FOR IMMEDIATE RELEASE

Notice to the holders of ordinary shares of Norske Skogindustrier AS (the “Company”, and together with its subsidiaries, the “Norske Skog Group”)

AHG deleveraging proposal for the Norske Skog Group

The ad hoc group (the “AHG”) of holders of the EUR 290 million Senior Secured Notes due 2019 (the “SSNs”) issued by Norske Skog AS, who together hold in excess of 62% of the outstanding principal of the SSNs, have today made a restructuring proposal to the Company’s Board of Directors and asked that the key principles of this proposal be shared with existing holders of the Company’s ordinary shares in good time before they are required to submit voting forms for the extraordinarily general meeting on 6 January 2016 (“EGM”).

The proposal made to the Company’s Board of Directors is based on the following key principles:

- Cash pay debt within the structure would be reduced to 4-5x EBITDA
- Total debt within the structure would be reduced by close to half. The junior debt behind the cash pay debt would be a combination of PIK and Convertible debt (convertible debt would be structured to allow the Company to force conversion into ordinary equity in circumstances where there was significant underperformance in the business)
- Holders of the Exchange Notes due 2021/23 issued by Norske Skog Holdings would receive junior debt in the structure as part of the proposal
- 100% initial equity retention by existing shareholders of the Norske Skog Group

The AHG believe this proposal is materially better than the proposed exchange offer announced by the Company on 22 December 2015 for the Norske Skog Group, its employees, shareholders, suppliers and commercial partners. The AHG believe this proposed revised exchange offer cannot and should not be pursued any further.

The proposal made today by the AHG to the Company would provide existing shareholders with 100% of the potential future economic benefit, upside and value of the Norske Skog Group’s equity in a substantially deleveraged structure - compared to above 13x EBITDA under the current capital structure. A recapitalised Norske Skog Group would also, importantly, provide a stable platform for the Norske Skog Group’s employees and management to focus on responding positively to challenging market conditions.

The AHG are not supportive of refinancing proposals which perpetuate the current high level of leverage in the Norske Skog Group’s business, may not resolve ongoing default risk, perpetuate risk of the Norske Skog Group not being able to refinance its debts, and the likely requirement for the Norske Skog Group to be restructured again in the future. The AHG consider that implementation of the revised Exchange Offer based on the current proposed terms would be contrary to the interests of the Parent, the broader Norske Skog Group and many of the stakeholders in the Norske Skog Group.

The AHG propose to work with the current Board of Directors of the Parent and the Parent’s shareholders to implement a deleveraging restructuring, and believe that the Board of Directors have a legal responsibility to consider to the fullest extent the prospect of a full deleveraging proposal.

The AHG is advised by Rothschild, Akin Gump and BA-HR.

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Disclaimer

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