



Photo: Mikael Ljungström

In Sweden, production levels for sawn wood products are relatively high, particularly for whitewood.

1 January – 31 March 2016

- Net sales decreased by 5% to SEK 1,476 million (1,548). Delivery volumes were 2% lower and the average price fell by 3%.
- Operating profit from continuing operations decreased by 17% to SEK 349 million (420). Delivery volumes from own forests decreased by 2% and prices fell by an average of 3%. When comparing the change in profit between the years, the positive impact a SEK 36 million VAT remission had on last year's earnings must be taken into account.
- Change in value of forest assets was SEK 104 million (139).
- Profit for the quarter decreased by 20% to SEK 329 million (412).

SEKm	3 months			12 months		
	Jan–Mar 2016	Jan–Mar 2015	%	Apr 2015– Mar 2016	Full year 2015	%
Net sales	1,476	1,548	–5	6,006	6,078	–1
Operating profit from continuing operations	349	420	–17	1,209	1,280	–6
Change in value of forest assets	104	139	–25	1,397	1,432	–2
Operating profit	471	585	–19	2,686	2,800	–4
Profit before tax	420	526	–20	2,480	2,586	–4
Profit for the period	329	412	–20	1,934	2,017	–4
Cash flow from operating activities	155	215	–28	849	909	–7

Key figures, Group

	Jan–Mar 2016	Jan–Mar 2015	Apr 2015– Mar 2016	Full year 2015	
Yield, % 1)	(target at least 4.5%)	4.4	5.1	4.4	4.7
Net debt/equity ratio, multiple	(target 0.3–0.6)	0.40	0.42	0.40	0.41
Return on operating capital, % 1)		9.8	9.7	9.8	10.3
Return on equity, % 1)		9.9	9.9	9.9	10.6
Interest cover, multiple 1,2)		6.1	5.1	6.1	6.2
Equity ratio, %		51	49	51	51
Interest-bearing net debt, SEKm		7,912	7,985	7,912	8,089
Average number of employees		779	779	779	851
Total delivery volume, thousand m ³ sub		2,824	2,882	10,690	10,748

1) Rolling 12 months.

2) Operating profit before change in value of forest assets minus capital gains on property sales plus financial income divided by financial expenses.



CEO's comments

Reduced delivery volumes and lower timber prices in the first quarter

Sveaskog's operating profit from continuing operations for the first quarter of 2016 amounted to SEK 349 million (420). Delivery volumes from Sveaskog's own forests decreased by 2% in the first quarter and timber prices fell by an average of 3%. When comparing the change in earnings between the years, the positive impact on earnings of SEK 36 million attributable to a value added tax case from the early 2000s which was settled during the first quarter of the previous year should be taken into account. Yield amounted to 4.4% (5.1).

Net sales decreased by 5% to SEK 1,476 million (1,548). In total, Sveaskog's sales of wood raw material during the quarter amounted to 2.8 million m³sub (2.9). Sales of sawlogs decreased marginally, sales of pulpwood and chips were down 1% and sales of biofuel fell by 13%.

Market development

Sweden and the rest of Europe are the most important markets for Swedish forest industry with regard to both paper pulp, paper and sawn wood products. Growth in Europe is rising at a modest rate and inflation remains low. The Swedish economy is showing relatively strong growth.

SAWMILLS

Construction in Europe is slowly increasing. The rate of increase in Sweden is faster. China's imports of sawn wood products continue to increase with Russia as the largest supplier.

In Sweden, production levels for sawn wood products are relatively high, particularly for whitewood. Demand has been high and stocks of finished goods have decreased slightly. The UK is still Sweden's largest individual export country for sawn wood products. Profitability in deliveries has decreased, however, due to the weakening of the British pound against the Swedish krona.

The sawmills have been well supplied with sawlogs and raw material stocks have risen slightly. The earlier reductions in sawlog prices have now levelled out.

PULP AND PAPER INDUSTRY

Globally, paper pulp deliveries are increasing. The price of long-fibre sulphate pulp has fallen gradually. Swedish export levels are largely unchanged. Demand for graphic paper products continues to decrease while demand for other paper products is rising. Swedish production is at a high level.

The period was characterised by good access to raw material in the form of pulpwood and cellulose chips. Earlier price reductions for pulpwood have levelled out, however, and some price increases can be noted.

Sveaskog issued a green bond

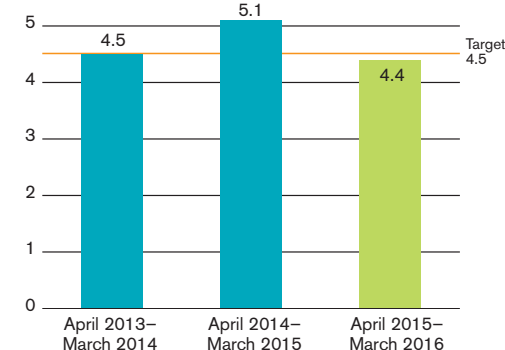
The first green bond was issued in Sweden three years ago. So far green bonds have been used to finance specific sustainability projects. In February, Sveaskog issued a green bond amounting to SEK 1 billion. Sveaskog has been assessed by Norwegian DNV GL as a pure-play green company and can therefore use the bond loan to finance general operations. By issuing a green bond, Sveaskog has attracted new investors.

Stable dividend level

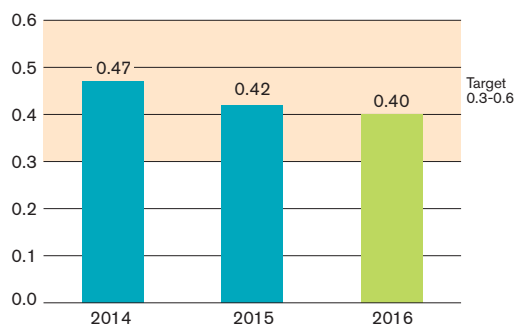
According to the financial targets that apply to Sveaskog, the ordinary dividend over time shall correspond to 65–90% of the Group's profit after tax excluding non-cash flow changes in value of standing forest after tax. The Board's proposal ahead of the Annual General Meeting on 26 April is a dividend of SEK 800 million (800). This corresponds to 89% of the dividend base.

Per-Olof Wedin, President and CEO

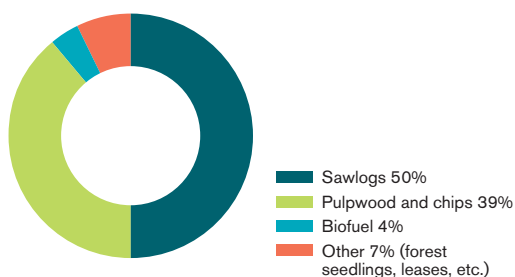
Yield, %, rolling 12 months



Net debt/equity ratio, multiple, at 31 March



Product breakdown by % of sales, rolling 12 months



Theme – Sustainability

Sveaskog's objective is to improve efficiency. This will be done through a productivity programme and new working methods. Efficiency is monitored by measuring total productivity which consists of change in earnings in fixed prices in total and related to delivered volume. Performance has been strong in recent years and development in the first quarter of 2016 is also positive but lower due to lower delivery volumes. The target is an increase of at least 2% per year.

%	2013	2014	2015	2016 Q1
Total productivity	+18.6	+12.3	+3.2	+0.3
Total productivity/unit	+12.7	+5.3	+2.5	+0.8

Group performance

1 JANUARY – 31 MARCH 2016

Net sales

Net sales decreased by 5% to SEK 1,476 million (1,548). Total delivery volumes were 2% lower than in the same period last year and average selling prices were 3% lower. Sales of wood raw material totalled 2.8 (2.9) million cubic metres (m³sub).

Earnings

Operating profit from continuing operations decreased by 17% to SEK 349 million (420). Delivery volumes from own forests decreased by 2% and average prices fell by 3%. A comparison between the years must take into account the positive impact on last year's earnings of SEK 36 million attributable to a value added tax case from the beginning of the 2000s.

Gains from property sales amounted to SEK 13 million (16). Share of profits of the associate Setra Group amounted to SEK 5 million (10). Operating profit before change in value of forest assets amounted to SEK 367 million (446). Change in value of forest assets in the first quarter amounted to SEK 104 million (139). After change in value of forest assets, operating profit amounted to SEK 471 million (585).

Net financial items in the quarter amounted to SEK –51 million (–59). Profit before tax decreased by 20% to SEK 420 million (526). Tax for the period amounted to SEK –91 million (–114). Profit for the quarter decreased by 20% to SEK 329 million (412).

Cash flow, investments and financial position

Cash flow from operating activities at 31 March amounted to SEK 155 million (215). The decrease was mainly due to lower operating profit from continuing operations. Investments in property, plant and equipment amounted to SEK 21 million (31) and investments in shares amounted to SEK 1 million (1). Sales of property, plant and equipment, primarily forest properties, amounted to SEK 32 million (27).

Sveaskog's interest-bearing net debt at 31 March amounted to SEK 7,912 million (7,985). At the end of the period, the loan portfolio mostly comprised loans issued under Sveaskog's MTN programme as well as a Swedish commercial paper programme. Approximately 4% of the portfolio consists of bank financing. The loan volume under the commercial paper programme amounted to SEK 2,320 million (2,420) and is refinanced regularly. Under the MTN programme the outstanding volume at 31 March was SEK 5,290 million (5,190). The lowest average fixed interest period during the quarter was approximately 30 months.

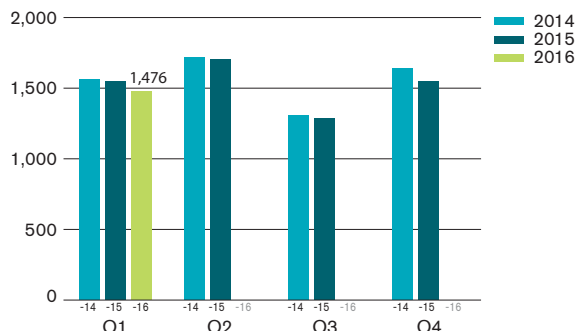
The net debt/equity ratio amounted to 0.40 (0.42).

Interest cover amounted to 6.1 (5.1) and the gross borrowing cost was 1.78% (2.12).

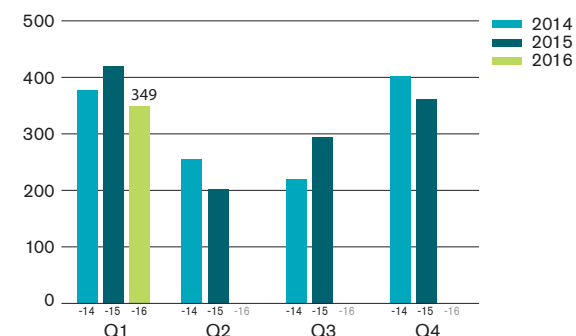
Parent Company

Sveaskog AB (publ.), 100% owned by the Swedish state, owns and manages forest properties and shares in subsidiaries and is responsible for Group-wide financing. Operating income for Sveaskog AB (publ.) in the first quarter amounted to SEK 4 million (4). Loss after net financial items was SEK 59 million (–62). The Parent Company's costs mainly comprise interest expenses. The company has no employees.

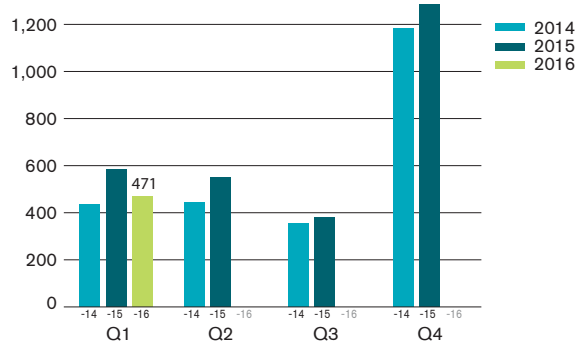
Net sales, SEKm



Operating profit from continuing operations, SEKm



Operating profit, SEKm



Change in net sales, SEKm

	Quarter 1
2015	1,548
Price, wood raw material	–33
Delivery volume, wood raw material	–30
Other	–9
2016	1,476

Setra Group AB

Sveaskog owns 50% of the shares in the wood products company Setra Group AB which is reported as an associate. Share of profits of associates is recognised in the consolidated income statement. Net sales for the period January–March amounted to SEK 1,028 million (1,041). Operating profit amounted to SEK 9 million (24). The earnings trend is a mainly due to lower prices due to a tougher market situation. Sveaskog’s share of the company’s profits, adjusted for intra-group profits, decreased by 50% to SEK 5 million (10).

Market situation and timber deliveries

The market in Europe including Sweden accounts for by far the largest part of the Swedish forest industry’s sales of paper pulp, paper and sawn wood products. Economic growth in Europe is rising at a modest rate. Inflation and key interest rates are low. Global trading volumes are increasing but their value is decreasing partly due to the low price of oil. Global debt in relation to GDP is increasing sharply. China’s growth continues to slow but from comparatively high levels. China’s economy is also affected by an ongoing change where the proportion of services production is growing while production of goods is falling. Growth in the US is increasing slightly but from a situation that can be compared with a recession. The Swedish economy is showing comparatively strong growth.

The price of oil is around a low \$40 per barrel, a circumstance that should affect future distribution of global growth. The US dollar remains strong but the Swedish krona is strengthening steadily. Exchange rate fluctuations have been substantial, however.

SAWMILLS

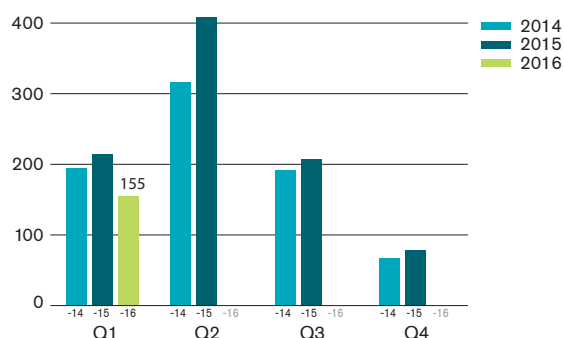
Construction is increasing in Europe but still at a slow rate. The rate of increase in Sweden is high. Construction is also rising in the US as well as in China. In Japan, the trend remains sluggish. China’s imports of sawn wood products are increasing but still have a long way to go before they reach one million cubic metres per month. Russia is the largest supplier. Sweden has a small but rising share. Other countries in East Asia are also increasing their imports while North Africa’s imports are decreasingly slightly.

Demand in Sweden has showed positive development. Exports based on sea transports have benefited from reduced freight rates. The UK is still Sweden’s largest individual export country with high demand. However, profitability in deliveries has been adversely affected by the weakening of the British pound against the Swedish krona.

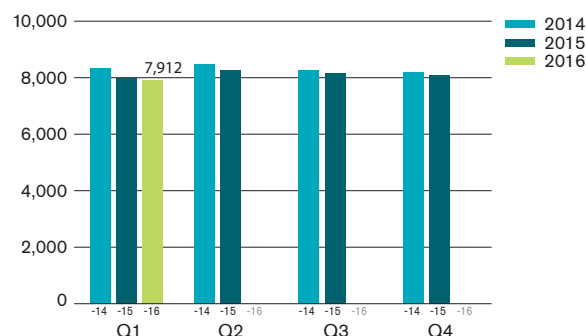
In Sweden, sawn wood products production is at relatively high levels, particularly for whitewood. Demand has been high with some reduction in finished product stocks. Order bookings have risen after an earlier decline.

The sawmills have been well supplied with sawlogs and raw material stocks have risen slightly. The earlier reductions in sawlog prices have now levelled out.

Cash flow from operating activities, per quarter, SEKm



Interest-bearing net debt, SEKm



Change in operating profit from continuing operations, SEKm

	Quarter 1
2015	420
Price, own wood raw material	-18
Delivery volume, own wood raw material	-8
VAT remission 2015	-36
Other	-9
2016	349

Sveaskog's deliveries

Sveaskog delivered 1,205 (1,211) thousand m³sub of sawlogs in the first quarter, which is marginally less than in the corresponding period last year.

PULP AND PAPER INDUSTRY

Deliveries of paper pulp are increasing globally. Stocks of finished goods have decreased slightly, both at producers and in the ports. Almost 80% of Swedish exports go to Europe. The price of long-fibre sulphate pulp has decreased steadily. This price fall is showing signs of levelling out. Swedish export levels are largely unchanged.

Demand for graphic paper products continues to fall. On the other hand the picture is brighter for many other products such as cartonboard for packaging and packaging paper as well as hygiene products. Swedish production is at a high level. In total, export volumes have decreased marginally. The period was characterised by good access to raw material in the form of pulpwood and cellulose chips. Significant volumes are also imported. Earlier price reductions for pulpwood have levelled out, however. Some price increases can be noted.

Sveaskog's deliveries

Sveaskog delivered 1,319 (1,328) thousand m³sub of pulpwood and chips in the first quarter which is 1% less than in the corresponding period last year.

BIOFUEL MARKET

Nordic pellet prices fell slightly. The Swedish price is now more than 5% below the level a year ago.

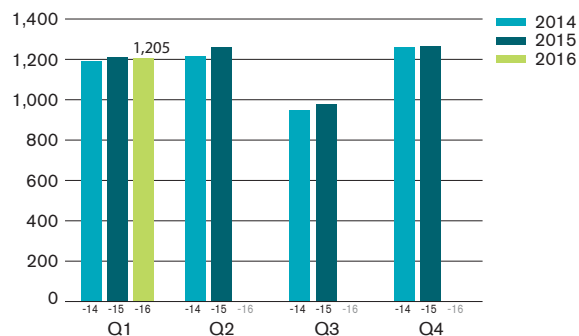
In Sweden, biofuel-based energy production is regional or local. Demand for wood-based biofuel was good in southern Sweden but then decreases progressively the further north one goes. The main reasons are other competing fuels such as waste and recycled wood, more efficient production and distribution of energy, and low electricity prices.

Production of forest residues (branches and tops) is falling. Earlier price cuts are levelling out.

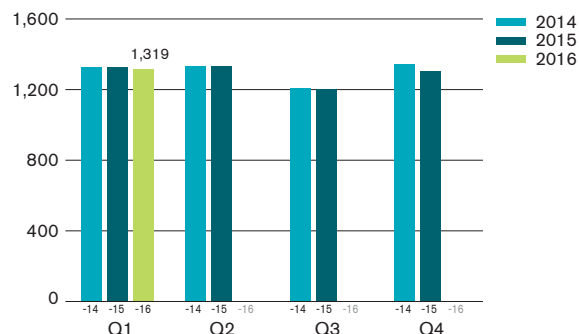
Sveaskog's deliveries

Sveaskog delivered 300 (343) thousand m³sub of biofuel in the first quarter which is 13% less than in the corresponding period last year.

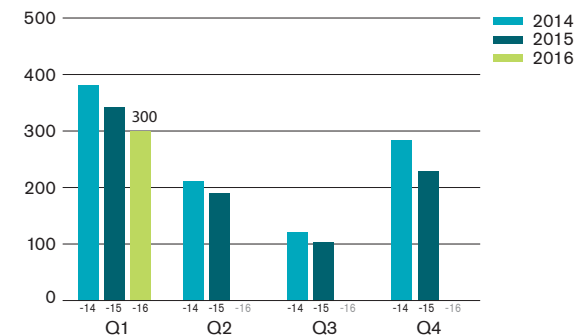
Delivery volume sawlogs, thousand m³sub



Delivery volume, pulpwood and chips, thousand m³sub



Delivery volume biofuel, thousand m³sub



Group

Condensed income statement

SEKm	3 months		12 months	
	Jan–Mar 2016	Jan–Mar 2015	Apr 2015– Mar 2016	Full year 2015
Net sales	1,476	1,548	6,006	6,078
Other operating income	9	0	72	63
Raw materials and consumables	-458	-469	-1,592	-1,603
Change in inventories	47	42	-40	-45
Other external costs	-574	-549	-2,628	-2,603
Employee benefit expenses	-130	-128	-528	-526
Depreciation	-21	-24	-81	-84
Operating profit from continuing operations	349	420	1,209	1,280
Capital gains from property sales	13	16	75	78
Share of profits of associates	5	10	5	10
Operating profit before change in value of forest assets	367	446	1,289	1,368
Change in value of forest assets (Note 1, 2)	104	139	1,397	1,432
Operating profit	471	585	2,686	2,800
Financial items	-51	-59	-206	-214
Profit before tax	420	526	2,480	2,586
Tax	-91	-114	-546	-569
Profit for the period/year	329	412	1,934	2,017
Earnings per share, SEK before and after dilution	2.78	3.48	16.33	17.04
- calculated on average number of shares, million	118.4	118.4	118.4	118.4

Statement of comprehensive income

SEKm	3 months		12 months	
	Jan–Mar 2016	Jan–Mar 2015	Apr 2015– Mar 2016	Full year 2015
Profit for the period/year	329	412	1,934	2,017
Other comprehensive income				
Components that will not be reversed in profit or loss				
Actuarial gains/losses on pensions	-	-	15	15
Tax on actuarial gains/losses	-	-	-3	-3
Components that than be reversed in profit or loss				
Exchange differences	0	0	-1	-1
Cash flow hedges	-17	-10	22	29
Tax attributable to cash flow hedges	3	2	-5	-6
Total other comprehensive income for the period/ year, net after tax	-14	-8	28	34
Total comprehensive income for the period/year	315	404	1,962	2,051

Group

Condensed balance sheet

SEKm	31 Mar 2016	31 Mar 2015	31 Dec 2015
ASSETS (Note 3)			
Non-current assets			
Intangible assets	1	2	1
Property, plant and equipment			
Forest land (Note 1, 2)	2,346	2,183	2,346
Other property, plant and equipment	525	523	529
Biological assets – standing timber (Note 1, 2)	31,845	30,479	31,751
Financial assets	471	520	461
Total non-current assets	35,188	33,707	35,088
Current assets			
Inventories	727	767	669
Current receivables, etc., non-interest bearing	1,395	1,513	1,407
Cash and cash equivalents	1,881	2,276	1,135
Total current assets	4,003	4,556	3,211
TOTAL ASSETS	39,191	38,263	38,299
EQUITY AND LIABILITIES			
Equity	20,029	18,867	19,714
Non-current liabilities (Note 3)			
Interest-bearing liabilities	5,754	6,524	5,767
Other liabilities	8,267	7,912	8,237
Total non-current liabilities	14,021	14,436	14,004
Current liabilities (Note 3)			
Interest-bearing liabilities	4,039	3,737	3,457
Other liabilities	1,102	1,223	1,124
Total current liabilities	5,141	4,960	4,581
TOTAL LIABILITIES	19,162	19,396	18,585
TOTAL EQUITY AND LIABILITIES	39,191	38,263	38,299

Condensed statement of changes in equity

SEKm	31 Mar 2016	31 Mar 2015	31 Dec 2015
Opening equity, 1 January	19,714	18,463	18,463
Total comprehensive income	315	404	2,051
Dividend paid in accordance with AGM decision	–	–	–800
Closing equity at the end of the period/year	20,029	18,867	19,714

Group

Condensed statement of cash flows

SEKm	Jan–Mar 2016	Jan–Mar 2015	Full year 2015
Operating activities			
Operating profit	471	585	2,800
Adjustment for non-cash items, etc.	-150	-193	-1,594
Interest received	1	2	9
Interest paid	-52	-61	-231
Paid tax	-71	-75	-204
Cash flow from operating activities before change in working capital	199	258	780
Change in working capital	-44	-43	129
Cash flow from operating activities	155	215	909
Investing activities			
Investments in property, plant and equipment	-21	-31	-329
Investments in shares	-1	-1	-1
Sales of property, plant and equipment	32	27	234
Sale of shares	0	-	32
Change in interest-bearing receivables	-	-	2
Cash flow from investing activities	10	-5	-62
Financing activities			
Dividend paid	-	-	-800
Change in financial liabilities	581	721	-257
Cash flow from financing activities	581	721	-1,057
Cash flow for the year	746	931	-210
Cash and cash equivalents, opening balance	1,135	1,345	1,345
Cash and cash equivalents, closing balance	1,881	2,276	1,135

Parent Company

Condensed income statement

(Note 1)	3 months		12 months	
	Jan–Mar 2016	Jan–Mar 2015	Apr 2015– Mar 2016	Full year 2015
SEKm				
Operating income	4	4	15	15
Operating expenses	–1	–1	–4	–4
Operating profit	3	3	11	11
Financial items	–62	–65	–5	–8
Profit/loss before tax	–59	–62	6	3
Tax	13	14	–1	–
Profit/loss for the period/year *	–46	–48	5	3

* Same as Total comprehensive income for the period/year.

Condensed balance sheet

SEKm	31 Mar 2016	31 Mar 2015	31 Dec 2015
ASSETS			
Non-current assets			
Property, plant and equipment	55	56	55
Total property, plant and equipment	55	56	55
Financial assets			
Shares and participations	24,934	24,934	24,934
Receivables from group companies, interest-bearing	2,250	2,410	2,150
Total financial assets	27,184	27,344	27,084
Total non-current assets	27,239	27,400	27,139
Current assets			
Current receivables, etc., non-interest bearing	277	355	277
Receivables from group companies, interest-bearing	701	198	26
Cash and cash equivalents	0	0	0
Total current assets	978	553	303
TOTAL ASSETS	28,217	27,953	27,442
EQUITY			
Equity	10,019	10,814	10,065
Non-current liabilities			
Interest-bearing non-current liabilities	5,187	5,886	5,187
Other provisions	–	1	–
Total non-current liabilities	5,187	5,887	5,187
Current liabilities			
Interest-bearing liabilities and provisions	12,991	11,207	12,146
Other liabilities and provisions	20	45	44
Total current liabilities	13,011	11,252	12,190
TOTAL EQUITY AND LIABILITIES	28,217	27,953	27,442

Parent Company

Condensed statement of changes in equity

SEKm	Jan–Mar 2016	Jan–Mar 2015	Full year 2015
Opening equity, 1 January	10,065	10,862	10,862
Dividend paid in accordance with AGM decision	–	–	–800
Profit/loss for the period/year	–46	–48	3
Closing equity at the end of the period/year	10,019	10,814	10,065

Condensed statement of cash flows

SEKm	Jan–Mar 2016	Jan–Mar 2015	Full year 2015
Cash flow from operating activities	–746	–270	29
Cash flow from investing activities	–99	1	262
Cash flow from financing activities	845	269	–291
Total cash flow	0	0	0
Cash and cash equivalents, opening balance	0	0	0
Cash and cash equivalents, closing balance	0	0	0

ACCOUNTING PRINCIPLES

The interim report for the Group is prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. For the Parent Company the interim report is prepared in accordance with the Annual Accounts Act, which is in accordance with the regulations in RFR 2 Accounting for Legal Entities. The accounting principles and calculation principles applied in this report for the Parent Company and the Group are unchanged compared with the most recently published annual report. New or revised IFRSs and interpretations from IFRIC have not had any effect on the earnings or financial position of the Group or the Parent Company.

Amounts are stated in SEK million unless otherwise indicated. Figures in parentheses refer to the corresponding period in the previous year.

NOTE 1 – CHANGE IN VALUE OF FOREST ASSETS

The market-related value of Sveaskog's forest assets at 31 March 2016 has been calculated at SEK 34,191 million (32,662), of which SEK 31,845 million (30,479) comprises the fair value of standing timber and SEK 2,346 million (2,183) an identified cost of land. The change in the balance sheet since year-end 2015 amounts to SEK 1,529 million (1,099) and is specified in Note 2. The assumptions applied when calculating the market value of standing timber are unchanged and updated at year-end 2015.

NOTE 2 – BIOLOGICAL ASSETS, STANDING TIMBER AND FOREST LAND

Standing timber		Forest land	
SEKm		SEKm	
<i>Cost</i>		<i>Cost</i>	
Opening value, 1 January 2015	30,344	Opening value, 1 January 2015	2,174
Acquisition of standing timber	8	Acquisition of forest land	10
Sales of standing timber	–11	Sale of forest land	–1
Changes due to felling	–410	Closing value, 31 March 2015	2,183
Changes in fair value	548	Opening value, 1 January 2016	2,346
Closing value, 31 March 2015	30,479	Acquisition of forest land	1
		Sale of forest land	–1
Opening value, 1 January 2016	31,751	Closing value, 31 March 2016	2,346
Acquisition of standing timber	2		
Sales of standing timber	–12		
Changes due to felling	–357		
Changes in fair value	461		
Closing value, 31 March 2016	31,845		

NOTE 3 – MEASUREMENT AT FAIR VALUE

The table below shows the Group's assets, liabilities and derivatives measured at fair value:

SEKm	Level 1		Level 2		Level 3	
	Jan–Mar 2016	Jan–Mar 2015	Jan–Mar 2016	Jan–Mar 2015	Jan–Mar 2016	Jan–Mar 2015
<i>Assets</i>						
<i>Financial assets at fair value through profit or loss</i>						
Standing timber	–	–	–	–	31,845	30,479
Total assets	–	–	–	–	31,845	30,479
<i>Liabilities</i>						
Liabilities	–	–	9,228	9,590	–	–
Derivative instruments	–	–	155	186	–	–
Total liabilities	–	–	9,383	9,776	–	–

Measurement techniques for Level 2 fair value

Liabilities are measured at amortised cost. Derivatives in level 2 consist of interest rate swaps and are recognised at market value or as hedge accounting. Measurement at fair value of interest rate swaps is based on swap rates obtained from a financial information system and converted to a zero coupon curve for measurement. Compared with 2015, no transfers have been made between the different levels in the hierarchy and no significant changes have been made in measurement method, data used or assumptions.

OTHER INFORMATION**Risks and uncertainties**

A description of risks, uncertainties and risk management is provided in Sveaskog's 2015 Annual Report (in Swedish) on pages 33–35. No other significant changes, in addition to those mentioned in this interim report, have occurred since publication of the annual report.

Significant events after the closing date

No significant events have occurred after the closing date.

Related-party transactions

No significant changes have occurred in relations or related-party transactions compared with what is described in the 2015 Annual Report.

The CEO hereby confirms that this interim report provides a true and fair overview of the Parent Company's and the Group's operations, their financial position and performance, and describes material risks and uncertainties facing the Parent Company and other companies in the Group.

Stockholm, 26 April 2016
Sveaskog AB (publ.) (556558-0031)

Per-Olof Wedin
President and CEO

The report has been signed by the CEO after authorisation from the Board of Directors.
The report has not been reviewed by the company's auditors.

FOR FURTHER INFORMATION, PLEASE CONTACT

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www.sveaskog.se

FINANCIAL CALENDAR

Interim report January–June 2016

15 July 2016

Interim report January–September 2016

19 October 2016

Year-end report 2016

January 2017

Definitions

Capital turnover rate

Net sales divided by average operating capital.

Equity ratio

Equity divided by total assets, all calculated at the end of the period/year.

Gross margin

Operating profit before depreciation and share of profits of associates expressed as a percentage of net sales.

Interest-bearing net debt

Interest-bearing liabilities minus interest-bearing assets, all calculated at the end of the period/year.

Interest cover

Operating profit before change in value of forest assets excl. capital gains on property sales plus financial income divided by financial expenses.

Net debt/equity ratio

Interest-bearing net debt divided by equity.

Net earnings per share

Profit for the period/year after tax divided by average number of shares during the period/year.

Operating capital

Total assets excluding interest-bearing assets, tax assets and assets held for sale minus non-interest bearing liabilities and deferred tax liabilities, all calculated at the end of the period/year.

Operating margin

Operating profit expressed as a percentage of net sales.

Operating profit from continuing operations

Operating profit before change in value of forest assets, share of profits of associates and capital gains from property sales.

Return on equity

Profit after tax expressed as a percentage of average equity.

Return on operating capital

Operating profit divided by average operating capital, excluding deferred tax.

Total productivity

The percentage change in operating profit from continuing operations in the forestry operations between two years and at fixed prices.

Total productivity per volume unit

The percentage change in operating profit from continuing operations per volume of roundwood from own forests between two years and at fixed prices.

Yield

Operating profit before change in value of forest assets excluding capital gains on property sales, divided by average operating capital, excluding deferred tax.

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