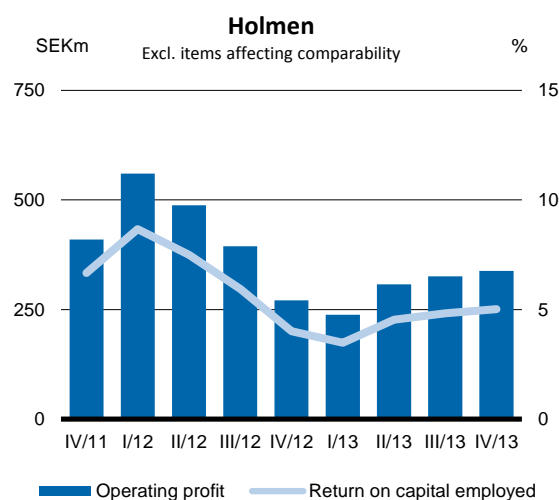
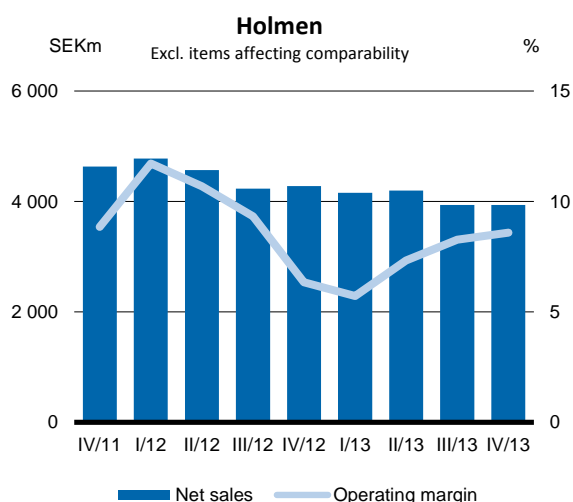


## Year-end report 2013

SEKm	4-13	Quarter 3-13	4-12	Full year 2013	2012
Net turnover	3 938	3 939	4 276	16 231	17 852
Operating profit excl. items affecting comp.*	338	326	271	1 209	1 713
Operating profit	338	326	78	1 069	1 520
Profit after tax	230	207	902	711	1 853
Earnings per share, SEK	2.7	2.5	10.7	8.5	22.1
Return on equity, %	4.5	4.1	17.7	3.4	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 2013 was SEK 711 million (2012: 1 853). Profit for the previous year was affected by a non-recurring income of SEK 911 million resulting from a reduction in corporate tax rate.
- Earnings per share totalled SEK 8.5 (22.1). Return on equity was 3.4 per cent (9.3).
- The Board proposes a dividend of SEK 9 (9) per share.
- Operating profit excluding items affecting comparability totalled SEK 1 209 million (1 713). The decline was attributable to a stronger Swedish krona, lower selling prices for printing paper and production disruptions at Iggesund Paperboard.
- Compared with the third quarter, operating profit rose by SEK 12 million to SEK 338 million. Implemented rationalisations have compensated for a loss in volume as a result of the shutdown of printing paper machines.
- 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. Price increases were implemented at the turn of 2013/2014. The market for sawn timber remained weak.
- Magnus Hall, Holmen President and CEO, has informed the Board of his wish to resign. Henrik Sjölund, currently CEO of Holmen Paper, has been appointed to be his successor. The change will take place in connection to the AGM April 8.



Holmen Paper SEKm	Quarter			Full year	
	4-13	3-13	4-12	2013	2012
Net sales	1 674	1 817	1 960	7 148	8 144
Operating costs	-1 559	-1 681	-1 831	-6 720	-7 282
<b>EBITDA</b>	<b>115</b>	<b>137</b>	<b>128</b>	<b>429</b>	<b>862</b>
Depreciation and amortisation according to plan	-185	-185	-192	-738	-768
<b>Operating profit excl. items affecting comp.</b>	<b>-70</b>	<b>-48</b>	<b>-63</b>	<b>-309</b>	<b>94</b>
Items affecting comparability*	-	-	-193	-140	-193
<b>Operating profit</b>	<b>-70</b>	<b>-48</b>	<b>-257</b>	<b>-449</b>	<b>-99</b>
Investments**	-42	58	60	85	174
Operating capital	4 810	4 974	5 608	4 810	5 608
EBITDA margin, %***	7	8	7	6	11
Operating margin, %***	-4	-3	-3	-4	1
Production, '000 tonnes	354	378	404	1 545	1 658
Deliveries, '000 tonnes	363	400	411	1 574	1 651

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

\*\* Including receipts from the sale of the shutdown PM61 paper machine in Spain

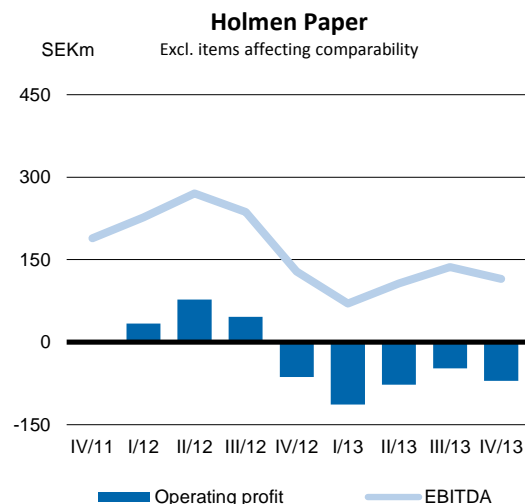
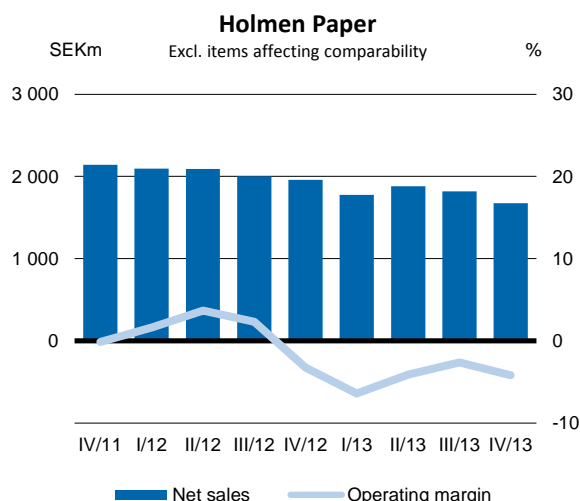
\*\*\* Excluding items affecting comparability

Demand for printing paper in Europe fell by 5 per cent in 2013. The market balance for newsprint is good as a result of shutdowns while there is overcapacity in magazine paper. Prices for newsprint were increased at the turn of 2013/2014 by approximately 5 per cent.

Deliveries from Holmen Paper for 2013 decreased by 5 per cent to 1 574 000 tonnes as a result of production curtailments and shutdown of capacity in the autumn. Deliveries of the strategic products MF Magazine and book paper, which now account for half of the sales, increased by 10 per cent.

Holmen Paper's operating loss for 2013 was SEK -309 million (+94), 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 production curtailments. Costs decreased during the year as a result of rationalisations and lower wood prices.

Compared with the third quarter, the operating loss increased by SEK 22 million to SEK -70 million as a result of seasonally higher costs. Production has gone well and there was full capacity utilisation during the quarter. Rationalisations and cost savings have compensated for the loss in revenues from the two paper machines with a combined annual capacity of 340 000 tonnes, which were shut down in September and October, respectively. Following these shutdowns, Holmen Paper's production capacity is 1 480 000 tonnes. Depreciation will decrease to approximately SEK 600 million in 2014, mainly as a result of shutdowns carried out.



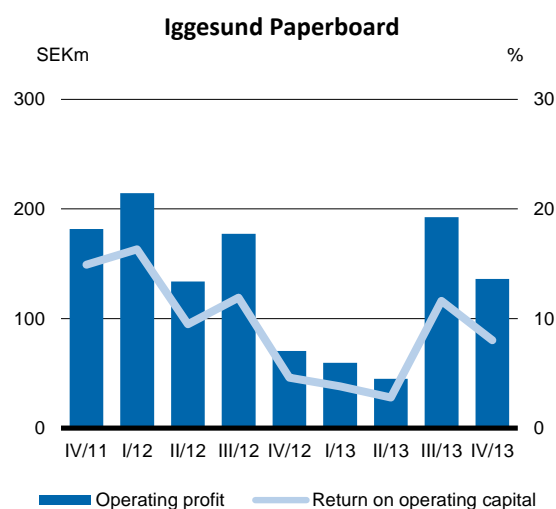
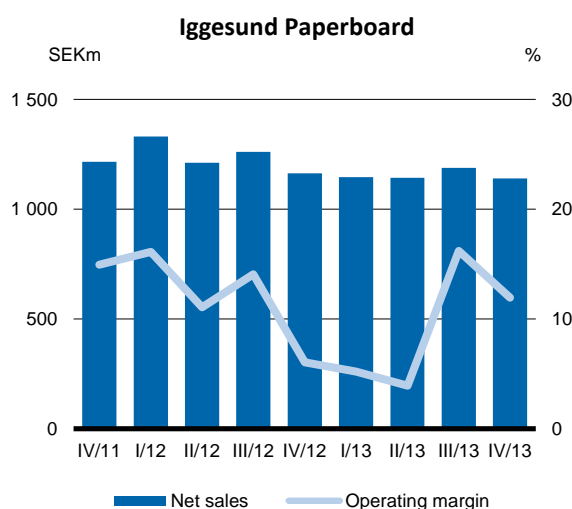
Iggesund Paperboard SEKm	Quarter			Full year	
	4-13	3-13	4-12	2013	2012
Net sales	1 141	1 188	1 163	4 618	4 967
Operating costs	-889	-879	-993	-3 740	-4 009
<b>EBITDA</b>	<b>252</b>	309	170	<b>878</b>	959
Depreciation and amortisation according to plan	-116	-117	-100	-445	-363
<b>Operating profit</b>	<b>136</b>	192	70	<b>433</b>	596
Investments	149	181	248	660	1 523
Operating capital	6 863	6 689	6 177	6 863	6 177
EBITDA margin, %	22	26	15	19	19
Operating margin, %	12	16	6	9	12
Return on operating capital, %	8	12	5	7	10
Production, paperboard, '000 tonnes	115	125	117	478	492
Deliveries, paperboard, '000 tonnes	112	120	117	469	485

The market for SBB and FBB was stable in the fourth quarter. Deliveries to Europe from European producers increased by 4 per cent in 2013 compared with the previous year.

Iggesund Paperboard's deliveries amounted to 469 000 tonnes for the year, 16 000 tonnes lower than in 2012. The decrease was primarily due to production losses from maintenance shutdowns.

Iggesund Paperboard's operating profit for 2013 was SEK 433 million (596). The decline was due to a stronger Swedish krona, a major maintenance shutdown and production disruptions. 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 third quarter, operating profit decreased by SEK 56 million to SEK 136 million. The decrease was due to seasonally higher staff costs, a maintenance shutdown and some production disruptions.



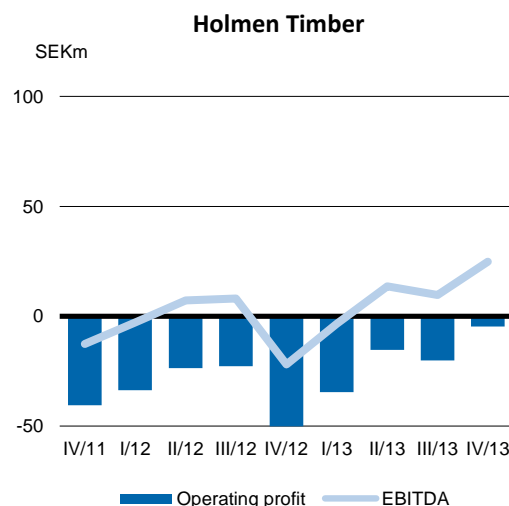
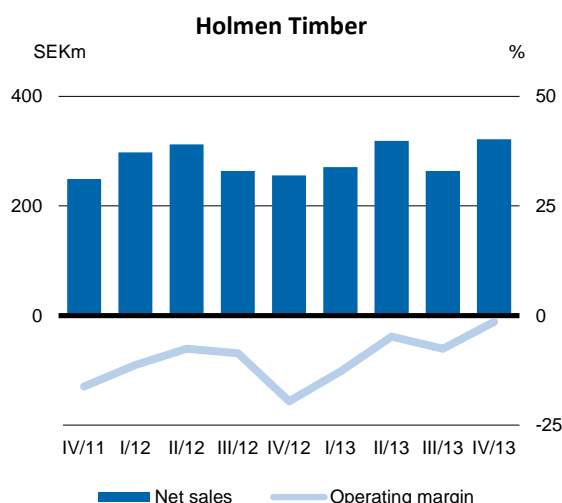
<b>Holmen Timber</b>	Quarter			Full year	
SEKm	4-13	3-13	4-12	2013	2012
Net sales	322	264	256	1 175	1 129
Operating costs	-297	-254	-278	-1 131	-1 139
<b>EBITDA</b>	<b>25</b>	<b>10</b>	<b>-22</b>	<b>45</b>	<b>-10</b>
Depreciation and amortisation according to plan	-30	-30	-28	-119	-120
<b>Operating profit</b>	<b>-5</b>	<b>-20</b>	<b>-50</b>	<b>-75</b>	<b>-130</b>
Investments	7	5	3	21	9
Operating capital	1 361	1 373	1 416	1 361	1 416
EBITDA margin, %	8	4	-9	4	-1
Operating margin, %	-1	-8	-20	-6	-12
Production, '000 m <sup>3</sup>	203	153	168	710	651
Deliveries, '000 m <sup>3</sup>	186	148	155	686	660

The market for sawn timber remained weak in the fourth quarter, although demand increased on some markets. The difference between selling prices and raw material costs is still at a historically low level in Southern Sweden.

Holmen Timber delivered 686 000 cubic metres during the year, which was 4 per cent higher than in 2012. Deliveries rose seasonally in the fourth quarter.

Holmen Timber's operating loss in 2013 was SEK -75 million (-130). Production increased and raw material costs fell, which together with slightly higher selling prices improved the result, while the stronger Swedish krona had a negative effect.

Compared with the third quarter, the operating loss decreased by SEK 15 million to SEK -5 million as a result of good production.



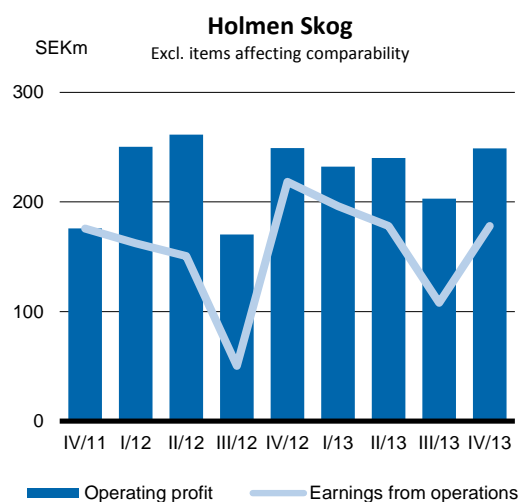
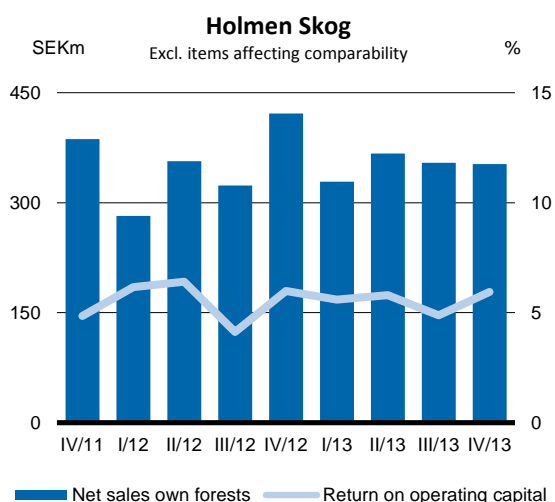
Holmen Skog SEKm	Quarter			Full year	
	4-13	3-13	4-12	2013	2012
Net sales	1 376	1 239	1 479	5 694	6 061
<i>of which from own forests</i>	353	354	422	1 403	1 383
Operating costs	-1 189	-1 123	-1 249	-5 000	-5 448
Depreciation and amortisation according to plan	-9	-8	-12	-34	-33
<b>Earnings from operations</b>	<b>178</b>	108	218	<b>660</b>	581
Change in value of forests	71	95	31	264	350
<b>Operating profit</b>	<b>249</b>	203	249	<b>924</b>	931
Investments	31	17	18	54	169
Operating capital	16 813	16 667	16 663	16 813	16 663
Return on operating capital, %	6	5	6	6	6
Harvesting company forests, '000 m <sup>3</sup>	882	864	1 016	3 465	3 211

Demand for pulpwood was normal while demand for timber was strong, especially in Southern Sweden where prices are significantly higher than in the rest of the country. Prices for pulpwood have decreased slightly, while they have increased for timber.

Holmen Skog's earnings from operations for 2013 were SEK 660 million (581). Harvesting was high and costs fell, which was partly offset by selling prices being 6 per cent lower on average. Operating profit, which includes a change in value of SEK 264 million, totalled SEK 924 million (931). The change in value was just under SEK 100 million lower than in 2012 as a result of a higher volume of harvesting.

Compared with the third quarter, earnings from operations rose by SEK 70 million to SEK 178 million, mainly as a result of seasonally lower costs.

During the fourth quarter approximately 1 million m<sup>3</sup> of wood fell on Holmen's land as a result of storms. The volume is within the normal harvesting plan, but will result in increased costs in dealing with this wood.

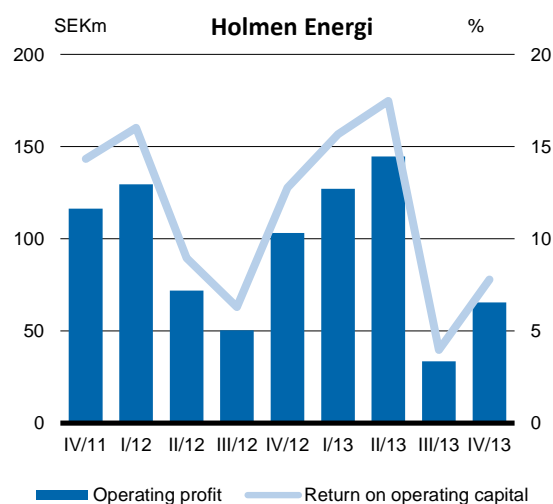
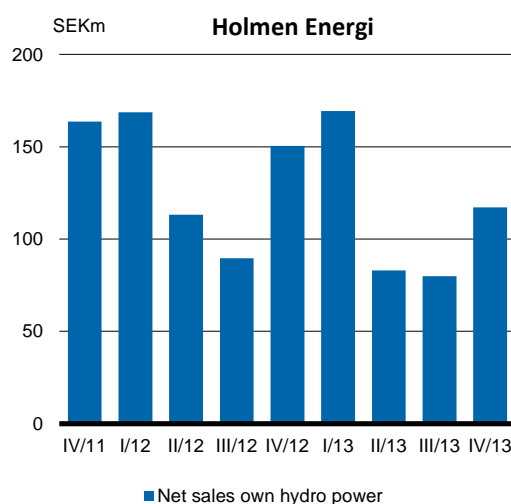


Holmen Energi SEKm	Quarter			Full year	
	4-13	3-13	4-12	2013	2012
Net sales	407	358	460	1 648	1 728
<i>of which from own hydro power</i>	117	80	151	450	522
Operating costs	-336	-320	-352	-1 257	-1 354
Depreciation and amortisation according to plan	-5	-5	-5	-20	-19
<b>Operating profit</b>	<b>65</b>	<b>34</b>	<b>103</b>	<b>371</b>	<b>355</b>
Investments	10	2	11	46	26
Operating capital	3 357	3 370	3 261	3 357	3 261
Return on operating capital, %	8	4	13	11	11
Production of company hydro power, GWh	262	188	351	1 008	1 343

Holmen Energi's operating profit in 2013 was SEK 371 million (355). This figure includes SEK +102 million associated with the establishment of a jointly owned wind power company in the second quarter. Hydro power production was 10 per cent lower than normal and 25 per cent lower than the very high level in the previous year. This was partly offset by higher selling prices for electricity. Higher property tax affected the result by SEK -32 million.

Compared with the third quarter, profit increased by SEK 31 million to SEK 65 million as a result of seasonally higher hydro power production. Production was significantly lower than normal for the time of year, due to low water levels at the start of the quarter and to water being saved for later in winter.

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



**Net financial items and financing**

Net financial items for 2013 totalled SEK -198 million (-227). Borrowing costs fell to an average of 3.1 per cent (4.1). During the period, interest costs of SEK 8 million (51) were capitalised in connection with major investment projects which consequently reduced the recognised interest expense by a corresponding amount.

Cash flow from operating activities totalled SEK 2 011 million. Cash flow from investing activities was SEK -869 million. SEK 756 million in dividends was paid in the second quarter.

The Group's net financial debt fell by SEK 474 million to SEK 6 116 million in 2013. The debt/equity ratio was 0.29 and the equity/assets ratio 57 per cent. Financial liabilities including pension provisions totalled SEK 6 443 million, SEK 3 470 million of which was represented by current liabilities. Cash, cash equivalents and financial receivables totalled SEK 327 million. The Group has unused long-term contractually agreed credit facilities of SEK 5 434 million, maturing in 2016-2017.

**Debt/equity ratio target**

The Board has decided to adjust the target for the Group's debt/equity ratio to a maximum of 0.5. The target was previously for a debt/equity ratio of between 0.3 and 0.8. At year-end the debt/equity ratio was 0.29.

**Equity**

In 2013, the Group's equity increased by SEK 41 million to SEK 20 854 million. Profit for the year totalled SEK 711 million and a dividend of SEK 756 million was paid. In addition, other comprehensive income totalled SEK 86 million.

**Tax**

Recognised tax for 2013 amounted to SEK -160 million (+559). Recognised tax, as a proportion of profit before tax, was 18 per cent. 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.

In December the Supreme Administrative Court ruled that no leave to appeal would be granted with regard to the depreciation deduction that Holmen's subsidiary Modo Capital was disallowed. Holmen paid the disputed amount in 2010 and this ruling therefore does not have an impact on earnings or cash flow.

**Hedging exchange rates and electricity prices**

The Group hedges parts of future estimated net flows in foreign currencies. Operating profit for 2013 includes currency hedges of SEK 1 million (221). At year-end, the Group had hedged 35 per cent of its anticipated currency flows for the year. The market value of currency hedges not yet recognised as income amounted to SEK 12 million at the end of the year.

Prices for the Group's estimated net consumption of electricity in Sweden for 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 in 2013 was SEK -869 million (-1 920). Scheduled depreciation and amortisation totalled SEK 1 370 million (1 313).

**Personnel**

The average number of employees (full-time equivalents) in the Group was 3 718 (3 945). 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.

**Dividend**

The Board proposes that the AGM to be held on 8 April 2014 approve a dividend of SEK 9 (9) 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 11 April 2014.

**Nomination committee proposals to the 2014 AGM**

Holmen's 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, Lars G Josefsson, Carl Kempe, Louise Lindh, Ulf Lundahl and Göran Lundin. The nomination committee proposes that Henrik Sjölund, who will take up the position as Holmen CEO and President April 9 2014, be elected to the Board. Magnus Hall 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 2014 AGM, Holmen's nomination committee is made up of Mats Guldbrand, L E Lundbergföretagen, Alice Kempe, Kempe Foundations, Hans Hedström, Carnegie funds and Fredrik Lundberg, Chairman of the Board. 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 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 and IFRS 13. IFRS 13 is being applied prospectively. The new/amended IAS 19 and UFR 9 standards apply but have not resulted in any effect on amounts or information in this interim report. 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, 13 February 2014  
Holmen AB (publ.)

Magnus Hall  
President and CEO

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

For further information please contact:

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Anders Jernhall, CFO, tel. +46 8 666 21 22  
Ingela Carlsson, Communications Director, tel. +46 70 212 97 12



## The Group

Income statement, SEKm	Quarter			Full year	
	4-13	3-13	4-12	2013	2012
Net sales	3 938	3 939	4 276	16 231	17 852
Other operating income	286	248	153	984	621
Change in inventories	62	-40	-1	54	-34
Raw materials and consumables	-2 197	-2 138	-2 340	-9 150	-9 802
Staff costs	-591	-536	-671	-2 350	-2 499
Other operating costs	-894	-890	-898	-3 512	-3 550
Depreciation and amortisation according to plan	-349	-347	-339	-1 370	-1 313
Impairment losses	14	-	-153	-86	-153
Change in value of biological assets	71	95	31	264	350
Interest in earnings of associates and joint venture	-3	-5	20	3	47
<b>Operating profit</b>	<b>338</b>	<b>326</b>	<b>78</b>	<b>1 069</b>	<b>1 520</b>
Finance income	2	0	2	8	7
Finance costs	-44	-60	-56	-205	-234
<b>Profit before tax</b>	<b>295</b>	<b>266</b>	<b>24</b>	<b>871</b>	<b>1 294</b>
Tax	-65	-59	878	-160	559
<b>Profit for the period</b>	<b>230</b>	<b>207</b>	<b>902</b>	<b>711</b>	<b>1 853</b>
Earnings per share, basic, SEK	2.7	2.5	10.7	8.5	22.1
Earnings per share, diluted, SEK	2.7	2.5	10.7	8.5	22.1
Operating margin, % *	8.6	8.3	6.3	7.4	9.6
Return on capital employed, % *	5.0	4.8	4.0	4.5	6.5
Return on equity, %	4.5	4.1	17.7	3.4	9.3

Statement of comprehensive income, SEKm	Quarter			Full year	
	4-13	3-13	4-12	2013	2012
<b>Profit for the period</b>	<b>230</b>	<b>207</b>	<b>902</b>	<b>711</b>	<b>1 853</b>
<b>Other comprehensive income</b>					
Revaluations of defined benefit pension plans	26	-36	-85	72	-16
Tax attributable to items that will not be reclassified to profit for the period	-4	8	15	-15	-2
<b>Items that will not be reclassified to profit for the period</b>	<b>22</b>	<b>-28</b>	<b>-70</b>	<b>58</b>	<b>-18</b>
Cash flow hedging	-48	54	-3	-64	-77
Translation difference on foreign operation	106	-16	36	109	-129
Hedging of currency risk in foreign operation	-28	14	-21	-39	88
Tax attributable to items that will be reclassified to profit for the period	17	-15	4	23	-5
<b>Items that will be reclassified to profit for the period</b>	<b>47</b>	<b>37</b>	<b>17</b>	<b>28</b>	<b>-123</b>
<b>Total other comprehensive income after tax</b>	<b>69</b>	<b>9</b>	<b>-53</b>	<b>86</b>	<b>-141</b>
<b>Total comprehensive income</b>	<b>299</b>	<b>216</b>	<b>850</b>	<b>797</b>	<b>1 711</b>

\* Excl. items affecting comparability.

Change in equity, SEKm	Full year	
	2013	2012
<b>Opening equity</b>	<b>20 813</b>	<b>19 773</b>
Profit for the period	711	1 853
Other comprehensive income	86	-141
<b>Total comprehensive income</b>	<b>797</b>	<b>1 711</b>
Dividends paid	-756	-672
<b>Closing equity</b>	<b>20 854</b>	<b>20 813</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

Balance sheet, SEKm	2013	2013	2012
	31 December	30 September	31 December
<b>Non-current assets</b>			
Intangible non-current assets	59	55	57
Property, plant and equipment	12 104	12 207	12 543
Biological assets	16 517	16 432	16 227
Associates and joint venture	1 961	1 928	1 821
Other shares and participating interests	9	8	13
Non-current financial receivables	28	41	39
Deferred tax assets	2	2	2
<b>Total non-current assets</b>	<b>30 680</b>	<b>30 672</b>	<b>30 702</b>
<b>Current assets</b>			
Inventories	3 140	2 963	3 221
Trade receivables	2 103	2 271	2 290
Current tax receivable	106	159	75
Other operating receivables	425	562	419
Current financial receivables	24	23	31
Cash and cash equivalents	275	264	308
<b>Total current assets</b>	<b>6 074</b>	<b>6 241</b>	<b>6 343</b>
<b>Total assets</b>	<b>36 753</b>	<b>36 913</b>	<b>37 046</b>
<b>Equity</b>	<b>20 854</b>	<b>20 555</b>	<b>20 813</b>
<b>Non-current liabilities</b>			
Non-current financial liabilities	2 734	2 712	1 746
Pension provisions	238	268	355
Other provisions	552	528	497
Deferred tax liabilities	5 804	5 811	5 504
<b>Total non-current liabilities</b>	<b>9 328</b>	<b>9 319</b>	<b>8 102</b>
<b>Current liabilities</b>			
Current financial liabilities	3 470	3 749	4 866
Trade payables	2 007	1 909	2 245
Current tax liability	28	11	3
Provisions	64	97	68
Other operating liabilities	1 002	1 274	950
<b>Total current liabilities</b>	<b>6 571</b>	<b>7 039</b>	<b>8 131</b>
<b>Total liabilities</b>	<b>15 899</b>	<b>16 358</b>	<b>16 233</b>
<b>Total equity and liabilities</b>	<b>36 753</b>	<b>36 913</b>	<b>37 046</b>
Debt/equity ratio, times	0.29	0.31	0.32
Equity/assets ratio, %	56.7	55.7	56.2
Operating capital	32 772	32 766	32 905
Capital employed	26 970	26 958	27 403
Net financial debt	6 116	6 402	6 590
Pledged collateral	142	111	6
Contingent liabilities	113	115	100

Financial instruments, SEKm	Recognised value		Fair value	
	2013	2012	2013	2012
	31 December	31 December	31 December	31 December
Assets at fair value	32	71	32	71
Assets at acquisition cost	2 428	2 670	2 420	2 657
Liabilities at fair value	-156	-106	-156	-106
Liabilities at acquisition cost	-8 167	-8 772	-8 202	-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 32 million on the asset side and SEK 156 million on the liabilities side.

## The Group

Cash flow analysis, SEKm	Quarter			Full year	
	4-13	3-13	4-12	2013	2012
<b>Operating activities</b>					
Profit before tax	295	266	24	871	1 294
Adjustments for non-cash items *	178	252	431	1 056	1 057
Paid income taxes	41	1	-112	210	-434
<b>Cash flow from operating activities before changes in working capital</b>	<b>515</b>	<b>519</b>	<b>342</b>	<b>2 138</b>	<b>1 916</b>
<b>Cash flow from changes in working capital</b>					
Change in inventories	-165	10	34	93	314
Change in trade receivables and other operating receivables	324	75	91	173	241
Change in trade payables and other operating liabilities	-231	-37	37	-394	-217
<b>Cash flow from operating activities</b>	<b>444</b>	<b>567</b>	<b>505</b>	<b>2 011</b>	<b>2 254</b>
<b>Investing activities</b>					
Acquisition of non-current assets	-330	-271	-360	-1 098	-1 975
Disposal of non-current assets	132	35	5	226	18
Change in non-current financial receivables	2	0	17	3	37
<b>Cash flow from investing activities</b>	<b>-196</b>	<b>-236</b>	<b>-337</b>	<b>-869</b>	<b>-1 920</b>
<b>Financing activities</b>					
Change in financial liabilities and current financial receivables	-237	-226	-50	-419	537
Dividends paid to the shareholders of the parent company	-	0	-	-756	-672
<b>Cash flow from financing activities</b>	<b>-237</b>	<b>-226</b>	<b>-50</b>	<b>-1 175</b>	<b>-135</b>
<b>Cash flow for the period</b>	<b>10</b>	<b>105</b>	<b>118</b>	<b>-33</b>	<b>199</b>
Opening cash and cash equivalents	264	159	189	308	112
Exchange difference in cash and cash equivalents	1	-1	0	1	-3
<b>Closing cash and cash equivalents</b>	<b>275</b>	<b>264</b>	<b>308</b>	<b>275</b>	<b>308</b>

Change in net financial debt, SEKm	Quarter			Full year	
	4-13	3-13	4-12	2013	2012
Opening net financial debt	-6 402	-6 703	-6 684	-6 590	-6 259
Cash flow from operating activities	444	567	505	2 011	2 254
Cash flow from investing activities (excl financial receivables)	-198	-236	-354	-872	-1 956
Dividends paid	-	0	-	-756	-672
Revaluations of defined benefit pension plans	25	-36	-84	70	-16
Foreign exchange effects and changes in fair value	16	5	27	21	59
<b>Closing net financial debt</b>	<b>-6 116</b>	<b>-6 402</b>	<b>-6 590</b>	<b>-6 116</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	4-13	Quarter		Full year	
		3-13	4-12	2013	2012
Operating income	3 674	3 631	3 960	15 163	16 419
Operating costs	-3 637	-3 386	-3 539	-14 746	-15 416
<b>Operating profit</b>	<b>36</b>	<b>246</b>	<b>421</b>	<b>417</b>	<b>1 004</b>
Net financial items	- 61	- 52	-1 281	- 212	-1 295
<b>Profit after net financial items</b>	<b>-25</b>	<b>194</b>	<b>-860</b>	<b>204</b>	<b>-291</b>
Appropriations	525	174	-1 380	824	-798
<b>Profit before tax</b>	<b>500</b>	<b>368</b>	<b>-2 240</b>	<b>1 028</b>	<b>-1 089</b>
Tax	-110	-91	382	-201	95
<b>Profit for the period</b>	<b>390</b>	<b>277</b>	<b>-1 857</b>	<b>828</b>	<b>-994</b>

Statement of comprehensive income, SEKm	4-13	Quarter		Full year	
		3-13	4-12	2013	2012
<b>Profit for the period</b>	<b>390</b>	<b>277</b>	<b>-1 857</b>	<b>828</b>	<b>-994</b>
<b>Other comprehensive income</b>					
Cash flow hedging	-134	128	43	-23	-70
Tax attributable to other comprehensive income	30	-28	-18	5	12
<b>Items that will be reclassified to profit for the period</b>	<b>-105</b>	<b>100</b>	<b>25</b>	<b>-18</b>	<b>-58</b>
<b>Total comprehensive income</b>	<b>285</b>	<b>377</b>	<b>-1 832</b>	<b>810</b>	<b>-1 053</b>

Balance sheet, SEKm	2013		
	31 December	30 September	31 December
Non-current assets	17 814	17 749	18 029
Current assets	4 764	5 013	5 624
<b>Total assets</b>	<b>22 578</b>	<b>22 762</b>	<b>23 653</b>
Restricted equity	5 915	5 915	5 915
Non-restricted equity	3 568	3 283	3 514
Untaxed reserves	1 771	1 765	2 064
Provisions	1 274	1 287	1 262
Liabilities	10 051	10 513	10 898
<b>Total equity and liabilities</b>	<b>22 578</b>	<b>22 762</b>	<b>23 653</b>
Pledged collateral	142	111	6
Contingent liabilities	93	97	77

Sales to Group companies in 2013 accounted for SEK 95 million (89) of operating income.

Net financial items include the result from hedging equity in foreign subsidiaries totalling SEK -39 million (88), dividends from subsidiaries of SEK 671 million (261) and impairment losses on the value of shares in subsidiaries and other companies of SEK -661 million (-1 373).

From 2013 Group contributions are recognised as balance sheet appropriations of SEK 531 million (-1 293). These have previously been recognised as net financial items. Group contributions in previous periods have been reclassified.

The parent company's investments in property, plant and equipment and intangible non-current assets totalled SEK 15 million (53).

## The Group

Quarterly figures, SEKm	2013				2012				Full year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2013	2012
<b>Income statement</b>										
Net sales	3 938	3 939	4 197	4 158	4 276	4 230	4 569	4 778	16 231	17 852
Operating costs	-3 320	-3 356	-3 611	-3 632	-3 717	-3 623	-3 888	-3 996	-13 919	-15 224
Interest in earnings of associates and joint venture	-3	-5	2	9	20	8	13	6	3	47
Depreciation and amortisation according to plan	-349	-347	-342	-333	-339	-340	-317	-317	-1 370	-1 313
Change in value of forests	71	95	62	36	31	120	111	88	264	350
Items affecting comparability*	-	-	-	-140	-193	-	-	-	-140	-193
<b>Operating profit</b>	<b>338</b>	<b>326</b>	<b>307</b>	<b>98</b>	<b>78</b>	<b>394</b>	<b>488</b>	<b>560</b>	<b>1 069</b>	<b>1 520</b>
Net financial items	-42	-59	-50	-45	-54	-64	-52	-56	-198	-227
<b>Profit before tax</b>	<b>295</b>	<b>266</b>	<b>257</b>	<b>53</b>	<b>24</b>	<b>330</b>	<b>436</b>	<b>504</b>	<b>871</b>	<b>1 294</b>
Tax	-65	-59	-25	-11	878	-81	-123	-116	-160	559
<b>Profit for the period</b>	<b>230</b>	<b>207</b>	<b>232</b>	<b>42</b>	<b>902</b>	<b>249</b>	<b>313</b>	<b>389</b>	<b>711</b>	<b>1 853</b>
Diluted earnings per share, SEK	2.7	2.5	2.8	0.5	10.7	3.0	3.7	4.6	8.5	22.1
<b>Net sales</b>										
Holmen Paper	1 674	1 817	1 879	1 778	1 960	2 001	2 090	2 093	7 148	8 144
Iggesund Paperboard	1 141	1 188	1 143	1 146	1 163	1 261	1 212	1 332	4 618	4 967
Holmen Timber	322	264	319	271	256	264	313	298	1 175	1 129
Holmen Skog	1 376	1 239	1 485	1 594	1 479	1 310	1 578	1 695	5 694	6 061
Holmen Energi	407	358	385	497	460	358	413	497	1 648	1 728
Elimination of intra-group net sales	-982	-927	-1 015	-1 127	-1 042	-964	-1 036	-1 136	-4 051	-4 178
<b>Group</b>	<b>3 938</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>16 231</b>	<b>17 852</b>
<b>Operating profit/loss by business area**</b>										
Holmen Paper	-70	-48	-77	-114	-63	46	77	34	-309	94
Iggesund Paperboard	136	192	45	60	70	177	134	214	433	596
Holmen Timber	-5	-20	-15	-35	-50	-23	-24	-34	-75	-130
Holmen Skog	249	203	240	232	249	170	261	250	924	931
Holmen Energi	65	34	145	127	103	50	72	130	371	355
Group-wide	-38	-35	-30	-33	-38	-27	-33	-35	-136	-132
<b>Group</b>	<b>338</b>	<b>326</b>	<b>307</b>	<b>238</b>	<b>271</b>	<b>394</b>	<b>488</b>	<b>560</b>	<b>1 209</b>	<b>1 713</b>
<b>Operating margin, % **</b>										
Holmen Paper	-4.2	-2.6	-4.1	-6.4	-3.2	2.3	3.7	1.6	-4.3	1.2
Iggesund Paperboard	11.9	16.2	3.9	5.2	6.0	14.1	11.0	16.1	9.4	12.0
Holmen Timber	-1.4	-7.6	-4.8	-12.8	-19.6	-8.6	-7.5	-11.3	-6.3	-11.5
Group	8.6	8.3	7.3	5.7	6.3	9.3	10.7	11.7	7.4	9.6
<b>EBITDA by business area**</b>										
Holmen Paper	115	137	107	70	128	237	270	227	429	862
Iggesund Paperboard	252	309	157	160	170	281	213	295	878	959
Holmen Timber	25	10	14	-3	-22	8	7	-3	45	-10
Holmen Skog	187	116	186	204	230	58	157	169	694	614
Holmen Energi	71	38	150	132	108	55	77	134	391	374
Group-wide	-34	-32	-26	-29	-35	-25	-30	-33	-121	-123
<b>Group</b>	<b>616</b>	<b>578</b>	<b>587</b>	<b>535</b>	<b>579</b>	<b>615</b>	<b>694</b>	<b>789</b>	<b>2 315</b>	<b>2 676</b>
<b>Return on operating capital, % **</b>										
Holmen Paper	-5.7	-3.8	-5.9	-8.3	-4.3	3.0	4.9	2.1	-6.0	1.5
Iggesund Paperboard	8.0	11.6	2.8	3.8	4.6	11.9	9.5	16.3	6.6	10.4
Holmen Timber	-1.4	-5.7	-4.3	-9.7	-14.1	-6.2	-6.2	-8.8	-5.3	-8.7
Holmen Skog	5.9	4.9	5.8	5.6	6.0	4.1	6.4	6.2	5.6	5.7
Holmen Energi	7.8	4.0	17.5	15.7	12.8	6.3	9.0	16.0	11.2	11.0
Group	4.1	4.0	3.7	2.9	3.3	4.8	6.0	6.9	3.7	5.2
<b>Key indicators</b>										
Return on capital employed, % **	5.0	4.8	4.5	3.5	4.0	5.9	7.5	8.7	4.5	6.5
Return on equity, %	4.5	4.1	4.5	0.8	17.7	5.0	6.4	7.9	3.4	9.3
<b>Deliveries</b>										
Printing paper, '000 tonnes	363	400	423	388	411	414	419	406	1 574	1 651
Paperboard, '000 tonnes	112	120	119	119	117	126	118	123	469	485
Sawn timber, '000 m³	186	148	189	163	155	151	181	173	686	660
Harvesting company forests, '000 m³	882	864	894	826	1 016	760	790	645	3 465	3 211
Production of company hydro power, GWh	262	188	195	363	351	282	332	378	1 008	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										
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Income statement</b>										
Net sales	16 231	17 852	18 656	17 581	18 071	19 334	19 159	18 592	16 319	15 653
Operating costs	-13 919	-15 224	-15 501	-15 077	-15 191	-16 614	-15 637	-15 069	-13 287	-12 631
Interest in earnings of associates and joint venture	3	47	84	28	45	50	12	11	20	25
Depreciation and amortisation according to plan	-1 370	-1 313	-1 260	-1 251	-1 320	-1 343	-1 337	-1 346	-1 167	-1 156
Change in value of forests	264	350	-	52	16	-16	89	115	82	61
Items affecting comparability*	-140	-193	3 593	264	-	-361	557	-	-	-
<b>Operating profit</b>	<b>1 069</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>
Net financial items	-198	-227	-244	-208	-255	-311	-261	-247	-233	-206
<b>Profit before tax</b>	<b>871</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>
Tax	-160	559	-1 374	-684	-360	-98	-1 077	-597	-478	-471
<b>Profit for the year</b>	<b>711</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>
Diluted earnings per share, SEK	8.5	22.1	47.1	8.4	12.0	7.6	17.8	17.2	14.8	15.1
<b>Operating profit by business area**</b>										
Holmen Paper	-309	94	228	-618	340	280	623	754	631	487
Iggesund Paperboard	433	596	863	817	419	320	599	752	626	809
Holmen Timber	-75	-130	-136	20	21	13	146	80	13	5
Holmen Skog	924	931	739	818	605	632	702	643	537	586
Holmen Energi	371	355	406	495	414	327	272	197	301	178
Group-wide	-136	-132	-120	-200	-178	-159	-56	-123	-141	-113
<b>Group</b>	<b>1 209</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>EBITDA by business area**</b>										
Holmen Paper	429	862	1 002	229	1 218	1 176	1 537	1 667	1 358	1 214
Iggesund Paperboard	878	959	1 186	1 141	780	688	954	1 108	976	1 152
Holmen Timber	45	-10	-26	49	52	47	169	104	38	28
Holmen Skog	694	614	769	794	616	674	639	556	483	553
Holmen Energi	391	374	425	516	435	346	289	214	319	196
Group-wide	-121	-123	-116	-198	-176	-160	-54	-115	-122	-96
<b>Group</b>	<b>2 315</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>Deliveries</b>										
Printing paper, '000 tonnes	1 574	1 651	1 668	1 732	1 745	2 044	2 025	2 021	1 764	1 731
Paperboard, '000 tonnes	469	485	474	464	477	494	516	536	492	501
Saw n timber, '000 m³	686	660	487	285	313	266	262	248	229	195
Harvesting company forests, '000 m³	3 465	3 211	2 988	2 999	2 897	2 649	2 575	2 618	2 334	2 608
Production of company hydro power, GWh	1 008	1 343	1 230	1 145	1 090	1 128	1 193	934	1 236	1 054
<b>Balance sheet</b>										
Non-current assets	30 652	30 664	30 334	26 028	25 694	26 506	26 153	25 354	25 793	23 381
Current assets	5 774	6 005	6 642	6 950	6 075	7 268	6 549	6 138	5 709	5 149
Financial receivables	327	377	240	454	407	828	541	649	712	459
<b>Total assets</b>	<b>36 753</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>
Equity	20 854	20 813	19 773	16 913	16 504	15 641	16 932	16 636	16 007	15 635
Deferred tax liability	5 804	5 504	6 630	5 910	5 045	4 819	5 482	5 030	5 143	5 177
Financial liabilities and interest-bearing provisions	6 443	6 967	6 499	6 227	6 091	8 332	6 518	6 634	7 351	5 335
Operating liabilities	3 653	3 762	4 313	4 382	4 536	5 809	4 310	3 841	3 713	2 842
<b>Total equity and liabilities</b>	<b>36 753</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>Cash flow</b>										
Operating activities	2 011	2 254	2 101	1 523	2 873	1 660	2 476	2 358	2 471	2 331
Investing activities	-869	-1 920	-1 733	-1 597	-818	-1 124	-1 315	-947	-3 029	-1 195
<b>Cash flow after investments</b>	<b>1 142</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>Key indicators</b>										
Return on capital employed, % **	4	7	9	6	7	6	10	10	9	10
Return on equity, %	3	9	23	4	6	4	9	9	8	8
Debt/equity ratio	0.29	0.32	0.32	0.34	0.34	0.48	0.35	0.36	0.41	0.31
<b>Dividend</b>										
Dividend, SEK	9***	9	8	7	7	9	12	12	11	10

\* Items affecting comparability in 2013 refers to impairment loss on non-current assets and restructuring costs (SEK -140 million). 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 +1 050 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

\*\*\* Proposed by the board

## 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, catalogues, 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 1 480 000 tonnes of printing paper, 540 000 tonnes of paperboard and 900 000 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. 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 10.00 CET on Thursday, February 13. Venue: Tändstickspalatset, Kreugersalen. Västra Trädgårdsgatan 15, 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 09.55 CET.

## Financial reports

Week 12 2014	Annual report 2013 is published on the Group's website
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 08.00 CET on Thursday February 13, 2014.

*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.*