

## **Final agreement on Royal Star - Sweden's largest company in the timber industry created**

**Sweden's largest company in the timber industry, Royal Star is created. This is confirmed today through the signing of the final merger agreement by the owners of Mindab and AssiDomän Timber.**

**Stig Nordin is proposed as Chairman of the Board of Directors and Anders Nilsson will be appointed CEO of the new group.**

Sveaskog, LRF and Skogsägarna Mellanskog have today signed the final merger agreement concerning the merger announced 2 June 2003 between Mindab (Mellanskog Industri AB) and AssiDomän Timber. An application will now be made to the competition authorities for approval of the merger.

Stig Nordin is proposed as Chairman of the Board of Directors. He has previously held positions as CEO in Korsnäs, Kinnevik and in Invik & Co AB. Proposed as members of the Board of Directors are Thomas Björklund, Reinhold Lennebo, Lars Sköld, Tommy Nilsson och Anna-Stina Nordmark-Nilsson. Former CEO Anders Nilsson in AssiDomän Timber will be appointed CEO and Kent Torwald deputy CEO.

It is expected that the merger will be completed in August/September, providing that official permission is granted. The intention is to at the same time present the definite name of the new company. Mindab will hold an Extraordinary General Meeting 29 August for decision on their share issue. The merger will be registered as per 1 July 2003.

### **Royal Star**

As Sweden's largest and Europe's fourth largest company in the timber industry, Royal Star will be a significant player on the European market. Through its capacity the company expects to be an attractive partner and supplier for Europe's leading companies in the building materials sector.

The aim of the new company is to be a market leader for appearance timber in selected quality segments for customers in Europe and Japan. The emphasis will be on high quality pine products. The company will also aim to be the leading distributor of processed and sawn timber products to the Scandinavian building materials sector.

Following the merger, ownership of the new company will be as follows: LRF (25%), Skogsägarna Mellanskog (21%), Sveaskog (50%) and other shareholders (4%). The intention of the founders is to maintain a long-term commitment to the new company, but they are prepared to consider a broadened ownership in the future.

For further information about the companies and the merger reference is made to the companies' websites, respectively.

[www.sveaskog.se](http://www.sveaskog.se), [www.lrf.se](http://www.lrf.se), [www.mellanskog.se](http://www.mellanskog.se)

4 July 2003

### **LRF**

### **Skogsägarna Mellanskog**

### **Sveaskog**

For further information, please contact:

Thomas Björklund, chairman of Skogsägarna Mellanskog

Bo Dockered, chairman of Sveaskog

Thomas Johansson, deputy chairman of LRF

Phone +46 70-374 27 44

Phone. +46 70-674 01 19

Phone +46 70-572 23 74