

Mercada Oy, Press Release, 16 October 2017 at 17:00 (EEST).

Mercada Oy issues EUR 175 million bond

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN OR INTO THE UNITED STATES OR TO ANY PERSON LOCATED OR RESIDENT IN ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS ANNOUNCEMENT.

Mercada Oy issues a senior secured bond of EUR 175 million. The bond matures on 24 October 2022, it carries a fixed annual interest at the rate of 1.875 percent and has an issue price of 99.849 percent. The bond was subscribed by approximately a total of 85 investors.

The proceeds from the bond offering will be used for the early repayment and refinancing of existing indebtedness. No application will be made to have the notes listed.

CEO Harri Holmström: "We are pleased with the great success of the placement of Mercada's first bond transaction, which was substantially oversubscribed and closed within a few hours. The issuance of the bond broadens the company's financial structure and the great result on the market demonstrates the strength of the company's credit profile."

Nordea Bank AB (publ), Finnish Branch, OP Corporate Bank plc, Skandinaviska Enskilda Banken AB (publ), and Swedbank AB (publ) acted as Lead Managers for the bond issue.

MERCADA OY

Harri Holmström
CEO

For further enquiries, please contact: CEO Harri Holmström, tel: +358 40 845 5726.

Mercada in brief

Mercada owns, manages and improves retail sites mainly used by Kesko Group. The portfolio includes three shopping centers in Finland and 38 retail sites in Finland and Sweden. Shopping centers owned by Mercada are Veturi in Kouvola, Karisma in Lahti and Merituuli in Espoo. A total of 13 K-citymarkets, 16 K-supermarkets, 1 K-market store, 7 K-Rauta stores and one K-rauta K-maatalous are operating in the shopping centers and retail sites. Six K-rauta stores are located in Sweden. Mercada is owned in equal shares by Kesko Corporation, Ilmarinen Mutual Pension Insurance Company and Swedish AMF Pensionsförsäkring.

Disclaimer

The information contained herein is not for release, publication or distribution, in whole or in part, directly or indirectly, in or into Australia, Canada, Hong Kong, Japan, New Zealand, South Africa, Singapore or the United States or such other countries or otherwise in such circumstances in which the release, publication or distribution would be unlawful. The information contained herein does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, exemption from registration or qualification under the securities laws of any such jurisdiction.

This communication does not constitute an offer of securities for sale in the United States. The securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or under the applicable securities laws of any state of the United States and may not be offered or sold, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

This communication does not constitute an offer of securities to the public in the United Kingdom. No prospectus has been or will be approved in the United Kingdom in respect of the securities. Consequently, this communication is directed only at (i) persons who are outside the United Kingdom, (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"), (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "**relevant persons**"). In addition, this communication is, in any event only directed at persons who are "qualified investors" pursuant to the Prospectus Directive (2003/71/EC, as amended). Any investment activity to which this communication relates will only be available to, and will only be engaged with, relevant persons. Any person who is not a relevant person should not act or rely on this communication or any of its contents.