

**Press release**

10 October 2014

## **Elanders consolidates Print & Packaging in Europe and saves MSEK 50 annually, resulting, however, in a changed forecast for 2014**

*“Elanders further strengthens its competitiveness in Print & Packaging in Europe. Negotiations with personnel organizations in Sweden have progressed to the point that Elanders can now estimate the scope of redundancy costs for 2014, which directly affects previously presented forecast for 2014. We now believe that profit before tax, including restructuring costs, will land on par with 2013,” says Magnus Nilsson, CEO and President of Elanders.*

During the second quarter of 2014 Elanders gathered all of Print & Packaging in Europe under one management team. This change made it possible to further consolidate production capacity and thereby maximize capacity utilization of our machinery while optimizing future investment needs.

As a consequence of this new organization 120 employees in Elanders Sverige AB were given notice of redundancy in the third quarter. Negotiations with personnel organizations have reached a point where Elanders can now conclude that around 70 people will have to leave the company. This reduction of personnel is expected to generate an annual savings in Swedish operations of close to MSEK 50 which will have full effect as of the second half of 2015.

### **Changed forecast for 2014**

Elanders estimates that this consolidation will lead to one-off costs of around MSEK 40 during the third and fourth quarter, with as lesser part of these costs occurring in the third quarter. Consequently we will not achieve the forecast for 2014 presented in the half-year report for 2014. The previous forecast predicted a significant improvement in profit in 2014 compared to 2013. Elanders believes that profit before tax in 2014, including restructuring costs, will land on par with 2013. Excluding restructuring costs a significant improvement in profit before tax compared to 2013 is still predicted for 2014.

### **New segment reporting as of the quarterly report January-September 2014**

In order to clearly present the development of each business area Elanders will begin in the January-September 2014 report to present the three business areas - Supply Chain Solutions, Print & Packaging Solutions and e-Commerce Solutions – as individual segments.

### **For further questions, please contact**

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*The information in this press release has been made public according to the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. This information was published at 08:00 CET on 10 October 2014.*