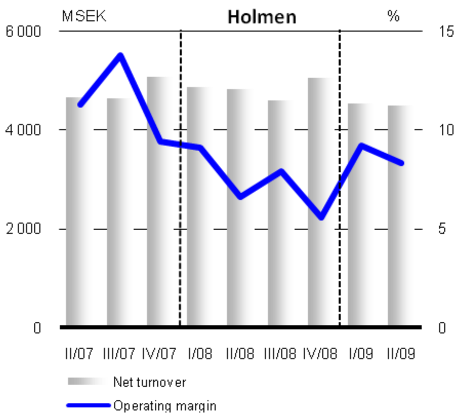
Interim report
January-June 2009

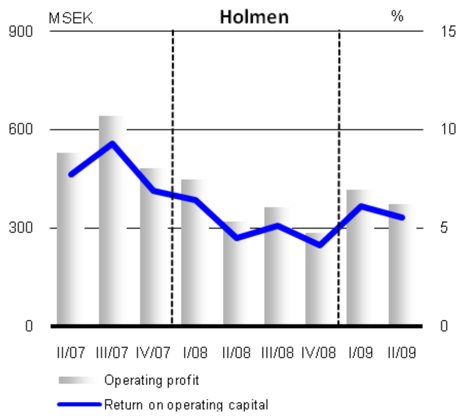
MSEK	Quarter 2-09	1-09	2-08	January-June 2009	2008	Full year 2008
Net turnover	**4 496**	4 529	4 826	**9 025**	9 700	19 334
Operating profit*	**372**	415	257	**787**	704	1 051
Profit after tax	**256**	245	124	**501**	395	642
Earnings per share, SEK	**3.0**	2.9	1.5	**6.0**	4.7	7.6
Return on equity, %	**6.6**	6.4	3.0	**6.5**	4.7	3.9

* The operating profit for full year 2008 includes items affecting comparability of cost SEK 361 million, of which cost SEK 63 million in January-June 2008.

- The Group's net turnover for January–June 2009 amounted to SEK 9 025 million (January–June 2008: 9 700 million).
- Profit after tax was SEK 501 million (395).
- Earnings per share amounted to SEK 6.0 (4.7). The return on equity was 6.5 per cent (4.7).
- Operating profit reached SEK 787 million (704). Increases in prices of newsprint and paperboard had a favourable effect on the result, whereas weak demand led to extensive production curtailments.

  In the second quarter operating profit amounted to SEK 372 million, which was SEK 43 million lower than during the first quarter 2009. The decrease is primarily due to seasonally lower results for Holmen Energi.
- The market for the Group's products remained weak. In Europe, demand for newsprint was 15 per cent lower and for virgin fibre board it was 13 per cent lower in the first half of 2009 than during the corresponding period in 2008.





Holmen Paper		Quarter		January-June		Full Year
MSEK	**2-09**	1-09	2-08	**2009**	2008	2008
Net turnover	**2 361**	2 284	2 547	**4 645**	5 072	10 443
Operating costs	**-1 990**	-1 944	-2 217	**-3 934**	-4 438	-9 268
Depreciation according to plan	**-221**	-223	-230	**-444**	-453	-896
Items affecting comparability	**-**	-	-63	**-**	-63	-361
Operating profit	**150**	117	37	**267**	117	-81
Capital expenditure	**44**	39	193	**83**	423	681
Operating capital	**9 778**	10 019	10 109	**9 778**	10 109	10 237
Operating margin, % *	**6**	5	1	**6**	4	3
Return on operating capital, % *	**6**	5	2	**5**	4	3
Production, 1 000 tonnes	**432**	415	494	**847**	1 017	2 033
Deliveries, 1 000 tonnes	**437**	397	508	**834**	1 012	2 044

* Excl. items affecting comparability.

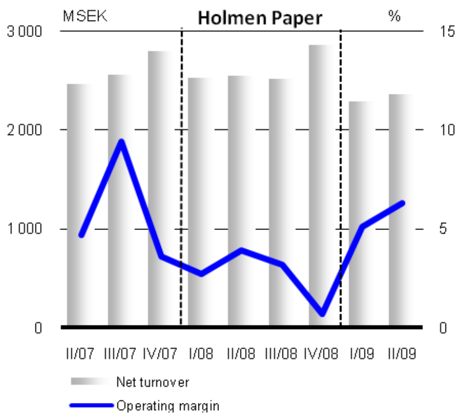
Demand for newsprint in Europe in the first six months of 2009 was down 15 per cent compared to the same period the preceding year. Along with weak demand outside Europe, this resulted in low capacity utilisation at European producers.

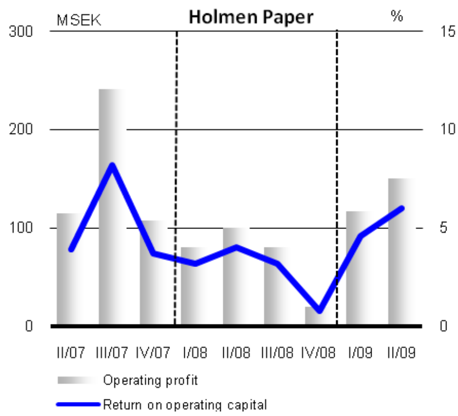
Demand for MF Magazine to Europe was 21 per cent lower during the first six months than during the same period in 2008. Demand for SC Paper declined by 9 per cent and for coated grades the drop was 27 per cent.

Holmen Paper's deliveries declined to 834 000 tonnes, compared to 1 012 000 tonnes in the first half of 2008, as a consequence of low demand and capacity reductions. Compared with the first quarter, deliveries were some 10 per cent higher. The prices of Holmen Paper's products were stable following the price increases made in the first quarter.

Holmen Paper's operating profit for January–June 2009 amounted to SEK 267 million (117). The improvement is due to higher selling prices, while low production and low deliveries had an adverse effect. Price reductions for wood and recovered paper have had an impact on results, which was counteracted by higher costs for chemicals and energy.

Operating profit increased by SEK 33 million to SEK 150 million compared to the first quarter as a result of a rise in deliveries and a lower energy costs.





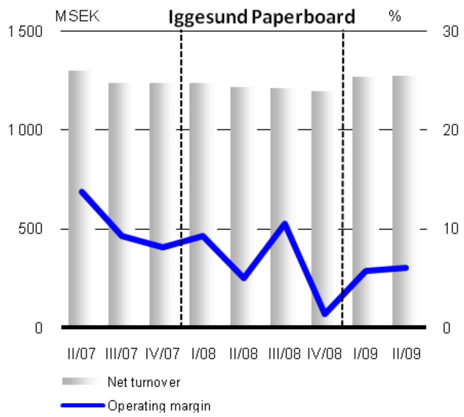
Iggesund Paperboard	Quarter			January-June		Full Year
MSEK	**2-09**	1-09	2-08	**2009**	2008	2008
Net turnover	**1 274**	1 266	1 219	**2 540**	2 456	4 860
Operating costs	**-1 105**	-1 103	-1 068	**-2 208**	-2 097	-4 173
Depreciation according to plan	**-92**	-90	-91	**-182**	-183	-368
Operating profit	**77**	73	61	**151**	176	320
Capital expenditure	**75**	56	79	**131**	128	328
Operating capital	**4 330**	4 277	4 196	**4 330**	4 196	4 254
Operating margin, %	**6**	6	5	**6**	7	7
Return on operating capital, %	**7**	7	6	**7**	8	8
Production, paperboard, 1 000 tonnes	**120**	114	123	**234**	250	491
Deliveries, paperboard, 1 000 tonnes	**119**	117	127	**236**	254	494

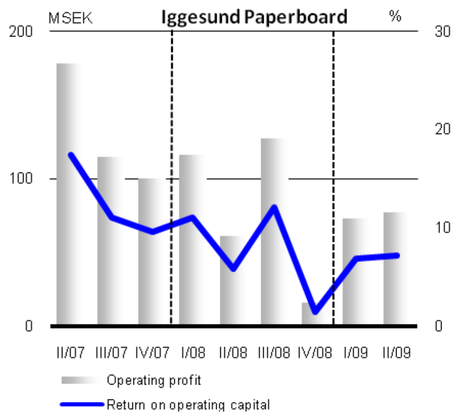
Deliveries of virgin fibre board from European producers to Europe declined by 13 per cent in relation to the first half of 2008. Following price increases during the second half of 2008, prices have been stable. Iggesund has announced price increases for virgin fibre board in the UK market.

Iggesund's deliveries in January–June amounted to 236 000 tonnes, 7 per cent lower than in the corresponding period the preceding year. Compared with the first quarter, deliveries were 2 per cent higher. The weak demand resulted in continued production curtailments.

Iggesund's operating profit for January–June 2009 was SEK 151 million (176). The decline is due to lower production and deliveries, and to higher variable costs. Higher prices had a positive impact on results.

Compared with the first quarter, profit rose by SEK 4 million to SEK 77 million. Maintenance costs were high during the second quarter due to major maintenance stoppages at both paperboard mills. Variable costs fell thanks to lower costs for input materials and better consumption rates.





Holmen Timber	Quarter			January-June		Full Year
MSEK	**2-09**	1-09	2-08	**2009**	2008	2008
Net turnover	**130**	127	124	**257**	273	499
Operating costs	**-117**	-134	-118	**-252**	-236	-452
Depreciation according to plan	**-8**	-8	-8	**-16**	-17	-34
Operating profit	**5**	-16	-2	**-11**	21	13
Capital expenditure	**9**	-8	20	**1**	26	21
Operating capital	**319**	342	359	**319**	359	366
Operating margin, %	**4**	-12	-2	**-4**	8	3
Return on operating capital, %	**6**	-18	-2	**-7**	12	4
Production, 1 000 m^3	**72**	68	63	**140**	135	279
Deliveries, 1 000 m^3	**80**	81	66	**160**	137	266

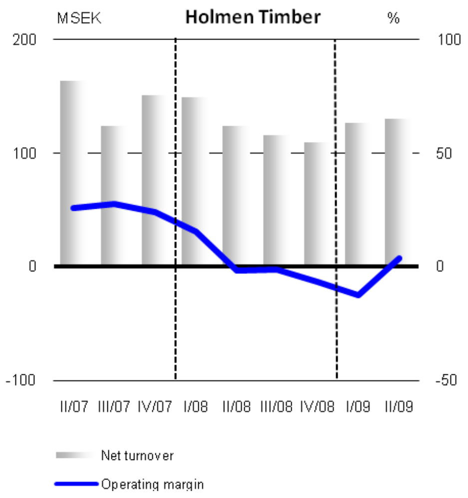
The market for sawn timber remained weak, but improved somewhat during the second quarter following a seasonal increase in demand.

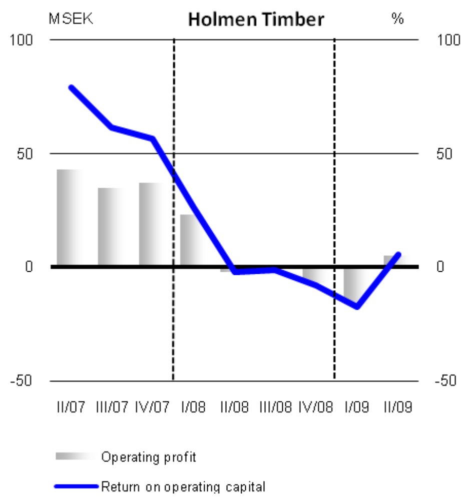
Holmen Timber's deliveries rose to 160 000 cubic metres during the first six months, compared to 137 000 cubic metres in the corresponding period in 2008. Deliveries were unchanged compared to the first quarter.

Holmen Timber's operating profit for January–June 2009 amounted to a loss of SEK 11 million (profit 21). The decreased profit was due to lower prices, which were only slightly offset by the lower cost of raw materials.

Compared with the first quarter, operating profit increased by SEK 21 million to SEK 5 million. The improvement is mainly attributable to the impact of lower wood prices, slightly better price outcomes and low maintenance costs.

Construction of the new sawmill at the Braviken Paper Mill in Norrköping has started and the plan is to launch production in year-end 2010/2011.





Holmen Skog		Quarter			January-June	Full Year
MSEK	**2-09**	1-09	2-08	**2009**	2008	2008
Net turnover	**1 163**	1 283	1 433	**2 445**	2 869	5 443
Operating costs	**-1 042**	-1 133	-1 283	**-2 175**	-2 542	-4 769
Depreciation according to plan	**-6**	-6	-6	**-12**	-11	-26
Earnings from operations	**114**	144	144	**258**	316	648
Change in value of forests	**30**	-10	8	**20**	-13	-16
Operating profit	**144**	134	152	**278**	303	632
Capital expenditure	**3**	8	19	**11**	27	47
Operating capital	**11 420**	11 449	11 392	**11 420**	11 392	11 415
Return on operating capital, %	**5**	5	5	**5**	5	6
Harvesting company forests, 1 000 m^3	**753**	580	714	**1 333**	1 248	2 649

Pulpwood and saw timber prices have been stable since the price cuts made at the start of the year. Demand for saw timber increased in the second quarter, while it remains low for pulpwood.

Holmen Skog's operating profit for January–June 2009 amounted to SEK 278 million (303). The figure includes a positive change of SEK 20 million (negative 13) in the value of forests calculated in accordance with IAS 41.

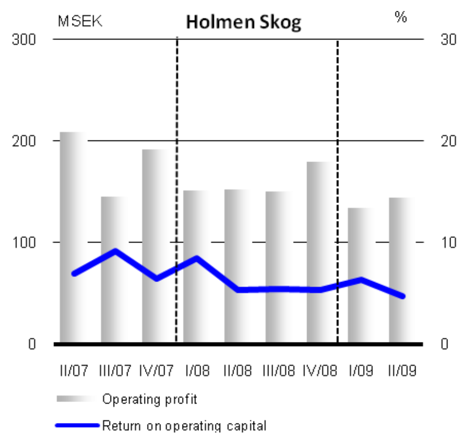
Earnings from operations (earnings before changes in the value of forests) decreased by SEK 58 million to SEK 258 million due to lower prices, while increased harvesting of the company's forests had a positive impact on earnings.

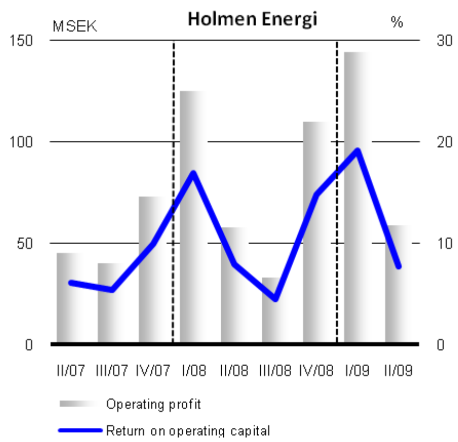
Compared with the first quarter, earnings from operations declined by SEK 30 million to SEK 114 million, primarily through seasonally high silviculture costs.

Holmen Energi		Quarter			January-June	Full Year
MSEK	**2-09**	1-09	2-08	**2009**	2008	2008
Net turnover	**359**	442	392	**801**	891	1 834
Operating costs	**-295**	-293	-329	**-588**	-699	-1 488
Depreciation according to plan	**-5**	-5	-4	**-9**	-9	-19
Operating profit	**59**	144	58	**203**	184	327
Capital expenditure	**31**	19	22	**50**	32	76
Operating capital	**3 156**	3 025	2 952	**3 156**	2 952	3 006
Return on operating capital, %	**8**	19	8	**13**	12	11
Production of hydro power, GWh	**203**	304	254	**507**	642	1 128

Holmen Energi's operating profit for January–June 2009 was SEK 203 million (184). The improvement is due to higher prices. Production was 13 per cent lower than during a normal year.

Operating profit decreased by SEK 85 million to SEK 59 million compared to the first quarter as a consequence of seasonally lower production and lower prices.





Net financial items and financing

Net financial costs for January–June 2009 amounted to SEK 140 million (cost 136). Indebtedness was higher than in 2008, while lower market interest rates reduced the borrowing cost.

Cash flow from current operations totalled SEK 1 187 million and cash flow absorbed by investment activities was SEK 277 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 234 million to SEK 7 270 million. The debt/equity ratio was 0.46. The equity ratio was 47 per cent.

Financial liabilities amounted to SEK 7 869 million, of which SEK 4 847 million were short term. Liquid funds and financial receivables amounted to SEK 599 million. The Group has long-term committed credit facilities of SEK 6 496 million (EUR 600 million), of which SEK 542 million had been used at the end of the quarter and is recognised among short-term financial liabilities.

Tax

Stated tax charge totalled SEK 147 million, corresponding to 23 per cent of profit before tax. Tax cost includes SEK 30 million from a successful tax dispute.

Hedging exchange rates and electricity prices

Operating profit for January–June includes a loss of SEK 298 million (profit 6) in exchange rate hedging.

As at 30 June 2009 some 90 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 some 80 per cent at an average rate of SEK 9.7, and for 2011 about 60 per cent at an average rate of SEK 10.6. Some 65 per cent of flows in dollar were hedged for 2009 at an average rate of SEK 8.1.

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 expenditures

The Group's capital expenditures during January–June amounted to SEK 303 million (639). Depreciation according to plan amounted to SEK 664 million (673).

Employees

The average number of employees (full-time equivalents) in the Group was 4 600 (4 840).

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.

The interim report for January–September 2009 will be published on 4 November 2009.

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Ingela Carlsson, Public Relations Director, tel. +46 8 666 21 15

The board of directors and president hereby confirm that this interim report provides a true and fair view of the parent company's and Group's operations, position and performance, and describes material risks and uncertainties faced by the parent company and Group companies.

Stockholm, 13 August 2009
Holmen AB (publ.)

Fredrik Lundberg Chairman	**Kenneth Johansson** Board member	**Ulf Lundahl** Board member
Carl Bennet Board member	**Carl Kempe** Deputy Chairman	**Göran Lundin** Board member
Steewe Björklundh Board member	**Curt Källströmer** Board member	**Andreas Rastbäck** Board member
Lilian Fossum Board member	**Hans Larsson** Board member	**Magnus Hall** Board member and Chief Executive Officer

The report has not been reviewed by the company's auditors.

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-June		Full year
	2-09	1-09	2-08	**2009**	2008	2008
Net turnover	**4 496**	4 529	4 826	**9 025**	9 700	19 334
Other operating income	**146**	140	277	**284**	428	755
Change in inventory of finished products	**-65**	-26	-69	**-91**	20	106
Raw materials, goods for resale and consumables	**-2 237**	-2 350	-2 736	**-4 587**	-5 546	-10 929
Personnel costs	**-695**	-653	-790	**-1 348**	-1 456	-2 965
Other operating costs	**-985**	-890	-931	**-1 873**	-1 781	-3 885
Depreciation according to plan	**-333**	-332	-339	**-664**	-673	-1 343
Write-downs	**-**	-	-	**-**	-	-57
Change in value of biological assets	**30**	-10	8	**20**	-13	-16
Interest in earnings of associated companies	**15**	7	12	**22**	24	50
Operating profit	**372**	415	257	**787**	704	1 051
Financial income	**2**	4	3	**7**	7	17
Financial costs	**- 68**	- 78	- 76	**- 146**	- 143	- 328
Profit before tax	**306**	341	185	**648**	567	740
Tax	**-51**	-96	-61	**-147**	-172	-98
Profit for the period	**256**	245	124	**501**	395	642
Earnings per share, before dilution, SEK	**3.0**	2.9	1.5	**6.0**	4.7	7.6
Earnings per share, after dilution, SEK	**3.0**	2.9	1.5	**6.0**	4.7	7.6
Operating margin, % *	**8.3**	9.2	6.4	**8.7**	7.9	7.3
Return on capital employed, % *	**6.6**	7.3	5.6	**7.0**	6.7	6.1
Return on equity, %	**6.6**	6.4	3.0	**6.5**	4.7	3.9

Statement of comprehensive income, MSEK	Quarter			January-June		Full year
	2-09	1-09	2-08	**2009**	2008	2008
Profit for the period	**256**	245	124	**501**	395	642
Other comprehensive income						
Cash flow hedges	**196**	48	35	**244**	53	-964
Actuarial gains and losses related to pensions, including payroll tax	**52**	-72	5	**-20**	-84	-169
Translation difference on foreign operation	**62**	62	45	**125**	-104	445
Hedge of currency risk in foreign operation	**6**	-18	-33	**-12**	28	-541
Tax attributable to items stated direct in equity	**-68**	12	-2	**-55**	-1	452
Total other comprehensive income	**249**	32	51	**281**	-108	-778
Total comprehensive income	**505**	278	175	**782**	287	-135

* Excl. items affecting comparability.

The Group

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

The Group

Change in equity, MSEK	January-June 2009	2008
Opening balance	**15 641**	16 932
Profit for the period	**501**	395
Other comprehensive income	**281**	-108
Buy-backs of company´s own shares	**-**	-153
Premiums received or issued call options	**-**	15
Dividend	**-756**	-1 017
Closing balance	**15 668**	16 064

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 2-09	Quarter 1-09	January-June 2009	January-June 2008	Full year 2008
Current operations					
Profit before tax	**306**	341	**648**	567	740
Adjustments for items not included in cash flow *	**202**	255	**457**	655	1 797
Paid income tax	**-131**	51	**-81**	-221	-192
Cash flow from current operations before changes in working capital	**377**	647	**1 024**	1 002	2 345
Cash flow from changes in working capital					
Change in inventories	**199**	91	**290**	-78	-373
Change in operating receivables	**34**	305	**339**	-368	-40
Change in operating liabilities	**-77**	-389	**-466**	193	-273
Cash flow from current operations	**533**	654	**1 187**	749	1 660
Investment activities					
Acquisition of fixed assets	**-172**	-131	**-303**	-639	-1 160
Sale of fixed assets	**8**	17	**26**	14	37
Cash flow from investment activities	**-163**	-114	**-277**	-625	-1 124
Financing activities					
Change in financial liabilities and receivables	**120**	-457	**-337**	887	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	**-636**	-457	**-1 093**	-268	-289
Cash flow for the period	**-267**	83	**-183**	-143	247
Opening liquid funds	**737**	653	**653**	394	394
Exchange rate difference in liquid funds	**-1**	1	**0**	-1	12
Closing liquid funds	**470**	737	**470**	250	653

Change in financial net debt, MSEK	Quarter 2-09	Quarter 1-09	January-June 2009	January-June 2008	Full year 2008
Opening financial net debt	**-7 047**	-7 504	**-7 504**	-5 977	-5 977
Cash flow from current operations	**533**	654	**1 187**	749	1 660
Cash flow from investment activities	**-163**	-114	**-277**	-625	-1 124
Buy-back / sale of own shares etc. **	**-**	-	**-**	-138	-138
Dividend paid	**-756**	-	**-756**	-1 017	-1 017
Actuarial revaluation of pension provision	**51**	-71	**-20**	-84	-162
Currency effects and changes in fair value	**113**	-12	**101**	51	-746
Closing financial net debt	**-7 270**	-7 047	**-7 270**	-7 041	-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 2-09	1-09	2-08	January-June 2009	2008	Full year 2008
Operating income	**3 439**	3 452	3 870	**6 889**	7 609	14 978
Operating costs	**-3 247**	-3 275	-3 831	**-6 521**	-7 377	-14 792
Operating profit	**192**	177	39	**368**	231	186
Net financial items	**885**	- 81	- 85	**804**	- 68	- 761
Profit after net financial items	**1 077**	95	-46	**1 172**	164	-575
Appropriations	**7**	14	-70	**21**	-168	-56
Profit before tax	**1 084**	109	-116	**1 194**	-4	-630
Tax	**-44**	-1	31	**-45**	-6	195
Profit for the period	**1 040**	108	-85	**1 148**	-11	-436

Balance sheet, MSEK	2009 30 June	2008 31 December	2008 30 June
Fixed assets	**19 694**	20 963	18 628
Current assets	**5 299**	6 140	7 542
Total assets	**24 993**	27 103	26 170
Restricted equity	**5 915**	5 915	5 915
Non-restricted equity	**3 442**	2 553	3 759
Untaxed reserves	**2 730**	2 751	2 864
Provisions	**1 016**	1 031	1 026
Liabilities	**11 891**	14 853	12 606
Total equity and liabilities	**24 993**	27 103	26 170
Pledged assets	**6**	6	6
Contingent liabilities	**562**	766	756

Of the operating income for January–June 2009, sales to Group companies amounted to SEK 47 million (67).

Net financial items for January–June include dividend from subsidiaries of SEK 943 million.

The parent company's investments in tangible and intangible fixed assets totalled SEK 21 million (25) for January–June.

The Group

Quarterly figures, MSEK	2009 Q2	2009 Q1	2008 Q4	2008 Q3	2008 Q2	2008 Q1	Jan-June 2009	Jan-June 2008	Full year 2008
Income statement									
Net turnover	**4 496**	4 529	5 043	4 591	4 826	4 875	**9 025**	9 700	19 334
Operating costs	**-3 806**	-3 789	-4 437	-3 909	-4 178	-4 107	**-7 596**	-8 285	-16 630
Depreciation according to plan	**-333**	-332	-333	-337	-339	-334	**-664**	-673	-1 343
Interest in earnings of associated companies	**15**	7	10	16	12	12	**22**	24	50
Items affecting comparability *	**-**	-	-	-298	-63	-	**-**	-63	-361
Operating profit	**372**	415	284	64	257	446	**787**	704	1 051
Net financial items	**-66**	-74	-89	-85	-73	-64	**-140**	-136	-311
Profit before tax	**306**	341	195	-22	185	383	**648**	567	740
Tax	**-51**	-96	76	-2	-61	-111	**-147**	-172	-98
Profit for the period	**256**	245	271	-24	124	271	**501**	395	642
Earnings per share, after dilution, SEK	**3.0**	2.9	3.2	-0.3	1.5	3.2	**6.0**	4.7	7.6
Net turnover									
Holmen Paper	**2 361**	2 284	2 854	2 517	2 547	2 525	**4 645**	5 072	10 443
Iggesund Paperboard	**1 274**	1 266	1 194	1 210	1 219	1 237	**2 540**	2 456	4 860
Holmen Timber	**130**	127	109	116	124	149	**257**	273	499
Holmen Skog	**1 163**	1 283	1 365	1 208	1 433	1 436	**2 445**	2 869	5 443
Holmen Energi	**359**	442	501	442	392	499	**801**	891	1 834
Elimination of intra-group sales	**-791**	-872	-980	-902	-890	-972	**-1 663**	-1 862	-3 745
Group	**4 496**	4 529	5 043	4 591	4 826	4 875	**9 025**	9 700	19 334
Operating profit									
Holmen Paper	**150**	117	20	80	100	80	**267**	180	280
Iggesund Paperboard	**77**	73	16	127	61	116	**151**	176	320
Holmen Timber	**5**	-16	-7	-1	-2	23	**-11**	21	13
Holmen Skog	**144**	134	179	150	152	151	**278**	303	632
Holmen Energi	**59**	144	110	33	58	125	**203**	184	327
Group central costs and other	**-51**	-48	-30	-21	-51	-48	**-99**	-98	-149
Elimination of internal operating profit	**-11**	10	-5	-6	1	-1	**-1**	1	-10
Items affecting comparability *	**-**	-	-	-298	-63	-	**-**	-63	-361
Group	**372**	415	284	64	257	446	**787**	704	1 051
Operating margin, % **									
Holmen Paper	**6.3**	5.1	0.7	3.2	3.9	3.2	**5.7**	3.6	2.7
Iggesund Paperboard	**6.1**	5.8	1.4	10.5	5.0	9.3	**5.9**	7.2	6.6
Holmen Timber	**3.5**	-12.4	-6.8	-1.1	-1.5	15.3	**-4.3**	7.7	2.5
Group	**8.3**	9.2	5.6	7.5	6.4	9.2	**8.7**	7.0	7.3
Return on operating capital, % **									
Holmen Paper	**6.0**	4.6	0.8	3.2	4.0	3.3	**5.3**	3.6	2.8
Iggesund Paperboard	**7.2**	6.9	1.5	12.1	5.8	11.1	**7.0**	8.4	7.5
Holmen Timber	**5.6**	-17.7	-7.9	-1.3	-2.1	26.2	**-6.5**	11.9	3.5
Holmen Skog	**5.0**	4.7	6.3	5.3	5.4	5.3	**4.9**	5.3	5.6
Holmen Energi	**7.7**	19.1	14.8	4.5	7.9	16.9	**13.3**	12.4	11.1
Group	**5.5**	6.1	4.1	5.1	4.5	6.4	**5.8**	5.5	5.0
Key ratios									
Return on capital employed, % **	**6.6**	7.3	4.9	6.3	5.6	7.8	**7.0**	6.7	6.1
Return on equity, %	**6.6**	6.4	6.9	-0.6	3.0	6.4	**6.5**	4.7	3.9
Deliveries									
Newsprint and magazine paper, 1 000 tonnes	**437**	397	539	493	508	503	**834**	1 012	2 044
Paperboard, 1 000 tonnes	**119**	117	115	124	127	127	**236**	254	494
Sawn timber, 1 000 m³	**80**	81	63	66	66	72	**160**	137	266
Harvesting company forests, 1 000 m³	**753**	580	770	631	714	534	**1 333**	1 248	2 649
Production of hydro power, GWh	**203**	304	311	176	254	388	**507**	642	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 analysts' conference and teleconference

In connection with the publication of the interim report a press and analysts' conference will be held at 14:30 hrs CET on Thursday 13 August. **Venue: IVA Konferenscenter, Grev Turegatan 16, Stockholm.** Magnus Hall, the President and CEO, will present and comment on the report. The conference can also be accessed directly via Holmen's website www.holmen.com and/or by telephone, in which case the call must be placed by no later than 14:25 hrs CET on +46 (0)8 5052 0114 (Sweden) or +44 (0)20 7162 0177 (rest of Europe).

A teleconference will be held in English at 16:00 hrs CET. It can be accessed via Holmen's website www.holmen.com and/or by telephone by placing a call no later than 15:55 hrs CET on +44 (0)20 7162 0077 (Europe) or +1 334 323 6201 (USA).

Financial reports in 2009

4 November 2009	Interim report January–September
4 February 2010	Year-end report

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

In its capacity as issuer, Holmen AB is releasing the information in this interim report for January–June 2009 in accordance with Chapter 17 of the Swedish Securities Market Act (2007:528). The information was distributed to the media for publication at 12.20 CET on Thursday 13 August 2009.