



PRESS RELEASE

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Rottneros' new issue oversubscribed

The final outcome of Rottneros' new issue shows that 886 million shares, corresponding to 98.3 per cent of the shares offered, have been subscribed for through the exercise of subscription rights. Additional applications have been submitted to subscribe for a further 461 million shares without subscription rights. Taken overall, this means that the new issue has been oversubscribed by 49.5 per cent.

As the new issue has brought in more than SEK 200m, Rottneros' lending banks have, in accordance with the terms stated in the prospectus, converted interest-bearing liabilities corresponding to SEK 200m into 444,444,444 shares in Rottneros.

"The fact that the new issue has been oversubscribed shows that our shareholders have strong faith in Rottneros. The financial and operational restructuring of the company that has now been implemented has given us a Rottneros with a more efficient structure for production in addition to a considerably stronger balance sheet. This enables us to look forward towards our prioritised improvement projects", said Ole Terland, President and Chief Executive Officer of Rottneros.

"We can now launch an investment programme at Vallvik Mill which will improve our competitiveness by increasing the production of both pulp and green energy, while a cost-effective solution has been found for the required environmental investment. The Environmental Court has allowed us two years to complete this investment", said Ole Terland.

Paid subscription shares acquired through the exercise of the subscription rights are expected to be reregistered as shares by Euroclear Sweden on 21 December 2009.

Those who have notified their interest in subscribing for shares without subscription rights have been allotted shares in proportion to the number of new shares subscribed for through the exercise of subscription rights and otherwise in accordance with the principles stated in Rottneros' new issue prospectus. On 14 December 2009, settlement notes will be sent to the subscribers allotted shares and payment must be made no later than 17 December 2009. Only those allotted shares will be notified.

The new issues will increase Rottneros' equity by SEK 405m after issue expenses. Rottneros' interest-bearing liabilities will decrease by SEK 280m as a consequence of the banks' conversion, an additional amortisation amounting to SEK 60m and also Nemus Holding offsetting a loan receivable within the framework of this new issue. Rottneros' share capital will increase by SEK 59,177,834.40 to SEK 153,393,886.90 after the reduction of share capital as resolved by the extraordinary general meeting and the new issue and conversion.

The number of shares in Rottneros will increase by 901,062,320 shares following the new issue. The banks' conversion of interest-bearing liabilities into shares will increase the number of shares

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by an additional 444,444,444 shares. This means that the total number of shares will increase by 1,345,506,764 to a total of 1,533,938,869 shares (including shares redeemed by the company).

The extraordinary general meeting of the company resolved to issue a total of 30 million subscription warrants in two series that were to be offered to the senior management of the Group. The senior management have chosen not to acquire these warrants, which means that the anticipated dilution of two per cent will not take effect.

According to the terms stated in the prospectus, the persons allotted shares through the new issue will be allocated approximately 0.27 call options in Rottneros for no consideration for each share allotted. Each call option entitles, but does not oblige, the holder to subscribe for a share in Rottneros for SEK 0.82 per share up to and including 7 December 2011. Call options will be allocated as soon as the newly subscribed shares have been registered with the Swedish Companies Registration Office. Those allocated call options do not have to take any action to acquire the rights. It is planned to list the call options on NGM Nordic MTF or another marketplace, and it is anticipated that the first date of trading will be in mid-January 2010.

Financial and legal advisors

Swedbank Corporate Finance and Setterwalls Law Offices are the company's financial advisor and legal advisor, respectively.

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This information is such that Rottneros must disclose in accordance with the Swedish Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication on Friday, 11 December 2009 at 14.00 CET.

IMPORTANT INFORMATION

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This press release does not contain or constitute an invitation or offer to acquire, subscribe for or otherwise trade with shares, subscription rights or other securities in Rottneros AB. The invitation to the persons concerned to subscribe for shares in Rottneros AB will only take place through the Prospectus that Rottneros AB expects to be able to publish in November 2009, and this

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Prospectus will contain financial statements and other information on the board of directors and auditors of Rottneros AB.

Neither the subscription rights, paid subscribed shares or the new shares will be registered in accordance with the Securities Act or any other act in Canada, and may not be transferred or offered for sale in the United States or Canada, or to persons domiciled there, or on behalf of such persons, other than in such exceptional cases where registering in accordance with the Securities Act or other act in Canada is not required.

Rottneros is an independent producer of market pulp. The Group comprises the parent company Rottneros AB, listed on NASDAQ OMX Stockholm, and its subsidiaries Rottneros Bruk AB and Vallviks Bruk AB with operations involving the production and sale of market pulp. The Group also includes the wood procurement company Rottneros Baltic SIA in Latvia and the sales company Rottneros S.A. in Belgium. The Rottneros Packaging AB division produces food packaging made from paper pulp. The Group has around 350 employees and had a turnover of approximately SEK 2.9 billion in the 2008 financial year.