

Terms and Conditions for Componenta Corporation Share Issue 2014

Decision by Extraordinary General Meeting of Shareholders on Share Issue

The Board of Directors of Componenta Corporation (“**the Board of Directors**”) has decided to propose that the Extraordinary General Meeting of Shareholders to be held on 5 September 2014, decide on a share issue directed for subscription to the public. In the share issue, Componenta Corporation (“**the Company**”) shall offer, derogating from the shareholders’ pre-emptive subscription rights, a maximum total of 53,000,000 new shares in the Company (“**New Share/s**”) for subscription to individuals and corporations in Finland (“**the Share Issue**”), in accordance with these terms and conditions. The purpose of the Share Issue is to secure the continuity of the Company’s operations by considerably strengthening the Company’s financial position. There are thus weighty financial reasons from the Company’s perspective for derogating from the shareholders’ pre-emptive subscription rights.

The Share Issue is a part of an arrangement consisting of the Share Issue and a share issue to be offered on 15 August 2014 for subscription to a limited group of selected investors (“**the Private Placement**”). In the Private Placement, a maximum total of 15,000,000 new shares in the Company shall be offered for subscription (“**Issued Shares**”).

Subscription Right and Minimum Subscription

New Shares shall be offered for subscription to individuals and corporations in Finland. A maximum total of 53,000,000 New Shares shall be offered for subscription in the Share Issue. The minimum subscription is 100 New Shares.

Procedures in Events of Undersubscription or Oversubscription

The Board of Directors shall decide who has the right to subscribe for any New Shares that were not subscribed in the Share Issue.

The Board of Directors shall decide on the procedure to be followed in the event of oversubscription.

In the event of oversubscription, a maximum of 10,000,000 New Shares shall be allocated to the Company’s shareholders who have subscribed for shares in the Share Issue and who are recorded in the Company’s shareholder register kept by Euroclear Finland Ltd on 4 September 2014 so that they shall receive New Shares out of the total number of 10,000,000 New Shares and Issued Shares, in proportions corresponding to their shareholdings. When calculating the shareholder’s ownership in the event of potential oversubscription, the following shall, on the shareholder’s request, be taken into account as a whole: (i) the shareholder’s direct ownership, (ii) the direct ownership of an entity or a person exercising control in such shareholder, and (iii) other shareholders’ ownership where such entity or person exercises control.

In the event of oversubscription, the subscriptions of the holders of the Company’s bonds that are paid with the principals and interests of the loan shall be approved in full.

In the event of oversubscription, the Board of Directors shall have the possibility of reducing the size of subscriptions. The Board of Directors shall also have the right to reject a subscription outright.

Subscription Price and Payment Method

The subscription price shall be credited to the reserve for the Company’s invested unrestricted equity.

If the subscription is paid in cash, the subscription price shall be 1.00 euro per a New Share. The subscription price is based on negotiations with the investors, as well as on the subscription price in the Private Placement to be offered on 15 August 2014.

Payment of Subscription by setting off the Company's Loan Receivables

Those subscribers who have any of the Company's loan receivables listed below, shall have the right to use, fully or partly, such loan receivables for the payment of the subscription price of the New Shares. Only whole loan units may be used for the payment. Also the interest receivable based on the loan units to be used for the payment and accumulated by 12 September 2014 must be used to pay the subscription price. If necessary, the number of shares to be received in return for the loan units and interest receivables shall be rounded down to the nearest whole share.

If the subscriber uses the loan and interest receivables to pay the subscription price, the subscription prices of the New Shares below are based on negotiations with the investors, as well as on the priority of the loan to be used for the payment.

Capital Notes 2009 and 2010, and Hybrid Bonds 2012 and 2013

The subscription price shall be 2.00 euros per a New Share, if the subscription is paid by the Capital Notes or the Hybrid Bonds.

The ISIN codes of the Capital Notes and the Hybrid Bonds are the following:

Capital Note 2009	ISIN code FI4000004916
Capital Note 2010	ISIN code FI4000017025
Hybrid Bond 2012	ISIN code FI4000041645
Hybrid Bond 2013	ISIN code FI4000068440

Unsecured Bond 2013

The subscription price shall be 1.60 euros per a New Share, if the subscription is paid by the Unsecured Bond.

The ISIN code of the Unsecured Bond 2013 is FI4000068713.

Secured Bond 2013

The subscription price shall be 1.30 euros per a New Share, if the subscription is paid by the Secured Bond.

Subscription Period

The subscription period for the New Shares shall begin on 8 September 2014 at 9.00 a.m. and end on 12 September 2014 at 4.00 p.m. ("**the Subscription Period**"). Subscriptions received after the expiry of the Subscription Period shall not be acknowledged.

Place of Subscription

Subscription can be made at Alexander Corporate Finance Oy, Pohjoisesplanadi 37 A, FI-00100 Helsinki, tel. +358 10 292 5810 and on the website www.acf.fi ("**the Place of Subscription**").

Instructions for the subscribers shall be available during the Subscription Period on Alexander Corporate Finance Oy's website www.acf.fi and at Alexander Corporate Finance Oy.

The subscription shall be binding and it cannot be amended or cancelled in any way other than specified in the section of these terms and conditions entitled "Cancelling Subscriptions under Certain Circumstances".

Subscription Commitments

The Company has received subscription commitments for subscribing New Shares, in the amount of 5 million euros in total, by using cash to pay the subscription price, from the major shareholders. The Company has received subscription commitments for subscribing New Shares in the amount of over 63 million euros in total, by using the principals and interests of the Company's bonds, capital notes or hybrid bonds to pay the subscription price, from certain holders of the Company's bonds. The received subscription commitments correspond to over 76 per cent of the New Shares in total.

Certain holders of the Company's bonds who have given subscription commitments are committed to subscribe for New Shares up to such number that their share of the maximum number of New Shares offered exceeds 5 per cent.

Cancelling Subscriptions under Certain Circumstances

If a prospectus related to the Share Issue and to be published before the beginning of the Subscription Period ("**Prospectus**") is amended or supplemented in accordance with the Finnish Securities Markets Act after the Finnish Financial Supervisory Authority has approved the Prospectus and before the New Shares have become publicly quoted, due to an error or omission or due to substantial new information that may have material effect on the investor, then the investors who subscribed for New Shares before the announcement of the amendment or supplement, shall have the right to cancel their subscriptions at the set time. The duration of such time period is at least two (2) banking days starting from the announcement of the correction or supplement. Furthermore, the prerequisite for the cancelling right is that the error, omission or substantial new information has appeared before the registration of the New Shares on the subscribers' book-entry accounts. The Company shall announce the actions related to the possible cancellation of subscriptions in a stock exchange release.

Approval and Payment of Subscriptions

The Board of Directors shall decide on the approval of the subscriptions after the expiry of the Subscription Period. It is estimated that subscribers shall be informed of the approval of subscriptions in writing on 16 September 2014. The notice shall be sent by e-mail if the e-mail address is stated in the subscription form. Further, the Company expects to issue a stock exchange release stating the result of the Share Issue and the total number of subscribed New Shares on 16 September 2014.

The approved subscriptions must be paid in accordance with the instructions given on the approval notice by the Place of Subscription, no later than 18 September 2014.

The Company or its designee shall transfer the loan units to be used to pay the subscription price from the subscriber's book-entry account to the book-entry account appointed by the Company. In the subscription form, the subscriber shall authorize the Company or its designee to transfer the loan units from the book-entry accounts of the holders of the Company's bonds to the book-entry account appointed by the Company to pay the subscription price of the New Shares. The subscriber approves that the unpaid interests accumulated by 12 September 2014 shall be used for payment of the subscription price, and the subscriber shall in this respect have no more interest receivables from the Company thereafter.

The Board of Directors shall have the right to reject any subscription made, partly or in its entirety, and to reallocate the subscribed New Shares, unless the subscription has been paid in accordance with the terms and conditions of the Share Issue and with the given instructions.

Entry of New Shares in Book-Entry Accounts and Trading in New Shares

The New Shares subscribed in the Share Issue shall be issued as book-entry units in the book-entry securities system kept by Euroclear Finland Ltd. The New Shares shall be registered on the subscriber's book-entry account after their entry into the Trade Register, which is estimated to take place on 25 September 2014.

The New Shares shall be applied for public listing on NASDAQ OMX Helsinki Ltd. Trading in the New Shares is estimated to begin on NASDAQ OMX Helsinki Ltd on 26 September 2014.

The trading code of the Company's share is CTH1V and the ISIN code is FI0009010110.

Shareholder Rights

The New Shares shall produce a right to dividends and other shareholders' rights after their entry into the Trade Register around 25 September 2014. The New Shares shall produce the same rights as the Company's other shares from the time of their registration onwards. Each New Share shall give entitlement to one vote in the Company's General Meeting of Shareholders. For more information on shareholders' rights, please refer to the section in the Prospectus entitled "The Company's Shares and Share Capital – Summary on Rights related to the Company's Shares".

Dilution of Holding

A maximum total of 53,000,000 New Shares shall be offered for subscription in the Share Issue. As a result of the Private Placement and the Share Issue, the number of the Company's shares may increase from the current 29,269,224 shares to a maximum of 97,269,224 shares.

The New Shares correspond to approximately 119.7 per cent of all the Company's shares and the Issued Shares and votes of such Shares immediately prior to the Share Issue, and approximately 54.5 per cent of all the Company's shares, Issued Shares and the New Shares and votes of such shares following the Share Issue, assuming that the Share Issue is fully subscribed and that the Private Placement executed before the Share Issue has been fully subscribed.

Payments and Expenses

No asset transfer tax or service fee shall be collected for the subscription of New Shares. Book-entry account operators shall collect fees in accordance with their price lists for book-entry account maintenance and share custody. The subscriber shall be responsible for any payment transaction fees associated with subscription payments.

Information

The documents referred to in Chapter 5(21) of the Finnish Limited Liability Companies Act shall be available on the Company's website, www.componenta.com/fi_investors/fi_componenta_ir/.

Governing Law and Settlement of Disputes

This Share Issue shall be governed by Finnish law. Any disputes arising in respect of the Share Issue shall be resolved in a competent court in Finland.

Other Matters

The Board of Directors shall decide upon other technical matters related to the issue of the New Shares and the Share Issue and practical measures arising thereof.

Additional information on matters related to the subscription of New Shares is provided in the section of the Prospectus entitled "Instructions for Subscribers in the Share Issue".

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