

Press release

26 June 2008

Holmen

Environmental permit for Braviken Sawmill

The County Administrative Board of Östergötland, Environmental Examination Commission, has decided to grant Holmen Timber a permit to build and bring into production a sawmill adjacent to Braviken Paper Mill, outside Norrköping. The final operating conditions will be announced during the autumn.

When it has reached its planned rated capacity, the sawmill will have the capacity to produce 750,000 cubic metres of whitewood sawn timber per year. Production start-up is planned for the end of 2009-beginning of 2010. When operating at its full capacity the mill is expected to have around 140 employees.

For further information please contact:

Håkan Lindh, President Holmen Timber, tel+46 70-328 99 46,

Ingela Carlsson, Public Relations Director Holmen AB, tel +46 70-212 97 12.

In its capacity as issuer, Holmen AB is releasing the information in this press release in accordance with Chapter 17 of the Swedish law (2007:528) regarding the securities market. The information was distributed to the media for publication at 11.40 AM CEST on Thursday 26 June 2008.