

Press release

15 December 2015

Hallsta Paper Mill postpones restart of PM 11

The clean-up after the fire of 20 November at Hallsta Paper Mill has been completed, and that has enabled a better assessment of the damage caused. Paper machine PM 12 is already up and running, while it has now been assessed that PM 11 will be able to be restarted in mid-March.

PM 11 manufactures fresh fibre-based magazine paper such as Holmen VIEW and Holmen XLNT, with an annual capacity of 330 000 tonnes. It was possible to restart the second machine at the mill, book paper machine PM 12, on 2 December.

The clean-up effort surrounding the part of the pulp factory linked to PM 11 was concluded last week.

“The damage proved to be more extensive than it was initially possible to gain an overview of. So the assessment is that PM 11 will be restarted in mid-March,” says Nils Ringborg, CEO of Holmen Paper.

He adds:

“We have a close dialogue with our customers so we can manage the new schedule while reviewing all opportunities to shorten the start-up time.”

The fire took place in the pulp factory in the north of the factory site. The two paper machines at the mill were not affected or damaged by the fire. An investigation into the cause of the fire shows that the fire arose next to a rotating axle whose heat caused smouldering that rapidly spread.

As previously announced the incident is expected to have a negative impact on results for the fourth quarter amounting to SEK 30 million.

For more information, please contact:

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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 15 December 2015 at 11:00 CET.

Holmen is a forest industry group that manufactures paperboard, printing paper and sawn timber and runs forestry and energy production operations. In 2014 Holmen's net sales were SEK 16 billion and the group has approx. 3,400 employees. Holmen's shares are listed on Nasdaq Stockholm, Large Cap. For more information, visit www.holmen.com