

Holmen is investing SEK 400 million to increase value added and capacity at Iggesund Sawmill

The investment is a further step in Holmen's strategy to grow the wood products business and contribute to the green transition. This will increase the production at Iggesund Sawmill by 20 per cent as well as adding construction timber on top of its joinery products range.

"We grow houses. To develop the wood products business is a natural extension of forestry and an important dimension in Holmen's strategy of owning and adding value to the forest. Following the acquisition of Martinsons and the expansion of Braviken, the investment in Iggesund Sawmill is the next step in strengthening our position in wood products," says Henrik Sjölund, Holmen's President and CEO.

The investment will enable the sawmill to switch from lower grade joinery spruce to construction timber in both spruce and pine. This will increase the value added and improve the market mix by increasing the share sold to Scandinavian builders' merchants.

"Wood as a construction material is benefiting from the ongoing transition to a fossil-free world, especially if concrete and steel will carry their true climate cost. We continue to focus on adding value to the forest we own and are already part of the solution to the climate issue. Our strategic position is right on point financially and in terms of the climate," comments Henrik Sjölund, Holmen's President and CEO.

The investment in log sorting and a new planing facility will remove bottlenecks and is expected to increase the sawmill's capacity to just over 450 000 m³. Start-up is planned for autumn 2023, with full capacity expected to be reached towards the end of 2024.

In the past twelve months, the Holmen Wood Products business area has produced 1.5 million m³ of wood products, achieving a turnover of SEK 4.7 billion and an operating profit of SEK 1.4 billion. Production takes place at five sawmills. Additionally there is a project business working on producing complete structural frames in CLT.

For more information, please contact:

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