

## **TERMS OF SHARE OPTIONS 2012 TO THE LOYAL CUSTOMERS 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 shall 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. The deviation from the shareholders' pre-emption right to subscription is made 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 while at the same time strengthening the competitive position of Stockmann.

### **Issuance of share options**

The share options are issued to private persons who wish to receive share 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 2012 - 31 December 2013 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) share options. In addition, for every full EUR 500 (five hundred), by which the purchases, calculated as provided for above, exceed EUR 6,000, the loyal customer shall receive an additional two (2) share options.

The Company shall, by estimation, in February 2014 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. The letter shall include information on the amount of purchases of the loyal customer card holder and the holders of parallel cards directed to the same account as on 31 December 2013, on the basis of which the number of share options to be issued is calculated. The share options shall be issued when the Company has received from the loyal customer a written consent to the offer regarding the number of share options to be issued.

Should the total amount of share 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 share options to be issued to the loyal customers in such a way that the total amount of share options to be issued shall not exceed 2,500,000 (two million five hundred thousand). In such case, the amount of share options issued to the loyal customer shall be reduced in proportion to the purchases affecting the amount of share options to be issued, however, so that each person entitled to share options shall get at least 20 (twenty) share options. If this minimum amount cannot be issued to each loyal customer entitled to share options, the Board of Directors of the Company has the right to change these share option subscription terms and to decide on any other conditions relating to the issuance of share options in such case. To the extent that all share options are not issued according to the above, they shall expire on 31 December 2014 unless the Board of Directors of the Company decides

to continue such time period.

### **Transfer of share options**

The share options are personal and can be transferred only based on matrimonial right to property, inheritance or a will. The right to share options may not be transferred before the share options have been issued to the loyal customer. The loyal customer may, however, transfer his or her right to share options, either wholly or partially, to holders of parallel cards directed to the same account as on 31 December 2013. The share option rights may only be transferred so that each share option holder shall, after the transfer, hold a mini-mum of 20 (twenty) share options, except when the amount of share options issued to the loyal customer is lower than this.

### **Share Option Register**

When the Company issues the share options, it shall establish a register (hereinafter referred to as the "Share Option Register"), which includes the following information of the person entitled to the share options: name, personal identification number, address and the amount of share options. The right to subscribe for shares shall be determined based on the Share Option Register. A person entitled to share options has, upon his or her re-quest, a right to receive from the Company a certificate regarding his or her right to participate in the subscription issue as well as the subscription terms.

### ***Terms of subscription of shares***

#### **Subscription of shares based on the share options**

The number of shares subscribed for by virtue of 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. As a result of the subscriptions, 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 by a maximum of 2,500,000 (two million five hundred thousand).

#### **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 share options have been transferred as described above or to whom the right to share options has been transferred based on matrimonial right to property, inheritance or a will. The Company shall, 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 entered into the Share Option Register.

Each share 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 a share subscription is 20 (twenty) Series B shares, or a smaller amount of shares based on the amount of share options issued, and the maximum amount the total amount of share options entered into the Share Option Register for the subscriber. The share subscription price exceeding the nominal value shall be booked 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 2014 - 31 May 2014, or 2 May 2015 - 31 May 2015. The person entitled to subscription shall subscribe for all of his or 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 STOCKMANN plc's Series B shares on the Helsinki Stock Exchange during the period of 1 February - 29 February 2012. Should the Company distribute dividends or funds from the invested unrestricted equity, the share subscription price of the share options shall be deducted, as per the dividend or distribution record date, by the possible amount of the dividend or funds distributed from the unrestricted equity, decided after the beginning of the period for determination of the share subscription price but before the share subscription. The Board of Directors of the Company shall before the commencement of the subscription period inform about the subscription price, the place for subscription and the procedure for subscribing shares. If no other procedure has been announced, the subscription of shares by virtue of the share options shall take place at the Head Office of STOCKMANN plc. The shares shall be paid in connection with the subscription.

**Approval of subscriptions**

The Board of Directors of the Company shall approve of all subscriptions that are made in accordance with the subscription terms and the Share 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 2014 and 30 June 2015. The shares shall be subject to public trade as of the date of the registration of the shares in the Trade Register.

**Shareholder rights**

The shares subscribed for by virtue of the share options shall entitle to dividend and other shareholder rights as of the date of the registration of the shares in the Trade Register.

**Issues of shares and of option rights and other special rights entitling to shares before the share subscription**

Should STOCKMANN plc before the share subscription decide on the issuance of shares, new option rights or other special rights entitling to shares, the share option holders shall have the same right as, or an equal right to, that of the shareholders. Equality shall be 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.

**Share option holders' rights in certain cases**

Should STOCKMANN plc decrease 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 shall cease 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 a merging company or merge with a company to be formed in a combination merger, or if the Company resolves to demerge, 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 shall cease to exist.

The acquisition or redemption of STOCKMANN plc's own shares or acquisition of option rights or other special rights entitling to shares does not affect the rights of the share option holders. In the event that STOCKMANN plc resolves to acquire or redeem its own shares by an offer to all shareholders, the share option holders shall be given an equal offer. Should a shareholder prior to the end of the share subscription period, have a right and an obligation to redeem all shares of STOCKMANN plc, pursuant to Chapter 18 Section 1 of the Finnish Companies Act, due to such shareholder possessing over 90 per cent of the shares and the voting rights in 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. After this, the right to subscription shall cease to exist. 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.

**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 shall be available at the Company's Head Office in Helsinki.