

Investment projects

The Board of Billerud AB has authorised MSEK 316 to be invested in two major projects at Gruvön and Skärblacka.

The investment at Gruvön will be worth MSEK 247 and comprises a new, biological external purification plant. The new plant will improve the environmental situation at the mill and will meet the requirements connected with the operation permit now in force for Gruvön. The investment is also a necessary adaptation for current production and capacity, and will provide flexibility in terms of any capacity-raising investments in future. The plant will enter operation in the first half of 2006. This project was described in the listing prospectus produced by Billerud in 2001.

The investment at Skärblacka will be worth MSEK 69 and will be used to increase capacity by 13,000 tonnes per year for sack paper and kraft paper produced on PM 9. The investment is necessary for capacity reasons and to fulfil the company's desire to continue development of higher quality sack paper and kraft paper. This investment meets Billerud's requirements for financial return on investment. Increased capacity will be on stream from the end of 2004.

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