

Joint Press Release, August 23, 1999
MoDo and SCA

Organisation confirmed for the new Modo Paper

The organisation for the new Modo Paper – the company for fine papers owned equally by MoDo and SCA – has now been confirmed.

As previously announced, the President of Modo Paper will be Jan Åström, who is currently president of SCA Fine Paper.

Modo Paper will be organised in six Group Staffs and four business areas. The organisation will take effect from 1 October 1999, when the new Modo Paper starts operations.

The Group Staffs will be as follows:

- **Finance.** Vice President: **Thomas Wulkan**, at present chief financial officer of SCA Fine Paper.
- **Technology.** Vice President: **Sven Wird**, at present divisional manager of MoDo Paper Husum. Group Staff Technology includes Research & Development, based in Örnsköldsvik and Stockstadt.
- **Strategic Purchasing.** Vice President: **Bruno Martsch**, at present head of strategic purchasing at SCA Fine Paper.
- **Human Resources.** Vice President: **Karin Eliasson**. Her previous position was as Vice President at Stora Enso, Corporate Human Resources, in Stockholm. Previously she has also had leading positions within Human Resources e.g. within the Celsius Group.
- **Legal Affairs.**
- **Communications/Investor Relations.**

The vice presidents of Legal Affairs and Communications/Investor Relations will be appointed at a later date.

All Group Staff vice presidents will be based at the head office in Stockholm.

The following business areas will be created:

- * **Commercial Print.** This business area comprises coated and uncoated sheets and reels for the printing industry. Its vice president will be **Wolfram D. Kutter**, at present marketing director for Commercial Print at SCA Fine Paper. Location: Raubling, Germany.
- * **Office Paper.** This business area comprises office paper and form paper, together with Modo Paper Distribution. Modo Paper Distribution will be located in the Örnsköldsvik area. The vice president of the business area, based in Stockholm, will be appointed in the near future.
- * **Pulp and Packaging.** This business area comprises market pulp, packaging paper, pulp purchasing and the lignin company CWZ, with manufacturing units in Stockstadt and Mannheim. Its vice president will be **Jan Jakobsson**, at present vice president sales and marketing at MoDo Paper. Location: the Örnsköldsvik area.
- * **Merchants.** This business area comprises the merchandising operations of MoDo and SCA. Its vice president will be **Josef Wanzenböck**, at present head of SCA Paper Trade. The assistant manager will be **Ulf Scharin**, at present head of MoDo Merchants. Location: Stockholm.

Modo Paper has seven mills. They will be headed by the following mill managing directors:

Husum: Sven Wird (he will retain this position until a successor is appointed).

Wifsta: Jonas Lilja.

Silverdalen: A successor to Hans Karlsson, who is retiring on 30 September 1999, will be appointed in the autumn.

Stockstadt: Wolfgang Czirnich.

Hallein: Robert Hock.

Alizay: Jean-Luc Sarter.

PSM: Guillaume de Vogüe.

The Group will be the third largest manufacturer of fine papers in Europe. Modo Paper's ambition is to secure market-leading positions in the growth areas office paper and graphical paper.

Modo Paper intends to be listed on the stock exchange within a period of two years. The Group will have a turnover of approximately SEK 19 billion, a book shareholders' equity of about SEK 8 billion and some 6,000 employees. Its production capacity will amount to about 1.7 million tonnes of fine paper and deliveries by its merchanting operations will be about 1.1 million tonnes per year.

Further information can be obtained from Jan Åström (tel: +46 493 61708).