

8.2.2016

**Proposal for the Board's Authorisation to Decide on Issuance of Shares, Option Rights, and Other Special Rights Entitling to Shares**

Sanoma Corporation's Board of Directors proposes to the Annual General Meeting convened to be held on 12 April 2016 that the Board be authorised to decide on the issuance of new shares, the conveyance of the Company's own shares held by the Company (treasury shares), and the issuance of special rights entitling to shares as specified in Section 1 of Chapter 10 of the Finnish Companies Act on the following terms and conditions:

**Shares to be issued**

Pursuant to the authorisation the Board of Directors is authorised to decide in one or several installments on the issuance of a maximum of 50,000,000 new shares and the conveyance of a maximum of 5,000,000 treasury shares.

In a directed share issue, a maximum of 41,000,000 shares may be issued or conveyed.

The new shares may be issued and the treasury shares conveyed either against payment or for free (Bonus Issue). A directed share issue may only be a Bonus Issue provided that there is a particularly weighty financial reason for the Company to do so taking into account the interest of all its shareholders.

New shares may be issued and treasury shares conveyed against contribution in kind or by means of set-off. The Board of Directors has also the right to decide on the conveyance of treasury shares in public trading for the purpose of financing possible acquisitions.

**Granting of special rights**

The authorisation also includes the right to grant option rights or other special rights for other purposes than incentive programme as specified in Section 1 of Chapter 10 of the Finnish Companies Act that entitle to receive new shares or treasury shares against payment so that either the share subscription price will be paid in cash or the subscriber's receivables will be offset against the subscription price. Option rights and other special rights as specified in Section 1 of Chapter 10 of the Finnish Companies Act may not be used as part of the Company's incentive programme.

**Right to shares in equity issue**

New shares may be issued or treasury shares may be conveyed:

- to the shareholders in proportion to their current shareholdings in the Company, or
- in deviation from the shareholders' pre-emptive right, provided that there is a weighty financial reason for the Company to do so, such as developing the Company's capital structure, using shares as consideration in potential corporate acquisitions or carrying out other business arrangements, or as a part of the share-based incentive programme of the Company or the Group.

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**Subscription price and its entry into the balance sheet**

The subscription price of the new shares and the amount paid for the treasury shares will be credited to paid-up unrestricted equity reserves.

**Other terms and validity**

The Board of Directors will decide on other issues related to the share issues.

The authorisation will be valid until 30 June 2019.

The authorisation will replace the Authorisation to Decide on Issuance of Shares, Option Rights and Other Special Rights Entitling to Shares which was granted to the Board of Directors by the Annual Shareholders' Meeting on 3 April 2013.

Helsinki, 8 February 2016

**Sanoma Corporation**

Board of Directors