



# Forest Industry Production

## Production in Finland in 2005

### FOURTH QUARTER PRODUCTION BOOSTED BY HOLIDAY OPERATION

During the fourth quarter of 2005, paper and paperboard production was up about 4% or 135,000 tons compared with the corresponding period in 2004, mostly as a result of holiday operation. Production of printing and writing papers increased over 4%, while production of other grades grew slightly less. Pulp production rose about 6% or over 110,000 tons more than in the corresponding period a year before.

"The production figures from the last quarter show clearly that the new opportunity to keep mills running at Christmas and Midsummer supports the competitiveness of the Finnish forest industry. In this way the Finnish paper producers will be in the same position with their competitors. We estimate that part of the mills will be operating also at Midsummer in June 2006", says Anne Brunila, President of the Finnish Forest Industries Federation.

In the fourth quarter of 2005 the Finnish paper industry took advantage of the possibility to keep mills running at Christmas, as allowed by the latest paper industry collective agreement. Practically all pulp mills and about half of paper and paperboard mills continued operating during the holidays. In addition to the three extra days mills were allowed to run, production time in December 2005 was also increased by the fact that processes did not have to be driven down and started up again.

### 12.4 million ton paper and board in 2005

In the fourth quarter of 2005 total production in the Finnish forest industry was up 2% compared with the year before. Total production for the year as a whole was 10% lower than in 2004, however, mainly because of the labour dispute in the paper industry. The Finnish share of the European paper industry production was approximately 13%. Share of the global production was estimated to be approximately 3-4% in 2005.

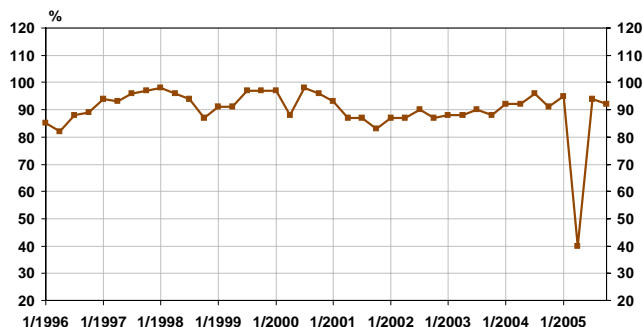
Owing to the seven-week labour dispute in the paper industry last spring, production of paper and paperboard fell by about 12% in 2005, amounting to 12.4 million tons. Altogether the labour dispute cut production by more than 1.9 million tons. Pulp production fell by nearly 12% in 2005, amounting to 11.1 million tons.

### Sawn wood production increased during the fourth quarter

In 2005 production of sawn wood totalled 12.2 million cubic metres, which was nearly 10% or 1.3 million cubic metres less than the year before. Most of the drop or about 900,000 cubic metres was caused by the labour dispute in the paper industry. In the fourth quarter, production fell about 5% compared with the corresponding period the year before. Production was still higher than in the other quarters, amounting to nearly 3.4 million cubic metres.

Plywood production in the fourth quarter amounted to 345,000 cubic metres or about the same as the year before. The total in 2005 was 1.3 million cubic metres, which was over 3% and 50,000 cubic metres less than in 2004.

Quarterly Operating Rate of Paper Industry in Finland, %

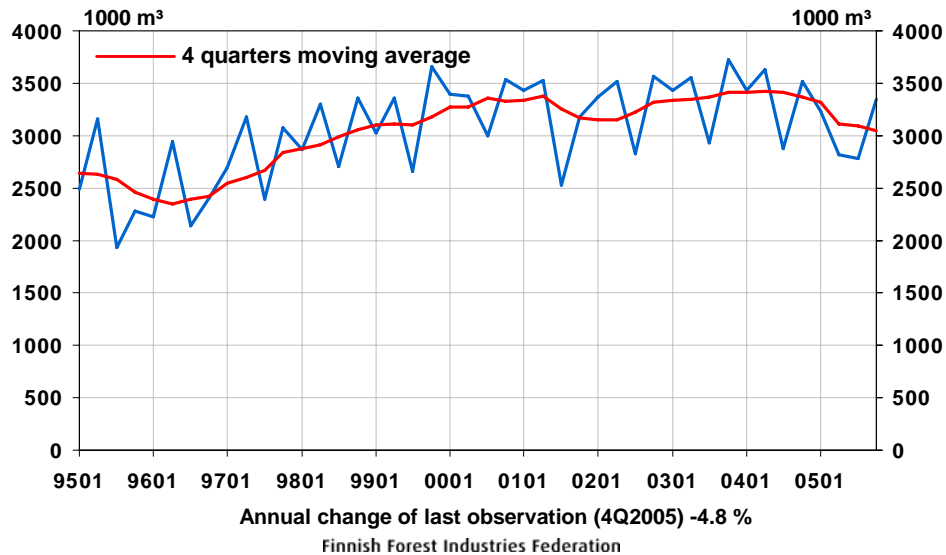


Finnish Forest Industries Federation

Last observation 4Q/2005  
SOURCE: Finnish Forest Industries Federation



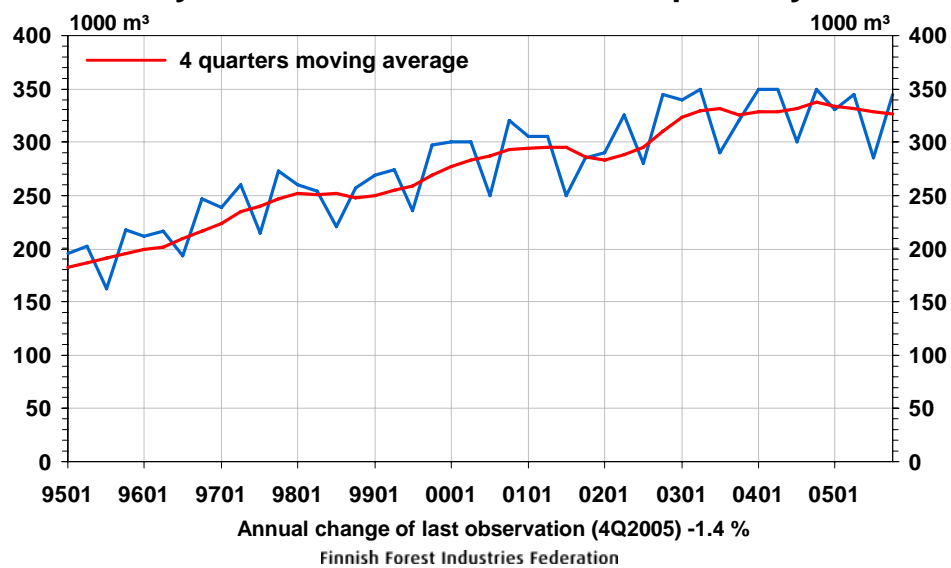
## Sawn Softwood Production in Finland quarterly



SOURCE: Finnish Forest Industries Federation



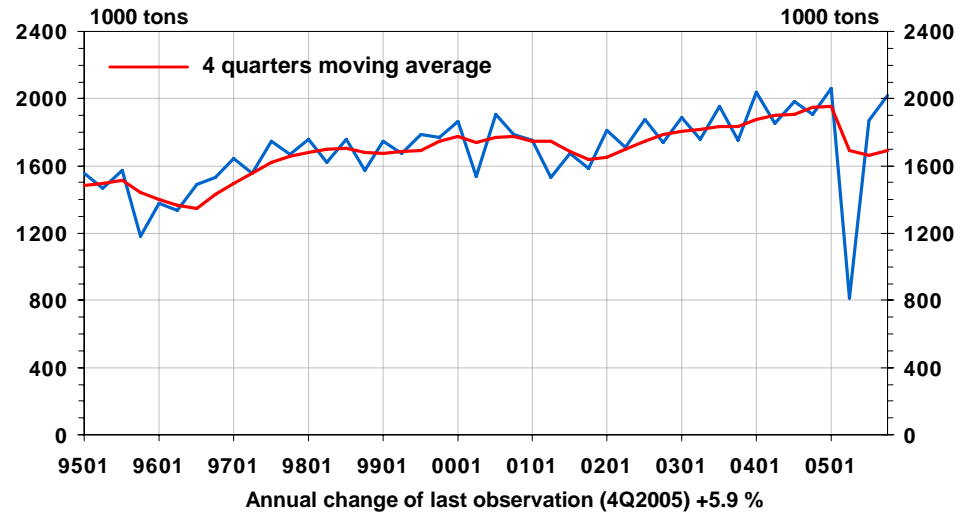
## Plywood Production in Finland quarterly



SOURCE: Finnish Forest Industries Federation



## Pulp Production in Finland quarterly

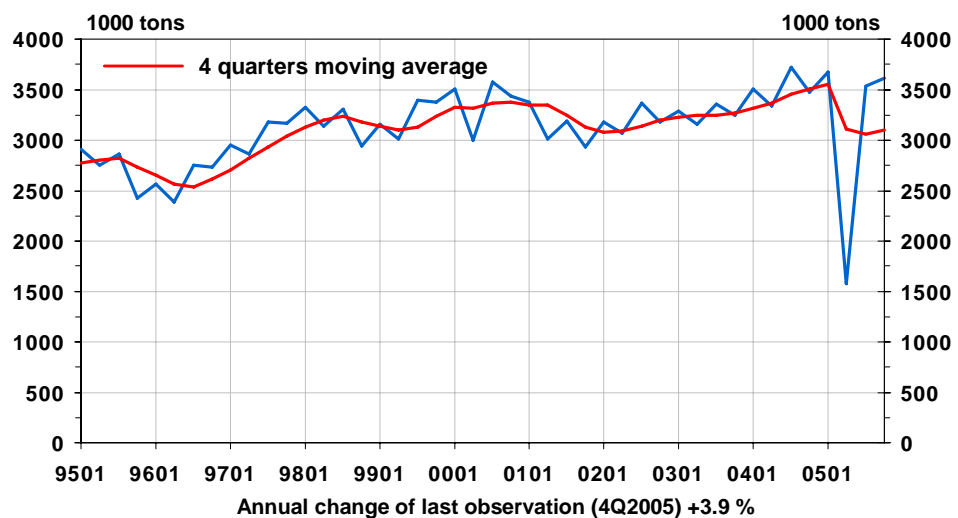


Finnish Forest Industries Federation

SOURCE: Finnish Forest Industries Federation



## Paper and Board Production in Finland quarterly



Finnish Forest Industries Federation

SOURCE: Finnish Forest Industries Federation

## FOREST INDUSTRY PRODUCTION IN FINLAND IN 2005

	unit 1000	2005 4 <sup>th</sup> Q	change % 05/04	2005	change % 05/04
Sawn wood (coniferous) <sup>1)</sup>	m <sup>3</sup>	3350	-4,8	12190	-9,5
Plywood <sup>1)</sup>	m <sup>3</sup>	345	-1,4	1305	-3,3
Pulp	tons	2021	5,9	6773	-13,0
sulphate, of which	tons	2021	5,9	6773	-13,0
softwood bld.	tons	1035	6,9	3467	-12,4
hardwood bld.	tons	843	8,6	2780	-11,8
Other pulps (incl. mechanical pulp and semi-chemical pulp)	tons	1287	9,2	4361	-9,7
<b>PULP TOTAL</b>	tons	3307	7,2	11134	-11,7
Paper	tons	2893	4,4	9842	-12,0
printing and writing	tons	2603	4,5	8816	-12,0
mechanical	tons	1770	4,4	6090	-11,0
woodfree	tons	833	4,6	2727	-14,3
other paper	tons	290	3,4	1026	-11,1
Paperboard	tons	717	2,2	2549	-10,8
<b>PAPER AND PAPERBOARD TOTAL</b>	tons	3610	3,9	12391	-11,7
 <sup>1)</sup> Estimate					

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