

Financial Highlights

From the interim report for the period January 1st 2008 through December 31st 2008

	Per 2008-12-31	Per 2007-12-31
Total sales	942 M SEK	1 108 M SEK
Export share	53%	53%
Profit/loss before taxes	-153,5 M SEK	171,8 M SEK
Total assets	728 M SEK	695 M SEK
Investments	103 M SEK	80 M SEK
Number of employees	243	248
Equity/assets ratio	14,1%	31,8%
Return on equity	-149,6%	77,7%

Jonas Bengtsson, Managing Director (CEO) comments:

The market for sawn timber and value-added products fell during all of 2008. The price drop amounted to 35% from the top levels late 2007. The financial crises significantly reduced the building activities on the main timber buying markets. Helped by a weakened currency Swedish producers could gain market shares in a falling market. The company's price for logs increased by 14% and high prices gave a high supply. Added to the invoiced costs for logs during the year the company's owner also decided to place a reservation of 70 MSEK for falling prices on existing, but not harvested, logging contracts. Production fell to 390 000 m³ of sawn timber due to slack demand. During the year the decision was made to close down the Ocke sawmill. The same volume can be cut at the company's remaining three mills at a lower total cost. The deliveries of value added goods was stable but the price fell sharply. The result is historically low. Massive production curtailments in the main producing countries at the end of the year indicates a better balance between supply and demand and accordingly improved margins during 2009. Productivity gains through savings and technical improvements are expected.