

AssiDomän buys sack factory in Norway

AssiDomän has today concluded an agreement with the Norwegian company M. Peterson & Son A.S. on the purchase of the sack company Norsekk, the market leader in paper sacks in Norway. AssiDomän is Europe's leading manufacturer of sack paper and paper sacks, with its own factories in Belgium, Italy, France, the UK, Sweden and Germany.

Norsekk has an annual production of more than 50 million sacks and six million compost bags and a turnover of NOK 170 million. The number of employees is approximately 100.

The company has been an independent unit within the Peterson Group since 1994.

"This is a well-run and profitable company. The acquisition will strengthen our position in Scandinavia and raise integration potential for our paper mills," explains AssiDomän's President and CEO, Lennart Ahlgren. "We also see synergy gains with our Pacsac unit in Skoghall. The main focus of Scandinavian activities will be on Norsekk, but operations will also be conducted in Skoghall for the time being."

For the Peterson Group, Norway's largest packaging group, the sale represents part of the continued streamlining of operations.

"In today's competitive climate all players must focus on their core businesses, on what they do best. We no longer manufacture sack paper in the Peterson Group. This means sack manufacture is no longer a core business. Norsekk will have far better development opportunities in the AssiDomän Group," says the Peterson Group's CEO, Erik Mollat.

AssiDomän AB
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For further information, please contact Bo Alerfeldt, head of AssiDomän's sack operations, tel +46 54 51 57 11.

AssiDomän is one of Europe's leading forest products companies.

Production is concentrated on packaging paper, packaging and sawn timber products. AssiDomän is also one of the world's largest forest owners. 1995 sales totalled nearly SEK 22 billion. The Group has approximately 13,500 employees and 360,000 shareholders.

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