

PRESS RELEASE

Rottneros AB (publ)
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Upplands Väsby, Tuesday 23 March 2010

Rottneros' Annual General Meeting

Publication of notice convening the company's annual general meeting

The notice convening the AGM will be published in its entirety on Thursday 25 March 2010 in the Post- och Inrikes Tidningar (Official Swedish Gazette), Dagens Nyheter and Nya Wermlands-Tidningen.

The shareholders of Rottneros AB (publ) are invited to attend the Annual General Meeting

The Annual General Meeting of Rottneros AB will take place at 3pm on Thursday, 22 April 2010 at the World Trade Center, Klarabergsviadukten 70, Floor 4, Section D, World Trade Center conference, New York Room, Stockholm, Sweden. Registration for the AGM commences at 2pm.

Right to participate and notifications

Shareholders wishing to participate in the AGM must

- be entered in the register of shareholders kept by Euroclear Sweden AB (formerly VPC AB) no later than Friday, 16 April 2010, and
- notify the company no later than Friday, 16 April 2010, via Rottneros' website www.rottneros.com, by telephone +46 8 590 010 00 or by fax +46 8 590 010 01. Notification can also be given in writing to Rottneros AB, Box 70 370, SE-107 24 Stockholm, Sweden. When registering their intention to attend, we would be grateful if shareholders could provide their name, personal/corporate ID number, address and telephone number, together with the names of any assistants who will be attending.

Shares registered in the name of a nominee

Shareholders who have their shares registered in the name of a nominee through a bank or another manager must ask to be temporarily entered in the register of shareholders on Friday 16 April 2010 for entitlement to attend the AGM. Shareholders must notify the manager of this well in advance of this date.

Power of attorney

Shareholders represented by proxy should issue a power of attorney for the proxy. If the power of attorney is issued by a legal entity, a copy of the registration certificate should be attached or, if no such document exists, a corresponding document confirming authorisation. The document must be dated within the past year. To facilitate entry to the AGM, an original power of attorney together with a registration certificate and other documents confirming authorisation should be submitted to the above address no later than Wednesday 21 April 2010. Power of attorney forms in Swedish and English are available from the company's website.

Agenda

1. Opening of the meeting and election of Chair of the meeting.
2. Drawing up and approval of the voting list.
3. Approval of the agenda.
4. Election of one or two people to check the minutes.
5. Examination of whether the AGM was duly convened.
6. Presentation of the annual report and audit report, as well as the consolidated accounts and Group audit report. This will also include:
 - a) presentation by the Chair of the Board of the work of the Board and the Board's committees in 2009;
 - b) address by the President; and
 - c) presentation by the auditors of their audit work in 2009.
7. Resolution to adopt the income statement and balance sheet, as well as the consolidated income statement and consolidated balance sheet.
8. Resolution on the allocation of the company's profits as stated in the approved balance sheet.
9. Resolution to discharge the members of the Board and the President from liability.
10. Presentation of the work of the Nominating Committee and the Nominating Committee's proposals.
11. Determination of the number of Board members and deputy Board members.
12. Approval of fees for the Board and auditors.
13. Election of Board and deputy board members, as well as election of the Chair of the Board.
14. Resolution on the Nominating Committee's work in preparation for the 2011 AGM.
15. Resolution on guidelines for the remuneration of senior executives.
16. Resolutions on a) a directed new issue, b) an amendment to the Articles of Association, and c) a reverse share split.
17. Resolution on authorising the Board to make decisions on commission-free trade.
18. Resolution on authorising the Board to make decisions on transferring treasury shares.
19. Resolution on incentive programme through issue of subscription warrants.
20. Resolution on conditional amendment to the Articles of Association.
21. Closing of the AGM.

Nominating Committee's proposals

The following is proposed by the Nominating Committee, which has since 12 February 2010 comprised Olle Grundberg, Nemus Holding AB (who chairs the Committee), Henrik Strömbom, Case Asset Management AB and Kjell Ormegard (Chair of the Board) and which together represent about 25 per cent of the share capital:

Item 1 – Chair of the AGM

The Nominating Committee proposes that Michael Bertorp (LLM) be appointed as Chair of the AGM.

Item 11 – The number of Board members

The Nominating Committee proposes four (4) regular Board members and no deputies.

Item 12 – Fees

The Nominating Committee proposes that fees to the Board of Directors comprise the following amounts: SEK 500,000 for the Chair; and SEK 250,000 for regular Board members who are not employed by the company. Members shall receive remuneration of SEK 25,000 for committee work, except in the case of the chair of the committee, who shall receive remuneration of SEK 50,000. A fee of SEK 25,000 for time required to read materials prior to Board meetings is proposed for each employee representative. Auditors' fees are paid on the basis of invoices approved by the President.

Item 13 – Proposed Board and Chair of the Board

The Nominating Committee proposes the re-election of Roger Asserståhl, Kjell Ormegard and Ingrid Westin Wallinder, and the election of new Board member Bengt Unander-Scharin. It is proposed that Kjell Ormegard be elected as Chair. If Kjell Ormegard's assignment as Chair of the Board ends prematurely, the Board shall appoint a new Chair from within its ranks.

Bengt Unander-Scharin (MBA), who was born in 1943, is the Chair of Ljungträ AB. His previous experience includes: Marketing Director of Södra Skogsägarna, Managing Director of Aspa Bruk, and member of the boards of Skogsindustrierna, Sydved and Handelshuset Ekmans Europa.

Item 14 – Proposals for the Nominating Committee's work in preparation for the 2011 AGM

It is proposed that the Nominating Committee consists of the Chair of the Board and two additional members and that the Chair of the Board shall not chair the Nominating Committee. One of these two members in addition to the Chair of the Board, one must be a representative of the company's biggest shareholder and one shall be a representative of one of the company's other four biggest shareholders. Neither of these two members may be a Board member at the same time. If, during the Nominating Committee's mandate period, one or more shareholders that has appointed members of the Nominating Committee are no longer among the five biggest shareholders in terms of the number of votes, the members appointed by such shareholders shall relinquish their position and the shareholder(s) that take over the position as one of the five biggest shareholders in terms of votes shall have the right to appoint their own representative(s) or offer the shareholder who is next in line in terms of the number of votes a place on the Nominating Committee so that there are three Committee members. It is the responsibility of the Chair of the Board to ensure that members are appointed as stated above. The names of members of the Nominating Committee shall be presented at least six months prior to the 2011 AGM. The Nominating Committee shall appoint a chair from within its ranks. The composition of the Nominating Committee at any given time shall be published on the company's website. The Nominating Committee shall submit proposals on the following matters for decisions by the 2011 AGM:

1. the Chair of the AGM,
2. the number of Board members and deputy Board members,
3. election of Board members and deputy Board members,
4. election of Chair of the Board,
5. fees for the Board and the distribution of these fees between the Chair and other Board members, as well as compensation for committee work,
6. fees for the auditors,
7. when applicable, proposals concerning the election of auditors, and
8. criteria for the appointment of a new Nominating Committee.

The Board's proposals

Item 8 – Dividends

The board proposes that no dividend be paid (SEK 0 last year).

Item 15 – Guidelines for remuneration of senior executives

The Board proposes that the AGM approves the following guidelines with respect to the remuneration of the President and other senior executives. At present, 'other senior executives' refers to the seven people who, together with the President, make up Group management. These individuals are presented on the company's website and pages 82 to 83 of the 2009 Annual Report.

The compensation paid to the President and other senior executives consists of a basic salary, possibly a component of variable pay, other benefits and pension contributions. The total remuneration package must be in line with market rates and competitive in the market in which the executives work. Basic salary and variable pay are related to the responsibilities and powers held by each executive. The variable component is based on outcomes in relation to defined and measurable targets and is capped in relation to basic pay. The variable pay programme shall be designed so that the Board can impose conditions, restrict or decline to make payments of variable pay in exceptional financial circumstances if such measure is considered to be

reasonable and compatible with the duties of the company in relation to shareholders, employees and other interested parties.

The period of notice is between six months and one year should notice be given by the executive, and between one and two years should notice be given by the company. The President is entitled to annual remuneration for two years at a rate corresponding to the salary paid during the period of notice.

Pension benefits are either defined benefit or defined contribution schemes or a combination thereof. The executives are entitled to receive a pension from the age of 62.

All matters relating to the remuneration of the company management are dealt with by a Compensation Committee, except in respect of the President, whose remuneration is decided by the Board of Directors. If the company in a particular case assigns an individual Board member tasks over and above his/her regular Board and committee duties, the Board shall determine the level of compensation for this work. Such compensation must be reasonable and in line with market rates.

The Board shall be empowered to deviate from these guidelines if there are special reasons to do so in an individual case.

It is intended that a special capped, performance-based bonus linked to the project in South Africa be paid to the President and, subject to a decision by the Compensation Committee, to other senior executives involved in this project.

Item 16 – Resolutions on a) a directed new issue, b) an amendment to the Articles of Association, and c) a reverse share split

The Board considers that there is a need to reduce the number of shares with a view to having a number of shares that is more rational for the company. To achieve this outcome, the Board proposes that the AGM resolves in accordance with the following proposal. The proposed resolutions under items a. to c. below shall be made as one resolution and consequently are conditional on all proposals being adopted by the AGM.

a) Resolution on a directed new issue

The Board proposes that the AGM resolves to increase the company's share capital by at most SEK 3.10, through a new share issue of no more than 31 ordinary shares. The right to subscribe for new shares shall, deviating from the priority rights of the shareholders, be allotted to Swedbank AB (publ). The new shares must be subscribed for no later than 23 April 2010. Over-subscription is not possible. The issue price per share shall correspond to the share's closing price as listed on NASDAQ OMX Stockholm on 20 April 2010, though no lower than the share's quota value. Payment shall be made in cash no later than 23 April 2010. The new shares entitle the holder to profit dividends for the first time on the record day for dividends that falls immediately after the new share issue has been registered with the Swedish Companies Registration Office and the shares entered into the register of shareholders kept by Euroclear Sweden AB.

The aim of the issue and the reason for a deviation from the shareholders' priority rights is to achieve a number of shares that can be evenly divisible by ten (10), so that the company's share has an even quota value after the reverse share split referred to under item c. below has been implemented. The issue price is based on the market value of the share as at 20 April 2010.

b) Amendment to the Articles of Association

To enable the reverse share split according to item c. below, the Board proposes that the AGM resolves that Article 5 of the Articles of Association be amended as follows. The amendment also entails the removal of the provision contained in Article 5 regarding the split between ordinary shares and 'C' shares. This provision was previously introduced in conjunction with the company's buy-back programme in 2002. The provision serves no purpose today and the Board is of the opinion that it should consequently be removed.

The Board therefore proposes that the current text under Article 5 is removed and replaced by the following:

"The number of shares shall be at least 100,000,000 and at most 400,000,000."

c) Reverse share split

The board proposes that the AGM resolves on a reverse split of the company's shares (1:10), in which connection ten (10) ordinary shares shall be combined as one (1) ordinary share, with a view to having a number of shares that is more rational for the company. If the shareholding of a shareholder does not correspond to a full number of new shares, Swedbank AB (publ) ('the Guarantor') will without charge transfer to the shareholder the number of shares (1 to 9 shares) required for the shareholder's holding to be evenly divisible by ten (10), after adding the supplemental shares provided by the Guarantor; i.e. rounding up. The Board is authorised to fix the record day for the reverse split. This proposal means that the company's share capital, after the directed new share issue under item a. above and the reverse split have been implemented, will amount to SEK 153,393,890 divided into 153,393,890 ordinary shares, whereby each share shall have a quota value of one (1) Swedish krona.

The Board also proposes that the Board, or the person appointed by the Board, be authorised to make minor adjustments to resolutions of the AGM according to items a. to c. above that may be required in conjunction with registration at the Swedish Companies Registration Office and Euroclear Sweden AB.

Item 17 – Resolution on authorising the Board to make decisions on commission-free trade

For historical reasons the company has a large number of shareholders who own a small number of shares. In order to make it easier for shareholders who only hold a small number of shares to change their holding, where the cost of the trade ('commission') constitutes a significant value in relation to the value of the shares, and in order to rationalise the company's administration with the aim of achieving significant cost savings for the company over time, the company's Board has discussed the possibility of offering the sale or alternatively the purchase of shares through a simplified procedure, without commission charges for the shareholders affected. The cost of the trade is intended to be borne by the company. This procedure is also intended to result in a suitable ownership structure and improved liquidity for the trade in the company's shares. As a supplement to the adjustment of the ownership structure of the company, for the same reasons as presented above, the Board would also like to provide the owners of the call options 2009/2011, issued by Swedbank in conjunction with the new share issue in November 2009, with a corresponding opportunity to adjust their ownership without being charged commission.

The Board therefore proposes that the AGM resolves to authorise the Board, no later than prior to the 2011 AGM, to offer company shareholders with holdings of less than 1,000 shares (100 shares after the reverse split according to the Board's proposal), the opportunity of, on one occasion, selling their holding or alternatively purchasing, without being charged commission, as many shares as are necessary to reduce or increase their holding to 1,000 shares (100 shares after the reverse split implemented according to the Board's proposal). Furthermore, it should be possible to offer the holders of less than 3,000 call options 2009/2011 a corresponding opportunity to be able, without being charged commission, to sell or alternatively purchase, on one occasion, as many shares as are necessary to reduce or increase their holding to 3,000 call options. (In conjunction with the reverse split proposed by the Board, a recalculation will be made of the number of shares that the call options carry a right to subscribe for together with the issue price per share, so that ten (10) call options will be entitled to subscribe for one (1) ordinary share at an issue price of SEK 8.20.) It is also proposed that the Board be authorised to decide on the period during which the offer is to be open and the more detailed conditions of the offer.

Item 18 – Resolution on authorising the Board to make decisions on transferring treasury shares

The Board proposes that the AGM authorises the Board to transfer shares in the company on one or several occasions during the period up until the next AGM (shares previously acquired under the company's buy-back programme). Treasury shares may only be transferred on NASDAQ OMX Stockholm at a price within the price interval recorded by NASDAQ OMX Stockholm from time to time. The number of treasury shares transferred may not exceed the number of treasury shares held by the company at the time of sale. Shares transferred must be paid for in cash. The purpose of authorising the Board is to enable the company to dispose of the treasury shares that it currently owns, as the company no longer has any further need for these shares, and to also thereby release liquidity.

Item 19 – Decision on incentive programme through issue of subscription warrants

The Board considers it to be important and in the interest of all shareholders to create a long-term ownership commitment on the part of the management of the company and also give the management the possibility of participating in and working to promote the positive development of the value of the company's shares and also to increase the management's sense of belonging in respect of the company. The Board therefore proposes that the AGM, deviating from the shareholders' 'priority rights', resolves to introduce a long-term incentives programme for the senior executives of the company, involving the issue of subscription warrants of two series, basically in accordance with the following.

The Board proposes that the AGM resolves to issue at most 25,000,000 Series A subscription warrants and 5,000,000 Series B subscription warrants. The right to subscribe for these subscription warrants without payment will pass to the company's wholly owned subsidiary Utansjö Bruk AB. Following subscription, existing and future senior executives at the Rottneros Group shall be offered the opportunity to acquire these subscription warrants by Utansjö Bruk AB.

When all of the options for subscribing for new ordinary shares have been utilised in full, the share capital will increase by at most SEK 3,000,000, corresponding to 30,000,000 ordinary shares with a quota value of SEK 0.10 per share. The dilution effect on the full utilisation of the 25,000,000 Series A subscription warrants and the 5,000,000 Series B subscription warrants, which it is proposed should be issued, is about two per cent of the share capital and votes in the company. The company does not consider that any significant costs will arise in conjunction with the subscription warrant programme.

The conditions for the subscription warrants will be recalculated in conjunction with the proposed reverse share split.

Series A subscription warrants

The following categories, who are current senior executives of the Rottneros Group, will be offered Series A 2010/2013 subscription warrants: (a) the President, who will be offered no more than 10,000,000 subscription warrants; (b) the Marketing Director, who will be offered no more than 2,500,000 subscription warrants; (c) the Managing Director of Rottneros Bruk AB, who will be offered no more than 2,500,000 subscription warrants; (d) the Managing Director of Vallvik Bruk AB, who will be offered no more than 2,500,000 subscription warrants; (e) the Technical Director, who will be offered no more than 2,500,000 subscription warrants; (f) the Wood Procurement Director who will be offered no more than 2,500,000 subscription warrants; and (g) the Purchasing Director, who will be offered no more than 2,500,000 subscription warrants. Senior executives must pay SEK 0.10 per subscription warrant when the subscription warrants are transferred to them. The minimum number of subscription warrants that each senior executive may acquire is 500,000 subscription warrants. Notice of acquisition and the number of subscription warrants that they wish to acquire shall be given during the period 7 May 2010 to 14 May 2010.

Each subscription warrant entitles the holder to subscribe for one new ordinary share in Rottneros during the periods 17 May 2011 to 31 March 2013 and 1 April 2013 to 16 May 2013. The issue price for each ordinary share shall be based on the average latest price paid for the company's share on NASDAQ OMX Stockholm during the period 23 April 2010 to 6 May 2010 and shall, employing the Black-Scholes valuation model, be determined so that the option premium amounts to SEK 0.10 at the time a subscription warrant is transferred. However, the issue price per ordinary share shall never be less than the quota value of the share, which is currently SEK 0.10.

Series B subscription warrants

The future CFO at Rottneros shall no later than 2 May 2011 be offered the opportunity of acquiring no more than 5,000,000 Series B subscription warrants. The future CFO must pay SEK 0.10 per subscription warrant when the subscription warrants are transferred to the CFO. The minimum number of subscription warrants that may be acquired is 500,000 subscription warrants.

Each subscription warrant entitles the holder to subscribe for one new ordinary share in Rottneros during the periods 17 May 2011 to 31 March 2013 and 1 April 2013 to 16 May 2013. The issue price for each ordinary share shall be based on the average latest price paid for the company's share on NASDAQ OMX Stockholm during the ten trading days prior to the time of acquisition or alternatively the ten last trading days prior to 2 May 2011 and shall, employing the Black-Scholes

valuation model, be determined so that the option premium amounts to SEK 0.10 at the time a subscription warrant is transferred. However, the issue price per ordinary share shall never be less than the quota value of the share, which is currently SEK 0.10.

Item 20 – Resolution on a conditional amendment to the Articles of Association

The Board proposes that Article 8 of the Articles of Association be amended as follows:

Article 8 "Notice convening general meetings shall be announced in the Post- och Inrikes Tidningar (Official Swedish Gazette) and on the company's website. On the date the notice to attend is issued, information about the fact that the notice to attend has been issued will be announced in the Dagens Nyheter newspaper and in a daily newspaper published in Sunne."

The Board also proposes that the Board, or the person appointed by the Board, be authorised to make minor adjustments to resolutions of the AGM that may be required in conjunction with registration at the Swedish Companies Registration Office. The Board's proposed amendment of Article 8 of the Articles of Association is conditional on an amendment having entered into force in the Swedish Companies Act (SFS 2005:551) regarding how shareholders are provided with notice to attend AGMs, which means that the proposed wording above will comply with the Swedish Companies Act.

Decision majority

For resolutions on the Board's proposals contained in Items 16, 18 and 20 above, the resolutions of the AGM must be supported by shareholders representing at least two-thirds of both the votes cast and the shares represented at the meeting. For resolutions on the Board's proposals as stated in Item 19 above, the resolution of the AGM must be supported by shareholders representing at least nine-tenths of both the votes cast and the shares represented at the meeting. A simple majority is required (over half of those voting) for other resolutions.

Documents

The annual report, the audit report, the auditor's statement on whether the AGM guidelines for compensation to senior executives have been observed, and the Board's resolution proposals under Items 8 and 15 to 20 will be available from the company at Kungsbron 1, C6, Stockholm, Sweden and on the company's website, www.rottneros.com, no later than Thursday 8 April 2010 and sent to those shareholders who request a copy and provide their postal address. These documents can be ordered by telephone on +46 8 590 010 00.

The number of shares and votes

The total number of shares in the company is 1,533,938,869, corresponding to 1,533,938,869 votes. The company holds 8,219,641 shares that cannot be represented at the AGM. This information was current at the time the notice was issued.

Stockholm, March 2010

Rottneros AB (publ)

The Board of Directors

For further information please contact:

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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 23 March 2010 at 14.30 CET.