

PRESS RELEASE

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Supplementary information from the Board of Directors of Rottneros AB (publ) regarding Arctic Paper's bid for the company

On 7 November 2012 Arctic Paper S.A. announced its public offer to buy all of the shares in Rottneros AB. On the same day the Board of Directors of Rottneros recommended that the shareholders should accept the offer, subject to the conditions specified.

The Board of Directors of Rottneros has now been informed in writing by shareholders (including Skagen Vekst and Peter Gyllenhammar via companies, who taken together control more than 10 per cent of the capital and voting power in Rottneros), that these owners will not accept the bid announced by Arctic Paper.

In light of the above-mentioned new information - which means that Arctic Paper's offer will not be accepted to such an extent that Arctic Paper would obtain over 90 percent and thereby be able to request the compulsory redemption of outstanding shares and consequently that a merger cannot be implemented - the Board of Directors of Rottneros makes the following comments.

The primary reason for the position adopted by the Board of Directors as referred to above is that a merger of the two companies may be expected to generate synergies of approximately SEK 80 million and also that, from the perspective of both results and cash flow, a merger would balance out the two companies' very strong dependency on fluctuations in pulp prices. A precondition for realising a substantial proportion of these synergies is that the companies are completely amalgamated and that one head office and one management group be phased out. In addition, synergies have been identified on the financial side, though this also presupposes that the companies join together. The other significant synergy comprises the optimisation of transport costs, which would probably be considerably more difficult to achieve if the companies continue to operate as autonomous businesses.

The Board of Directors' recommendation remains unchanged, that is to say that the companies merge to enable these synergies to be realised. The fact that two major owners controlling more than 10 per cent of the capital and voting power have given notice that they will not accept the bid means in that event that a merger cannot be effected and that it would thus not be possible to secure most of these synergies.

Board of Directors of Rottneros

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 Monday 26 November 2012 at 10.45 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 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 298 employees and had a turnover of approximately SEK 1.5 billion in the 2011 financial year.