

**PROPOSAL CONCERNING THE AUTHORISATION OF THE BOARD OF DIRECTORS TO
DECIDE ON THE ACQUISITION OF THE COMPANY'S OWN SHARES**

The Board of Directors (the "Board") proposes to the Annual General Meeting of shareholders of UPM-Kymmene Corporation (the "Company") to be held on 22 March 2010 that the Board be authorised to decide on the acquisition of the Company's own shares ("Authorisation to Acquire") on the following terms:

Maximum amount of shares to be acquired

The Board may decide to acquire no more than 51,000,000 of the Company's own shares.

Right to accept own shares as pledge

The authorisation includes also the right to accept the Company's own shares as pledge.

Directed acquisition and the purchase price of the own shares

The Company's own shares will be acquired in public trading otherwise than in proportion to the existing shareholdings of the Company's shareholders at the market price quoted at the time of purchase on the trading places where the Company's shares or the certificates entitling to its shares are traded, using the Company's unrestricted shareholders' equity.

The purchase price for the shares will be paid according to the applicable rules of the trading places where the shares have been acquired.

Retaining, transfer and cancellation of the own shares

The shares will be acquired to be used for financing of possible corporate acquisitions, investments or other business operations or as part of the Company's incentive programmes, or to be retained by the Company, transferred further or cancelled.

Other terms and validity

The Board shall decide on all other matters related to the acquisition of the Company's own shares.

The Authorisation to Acquire will remain valid for 18 months from the date of the resolution of the Annual General Meeting. If this authorisation is granted, it will cancel the authorisation to acquire the Company's own shares resolved on 25 March 2009 by the Annual General Meeting.

In Helsinki, 2 February 2010

BOARD OF DIRECTORS