

Rottneros

Interim Report January-March 2013

	Quarter		Full year	
	I 2013	IV 2012	I 2012	2012
Net turnover, SEK m	354	329	371	1 437
Income after net financial items, SEK m	-4	0	-4	6
Earnings per share after net financial items, SEK	-0.03	0,00	-0.03	0.03
Income after tax, SEK m	-4	-10	-4	-13
Earnings per share after tax, SEK	-0.03	-0.07	-0.03	-0.09
Cash flow before investments per share, SEK	0.14	-0.05	-0.21	0.27
Cash flow per share, SEK	0.09	0.08	-0.32	0.03
	31-3-2013	31-12-2012	31-3-2012	
Shareholders' equity per share, SEK	6.46	6.51	6.64	
Equity/assets ratio, %	74	77	75	

- Income after net financial items amounted to SEK -4 million for the first quarter of 2013 compared with SEK 0 million for the fourth quarter of 2012 and SEK -4 million for the first quarter of 2012.
- The USD price for chemical pulp is rising and price increases to USD 860 per tonne have been announced. In spite of this, the average price in Swedish kronor for the first quarter of 2013 was in line with the fourth quarter of 2012 due to the weak dollar rate.
- Cash flow from operating activities amounted to SEK 21 (-32) million for the first quarter of 2013. This positive cash flow is largely explained by a reduction in working capital.
- Arctic Paper holds 54% of the shares in Rottneros and the bid process has been concluded.



The pulp stock at Vallvik Mill

CEO's statement

Global supplies of long-fibre market pulp increased by almost four per cent in 2012. Delivery volumes remained the same during the first quarter of 2013, both compared with the preceding quarter and the same quarter of the previous year. Prices according to PIX were USD 820 per tonne for NBSK compared with USD 830 per tonne last year. The market was consequently stable. However, prices for Swedish exporters like Rottneros have fallen by SEK 325 per tonne since the first quarter of 2012, though they remained relatively stable for the first quarter of this year. The sharp decline in prices has clearly had an impact on the company's turnover, as volumes have largely remained the same, but has a relatively minor impact on the result. This can be explained by the reduction in our variable costs, as our fixed overheads remain largely unchanged.

The company, including staff, customers and suppliers, have been in a state of uncertainty over the past quarter, owing to the bid process that prevailed as a result of the offer to exchange Rottneros shares for shares in Arctic Paper SA. The bid process has now been concluded; there was no merger. A new board was elected at the AGM. There are no imminent dramatic changes pending concerning deliveries to Arctic Paper or other customers. Nor have there been any changes to products. It is currently BUSINESS AS USUAL.

We are now concentrating on developing Rottneros in the best possible way with the preconditions that we have. Several projects are running in parallel and we hope that we will soon be able to revert with more concrete information. We anticipate that the Swedish currency will continue to be strong, so now everyone needs to adjust to a low-inflation economy and continued endeavours to cut costs. Pulp prices are rising and demand is stable and no net capacity will be added to our markets in the near future.

Ole Terland
President and CEO

THE PULP MARKET

Markets and products

There continued to be a good balance between supply and demand in the paper pulp market for the first quarter of 2013. The PIX' price for bleached sulphate pulp was USD 810 per tonne at the beginning of the year. Pulp producers implemented price increases of USD 30 per tonne to USD 840 per tonne at the end of March although it took longer than expected for the new prices to emerge. Most manufacturers announced further price increases to USD 860 per tonne and the price trend is clearly rising. Prices for the first quarter of 2013 were comparable with prices for the first quarter of 2012.

The PIX price for bleached long-fibre sulphate pulp was just over USD 40 per tonne higher than short-fibre sulphate pulp, both at the start and end of the first quarter of 2013, which means that the price difference remains at a historically low level.

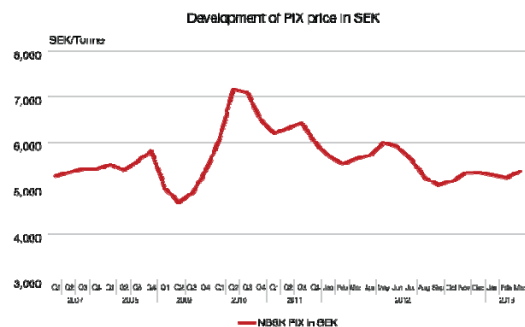
Statistics for bleached chemical market pulp for the total global market showed that deliveries for January to February 2013 amounted to SEK 6.7 (6.9) million tonnes, which was 2.2% lower than for the same period in 2012 on account of an extra shipping date in 2012. Global delivery capacity utilisation for bleached chemical pulp was 88% (92%) for the period January to February 2013. Production capacity utilisation for the same period has been estimated at 94% (92%). Global producer stocks of bleached chemical pulp amounted to approximately 4.1 (3.9) million tonnes at the end of February.

Long-fibre chemical pulp (NBSK) (produced at Vallvik)

The market for bleached long-fibre chemical pulp is well balanced with restocking over the year of approximately 160,000 tonnes to the end of February. Producer stock levels of long-fibre chemical pulp are normal, corresponding to 32 days' production, three days more than at the beginning of the year. Deliveries of bleached long-fibre chemical pulp during January to February 2013 were 1.6% lower than for the same period in 2012. Delivery capacity utilisation for the period January to February 2013 amounted to 93% (96%) and production capacity utilisation was approximately 97% (93%).

Mechanical pulp and CTMP (produced at Rottneros)

The price of CTMP amounted to approximately USD 590 to 600 per tonne in the Western European market at the beginning of the year. At the end of the first quarter, the price was USD 10 to USD 20 per tonne higher, with some variations depending on market and quality. Deliveries reduced by 11 per cent during January to February 2013 compared with the same period of 2012. Deliveries amounted to 410,000 tonnes during January to February 2013. Delivery capacity utilisation for the period January to February 2013 was 86% (99%) and production capacity utilisation was 93% (96%).



PRODUCTION AND DELIVERIES

The Group's pulp mills at Rottneros and Vallvik have a combined annual production capacity of almost 400,000 tonnes. Production amounted to 88,100 (81,900) tonnes for January to March 2013. Rottneros Mill's production of CTMP reduced slightly, while the mill's production of groundwood pulp is clearly higher this year compared to last year, as significant market-related production restrictions were made.

Deliveries amounted to 85,500 (84,700) tonnes for the first quarter of 2013. Vallvik Mill's deliveries of sulphate pulp have decreased by 1,200 tonnes compared with the same period of the previous year. Demand for, and thereby deliveries of, CTMP reduced during the first quarter of 2013. However, deliveries of groundwood pulp increased compared with the first quarter of 2012, as a consequence of a stronger market for this product.

PRODUCTION (TONNES)		
	Jan-Mar 2013	Jan-Mar 2012
Sulphate pulp	52,200	50,900
Groundwood pulp	17,100	10,700
CTMP	18,800	20,300
TOTAL	88,100	81,900

DELIVERIES (TONNES)		
	Jan-Mar 2013	Jan-Mar 2012
Sulphate pulp	51,600	52,800
Groundwood pulp	15,500	12,400
CTMP	18,400	19,500
TOTAL	85,500	84,700

Maintenance shutdowns and seasonal variations

A holiday shutdown takes place at Rottneros Mill in July and August, which is combined with minor annual maintenance work. The maintenance shutdown at Vallvik Mill this year will be taken during the fourth quarter. Costs relating to maintenance shutdowns are recognised in the period during which the shutdown takes place. Otherwise, the Rottneros Group is not affected by seasonal variations to any appreciable extent.

INVOICING AND RESULTS

January to March 2013 compared with January to March 2012

DEVIATION ANALYSIS		
	Jan-Mar 2013	Jan-Mar 2012
NBSK PIX	823	833
SEK/USD	6.43	6.75
NBSK SEK	5,295	5,620
OPERATING INCOME	-6	-3
Price		-14
Currency		-11
Volume		12
Variable costs		12
Other		-2
TOTAL		-3

Group net turnover amounted to SEK 354 (371) million for January to March 2013. The average price of long-fibre sulphate pulp (NBSK) in USD reduced by 1% (from USD 833 to USD 823), while the average price of NBSK pulp converted into SEK fell from SEK 5,620 to SEK 5,295 per tonne, a reduction of 6% on account of the development of USD.

The average price of electricity on the Nord Pool electricity exchange amounted to SEK 0.35 per kWh

for January to March 2013, which is the same level as the corresponding period of the previous year.

- Group operating income amounted to SEK -6 (-3) million for January to March 2013. Hedging activities realised for the first quarter of 2013 amounted in total to SEK 4 (-2) million.
- Group income after net financial items amounted to SEK -4 (-4) million and includes net financial items of SEK 2 (-1) million. Net financial items include financial exchange gains of SEK 3 (0) million.
- Income after tax amounted to SEK -4 (-4) million.
- Earnings per share after tax were SEK -0.03 (-0.03).
- Cash flow per share amounted to SEK 0.09 (-0.32).

January to March 2013 compared with October to December 2012

DEVIATION ANALYSIS		
	Jan-Mar 2013	Okt-Dec 2012
NBSK PIX	823	792
SEK/USD	6.43	6.66
NBSK SEK	5,295	5,272
OPERATING INCOME	-6	1
Price		-4
Currency		-10
Volume		7
Variable costs		-5
Other		5
TOTAL		-7

Group net turnover amounted to SEK 354 million for the first quarter of 2013 compared with SEK 329 million for the fourth quarter of 2012. The average price of long-fibre sulphate pulp (NBSK) in USD increased from USD 792 to USD 823, an increase of 4%. However, the average price of NBSK pulp converted into SEK basically remained the same owing to the negative development of USD.

The average price of electricity on the Nord Pool electricity exchange amounted to SEK 0.35 per kWh for the first quarter of 2013, compared with SEK 0.32 per kWh for the fourth quarter of 2012.

- Group operating income amounted to SEK -6 million for the first quarter of 2013, compared with the fourth quarter of 2012 when operating income amounted to SEK 1 million. Hedging activities realised during the first quarter of 2013 amounted to SEK 4 (-3) million.

- Group income after net financial items amounted to SEK -4 million for the first quarter of 2013, compared with a zero result for the fourth quarter of 2012.

INVESTMENTS AND FINANCIAL POSITION

- Group investments in fixed assets amounted to SEK 2 (16) million for January to March 2013.
- The Group had liquid funds amounting to SEK 39 million at the end of March 2013, compared with SEK 26 million at the end of December 2012.
- The Group had total interest-bearing liabilities of SEK 72 million on 31 March 2013 (SEK 78 million on 31 December 2012). Interest-bearing net liabilities amounted to SEK 33 million (SEK 52 million on 31 December 2012).
- Approved but unutilised credit facilities amounted in total to SEK 82 million on 31 March 2013 and total approved credit facilities amounted to SEK 150 million.
- The equity/assets ratio was 74% on 31 March 2013, which is a reduction of three percentage points compared with 31 December 2012.
- Equity per share amounted to SEK 6.46 (SEK 6.51 on 31 December 2012).

CASH FLOW

- Cash flow from operating activities before investments amounted to SEK 21 (-32) million for January to March 2013 and included cash flow of SEK 6 (-3) million from financial hedging. The reduction in working capital during the quarter had a positive effect of SEK 12 million on the cash flow. Working capital increased by SEK 34 million during the previous year owing to final payments in respect of investments in the fourth quarter of 2011.
- Cash flow after investing activities amounted to SEK 19 (-48) for January to March 2013.

AVERAGE NUMBER OF EMPLOYEES

The average number of employees was 266 (292) for January to March 2013.

TAX

Deferred tax assets amounted to SEK 50 million on 31 March 2013, which remains the same compared with 31 December 2012. Recorded deferred tax assets correspond to a carry forward of deductions for unutilised losses of SEK 212 million. There was also

an unused tax loss of SEK 174 million, for which deferred tax assets have not been recorded.

PARENT COMPANY

The parent company's income after net financial items amounted to SEK -2 (-9) million for January to March 2013. Income after net financial items includes hedging activities realised for the entire Group, which affected the result by SEK 4 (-2) million.

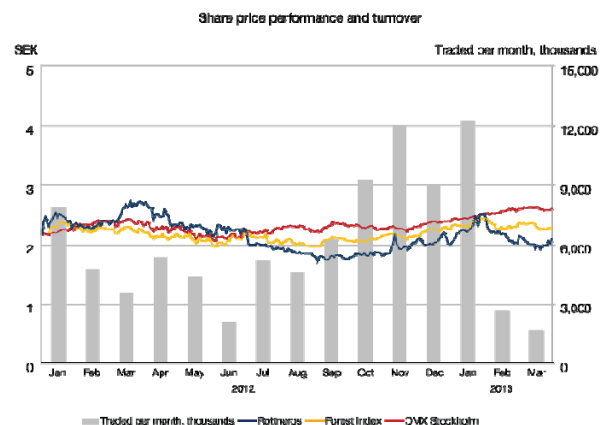
The parent company's balance sheet and income statement can be found on page 13.

SHARE INFORMATION

NUMBER OF SHARES

	31 Mars 2013
Registered number of shares	153,393,890
- of which treasury shares	821,965

Share price



LARGEST SHAREHOLDERS AT 31 MARS 2013

Shareholder	Number of shares (=votes)	Percentage of capital
Arctic Paper SA	82,726,339	53.9
JP Morgan Bank	10,265,400	6.7
Robur Försäkring	6,677,821	4.4
Clearstream Banking S.A., W8IMY	5,600,280	3.7
BBVA Ireland P.L.C	2,323,139	1.5
Åkesson, Morgan	2,140,000	1.4
Försäkringsaktiebolaget, Avanza Pension	1,722,437	1.1
Försäkrings AB Skandia	1,560,004	1.0
Larsson Bo	1,489,104	1.0
Skandinaviska Enskilda Banken S.A., W8IMY	949,000	0.6
Total holdings of 10 largest shareholders	115,453,524	75.3
Rottneros AB (treasury stock from buy-back)	821 965	0.5
Other shareholders	37,118,401	24.2
TOTAL	153 393 890	100.0

Sale of treasury shares

The number of shares in Rottneros amounts to 153,393,890. Rottneros' holding of treasury shares amounts to 821,965 shares.

Transactions with closely related parties

Rottneros sold pulp to the Arctic Paper S.A. Group (a related party), which amounted to SEK 36 million. This was conducted on normal market conditions but with a lower level of credit insurance, primarily owing to the group relationship between Arctic Paper and Rottneros.

Dividends

The AGM held on 22 March 2013 resolved not to pay any dividend.

RISK MANAGEMENT

The company's operational work involves a number of measures and strategies – for example, focusing on niches and various specific customer segments – aimed at reducing the Group's dependence on market pulp list prices and moderating fluctuations in profitability over a business cycle. The factors that have the greatest impact on the Group's results are linked with exchange rates and the prices of pulp, timber and electricity.

Profit/loss after financial items						
Group	2013		2012			
	I	IV	III	II	I	Full year
Income after financial items	-4	0	-26	36	-4	6
Whereof:						
Currency hedges	2	2	5	-2	2	7
Pulp price hedges	3	7	6	2	-	15
Electricity hedges	-1	-5	-8	-6	-4	-23
Total hedges	4	4	3	-6	-2	-1
Green electricity	1	7	5	5	5	22

Currency exposure, USD and EUR

Although Rottneros issues invoices in different currencies, the main underlying currency for the pulp price is predominantly USD. Around 10% of invoicing is contracted in SEK, with EUR as the invoicing currency. The underlying exposure to USD is thus very high, while the direct inflow of USD (the real flow) corresponds to approximately 45%. However, the impact of exchange rate fluctuations on indirect exposure is delayed, as the normal duration of a contract is between one and three months.

The average USD exchange rate was 5% lower for January to March 2013 compared with the same period of the previous year, amounting to an average of SEK 6.43/USD for the period compared with SEK 6.75/USD for January to March 2012. The impact

on revenue of a lower average USD rate in relation to SEK for the first quarter of 2013 amounted to SEK -11 million compared with the first quarter of 2012.

Currencies were hedged at the end of March 2013 in the form of forward contracts concluded for USD 15 million at an average rate of SEK 6.46/USD for deliveries in 2013. In addition to this, currencies were hedged in the form of forward contracts concluded for EUR 13 million at an average rate of SEK 9.18/EUR for electricity purchases for 2013 to 2016.

Pulp price

The price of pulp (NBSK) is set in USD, while production costs are largely incurred in SEK. Contracts for 2013 were concluded at the beginning of the year for 2,000 tonnes per month at a price of SEK 5,700 per tonne for the period January to September. The income realised by this hedging amounted to SEK 3 million for the first quarter of 2013.

Electricity

All physical electricity for the Swedish mills is purchased directly via the Nord Pool electricity exchange. Electricity prices are listed in EUR. The amount of electricity hedged at the end of March 2013 corresponded to the proportion of forecast consumption shown in the table. The table shows average prices in EUR/MWh, together with average prices in SEK/kWh (based on EUR forward rates as of 31 March 2013).

ELECTRICITY HEDGING AT 31 MARS 2013			
Year	Part hedged	EUR/MWh	SEK/kWh
2013	41%	45.4	0.42
2014	39%	46.5	0.43
2015	31%	44.3	0.41
2016	19%	37,0	0.33

Hedging contracts for EUR were concluded in respect of electricity costs for 2013 to 2016 amounting in total to EUR 13 million at an average rate of SEK 9.18/EUR.

The average price level for electricity on Nord Pool amounted to SEK 0.35 per kWh for January to March 2013.

See pages 27 to 31 of the Annual Report for 2012 for further information on risk.

MARKET VALUE (SEK million) MARS 2013				
Hedging	Hedged volume	Hedge price	Market value	Reference - spot rate 31 Märs 2013
Currency USD forward sell	USD 15 m	6.46 SEK/USD	-1	6.52 SEK/USD
Currency EUR forward buy	EUR 13 m	9.18 SEK/EUR	-9	8.34 SEK/EUR
Pulp price	12,000 tonnes	5.700 SEK (PX)	3	SEK 5.454 (PX)
Electricity	300,615 MWh	SEK 0.414/kWh	-14	SEK 0.363/kWh
Total market value			-21	

MARKET VALUE (SEK million) MARS 2012				
Hedging	Hedged volume	Hedge price	Market value	Reference - spot rate 31 Märs 2012
Currency USD forward sell	USD 28 m	6.88 SEK/USD	7	6.64 SEK/USD
Currency EUR forward buy	EUR 14 m	9.18 SEK/EUR	-2	8.65 SEK/EUR
Electricity	372,860 MWh	SEK 0.428/kWh	-29	SEK 0.197/kWh
Total market value			-24	

The table above shows the market values of all hedging contracts. The valuation refers to the liquidation value; i.e. a valuation is made in accordance with forward contracts on 31 March 2013. The reference value refers to the spot rate on 31 March and is provided as supplementary information. As a result of the application of IFRS/IAS, these market values are reflected in the balance sheet and in some cases in the income statement, but are also shown here as supplementary information.

ACCOUNTING POLICIES

This interim report has been prepared in accordance with IAS 34 'Interim Financial Reporting', which complies with Swedish law through the application of the Swedish Financial Reporting Board's Recommendation RFR 1 'Supplementary Accounting

Rules for Groups' together with RFR 2 'Accounting for Legal Entities', in respect of the parent company.

The accounting policies, definitions of key ratios and calculation methods are the same as those used in the last annual report.

FORECAST FOR 2013

The company is not providing an earnings forecast for 2013.

FORTHCOMING FINANCIAL INFORMATION

18 July 2013 Interim Report January-June 2013
 22 October 2013 Interim Report January-September 2013
 24 January 2014 Year-end Report for 2013

For more information, please visit Rottneros' updated website, www.rottneros.com.

Stockholm, 18 April 2013

Ole Terland
 President and Chief Executive Officer

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

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Rottneros discloses the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. This information was submitted for publication on 18 April 2013 at 08.00. A Swedish and an English version of this report have been drawn up. The Swedish version shall apply in the event of differences between the two reports.

DEFINITIONS OF KEY RATIOS

Equity/assets ratio

Shareholders' equity as a percentage of the balance sheet total.

Interest-bearing net assets/liabilities

Liquid assets minus interest-bearing liabilities.

Debt/equity ratio

Interest-bearing net assets/liabilities divided by shareholders' equity.

Operating margin

Operating profit after depreciation as a percentage of net turnover for the period.

Profit margin

Profit after net financial items as a percentage of net turnover for the period.

Net profit/loss

Net profit/loss is the profit/loss after tax.

Earnings per share

Net profit/loss divided by the average number of shares.

Return on capital employed

Profit after net financial items plus interest expense for the past twelve-month period divided by the average capital employed for the period in question.

Capital employed

Balance sheet total less non-interest-bearing operating liabilities including deferred tax liabilities.

Return on equity

Net profit for the past twelve-month period as a percentage of average shareholders' equity for the period in question.

Interest coverage ratio

Profit after net financial items plus interest expense, divided by interest expense.

P/E ratio

Share price at the end of the period in relation to earnings per share after tax.

Direct yield

Dividend as a percentage of the share price at the end of the period.

Operating cash flow/share

Cash flow from operating activities and normal investments divided by the number of shares.

Cash flow before investments/share

Cash flow from operating activities divided by the number of shares.

GLOSSARY

BEK	Bleached Eucalyptus Kraft, bleached eucalyptus pulp.	Mechanical pulp	Pulp produced using a mechanical process for fibre separation and processing. Has a higher level of bulk, stiffness and opacity than chemical pulp.
Chemical pulp	Pulp produced by cooking pulpwood together with chemicals. Has higher brightness and strength than mechanical pulp.	NBSK	Northern Bleached Softwood Kraft: bleached long-fibre sulphate pulp. The leading indicator of world market prices.
CTMP	Chemi-Thermo-Mechanical Pulp. Development of TMP, where the raw material is impregnated with chemicals. Stronger than TMP.	TMP	Thermo-Mechanical Pulp: mechanical pulp produced using a technique in which the chips are preheated with steam.
ECF	Elemental Chlorine Free, sulphate pulp bleached using chlorine dioxide only.	UKP	Unbleached Kraft Pulp: unbleached sulphate pulp.
Groundwood pulp (SGP)	Mechanical pulp made from roundwood.		

CONSOLIDATED PROFIT/LOSS ACCOUNTS (SEK MILLION)

	Jan-Mar 2013	Jan-Mar 2012	Full year 2012
Net turnover	354	371	1 437
Change in inventories, finished goods	9	-19	-22
Other income	17	21	84
TOTAL INCOME	380	373	1 499
Raw materials and consumables	-244	-235	-914
Other costs	-78	-83	-341
Personnel costs	-48	-45	-183
Depreciation/amortisation and write-downs	-16	-13	-55
TOTAL OPERATING COSTS	-386	-376	-1 493
OPERATING INCOME	-6	-3	6
Financial income	3	1	5
Financial expenses	-1	-2	-5
Net financial items	2	-1	0
INCOME AFTER NET FINANCIAL ITEMS	-4	-4	6
Tax on income for the year	0	0	-19
INCOME AFTER TAX	-4	-4	-13
Earnings after tax/share (SEK) ¹	-0.03	-0.03	-0.09

¹ Profit after tax per share, after dilution, is the same as the profit after tax per share.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (SEK MILLION)

	Jan-Mar 2013	Jan-Mar 2012	Full year 2012
INCOME AFTER TAX	-4	-4	-13
Other comprehensive income			
Cash-flow hedging, income before tax	-4	5	12
Cash-flow hedging, tax effect	-	-2	-4
Exchange rate differences	0	0	-1
TOTAL OTHER COMPREHENSIVE INCOME	-4	3	7
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-8	-1	-6

KEY INDICATORS THAT AFFECT TURNOVER

Pulp price NBSK, USD ¹	823	833	814
SEK/USD ²	6.43	6.75	6.78
Pulp price NBSK, SEK	5	6	6
Rottneros' deliveries, tonnes	86	85	331

¹ Source: PIX/Market Pulse.

² Source: Swedish central bank yearly average.

CONSOLIDATED BALANCE SHEET (SEK MILLION)

	Mar 2013	Mar 2012	Dec 2012
Intangible fixed assets	5	3	4
Tangible fixed assets	741	763	755
Financial fixed assets	51	77	50
Total fixed assets	797	843	809
Inventories	260	238	240
Current receivables	232	262	219
Liquid funds	39	14	26
Total current assets	531	514	485
TOTAL ASSETS	1,328	1,357	1,294
Shareholders' equity	985	1,013	993
Longterm liabilities			
Interest-bearing	-	5	-
Non interest-bearing	15	16	15
Total longterm liabilities	15	21	15
Current liabilities			
Interest-bearing	72	83	78
Non interest-bearing	256	240	208
Total current liabilities	328	323	286
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,328	1,357	1,294

CASH-FLOW ANALYSIS (SEK MILLION)

	Jan-Mar 2013	Jan-Mar 2012	Full year 2012
Operating income	-6	-3	6
Adjustment for non cash-flow items			
Depreciation/amortisation and write-downs	16	13	55
Other non cash-flow items	0	-5	-6
	10	5	55
Received/paid financial items	1	-1	1
Received/paid taxes	-2	-2	-1
Cash-flow from current operations before change in working capital	9	2	55
Change in working capital	12	-34	-14
Cash-flow from current operations	21	-32	41
Acquisition of fixed assets	-2	-16	-51
Sale of fixed assets	-	-	1
Cash-flow from investing activities	-2	-16	-50
New loans	-	42	35
Repayment of loans	-6	-1	-6
Paid dividend	-	-	-15
Cash-flow from financing activities	-6	41	14
Cash-flow for the year	13	-7	5
Liquid funds at beginning of year	26	21	21
Cash-flow for the year	13	-7	5
Translation difference in liquid funds	0	0	0
Liquid funds at end of year	39	14	26

SHARE DATA¹

		Jan-Mar 2013	Jan-Mar 2012	2012	2011	2010	2009	2008
Shares, opening ²	No.	152,572	152,572	152,572	152,572	1,525,719	180,212	180,212
Shares issued ²	No.	-	-	-	-	- 1,345,507	-	-
No. of company's own shares bought back ²	No.	-	-	-	-	- 1,373,147	-	-
Shares closing ²	No.	152,572	152,572	152,572	152,572	152,572	1,525,719	180,212
Average number of shares ²	No.	152,572	152,572	152,572	152,572	152,572	26.884	18,021
Operating income/share ^{2,5}	SEK	-0.04	-0.02	0.04	-0.77	0.90	-6.18	-16.95
Income after net financial items/share ⁵	SEK	-0.03	-0.03	0.04	-0.79	0.90	-2.58	-21.33
Income after tax/share ⁵	SEK	-0.03	-0.03	-0.09	-0.95	0.82	-2.59	-18.35
Operating cash flow/share ^{3,5}	SEK	0.09	-0.32	0.03	-0.74	0.51	2.74	-13.34
Equity/share ⁵	SEK	6.46	6.64	6.51	6.65	8.05	7.14	44.96
Dividend ⁵	SEK	-	-	-	0.10	0.20	-	-
Dividend/equity/share	%	-	-	-	1.5	2.5	-	-
Share price at end of period ⁵	SEK	2.08	2.71	2,00	2.11	4.37	6.9	10.5
Share price/equity/share	Times	0.3	0.4	0.3	0.3	0.5	1,0	0.2
P/E ratio/share	Times	Neg	Neg	Neg	Neg	5.3	Neg	Neg
Direct yield ⁴	%	-	-	5,0	4.7	4.6	-	-

¹ No key ratios were influenced by any dilution effect.

² The number of shares is stated in thousands, excluding treasury shares held by Rottneros.

³ Cash-flow after normal investments but excluding strategic investments.

⁴ Direct yield is calculated in relation to the closing listed price.

⁵ There was a reverse share split in April 2010, where ten existing shares were combined into one share. The comparison periods have been adjusted for this reverse split.

KEY RATIOS EIGHT QUARTERS

	2013		2012		2011			
	I	IV	III	II	I	IV	III	II
Net turnover, SEK m	354	329	359	378	371	337	367	409
Return on equity after full tax, %	Neg	Neg	Neg	Neg	Neg	Neg	Neg	8.5
Return on capital employed, %	1.0	1.0	Neg	Neg	Neg	Neg	Neg	11,0
Equity/assets ratio, %	74	77	76	74	75	75	78	83
Equity/share, SEK ¹	6.46	6.51	6.58	6.71	6.64	6.65	7.03	8,00
Earnings after tax/share, SEK ¹	-0.03	-0.07	-0.17	0.18	-0.03	-0.32	-0.89	0.17
Cash flow before investments/share, SEK	0.14	-0.05	0.09	0.44	-0.21	-0.15	0.18	0.36
Operating cash flow/share, SEK ¹	0.09	0.08	0,00	0.35	-0.32	-0.69	0,00	0.22
Operating margin, %	Neg	0.3	Neg	9.7	Neg	Neg	Neg	8.8

CHANGE IN SHAREHOLDERS' EQUITY (SEK MILLION)

	Jan-Mar 2013	Jan-Mar 2012	Full year 2012
Opening shareholders' equity	993	1,014	1,014
Total comprehensive income for the period	-8	-1	-6
Dividend	-	-	-15
Closing shareholders' equity	985	1,013	993

QUARTERLY DATA (SEK MILLION)

	2013		2012		2011				
	I	IV	III	II	I	IV	III	II	I
Net turnover	353	329	359	378	371	337	367	409	400
Operating income before depreciation	10	16	-15	50	10	-40	-50	54	39
Depreciation/amortisation and write-downs	-16	-15	-13	-14	-13	-3	-81	-18	-18
Operating income	-6	1	-28	36	-3	-43	-131	36	21
Net financial items	2	-1	2	-	-1	-1	-1	1	-2
Income after financial items	-4	0	-26	36	-4	-44	-132	37	19
Tax	0	-10	0	-9	0	-4	-4	-11	-5
Income after tax	-4	-10	-26	27	-4	-48	-136	26	14
Pulp production, 1,000 tonnes	88.0	86.2	72.5	89.7	81.9	70.4	77.2	88.0	88.5
Pulp deliveries, 1,000 tonnes	85.6	79.3	85.0	82.4	84.7	72.7	74.3	81.0	83.4

PARENT COMPANY PROFIT/LOSS ACCOUNTS (SEK MILLION)

	Jan-Mar 2013	Jan-Mar 2012	Full year 2012	
Net turnover		1	1	6
Other income		5	2	23
TOTAL INCOME		6	3	29
Other costs		-6	-8	-39
Personnel costs		-4	-4	-19
Depreciation		0	0	0
TOTAL OPERATING COSTS		-10	-12	-58
OPERATING INCOME		-4	-9	-29
Profit from participations in group companies			-	27
Financial income, other		3	1	2
Financial expenses, other		-1	-1	-3
Net financial items		2	0	26
INCOME AFTER NET FINANCIAL ITEMS		-2	-9	-3
Tax on income for the year		-	0	-4
INCOME AFTER TAX		-2	-9	-7

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME (SEK MILLION)

	Jan-Mar 2013	Jan-Mar 2012	Full year 2012
INCOME AFTER TAX	-2	-9	-7
Other comprehensive income			
TOTAL OTHER COMPREHENSIVE INCOME	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-2	-9	-7

PARENT COMPANY BALANCE SHEET (SEK MILLION)

	Mar 2013	Mar 2012	Dec 2012
Intangible fixed assets	4	3	4
Tangible fixed assets	1	1	1
Financial fixed assets	295	318	295
Total fixed assets	300	322	300
Current receivables	699	816	728
Liquid funds	3	2	6
Total current assets	702	818	734
TOTAL ASSETS	1,002	1,140	1,034
Shareholders' equity	950	965	951
Current liabilities			
Interest-bearing	46	79	72
Non interest-bearing	6	96	11
Total current liabilities	52	175	83
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,002	1,140	1,034

SIX YEAR REVIEW

	Jan-Mar 2013	Jan-Mar 2012	2012	2011	2010	2009	2008
KEY INDICATORS THAT AFFECT TURNOVER							
Pulp price NBSK, USD ¹	823	833	814	960	930	657	852
SEK/USD ²	6.43	6.75	6.78	6.50	7.21	7.65	6.58
Pulp price NBSK, SEK	5,295	5,620	5,519	6,229	6,705	4,989	5,617
Rottneros' deliveries, tonnes	85,600	84,700	331,400	311,400	330,300	376,700	617,900

Turnover and income, SEK million

Net turnover	353	371	1,437	1,513	1,684	1,508	2,663
Income before depreciation	10	10	61	4	224	-61	-82
Depreciation	-16	-13	-55	-120	-86	-104	-224
Operating income after depreciation	-6	-3	6	-117	138	-166	-306
Net financial items	2	-1	-0	-3	-0	97	-79
Income after net financial items	-4	-4	6	-120	138	-69	-385
Income after tax	-4	-4	-13	-144	125	-69	-331

Balance sheet items, SEK million

Fixed assets	796	843	809	841	867	849	1 149
Inventories	260	238	240	276	213	215	447
Current receivables	232	262	219	209	259	230	391
Liquid funds	39	14	26	21	155	111	45
Shareholders' equity	985	1,013	993	1,014	1,228	1,089	810
Long-term interest-bearing liabilities	0	5	0	6	10	57	692
Long-term non interest-bearing liabilities	15	16	15	11	0	1	14
Current interest-bearing liabilities	72	83	78	42	29	44	82
Current non interest-bearing liabilities	256	240	208	275	227	214	434
Balance sheet total	1,328	1,357	1,294	1,347	1,494	1,405	2,032

Financial ratios

Operating margin, %	-1,6	-0,9	0,4	-7,8	8,2	-11,0	-11,5
Profit margin, %	-1,2	-1,2	0,4	-8,0	8,2	-4,6	-14,4
Return on capital employed, %	0,1	Neg	0,1	Neg	11,6	Neg	Neg
Return on equity after full tax, %	Neg	Neg	Neg	Neg	10,8	Neg	Neg
Equity/assets ratio, %	74	75	77	75	82	78	40
Debt/equity ratio, Times	0,1	0,1	0,1	-	-0,1	0,1	1,0
Interest cover, Times	Neg	Neg	2,2	Neg	26,2	Neg	Neg

Other

Capital expenditure, SEK m	2	16	46	157	125	10	191
Average no. of employees	266	292	275	298	308	387	667

¹ Source: FOEX NBSK PIX.² Source: Swedish central bank yearly average.

ROTTNEROS IN BRIEF

Rottneros has been a supplier of customised and high quality paper pulp since the 1600s.

Around 300 people are employed at Rottneros, which had a turnover of SEK 1.5 billion in 2012.

Rottneros produces market pulp; i.e. paper pulp sold on the open market in contrast to pulp that is produced at mills with integrated paper production.

The Rottneros Group has an annual production capacity of just under 400,000 tonnes of pulp at its two mills in Rottneros and Vallvik.

Vallvik Mill produces two grades of long-fibre sulphate pulp: fully bleached sulphate pulp (ECF - Elemental Chlorine Free) and unbleached sulphate pulp (UKP - Unbleached Kraft Pulp).

Rottneros Mill manufactures CTMP and groundwood pulp, which are mechanical grades of pulp.

Business concept

Rottneros' business concept is to be an independent and flexible supplier of high-quality, customised pulp. Rottneros adapts its product range to meet the needs and high expectations of customers by continuously developing its products and providing a high level of supply reliability, technical support and service.

Business model

Rottneros operates in the market for market pulp and is a global supplier of bleached and unbleached long fibre chemical pulp, together with mechanical CTMP and groundwood pulp.

Pulp is produced at two Swedish pulp mills. Vallvik Mill produces long fibre chemical bleached sulphate pulp and long fibre chemical unbleached pulp. Rottneros Mill manufactures mechanical CTMP pulp and groundwood pulp. The mills are independent profit centres and have their own sales organisations.

Adding value

Rottneros adds value by focusing on segments where the Group's production focus and applications have achieved, or can achieve, a strong position in the market for market pulp. Examples of this include pulp for electrical applications presenting high purity requirements, filters where air permeability is crucial, food packaging where the most important factor is its stiffness, and pulp for thin printing paper with high requirements for opacity where Rottneros is an important supplier.

An essential part of adding value is the effective and rational management of the input goods required for pulp production. Rottneros primarily uses three input goods:

- Pulpwood, which accounts for approximately 38 per cent of our costs.
- Electricity, which accounts for approximately eight per cent of our costs.
- Chemicals, which accounts for around seven per cent of our costs.

In order to achieve security and stability, Rottneros is looking for long-term relationships and contracts with the suppliers of these goods.

Operative objectives and strategies

Rottneros has a number of overall objectives for its operational activities that are intended to result in a competitive return for shareholders over a business cycle by creating value and yielding dividends. In order to achieve this objective, the Group needs to create added value for its customers as well as be an attractive employer and competitive producer.

One of our objectives is growth. In order to create a favourable environment for achieving this goal, Rottneros works according to two main strategies:

- Rottneros is looking for development opportunities to strengthen the existing pulp operation through strategic alliances in Sweden and abroad. The Group is also planning to further increase capacity at Vallvik Mill.
- Rottneros is preparing for a possible entry into related activities where the Group's knowledge of pulp refining is used and is a precondition and where there are clear synergy effects. One step in this development is that the Group is running projects in cooperation with industrial and financial partners aimed at leading to the production of high-refined biofuel at both mills.

Another objective is for Rottneros to gradually lay the foundation for less volatile movements in the share price over the course of a business cycle by focusing increasingly on more specialised grades of pulp.

Rottneros, a company that was originally established in the 1600s, is an independent and flexible supplier of customised paper pulp of high quality. Rottneros has been able to adapt in order to meet high customer expectations by continually developing its products and maintaining high levels of delivery reliability, technical support and service.

Rottneros has an annual production capacity of almost 400,000 tonnes of pulp at two mills in Sweden. Increasingly intensive product development in line with the requirements of customers will result in profitability that is higher and more stable throughout the business cycle.

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