

**PRESS RELEASE  
FROM  
ROTTNEROS AB**

**Rottneros to discontinue production of Magnefite pulp at Utansjö Mill in January**

**Pulp producer Rottneros will discontinue production of magnefite pulp at Utansjö Mill on 12 January, about a month sooner than originally planned. At the end of March/beginning of April the new plant for the production of CTMP (Chemo-Thermo-Mechanical Pulp) from aspen will be put into operation.**

Magnefite pulp production can be discontinued earlier than expected because the existing stock is sufficient for deliveries throughout most of 2005. This will mark the end of the Rottneros Group's magnefite pulp production, a segment where profitability is weak.

The book value write-down of SEK 68 million occasioned by the decision to discontinue magnefite production, was done in connection with the nine-month interim report on 26 October, and will not therefore affect the 2005 result.

“The new CTMP plant, which is being built next to the existing factory, will be very cost-effective because much of the processing equipment and infrastructure that already exists can be utilized,” says Rottneros President & CEO Lars Blecko. He also states that the demand for CTMP from aspen has risen sharply over the past few years.

The investment amounts to around SEK 280 million. The production capacity of the new production line will be about 100,000 tonnes of pulp per year, which means that Utansjö's total capacity, including existing groundwood pulp production, will reach around 180,000 tonnes. Rottneros is one of the world's largest producers of CTMP even before the opening of the new plant.

Upplands Väsby, 7 December 2004

ROTTNEROS AB (Publ.)

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The Rottneros Group, listed on the Stockholm Stock Exchange, is one of the world's leading non-integrated producers of market pulp. The Group includes the parent company Rottneros AB, five pulp mills in Sweden and Spain, a small sawmill as well as raw materials purchasing companies in Latvia and Portugal. The Group also has marketing companies in Germany and Belgium. Production capacity amounts to 700,000 tonnes. The Group has around 860 employees and turnover of approximately SEK 2,400 million.