

Press release

23 October 2020

Holmen invests in a new drying plant at Iggesund Sawmill

Iggesund Sawmill is being modernised to allow for an increase in production. Holmen is currently investing SEK 70 million in a new drying plant which will increase its drying capacity from 400 000 to 500 000 m³.

The new drying plant is what is known as a tunnel dryer. It is much more energy efficient than the old kiln dryers which it will partly replace. The greater drying capacity will primarily be used for dried wood products for the joinery industry.

In addition to investing in new dryers, the group had previously agreed to invest in land for timber storage and warehouse space. As a result, Holmen is taking advantage of the new local plan that was adopted many years ago and has started to prepare for the expansion by increasing the land around the sawmill. After a 10-hectare expansion, the sawmill will cover a total surface area of 40 hectares. In the longer term, Holmen is looking at the possibility of expanding the sawmill with finishing options, in particular in the form of a planing mill.

“The group has shown great faith in us through this investment, which will take Iggesund Sawmill on into the future. The investment will improve our competitiveness and will place us in an excellent position to develop the sawmill further,” says Iggesund Sawmill’s manager, Magnus Malmström.

The investment is the biggest made at the sawmill since the investment in the trimming saw 20 years ago.

“The fact that Holmen makes an investment for the future in such a turbulent period is a sign of strength and courage. In the long term, the expansion will ensure that job opportunities are safeguarded in the region and that Holmen and Iggesund Sawmill can continue to contribute to a sustainable world through the production of climate-smart products,” says Johan Padel, Holmen’s Senior Vice President Wood Products.

For more information, please contact:

Johan Padel, Senior Vice President Wood Products,

johan.padel@holmen.com, +46 70 214 82 44

Magnus Malmström, Mill Manager Iggesund Sawmill,

magnus.malmstrom@holmen.com, +46 70 225 36 80

Holmen’s business concept is to own and add value to the forest. Our extensive forest holdings are the foundation of our business. Using our own production facilities, the growing trees are refined into everything from wood for climate-smart building to renewable packaging, magazines and books, while at the same time we generate hydro and wind power on our own land. A business that not only creates value for shareholders and customers, but also contributes to a better climate and thriving rural communities. In 2019 Holmen’s net sales were approx. SEK 17 billion and the group has approx. 3 000 employees. Holmen’s shares are listed on Nasdaq Stockholm, Large Cap. For more information, visit holmen.com