

Velsen, 15 November 2007 (before market opening)

- **CVG EXPECTS 2007 NET RESULT TO ROUGHLY EQUAL 2006 NET RESULT (OF EUR 2.2 MILLION)**
- **CLOSURE OF PRODUCTION CAPACITY BY EUROPEAN PAPER INDUSTRY CONTRIBUTES TO IMPROVING MARKET CONDITIONS**
- **POSITIVE EFFECTS FROM SELLING PRICE INCREASES DAMPENED BY CONTINUING RISES IN BLEACHED PULP COSTS**

Operating review

Results

Crown Van Gelder (CVG) expects the 2007 net result to be roughly in line with the 2006 net result of EUR 2.2 million and confirms the previous outlook issued in July. The continuing rises in pulp prices and the increase in energy costs could be offset by a higher sales volume and a further increase in selling prices. The sales volume outlook for 2007 is 216,000 ton, an increase of 3%.

Bleached pulp prices

Bleached pulp markets continue to be extremely tight and prices have continued their upward trend. Since July the market price of long fibre NBSK increased from USD 800 to USD 840 per ton. The market price of short fibre pulp increased from USD 700 to USD 750 per ton. The softening of the US dollar during the second half of 2007 has alleviated the price increases in euros.

The upward trend in bleached pulp prices is forecasted to continue in the coming months, due to low pulp inventories, a slower than expected introduction of new pulp production capacity in South-America, the imminent increase in wood export duties from Russia coupled with continued strong pulp demand, especially from China.

Market developments

The closure of loss-making and excess production capacity by the European paper industry will contribute to a more balanced supply and demand situation. CVG has been able to take advantage of the improving market conditions by a full utilisation of its production facilities, a higher market share and a year-on-year increase in selling prices of around 4%. The volume increase in NBD products (i.e. the introduction of new and improved products) is somewhat lower than expected, but new introductions will contribute favourably to profit and the reputation of CVG as an innovative company.

In the European market for woodfree uncoated paper on reels the order volume up to and including October decreased by 2% in comparison with the same period last year. The drop of the US dollar results in a less attractive export position of the European paper industry to US dollar linked countries, resulting in a lower order intake, and export volumes being diverted to the European market.

New capacity closures, as recently announced by several large European paper mills, will contribute to a further improvement in the supply and demand situation, but with a further weakening of the US dollar the positive effects could partially be offset by a deterioration of the export position of the European paper industry. Nevertheless, the company is well positioned to take advantage of opportunities, as soon as market conditions improve further.

The company will publish the 2007 annual results on 8 February 2008 (before market opening).

For more information, please contact:

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Profile:

Crown Van Gelder N.V. produces and sells high quality industrial and graphical specialty products in the wood free uncoated and single-coated paper sector. The company is based in Velsen (the Netherlands) and employs around 290 people. The company operates two paper machines and its products include base paper for self-adhesive materials, paper for digital colour printing, base paper for direct thermal printing, board for tickets, paper suitable for optical character recognition (OCR), rotary offset paper and continuous stationery for laser and inkjet printers.

Crown Van Gelder N.V. is listed at the Official Market of the Euronext Amsterdam Stock Market N.V. and has been a part of the NextPrime segment since 25 February 2003. For further information: www.cvg.nl