

PROPOSALS OF THE BOARD OF DIRECTORS TO THE ANNUAL GENERAL MEETING OF LÄNNEN TEHTAAT PLC

LÄNNEN TEHTAAT PLC Stock Exchange Release 16 February 2012 at 8.30 a.m.

I DIVIDEND

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.85 per share be paid on the financial year 2011.

II ELECTION OF THE AUDITOR AND FEES

The Board of Directors' proposes that the auditor's fee be reimbursed according to invoice approved by the company.

The Board of Directors proposes that Hannu Pellinen, APA, and PricewaterhouseCoopers Oy Authorized Public Accountants with Tomi Moisio, APA, CPFA as responsible auditor, be re-elected as the auditors to the close of the following Annual General Meeting.

III AUTHORIZATION FOR SHARE ISSUE

The Board of Directors proposes that the AGM authorize the Board of Directors to decide on share issue including the right to issue new shares or to transfer Lännen Tehtaat shares held by the company. The authorization is proposed to include a maximum total of 761,757 shares. The maximum number of new shares that can be issued is 631,757, and the number of Lännen Tehtaat shares held by the company 130,000.

The subscription price for each of the new shares must be at least the nominal share value of EUR 2. The transfer price for Lännen Tehtaat shares held by the company must be at least the current value of the share at the time of transfer, which is determined by the price quoted in public trading on the NASDAX OMX Helsinki Ltd. The authorization includes the right to offer shares also against consideration other than in cash. However, in the case of share-based incentive systems, shares can be issued without remuneration.

The authorization includes the right to deviate from the shareholders' pre-emptive subscription right (targeted issue) if the company has a substantial financial reason to do so, such as development of the company's capital structure, financing and implementing corporate acquisitions or other arrangements, or implementing a share-based incentive system.

It is proposed that the authorization be valid until the Annual General Meeting 2015.

LÄNNEN TEHTAAT PLC
Board of Directors