



Forest Industry Production

Production in Finland in January-March 2003

The threat of war and then the war in Iraq further weakened the development of the world economy, keeping demand for forest products slack. Consequently plenty of capacity remained unused in the forest industry both in Finland and in several other producer countries during the first quarter of 2003.

In the paper industry the market situation remained fairly difficult. In Finland the operating rate of the capacity in the paper industry averaged 88% in January-March (87% the year before). The situation varied from one grade to another. Operating rate was higher and the market situation was better for paperboard than for other grades. Paperboard production rose by nearly 6% while paper production on average increased less, by 3% compared with the year before.

Production of newsprint and uncoated printing papers fell compared with the year before while

production of other grades rose. All in all paper and paperboard production in the first quarter totalled nearly 3.3 million tons, up 3.5% compared with the year before, mainly as a result of increased capacity.

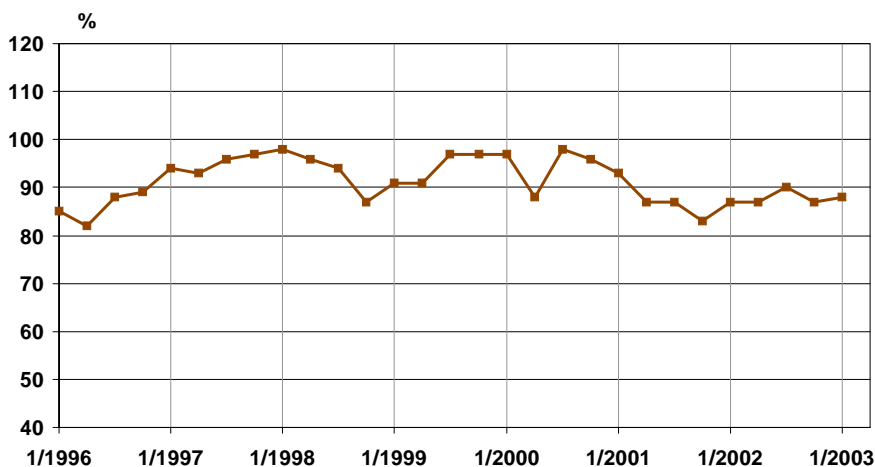
Chemical pulp production totalled 1.9 million tons, up about 4% compared with the year before. On the other hand, mechanical pulp production fell by 1%.

Sawn softwood production in the first quarter totalled 3.4 million cubic metres, up 2% compared with the year before.

In the first quarter, plywood production was 340,000 cubic metres, as much as 18% higher than year before.

In January-March, the forest industry production as a whole in Finland rose by 1.3% compared with the year before.

Quarterly Operating Rate of Paper Industry in Finland, %



14.4.2003
Knowledge Management/V Leppänen

Finnish Forest Industries Federation

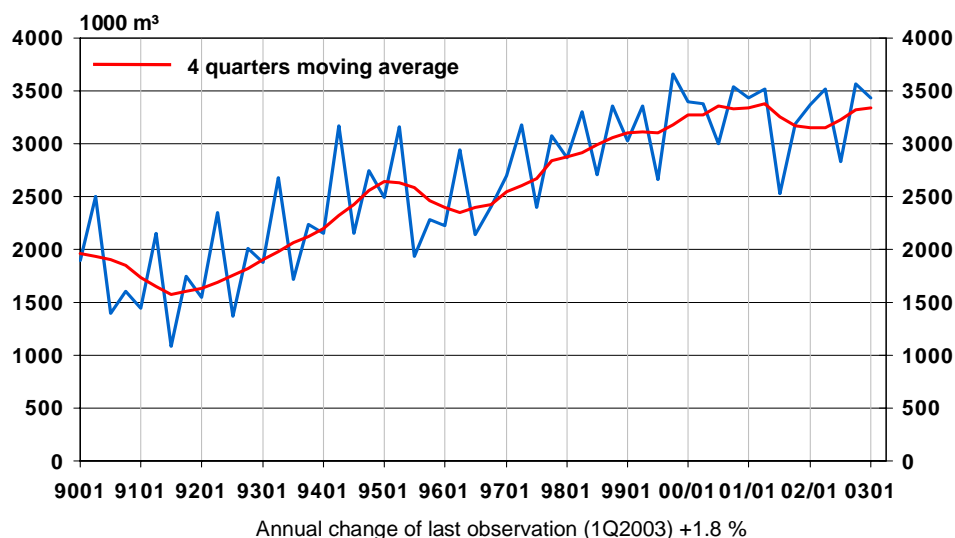
SOURCE: Finnish Forest Industries Federation
CYCLE CHARTS K39

FOREST INDUSTRY PRODUCTION IN FINLAND
January-March 2001, 2002 ja 2003

	Unit	2001	2002	2003	change-% 03/02
	1000				
Coniferous sawnwood ¹⁾	m ³	3430	3370	3430	2,0
Plywood ¹⁾	m ³	305	290	340	18,0
Chemical pulp	tons	1752	1812	1887	4,1
sulphate, of which	tons	1752	1812	1887	4,1
softwood bl.	tons	858	886	950	7,3
hardwood bl.	tons	715	751	758	0,9
Other pulps (incl. mechanical pulp and semi-chemical pulp)	tons	1249	1150	1137	-1,1
PULP TOTAL	tons	3001	2962	3024	2,1
Paper	tons	2690	2498	2570	2,9
newsprint	tons	362	247	233	-5,4
other pr. and wr. paper	tons	2062	1985	2052	3,4
mechanical p&w	tons	1381	1321	1361	3,1
woodfree p&w	tons	680	665	690	3,9
kraftpaper	tons	138	132	141	6,8
other paper	tons	128	134	144	7,4
Paperboard	tons	684	679	719	5,9
PAPER AND PAPERBOARD TOTAL	tons	3374	3177	3290	3,5

1) Estimate

Sawn softwood production in Finland quarterly



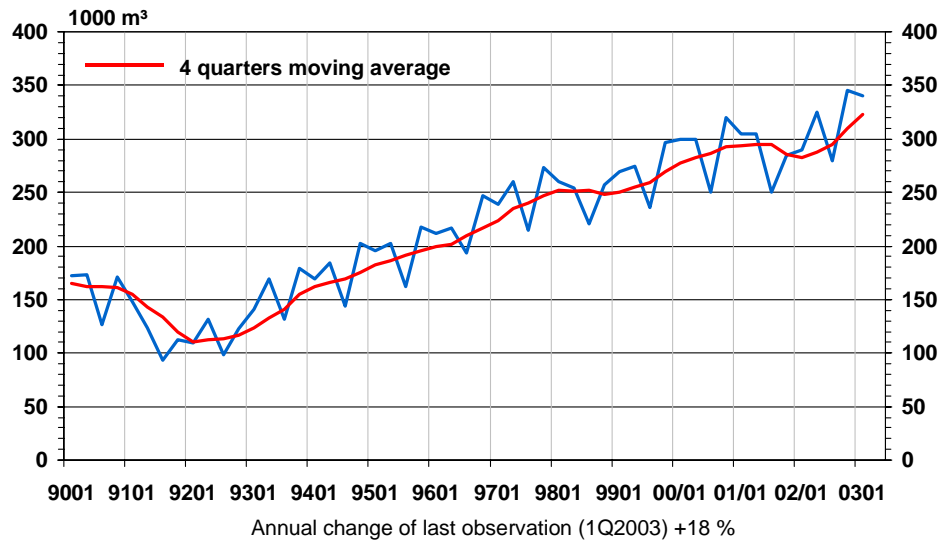
15.4.2003
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SOURCE: Finnish Forest Industries Federation
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Plywood production in Finland quarterly



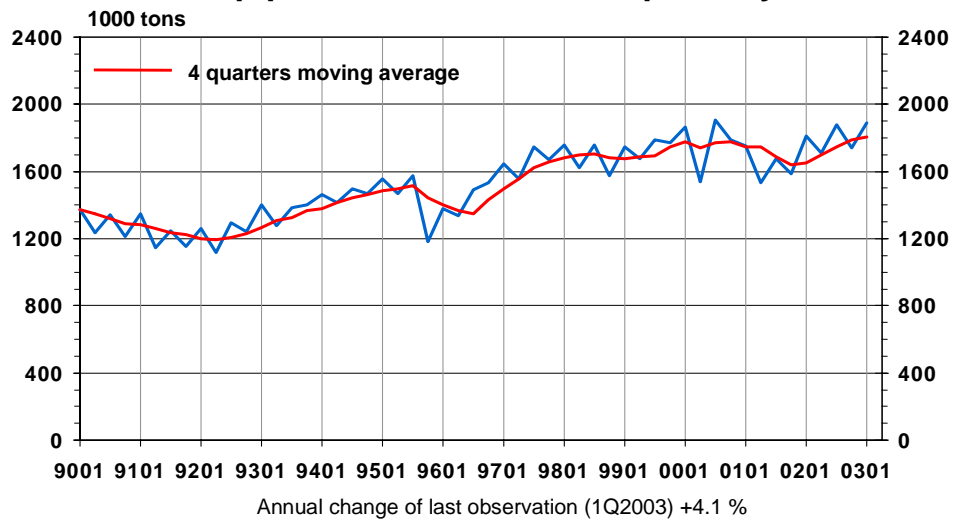
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Wood Products Unit/P Lehtinen

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SOURCE: Finnish Forest Industries Federation
CYCLE CHARTS K25



Pulp production in Finland quarterly



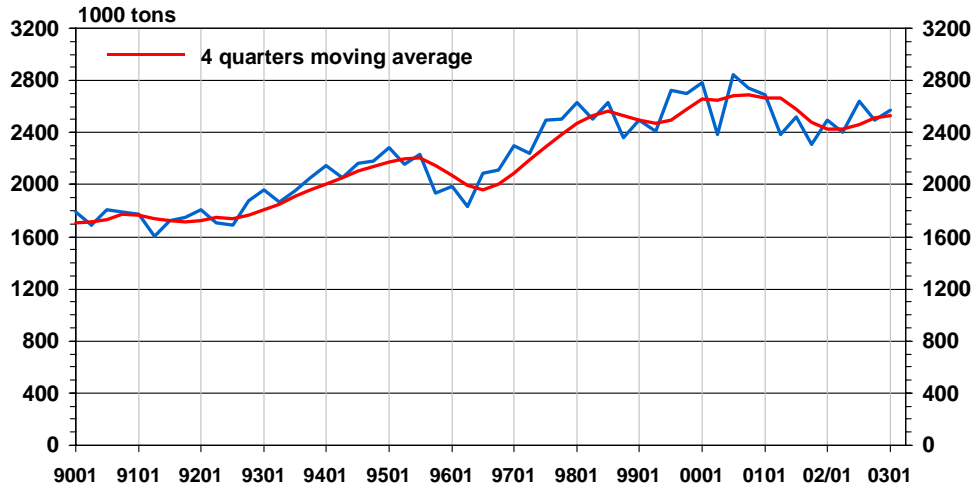
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Knowledge Management/T Tajakka

Finnish Forest Industries Federation

SOURCE: Finnish Forest Industries Federation
CYCLE CHARTS K26



Paper production in Finland quarterly



Annual change of last observation (1Q2003) +2.9 %

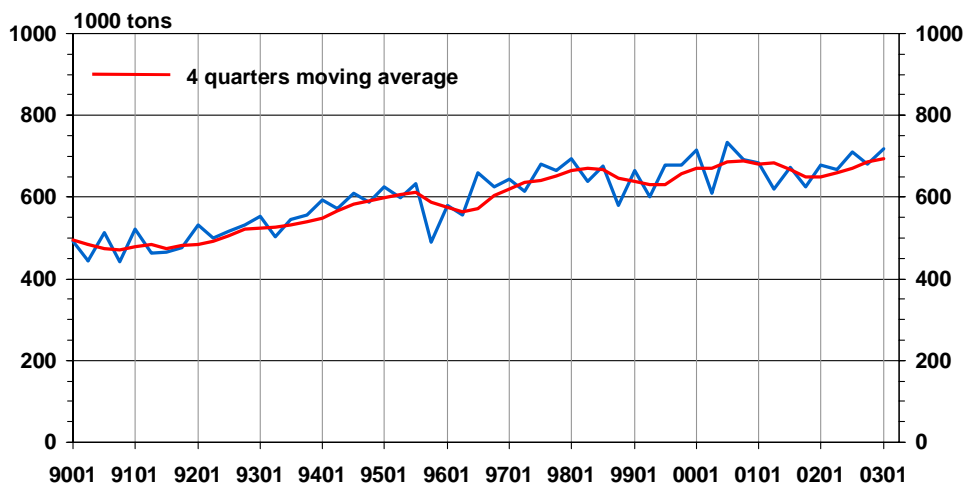
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Knowledge Management/V Leppänen

Finnish Forest Industries Federation

SOURCE: Finnish Forest Industries Federation
CYCLE CHARTS K28



Paperboard production in Finland quarterly



Annual change of last observation (1Q2003) +5.9 %

20.1.2003
Knowledge Management/V Leppänen

Finnish Forest Industries Federation

SOURCE: Finnish Forest Industries Federation
CYCLE CHARTS K29

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