



Press release

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Peab builds an addition to SCA's paper mill in Obbola

SCA is investing in a new paper machine for its paper mill in Obbola in Umeå Municipality. Peab has been commissioned to extend the plant to fit the new machine. The contract is worth SEK 700 million.

Part of the contract is erecting a new building to house the new paper machine, including a data room and connected office. Large sections of the paper mill are being rebuilt to adjust the production line to the new machine. The project will be carried out while current paper production continues as usual.

"We look forward to yet another interesting project together with SCA. We have previously worked on building the extension of their plant in Östrand and this project will also be run in close cooperation with our customer - so-called partnering. It's a key factor to the success of this kind of extensive and complex project," says Jörgen Eriksson, Region Manager Peab.

The paper mill in Obbola manufactures linerboard, which is a paperboard used in shipping packaging.

"The new machine will increase production from the current level of 450,000 tons to 725,000 tons annually. We are making this investment to meet an anticipated demand for renewable packaging. We believe Peab is a good fit for the team we have gathered to carry out this project that is not only vital for SCA but for the entire region," says Per Strand, project manager and responsible for SCA's investment in Obbola.

The project is a traditional contract in partnering. Construction will begin in November 2019 and is expected to be completed in the spring of 2023.

The project will be order registered in the fourth quarter 2019.

Caption: Obbola Paper Mill currently
Photo: Bergslagsbild

For further information, please contact:

Jörgen Eriksson, Region Manager Peab, +46 733- 37 18 03
Kajsa Jacobsson, Press Officer Peab, +46 725-33 34 84

Peab is a leading Nordic construction and civil engineering company with about 15,000 employees and SEK 54 billion in net sales. The Group has strategically placed offices in Sweden, Norway and Finland. Company headquarters are in Förslövön Bjäre Peninsula in southern Sweden. The Peab share is listed on NASDAQ Stockholm.