

Corporate Presentation

May 15, 2015



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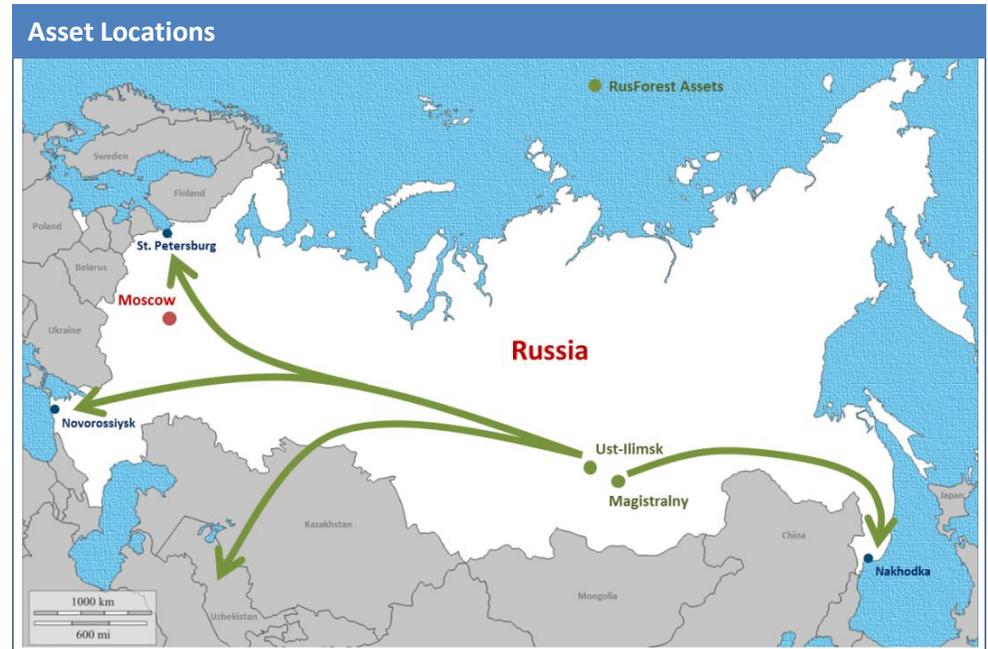
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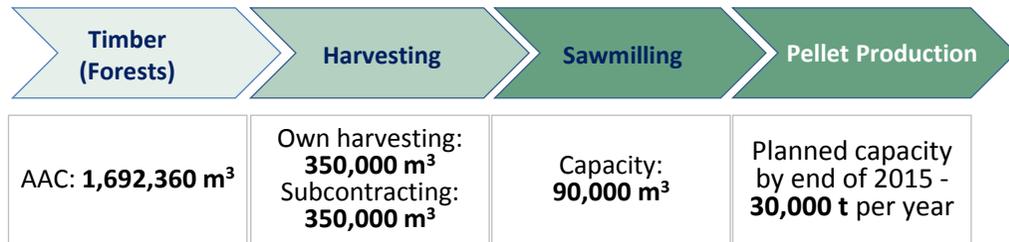
1. Company Overview

Summary

- Swedish forestry company operating in Russia
- Vertically integrated from timber leases to sawmilling (and wood pellets by the end of 2015)
- High-quality, slow-growth forests
- Close proximity to main growth markets in Asia
- Strong management team
- Experienced Board members



Forestry value chain & annual capacities



AAC = Annual Allowable Cut; m³ = cubic meters

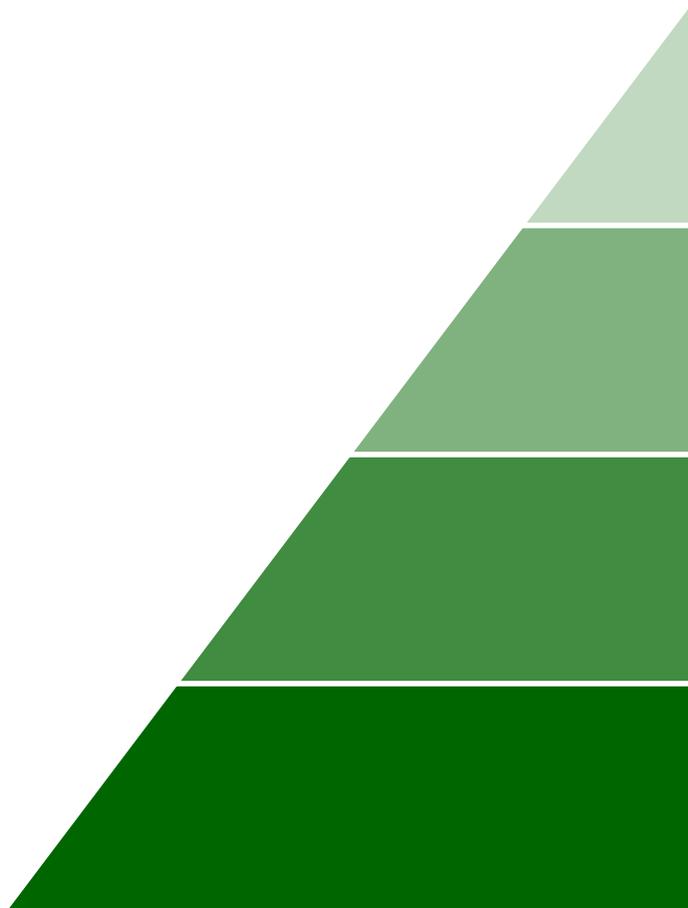
Corporate Information

Stock Exchange Listing	NASDAQ First North ticker "RUSF"
Share Price *	SEK 1.68
Shares Outstanding	132,033,881
Market Capitalization	USD 26.8 million
Net Debt	USD -10.2 million
Enterprise Value	USD 16.6 million
Main Shareholder	Nova Capital (25.4%)

*Share price at closing on May 13, 2015. Net debt at 31 December 2014.

2. RusForest's Competitive Advantages

RusForest's competitive advantages



Highly experienced management team

Strong market position

Low production costs

Wood resources of highest quality

2.1. Wood Resources

Russia's wood resources:

- Forest land area in Russia amounts to 882 million ha with total growing stock of 82 billion m³, which makes up 20% of total world forest resources
- Mature and over-mature stands account for 44 billion m³ or 54% of the total growing stock
- The major share of forests is concentrated in Siberia and Far East of Russia – 78% of stocked area and 73% of the growing stock
- Severe weather conditions for tree growth in Siberia (short summers and cold winters) results in a special strength and durability of wood that is particularly valued by consumers in Japan and other high end markets. Siberian wood generally counts twice the amount of growth rings than equal dimensions from other countries. The density of Siberian wood is higher than other European species

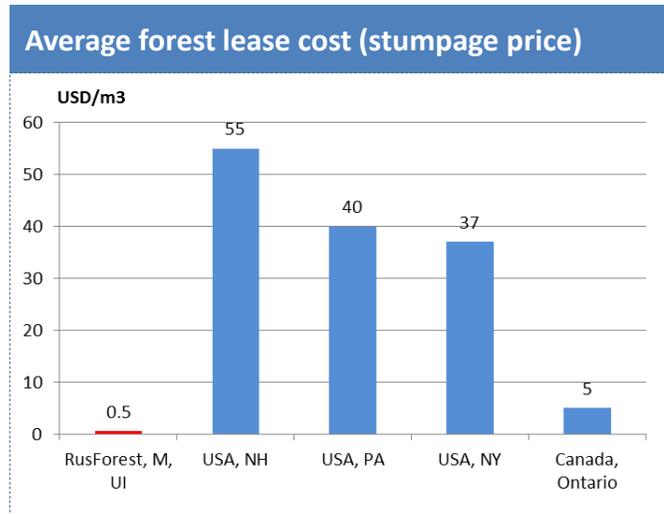


RusForest's wood resources:

- RusForest's long-term forest leases in Irkutsk and Krasnoyarsk Regions – **1.2** million ha
- Annual Allowable Cut (AAC) – **1.7** million m³
- Within the leased areas there is a high concentration of mature softwood, predominately **pine** and **larch**
- Magistralny forest lease areas are **FSC** certified
- Low stumpage price in comparison with other companies

2.2. Costs Competitiveness

RusForest's operations are characterised by low wood costs and high EBITDA margin!



USD/m ³	RusForest Potential	Wood Markets Benchmarking		
		Finland	Sweden	Austria
Log Cost (incl. Less Residual Sales)	48	79	84	103
Recovery	44%	47%	50%	48%
Net Wood Cost *	110	167	167	216
Sawmill Cost:				
Labor	34	26	30	30
Other Direct Cost	23	32	33	32
Overhead and Admin	7	7	9	5
Total Sawmill Cost	64	64	73	67
Total Cash Cost Mill Gate	174	231	240	284
Prices at Mill Gate	220-230	232	233	272
EBITDA/m³ **	46-56	1	-7	-12
% EBITDA on Sales	21-24%	1%	-3%	-4%

Sources: Wood Markets, Company calculations

* Wood net cost = (Log cost at mill x Log consumption) – Income for residuals.

Wood net cost can be reduced by lowering log consumption (increasing yield) and/or selling residuals at higher price. However in Russia residuals prices are relatively low.

RusForest does not exclude additional income from residuals sales.

** EBITDA calculations based on the conservative approach with all corporate costs included.

2.3. Markets (1 of 2)

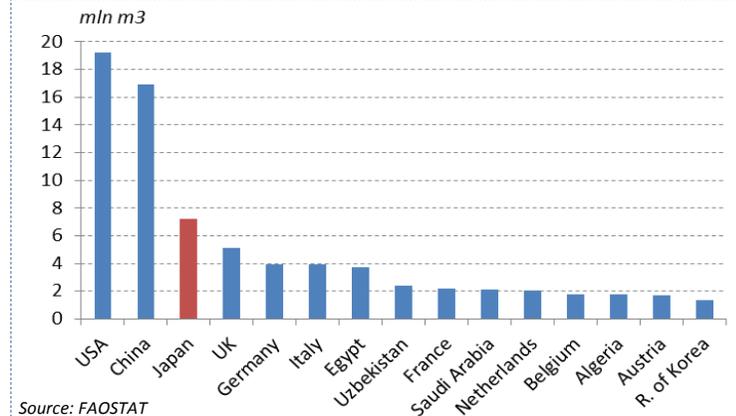
Japanese sawnwood market

- Japan is the third largest softwood sawnwood market in the world (after USA and China)
- Japanese sawnwood market is very stable
- Japanese market is characterized by high quality and prices
- The proportional share of Russian sawnwood on the Japanese market increased from 11.8% in 2013 to 12.4% in 2014
- In the future, we expect further growth in the share of Russia on the Japanese sawnwood market

RusForest's competitive advantages on the Japanese sawnwood market

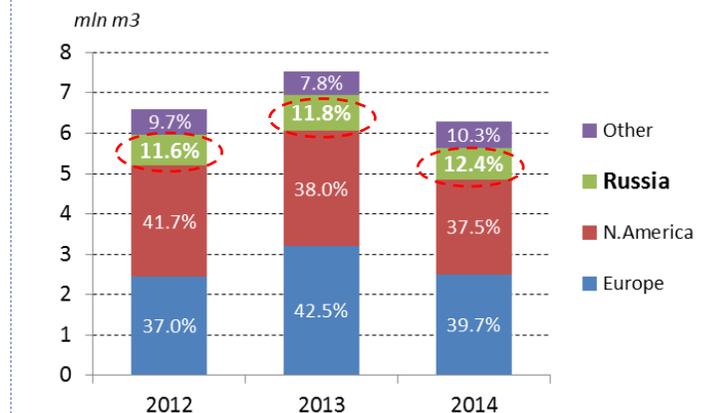
- Consistently high sawnwood quality
- Stable delivery volumes
- Comparatively close to market
- Extensive management's experience on the Japanese softwood market

Worlds largest softwood sawnwood importers in 2013



Source: FAOSTAT

Share of Russian soft sawnwood on Japanese market



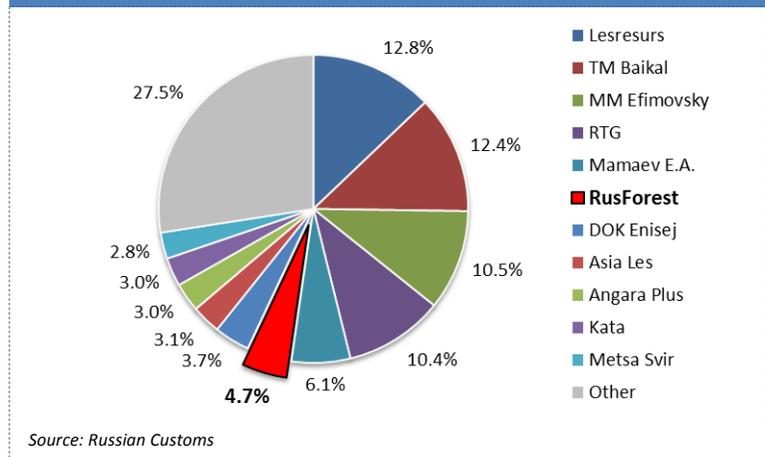
Source: Japan Lumber Journal

2.3. Markets (2 of 2)

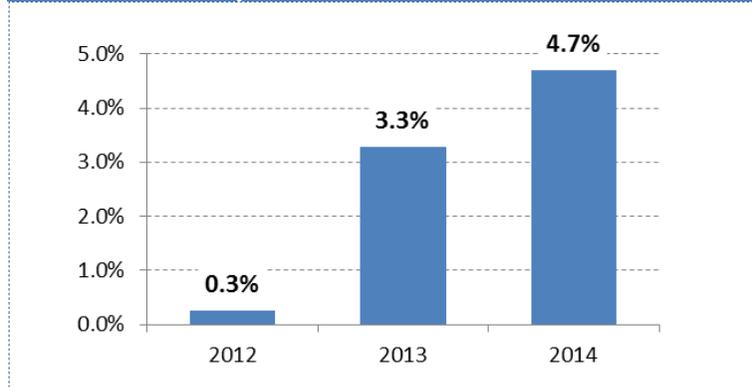
RusForest's sales to Japan

- RusForest has stable sales to the Japanese sawnwood market with premium prices
- The share of the Japanese market in RusForest's sales increased from 6.9% in 2012 to 40% in 2013 and **47%** in 2014
- In 2013-2014, RusForest strengthened its sales on the Japanese market by increasing the volume and quality of sawnwood, delivered from Magistralny
- RusForest is the 6th largest Russian sawnwood exporter to Japan (in terms of volume) with the share of 4.7%

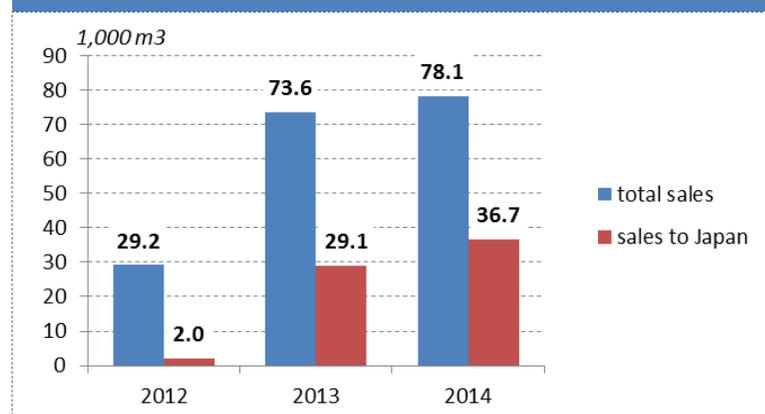
Largest Russian sawnwood exporters to Japan in 2014



RusForest's share in Russian exports of softwood sawnwood to Japan



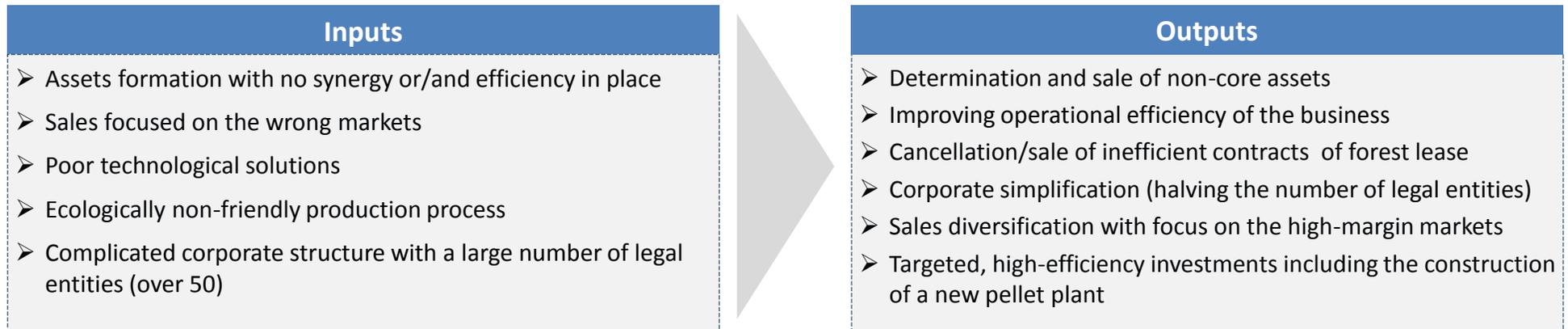
RusForest's sawnwood sales in 2012 – 2014



2.4. Management Team

The Company's recent success depends largely on the highly experienced management team who joined the Company in 2013, of which many has experience from managing another project in Siberia - Lesresurs - one of the leading wood processing companies in Russia and one of the largest Russian sawnwood exporter to Japan. Lesresurs has demonstrated strong sales and EBITDA growth rates over the last 5 years.

During 2013-2014 the following results were achieved by new management team in RusForest:

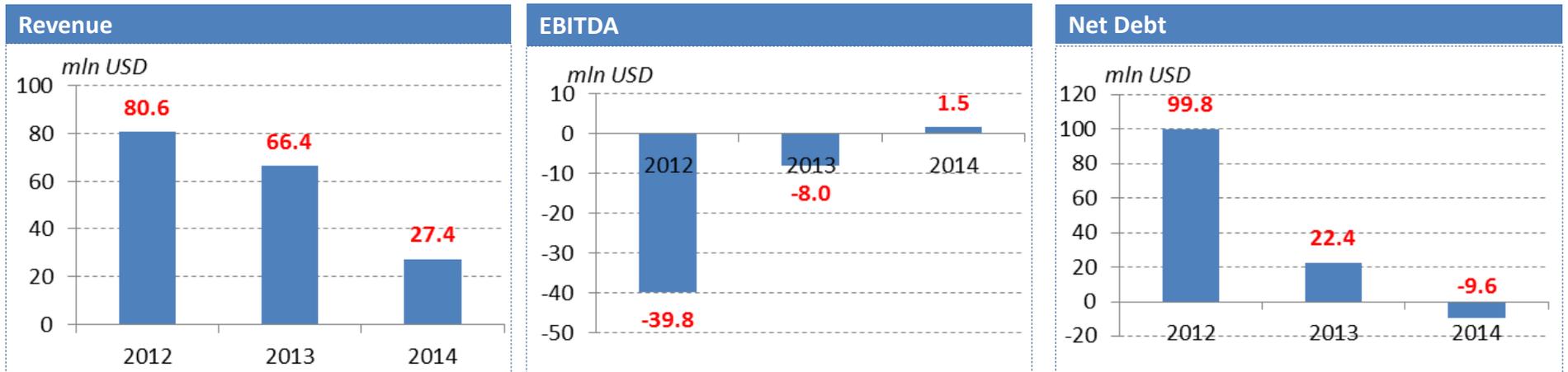


3. Financial Overview

At the beginning of 2015, RusForest is a smaller company in terms of production footprint and turnover, but the Company is more efficient and financially sound than ever before!

Magistralny “stand-alone” reported positive adjusted EBITDA every quarter in 2014, with aggregate full-year adjusted EBITDA of USD 7.1 million with the fourth quarter of 2014 being the best quarterly result ever for Magistralny, with an adjusted EBITDA margin of 46% due to depreciated Russian rouble.

RusForest’s key financials dynamics:

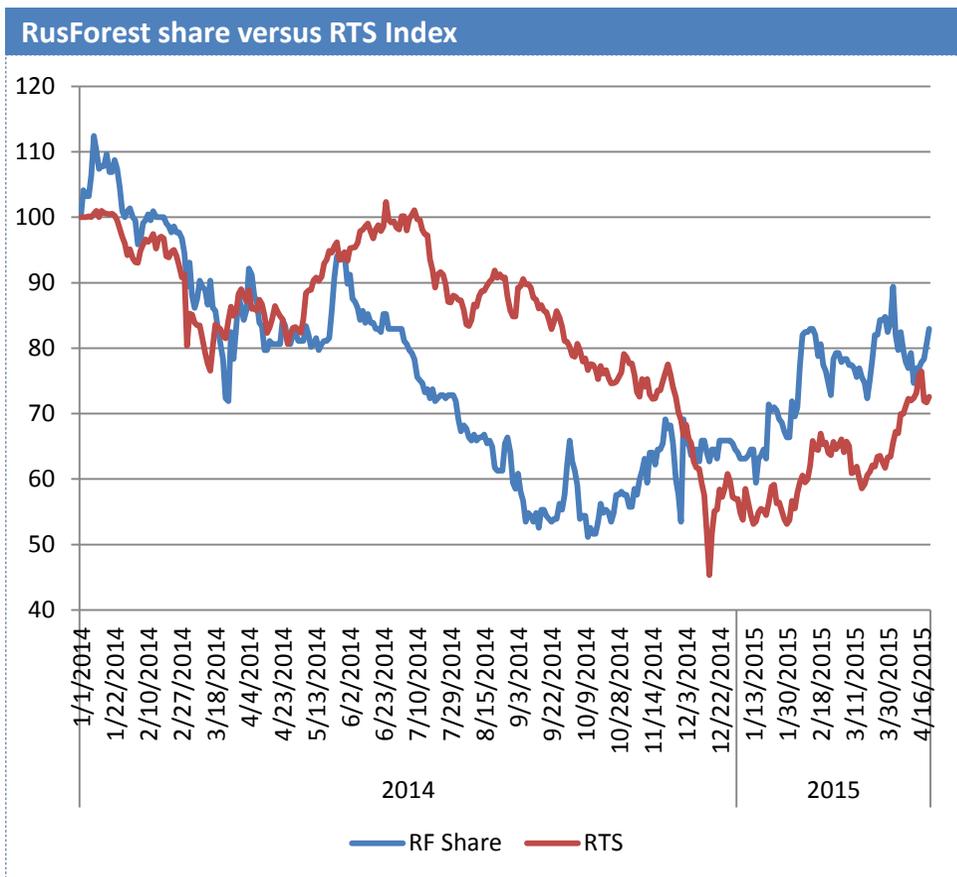


4. RusForest share development and holdings

RusForest's share price has since 2014 been influenced by Russian macro events, however, the successful turnaround of the Company in 2014 has led the share to perform better than Russian indices. Last 12 month have been characterized by significant Insider activity on the buy side. Directors and management control about 1% of outstanding shares.

Shareholders 31 March 2015	Number of shares	Percentage
Nova Capital	33,500,000	25.4%
Merrill Lynch International	12,063,760	9.1%
Avanza Pension	9,937,800	7.5%
Nordnet Pension	4,133,884	3.1%
Morgan Stanley and CO LLC, W9	3,169,996	2.4%
Credit Suisse Sec Europé Ltd	3,015,175	2.3%
Others	66,213,266	50.1%
Total	132,033,881	100.0%

Person	Position	Transactions last 12M	Total holdings
Anton Bogdanov	CEO RusForest Management Company	+307,200	338,000
Gustav Wetterling	CFO RusForest	+55,900	69,900
Anders Börjesson	CEO RusForest AB	+83,333	133,333
Alexander Rudik	Board Member	+231,560	231,560
Per Brilioth	Board Member	+100,000	272,855
Paul Putz	Deputy Chairman of the Board	+10,000	75,000
Total shares		+787,993	1,120,648
Total % of outstanding shares		0.60%	0.85%



Conclusion

RusForest Summary

Unique platform:

- Swedish forestry company operating in Russia
- Vertically integrated from timber leases to sawmilling and wood pellet production
- High-quality, slow-growth forests
- Close proximity to main markets in Japan and China
- Strong management team
- Experienced Board members

Next operational steps:

- Construction of pellet mill in Magistralny
- Consolidation of forestry assets in Ust-Ilimsk
- Further simplification of the corporate structure
- Additional reduction of administrative costs
- Optimization of forest resources (possible sales and/or swaps)



Appendix

Pellet mill in Magistralny - start of construction works

