

Lehto Group Plc

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THE INITIAL PUBLIC OFFERING OF LEHTO GROUP PLC HAS BEEN SUCCESSFULLY COMPLETED – THE FINAL SUBSCRIPTION PRICE IS EUR 5.10 PER SHARE

The initial public offering ("Initial Public Offering" or "IPO", as further defined below) of Lehto Group Plc ("Lehto Group" or "Company") has been successfully completed. The Board of Directors of the Company and the Selling Shareholders (as defined below) have today decided to complete the Initial Public Offering. The final subscription price for the Public Offering and the Institutional Offering (both as defined below) is EUR 5.10 per share, which implies a market value of EUR 297 million for Lehto Group immediately after the IPO.

The IPO was oversubscribed multiple times. The total demand was over six fold assuming that the Over-Allotment Option (as defined below) is fully exercised. The Initial Public Offering consisted of a share issue to institutional investors in Finland and internationally ("Institutional Offering"), to private individuals and organisations in Finland ("Public Offering") as well as to the personnel of the Company in Finland ("Personnel Offering", and together with the Institutional Offering and the Public Offering, "Share Issue"). The Company issues in total 11,874,705 shares in the Share Issue. In addition, certain shareholders of the Company ("Selling Shareholders") sell in total 1,732,340 shares ("Share Sale", together with the Share Issue "Initial Public Offering" or "IPO").

The Institutional Offering was nearly ten times subscribed (assuming that the Over-Allotment Option is fully exercised) excluding the cornerstone investors' share of subscriptions and share allocation in the Institutional Offering. Approximately 50% of the institutional demand was from international investors (excluding cornerstone investors). In the Institutional Offering and the Share Sale, the Company and the Selling Shareholders decided to allocate 12,147,340 shares to institutional investors in Finland and internationally.

The Company issues 1,349,705 shares in the Public Offering. The Public Offering was over four times subscribed by approximately 4,425 investors participating in the Public Offering and submitting a commitment in accordance with the terms and conditions of the IPO. The Company accepted subscription commitments in the Public Offering in whole for a maximum of 334 shares and the remaining 2,313 shares were allocated to the investors which had submitted a commitment higher than this, in a ranking order of commitment sizes.

The Company issues 110,000 Shares in the Personnel Offering and the final subscription price of the Personnel Offering is 10% lower than the final subscription price of the Public Offering, being EUR 4.59 per share. The Company's Board of Directors accepted subscription commitments in the Personnel Offering in whole for a maximum of 800 shares and subscriptions exceeding this amount to 82.0% due to oversubscription in proportion to the amount of unmet subscription commitments.

In connection with the IPO, Osuuskunta PPO has the right and the obligation to convert a convertible loan into shares in accordance with the terms of the loan ("Conversion"). In total 1,065,643 new shares are issued in the Conversion.

The Company will receive approximately EUR 60.5 million in gross proceeds in the IPO before deducting the fees and expenses relating to the listing and the IPO. The Selling Shareholders are estimated to receive net proceeds of approximately EUR 14.8 million from the Share Sale (assuming that the Over-Allotment Option is fully exercised). As a result of the IPO the Company will have 4,589 new shareholders of which approximately 2.1% are institutional investors, approximately 96.4% private individuals and organisations in Finland and approximately 1.4% personnel of the Company in Finland. Proportional share of ownership of international investors in the Company will total approximately 10.7% after the IPO and the Conversion.

After the IPO and the Conversion the Company's total number of shares will increase to 58,250,752 shares. The 12,940,348 new shares subscribed for in the Share Issue and the Conversion correspond to approximately 22.2% and the shares sold in the Share Sale approximately 3.0% of the Company's shares and votes after the completion of the IPO.

The Selling Shareholders have granted OP Corporate Bank plc an over-allotment option ("Over-Allotment Option") to purchase or to procure purchasers for up to 1,470,821 shares in the Company at the final subscription price exercisable within 30 days from the commencement of trading of the Company's shares on Nasdaq Helsinki Ltd ("Helsinki Stock Exchange") solely to cover over-allotments.

A confirmation letter regarding the acceptance of the subscription commitments and the allocation of the shares will be sent on as soon as practicable to all investors participating in the Public Offering and the Personnel Offering. If a subscription commitment is rejected or it is accepted only partially, the amount paid or a part thereof will be refunded to the investor to the bank account identified in the subscription commitment as soon as practicable, approximately by 2 May 2016. If an investor's bank account is in a different bank than the subscription place, the refund will be paid to a Finnish bank account in accordance with the payment schedule of the financial institutions, approximately within no more than two (2) banking days later. No interest will be paid on such repaid funds.

The shares issued in the Public Offering and the Personnel Offering are recorded in the book-entry accounts of investors who have made an accepted subscription commitment on about 28 April 2016. In the Institutional Offering the shares will be ready to be delivered against payment on about 2 May 2016 through Euroclear Finland Ltd. Trading of the Company's shares on the prelist of the Helsinki Stock Exchange is expected to commence on 28 April 2016 and on the official list on 2 May 2016 under the trading symbol "LEHTO".

After the Initial Public Offering OP Corporate Bank plc may within 30 days from the commencement of the trading of the shares on the Helsinki Stock Exchange, i.e. on or about the time period from 28 April 2016 to 27 May 2016, engage in measures on the prelist and later on on the official list of the Helsinki Stock Exchange which stabilise, maintain or otherwise affect the price of the shares which would not otherwise prevail in an open trade. Any stabilisation measures will be conducted in accordance with the European Commission Regulation (EC) No 2273/2003 implementing Directive 2003/6/EC of the European Parliament and of the Council as regards exemptions for buy-back programmes and stabilization of financial instruments. OP Corporate Bank plc has no obligation to carry out these measures, and it may stop any of these measures at any time. OP Corporate Bank plc may enter into a share lending agreement with Lehto Invest Oy concerning the Over-Allotment Option and stabilisation.

OP Corporate Bank plc acts as the Global Coordinator and Joint Bookrunner and Pareto Securities Oy as Joint Bookrunner (together, "Bookrunners") in the Initial Public Offering. Krogerus Attorneys Ltd acts as the legal advisor of the Company. Roschier, Attorneys Ltd. acts as the legal advisor of the Bookrunners.

Lehto Group Plc

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Lehto Group in brief

Lehto Group is a Finnish construction and real estate group focusing on economically driven construction. The Company's mission is to be an innovative reformer of the construction industry. The Company has divided its operations into four service areas: Business Premises, Housing, Social Care and Educational Premises and Building Renovation. Lehto Group currently operates in Finland and is geographically concentrated in growth centres, which form a significant part of the construction volume. The Company's headquarters are located in Kempele. The company employed 423 people at the end of the financial year 2015.

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