



PRESS RELEASE

RusForest announces plans to develop harvesting operations in Ust-Ilimsk

Stockholm, 31 August 2015. RusForest AB (“RusForest” or the “Company”) (NASDAQ OMX: RUSF), a Swedish forestry company with operations in Russia, announces plans to develop harvesting operations in its Ust-Ilimsk forest lease areas.

The Company has been reviewing the best options for its Ust-Ilimsk forest lease areas after the divestment of the old sawmill and certain forest leases in the Ust-Ilimsk area in 2013. The Company has recently been subcontracting forest lease areas in Ust-Ilimsk for harvesting by third party. While the subcontracted volumes have been successfully increased, pricing levels limit the level of profitability on such activities.

The Company has therefore decided to develop its own harvesting operations in the northern areas of the Ust-Ilimsk unit. The current strategy will be to invest in own harvesting operations with a long term potential of up to approximately 200,000 m³ in own annual sawlog harvesting, while also subcontracting some parts of the northern areas, for up to 140,000 m³ of continued annual subcontracted log harvesting. The Southern areas of the Ust-Ilimsk unit covering about 206,119 hectares and an annual allowable cut of 341,000 m³, the Company will consider divesting.

The development of the Company’s own harvesting operations in Ust-Ilimsk, with sawlog volume potential as described above, has an estimated total CAPEX of approximately USD 5 million, mainly for investments in new harvesting and hauling equipment. The development and investments will be done in stages, with approximately USD 3 million to be invested in 2015 and the remainder in 2016. Harvested sawlogs will be sold on both domestic and export markets. Developing own harvesting will increase the long term profitability of the Ust-Ilimsk assets and add strategic value to the Rusforest group.

About RusForest AB

RusForest is a Swedish forestry company operating in Eastern Siberia. The Company controls long-term timber leases and utilizes these resources to produce a wide range of sawnwood products.

RusForest is listed on NASDAQ OMX Stockholm First North (ticker “RUSF”).

RusForest AB's Certified Adviser on First North is Pareto Securities AB.

For additional information, please visit the Company’s website at www.rusforest.com or contact: Gustav Wetterling, Group CFO, telephone: +46 8 771 85 00