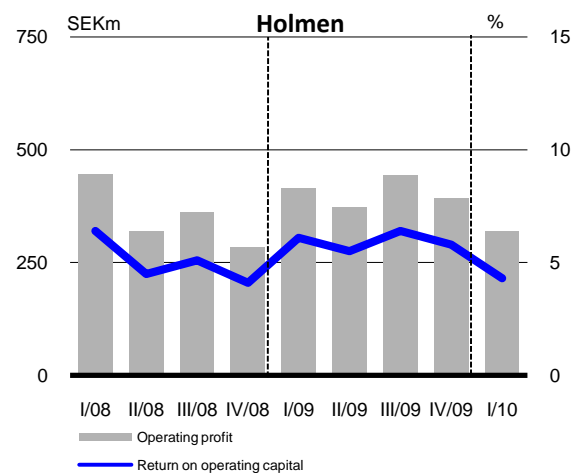
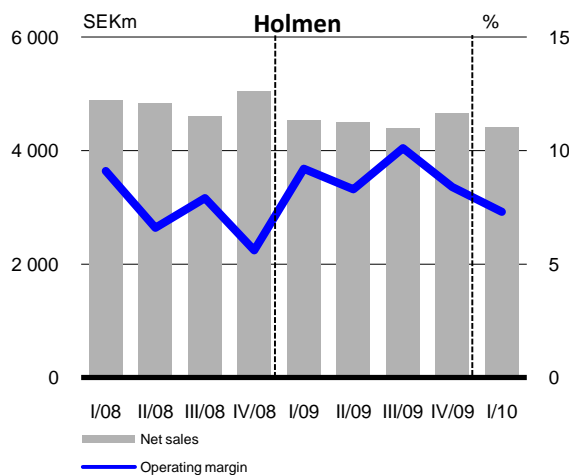


Interim report January-March 2010

SEKm	1-10	Quarter 4-09	1-09	Full year 2009
Net turnover	4 400	4 659	4 529	18 071
Operating profit	320	392	415	1 620
Profit after tax	178	225	245	1 006
Earnings per share, SEK	2.1	2.7	2.9	12.0
Return on equity, %	4.3	5.5	6.4	6.4

- Profit after tax for January–March 2010 was SEK 178 million (January–March 2009: SEK 245 million).
- Earnings per share were SEK 2.1 (2.9). Return on equity totalled 4.3 per cent (6.4).
- Operating profit amounted to SEK 320 million (415). Holmen Paper's profit deteriorated considerably as a result of lower newsprint prices. Profitability in the Group's other business areas improved. Compared to the result for the fourth quarter, profit was down by SEK 72 million.
- Demand for newsprint in Europe remained weak in the first quarter. The virgin fibre board market improved and deliveries from European producers to Europe rose by 7 per cent.



Holmen Paper		Quarter		Full year
SEKm	1-10	4-09	1-09	2009
Net sales	1 982	2 310	2 284	9 303
Operating costs	-1 945	-2 126	-1 944	-8 084
Depreciation and amortisation according to plan	-215	-218	-223	-878
Operating profit	-178	-34	117	340
Investments	17	94	36	287
Operating capital	8 223	8 789	10 019	8 789
Operating margin, %	-9	-2	5	4
Return on operating capital, %	-8	-2	5	4
Production, '000 tonnes	417	437	415	1 715
Deliveries, '000 tonnes	421	456	397	1 745

Demand for newsprint in Europe remained weak in the first quarter. Deliveries were on the same level as in the corresponding period last year, although regional differences were considerable. In Germany, Italy and the Nordic region, deliveries increased by approximately 10 per cent, but declined by around the same degree in Spain and France. Capacity utilisation at European producers remains low, but has improved somewhat as a result of higher exports to Asia and lower imports from North America. Annual price negotiations led to sharp price decreases.

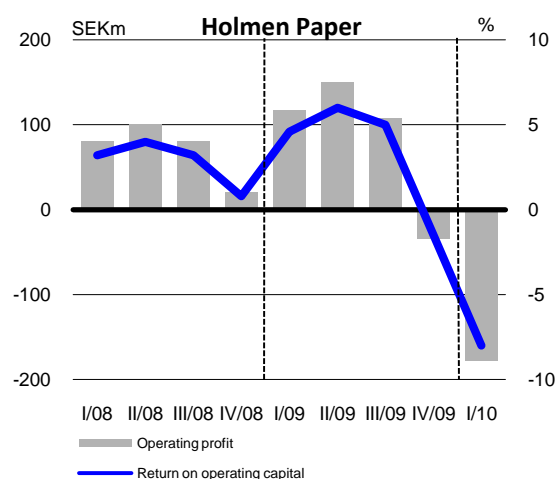
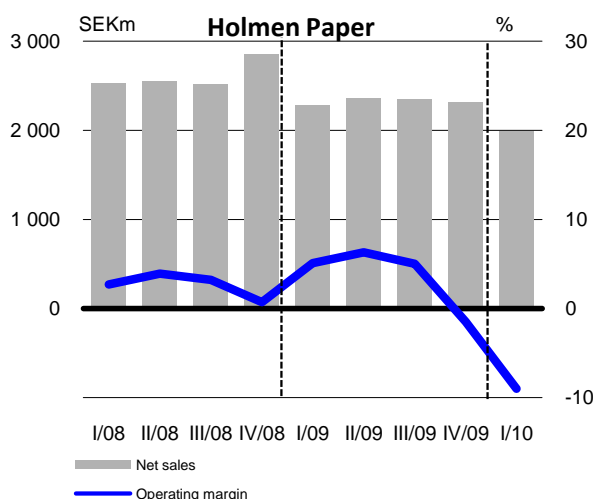
Demand for MF Magazine in Europe was 12 per cent higher in the first quarter than in the same period last year. Demand for SC paper fell by 3 per cent but rose by 8 per cent for coated printing paper.

Deliveries by Holmen Paper increased to 421 000 tonnes, from 397 000 tonnes in the first quarter of 2009. Deliveries of standard newsprint and MF

Magazine to Europe accounted for the bulk of the increase. Compared to the fourth quarter, deliveries were seasonally lower.

Holmen Paper's operating profit for January–March 2010 was SEK -178 million (117). The decline is attributable to reduced prices. Production was again limited by the weakness of the market. Despite extremely high electricity prices at times in Sweden, energy costs were held in check by fixed-price agreements and production adjustments. Profits were adversely affected by rising prices for recovered paper.

Compared to the fourth quarter, operating profit fell by SEK 144 million as a result of lower selling prices. Profit was also adversely affected by higher energy and fibre costs. The figure for the fourth quarter 2009 included provisions totalling SEK 65 million for staff cuts and impairment losses on finished goods.



Iggesund Paperboard		Quarter		Full year
SEKm	1-10	4-09	1-09	2009
Net sales	1 195	1 260	1 266	5 023
Operating costs	-959	-1 027	-1 103	-4 244
Depreciation and amortisation according to plan	-73	-93	-90	-361
Operating profit	163	140	73	419
Investments	28	75	56	260
Operating capital	4 018	4 114	4 277	4 114
Operating margin, %	14	11	6	8
Return on operating capital, %	16	14	7	10
Production, paperboard, '000 tonnes	113	118	114	471
Deliveries, paperboard, '000 tonnes	115	123	117	477

The market for virgin fibre board continued to improve in the first quarter of 2010. Deliveries from European producers to Europe were 7 per cent higher than in the first quarter of 2009. Iggesund Paperboard has implemented price increases for folding boxboard, which gradually will have an effect in the spring. Further price increases have been announced.

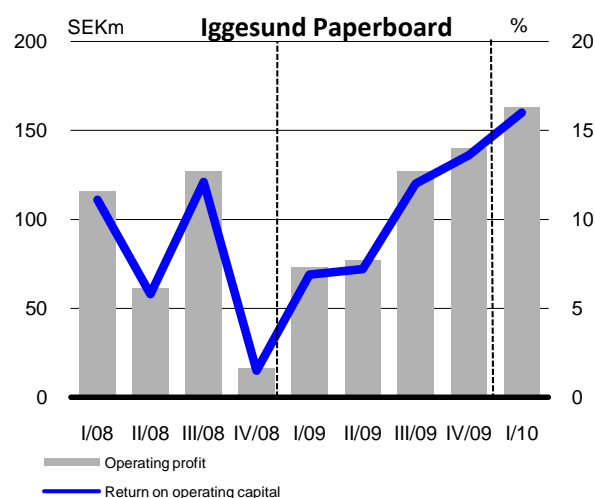
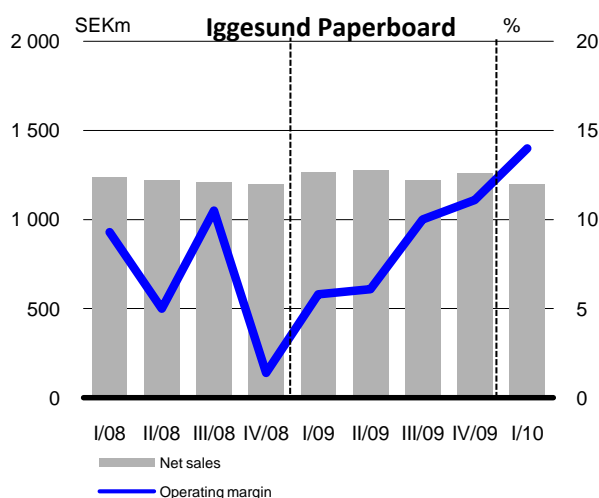
In January–March 2010, Iggesund Paperboard's deliveries totalled 115 000 tonnes, which was on the same level as the preceding year. Compared to the fourth quarter, deliveries were somewhat lower. Board machine BM 1 at Workington, UK, was shut down in December 2009.

Iggesund Paperboard's operating profit for January–March 2010 was SEK 163 million (73).

The improvement in the market made high capacity utilisation possible and resulted in lower production costs.

Compared to the fourth quarter 2009, profit increased by SEK 23 million. The loss of volume as a result of shutting down board machine BM 1 at Workington was largely offset through reduced personnel and maintenance costs and a better production mix. The fourth quarter results include costs of SEK 60 million related to the closure of BM 1.

During April, production at Iggesund Mill was halted for about ten days as a result of a strike. The costs incurred are being covered by the employers' organisation.



Holmen Timber		Quarter		Full year
SEKm	1-10	4-09	1-09	2009
Net sales	128	155	127	553
Operating costs	-113	-129	-134	-501
Depreciation and amortisation according to plan	-8	-7	-8	-31
Operating profit	7	19	-16	21
Investments	115	69	-8	110
Operating capital	527	396	342	396
Operating margin, %	5	12	-12	4
Return on operating capital, %	6	21	-18	6
Production, '000 m ³	67	76	68	291
Deliveries, '000 m ³	62	76	81	313

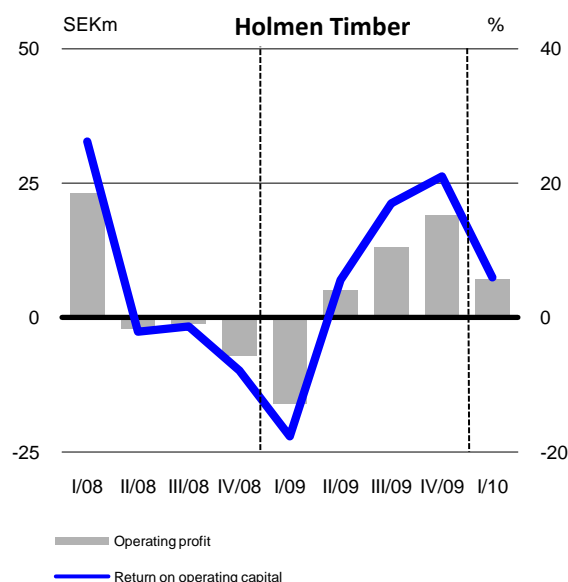
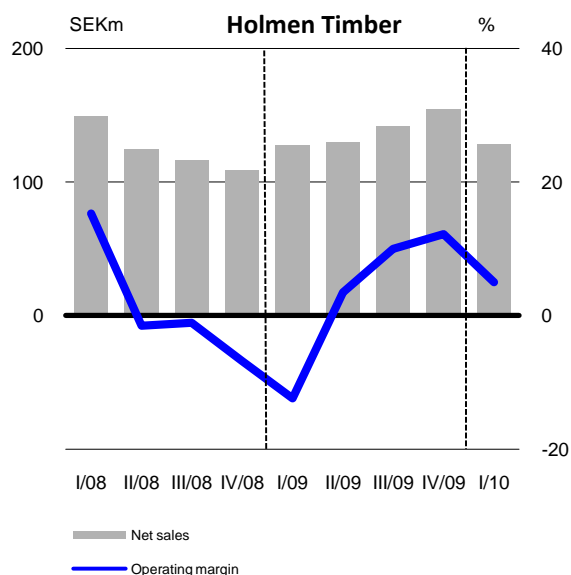
Consumption of sawn timber remained low during the first quarter. At the same time, production at many sawmills was limited by a shortage of raw material and by the severe winter. Stock levels are considered to be low. Prices were unchanged from the fourth quarter but considerably higher than in early 2009.

Holmen Timber's deliveries in the January–March period totalled 62 000 cubic metres, 23 per cent lower than in the corresponding period last year. The decline was attributable to production disruptions and transport problems as a result of the cold winter.

Holmen Timber's operating profit for January–March 2010 was SEK 7 million (-16). The improvement is attributable to higher selling prices. Profits were adversely affected by lower delivery volumes and higher costs of wood.

Compared to the result for the fourth quarter, operating profit was down by SEK 12 million. The decline was attributable to low production, low delivery volumes and higher costs of wood.

The construction of Braviken Sawmill near Norrköping is in progress. Production is scheduled to start at the turn of 2010/2011.



Holmen Skog		Quarter		Full year
SEKm	1-10	4-09	1-09	2009
Net sales	1 408	1 306	1 283	4 799
Operating costs	-1 214	-1 083	-1 133	-4 184
Depreciation and amortisation according to plan	-6	-9	-6	-27
Earnings from operations	188	214	144	589
Change in value of forests	1	-35	-10	16
Operating profit	189	179	134	605
Investments	1	54	8	69
Operating capital	11 395	11 384	11 449	11 384
Return on operating capital, %	7	6	5	5
Harvesting company forests, '000 m ³	643	859	580	2 897

Demand for saw timber remained high in the first quarter and prices rose in large parts of Sweden. Pulpwood prices also increased somewhat in the first quarter in the wake of higher demand.

Holmen Skog's operating profit in the first quarter of 2010 was SEK 189 million (134). The figure includes a change of SEK 1 million (-10) in the value of forests, calculated in accordance with IAS 41.

Earnings from operations (profit before changes in the value of forests) for January–March 2010 totalled SEK 188 million, SEK 44 million higher than in the corresponding period in 2009. The rise is attributable to increased harvesting of the company's forests and higher prices.

Compared to the fourth quarter, operating profit was down by SEK 26 million. Harvesting of the company's forests decreased from a high level. Silviculture costs were seasonally low.

Holmen Energi		Quarter		Full year
SEKm	1-10	4-09	1-09	2009
Net sales	549	465	442	1 628
Operating costs	-362	-320	-293	-1 194
Depreciation and amortisation according to plan	-5	-7	-5	-21
Operating profit	182	138	144	414
Investments	10	19	19	88
Operating capital	3 219	3 207	3 025	3 207
Return on operating capital, %	23	17	19	13
Production of hydro power, GWh	323	355	304	1 090

Operating profit for January–March 2010 was SEK 182 million (144). Higher prices were the main factor behind this improvement. Production was higher than in the same period last year, but 15 per cent lower than during a normal year.

Compared to the fourth quarter, operating profit increased by SEK 44 million as a result of higher prices, while production was lower.

The levels in Holmen's water storage reservoirs were somewhat below normal at the end of the quarter.

Net financial items and financing

Net financial items for January–March 2010 amounted to SEK -52 million (-74). Lower market interest rates reduced borrowing cost to 3.7 per cent (4.0), while net debt was lower.

Cash flow from current operations totalled SEK 120 million. Cash flow from investment activities was SEK -168 million. Dividend of SEK 588 million was paid to shareholders after the end of the quarter. The dividend payment is recognised in the quarterly accounts under Other current liabilities.

Since the turn of the year, the Group's financial net debt has decreased by SEK 246 million to SEK 5 437 million. The debt/equity ratio was 0.33. The equity ratio was 51 per cent.

Financial liabilities including pension provisions totalled SEK 5 776 million, of which SEK 2 116 million were current liabilities. Cash and cash equivalents and financial receivables totalled SEK 338 million. The Group has long-term committed credit facilities of SEK 7 132 million.

Equity

In January–March, the Group's equity decreased by SEK 146 million to SEK 16 358 million. Profit for the period totalled SEK 178 million, and dividend approved but unpaid totalled SEK 588 million. Equity has also been affected by other comprehensive income which consists of items such as actuarial revaluation of pension liability, currency revaluation of loans, revaluation of transaction hedges and restatement of assets in foreign entities, as well as tax on these items. In January–March, other comprehensive income totalled SEK 264 million. This is mainly attributable to the fact that the strengthened Swedish krona had a positive effect on fair value of outstanding transaction hedges.

Tax

The stated tax charge for January–March 2010 was SEK -89 million. The stated tax charge corresponded to 33 per cent of profit before tax, which is higher than normal. This was attributable to the negative result reported by Holmen Paper's Spanish operation.

Holmen's subsidiary MoDo Capital AB has appealed against the judgment of the Stockholm County Administrative Court issued in January 2010 regarding depreciation deduction. Holmen has already made provision for any costs and the judgment has therefore not affected profit, although it did result in a tax payment of SEK 465 million that affected the cash flow during the first quarter.

Hedging exchange rates and electricity prices

The Group hedges parts of its future estimated net flows in foreign currencies. Operating profit for

January–March 2010 includes SEK 13 million (-181) on currency hedging.

At the end of the quarter, some 90 per cent of the Group's estimated net flows in euros for 2010 were hedged at an exchange rate of SEK 9.7, for 2011 at about 85 per cent at SEK 10.6, and for 2012 at about 25 per cent at SEK 10.5. Four months' estimated flows in dollars were hedged at an exchange rate of SEK 7.2. The fair value of currency hedges not yet recognised in the income statement amounted to SEK 387 million at the end of the quarter.

For the 2010–2012 period, 90 per cent of the price of the Group's estimated net consumption of electricity in Sweden has been hedged, while approximately 75 per cent has been hedged for the 2013–2015 period.

Investments

Cash flow from investment activities was SEK -168 (-114) million in the January–March period. Depreciation and amortisation according to plan totalled SEK 308 million (332). A new sawmill at Braviken accounted for the major share of investments.

Employees

The average number of employees in the Group was 4 341 (4 627). The reduction was attributable to personnel changes at Holmen Paper and Workington as a result of shutting down board machine BM 1.

Share buy-backs

At the 2010 AGM, 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 to secure the company's undertaking pursuant to the call option scheme for employees.

Significant risks and uncertainties

The Group's and the parent company's significant risk 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 47–48 and Note 27 in Holmen's annual report for 2009.

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, 6 May 2010
Holmen AB (publ)

Magnus Hall
President and CEO

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

Interim report for January–June will be published on
11 August 2010.

For further information please contact:

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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 2.3 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. The figures in tables are rounded off.

The Group

Income statement, SEKm	Quarter			Full year 2009
	1-10	4-09	1-09	
Net sales	4 400	4 659	4 529	18 071
Other operating income	190	188	140	600
Change in inventories	-1	-163	-26	-381
Raw materials and consumables	-2 467	-2 267	-2 350	-9 017
Staff costs	-625	-699	-653	-2 662
Other operating costs	-882	-945	-890	-3 709
Depreciation and amortisation according to plan	-308	-334	-332	-1 320
Impairment losses	-	-22	-	-22
Change in value of biological assets	1	-35	-10	16
Interest in earnings of associates	9	10	7	45
Operating profit	320	392	415	1 620
Finance income	2	4	4	12
Finance costs	-54	-63	-78	-267
Profit before tax	268	332	341	1 366
Tax	-89	-107	-96	-360
Profit for the period	178	225	245	1 006
Earnings per share, basic, SEK	2.1	2.7	2.9	12.0
Earnings per share, diluted, SEK	2.1	2.7	2.9	12.0
Operating margin, %	7.3	8.4	9.2	9.0
Return on capital employed, %	5.8	7.0	7.3	7.2
Return on equity, %	4.3	5.5	6.4	6.4

Statement of comprehensive income, SEKm	Quarter			Full year 2009
	1-10	4-09	1-09	
Profit for the period	178	225	245	1 006
Other comprehensive income				
Cash flow hedging	443	-17	48	910
Actuarial gains and losses in respect of pensions, incl. special employer's contribution	67	-8	-72	15
Translation difference on foreign operation	-299	57	62	-256
Hedging of currency risk in foreign operation	255	-39	-18	254
Tax attributable to other comprehensive income	-202	17	12	-310
Total other comprehensive income	264	10	32	613
Total comprehensive income	442	234	278	1 619

The Group

Balance sheet, SEKm	2010 31 March	2009 31 December
Non-current assets		
Intangible non-current assets	22	27
Property, plant and equipment	12 317	12 473
Biological assets	11 131	11 109
Interests in associates	1 770	1 770
Other shares and participating interests	10	10
Non-current financial receivables	157	151
Deferred tax assets	264	304
Total non-current assets	25 670	25 845
Current assets		
Inventories	2 740	2 850
Trade receivables	2 420	2 712
Current tax receivable	23	22
Other operating receivables	789	490
Current financial receivables	87	74
Cash and cash equivalents	94	182
Total current assets	6 153	6 331
Total assets	31 823	32 176
Equity	16 358	16 504
Non-current liabilities		
Non-current financial liabilities	3 400	3 472
Pension provisions	260	320
Other provisions *	687	1 102
Deferred tax liabilities	5 209	5 045
Total non-current liabilities	9 555	9 939
Current liabilities		
Current financial liabilities	2 116	2 298
Trade payables	1 937	1 911
Current tax liability	77	102
Provisions	194	274
Other operating liabilities **	1 586	1 149
Total current liabilities	5 910	5 733
Total liabilities	15 465	15 672
Total equity and liabilities	31 823	32 176
Debt/equity ratio, times	0.33	0.34
Equity/assets ratio, %	51.4	51.3
Operating capital	26 741	26 929
Capital employed	21 796	22 188
Net financial debt	5 437	5 683
Pledged collateral	18	21
Contingent liabilities	136	140

* Payment of tax related to ongoing tax litigation has reduced Other provisions by SEK 465 million.

** Other operating liabilities as of 31 March 2010 includes decided but not yet paid dividend by SEK 588 million.

The Group

Change in equity, SEKm	January-March	
	2010	2009
Opening equity	16 504	15 641
Profit for the period	178	245
Other comprehensive income	264	32
Dividends paid	-588	-756
Closing equity	16 358	15 163

Share structure					
Share	Votes	No. of shares	No. of votes	Quota value	SEKm
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 bought back		-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, SEKm	Quarter			Full year 2009
	1-10	4-09	1-09	
Operating activities				
Profit before tax	268	332	341	1 366
Adjustments for non-cash items *	225	308	255	1 163
Paid income taxes **	-592	-130	51	-334
Cash flow from operating activities before changes in working capital	-99	510	647	2 195
Cash flow from changes in working capital				
Change in inventories	124	115	91	621
Change in trade receivables and other operating receivables	165	55	305	445
Change in trade payables and other operating liabilities	-70	147	-389	-389
Cash flow from operating activities	120	828	654	2 873
Investing activities				
Acquisition of non-current assets	-193	-293	-131	-759
Disposal of non-current assets	38	7	17	45
Change in non-current financial receivables	-13	-24	-	-104
Cash flow from investing activities	-168	-309	-114	-818
Financing activities				
Change in financial liabilities and current financial receivables	-37	-727	-457	-1 766
Dividends paid to the shareholders of the parent company	-	-	-	-756
Cash flow from financing activities	-37	-727	-457	-2 522
Cash flow for the period	-85	-209	83	-467
Opening cash and cash equivalents	182	390	653	653
Exchange difference in cash and cash equivalents	-3	1	1	-4
Closing cash and cash equivalents	94	182	737	182

Change in net financial debt, SEKm	Quarter			Full year 2009
	1-10	4-09	1-09	
Opening net financial debt	-5 683	-6 287	-7 504	-7 504
Cash flow from operating activities	120	828	654	2 873
Cash flow from investing activities (excl financial receivables)	-155	-285	-114	-714
Dividends paid	-	-	-	-756
Actuarial revaluation of pension liability	67	-8	-71	13
Foreign exchange effects and changes in fair value	214	69	-12	405
Closing net financial debt	-5 437	-5 683	-7 047	-5 683

* 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.

** Paid income taxes 2010 includes SEK -465 million related to ongoing tax litigation.

The Parent Company

Income statement, SEKm	1-10	Quarter		Full year 2009
		4-09	1-09	
Operating income	3 392	3 652	3 452	13 884
Operating costs	-3 337	-3 398	-3 275	-13 022
Operating profit	54	254	177	861
Net financial items	201	- 439	-81	746
Profit after net financial items	255	-185	95	1 607
Appropriations	-133	452	14	388
Profit before tax	122	267	109	1 995
Tax	-35	-174	-1	-331
Profit for the period	86	93	108	1 664

Statement of comprehensive income, SEKm	1-10	Quarter		Full year 2009
		4-09	1-09	
Profit for the period	86	93	108	1 664
Other comprehensive income				
Cash flow hedging	421	137	-58	919
Tax attributable to other comprehensive income	-111	-36	15	-242
Total other comprehensive income	310	101	-43	677
Total comprehensive income	396	194	65	2 341

Balance sheet, SEKm	2010		2009
	31 March	31 December	
Non-current assets	19 773	19 645	
Current assets	4 721	4 675	
Total assets	24 495	24 320	
Restricted equity	5 915	5 915	
Non-restricted equity	4 809	4 776	
Untaxed reserves	2 496	2 363	
Provisions	1 319	1 185	
Liabilities	9 955	10 081	
Total equity and liabilities	24 495	24 320	
Pledged collateral	6	6	
Contingent liabilities	659	688	

Sales to Group companies accounted for SEK 30 million (24) of operating income for January-March.

Net financial items include result on hedging of equity in foreign subsidiaries totalling SEK 255 million (-18).

In January-March the parent company's investments in tangible and intangible non-current assets reached SEK 6 million (10).

The Group

Quarterly figures, SEKm	2010	2009				Full year
	Q1	Q4	Q3	Q2	Q1	2009
Income statement						
Net sales	4 400	4 659	4 387	4 496	4 529	18 071
Operating costs	-3 782	-3 943	-3 636	-3 806	-3 789	-15 175
Depreciation and amortisation according to plan	-308	-334	-322	-333	-332	-1 320
Interest in earnings of associates	9	10	13	15	7	45
Operating profit	320	392	442	372	415	1 620
Net financial items	-52	-60	-55	-66	-74	-255
Profit before tax	268	332	386	306	341	1 366
Tax	-89	-107	-106	-51	-96	-360
Profit for the period	178	225	280	256	245	1 006
Diluted earnings per share, SEK	2.1	2.7	3.3	3.0	2.9	12.0
Net sales						
Holmen Paper	1 982	2 310	2 348	2 361	2 284	9 303
Iggesund Paperboard	1 195	1 260	1 223	1 274	1 266	5 023
Holmen Timber	128	155	142	130	127	553
Holmen Skog	1 408	1 306	1 048	1 163	1 283	4 799
Holmen Energi	549	465	363	359	442	1 628
Elimination of intra-group net sales	-862	-837	-737	-791	-872	-3 236
Group	4 400	4 659	4 387	4 496	4 529	18 071
Operating profit/loss						
Holmen Paper	-178	-34	107	150	117	340
Iggesund Paperboard	163	140	128	77	73	419
Holmen Timber	7	19	13	5	-16	21
Holmen Skog	189	179	147	144	134	605
Holmen Energi	182	138	72	59	144	414
Group-wide costs	-45	-50	-43	-51	-47	-191
Elimination of internal operating profit/loss	2	0	16	-11	9	13
Group	320	392	442	372	415	1 620
Operating margin, %						
Holmen Paper	-9.0	-1.5	4.6	6.3	5.1	3.7
Iggesund Paperboard	13.7	11.1	10.5	6.1	5.8	8.3
Holmen Timber	5.3	12.2	9.5	3.5	-12.4	3.8
Group	7.3	8.4	10.1	8.3	9.2	9.0
Return on operating capital, %						
Holmen Paper	-8.4	-1.5	4.5	6.0	4.6	3.5
Iggesund Paperboard	16.1	13.6	12.1	7.2	6.9	9.9
Holmen Timber	5.9	21.0	16.7	5.6	-17.7	6.2
Holmen Skog	6.6	6.3	5.1	5.0	4.7	5.3
Holmen Energi	22.6	17.3	9.1	7.7	19.1	13.3
Group	4.8	5.8	6.4	5.5	6.1	5.9
Key indicators						
Return on capital employed, %	5.8	7.0	7.8	6.6	7.3	7.2
Return on equity, %	4.3	5.5	7.0	6.6	6.4	6.4
Deliveries						
New sprint and magazine paper, '000 tonnes	421	456	455	437	397	1 745
Paperboard, '000 tonnes	115	123	118	119	117	477
Sawn timber, '000 m³	62	76	76	80	81	313
Harvesting company forests, '000 m³	643	859	704	753	580	2 897
Production of hydro power, GWh	323	355	229	203	304	1 090

The Group

Full year review, SEKm	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Income statement										
Net sales	18 071	19 334	19 159	18 592	16 319	15 653	15 816	16 081	16 655	15 155
Operating costs	-15 175	-16 630	-15 548	-14 954	-13 205	-12 570	-12 306	-12 205	-12 460	-11 843
Depreciation and amortisation according to plan	-1 320	-1 343	-1 337	-1 346	-1 167	-1 156	-1 166	-1 153	-1 126	-1 045
Interest in earnings of associates	45	50	12	11	20	25	-6	-10	-3	552
Items affecting comparability *	-	-361	557	-	-	-	-	-	-620	2 023
Operating profit	1 620	1 051	2 843	2 303	1 967	1 952	2 338	2 713	2 446	4 842
Net financial items	-255	-311	-261	-247	-233	-206	-212	-149	-152	-101
Profit before tax	1 366	740	2 582	2 056	1 734	1 746	2 126	2 564	2 294	4 741
Tax	-360	-98	-1 077	-597	-478	-471	-675	-605	-108	-769
Profit for the year	1 006	642	1 505	1 459	1 256	1 275	1 451	1 959	2 186	3 972
Diluted earnings per share, SEK	12.0	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	340	280	623	754	631	487	747	1 664	2 410	1 389
Iggesund Paperboard	419	320	599	752	626	809	1 001	818	455	569
Holmen Timber	21	13	146	80	13	5	18	-6	-79	-116
Holmen Skog	605	632	702	643	537	586	516	450	455	466
Holmen Energi	414	327	272	197	301	178	193	-26	49	99
Group-wide costs and eliminations	-178	-159	-56	-123	-141	-113	-137	-187	-224	-112
Items affecting comparability *	-	-361	557	-	-	-	-	-	-620	2 023
Transferred operations	-	-	-	-	-	-	-	-	-	524
Group	1 620	1 051	2 843	2 303	1 967	1 952	2 338	2 713	2 446	4 842
Balance sheet										
Non-current assets	25 694	26 506	26 153	25 354	25 793	23 381	20 940	21 357	19 150	18 955
Current assets	6 075	7 268	6 549	6 138	5 709	5 149	4 743	4 922	5 366	5 330
Financial receivables	407	828	541	649	712	459	675	688	432	2 015
Total assets	32 176	34 602	33 243	32 141	32 214	28 989	26 358	26 967	24 948	26 300
Equity	16 504	15 641	16 932	16 636	16 007	15 635	15 366	15 185	14 072	17 014
Deferred tax liability	5 045	4 819	5 482	5 030	5 143	5 177	4 557	4 370	4 014	4 264
Financial liabilities and interest-bearing provisions	6 091	8 332	6 518	6 634	7 351	5 335	4 044	4 496	3 593	1 721
Operating liabilities	4 536	5 809	4 310	3 841	3 713	2 842	2 391	2 916	3 269	3 301
Total equity and liabilities	32 176	34 602	33 243	32 141	32 214	28 989	26 358	26 967	24 948	26 300
Cash flow										
Operating activities	2 873	1 660	2 476	2 358	2 471	2 331	2 443	3 498	3 786	1 925
Investing activities	-818	-1 124	-1 315	-947	-3 029	-1 195	-726	-1 810	-1 669	-2 019
Cash flow after investments	2 054	536	1 161	1 411	-558	1 136	1 717	1 688	2 117	-94
Key indicators										
Return on capital employed, % **	7	6	10	10	9	10	12	16	18	15
Return on equity, %	6	4	9	9	8	8	10	14	16	24
Debt/equity ratio	0.34	0.48	0.35	0.36	0.41	0.31	0.22	0.25	0.22	-0.02
Dividend										
Ordinary dividend, SEK	7	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 and are also constructing a new sawmill in Sweden which will be taken into production in the turn of 2010/2011. Annual production capacity is 1 940 000 tonnes of printing paper, 530 000 tonnes of paperboard and 340 000 cubic metres of sawn timber. The new sawmill will initially have a yearly capacity of 550 000 cubic metres.

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 in Sweden.

Press and analyst conference

On the publication of the interim report, a press and analyst conference will be held at 14.30 CET on Thursday May 6. **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 is also directly available as a webcast on Holmen's website, www.holmen.com. You may also participate in the conference by telephone, by calling +46 (0)8 505 598 53 (within Sweden), +44 (0)203 043 24 36 (from the rest of Europe) or +1 866 458 40 87 (from the US) no later than 14.25 CET.

Financial reports in 2010

11 August 2010	Interim report January–June
26 October 2010	Interim report January–September
2 February 2011	Year-end report 2010

In its capacity as issuer, Holmen AB is releasing the information in this Interim report for January-March 2010 in accordance with Chapter 17 of the Swedish Securities Market Act (2007:528). The information was distributed to the media for publication at 12.00 CET on Thursday 6 May 2010.