

AssiDomän buys Slovakia's leading corrugated packaging company

AssiDomän has today signed an agreement with a number of major shareholders to purchase a controlling majority of the shares in the Slovakian paper and corrugated packaging company JCP Sturovo. AssiDomän has also made a public offer for the remaining outstanding shares, intending at very soon exceeding a 90% share.

JCP Sturovo, which is situated on the shores of the Danube near the Hungarian border, is a profitable company with strong market positions. It has an annual turnover of about three billion Slovak korunas (about SEK 700 million). The company manufactures SC-fluting (the middle layer in corrugated board), corrugated board, cartonboard and asphalt-impregnated paper products. The number of employees is 2,500.

The fluting mill has an annual capacity of 180,000 tonnes. Three-quarters of the output is sold externally, to the Czech Republic, Germany, Italy, Spain and Turkey, among other countries.

The corrugated packaging plant manufactures about 70 million m² per year, making JCP Sturovo the largest corrugated producer in Slovakia. About 70% of the corrugated board is sold in Slovakia, the rest mainly to Hungary, the Czech Republic, Poland and Ukraine.

The output of asphalt-impregnated products amounts to 50 million m² per year. JCP Sturovo is the largest manufacturer in Europe, where total consumption is estimated at 800–900 million m² per annum.

The cartonboard mill consists of two machines with annual capacities of 40,000 and 55,000 tonnes, respectively. Certain quantities are converted internally.

“JCP Sturovo gives AssiDomän very interesting opportunities for development on the rapidly growing corrugated packaging markets in central and eastern Europe. The company also fits in very well with our other investments in the region,” says Lennart Ahlgren, President and CEO of AssiDomän.

“By acquiring the majority shareholding in JCP Sturovo, we have further improved our capability to serve pan-European customers. I also see several other integration possibilities for our Group. Furthermore I am looking forward to fruitful cooperation

with JCP Sturovo employees and other interested parties, " says Ulf Kilander, President of AssiDomän Packaging.

AssiDomän Packaging, which is AssiDomän's corrugated packaging operation, currently has production plants in ten European countries. Production at the new corrugated packaging plant in Russia (St. Petersburg) will get under way during 1997, and the new plant in the Czech Republic is expected to be finished during 1998.

AssiDomän is one of Europe's leading forest products companies. Production is concentrated to packaging paper and packaging, as well as sawn timber. AssiDomän is also one of the world's largest forest owners. The Group, which reported a turnover of nearly SEK 22 billion in 1995, has about 13,500 employees and 340,000 shareholders.

AssiDomän AB
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