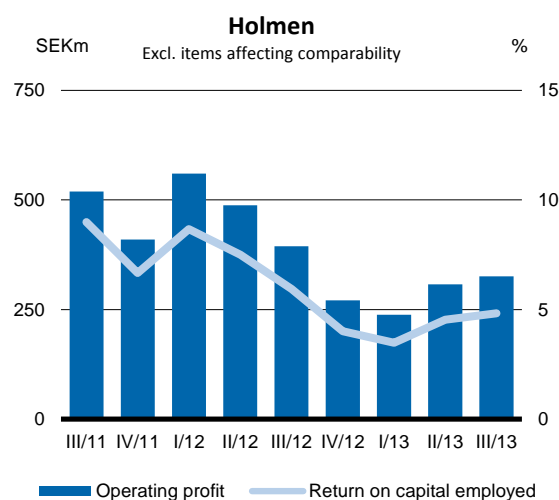
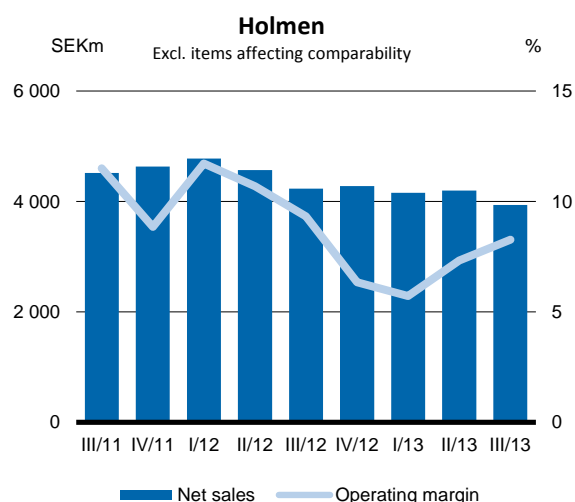


## Interim report January-September 2013

SEKm	3-13	Quarter 2-13	3-12	January-September 2013	January-September 2012	Full year 2012
Net turnover	3 939	4 197	4 230	12 293	13 577	17 852
Operating profit excl. items affecting comp.*	326	307	394	871	1 442	1 713
Operating profit	326	307	394	731	1 442	1 520
Profit after tax	207	232	249	481	950	1 853
Earnings per share, SEK	2.5	2.8	3.0	5.7	11.3	22.1
Return on equity, %	4.1	4.5	5.0	3.1	6.4	9.3

\* Items affecting comparability are impairment losses and restructuring costs at Holmen Paper (Q1 2013: SEKm -140, Q4 2012: SEKm -193).

- Profit after tax for January–September 2013 was SEK 481 million (January–September 2012: 950).
- Earnings per share totalled SEK 5.7 (11.3).
- Return on equity was 3.1 per cent (6.4).
- Operating profit, excluding items affecting comparability, totalled SEK 871 million (1 442). The decline was attributable to a stronger Swedish krona, lower selling prices for printing paper and production disruptions at Iggesund Paperboard.
- Compared with the second quarter, operating profit rose by SEK 19 million to SEK 326 million. There was a significant increase in income from paperboard. Earnings for the second quarter included SEK +102 million from the establishment of a jointly-owned wind power company.
- The market situation for paperboard was good. Demand for printing paper continued to decline but the market balance for newsprint is good as a result of shutdowns. The market for sawn timber remained weak.



<b>Holmen Paper</b>	Quarter			January-September	Full year	
SEKm	3-13	2-13	3-12	2013	2012	2012
Net sales	1 817	1 879	2 001	5 474	6 184	8 144
Operating costs	-1 681	-1 772	-1 765	-5 160	-5 450	-7 282
<b>EBITDA</b>	<b>137</b>	<b>107</b>	<b>237</b>	<b>314</b>	<b>734</b>	<b>862</b>
Depreciation and amortisation according to plan	-185	-184	-191	-553	-577	-768
<b>Operating profit excl. items affecting comp.</b>	<b>-48</b>	<b>-77</b>	<b>46</b>	<b>-239</b>	<b>157</b>	<b>94</b>
Items affecting comparability*	-	-	-	-140	-	-193
<b>Operating profit</b>	<b>-48</b>	<b>-77</b>	<b>46</b>	<b>-379</b>	<b>157</b>	<b>-99</b>
Investments	58	48	47	128	114	174
Operating capital	4 974	5 191	6 046	4 974	6 046	5 608
EBITDA margin, %**	8	6	12	6	12	11
Operating margin, %**	-3	-4	2	-4	3	1
Production, '000 tonnes	378	410	407	1 191	1 254	1 658
Deliveries, '000 tonnes	400	423	414	1 211	1 239	1 651

\* Items affecting comparability refers to impairment losses and restructuring costs (Q1 2013 SEKm -140, Q4 2012 SEKm -193).

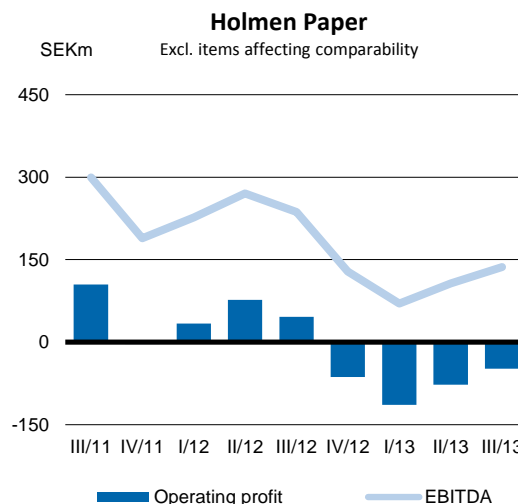
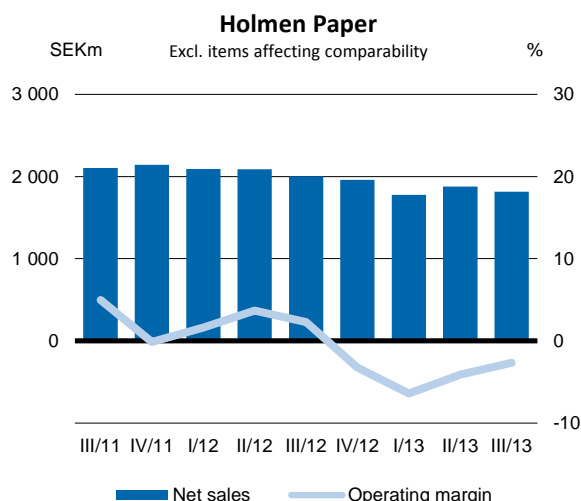
\*\* Excluding items affecting comparability

Demand for printing paper in Europe fell by 6 per cent in the first nine months of the year, compared with the same period last year. The market balance for newsprint is good as a result of shutdowns but there is overcapacity in magazine paper. Some price increases for newsprint were implemented at mid-year.

Deliveries from Holmen Paper were 2 per cent lower than last year. For the speciality products MF Magazine and book paper, deliveries rose by 10 per cent, while sales of newsprint were down.

Holmen Paper's operating loss for January–September was SEK -239 million (+157), excluding items affecting comparability. The fall in profit was due to lower selling prices, a stronger Swedish krona and lower volumes as a result of decreased demand and rebuilding work at the Swedish mills prior to the closure of two paper machines. Costs have decreased as a result of rationalisations and lower wood prices.

Compared with the second quarter, the operating loss was reduced by SEK 29 million to SEK -48 million. Staff costs fell seasonally and there was a slight increase in selling prices. Production was lower as a result of a rebuilding stoppage and a paper machine at the Braviken Paper Mill being closed down in September. A paper machine at Hallsta Paper Mill was closed down in October. These two machines have a total capacity of 340 000 tonnes. Following these shutdowns Holmen Paper has a production capacity of 1 450 000 tonnes, half of which consists of speciality products.



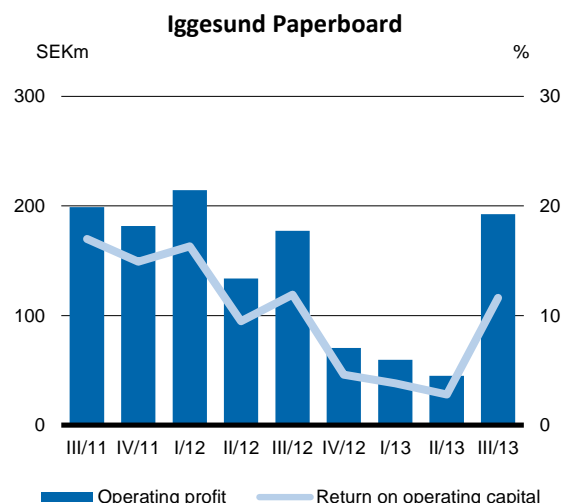
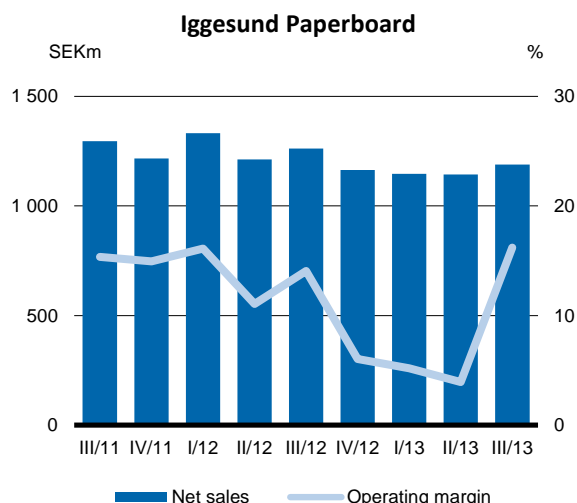
<b>Iggesund Paperboard</b>		Quarter		January-September		Full year
SEKm	<b>3-13</b>	2-13	3-12	<b>2013</b>	2012	2012
Net sales	<b>1 188</b>	1 143	1 261	<b>3 477</b>	3 804	4 967
Operating costs	<b>-879</b>	-987	-980	<b>-2 851</b>	-3 016	-4 009
<b>EBITDA</b>	<b>309</b>	157	281	<b>626</b>	788	959
Depreciation and amortisation according to plan	<b>-117</b>	-112	-104	<b>-329</b>	-263	-363
<b>Operating profit</b>	<b>192</b>	45	177	<b>297</b>	525	596
Investments	<b>181</b>	132	436	<b>510</b>	1 275	1 523
Operating capital	<b>6 689</b>	6 572	6 084	<b>6 689</b>	6 084	6 177
EBITDA margin, %	<b>26</b>	14	22	<b>18</b>	21	19
Operating margin, %	<b>16</b>	4	14	<b>9</b>	14	12
Return on operating capital, %	<b>12</b>	3	12	<b>6</b>	12	10
Production, paperboard, '000 tonnes	<b>125</b>	119	129	<b>363</b>	375	492
Deliveries, paperboard, '000 tonnes	<b>120</b>	119	126	<b>357</b>	368	485

The market for SBB and FBB was good in the third quarter. Deliveries to Europe from European producers increased by 6 per cent during January–September compared with last year. Price increases were announced in October.

Iggesund Paperboard's deliveries amounted to 357 000 tonnes in the first nine months of the year, 11 000 tonnes lower than in the same period last year. The decrease was primarily due to the production loss from the maintenance shutdown in the second quarter.

Iggesund Paperboard's operating profit for January–September totalled SEK 297 million (525). The decline was due to a stronger krona, a major maintenance shutdown and production disruptions in the first six months of the year. Start-up of the biofuel boiler in Workington at the end of the first quarter has made a positive contribution to earnings.

Compared with the second quarter, earnings increased by SEK 147 million to SEK 192 million. Production was good following previous production disruptions and staff costs were seasonally low. Second quarter earnings were negatively affected by costs and production losses arising from a major maintenance shutdown.



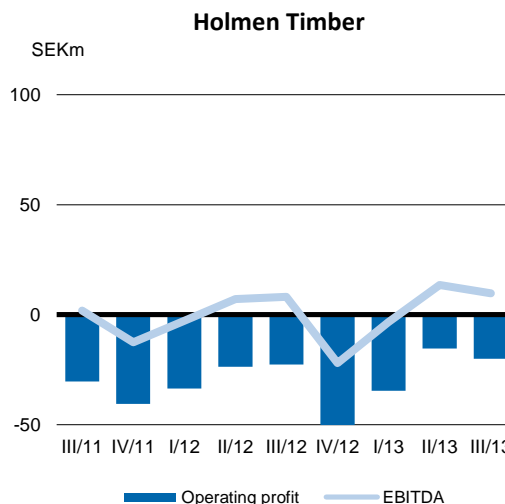
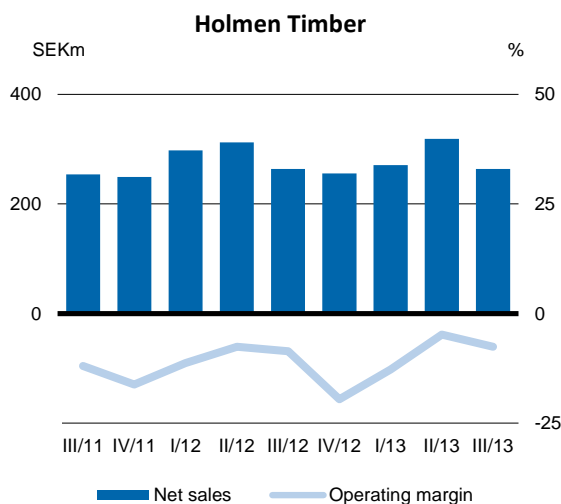
<b>Holmen Timber</b>	Quarter			January-September	Full year	
SEKm	3-13	2-13	3-12	2013	2012	2012
Net sales	264	319	264	854	874	1 129
Operating costs	-254	-305	-255	-834	-861	-1 139
<b>EBITDA</b>	<b>10</b>	14	8	<b>20</b>	12	-10
Depreciation and amortisation according to plan	-30	-29	-31	-90	-92	-120
<b>Operating profit</b>	<b>-20</b>	-15	-23	<b>-70</b>	-80	-130
Investments	5	8	4	15	6	9
Operating capital	1 373	1 413	1 436	1 373	1 436	1 416
EBITDA margin, %	4	4	3	2	1	-1
Operating margin, %	-8	-5	-9	-8	-9	-12
Production, '000 m <sup>3</sup>	153	182	147	506	484	651
Deliveries, '000 m <sup>3</sup>	148	189	151	500	505	660

The market for sawn timber remained weak in the third quarter, although some price increases were able to be implemented. The difference between selling prices and raw material costs is still at a historically low level, especially in Southern Sweden.

Holmen Timber delivered 500 000 cubic metres between January and September, which was in line with the same period last year. Deliveries fell seasonally in the third quarter.

Holmen Timber's operating loss for January–September totalled SEK -70 million (-80). Production increased and raw material costs fell, but these factors were largely offset by the impact of a stronger krona.

Compared with the second quarter, the operating loss increased by SEK 5 million to SEK -20 million as a result of an operational shutdown during the holiday period. The effect of the implemented price increases was offset by higher wood prices.

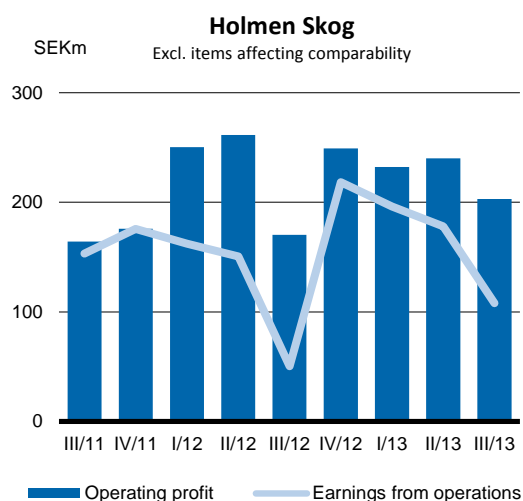
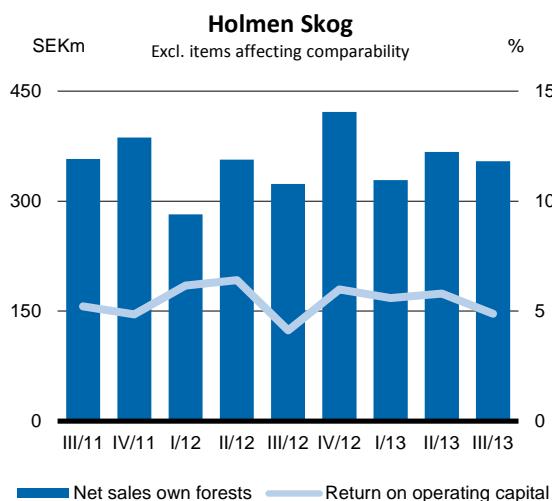


<b>Holmen Skog</b>	Quarter			January-September		Full year
SEKm	3-13	2-13	3-12	2013	2012	2012
Net sales	1 239	1 485	1 310	4 318	4 583	6 061
<i>of which from own forests</i>	354	367	323	1 050	962	1 383
Operating costs	-1 123	-1 298	-1 252	-3 811	-4 199	-5 448
Depreciation and amortisation according to plan	-8	-8	-8	-24	-21	-33
<b>Earnings from operations</b>	<b>108</b>	178	50	<b>482</b>	363	581
Change in value of forests	95	62	120	193	319	350
<b>Operating profit</b>	<b>203</b>	240	170	<b>675</b>	682	931
Investments	17	0	116	22	151	169
Operating capital	16 667	16 556	16 621	16 667	16 621	16 663
Return on operating capital, %	5	6	4	5	6	6
Harvesting company forests, '000 m <sup>3</sup>	864	894	760	2 583	2 195	3 211

Availability of pulpwood in Sweden was good in the third quarter and prices have fallen slightly. The supply of timber was low, especially in Southern Sweden where prices increased and are significantly higher than in the rest of the country.

Compared with the second quarter, operating profit fell by SEK 70 million to SEK 108 million as a result of seasonally higher costs and a lower proportion of timber in harvesting.

Holmen Skog's operating profit for January–September was SEK 482 million (363). Harvesting was high and costs fell, which was partly offset by selling prices being just under 10 per cent lower. Operating profit, which includes a change in value of SEK 193 million, totalled SEK 675 million (682). The change in value was just over SEK 100 million lower than last year as a result of a higher volume of harvesting.

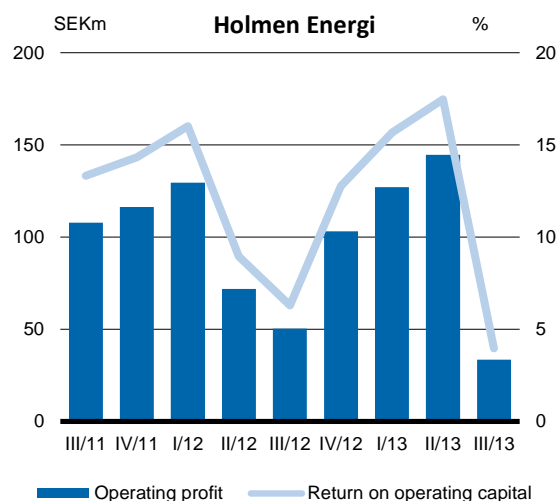
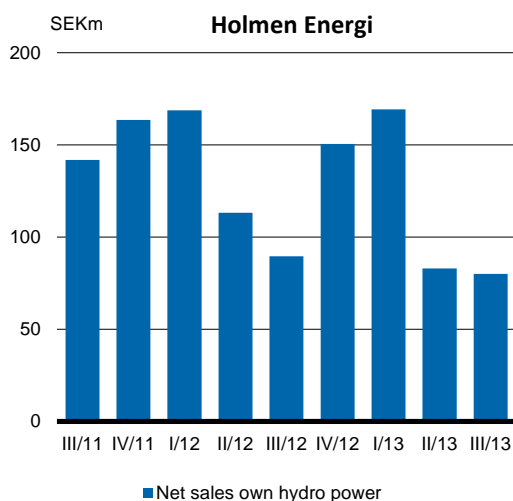


<b>Holmen Energi</b>		Quarter		January-September		Full year
SEKm	<b>3-13</b>	2-13	3-12	<b>2013</b>	2012	2012
Net sales	<b>358</b>	385	358	<b>1 240</b>	1 268	1 728
<i>of which from own hydro power</i>	<b>80</b>	83	90	<b>332</b>	372	522
Operating costs	<b>-320</b>	-236	-303	<b>-920</b>	-1 002	-1 354
Depreciation and amortisation according to plan	<b>-5</b>	-5	-5	<b>-15</b>	-15	-19
<b>Operating profit</b>	<b>34</b>	145	50	<b>305</b>	252	355
Investments	<b>2</b>	12	5	<b>13</b>	15	26
Operating capital	<b>3 370</b>	3 396	3 198	<b>3 370</b>	3 198	3 261
Return on operating capital, %	<b>4</b>	17	6	<b>12</b>	10	11
Production of company hydro power, GWh	<b>188</b>	195	282	<b>746</b>	992	1 343

Holmen Energi's operating profit for January–September totalled SEK 305 million (252). This figure includes SEK +102 million associated with the establishment of a jointly-owned wind power company in the second quarter. Hydropower production was 5 per cent lower than normal and 25 per cent lower than the very high level last year. This was partly offset by higher selling prices for electricity. Higher property tax affected the result by SEK -23 million.

Profit in the third quarter totalled SEK 34 million (145). Excluding the income arising from the establishment of a jointly owned wind power company in the second quarter, profit fell by SEK 9 million. Hydropower production was lower than normal as a result of low precipitation.

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



**Net financial items and financing**

Net financial items for January–September totalled SEK -155 million (-173). Borrowing costs fell to an average of 3.2 per cent (4.2). During the period, interest costs of SEK 8 million (43) were capitalised in connection with major investment projects and consequently reduced the recognised interest expense by a corresponding amount.

Cash flow from operating activities totalled SEK 1 567 million. Cash flow from investing activities was SEK -673 million. SEK 756 million in dividends was paid in the second quarter.

During January–September, the Group's net financial debt fell by SEK 188 million to SEK 6 402 million. The debt/equity ratio was 0.31 and the equity/assets ratio 56 per cent. Financial liabilities including pension provisions totalled SEK 6 730 million, SEK 3 749 million of which was represented by current liabilities. Cash, cash equivalents and financial receivables totalled SEK 327 million. In the third quarter the Group raised a new long-term loan of SEK 700 million which matures in 2017. Including this, the Group has long-term financial liabilities of SEK 2 980 million. In addition, the Group has unused long-term contractually agreed credit facilities of SEK 5 338 million, maturing in 2016–2017.

**Equity**

In January–September, the Group's equity decreased by SEK 258 million to SEK 20 555 million. Profit for the period totalled SEK 481 million. A dividend of SEK 756 million was paid. In addition, other comprehensive income totalled SEK 17 million.

**Tax**

Recognised tax for January–September amounted to SEK -95 million (-319). Recognised tax, as a proportion of profit before tax, was 16 per cent (25). The low tax rate is due to the fact that the income from the establishment of a jointly-owned wind power company is not taxable.

**Hedging exchange rates and electricity prices**

The Group hedges parts of future estimated net flows in foreign currencies. Operating profit for January–September includes currency hedges of SEK 41 million (239). At end of the quarter, the Group had hedged its anticipated currency flows for the next four months. Longer-term hedges have been obtained for certain transactions. The fair market value of currency hedges not yet recognised as income amounted to SEK 7 million at the end of the quarter.

Prices for the Group's estimated net consumption of electricity in Sweden over the remainder of 2013 and 2014–2015 are fully hedged. For 2016–2018, 60 per cent has been hedged while for 2019–2021 the figure is 40 per cent.

**Investments**

Cash flow from investing activities for January–September was SEK -673 million (-1 583). Scheduled depreciation and amortisation totalled SEK 1 022 million (974). Half 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 3 800 (3 979). The reduction is mainly attributable to cutbacks in Holmen Paper.

**Share buy-backs**

At the 2013 AGM, the Board's authorisation to purchase up to 10 per cent of the company's shares was renewed. No buy-backs took place during the period. The company owns 0.9 per cent of all shares outstanding.

**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 2012 (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 accounting policies of the Parent Company and the Group remain unchanged compared to the most recently published annual report, with the exception of the following amended standards, which are applicable as of 1 January 2013. The amended standards are applied retroactively unless otherwise stated below. The structure of the statement of comprehensive income has been altered so that it follows the changes in IAS 1 Presentation of Financial Statements. Further information is submitted in accordance with the expanded disclosure requirements in IFRS 7. The new/amended IFRS 13, IAS 19 and UFR 9 standards apply but have not resulted in any effect on amounts or information in this interim report. IFRS 13 is being applied prospectively. The amended RFR 2 and its alternative rule apply to the Parent Company, which means that Group contributions are recognised as balance sheet appropriations. The figures in tables are rounded off.

Stockholm, 24 October 2013  
Holmen AB (publ.)

Magnus Hall  
President and CEO

For further information please contact:

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Ingela Carlsson, Communications Director, tel. +46 70 212 97 12

## Review report

### Introduction

We have reviewed the condensed interim financial information (interim report) for Holmen AB (publ) as per 30 September 2013 and the nine-month reporting period ending on that date. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### Focus and scope of the review

We conducted our review in accordance with the Standard on Review Engagements (SÖG) 2410 "Review of Interim Financial Information Performed by the Independent Auditors of the Entity". A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially smaller in scope than an audit conducted in accordance with ISA and other generally accepted auditing standards.

The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that could have been identified in an audit. Therefore, the conclusion expressed on the basis of a review does not give the same level of assurance as a conclusion expressed on the basis of an audit.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report was not, in all material respects, prepared for the Group in accordance with IAS 34 and the Swedish Annual Accounts Act, and, for the Parent Company, in accordance with the Swedish Annual Accounts Act.

Stockholm, 24 October 2013

KPMG AB

George Pettersson  
Authorised public accountant



## The Group

Income statement, SEKm	Quarter			January-September		Full year
	3-13	2-13	3-12	2013	2012	2012
Net sales	3 939	4 197	4 230	12 293	13 577	17 852
Other operating income	248	302	161	699	469	621
Change in inventories	-40	-82	-42	-8	-33	-34
Raw materials and consumables	-2 138	-2 321	-2 290	-6 954	-7 462	-9 802
Staff costs	-536	-624	-561	-1 759	-1 828	-2 499
Other operating costs	-890	-887	-891	-2 618	-2 652	-3 550
Depreciation and amortisation according to plan	-347	-342	-340	-1 022	-974	-1 313
Impairment losses	-	-	-	-100	-	-153
Change in value of biological assets	95	62	120	193	319	350
Interest in earnings of associates	-5	2	8	6	27	47
<b>Operating profit</b>	<b>326</b>	<b>307</b>	<b>394</b>	<b>731</b>	<b>1 442</b>	<b>1 520</b>
Finance income	0	2	0	6	5	7
Finance costs	-60	-52	-65	-161	-178	-234
<b>Profit before tax</b>	<b>266</b>	<b>257</b>	<b>330</b>	<b>576</b>	<b>1 270</b>	<b>1 294</b>
Tax	-59	-25	-81	-95	-319	559
<b>Profit for the period</b>	<b>207</b>	<b>232</b>	<b>249</b>	<b>481</b>	<b>950</b>	<b>1 853</b>
Earnings per share, basic, SEK	2.5	2.8	3.0	5.7	11.3	22.1
Earnings per share, diluted, SEK	2.5	2.8	3.0	5.7	11.3	22.1
Operating margin, % *	8.3	7.3	9.3	7.1	10.6	9.6
Return on capital employed, % *	4.8	4.5	5.9	4.3	7.4	6.5
Return on equity, %	4.1	4.5	5.0	3.1	6.4	9.3

Statement of comprehensive income, SEKm	Quarter			January-September		Full year
	3-13	2-13	3-12	2013	2012	2012
<b>Profit for the period</b>	<b>207</b>	<b>232</b>	<b>249</b>	<b>481</b>	<b>950</b>	<b>1 853</b>
<b>Other comprehensive income</b>						
Actuarial gains and losses in respect of pensions, incl. special employer's contribution	-36	5	59	46	69	-16
Tax attributable to items that will not be reclassified to profit for the period	8	-1	-15	-11	-17	-2
<b>Items that will not be reclassified to profit for the period</b>	<b>-28</b>	<b>4</b>	<b>44</b>	<b>36</b>	<b>52</b>	<b>-18</b>
Cash flow hedging	54	-53	-25	-16	-74	-77
Translation difference on foreign operation	-16	174	-145	3	-166	-129
Hedging of currency risk in foreign operation	14	-67	79	-11	109	88
Tax attributable to items that will be reclassified to profit for the period	-15	26	-14	6	-9	-5
<b>Items that will be reclassified to profit for the period</b>	<b>37</b>	<b>80</b>	<b>-106</b>	<b>-19</b>	<b>-140</b>	<b>-123</b>
<b>Total other comprehensive income after tax</b>	<b>9</b>	<b>84</b>	<b>-61</b>	<b>17</b>	<b>-89</b>	<b>-141</b>
<b>Total comprehensive income</b>	<b>216</b>	<b>316</b>	<b>188</b>	<b>498</b>	<b>862</b>	<b>1 711</b>

\* Excl. items affecting comparability.

Change in equity, SEKm	January-September	
	2013	2012
<b>Opening equity</b>	<b>20 813</b>	<b>19 773</b>
Profit for the period	481	950
Other comprehensive income	17	-89
<b>Total comprehensive income</b>	<b>498</b>	<b>862</b>
Dividends paid	-756	-672
<b>Closing equity</b>	<b>20 555</b>	<b>19 963</b>

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
<b>Total number of shares</b>		<b>84 756 162</b>	<b>288 365 268</b>		<b>4 237.8</b>
Holding of own B shares bought back		-760 000	-760 000		
<b>Total number of shares in issue</b>		<b>83 996 162</b>	<b>287 605 268</b>		

## The Group

<b>Balance sheet, SEKm</b>	<b>2013 30 September</b>	<b>2013 30 June</b>	<b>2012 31 December</b>
<b>Non-current assets</b>			
Intangible non-current assets	55	57	57
Property, plant and equipment	12 207	12 195	12 543
Biological assets	16 432	16 323	16 227
Associates and joint venture	1 928	1 942	1 821
Other shares and participating interests	8	13	13
Non-current financial receivables	41	41	39
Deferred tax assets	2	2	2
<b>Total non-current assets</b>	<b>30 672</b>	<b>30 572</b>	<b>30 702</b>
<b>Current assets</b>			
Inventories	2 963	2 981	3 221
Trade receivables	2 271	2 392	2 290
Current tax receivable	159	230	75
Other operating receivables	562	553	419
Current financial receivables	23	35	31
Cash and cash equivalents	264	159	308
<b>Total current assets</b>	<b>6 241</b>	<b>6 350</b>	<b>6 343</b>
<b>Total assets</b>	<b>36 913</b>	<b>36 922</b>	<b>37 046</b>
<b>Equity</b>	<b>20 555</b>	<b>20 339</b>	<b>20 813</b>
<b>Non-current liabilities</b>			
Non-current financial liabilities	2 712	2 229	1 746
Pension provisions	268	241	355
Other provisions	528	552	497
Deferred tax liabilities	5 811	5 813	5 504
<b>Total non-current liabilities</b>	<b>9 319</b>	<b>8 834</b>	<b>8 102</b>
<b>Current liabilities</b>			
Current financial liabilities	3 749	4 468	4 866
Trade payables	1 909	1 955	2 245
Current tax liability	11	4	3
Provisions	97	103	68
Other operating liabilities	1 274	1 219	950
<b>Total current liabilities</b>	<b>7 039</b>	<b>7 749</b>	<b>8 131</b>
<b>Total liabilities</b>	<b>16 358</b>	<b>16 583</b>	<b>16 233</b>
<b>Total equity and liabilities</b>	<b>36 913</b>	<b>36 922</b>	<b>37 046</b>
Debt/equity ratio, times	0.31	0.33	0.32
Equity/assets ratio, %	55.7	55.1	56.2
Operating capital	32 766	32 853	32 905
Capital employed	26 958	27 042	27 403
Net financial debt	6 402	6 703	6 590
Pledged collateral	111	111	6
Contingent liabilities	115	118	100

<b>Financial instruments, SEKm</b>	<b>Recognised value</b>		<b>Fair value</b>	
	<b>2013 30 September</b>	<b>2012 31 December</b>	<b>2013 30 September</b>	<b>2012 31 December</b>
Assets at fair value	35	71	35	71
Assets at acquisition cost	2 596	2 670	2 588	2 657
Liabilities at fair value	-111	-106	-111	-106
Liabilities at acquisition cost	-8 323	-8 772	-8 388	-8 849

Holmen measures financial instruments at fair value or acquisition cost in the balance sheet depending on classification. In addition to items in net financial debt, with the exception of the pension liability, financial instruments cover trade receivables and trade payables. Financial instruments measured at fair value in the balance sheet belong to measurement level 2 pursuant to IFRS 7.

All of the Group's derivatives are covered by ISDA or FEMA agreements, which entails a right to offset assets and liabilities in relation to the same counterparty. Assets and liabilities are not offset in the report. Recognised derivatives totalled SEK 35 million on the asset side and SEK 111 million on the liabilities side.

## The Group

<b>Cash flow analysis, SEKm</b>	<b>3-13</b>	<b>Quarter 2-13</b>	<b>3-12</b>	<b>January-September 2013</b>	<b>2012</b>	<b>Full year 2012</b>
<b>Operating activities</b>						
Profit before tax	266	257	330	576	1 270	1 294
Adjustments for non-cash items *	252	156	240	878	647	1 057
Paid income taxes	1	315	-88	169	-322	-434
<b>Cash flow from operating activities before changes in working capital</b>	<b>519</b>	<b>727</b>	<b>483</b>	<b>1 623</b>	<b>1 595</b>	<b>1 916</b>
<b>Cash flow from changes in working capital</b>						
Change in inventories	10	208	115	258	280	314
Change in trade receivables and other operating receivables	75	-107	165	-151	150	241
Change in trade payables and other operating liabilities	-37	-179	-253	-163	-255	-217
<b>Cash flow from operating activities</b>	<b>567</b>	<b>649</b>	<b>509</b>	<b>1 567</b>	<b>1 769</b>	<b>2 254</b>
<b>Investing activities</b>						
Acquisition of non-current assets	-271	-262	-622	-769	-1 615	-1 975
Disposal of non-current assets	35	56	5	94	13	18
Change in non-current financial receivables	0	2	13	1	19	37
<b>Cash flow from investing activities</b>	<b>-236</b>	<b>-204</b>	<b>-603</b>	<b>-673</b>	<b>-1 583</b>	<b>-1 920</b>
<b>Financing activities</b>						
Change in financial liabilities and current financial receivables	-226	341	172	-182	566	537
Dividends paid to the shareholders of the parent company	0	-756	-	-756	-672	-672
<b>Cash flow from financing activities</b>	<b>-226</b>	<b>-415</b>	<b>172</b>	<b>-937</b>	<b>-106</b>	<b>-135</b>
<b>Cash flow for the period</b>	<b>105</b>	<b>29</b>	<b>79</b>	<b>-43</b>	<b>81</b>	<b>199</b>
Opening cash and cash equivalents	159	127	113	308	112	112
Exchange difference in cash and cash equivalents	-1	3	-3	-1	-3	-3
<b>Closing cash and cash equivalents</b>	<b>264</b>	<b>159</b>	<b>189</b>	<b>264</b>	<b>189</b>	<b>308</b>

<b>Change in net financial debt, SEKm</b>	<b>3-13</b>	<b>Quarter 2-13</b>	<b>3-12</b>	<b>January-September 2013</b>	<b>2012</b>	<b>Full year 2012</b>
Opening net financial debt	-6 703	-6 354	-6 645	-6 590	-6 259	-6 259
Cash flow from operating activities	567	649	509	1 567	1 769	2 254
Cash flow from investing activities (excl financial receivables)	-236	-206	-616	-674	-1 602	-1 956
Dividends paid	0	-756	-	-756	-672	-672
Actuarial revaluation of pension liability	-36	5	58	45	68	-16
Foreign exchange effects and changes in fair value	5	-41	10	5	12	59
<b>Closing net financial debt</b>	<b>-6 402</b>	<b>-6 703</b>	<b>-6 684</b>	<b>-6 402</b>	<b>-6 684</b>	<b>-6 590</b>

\* 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			January-September		Full year
	3-13	2-13	3-12	2013	2012	2012
Operating income	3 631	3 957	3 895	11 489	12 459	16 419
Operating costs	-3 386	-3 837	-3 760	-11 109	-11 876	-15 416
<b>Operating profit</b>	<b>246</b>	<b>120</b>	<b>135</b>	<b>380</b>	<b>583</b>	<b>1 004</b>
Net financial items	- 52	- 91	30	- 151	- 14	-1 295
<b>Profit after net financial items</b>	<b>194</b>	<b>30</b>	<b>165</b>	<b>230</b>	<b>569</b>	<b>-291</b>
Appropriations	174	62	182	299	582	-798
<b>Profit before tax</b>	<b>368</b>	<b>92</b>	<b>347</b>	<b>529</b>	<b>1 150</b>	<b>-1 089</b>
Tax	-91	5	-89	-91	-288	95
<b>Profit for the period</b>	<b>277</b>	<b>97</b>	<b>258</b>	<b>438</b>	<b>863</b>	<b>-994</b>

Statement of comprehensive income, SEKm	Quarter			January-September		Full year
	3-13	2-13	3-12	2013	2012	2012
<b>Profit for the period</b>	<b>277</b>	<b>97</b>	<b>258</b>	<b>438</b>	<b>863</b>	<b>-994</b>
<b>Other comprehensive income</b>						
Cash flow hedging	128	-53	-49	111	-113	-70
Tax attributable to other comprehensive income	-28	12	13	-25	30	12
<b>Items that will be reclassified to profit for the period</b>	<b>100</b>	<b>-42</b>	<b>-36</b>	<b>87</b>	<b>-83</b>	<b>-58</b>
<b>Total comprehensive income</b>	<b>377</b>	<b>55</b>	<b>222</b>	<b>525</b>	<b>780</b>	<b>-1 053</b>

Balance sheet, SEKm	2013	2013	2012
	30 September	30 June	31 December
Non-current assets	17 749	17 721	18 029
Current assets	5 013	5 129	5 624
<b>Total assets</b>	<b>22 762</b>	<b>22 850</b>	<b>23 653</b>
Restricted equity	5 915	5 915	5 915
Non-restricted equity	3 283	2 906	3 514
Untaxed reserves	1 765	1 784	2 064
Provisions	1 287	1 284	1 262
Liabilities	10 513	10 961	10 898
<b>Total equity and liabilities</b>	<b>22 762</b>	<b>22 850</b>	<b>23 653</b>
Pledged collateral	111	111	6
Contingent liabilities	97	99	77

Sales to Group companies accounted for SEK 72 million (71) of operating income for January–September.

The parent company's investments in property, plant and equipment and intangible non-current assets totalled SEK 7 (36) million.

Net financial items include the result from hedging equity in foreign subsidiaries totalling SEK -11 (109) million.

## The Group

Quarterly figures, SEKm	2013			2012				January-September		
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2013	2012	Full year 2012
<b>Income statement</b>										
Net sales	3 939	4 197	4 158	4 276	4 230	4 569	4 778	12 293	13 577	17 852
Operating costs	-3 356	-3 611	-3 632	-3 717	-3 623	-3 888	-3 996	-10 600	-11 507	-15 224
Interest in earnings of associates	-5	2	9	20	8	13	6	6	27	47
Depreciation and amortisation according to plan	-347	-342	-333	-339	-340	-317	-317	-1 022	-974	-1 313
Change in value of forests	95	62	36	31	120	111	88	193	319	350
Items affecting comparability*	-	-	-140	-193	-	-	-	-140	-	-193
<b>Operating profit</b>	<b>326</b>	<b>307</b>	<b>98</b>	<b>78</b>	<b>394</b>	<b>488</b>	<b>560</b>	<b>731</b>	<b>1 442</b>	<b>1 520</b>
Net financial items	-59	-50	-45	-54	-64	-52	-56	-155	-173	-227
<b>Profit before tax</b>	<b>266</b>	<b>257</b>	<b>53</b>	<b>24</b>	<b>330</b>	<b>436</b>	<b>504</b>	<b>576</b>	<b>1 270</b>	<b>1 294</b>
Tax	-59	-25	-11	878	-81	-123	-116	-95	-319	559
<b>Profit for the period</b>	<b>207</b>	<b>232</b>	<b>42</b>	<b>902</b>	<b>249</b>	<b>313</b>	<b>389</b>	<b>481</b>	<b>950</b>	<b>1 853</b>
Diluted earnings per share, SEK	2.5	2.8	0.5	10.7	3.0	3.7	4.6	5.7	11.3	22.1
<b>Net sales</b>										
Holmen Paper	1 817	1 879	1 778	1 960	2 001	2 090	2 093	5 474	6 184	8 144
Iggesund Paperboard	1 188	1 143	1 146	1 163	1 261	1 212	1 332	3 477	3 804	4 967
Holmen Timber	264	319	271	256	264	313	298	854	874	1 129
Holmen Skog	1 239	1 485	1 594	1 479	1 310	1 578	1 695	4 318	4 583	6 061
Holmen Energi	358	385	497	460	358	413	497	1 240	1 268	1 728
Elimination of intra-group net sales	-927	-1 015	-1 127	-1 042	-964	-1 036	-1 136	-3 069	-3 136	-4 178
<b>Group</b>	<b>3 939</b>	<b>4 197</b>	<b>4 158</b>	<b>4 276</b>	<b>4 230</b>	<b>4 569</b>	<b>4 778</b>	<b>12 293</b>	<b>13 577</b>	<b>17 852</b>
<b>Operating profit/loss by business area**</b>										
Holmen Paper	-48	-77	-114	-63	46	77	34	-239	157	94
Iggesund Paperboard	192	45	60	70	177	134	214	297	525	596
Holmen Timber	-20	-15	-35	-50	-23	-24	-34	-70	-80	-130
Holmen Skog	203	240	232	249	170	261	250	675	682	931
Holmen Energi	34	145	127	103	50	72	130	305	252	355
Group-wide	-35	-30	-33	-38	-27	-33	-35	-98	-95	-132
<b>Group</b>	<b>326</b>	<b>307</b>	<b>238</b>	<b>271</b>	<b>394</b>	<b>488</b>	<b>560</b>	<b>731</b>	<b>1 442</b>	<b>1 520</b>
<b>Operating margin, % **</b>										
Holmen Paper	-2.6	-4.1	-6.4	-3.2	2.3	3.7	1.6	-4.4	2.5	1.2
Iggesund Paperboard	16.2	3.9	5.2	6.0	14.1	11.0	16.1	8.5	13.8	12.0
Holmen Timber	-7.6	-4.8	-12.8	-19.6	-8.6	-7.5	-11.3	-8.2	-9.1	-11.5
Group	8.3	7.3	5.7	6.3	9.3	10.7	11.7	7.1	10.6	9.6
<b>EBITDA by business area**</b>										
Holmen Paper	137	107	70	128	237	270	227	314	734	862
Iggesund Paperboard	309	157	160	170	281	213	295	626	788	959
Holmen Timber	10	14	-3	-22	8	7	-3	20	12	-10
Holmen Skog	116	186	204	230	58	157	169	507	384	614
Holmen Energi	38	150	132	108	55	77	134	320	266	374
Group-wide	-32	-26	-29	-35	-25	-30	-33	-87	-88	-123
<b>Group</b>	<b>578</b>	<b>587</b>	<b>535</b>	<b>579</b>	<b>615</b>	<b>694</b>	<b>789</b>	<b>1 700</b>	<b>2 097</b>	<b>2 676</b>
<b>Return on operating capital, % **</b>										
Holmen Paper	-3.8	-5.9	-8.3	-4.3	3.0	4.9	2.1	-6.1	3.3	1.5
Iggesund Paperboard	11.6	2.8	3.8	4.6	11.9	9.5	16.3	6.1	12.5	10.4
Holmen Timber	-5.7	-4.3	-9.7	-14.1	-6.2	-6.2	-8.8	-6.6	-7.0	-8.7
Holmen Skog	4.9	5.8	5.6	6.0	4.1	6.4	6.2	5.4	5.6	5.7
Holmen Energi	4.0	17.5	15.7	12.8	6.3	9.0	16.0	12.3	10.4	11.0
Group	4.0	3.7	2.9	3.3	4.8	6.0	6.9	3.5	5.9	5.2
<b>Key indicators</b>										
Return on capital employed, % **	4.8	4.5	3.5	4.0	5.9	7.5	8.7	4.3	7.4	6.5
Return on equity, %	4.1	4.5	0.8	17.7	5.0	6.4	7.9	3.1	6.4	9.3
<b>Deliveries</b>										
Printing paper, '000 tonnes	400	423	388	411	414	419	406	1 211	1 239	1 651
Paperboard, '000 tonnes	120	119	119	117	126	118	123	357	368	485
Sawn timber, '000 m³	148	189	163	155	151	181	173	500	505	660
Harvesting company forests, '000 m³	864	894	826	1 016	760	790	645	2 583	2 195	3 211
Production of company hydro power, GWh	188	195	363	351	282	332	378	746	992	1 343

\* Items affecting comparability in Q1 2013 and Q4 2012 refers to an impairment loss on non-current assets and restructuring costs.

\*\* Excl. items affecting comparability.

## The Group

Full year review, SEKm	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>Income statement</b>										
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	-	-	-	-
<b>Operating profit</b>	<b>1 520</b>	<b>5 573</b>	<b>1 596</b>	<b>1 620</b>	<b>1 051</b>	<b>2 843</b>	<b>2 303</b>	<b>1 967</b>	<b>1 952</b>	<b>2 338</b>
Net financial items	-227	-244	-208	-255	-311	-261	-247	-233	-206	-212
<b>Profit before tax</b>	<b>1 294</b>	<b>5 328</b>	<b>1 388</b>	<b>1 366</b>	<b>740</b>	<b>2 582</b>	<b>2 056</b>	<b>1 734</b>	<b>1 746</b>	<b>2 126</b>
Tax	559	-1 374	-684	-360	-98	-1 077	-597	-478	-471	-675
<b>Profit for the year</b>	<b>1 853</b>	<b>3 955</b>	<b>704</b>	<b>1 006</b>	<b>642</b>	<b>1 505</b>	<b>1 459</b>	<b>1 256</b>	<b>1 275</b>	<b>1 451</b>
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
<b>Operating profit by business area**</b>										
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-wide	-132	-120	-200	-178	-159	-56	-123	-141	-113	-137
<b>Group</b>	<b>1 713</b>	<b>1 980</b>	<b>1 332</b>	<b>1 620</b>	<b>1 412</b>	<b>2 286</b>	<b>2 303</b>	<b>1 967</b>	<b>1 952</b>	<b>2 338</b>
<b>EBITDA by business area**</b>										
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-wide	-123	-116	-198	-176	-160	-54	-115	-122	-96	-123
<b>Group</b>	<b>2 676</b>	<b>3 240</b>	<b>2 531</b>	<b>2 925</b>	<b>2 771</b>	<b>3 534</b>	<b>3 534</b>	<b>3 052</b>	<b>3 047</b>	<b>3 504</b>
<b>Deliveries</b>										
Printing 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
Sawn 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 power, GWh	1 343	1 230	1 145	1 090	1 128	1 193	934	1 236	1 054	867
<b>Balance sheet</b>										
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
<b>Total assets</b>	<b>37 046</b>	<b>37 217</b>	<b>33 432</b>	<b>32 176</b>	<b>34 602</b>	<b>33 243</b>	<b>32 141</b>	<b>32 214</b>	<b>28 989</b>	<b>26 358</b>
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
<b>Total equity and liabilities</b>	<b>37 046</b>	<b>37 217</b>	<b>33 432</b>	<b>32 176</b>	<b>34 602</b>	<b>33 243</b>	<b>32 141</b>	<b>32 214</b>	<b>28 989</b>	<b>26 358</b>
<b>Cash flow</b>										
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
<b>Cash flow after investments</b>	<b>334</b>	<b>368</b>	<b>-74</b>	<b>2 054</b>	<b>536</b>	<b>1 161</b>	<b>1 411</b>	<b>-558</b>	<b>1 136</b>	<b>1 717</b>
<b>Key indicators</b>										
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
<b>Dividend</b>										
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 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 1 450 000 tonnes of printing paper after announced closures, 540 000 tonnes of paperboard and 880 000 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 and wind power assets and for developing the Group's business within the energy sector. Normal yearly production amounts to some 1 100 GWh of electric power at wholly and partly owned hydro power stations in Sweden. Holmen Skog and Holmen Energi are also responsible for the Group's wood and electricity supply in Sweden.

## Press and analyst conference

On the publication of the interim report, a press and analyst conference will be held at 14.30 CET on Thursday, October 24. Venue: Strand Hotel, Nybrokajen 9, 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](http://www.holmen.com). You may also participate in the conference by telephone, by calling +46 (0)8 505 564 74 (within Sweden), +44 (0)203 364 53 74 (from the rest of Europe) or +1 855 753 22 30 (from the US) no later than 14.25 CET.

## Financial reports

13 February 2014	Year-end report 2013
7 May 2014	Interim report January-March 2014
13 August 2014	Interim report January-June 2014
23 October 2014	Interim report January-September 2014

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This is information that Holmen AB is obliged to disclose under the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. The information was distributed to the media for publication at 13.05 CET on Thursday October 24, 2013.

*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.*