

PRESS RELEASE

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Rottneros initiates investment program to increase capacity in both its mills, Vallvik Mill and Rottneros Mill.

The Rottneros Board has decided to make the first investments of 180 MSEK to increase production capacity at both the Group mills, Vallvik Mill and Rottneros Mill, to ensure continuous progress and growth.

This means that the new plan prepared by management, Agenda 500, starts immediately. Agenda 500 is a long-term industrial plan to increase the capacity of the Group through successive investments. Investments are made in renewed production equipment and organization to increase capacity and eliminate bottlenecks in the two mills.

The long-term objective is to expand Rottneros' total capacity to reach a business volume of at least 460,000 tons of pulp annually, compared to the 345,000 tonnes produced last year. The rate of the investments will be determined by Rottneros' ability to allocate the increased volumes in the market.

The total framework amounts to around SEK 800 million for the whole Agenda 500 divided into SEK 400 million medium-term and SEK 400 million in the longer term.

"We are very pleased with the positive development within Rottneros and the implementation of Fokus 15. Agenda 500 builds on our successful focus on high-quality pulp and we look to the future with great confidence", says Chairman Rune Ingvarsson.

Rottneros' CEO Per Lundeen, who together with the management teams at the two mills has developed Agenda 500, is convinced that the operations will gain significantly from continued investment and development of the niche strategy.

"The Vallvik Mill and Rottneros Mill produce high quality and specialized pulp and they have been very successful with their market positioning towards more and more specialty products. The success of our specialty products has created resources and given us the courage to take this step and thus secure the future of the Rottneros Group and the two mills." says Per Lundeen.

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Rottneros discloses the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The Information was submitted for publication on 13 May 2015 at 08:03 CET.

<p>Rottneros is an independent producer of market pulp. The Group comprises the parent company Rottneros AB, listed on NASDAQ 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. The Group has around 250 employees and had a turnover of approximately SEK 1.5 billion in the 2014 financial year.</p>
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