

IILIM TIMBER: Logistics in woodworking industry

June 23, 2011, Rostock



ILIM TIMBER: HISTORY

1992 — establishment of **Ilim Pulp** resulting in consolidation of Russian assets in pulp and paper production, timber harvesting, woodworking and packaging.

After 15 years of continuous development the company grew into Russia's largest vertically integrated forest industry holding company with annual sales over 1,5 billion US dollars.

2007 — establishment of **Ilim Timber** woodworking holding on the basis of **Ilim Pulp** woodworking holdings. The holding comprises timber, plywood and panel production facilities in Eastern Siberia and North-West of Russia.

2010 — Acquisition of two of the largest woodworking facilities in Germany from Klausner Group makes **Ilim Timber** one of top 10 private owned woodworking companies on the global level.

2010 — **Ilim Timber** opens an office in Shanghai and becomes Russia's major timber exporter to China.

2011 — **Ilim Timber** acquires Tolleson Lumber (USA).

- The company's production facilities are located in Russia, Germany and USA. The company has offices in European countries and China.
- Our company's products are sold in the domestic market, Europe, Middle East and North Africa, Asia and China.
- The total annual production output amounts to 3,9 million m³ of sawn timber and 150 000 m³ of plywood.
- The company was established in 2007 on the basis of woodworking assets of Ilim Pulp corporation. In 2010 it bought from Klausner group two sawmills in Germany, in 2011 acquired Tolleson Lumber (USA).
- The total headcount of the company is about 3000 people. The head office is located in St. Petersburg (Russia).

ILIM TIMBER ASSETS: RUSSIA

Eastern Siberia:

- **Ust-Ilimsk Sawmill**
- **Ilim Bratsk Sawmill**
- **Ilim Bratsk Plywood Mill**

North-West of Russia:

- **IlimSeverDrev**

Combined production capacity:

- **1 mln.cbm of sawn goods**
- **150 thous.cbm of plywood**
- **45 mln.sq. m of fiberboard**



ILIM TIMBER ASSETS: GERMANY

➤ **Ilim Nordic Timber (Wismar)**

1200 thous.cbm of sawn goods

***Raw material:* softwood sawlog from**

Germany and Baltic region: pine, spruce

***Sales:* Europe, USA, MENA, China, Japan, Australia**

➤ **Ilim Timber Bavaria (Landsberg)**

800 thous.cbm of sawn goods

***Raw material:* softwood sawlog from Bavaria region: spruce**

***Sales:* German domestic market, European Union**



ILIM TIMBER ASSETS: USA

➤ Tolleson Lumber, Perry, Georgia

450 thous.cbm. of sawn goods

➤ Tolleson Lumber, Preston, Georgia

450 thous.cbm. of sawn goods

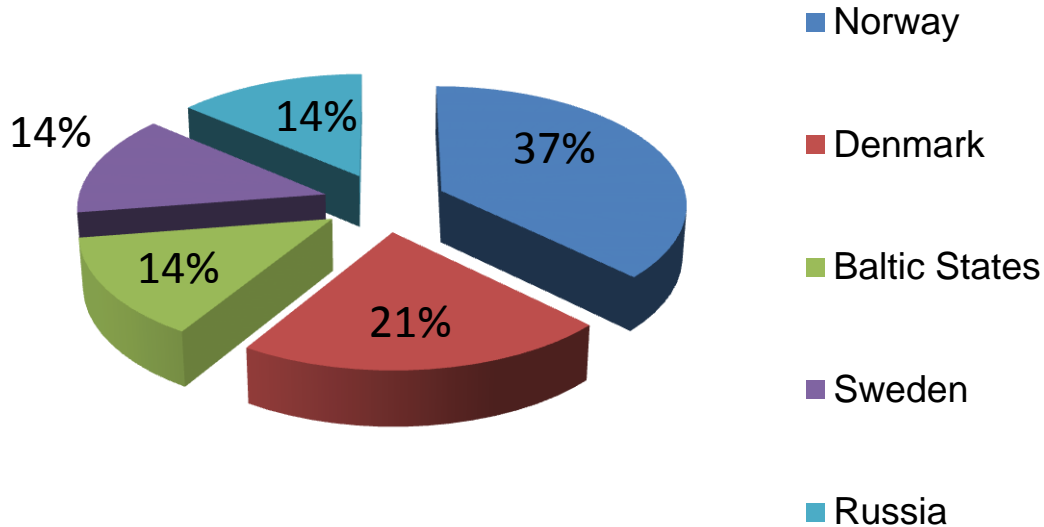
Raw material: southern yellow pine

Sales: USA domestic market, China, Japan



LOG SHIPMENT TO ILIM NORDIC TIMBER VIA WISMAR PORT

Log imports in 2010-2011



807 000 cbm of logs and 71 500 loose cbm of chips were handled via Wismar port in 2010-2011



BARGE NEAR WISMAR

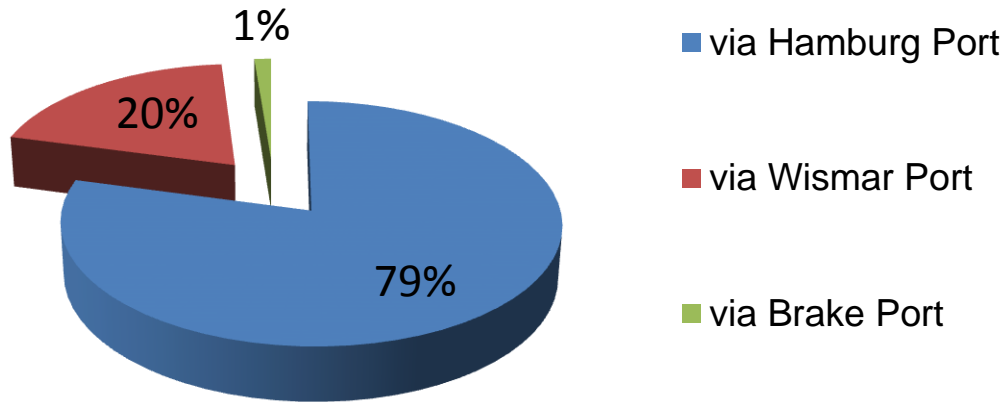


LOGS IN THE PORT OF WISMAR



SAWN GOODS EXPORT

Sawn goods shipment in 2010-2011, cbm.



**Ilim Nordic Timber
(Wismar)**



**180 000 cbm via Hamburg Port
47 000 cbm via Wismar Port
3 000 cbm via Brake Port**

**Ilim Timber Bavaria
(Landsberg)**



7 380 cbm via Hamburg Port



FEEDING THE CONTAINER



WOOD-CLUSTER WISMAR



- ⑦
- 1 INT
- 2 EnBW
- 3 Harbour Wismar
- 4 Egger
- 5 Hüttemann
- 6 German Pellets
- 7 Paletten-Service
- 8 Taflo