

Press release

10 December 2014

Holmen invests in increased paperboard and pulp production

Holmen has decided to invest a total of SEK 530 million in increasing paperboard and pulp production at Iggesund Paperboard.

The production capacity for paperboard at the UK mill in Workington will rise by 10 per cent or 20 000 tonnes through a rebuild of the paperboard machine's press section. The rebuild, which is expected to be completed during the first half of 2016, will also bring improved product quality.

At Iggesund Mill, pulp capacity will rise by 15 per cent or 50 000 tonnes. The investment will be implemented in stages from 2015–2016. The measures will also improve production stability and cut variable costs.

“Recent years have seen us invest strongly in reducing our energy costs and our dependence on fossil fuels. Now we're investing in increased production, while also cutting our variable costs, and thus strengthening our competitiveness,” explains Annica Bresky, CEO of Iggesund Paperboard.

“Our strategy is to grow organically and to make additional increases to our paperboard production. For the mill in Workington, this investment marks a first step in that direction. At Iggesund Mill, our ambition is to increase production by 10 per cent in coming years without any major investment.”

For more information, please contact:

Annica Bresky, CEO, Iggesund Paperboard, tel. +46 705 20 01 29

Ingela Carlsson, Communications Director, Holmen, tel. +46 702 12 97 12

This is information that Holmen AB is obliged to disclose under the Swedish Securities Market Act and the Swedish Financial Instruments Trading Act. The information was submitted for publication on 10 December 2014 at 15.00 CET.