

Press Release

Stockholm, 9 May 2011

RusForest AB (publ) issues three-year bond loan of SEK 500 million

To enable continued expansion within harvesting and sawmilling, RusForest AB is issuing a bond loan. The loan, which has a term of three years, amounts to SEK 500 million with a fixed interest rate of 11 percent per annum. Previously, the company has announced the intention to issue a bond loan in the amount of SEK 400 million.

"It is gratifying that the bond issue has attracted so much interest that it was oversubscribed. Our assessment is that we now have sufficient capital market funding to carry out our expansion plans", says Martin Hermansson, CEO of RusForest.

The capital raised will primarily be used to continue the expansion within harvesting and sawmilling. RusForest will be applying for listing of the bonds on the NASDAQ OMX Stockholm.

E. Öhman J:or Fondkommission AB has been RusForest's adviser on the bond issue.

For further information please contact:

Martin Hermansson, CEO, phone: +7 903 015 64 65, +7 985 921 92 32

or

Erik Löfgren, External Relations, phone: +46 705 45 34 20

About RusForest AB (publ)

RusForest is forestry and sawmilling company operating in Eastern Siberia and the Arkhangelsk region of Russia. The Company controls long term forest leases with an annual allowable cut of approximately 2.8 million m³, and utilizes these resources to produce a wide range of sawnwood products. Eastern Siberia is renowned for its Pine and Larch of exceptional quality, while the Arkhangelsk Region in northwest Russia has high quality spruce and pine forests similar to those found in northern Sweden.

RusForest's goal is to develop into a leading independent integrated forestry and sawmilling company in Russia, with an annual harvest of 2.7–2.9 million m³ and an annual sawnwood production of 800,000–850,000 m³ during the coming four to five years.