

## Press release

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## Holmen invests in a wood treatment plant at Braviken Sawmill

Holmen is investing in a pressure treatment plant and a distribution warehouse at Braviken Sawmill outside Norrköping. The investment is estimated to amount to SEK 50 million.

Opened in 2011, Braviken Sawmill now manufactures sawn and planed wood products in spruce and pine. Over the years, the mill has expanded in size and gained a new warehouse for its finished products. Having started out only sawing spruce, in summer 2015 a strategic investment began with a view to broadening production to include pine joinery timber, as well as enabling the manufacture of decking and joists for outdoor purposes.

"In autumn 2015, Braviken Sawmill began sawing both spruce and pine. We want to offer our customers a broader range and the wood treatment plant is a natural next step. The plant will be highly automated, with scope for further development in the future," says Johan Padel, CEO of Holmen Timber.

Making up a large part of what builders' merchants sell in Sweden, treated wood is used for projects such as terraces, jetties and fencing. Pressure treatment gives the wood a longer life and minimises the risk of attack from wood-decaying fungi and insects.

"Demand for treated wood products is growing and with Braviken's central location in a densely populated region, we have excellent opportunities to reach out to builders' merchants with our expanded product range. The wood treatment plant is scheduled to be up and running from winter 2016/2017, so we expect to be able to deliver decking for next summer's construction and DIY projects," relates Henrik Sjölund, President and CEO of Holmen.

Holmen's bio co-location in Braviken makes full use of the whole tree. Wood chips from the sawmill serve as a raw material in pulp production and by-products such as bark and wood shavings are used as biofuel to produce energy and district heating. The circle is closed when the surplus heat from the paper mill is used in the drying process at the sawmill.

## For more information, please contact:

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**Holmen** is a forest industry group that manufactures consumer board, paper and wood products and runs forestry and energy production operations. In 2015 Holmen's net sales were SEK 16 billion and the group has approx. 3,300 employees. Holmen's shares are listed on Nasdaq Stockholm, Large Cap. For more information, visit www.holmen.com