

**IXONOS PROSPECTUS PUBLISHED**

Finnish Financial Supervisory Authority has yesterday, 1 June 2010, approved Ixonos Plc's Prospectus. The Prospectus (including, securities note and summary, hereafter the "Prospectus") which relates to the Ixonos Plc's rights issue published by a stock exchange release dated 1 June 2010.

The Prospectus is available from 2 June 2010 onwards at the latest on Ixonos homepage <http://www.ixonos.com/en/investors> and at the registered office of the Company located at address Hitsaajankatu 24, 00810 Helsinki, Finland. The Prospectus is only available in Finnish.

As attachment: Terms and Conditions of the offering

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**ATTACHMENT: TERMS AND CONDITIONS OF THE OFFERING****Overview of the Offering**

The Extraordinary General Meeting of shareholders of Ixonos Plc ("Ixonos" or "Company") resolved on 1 June 2010 to authorize the Company's Board of Directors to resolve on a share issue for consideration, entitling shareholders to subscribe for the Company's new shares in proportion to their prior shareholding. The authorization provides that a maximum of 9,313,089 new shares may be issued in the share issue and the Company's Board of Directors to determine the other terms and conditions of the share issue.

On the basis of the authorization given by the Extraordinary General Meeting of shareholders of Ixonos, on 1 June 2010, the Company's Board of Directors resolved to issue up to 5,321,765 new shares ("Share") through a rights issue ("Offering"), in accordance with the terms and conditions presented below.

Provided that the Offering is subscribed for in full, the Shares represent approximately 57.1 percent of the shares and votes carried by all shares of the Company prior to the Offering and approximately 36.4 percent of the Shares and votes carried by all Shares of the Company after the Offering.

**Subscription Right**

The Shares will be offered to the Company's shareholders in proportion to their shareholding. The Company's shareholders, who are registered in the shareholders' register maintained by Euroclear Finland Oy on the record date, 4 June 2010 ("Record Date"), shall receive one (1) subscription right ("Subscription Right") in the form of a book-entry (ISIN code FI4000013826, trading code XNS1VU0110) for each share of the Company held on the Record Date, entitling its holder to subscribe for Shares. The Subscription Rights are freely transferable.

The Subscription Rights will trade publicly on NASDAQ OMX Helsinki Oy ("Helsinki Stock Exchange") from 9 June 2010 to 16 June 2010.

## **Right to Subscribe for Unsubscribed Shares without Subscription Rights**

The Company's Board of Directors will resolve to offer any Shares which have not been subscribed for pursuant to the Subscription Rights, if any, to shareholders who have been registered in the Company's shareholders' register on the Record Date and have submitted an application to subscribe for the Shares without Subscription Rights during the Subscription Period or other investors who have given subscription undertaking or underwriting undertaking to the Company or failing that, to other investors as resolved by the Board of Directors. See "*Subscription for and Allotment of Shares without Subscription Rights*" below.

## **Subscription and Underwriting Undertakings**

The Company's largest shareholder, Turret Oy Ab, representing approximately 16.1 percent of the Company's shares, and Ilari Koskelo and the company under his control, representing approximately 2.1 percent of the Company's shares, have undertaken to subscribe in full for the new shares for which their holdings entitle them to subscribe. Furthermore, Alfred Berg Small Cap Mutual Fund (approximately 4.1 percent of shares) and Nordea Investment Funds (approximately 4.1 percent of shares) have expressed their intention to subscribe for their pro rata entitlement of the new shares offered in the Offering.

In addition to these subscription undertakings, Turret Oy Ab, Ilari Koskelo and Mutual Insurance Company Pension-Fennia have provided underwriting undertakings to the Company, according to which they will subscribe for shares not subscribed for during the Offering, as follows: Turret Oy Ab for up to EUR 2 million, Ilari Koskelo for up to EUR 1 million and Mutual Insurance Company Pension Fennia for up to EUR 2 million. However, under no circumstances will the share issue cause Turret Oy Ab's holding to exceed 30 percent of all Ixonos shares.

The execution of the subscription undertakings and underwriting undertakings is subject to certain customary conditions, including the condition that no material adverse change has occurred in the Company's financial standing. The subscription undertakings and underwriting undertakings represent approximately 81.7 percent of the maximum number of shares to be offered in the Offering. The subscription undertaking and underwriting undertaking represent approximately 100.0 percent of the maximum number of shares to be offered in the Offering.

## **Subscription Price**

The subscription price for the Shares is EUR 1.15 per share ("Subscription Price").

Of the Subscription Price EUR 0.04 shall be recorded in share capital and EUR 1.11 shall be recorded in the invested unrestricted equity reserve of the Company. The Subscription Price has been determined in such a manner that it includes a customary discount for rights issues, the amount of which in the Offering is approximately 58.2 percent as compared to the closing price of the shares on the Helsinki Stock Exchange on the trading day preceding the decision of the Company's Board of Directors on the Offering.

## **Subscription Period**

The subscription period will commence on 9 June 2010 at 9.30 a.m. (Finnish time) and expire on 23 June 2010 at 4.30 p.m. (Finnish time) ("Subscription Period"). Account operators may impose a deadline for subscription that is earlier than the expiration of the Subscription Period.

## **Subscription Ratio**

Every seven (7) Subscription Rights will entitle their holder to subscribe for four (4) Shares. Fractions of Shares cannot be subscribed for.

## **Submission of Subscription Orders**

Subscription orders can be submitted by the following methods:

- at the offices of the cooperative banks belonging to OP-Pohjola Group and of Helsinki OP Bank Plc during their business hours;
- via the OP call service at +358 100 0500. Customers providing a subscription undertaking through the call service require a personal network service agreement with OP-Pohjola

Group. When subscribing through the call service, the identity of the subscriber will be confirmed with network identification codes; and

- to account operators who have an agreement with Pohjola Corporate Finance Oy regarding receipt of subscriptions.

A subscription made is binding and cannot be amended or cancelled, except as provided in *“Right of Withdrawal in Accordance with the Finnish Securities Markets Act”* herein.

### **Subscriptions and Payment with Subscription Rights**

Subscription for Shares with Subscription Rights shall be effected by submitting the subscription order and making a cash payment of the Subscription Price. In order to subscribe for Shares, a holder of Subscription Rights must follow the instructions provided by the holder’s account operator. In the event that the holder does not receive any instructions from its account operator, the holder should submit his or her order by following one of the methods mentioned above in *“Submission of Subscription Orders”* in order to effect the subscription. The Subscription Price must be paid in full at the time of subscription in accordance with the instructions given by the subscription place or the account operator, within the payment period determined by the account operator.

Those shareholders of the Company or other investors participating in the Offering, whose shares of the Company or Subscription Rights are registered in the name of a nominee, should submit a subscription order in accordance with the instructions of the nominee.

Subscription Rights which have not been exercised by the end of the Subscription Period on 23 June 2010 will expire without compensation.

### **Subscription for and Allotment of Shares without Subscription Rights**

Subscription for Shares without Subscription Rights shall be effected by submitting the subscription order and making a cash payment for the Subscription Price. In order to subscribe for Shares, a prospective subscriber must follow the instructions provided by its account operator. In the event that the holder does not receive any instructions from its account operator, the holder should submit his or her order by following one of the methods mentioned above in *“Submission of Subscription Orders”* in order to effect the subscription.

If the prospective subscriber also subscribes for Shares pursuant to Subscription Rights, the subscription for the Shares without Subscription Rights must be submitted together with the subscription for Shares with Subscription Rights.

If several subscription orders without Subscription Rights are submitted by a single subscriber, subscription orders will be combined into one subscription order per subscriber. The subscription and payment should be received at the subscription place or by the account operator on 23 June 2010, at the latest, or an earlier date as instructed by the account operator.

In the event that not all the Shares have been subscribed for pursuant to the exercise of Subscription Rights, the Company’s Board of Directors shall determine the allocation of Shares subscribed for without Subscription Rights as follows:

- First, to those shareholders’ registered in the Company’s shareholder register on the Record Date that subscribed for Shares also pursuant to Subscription Rights. If the Offering is oversubscribed by such subscribers, the allocation among such subscribers shall be determined in proportion to the number of Subscription Rights exercised by subscribers for subscription of Shares and, where this is not possible, by the drawing of lots;
- Second, to underwriters in accordance with the terms and conditions of the underwriting undertakings.

The Company will send a letter of confirmation in respect of the number of the Shares, if any, to be distributed to investors that have subscribed for Shares without Subscription Rights.

## **Decisions Regarding the Offering**

The Company's Board of Directors will approve all subscriptions made pursuant to Subscription Rights and in accordance with these terms and conditions of the Offering and the applicable laws and regulations regarding the share subscription.

Subscriptions made without Subscription Rights will be approved according to the principles set forth above in "*Subscription for and Allotment of Shares without Subscription Rights.*" Should the investor not obtain all Shares subscribed for without Subscription Rights in accordance with the amount set out in the investor's subscription order, the Subscription Price for the shares not received will be repaid to the investor on or about 1 July 2010. No interest will be paid on the repayable funds.

The Company will publish the final results of the Offering in a stock exchange release on or about 30 June 2010.

## **Right of Withdrawal in Accordance with the Finnish Securities Markets Act**

According to the Finnish Securities Markets Act, investors who have subscribed for Shares are entitled to withdraw their subscription within two (2) business days from the publication of the supplement to the Prospectus ("Prospectus"), or, if so decided by the Finnish Financial Supervisory Authority for special reasons, within a longer period not exceeding four (4) business days from the publication of the supplement to the Prospectus, if the Prospectus is supplemented due to an error or omission relating to the information in it which could be of material relevance to investors. The withdrawal right may only be used if the investor has subscribed for Shares prior to the publication of the supplement to the Prospectus and such a supplement is published after the commencement of the Subscription Period and, in the event of Shares subscribed for with Subscription Rights, prior to the commencement of trading in Interim Shares representing the Shares and, in the event of Shares subscribed for without Subscription Rights, prior to the commencement of trading of the Shares. A withdrawal of a subscription will result in the subscription being withdrawn in its entirety. The withdrawal procedure will be announced through a stock exchange release in connection with the publication of the possible supplement to the Prospectus. If a subscription is withdrawn, the institution to which subscription instructions were submitted will refund the Subscription Price, paid into a bank account elected by the investor without interest. Subsequently, if the subscription has been made pursuant to Subscription Rights, the Subscription Rights will be re-entered into the shareholder's book-entry account within approximately three (3) business days of the withdrawal notification being submitted. If a shareholder of the Company has sold or otherwise transferred its Subscription Rights, such a sale or transfer cannot be withdrawn.

## **Registration of Shares in Book-entry Accounts and Trading**

After a subscription has been effected, interim shares ("Interim Shares") representing Shares subscribed for pursuant to Subscription Rights will be entered into the subscriber's book-entry account. The ISIN code of the Interim Shares representing the Shares will be FI4000013818 and the trading code will be XNS1VN0110.

Trading in the Interim Shares representing Shares as a separate class of securities will commence on the Helsinki Stock Exchange on 24 June 2010, the first trading day after the expiration of the Subscription Period.

Interim Shares representing Shares will be combined with the Company's existing shares (ISIN code FI0009008007, trading code XNS1V) after the registration of the Shares with the Trade Register. The combination is estimated to take place on or about 1 July 2010 and the Shares will be subject to trading, together with the existing shares on or about 2 July 2010. Shares subscribed for without Subscription Rights will be registered in the Trade Register on or about 1 July 2010, when entered into the book entry accounts of investors. The shares will be subject to trading on or about 2 July 2010.

## **Shareholder Rights**

The Shares will carry the right to receive dividends and the right to receive other distribution of funds as well as other shareholder rights in the Company once the Shares have been registered with the Trade Register and in the Company's shareholders' register, on or about 1 July 2010.

The Shares will rank *pari passu* with all outstanding shares in Ixonos. Each Share entitles a shareholder to one vote at the General Meeting of shareholders of the Company.

## **Holders of option rights**

In accordance with the terms and conditions of the option rights approved by the Company's Board of Directors on 14 March 2006, if the company raises its share capital with a rights issue before the holders of option rights have subscribed for the shares, holders of option rights will have the same or equal rights as shareholders. In order to guarantee the equal treatment of option holders and shareholders, on 1 June 2010 the Company's Board of Directors decided to amend the option rights' subscription ratio and subscription price pursuant to the Offering. Subscription ratio was amended so that each 2006A and 2006B option right entitles the holder to subscribe for 1.57 shares. The subscription price of shares subscribed for pursuant to the option rights is based on the prevailing market price of the Company's shares in Nasdaq OMX Helsinki Oy in January-March 2006 and 2007. However, the subscription price of the shares subscribed for pursuant to each 2006A option right is a minimum of EUR 3.0464 and, pursuant to each 2006B option right, a minimum of EUR 3.5491. In connection with share subscription, the number of shares subscribed for by the option holder is rounded down to the closest round number. The total subscription price is calculated based on the number of shares rounded to the closest cent.

Amendments to the terms and conditions of the option rights will enter into force when registered in the Trade Register, on or about 1 July 2010, provided that the Offering takes place as planned. The company's option rights 2006 A and 2006B do not entitle the holder to participate in the Offering. For more information regarding the terms and conditions of the option rights, see the Registration note "Shares and share capital".

## **Transfer Tax and Other Expenses**

No transfer tax is payable on the share subscription. Each account operator will charge the investor in accordance with their price list for the maintenance of the investor's book-entry account and the deposit of the shares on the book-entry account.

## **Other Matters**

Other issues and practical matters relating to the Offering will be resolved by the Company's Board of Directors.

## **Documents on Display**

The documents referred to in Chapter 5, Section 21 of the Finnish Companies Act (624/2006, as amended, "Companies Act") are available during the Subscription Period at the Company's head office, address: Hitsaajankatu 24, 00810 Helsinki, Finland.

## **Governing Law**

The Offering will be governed by the laws of Finland and any disputes arising in connection with the Offering will be settled by a court of competent jurisdiction in Finland.