

## Press release

4 April 2011

### Holmen invests in biofuel boiler at the Workington mill

The Board of Holmen has decided to invest in a biofuel boiler at the paperboard mill in Workington, UK. The investment totals SEK 1.1 billion. The new facility will meet the mill's entire energy needs in the form of electricity and steam.

"The biofuel boiler will substantially reduce energy costs, boosting the mill's competitiveness," says Magnus Hall, President and CEO of Holmen. "The investment also reflects our intention to continue developing paperboard production at the mill in Workington."

The facility will be designed for a total output of 150 MW and is estimated to produce 325 GWh of electricity and 420 GWh of thermal energy per year. It signifies a radical shift in the mill's energy supply from fossil natural gas to biofuels, which will mean that fossil carbon dioxide emissions from the mill are largely eliminated.

The new bio boiler is expected to be commissioned in April 2013.

Just over 400 people work at Workington Mill, which forms part of the Iggesund Paperboard business area. Annual production totals around 200 000 tonnes of folding boxboard marketed under the Incada brand.

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In its capacity as issuer, Holmen AB is releasing the information in this press release in accordance with Chapter 17 of the Swedish Securities Market Act (2007:528). The information was distributed to the media for publication at 15.15 CET on Monday 4 April 2011.