ACQUISITION AND TRANSFER OF OWN SHARES

1 Purpose and Scope of Application of the Guidelines

1.1 The provisions of these Guidelines shall complement the provisions on the acquisition of own shares set in Chapter 2.4.1 and Sections 2.3.5.9 – 2.3.5.12 of the Rules of the Exchange.

1.2 The provisions on acquisition of own shares shall be applied to acquisition executed on NASDAQ OMX Helsinki Ltd (the “Exchange”). The principles of these Guidelines shall be deemed as the proper securities markets practise also in trading outside the Exchange. The provisions on the duty to notify on acquisitions and transfers of own shares shall be applied to all acquisitions and transfers of own shares.

1.3 The provisions of these Guidelines shall be applied to the listed companies. However, the provisions on acquisition of own shares set in Chapter 3 below shall be applied also to other companies to the extent the acquisitions are executed on the Exchange.

With regard to acquisition of own shares, the company may additionally follow the Directive 2003/6/EC of the European Parliament and of the Council (so called Market Abuse Directive), as amended, and the Commission Regulation No 2273/2003 implementing the Directive (given on 22 December, 2003, so called Buy-back Regulation). In order the acquisition of own shares to fulfil the requirements for so-called safe harbour set in the Directive, the listed company must follow the said Buy-back Regulation of the Commission.

Requirements regarding notification of acquisitions to the Exchange set forth in Chapter 4 of these Guidelines are stricter than the ones included in the Regulation. In addition, Clauses 3.1.2 and 3.2.4 regarding implementation of share acquisitions in exchange trading are more detailed than provisions of the Regulation. The listed company must follow said Clauses also in case it otherwise acts pursuant to the Regulation when acquiring own shares. On the other hand, Clauses 3.2.1, 3.2.2 and 3.2.5 on the limits for share acquisitions are more lenient than the limits provided in the Regulation for a safe harbour.

2 Information about Commission

Normally a listed company does not notify of the time of acquisition, or of other information about the acquisition commission in advance. In case the listed company comments on the abovementioned issues, such information shall be disclosed as a stock exchange release.

3 Operations in Connection with the Acquisition of Own Shares

3.1 General Principles

3.1.1 When acquiring its own shares, a listed company operates in the markets in the same way as other investors. A listed company may acquire at the most a 10-percent share of its own shares and thus the listed company may momentarily be a significant operator in the markets. The acquisition of own shares shall be executed so that no exceptional market movements result from the trading of the listed company and the equal treatment of the shareholders is taken into consideration in the acquisition as a whole.

NASDAQ OMX Helsinki Ltd
Acquisition and transfer of own shares 1 July, 2013
(replaces guidelines entered into force on 1 July, 2008)
3.1.2 When acquiring own shares, attention shall be paid to the distinctive characteristics of the secondary market of each listed company and its shares. The following principles usually apply to the execution of share acquisitions:

3.1.2.1 The acquisition of own shares shall be executed so that the listed company does not give exceptionally large commissions with regard to the activeness of trading in its share and the volume of transactions.

3.1.2.2 The acquisitions of own shares shall be executed during a sufficiently long period (the investors shall have the possibility of trading for a minimum of one trading day).

3.1.2.3 The acquisition of own shares shall be implemented in continuous trading in automatic order matching.

3.1.2.4 A broker executing the acquisition of own shares shall continuously have valid purchase offer in continuous trading.

3.1.3 The use of a derivatives contract and a covered warrant in the acquisition of own shares as well as entry into a stock lending contract relating to own shares of a listed company requires that the extent of the trading in the share on the secondary market is sufficiently wide. At the time of entering into a derivatives contract or executing acquisition of a warrant, the price level of the underlying share in the spot market shall be taken into consideration.

3.2 Further Provisions

The following procedures shall be observed in the acquisition of own shares in the continuous trading of the Exchange:

3.2.1 The volume of the acquisition of own shares at each trading day shall not be more than half of the average daily trading volume of the last four (4) weeks preceding the acquisition.

3.2.2 In the event that trading volume on a certain trading day significantly exceeds the volume referred to in Clause 3.2.1 above, the volume of the acquisition at that particular trading day shall, notwithstanding Clause 3.2.1 above, not be more than half of the trading volume of that trading day.

3.2.5 Own shares shall not be acquired in call auction or during the last five (5) minutes prior to closing call.

3.2.6 The listed company may deviate from procedures referred to in Clauses 3.2.1-3.2.2 above for a special reason. Such deviation requires that the deviation and reasons thereto shall be published as a stock exchange release in advance. The deviation shall not lead to deviation from the general principles.

4 Notifications of Acquisitions and Transfers

Acquisitions and transfers of own shares shall be notified to the Exchange immediately after the execution of the transaction and at the latest prior to the beginning of the next trading day. The notification shall be drawn up in accordance with the following principles:
4.1 Shares

4.1.1 Once a broker has executed a large acquisition with own shares of a listed company, the Exchange shall immediately be notified of the transaction in question (for the purposes of this provision, at least transactions which together exceed 10 per cent of the maximum amount of the share acquisition pursuant to the decision of the listed company shall be deemed large acquisitions).

4.1.2 In a normal case, the acquisitions shall be notified collectively before the end of the post-trading session. In other events, the acquisitions shall be notified before the beginning of the next trading day.

4.1.3 If the acquisition of same shares is executed as several transactions, all transactions shall be notified separately.

4.1.4 The Clauses 4.1.1-4.1.3 above shall be applied to the extent appropriate also to the notifications on transfer of own shares.

4.1.5 The listed company may authorise a broker to submit the notification on the acquisition and transfer of own shares on behalf of the company. Even in that case the listed company is responsible for the notification.

4.1.6 The notifications shall be submitted to the Exchange via internet in the same manner as stock exchange releases and they shall be drawn up in accordance with the template provided by the Exchange and attached to these Guidelines.

4.2 Derivative contracts, Stock lending and Covered warrants

4.2.1 An option contract and a warrant relating to own share of a listed company shall be notified at the time the delivery obligation of underlying shares is confirmed. Future contracts shall be notified when the contract has been made. The notification shall include information separately on the total transaction price, the premium and exercise price. Otherwise, the notification shall, where applicable, be drawn up and submitted as a notification relating to an acquisition or a transfer of own shares.

4.2.2 Entry into a stock lending contract relating to own shares of a listed company shall not be notified separately. The same applies to the return of the shares. The transfer of the lent shares as well as acquisition of the shares for return of the lending shall be notified in a regular manner.

4.3 Information to be notified

4.3.1 A notification on an acquisition or transfer of own shares shall include the following information:

- the name of the listed company in question
- acquisition or transfer
- transaction date
- exchange transaction or other acquisition or transfer
- stock class
- quantity of shares
- price per share
- total transaction price
- date of the notification
- signature
4.3.2 Information on several acquisitions or transfers effected at the similar manner (e.g. as exchange transactions) may be notified in cumulative amounts. Acquisitions and transfers shall be notified separately in gross cumulative amounts. Instead of the price per share referred to in Clause 4.3.1 above, the notification shall contain information about the volume weighted average price and separately the lowest and highest price. Information per each trade shall be held available for the Financial Supervisory Authority and the Exchange at the request.

4.3 Disclosure of Remarkable Holdings (Flagging obligations)

4.4.1 In connection with the acquisition or transfer of its own shares, a listed company shall follow the flagging obligations set forth in Chapter 9 of the Securities Markets Act.

5 Acquisition of Own Shares and Insider Regulations

A listed company shall act in trading in its own shares so that such trading does not undermine confidence in the securities markets. In accordance with Chapter 51, Section 1 of the Penal Code, anyone who in order to gain economic benefit for himself or for another person uses inside information may be sentenced for abuse of inside information to a punishment. In addition, the use of inside information is forbidden pursuant to Chapter 14, Section 2 of the Securities Markets Act. According to said Section, when acquisition or transfer of securities is based on an agreement entered into before acquiring inside information regarding such security, it is not considered use of inside information. One trading practice for avoiding doubt on misuse of insider information is that the listed company follows the principles below when giving the commission for acquisition of own shares:

5.1 The listed company shall give a binding commission at the time it is not in possession of insider information as defined in Chapter 12, Section 2 of the Securities Markets Act. It is not recommended to give the commission during the 14 days' period immediately preceding disclosure of a financial statement release or an interim report, or during a longer period of time imposed by the listed company on its insiders.

5.2 The commission shall contain the date of the acquisition as well as the volume and price of the shares to be acquired, or the formula of these terms, defined in the manner that the commission can be executed independently by the commission agent.

5.3 The commission shall be dated and given in writing. The commission shall be delivered at the request to the Financial Supervisory Authority and to the Exchange.

5.4 Changes in the terms of the commission as well as other instructions by the listed company relating to the acquisition are deemed as a new commission which shall be given in compliance with paragraphs 5.1 to 5.3 above. However, the listed company may always terminate the execution of the commission. Such order to terminate the commission shall be dated and given in writing. The order shall be delivered at the request to the Financial Supervisory Authority and to the Exchange.

6 Other Issues to be taken into consideration in the Acquisition of Own shares

In addition to the abovementioned, the Exchange draws listed companies' and brokers' attention to the following principles relating to the acquisition of own shares:

6.1 A manual trade is allowed in the event the manual trade is related to an acquisition program which as a whole meets the principles set forth herein.
6.2 If a listed company acquires its own shares through derivatives contracts or warrants, or enters into stock lending contracts relating to its own shares, it shall ensure that appropriate decisions on the acquisition have been made in the order set forth in the Companies Act.

7 Entry into force

These Guidelines issued by the Managing Director upon Section 1.1.3 and referred to in Sections 2.3.5.12 and 2.4.5.1 of the Rules of the Exchange shall enter into force on 1 July, 2013. These Guidelines shall replace the Guidelines on the Own Shares of a Listed Company dated on 1 July, 2008.
APPENDIX 1 – TEMPLATE FOR THE NOTIFICATION OF THE ACQUISITION OF OWN SHARES

Company Plc Notification 2.4.20[●] at 18.10

COMPANY PLC: ACQUISITION OF OWN SHARES 2.4.2001

Date 2.4.20[●] Exchange transaction Buy (Sell)
(Other acquisition/transfer)

Share class A share Amount 1000
Average price/share 20,00 EUR
Highest price/share 21,00 EUR
Lowest price/share 19,00 EUR
Total price 20 000 EUR

The shares held by Company Plc on 2.4.2001:

A shares 1000
B shares 2000

COMPANY PLC
(Signature)

(On behalf of Company Plc
BROKER LTD
Signature of the authorized representative)