

Press release

24 June 2008

Holmen**Negotiations on new structure at Hallsta completed**

The previously announced structural change at Hallsta Paper Mill has been the subject of negotiations pursuant to the Co-Determination at Work Act. These negotiations have now been completed and the change will be carried out as planned. Thus Holmen will go ahead with its intention of ceasing paper production on PM 2 and of closing down the recovered paper line with effect from 1 November this year.

The structural change means that production of standard newsprint at Hallsta will be reduced, and that PM 2's production of mainly book paper will be transferred to a larger machine. Together with other changes in the product mix in the business area, the restructuring will help to reduce Holmen Paper's total production of standard newsprint by 150,000 tonnes per year.

For further information please contact:

Hannele Arvonen, Mill Manager, Hallsta Paper Mill, tel +46 175 260 00, +46 70 618 19 17

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 06.00 PM CEST on Tuesday 24 June 2008.

Holmen AB (publ)
Koncernstab Information
Group Public Relations

Postadress/Postal address
Box 5407
SE-114 84 Stockholm
Sweden
Org. nummer/Registration
No. 556001-3301

Besöksadress/Visiting
address Strandvägen 1
Stockholm
Sweden
Säte/Registered Office
Stockholm

Telefon/Telephone
+46 (0)8 666 21 00

E-post/E-mail
info@holmen.com

Fax
+46 (0)8 666 21 30

www.holmen.com