

**RESOLUTIONS AND PROSPOSALS BY THE BOARD OF DIRECTORS OF
BILLERUD AB (PUBL) REGARDING REDUCTION OF SHARE CAPITAL
AND RIGHTS ISSUE ETC.**

- I. The Board's proposal for a resolution to amend the Articles of Association and to reduce the share capital**
- II. The Board's proposal for a resolution to amend the Articles of Association and to approve the Board's resolution on a rights issue subject to the Meeting's approval**
- III. The Board's proposal for a resolution on a bonus issue**

I. PROPOSAL BY THE BOARD OF DIRECTORS OF BILLERUD AB (PUBL) FOR A RESOLUTION TO AMEND THE ARTICLES OF ASSOCIATION AND TO REDUCE THE SHARE CAPITAL

A. Proposal to amend the Articles of Association

In order to facilitate the reduction of the company's share capital as proposed according to item B below, the Board proposes that the Meeting shall resolve to change the limits of the share capital in the Articles of Association from the current minimum of SEK 500,000,000 and maximum of SEK 2,000,000,000 to the minimum of SEK 200,000,000 and maximum of SEK 800,000,000. Section 3 of the Articles of Association shall thereby have the following wording:

"The share capital shall comprise a minimum of SEK 200,000,000 and a maximum of SEK 800,000,000."

B. Proposal for a resolution to reduce the share capital

In order to facilitate the Board's resolution, subject to approval by the Meeting, on a rights issue, the Board proposes that the Meeting resolves that the company's share capital, which currently amounts to SEK 666,788,037.50, shall be reduced by SEK 400,072,822.50, without withdrawal of shares, for provisions for a fund to be utilized according to a resolution by the General Meeting. The reduction requires that the Articles of Association are amended according to the Board's proposal under item A above. Following the reduction of the share capital, in accordance with the statement above, the company's share capital will amount to SEK 266,715,215 distributed on a total of 53,343,043 shares, with a quota-value of SEK 5 per share. Other than the reduction of the company's share capital, the company's restricted equity capital will not be affected.

C. Authorization

The Board, the CEO or the person appointed by the Board, shall be authorized to take smaller adjustment measures in this resolution, which may be required in connection with the registration with the Swedish Companies Registration Office and with Euroclear Sweden AB.

D. Miscellaneous

Documents in accordance with Chapter 20, Section 13 and 14 of the Swedish Companies Act have been prepared.

II. PROPOSAL BY THE BOARD OF DIRECTORS OF BILLERUD AB (PUBL) FOR A RESOLUTION TO AMEND THE ARTICLES OF ASSOCIATION AND TO APPROVE THE BOARDS RESOLUTION ON A RIGHTS ISSUE, SUBJECT TO THE MEETING'S APPROVAL

A. Proposal to amend the Articles of Association

In order to facilitate the rights issue resolved by the Board in item B below, subject to the Meeting's approval, and the bonus issue proposed by the Board in accordance with item III below to the Meeting, the Board proposes that the limits of the share capital (Section 3) and the number of shares (Section 4) in the Articles of Association are changed to the extent required. The final proposal will be established in connection with the Board's determination of the terms of the rights issue, including i.a. the increase in share capital and the number of shares. The Board's proposal for amendments of the Articles of Association shall, however, be within the following scope: (i) as regards the share capital, the minimum limit will not be less than SEK 400,000,000 and the maximum limit will not exceed SEK 2,000,000,000 and (ii) as regards the number of shares, the minimum limit will not be less than 80,000,000 shares and the maximum limit will not exceed 400,000,000 shares.

B. Resolution on a rights issue

The Board of Directors of Billerud AB (publ) resolves, subject to the Meeting's approval, that the company shall carry out a rights issue with preferential right to subscribe for the new shares for the existing shareholders of the company. The intention is that the rights issue shall result in rights issue proceeds of approximately SEK 1 billion prior to the costs of the rights issue. For the rights issue, the following conditions apply:

Right to subscribe

Right to subscribe for the new shares shall with preferential right belong to the company's shareholders. Record day for participation in the rights issue with preferential right shall be 1 September 2009. The number of subscription rights that each share entitles to, and the number of subscription rights required to subscribe for one new share, will be finally determined by the Board, or by a person appointed by the Board from among its members, within the scope of authorization for the Board in accordance with what is stated below. After expiration of the subscription period, unutilized subscription rights will become invalid and will, without notification from Euroclear Sweden AB, be removed from the system administered by Euroclear Sweden AB.

Subscription may also be carried out without subscription rights. In the event that all of the shares are not subscribed for with subscription rights, the Board shall resolve on allotment, within the maximum amount of the rights issue, to those that have subscribed without subscription rights in accordance with the following allotment provisions.

- Firstly, allotment of shares subscribed for without subscription rights shall be made to those that have also subscribed for shares with subscription rights, regardless if the subscriber was registered as a shareholder on the record day or not and, in the event that full allotment to these cannot be made, allotment shall be made pro rata in proportion to the number of subscription rights that have been used for subscription of shares and, in so far as this cannot be done, through drawing of lots.

- Secondly, allotment of shares subscribed for without subscription rights shall be made to others that only have subscribed for shares without subscription rights and, in so far as full allotment to these cannot be made, allotment shall be made pro rata in proportion to the number of shares that each one has subscribed for and, in so far as this cannot be done, through drawing of lots.
- Thirdly, allotment of shares subscribed for without subscription rights shall be done to certain shareholders and others that have entered into guarantee commitments as guarantors of the rights issue (with exception for the so called Underwriters that shall receive allotment in accordance with the next item) and, in the event that full allotment to these cannot be made, allotment shall be made pro rata in proportion to the number of shares that each one has guaranteed for subscription and, in so far as this cannot be done, through drawing of lots.
- Fourthly and lastly, allotment shall be made to a consortium of guarantors consisting of Danske Bank A/S, Nordea Bank AB (publ), Skandinaviska Enskilda Banken AB (publ) and Svenska Handelsbanken AB (publ) (referred to as the "Underwriters" below) that have entered into an underwriting agreement dated 22 July, 2009 with the company and, in so far as full allotment to these cannot be made, allotment shall be made pro rata in proportion to the number of shares that each one of these have undertaken to subscribe for in accordance with the underwriting agreement and, in so far as this cannot be done, through drawing of lots.

Subscription price, subscription and payment

The Board (or the person appointed from within the Board by the Board) is authorized to determine, within the limits mentioned in the first paragraph in this resolution and not later than five (5) weekdays prior to the record day, the maximum amount that the company's share capital shall be increased with, the maximum number of shares that shall be issued and the amount to be paid for each new share.

Subscription with subscription rights shall be carried out through payment of the subscription price during the period from 4 September 2009 to 23 September 2009. Subscription without subscription rights shall be carried out on a specific subscription list during the same period as mentioned above. Subscription of new shares by guarantors in accordance with specific guarantee commitments, and by Underwriters in accordance with undertakings in the underwriting agreement, shall be carried out during the period from 4 September 2009 to 4 October 2009. Shares subscribed for without subscription rights shall be paid not later than three (3) business days after notification of allotment. The Board reserves the right to extend the subscription period and the payment period.

Right to dividend

The new shares in the company shall entitle to dividends as from the record day for the dividend resolved next after the registration of the rights issue.

C. Authorization

The Board, the CEO or the person appointed by the Board, shall be authorized to take smaller adjustment measures in this proposal and resolution, which may be required in connection with the registration with the Swedish Companies Registration Office and with Euroclear Sweden AB.

D. Miscellaneous

The Board's resolution on the rights issue requires that the Articles of Association are amended in accordance with item A above.

Documents in accordance with Chapter 13, Section 6 of the Swedish Companies Act have been prepared.

III. PROPOSAL BY THE BOARD OF DIRECTORS OF BILLERUD AB (PUBL) FOR A RESOLUTION ON A BONUS ISSUE

To ensure that the company's restricted equity and the company's share capital are restored following the reduction of the share capital in accordance with the proposal of the Board, the Board proposes that the Meeting resolves on a bonus issue in accordance with the following.

The share capital of the company shall be increased with an amount of SEK 250,000,000, without issuance of new shares.* The increase in share capital shall be carried out through transfer of funds from the company's non-restricted equity according to the adopted balance sheet to the share capital of the company.

The Board, the CEO or the person appointed by the Board, shall be authorized to take smaller adjustment measures in this proposal and resolution, which may be required in connection with the registration with the Swedish Companies Registration Office.

The Board's proposal on the bonus issue requires that the Articles of Association are amended in accordance with item II A above.

Documents in accordance with Chapter 12, Section 7 of the Swedish Companies Act have been prepared.

* The amount with which the Board proposes that the share capital of the company shall be increased by way of a bonus issue, was determined at a Board Meeting on 12 August, 2009.
