

Press release

General Meeting in Custos

The Shareholders of **Aktiebolaget Custos (publ)** are hereby invited to an Extraordinary General Meeting on Tuesday, 5 December 2000 at 10.00 a.m. at Forum Hall, SalénHuset, Norrlandsgatan 15, Stockholm, Sweden.

Right to Attend

To be entitled to attend the General Meeting, the shareholder shall

- be registered in the shareholders' register kept by VPC AB on 25 November 2000 (by reason of this day being a Saturday, the registration in the shareholders' register must, however, be effectuated no later than on 24 November 2000),
- as well as give notice of attendance to the Company no later than on 1 December 2000 at 16.00 p.m.

Nominee shareholders who have registered their shares by a bank or an investment firm must, in order to be entitled to attend the General Meeting, temporarily register their shares in their own name. Such registration must be effectuated on 24 November 2000, which means that the shareholder in due time before that date must notify its nominee.

Notice of Attendance

Notice of attendance at the General Meeting may be given in writing to AB Custos, P.O. Box 1738, SE-111 87 Stockholm, or by telephone +46-(0)8-440 57 70 or via telefax +46-(0)8-440 57 80. When giving notice of attendance, please state name, personal identity number (date of birth) or corporate identity number, address, telephone number and holdings of shares as well as, when appropriate, information regarding representative and assistant. Complete documents showing the due authorisation of representatives such as certificate of registration and proxies shall, when appropriate, be attached to the notice of attendance.

Proposed Agenda

1. Opening of the General Meeting
2. Election of Chairman of the General Meeting
3. Preparation and approval of the voting list
4. Approval of the agenda for the General Meeting
5. Election of two persons to check the minutes
6. Determination of whether the General Meeting has been duly convened

7. The proposal by the Board of Directors for a resolution to offer redemption rights to the shareholders and to amend the Articles of Association (see below)
8. Conclusion of the General Meeting

Proposal by the Board of Directors for a resolution to offer redemption rights to the shareholders and to amend the Articles of Association (item 7)

The Board of Directors proposes that the General Meeting adopt a resolution in respect of an offer to redeem shares in exchange for payment in the form SCA shares and to amend the Articles of Association. The purpose of the proposal is that the Board of Directors desires to achieve a better balance in AB Custos' stock portfolio and that the company's shareholders acquire direct ownership in SCA pursuant to such a redemption programme. The Board of Directors is of the opinion that the conditions are favourable for good returns on SCA shares in the future. The substance of the proposal is as follows.

Board of Directors' proposal for a resolution to offer redemption rights to the shareholders

The Board of Directors proposes that the General Meeting adopt a resolution to offer redemption rights to the shareholders, which rights shall entitle the holders to the redemption of ordinary shares in the company subject to the following terms and conditions.

Each share shall entitle the holder thereof to one redemption right. Four redemption rights shall entitle the holder thereof to the redemption of one ordinary share at a nominal value of SEK 25. The record date at VPC for the receipt of redemption rights shall be 15 December 2000.

Redemption rights shall be traded on OM Stockholm Exchange during the period commencing 22 December 2000 up to including 17 January 2001. The shareholders shall be offered an opportunity to sell up to 400 redemption rights free of commission.

The application for redemption must be submitted during the period commencing 22 December 2000 up to and including 22 January 2001. The application for sales of redemption rights free of commission must be submitted during the period commencing 22 December 2000 up to and including 10 January 2001. The application must be made on a special application form to be distributed to persons who are directly registered as shareholders on the record date and shall be provided by Svenska Handelsbanken at the commencement of the application period.

The redemption payment per share shall consist of either two class A shares or two class B shares in Svenska Cellulosa Aktiefond AB SCA (hereinafter referred to as "SCA"). The total redemption payment upon full exercise of all redemption rights, equal to 6,157,320 redeemed ordinary shares in AB Custos, amounts to 12,314,640 shares in SCA, which shares are reported on AB Custos' balance sheet at a total value of SEK 617,883,721.30. The total redemption payment is based on the fact that Svenska Handelsbanken, which holds 3,129,523 ordinary shares in AB Custos through AB

Custos' synthetic repurchase programme, has undertaken to waive the right to exercise an equivalent number of redemption rights. It is estimated that distribution of the redemption payment, consisting of class A and class B shares in SCA, shall take place at the end of February 2001.

The execution of the redemption programme is conditional upon the adoption by the Extraordinary General Meeting, to be held 7 February 2001 or other day set forth in the notice to attend the Shareholders' Meeting, of the resolutions necessary to reduce the share capital as a consequence of the redemption programme, stating the final number of shares covered by the redemption programme and the final total redemption payment. The execution of the redemption programme is further conditional upon the adoption by the Extraordinary General Meeting, to be held on 7 February 2001 or other day stated in the notice to attend the Shareholders' Meeting, the resolutions necessary to issue class C shares in an amount equal to the final number of shares covered by the redemption programme, and to reduce the share capital through the redemption of issued class C shares.

Amendment of the Articles of Association

As a consequence of the aforementioned proposed redemption programme, the Board of Directors proposes that the Extraordinary General Meeting adopt a resolution to amend section 4 of the Articles of Association whereby: the number of class C shares which may be issued is increased from 7,843,479 to 15,000,000; the determination of the amount to which each class C share entitles the holder thereof in conjunction with the company's dissolution shall, lieu of commencing on a specific date, be calculated commencing on the day following the day on which payment for class C shares is made; a redemption clause is incorporated with respect to class C shares according to which, among other things, class C shares shall, upon demand by the shareholders or the company, be redeemed without authorisation of the court; and editorial changes in order to make clear that the economic rights inuring to the holders of class C shares do not include any right other than the entitlement to recoup amounts paid plus interest.

The amendments to the Articles of Association shall render it possible to carry out the redemption expeditiously at a lower cost for the company. In addition, as a consequence of the amendments, future redemption programmes can be carried out without amendment to the Articles of Association, rendering the execution thereof simpler and faster.

The complete proposal by the Board of Directors according to item 7 (including the new wording of the Articles of Association) will be held available at the company's office as from 28 November 2000 and sent to shareholders which so request.

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Stockholm in November 2000
AKTIEBOLAGET CUSTOS (publ)
the Board of Directors

N.B. Unauthorised translation

Custos' homepage : www.custos.se