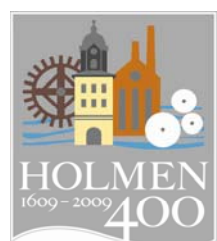
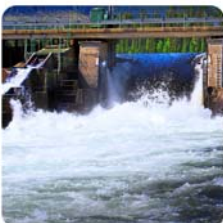
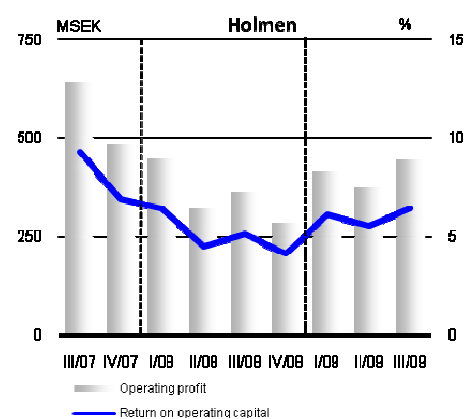
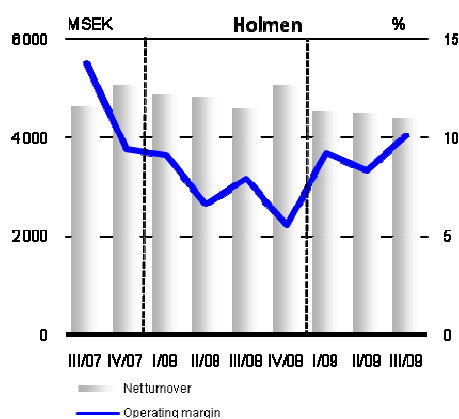


Interim report January-September 2009

MSEK	3-09	Quarter 2-09	3-08	January-September 2009	2008	Full year 2008
Net turnover	4 387	4 496	4 591	13 412	14 291	19 334
Operating profit*	442	372	64	1 229	767	1 051
Profit after tax	280	256	-24	781	371	642
Earnings per share, SEK	3.3	3.0	-0.3	9.3	4.4	7.6
Return on equity, %	7.0	6.6	-0.6	6.7	3.0	3.9

* The operating profit for full year 2008 includes items affecting comparability of cost SEK 361 million.

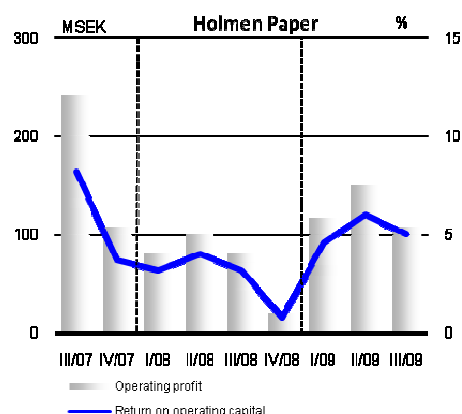
- Profit after tax for January–September 2009 was SEK 781 million (January–September 2008: 371 million).
 - Earnings per share amounted to SEK 9.3 (4.4). The return on equity was 6.7 per cent (3.0).
 - Operating profit totalled SEK 1 229 million compared to SEK 1 128 million, excluding items affecting comparability, which in the preceding year amounted to cost SEK 361 million. Higher prices for newsprint and paperboard had a favourable effect on profit, whereas weak demand led to major production curtailments.
- In the third quarter, operating profit amounted to SEK 442 million, which was SEK 70 million higher than in the second quarter of 2009. Costs were seasonally lower. Profitability on sales outside Europe was adversely affected by a weaker US dollar.
- Demand in the Group's product sectors was weak during the year. In Europe, demand for newsprint and virgin fibre board was 13 and 12 per cent, respectively, lower during January–September 2009 than in the corresponding period in 2008.



* Excl. items affecting comparability.

Holmen Paper's deliveries declined to 1 289 000 tonnes, compared to 1 505 000 tonnes in January–September 2008, as a consequence of low demand and capacity closures. The decline was evident above all in standard newsprint and coated grades, while an improvement was noted in Holmen Paper's deliveries of MF Magazine. Compared to the second quarter, deliveries were around 4 per cent higher, primarily as a result of increased sales outside Europe.

In September, negotiations began on reducing the workforce at Braviken Paper Mill by about 100 employees. A minor provision for costs relating to this programme is expected to affect results for the fourth quarter.



Iggesund Paperboard MSEK	Quarter			January-September		Full Year 2008
	3-09	2-09	3-08	2009	2008	
Net turnover	1 223	1 274	1 210	3 763	3 666	4 860
Operating costs	-1 008	-1 105	-990	-3 217	-3 087	-4 173
Depreciation according to plan	-86	-92	-92	-268	-275	-368
Operating profit	128	77	127	279	304	320
Capital expenditure	54	75	102	185	229	327
Operating capital	4 143	4 330	4 227	4 143	4 227	4 254
Operating margin, %	11	6	11	7	8	7
Return on operating capital, %	12	7	12	9	10	8
Production, paperboard, 1 000 tonnes	118	120	128	352	378	491
Deliveries, paperboard, 1 000 tonnes	118	119	124	354	378	494

The market for virgin fibre board improved to some degree during the third quarter, but demand in Europe remains lower than in the preceding year. In the third quarter, deliveries from European producers to Europe were 9 per cent lower than in the corresponding period last year. The overall decline for January–September was 12 per cent. Prices were stable during the quarter. Iggesund is applying price increases for folding boxboard during the autumn in the UK market and has announced price increases for the rest of Europe for 2010.

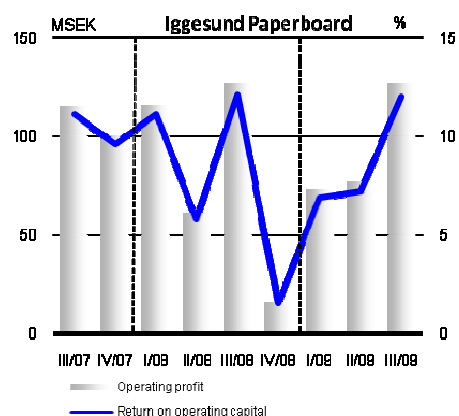
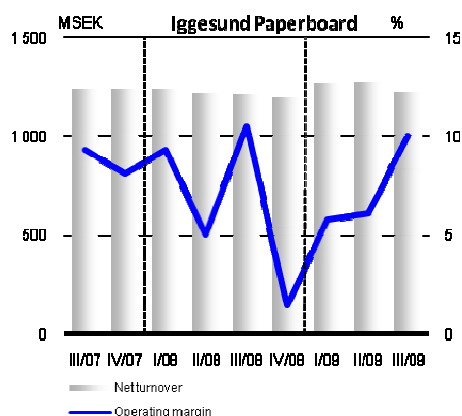
Iggesund's deliveries in January–September amounted to 354 000 tonnes, 6 per cent lower than in the corresponding period in the preceding year. Deliveries were unchanged from the second quarter. Production curtailments continued as a result of the weak demand. However, the order situation improved towards the end of the third quarter.

Iggesund's operating profit for January–September 2009 was SEK 279 million (304). The price increases applied in the second half of 2008, in conjunction with the weakening of the Swedish krona and the British pound, impacted favourably on profits. At the same time, the major production curtailments and high manufacturing costs,

especially during the first half-year, negatively affected results.

Compared to the second quarter, profits rose by SEK 51 million to SEK 128 million. The improvement is mainly attributable to lower variable costs and to the fact that personnel costs were seasonally low. In the third quarter costs of SEK 15 million, relating to the shutdown of a paperboard machine in Workington were incurred. The results for the second quarter were charged with costs arising from major maintenance stoppages.

In September, a decision was taken to shut down one of the two paperboard machines at the mill at Workington, UK, at year-end 2009. At the same time, capacity at the remaining paperboard machine is being upgraded. Following the adjustments, the mill will have an annual capacity of 200 000 tonnes (formerly 250 000), a volume that is better aligned to the market. As a result of the shutdown, the company anticipates reducing its workforce at Workington by up to 100 employees. The shutdown is expected to result in certain additional costs in addition to the SEK 15 million already charged to the third quarter.



Holmen Timber	Quarter			January-September		Full Year
MSEK	3-09	2-09	3-08	2009	2008	2008
Net turnover	142	130	116	399	390	499
Operating costs	-120	-117	-109	-372	-345	-452
Depreciation according to plan	-8	-8	-9	-24	-25	-34
Operating profit	13	5	-1	2	20	13
Capital expenditure	40	9	5	41	30	19
Operating capital	324	319	369	324	369	366
Operating margin, %	10	4	-1	1	5	3
Return on operating capital, %	17	6	-1	1	7	4
Production, 1 000 m ³	75	72	72	215	207	279
Deliveries, 1 000 m ³	76	80	66	236	203	266

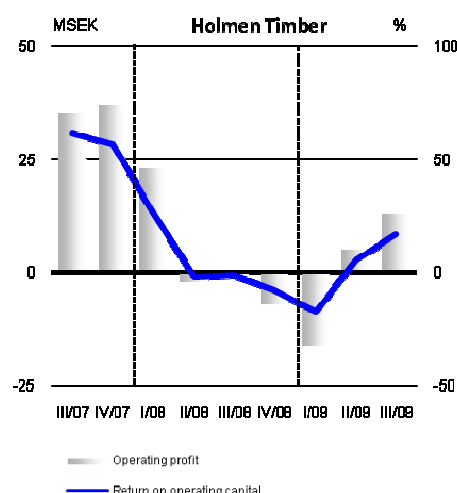
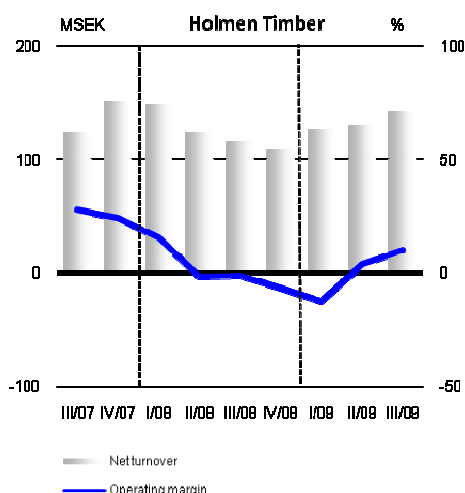
Demand for sawn timber was considerably lower than in the preceding year, leading to substantial production curtailments among European producers. However, the market has improved and stocks are now low. Sawn timber prices fell in the period from the second half of 2007 until the beginning of 2009, but began to rise again in the second and third quarter of the current year.

Holmen Timber's deliveries rose to 236 000 cubic metres during January–September, compared to 203 000 cubic metres in the corresponding period in 2008. Deliveries during the third quarter remained high, although slightly lower than in the preceding quarter.

Holmen Timber's operating profit for January–September 2009 was SEK 2 million (20). The decline was attributable to lower prices.

Compared with the second quarter result, operating profit rose by SEK 8 million to SEK 13 million. The improvement was the result of price increases implemented. The price of raw materials went down at the beginning of the year, but rose again during the summer. The impact of this increase partly showed through during the quarter.

Construction of the Braviken sawmill, near Norrköping, is in progress. Production is scheduled to start at the turn of the year 2010/2011.



Holmen Skog		Quarter		January-September		Full Year
MSEK	3-09	2-09	3-08	2009	2008	2008
Net turnover	1 048	1 163	1 208	3 493	4 077	5 443
Operating costs	-926	-1 042	-1 075	-3 101	-3 617	-4 769
Depreciation according to plan	-6	-6	-6	-18	-17	-26
Earnings from operations	116	114	127	374	443	648
Change in value of forests	31	30	23	51	10	-16
Operating profit	147	144	150	425	453	632
Capital expenditure	4	3	1	15	17	21
Operating capital	11 437	11 420	11 378	11 437	11 378	11 415
Return on operating capital, %	5	5	5	5	5	6
Harvesting company forests, 1 000 m ³	704	753	631	2 037	1 879	2 649

Demand for saw timber was buoyant during the third quarter and saw timber prices rose in large parts of Sweden. In the third quarter, demand for pulpwood recovered to normal levels.

Holmen Skog's operating profit for January–September 2009 amounted to SEK 425 million (453). The figure includes a change of SEK 51 million (10) in the value of forests calculated in accordance with IAS 41.

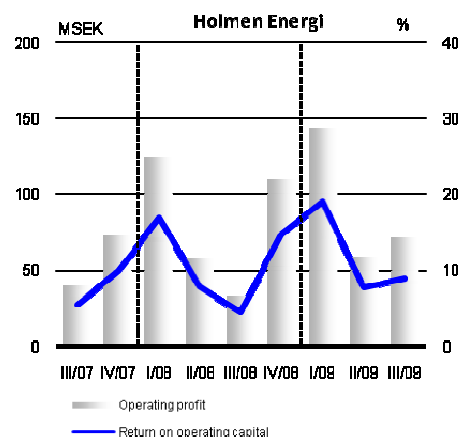
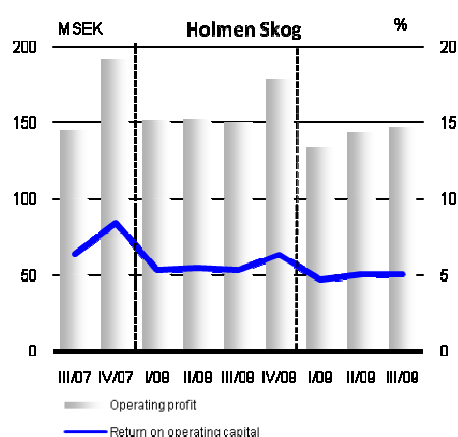
Earnings from operations (earnings before changes in the value of forests) fell by SEK 69 million to SEK 374 million due to lower prices, while increased harvesting of the company's forests had a positive impact on earnings. The extent of silviculture increased, resulting in higher costs.

Compared to the second quarter result, operating profit rose by SEK 2 million to SEK 116 million. Both harvesting in the company's forests and the cost of silviculture were seasonally lower.

Holmen Energi		Quarter		January-September		Full Year
MSEK	3-09	2-09	3-08	2009	2008	2008
Net turnover	363	359	442	1 164	1 333	1 834
Operating costs	-286	-295	-404	-874	-1 102	-1 488
Depreciation according to plan	-5	-5	-5	-14	-14	-19
Operating profit	72	59	33	276	217	327
Capital expenditure	15	31	9	69	41	76
Operating capital	3 175	3 156	2 954	3 175	2 954	3 006
Return on operating capital, %	9	8	5	12	10	11
Production of hydro power, GWh	229	203	176	735	817	1 128

Holmen Energi's operating profit for January–September 2009 was SEK 276 million (217). The improvement is due to higher prices. Production was 7 per cent lower than during a normal year.

Compared to the second quarter result, operating profit rose by SEK 13 million to SEK 72 million, as a consequence of higher production levels. Abundant precipitation during the third quarter led to a higher-than-normal level of production and an improvement in reservoir water levels.



Net financial items and financing

Net financial costs for January–September 2009 amounted to SEK 195 million (cost 222). Lower market interest rates reduced the average borrowing cost to 3.4 (4.4) per cent, while net indebtedness was on average somewhat higher than in the corresponding period last year.

Cash flow from current operations totalled SEK 2 045 million, including SEK 360 million as a result of a reduction in working capital. Cash flow absorbed by investment activities totalled SEK 509 million. Dividend of SEK 756 million was paid to shareholders in the second quarter.

Since the turn of the year, the Group's financial net debt has decreased by SEK 1 217 million to SEK 6 287 million. The debt/equity ratio was 0.39. The equity ratio was 50 per cent.

Financial liabilities amounted to SEK 6 879 million, of which SEK 4 042 million were short term. Liquid funds and financial receivables amounted to SEK 591 million. The Group has long-term committed credit facilities of SEK 6 130 million (EUR 600 million). Of these credit facilities, SEK 511 million had been drawn on at the end of the quarter and the amount is recognised among short-term financial liabilities.

Equity

The Group's equity increased during the January–September 2009 period by SEK 628 million to SEK 16 270 million. Profit for the period totalled SEK 781 million and dividend paid amounted to SEK 756 million. Equity has also been affected by other comprehensive income, which consists of items such as actuarial revaluation of pension liability, currency translation of loans, revaluation of transaction hedges, translation of assets held by foreign operations and tax attributable to these items. During January–September, other comprehensive income totalled SEK 603 million, as a result above all of exchange rate hedging that has matured and has been recognised in the income statement and of the fact that, via a strengthening of the Swedish krona, the negative market value of transaction hedging was reduced.

Tax

The stated tax charge totalled SEK 253 million, corresponding to 24 per cent of profit before tax. The tax cost includes SEK 30 million from a successful tax dispute resolution during the second quarter.

Hedging exchange rates and electricity prices

The Group hedges parts of its estimated future net flows in foreign currency. The operating profit for January–September includes a loss of SEK 314 million (loss 85) in exchange rate hedging.

As at 30 September 2009, 100 per cent of the Group's estimated net flows in euro for the rest of 2009 were hedged at an average exchange rate of SEK 9.4, for 2010 around 90 per cent at an average rate of SEK 9.7, and for 2011 about 80 per cent at an average rate of SEK 10.6. The estimated flows in US dollar for four

months were hedged at an average rate of SEK 7.8. The market value of exchange rate hedges not yet recognised in the income statement totalled a loss of SEK 86 million as at 30 September 2009.

For the 2009–2012 period, the price of 100 per cent of the Group's estimated net consumption of electricity in Sweden has been fully hedged, while some 85 per cent has been hedged for the 2013–2015 period.

Capital expenditure

The Group's capital expenditures during January–September amounted to SEK 467 million (917). Depreciation according to plan totalled SEK 987 million (1 010). The capital expenditures during the year include ongoing investment projects such as a new sawmill at Braviken, a new hydro power plant at Iggesund, an improved water purification system at Iggesund Mill and a new power generation facility in Madrid.

Employees

The average number of employees (full-time equivalents) in the Group was 4 638 (4 870).

Share buy-back

At the 2009 Annual General Meeting Holmen's shareholders renewed the Board's mandate to make decisions to buy back up to 10 per cent of all the company's shares. No buy-backs have taken place during the year. The company already owns 0.9 per cent of the shares.

Significant risks and uncertainties

The weak economy creates continued uncertainty about the market trend for the Group's products. The Group's and the parent company's significant risks and uncertainties relate primarily to changes in demand and the prices of its products, the cost of important input goods, and to changes in exchange rates. For a more detailed description of material risks and uncertainties see pages 45–46 and Note 27 in Holmen's annual report for 2008. In the tax case relating to Holmen's French subsidiary, the decision by the County Administrative Court, which was in favour of the company, has come into legal effect. The outcome had no impact on the result.

Related party transactions

There were no transactions between Holmen and related parties that had a significant effect on the company's financial position and performance.

Stockholm, 4 November 2009
Holmen AB (publ)

Magnus Hall
President and CEO

Year-end report for 2009 will be published on 4 February 2010.

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Review Report

Introduction

We have reviewed the condensed interim financial information (interim report) for the Holmen Group as per 30 September 2009 and the nine-month reporting period ending on that date. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Focus and scope of the review

We conducted our review in accordance with the Standard on Review Engagements (SÖG) 2410 "Review of Interim Financial Information Performed by the Independent Auditors of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden RS and other generally accepted auditing

practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed on the basis of a review does not give the same level of assurance as a conclusion expressed on the basis of an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Swedish Annual Accounts Act, and for the Parent Company, in accordance with the Swedish Annual Accounts Act.

Stockholm, 4 November 2009

KPMG AB

George Pettersson
Authorised Public Accountant

Accounting principles

The interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting, the Swedish Annual Accounts Act and the Swedish Securities Market Act. For the Parent company the interim report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Securities Market Act, which complies with Recommendation RFR 2.2 Accounting for Legal Entities, issued by the Swedish Financial Reporting Board. The parent company's and the Group's accounting policies used in the report are unchanged from the latest published annual report with the exception that the Group has applied a new presentation of results in accordance with changes in IAS 1 Presentation of Financial Statements. The introduction of IFRS 8 Operating Segments has no effect on the Group's definition of segments. The figures in tables are rounded off.

The Group

Income statement, MSEK	Quarter			January-September		Full year
	3-09	2-09	3-08	2009	2008	
Net turnover	4 387	4 496	4 591	13 412	14 291	19 334
Other operating income	128	146	117	412	557	755
Change in inventory of finished products	-127	-65	232	-218	254	106
Raw materials, goods for resale and consumables	-2 163	-2 237	-2 765	-6 750	-8 228	-10 929
Personnel costs	-614	-695	-760	-1 963	-2 245	-2 965
Other operating costs	-891	-985	-998	-2 764	-2 845	-3 885
Depreciation according to plan	-322	-333	-337	-987	-1 010	-1 343
Write-downs	-	-	-56	-	-56	-57
Change in value of biological assets	31	30	23	51	10	-16
Interest in earnings of associated companies	13	15	16	35	40	50
Operating profit	442	372	64	1 229	767	1 051
Financial income	2	2	3	8	9	17
Financial costs	- 57	- 68	- 88	- 203	- 231	- 328
Profit before tax	386	306	-22	1 034	545	740
Tax	-106	-51	-2	-253	-174	-98
Profit for the period	280	256	-24	781	371	642
Earnings per share, before dilution, SEK	3.3	3.0	-0.3	9.3	4.4	7.6
Earnings per share, after dilution, SEK	3.3	3.0	-0.3	9.3	4.4	7.6
Operating margin, % *	10.1	8.3	7.5	9.2	7.9	7.3
Return on capital employed, % *	7.8	6.6	6.3	7.2	6.6	6.1
Return on equity, %	7.0	6.6	-0.6	6.7	3.0	3.9

Statement of comprehensive income, MSEK	Quarter			January-September		Full year
	3-09	2-09	3-08	2009	2008	
Profit for the period	280	256	-24	781	371	642
Other comprehensive income						
Cash flow hedges	683	196	-266	927	-213	-964
Actuarial gains and losses related to pensions, including payroll tax	43	52	-118	23	-202	-169
Translation difference on foreign operation	-438	62	182	-314	79	445
Hedge of currency risk in foreign operation	305	6	-145	293	-118	-541
Tax attributable to items stated direct in equity	-272	-68	145	-327	145	452
Total other comprehensive income	322	249	-202	603	-309	-778
Total comprehensive income	602	505	-225	1 384	62	-135

* Excl. items affecting comparability.

The Group

Balance sheet, MSEK	2009 30 September	2009 30 June	2008 31 December
Fixed assets			
Intangible fixed assets	30	34	106
Tangible fixed assets	12 502	12 943	13 142
Biological assets	11 121	11 099	11 080
Shares in associated companies	1 760	1 837	1 824
Other shares and participations	11	9	11
Long-term financial receivables	170	93	87
Deferred tax receivables	305	348	342
Total fixed assets	25 899	26 365	26 593
Current assets			
Inventories	2 967	3 262	3 434
Accounts receivables	2 765	2 836	3 144
Other short-term operating receivables	581	525	689
Short-term financial receivables	32	36	88
Liquid funds	390	470	653
Total current assets	6 735	7 129	8 009
Total assets	32 634	33 494	34 602
Equity	16 270	15 668	15 641
Long-term liabilities			
Long-term financial liabilities	2 538	2 639	3 223
Deferred tax liabilities	5 168	4 979	4 819
Pension provisions	299	382	354
Other provisions	1 084	1 113	1 080
Total long-term liabilities	9 089	9 114	9 475
Short-term liabilities			
Short-term financial liabilities	4 042	4 847	4 756
Liabilities to suppliers	1 539	1 643	2 282
Short-term provisions	239	213	277
Other operating liabilities	1 456	2 009	2 171
Total short-term liabilities	7 276	8 712	9 486
Total liabilities	16 364	17 825	18 960
Total equity and liabilities	32 634	33 494	34 602
Debt/equity ratio	0.39	0.46	0.48
Equity ratio, %	49.9	46.8	45.2
Operating capital	27 420	27 569	27 623
Capital employed	22 557	22 938	23 146
Financial net debt	6 287	7 270	7 504
Pledged assets	21	22	25
Contingent liabilities	146	160	671

The Group

Change in equity, MSEK	January-September	
	2009	2008
Opening balance	15 641	16 932
Profit for the period	781	371
Other comprehensive income	603	-309
Buy-backs of company's own shares	-	-153
Premiums received or issued call options	-	15
Dividend	-756	-1 017
Closing balance	16 270	15 839

Share structure					
Share	Votes	No. of shares	No. of votes	Quota value	MSEK
A	10	22 623 234	226 232 340	50	1 131.2
B	1	62 132 928	62 132 928	50	3 106.6
Total number of shares		84 756 162	288 365 268		4 237.8
Holding of own B-shares		-760 000	-760 000		
Total number of shares in issue		83 996 162	287 605 268		
Issued call options, B-shares (exercise period 2013)					
		758 300			

The Group

Cash flow analysis, MSEK	Quarter 3-09	Quarter 2-09	3-08	January-September 2009	January-September 2008	Full year 2008
Current operations						
Profit before tax	386	306	-22	1 034	545	740
Adjustments for items not included in cash flow *	397	202	717	854	1 373	1 797
Paid income tax	-123	-131	-79	-204	-299	-192
Cash flow from current operations before changes in working capital	661	377	617	1 685	1 619	2 345
Cash flow from changes in working capital						
Change in inventories	216	199	-257	506	-335	-373
Change in operating receivables	52	34	118	390	-250	-40
Change in operating liabilities	-70	-77	-82	-536	112	-273
Cash flow from current operations	859	533	397	2 045	1 146	1 660
Investment activities						
Acquisition of fixed assets	-164	-172	-278	-467	-917	-1 160
Sale of fixed assets	12	8	11	38	25	37
Change in long term financial receivables	-80	-	-	-80	-	-
Cash flow from investment activities	-232	-163	-267	-509	-892	-1 124
Financing activities						
Change in financial liabilities and receivables	-702	120	-60	-1 039	828	866
Buy-back / sale of own shares etc. **	-	-	-	-	-138	-138
Dividend paid to the parent company's shareholders	-	-756	-	-756	-1 017	-1 017
Cash flow from financing activities	-702	-636	-60	-1 795	-327	-289
Cash flow for the period	-75	-267	70	-259	-73	247
Opening liquid funds	470	737	250	653	394	394
Exchange rate difference in liquid funds	-5	-1	4	-5	3	12
Closing liquid funds	390	470	324	390	324	653

Change in financial net debt, MSEK	Quarter 3-09	Quarter 2-09	3-08	January-September 2009	January-September 2008	Full year 2008
Opening financial net debt	-7 270	-7 047	-7 041	-7 504	-5 977	-5 977
Cash flow from current operations	859	533	397	2 045	1 146	1 660
Cash flow from investment activities (excl financial receivables)	-152	-163	-267	-429	-892	-1 124
Buy-back / sale of own shares etc. **	-	-	-	-	-138	-138
Dividend paid	-	-756	-	-756	-1 017	-1 017
Actuarial revaluation of pension provision	41	51	-118	21	-202	-162
Currency effects and changes in fair value	234	113	-160	336	-110	-746
Closing financial net debt	-6 287	-7 270	-7 189	-6 287	-7 189	-7 504

* The adjustments consist primarily of depreciation according to plan and write-downs of fixed assets, change in value of biological assets, change in provisions, interests in earnings of associated companies, currency effects and revaluations of financial instruments as well as capital gains/losses on sale of fixed assets.

** Consists of buy-back of own shares (cost SEK 153 million) and received premiums of issued call options (SEK 15 million) related to an incentive scheme.

The Parent Company

Income statement, MSEK	Quarter			January-September		Full year 2008
	3-09	2-09	3-08	2009	2008	
Operating income	3 342	3 439	3 512	10 231	11 071	14 978
Operating costs	-3 103	-3 247	-3 532	-9 624	-10 860	-14 792
Operating profit	239	192	- 21	607	211	186
Net financial items	381	885	- 203	1 185	- 271	- 761
Profit after net financial items	620	1 077	-224	1 792	-60	-575
Appropriations	-85	7	76	-64	-92	-56
Profit before tax	534	1 084	-147	1 728	-152	-630
Tax	-112	-44	36	-157	30	195
Profit for the period	423	1 040	-111	1 571	-122	-436

Balance sheet, MSEK	2009	2008	2008
	30 September	31 December	30 September
Fixed assets	19 678	20 963	20 910
Current assets	4 971	6 140	5 940
Total assets	24 649	27 103	26 850
Restricted equity	5 915	5 915	5 915
Non-restricted equity	4 455	2 553	3 426
Untaxed reserves	2 815	2 751	2 788
Provisions	1 134	1 031	575
Liabilities	10 330	14 853	14 147
Total equity and liabilities	24 649	27 103	26 850
Pledged assets	6	6	6
Contingent liabilities	552	766	780

Of the operating income for January–September 2009, sales to Group companies amounted to SEK 72 million (99).

Net financial items for January–September include dividend from subsidiaries of SEK 1 156 million (0) and results from hedging of equity in foreign subsidiaries by SEK 293 million (cost 118).

The parent company's investments in tangible and intangible fixed assets totalled SEK 24 million (35) for January–September.

The Group

Quarterly figures, MSEK	2009			2008			Jan-Sep		Full year
	Q3	Q2	Q1	Q4	Q3	Q2	2009	2008	
Income statement									
Net turnover	4 387	4 496	4 529	5 043	4 591	4 826	13 412	14 291	19 334
Operating costs	-3 636	-3 806	-3 789	-4 437	-3 909	-4 178	-11 232	-12 193	-16 630
Depreciation according to plan	-322	-333	-332	-333	-337	-339	-987	-1 010	-1 343
Interest in earnings of associated companies	13	15	7	10	16	12	35	40	50
Items affecting comparability *	-	-	-	-	-298	-63	-	-361	-361
Operating profit	442	372	415	284	64	257	1 229	767	1 051
Net financial items	-55	-66	-74	-89	-85	-73	-195	-222	-311
Profit before tax	386	306	341	195	-22	185	1 034	545	740
Tax	-106	-51	-96	76	-2	-61	-253	-174	-98
Profit for the period	280	256	245	271	-24	124	781	371	642
Earnings per share, after dilution, SEK	3.3	3.0	2.9	3.2	-0.3	1.5	9.3	4.4	7.6
Net turnover									
Holmen Paper	2 348	2 361	2 284	2 854	2 517	2 547	6 993	7 589	10 443
Iggesund Paperboard	1 223	1 274	1 266	1 194	1 210	1 219	3 763	3 666	4 860
Holmen Timber	142	130	127	109	116	124	399	390	499
Holmen Skog	1 048	1 163	1 283	1 365	1 208	1 433	3 493	4 077	5 443
Holmen Energi	363	359	442	501	442	392	1 164	1 333	1 834
Elimination of intra-group sales	-737	-791	-872	-980	-902	-890	-2 400	-2 764	-3 745
Group	4 387	4 496	4 529	5 043	4 591	4 826	13 412	14 291	19 334
Operating profit									
Holmen Paper	107	150	117	20	80	100	374	260	280
Iggesund Paperboard	128	77	73	16	127	61	279	304	320
Holmen Timber	13	5	-16	-7	-1	-2	2	20	13
Holmen Skog	147	144	134	179	150	152	425	453	632
Holmen Energi	72	59	144	110	33	58	276	217	327
Group central costs and other	-43	-51	-47	-30	-21	-50	-141	-119	-149
Elimination of internal operating profit	16	-11	9	-4	-6	1	14	-6	-10
Items affecting comparability *	-	-	-	-	-298	-63	-	-361	-361
Group	442	372	415	284	64	257	1 229	767	1 051
Operating margin, % **									
Holmen Paper	4.6	6.3	5.1	0.7	3.2	3.9	5.4	3.4	2.7
Iggesund Paperboard	10.5	6.1	5.8	1.4	10.5	5.0	7.4	8.3	6.6
Holmen Timber	9.5	3.5	-12.4	-6.8	-1.1	-1.5	0.6	5.1	2.5
Group	10.1	8.3	9.2	5.6	7.5	6.4	9.2	7.9	7.3
Return on operating capital, % **									
Holmen Paper	4.5	6.0	4.6	0.8	3.2	4.0	5.1	3.5	2.8
Iggesund Paperboard	12.1	7.2	6.9	1.5	12.1	5.8	8.7	9.7	7.5
Holmen Timber	16.7	5.6	-17.7	-7.9	-1.3	-2.1	0.9	7.4	3.5
Holmen Skog	5.1	5.0	4.7	6.3	5.3	5.4	5.0	5.3	5.6
Holmen Energi	9.1	7.7	19.1	14.8	4.5	7.9	11.9	9.8	11.1
Group	6.4	5.5	6.1	4.1	5.1	4.5	6.0	5.3	5.0
Key ratios									
Return on capital employed, % **	7.8	6.6	7.3	4.9	6.3	5.6	7.2	6.6	6.1
Return on equity, %	7.0	6.6	6.4	6.9	-0.6	3.0	6.7	3.0	3.9
Deliveries									
Newsprint and magazine paper, 1 000 tonnes	455	437	397	539	493	508	1 289	1 505	2 044
Paperboard, 1 000 tonnes	118	119	117	115	124	127	354	378	494
Sawn timber, 1 000 m ³	76	80	81	63	66	66	236	203	266
Harvesting company forests, 1 000 m ³	704	753	580	770	631	714	2 037	1 879	2 649
Production of hydro power, GWh	229	203	304	311	176	254	735	817	1 128

* Item affecting comparability in the third quarter of 2008 relates to a provision of costs for the closure of Wargön Mill of SEK 298 million.
The second quarter figure includes a net cost of SEK 63 million for the closure of PM 2 at Hallsta Paper Mill and the fire at Braviken Paper Mill.

** Excl. items affecting comparability.

The Group

Full year review, MSEK	2008	2007	2006	2005	2004	2003	2002	2001	2000
Income statement									
Net turnover	19 334	19 159	18 592	16 319	15 653	15 816	16 081	16 655	15 155
Operating costs	-16 630	-15 548	-14 954	-13 205	-12 570	-12 306	-12 205	-12 460	-11 843
Depreciation according to plan	-1 343	-1 337	-1 346	-1 167	-1 156	-1 166	-1 153	-1 126	-1 045
Interest in earnings of associated companies	50	12	11	20	25	-6	-10	-3	552
Items affecting comparability *	-361	557	-	-	-	-	-	-620	2 023
Operating profit	1 051	2 843	2 303	1 967	1 952	2 338	2 713	2 446	4 842
Net financial items	-311	-261	-247	-233	-206	-212	-149	-152	-101
Profit before tax	740	2 582	2 056	1 734	1 746	2 126	2 564	2 294	4 741
Tax	-98	-1 077	-597	-478	-471	-675	-605	-108	-769
Profit for the year	642	1 505	1 459	1 256	1 275	1 451	1 959	2 186	3 972
Earnings per share, after dilution, SEK	7.6	17.8	17.2	14.8	15.1	17.5	23.6	26.4	44.7
Operating profit by business area									
Holmen Paper	280	623	754	631	487	747	1 664	2 410	1 389
Iggesund Paperboard	320	599	752	626	809	1 001	818	455	569
Holmen Timber	13	146	80	13	5	18	-6	-79	-116
Holmen Skog	632	702	643	537	586	516	450	455	466
Holmen Energi	327	272	197	301	178	193	-26	49	99
Group central costs and eliminations	-159	-56	-123	-141	-113	-137	-187	-224	-112
Items affecting comparability *	-361	557	-	-	-	-	-	-620	2 023
Divested activities	-	-	-	-	-	-	-	-	524
Group	1 051	2 843	2 303	1 967	1 952	2 338	2 713	2 446	4 842
Balance sheet									
Fixed assets	26 506	26 153	25 354	25 793	23 381	20 940	21 357	19 150	18 955
Current assets	7 268	6 549	6 138	5 709	5 149	4 743	4 922	5 366	5 330
Financial receivables	828	541	649	712	459	675	688	432	2 015
Total assets	34 602	33 243	32 141	32 214	28 989	26 358	26 967	24 948	26 300
Equity	15 641	16 932	16 636	16 007	15 635	15 366	15 185	14 072	17 014
Deferred tax liability	4 819	5 482	5 030	5 143	5 177	4 557	4 370	4 014	4 264
Financial liabilities	8 332	6 518	6 634	7 351	5 335	4 044	4 496	3 593	1 721
Operating liabilities	5 809	4 310	3 841	3 713	2 842	2 391	2 916	3 269	3 301
Total equity and liabilities	34 602	33 243	32 141	32 214	28 989	26 358	26 967	24 948	26 300
Cash flow									
Current operations	1 660	2 476	2 358	2 471	2 331	2 443	3 498	3 786	1 925
Investment activities	-1 124	-1 315	-947	-3 029	-1 195	-726	-1 810	-1 669	-2 019
Cash flow after capital expenditure	536	1 161	1 411	-558	1 136	1 717	1 688	2 117	-94
Key ratios									
Return on capital employed, % **	6	10	10	9	10	12	16	18	15
Return on equity, %	4	9	9	8	8	10	14	16	24
Debt/equity ratio	0.48	0.35	0.36	0.41	0.31	0.22	0.25	0.22	-0.02
Dividend									
Ordinary dividend, SEK	9	12	12	11	10	10	11	10	9
Extra dividend, SEK	-	-	-	-	-	30	-	-	60

* Items affecting comparability in 2008 of cost SEK 361 million relate to provisions and costs due to restructure and closure of mills and result effects from fire. Items affecting comparability in 2007 relate to a write-down of goodwill and tangible fixed assets of SEK -1 603 million within Holmen Paper, a reversed write-down of SEK 60 million within Holmen Timber, and a positive revaluation of forests by SEK 2 100 million within Holmen Skog.

** Excl. items affecting comparability.

Stated in accordance with IFRS from 2004. As far as Holmen is concerned, the principal difference between IFRS and previous accounting principles is that forest assets are valued and stated in the accounts at fair value, that goodwill is no longer depreciated according to plan, and that the fair value of financial assets and liabilities that are hedged are taken into the balance sheet.

Holmen in brief

Holmen's business concept is to develop and run profitable business within three product-oriented business areas for printing paper, paperboard and sawn timber as well as two raw material-oriented business areas for forest and energy. Europe is the key market.

The business area **Holmen Paper** manufactures printing paper for daily newspapers, magazines, directories, advertising material and books at two Swedish mills and one Spanish mill. **Iggesund Paperboard** produces paperboard for packaging and graphic purposes at one Swedish and one English mill. **Holmen Timber** produces sawn timber in one Swedish sawmill. Annual production capacity is 1 940 000 tonnes of printing paper, 590 000 tonnes of paperboard and 340 000 cubic metres of sawn timber.

Holmen Skog manages the Group's forest covering just over one million hectares. The annual volume harvested in company forests is some 2.5 million cubic metres. **Holmen Energi** is responsible for the Group's hydro power assets and for developing the Group's business within the energy sector. Normal yearly production amounts to some 1 100 GWh of electric power at wholly and partly owned hydro power stations in Sweden. Holmen Skog and Holmen Energi are also responsible for the Group's wood and electricity supply, which are important input goods to the industrial operations.

Press and analyst conference

On the publication of the interim report, a press and analyst conference will be held at 15.00 CET on Wednesday 4 November. **Venue: IVA Konferenscenter, Grev Turegatan 16, Stockholm.** Holmen President and CEO Magnus Hall will present and comment on the report. The presentation will be held in English.

The conference can be followed on our website at www.holmen.com. You may also participate in the conference by telephone, by calling +46 (0)8 5052 0110 (within Sweden), +44 (0)20 7162 0077 (from the rest of Europe) or +1 334 323 6201 (from the US) no later than 14.55 CET.

Financial reports in 2009

4 February 2010	Year-end report
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Financial reports in 2010

6 May 2010	Interim report January–March
11 August 2010	Interim report January–June
26 October 2010	Interim report January–September

Annual General Meeting 2010

Annual General Meeting will be held in Stockholm on 24 March 2010.

In its capacity as issuer, Holmen AB is releasing the information in this interim report for January–September 2009 in accordance with Chapter 17 of the Swedish Securities Market Act (2007:528). The information was distributed to the media for publication at 13.10 CET on Wednesday 4 November 2009.