

PRESS RELEASE FROM ROTTNEROS AB

Swedish Pulp Producer Rottneros Achieves Packaging Breakthrough with Focus on Europe

"Successful launch of new packaging concept for paper-based trays for frozen and chilled convenience food."

The Swedish pulp producer Rottneros has as previous announced expanded its operations with a new business area, Rottneros Packaging, for the production of trays made of pulp for frozen and chilled convenience food. Rottneros is thereby entering a new line of business in a new stage of the production process, manufacturing a product delivered directly to the end user.

Demand is growing for convenient, easy-to-purchase and easy-to-handle food products. The European market amounts to about 6 billion trays per year, the largest percentage of which are oil-based CPET trays.

"Rottneros trays have several advantages compared with rival solutions. Our production process is simple, fast, and flexible. The tray is moulded and laminated in one step, directly from the paper machine, which means that we eliminated one step in the production process and that we deliver converted trays directly to the end user," says Joakim Stockhaus, Vice President Rottneros Packaging.

"The tray can be laminated with any type of barrier film, depending on the product to be packaged. The new product works just as well with chilled ready-to-eat meals in modified atmosphere packaging as with frozen meals. Moldability is essentially infinite, allowing for compartments for different foods. It also possible to print any kind of marketing message on the plastic film. Moreover, the tray has an excellent environmental profile, since cellulose fiber comes from a renewable raw material. The plastic film is easy to separate from the tray and both the tray and film can be recycled within the recycling systems we have in the EU. With our ambitious long-term initiative, we will challenge the existing paperboard and aluminum tray market, though we're mainly focusing on plastic trays," says Stockhaus.

The new tray was developed in cooperation with partners such as Gunnar Dafgård AB in Sweden, the Nordic region's biggest manufacturer of ready-to-eat frozen food.

"Rottneros trays and new packaging concepts are an extremely competitive alternative to the solutions currently available in the market. Extended shelf life is important and the current cardboard tray cannot handle modified atmosphere packaging. We also want to reduce dependence on petroleum, In part because oil is a finite resource, and in part because of the outlook for continued high oil prices," says Anders Wretman, Purchaser at Gunnar Dafgård AB, who has been responsible for the development project with Rottneros.

“Rottneros trays are stable with excellent insulation properties. This is a clear advantage for consumers, who can hold the tray without burning themselves.”

16 May 2006

ROTTNEROS AB (Publ.)

For additional information, please contact:

Joakim Stockhaus, Vice President Rottneros Packaging

Telephone: +46 8 590 010 78

Mobile: +46 70 534 96 99

E-mail: joakim.stockhaus@rottneros.com

Rottneros is one of the world's leading independent producers of market pulp. The Group comprises the parent company Rottneros AB, listed on the Stockholm Stock Exchange, and its subsidiaries Rottneros Rockhammar AB, Utansjö Bruk AB and Vallviks Bruk AB in Sweden as well as 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 of Latvia and Rottneros Madeiras of Portugal. The Group has 804 employees and net sales of approximately SEK 2.4 billion.