



PRESS RELEASE

RusForest announces conclusion of Arkhangelsk sale

RusForest AB (publ) ("RusForest" or the "Company") (NASDAQ OMX: RUSF), a Swedish forestry company with operations in Russia, announces the conclusion of the transaction for the sale of the Arkhangelsk business segment.

RusForest has received the final payment of USD 1.9 million from the sale of the Arkhangelsk business segment initiated in December 2014. The 4th and final payment in 2015 was subject to a reduction by RUB 25 million or USD 382 thousand, due to enforcement of certain warranties under the original sale-purchase agreement. The reduction is accompanied by a waiver from the counter parties of all other warranties and potential claims, thereby finalizing completely the Arkhangelsk sale. The reduction of USD 382 thousand will negatively affect the results in 2015 with the same amount, as an adjustment of the previously recorded receivable from the asset sale. Out of the total impact, USD 377 thousand (being the USD equivalent of RUB 25 million as per the exchange rate on 30 September 2015) will affect Q3 2015 result, and the remaining USD 5 thousand will be recognised in Q4 2015.

The 3rd and last but one payment of USD 1 million was received in Q3 2015.

Management Comments

"We are happy to report that we now have fully concluded the sale of the Arkhangelsk business segment, and despite the reduction in final payment we consider this a very successful transaction given the overall transaction value and the positive effect on the Company's debt and cash position. In total the Arkhangelsk sale has generated USD 11.6 million in cash proceeds as well as USD 16.6 million in reduction of corporate debt related to the Arkhangelsk operations, which were unprofitable and in immediate need of considerable CAPEX investments. "

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:

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