

RESOLUTION ON THE FORFEITURE OF THE SHARES ENTERED IN A JOINT BOOK-ENTRY ACCOUNT AND OF THE RIGHTS ATTACHED TO SUCH SHARES

(Agenda item 16)

The Board of Directors proposes to the Annual General Meeting of UPM-Kymmene Corporation to be held on 29 March 2017 that the Annual General Meeting resolve, in accordance with the Finnish Limited Liability Companies Act, that rights to the shares entered in the Company's joint book-entry account and the rights attached to such shares be forfeited and that the Board be authorised to take any and all measures required by such resolution.

The shares of UPM-Kymmene Corporation's predecessor company Kymmene Oy were incorporated in the book-entry system on 4 May 1992, and the shareholders' registration period ended on 21 August 1992. The shares of UPM-Kymmene Corporation's other predecessor company Repola Oy were incorporated in the book-entry system on 27 January 1994, and the shareholders' registration period ended on 28 April 1994. Pursuant to Chapter 3 a, Section 2 of the former Companies Act (734/1978), the shareholders were required to present their share certificates and request that their shares be registered in their book-entry accounts within the specified registration period. Pursuant to Chapter 3 a, Section 3 of the former Companies Act, in both of these cases, the Central Securities Depository opened a joint book-entry account in the name of the company for such shareholders who failed to present their share certificates and request the registration of their shares in their book-entry accounts within the afore mentioned registration periods.

When Kymmene Oy and Repola Oy merged on 30 April 1996 to form UPM-Kymmene Corporation, the number of shares in the joint book-entry account was corrected to correspond to the terms of share exchange agreed in connection with the merger. On 31 December 2016, the number of shares in this book-entry account was 183,116 corresponding to 0.03 per cent of the total number of shares in the Company.

Pursuant to Section 8, subsection 2 of the Act on Implementation of the current Limited Liability Companies Act (21.7.2006/625), the General Meeting may, in accordance with Chapter 4, Section 10, subsection 2 of the current Limited Liability Companies Act (21.7.2006/624), once ten years have elapsed from the expiry of the shareholders' registration period and from the entry into force of the current Companies Act, resolve that right to shares incorporated in the book-entry system and the rights attached to such shares are forfeited. Upon the resolution, the provisions applicable to treasury shares shall apply to the forfeited shares. The current Limited Liability Companies Act entered into force on 1 September 2006.

The forfeiture of shareholder rights would concern shares that are in the joint book-entry account of UPM-Kymmene Corporation and with regard to which the registration of shareholder rights to the shareholder's book-entry account has not been requested and necessary documents needed for such registration submitted to the shareholder's account manager prior to the commencement of the Annual General Meeting i.e. by 14.00 hrs (EET) on Wednesday, 29 March 2017.

Thus, the proposal concerns a maximum of 183,116 shares of UPM-Kymmene Corporation registered in its joint book-entry account. The shares which regard to which the registration of shareholder rights to the shareholder's book-entry account has been requested as presented above prior to the commencement of the Annual General Meeting, and which have been entered in the shareholder's book-entry account by 30 June 2017, will, however, not be subject to the forfeiture of rights referred to above. Additional information on the Company's share history and



instructions for the registration of shareholder rights are available on the corporate website at www.upm.com/sharehistory.

Helsinki, 31 January 2017

UPM-Kymmene Corporation

BOARD OF DIRECTORS