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## **PRESS RELEASE**

### *Kinnevik sells forests and sawmill to Sveaskog*

Industriförvaltnings AB Kinnevik ("Kinnevik") today announced that it has reached an agreement with Sveaskog on selling 200 000 hectares forestland, corresponding to 1/3 of Korsnäs forest as well as the sawmill operation within Korsnäs. The deal is expected to be completed during the latter part of August.

Agreement has been reached between Korsnäs and Sveaskog that will secure the supply of raw material to equivalent production volume.

Over the years, Korsnäs AB has been over capitalized and has had the advantage of additional stability through exceptionally large shareholders' equity, and a very large holding of forestland. Thereby, the company has carried lower interest costs than the industry average and has also benefited from profits from its forestry holdings. Korsnäs AB shall be one of the world's most efficient paper producers in the future without these advantages, showing stable profits regardless of upswings and downturns in the economy.

The Kinnevik sale of these assets is to be seen as a step towards a modernization of Korsnäs that requires higher return on capital and through which, capital is made available for investments with greater rate of return. The price is estimated to a total of MSEK 2 060 and the capital gain to MSEK 750, assumed that prior write-ups are split equally over the forestland.

Stockholm June 19, 2002

**INDUSTRIFÖRVALTNINGS AB KINNEVIK**

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