

Oxenøen, 21 April 2010

## **Norske Skog's accounts for the first quarter of 2010**

The announcement of Norske Skog's accounts for the first quarter of 2010 will take place on Thursday 6 May at 7.30 AM CET.

From this quarter onwards, a presentation and webcast will no longer be held at the company's head office at 1 PM. Instead, a press conference and presentation will be held in Oslo city centre at 8.30 AM, and an international telephone conference will be held at 1 PM. The President and CEO, Sven Ombudstvedt, and other members of the corporate management will participate in both of these events.

More information regarding this will be published on Norske Skog's website [www.norskeskog.com](http://www.norskeskog.com).

The "Silent period" preceding the announcement will start on Friday 23 April. Further information regarding special items in the income statement is enclosed.

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Norske Skog  
Investor relations

*For further information:*

**Media:**

Vice president corporate affairs  
Tom Bratlie

Mobile: +47 905 21 904

**Financial market:**

Vice president investor relations  
Jarle Langfjærان

Mobile: +47 909 78 434

## **Special items in the income statement for the first quarter of 2010**

### **Change in reporting structure**

From the first quarter of 2010, the geographical regional segregation in the newsprint segment has been changed. The reporting is now made for newsprint Europe and newsprint outside of Europe. Historical figures for newsprint outside of Europe will be the sum of the geographical regions Asia, Australasia and South America.

Historical figures for newsprint outside of Europe:

(NOK million and 1 000 tonnes)

	1/2009	2/2009	3/2009	4/2009	Full year 2009	Full year 2008
Operating revenue	1 358	1 552	1 619	1 369	5 898	8 463
Gross operating earnings	149	243	274	215	881	1 111
Gross operating earnings after depreciation	-121	-34	10	71	-74	-158
Production	357	369	350	303	1 379	2 140
Deliveries	315	365	392	321	1 393	2 139

### **Production stop at Norske Skog Bio Bio**

Norske Skog Bio Bio in Chile was hit by an earthquake on 27 February 2010 and has been out of operation since then. Planned start-up is at the turn of the month April/May, and it is only then that one will get a good picture of the extent of the damage. The loss of production in the first quarter of 2010 is approximately 10 000 tonnes. An accrual has been made for the estimated business interruption insurance compensation. When it comes to property damage, an impairment of NOK 48 million has been recognised, based on a preliminary assessment of the extent of the damage, and an accrual for estimated insurance compensation of NOK 36 million has been recognised in Other gains and losses. It should be noted that these are preliminary numbers and the final amounts will be available only when the extent of the damage is known.

### **Gross operating earnings**

Income of NOK 47 million has been recognised in connection with changes in the regulations for Norwegian early retirement schemes. The amount is included in the income statement under Employee benefit expenses and is split as follows: NOK 20 million to newsprint Europe, NOK 23 million to magazine paper and NOK 4 million to other activities.

Norske Skog sold two mills in China in 2009 and indefinitely idled a paper machine at Norske Skog Parenco. The expected useful life of Norske Skog Boyer was extended with effect from 1 January 2009, but the financial effect of this was not recognised until the fourth quarter of 2009. These factors mean that depreciation in 2010 is expected to be in the range of NOK 2.1 - NOK 2.2 billion, compared with NOK 2 465 million in 2009. Depreciation in the first quarter of 2010 is NOK 528 million.

### **Special items not included in gross operating earnings before and after depreciation (clean EBITDA/clean EBIT) – rounded preliminary figures**

**Other gains and losses:**

	Amount	Income/Expense
Decreased value of energy contracts and other items	~NOK 900 mill.	Expense

**Impairments:**

	Amount	Income/Expense
Impairment Bio Bio, see above	NOK 48 mill.	Expense
Impairment Norske Skog Singburi	NOK 150 mill.	Expense

**Financial items:**

Financial items include realised and unrealised gains/losses from currency hedging of approximately minus NOK 50 million, in addition to net interest costs.

**Currency situation:**

	Average rates		Closing rates	
	Q1 2010	Q4 2009	31.03.2010	31.12.2009
EUR/NOK	8.11	8.39	8.03	8.32
GBP/NOK	9.14	9.28	9.01	9.32
USD/NOK	5.86	5.67	5.98	5.78

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