

**Shareholders in
Holmen AB (publ)
are herewith invited to attend the Annual General Meeting at 4.00 pm CET on
Wednesday 2 April 2008 in the “Vinterträdgården”, Grand Hôtel
(Stallgatan entrance), Stockholm, Sweden.**

Notification of intention to participate etc.

Shareholders who wish to participate in the Meeting shall

be entered in the register of shareholders maintained by VPC AB by no later than Thursday 27 March 2008, and

notify the company in writing by no later than 5.00 pm CET on Thursday 27 March 2008. Address: Holmen AB, Group Legal Affairs, Box 5407, SE-114 84 Stockholm, Sweden. Notice may also be given by telephone: +46 8 666 21 11, by fax: +46 660 759 78 or via the company's website: www.holmen.com.

Shareholders whose shares are registered under a nominee name must temporarily re-register them in their own names with VPC to be entitled to participate. Such re-registration must be completed by no later than Thursday 27 March 2008. This means that shareholders must notify their account operator of their intention well ahead of this date. Shareholders who wish to be represented by a proxy may obtain a proxy form from the company.

Holmen AB has in total 84,756,162 shares, divided upon 22,623,234 Series “A” shares and 62,132,928 Series “B” shares. Each Series “A” share carries ten votes and each Series “B” share one vote. Total number of votes is 288,365,268.

Proposed agenda

- 1 Opening of Meeting
- 2 Election of Chairman of Meeting
- 3 Preparation and approval of voting list
- 4 Approval of agenda
- 5 Election of adjusters to approve the minutes of the Meeting
- 6 Resolution concerning the due convening of the Meeting
- 7 Presentation of the annual report and the consolidated financial statements, and the report of the auditors and the consolidated report of the auditors
Address by CEO
- 8 Matters arising from the above reports
- 9 Resolution concerning the adoption of the parent company's income statement and balance sheet and the consolidated income statement and balance sheet
- 10 Resolution concerning the proposed treatment of the company's unappropriated earnings as stated in the adopted balance sheet
- 11 Resolution concerning the discharge of the members of the Board and the CEO from liability
- 12 Decision on the number of members of the Board to be elected by the Meeting
- 13 Decision on the fees to be paid to the Board and the auditors
- 14 Election of the Board and the Chairman of the Board

- 15 Election of auditors
- 16 Information about the Nomination Committee at the 2009 AGM
- 17 Board's proposal regarding guidelines for determining the salary and other remuneration to the CEO and the Senior management
- 18 Board's proposal concerning the buy-back and transfer of shares in the company
- 19 Board's proposal concerning the issue of call options in respect of bought back shares and decision to transfer bought back shares in connection with the redemption of call options (incentive scheme)
- 20 Closure of the Meeting

Proposals for decisions in respect of Item 2 and Items 12-15 on the agenda

The Annual General Meeting has previously decided to set up a Nomination Committee to submit the names of candidates for election to the Board, the fee to be paid to the Board and, in relevant years, the election of auditors and the auditors' fee. Pursuant to the Annual General Meeting's decision, the Nomination Committee shall consist of the Chairman of the Board and one representative of each of the three largest shareholders on 31 August each year. Prior to the 2008 Annual General Meeting, the Nomination Committee consisted of Per Welin, L E Lundbergföretagen; Alice Kempe, Kempe Foundations; Robert Vikström, Handelsbanken incl. pension funds, and Fredrik Lundberg, Chairman of the Board. The chairman of the Nomination Committee has been Per Welin.

The Nomination Committee, whose members represent more than 75 per cent of the votes in the company, has put forward the following proposals.

Item 2 It is proposed that Fredrik Lundberg chair the Meeting.

Item 12 Nine members.

Item 13 It is proposed that a fee of SEK 2,475,000 be paid to the Board, of which SEK 550,000 be paid to the Chairman, and SEK 275,000 be paid to each of the members elected by the Annual General Meeting who is not an employee of the company.

Compensation to the auditors shall be paid against invoice.

Item 14 It is proposed that Fredrik Lundberg, Lilian Fossum, Magnus Hall, Carl Kempe, Curt Källströmer, Hans Larsson, Ulf Lundahl, Göran Lundin and Bengt Pettersson be re-elected to the Board.

It is proposed that Fredrik Lundberg be elected Chairman.

Item 15 Re-election of the authorised public accounting firm KPMG Bohlins AB. KPMG Bohlins AB has announced their intention to elect the authorised public accountant George Pettersson as principal auditor.

Board proposal concerning Item 17 on the agenda

The Board proposes that the following guidelines be adopted for determining the salary and other remuneration of the CEO and the Senior management.

Salary and other remuneration: The remuneration of the CEO and the Senior management shall consist of a fixed market-based salary. Other benefits, mainly car and accommodation, shall, insofar as they are provided, represent a limited part of the remuneration. No variable remuneration shall be paid.

Pension: Normal retirement age shall be 65 years. The company and the employee shall be mutually entitled to request that pension be drawn from 60 years of age. Any pension drawn before 65 years of age shall be either defined benefit or defined contribution. Pension drawn after 65 years of age shall be in accordance with the ITP plan. Over and above this, the employee may also be entitled to a supplementary old age pension. In this case, there shall be a gradual transition from the existing arrangement with a defined benefit pension to one in which the pension is defined contribution.

Notice and severance pay: Discontinuation notice should normally be one year, if it is given by the company, and six months if it is given by the employee. In the event of notice being given by the company severance pay can be paid corresponding to no more than 24 months' salary.

Incentive scheme: Any decision on a share and share price related incentive scheme for senior company officers shall be made at the AGM.

Remuneration committee: A remuneration committee appointed from among the members of the Board shall prepare business pertaining to the CEO's salary and other conditions of employment and submit proposals on such issues to the Board for decision. Detailed principles for determining the salaries, pension rights and other remuneration to Senior management shall be laid down in a pay policy adopted by the remuneration committee.

Departures in individual cases: The Board shall be entitled to depart from these guidelines in individual cases should special reasons exist. In the event of such a departure, information thereon and the reasons therefore shall be submitted to the next Annual General Meeting.

Board proposal concerning Item 18 on the agenda

The Board's proposes that the AGM decides that Board be mandated, for the period until the end of the next AGM, to make decisions, on one or more occasions, to buy back Series "A" or Series "B" shares in the company, or combinations thereof to the extent that the company's holding of its own shares does not at any time exceed 10 per cent of all the shares in the company. The share purchases shall be transacted via OMX Nordic Exchange Stockholm at prevailing listed prices.

The Board further proposes that it be mandated by the AGM to make decisions between now and the next AGM to use the company's holding of its own shares as payment in connection with the acquisition of companies or lines of business or to finance such acquisitions, in which case the shares shall be sold via OMX Nordic Exchange Stockholm. The mandate may be exercised on one or more occasions and may include the company's entire holding of its own shares at the time of the Board's decision. The mandate includes the right to decide to waive the prior rights of existing shareholders.

The purpose of this mandate to buy back and sell shares in the company is to enable the Board to adjust the capital structure, thereby generating a higher value for shareholders. A further purpose of the mandate to acquire the company's own shares is to give the Board the means to ensure shares are available for the exercise of options issued within the limits of the company's undertakings pursuant to the employee incentive scheme.

Board's proposal concerning Item 19 on the agenda

The essence of the Board's proposal is that the company should issue up to 1,000,000 call options over bought back Series "B" shares in Holmen AB. Each call option shall entitle the holder, between 2 May 2013, but in no case before the day following the publication of the company's interim report for the first quarter of 2013, and 14 June 2013 to acquire one (1) Series "B" share in Holmen AB at a price determined on 2 June 2008 on the basis of a market valuation of the options, taking into account an option premium of SEK 20. The computation of the exercise price will be made by Nordea Bank, or by another independent valuation institution, using the Black & Scholes model for valuing options on the basis of an average of the calculated volume-weighted average of the transaction prices paid for Series "B" shares in Holmen AB on OMX Nordic Exchange Stockholm on each stock market trading day between 19 May 2008 and 30 May 2008.

Employees of the Holmen Group in Sweden, the Netherlands, Spain and Great Britain, and, provided further investigation shows that it is practically feasible and financially justifiable, also in Estonia, France, Italy, Poland, Switzerland and Germany, are entitled to purchase the options. It is expected that the offer will cover a total of some 4,900 employees.

Senior management and other senior company officers who are covered by the scheme (in all around 100 individuals) are to be invited to purchase a maximum per person of between 1,000 and 8,000 options with a guaranteed allotment of 200 options per person. Other employees in the Group in those countries that are covered by the scheme (in all around 4,800 individuals) are to be invited to buy a maximum of 500 options per person, with a guaranteed allotment of 200 options. The total number of options allotted shall not exceed 1,000,000.

It is the intention that participation by the employees should be subsidised by their respective employer company in the Group in the form of a cash, lump-sum payment of SEK 1,500 or the rough equivalent in local foreign currency, to each employee who buys at least 200 options.

The Board's proposal also means that the AGM shall make a decision that the company, by waiving the prior rights of existing shareholders, shall transfer to the option holders, up to 1,000,000 of the Series "B" shares in Holmen in the possession of the company at the established exercise price in connection with the exercise, if any, of the call options (with a reservation for any adjustments/recalculations).

The reason for waiving the prior rights of existing shareholders and the Board's grounds for setting up the option programme is that the Board wishes to introduce an incentive scheme for the Group's employees whereby they can be offered an opportunity to share in any growth in the value of Holmen AB's shares. The scheme is expected to lead to greater interest among the employees in the company's profitability and the development of the share price and also to strengthen loyalty to the company in coming years. It is the Board's considered opinion that the offer is reasonable and advantageous to the company as well as its shareholders.

The maximum number of call options to be issued corresponds to around 1.2 per cent of the total number of shares in issue and to around 0.3 per cent of the number of votes in Holmen AB. At present Holmen AB does not have any share-related incentive scheme.

The cost of subsidising the option premium on the terms described above is estimated, in the event of full participation, to amount at a maximum to around MSEK 10, including payroll taxes etc. Over and above this, there will be administrative costs such as the cost of external consultants and suppliers of administrative services in connection with the preparation and implementation of the scheme.

The decision on this Item requires, for it to come into effect, the support of shareholders representing at least nine-tenths of the votes cast and of nine-tenths of the shares represented at the AGM. It also requires the approval of the L E Lundbergföretagen AB's AGM, subject to the same majority requirements.

Shareholders who together represent around 80 per cent of the total number of votes and some 45 percent of the total number of shares in Holmen AB have expressed their support for the Board's proposal as above.

Dividend

The Board has proposed that a dividend of SEK 12 (12) per share be paid. The Board proposes that the date of record for entitlement to dividend be Monday 7 April 2008.

Provided that the shareholders at the Annual General Meeting resolve in favour of the proposal, it is expected that the dividend will be distributed by VPC on Thursday 10 April 2008 to shareholders whose names are entered in the register of shareholders or on the special list on the date of record.

The Board's dividend proposal and the explanation thereto, the Board's proposals for guidelines for determining the salary and other remuneration of the CEO and the Senior management, the Board's proposal that it be mandated to buy back and transfer the company's own shares, together with explanations thereto, and the Board's complete proposal in Item 19 will be kept available at the company's office as of Wednesday 12 March 2008, as well as being published on the company's website.

Stockholm February 2008

Board of Directors

In its capacity as issuer, Holmen AB is releasing the information in this notice of 2008 Annual General Meeting 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 08.00 a.m. CET on Friday 29 February 2008.