



## P R E S S   R E L E A S E

Stockholm and Oslo, 14 september 2007

### **SCA and Statkraft in major wind power venture and to study eco-friendly extension of hydropower**

**SCA and Statkraft are to form a jointly owned company for a major investment in wind power in northern Sweden. The plans involve production of 2,800 GWh of wind power electricity per year in seven wind farms on forest land in Västernorrland and Jämtland, an investment of SEK 16 billion. Statkraft will provide financing while SCA grants land for the wind power farms. Plans also include studying the feasibility of expanding hydropower in the northern regions Jämtland, Västernorrland and Västerbotten.**

“We have made an inventory of our two and a half million hectares of forest land in northern Sweden, in order to find locations with favourable conditions for wind power production,” says Kenneth Eriksson, President of SCA Forest Products. “Together with Statkraft we have identified seven areas in Jämtland and Västernorrland that we wish to develop. In contrast to mountain and coastal areas, there are no conflicts with other stakeholders here. There are good winds and proximity to the backbone transmission network will limit power transmission losses.”

“Statkraft’s goal is to increase production of renewable energy. The agreement with SCA is therefore a major step in the right direction and entirely in line with our strategy,” says Jørgen Kildahl, CEO of Statkraft. “Europe has set high targets for reduction of climate-changing emissions in the years ahead. The cooperation with SCA, combined with our expertise and position, will lead to more eco-friendly energy production. It is also natural that we wish to grow in our immediate area, both as a supplier and as a producer.”

There are seven sites where SCA and Statkraft now wish to build wind farms. These will now be subject to environmental assessments and planning. They are located in forest areas the municipalities of Sollefteå, Ragunda, Strömsund and Bräcke.

SCA and Statkraft also want to examine the feasibility of a careful and responsible extension of hydropower in four waterways where SCA owns fall rights. These waterways are Ammerån in Jämtland, Rån, a tributary of the Ångerman river, Edsoxforsen in Härkan and the Byske river.

“There has in practice been a ban on expansion of hydropower for over a quarter of a century,” says Kenneth Eriksson. “We have the greatest respect for the ecological values in an unexploited waterway but we still feel that we must be able to examine whether using modern technology we can exploit hydropower with a reasonable balance between ecological values and economy. Swedish industry needs more energy production and the world needs energy production that does not cause increased emissions of greenhouse gases.

“We would like to involve all stakeholders in an unbiased study of these possibilities. In particular, we wish to involve the relevant municipalities and other local parties in this work in order to see how a possible extension can provide the best local benefits.

“Lastly, there will naturally also be a political review of whether new hydropower has a role to play in Sweden’s future energy supply.”

The two companies that SCA and Statkraft are now forming together for the wind power investment and the feasibility study for new hydropower production, will be located in the county of Västernorrland.

### Press meeting

Media and analysts are invited to a joint press meeting with representatives from both companies. The press meeting will be held in Swedish and Norwegian. A simultaneous interpretation of the webcast will be available in English.

**Date:** Friday, 14 September 2007

**Time:** 10.30 CET

**Venue:** Salénhuset, Aulan, Norrlandsgatan 15, Stockholm

### Telephone participation:

UK participants: + 44 208 817 9301

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US participants: + 1 718 354 1226

Follow the press meeting on the Internet: [www.sca.com](http://www.sca.com)

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**Statkraft** is a leading company in Europe within renewable energy production. The Group produces hydropower, wind power and district heating, and builds gas-fired power plants in Norway and Germany. Statkraft is a significant player on Europe’s power exchanges. In Norway, the company supplies electricity and heating to approximately 600,000 customers directly or through partly owned companies. In 2006 Statkraft had some 2,100 employees and a profit after tax of NOK 6.3 billion. Further information is available at [www.statkraft.com](http://www.statkraft.com)

**Svenska Cellulosa Aktiebolaget SCA** is a global consumer goods and paper company that develops, produces and markets personal care products, tissue, packaging solutions, publication papers and solid-wood products. SCA has annual sales in excess of SEK 101 billion (c. EUR 11 billion). SCA had approximately 51,000 employees at the beginning of 2007. SCA’s Swedish industrial operations consume almost 3 TWh of electricity per year. The largest single consumer is the Ortviken paper mill in Sundsvall which produces paper for newspapers and magazines and uses 1.8 TWh per year. Further information at [www.sca.com](http://www.sca.com)

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### NB

This information is such that SCA must disclose in accordance with the Securities and Clearing Operations Act. The information was submitted for publication on 14 September 2007 at 09.50 CET.

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