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## Vapo sets its sights on the growing market for activated carbon as well as lightweight and durable carbon fibre materials

**Vapo is actively pursuing peat-based business opportunities beyond traditional fuel production. The company is aiming to make a quick entry into the growing international market for technical carbons. The planned factory investment is valued at approximately EUR 50 million and it will have a significant employment effect.**

Technical carbons refer to products such as activated carbon, carbon fibre and carbon black. Activated carbon can be used in the purification of liquids and gases, carbon fibre can be used in various lightweight and durable structures, such as sports equipment, and carbon black is typically used as a pigment. The size of the global market for technical carbons is approximately EUR 40 billion per year, and the market has grown at an annual rate of about 10% in recent years. Vapo aims initially to enter the European market, which represents approximately 20% of the global market.

Vapo is planning an investment in a technical carbon production plant. The plant's potential locations are Haapavesi, Ilomantsi and Seinäjoki. The decision on building the first production plant will be made in 2017. Obtaining the necessary permits from the authorities will affect the investment schedule. Following a positive investment decision, the construction of the production plant will begin immediately.

The production plant will consist of a process unit and an energy production unit. The plant will produce tens of thousands of tonnes of technical carbons per year. The total value of the investment is approximately EUR 50 million. Once completed, the first technical carbon production unit will employ a total of some 200 people in refining operations and the raw material chain, in addition to having an employment effect of hundreds of man-years in the construction stage.

According to Mia Suominen, the Director in charge of Vapo's new business development, the technical carbon market is very promising due to the growing need for air and water purification solutions and technological development. "The majority of the world's technical carbon products are made from oil and coal. By utilising Finnish peat as a raw material we can introduce a high-quality alternative to the end users of technical carbons in the market," Suominen says.

According to Vapo Oy CEO **Tomi Yli-Kyyny**, the planned investment is the next step after the peat fibre business announced in spring 2016. The competitive advantages are based on Vapo's product development, domestic peat resources and the special attributes of peat. There are significant international markets for peat fibre and technical carbons.

### More information:

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