HOLMEN

Board's statement regarding proposed dividend for 2011 Annual General Meeting

The Board of Holmen AB has proposed that the 2011 Annual General Meeting resolves in favour of paying a dividend of SEK 7 per share, a total of SEK 588 million, which is unchanged compared to the preceding year. The proposal complies with the Board’s policy, in that decisions on dividend are to be based on an appraisal of the Group’s profitability, future investment plans and financial position. The proposed dividend corresponds to 84 per cent of profit for 2010 and means that 3.5 per cent of equity in the Group at 31 December 2010 will be paid out by way of dividend.

The Board has established that the Group shall have a strong financial position with a debt/equity ratio - defined as net financial debt in relation to equity - in the interval between 0.3 and 0.8. The debt/equity ratio on 31 December 2010 was 0.34. Payment of the proposed dividend would raise the debt/equity ratio by around 0.05.

Holmen AB's equity at 31 December 2010 amounted to SEK 11 149 million, of which non-restricted equity was SEK 5 235 million. Assets and liabilities measured at fair value according to Chapter 4 Section 14a of the Swedish Annual Accounts Act had an impact of SEK 913 million on equity. The Group's equity at 31 December 2010 amounted to SEK 16 913 million. Complying with IFRS, no distinction is made at Group level between restricted and non-restricted equity.

The Board considers that payment of a dividend of the amount proposed is justifiable in view of the demands made on the company and the Group by the nature, extent and risks associated with the business in terms of the amount of equity required, and taking into account the need for consolidation, liquidity and financial position in other respects. The financial position will remain strong after payment of the proposed dividend and is considered to be fully adequate to enable the company to fulfil its obligations in both the short and the long term, as well as to finance such investments as may be necessary.

Stockholm March 2011

The Board of Directors