

PRESS RELEASE

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Rottneros sells property at Utansjö Mill

The Rottneros Group has reached an agreement in principle to sell land and buildings at the discontinued Utansjö Bruk AB to a company affiliated with Domsjö Fabriker, Utansjöverken AB. Domsjö Fabriker, which is located in Örnsköldsvik around 80 kilometres from Utansjö, intends to use a portion of the area for pulp wood processing. One of the possibilities being looked into is the future establishment of a sawmill. The plans include developing the business of renting out industrial units in the area, which was started by Rottneros.

Domsjö Fabriker took over the debarking and chipping equipment at Utansjö Mill in June 2008. A rental agreement for the land was signed at the same time. In addition to the ten or so Utansjö Mill employees who were employed by Domsjö Fabriker in connection with the takeover of the debarking and chipping operation, five more people will now be offered jobs.

"I am happy that we have found an industrial buyer for the land and buildings at Utansjö Mill. The mill is located right next to the E4 motorway and by the coast. It has its own deep-water port and well developed infrastructure," says the Rottneros CEO Ole Terland.

"For us, purchasing the land and buildings at Utansjö Mill is a good solution to meet our future receiving, processing and storage needs for the timber we use to manufacture our specialist wood pulp products," says Domsjö Fabriker's CEO Ola Hildingsson.

The sale of the land and buildings should have a positive impact on Rottneros' profits. The extent of this will be specified after the transaction is complete and no later than in connection with the next quarterly report.

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Rottneros is one of the world's leading independent producers of market pulp. The Group comprises the parent company Rottneros AB, listed on OMX Nordic Exchange Stockholm, and its subsidiaries Rottneros Bruk AB, Rockhammars 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, the sales company Rottneros S.A. in Belgium and Utansjö Mill, which is in the process of closure. 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.