

Press release

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Veracruz Celulose changes its name into Veracel

Veracruz Celulose S.A., a joint-venture between the Swedish forest-products group STORA and the Brazilian group Odebrecht, has changed its name into *Veracel Celulose S.A.* The reason for the change is the fact that Veracruz is a historic name – one of the first names given to the new country (today Brazil) by the Portuguese after the discovery in 1500 – and, consequently, cannot be registered in Brazil as a brand name of products manufactured by the company. Veracruz is also frequently used in Brazil by many other companies in various sectors of activities.

The decision to adopt the name Veracel is a commitment to the origins of the company and also means that the new name can be used as a brand name. Veracel will, however, maintain the name *Estação Vera Cruz* meaning the company's environmental research center located in the major rain forest reserve of the region, which is preserved in the company's area.

Veracel is investing more than USD 1.5 billion in a pulp plant located near the city of Eunápolis, in the Brazilian state of Bahia. The plant will have a capacity of 750,000 tonnes and production will start in 2001. During the construction period, this investment will create more than 5,000 jobs in the region.

Planning of the new plant is in progress and construction is expected to start by mid-1999.

For additional information, please contact:

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