

Questions and answers

What is the dividend amount proposed by the Kesko Board?

The Kesko Board proposes that a dividend of €2.00 per share be paid for the year 2016 on the basis of the adopted balance sheet.

The proposed dividend is in line with the dividend policy Kesko has announced. The proposed dividend is higher than the so-called minority dividend according to the Limited Liability Companies Act (0.75 per share).

On the last nine years, Kesko has paid the following dividends per share:

- 2016: €2.50
- 2015: €1.50
- 2014: €1.40
- 2013: €1.20
- 2012: €1.20
- 2011: €1.30
- 2010: €0.90
- 2009: €1.00
- 2008: €1.60

A dividend is always paid on the basis of the balance sheet adopted for the year preceding the year of dividend distribution.

The amount of dividend per share is the same irrespective of whether the shareholder holds Kesko A or Kesko B shares.

Who is entitled to the proposed dividend?

The dividend will be paid to shareholders registered in the Company's register of shareholders on the record date for the payment of dividend, 5 April 2017.

Registration practice in share trade settlement takes two banking days, so the dividend is paid to those who hold Kesko shares at the end of the General Meeting date, 3 April 2017. In other words, dividends on shares traded on the General Meeting date are paid to the buyers of the shares.

If shares are purchased on the day following the General Meeting, 4 April 2017 (the ex-dividend date), or thereafter, the buyer of shares will not receive the proposed dividend.

Kesko holds own B shares of the Company in treasury. However, a dividend is only paid on shares held outside the Company at the date of dividend distribution.

When will the dividend be paid?

The Kesko Board has proposed that the dividend pay date be 12 April 2017. The proposed dividend pay date is the earliest date permitted by the rules of Euroclear Finland Ltd maintaining the Company's register of shareholders.

If the General Meeting accepts the pay date proposed by the Board, Kesko will pay the dividend to bank accounts in Finland on 12 April 2017. If a shareholder's bank account is outside Finland, the shareholder will receive the dividend through his or her bank, custodian or broker shortly after 12 April 2017 depending on their ability to transfer the payment.

What does discharging the Board members and the Managing Director from liability mean?

This is one of the matters to be resolved by the Annual General Meeting according to Finnish law and Kesko's Articles of Association. The resolution concerns the Board members' and the Managing Director's liability towards Kesko for the financial year 2016. The discharge from liability is only applicable to matters that Kesko and shareholders have been aware of at the time of decision-making.

How has the Audit Committee's proposal for the auditor and the auditor's remuneration been prepared to the General Meeting?

According to Kesko's Articles of Association, the election of auditors, their remuneration, the basis of their remuneration and the reimbursement of their expenses have to be resolved by the Annual General Meeting. The Board's Audit Committee has prepared a proposal for the above matters to the General Meeting.

Whom does the Board's Audit Committee propose for the auditor?

The Board's Audit Committee proposes to the General Meeting that the firm of auditors PricewaterhouseCoopers Oy be elected as the Company's auditor. If the firm is elected as the auditor, PricewaterhouseCoopers Oy have announced that APA Mikko Nieminen shall be the auditor with principal responsibility. The Board's Audit Committee proposes that the auditor's remuneration and the reimbursements of the auditor's expenses be paid according to an invoice approved by the Company.

Who has the right to attend the 2017 General Meeting and what is the last day to purchase shares if one wants to participate in the decision-making at the General Meeting?

Shareholders have the right to attend the General Meeting if they are registered in the Company's register of shareholders kept by Euroclear Finland Ltd on 22 March 2017 (General Meeting record date). Shareholders whose shares are registered on their personal Finnish book-entry accounts are registered in the Company's register of shareholders. A shareholder wishing to attend the General Meeting shall register for it no later than 29 March 2017 at 16.00 EET, by which time the registration must be received by the Company.

A holder of a nominee registered share has the right to attend the General Meeting by virtue of the shares which would entitle him/her to be registered in the shareholder register kept by Euroclear Finland Ltd on 22 March 2017. In addition, the attendance requires that the shareholder is temporarily registered in the Company's shareholder register kept by Euroclear

Finland Ltd by virtue of this shareholding no later than 29 March 2017 at 10.00 EET. With respect to nominee registered shares, this constitutes the registration for the General Meeting.

If a shareholder wants to attend the 2017 Annual General Meeting, he or she must have purchased his or her shares no later than three (T+2) settlement days before the record date of the General Meeting because of the registration practice in the settlement of share trades. Otherwise his or her shareholding cannot be registered in the Company's register of shareholders by the record date. Given that this year, the record date for the General Meeting is 22 March 2017, the last day to purchase shares is consequently 20 March 2017.

The above record date for the General Meeting and the related practical deadline for share purchasing only applies to the right to attend the Annual General Meeting. The record date of the General Meeting is not relevant to, for example, the right to receive the dividend possibly resolved by the Annual General Meeting, which is determined on the basis of share ownership as at the record date for dividend distribution (5 April 2017) (see question "Who is entitled to the proposed dividend?" and the answer).

Where and how are the proposals made to the General Meeting and the resolutions passed made available to shareholders?

The proposals by the Board, the Board's Audit Committee and shareholders are available in full at www.kesko.fi/yhtiokokous. The proposals will also be available at the meeting venue on the General Meeting date. Copies will be posted to shareholders upon request.

Kesko will publish the resolutions of the General Meeting in a stock exchange release and on Kesko's website at www.kesko.fi/yhtiokokous. The minutes of the General Meeting will be made available on the said Company website no later than two weeks from the General Meeting.