

Press release

Update related to the conversion from newsprint to containerboard at Norske Skog Golbey

The net investment amount for the conversion project at Norske Skog Golbey will increase from EUR 265 to 300 million. As of the 3rd quarter of 2023, a net EUR 200 million has been invested in the project. The increase is generally due to increased purchase prices for goods and services throughout the project period as well as somewhat delayed deliveries of equipment. The start-up of production of packaging in Golbey is postponed to the second half of 2024 due to delivery delays. Considerable effort will be devoted going forward to ensure that the conversion project is completed within the new framework.

"The Golbey conversion project has a massive scope and has been carried out during a period of very high inflation and challenging global supply chains. Delayed deliveries and associated consequences have necessitated the project team in Golbey, along with the company's leadership, to revise the project parameters. This has been a demanding process due to the project's complexity and because it deviates from the plans we have communicated so far. Therefore, there will be a strong focus going forward to ensure that we deliver the project within these new parameters," says Geir Drangslund, CEO of Norske Skog.

The Golbey project will convert a paper machine (PM1) from producing newsprint to producing recycled containerboard. The machine will have a capacity of 550,000 tonnes and is expected to reach 95% utilisation within 2-3 years after startup. Together with the already converted paper machine (PM3) in Bruck, this project will provide Norske Skog with a total capacity of 760,000 tons of containerboard.

About Norske Skog

Norske Skog is a world leading producer of publication paper with strong market positions and customer relations in Europe and Australasia. The Norske Skog Group operates four mills in Europe, which produce publication paper, recycled packaging paper, energy and bioproducts. In addition, the Group operates one paper mill in Australia. Norske Skog aims to further diversify its operations and continue its transformation into a growing and high-margin business through a range of promising energy and bio product development projects. The Group has approximately 2 100 employees, is headquartered in Norway and listed on the Oslo Stock Exchange under the ticker NSKOG.

Communication and Public Affairs

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