

18 January 2017

The Board of Directors
PKC GROUP OYJ
Unioninkatu 20-22
FI-00130 Helsinki
Finland

Members of the Board of Directors:

We understand that PKC GROUP OYJ (“PKC”) proposes to enter into a Combination Agreement (the “Agreement”), among PKC and Motherson Sumi Systems Limited (“MSSL”) pursuant to which, among other things, MSSL will launch a voluntary public tender offer for all of the issued and outstanding shares of PKC (“PKC Shares”) offering €23.55 in cash (the “Consideration”) per PKC share (the “Transaction”). The terms and conditions of the Transaction are more fully set forth in the Agreement.

You have requested our opinion as to the fairness, from a financial point of view, to the holders of PKC Shares of the Consideration to be received by such holders in the Transaction. In connection with this opinion, we have, among other things:

- (a) reviewed certain publicly available business and financial information relating to PKC;
- (b) reviewed certain internal financial and operating information with respect to the business, operations and prospects of PKC furnished to or discussed with us by the management of PKC, including certain financial forecasts relating to PKC prepared by the management of PKC (such forecasts, “PKC Forecasts”);
- (c) discussed the past and current business, operations, financial condition and prospects of PKC with the CEO, CFO and Board of Directors of PKC;
- (d) reviewed the trading history for PKC Shares and a comparison of that trading history with the trading histories of other companies we deemed relevant;
- (e) compared certain financial and stock market information of PKC with similar information of other companies we deemed relevant;
- (f) compared certain financial terms of the Transaction to financial terms, to the extent publicly available, of other transactions we deemed relevant;
- (g) reviewed a draft, dated 13 January 2017, of the Agreement (the “Draft Agreement”) and
- (h) performed such other analyses and studies and considered such other information and factors as we deemed appropriate.

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In arriving at our opinion, we have assumed and relied upon, without independent verification, the accuracy and completeness of the financial and other information and data publicly available or provided to or otherwise reviewed by or discussed with us and have relied upon the assurances of the management of PKC that they are not aware of any facts or circumstances that would make such information or data inaccurate or misleading in any material respect. With respect to the PKC Forecasts, we have been advised by PKC, and have assumed, that they have been reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the management of PKC as to the future financial performance of PKC. We have not made or been provided with any independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of PKC, nor have we made any physical inspection of the properties or assets of PKC. We have not evaluated the solvency or fair value of PKC under any laws relating to bankruptcy, insolvency or similar matters. We have assumed, at the direction of PKC, that the Transaction will be completed in accordance with its terms, without waiver, modification or amendment of any material term, condition or agreement and that, in the course of obtaining the necessary governmental, regulatory and other approvals, consents, releases and waivers for the Transaction, no delay, limitation, restriction or condition, including any divestiture requirements or amendments or modifications, will be imposed that would have an adverse effect on PKC or the contemplated benefits of the Transaction. We also have assumed, at the direction of PKC, that the final executed Agreement will not differ in any material respect from the Draft Agreement reviewed by us.

We express no view or opinion as to any terms or other aspects of the Transaction (other than the Consideration to the extent expressly specified herein), including, without limitation, the form or structure of the Transaction. As you are aware, we were not requested to, and we did not, solicit indications of interest or proposals from third parties regarding a possible acquisition of all or any part of PKC or any alternative transaction. Our opinion is limited to the fairness, from a financial point of view, of the Consideration to be received by holders of PKC Shares and no opinion or view is expressed with respect to any consideration received in connection with the Transaction by the holders of any class of securities, creditors or other constituencies of any party. In addition, no opinion or view is expressed with respect to the fairness (financial or otherwise) of the amount, nature or any other aspect of any compensation to any of the officers, directors or employees of any party to the Transaction, or class of such persons, relative to the Consideration. Furthermore, no opinion or view is expressed as to the relative merits of the Transaction in comparison to other strategies or transactions that might be available to PKC or in which PKC might engage or as to the underlying business decision of PKC to proceed with or effect the Transaction. In addition, we express no opinion or recommendation as to how any shareholder should act in connection with the Transaction or any related matter.

We have acted as financial advisor to the Board of Directors of PKC in connection with the Transaction and will receive a fee for our services a significant portion of which is contingent upon closing of the Transaction. In addition, PKC has agreed to reimburse our expenses and indemnify us against certain liabilities arising out of our engagement.

We and our affiliates comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and financial advisory services and other commercial services and products to a wide range of companies, governments and individuals. In the ordinary course of our businesses, we and our affiliates may invest on a principal basis or on behalf of customers or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions in equity, debt or other securities or financial instruments (including derivatives, bank loans or other obligations) of PKC, MSSL and certain of their respective affiliates.

We and our affiliates in the past have provided, currently are providing, and in the future may provide, investment banking, commercial banking and other financial services to PKC and have received or in the future may receive compensation for the rendering of these services.

In addition, we and our affiliates in the past have provided, currently are providing, and in the future may provide, investment banking, commercial banking and other financial services to MSSL and have received or in the future may receive compensation for the rendering of these services.

It is understood that this letter is for the benefit and use of the Board of Directors of PKC (in its capacity as such) in connection with and for purposes of its evaluation of the Transaction and is not rendered to or for the benefit of, and shall not confer rights or remedies upon, any person other than the Board of Directors of PKC. This opinion may not be disclosed, referred to, or communicated (in whole or in part) to any third party, nor shall any public reference to us be made, for any purpose whatsoever except with our prior written consent in each instance.

Our opinion is necessarily based on financial, economic, monetary, market and other conditions and circumstances as in effect on, and the information made available to us as of, the date hereof. It should be understood that subsequent developments may affect this opinion, and we do not have any obligation to update, revise, or reaffirm this opinion. The issuance of this opinion was approved by our EMEA Fairness Opinion Review Committee.

Based upon and subject to the foregoing, including the various assumptions and limitations set forth herein, we are of the opinion on the date hereof that the Consideration to be received in the Transaction by holders of PKC Shares is fair, from a financial point of view, to such holders.

Yours faithfully,

MERRILL LYNCH INTERNATIONAL