



Tikkurila Oyj

Stock Exchange Release

February 12, 2019 at 9:10 a.m. (CET+1)

Board of Directors' proposals to the Annual General Meeting to be held on April 11, 2019

The proposals of the Nomination Board of Tikkurila Oyj to the Annual General Meeting concerning the number, election, and remuneration of the members of the Board of Directors have been published on January 29, 2019.

The Annual General Meeting of Tikkurila Oyj will be held on Thursday April 11, 2019 at 10.00 a.m. in Finlandia Hall, Mannerheimintie 13, Helsinki, Finland. The notice of the Annual General Meeting will be published on March 4, 2019 on Tikkurila Oyj's website and as a stock exchange release. A summary of the notice will be published in Helsingin Sanomat on March 6, 2019.

Resolution on the use of the profit shown on the balance sheet and the payment of dividend

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.33 per share will be paid for the year ended on December 31, 2018 and that the rest be retained and carried further in the Company's unrestricted equity. The proposed dividend totals approximately EUR 14.6 million, which corresponds to approximately 100 percent of the Group's net profit for 2018.

The dividend will be paid in two tranches. The first tranche of EUR 0.165 per share will be paid to a shareholder which is recorded at the record date for the payment of dividend on April 15, 2019 at the Company's shareholder register maintained by Euroclear Finland Oy. The proposed date of payment is April 24, 2019.

The second tranche EUR 0.165 per share will be paid in November 2019. The second tranche will be paid to a shareholder who is recorded at the record date for the payment of dividend at the Company's shareholder register maintained by Euroclear Finland Oy. The Board of Directors will decide at the meeting scheduled for October 28, 2019 the record date and the payment date for the second tranche. According to the current rules of the Finnish book-entry system the record date would then be October 30, 2019 and the dividend payment date earliest November 6, 2019.

Resolution on the remuneration of the Auditor

The Board of Directors proposes to the Annual General Meeting, on the recommendation of the Audit Committee, that the Auditor's fees be paid against an invoice approved by the Company.

Election of the Auditor

The Board of Directors proposes to the Annual General Meeting, on the recommendation of the Audit Committee, that Ernst & Young Oy be elected as the Company's auditor for the

term that ends at the end of the Annual General Meeting following the appointment. Ernst & Young Oy has informed that APA Antti Suominen will act as the principal auditor.

The Audit Committee states that its recommendation is free from any third-party influence and that there has been no requirement limiting the election of an external auditor to be complied with as defined in Article 16 Paragraph 6 of the Audit Regulation.

Authorizing the Board of Directors to decide on the repurchase of the Company's own shares

The Board of Directors proposes that the Annual General Meeting authorize the Board of Directors to decide upon the repurchase of a maximum 4,400,000 of the Company's own shares with assets pertaining to the Company's unrestricted equity in one or more tranches. The proposed maximum aggregate amount of the authorization corresponds to approximately 10 percent of all the shares in the Company.

The authorization for repurchases of the Company's own shares is proposed to be carried out at the share's market price on Nasdaq Helsinki Ltd or in another marketplace the rules of which allow company to trade with its own shares. The authorization entitles the Board of Directors to repurchase the shares in a proportion other than that of the shares held by the current shareholders (directed repurchase). In repurchasing the Company's own shares, the Company may enter into derivative, stock lending, or other arrangements customary in capital market practice within the limits set by law and other regulations. In the repurchases, the Company will follow the rules and guidelines of the marketplace in which the repurchase is carried out regarding, among other factors, the determination of the repurchase price and the settlement and disclosure of trades.

The consideration payable for the repurchase of the shares shall be based on the market price of the Company's share on the securities market. The minimum consideration for the repurchase of the Company's own shares is the lowest market price of the share quoted during the authorization period and, correspondingly, the maximum price is the highest market price of the share quoted during the authorization period.

The shares may be repurchased to be used for financing or implementing possible mergers and acquisitions, developing the Company's equity structure, improving the liquidity of the Company's shares, or to be used for the payment of the annual fees payable to the members of the Board of Directors, or for implementing the share-based incentive programs of the Company. For the aforementioned purposes, the Company may retain, transfer, or cancel the shares. The Board of Directors would decide upon any other terms related to the repurchase of shares.

The repurchase authorization would be valid until the end of the next Annual General Meeting, however, no longer than until June 30, 2020.

This authorization would cancel the repurchase authorization granted by the Annual General Meeting to the Board of Directors on April 12, 2018.

Authorizing the Board of Directors to decide on the issuance of shares

The Board of Directors proposes that the Annual General Meeting authorize the Board of Directors to decide to transfer the Company's own shares held by the Company or to issue new shares in one or more tranches limited to a maximum of 4,400,000 shares. The

proposed maximum aggregate amount of the authorization corresponds to approximately 10 percent of all the shares in the Company.

The Company's own shares held by the Company may be transferred and the new shares may be issued either against payment or without payment. New shares may be issued and the Company's own shares held by the Company may be transferred to the Company's shareholders in proportion to their current shareholdings in the Company or in deviation from the shareholders' pre-emptive right through a directed share issue, if the Company has a weighty financial reason for this, such as financing or implementing mergers and acquisitions, developing the Company's equity structure, improving the liquidity of the Company's shares, settling the payment of the annual fees payable to the members of the Board of Directors, or implementing the share-based incentive programs of the Company. Upon the issuance of new shares, the subscription price of the new shares shall be recorded in the invested unrestricted equity reserves. In the case of a transfer of the Company's own shares, the price payable for the shares shall be recorded to the invested unrestricted equity reserves.

The Board of Directors would decide upon any other terms and conditions related to the share issues. The authorization would be valid until the end of the next Annual General Meeting, however, no longer than until June 30, 2020.

This authorization would cancel the share issue authorization granted by the Annual General Meeting to the Board of Directors on April 12, 2018.

Amendment of the Charter of the Shareholders' Nomination Board

The Annual General Meeting of Tikkurila Oyj established, by its resolution on March 28, 2012, to the Company a Shareholders' Nomination Board. The duties and the Charter of the Nomination Board have been updated last due to a resolution of the Annual General Meeting on April 12, 2018. The Nomination Board prepares and presents proposals for the next Annual General Meeting concerning the Chairman, Vice Chairman and members of the Board of Directors as well as their remuneration.

According to Section 2 of the Charter of the Shareholders' Nomination Board, the Nomination Board shall be convened annually so that each of the Company's three largest shareholders registered as shareholders by the end of May preceding the Annual General Meeting in the shareholders register, be each requested to appoint one member to the Nomination Board.

The Board of Directors proposes that Section 2 of the Charter of the Shareholders' Nomination Board will be amended so that the three largest shareholders shall be those who are registered as shareholders in the shareholders register by the end of April preceding the Annual General Meeting.

Tikkurila Oyj

The Board of Directors

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Sustainable Nordicness



Tikkurila is a leading Nordic paint company with expertise that spans decades. We develop premium products and services that provide our customers with quality that will stand the test of time and weather. We operate in around ten countries and our 3,000 dedicated professionals share the joy of building a vivid future through surfaces that make a difference. In 2017, our revenue totaled EUR 582 million. The company is listed on Nasdaq Helsinki. Nordic quality from start to finish since 1862.

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