

### **Metso's Tissue Technology Award for energy-saving innovations**

A Tissue Technology Award has been established by Metso to promote university students' and scientists' work on energy efficient innovations applicable to the tissue making industry. A prize amount of totally 25,000 USD will be awarded for the best innovations.

The Tissue Technology Award will be given every second year and the first winners will be announced at the Tissue World conference in Nice, France, in 2013.

A sovereign jury will appoint the winners according to a specific selection process. The jury is formed by representatives from Karlstad University, Sweden, the Energy Square organization and Metso's Tissue business line.

"Energy efficiency is a crucial issue for the tissue industry globally and it takes a wide perspective and open minds to explore new areas for innovation," says Marco Marcheggiani, President, Tissue business line, Metso. "Being the clear market and technology leader in tissue Metso wants to stimulate innovative work also outside our own organization by this award."

### **Södra increases its profits**

Södra's operating profit for the first quarter of 2011 was SEK 378 million (SEK 371 million in the same period last year). Net sales increased to SEK 4,912 million (4,575). Return on capital employed was 15 percent, which is the same as the first quarter of 2010.

The pulp market continued to grow steadily in the first quarter of 2011. The price of bleached softwood sulphate pulp continued to increase and at the end of the period, as of April 1st, the price was USD 1,010 per tonne. However, the weakening dollar neutralised the price increase in terms of Swedish krona.

Production from Södra's five pulp mills amounted to 522,000 tonnes, compared with 506,000 tonnes in the same period last year. A pulp line at Södra Cell Mörrum is being converted to produce dissolving pulp for the textile industry. Production is expected to start at the end of the year.

In the first quarter of this year, the saw mill in Traryd was converted from pine production and now only handles hardwood.

The price of softwood pulp was raised by SEK 35 to SEK 350 per cubic metre sub (solid under bark)

on January 1st. At the end of the period, the price of hardwood pulp was also increased. As of April 11th, the price of sorted birch pulp will also be SEK 350/m<sup>3</sup>sub.

The market for sawn timber products was influenced by a relatively strong Swedish krona and higher raw material prices, which made the saw mills less competitive. In Germany, prices for sawn timber products rose during the winter, but they remained suppressed elsewhere in Europe, not least in the UK and Sweden. After a turbulent period in North Africa and the Middle East, deliveries are now taking place as normal in these areas, with the exception of Libya. Södra produced 391,000 cubic metres of sawn timber products in the period, compared with 396,000 cubic metres in the same period last year.

After the closure of Södra Timber Ätvidaberg saw mill, the company is building a new saw mill with an annual capacity of 750,000 cubic metres at Södra's facility in Värö. The mill should be ready in October 2011. The saw mill will use no fossil-based energy in normal operation.

### **Salteks & Salvin Invests in New Spunlace Facility**

Salteks & Salvin is investing in a new facility for cotton fibre preparation and processing for its spunlace hygienic and medical nonwovens in Corlu, Turkey.

The company will use a proprietary technology for the processing of cotton fibre for spunlace production, to provide benefits of lower raw material cost, improved fibre properties and more environmentally-friendly processing than conventional fibre systems. The lines will be built in the Salvin plant in Corlu, with a total area of 50,000 sqm, adding 300 tons per month in capacity.

The total project is scheduled to cost €8 million, with the first stage of installing the cotton fibre preparation system and processing the fibre with the company's existing spunlace line is scheduled for May 2011. The second stage, processing the cotton fibre with a new spunlace line, is due to start in the first quarter of 2012.