

**Annual general meeting of
Norske Skogindustrier ASA**

20 April 2006

To the shareholders of Norske Skogindustrier ASA

The annual general meeting of Norske Skogindustrier ASA

will be held at **13.00 on Thursday 20 April 2006** in the company's business offices at Oksenøyveien 80, NO-1326 Lysaker, Norway.

The agenda is as follows:

- 1. To adopt the annual report and accounts of Norske Skogindustrier ASA and the group for 2005**
- 2. To cover the annual loss for 2005, including declaration of dividend for Norske Skogindustrier ASA**

The company's present dividend policy reads as follows:

"Norske Skog wishes to pay a competitive and stable dividend to its shareholders, measured in Norwegian kroner per share. As an average over a business cycle, the dividend should correspond to 15-25 per cent of cash flow from operations, less financial expenses and tax paid."

The board recommends that the general meeting declare a dividend of NOK 5.50 per share for 2005, payable to the company's shareholders at the date of the AGM, 20 April 2006.

- 3. To determine the remuneration of the members of the corporate assembly**

The compensation committee, which comprises the members of the election committee together with a member appointed by and from the employee representatives in the corporate assembly, recommends that the general meeting approve an increase in the remuneration for serving on the corporate assembly of NOK 5 000 per annum for the chair, bringing the total to NOK 140 000 per annum, and by NOK 200 per meeting day for the other members and alternate members of the corporate assembly, members of the election committee and members of the compensation committee, bringing the total to NOK 5 400 per meeting day.

- 4. To approve the auditor's fee**
- 5. To elect the members and alternate members of the corporate assembly**

The company's election committee has recommended Emil Aubert, Ole H Bakke, Halvard Sæther and Christian Ramberg for re-election as members of the corporate assembly. It has recommended Helge Evju, Tom Ruud and Birgitta Rødstøl Næss for election as a member of the corporate assembly. Svein Haare, Hege Huse, Kjersti Narum (new candidate) and Siv Fagerland Christensen are recommended for election as alternate members in the order listed. A presentation of new candidates and the basis for their recommendation will be mailed to all shareholders with a known address as an appendix to this notice. More detailed information on the basis for their recommendation will be provided at the general meeting.

- 6. To elect three members to the election committee**

Pursuant to article 7 of the articles of association, the election committee consists of the chair of the corporate assembly and three members elected by the general meeting for one year at a time. The election committee has recommended the re-election of Helge Evju and Gunn Wærsted, and the election of Ole H Bakke. A presentation of new candidates and the basis for

their recommendation will be mailed to all shareholders with a known address as an appendix to this notice. More detailed information on the basis for their recommendation will be provided at the general meeting.

7. **To renew the authority of the board to purchase the company's own shares**

Norske Skogindustrier ASA sells shares from its own holding to the employees every year, and also uses its own shares in partial settlement of bonus schemes. It is therefore appropriate that the board be given renewed authority to buy shares in the market to meet the above-mentioned requirements. The board proposes that the general meeting adopts the following resolution:

“That the board be authorised to purchase the company's own shares up to a par value of NOK 185 000 0000, subject to the restriction that no more than 10 per cent of the outstanding shares may be purchased at any time. The shares must be purchased at the price quoted on the stock exchange. The board is free to purchase and sell shares in whichever way the board finds most appropriate, provided that the general principles of equal treatment of shareholders are respected. This authority is granted for the period up to the next general meeting.”

Information

Pursuant to article 8 of the present articles of association, the general meeting will be called and chaired by Ivar B Korsbakken, chair of the corporate assembly.

The board's proposal for the annual accounts of Norske Skogindustrier ASA and the group, the directors' report, the auditor's report, the corporate assembly's recommendation on the board's proposal for the annual accounts of Norske Skogindustries ASA and the group, and the corporate assembly's recommendation on the board's proposal for coverage of the net loss are contained in the annual report for 2005, which has been sent to all shareholders with a known address. It is also available at <http://www.norskeskog.com>.

Shareholders wishing to attend the general meeting, either in person or by proxy, must complete and return the attached attendance form, specifying any proxies, by 15.00 on Tuesday 18 April 2006. The form can also be transmitted electronically via Norske Skog's web site, but this cannot be used to specify proxies.

If the attendance form has not been received by the deadline, as specified in article 8 of the present articles of association, the person concerned may be refused admission to the general meeting. Admission cards will be issued at the door.

To confer entitlement to attend the meeting, a share must be registered in the name of the real owner with the Norwegian Central Securities Depository (VPS), or the owner must in some other way have given notice of and received approval for their purchase.

The company's business offices are close to Lysaker railway station, where plenty of taxis are available. Good parking space is also available on the company's premises, and this will be clearly marked.

Lysaker, 29 March 2006



Ivar B Korsbakken
Chair, corporate assembly

To the shareholders of Norske Skogindustrier ASA

Appendix to the notice of the annual general meeting at 13.00 on Thursday 20 April 2006

Election of members and alternate members of the corporate assembly

The election committee of Norske Skog is appointed pursuant to the articles of association. Pursuant to the articles, it will comprise the chair of the corporate assembly and three members elected by the general meeting for one year at a time. The election committee has consisted of Ivar B Korsbakken (chair), Helge Evju, Idar Kreutzer and Gunn Wærsted. Neither Evju nor Wærstad are members of the corporate assembly or board of directors. The election committee has held six meetings.

Discussions have been pursued by the election committee with the chair of the board, including information on the board's self-assessment. The company's president and CEO has also briefed the election committee on the development of the company, and the election committee has consulted the employee-elected member of the compensation committee (see below). The chair of the election committee has had discussions with all the directors and shareholder-elected members of the corporate assembly. The election committee has sought advice from the largest Norwegian and foreign shareholders concerning candidates for the board and corporate assembly and possible other considerations of significance for the election committee's work.

The election committee makes its recommendation after detailed analysis of the company's requirements and with regard to the desire for the broadest possible knowledge, experience, commitment and representativeness in the company's governing bodies. One goal is to ensure that the composition of the corporate assembly provides good representation of the company's shareholders. The election committee has given weight to the need for both continuity and new recruitment.

Korsbakken has announced that he wishes to resign as a member of the corporate assembly and as its chair, and thereby from the election committee, at this year's general meeting.

The following shareholder-elected members of the corporate assembly are due for re-election in 2006:

- **Emil Aubert, Ole H Bakke, Bjørn Kristoffersen, Halvard Sæther, Christian Ramberg and Åse Marie Bue**

Recommendation

Pursuant to the articles of association, members of the corporate assembly are elected for a two-year term. Since Korsbakken wishes to resign after one year of his term of office, the election committee proposes that one of the new members be elected for one year. (The date or period when each member was first elected or was previously a member is shown in brackets)

The election committee recommends the re-election of:

- **Emil Aubert (1999), Ole H Bakke (1999), Halvard Sæther (2001) and Christian Ramberg (2004)**

The election committee recommends the election as new members of:

- **Helge Evju (for one year) (1998-2001), Tom Ruud (1997-2001) og Birgitta Rødstøl Næss**

Shareholder-elected alternate members of the corporate assembly are elected every year, and the election committee's recommendation is, in this order:

- **1. Svein Haare (re-election) (2000), 2. Hege Huse (re-election) (2004), 3. Kjersti Narum (re-election) and 4. Siv Fagerland Christensen (re-election)**

Election of three members of the election committee

The committee takes the view that the composition of the election committee should ensure the broadest possible contact with the company's shareholder interests. Continuity in the committee should also be ensured.

The following are recommended for election as members of Norske Skog's election committee:

- **Helge Evju (re-election) (1998), Gunn Wærsted (re-election) (2005) and Ole H Bakke (new)**

In addition, the chair of the corporate assembly will be a member of the election committee and serve as its chair (see the enclosed background information).

Remuneration of the members and alternate members of the corporate assembly

The election committee is required to advise the general meeting on issues relating to compensation for serving on the company's governing bodies. When considering such issues, the committee is designated the compensation committee and enlarged with a member appointed by and from the employee representatives in the corporate assembly. The compensation committee has comprised Ivar B Korsbakken, Helge Evju, Idar Kreutzer and Gunn Wærsted plus Magnus Straume, an employee-elected member of the corporate assembly. The committee has held three meetings during the winter of 2006.

In accordance with previous decisions by the general meeting, most recently on 14 April 2005, the annual fee for the chair of the corporate assembly amounts to NOK 135 000. Members of the corporate assembly, the election committee and the compensation committee (including observers and alternates) receive a fee of NOK 5 200 per meeting. Expenses incurred in connection with meetings are paid in accordance with the government scale for such allowances.

In the compensation committee's view, the prevailing fees are reasonably proportionate to the responsibility and commitment involved in membership of the corporate assembly. In conformity with earlier recommendations, the compensation committee recommends regular adjustments to the fees in order to avoid the need for major upward leaps. The compensation committee accordingly recommends an increase in the fees corresponding to three-four per cent.

The compensation committee makes the following recommendation:

1. With effect from 20 April 2006, the corporate assembly's chair will be paid NOK 140 000 per year. This fee covers participation in the election committee, the compensation committee and other meetings attended by the corporate assembly's chair.
2. With effect from 20 April 2006, the other members of the corporate assembly, the election committee and the compensation committee will receive a fee of NOK 5 400 per meeting day.

3. Travel and accommodation expenses will be paid in accordance with the Norwegian government's scale for such allowances.

Presentation of new candidates for election to governing bodies of

Norske Skogindustrier ASA

Helge Evju

(Corporate assembly)

Place of residence: Skollenborg

Education: Agricultural college, forest agronomist course
and agronomic technician course

Present position: Farmer/forest owner

Elected posts: 1999- Vestviken Forest Owners Association, deputy chair
2002- Viken Forest Owners Association, chair
2003- Norwegian Forestry Museum, chair
2004- Committee of shareholders' representatives, Skogbrand, chair
2005- Norwegian Forest Owners Association, chair



Tom Ruud

(Corporate assembly)

Place of residence: Oslo

Education: Engineering degree, Norwegian Institute of
Technology

Present position: Group executive vice president, Nordea Bank
AB, Stockholm

Elected posts: 2001- VPC AB, Stockholm, deputy chair
2002- Det norske Veritas, director



Birgitta Rødstøl Næss

(Corporate assembly)

Place of residence: Halden

Education: Politics degree, University of Trondheim

Present position: Principal, Østfold University College



Kjersti Narum

(Third alternate, corporate assembly)

Place of residence: Stange

Education: Electrical engineering degree, Norwegian Institute of Technology

Present position: Farmer

Elected posts: 2003- Mjøsen Forest Owners Association, member of the board
2004- Norsvin International, director



Ole H Bakke

(Election committee)

Place of residence: Vikhammer

Education: Agricultural University of Norway

Present position: President, Allskog BA

Elected posts: 1996- Corporate assembly, Norske Skog, member
1996- Støren Trelast, director
2000- Industriflis Nord AS, chair
2004- Tresenteret i Trondheim, director
2005- Norske Virkesmåling, chair
2005- Din Tur AS, chair
2005- Nord Energi AS, director
2005- Treformidling Nord, director

