



STOCKMANN PLC SHARE OPTIONS 2010

The Board of Directors of Stockmann plc (**the Board of Directors**) has at its meeting on 11 February 2010 resolved to propose to the Annual General Meeting of Stockmann plc to be held on 16 March 2010, that the Board of Directors be entitled to issue share options to the key personnel of Stockmann plc (**the Company**) and its subsidiaries (**jointly the Group**), on the following terms and conditions:

I SHARE OPTION TERMS AND CONDITIONS

1. Number of Share Options

The maximum total number of share options issued is 1,500,000, and they entitle their owners to subscribe for a maximum total of 1,500,000 new Series B shares in the Company or existing Series B shares held by the Company (**the share**).

2. Share Options

Of the share options, 500,000 are marked with the symbol 2010A, 500,000 are marked with the symbol 2010B and 500,000 are marked with the symbol 2010C.

The Board of Directors shall notify the share option recipients in writing about the offer of share options. The share options shall be delivered to the recipient when he or she has accepted the offer of the Board of Directors.

3. Right to Share Options

The share options shall be issued gratuitously to the key personnel of the Group. The Company has a weighty financial reason for the issue of share options, since the share options are intended to form a part of the incentive and commitment scheme for the Group's key personnel.

4. Distribution of Share Options

The Board of Directors shall annually decide upon the distribution of the share options to the key personnel employed by or to be recruited by the Group. The Board of Directors may decide on particular additional provisions concerning the share options upon distribution of the share options. Furthermore, the Board of Directors shall, upon distribution of the share options to the members of the Group Management Committee, obligate them to invest a proportion of

the income to be potentially gained from the share options in the shares. The Board of Directors shall decide upon the further distribution of the share options returned later to the Company.

The share options shall not be regarded as a part of a share option recipient's regular salary and the share options shall be regarded as discretionary and nonrecurring. The share options shall have no impact on potential compensation to be paid to a share option recipient, on the basis of his or her employment or service.

Share option recipients shall be liable for all taxes and tax-related consequences arising from receiving or exercising share options.

5. Transfer and Forfeiture of Share Options

The Company shall hold the share options on behalf of the share option owner until the beginning of the share subscription period. The share options may freely be transferred and pledged, when the relevant share subscription period has begun. The Board of Directors may, however, permit the transfer or pledge of share options also before such date. Should the share option owner transfer or pledge his or her share options, such person shall be obliged to inform the Company about the transfer or pledge in writing, without delay.

Should a share option owner cease to be employed by or in the service of a company belonging to the Group, for any reason other than the death or the statutory retirement of a share option owner or the retirement of a share option owner in compliance with the employment or service contract, or the retirement of a share option owner otherwise determined by the Company, such person shall, without delay, forfeit to the Company or its designate, without compensation, such share options that the Board of Directors has at its discretion distributed to him or her, and for which the share subscription period specified in Section II.2. has not begun on the last day of such person's employment or service. Should the rights and obligations arising from the share option owner's employment or service be transferred to a new owner or holder, upon the employer's transfer of business, the proceedings shall be similar. As an exception to the above, the Board of Directors may, at its discretion, decide, when appropriate, that the share option owner is entitled to keep such share options, or a part of them.

The Board of Directors may decide on incorporation of the share options 2010 into the book-entry securities system. Should the share options be incorporated into the book-entry securities system, the Company shall have the right to request and get transferred all forfeited share options from the share option owner's book-entry account into the book-entry account appointed by the Company, without the consent of the share option owner. In addition, the Company shall be entitled to register transfer restrictions and other respective restrictions concerning the share options on the share option owner's book-entry account, without the consent of the share option owner.

A share option owner shall, during his employment, service or thereafter, have no right to receive compensation on any grounds for share options that have been forfeited in accordance with these terms and conditions.

II SHARE SUBSCRIPTION TERMS AND CONDITIONS

1. Right to Subscribe for Shares

Each share option entitles its owner to subscribe for one (1) new share in the Company or an existing share held by the Company. The amount of the share subscription price corresponding to the nominal value shall be entered as an increase in the share capital. Otherwise, the share subscription price of a new share and an existing share held by the Company, shall be credited to the reserve for invested unrestricted equity.

2. Share Subscription and Payment

The share subscription period shall be:

- for the share option 2010A, 1 March 2013—31 March 2015
- for the share option 2010B, 1 March 2014—31 March 2016
- for the share option 2010C, 1 March 2015—31 March 2017.

Should the last day of the share subscription period not be a banking day, the share subscription may be made on a banking day following the last share subscription day.

Share subscriptions shall take place at the head office of the Company or possibly at another location and in the manner determined later. Upon subscription, payment for the shares subscribed for shall be made to the bank account designated by the Company. The Board of Directors shall decide on all measures concerning the share subscription.

3. Share Subscription Price

The share subscription price shall be:

- for the share option 2010A, the trade volume weighted average quotation of the share on the NASDAQ OMX Helsinki Ltd. during 1 February—28 February 2010 increased by a minimum of ten (10) per cent
- for the share option 2010B, the trade volume weighted average quotation of the share on the NASDAQ OMX Helsinki Ltd. during 1 February—28 February 2011 increased by a minimum of ten (10) per cent
- for the share option 2010C, the trade volume weighted average quotation of the share on the NASDAQ OMX Helsinki Ltd. during 1

February—29 February 2012 increased by a minimum of ten (10) per cent.

The share subscription price of the share options may be decreased in certain cases mentioned in Section 7 below. The share subscription price shall, nevertheless, always amount to at least the nominal value of the share.

4. Registration of Shares

Shares subscribed for and fully paid shall be registered on the book-entry account of the subscriber.

5. Shareholder Rights

The dividend rights of the new shares and other shareholder rights shall commence when the shares have been entered into the Trade Register.

Should existing shares held by the Company, be given to the subscriber of shares, the subscriber shall be given the right to dividend and other shareholder rights after the shares have been registered on his or her book-entry account.

6. Share Issues, Share Options and Other Special Rights entitling to Shares before Share Subscription

Should the Company, before the share subscription, decide on an issue of shares or an issue of new share options or other special rights entitling to shares, a share option owner shall have the same right as, or an equal right to, that of a shareholder. Equality is reached in the manner determined by the Board of Directors by adjusting the number of shares available for subscription, the share subscription prices or both of these.

7. Rights in Certain Cases

Should the Company distribute dividends or similar assets from reserves of unrestricted equity, from the share subscription price of the share options, shall be deducted the amount of the dividend or the amount of the distributable unrestricted equity decided after the beginning of the period for determination of the share subscription price but before share subscription, as per the dividend record date or the record date of the repayment of equity.

Should the Company reduce its share capital by distributing share capital to the shareholders, from the share subscription price of the share options, shall be deducted the amount of the distributable share capital decided after the beginning of the period for determination of the share subscription price but before share subscription, as per the record date of the repayment of share capital.

Should the Company be placed in liquidation before the share subscription, the share option owner shall be given an opportunity to exercise his or her

share subscription right, within a period of time determined by the Board of Directors. Should the Company be deregistered before the share subscription, the share option owner shall have the same right as, or an equal right to, that of a shareholder.

Should the Company resolve to merge with another company as a merging company or merge with a company to be formed in a combination merger, or should the Company resolve to be demerged entirely, the share option owners shall, prior to the registration of the execution of a merger or a demerger, be given the right to subscribe for shares with their share options, within a period of time determined by the Board of Directors. Alternatively, the Board of Directors may give a share option owner the right to convert the share options into share options issued by another company, in the manner determined in the draft terms of merger or demerger, or in the manner otherwise determined by the Board of Directors, or the right to sell share options prior to the registration of the execution of a merger or a demerger. After such period, no share subscription right or conversion right shall exist. The same proceeding shall apply to cross-border mergers or demergers, or should the Company, after having registered itself as a European Company (*Societas Europae*), or otherwise, register a transfer of its domicile from Finland into another member state of the European Economic Area. The Board of Directors shall decide on the impact of potential partial demerger on the share options. In the above situations, the share option owners shall have no right to require that the Company redeem the share options from them at their market value.

Acquisition or redemption of the Company's own shares or acquisition of share options or other special rights entitling to shares shall have no impact on the rights of the share option owner. Should the Company, however, resolve to acquire or redeem its own shares from all shareholders, the share option owners shall be made an equivalent offer.

Should a redemption right and obligation to all of the Company's shares, as referred to in Chapter 18 Section 1 of the Limited Liability Companies Act, arise to any of the shareholders, prior to the end of the share subscription period, on the basis that a shareholder possesses over 90 % of the shares and the votes of the shares in the Company, the share option owners shall be given a possibility to use their right of share subscription by virtue of the share options within a period of time determined by the Board of Directors, or the share option owners shall have an equal obligation to that of shareholders to transfer their share options to the redeemer, although the transfer right defined in Section 1.5. above had not begun.

III OTHER MATTERS

These terms and conditions shall be governed by the laws of Finland. Disputes arising in relation to the share options shall be settled by arbitration in accordance with the Arbitration Rules of the Central Chamber of Commerce by one single arbitrator.

The Board of Directors may decide on the technical amendments to these terms and conditions, resulting from incorporation of share options into the book-entry securities system, as well as on other amendments and specifications to these terms and conditions which are not considered as essential. Other matters related to the share options shall be decided on by the Board of Directors.

Should the share option owner act against these terms and conditions, or against the instructions given by the Company on the basis of these terms and conditions, or against applicable law, or against the regulations of the authorities, the Company shall be entitled to gratuitously withdraw the share options which have not been transferred, or with which shares have not been subscribed for, from the share option owner.

The Company may maintain a register of the share option owners to which the share option owners' personal data is recorded. The Company may send all announcements regarding the share options to the share option owners by e-mail.

These terms and conditions have been prepared in Finnish, Swedish and in English. In the case of any discrepancy between the Finnish, Swedish and English versions, the Finnish shall prevail.