

PRESS RELEASE

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Upplands Väsby, 16 April 2009

Rottneros winds up operation in Spain

The Rottneros Group has decided to wind up operations at the Spanish pulp mill, Rottneros Miranda S.A. The main reason is the mill's high eucalyptus wood costs in comparison with its competitors in general and in particular those in the Southern hemisphere, making the operation unprofitable. Operations at the mill have been at a standstill since December 2008. A total of 155 employees are affected.

One factor contributing to the closure decision is investment in, among other things, environmental measures which has been ongoing for a number of years and would be expected to involve additional costs of around SEK 80 million this year.

Rottneros has been trying to sell the mill for about a year but has not succeeded mainly because high wood prices have created uncertainty among potential investors. The Group has worked with various Spanish authorities to try to find a solution for the mill's future, but this has also been unsuccessful. These efforts are, however, continuing although the focus has shifted away from sulphate pulp production.

Rottneros' eucalyptus pulp customers have been informed about the situation at the mill and the closure of Rottneros Miranda is not expected to result in any disruption of their operations.

Structural problems

"It is regrettable that we cannot continue to operate the mill in Miranda, but in the current situation it is not possible to resume operations. The problem is primarily structural in nature and is not the result of the economic climate. The pulp and paper industry in Spain and Portugal is too large in relation to the wood supply, which is driving up prices in the long term to a level that is too high," says Rottneros CEO Ole Terland.

Ole Terland also notes that energy costs are too high because the mill uses older technology and is relatively small. Also, energy prices are generally high in Spain.

The operations and the company will be liquidated in accordance with Spanish insolvency laws. As part of this process, Rottneros Miranda S.A. will cancel payments.

The production unit for the Group's food packaging division, SilviPak, which is wholly owned by Rottneros Miranda S.A., will also be affected when the mill is liquidated. Most of SilviPak's current capacity needs can be met by the production unit at Rottneros Mill, although expansion plans within the unit will need to be reviewed.

Limited liquidation costs

The cost for the Group of liquidating the mill in Miranda will be limited by the insolvency procedure. There will, however, be a write-down of the value of fixed assets, especially those of the SilviPak operation which was launched in 2008. This will take place as soon as the residual value can be estimated. Should the liquidation costs relating to personnel as well as accounts payable and environmental clean-up costs for the Rottneros Miranda S.A. subsidiary clearly

exceed the value of the assets, the company may be declared bankrupt. The assets mainly consist of a very large industrial site with full infrastructure, complete mechanical equipment for pulp manufacture and emission rights. The subsidiary has no liabilities to external creditors.

For further information, please contact: Ole Terland, President and CEO, +46 8 590 010 00

NB

This information is such that Rottneros must disclose in accordance with the Swedish Securities Markets Act. The information was submitted for publication on 16 April 2009 at 14.00 CET.

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 in Sweden and Rottneros Miranda, S.A. in Spain, all with operations involving the production and sale of market pulp. The Group also includes the wood procurement companies Rottneros Baltic SIA in Latvia and Rottneros Madeiras in Portugal, and the sales company Rottneros S.A. in Belgium. The Group also has a new division, Rottneros Packaging, which produces food packaging made from paper pulp. The Group has around 630 employees and an annual turnover of approximately SEK 2.9 billion (2008 financial year).