

# Interim Report

## January – September 2001

MSEK	Quarter		January - September	
	2001 Q 3	2001 Q 2	2001	2000
Net turnover	<b>1,643</b>	3,031	<b>9,564</b>	18,827
Operating profit	<b>319</b>	1,703	<b>2,711</b>	2,667
Profit after net financial items	<b>354</b>	1,697	<b>2,741</b>	2,402
Earnings per share, SEK - calculated on average number of shares	<b>2.68</b>	20.70	<b>27.45</b>	17.18
	<b>95,157,179</b>	95,157,179	<b>98,616,673*</b>	118,373,034

\* weighted average

- The Swedish State has through Sveaskog AB made a public offer for all the shares in AssiDomän AB. The offer value is estimated to correspond to approximately SEK 280 per share. AssiDomän's Board has recommended shareholders to accept the offer.
- Profit after net financial items decreased in the third quarter by MSEK 1,343, compared with the previous quarter. This decline is mainly due to capital gains in the second quarter. In the first nine months of 2001, profit after net financial items improved by MSEK 339, compared with the same period in the previous year.
- Operating profit for remaining units, excluding Billerud and property sales, decreased by MSEK 21 to MSEK 181, compared with the previous quarter. This decline is mainly seasonal. Operating profit for the first nine months of the year increased by MSEK 56 to MSEK 591, compared with the same period in the previous year.

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## Market

The terrorist attacks in the United States and the subsequent political uncertainty are having a negative impact on the already weak growth in the global economy. The intensity and duration of the global economic downturn are difficult to estimate today. The North American economy is expected to show negative growth figures in the fourth quarter while the economy in Europe is still showing slightly better development.

Despite this, a relatively even volume development is expected for sawlogs and pulpwood, although with lower deliveries than in the same period last year. Demand for sawn timber has weakened in Europe but a more balanced supply situation has temporarily improved market conditions. Demand for cartonboard has risen following a seasonal decline.

Prices for sawlogs, pulpwood and cartonboard are expected to be relatively stable. For sawn timber, redwood prices have leveled while a weak rise in market prices for whitewood products can be noted.

## Sales, results and profitability

The sale of the Corrugated & Containerboard business area was completed in May 2001. In 2001, the business area is included in AssiDomän's consolidated accounts for the period January – April. The overall net earnings impact of this transaction amounted to MSEK 1,791, of which MSEK 1,603 was reported in the second quarter and MSEK 188 in the first quarter. Earnings for the third quarter were not affected by the sale.

### *Third quarter*

AssiDomän's *net turnover* for the period amounted for remaining units (excluding Billerud) to MSEK 1,643, a decrease of 21% compared with the previous quarter mainly due to seasonal fluctuations. In total, turnover decreased by 46% as a result of the sale of the Corrugated & Containerboard business area.

*Operating profit* for remaining units amounted to MSEK 181, a decrease of MSEK 21 compared with the previous quarter. For Forestry & Wood Supply this deterioration was seasonal. Timber's profit was also adversely affected by a reduction in volumes during the vacation period. Cartonboard's earnings were negatively affected by a major planned maintenance and investment shutdown. Lower restructuring costs and elimination of the intercompany profit reserve in stocks reduced group-wide costs considerably.

In total, operating profit amounted to MSEK 319, compared with MSEK 1,703 in the second quarter. Earnings for the second quarter included an overall earnings impact from the sale of Corrugated & Containerboard of MSEK 1,333. Capital gains from property sales amounted to MSEK 29 (20).

*Profit after net financial items* amounted to MSEK 354, a decline of MSEK 1,343 compared with the previous quarter. Corrugated & Containerboard affected earnings for the second quarter by MSEK 1,319.

*Net financial items* amounted to MSEK 35 compared with MSEK -6 in the second quarter. This improvement was mainly due to interest income on a purchase price received.

### **January – September**

*Net turnover* for the first three quarters amounted to MSEK 5,528 for remaining units, an increase of 3% compared with the previous year. In total, turnover amounted to MSEK 9,564, a decrease compared with the same period in 2000 of MSEK 9,263 or 49%. This change is essentially attributable to the sale of operations in both 2000 and 2001 and the formation of Billerud.

*Operating profit* for remaining units increased by MSEK 56 to MSEK 591. Both Cartonboard and Forestry & Wood Supply improved their earnings while Timber's earnings decreased. The operating margin amounted to 11% during the period.

Total operating profit amounted to MSEK 2,711, compared with MSEK 2,667 in the first nine months of 2000. The total earnings impact from Corrugated & Containerboard amounted to MSEK 1,610 (694). The results for the previous year included MSEK 388 for units sold to Frantschach and MSEK 332 in funds from Alecta (formerly SPP). The capital gain from property sales amounted to MSEK 52 (232).

*Profit after net financial items* amounted to MSEK 2,741, compared with MSEK 2,402 in the same period last year. Net financial items improved by MSEK 295 due to a substantially reduced net debt.

*Net tax* of MSEK –32 is reported for the period. This corresponds to a tax charge of 28% for remaining units and a positive tax effect from the sale of Corrugated & Containerboard. In the first three quarters of 2000, the tax charge was MSEK 364, corresponding to an average tax rate of 35% as well as a positive tax effect from the sale of operations.

*Return on capital employed* amounted to 14% during the period and return on equity was 15%, all calculated on a full-year basis. Interest cover was 13.3.

*The number of employees* decreased due to the sale of operations and rationalization measures. The average number of employees in remaining units amounted to 2,272.

### **Investments, cash flow and financial position**

*Investments* amounted to MSEK 507 during the period January – September. The amount for remaining units was MSEK 246, with Cartonboard accounting for more than half.

*Cash flow* from operating activities amounted to MSEK 1,282. *Interest-bearing net cash* amounted to MSEK 4,919 on September 30, 2001, compared with a net debt of MSEK 2,177 at year-end 2000. Liquid assets increased mainly through liquid assets received from the sale of Corrugated & Containerboard but decreased through payment of the previously decided share redemption of MSEK 4,411. The interest-bearing debt also decreased through debts transferred to Billerud in conjunction with the company's formation.

The Group's visible *equity ratio* at the end of the period was 72%, compared with 62% at the beginning of the year. *The debt/equity ratio* was –0.22 (0.09).

## **Business areas**

### ***Forestry & Wood Supply***

#### ***Third quarter***

The market for pulpwood gradually weakened during the period. A subdued trend in the pulp and paper markets, together with market-related and other production shutdowns at the mills, contributed to some surplus supplies, mainly of pine pulpwood and chips. The sawlogs market was more balanced with some shortages in both north and south Sweden. Price reductions were implemented for both pulpwood and timber.

Operating profit amounted to MSEK 186, compared with MSEK 274 in the previous quarter. This downturn is mainly seasonal with lower delivery volumes and a higher proportion of pulpwood.

#### ***January – September***

Operating profit amounted to MSEK 695, compared with MSEK 655 in the same period last year. Lower harvesting costs and higher deliveries from own forests contributed to this improvement and compensated for the slightly lower price level.

### ***Timber***

#### ***Third quarter***

The European market for sawn timber remained uncertain with signs of lower demand in key sub markets. Despite this, prices for redwood products stabilized and rose slightly for whitewood products due to lower supplies in the summer. AssiDomän's delivery volumes were lower than in the previous quarter.

Operating profit for the quarter amounted to MSEK 1 compared with MSEK 11 in the previous quarter. This decline was mainly due to lower volumes.

#### ***January - September***

Operating profit for the first nine months was MSEK 14, a decline of MSEK 15 compared with the same period in 2000. Higher deliveries could not compensate for lower selling prices.

The Swedish sawmill industry has been characterized by serious profitability problems for many years. During the year, these problems were aggravated in step with shrinking margins. For AssiDomän's sawmill operations, however, the focus on strategically selected markets and customers has increased resistance to the general deterioration in conditions for the industry. All units therefore show positive earnings.

### ***Cartonboard***

#### ***Third quarter***

The general market situation for packaging board was characterized by a seasonal weakening in the third quarter. Prices were unchanged within the product areas in which AssiDomän operates. AssiDomän's delivery volumes decreased during the period, among other things due to the annual maintenance shutdown. Average prices rose slightly due to earlier price increases.

Operating profit for the quarter amounted to MSEK 18 compared with MSEK 56 in the previous quarter. This deterioration was due to the effects of the extended production shutdown which led to lower volumes and higher costs.

#### ***January – September***

Operating profit for the period amounted to MSEK 114, an increase of MSEK 60 compared with the same period last year. This improvement was mainly due to higher selling prices, an improved product mix, higher delivery volumes and improved productivity.

## **Billerud**

### ***Third quarter***

The trend for Billerud's paper products was relatively stable during the period while market pulp was affected by significant price decreases.

Operating profit amounted to MSEK 246, a decrease of MSEK 73 compared with the previous quarter. This decline was mainly due to lower average prices for market pulp, maintenance shutdowns at Gruvön and Karlsborg and the costs for the stock-exchange listing. Profit after net financial items amounted to MSEK 217.

### ***January - September***

Operating profit in the first nine months of 2001 amounted to MSEK 1,034, compared with MSEK 998 in the same period last year. This improvement was mainly due to higher average prices for paper products, expressed in Swedish kronor, which were counteracted by lower pulp prices and higher variable costs. Profit after net financial items amounted to MSEK 951.

## **Changes in the Group**

### ***Billerud***

At the beginning of the year, AssiDomän's pulp and paper mills in Karlsborg and Skärblacka and Stora Enso's mill in Gruvön were merged to form the 50/50 owned company Billerud AB.

Following a decision at AssiDomän's Annual General Meeting in May 2001, AssiDomän's shareholding in Billerud will be distributed to shareholders in conjunction with the stock-exchange listing of the company. This is planned to take place in November this year.

Prior to the distribution, AssiDomän will acquire 20% of the shares in Billerud from Stora Enso. As a result, 70% of Billerud will be distributed to AssiDomän's shareholders. More detailed information in the terms for the distribution will be made available to shareholders at the beginning of November.

### ***Public offer for AssiDomän***

AssiDomän is now primarily a forestry company with 2.4 million hectares of productive timberland in Sweden. After the distribution of Billerud, the industrial operations will comprise the sawmill operations and the cartonboard mill in Frövi.

On October 10, the Swedish State, via its wholly owned company Sveaskog AB, made a offer to acquire all the shares in AssiDomän AB. The offer is subject to AssiDomän completing the distribution of its shares in Billerud. Payment is intended to take the form of cash and shares in Billerud which the State will receive when AssiDomän distributes Billerud.

The total value of the distribution of shares in Billerud and the takeover offer is estimated to correspond to approximately SEK 280 per share in AssiDomän. The MSEK 12,000 redemption program previously announced by AssiDomän will not be carried out if the offer is completed.

AssiDomän's Board has found the offer acceptable and has therefore unanimously decided to recommend the shareholders of AssiDomän AB to accept the State's offer. The State intends to present its offer in more detail in November through a prospectus which will be sent to all AssiDomän's shareholders.

Stockholm, October 30, 2001

*Gunnar Palme*  
President

AssiDomän AB (publ) (556016-9020)

This interim report has not been reviewed by the Company's auditors.

**Financial calendar**  
Year-end report for 2001

January 29, 2002

## AssiDomän Group

### Accounting principles

AssiDomän follows the recommendations of the Swedish Financial Accounting Standards Council. The accounting principles, as described in the Annual Report for 2000, are unchanged except for a change in the translation method for one subsidiary and adoption of the Swedish Financial Accounting Standards Council's recommendation RR 9 Income Taxes. The effects of these changes are described in the table "Changes in shareholders' equity" below. Comparative periods have been recalculated in a similar manner.

This interim report has been prepared in accordance with the Swedish Financial Accounting Standards Council's recommendation RR 20, Interim Reports.

Profit and Loss Account MSEK	3 months			9 months		12 months	
	Q 3 2001	Q 2 2001	Q 3 2000	Jan-Sep 2001	Jan-Sep 2000	Oct 2000- Sep 2001	Full year 2000
Net turnover	<b>1,643</b>	3,031	5,458	<b>9,564</b>	18,827	15,380	24,643
Other operating income	<b>33</b>	1,287	611	<b>1,331</b>	709	1,188	566
Raw materials and consumables	<b>-549</b>	-1,196	-2,037	<b>-3,615</b>	-6,636	-5,545	-8,566
Change in stocks	<b>-87</b>	-38	175	<b>-84</b>	130	-60	154
Other external costs	<b>-462</b>	-878	-1,564	<b>-2,740</b>	-5,465	-4,519	-7,244
Staff costs*	<b>-275</b>	-486	-1,055	<b>-1,664</b>	-3,611	-2,510	-4,457
Share of profits of associated companies	<b>109</b>	148	0	<b>473</b>	-1	470	-4
Depreciation according to plan	<b>-93</b>	-165	-407	<b>-554</b>	-1,286	-887	-1,619
<b>Operating profit</b>	<b>319</b>	1,703	1,181	<b>2,711</b>	2,667	3,517	3,473
Financial items	<b>35</b>	-6	-86	<b>30</b>	-265	-88	-383
<b>Profit after financial items</b>	<b>354</b>	1,697	1,095	<b>2,741</b>	2,402	3,429	3,090
Taxes	<b>-98</b>	273	93	<b>-32</b>	-364	66	-266
Minority interests	<b>-1</b>	0	-1	<b>-2</b>	-4	-4	-6
<b>Net profit for the period</b>	<b>255</b>	1,970	1,187	<b>2,707</b>	2,034	3,491	2,818
<b>Net earnings/share, SEK</b>	<b>2.68</b>	20.70	10.02	<b>27.45</b>	17.18	34.08	23.81
- calculated on average number of shares, millions	<b>95.2</b>	95.2	118.4	<b>98.6**</b>	118.4	102.4**	118.4
* of which, SPP funds	-	-	332	-	332	-	332
** weighted average							

Balance Sheet MSEK	Sep 30 2001	Sep 30 2000	Dec 31 2000
Fixed assets, non-interest bearing	<b>22,484</b>	16,849	30,164
Stocks	<b>716</b>	2,240	2,305
Current receivables, etc., non-interest-bearing	<b>2,057</b>	5,652	4,910
Liquid assets and interest-bearing receivables	<b>6,350</b>	3,245	2,925
<b>Total assets</b>	<b>31,607</b>	27,986	40,304
Shareholders' equity	<b>22,816</b>	14,507	24,931
Minority interests	<b>0</b>	24	29
Non-interest-bearing liabilities and provisions	<b>7,360</b>	7,128	10,242
Interest-bearing liabilities and provisions	<b>1,431</b>	6,327	5,102
<b>Total shareholders' equity and liabilities</b>	<b>31,607</b>	27,986	40,304

## AssiDomän Group

<b>Cash Flow Statement</b>	<b>Jan-Sep</b>	Jan-Sep	Full year
MSEK	<b>2001</b>	2000	2000
Operating surplus	<b>1,677</b>	3,699	4,739
Change in working capital, etc.	<b>-260</b>	-461	-599
Net financial items, taxes, etc.	<b>-135</b>	-1,130	-921
<b>Cash flow from operating activities</b>	<b>1,282</b>	2,108	3,219
Investments in fixed assets	<b>-507</b>	-1,033	-1,490
Company acquisitions	-	-42	-46
Sale of fixed assets	<b>10,556</b>	5,023	5,282
Change in interest-bearing receivables	<b>70</b>	-442	16
<b>Cash flow from investing activities</b>	<b>10,119</b>	3,506	3,762
<b>Cash flow from financing activities</b>	<b>-7,906</b>	-4,084	-5,326
<b>Total cash flow</b>	<b>3,495</b>	1,530	1,655
<b>Liquid assets at the beginning of the year</b>	<b>2,853</b>	1,187	1,187
Exchange differences in liquid assets	<b>0</b>	0	11
<b>Liquid assets at the end of the period</b>	<b>6,348</b>	2,717	2,853

	<b>Jan-Sep</b>	Jan-Sep	Full year
<b>Changes in shareholders' equity</b>	<b>2001</b>	2000	2000
Opening equity on January 1 according to adopted balance sheet	<b>24,843</b>	13,194	13,194
Change in translation method *	<b>95</b>	89	95
Effect of adoption of RR 9 Income Taxes	<b>-7</b>	-	-7
Adjusted opening equity	<b>24,931</b>	13,283	13,282
Redemption of shares **	<b>-4,411</b>	-	-
Dividend	<b>-619</b>	-710	-710
Provision to revaluation reserve	-	-	9,604
Realized translation difference taken up as income	<b>137</b>	-	-
Translation difference for the period	<b>137</b>	-73	22
Adjustment for hedging carried out	<b>-66</b>	-27	-85
Net profit for the period	<b>2,707</b>	2,034	2,818
<b>Closing equity at the end of the period</b>	<b>22,816</b>	14,507	24,931

\* Starting in 2001, translation of the balance sheets and profit and loss accounts of the subsidiary in St. Petersburg, Russia, is carried out according to the monetary method. The current method was previously applied. Comparative figures for the Russian subsidiary for January – September and the full year 2000 have been recalculated in this interim report and included in the consolidated balance sheet according to the monetary method. This change was realized in conjunction with the sale to Kappa.

\*\* On March 29, 2001, shareholders' equity decreased through redemption of 23,215,855 shares at SEK 190. The number of shares has thus decreased from 118,373,034 to 95,157,179.

## AssiDomän Group

Key Figures *	Jan-Sep	Jan-Sep	Full year
	2001	2000	2000
Operating margin, % 1)	11	10	10
Return on capital employed, % 2)	14	17	14
Return on equity, % 2)	15	20	15
Equity ratio, %	72	52	62
Debt/equity ratio, times	-0.22	0.21	0.09
Interest-bearing net debt, MSEK	-4,919	3,082	2,177
Earnings per share after full tax, SEK 3)	27.45	17.18	23.81
Cash flow per share, SEK 3)	29.13	31.93	40.80
Equity per share, SEK 3)	240	123	210
Average number of employees	5,994	15,248	14,506
Average number of employees in remaining units	2,272	2,398	2,342

1) Operating margin relates to remaining units, other key figures pertain to the entire Group.

2) Calculated on an annual basis.

3) Second and third quarters of 2001 calculated on 95,157,179 shares, first quarter of 2001 and 2000 calculated on

118,373,034 shares.

\* Definitions, see Annual Report for 2000.

## Business areas

### Quarterly breakdown of net turnover by business area and for the Group

MSEK	2001				2000			1999	
	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1	Q 4	Q 3
Forestry & Wood Supply	966	1,158	1,225	1,257	964	1,212	1,276	1,206	888
Timber	568	623	622	612	501	585	671	730	558
Cartonboard	510	555	529	494	444	539	473	435	475
Other & intra-Group deliveries	-401	-263	-564	-526	-447	-384	-489	-327	-535
<b>Total remaining units</b>	<b>1,643</b>	2,073	1,812	1,837	1,462	1,952	1,931	2,044	1,386
AssiDomän units included in									
Billerud since January 1, 2001	-	-	-	1,068	928	902	847	789	719
Units sold to Kappa	-	1,066	3,401	3,247	2,906	3,116	2,919	2,804	2,651
Units sold to Frantschach	-	-	-	-	502	1,310	1,311	1,138	1,275
Other & intra-Group deliveries	-	-108	-323	-336	-340	-471	-448	-363	-268
<b>Total Group</b>	<b>1,643</b>	3,031	4,890	5,816	5,458	6,809	6,560	6,412	5,763

### Quarterly breakdown of earnings by business area and for the Group

MSEK	2001				2000			1999	
	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1	Q 4	Q 3
Forestry & Wood Supply	186	274	235	235	162	217	276	247	139
Timber	1	11	2	12	2	14	13	0	-14
Cartonboard	18	56	40	46	26	24	4	20	31
Other and eliminations	-24	-139	-69	-108	-53	-121	-29	-94	-78
<b>Total remaining units</b>	<b>181</b>	<b>202</b>	<b>208</b>	<b>185</b>	<b>137</b>	<b>134</b>	<b>264</b>	<b>173</b>	<b>78</b>
Property sales	29 <sup>1)</sup>	20 <sup>1)</sup>	3	29	200	15	17	7	21
SPP funds	-	-	-	-	332	-	-	-	-
Share of profit of Billerud AssiDomän units included in Billerud since January 1, 2001	-	-	-	285	264	186	98	82	86
Units sold to Kappa	-	1,333 <sup>2)</sup>	277	324	199	299	196	37	114
Units sold to Frantschach	-	-	-	-	70	184	134	-106	94
Other and eliminations	-	-	-17	-17	-21	-20	-21	-20	-21
<b>Operating profit before write-downs</b>	<b>319</b>	<b>1,703</b>	<b>689</b>	<b>806</b>	<b>1,181</b>	<b>798</b>	<b>688</b>	<b>173</b>	<b>372</b>
Write-downs	-	-	-	-	-	-	-	-1,540	-
<b>Operating profit/loss after write-downs</b>	<b>319</b>	<b>1,703</b>	<b>689</b>	<b>806</b>	<b>1,181</b>	<b>798</b>	<b>688</b>	<b>-1,367</b>	<b>372</b>
Financial items	35	-6 <sup>2),3)</sup>	1	-118	-86	-56	-123	-133	-134
<b>Profit/loss after financial items *</b>	<b>354</b>	<b>1,697</b>	<b>690</b>	<b>688</b>	<b>1,095</b>	<b>742</b>	<b>565</b>	<b>-1,500</b>	<b>238</b>
Taxes	-98	273	-207	98	93	-258	-199	151	-116
Minority interests	-1	0	-1	-2	-1	-2	-1	1	-1
<b>Net profit/loss for the period</b>	<b>255</b>	<b>1,970</b>	<b>482</b>	<b>784</b>	<b>1,187</b>	<b>482</b>	<b>365</b>	<b>-1,348</b>	<b>121</b>
<b>Net earnings/share, SEK</b>	<b>2.68</b>	<b>20.70</b>	<b>4.07</b>	<b>6.63</b>	<b>10.02</b>	<b>4.08</b>	<b>3.08</b>	<b>-11.39</b>	<b>1.02</b>
- excl. write-downs								-0.59	
- calculated on average number of shares, millions	95.2	95.2	118.4	118.4	118.4	118.4	118.4	118.4	118.4

#### \* Non-recurring items and earnings from units sold to Kappa

1) capital gains property sales	29	20
2) earnings from units sold to Kappa	-	1,319
3) additional purchase price	-	13
<b>Total</b>	<b>29</b>	<b>1,352</b>

### Quarterly breakdown of deliveries and production volumes by business unit

	2001				2000			1999	
	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1	Q 4	Q 3
Forestry									
Deliveries, 000 m <sup>3</sup> sub 1)	1,211	1,357	1,276	1,531	1,137	1,259	1,376	1,450	1,067
Timber									
Deliveries, 000 m <sup>3</sup> fo	286	310	315	312	255	303	325	366	251
Production, 000 m <sup>3</sup> fo	260	315	314	321	246	302	322	333	266
Cartonboard									
Deliveries, ktonnes	73	80	76	71	65	82	75	67	67
Production, ktonnes	60	80	78	76	73	73	72	67	75

1) Deliveries from Group forests

## AssiDomän Group in euros \*)

\*) Exchange rates used are shown in the Exchange rates table in Euro Appendix 4

Profit and Loss Account MEUR	3 months			9 months		12 months	
	Q 3 2001	Q 2 2001	Q 3 2000	Jan-Sep 2001	Jan-Sep 2000	Oct 2000- Sep 2001	Full year 2000
Net turnover	119.3	328.6	620.2	982.3	2,209.5	1,553.9	2,781.1
Other operating income	-4.7	140.2	71.6	136.7	83.2	117.4	63.9
Raw materials and consumables	-37.2	-129.8	-232.1	-371.3	-778.8	-559.2	-966.7
Change in stocks	-8.9	-4.2	20.6	-8.6	15.3	-6.5	17.4
Other external costs	-33.2	-95.1	-177.7	-281.4	-641.4	-457.6	-817.6
Staff costs *	-19.6	-52.6	-119.9	-170.9	-423.8	-250.1	-503.0
Share of profits of associated companies	8.8	16.1	0.0	48.5	-0.1	48.1	-0.5
Depreciation according to plan	-6.7	-17.9	-46.4	-56.9	-150.9	-88.7	-182.7
<b>Operating profit</b>	<b>17.8</b>	<b>185.3</b>	<b>136.3</b>	<b>278.4</b>	<b>313.0</b>	<b>357.3</b>	<b>391.9</b>
Financial items	3.6	-0.6	-9.8	3.1	-31.1	-9.0	-43.2
<b>Profit after financial items</b>	<b>21.4</b>	<b>184.7</b>	<b>126.5</b>	<b>281.5</b>	<b>281.9</b>	<b>348.3</b>	<b>348.7</b>
Taxes	-10.5	29.8	11.6	-3.3	-42.7	9.4	-30.0
Minority interests	-0.1	0.0	-0.1	-0.2	-0.5	-0.4	-0.7
<b>Net profit for the period</b>	<b>10.8</b>	<b>214.5</b>	<b>138.0</b>	<b>278.0</b>	<b>238.7</b>	<b>357.3</b>	<b>318.0</b>
<b>Net earnings/share EUR</b>	<b>0.12</b>	<b>2.25</b>	<b>1.18</b>	<b>2.82</b>	<b>2.03</b>	<b>3.48</b>	<b>2.69</b>
- calculated on average number of share, millions	95.2	95.2	118.4	98.6 **	118.4	102.4 **	118.4
* of which, SPP funds	-	-	39.0	-	39.0	-1.5	37.5
** weighted average							

Balance Sheet MEUR	Sep 30 2001	Sep 30 2000	Dec 31 2000
Fixed assets, non-interest-bearing	2,309.3	1,977.3	3,404.2
Stocks	73.5	262.9	260.1
Current receivables, etc., non-interest-bearing	211.3	663.3	554.1
Liquid assets and interest-bearing receivables	652.2	380.8	330.1
<b>Total assets</b>	<b>3,246.3</b>	<b>3,284.3</b>	<b>4,548.5</b>
Shareholders' equity	2,343.4	1,702.5	2,813.4
Minority interests	0.0	2.8	3.3
Non-interest-bearing liabilities and provisions	755.9	836.5	1,156.0
Interest-bearing liabilities and provisions	147.0	742.5	575.8
<b>Total shareholders' equity and liabilities</b>	<b>3,246.3</b>	<b>3,284.3</b>	<b>4,548.5</b>

## AssiDomän Group in euros \*

\* Exchange rates used are shown in the Exchange rates table in Euro Appendix 4

<b>Cash Flow Statement</b>	<b>Jan-Sep</b>	Jan-Sep	Full year
MEUR	<b>2001</b>	2000	2000
Operating surplus	<b>172.2</b>	434.1	534.8
Change in working capital, etc.	<b>-26.7</b>	-54.1	-67.6
Net financial items, taxes, etc.	<b>-13.8</b>	-132.6	-103.9
<b>Cash flow from operating activities</b>	<b>131.7</b>	247.4	363.3
Investments in fixed assets	<b>-52.1</b>	-121.2	-168.1
Company acquisitions	-	-4.9	-5.2
Sale of fixed assets	<b>1,084.2</b>	589.4	596.1
Change in interest-bearing receivables	<b>7.2</b>	-51.9	1.8
<b>Cash flow from investing activities</b>	<b>1,039.3</b>	411.4	424.6
<b>Cash flow from financing activities</b>	<b>-812.0</b>	-479.2	-601.1
<b>Total cash flow</b>	<b>359.0</b>	179.6	186.8
<b>Liquid assets at the beginning of the year</b>	<b>322.0</b>	138.9	138.9
Exchange differences in liquid assets	<b>-29.0</b>	0.4	-3.7
<b>Liquid assets at the end of the period</b>	<b>652.0</b>	318.9	322.0

<b>Changes in shareholders' equity</b>	<b>Jan-Sep</b>	Jan-Sep	Full year
	<b>2001</b>	2000	2000
Opening equity on January 1			
according to adopted balance sheet	<b>2,803.6</b>	1,544.1	1,544.1
Change in translation method 1)	<b>9.8</b>	10.5	10.7
Effect of adoption of RR 9 Income Taxes	<b>-0.7</b>	-	-0.8
Adjusted opening equity	<b>2,812.7</b>	1,554.6	1,554.0
Translation difference in opening equity	<b>-252.0</b>	4.3	-55.1
Dividend	<b>-63.6</b>	-83.3	-80.1
Redemption of shares 2)	<b>-453.1</b>	-	-
Provision to revaluation reserve	-	-	1,083.8
Realized translation difference taken up as income	<b>14.1</b>	-	-
Translation difference for the period	<b>14.1</b>	-8.6	2.4
Adjustment for hedging carried out	<b>-6.8</b>	-3.2	-9.6
Net profit for the period	<b>278.0</b>	238.7	318.0
<b>Closing equity at the end of the period</b>	<b>2,343.4</b>	1,702.5	2,813.4

- 1) Starting in 2001, translation of the balance sheets and profit and loss accounts of the subsidiary in St. Petersburg, Russia, is carried out according to the monetary method. The current method was previously applied. Comparative figures for the Russian subsidiary for January – September and the full year 2000 have been recalculated in this interim report and included in the consolidated balance sheet according to the monetary method. This change was realized in conjunction with the sale to Kappa.
- 2) On March 29, 2001, shareholders' equity decreased through redemption of 23,215,855 shares at SEK 190. The number of shares has thus decreased from 118,373,034 to 95,157,179.

## AssiDomän Group in euros \*

\* Exchange rates used are shown in the Exchange rates table in Euro Appendix 4

<b>Key Figures *</b>	<b>Jan-Sep 2001</b>	Jan-Sep 2000	Full year 2000
Operating margin, % 1)	<b>11</b>	10	10
Return on capital employed, % 2)	<b>14</b>	17	14
Return on equity, % 2)	<b>15</b>	20	15
Equity ratio, %	<b>72</b>	52	62
Debt/equity ratio, times	<b>-0.22</b>	0.21	0.09
Interest-bearing net debt, MEUR	<b>-505.2</b>	361.7	245.7
Earnings per share after full tax, EUR	<b>2.82</b>	2.03	2.69
Cash flow per share, EUR 3)	<b>2.99</b>	3.75	4.60
Equity per share, EUR 3)	<b>24.63</b>	14.38	23.68
Average number of employees	<b>5,994</b>	15,248	14,506
Average number of employees in remaining units	<b>2,272</b>	2,398	2,342

1) Operating margin relates to remaining units, other key figures pertain to the entire Group.

2) Calculated on annual basis.

3) Second and third quarters of 2001 calculated on 95,157,179 shares, first quarter 2001 and 2000 calculated on 118,373,034 shares.

\* Definitions, see Annual Report for 2000.

## Business areas in euros \*)

\*) Exchange rates used are shown in the Exchange rates table in Euro Appendix 4

### Quarterly breakdown of net turnover by business area and for the Group

MEUR	2001				2000			1999	
	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1	Q 4	Q 3
Forestry & Wood Supply	<b>84.4</b>	125.8	133.8	126.3	109.3	142.0	153.8	149.0	102.8
Timber	<b>50.5</b>	67.7	68.0	61.2	56.9	68.4	80.9	89.7	64.5
Cartonboard	<b>45.6</b>	60.3	57.8	49.2	50.6	63.3	57.0	54.0	54.9
Other & intra-Group deliveries	<b>-36.0</b>	-28.5	-61.6	-53.4	-51.2	-44.9	-58.9	-41.5	-61.6
<b>Total remaining units</b>	<b>144.5</b>	225.3	198.0	183.3	165.6	228.8	232.8	251.2	160.6
AssiDomän units included in									
Billerud since January 1, 2001	-	-	-	108.4	106.3	105.9	102.0	97.2	83.1
Units sold to Kappa	<b>-27.9</b>	115.0	371.7	326.2	331.9	365.6	351.8	347.8	306.5
Units sold to Frantschach	-	-	-	-14.0	54.9	153.6	158.0	141.7	147.2
Other & intra-Group deliveries	<b>2.7</b>	-11.7	-35.3	-32.3	-38.5	-55.2	-54.0	-45.1	-31.2
<b>Total Group</b>	<b>119.3</b>	328.6	534.4	571.6	620.2	798.7	790.6	792.8	666.2

**Business areas in euros \*)**

\*) Exchange rates used are shown in the Exchange rates table below

**Quarterly breakdown of earnings by business area and for the Group**

MEUR	2001				2000			1999	
	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1	Q 4	Q 3
Forestry & Wood Supply	<b>15.9</b>	29.8	25.7	23.5	18.3	25.3	33.3	30.7	16.3
Timber	<b>0.0</b>	1.2	0.2	1.2	0.2	1.6	1.6	-0.1	-1.6
Cartonboard	<b>1.2</b>	6.1	4.4	5.0	3.0	2.8	0.5	2.3	3.6
Other and eliminations	<b>-1.1</b>	-15.2	-7.5	-11.3	-6.0	-14.3	-3.5	-11.4	-9.0
<b>Total remaining units</b>	<b>16.0</b>	21.9	22.8	18.4	15.5	15.4	31.9	21.5	9.3
Property sales	<b>2.8</b> <sup>1)</sup>	2.2 <sup>1)</sup>	0.3	2.3	23.4	1.8	2.0	1.1	2.4
SPP funds	-	-	-	-1.5	39.0	-	-	-	-
Share of profit of Billerud AssiDomän units included in Billerud since January 1, 2001	-	-	-	29.7	30.5	22.0	11.8	9.7	9.8
Units sold to Kappa	<b>-10.0</b> <sup>2)</sup>	145.1 <sup>2)</sup>	30.3	33.5	22.6	35.2	23.6	5.3	13.2
Units sold to Frantschach	-	-	-	-1.7	7.7	21.7	16.1	-12.0	10.8
Other and eliminations	<b>0.1</b>	-	-1.9	-1.8	-2.4	-2.3	-2.5	-2.8	-2.5
<b>Operating profit before write-downs</b>	<b>17.8</b>	185.3	75.3	78.9	136.3	93.8	82.9	22.8	43.0
Write-downs	-	-	-	-	-	-	-	-180.0	-
<b>Operating profit/loss after write-downs</b>	<b>17.8</b>	185.3	75.3	78.9	136.3	93.8	82.9	-157.2	43.0
Financial items	<b>3.6</b> <sup>2), 3)</sup>	-0.6 <sup>2), 3)</sup>	0.1	-12.1	-9.8	-6.5	-14.8	-16.4	-15.5
<b>Profit/loss after financial items *</b>	<b>21.4</b>	184.7	75.4	66.8	126.5	87.3	68.1	-173.6	27.5
Taxes	<b>-10.5</b>	29.8	-22.6	12.7	11.6	-30.3	-24.0	16.9	-13.4
Minority interests	<b>-0.1</b>	0.0	-0.1	-0.2	-0.1	-0.3	-0.1	0.1	-0.1
<b>Net profit/loss for the period</b>	<b>10.8</b>	214.5	52.7	79.3	138.0	56.7	44.0	-156.6	14.0
<b>Net earnings/share, EUR</b>	<b>0.12</b>	2.25	0.45	0.66	1.18	0.48	0.37	-1.32	0.12
- excl. write-downs								-0.06	
- calculated on average number of shares, millions	<b>95.2</b>	95.2	118.4	118.4	118.4	118.4	118.4	118.4	118.4

**\* Non-recurring items and earnings from units sold to Kappa**

1) capital gains		
property sales	<b>2.8</b>	2.2
2) earnings from units sold to Kappa	<b>-10.0</b>	143.6
3) additional purchase price	<b>-0.1</b>	1.4
Total	<b>-7.3</b>	147.2

**Exchange rates****EUR 1 =**

September 30, 2001	SEK 9.736200
June 30, 2001	SEK 9.178000
March 31, 2001	SEK 9.151000
December 31, 2000	SEK 8.861000
September 30, 2000	SEK 8.521000
June 30, 2000	SEK 8.412000
March 31, 2000	SEK 8.298000
December 31, 1999	SEK 8.545000
September 30, 1999	SEK 8.719800
June 30, 1999	SEK 8.752500
March 31, 1999	SEK 8.880600

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