

Annual General Meeting 2002 Billerud AB (publ) (Unofficial translation)

Shareholders of Billerud AB (publ) are hereby invited to attend the Annual General Meeting at 4 p.m. on 7 May 2002 at Aula Magna, Stockholm University, Frescati, Stockholm, Sweden.

Travel directions from the centre of Stockholm: **By underground** – take the red line towards Mörby Centrum and get off at Universitetet. **By bus** – Buses numbered 40, 540 and 670 all stop at Universitetet. **By car** – there is parking at Södra huset. **Taxi rank** – (Stockholms Universitet nr 6) at the entrance to Aula Magna on level 2. Address: Frescativägen 6.

The premises where the meeting will be held will be open from 2.30 p.m.

Notification

Shareholders wishing to take part in the AGM should:

- Be registered in the Shareholders' Register held by VPC AB (the Swedish Central Securities Depository) by Saturday 27 April 2002 (shareholders are reminded that 27 April is a Saturday);
- Notify the company by 4 p.m. on Tuesday 30 April at the latest.

Notification shall be made in writing to Billerud AB, Investor Relations, Box 703, SE-169 27 Solna, Sweden, by telephone to +46 8 553 335 40 or by telefax to +46 8 553 335 65 . Notification can also be made via www.billerud.com/anmalan Please indicate your name, address, telephone number and number of assistants (maximum of two).

Representatives and representatives of legal entities are requested to submit in good time before the meeting the original copy of their authorisation, registration certificate and other relevant authorization documents. An authorisation form can be downloaded from the company's website.

To be able to participate at the meeting, shareholders whose shares are registered in the name of a nominee must request that their own names are temporarily registered in the share register kept by VPC AB. This procedure, so-called voting right registration, must be completed by 27 April 2002, which means that the shareholder must inform the nominee in good time before this date. Shareholders are reminded that 27 April is a Saturday and that registration must therefore be executed by Friday 26 April 2002.

Proposed agenda

1. Opening of the Meeting.
2. Election of Chairman for the Meeting.
3. Drawing up and approval of voting list.
4. Election of one or two people to verify the minutes.
5. Question as to whether the Meeting has been duly convened.
6. Approval of the Agenda.
7. Presentation of the Annual Report and Auditors' Report for the 2001 financial year and the Consolidated Accounts and Consolidated Auditors' Report for the 2001 financial year.
8. Presentation by the CEO of Billerud.
9. Resolution on:
 - a) the adoption of the Income Statement and Balance Sheet as well as the Consolidated Income Statement and Consolidated Balance Sheet
 - b) the appropriation of the Company's profit according to the adopted Balance Sheet
 - c) discharge from personal liability for Board Members and the CEO for their administration for the year 2001.
10. Resolution on number of Board Members and Deputies to be elected by the Meeting.
11. Adoption of fees for Board Members and Auditors.
12. Election of Board Members.
13. The Board's proposal for a decision regarding the issuing of convertible debt instruments.
14. The Board's proposal for a decision regarding authorisation for the Board to buy back the company's own shares.
15. The Board's proposal for a decision regarding authorisation for the Board to transfer the company's own shares.
16. Closing of the Meeting

Motions

Point 9 b

The Board of Directors proposes a dividend of SEK 3.50 per share and 13 May 2002 as record day for the dividend. If the meeting approves the Board's proposal, payment via VPC is expected to be sent on 16 May 2001 at the earliest.

Billerud manufactures and sells packaging paper, in the form of kraft paper and containerboard, as well as market pulp. Production is carried out at the Group's integrated pulp and paper mills in Gruvön, Karlsborg and Skärblackså. Billerud has a world-leading position within several well-defined product segments. The main customer base is Europe but also includes the rest of the world. Billerud has annual sales of approximately SEK 7 billion and 2,400 employees.

Point 10

It is proposed that the Board consists of six members elected by the meeting and no deputies.

Point 11

It is proposed that the annual remuneration to Board members amount to SEK 150,000 per member and SEK 300,000 to the person appointed by the Board to be Chairman. No remuneration will be paid to Board members who are Billerud employees. The annual remuneration is thus suggested to be SEK 900,000. It is proposed that remuneration to auditors be paid by current account.

Point 12

It is proposed that Ingvar Petersson, Björn Björnsson, Per Lundberg, Yngve Stade, Meg Tivéus and Bert Östlund be reelected to the Board.

Point 13

The Board proposes that the meeting resolves to the issue convertible debt instruments to employees with the following main conditions.

Convertible debt instruments of a nominal maximum amount of SEK 140,000,000 will be available for subscription by employees of the Billerud Group in Sweden. Employees will be able to subscribe for a maximum of SEK 150,000 each, and be guaranteed, under current market conditions, an allocation of around SEK 50,000 each. Subscription shall take place between 14 May and 23 May 2002. Payment shall be made by 20 June 2002 at the latest.

The issue price shall be equivalent to the nominal amount of the convertible debt instrument and is expected to also be equivalent to the market value. The debt instrument will run from 20 June 2002 with annual interest calculated using STIBOR minus around one percentage point, to be paid annually in arrears. The debt instrument will fall due for payment on 20 June 2007, if not converted prior to this date.

Conversion to shares shall be permissible from 21 February 2006 until 15 May 2007 at a conversion price equivalent to 115% of the specially calculated average of the listed price paid for the company's shares on Stockholmsbörsen (the Stockholm Stock Exchange) during the period 14 May to 21 May 2002.

The share capital will increase at most by SEK 20,109,300. Upon full conversion, the dilution effect will be at most 2.5% of the share capital and voting rights, which would mean that the profit per share reported for 2001 would, after conversion, be reduced from SEK 13.81 to SEK 13.47.

The reason for deviating from preferential rights for shareholders and the Board's purpose for making the proposal is as follows. A personal, long-term ownership commitment among those entitled to subscribe is expected to stimulate increased

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interest in the company's activities and its results, boost motivation and enhance feelings of solidarity with the company. It is therefore advantageous for the company to offer employees the opportunity to participate in the development of the company in a way that also benefits shareholders.

Point 14

It is proposed that the meeting authorise the Board during the period up to the next Annual General Meeting, on one or more occasions, to make a decision for the acquisition of Billerud shares on stock markets where they are listed. The amount of shares acquired shall not result in the company's holding of its own shares exceeding one tenth of the total number of shares in the company. The purpose of the acquisition is to enable, during the period up to the next Annual General Meeting, an adjustment of the company's capital structure and in this way contribute to more effective use of the company's resources.

Point 15

It is proposed that the Meeting authorise the Board during the period up to the next Annual General Meeting, on one or more occasions and with deviation from preferential rights for shareholders, to reach a decision regarding the transfer of Billerud shares to a third party as payment in connection with a company acquisition. Payment for transferred shares may be made paid in cash, through contribution of property or set-off, or otherwise under additional conditions.

Other

Shareholders representing 40% of all shares and voting rights have informed the company that they support the proposals outlined in points 10-12.

At the 2001 Annual General Meeting Caj Nackstad and Owe Wallinder, authorised public accounts, were elected as auditors for the period up and until the end of the Annual General Meeting of 2005.

The meeting's decision concerning point 13 must gain the support of at least 90% of the votes and shares held by shareholders attending the meeting. The meeting's decision concerning points 14-15 must gain the support of at least two-thirds of the votes and shares held by shareholders attending the meeting.

Documentation

The company's Annual Report and the Auditors' Report for the 2001 financial year will be made available from the company at its office on Gustav III:s boulevard 18, Solna, Stockholm, Sweden, from 23 April 2002.

The complete proposals of the Board concerning points 13-15 above will also be made available from the company at the above address from 23 April 2002. Shareholders wishing to receive the documents by post should notify the company. The documents will also be available via the company's website, www.billerud.com

Solna, March 2002

The Board of Directors

For further information, please contact:
Ingvar Petersson, Chairman, +46 70 595 7605

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