

This press release is an in-house translation of the Swedish original convening notice to the Extraordinary General Meeting in Billerud. In case of any discrepancies between the Swedish original and this translation, the Swedish original shall prevail. Please note that the Extraordinary General Meeting will be conducted in Swedish.

13 August 2012

Extraordinary General Meeting Billerud Aktiebolag (publ)

Shareholders of Billerud Aktiebolag (publ) are hereby invited to attend the Extraordinary General Meeting at 3.00 p.m. on Friday 14 September 2012 in Grünwaldsalen, Konserthuset, entrance from Kungsgatan 43, Stockholm.

The premises for the Meeting will be open for registration at 2.00 p.m., when coffee will be served.

Participation

Shareholders wishing to take part in the Extraordinary General Meeting must both:

- Be registered in the Shareholders' Register held by Euroclear Sweden on Saturday 8 September 2012. Since the record day is a Saturday shareholders must make certain that they are registered in the Shareholders' Register on Friday 7 September 2012, and
- Notify the company of their intention to attend the Extraordinary General Meeting not later than 4 p.m. on Monday 10 September 2012. Notification shall be made in writing by post to Billerud Aktiebolag, "EGM 2012", P.O. Box 7841, SE-103 98 Stockholm, Sweden, or by telephone to +46 8 402 90 62. Notification can also be made via the company's website www.billerud.se/anmalan. In their notification shareholders should state their name, personal-/corporate identity number, address, daytime telephone number, number of shares held and, where applicable, number of representatives and assistants (maximum of two).

To be able to participate at the Meeting, shareholders whose shares are

Billerud – "The Natural Part in Smarter Packaging". Packaging manufacturers and brand owners are offered added value in the form of brand-strengthening, productivity-boosting and environment-enhancing packaging solutions. Billerud has a world-leading market position within primary fibre-based packaging paper. Billerud has annual sales of around SEK 11 billion and is listed on NASDAQ OMX Stockholm. www.billerud.com

registered in the name of a nominee must request that their own names be temporarily registered in the share register kept by Euroclear Sweden. This procedure, so-called voting right registration, must be effected not later than on Friday 7 September 2012, which means that the shareholder must inform the nominee in good time before this date.

If participation is to be made through a proxy or representatives of legal entities, the original document of their authorization, registration certificate and other relevant authorization documents should be submitted in good time before the Meeting. A form of power of attorney can be downloaded from the company's website, www.billerud.se/anmalan.

An entry card entitling participation in the Meeting will be sent out before the Meeting. If the entry card has not arrived on time, shareholders providing proof of their identity can obtain a new entry card at the information desk.

Proposed agenda

1. Opening of the Meeting.
2. Election of chairman for the Meeting
3. Drawing up and approval of voting list
4. Approval of the Agenda
5. Election of one or two persons to verify the minutes
6. Determination as to whether the Meeting has been duly convened
7. The Board's proposal to resolve to amend the Articles of Association regarding the share capital and number of shares.
8. The Board's proposal to resolve to
 - I. approve the acquisition of Korsnäs Aktiebolag,
 - II. authorize the Board to execute a new issue of shares to be issued as part of the purchase price in the acquisition of Korsnäs Aktiebolag, and
 - III. authorize the Board to execute a new issue of shares with preferential rights for the existing shareholders.
9. The Board's proposal to resolve to amend the Articles of Association regarding the name of the company.
10. Frapag Beteiligungsholding AG's proposal regarding determination of the number of Board Members, election of new Board Members, new Chairman of the Board, determination of fees to Board Members and amendment to the procedure of appointing the Nomination Committee.
11. Closing of the Meeting.

Motions

Item 7

In order to adjust the minimum and maximum share capital and number of shares stated in the Articles of Association to the proposed authorizations to issue new shares, the Board proposes that the Articles of Association are to be amended as follows.

Current wording

Proposed wording

**§ 3
Share Capital**

The company's share capital shall be at least SEK 500,000,000 and at most SEK 2,000,000,000.

The company's share capital shall be at least SEK 750,000,000 and at most SEK 3,000,000,000.

**§ 4
Number of shares**

The number of shares shall be at least 80,000,000 and at most 320,000,000.

The number of shares shall be at least 100,000,000 and at most 400,000,000.

Special majority requirements

A valid resolution under item 7 requires support of shareholders holding not less than two thirds of both the votes cast and the shares represented at the Meeting.

Item 8

The Board proposes that the Meeting approves the acquisition of Korsnäs Aktiebolag ("Korsnäs") and adopts resolutions related to the acquisition in accordance with paragraph I-III below.

I. **Approval of the acquisition of Korsnäs Aktiebolag**

Korsnäs is a leading manufacturer of virgin fibre-based packaging materials with a strong brand. The company has a targeted strategy focusing on highly processed products. Paperboard is Korsnäs's largest product area. Korsnäs is owned by Investment AB Kinnevik (publ) ("Kinnevik").

As previously announced Billerud has on 19 June 2012 entered into an agreement with Kinnevik to acquire all shares in Korsnäs. The purchase price consists partly of a cash payment and partly of new issued shares in Billerud. The cash payment amounts to MSEK 3,200, of which MSEK 500 is to be paid by a vendor note. The new issued shares that are part of the purchase price, paragraph II, shall be the number of shares equivalent to 25 percent of the outstanding shares in Billerud, before the new issue with preferential rights for the shareholders under paragraph III. Outstanding shares in this context refer to shares in Billerud outstanding on the market and Billerud's holding of own shares that have been allocated to long term incentive programs. Furthermore, in connection with the acquisition the new group assumes the net debt in Korsnäs amounting to MSEK 5,650 when the agreement was entered into on 19 June 2012. The purchase price has been determined with respect to that Kinnevik has committed to subscribe for new shares in the new issue with preferential rights for the shareholders under paragraph III in an amount of MSEK 500. Accordingly, the net acquisition cash price is MSEK 2,700. The purchase price is subject to customary net debt adjustment in connection with closing.

The acquisition of Korsnäs is, according to the agreement with Kinnevik, conditional upon the approval of relevant competition authorities. Furthermore, the acquisition is, according to the agreement, conditional upon,

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i.a., resolutions by the Meeting to approve the acquisition and to authorize the Board to execute a new directed issue of shares to Kinnevik in accordance with paragraph II and execute a new issue of shares with preferential rights for the existing shareholders in accordance with paragraph III.

The Board believes that the timing of the proposed acquisition is favourable and that the strategic, industrial and financial rationale is compelling. The new group will take the name BillerudKorsnäs and the goal is to create a strong international player within the packaging industry with leading positions in production and sales of liquid packaging board and other high-quality paperboard, containerboard and packaging material. The Board therefore proposes that the Meeting resolves to approve the Board's resolution to acquire Korsnäs on the terms and conditions described above.

II. Authorization for the Board to execute a share issue as part of the purchase price in the acquisition of Korsnäs

The Board proposes that the Board shall be authorized, until the next Annual General Meeting, to resolve on a new issue of shares to be used as part of the purchase price for the acquisition of Korsnäs (the "Directed Issue"). The number of new shares to be issued in the Directed Issue shall be the number of shares equivalent to 25 percent of the outstanding shares in Billerud, before the rights issue with preferential rights for the shareholders under paragraph III. Outstanding shares in this context refer to shares in Billerud outstanding on the market and Billerud's holding of own shares that have been allocated to long term incentive programs.

The principal terms and conditions for the Directed Issue will be the following:

Kinnevik shall be solely entitled to subscribe for shares in the Directed Issue. Kinnevik shall as payment for the shares (contribution in kind) contribute all 53,613,270 shares in Korsnäs to Billerud. In addition to the shares issued in the Directed Issue and thus constituting a part of the purchase price, Billerud will, as payment for the shares in Korsnäs, make cash payment pursuant to the terms and conditions in paragraph I.

Information about the subscription price will be announced after the Board resolves on the Directed Issue. The contribution in kind, i.e. all shares in Korsnäs will be accounted for in Billerud's balance sheet at an amount based on the price for Billerud shares on NASDAQ OMX Stockholm at the transaction date, i.e. the day Billerud has closed the acquisition of the shares in Korsnäs in accordance with paragraph I. The new shares will entitle to dividends as from the time the shares are recorded in the Shareholders' Register held by Euroclear Sweden.

III. Authorization for the Board to execute an issue of shares with preferential rights for the existing shareholders

The Board proposes that the Board shall be authorized, until the next Annual General Meeting, to resolve on a new issue of shares with preferential rights

for the existing shareholders (the "Rights Issue"). The net proceeds from the Rights Issue will be used to repay part of existing outstanding loans of BillerudKorsnäs.

By making use of the authorization, the Board shall have the right to execute the Rights Issue with total proceeds of approximately SEK 2 billion through the issuance of, no more than, so many shares that at any time are within the maximum number of shares determined in the Articles of Association and thereby increase the share capital by, no more than, an amount that at any time is within the maximum share capital determined in the Articles of Association. The authorization includes the right to resolve on an issue of new shares to be paid in cash, and the Board may, if it deems it appropriate, allow shares to be paid by way of set-off. The new shares will entitle to dividends as from the time the shares are recorded in the Shareholders' Register held by Euroclear Sweden.

The principal terms and conditions for the Rights Issue will be the following:

The persons who on the record date of the Rights Issue are registered as shareholder are entitled to receive subscription rights for new shares in the Rights Issue.

Subscription can also be effected without subscription right. To the extent that shares have not been subscribed for through the exercise of subscription rights, allotment shall firstly be made to those who also have subscribed for shares through the use of subscription rights (irrespective of whether the subscriber was registered as shareholder on the record date or not), and in the event that allotment cannot be made in full to those, allotment shall be made pro rata in relation to the number of subscription rights that have been used for subscription of shares and should this not be possible, by the drawing of lots. Secondly, allotment shall be made to those who have subscribed for shares without subscription rights, and in the event that allotment cannot be made in full to those, allotment shall be made pro rata in relation to the number of shares that each one subscribed for, and should this not be possible, by the drawing of lots.

The record date for determining the right to receive subscription rights, the subscription period and the subscription price will be determined by the Board in connection with the Board's resolution to issue new shares by virtue of this authorization. The same applies to the number of subscription rights each share shall entitle to as well as to the number of subscription rights that will be required to subscribe for one new share. Subscription by virtue of subscription rights shall be made by cash payment during the subscription period. Subscriptions not based on subscription rights shall be made through subscription on an application form during the same period. Kinnevik has undertaken to subscribe for shares to an amount of SEK 500 million in the Rights Issue. Frapag Beteiligungsholding AG ("Frapag") has committed to subscribe for shares in the Rights Issue corresponding to its pro rata share of

the Rights Issue.

Special conditions relating to the proposed resolutions under item 8

The acquisition of Korsnäs is i.a. conditional upon relevant competition authorities' approval to the combination of Billerud and Korsnäs.

The Board's proposed resolutions under items 8 I-III shall therefore involve that the validity of the Meeting's resolutions are conditional upon such approval having been given. In addition, items 8 I-III are conditional upon each other.

Shareholder support relating to the proposed resolutions under item 8

Frapag, the largest shareholder of Billerud at the time of issuance of this convening notice, holding approximately 21 per cent of the share capital and the votes in Billerud, has undertaken to vote in favour of the Board's proposal under item 8.

Documentation relating to the proposed resolutions under item 8

A separate information brochure regarding the combination of Billerud and Korsnäs will be made available to the shareholders before the Meeting.

Item 9

As a result of the combination of Billerud and Korsnäs, the Board proposes that the Articles of Association are to be amended as follows.

Current wording

The name of the company shall be Billerud Aktiebolag (publ).

**§ 1
Name of the company**

Proposed wording

The name of the company shall be *BillerudKorsnäs* Aktiebolag (publ).

Special majority requirements and conditions to the proposed resolution under item 9

A valid resolution under item 9 requires support of shareholders holding not less than two thirds of both the votes cast and the shares represented at the Meeting. In addition, the proposed amendment of the Articles of Association is conditional upon Billerud closing the acquisition of the shares in Korsnäs, such shares having been acquired in accordance with item 8 I.

Item 10

Frapag, the largest shareholder of Billerud at the time of issuance of this convening notice, holding approximately 21 percent of the share capital and votes in Billerud has, in the light of the combination between Billerud and Korsnäs, proposed the following regarding the composition of the Board, fees to the Board Members and addition to the procedure of appointing a Nomination Committee in the new group:

- The number of Board Members elected by the Meeting shall be 8 with

no deputies, according to the below.

- At the Annual General Meeting 2012, the Meeting resolved that an annual fee shall be paid with SEK 570,000 to the Chairman of the Board, SEK 430,000 to the Deputy Chairman of the Board and SEK 270,000 to each of the other Board Members elected by the Annual General Meeting and that remuneration for work in Board Committees shall be paid with SEK 80,000 to the Chairman of the Audit Committee and SEK 40,000 to each of the other members of the Audit Committee and SEK 50,000 to the Chairman of the Remuneration Committee and SEK 25,000 to each of the members of the Remuneration Committee. In view of the increased work-load for the Board Members due to the combination with Korsnäs, it is proposed that the remuneration shall be adjusted as follows (the remuneration levels stated below are on a yearly basis). The annual fee for the period until the next annual general meeting (expected to be held during spring 2013) to each of the Board Members elected by the General Meeting shall be paid with SEK 400,000 and to the Chairman of the Board with SEK 1,000,000. Remuneration for work in Board Committees shall be paid with SEK 150,000 to the Chairman of the Audit Committee and with SEK 75,000 to each of the members of the Audit Committee, and with SEK 50,000 to the Chairman of the Remuneration Committee and SEK 25,000 to each of the members of the Remuneration Committee. Further, remuneration shall be paid with SEK 50,000 to each member of the Integration Committee, a committee formed specifically for the integration between Billerud and Korsnäs, which committee shall be of a temporary nature.

The new remuneration levels are on a yearly basis. Fees to Board Members and remuneration for work in Board Committees for the period from when the resolution of the Meeting under this item 10 takes effect until the Annual General Meeting 2013 shall be paid in proportion to the length of the mandate period. Fees to Board Members and remuneration for work in Board Committees for the period from the Annual General Meeting 2012 until the resolution of the Meeting under this item 10 takes effect, shall be paid based on the levels resolved upon at the Annual General Meeting 2012, however, in proportion to the length of the mandate period.

- Mia Brunell Livfors, Wilhelm Klingspor, Mikael Larsson and Hannu Ryöppönen shall be elected as new Board Members. The current Board Members Ingvar Petersson, Helena Andreas, Mikael Hellberg, Ewald Nageler and Yngve Stade have declared that they will resign as Board Members once the appointment of the new Board Members takes effect.

Hannu Ryöppönen is Chairman of the Board of Altor's Private Equity-funds and Hakon Invest AB, further he is Board Member of Amer Sport Corporation Oyj, Novo Nordisk A/S, Neste Oil Oyj, Rautaruukki Oyj, Korsnäs and Value Creation Investments Limited. Hannu Ryöppönen is

also a member of Citi Nordic Advisory Board. Previously, Hannu Ryöppönen was Chairman of the Board of Tiimari Oyj and Board Member of ICA AB. Hannu Ryöppönen has been the CFO, and the deputy CEO, of Stora Enso Oyj, the CFO of Royal Ahold BV, IKEA and Industri Kapital and has also had a number of executive management positions within Chemical Bank and Alfa Laval. Hannu Ryöppönen is Graduate in Business Administration from Hanken School of Economics, Helsinki.

Mia Brunell Livfors is Chairman of the Board of Metro International S.A. and Board Member of Korsnäs, Tele2 AB, Millicom International Cellular S.A., Modern Times Group MTG AB, H&M Hennes & Mauritz AB and CDON Group AB. Mia Brunell Livfors is also the CEO and President of Kinnevik. Mia Brunell Livfors has previously had a number of executive management positions within Modern Times Group MTG AB. Mia Brunell Livfors has studied Business Administration at Stockholm university.

Wilhelm Klingspor is Board Member of Kinnevik and Korsnäs and the CEO of Hellekis Säteri AB. Wilhelm Klingspor was previously Board Member of Industriförvaltnings AB Kinnevik and is a graduated Forest Engineer from the Swedish University of Agricultural Sciences, Skinnskatteberg.

Mikael Larsson is Board Member of Transcom WorldWide S.A, Bergvik Skog AB, Latgran Biofuels AB, Vireo Energy AB and Relevant Traffic Europe AB and the CFO of Kinnevik. Mikael Larsson has previously been the Group Controller of Scandinavian Leisure Group (today Thomas Cook Northern Europe) and has also worked with auditing etc. at Arthur Andersen (today Deloitte). Mikael Larsson is Graduate in Business Administration from Uppsala university.

Additional information regarding the proposed new Board Members is available at the company's website, www.billerud.se.

- Hannu Ryöppönen shall be elected as the Chairman of the Board.
- Billerud's Annual General Meeting 2012 adopted a procedure for appointing a Nomination Committee to prepare proposals to the Annual General Meeting 2013. The adopted procedure shall be amended as follows:
 - The Nomination Committee shall comprise of four members (according to the resolution at the Annual General Meeting 2012 the Nomination Committee shall comprise of *no more* than four members), and
 - The Nomination Committee shall be appointed for at term of office commencing at the time of the announcement of the composition of the Nomination Committee and ending when a new Nomination

Committee is formed (according to the resolution at the Annual General Meeting 2012 the term of office of the Nomination Committee ended at the close of the next Annual General Meeting).

The proposal shall not have the effect that the procedures for the appointment of the Nomination Committee or the work of the Nomination Committee shall be amended in any other aspect. More information regarding the procedures for the appointment of the Nomination Committee and the work of the Nomination Committee can be found on the company's website at www.billerud.se.

- The resolution of the Meeting regarding this item 10 shall not be valid until Billerud has closed the acquisition of the shares in Korsnäs, such shares having been acquired in accordance with item 8 I.

If the Meeting resolves in accordance with this proposal, the Board will, once the resolution becomes effective and until the close of the next Annual General Meeting, consist of the Board Members Hannu Ryöppönen (Chairman), Mia Brunell Livfors, Jan Homan, Lennart Holm, Gunilla Jönson, Michael M.F. Kaufmann, Wilhelm Klingspor and Mikael Larsson.

For the period from the Meeting until the resolution becomes effective the Board will consist of current Board Members Ingvar Petersson (Chairman), Helena Andreas, Mikael Hellberg, Jan Homan, Lennart Holm, Gunilla Jönson, Michael M.F. Kaufmann, Ewald Nageler and Yngve Stade.

The Board Members that resign from their appointments in Billerud once the appointment of new Board Members becomes effective, will receive fees and/or remuneration for the period from the Annual General Meeting 2012 until the resolution under this item 10 takes effect in proportion to the length of the mandate period based on the levels resolved upon at the Annual General Meeting 2012.

At the time of issuance of this convening notice, there was no Nomination Committee appointed, however, the members of Billerud's Nomination Committee for the Annual General Meeting 2012 has been informed about the proposals above.

Authorization

The Board, or the person that the Board appoints, is authorized to make the minor adjustments in the Meeting's resolutions under items 7, 8 II-III, 9 and 10 as may be required in connection with registration at the Companies Registration Office and/or Euroclear Sweden.

Number of shares and votes

At the time of issuance of this notice, there are in the aggregate 104,834,613 shares outstanding in Billerud representing the same number of votes i.e. the

total number of votes is 104,834,613. As of currently, Billerud has 1,720,314 own shares which cannot be represented at the Meeting.

Shareholder's right to request information

In accordance with the Swedish Companies Act Ch. 7 Sec. 32, the shareholders have the right to ask questions at the Meeting regarding the items on the agenda.

Documentation

The complete proposals under items 7, 8, 9 and 10 are stated above. The Articles of Associations and the procedure for appointing the Nomination Committee in their proposed wordings will be made available at the company's office and at the company's website www.billerud.se not later than on 24 August 2012 and information material regarding the proposals under item 8 will be made available at the company's office and at the company's website www.billerud.se approximately three weeks before the Meeting. The documentation will also be sent by post to shareholders who have requested to receive the documents and have stated their postal address.

Solna, August 2012
The Board of Directors

For further information, please contact:

Ingvar Petersson, Chairman of the Board, +46 (0)70 595 76 05
Sophie Arnius, Investor Relations Manager, +46 (0)8 553 335 24,
+46 (0)70 590 80 72

The information is such that Billerud Aktiebolag (publ) is obligated to publish under the Swedish Securities Market Act. Submitted for publication at 10.30 CET, 13 August 2012.