Interim report presentation January-March 2021

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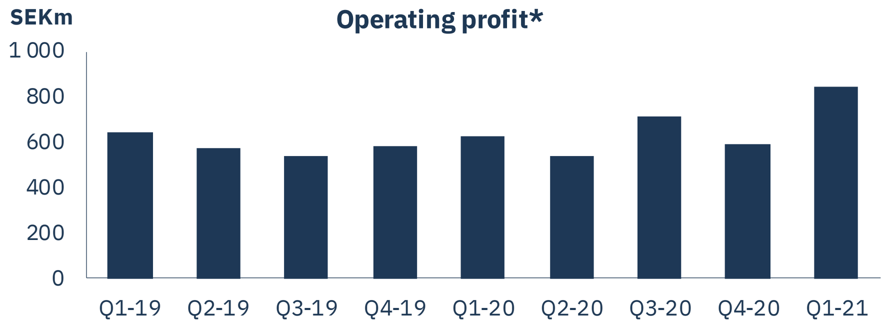
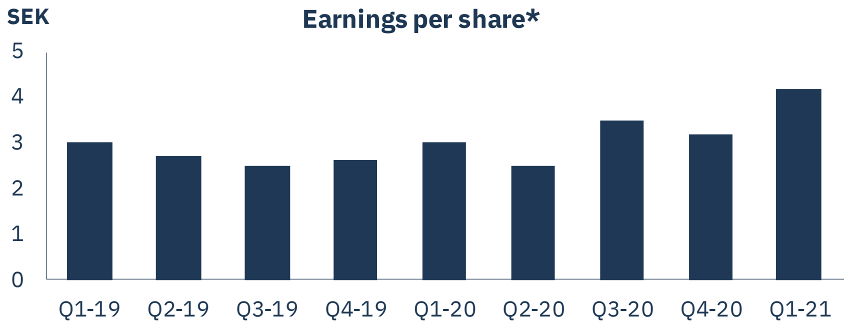
29 April 2021

Historically high Q1 result, SEKm 849

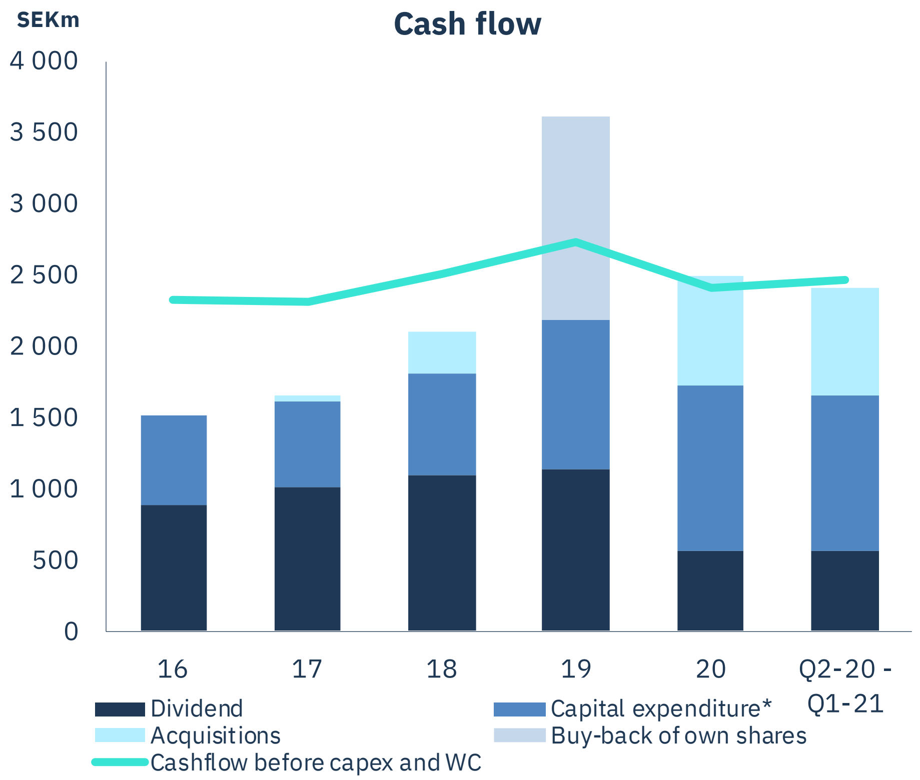
- Increasing prices and volumes for wood products
- High efficiency in paperboard
- Seasonally strong hydro power result

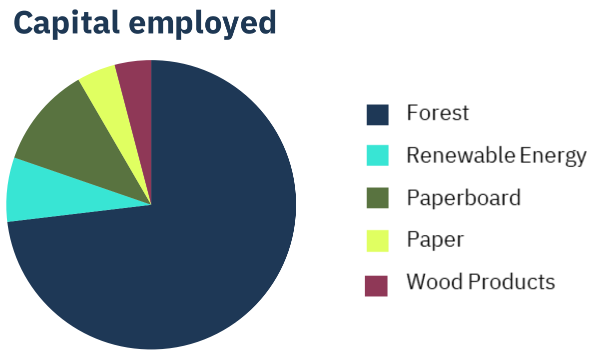


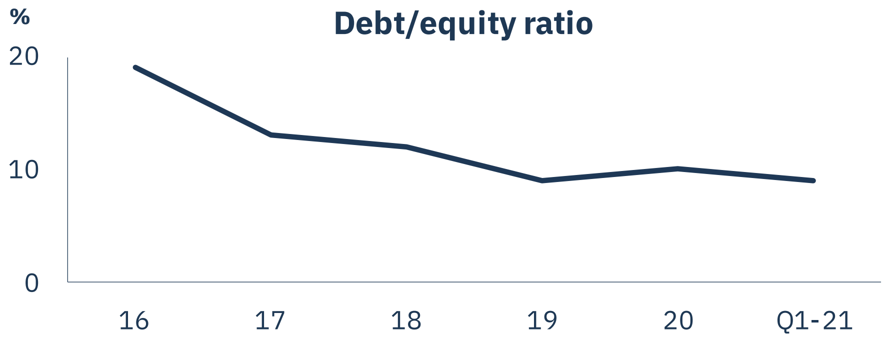


* Excl. items affecting comparability

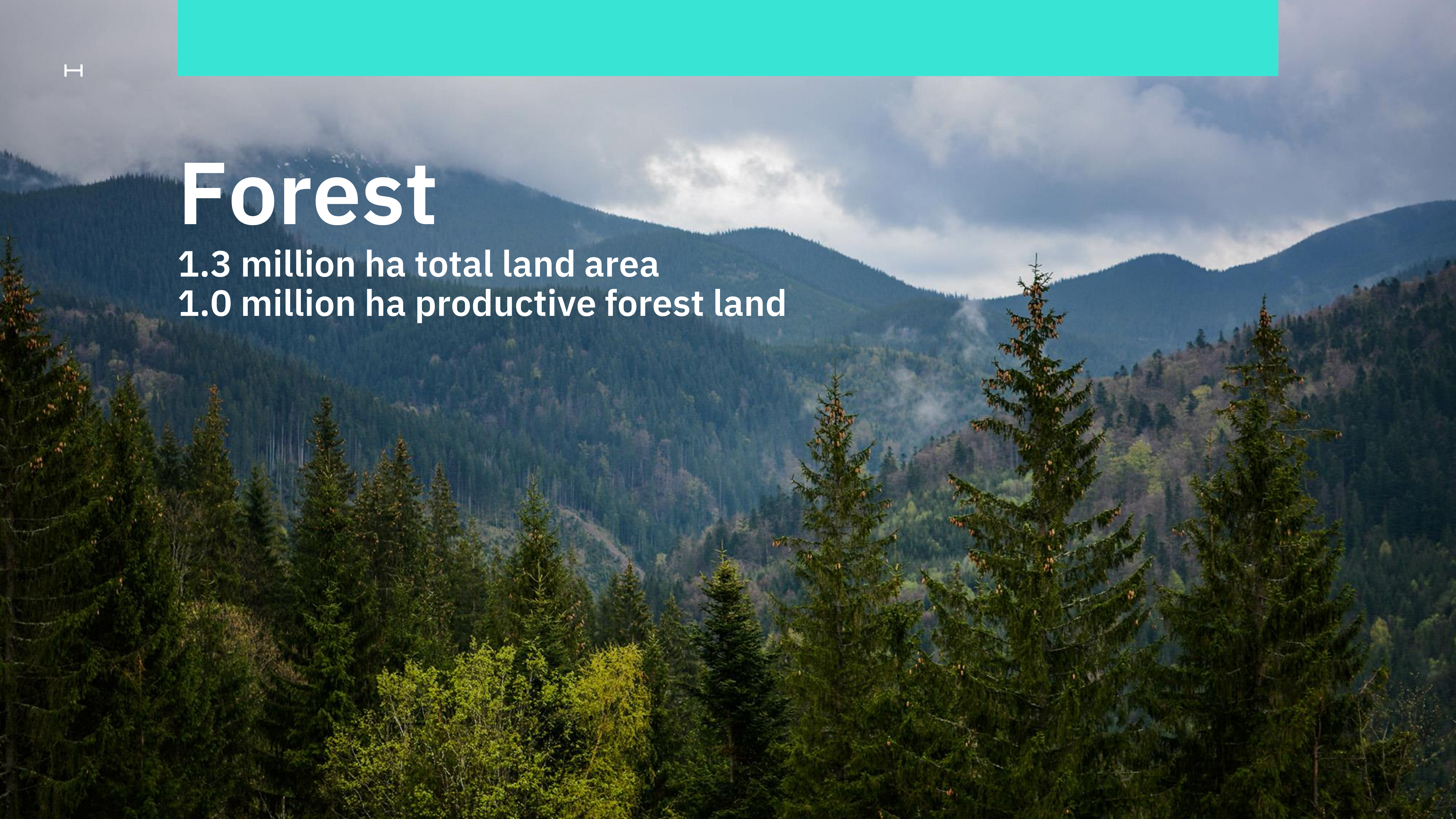
Solid financial position
1.7 bn SEK dividend paid out in April







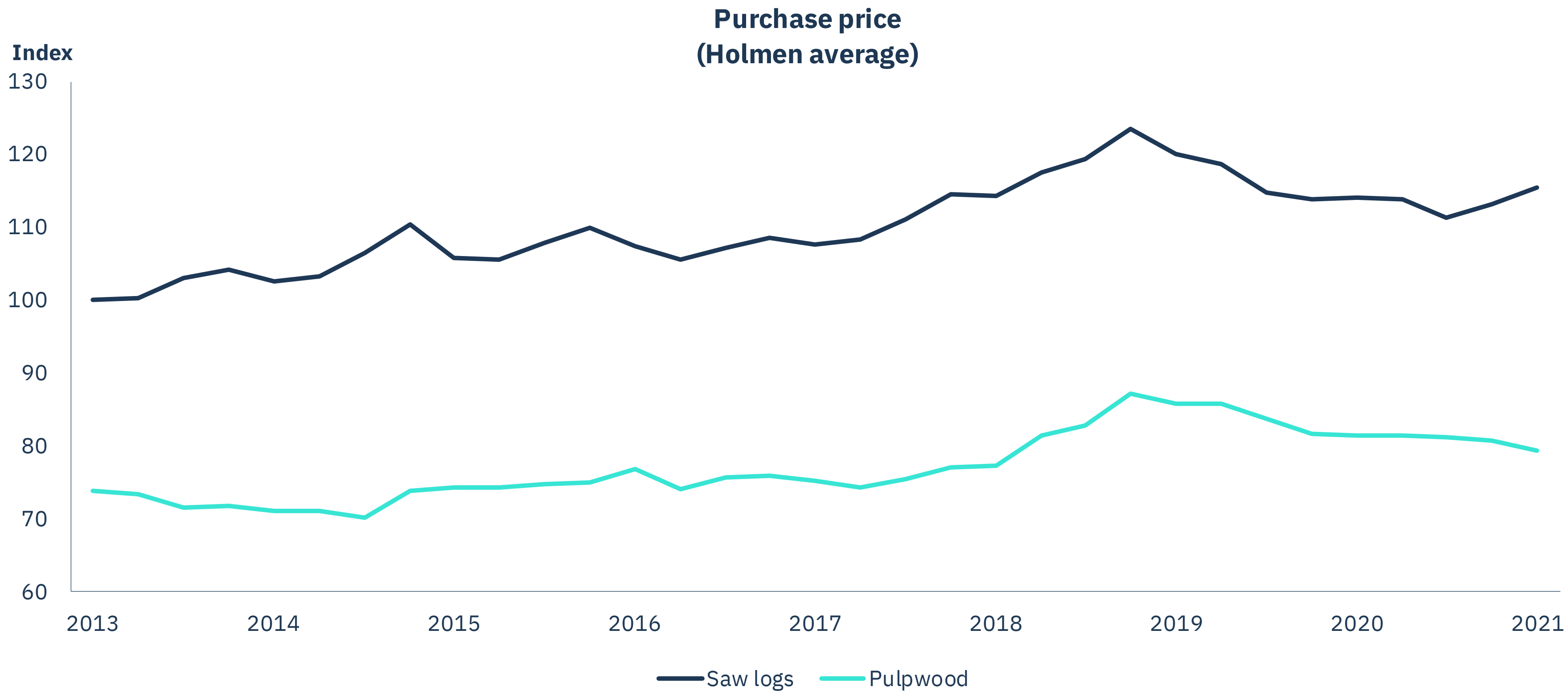
* Excl. sale of the newsprint mill in Spain (2016) and acquisition of loan relating partly owned wind power company (2018)



Forest

1.3 million ha total land area
1.0 million ha productive forest land

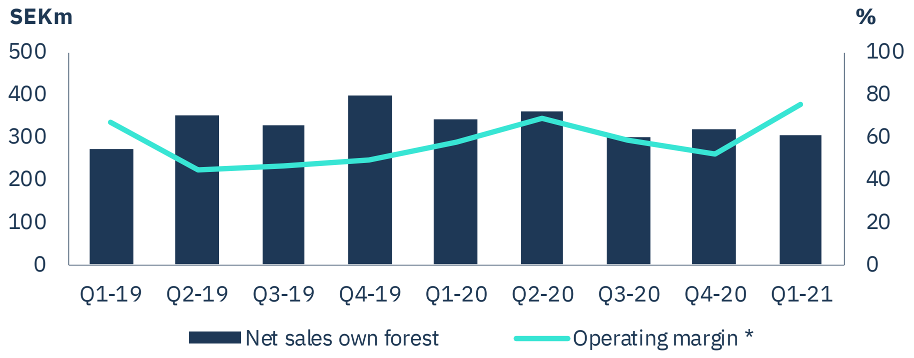
Intensifying competition for saw logs
Pulp wood market stabilising

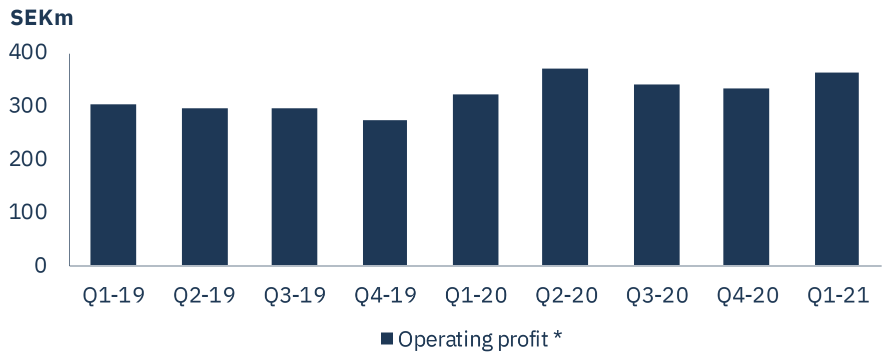


Source: Holmen

Forest financials

- Q1 SEKm 364 (Q1 20: 322; Q4 20: 334)
  - Sale of UK forest property



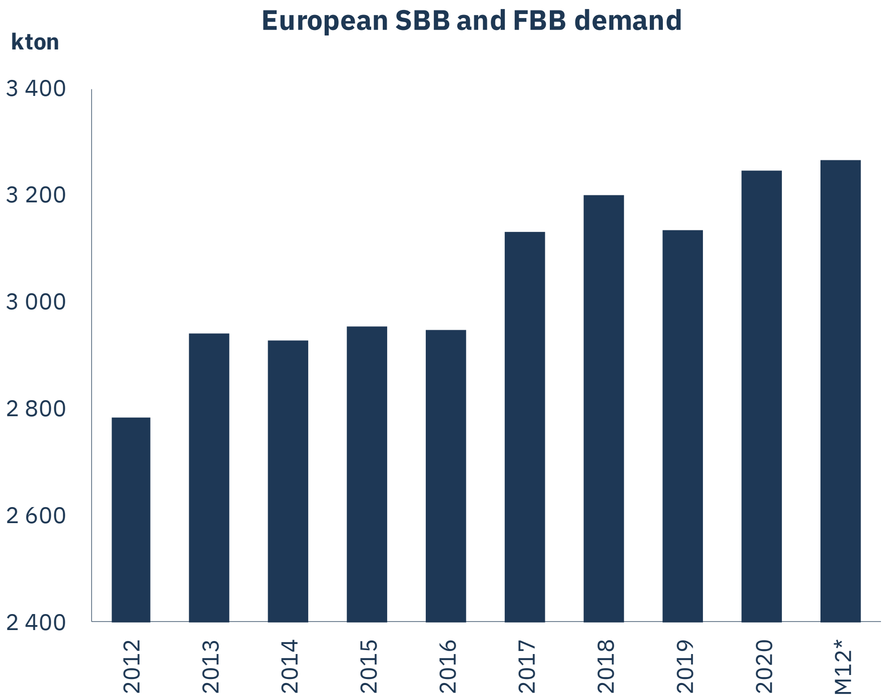


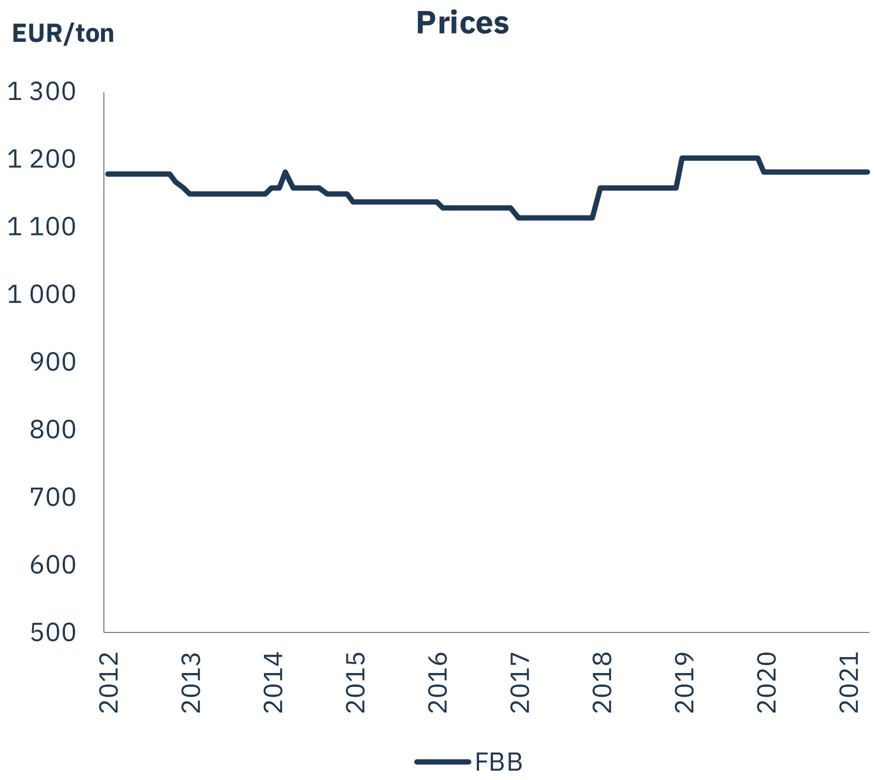
* Excl. items affecting comparability

Paperboard

550 000 tonnes per year

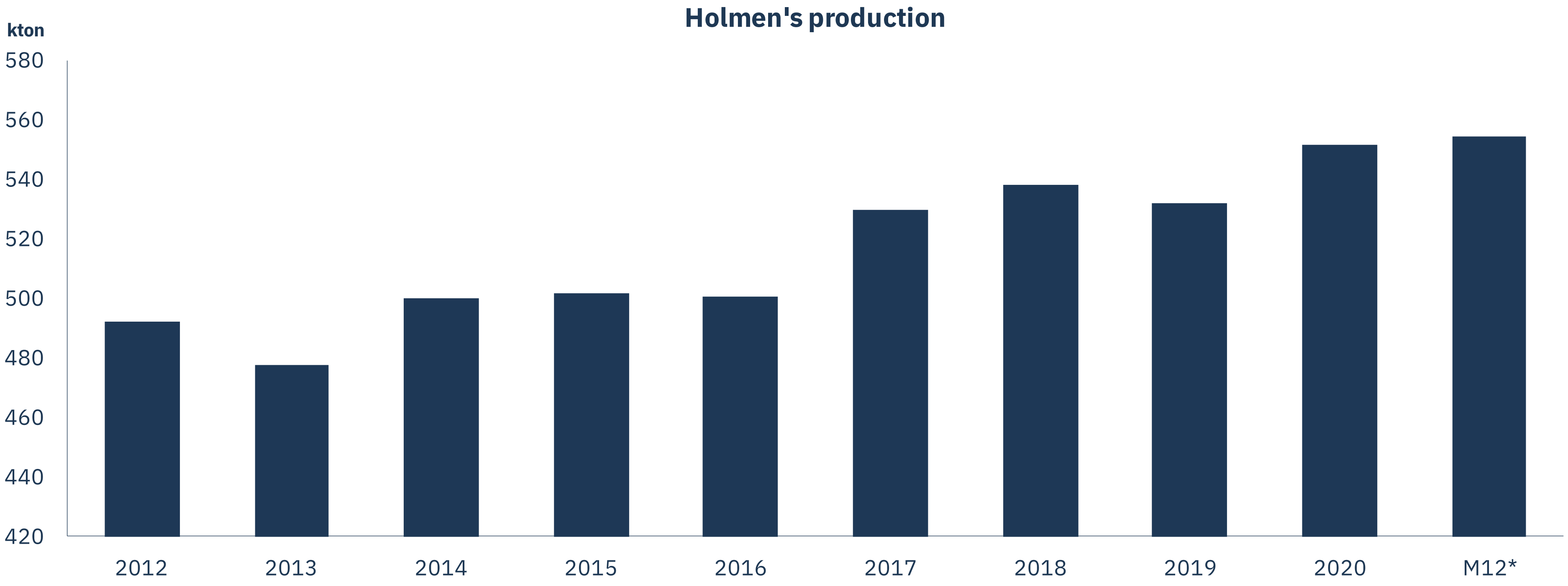
Steadily growing market at stable prices





*Q2-20 - Q1-21
Source: CEPI and Holmen

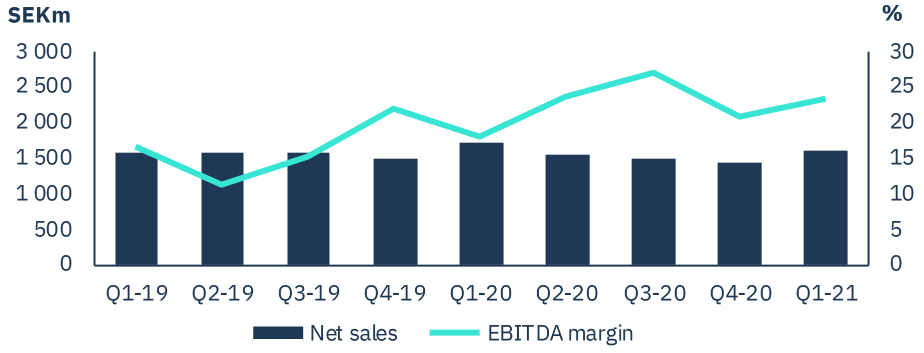
Established new production level

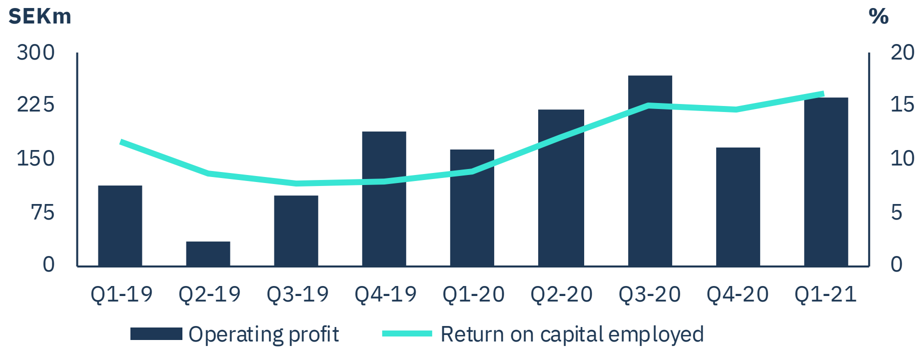


*Q2-20 - Q1-21
Source: Holmen

Paperboard financials

- YTD SEKm 236 (PY: 163)
  - Lowered production costs
- Q1 SEKm 236 (Q4: 165)
  - Q4 burdened by maintenance stop but benefited from ROCs bonus
- Upcoming maintenance stops in Q2 & Q3

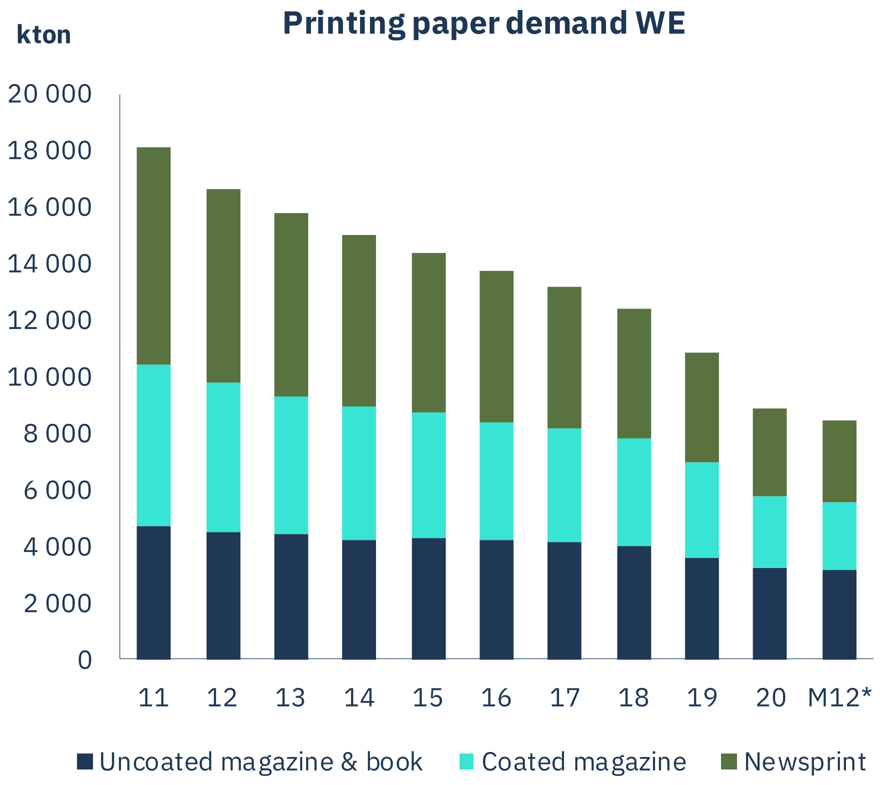




Paper

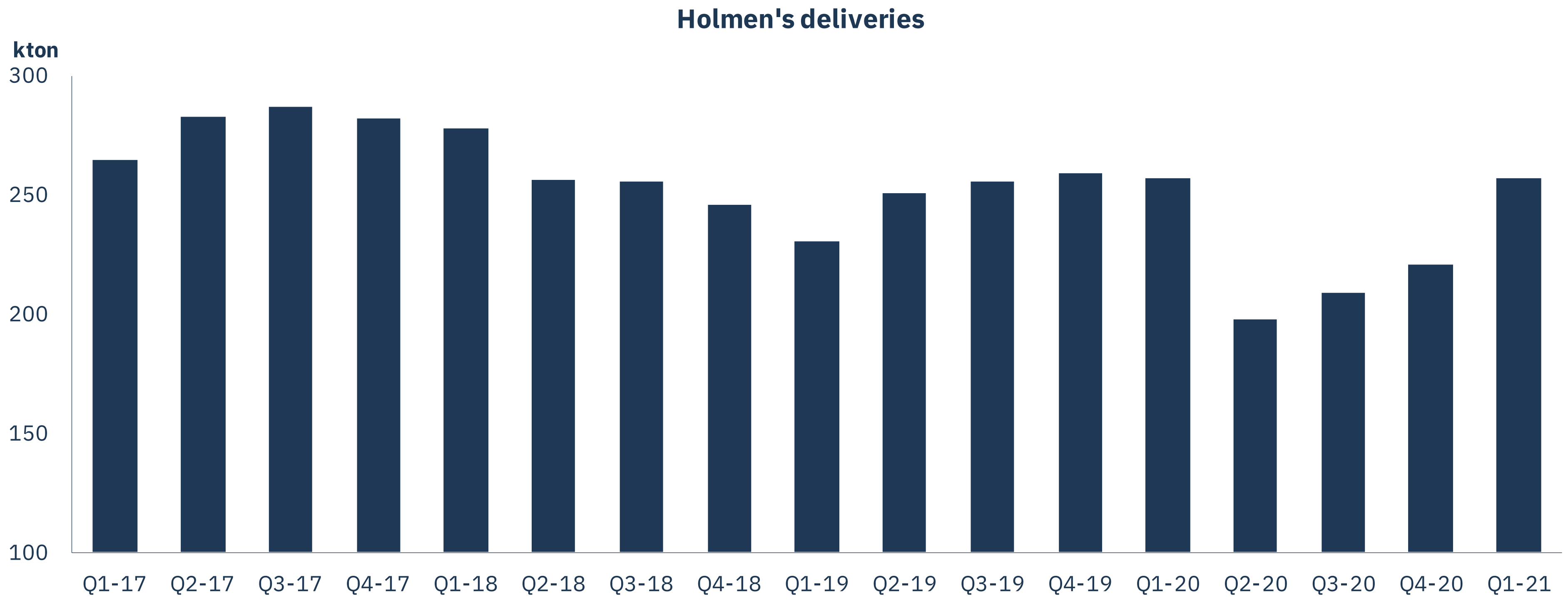
1 million tonnes per year

Drop in demand & price reductions



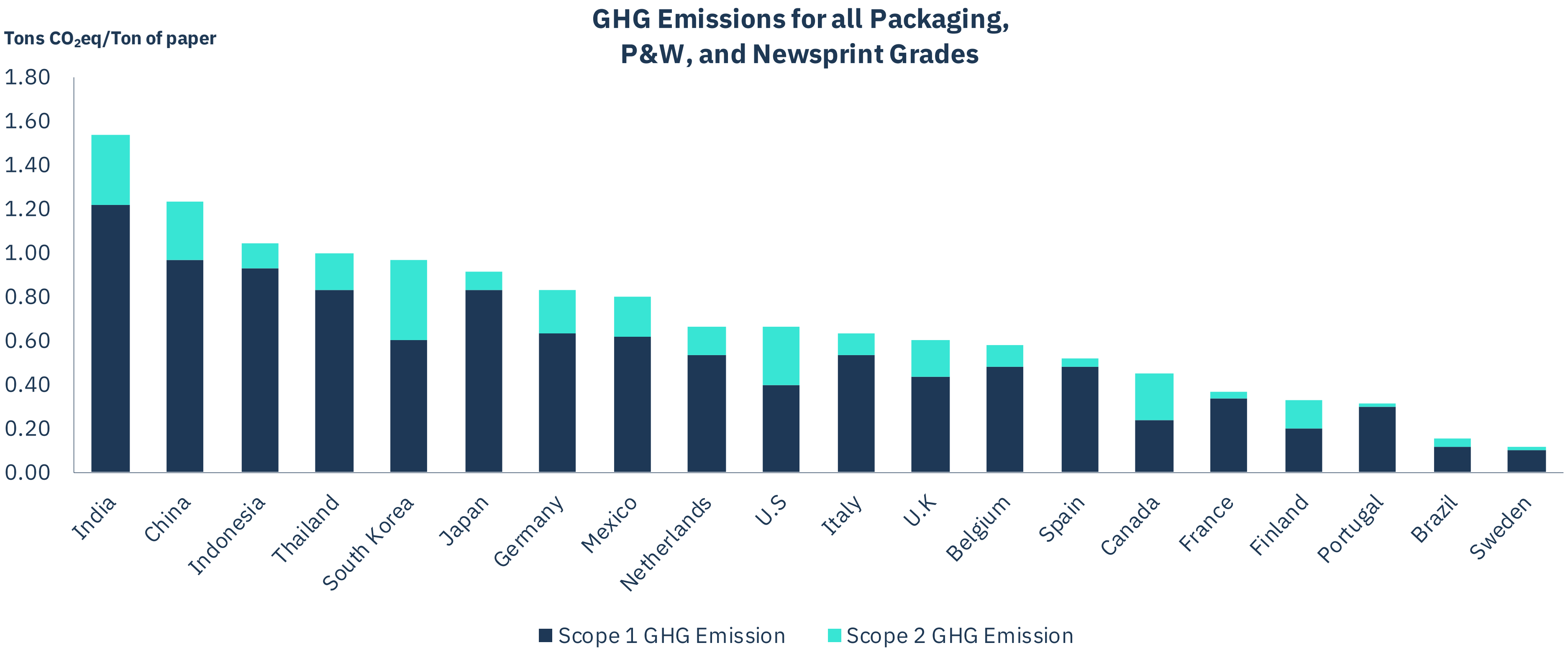
*Q2-20 - Q1-21
Source: RISI, FOEX, PPPC, Europ-Graph

Moving towards full capacity utilization



Source: Holmen

Close to carbon free paper

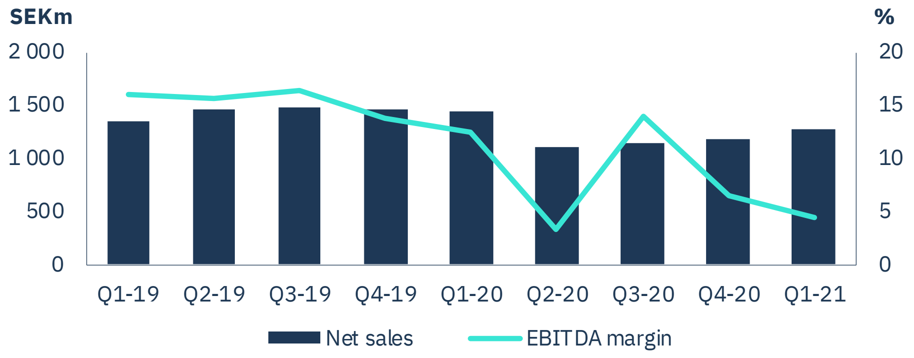


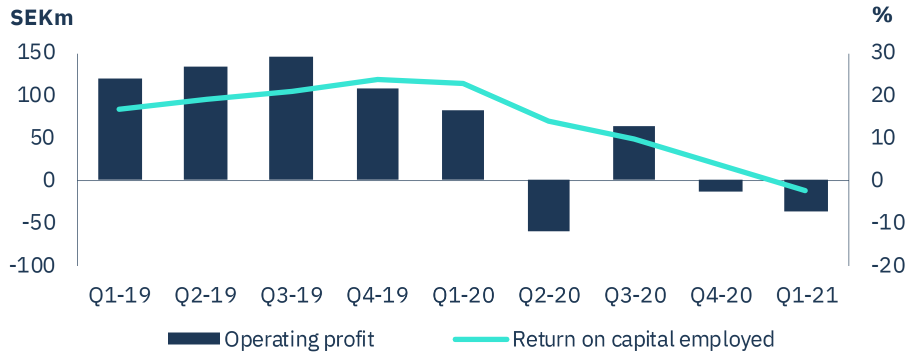
Source: Holmen and FisherSolve

Speeding up innovation

Paper financials

- YTD SEKm -37 (PY: 83)
  - Lower prices
- Q1 SEKm -37 (Q4: -13)
  - Lower prices
  - Production increased towards full utilization

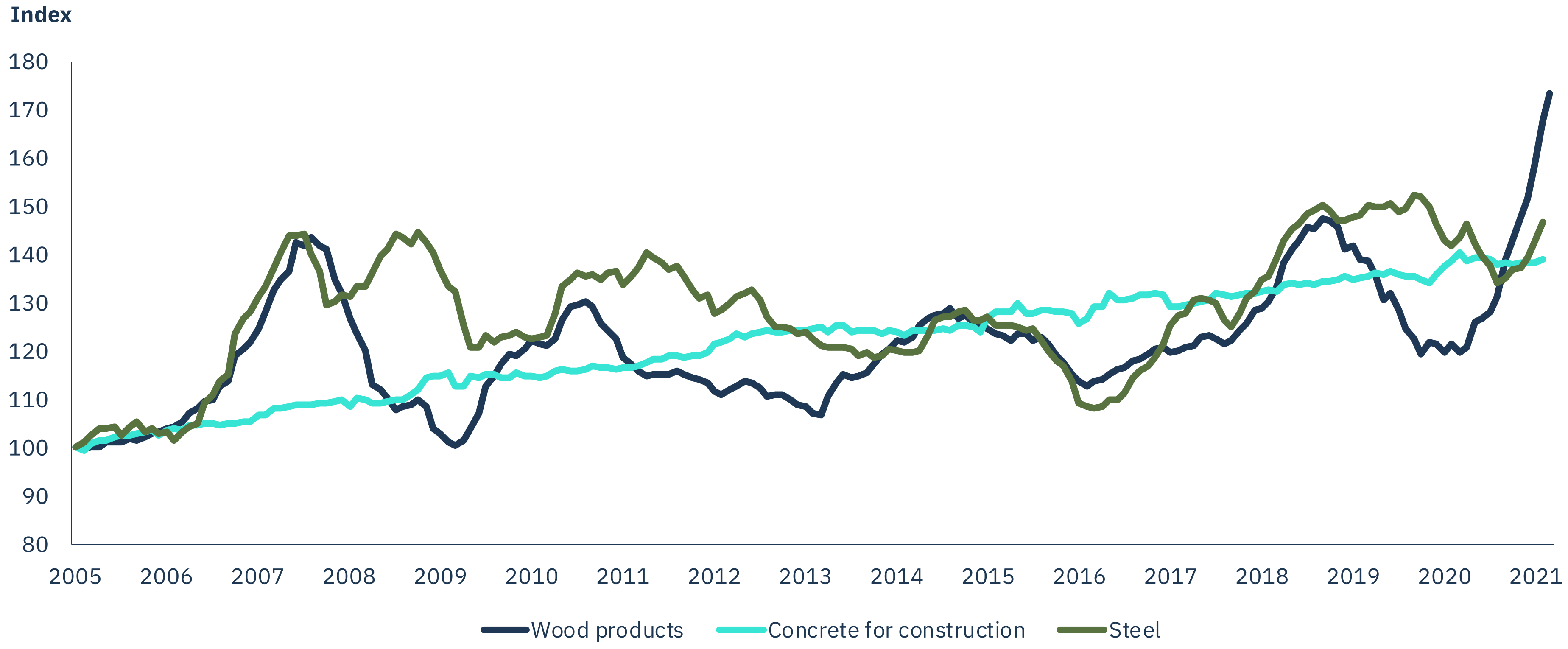




Wood Products

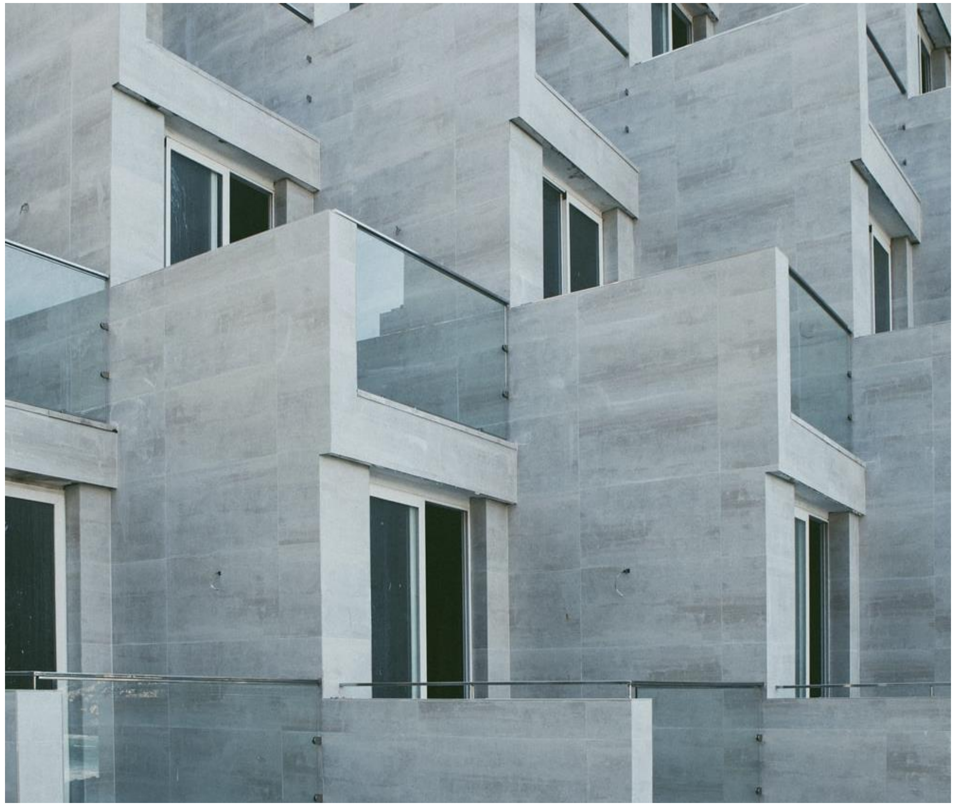
1.6 million m³ per year

Steep price increase

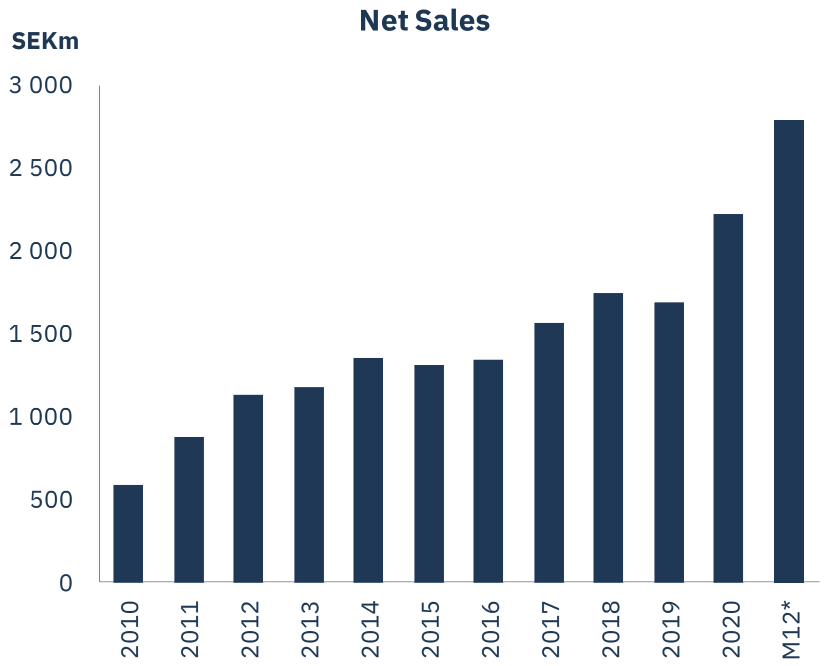


Source: Wood products: Skogsindustrierna, export statistics recalculated to local currency (Holmen's calculations). Concrete & Steel: Macrobond statistics for Europe

Housing accounts for 35 % of EU CO_2 emissions



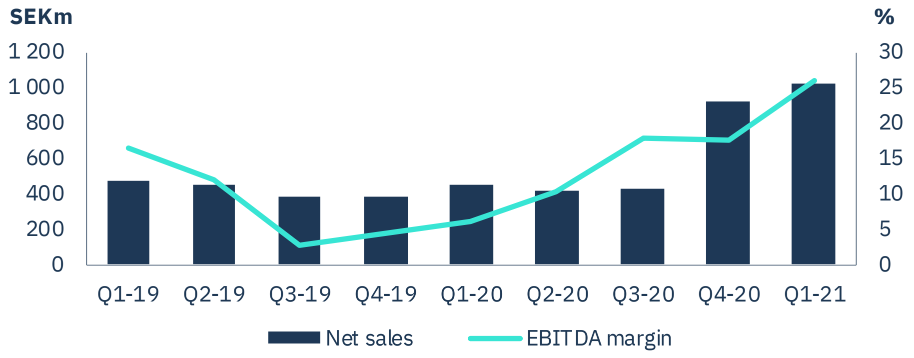
Growing volume & value

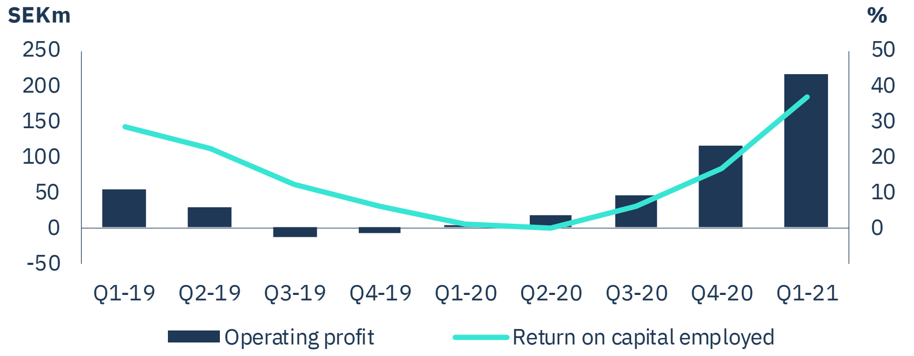


*Q2-20 - Q1-21

Wood Products financials

- YTD SEKm 218 (PY: 4)
  - Higher prices
  - Acquisition of Martinsons
  - Braviken production increase
- Q1 SEKm 218 (Q4: 116)
  - Increasing prices

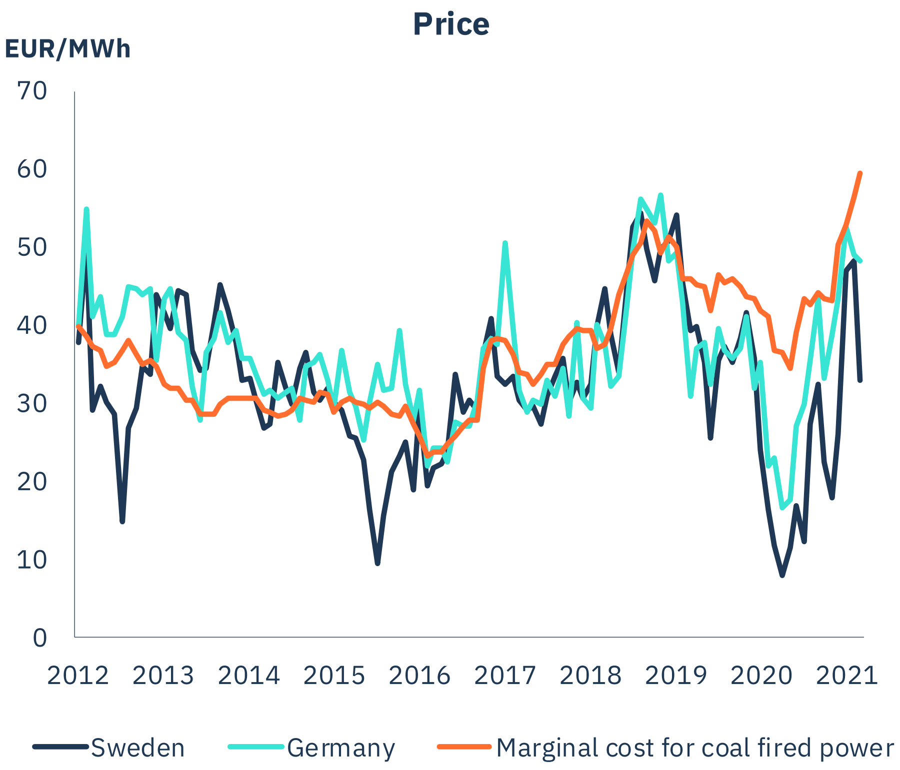


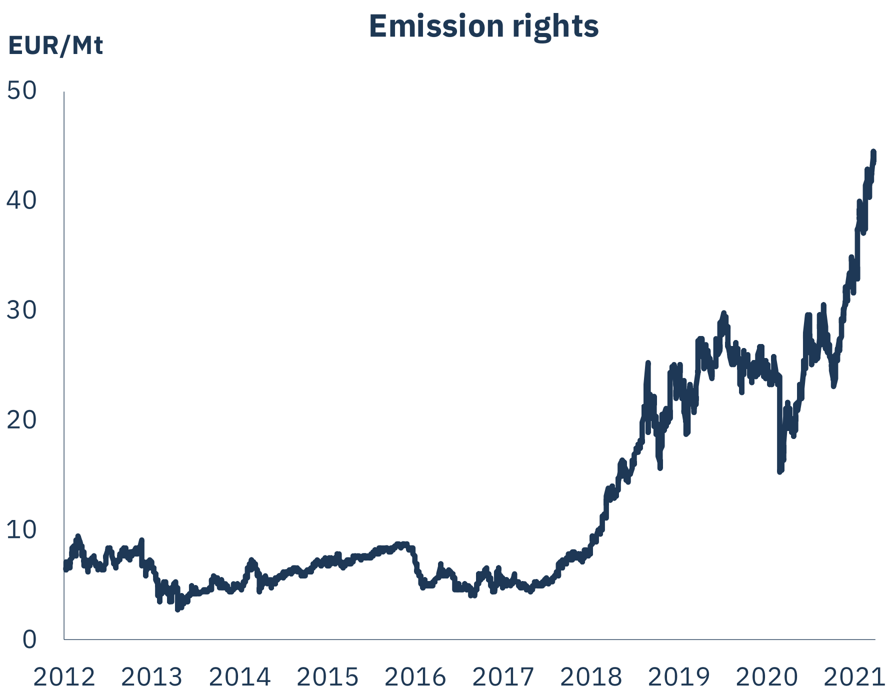


Renewable Energy

1 200 GWh per year

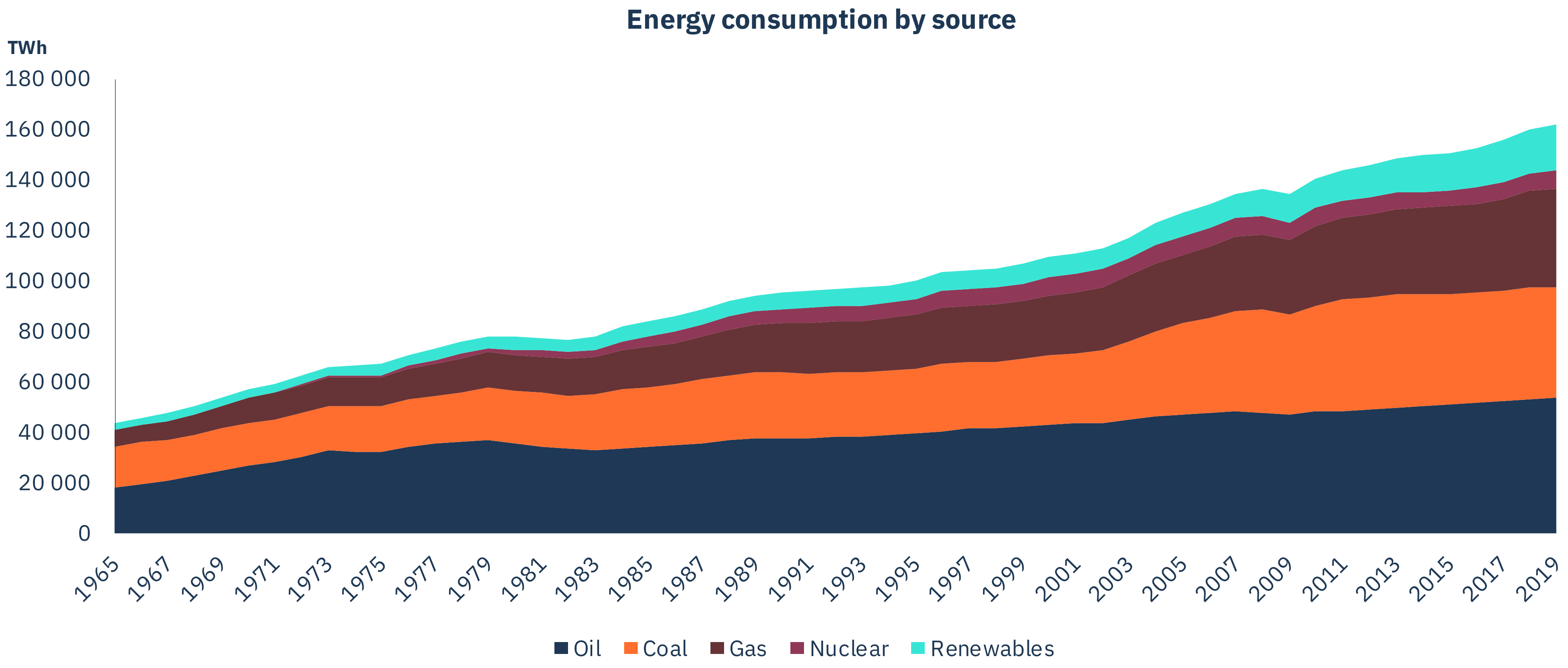
Pricing tracks fossil fuel cost





Source: Macrobond and ICE

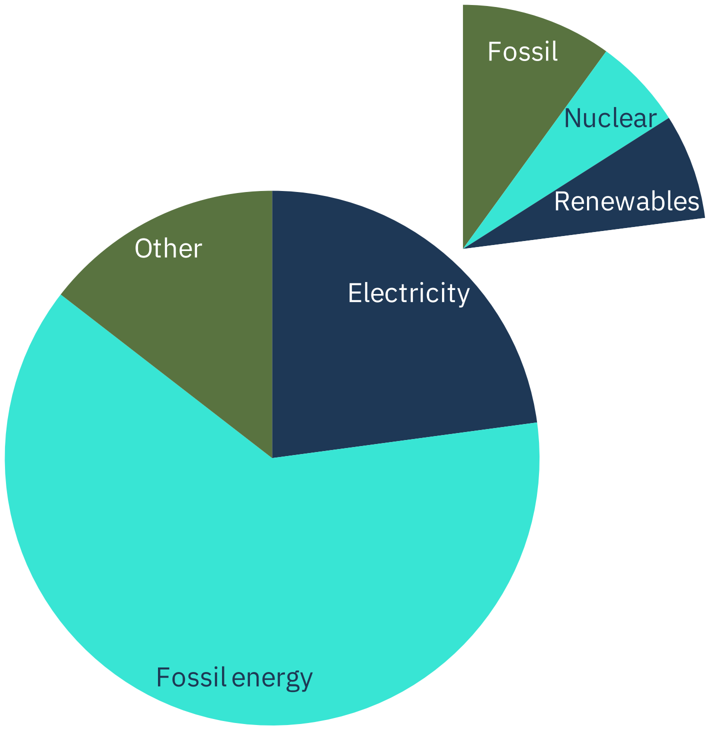
World's growth fuelled by oil, coal & gas



Source: BP Statistical Review of World Energy

EU still dominated by fossil energy

European energy consumption



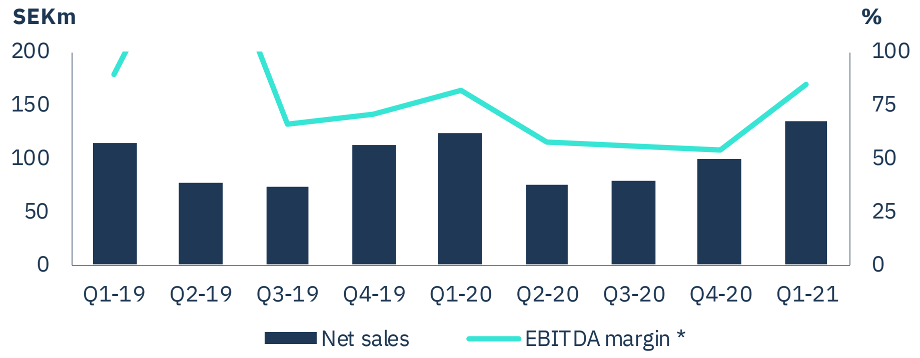
Source: IEA & EEA

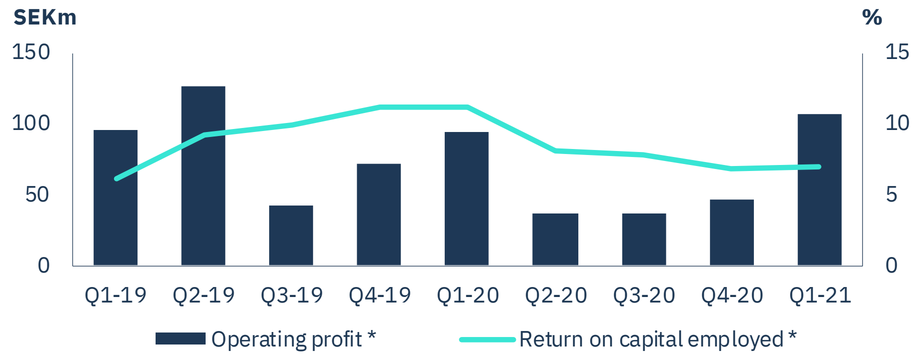
Blåbergsliden Wind Farm is under construction

Energy production will increase 35 % this autumn

Renewable Energy financials

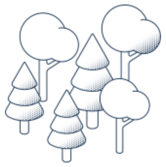
- YTD SEKm 107 (PY: 95)
  - Higher prices
- Q1 SEKm 107 (Q4: 46)
  - Higher prices
  - Seasonally higher production





* Excl. items affecting comparability

Contributing to a better climate



1.4 Million tonnes CO_2e

Carbon sequestration

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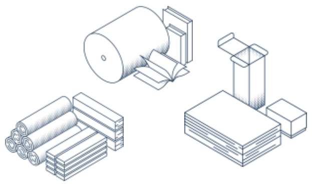

3.7 Million tonnes CO_2e

Storage and substitution from wood products (2.2), paperboard and paper (1.5)

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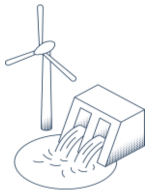

1.7 Million tonnes CO_2e

Substitution from renewable energy production

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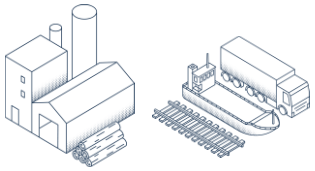

0.4 Million tonnes CO_2e

Fossil emissions reduced by 88%

6.4

Million tonnes CO_2e per year


Creating sustainable value while
contributing to a better climate

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