

SWEDSPAN STARTS BUILDING A NEW FACTORY IN PODLASIE – GROUP CELEBRATES ANOTHER INVESTMENT IN POLAND

Bielsk Podlaski/Orla, Poland, July 23rd – Swedspan Polska today celebrates the start of the construction works for the new ultra thin High Density Fibreboard (UT-HDF) production site. About 70 guests from Polish and Belarus national and local authorities as well as representatives from IKEA, Swedwood joined Swedspan for the official construction site opening in Orla. The amount of the entire investment is around 140 million Euros.

Swedspan's investment is the biggest industrial investment in Poland this year and will lead to the creation of several new jobs in the Orla region. "The production site is the beginning of a long-term investment into the region. According to our plans we will create approximately 180 new jobs within the next year and another 70 by 2012," said Bruno Winborg, Chairman of the Board of Directors of Swedspan: "This project will be good for all of us, IKEA, Swedspan and the entire region!"

The new UT-HDF production site will produce light-weight boards in the thickness of 1.2 to 3.0 millimetres for IKEA's furniture suppliers. "We are looking forward to the collaboration between IKEA's Polish furniture suppliers and the new Swedspan Polska plant. Light-weight boards will contribute significantly to the growth of the light-weight furniture product segment", said Christian Gunther Schwarz, CEO of the Swedspan Group. And Bruno Winborg added: "I'm proud that the Swedspan group, which was founded just two years ago, is well under way of becoming an important supplier for IKEA's furniture industry network."

First board will be produced in less than a year

Swedspan received the building permission for the UT-HDF plant on June, 22nd and started immediately with the construction work. The production of the first boards is scheduled for May 2011. As a second expansion stage Swedspan is considering to invest into a saw mill and a surfacing operation on the same site, but no date has been fixed for these investments.

The new state-of-the-art production site will fully comply with IKEA's demand for a sustainable and eco-efficient production. Related to this Swedspan will install a co-generation power plant which will supply the needed heat for the boards production and green electrical energy for the plant the public grid. The power plant is completely fuelled with biomass, which consists mainly of the wood residues of the production process.

Apart from the power plant already nearly 95 % of the machinery equipment has been ordered already, including press, forming line and the front end system as well as an automated warehouse system and state-of-the-art filter technology for dryers and the power plant itself. The front end system will be delivered by autumn this year. The system will supply high quality fibres while ensuring lowest production costs and minimal impact on the environment at the same time.

"I'm confident that we will meet our schedule and start the production of the first board right on time in May 2011", said Laimonas Rackauskas, Managing Director of Swedspan Polska, who also expressed his thanks to the local and Polish authorities for the excellent support of the investment. Laimonas Rackauskas is also looking forward to further intensify the cooperation with local companies, which have already been involved in some of the construction activities: "We are confident that our plant will contribute to the development and activation of this area in Eastern Poland. We will co-operate with local micro-enterprises not only in terms of transport, earthworks or technical services, but also for maintenance, catering, hotel services, etc.", he added.

About Swedspan Group

Swedspan was founded in 2008 as a spin-off of Swedwood – Swedspan and its sister company Swedwood are now part of the industry activities of the INKGA holding, which is also the parent company of the IKEA Group. The decision to create an in-house wood based panels producer is based on the expectation that the demand for wood based panels by IKEA's flat line furniture suppliers will increase rather steeply.

Swedspan's aim is to support the long-term growth of IKEA's flat line furniture business. With a focus on lightweight, environment-friendly particle boards and HDF, the company ramps up important wood based panels capacities. With its research and development activities Swedspan strives to set new standards in lightweight and low emission board technology.

Swedspan also strives for production and distribution processes that are designed to be ecologically friendly. With respect to low-emissions Swedspan pursues the goal of solely producing and supplying particle boards of low emission quality. Swedspan also aims to optimise the panels' surface quality to enable the use of state-of-the-art printing and foiling technology.

In 2010, after approximately two years of operations, the Swedspan Group comprises the support and co-ordination unit Swedspan International, and the local entities Swedspan Giriu Bizonas in Lithuania, Swedspan Slovakia, Swedspan, France, Swedspan Sweden, and the Tech Centre in Hultsfred/Sweden as well as Swedspan Polska.

More information on: <http://www.swedspan.pl/site/pl/web/3/-/SWS-PL.html>

Additional comments give:

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