

HOLMEN

PRESS RELEASE

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Holmen

50 employees made redundant at Workington and 20 in Iggesund

Igesund Paperboard is making some 50 employees, mostly salaried personnel, redundant at its paperboard mill in Workington, England.

The reason for the redundancies is the mill's unsatisfactory profitability.

The personnel cutbacks are part of an action programme intended to cut costs. The programme also includes measures to improve productivity and raise production.

Holmen's President and CEO, Göran Lundin, comments:

“So far the Group has failed to benefit to the full from its investments in the mill. The main purpose of this personnel cut is to bring about a much-needed reduction in the cost base, but we also have to focus on other areas of the action programme.”

Workington currently has around 525 employees.

Holmen's wholly owned subsidiary Skärnäs Terminal AB in Iggesund has issued redundancy notices to 20 employees, of whom 14 are collective employees and six are salaried personnel. The main reason is the decline in wood imports passing through the terminal.

Skärnäs Terminal AB currently has some 70 employees.

For further information, contact Holmen's President and CEO, Göran Lundin on +46 8 666 21 00, or Björn Kvik, President of Iggesund Paperboard, on +46 650 280 00.