in accordance with these terms. It is proposed to deviate from the shareholders' pre-emption right to subscription because the issuing of the share options is intended to offer loyal customers, who frequently do their shopping in the Company's stores, a significant benefit, which may reward the loyal customers for their purchase loyalty whilst at the same time strengthens the competitive position of Stockmann.

## Issuance of share options

Share options are issued to such private persons who wish to receive options and who are Stockmann's loyal customers and whose registered purchases, together with registered purchases originating from parallel cards directed to the same account, from companies belonging to Stockmann Group during the time period of 1 January 2008 - 31 December 2009 exceed a total of EUR 6 000 (six thousand). For purchases of at least EUR 6 000 (six thousand), the loyal customers shall without payment receive 20 (twenty) options. In addition, for every full EUR 500 (five hundred), with which the purchases, calculated as mentioned above, exceed EUR 6 000, the loyal customer shall receive additionally two (2) options.

The Company shall at the latest in February 2010 send each loyal customer entitled to share options a letter, in which the maximum number of share options granted to the loyal customer is stated. In addition to the details of the loyal customer card holder, the letter will include information on the holders of parallel cards directed to the same account as on 31 December 2009 and the amount of their purchases affecting the issuance of share options. The share options will be issued when the Company has received from the loyal customer a written consent to the offer for the number of share options to be issued.

Should the total amount of options to be issued based on the purchases exceed 2 500 000 (two million five hundred thousand), the Board of Directors of the Company shall have the right to reduce the amount of options to be issued to the loyal customers in such a way that the total amount of options to be issued will not exceed 2 500 000 (two million five hundred thousand). In such a case the amount of options issued to the loyal customer shall be reduced in proportion to the purchases affecting the amount of options to be issued, however, so that each person entitled to options will get at least 20 (twenty) options. If this minimum amount cannot be issued to each loyal customer entitled to options, the Board of Directors of the Company has the right to change these option subscription terms and to decide upon any other conditions relating to the issuance of options in such a case.

To the extent that all options are not issued according to the above, they will expire on 31 December 2010 unless the Board of Directors of the Company decides to continue such time period.

## Transfer of options

The options are personal and can be transferred only based on matrimonial right to property, inheritance or a will. The right to options cannot be transferred before the options have been issued to the loyal customer. The loyal customer may, however, transfer his/her right to options, either wholly or partially, to a holder of a parallel card on 31 December 2009 directed to the same account. The right to options can only be transferred so that each recipient will receive a minimum of 20 (twenty) options, except when the amount of options issued to the loyal customer is smaller than this.

## Option Register

When the Company issues the options, it will establish a register (hereinafter referred to as the "Option Register"), which includes the following details of the person entitled to the options: name, personal identification number, address and amount of options. The right to subscribe for shares is determined based on the Option Register. A person entitled to options has upon request a right to receive from the Company a certificate indicating the right to participate in the subscription issue and its conditions.

## Terms of subscription of shares

### Subscription of shares based on the share options

The number of shares subscribed for based on the share options may amount to a maximum of 2 500 000 new Series B shares in Stockmann plc of a nominal value of two (2) euros. The share capital of the Company may increase by a maximum of EUR 5 000 000 (five million) and the number of Series B shares with a maximum of 2 500 000 (two million five hundred thousand) as a result of the subscriptions.

### **Share subscription right and the minimum and maximum amount of the subscription**

The right to subscribe for shares is granted to a loyal customer or a holder of a parallel card, to whom options have been transferred as described above or to whom the right to options has been transferred based on matrimonial right to property, inheritance or a will. The Company will before the commencement of the subscription period send more detailed instructions relating to the subscription of shares to the persons entitled to subscription at the address noted in the Option Register.

Each option entitles its holder to subscribe for one (1) Series B share in STOCKMANN plc of the nominal value of two (2) euros. The minimum amount of share subscription is 20 (twenty) Series B shares, or a smaller amount of shares based on the amount of options issued, and the maximum amount the total amount of options that has been noted in the Option Register of the subscriber. The share subscription price shall be entered into the reserve for invested unrestricted equity.

### **The share subscription period**

The loyal customer has the right to subscribe for shares during the subscription period alternatively either 2 May 2011 - 31 May 2011, or 2 May 2012 - 31 May 2012. The person entitled to subscription shall subscribe for all his/her shares at the same time.

### **The share subscription price and the subscription of shares**

The subscription price for the shares shall be the trading-volume weighted average price for the Stockmann plc's Series B shares on the Helsinki Exchange during the period of 1 February - 28 February 2009. The share subscription price of the share options shall be deducted by the amount of the dividend decided after the beginning of the period for determination of the share subscription price but before the share subscription, as per the dividend record date.

The Board of Directors of the Company shall before the commencement of the subscription period inform of the subscription price, the place for subscription and the procedure for subscribing shares. If no other procedure has been announced, the subscription of shares based on the share options shall take place at the Head Office of STOCKMANN plc. The shares shall be paid for when subscribed for.

### **Approval of subscriptions**

The Board of Directors of the Company will approve of all subscriptions that are made in accordance with the subscription terms and the Option Register.

The registering of the shares in the book-entry accounts and the commencement of trade

It is the intention of the Company that the shares shall be registered in the book-entry account notified by the subscriber by 30 June 2011 and 30 June 2012.

The shares shall be subject to public trade as of the date of the registration of the increase of share capital in the Trade Register.

### **Shareholder rights**

The shares subscribed for based on the share options entitle to dividend for the financial year during which the shares have been subscribed for. Other rights will commence as of the date of the registration of the increase of share capital in the Trade Register.

Issues of shares and of options and other special rights entitling holders to shares before the share subscription

Should STOCKMANN plc before the end of the share subscription period increase its share capital or issue share options or other special rights entitling holders to shares, the share option holders shall have the same right as, or an equal right to, that of the shareholders. Equality is reached in the manner determined by the Board of Directors by adjusting the number of shares available for subscription, the share subscription price or both of these.

### **Option holders' rights in certain cases**

If STOCKMANN plc decreases its share capital before the share subscription, the subscription right based on the terms of the share options shall be adjusted accordingly as specified in the resolution to decrease the share capital.

If STOCKMANN plc is placed into liquidation before the share subscription, the share option holders shall be reserved an opportunity to exercise their share subscription rights within a period of time before the placing into liquidation set forth by the Board of Directors. After this, the right to subscription ceases to exist. If STOCKMANN plc is deleted from the register before the share subscription, the share option holders shall have the same right as, or an equal right to, that of the shareholders.

If STOCKMANN plc resolves to merge into another company as merging company or merge with a company to be formed in a combination merger, or if the Company resolves to be demerged entirely, the share option holders shall, prior to the merger or demerger, be given the right to subscribe for shares with their share options within a period of time determined by the Board of Directors. After this, the right to subscription ceases to exist.

If STOCKMANN plc resolves to acquire its own shares after the commencement of the share subscription period by an offer to all shareholders, the share option holders shall be given an equal offer. In any other case, the acquiring of own shares does not require any actions by the Company as regards the options.

If a redemption right and obligation to all shares of STOCKMANN plc, as referred to in Chapter 18 Section 1 of the Finnish Companies Act, arises to any of the shareholders before the end of the share subscription period on the basis that a shareholder possesses over 90 per cent of the shares and the voting power of the shares of STOCKMANN plc, or if a redemption obligation as set forth in the Articles of Association of STOCKMANN plc arises, the share option holders shall be given a possibility to use their right to share subscription by virtue of the share options within a period of time determined by the Board of Directors.

If the nominal value of the shares is changed while the share capital remains unchanged, the share subscription terms of the share options shall be amended so that the total nominal value of the shares available for subscription and the total subscription price remain unchanged.

In case STOCKMANN plc is changed from being a public company to a private company, the terms of the share options shall not be affected.

#### **Other matters**

The Board of Directors of STOCKMANN plc shall decide on all other matters relating to the issuance of share options and the subscription of shares, and shall give more detailed instructions on the procedure for carrying out the subscriptions. The documents relating to the share options can be seen at the Company's Head Office in Helsinki.