

## NASDAQ HELSINKI DISCIPLINARY COMMITTEE IMPOSED A WARNING AND A FINE ON ORIOLA-KD CORPORATION FOR BREACHING THE RULES OF THE EXCHANGE

**Helsinki, October 7, 2015** – The Disciplinary Committee of NASDAQ OMX Helsinki Ltd (the “Exchange”) has imposed a public warning and a fine of EUR 50,000 on Oriola-KD Corporation (trading codes: OKDBV, OKDAV) due to the breaches of the Rules of the Exchange (the “Rules”). Oriola-KD Corporation has breached the Rules regarding the obligation to maintain adequate administrative procedures and to disclose corrected information in connection to the sale of its Russian businesses.

On December 8, 2014, the company disclosed a stock exchange release on the sale of its Russian businesses. According to the release, the company recognized an estimated loss of EUR 26 million due to the sale. In a stock exchange release disclosed on February 2, 2015, the amount of the loss was revised to EUR 147.7 million.

### *Administration of a listed company*

The Disciplinary Committee states that the amount of the estimated loss disclosed in the first stock exchange release has proven to be erroneous to a substantial degree. From the market perspective, the amount of the loss resulting from the sale of businesses is not insignificant. The erroneous amount of the loss derived from several separate issues that were revealed during the audit process at the latter part of January. Detecting the final losses only in connection with the financial statement process and the materiality of the errors prove that the financial administration of the company has not acted in a sufficiently compliant manner and has not been able to produce such financial information that can be expected from a listed company.

### *Disclosing corrected information*

Market confidence requires that investors are able to make decisions in the market based on correct information. According to the Rules, the correction to information disclosed by the company needs to be disclosed without undue delay after an error has been noticed unless it is insignificant.

The Disciplinary Committee states in its argumentation that the errors have been substantially discovered already on January 23, 2015, and that the company has been aware of the full extent of the errors on January 29 at the latest, when the company has – in conjunction with the prospectus process – provided the updated loss calculation to the Financial Supervisory Authority. However, the company has not corrected its stock exchange release from December 8, 2014, until February 2, 2015. The significance of the error is indicated not only by its amount, but also by the fact that the company’s share price (OKDBV) fell by over 11 per cent on the day of the release.

The Disciplinary Committee states that preparing the financial statement and ensuring its validity and finality had no relevance in delaying the disclosure of the corrected information, as required by the continuous disclosure requirements for listed companies.

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### *Applicable Rules of the Exchange*

#### 2.2.4.3 Capacity for providing information to the market

Well in advance of the listing, the company must establish and maintain adequate procedures, controls and systems, including systems and procedures for financial reporting, to enable compliance with its obligation to provide the market with timely, reliable, accurate and up-to-date information as required by the Exchange.

#### 2.3.1.3 Timing of information (sub-chapter 3)

Significant changes to previously disclosed information shall be disclosed as soon as possible. Corrections to errors in information disclosed by the listed company itself need to be disclosed as soon as possible after the error has been noticed, unless the error is insignificant.

The Disciplinary Committee of the Exchange states in its resolution that Oriola-KD Oyj has, when disclosing the information on the sale of its Russian businesses, breached the Rule 2.2.4.3 regarding the obligation to maintain adequate administrative procedures, and Rule 2.3.1.3 regarding the disclosure of the corrected information. Accordingly, the Committee has imposed a public warning and a fine of EUR 50,000 on Oriola-KD Oyj. The main argumentation and the resolution statement shall be disclosed by the Exchange.

This press release contains the main argumentation and the resolution statement by the Disciplinary Committee.

### **Surveillance at Nasdaq Helsinki**

The surveillance unit of NASDAQ OMX Helsinki Ltd investigates all suspected breaches of regulations. Minor breaches will result in non-public reprimand to the company, whereas more serious cases are referred to the Disciplinary Committee. The members of the Disciplinary Committee are legal and financial experts independent of NASDAQ OMX Helsinki Ltd. The Chairman of the Committee is Mr. Mikko Tulokas, Supreme Court Justice, the Deputy Chairman is Mr. Risto Nuolimaa, Professor, and the other members are Mr. Simo-Pekka Helander, Counselor of Economics, Ms. Tuula Pynnä, Supreme Court Justice, and Mr. Sami Torstila, Associate Professor. Sanctions for a listed company may be a warning, a fine or delisting. For more information about the Disciplinary Committee please visit [www.nasdaqomx.com/listing/europe/surveillance/helsinki](http://www.nasdaqomx.com/listing/europe/surveillance/helsinki)

### **NASDAQ OMX Nordic Foundation**

The Disciplinary Committees of Nasdaq Helsinki, Nasdaq Copenhagen and Nasdaq Stockholm may, in case of a breach by a member or a listed company, resolve to fine the member or the listed company. The paid fine is transferred to the NASDAQ OMX Nordic Foundation for the promotion of the foundation's objective, which is to promote scientific research of the financial markets in Finland, Denmark and Sweden, providing impetus for increased competence and competitiveness for these financial markets. Three of the directors of the Foundation shall have extensive academic experience within the field of financial markets.

### **About Nasdaq**

Nasdaq (Nasdaq: NDAQ) is a leading provider of trading, clearing, exchange technology, listing, information and public company services across six continents. Through its diverse portfolio of solutions, Nasdaq enables customers to plan, optimize and execute their business vision with confidence, using proven technologies that provide transparency and insight for navigating today's global capital markets. As the creator of the world's first electronic stock market, its technology powers more than 70 marketplaces in 50 countries, and 1 in 10 of the world's securities transactions. Nasdaq is home to more than 3,600 listed companies with a market value of

over \$9.6 trillion and more than 10,000 corporate clients. To learn more, visit [nasdaq.com/ambition](https://nasdaq.com/ambition) or [business.nasdaq.com](https://business.nasdaq.com).

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#### *Cautionary Note Regarding Forward-Looking Statements*

*The matters described herein contain forward-looking statements that are made under the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to, statements about Nasdaq and its products and offerings. We caution that these statements are not guarantees of future performance. Actual results may differ materially from those expressed or implied in the forward-looking statements. Forward-looking statements involve a number of risks, uncertainties or other factors beyond Nasdaq's control. These factors include, but are not limited to factors detailed in Nasdaq's annual report on Form 10-K, and periodic reports filed with the U.S. Securities and Exchange Commission. We undertake no obligation to release any revisions to any forward-looking statements.*

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