

EMBARGO UNTIL MONDAY 30 September, 14:15 a.m. CET

Media release

Brussels, 30 September 2013

Sappi Fine Paper Europe begins consultations regarding the future of its Nijmegen mill in the Netherlands. Action required in response to market conditions and sustained increase in input costs

As a result of the continued market decline and consequent overcapacity in the European coated paper markets, combined with high raw material costs not compensated for by higher selling prices, Sappi has generated a loss in its European activities.

To return its European operations to profitability, Sappi has undertaken a review of its European production assets and has identified the need to concentrate its production at fewer sites. Exhaustive analysis has indicated that the preferred option would be to relocate the entire production of Nijmegen mill to other Sappi mills in Europe. The aim of this action would be to optimise Sappi's entire Heat Set Web Offset (HSWO) business.

In order to identify possible alternatives for the future of the Nijmegen mill, Sappi Fine Paper Europe (SFPE) has today initiated a process of consultations with its Nijmegen mill employee representatives and social partners as well as the works council.

Should the relocation go ahead, SFPE capacity for WFC reels would reduce by 240,000 tons.

The mill currently employs 192 people.

END

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