

Press release

Interim Report January-June 2007

MSEK	Quarter			January-June		Full year
	2-07	1-07	2-06	2007	2006	2006
Net turnover	4 662	4 787	4 661	9 449	9 240	18 592
Operating profit	529	634	485	1 162	1 104	2 303
Profit after tax	329	397	303	726	709	1 459
Earnings per share, SEK	3.9	4.7	3.6	8.6	8.4	17.2
Return on equity, %	8.2	9.7	7.5	9.0	8.8	9.0

- The Group's net turnover for January-June 2007 amounted to MSEK 9 449 (January-June 2006: 9 240).
- Profit after tax was MSEK 726 (709).
- Earnings per share amounted to SEK 8.6 (8.4). Return on equity was 9.0% (8.8).
- The operating profit was MSEK 1 162 (1 104). The result was favourably affected by higher newsprint prices, while it was adversely affected by higher costs of wood and recovered paper and extensive maintenance and rebuilding stops.

The operating profit for the second quarter amounted to MSEK 529, which was MSEK 105 lower than in the first quarter. The result was adversely affected by costs and loss of production associated with maintenance stops, as well as by lower deliveries.

- Demand for newsprint in Europe was stable during the second quarter. Holmen Paper's deliveries declined by 2% in relation to the first half-year of 2006. On average, the prices of Holmen Paper's products were approximately 4% higher than in the same period of the previous year.

The market situation for virgin fibre board in Europe was strong during the second quarter. Iggesund Paperboard's deliveries remained at a high level but were 1% lower than in the first half-year of 2006. Prices were increased towards the end of the second quarter.

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Holmen Paper	Quarter			January-June		Full year
MSEK	2-07	1-07	2-06	2007	2006	2006
Net turnover	2 461	2 530	2 576	4 991	4 940	10 140
Operating costs	-2 117	-2 139	-2 165	-4 256	-4 072	-8 472
Depreciation according to plan	-229	-231	-226	-460	-454	-913
Operating profit	115	160	185	275	414	754
Capital expenditure	180	174	94	354	313	686
Operating capital	11 711	11 724	12 136	11 711	12 136	11 541
Operating margin, %	5	6	7	6	8	7
Return on operating capital, %	4	6	6	5	7	6
Production, 1 000 tonnes	498	514	497	1 013	1 010	2 044
Deliveries, 1 000 tonnes	477	489	511	967	983	2 021

Demand for newsprint in Europe was stable during the second quarter. Deliveries of standard newsprint to Europe increased by 1% during the first half-year in relation to the corresponding period in 2006. Imports from North America rose from a low level, which, together with lower exports, meant that deliveries from European producers declined. Demand for SC paper in Europe rose by 3% and for coated printing paper by 3%.

Holmen Paper's deliveries declined by 2% in relation to the first half-year of 2006. On average, the prices of Holmen Paper's products were approximately 4% higher than in the same period of the previous year

due to price increases, mainly for newsprint, at the beginning of the year.

Holmen Paper's operating profit for January-June amounted to MSEK 275 (414). Higher selling prices had a favourable effect on the result, while costs of especially wood and recovered paper rose. Extensive rebuilding and maintenance stops at Braviken and Hallsta had an adverse effect on the result.

In relation to the first quarter, the result declined by MSEK 45 to MSEK 115 due to lower deliveries and a major maintenance stop at Hallsta.

Iggesund Paperboard	Quarter			January-June		Full year
MSEK	2-07	1-07	2-06	2007	2006	2006
Net turnover	1 297	1 326	1 291	2 623	2 630	5 240
Operating costs	-1 033	-1 031	-1 046	-2 064	-2 120	-4 133
Depreciation according to plan	-86	-89	-88	-175	-177	-356
Operating profit	178	206	157	384	333	752
Capital expenditure	120	100	44	220	181	351
Operating capital	4 088	4 062	4 045	4 088	4 045	3 935
Operating margin, %	14	16	12	15	13	14
Return on operating capital, %	17	21	16	19	17	19
Production, paperboard, 1 000 tonnes	135	135	133	270	265	542
Deliveries, paperboard, 1 000 tonnes	130	134	131	264	268	536

The market situation for virgin fibre board in Europe was strong during the second quarter. Deliveries from European producers to Europe were 5% higher than during the first half-year of 2006. Capacity utilisation was high.

Iggesund Paperboard's deliveries remained at a high level but were 1% lower than in the first half-year of 2006 owing to build up of stocks ahead of the maintenance stop at Iggesunds Bruk in the autumn. Prices were raised towards the end of the second quarter.

Iggesund Paperboard's operating profit for January-June amounted to MSEK 384 (333). The change was mainly due to improvements in the market and product mix and slightly lower costs.

In relation to the first quarter, the result declined by MSEK 28 to MSEK 178, mainly as a consequence of costs in connection with maintenance stop in Workington.

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Holmen Timber	Quarter			January-June		Full year
MSEK	2-07	1-07	2-06	2007	2006	2006
Net turnover	164	149	119	313	231	465
Operating costs	-116	-112	-93	-228	-183	-361
Depreciation according to plan	-6	-6	-6	-11	-12	-24
Operating profit	43	32	20	74	36	80
Capital expenditure	9	6	0	14	2	5
Operating capital	219	215	220	219	220	208
Operating margin, %	26	21	16	23	15	17
Return on operating capital, %	79	60	37	70	33	38
Production, 1 000 m ³	72	71	70	142	133	247
Deliveries, 1 000 m ³	74	72	66	146	128	248

The market situation for sawn timber was very strong during the first half-year. Prices have continued to rise.

Holmen Timber's operating profit for January-June amounted to MSEK 74 (36). The improvement in the result was primarily due to higher prices, increased

production and deliveries. At the same time raw material costs rose.

The result improved by MSEK 11 to MSEK 43 in relation to the first quarter. The improvement is mainly due to higher prices.

Holmen Skog	Quarter			January-June		Full year
MSEK	2-07	1-07	2-06	2007	2006	2006
Net turnover	1 200	1 165	1 019	2 365	2 095	4 042
Operating costs	-1 070	-1 016	-893	-2 086	-1 845	-3 485
Depreciation according to plan	-6	-6	-6	-13	-13	-28
Earnings from operations	124	143	120	267	237	528
Change in value of forests	85	12	8	97	42	115
Operating profit	209	155	128	364	279	643
Capital expenditure	4	7	9	11	15	29
Operating capital	9 097	9 041	8 922	9 097	8 922	9 001
Return on operating capital, %	9	7	6	8	6	7
Harvesting company forests, 1 000 m ³	672	533	697	1 205	1 197	2 618

Holmen Skog's operating profit for January-June amounted to MSEK 364 (279). The operating result improved by MSEK 30 to MSEK 267 as a result of higher wood prices. Biological assets (forests) are valued at fair value. The change in fair value, taking harvesting during the period into consideration, was MSEK 97 (42). This figure includes a revaluation of

some MSEK 60 carried out during the second quarter due to higher wood prices.

In relation to the first quarter, the operating profit improved by MSEK 54 to MSEK 209 following the revaluation of company forests.

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Holmen Energi		Quarter		January-June	Full year
MSEK	2-07	1-07	2-06	2007	2006
Net turnover	344	433	360	776	851
Operating costs	-295	-314	-322	-609	-722
Depreciation according to plan	-4	-4	-5	-9	-9
Operating profit	45	114	33	159	120
Capital expenditure	2	2	1	4	1
Operating capital	2 940	2 936	2 944	2 940	2 944
Return on operating capital, %	6	16	5	11	8
Production of hydro power, GWh	272	396	189	668	525

Holmen Energi's operating profit for January-June amounted to MSEK 159 (120). Ample supplies of water enabled higher production than normal for the period, which had a favourable effect on the result. The price of Holmen Energi's sold production remained unchanged in relation to the corresponding period in 2006.

In relation to the first quarter, the result declined by MSEK 69 to MSEK 45 as a consequence of seasonally lower production and lower price.

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Net financial items and financing

Net financial costs for January-June 2007 was MSEK 127 (cost 120).

The cash flow from current operations amounted to MSEK 1 111 and the cash flow absorbed by investment activities was MSEK 597. During the year a dividend of MSEK 1 017 has been paid out.

Since the beginning of the year the Group's financial net debt has increased by MSEK 541 and was MSEK 6 526 on 30 June 2007. The debt/equity ratio was 0.40. The equity ratio was 51%.

Financial liabilities amounted to MSEK 6 996, of which MSEK 4 217 was short term. Liquid funds and financial receivables amounted to MSEK 470. The Group has unutilised long-term committed credit facilities of some MSEK 5 550.

Tax

The Group's tax charge for January-June was MSEK 309 (charge 275), which corresponds to 29.9% of the profit before tax.

Hedging of exchange rates and electricity prices

The result of currency hedges was a profit of MSEK 13 (profit 23), which is stated in the operating result. For the remainder of 2007 some 90% of the Group's estimated flows in Euro and sterling have been hedged at average rates of 9.40 and 13.61 respectively. For 2008 around 85% of the flows in Euro have been hedged at an average rate of 9.25 and for 2009 some 15% of the flows in Euro have been hedged at 9.36.

The price of the Group's estimated net consumption of electricity in Sweden has been hedged in full for the remainder of 2007. For the 2008-2012 period the prices of 85-90% of the net consumption have been hedged and for the 2013-2015 period some 70%.

Capital expenditure

The Group's capital expenditure during January-June amounted to MSEK 606 (512). Depreciation according to plan amounted to MSEK 668 (672).

Employees

The average number of employees in the Group was 4 912 (4 965).

Share buy-back

At the AGM held on 28 March 2007 Holmen's shareholders renewed the mandate for the Board to make decisions to buy back up to 10% of the company's shares. This mandate has not been exercised.

Significant risks and uncertainty factors

The Group's and parent company's significant risks and uncertainty factors relate primarily to changes in the prices of its products and important input goods, and to changes in exchange rates. Apart from the risks described on pages 29-30 and in Note 30 in Holmen's Annual Report for 2006, it is assessed that no significant new risks have emerged.

Other information

Holmen has in August signed an agreement to sell its shareholding in Norrköpings Hamn och Stuveri AB to the Municipality of Norrköping, Sweden. The sale, which requires the approval of the municipal council, gives a profit of MSEK 105, which is estimated to be taken into the accounts in the third quarter.

Holmen has advanced plans to build a sawmill at Holmen Paper Braviken in Norrköping. The demand for sawn timber is expected to continue to develop favourably. It is considered that the possibility to integrate the paper mill with a sawmill would generate valuable synergies in raw material procurement, energy supply and infrastructure.

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The Board and CEO herewith state that this interim report provides a true and fair picture of the activities, financial position and results of the parent company and the Group, as well as describing significant risks and uncertainty factors to which the parent company and the companies belonging to the Group are exposed.

Stockholm 15 August 2007
Holmen AB (publ)

Fredrik Lundberg
Chairman

Kenneth Johansson
Board member

Ulf Lundahl
Board member

Steewe Björklundh
Board member

Carl Kempe
Deputy Chairman

Göran Lundin
Board member

Lilian Fossum
Board member

Curt Källströmer
Board member

Bengt Pettersson
Board member

Torgny Hammar
Board member

Hans Larsson
Board member

Magnus Hall
Board member and
Chief Executive Officer

The report has not been subject to examination by the company's auditors.

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Accounting principles

The interim report for the Group is made up in accordance with IAS 34 Interim Reporting and the Annual Accounts Act and for the parent company it is made up in accordance with the Annual Accounts Act. The Parent company's and the Group's accounting principles used in the report are unchanged in relation to the latest published annual report. The figures in tables are rounded.

The Group

Income statement, MSEK	Quarter			January-June		Full year
	2-07	1-07	2-06	2007	2006	2006
Net turnover	4 662	4 787	4 661	9 449	9 240	18 592
Other operating income	95	135	121	230	258	501
Change in value of biological assets	85	12	8	97	42	115
Change in inventory of finished products and work in progress	63	120	-87	183	82	91
Capitalised work on own account	0	0	3	0	5	5
Raw materials, goods for resale and consumables	-2 479	-2 612	-2 387	-5 091	-4 897	-9 666
Personnel costs	-700	-663	-662	-1 364	-1 321	-2 538
Other operating costs	-866	-810	-839	-1 676	-1 646	-3 462
Depreciation according to plan	-332	-336	-336	-668	-672	-1 346
Interest in earnings of associated companies	1	1	3	2	13	11
Operating profit	529	634	485	1 162	1 104	2 303
Financial income	4	4	4	8	7	15
Financial costs	-69	-66	-67	-135	-127	-262
Profit before tax	464	571	422	1 035	984	2 056
Tax	-135	-174	-119	-309	-275	- 597
Profit for the period	329	397	303	726	709	1 459
Earnings per share, SEK	3.9	4.7	3.6	8.6	8.4	17.2
Average number of shares (million)	84.8	84.8	84.8	84.8	84.8	84.8
Operating margin, %	11.3	13.2	10.3	12.3	11.8	12.3
Return on capital employed, %	9.2	11.1	8.3	10.2	9.5	10.0
Return on equity, %	8.2	9.7	7.5	9.0	8.8	9.0

Earnings per share before and after dilution are the same since there are no outstanding warrants or convertibles that can cause dilution.

Account of stated income and costs, MSEK	January-June		Full year
	2007	2006	2006
Income and costs stated direct in equity			
Cash flow hedges			
Revaluation of derivatives stated in equity	-49	190	306
Brought forward from equity to the income statement	-18	-42	-142
Brought forward from equity to fixed assets	1	-	1
Actuarial revaluation of pension liability	29	-12	47
Translation difference on foreign operation	-3	-64	-88
Hedge of currency risk in foreign operation	38	33	53
Tax attributable to items stated direct in equity	-1	-46	-75
Total stated direct in equity	-4	59	102
Profit for the period stated in the income statement	726	709	1 459
Total stated income and costs	722	768	1 561

Other change in equity

Effect on equity due to change of accounting principle as per 2006-01-01	-	-72	-72
Dividend paid to the parent company's shareholders	-1 017	-932	-932

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The Group

Balance sheet, MSEK	2007 30 June	2006 31 Dec
ASSETS		
Fixed assets		
Intangible fixed assets	615	627
Tangible fixed assets	13 838	13 782
Biological assets	8 924	8 830
Shares in associated companies	1 735	1 731
Other shares and participations	12	11
Long-term financial receivables	111	110
Other long-term receivables	11	19
Deferred tax receivables	337	354
Total fixed assets	25 584	25 464
Current assets		
Inventories	2 961	2 606
Short-term operating receivables	3 449	3 531
Short-term financial receivables	50	55
Liquid funds	309	484
Total current assets	6 769	6 676
Total assets	32 353	32 141
EQUITY AND LIABILITIES		
Equity	16 341	16 636
Long-term liabilities		
Long-term financial liabilities	2 474	2 503
Pension provisions	305	356
Other provisions	652	626
Deferred tax liabilities	5 067	5 030
Total long-term liabilities	8 498	8 515
Short-term liabilities		
Short-term financial liabilities	4 217	3 775
Operating liabilities	3 297	3 215
Total short-term liabilities	7 514	6 990
Total liabilities	16 012	15 505
Total equity and liabilities	32 353	32 141
Debt/equity ratio	0.40	0.36
Equity ratio, %	50.5	51.8
Operating capital	27 597	27 297
Capital employed	22 867	22 621
Financial net debt	6 526	5 985

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The Group

Cash flow analysis, MSEK	January-June		Full year
	2007	2006	2006
Current operations			
Profit before tax	1 035	984	2 056
Adjustments for items not included in cash flow*	570	607	1 225
Paid income tax	-190	-392	-664
Cash flow from current operations before changes in working capital	1 414	1 199	2 617
Cash flow from changes in working capital			
Change in inventories	-356	8	-89
Change in operating receivables	-85	-484	-117
Change in operating liabilities	137	-224	-53
Cash flow from current operations	1 111	499	2 358
Investment activities			
Acquisition of fixed assets	-606	-512	-1 079
Sale of fixed assets	8	17	132
Cash flow from investment activities	-597	-495	-947
Financing activities			
Change in financial liabilities and receivables	328	853	-566
Dividend paid to the parent company's shareholders	-1 017	-932	-932
Cash flow from financing activities	-689	-79	-1 498
Cash flow for the period	-175	-75	-87
Opening liquid funds	484	580	580
Currency difference in liquid funds	0	-4	-9
Closing liquid funds	309	501	484

* The adjustments consist primarily of depreciation according to plan, capital gains/losses on sales of fixed assets, interest in earnings of associated companies and effects of adjustments to IAS 41 and IAS 39.

Change in financial net debt, MSEK	January-June		Full year
	2007	2006	2006
Opening financial net debt	-5 985	-6 639	-6 639
Cash flow			
Current operations	1 111	499	2 358
Investment activities	-597	-495	-947
Dividend paid	-1 017	-932	-932
Actuarial revaluation of pension provision	29	-12	47
Currency effects and changes in fair value	-66	119	128
Closing financial net debt	-6 526	-7 460	-5 985

Share structure			
Share	Votes	Number of shares	Number of votes
A	10	22 623 234	226 232 340
B	1	<u>62 132 928</u>	<u>62 132 928</u>
Total number of shares		84 756 162	288 365 268

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Parent company

Income statement, MSEK	Quarter			January-June		Full year
	2-07	1-07	2-06	2007	2006	2006
Operating income	3 532	3 670	3 705	7 203	7 332	14 442
Operating costs	-3 180	-3 288	-3 349	-6 467	-6 568	-12 830
Operating profit	353	383	356	735	764	1 612
Net financial items*	62	- 57	- 4	5	- 24	- 43
Profit after net financial items	415	325	352	740	739	1 569
Appropriations	-145	-143	-124	-288	-268	- 486
Profit before tax	270	182	228	452	471	1 083
Tax	-69	-56	-69	-125	-139	- 314
Profit for the period	201	126	159	327	333	769

* Net financial items includes result from hedging equity in foreign subsidiaries. In the Group, this result is stated directly against equity.

Balance sheet, MSEK	2007	2006
	30 June	31 Dec
Fixed assets	21 187	17 268
Current assets	5 335	9 306
Total assets	26 522	26 574
Equity	11 246	11 697
Untaxed reserves	2 886	2 599
Provisions	919	935
Liabilities	11 470	11 343
Total equity and liabilities	26 522	26 574

During the January-June 2007 period Holmen AB has converted short-term internal loans to Group companies into equity, which resulted in an increase of MSEK 4 138 in fixed assets and a corresponding decrease in current assets.

Holmen AB's capital expenditure (excluding purchases of shares) for January-June 2007 amounted to MSEK 12 (12).

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The Group

Quarterly figures, MSEK	2007		2006				
	Q2	Q1	Q4	Q3	Q2	Q1	Full year
Income statement							
Net turnover	4 662	4 787	4 830	4 521	4 661	4 579	18 592
Operating costs	-3 802	-3 818	-3 894	-3 582	-3 843	-3 634	-14 954
Depreciation according to plan	-332	-336	-344	-330	-336	-336	-1 346
Interest in earnings of associated companies	1	1	-3	0	3	10	11
Operating profit	529	634	590	610	485	619	2 303
Net financial items	-65	-62	-60	-66	-63	-57	-247
Profit before tax	464	571	529	543	422	562	2 056
Tax	-135	-174	-160	-162	-119	-156	-597
Profit for the period	329	397	369	382	303	406	1 459
Earnings per share, SEK	3.9	4.7	4.4	4.5	3.6	4.8	17.2
Net turnover							
Holmen Paper	2 461	2 530	2 654	2 547	2 576	2 364	10 140
Iggesund Paperboard	1 297	1 326	1 316	1 294	1 291	1 339	5 240
Holmen Timber	164	149	129	105	119	112	465
Holmen Skog	1 200	1 165	1 067	880	1 019	1 076	4 042
Holmen Energi	344	433	445	395	360	491	1 691
Intra-group sales	-804	-815	-781	-699	-704	-803	-2 986
Group	4 662	4 787	4 830	4 521	4 661	4 579	18 592
Operating profit							
Holmen Paper	115	160	95	245	185	229	754
Iggesund Paperboard	178	206	209	210	157	176	752
Holmen Timber	43	32	27	17	20	16	80
Holmen Skog	209	155	208	156	128	151	643
Holmen Energi	45	114	87	-10	33	87	197
Group central costs and other	-61	-34	-37	-8	-38	-40	-123
Group	529	634	590	610	485	619	2 303
Operating margin, %							
Holmen Paper	4.7	6.3	3.7	9.6	7.1	9.2	7.3
Iggesund Paperboard	13.7	15.6	15.9	16.2	12.1	13.1	14.3
Holmen Timber	25.8	20.8	20.8	16.0	16.0	14.2	16.9
Group	11.3	13.2	12.3	13.5	10.3	13.3	12.3
Return on operating capital, %							
Holmen Paper	3.9	5.5	3.3	8.1	6.1	7.7	6.3
Iggesund Paperboard	17.4	20.6	21.1	21.0	15.5	17.6	18.8
Holmen Timber	79.3	59.6	53.1	33.2	37.0	29.3	37.9
Holmen Skog	9.2	6.9	9.3	7.0	5.8	6.8	7.2
Holmen Energi	6.1	15.5	11.8	-1.4	4.5	11.7	6.7
Group	7.7	9.4	8.6	8.7	6.9	8.9	8.3
Key figures							
Return on capital employed, %	9.2	11.1	10.4	10.6	8.3	10.8	10.0
Return on equity, %	8.2	9.7	9.0	9.5	7.5	10.0	9.0
Deliveries							
Newsprint and magazine paper, 1 000 tonnes	477	489	533	505	511	472	2 021
Paperboard, 1 000 tonnes	130	134	132	136	131	137	536
Sawn timber, 1 000 m ³	74	72	65	55	66	62	248

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The Group

Full year review, MSEK	2006	2005	2004	2003	2002	2001
Income statement						
Net turnover	18 592	16 319	15 653	15 816	16 081	16 655
Operating costs	-14 954	-13 205	-12 570	-12 306	-12 205	-12 460
Depreciation according to plan	-1 346	-1 167	-1 156	-1 166	-1 153	-1 126
Interest in earnings of associated companies	11	20	25	-6	-10	-3
Items affecting comparability	-	-	-	-	-	-620
Operating profit	2 303	1 967	1 952	2 338	2 713	2 446
Net financial items	-247	-233	-206	-212	-149	-152
Profit before tax	2 056	1 734	1 746	2 126	2 564	2 294
Tax	-597	-478	-471	-675	-605	-108
Profit for the year	1 459	1 256	1 275	1 451	1 959	2 186
Operating profit by business area						
Holmen Paper	754	631	487	747	1 664	2 410
Iggesund Paperboard	752	626	809	1 001	818	455
Holmen Timber	80	13	5	18	-6	-79
Holmen Skog	643	537	586	516	450	455
Holmen Energi	197	301	178	193	-26	49
Group central costs	-123	-141	-113	-137	-187	-224
Items affecting comparability	-	-	-	-	-	-620
Group	2 303	1 967	1 952	2 338	2 713	2 446
Balance sheet						
Fixed assets	25 354	25 793	23 381	20 940	21 357	19 150
Current assets	6 138	5 709	5 149	4 743	4 922	5 366
Financial receivables	649	712	459	675	688	432
Total assets	32 141	32 214	28 989	26 358	26 967	24 948
Equity	16 636	16 007	15 635	15 366	15 185	14 072
Deferred tax liability	5 030	5 143	5 177	4 557	4 370	4 014
Financial liabilities	6 634	7 351	5 335	4 044	4 496	3 593
Operating liabilities	3 841	3 713	2 842	2 391	2 916	3 269
Total equity and liabilities	32 141	32 214	28 989	26 358	26 967	24 948
Cash flow						
Current operations	2 358	2 471	2 331	2 443	3 498	3 786
Investment activities	-947	-3 029	-1 195	-726	-1 810	-1 669
Cash flow after capital expenditure	1 411	-558	1 136	1 717	1 688	2 117
Key ratios						
Return on capital employed, %	10	9	10	12	16	18
Return on equity, %	9	8	8	10	14	16
Debt/equity ratio	0.36	0.41	0.31	0.22	0.25	0.22
Earnings per share, SEK	17.2	14.8	15.1	17.5	23.6	26.4
Ordinary dividend, SEK	12	11	10	10	11	10
Extra dividend, SEK	-	-	-	30	-	-

Reported in accordance with IFRS from 2004.

Press release

Holmen in brief

Holmen is a forest products industry group with the capacity to produce 2.7 million tonnes of paper and paperboard per year. Europe, which accounts for some 90% of the Group's turnover, is by far the largest market.

The business area Holmen Paper produces paper for the printing of daily newspapers, magazines, directories and advertising matter at three Swedish mills and one Spanish mill. Iggesund Paperboard produces board for packaging and graphic purposes at one Swedish and one English mill. Holmen Timber produces sawn timber at one Swedish sawmill. Holmen Skog manages the Group's one million hectares of forests and the annual volume harvested in company forests is some 2.5 million cubic metres. Holmen's annual wood consumption is some 4.9 million cubic metres. Holmen Energi produces in a normal year some 1 100 GWh of electric power at wholly and partly owned hydro power stations in Sweden. Over and above this back pressure power of some 550 GWh is generated at the mills. Holmen's annual power consumption is around 5 100 GWh.

Press and analysts conference and teleconference

In connection with the publication of the interim report for January-June 2007 a press and analysts conference will be held at 14.30 hrs CET on Wednesday 15 August in Kammarsalen (one floor down), Berns Conference Centre, Berzelii Park, Stockholm. The conference can also be accessed via Holmen's website www.holmen.com and/or by telephone, in which case the call should be placed by no later than 14.25 hrs CET on +46 (0)8 505 201 10 (Sweden) or +44 (0)20 7162 0025 (Europe).

A teleconference will be held in English at 16.30 hrs CET. It can be accessed via Holmen's website www.holmen.com and/or by telephone on +44 (0) 20 7162 0125 (Europe) or +1 334 323 6203 (US). The call should be placed by no later than 16.25 hrs CET.

Calendar of financial reports and Annual General Meeting

26 October 2007	Interim Report, January–September 2007
6 February 2008	Year-end Report for 2007
2 April	Annual General Meeting
7 May 2008	Interim Report, January–March 2008
13 August 2008	Interim Report, January–June 2008
12 November 2008	Interim Report, January–September 2008

In its capacity as issuer, Holmen AB is releasing the information in this interim report for January-June 2007 in accordance with Chapter 9 a § 3 of the Swedish (1992:543) Securities Exchange and Clearing Operations Act. The information was distributed to the media for publication at 12.30 hrs CET on Wednesday 15 August 2007.