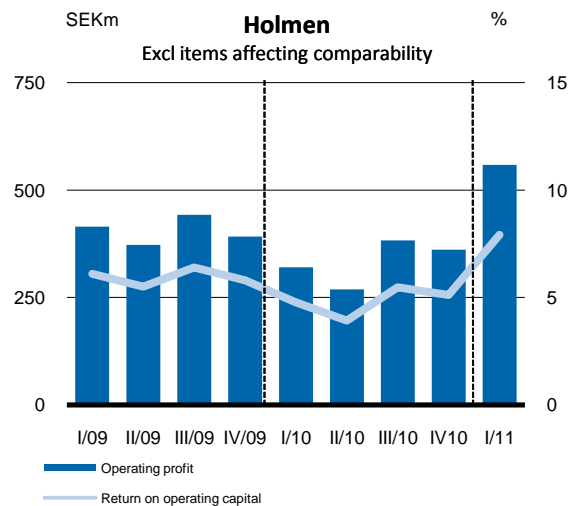
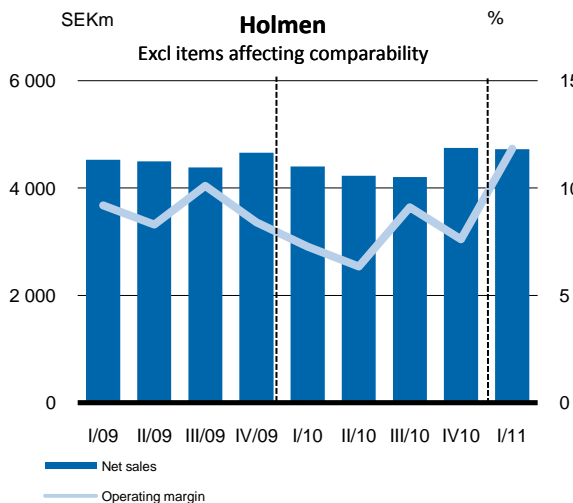


Interim report January-March 2011

SEKm	1-11	Quarter 4-10	1-10	Full year 2010
Net turnover	4 721	4 747	4 400	17 581
Operating profit	558	625	320	1 596
Operating profit excl items affecting comparability	558	361	320	1 332
Profit after tax	370	176	178	704
Earnings per share, SEK	4.4	2.1	2.1	8.4
Return on equity, %	8.8	4.2	4.3	4.2

- Profit after tax for January–March 2011 was SEK 370 million (January–March 2010: SEK 178 million).
 - Earnings per share were SEK 4.4 (2.1). Return on equity was 8.8 per cent (4.3).
 - Operating profit totalled SEK 558 million (320). The improvement is explained by higher prices for newsprint and paperboard, while higher costs for wood and recovered paper had an adverse impact on the result.
- Compared to the fourth quarter, operating profit excluding items affecting comparability improved by SEK 197 million, mainly as a result of higher newsprint prices.
- Demand for newsprint in Europe remained at the same level as one year ago. The market situation for Holmen's paperboard products remained robust, while the market for sawn timber was weak.



Holmen Paper		Quarter		Full year
SEKm	1-11	4-10	1-10	2010
Net sales	2 170	2 223	1 982	8 142
Operating costs	-1 919	-2 157	-1 945	-7 913
Depreciation and amortisation according to plan	-194	-207	-215	-847
Items affecting comparability	-	-786	-	-786
Operating profit	57	-927	-178	-1 404
<i>Operating profit excl. items affecting comp.</i>	57	-141	-178	-618
Investments	49	45	17	211
Operating capital	6 937	6 954	8 223	6 954
Operating margin, % *	3	-6	-9	-8
Return on operating capital, % *	3	-8	-8	-8
Production, '000 tonnes	446	452	417	1 713
Deliveries, '000 tonnes	419	465	421	1 732

* Excl. Items affecting comparability.

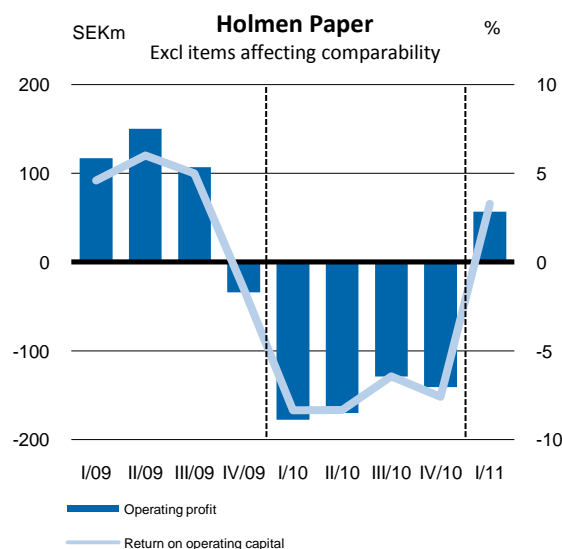
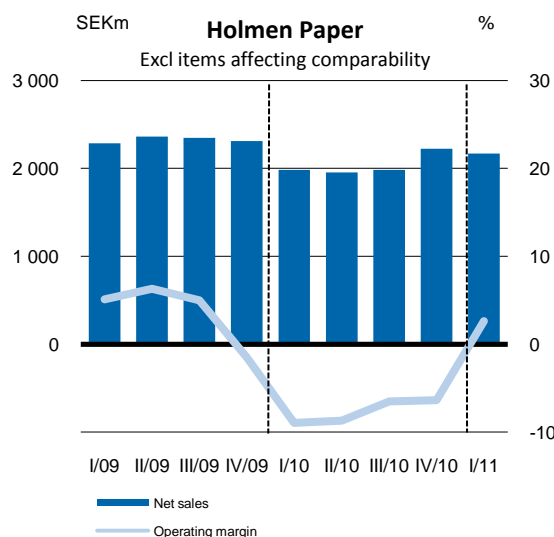
Demand for newsprint in Europe remained unchanged compared to the same period last year, while demand for MF Magazine increased. Prices were raised substantially from the very low levels seen in 2010.

Deliveries by Holmen Paper were largely unchanged compared to the first quarter of 2010 and totalled 419 000 tonnes. In line with Holmen's strategy, deliveries of MF Magazine increased and those of standard newsprint decreased. Compared to the fourth quarter, there was a seasonal decline of 10 per cent in deliveries.

Operating profit for the first quarter totalled SEK 57 million (loss of 178). Higher selling prices had a positive impact on operating profit, while wood and recovered paper costs rose.

Compared to the fourth quarter, operating profit excluding items affecting comparability rose by SEK 198 million. Selling prices rose and maintenance costs were seasonally low. The costs of wood and recovered paper increased.

The smaller paper machine in Madrid was closed down on 29 March 2011. The costs of the closure were reported in the results for the fourth quarter.



Iggesund Paperboard SEKm	Quarter			Full year
	1-11	4-10	1-10	2010
Net sales	1 257	1 291	1 195	4 849
Operating costs	-932	-978	-959	-3 708
Depreciation and amortisation according to plan	-81	-82	-73	-324
Operating profit	244	231	163	817
Investments	196	264	28	521
Operating capital	4 433	4 313	4 018	4 313
Operating margin, %	19	18	14	17
Return on operating capital, %	22	22	16	20
Production, paperboard, '000 tonnes	126	117	113	463
Deliveries, paperboard, '000 tonnes	118	121	115	464

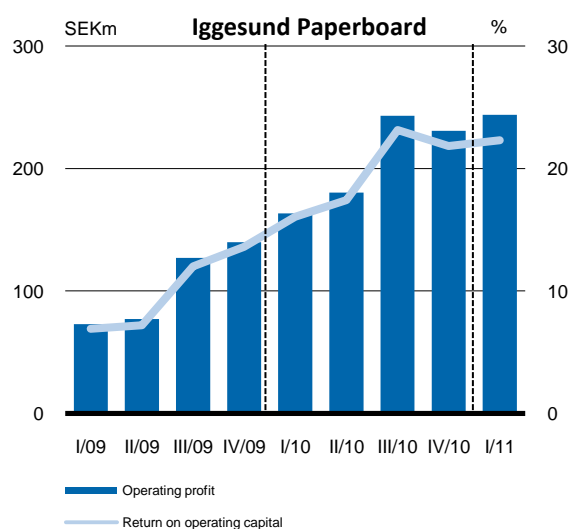
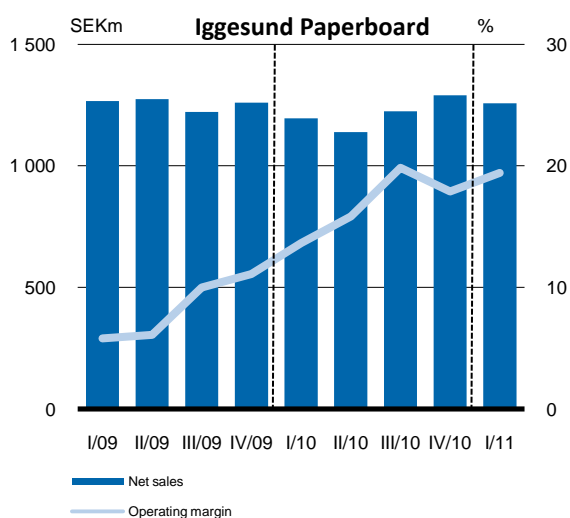
The market for solid bleached board and folding boxboard was good in the first quarter. Demand in Europe was 2 per cent higher than in the first quarter of 2010.

Iggesund Paperboard's deliveries totalled 118 000 tonnes, which was 2 per cent up on the first quarter of 2010.

Iggesund Paperboard's operating profit for January–March was SEK 244 million (163). The positive trend is mainly due to the implemented price increases now having full impact on results and to the fact that productivity was high.

Compared to the fourth quarter, operating profit rose by SEK 13 million. Prices increased and maintenance costs were seasonally lower. Fourth quarter results included SEK 25 million in positive inventory effects.

The Board has decided to invest in a biofuel boiler at the paperboard mill in Workington, UK, which will cut energy costs significantly and reinforce the mill's competitiveness. The new biofuel boiler is expected to be commissioned in April 2013. The investment totals SEK 1.1 billion.



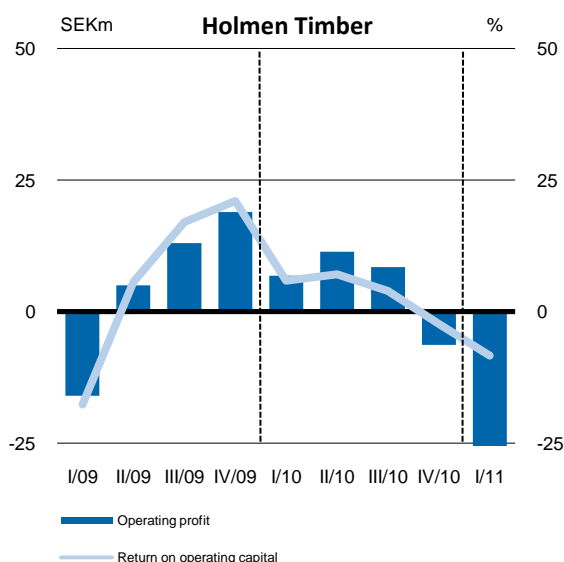
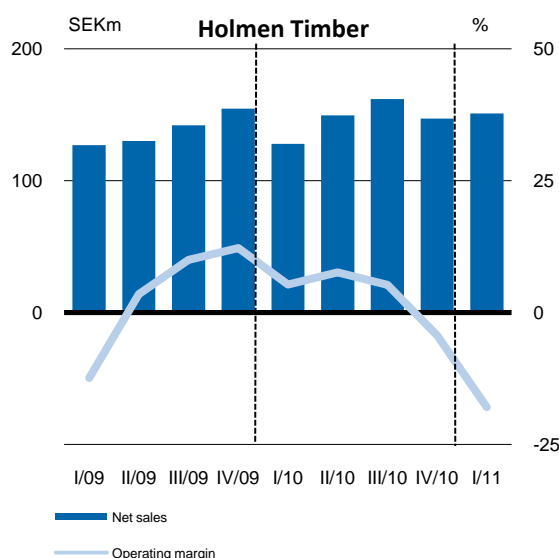
Holmen Timber SEKm	Quarter			Full year
	1-11	4-10	1-10	2010
Net sales	151	147	128	586
Operating costs	-159	-147	-113	-537
Depreciation and amortisation according to plan	-19	-7	-8	-29
Operating profit	-27	-6	7	20
Investments	172	248	115	800
Operating capital	1 396	1 192	527	1 192
Operating margin, %	-18	-4	5	4
Return on operating capital, %	-8	-2	6	3
Production, '000 m ³	110	72	67	285
Deliveries, '000 m ³	78	74	62	285

The market for sawn timber remains weak, reflecting a higher level of supply. Market prices have fallen slightly.

Holmen Timber's deliveries totalled 78 000 cubic metres, of which 14 000 cubic metres consisted of spruce from the new sawmill in Braviken. Deliveries of pine increased slightly compared to the same period last year, but showed a seasonal decline compared to the fourth quarter. The start-up of Braviken Sawmill is proceeding well and production totalled 40 000 cubic metres. The goal is to produce 300 000 cubic metres this year.

Holmen Timber reported an operating loss of SEK 27 million (profit of 7). The result was adversely affected by depreciation on the new sawmill, high raw material prices and a weak market with price pressure.

Compared to the fourth quarter, operating loss increased by SEK 21 million, due to the start-up of Braviken Sawmill and some price pressure on pine products.



Holmen Skog	Quarter			Full year
SEKm	1-11	4-10	1-10	2010
Net sales	1 697	1 456	1 408	5 585
Operating costs	-1 452	-1 245	-1 214	-4 791
Depreciation and amortisation according to plan	-7	-10	-6	-28
Earnings from operations	238	200	188	766
Change in value of forests	-17	3	1	52
Items affecting comparability	-	1 050	-	1 050
Operating profit	221	1 253	189	1 868
<i>Operating profit excl. items affecting comp.</i>	221	203	189	818
Investments	-2	-8	1	-3
Operating capital	12 627	12 597	11 395	12 597
Return on operating capital, % *	7	7	7	7
Harvesting company forests, '000 m ³	664	762	643	2 999

* Based on earnings from operations.

Demand for pulpwood in Sweden remained strong in the first quarter and prices rose slightly. The sawmills' demand for timber was lower than normal, and timber prices declined from high levels.

Holmen Skog's operating profit for January–March totalled SEK 221 million (189). Operating profit was higher than usual, primarily because of high earnings from felling rights.

Earnings from operations (profit before changes in the value of forests) totalled SEK 238 million, SEK 50 million higher than in January–March 2010. The improvement stems from price increases in 2010.

Compared to the fourth quarter, earnings from operations rose by SEK 38 million. The change is mainly due to seasonally lower silviculture costs.

Holmen Energi	Quarter			Full year
SEKm	1-11	4-10	1-10	2010
Net sales	494	556	549	1 932
Operating costs	-382	-423	-362	-1 416
Depreciation and amortisation according to plan	-5	-5	-5	-21
Operating profit	107	127	182	495
Investments	0	38	10	65
Operating capital	3 245	3 235	3 219	3 235
Return on operating capital, %	13	16	23	15
Production of hydro power, GWh	276	299	323	1 145

Operating profit for Holmen Energi in January–March totalled SEK 107 million (182). The decline is due to low production, 25 per cent lower than usual, and lower prices compared to the very high levels in 2010.

Compared to the fourth quarter, operating profit was down by SEK 20 million to SEK 107 million, as a result of lower prices and low production for the time of year.

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

Net financial items and financing

Net financial items for January–March 2011 totalled SEK -58 million (-52). During the period, interest expense of SEK 5 million (3) was capitalised in connection with major investment projects, and consequently reduced recognised interest expense. Higher market interest rates have increased borrowing costs to 4.4 (3.7) per cent.

Cash flow from operating activities totalled SEK 441 million. Cash flow from investing activities was SEK -388 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 operating liabilities.

In January–March 2011, the Group's net financial debt decreased by SEK 20 million to SEK 5 752 million. The debt/equity ratio was 0.35 and the equity/assets ratio 49 per cent. Financial liabilities including pension provisions totalled SEK 6 289 million, of which SEK 2 430 million comprised current liabilities. Cash, cash equivalents and financial receivables totalled SEK 537 million. The Group has unused long-term contractually agreed credit facilities of SEK 5 442 million, maturing in 2016–2017.

Equity

In January–March, the Group's equity decreased by SEK 348 million to SEK 16 564 million. Profit for the period totalled SEK 370 million, and dividend approved but unpaid was SEK 588 million. In addition, other comprehensive income totalled SEK -130 million. This is mainly attributable to the fact that transaction hedges with a positive fair value matured during the period.

Tax

Recognised tax for January–March was SEK -131 million. The recognised tax in relation to profit before tax is 26 per cent.

Hedging of exchange rates and electricity prices

The Group hedges parts of future estimated net flows in foreign currencies. Operating profit for January–March 2011 includes currency hedges of SEK 213 million (13).

At the end of the quarter, about 70 per cent of the Group's estimated net flows in euros for 2011 was hedged at an exchange rate of SEK 10.6, and for 2012 about 20 per cent was hedged at an exchange rate of SEK 10.5. Four months' estimated flows in dollars were hedged at an exchange rate of SEK 6.6. The fair value of currency hedges not yet recognised in the income statement totalled SEK 487 million at the end of the quarter.

For the rest of 2011 and 2012, 85 per cent of the price of the Group's estimated net consumption of electricity in Sweden has been hedged, while approximately 80 per cent has been hedged for the 2013–2015 period and about 30 per cent for 2016–2021.

Investments

Cash flow from investing activities was SEK -388 million (-168) in the period January–March. Scheduled depreciation and amortisation totalled SEK 306 million (308). The majority of the investments were in the new sawmill at Braviken and in a new recovery boiler and turbine at Iggesund Mill.

Personnel

The average number of employees (full-time equivalents) in the Group was 4 108 (4 341). The reduction is mainly attributable to cutbacks in Holmen Paper.

Share buy-backs

At the 2011 AGM, Holmen's shareholders authorised the Board to be able to purchase up to 10 per cent of the company's shares. No buy-backs have taken place during the year. The company already owns the 0.9 per cent of the shares necessary to secure the company's commitments pursuant to the call option scheme for employees.

Material risks and uncertainties

The Group's and the parent company's material risks and uncertainties relate primarily to changes in demand and the prices of their products, the cost of important input goods, and changes in exchange rates. For a more detailed description of material risks and uncertainties see Holmen's annual report for 2010 (pages 36–39 and note 26).

Transactions with related parties

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 2011
Holmen AB (publ)

Magnus Hall
President and CEO

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

The interim report for January–June 2011 will be published on 17 August 2011.

For more information, please contact:

Magnus Hall, President and CEO, tel. +46 8 666 21 05
Anders Jernhall, CFO, tel. +46 8 666 21 22
Ingela Carlsson, Public Relations Director, tel. +46 70 212 97 12

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 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
	1-11	4-10	1-10	2010
Net sales	4 721	4 747	4 400	17 581
Other operating income	193	278	190	862
Change in inventories	240	-53	-1	0
Raw materials and consumables	-2 859	-2 652	-2 467	-9 800
Staff costs	-607	-834	-625	-2 689
Other operating costs	-825	-983	-882	-3 616
Depreciation and amortisation according to plan	-306	-312	-308	-1 251
Impairment losses	-	-555	-	-555
Change in value of biological assets	-17	1 053	1	1 102
Interest in earnings of associates	18	-63	9	-38
Operating profit	558	625	320	1 596
Finance income	5	6	2	12
Finance costs	-63	-53	-54	-220
Profit before tax	501	578	268	1 388
Tax	-131	-402	-89	-684
Profit for the period	370	176	178	704
Earnings per share, basic, SEK	4.4	2.1	2.1	8.4
Earnings per share, diluted, SEK	4.4	2.1	2.1	8.4
Operating margin, % *	11.8	7.6	7.3	7.6
Return on capital employed, % *	9.9	6.4	5.8	5.9
Return on equity, %	8.8	4.2	4.3	4.2

Statement of comprehensive income, SEKm	Quarter			Full year
	1-11	4-10	1-10	2010
Profit for the period	370	176	178	704
Other comprehensive income				
Cash flow hedging	-91	-1	443	686
Actuarial gains and losses in respect of pensions, incl. special employer's contribution	-21	0	67	97
Translation difference on foreign operation	-73	-62	-299	-631
Hedging of currency risk in foreign operation	34	40	255	472
Tax attributable to other comprehensive income	21	-11	-202	-333
Total other comprehensive income	-130	-34	264	292
Total comprehensive income	240	142	442	996

* Excl. items affecting comparability.

The Group

Balance sheet, SEKm	2011 31 March	2010 31 December
Non-current assets		
Intangible non-current assets	14	19
Property, plant and equipment	11 962	11 877
Biological assets	12 145	12 161
Interests in associates	1 765	1 748
Other shares and participating interests	12	12
Non-current financial receivables	165	188
Deferred tax assets	198	210
Total non-current assets	26 261	26 216
Current assets		
Inventories	3 477	3 340
Trade receivables	2 587	2 518
Current tax receivable	8	4
Other operating receivables	924	1 088
Current financial receivables	194	73
Cash and cash equivalents	178	193
Total current assets	7 369	7 216
Total assets	33 630	33 432
Equity	16 564	16 913
Non-current liabilities		
Non-current financial liabilities	3 654	3 666
Pension provisions	205	213
Other provisions	459	459
Deferred tax liabilities	5 886	5 910
Total non-current liabilities	10 205	10 247
Current liabilities		
Current financial liabilities	2 430	2 349
Trade payables	2 416	2 453
Current tax liability	135	112
Provisions	260	270
Other operating liabilities *	1 619	1 088
Total current liabilities	6 861	6 273
Total liabilities	17 066	16 520
Total equity and liabilities	33 630	33 432
Debt/equity ratio, times	0.35	0.34
Equity/assets ratio, %	49.3	50.6
Operating capital	28 004	28 385
Capital employed	22 316	22 684
Net financial debt	5 752	5 772
Pledged collateral	17	17
Contingent liabilities	122	135

* Included in Other operating liabilities as of the 31st March 2011 is an unpaid dividend of MSEK 588

The Group

Change in equity, SEKm	January-March	
	2011	2010
Opening equity	16 913	16 504
Profit for the period	370	178
Other comprehensive income	-130	264
Total comprehensive income	240	240
Dividends paid	-588	-588
Closing equity	16 564	16 358

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 2010
	1-11	4-10	1-10	
Operating activities				
Profit before tax	501	578	268	1 388
Adjustments for non-cash items *	281	-5	225	811
Paid income taxes	-66	-11	-592	-704
Cash flow from operating activities before changes in working capital	716	562	-99	1 495
Cash flow from changes in working capital				
Change in inventories	-93	-174	124	-428
Change in trade receivables and other operating receivables	-44	-95	165	-139
Change in trade payables and other operating liabilities	-138	370	-70	595
Cash flow from operating activities	441	663	120	1 523
Investing activities				
Acquisition of non-current assets	-425	-631	-193	-1 692
Disposal of non-current assets	10	27	38	107
Change in non-current financial receivables	27	1	-13	-12
Cash flow from investing activities	-388	-602	-168	-1 597
Financing activities				
Change in financial liabilities and current financial receivables	-66	24	-37	681
Dividends paid to the shareholders of the parent company	-	-	-	-588
Cash flow from financing activities	-66	24	-37	93
Cash flow for the period	-13	85	-85	19
Opening cash and cash equivalents	193	109	182	182
Exchange difference in cash and cash equivalents	-2	0	-3	-8
Closing cash and cash equivalents	178	193	94	193

Change in net financial debt, SEKm	Quarter			Full Year 2010
	1-11	4-10	1-10	
Opening net financial debt	-5 772	-5 955	-5 683	-5 683
Cash flow from operating activities	441	663	120	1 523
Cash flow from investing activities (excl financial receivables)	-415	-604	-155	-1 585
Dividends paid	-	-	-	-588
Actuarial revaluation of pension liability	-20	-3	67	94
Foreign exchange effects and changes in fair value	14	127	214	468
Closing net financial debt	-5 752	-5 772	-5 437	-5 772

* 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.

The Parent Company

Income statement, SEKm	Quarter			Full year
	1-11	4-10	1-10	2010
Operating income	4 060	3 763	3 392	13 990
Operating costs	-3 719	-3 737	-3 337	-13 537
Operating profit	341	27	54	453
Net financial items	- 21	- 9	201	272
Profit after net financial items	320	18	255	725
Appropriations	-24	-88	-133	-155
Profit before tax	297	-70	122	570
Tax	-74	-23	-35	-198
Profit for the period	223	-94	86	372

Statement of comprehensive income, SEKm	Quarter			Full year
	1-11	4-10	1-10	2010
Profit for the period	223	-94	86	372
Other comprehensive income				
Cash flow hedging	-199	200	421	923
Tax attributable to other comprehensive income	52	-53	-111	-243
Total other comprehensive income	-146	148	310	680
Total comprehensive income	77	54	396	1 053

Balance sheet, SEKm	2011	2010
	31 March	13 December
Non-current assets	19 808	19 666
Current assets	6 203	5 896
Total assets	26 012	25 562
Restricted equity	5 915	5 915
Non-restricted equity	4 851	5 235
Untaxed reserves	2 542	2 518
Provisions	1 598	1 663
Liabilities	11 106	10 231
Total equity and liabilities	26 012	25 562
Pledged collateral	6	6
Contingent liabilities	143	177

Sales to Group companies accounted for SEK 27 million (30) of operating income for January–March.

The parent company's investments in property, plant and equipment and intangible non-current assets totalled SEK 1 million (6).

Net financial items include the result from hedging equity in foreign subsidiaries totalling SEK 34 million (255).

The Group

Quarterly figures, SEKm	2011		2010		Full year	
	Q1	Q4	Q3	Q2	Q1	2010
Income statement						
Net sales	4 721	4 747	4 205	4 227	4 400	17 581
Operating costs	-3 875	-4 078	-3 516	-3 650	-3 782	-15 026
Depreciation and amortisation according to plan	-306	-312	-314	-318	-308	-1 251
Interest in earnings of associates	18	4	7	8	9	28
Items affecting comparability*	-	264	-	-	-	264
Operating profit	558	625	383	268	320	1 596
Net financial items	-58	-48	-54	-55	-52	-208
Profit before tax	501	578	329	214	268	1 388
Tax	-131	-402	-113	-81	-89	-684
Profit for the period	370	176	216	133	178	704
Diluted earnings per share, SEK	4.4	2.1	2.6	1.6	2.1	8.4
Net sales						
Holmen Paper	2 170	2 223	1 982	1 955	1 982	8 142
Iggesund Paperboard	1 257	1 291	1 225	1 139	1 195	4 849
Holmen Timber	151	147	162	150	128	586
Holmen Skog	1 697	1 456	1 281	1 441	1 408	5 585
Holmen Energi	494	556	419	408	549	1 932
Elimination of intra-group net sales	-1 046	-924	-863	-864	-862	-3 513
Group	4 721	4 747	4 205	4 227	4 400	17 581
Operating profit/loss						
Holmen Paper**	57	-141	-129	-170	-178	-618
Iggesund Paperboard	244	231	243	180	163	817
Holmen Timber	-27	-6	8	11	7	20
Holmen Skog**	221	203	212	214	189	818
Holmen Energi	107	127	96	90	182	495
Group-wide costs	-37	-52	-45	-46	-45	-188
Elimination of internal operating profit/loss	-7	0	-3	-11	2	-12
Items affecting comparability*	-	264	-	-	-	264
Group	558	625	383	268	320	1 596
Operating margin, % **						
Holmen Paper	2.6	-6.3	-6.5	-8.7	-9.0	-7.6
Iggesund Paperboard	19.4	17.9	19.8	15.8	13.7	16.9
Holmen Timber	-17.9	-4.3	5.2	7.6	5.3	3.5
Group	11.8	7.6	9.1	6.4	7.3	7.6
Return on operating capital, % **						
Holmen Paper	3.3	-7.6	6.4	-8.3	-8.4	-7.7
Iggesund Paperboard	22.3	21.8	23.1	17.4	16.1	19.7
Holmen Timber	-8.4	-2.3	3.9	7.1	5.9	2.7
Holmen Skog	7.0	6.7	7.4	7.5	6.6	7.1
Holmen Energi	13.2	15.7	12.0	11.2	22.6	15.4
Group	7.9	5.1	5.5	3.9	4.8	4.8
Key indicators						
Return on capital employed, % **	9.9	6.4	6.7	4.8	5.8	5.9
Return on equity, %	8.8	4.2	5.2	3.2	4.3	4.2
Deliveries						
New sprint and magazine paper, '000 tonnes	419	467	425	420	421	1 732
Paperboard, '000 tonnes	118	121	118	110	115	464
Sawn timber, '000 m³	78	74	77	71	62	285
Harvesting company forests, '000 m³	664	762	711	882	643	2 999
Production of hydro power, GWh	276	299	268	255	323	1 145

* Items affecting comparability in the fourth quarter 2010 refers to impairment of fixed assets, provisions for restructuring and revaluation of forest.

** Excl. items affecting comparability.

The Group

Full year review, SEKm	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Income statement										
Net sales	17 581	18 071	19 334	19 159	18 592	16 319	15 653	15 816	16 081	16 655
Operating costs	-15 025	-15 175	-16 630	-15 548	-14 954	-13 205	-12 570	-12 306	-12 205	-12 460
Depreciation and amortisation according to plan	-1 251	-1 320	-1 343	-1 337	-1 346	-1 167	-1 156	-1 166	-1 153	-1 126
Interest in earnings of associates	28	45	50	12	11	20	25	-6	-10	-3
Items affecting comparability *	264	-	-361	557	-	-	-	-	-	-620
Operating profit	1 596	1 620	1 051	2 843	2 303	1 967	1 952	2 338	2 713	2 446
Net financial items	-208	-255	-311	-261	-247	-233	-206	-212	-149	-152
Profit before tax	1 388	1 366	740	2 582	2 056	1 734	1 746	2 126	2 564	2 294
Tax	-684	-360	-98	-1 077	-597	-478	-471	-675	-605	-108
Profit for the year	704	1 006	642	1 505	1 459	1 256	1 275	1 451	1 959	2 186
Diluted earnings per share, SEK	8.4	12.0	7.6	17.8	17.2	14.8	15.1	17.5	23.6	26.4
Operating profit by business area										
Holmen Paper**	-618	340	280	623	754	631	487	747	1 664	2 410
Iggesund Paperboard	817	419	320	599	752	626	809	1 001	818	455
Holmen Timber	20	21	13	146	80	13	5	18	-6	-79
Holmen Skog**	818	605	632	702	643	537	586	516	450	455
Holmen Energi	495	414	327	272	197	301	178	193	-26	49
Group-wide costs and eliminations	-200	-178	-159	-56	-123	-141	-113	-137	-187	-224
Items affecting comparability *	264	-	-361	557	-	-	-	-	-	-620
Transferred operations	-	-	-	-	-	-	-	-	-	-
Group	1 596	1 620	1 051	2 843	2 303	1 967	1 952	2 338	2 713	2 446
Balance sheet										
Non-current assets	26 028	25 694	26 506	26 153	25 354	25 793	23 381	20 940	21 357	19 150
Current assets	6 950	6 075	7 268	6 549	6 138	5 709	5 149	4 743	4 922	5 366
Financial receivables	454	407	828	541	649	712	459	675	688	432
Total assets	33 432	32 176	34 602	33 243	32 141	32 214	28 989	26 358	26 967	24 948
Equity	16 913	16 504	15 641	16 932	16 636	16 007	15 635	15 366	15 185	14 072
Deferred tax liability	5 910	5 045	4 819	5 482	5 030	5 143	5 177	4 557	4 370	4 014
Financial liabilities and interest-bearing provisions	6 227	6 091	8 332	6 518	6 634	7 351	5 335	4 044	4 496	3 593
Operating liabilities	4 382	4 536	5 809	4 310	3 841	3 713	2 842	2 391	2 916	3 269
Total equity and liabilities	33 432	32 176	34 602	33 243	32 141	32 214	28 989	26 358	26 967	24 948
Cash flow										
Operating activities	1 523	2 873	1 660	2 476	2 358	2 471	2 331	2 443	3 498	3 786
Investing activities	-1 597	-818	-1 124	-1 315	-947	-3 029	-1 195	-726	-1 810	-1 669
Cash flow after investments	-74	2 054	536	1 161	1 411	-558	1 136	1 717	1 688	2 117
Key indicators										
Return on capital employed, % **	6	7	6	10	10	9	10	12	16	18
Return on equity, %	4	6	4	9	9	8	8	10	14	16
Debt/equity ratio	0.34	0.34	0.48	0.35	0.36	0.41	0.31	0.22	0.25	0.22
Dividend										
Ordinary dividend, SEK	7	7	9	12	12	11	10	10	11	10
Extra dividend, SEK	-	-	-	-	-	-	-	30	-	-

* Items affecting comparability in 2010 refers to impairment of fixed assets (SEK -555 million), provisions for restructuring (SEK -231 million) and revaluation of forrest (SEK +1050 million).

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 consumer packaging and graphics printing at one Swedish and one English mill. **Holmen Timber** produces sawn timber in two Swedish sawmills. Annual production capacity is 1 750 000 tonnes of printing paper, 530 000 tonnes of paperboard and 860 000 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 in Sweden.

Press and analyst conference

On the publication of the interim report, a press and analyst conference will be held at 15.00 CET on Friday, 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 14.55 CET.

Financial reports in 2011

17 August 2011	Interim report January-June
26 October 2011	Interim report January-September
2 February 2012	Year-end report 2011

In its capacity as issuer, Holmen AB is releasing the information in this interim report for January-March 2011 in accordance with Chapter 17 of the Swedish Securities Market Act (2007:528). The information was distributed to the media for publication at 12.30 CET on Friday May 6 2011.

This is a translation of the Swedish interim report of Holmen Aktiebolag (publ.). In the event of inconsistency between the English and the Swedish versions, the Swedish version shall prevail.