

**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 30 March 2012 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 as consideration in possible mergers and acquisitions or for other business operations, investments or as part of the Company's incentive programmes, or to be retained by the Company as treasury shares, transferred 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 by the Annual General Meeting on 7 April 2011.

Helsinki, 1 February 2012

**BOARD OF DIRECTORS**