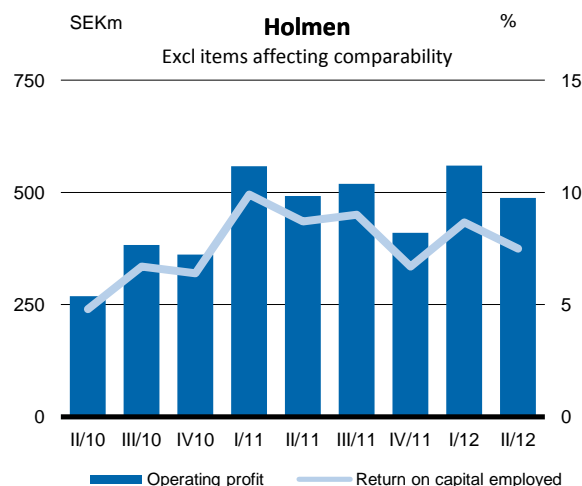
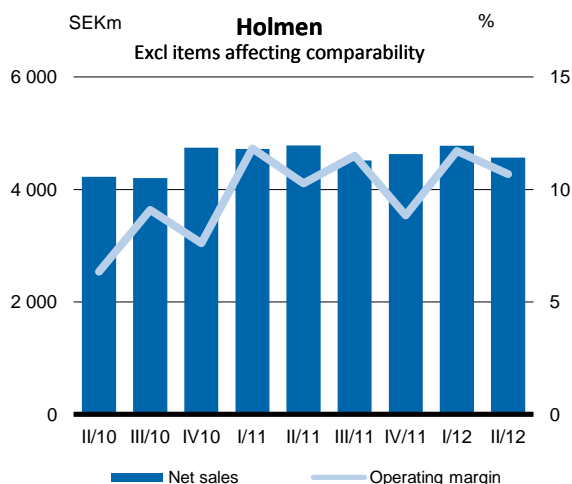


Interim report January-June 2012

SEKm	2-12	Quarter 1-12	2-11	January-June 2012	2011	Full year 2011
Net turnover	4 569	4 778	4 787	9 347	9 508	18 656
EBITDA	694	789	808	1 482	1 672	3 240
Operating profit*	488	560	492	1 048	1 050	1 980
Profit after tax*	313	389	302	701	672	1 307
Earnings per share, SEK*	3.7	4.6	3.6	8.3	8.0	15.6
Return on equity, %*	6.4	7.9	7.3	7.2	8.1	7.8

* Excluding revaluation of forest in Q4 2011: + SEK 3 593 million before tax (SEK 2 648 million after tax).

- Profit after tax for January–June 2012 totalled SEK 701 million (January–June 2011: SEK 672 million).
- Earnings per share amounted to SEK 8.3 (8.0).
- Return on equity was 7.2 per cent (8.1).
- Operating profit totalled SEK 1 048 million (1 050). Earnings from forest increased, while the contribution from currency hedges fell.
- The operating profit from the second quarter was SEK 488 million, SEK 72 million lower than in the preceding quarter. Earnings from hydro power generated by the company were lower due to seasonal factors. Production efficiency and low costs in printing paper largely offset the expiry of favourable currency hedges.
- The market situation for paperboard was stable during the quarter, while demand for printing paper and sawn timber was weak.



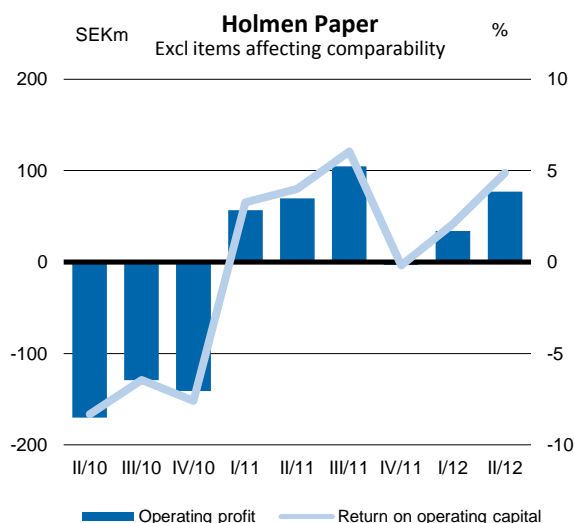
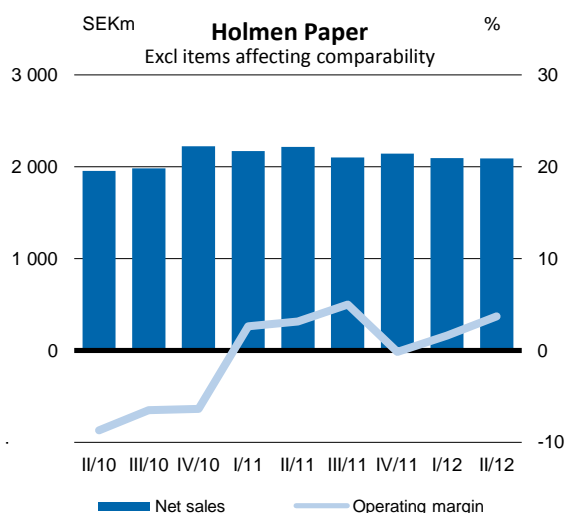
Holmen Paper	Quarter			January-June	Full year	
SEKm	2-12	1-12	2-11	2012	2011	2011
Net sales	2 090	2 093	2 215	4 183	4 385	8 631
Operating costs	-1 819	-1 866	-1 953	-3 686	-3 872	-7 629
EBITDA	270	227	262	497	513	1 002
Depreciation and amortisation according to plan	-193	-193	-193	-386	-387	-774
Operating profit	77	34	70	111	127	228
Investments	39	28	48	67	97	210
Operating capital	6 246	6 433	6 985	6 246	6 985	6 606
EBITDA margin, %	13	11	12	12	12	12
Operating margin, %	4	2	3	3	3	3
Return on operating capital, %	5	2	4	3	4	3
Production, '000 tonnes	425	422	416	848	862	1 673
Deliveries, '000 tonnes	419	406	426	826	845	1 668

Demand for printing paper in Europe remained weak in the second quarter. Magazine paper deliveries to Europe fell by 7 per cent in January-June, compared with the same period last year. The decline for newsprint was 10 per cent.

Deliveries by Holmen Paper totalled 826 000 tonnes in the first half-year, slightly lower than the same period last year, as a result of the shutdown of a paper machine in Madrid in spring 2011. The weak demand in Europe has led to certain production constraints. A major maintenance shutdown is scheduled at Braviken Paper Mill in the third quarter.

Operating profit for January-June totalled SEK 111 million (127). The product mix was improved through a continued increase in MF Magazine and book paper, while costs were lower as a result of rationalisations carried out, production efficiency and lower fibre prices. The contribution from currency hedges fell by SEK 150 million.

Compared with the first quarter, profit increased by SEK 43 million to SEK 77 million. Production efficiency and low costs offset the expiry of favourable currency hedges.



Iggesund Paperboard SEKm	Quarter			January-June		Full year
	2-12	1-12	2-11	2012	2011	2011
Net sales	1 212	1 332	1 340	2 543	2 597	5 109
Operating costs	-999	-1 037	-1 021	-2 036	-1 954	-3 923
EBITDA	213	295	319	507	643	1 186
Depreciation and amortisation according to plan	-79	-80	-81	-159	-161	-323
Operating profit	134	214	238	348	482	863
Investments	371	468	208	839	405	1 120
Operating capital	5 819	5 476	4 673	5 819	4 673	5 041
EBITDA margin, %	18	22	24	20	25	23
Operating margin, %	11	16	18	14	19	17
Return on operating capital, %	9	16	21	13	22	19
Production, paperboard, '000 tonnes	119	127	124	246	251	471
Deliveries, paperboard, '000 tonnes	118	123	127	241	245	474

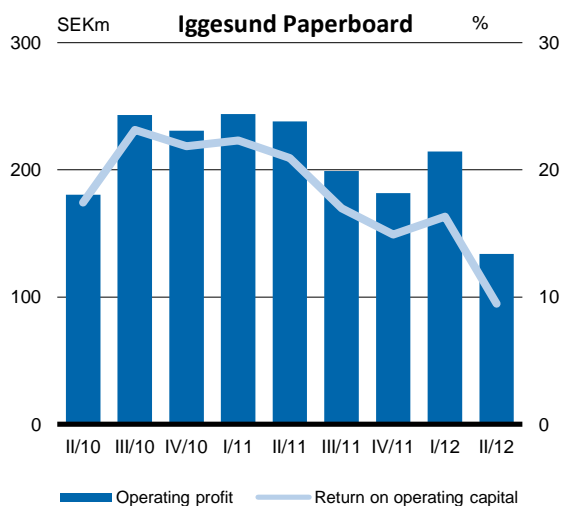
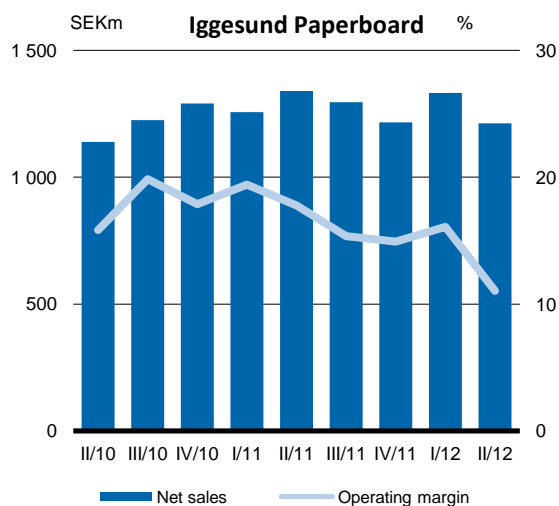
The market for SBB and FBB was stable during the quarter but during the first half-year deliveries from European producers to Europe were 5 per cent lower than in the corresponding period last year.

Iggesund Paperboard's deliveries amounted to 241 000 tonnes in the first half-year, 4 000 tonnes lower than the same period last year.

Operating profit for Iggesund Paperboard in January–June totalled SEK 348 million (482). The decline is due to lower deliveries, higher costs and a fall of SEK 70 million in the contribution from currency hedges.

Compared with the first quarter, earnings fell by SEK 80 million to SEK 134 million. The decline is mainly attributable to the expiry of favourable currency hedges, although lower production and deliveries also had negative impact.

Iggesund Mill's new recovery boiler and turbine entered service in June, according to schedule. It is estimated that the new biofuel boiler in Workington will start up in spring 2013. The two investments amount to a total of SEK 3.4 billion, of which SEK 2.1 billion has been paid out to date.



Holmen Timber	Quarter			January-June	Full year	
SEKm	2-12	1-12	2-11	2012	2011	2011
Net sales	313	298	221	610	372	875
Operating costs	-305	-300	-229	-606	-388	-902
EBITDA	7	-3	-8	4	-16	-26
Depreciation and amortisation according to plan	-31	-31	-31	-62	-49	-109
Operating profit	-24	-34	-38	-57	-65	-136
Investments	1	1	143	3	314	365
Operating capital	1 513	1 548	1 482	1 513	1 482	1 507
EBITDA margin, %	2	-1	-3	1	-4	-3
Operating margin, %	-8	-11	-17	-9	-17	-16
Return on operating capital, %	-6	-9	-11	-7	-10	-9
Production, '000 m ³	164	173	140	337	251	560
Deliveries, '000 m ³	181	173	123	354	201	487

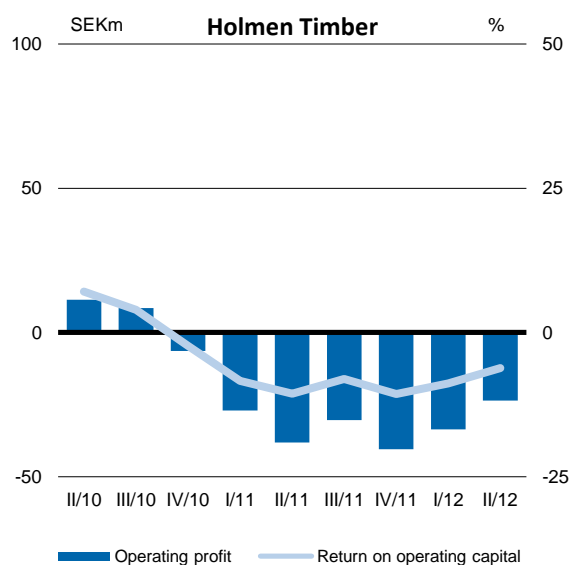
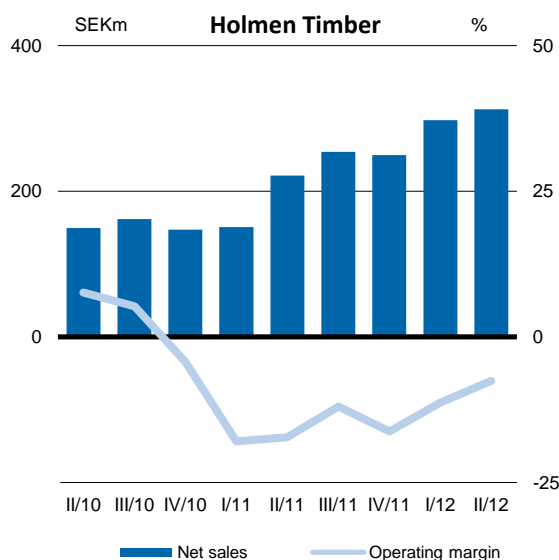
The market for sawn timber remained weak and selling prices were more or less unchanged.

Deliveries by Holmen Timber totalled 354 000 cubic metres during the first half-year, an increase of 153 000 cubic metres from the same period last year, mainly as a result of increased deliveries from Braviken Sawmill.

Holmen Timber reported an operating loss of SEK -57 million (-65) for January–June. The weak outcome was due to a slow market, with

pressure on prices, and raw material prices remaining high. Compared with the first half-year of 2011, earnings were burdened with SEK 14 million higher depreciation relating to the sawmill at Braviken.

Compared with the first quarter, the operating loss improved by SEK 10 million to SEK -24 million, as a result of somewhat lower production costs. Certain production constraints are being implemented in the June–August period.



Holmen Skog	Quarter			January-June	Full year	
SEKm	2-12	1-12	2-11	2012	2011	2011
Net sales	1 578	1 695	1 594	3 272	3 290	6 348
<i>of which from own forests</i>	356	282	393	638	713	1 457
Operating costs	-1 421	-1 526	-1 415	-2 946	-2 866	-5 579
Depreciation and amortisation according to plan	-7	-7	-7	-13	-14	-30
Earnings from operations	150	162	172	313	410	739
Change in value of forests*	111	88	6	199	-11	3 593
Operating profit	261	250	178	512	399	4 332
<i>Operating profit excl. items affecting comp*.</i>	261	250	178	512	399	739
Investments	10	25	17	35	15	42
Operating capital	16 360	16 261	12 557	16 360	12 557	16 278
Return on operating capital, %	6	6	6	6	6	6
Harvesting company forests, '000 m ³	790	645	792	1 435	1 456	2 988

*Revaluation of forests amounts in Q4 2011 to SEK 3 593 million and is stated as items affecting comparability.

Demand for timber in Sweden was normal in the second quarter, but weaker for pulpwood. Market prices were largely unchanged following earlier downturns.

Holmen Skog's operating profit for January–June amounted to SEK 512 million (399). Earnings from operations totalled SEK 313 million (410). The decline was attributable to a fall of just under 10 per cent in selling prices and slightly higher felling costs

as a result of a storm in central Sweden at the turn of the year. The change in value was reported as SEK 199 million (-11), somewhat higher than normal.

Compared with the first quarter, earnings from operations fell by SEK 12 million to SEK 150 million. Both the volume of felling and silviculture costs showed seasonal increases.

Holmen Energi	Quarter			January-June	Full year	
SEKm	2-12	1-12	2-11	2012	2011	2011
Net sales	413	497	436	910	930	1 807
<i>of which from own hydro power</i>	113	169	109	282	246	552
Operating costs	-336	-363	-357	-699	-739	-1 383
Depreciation and amortisation according to plan	-5	-5	-5	-9	-9	-19
Operating profit	72	130	75	201	181	406
Investments	8	2	7	11	7	16
Operating capital	3 206	3 216	3 226	3 206	3 226	3 253
Return on operating capital, %	9	16	9	13	11	13
Production of company hydro power, GWh	332	378	234	710	510	1 230

Holmen Energi's profit for January–June amounted to SEK 201 million (181). Production was nearly 40 per cent higher than in the same period last year and considerably higher than normal. Lower market prices for electricity brought down the average price of Holmen Energi's own production by around 20 per cent.

Compared with the first quarter, earnings fell by SEK 58 million to SEK 72 million. Production was very high for the time of year, but seasonally lower than during the first quarter, while at the same time electricity prices were low.

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

Net financial items and financing

Net financial items for January–June amounted to SEK -108 million (-122). During the period, interest expense of SEK 36 million (12) was capitalised in connection with major investment projects and consequently reduced the recognised interest expense. The major share pertains to projects completed in June 2012. The cost of borrowing was 4.3 per cent (4.4).

Cash flow from operating activities totalled SEK 1 260 million. Cash flow from investment activities totalled SEK -980 million. SEK 672 million in dividends was paid to shareholders in the second quarter.

During January–June, the Group's net financial debt increased by SEK 386 million to SEK 6 645 million. The debt/equity ratio was 0.34 and the equity/assets ratio 53 per cent. Financial liabilities including pension provisions totalled SEK 6 871 million, of which SEK 3 341 million were current liabilities. Cash, cash equivalents and financial receivables totalled SEK 225 million. The Group has unused long-term contractually agreed credit facilities of SEK 5 378 million, maturing in 2016-2017.

Equity

In January–June, the Group's equity increased by SEK 2 million to SEK 19 776 million. Profit for the period totalled SEK 701 million. The dividend paid was SEK 672 million. In addition, other comprehensive income totalled SEK -27 million.

Tax

Recognised tax for January–June was SEK -238 million. The recognised tax in relation to profit before tax was 25 per cent.

In the second quarter, the Stockholm Administrative Court of Appeal announced its judgment on the tax case involving Holmen's subsidiary Modo Capital AB. The judgment meant that the judgment of the County Administrative Court was upheld and that Modo Capital was disallowed depreciation deductions for the 1997 tax year. The tax cost has previously been paid and carried as an expense and therefore does not have any impact on the Group's earnings or cash flow. Holmen intends to appeal against the judgment at the Supreme Administrative Court.

Hedging exchange rates and electricity prices

The Group hedges parts of future estimated net flows in foreign currencies. Operating profit for January–June includes currency hedges of SEK 123 million (346).

At mid-year, the Group had hedged its anticipated currency flows for the next four months. Longer-term hedges have been obtained for certain transactions. The fair value of currency hedges not yet recognised as income amounted to SEK 77 million at mid-year.

The Group's estimated net consumption of electricity in Sweden for the remainder of 2012 is fully hedged. For the 2013-2015 period, approximately 80 per cent has been hedged while for the 2016-2021 period the figure is approximately 30 per cent.

Investments

Cash flow from investment activities was SEK -980 (-797) million in the January–June period. Scheduled depreciation and amortisation totalled SEK 634 million (622). The majority of the investments were in the new recovery boiler and turbine at Iggesund Mill and the new biofuel boiler at Workington.

Personnel

The average number of employees (full-time equivalents) in the Group was 4 004 (4 080). The reduction is mainly attributable to cutbacks at Holmen Paper.

Share buy-backs

At the 2012 AGM, the Board received authorisation to be able to purchase up to 10 per cent of the company's shares. No buy-backs took place during the period. The company already owns 0.9 per cent of all shares 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 its products, the cost of key input goods, and changes in exchange rates. For a more detailed description of material risks and uncertainties see Holmen's annual report for 2011 (pages 28-31 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.

The Board of Directors and the Chief Executive Officer 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, 14 August 2012
Holmen AB (publ.)

Fredrik Lundberg
Chairman

Carl Kempe
Deputy Chairman

Ulf Lundahl
Board member

Carl Bennet
Board member

Lars G Josefsson
Board member

Göran Lundin
Board member

Steewe Björklundh
Board member

Hans Larsson
Board member

Tommy Åsenbrygg
Board member

Kenneth Johansson
Board member

Louise Lindh
Board member

Magnus Hall
Board member and
Chief Executive Officer

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

Interim report for January–September 2012 will be published on 26 October 2012.

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Accounting principles

The 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 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			January-June		Full year
	2-12	1-12	2-11	2012	2011	2011
Net sales	4 569	4 778	4 787	9 347	9 508	18 656
Other operating income	165	144	219	308	413	661
Change in inventories	-2	11	-42	9	198	176
Raw materials and consumables	-2 490	-2 682	-2 594	-5 172	-5 453	-10 280
Staff costs	-645	-622	-636	-1 267	-1 243	-2 477
Other operating costs	-915	-846	-937	-1 761	-1 762	-3 580
Depreciation and amortisation according to plan	-317	-317	-316	-634	-622	-1 260
Change in value of biological assets	111	88	6	199	-11	3 593
Interest in earnings of associates	13	6	5	19	22	84
Operating profit	488	560	492	1 048	1 050	5 573
Finance income	2	2	2	4	7	12
Finance costs	-55	-58	-66	-113	-129	-256
Profit before tax	436	504	428	940	928	5 328
Tax	-123	-116	-125	-238	-256	-1 374
Profit for the period	313	389	302	701	672	3 955
Earnings per share, basic, SEK	3.7	4.6	3.6	8.3	8.0	47.1
Earnings per share, diluted, SEK	3.7	4.6	3.6	8.3	8.0	47.1
Operating margin, % *	10.7	11.7	10.3	11.2	11.0	10.6
Return on capital employed, % *	7.5	8.7	8.7	8.1	9.3	8.5
Return on equity, %	6.4	7.9	7.3	7.2	8.1	23.1

Statement of comprehensive income, SEKm	Quarter			January-June		Full year
	2-12	1-12	2-11	2012	2011	2011
Profit for the period	313	389	302	701	672	3 955
Other comprehensive income						
Cash flow hedging	21	-71	-232	-50	-323	-523
Actuarial gains and losses in respect of pensions, incl. special employer's contribution	-29	38	15	10	-6	-184
Translation difference on foreign operation	8	-28	72	-20	-1	-4
Hedging of currency risk in foreign operation	16	14	-58	30	-23	31
Tax attributable to other comprehensive income	-3	5	72	3	93	174
Total other comprehensive income	14	-42	-131	-27	-261	-506
Total comprehensive income	327	347	171	674	411	3 448

* Excl. items affecting comparability.

The Group

Balance sheet, SEKm	2012 30 June	2012 31 March	2011 31 December
Non-current assets			
Intangible non-current assets	29	25	26
Property, plant and equipment	12 609	12 481	12 516
Biological assets	15 990	15 879	15 771
Interests in associates	1 830	1 820	1 815
Other shares and participating interests	13	13	13
Non-current financial receivables	73	74	82
Deferred tax assets	183	183	194
Total non-current assets	30 728	30 474	30 416
Current assets			
Inventories	3 399	3 485	3 556
Trade receivables	2 487	2 481	2 366
Current tax receivable	87	210	26
Other operating receivables	531	453	694
Current financial receivables	39	52	46
Cash and cash equivalents	113	101	112
Total current assets	6 656	6 782	6 800
Total assets	37 385	37 256	37 217
Equity	19 776	19 448	19 773
Non-current liabilities			
Non-current financial liabilities	3 214	3 298	3 319
Pension provisions	316	307	358
Other provisions	491	471	472
Deferred tax liabilities	6 616	6 635	6 630
Total non-current liabilities	10 638	10 711	10 780
Current liabilities			
Current financial liabilities	3 341	2 831	2 822
Trade payables	2 346	2 352	2 655
Current tax liability	35	19	13
Provisions	132	139	157
Other operating liabilities	1 118	1 756	1 016
Total current liabilities	6 971	7 097	6 663
Total liabilities	17 609	17 807	17 443
Total equity and liabilities	37 385	37 256	37 217
Debt/equity ratio, times	0.34	0.32	0.32
Equity/assets ratio, %	52.9	52.2	53.1
Operating capital	32 853	32 107	32 469
Capital employed	26 421	25 655	26 032
Net financial debt	6 645	6 207	6 259
Pledged collateral	6	6	6
Contingent liabilities	103	106	118

The Group

Change in equity, SEKm	January-June	
	2012	2011
Opening equity	19 773	16 913
Profit for the period	701	672
Other comprehensive income	-27	-261
Total comprehensive income	674	411
Dividends paid	-672	-588
Closing equity	19 776	16 736

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* 758 300

* Exercise period May-June 2013. The exercise price is SEK 224.50 per share.

The Group

Cash flow analysis, SEKm	Quarter			January-June		Full year
	2-12	1-12	2-11	2012	2011	2011
Operating activities						
Profit before tax	436	504	428	940	928	5 328
Adjustments for non-cash items *	212	194	237	407	518	-2 561
Paid income taxes	7	-241	-169	-234	-234	-557
Cash flow from operating activities before changes in working capital	655	457	496	1 112	1 212	2 210
Cash flow from changes in working capital						
Change in inventories	70	95	45	164	-49	-237
Change in trade receivables and other operating receivables	-48	33	-211	-15	-256	64
Change in trade payables and other operating liabilities	41	-43	140	-2	2	63
Cash flow from operating activities	719	541	470	1 260	910	2 101
Investing activities						
Acquisition of non-current assets	-452	-541	-427	-993	-853	-1 849
Disposal of non-current assets	6	2	5	7	15	58
Change in non-current financial receivables	-1	7	13	6	41	58
Cash flow from investing activities	-447	-533	-409	-980	-797	-1 733
Financing activities						
Change in financial liabilities and current financial receivables	412	-18	450	394	384	139
Dividends paid to the shareholders of the parent company	-672	-	-588	-672	-588	-588
Cash flow from financing activities	-260	-18	-138	-278	-204	-448
Cash flow for the period	12	-10	-77	2	-90	-80
Opening cash and cash equivalents	101	112	178	112	193	193
Exchange difference in cash and cash equivalents	0	-1	3	-1	1	-1
Closing cash and cash equivalents	113	101	104	113	104	112

Change in net financial debt, SEKm	Quarter			January-June		Full year
	2-12	1-12	2-11	2012	2011	2011
Opening net financial debt	-6 207	-6 259	-5 752	-6 259	-5 772	-5 772
Cash flow from operating activities	719	541	470	1 260	910	2 101
Cash flow from investing activities (excl financial receivables)	-446	-540	-422	-986	-838	-1 791
Dividends paid	-672	-	-588	-672	-588	-588
Actuarial revaluation of pension liability	-28	38	14	10	-6	-182
Foreign exchange effects and changes in fair value	-11	13	-67	2	-53	-28
Closing net financial debt	-6 645	-6 207	-6 345	-6 645	-6 345	-6 259

* 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			January-June		Full year
	2-12	1-12	2-11	2012	2011	2011
Operating income	4 193	4 372	4 332	8 564	8 392	16 434
Operating costs	-3 998	-4 118	-4 010	-8 116	-7 729	-15 616
Operating profit	194	254	322	448	662	818
Net financial items	47	283	241	330	394	855
Profit after net financial items	241	536	563	778	1 057	1 673
Appropriations	-5	30	-46	26	-69	-41
Profit before tax	237	567	517	804	987	1 632
Tax	-110	-89	-143	-199	-262	-443
Profit for the period	127	478	374	605	725	1 189

Statement of comprehensive income, SEKm	Quarter			January-June		Full year
	2-12	1-12	2-11	2012	2011	2011
Profit for the period	127	478	374	605	725	1 189
Other comprehensive income						
Cash flow hedging	2	-67	-255	-64	-454	-811
Tax attributable to other comprehensive income	-1	18	67	17	119	213
Total other comprehensive income	2	-49	-188	-47	-334	-598
Total comprehensive income	129	429	186	558	391	591

Balance sheet, SEKm	2012	2012	2011
	30 June	31 March	31 December
Non-current assets	20 253	20 223	20 324
Current assets	5 552	5 815	5 724
Total assets	25 805	26 038	26 048
Restricted equity	5 915	5 915	5 915
Non-restricted equity	5 124	4 995	5 238
Untaxed reserves	2 533	2 529	2 559
Provisions	1 348	1 378	1 389
Liabilities	10 884	11 222	10 946
Total equity and liabilities	25 805	26 038	26 048
Pledged collateral	6	6	6
Contingent liabilities	76	97	95

Sales to Group companies accounted for SEK 48 million (54) of operating income for January–June.

The parent company's investments in property, plant and equipment and intangible non-current assets totalled SEK 27 million (7).

Net financial items include the result from hedging equity in foreign subsidiaries totalling SEK 30 million (-23) and Group contributions of SEK 374 million (539).

The Group

Quarterly figures, SEKm	2012		2011				January-June		Full year
	Q2	Q1	Q4	Q3	Q2	Q1	2012	2011	2011
Income statement									
Net sales	4 569	4 778	4 630	4 518	4 787	4 721	9 347	9 508	18 656
Operating costs	-3 888	-3 996	-3 956	-3 697	-3 989	-3 858	-7 884	-7 847	-15 501
Interest in earnings of associates	13	6	56	6	5	18	19	22	84
Depreciation and amortisation according to plan	-317	-317	-319	-319	-316	-306	-634	-622	-1 260
Change in value of forests	111	88	-	11	6	-17	199	-11	-
Items affecting comparability*	-	-	3 593	-	-	-	-	-	3 593
Operating profit	488	560	4 003	519	492	558	1 048	1 050	5 573
Net financial items	-52	-56	-58	-64	-64	-58	-108	-122	-244
Profit before tax	436	504	3 945	455	428	501	940	928	5 328
Tax	-123	-116	-1 005	-112	-125	-131	-238	-256	-1 374
Profit for the period	313	389	2 939	343	302	370	701	672	3 955
Diluted earnings per share, SEK	3.7	4.6	35.0	4.1	3.6	4.4	8.3	8.0	47.1
Net sales									
Holmen Paper	2 090	2 093	2 144	2 102	2 215	2 170	4 183	4 385	8 631
Iggesund Paperboard	1 212	1 332	1 216	1 296	1 340	1 257	2 543	2 597	5 109
Holmen Timber	313	298	249	254	221	151	610	372	875
Holmen Skog	1 578	1 695	1 589	1 469	1 594	1 697	3 272	3 290	6 348
Holmen Energi	413	497	440	437	436	494	910	930	1 807
Elimination of intra-group net sales	-1 036	-1 136	-1 008	-1 038	-1 020	-1 047	-2 172	-2 067	-4 113
Group	4 569	4 778	4 630	4 518	4 787	4 721	9 347	9 508	18 656
Operating profit/loss by business area**									
Holmen Paper	77	34	-3	105	70	57	111	127	228
Iggesund Paperboard	134	214	182	199	238	244	348	482	863
Holmen Timber	-24	-34	-40	-30	-38	-27	-57	-65	-136
Holmen Skog	261	250	176	164	178	221	512	399	739
Holmen Energi	72	130	116	108	75	107	201	181	406
Group-wide	-33	-35	-21	-26	-31	-44	-68	-74	-120
Group	488	560	410	519	492	558	1 048	1 050	1 980
Operating margin, % **									
Holmen Paper	3.7	1.6	-0.1	5.0	3.1	2.6	2.7	2.9	2.6
Iggesund Paperboard	11.0	16.1	14.9	15.4	17.8	19.4	13.7	18.6	16.9
Holmen Timber	-7.5	-11.3	-16.2	-12.0	-17.2	-17.9	-9.4	-17.5	-15.5
Group	10.7	11.7	8.9	11.5	10.3	11.8	11.2	11.0	10.6
EBITDA by business area**									
Holmen Paper	270	227	189	300	262	251	497	513	1 002
Iggesund Paperboard	213	295	263	279	319	325	507	643	1 186
Holmen Timber	7	-3	-13	2	-8	-8	4	-16	-26
Holmen Skog	157	169	185	160	179	245	326	424	769
Holmen Energi	77	134	121	112	80	111	211	191	425
Group-wide	-30	-33	-16	-15	-24	-60	-63	-72	-115
Group	694	789	729	838	808	864	1 482	1 683	3 240
Return on operating capital, % **									
Holmen Paper	4.9	2.1	-0.2	6.1	4.0	3.3	3.5	3.6	3.3
Iggesund Paperboard	9.5	16.3	14.9	17.0	20.9	22.3	12.8	21.6	18.7
Holmen Timber	-6.2	-8.8	-10.7	-8.1	-10.6	-8.4	-7.5	-9.5	-9.5
Holmen Skog	6.4	6.2	4.9	5.2	5.7	7.0	6.3	6.3	5.7
Holmen Energi	9.0	16.0	14.3	13.3	9.2	13.2	12.5	11.2	12.5
Group	6.0	6.9	5.4	7.2	6.9	7.9	6.5	7.4	6.8
Key indicators									
Return on capital employed, % **	7.5	8.7	6.7	9.0	8.7	9.9	8.1	9.3	8.5
Return on equity, %	6.4	7.9	64.0	8.1	7.3	8.8	7.2	8.1	23.1
Deliveries									
New sprint and magazine paper, '000 tonnes	419	406	422	402	426	419	826	845	1 668
Paperboard, '000 tonnes	118	123	109	121	127	118	241	245	474
Sawn timber, '000 m³	181	173	145	141	123	78	354	201	487
Harvesting company forests, '000 m³	790	645	798	734	792	664	1 435	1 456	2 988
Production of company hydro power, GWh	332	378	378	342	234	276	710	510	1 230

* Items affecting comparability in the fourth quarter 2011 refers to revaluation of forest.

** Excl. items affecting comparability.

The Group

Full year review, SEKm	2011	2010	2009	2008	2007	2006	2005	2004	2003
Income statement									
Net sales	18 656	17 581	18 071	19 334	19 159	18 592	16 319	15 653	15 816
Operating costs	-15 501	-15 077	-15 191	-16 614	-15 637	-15 069	-13 287	-12 631	-12 306
Interest in earnings of associates	84	28	45	50	12	11	20	25	-6
Depreciation and amortisation according to plan	-1 260	-1 251	-1 320	-1 343	-1 337	-1 346	-1 167	-1 156	-1 166
Change in value of forests	-	52	16	-16	89	115	82	61	-
Items affecting comparability *	3 593	264	-	-361	557	-	-	-	-
Operating profit	5 573	1 596	1 620	1 051	2 843	2 303	1 967	1 952	2 338
Net financial items	-244	-208	-255	-311	-261	-247	-233	-206	-212
Profit before tax	5 328	1 388	1 366	740	2 582	2 056	1 734	1 746	2 126
Tax	-1 374	-684	-360	-98	-1 077	-597	-478	-471	-675
Profit for the year	3 955	704	1 006	642	1 505	1 459	1 256	1 275	1 451
Diluted earnings per share, SEK	47.1	8.4	12.0	7.6	17.8	17.2	14.8	15.1	17.5
Operating profit by business area**									
Holmen Paper	228	-618	340	280	623	754	631	487	747
Iggesund Paperboard	863	817	419	320	599	752	626	809	1 001
Holmen Timber	-136	20	21	13	146	80	13	5	18
Holmen Skog	739	818	605	632	702	643	537	586	516
Holmen Energi	406	495	414	327	272	197	301	178	193
Group-wide	-120	-200	-178	-159	-56	-123	-141	-113	-137
Group	1 980	1 332	1 620	1 412	2 286	2 303	1 967	1 952	2 338
EBITDA by business area**									
Holmen Paper	1 002	229	1 218	1 176	1 537	1 667	1 358	1 214	1 497
Iggesund Paperboard	1 186	1 141	780	688	954	1 108	976	1 152	1 335
Holmen Timber	-26	49	52	47	169	104	38	28	40
Holmen Skog	769	794	616	674	639	556	483	553	545
Holmen Energi	425	516	435	346	289	214	319	196	210
Group-wide	-116	-198	-176	-160	-54	-115	-122	-96	-123
Group	3 240	2 531	2 925	2 771	3 534	3 534	3 052	3 047	3 504
Deliveries									
New sprint and magazine paper, '000 tonnes	1 668	1 732	1 745	2 044	2 025	2 021	1 764	1 731	1 655
Paperboard, '000 tonnes	474	464	477	494	516	536	492	501	481
Sawn timber, '000 m³	487	285	313	266	262	248	229	195	189
Harvesting company forests, million m³	3.0	3.0	2.9	2.6	2.6	2.6	2.3	2.6	2.7
Production of company hydro power, GWh	1 230	1 145	1 090	1 128	1 193	934	1 236	1 054	867
Balance sheet									
Non-current assets	30 334	26 028	25 694	26 506	26 153	25 354	25 793	23 381	20 940
Current assets	6 642	6 950	6 075	7 268	6 549	6 138	5 709	5 149	4 743
Financial receivables	240	454	407	828	541	649	712	459	675
Total assets	37 217	33 432	32 176	34 602	33 243	32 141	32 214	28 989	26 358
Equity	19 773	16 913	16 504	15 641	16 932	16 636	16 007	15 635	15 366
Deferred tax liability	6 630	5 910	5 045	4 819	5 482	5 030	5 143	5 177	4 557
Financial liabilities and interest-bearing provisions	6 499	6 227	6 091	8 332	6 518	6 634	7 351	5 335	4 044
Operating liabilities	4 313	4 382	4 536	5 809	4 310	3 841	3 713	2 842	2 391
Total equity and liabilities	37 217	33 432	32 176	34 602	33 243	32 141	32 214	28 989	26 358
Cash flow									
Operating activities	2 101	1 523	2 873	1 660	2 476	2 358	2 471	2 331	2 443
Investing activities	-1 733	-1 597	-818	-1 124	-1 315	-947	-3 029	-1 195	-726
Cash flow after investments	368	-74	2 054	536	1 161	1 411	-558	1 136	1 717
Key indicators									
Return on capital employed, % **	9	6	7	6	10	10	9	10	12
Return on equity, %	23	4	6	4	9	9	8	8	10
Debt/equity ratio	0.32	0.34	0.34	0.48	0.35	0.36	0.41	0.31	0.22
Dividend									
Ordinary dividend, SEK	8	7	7	9	12	12	11	10	10
Extra dividend, SEK	-	-	-	-	-	-	-	-	30

* Items affecting comparability in 2011 refers to revaluation of forest. 2010 refers to write-down of fixed assets (SEK -555 million), provisions for restructuring (SEK -231 million) and revaluation of forest (SEK +1050 million). 2008 refers to provisions and costs due to restructure and closure of mills and result effects from fire (SEK -361 million). 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 magazines, directories, advertising material, books and daily newspapers 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 at two Swedish sawmills. Annual production capacity is 1 750 000 tonnes of printing paper, 530 000 tonnes of paperboard and 870 000 cubic metres of sawn timber.

Holmen Skog manages the Group's forests covering just over one million hectares. The annual volume harvested in company forests is some 3.2 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 Tuesday, August 14. **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 2012

26 October 2012 Interim report January-September

7 February 2013 Year-end report 2012

In its capacity as issuer, Holmen AB is releasing the information in this interim report for January-June 2012 in accordance with Chapter 17 of the Swedish Securities Market Act (2007:528). The information was distributed to the media for publication at 12.15 CET on Tuesday August 14, 2012.

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