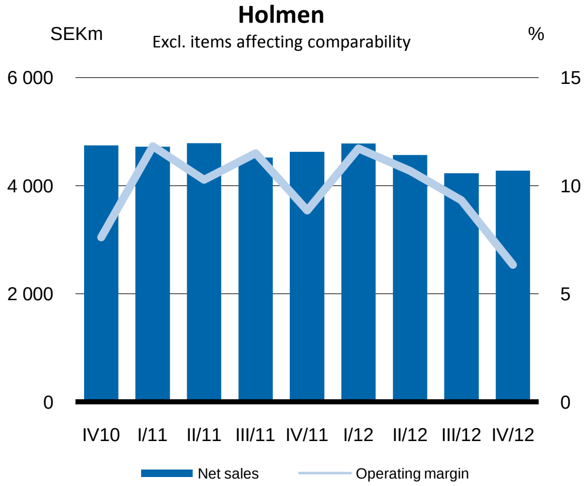
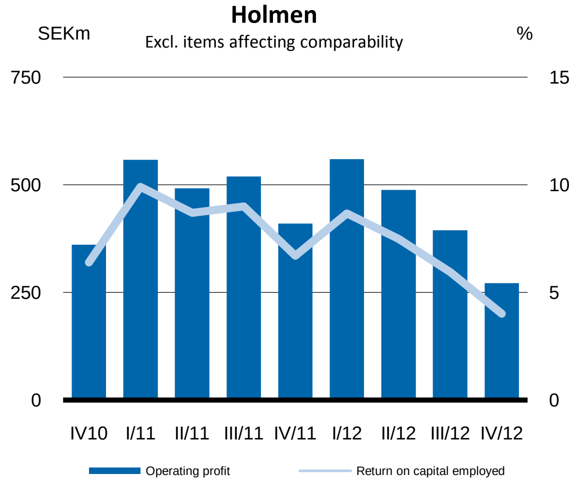
Year-end report 2012

SEKm	Quarter **4-12**	3-12	4-11	Full year **2012**	2011
Net turnover	**4 276**	4 230	4 630	**17 852**	18 656
Operating profit excl. items affecting comp.*	**271**	394	410	**1 713**	1 980
Operating profit	**78**	394	4 003	**1 520**	5 573
Profit after tax	**902**	249	2 939	**1 853**	3 955
Earnings per share, SEK	**10.7**	3.0	35.0	**22.1**	47.1
Return on equity, %	**17.7**	5.0	64.0	**9.3**	23.1

* Items affecting comparability in Q4 2012 refers to an impairment loss and restructuring costs in Holmen Paper (-193 million) and Q4 2011 revaluation of forest (+3 593 million).

- Profit after tax for 2012 was SEK 1 853 (2011: 3 955) million. The profit includes an impairment loss and restructuring costs of SEK -193 million and SEK +911 million in non-recurring tax effects. Profit after tax for the previous year includes SEK +2 648 million from the revaluation of forest.
- Earnings per share amounted to SEK 22.1 (47.1). Return on equity was 9.3 (23.1) per cent.
- The Board proposes a dividend of SEK 9 (8) per share.
- Operating profit excluding items affecting comparability totalled SEK 1 713 (1 980) million. The contribution from currency hedges fell, while the change in the value of forests rose.
- Operating profit for the fourth quarter decreased by SEK 123 million to SEK 271 million, excluding items affecting comparability. Costs showed a seasonal increase and exchange rates had a negative effect on profit.
- The market situation for paperboard was stable during the quarter, while demand for printing paper and sawn timber was weak.





Holmen Paper

SEKm	Quarter 4-12	3-12	4-11	Full year 2012	2011
Net sales	**1 960**	2 001	2 144	**8 144**	8 631
Operating costs	**-1 831**	-1 765	-1 955	**-7 282**	-7 629
EBITDA	**128**	237	189	**862**	1 002
Depreciation and amortisation according to plan	**-192**	-191	-192	**-768**	-774
Operating profit excl. items affecting comp.	**-63**	46	-3	**94**	228
Items affecting comparability*	**-193**	-	-	**-193**	-
Operating profit	**-257**	46	-3	**-99**	228
Investments	**60**	47	61	**174**	210
Operating capital	**5 608**	6 046	6 606	**5 608**	6 606
EBITDA margin, %**	**7**	12	9	**11**	12
Operating margin, %**	**-3**	2	0	**1**	3
Return on operating capital, %**	**-4**	3	0	**2**	3
Production, '000 tonnes	**404**	407	395	**1 658**	1 673
Deliveries, '000 tonnes	**411**	414	422	**1 651**	1 668

* Items affecting comparability refers to an impairment loss on non-current assets (SEK -153 million) and restructuring costs (SEK -40 million).
** Excluding items affecting comparability

Demand for printing paper in Europe remained weak in the fourth quarter. Printing paper deliveries to Europe declined by 8 per cent during the year. Newsprint deliveries declined by 10 per cent, while magazine paper fell by 7 per cent.

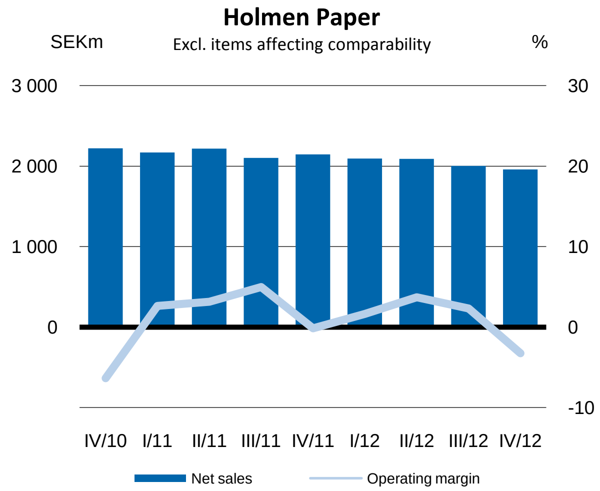
Deliveries by Holmen Paper totalled 1 651 000 tonnes in 2012, which is slightly lower than the previous year. Deliveries of the strategic products MF Magazine and book paper rose by 10 per cent.

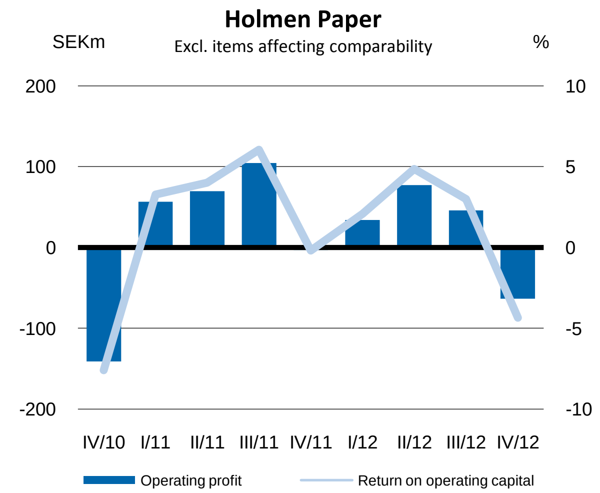
Holmen Paper's operating profit for 2012 was SEK 94 (228) million, excluding items affecting comparability. Rationalisations, a better product mix and lower prices for recovered paper have to a large extent counterbalanced the lower contribution from currency hedges.

Compared with the third quarter, earnings fell by SEK 109 million to SEK -63 million, excluding items affecting comparability. Staff and energy costs saw a seasonal increase, while the strong Swedish krona had an impact on results. Profit for the fourth quarter includes an impairment loss of SEK -40 million on finished goods.

Operating profit for the fourth quarter was affected by an impairment loss on non-current assets (SEK -153 million) and a provision for restructuring costs (SEK -40 million), which are reported as items affecting comparability.

Holmen's Board of Directors has decided to invest SEK 200 million in energy efficiency improvements at Hallsta Paper Mill. Together with the forthcoming closure of a SC paper machine, this will lead to a reduction in the workforce of approximately 230 individuals. The cutbacks will be implemented gradually during autumn 2013 and spring 2014.





Iggesund Paperboard	Quarter			Full year	
SEKm	**4-12**	3-12	4-11	**2012**	2011
Net sales	**1 163**	1 261	1 216	**4 967**	5 109
Operating costs	**-993**	-980	-953	**-4 009**	-3 923
EBITDA	**170**	281	263	**959**	1 186
Depreciation and amortisation according to plan	**-100**	-104	-82	**-363**	-323
Operating profit	**70**	177	182	**596**	863
Investments	**248**	436	380	**1 523**	1 120
Operating capital	**6 177**	6 084	5 041	**6 177**	5 041
EBITDA margin, %	**15**	22	22	**19**	23
Operating margin, %	**6**	14	15	**12**	17
Return on operating capital, %	**5**	12	15	**10**	19
Production, paperboard, '000 tonnes	**117**	129	112	**492**	471
Deliveries, paperboard, '000 tonnes	**117**	126	109	**485**	474

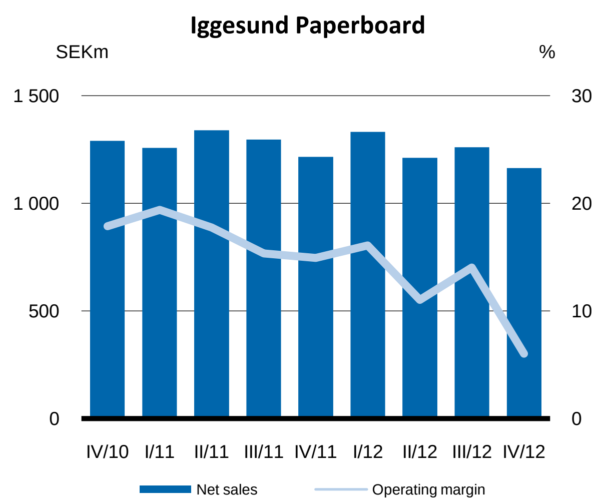
The market for SBB and FBB was stable during the quarter. Deliveries to Europe in 2012 were unchanged compared to 2011.

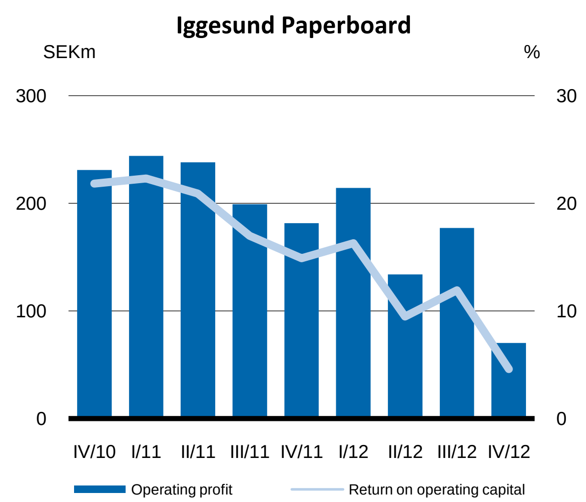
Iggesund Paperboard's deliveries amounted to 485 000 tonnes for the year, 11 000 tonnes higher than the previous year.

Operating profit for Iggesund Paperboard in 2012 was SEK 596 (863) million. The decline was attributable to lower contribution from currency hedges, while higher deliveries made a positive effect. Depreciation increased as a result of the new recovery boiler entering service.

Compared with the third quarter, profit fell by SEK 107 million to SEK 70 million. Deliveries declined and results were affected by the stronger Swedish krona. Cost increased as a result of some disruptions to production and seasonally higher staff costs.

The new biofuel boiler in Workington is planned to enter service in spring 2013. Together with the investment in the recovery boiler at Iggesund that entered service in spring 2012, the investment amounts to SEK 3.4 billion, of which SEK 2.8 billion has been paid out to date.





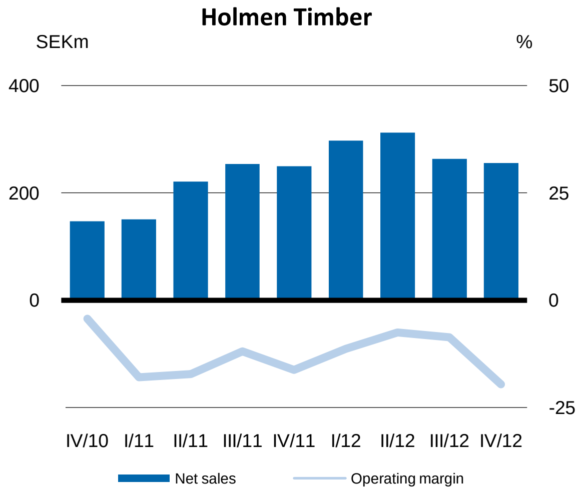
Holmen Timber	Quarter			Full year	
SEKm	**4-12**	3-12	4-11	**2012**	2011
Net sales	**256**	264	249	**1 129**	875
Operating costs	**-278**	-255	-262	**-1 139**	-902
EBITDA	**-22**	8	-13	**-10**	-26
Depreciation and amortisation according to plan	**-28**	-31	-28	**-120**	-109
Operating profit	**-50**	-23	-40	**-130**	-136
Investments	**3**	4	31	**9**	365
Operating capital	**1 416**	1 436	1 507	**1 416**	1 507
EBITDA margin, %	**-9**	3	-5	**-1**	-3
Operating margin, %	**-20**	-9	-16	**-12**	-16
Production, '000 m^3	**168**	147	157	**651**	560
Deliveries, '000 m^3	**155**	151	145	**660**	487

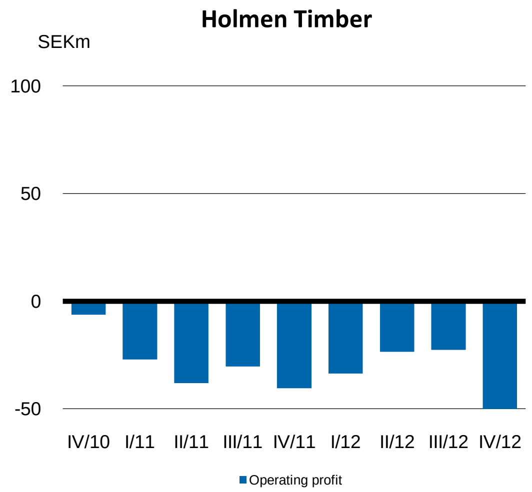
The market for sawn timber remained weak and prices fell to some extent in the fourth quarter.

Deliveries by Holmen Timber totalled 660 000 cubic metres during the year, an increase of 173 000 cubic metres on the previous year as a result of higher deliveries from Braviken Sawmill.

Operating loss for Holmen Timber in 2012 was SEK -130 (-136) million. Lower raw material prices and a higher level of deliveries have had a positive effect on profit, but this effect has been counterbalanced by lower selling prices, the impact of the stronger krona and higher depreciation.

Compared with the third quarter, the operating loss increased by SEK 27 million to a loss of SEK 50 million. Selling prices were down slightly and costs were high as a result of difficult weather conditions at the end of the year.





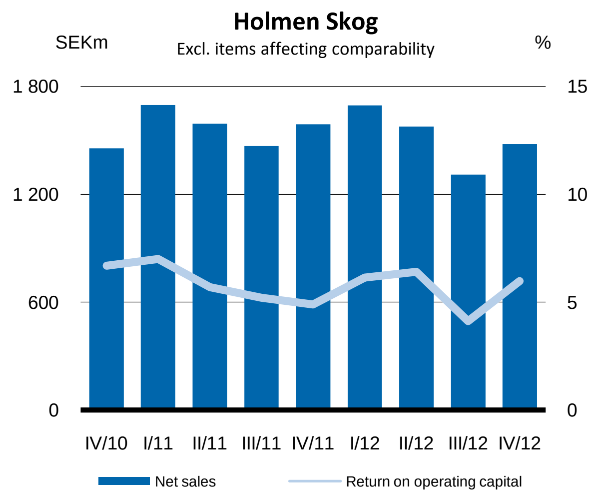
Holmen Skog	Quarter			Full year	
SEKm	**4-12**	3-12	4-11	**2012**	2011
Net sales	**1 479**	1 310	1 589	**6 061**	6 348
of which from own forests	***422***	*323*	*387*	***1 383***	*1 457*
Operating costs	**-1 249**	-1 252	-1 404	**-5 448**	-5 579
Depreciation and amortisation according to plan	**-12**	-8	-9	**-33**	-30
Earnings from operations	**218**	50	176	**581**	739
Change in value of forests*	**31**	120	3 593	**350**	3 593
Operating profit	**249**	170	3 769	**931**	4 332
Operating profit excl. items affecting comp.*	**249**	170	176	**931**	739
Investments	**18**	116	1	**169**	42
Operating capital	**16 663**	16 621	16 278	**16 663**	16 278
Return on operating capital, %**	**6**	4	5	**6**	6
Harvesting company forests, '000 m^3	**1 016**	760	798	**3 211**	2 988

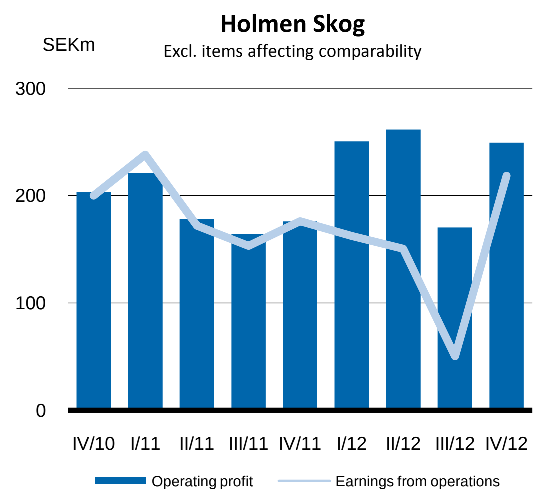
*Revaluation of forests amounts in Q4 2011 to SEK 3 593 million and is stated as items affecting comparability.
** Excluding item affecting comparability

Demand for both timber and pulpwood in Sweden remained weak in the fourth quarter. Market prices fell slightly in the autumn.

Holmen Skog's earnings from operations for 2012 amounted to SEK 581 (739) million. The decline was attributable to a fall of just over 10 per cent in selling prices and higher harvesting costs as a result of a storm in central Sweden at the turn of 2011/2012. Harvesting on own forests increased to 3 211 000 cubic meters, which is in line with the new harvesting plan. Operating profit, including a change in value of SEK 350 (3 593) million, amounted to SEK 931 (4 332) million.

Compared with the third quarter, earnings from operations rose by SEK 168 million to SEK 218 million, mainly as a result of a higher volume of harvesting and seasonally lower costs for silviculture. Earnings for the previous quarter were negatively affected by an impairment loss on the value of felling rights.

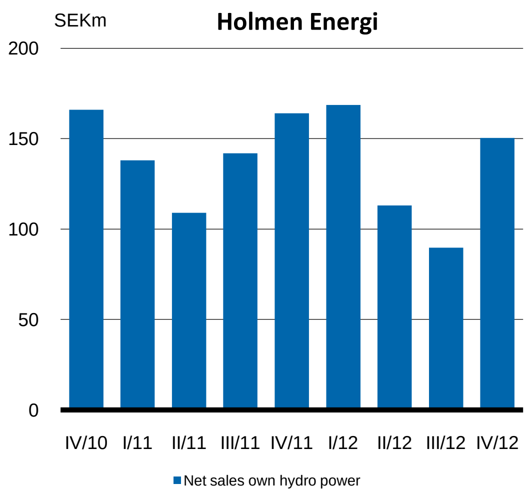


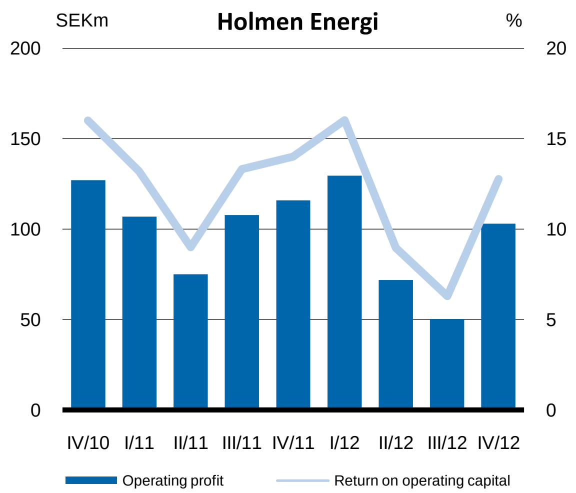


Holmen Energi	Quarter			Full year	
SEKm	**4-12**	3-12	4-11	**2012**	2011
Net sales	**460**	358	440	**1 728**	1 807
of which from own hydro power	***151***	*90*	*164*	***522***	*552*
Operating costs	**-352**	-303	-319	**-1 354**	-1 383
Depreciation and amortisation according to plan	**-5**	-5	-5	**-19**	-19
Operating profit	**103**	50	116	**355**	406
Investments	**11**	5	5	**26**	16
Operating capital	**3 261**	3 198	3 253	**3 261**	3 253
Return on operating capital, %	**13**	6	14	**11**	13
Production of company hydro power, GWh	**351**	282	378	**1 343**	1 230

Holmen Energi's profit for 2012 was SEK 355 (406) million. With high levels of precipitation during the spring and the summer, production was around 20 per cent higher than a normal year and 10 per cent higher than the previous year. The average price of Holmen Energi's own production fell by just over 10 per cent as a result of lower market prices for electricity.

Compared with the third quarter, profit rose by SEK 53 million to 103 million, as a result of higher electricity prices and seasonally higher production. 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 2012 amounted to SEK -227 (-244) million. During the year, interest expense of SEK 51 (35) million was capitalised in connection with major investment projects and consequently reduced the recognised interest expense. Just over half pertains to projects completed in June 2012. The average cost of borrowing was 4.1 (4.4) per cent.

Cash flow from operating activites totalled SEK 2 254 million. Cash flow from investing activites was SEK -1 920 million. SEK 672 million in dividends was paid during the year.

The Group's net financial debt increased by SEK 331 million to SEK 6 590 million in 2012. The debt/equity ratio was 0.32 and the equity/assets ratio was 56 per cent. Financial liabilities including pension provisions totalled SEK 6 967 million, SEK 4 866 million of which was represented by current liabilities. Cash, cash equivalents and financial receivables totalled SEK 377 million. The Group has unused long-term contractually agreed credit facilities of SEK 5 302 million, maturing in 2016-2017.

Equity

In 2012, the Group's equity increased by SEK 1 039 million to SEK 20 813 million. Profit for the period totalled SEK 1 853 million. The dividend paid was SEK 672 million. In addition, other comprehensive income totalled SEK -141 million.

Tax

Recognised tax for 2012 was SEK +559 million. Recognised tax has benefitted to the extent of SEK +911 million from changes to recognised deferred tax liabilities and assets resulting from a reduction in corporate tax rate in Sweden, as well as a reduction in recorded tax values of loss carry forwards. Excluding these items, recognised tax would have totalled SEK -352 million, corresponding to 27 per cent of profit before tax.

Hedging exchange rates and electricity prices

The Group hedges parts of future estimated net flows in foreign currencies. Operating profit for 2012 includes currency hedges of SEK 221 (570) million. At year-end, the Group had hedged its anticipated currency flows for the next four months. Longer-term hedges have been made for certain transactions. The fair value of currency hedges not yet recognized as income amounted to SEK 49 million at year-end.

About 90 per cent of the price of the Group's estimated net consumption of electricity in Sweden has been hedged for the 2013-2015 period, while approximately 50 per cent has been hedged for the 2016-2017 period and about 35 per cent for 2018-2021.

Investments

Cash flow from investing activities in 2012 was SEK -1 920 (-1 733) million. Scheduled depreciation and amortisation totalled SEK 1 313 (1 260) million. The majority of the investments were in the new recovery boiler and turbine at Iggesund Mill and the new biofuel boiler in Workington.

Personnel

The average number of employees (full-time equivalents) in the Group was 3 945 (4 041). The reduction is mainly attributable to cutbacks in Holmen Paper.

Share buy-backs

At the 2012 AGM, the Board received authorisation to purchase up to 10 per cent of the company's shares. No buy-backs took place during the period. The company already owns the 0.9 per cent of the shares outstanding, in order to secure the company's commitments pursuant to the call option scheme for employees.

Dividend

The Board proposes that the AGM to be held on 10 April 2013 approve a dividend of SEK 9 (8) per share, corresponding to 3.6 per cent of equity. The dividend proposal is based on an appraisal of the Group's profitability, future investment plans and financial position. The proposal record date for the dividend is 15 April 2013.

Nomination committee proposals to the 2013 AGM

Holmen's nomination committee proposes that the Board consist of eight (currently nine) members elected by the Annual General Meeting. The nomination committee proposes the re-election of the current board members: Fredrik Lundberg (who is also proposed for re-election as Chairman of the Board), Carl Bennet, Magnus Hall, Lars G Josefsson, Carl Kempe, Louise Lindh, Ulf Lundahl and Göran Lundin. Current board member Hans Larsson has declined re-election.

The committee also proposes that KPMG AB be re-elected as the company's auditors.

The nomination committee's other proposals will be presented in the notice to the AGM.

Prior to the 2013 AGM, Holmen's nomination committee is made up of Mats Guldbrand, L E Lundbergföretagen, Alice Kempe, Kempestiftelserna, Hans Hedström, Carnegie Fonder and Fredrik Lundberg, Chairman. The chairman of the nomination committee is Mats Guldbrand.

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.

Accounting policies

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.

Stockholm 7 February 2013
Holmen AB (publ)

Magnus Hall
President and CEO

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

Interim report for January–March 2013 will be published on 24 April 2013.

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Group income statement

Income statement, SEKm	Quarter			Full year	
	4-12	3-12	4-11	**2012**	2011
Net sales	**4 276**	4 230	4 630	**17 852**	18 656
Other operating income	**153**	161	182	**621**	661
Change in inventories	**-1**	-42	-33	**-34**	176
Raw materials and consumables	**-2 340**	-2 290	-2 512	**-9 802**	-10 280
Staff costs	**-671**	-561	-674	**-2 499**	-2 477
Other operating costs	**-898**	-891	-920	**-3 550**	-3 580
Depreciation and amortisation according to plan	**-339**	-340	-319	**-1 313**	-1 260
Impairment losses	**-153**	-	-	**-153**	-
Change in value of biological assets	**31**	120	3 593	**350**	3 593
Interest in earnings of associates	**20**	8	56	**47**	84
Operating profit	**78**	394	4 003	**1 520**	5 573
Finance income	**2**	0	1	**7**	12
Finance costs	**-56**	-65	-59	**-234**	-256
Profit before tax	**24**	330	3 945	**1 294**	5 328
Tax	**878**	-81	-1 005	**559**	-1 374
Profit for the period	**902**	249	2 939	**1 853**	3 955
Earnings per share, basic, SEK	**10.7**	3.0	35.0	**22.1**	47.1
Earnings per share, diluted, SEK	**10.7**	3.0	35.0	**22.1**	47.1
Operating margin, % *	**6.3**	9.3	8.9	**9.6**	10.6
Return on capital employed, % *	**4.0**	5.9	6.7	**6.5**	8.5
Return on equity, %	**17.7**	5.0	64.0	**9.3**	23.1

Statement of comprehensive income, SEKm	Quarter			Full year	
	4-12	3-12	4-11	**2012**	2011
Profit for the period	**902**	249	2 939	**1 853**	3 955
Other comprehensive income					
Cash flow hedging	**-3**	-25	-19	**-77**	-523
Actuarial gains and losses in respect of pensions, incl. special employer's contribution	**-85**	59	-99	**-16**	-184
Translation difference on foreign operation	**36**	-145	-113	**-129**	-4
Hedging of currency risk in foreign operation	**-21**	79	76	**88**	31
Tax attributable to other comprehensive income	**20**	-29	7	**-6**	174
Total other comprehensive income	**-53**	-61	-149	**-141**	-506
Total comprehensive income	**850**	188	2 790	**1 711**	3 448

* Excl. items affecting comparability.

Share structure	Votes	No. of shares	No. of votes	Quota value	SEKm
A-share	10	22 623 234	226 232 340	50	1 131.2
B-share	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.

Group financial statement

Balance sheet, SEKm	**2012 31 December**	2012 30 September	2011 31 December
Non-current assets			
Intangible non-current assets	**57**	28	26
Property, plant and equipment	**12 543**	12 680	12 516
Biological assets	**16 227**	16 214	15 771
Interests in associates	**1 821**	1 832	1 815
Other shares and participating interests	**13**	13	13
Non-current financial receivables	**39**	57	82
Deferred tax assets	**2**	176	194
Total non-current assets	**30 702**	31 000	30 416
Current assets			
Inventories	**3 221**	3 261	3 556
Trade receivables	**2 290**	2 507	2 366
Current tax receivable	**75**	85	26
Other operating receivables	**419**	309	694
Current financial receivables	**31**	54	46
Cash and cash equivalents	**308**	189	112
Total current assets	**6 343**	6 404	6 800
Total assets	**37 046**	37 403	37 217
Equity	**20 813**	19 963	19 773
Non-current liabilities			
Non-current financial liabilities	**1 746**	3 102	3 319
Pension provisions	**355**	243	358
Other provisions	**497**	498	472
Deferred tax liabilities	**5 504**	6 657	6 630
Total non-current liabilities	**8 102**	10 501	10 780
Current liabilities			
Current financial liabilities	**4 866**	3 638	2 822
Trade payables	**2 245**	2 246	2 655
Current tax liability	**3**	5	13
Provisions	**68**	120	157
Other operating liabilities	**950**	930	1 016
Total current liabilities	**8 131**	6 939	6 663
Total liabilities	**16 233**	17 440	17 443
Total equity and liabilities	**37 046**	37 403	37 217
Debt/equity ratio, times	**0.32**	0.33	0.32
Equity/assets ratio, %	**56.2**	53.4	53.1
Operating capital	**32 905**	33 128	32 469
Capital employed	**27 403**	26 647	26 032
Net financial debt	**6 590**	6 684	6 259
Pledged collateral	**6**	6	6
Contingent liabilities	**100**	100	118

Change in equity, SEKm	Full year **2012**	2011
Opening equity	**19 773**	16 913
Profit for the period	**1 853**	3 955
Other comprehensive income	**-141**	-506
Total comprehensive income	**1 711**	3 448
Dividends paid	**-672**	-588
Closing equity	**20 813**	19 773

Group cash flow statement

Cash flow analysis, SEKm	Quarter			Full year	
	4-12	3-12	4-11	**2012**	2011
Operating activities					
Profit before tax	**24**	330	3 945	**1 294**	5 328
Adjustments for non-cash items *	**431**	240	-3 364	**1 057**	-2 561
Paid income taxes	**-112**	-88	-161	**-434**	-557
Cash flow from operating activities before changes in working capital	**342**	483	419	**1 916**	2 210
Cash flow from changes in working capital					
Change in inventories	**34**	115	70	**314**	-237
Change in trade receivables and other operating receivables	**91**	165	11	**241**	64
Change in trade payables and other operating liabilities	**37**	-253	-35	**-217**	63
Cash flow from operating activities	**505**	509	465	**2 254**	2 101
Investing activities					
Acquisition of non-current assets	**-360**	-622	-547	**-1 975**	-1 849
Disposal of non-current assets	**5**	5	40	**18**	58
Change in non-current financial receivables	**17**	13	17	**37**	58
Cash flow from investing activities	**-337**	-603	-490	**-1 920**	-1 733
Financing activities					
Change in financial liabilities and current financial receivables	**-50**	172	34	**537**	139
Dividends paid to the shareholders of the parent company	**-**	-	-	**-672**	-588
Cash flow from financing activities	**-50**	172	34	**-135**	-448
Cash flow for the period	**118**	79	10	**199**	-80
Opening cash and cash equivalents	**189**	113	105	**112**	193
Exchange difference in cash and cash equivalents	**0**	-3	-2	**-3**	-1
Closing cash and cash equivalents	**308**	189	112	**308**	112

Change in net financial debt, SEKm	Quarter			Full year	
	4-12	3-12	4-11	**2012**	2011
Opening net financial debt	**-6 684**	-6 645	-6 174	**-6 259**	-5 772
Cash flow from operating activities	**505**	509	465	**2 254**	2 101
Cash flow from investing activities (excl financial receivables)	**-354**	-616	-507	**-1 956**	-1 791
Dividends paid	**-**	-	-	**-672**	-588
Actuarial revaluation of pension liability	**-84**	58	-100	**-16**	-182
Foreign exchange effects and changes in fair value	**27**	10	57	**59**	-28
Closing net financial debt	**-6 590**	-6 684	-6 259	**-6 590**	-6 259

* The adjustments consist primarily of depreciation according to plan, impairment losses, 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 4-12	Quarter 3-12	Quarter 4-11	Full year 2012	Full year 2011
Operating income	**3 960**	3 895	4 173	**16 419**	16 434
Operating costs	**-3 539**	-3 760	-4 281	**-15 416**	-15 616
Operating profit	**421**	135	-108	**1 004**	818
Net financial items	**-3 118**	200	162	**-2 588**	855
Profit after net financial items	**-2 697**	335	54	**-1 584**	1 673
Appropriations	**457**	12	74	**495**	-41
Profit before tax	**-2 240**	347	127	**-1 089**	1 632
Tax	**382**	-89	-42	**95**	-443
Profit for the period	**-1 857**	258	85	**-994**	1 189

Statement of comprehensive income, SEKm	Quarter 4-12	Quarter 3-12	Quarter 4-11	Full year 2012	Full year 2011
Profit for the period	**-1 857**	258	85	**-994**	1 189
Other comprehensive income					
Cash flow hedging	**43**	-49	-150	**-70**	-811
Tax attributable to other comprehensive income	**-18**	13	39	**12**	213
Total other comprehensive income	**25**	-36	-110	**-58**	-598
Total comprehensive income	**-1 832**	222	-25	**-1 053**	591

Balance sheet, SEKm	2012 31 December	2012 30 September	2011 31 December
Non-current assets	**18 029**	20 361	20 324
Current assets	**5 624**	5 415	5 724
Total assets	**23 653**	25 776	26 048
Restricted equity	**5 915**	5 915	5 915
Non-restricted equity	**3 514**	5 346	5 238
Untaxed reserves	**2 064**	2 521	2 559
Provisions	**1 262**	1 301	1 389
Liabilities	**10 898**	10 693	10 946
Total equity and liabilities	**23 653**	25 776	26 048
Pledged collateral	**6**	6	6
Contingent liabilities	**77**	75	95

Sales to Group companies in 2012 accounted for SEK 89 (102) million of operating income.

Net financial items include the result from hedging equity in foreign subsidiaries totalling SEK 88 (31) million, Group contribution of SEK -1 293 (1 091) million and an impairment loss on participations in subsidiaries of SEK -1 373 million.

The parent company's investments in property, plant and equipment and intangible non-current assets totalled SEK 53 (33) million

The Group

Quarterly figures, SEKm	2012				2011				Full year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	**2012**	2011
Income statement										
Net sales	**4 276**	4 230	4 569	4 778	4 630	4 518	4 787	4 721	**17 852**	18 656
Operating costs	**-3 717**	-3 623	-3 888	-3 996	-3 956	-3 697	-3 989	-3 858	**-15 224**	-15 501
Interest in earnings of associates	**20**	8	13	6	56	6	5	18	**47**	84
Depreciation and amortisation according to plan	**-339**	-340	-317	-317	-319	-319	-316	-306	**-1 313**	-1 260
Change in value of forests	**31**	120	111	88	-	11	6	-17	**350**	-
Items affecting comparability*	**-193**	-	-	-	3 593	-	-	-	**-193**	3 593
Operating profit	**78**	394	488	560	4 003	519	492	558	**1 520**	5 573
Net financial items	**-54**	-64	-52	-56	-58	-64	-64	-58	**-227**	-244
Profit before tax	**24**	330	436	504	3 945	455	428	501	**1 294**	5 328
Tax	**878**	-81	-123	-116	-1 005	-112	-125	-131	**559**	-1 374
Profit for the period	**902**	249	313	389	2 939	343	302	370	**1 853**	3 955
Diluted earnings per share, SEK	**10.7**	3.0	3.7	4.6	35.0	4.1	3.6	4.4	**22.1**	47.1
Net sales										
Holmen Paper	**1 960**	2 001	2 090	2 093	2 144	2 102	2 215	2 170	**8 144**	8 631
Iggesund Paperboard	**1 163**	1 261	1 212	1 332	1 216	1 296	1 340	1 257	**4 967**	5 109
Holmen Timber	**256**	264	313	298	249	254	221	151	**1 129**	875
Holmen Skog	**1 479**	1 310	1 578	1 695	1 589	1 469	1 594	1 697	**6 061**	6 348
Holmen Energi	**460**	358	413	497	440	437	436	494	**1 728**	1 807
Elimination of intra-group net sales	**-1 042**	-964	-1 036	-1 136	-1 008	-1 038	-1 020	-1 047	**-4 178**	-4 113
Group	**4 276**	4 230	4 569	4 778	4 630	4 518	4 787	4 721	**17 852**	18 656
Operating profit/loss by business area**										
Holmen Paper	**-63**	46	77	34	-3	105	70	57	**94**	228
Iggesund Paperboard	**70**	177	134	214	182	199	238	244	**596**	863
Holmen Timber	**-50**	-23	-24	-34	-40	-30	-38	-27	**-130**	-136
Holmen Skog	**249**	170	261	250	176	164	178	221	**931**	739
Holmen Energi	**103**	50	72	130	116	108	75	107	**355**	406
Group-wide	**-38**	-27	-33	-35	-21	-26	-31	-44	**-132**	-120
Group	**271**	394	488	560	410	519	492	558	**1 713**	1 980
Operating margin, % **										
Holmen Paper	**-3.2**	2.3	3.7	1.6	-0.1	5.0	3.1	2.6	**1.2**	2.6
Iggesund Paperboard	**6.0**	14.1	11.0	16.1	14.9	15.4	17.8	19.4	**12.0**	16.9
Holmen Timber	**-19.6**	-8.6	-7.5	-11.3	-16.2	-12.0	-17.2	-17.9	**-11.5**	-15.5
Group	**6.3**	9.3	10.7	11.7	8.9	11.5	10.3	11.8	**9.6**	10.6
EBITDA by business area**										
Holmen Paper	**128**	237	270	227	189	300	262	251	**862**	1 002
Iggesund Paperboard	**170**	281	213	295	263	279	319	325	**959**	1 186
Holmen Timber	**-22**	8	7	-3	-13	2	-8	-8	**-10**	-26
Holmen Skog	**230**	58	157	169	185	160	179	245	**614**	769
Holmen Energi	**108**	55	77	134	121	112	80	111	**374**	424
Group-wide	**-35**	-25	-30	-33	-16	-15	-24	-60	**-123**	-115
Group	**579**	615	694	789	729	838	808	864	**2 676**	3 240
Return on operating capital, % **										
Holmen Paper	**-4.3**	3.0	4.9	2.1	-0.2	6.1	4.0	3.3	**1.5**	3.3
Iggesund Paperboard	**4.6**	11.9	9.5	16.3	14.9	17.0	20.9	22.3	**10.4**	18,7
Holmen Timber	**-14.1**	-6.2	-6.2	-8.8	-10.7	-8.1	-10.6	-8.4	**-8.7**	-9.5
Holmen Skog	**6.0**	4.1	6.4	6.2	4.9	5.2	5.7	7.0	**5.7**	5.7
Holmen Energi	**12.8**	6.3	9.0	16.0	14.3	13.3	9.2	13.2	**11.0**	12.5
Group	**3.3**	4.8	6.0	6.9	5.4	7.2	6.9	7.9	**5.2**	6.8
Key indicators										
Return on capital employed, % **	**4.0**	5.9	7.5	8.7	6.7	9.0	8.7	9.9	**6.5**	8.5
Return on equity, %	**17.7**	5.0	6.4	7.9	64.0	8.1	7.3	8.8	**9.3**	23.1
Deliveries										
Newsprint and magazine paper, '000 tonnes	**411**	414	419	406	422	402	426	419	**1 651**	1 668
Paperboard, '000 tonnes	**117**	126	118	123	109	121	127	118	**485**	474
Sawn timber, '000 m³	**155**	151	181	173	145	141	123	78	**660**	487
Harvesting company forests, '000 m³	**1 016**	760	790	645	798	734	792	664	**3 211**	2 988
Production of company hydro power, GWh	**351**	282	332	378	378	342	234	276	**1 343**	1 230

* Items affecting comparability in Q4 2012 refers to an impairment loss on non-current assets and restructuring costs. Q4 2011 refers to revaluation of forest.

** Excl. items affecting comparability.

The Group

Full year review, SEKm	**2012**	2011	2010	2009	2008	2007	2006	2005	2004	2003
Income statement										
Net sales	**17 852**	18 656	17 581	18 071	19 334	19 159	18 592	16 319	15 653	15 816
Operating costs	**-15 224**	-15 501	-15 077	-15 191	-16 614	-15 637	-15 069	-13 287	-12 631	-12 306
Interest in earnings of associates	**47**	84	28	45	50	12	11	20	25	-6
Depreciation and amortisation according to plan	**-1 313**	-1 260	-1 251	-1 320	-1 343	-1 337	-1 346	-1 167	-1 156	-1 166
Change in value of forests	**350**	-	52	16	-16	89	115	82	61	-
Items affecting comparability*	**-193**	3 593	264	-	-361	557	-	-	-	-
Operating profit	**1 520**	5 573	1 596	1 620	1 051	2 843	2 303	1 967	1 952	2 338
Net financial items	**-227**	-244	-208	-255	-311	-261	-247	-233	-206	-212
Profit before tax	**1 294**	5 328	1 388	1 366	740	2 582	2 056	1 734	1 746	2 126
Tax	**559**	-1 374	-684	-360	-98	-1 077	-597	-478	-471	-675
Profit for the year	**1 853**	3 955	704	1 006	642	1 505	1 459	1 256	1 275	1 451
Diluted earnings per share, SEK	**22.1**	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	**94**	228	-618	340	280	623	754	631	487	747
Iggesund Paperboard	**596**	863	817	419	320	599	752	626	809	1 001
Holmen Timber	**-130**	-136	20	21	13	146	80	13	5	18
Holmen Skog	**931**	739	818	605	632	702	643	537	586	516
Holmen Energi	**355**	406	495	414	327	272	197	301	178	193
Group-w ide	**-132**	-120	-200	-178	-159	-56	-123	-141	-113	-137
Group	**1 713**	1 980	1 332	1 620	1 412	2 286	2 303	1 967	1 952	2 338
EBITDA by business area**										
Holmen Paper	**862**	1 002	229	1 218	1 176	1 537	1 667	1 358	1 214	1 497
Iggesund Paperboard	**959**	1 186	1 141	780	688	954	1 108	976	1 152	1 335
Holmen Timber	**-10**	-26	49	52	47	169	104	38	28	40
Holmen Skog	**614**	769	794	616	674	639	556	483	553	545
Holmen Energi	**374**	425	516	435	346	289	214	319	196	210
Group-w ide	**-123**	-116	-198	-176	-160	-54	-115	-122	-96	-123
Group	**2 676**	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	**1 651**	1 668	1 732	1 745	2 044	2 025	2 021	1 764	1 731	1 655
Paperboard, '000 tonnes	**485**	474	464	477	494	516	536	492	501	481
Saw n timber, '000 m³	**660**	487	285	313	266	262	248	229	195	189
Harvesting company forests, million m³	**3.2**	3.0	3.0	2.9	2.6	2.6	2.6	2.3	2.6	2.7
Production of company hydro pow er, GWh	**1 343**	1 230	1 145	1 090	1 128	1 193	934	1 236	1 054	867
Balance sheet										
Non-current assets	**30 664**	30 334	26 028	25 694	26 506	26 153	25 354	25 793	23 381	20 940
Current assets	**6 005**	6 642	6 950	6 075	7 268	6 549	6 138	5 709	5 149	4 743
Financial receivables	**377**	240	454	407	828	541	649	712	459	675
Total assets	**37 046**	37 217	33 432	32 176	34 602	33 243	32 141	32 214	28 989	26 358
Equity	**20 813**	19 773	16 913	16 504	15 641	16 932	16 636	16 007	15 635	15 366
Deferred tax liability	**5 504**	6 630	5 910	5 045	4 819	5 482	5 030	5 143	5 177	4 557
Financial liabilities and interest-bearing provisions	**6 967**	6 499	6 227	6 091	8 332	6 518	6 634	7 351	5 335	4 044
Operating liabilities	**3 762**	4 313	4 382	4 536	5 809	4 310	3 841	3 713	2 842	2 391
Total equity and liabilities	**37 046**	37 217	33 432	32 176	34 602	33 243	32 141	32 214	28 989	26 358
Cash flow										
Operating activities	**2 254**	2 101	1 523	2 873	1 660	2 476	2 358	2 471	2 331	2 443
Investing activities	**-1 920**	-1 733	-1 597	-818	-1 124	-1 315	-947	-3 029	-1 195	-726
Cash flow after investments	**334**	368	-74	2 054	536	1 161	1 411	-558	1 136	1 717
Key indicators										
Return on capital employed, % **	**7**	9	6	7	6	10	10	9	10	12
Return on equity, %	**9**	23	4	6	4	9	9	8	8	10
Debt/equity ratio	**0.32**	0.32	0.34	0.34	0.48	0.35	0.36	0.41	0.31	0.22
Dividend										
Ordinary dividend, SEK	**9*****	8	7	7	9	12	12	11	10	10
Extra dividend, SEK	**-**	-	-	-	-	-	-	-	-	30

* Items affecting comparability in 2012 refers to an impairment loss on non-current assets (SEK -153 million) and restructuring costs (SEK -40 million). 2011 refers to revaluation of forest. 2010 refers to w rite-dow n 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 w rite-dow n of goodw ill and tangible fixed assets of SEK -1 603 million w ithin Holmen Paper, a reversed w rite-dow n of SEK 60 million w ithin Holmen Timber, and a positive revaluation of forests by SEK 2 100 million w ithin Holmen Skog.

** Excl. items affecting comparability.

*** Proposed by the board

Stated in accordance w ith IFRS from 2004. As far as Holmen is concerned, the principal difference betw een IFRS and previous accounting principles is that forest assets are valued and stated in the accounts at fair value, that goodw ill 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 year-end report, a press and analyst conference will be held at 14.30 CET on Thursday, February 7. Venue: Jernkontoret, Kungsträdgårdsgatan 10, 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

Week 12 2013	Annual report 2012 is published on the Group's website
24 April 2013	Interim report January-March 2013
14 August 2013	Interim report January-June 2013
24 October 2013	Interim report January-September 2013

In its capacity as issuer, Holmen AB is releasing the information in this year-end report for 2012 in accordance with Chapter 17 of the Swedish Securities Market Act (2007:528). The information was distributed to the media for publication at 12.30 CET on Thursday February 7, 2013.

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.