

1.3.2018

The Board of Directors of Kotkamills Group Oyj has decided to make a pre-feasibility study for a paper machine investment to increase the production of Saturating Base Kraft (Laminating Papers)

In order to prepare Kotkamills Absorbex Oy, a subsidiary of Kotkamills Oy and the leading global supplier of Laminating Papers, to meet the increasing demand, as well as to replace the discontinuing production volume of Paper Machine 7 in Tainionkoski, Imatra (Stock Exchange release on the 3rd of July 2017), Kotkamills Oy has started the pre-feasibility study of a new Paper Machine 3 (PM 3) in Kotka. The final decision of this possible investment will be done by the end of year 2018. The capacity, cost estimation and start-up timing of the the PM 3 will be published later on subject to the positive investment decision.

After the possible start-up of the PM 3, Kotkamills Oy is maximizing the integration advantages of the Kotka site. In addition to the efficient investment cost of PM 3 to the already available infrastructure, the energy and fixed costs per produced volumes of the whole integrated site would be lower than today. The possible investment would have a positive impact on the profitability of Kotkamills Group.

In addition to the possible PM 3, Kotkamills Absorbex Oy will subcontract certain Laminating Paper grades from one or more European paper companies. First Laminating Paper trial reels from an external producer have already been delivered to a customer of Kotkamills Absorbex Oy.

For additional information, please contact:
CEO Markku Hämäläinen
tel. +358 40 721 0548, markku.hamalainen@kotkamills.com

Kotkamills is a responsible partner that delivers renewable products and performance to its customers' processes via product innovations created from wood, a renewable raw material. One of the key brands of the company is Absorbex®, an innovative laminating paper product for the laminate, plywood and construction industries. Moreover, Kotkamills offers ecological, technically sound and visually attractive wood products for demanding joinery and construction. In summer 2016, Kotkamills started up a new board machine producing AEGLE™ Folding Boxboard and ISLA™ Food Service Boards, including the capability to add barriers on-machine. All Consumer Board material solutions are fully recyclable and repulpable.

Kotkamills has two production sites in Finland, located in Kotka and Imatra. The majority shareholder of Kotkamills is MB Funds, a Finnish private equity firm. The company has approximately 500 employees. The turnover of Kotkamills Group Oyj was 219 million euros in 2016.