

## **Setra Group makes major investment in Heby sawmill**

**The Board of Setra Group AB has decided to invest SEK 72 million in Heby sawmill. The investment will boost productivity substantially while quality will be further improved.**

“Heby sawmill is a modern facility that lies at the forefront of the sawmill industry,” says Setra Group’s CEO Anders Nilsson. “We are now investing even more in order to ensure the facility’s position as one of Sweden’s leading whitewood sawmills.”.

The Board’s decision to make this investment marks an important step in the restructuring of Setra Group’s sawmill operations. The investment will further strengthen Setra Group’s position as the leading player in the Swedish wood products industry.

Heby sawmill is part of Setra Group’s Bergslagen Whitewood production area together with Hasselfors sawmill. This investment will strengthen whitewood processing in central Sweden over the long term and raise the positive significance of the Heby sawmill for forestry in the region.

The investment includes:

- Extended raw material sorting
- Increased drying capacity
- New automatic sorting in the trimmer
- A new packaging line

At present some of Heby’s drying and trimming is carried out at Setra’s facility in Långshyttan. As a result of this investment, production will be concentrated to the Heby sawmill. The investment is expected to reduce the employee requirement in Heby and Långshyttan by approximately 15 full-time equivalents.

The work will start immediately and is expected to be completed by autumn 2005.

For additional information, please contact President Anders Nilsson, +46 70-574 19 17.

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Setra Group AB (publ) is Sweden’s largest wood products company with annual sales totalling approximately SEK 5,500 million and some 1,450 employees. The Group is divided into two business areas: Setra Sawn Products and Setra Wood Products.

Setra Sawn Products comprises 12 sawmills with an annual production of approximately 2.3 million cubic metres. External sales amount to approximately SEK 4,100 million. About 35% of annual volume is sold in the Swedish market. Exports are primarily to the UK, Denmark, Germany, Spain, France, Norway, Italy and Japan. Setra Wood Products comprises five production units and eight distribution units. Annual sales total approximately SEK 1,400 million.