



Press release

7:05, 28 October 2014, Solna

BillerudKorsnäs invests for growth in sack paper markets

BillerudKorsnäs continues to act according to their growth agenda. This time with an investment of SEK 260 million at their production unit in Skärblacka that will increase the volume and improve the quality of sack papers produced there.

The BillerudKorsnäs Board of Directors has approved a SEK 260 million investment for sack paper machine 9 at the Skärblacka production unit. The investment will further add to the quality leadership of the BillerudKorsnäs sack paper range and will also increase the capacity of the machine by 20 000 t/a up to 180 000 t/a. The investment is a part of the growth agenda Selective Growth for BillerudKorsnäs Business Area Packaging Paper.

Paper machine 9 produces high quality brown sack papers that are used for the construction of sacks primarily for packaging of cement, other construction minerals and chemicals. Most of these papers are sold in emerging markets outside of Europe.

- We see strong potential for our sack papers in South East Asia, where our sack paper brand QuickFill is a quality leader. In those regions, cement and other construction minerals are very often packed in plastic sacks. Sacks made out of our material offer the brand owner large benefits when it comes to production economy, but also when it comes to sustainability and health – says Johan Nellbeck, SVP Packaging Paper.

The investment includes the head box and wire section of the paper machine and it will be carried out during 2015. For BillerudKorsnäs, the investment is an outcome of the asset review that has been conducted. It is an important step in the development of the Skärblacka production unit and follows after successful investments in energy and environment since 2012.

As previously communicated, the BillerudKorsnäs capex levels for 2015 and 2016 will be above the depreciation level.

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