

Q3
2020



INTERIM REPORT
JAN–SEP 2020

Production continues to grow, profit under pressure

Positive EBIT

New production record for
the quarter, 110,2 kton

Continued strong
balance sheet



ROTTNEROS

PURE POSSIBILITIES

Rottneros interim report January-September 2020

Production continues to grow, profit under pressure

Q3 2020 COMPARED WITH (Q3 2019)

- **THE LIST PRICE** for NBSK pulp was 8 % lower in USD and 15 % lower in SEK compared with the third quarter of 2019. Compared with the second quarter of 2020, the price in SEK decreased by 9 %.
- **NET SALES** decreased by 18 % to 508 (617) MSEK in line with falling market prices and slightly lower sales volume.
- **EBIT** (operating profit) for the third quarter of 2020 was 4 (54) MSEK. A weak market due to the pandemic affected the result strongly.
- **PROFIT AFTER FINANCIAL ITEMS** for the third quarter of 2020 was -1 (49) MSEK. Earnings per share for the quarter were -0,01 (0,25) SEK.
- **PRODUCED VOLUME** amounted to 110,2 (100,3) thousand tonnes, which is a new record for a single quarter. The sales volume decreased slightly to 106,9 (110,8) thousand tonnes.
- **A STRONG BALANCE SHEET** in uncertain times. The equity/assets ratio is 56 (61) % and available liquidity amounts to 542 (576) MSEK.
- **THE CORONA PANDEMIC** has not had any negative effect on production, but the pulp market is characterized by great uncertainty and reduced demand. Measures have been taken to minimize the risk of infection spreading in the Group's facilities.

THE QUARTER AND YEAR IN FIGURES

	Jul-Sep 2020	Jul-Sep 2019	Change %	Jan-Sep 2020	Jan-Sep 2019	Change %	Rolling 12 months	Jan-Dec 2019
Net turnover, MSEK	508	617	-18	1 603	1 829	-12	2 150	2 376
EBITDA, MSEK	32	81	-60	143	379	-62	138	374
EBIT, MSEK	4	54	-93	54	298	-82	24	268
Profit after financial items, MSEK	-1	49		39	283	-86	3	247
Net income, MSEK	-1	38		28	223	-87	-1	194
Earnings per share, SEK	-0,01	0,25		0,18	1,46	-88	-0,01	1,27
Cash flow from operating activities, MSEK	55	89	-38	80	328	-76	213	462
Return on capital employed (rolling 12 months), %				1,6	20,0		1,6	17,7
Production, thousand tonnes	110,2	100,3	10	317,3	305,6	4	417,7	406,0
Deliveries, thousand tonnes	106,9	110,8	-4	310,0	305,1	2	413,2	408,3



Lennart Eberleh
President and CEO

Comments from the CEO

Our focus on continuous improvements are generating result. At the same time, the effects of the corona pandemic weigh on both the market and our profitability. A new production record for a single quarter was reached during Q3 through strong volume growth. Our committed employees, solid balance sheet and efficient mills mean that we have good resilience against a continued tough market. Our strategic focus, to take Rottneros to the next level remains.

The consequences of the corona pandemic continued to affect our operations during the third quarter. Our extensive counter measures meant that the infection was kept away from our operations, but naturally it affects both the work environment and the opportunity to meet existing and new customers.

Despite the challenges, we follow our long-term plan to increase production through continuous improvements in our processes and routines. During Q3, production increased by 10 percent compared with Q3 last year. This meant a new record level for a single quarter, just over 110 thousand tonnes. The comparison was affected by the fact that the maintenance stop at Rottneros Mill was made a quarter earlier this year compared with last year. During Q4, production levels will be affected by the planned maintenance shutdown in Vallvik in October, in line with the normal seasonal pattern.

Net turnover decreased by 18 percent during the quarter compared with the same period last year. At the same time, EBIT shrunk by 50 MSEK to 4 MSEK. The decline is explained by lower sales prices due to the weaker pulp market. As supply was greater than demand, we continued to sell a larger share than normal on short-term contracts, affecting margins negatively.

LIST PRICE MOVES SIDEWAYS DESPITE PANDEMIC

The pulp market continues to be squeezed by the pandemic's effects on the world economy. However, the list price of NBSK has been relatively stable at around USD 840 for over a year, which is an unusually long period of limited price movements. The fact that high-cost producers are now unprofitable, even taking into account only variable costs, suggests that prices should be close to the bottom and may eventually move upwards. Demand in China has picked up, which provides support for the global pulp market and the world economy in general. Demand within printing and writing paper is showing signs of leveling off after falling sharply during the first half of the year.

The long-term trend of declining pulp demand for graphic applications, in parallel with the growth of hygiene applications and packaging, means that the market is likely to trend structurally towards a more stable demand. In the US, the share of market pulp that is used for printing and writing paper currently makes up only 10 percent of the total market. Historically, the corresponding figure has been around a third of the market. Rottneros benefits from the growth in the hygiene and packaging areas as we have strong market positions in these segments.

The supply of pulp wood remains at a healthy level. The supply balance between local wood and imports was at a favorable level during the quarter. A lower production rate in the pulp and paper industry, at the same time as the bark beetle problem boosts supply of timber, is positive for the market balance and means that prices decline.

Our large electricity purchases in Rottneros Mill continue to be affected by currently significant price differences between the area price we pay and the system price, a theoretical price for the Nordics. This is due to the lack of transmission capacity between the different parts of Sweden and has meant that the price for us has been extremely high for short periods.

LAUNCH OF CLIMATE-SMART FOOD TRAYS

In October, our moulded fiber trays for ready meals were launched in supermarkets in Sweden and other countries in Europe. We are proud to finally be able to display the product on store shelves after extensive development. Our trays reduce the amount of plastic by up to 85 percent compared to traditional fossil-based packaging. The fibers the trays are made of originate from FSC certified forests in the area around Rottneros Mill.

AGILE IN A FAST-CHANGING WORLD

Due to our size, we can be quick-footed and agile in the market. By quickly moving volumes between customers and different end use segments, we have found outlets for our continuously higher production volumes, despite the tough market situation. At the same time, we have a strong focus on keeping costs under control at all levels.

Our strong balance sheet with significant liquidity makes us well prepared for the uncertainty that prevails in the economy. The equity/assets ratio at the end of the third quarter was 56 per cent. At the same time, the Group's cash and cash equivalents amounted to 360 MSEK and unutilized credits to 182 MSEK. The interest-bearing net debt was 50 MSEK.

I want to thank all colleagues for their commitment to take the Group to the next level and stand up to the great challenges we meet. Through our counter measures, we try to keep the pandemic as far away from the business as possible. We focus on completing our systematic work to take Rottneros to the next level by increased production, efficiency, sustainability and proximity to our customers.

Finally, I would like to thank our customers and suppliers for jointly handling the pandemic in the best possible way and minimizing the consequences.

Pulp market

The corona pandemic continues to affect the world's economies with the largest decline in GDP since World War II. China, which was hit first, saw a recovery already in the second quarter. Also the pulp market in China showed slightly rising prices towards the end of the third quarter. The list price for NBSK in Europe fell at the beginning of the quarter from USD 850 per tonne to USD 840 per tonne, and has remained at that level since then. Thus, the NBSK price has been in the range of 820 - 850 USD per tonne for one year. Historically, it is a low price, considering discounts, as well as it is an unusually long period with stable prices.

Globally, deliveries of chemical pulp increased by 5 percent per August, compared with a weak 2019. The increase was mainly in the first quarter, while in the third quarter it is a decrease compared with 2019. The increase that took place in 2020 has varied between segments and markets. Deliveries of short fiber pulp increased by 12 percent while long fiber pulp decreased by 2 percent, of which the NBSK segment decreased by 4 percent and UKP increased by 8 percent. China, which buys about a third of the global market pulp, has accounted for the largest increase in 2020 by 11 percent. Deliveries to North America also rose, much driven by tissue. However, demand in Europe has fallen.

Demand for tissue rose sharply at the beginning of the pandemic but has since fallen back to normal levels. In total, the production of tissue paper increased by about 5 percent during the year, and demand continues to be higher than a year ago. Tissue is today the largest end-use area for market pulp, and accounts for a third of the demand. In addition to tissue, demand has also been good for filters, packaging and electrotechnical applications.

Printing and writing papers fell sharply during the beginning of the pandemic but has since recovered slowly. The underlying trend is that the demand for printing and writing papers decreases year by year. There is a risk that the drop in demand caused by the pandemic will not be fully restored. During the third quarter, several producers have announced that they will close paper machines.

The supply of market pulp has exceeded demand and resulted in higher inventories and a pressure on prices. At the end of August, the stock level for long fiber pulp corresponded to 41 days of consumption, while the stock level for short fiber pulp was 38 days. Historically, stock levels for short fiber pulp have been higher than for long fiber pulp.

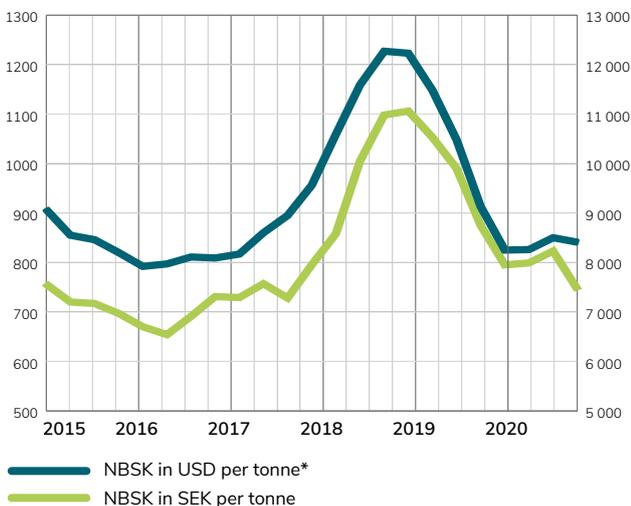
Demand for BCTMP recovered after a weak second quarter and is at about the same annual rate as 2019. Prices have shown a declining trend during the quarter, but has recovered somewhat during October.

Sales and results, Q3

Sales during the third quarter of 2020 amounted to 508 (617) MSEK, a decrease of 18 percent. Sales were negatively affected by lower sales prices and slightly lower volumes. The list price of NBSK has been at a historically low level since the fourth quarter of 2019. Compared with the third quarter of 2019, list prices in SEK fell by 15 percent. Sales were positively affected by sales of other products than pulp, which increased to 32 (16) MSEK. The pulp price hedges gave a positive outcome of 8 (4) MSEK.

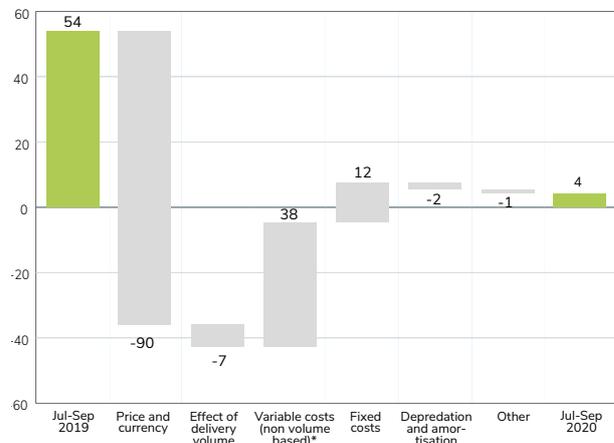
The imbalance in the electricity market between the system price and area prices continued during the third quarter. Rottneros electricity price hedges are linked to the system price. The average electricity price on the Nord Pool electricity exchange (electricity area SE3) during the

NBSK QUARTERLY GROSS PRICES 2015-2020



* Average gross prices for softwood sulphate pulp deliveries in Europe.

DIFFERENCE IN EBIT Q3 2020 COMPARED WITH Q3 2019 (MSEK)



* Variable costs are excluding costs that are related to higher or lower production and delivery volumes. Instead, such costs are included in the "volume effect", together with the volume increase/decrease in net turnover.

third quarter of 2020 amounted to 0,26 (0,38) SEK per kWh, while the system price was 0,9 (0,37) SEK per kWh. Realized loss on electricity price hedges was -9 (10) MSEK for the quarter.

The supply of wood raw material was good during the quarter and the prices of pulpwood fell. The import share was at a low level. In total, the variable costs (based on cost per tonne) improved the result by 38 MSEK.

The fixed costs for the quarter are 12 MSEK lower than the third quarter of 2019. The change is largely due to the fact that Rottneros Mill's annual maintenance shutdown was held in May 2020 when it was held in September 2019.

Depreciation according to plan amounted to 28 MSEK.

EBIT for the third quarter of 2020 was 4 (54) MSEK. The result for the quarter was mainly affected by lower pulp prices. Lower variable and fixed costs contribute positively.

Third quarter 2020 compared to third quarter 2019	Jul-Sep 2020	Jul-Sep 2019	change %
NBSK, USD	841	913	-8
SEK/USD	8,87	9,59	-7
NBSK, SEK	7 465	8 753	-15
Net turnover, MSEK	508	617	-18
EBIT, MSEK	4	54	-93

Production and deliveries

The production volume for the third quarter of 2020 was 110 200 (100 300) tonnes, an increase of 10 percent compared with the corresponding quarter last year and a new quarterly record for the Group. The comparison year is affected by the fact that Rottneros Mill's annual maintenance shutdown was held in September 2019, while this year it was held in May. The products affected are groundwood pulp and CTMP.

PRODUCTION, TONNES	Jul-Sep 2020	Jul-Sep 2019	Jan-Sep 2020	Jan-Sep 2019	Rolling 12 months	Jan-Dec 2019
Sulphate pulp	61 900	60 300	183 500	174 600	236 500	227 600
Groundwood pulp	19 000	15 800	55 300	53 200	74 200	72 100
CTMP	29 300	24 200	78 500	77 800	107 000	106 300
TOTAL	110 200	100 300	317 300	305 600	417 700	406 000

DELIVERIES, TONNES	Jul-Sep 2020	Jul-Sep 2019	Jan-Sep 2020	Jan-Sep 2019	Rolling 12 months	Jan-Dec 2019
Sulphate pulp	59 800	67 700	179 300	171 100	237 800	229 600
Groundwood pulp	18 200	17 500	52 300	58 200	68 400	74 300
CTMP	28 900	25 600	78 400	75 800	107 000	104 400
TOTAL	106 900	110 800	310 000	305 100	413 200	408 300

The investments made in increased capacity together with the continuous work to increase availability are yielding results. Production increased by 4 percent to 317 300 (305 600) tonnes for the period January-September.

Deliveries decreased by 4 percent to 106 900 (110 800) tonnes during the third quarter, while for the first nine months they increased by 2 percent to 310 000 (305 100) tonnes.

MAINTENANCE SHUTDOWN AND SEASONAL VARIATIONS

In 2020, the annual maintenance stop was held at Rottneros Mill during the second quarter. Normally, the stop was held during the third quarter. At Vallvik Mill, the maintenance stop is held during the fourth quarter, as in previous years.

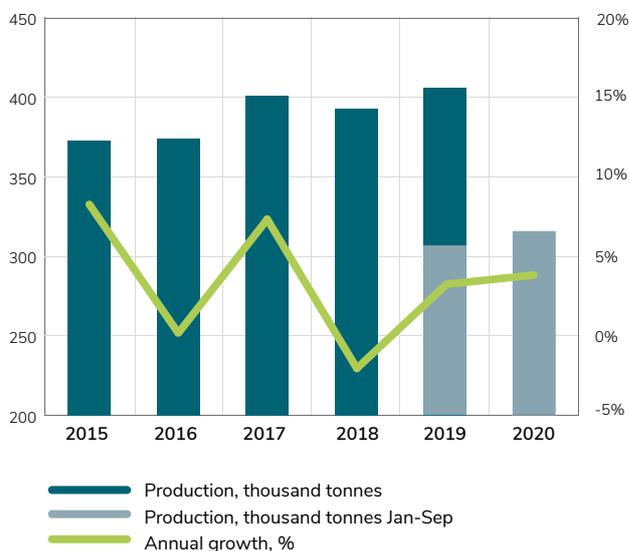
The direct costs for maintenance shutdowns are reported, in accordance with generally accepted accounting practices, in the period during which the shutdown takes place. The maintenance shutdown also involves a certain loss of production that affects sales and earnings for the quarter in which the shutdown is takes place.

	Maintenance shutdown period		Estimated cost of shutdown
	2020	2019	2020 (MSEK)
Rottneros Mill	Q2	Q3	23
Vallvik Mill	Q4	Q4	67

The estimated cost of the shutdowns includes both direct costs and the indirect effect from the loss of production, and it represents an assessment of the impact of a typical annual maintenance shutdown on earnings in relation to a quarter without a maintenance shutdown.

Generally, the Rottneros Group is not substantially affected by seasonal variations.

ANNUAL VOLUMES AND ANNUAL GROWTH



Sales and results, January-September

Sales January - September amounted to 1 603 (1 829) MSEK, a decrease of 12 percent. The list price for the NBSK market pulp fell during the period by 19 percent. The lower prices were partially offset by deliveries increasing by 4 percent to 317 300 (310 000) tonnes. Turnover was positively affected by increased sales of products other than market pulp which amounted to 82 (54) MSEK. The realized profit for pulp price hedges was 16 (1) MSEK.

The variable costs have been positively affected by falling raw material prices, but negatively by a higher cost for electricity.

The average electricity price on the Nord Pool electricity exchange (area 3) was 0,21 (0,40) SEK per kWh, while the system price was 0,11 (0,41) SEK per kWh. The imbalance between area and system prices has had a negative effect on the total electricity cost in the order of 20 MSEK. The outcome for the electricity price hedges was -24 (37) MSEK for January-September 2020.

In total, the variable costs (based on cost per tonne) had a positive effect on earnings of 68 MSEK.

The fixed costs are at the same level as the year before, at the same time as the organization has been expanded with Nykvist Skogs.

Jan-Sep 2020 compared with Jan-Sep 2019

	Jan-Sep 2020	Jan-Sep 2019	change %
NBSK, USD	839	1 036	-19
SEK/USD	9,41	9,40	0
NBSK, SEK	7 893	9 727	-19
Net turnover, MSEK	1 603	1 829	-12
EBIT, MSEK	54	298	-82

OTHER INCOME STATEMENT ITEMS

Financial expenses (net) were 15 (15) MSEK for January-September and mainly apply to the bond of 400 MSEK that Rottneros issued in August 2017.

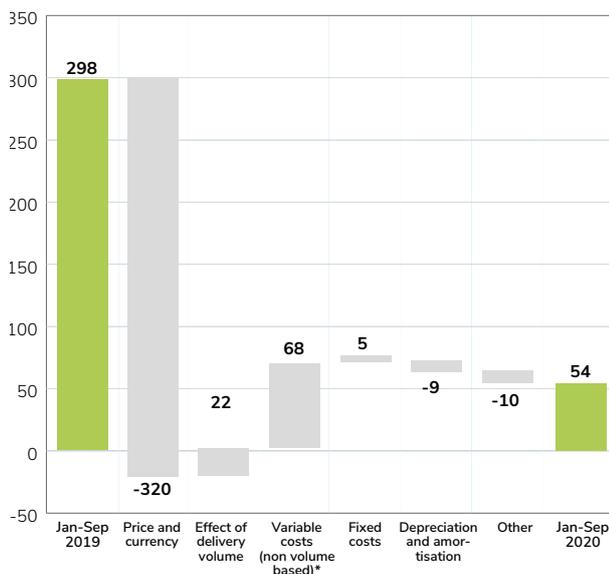
The Group's profit after financial items decreased by 86 percent to 39 (283) MSEK.

Income tax expense for January-September 2020 was 11 (60) MSEK.

Net income decreased to 28 (223) MSEK and earnings per share to 0,18 (1,46) SEK.

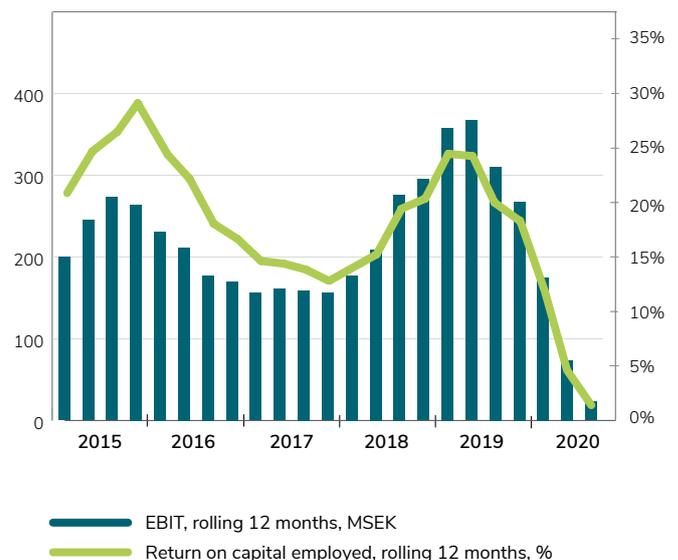
The return on capital employed, measured over a rolling 12-month period, amounted to 1,6 (20,0) percent. The return on equity, over a rolling 12 months, amounted to -0,1 (15,7) percent.

DIFFERENCES IN EBIT JAN-SEP 2020 COMPARED WITH JAN-SEP 2019 (MSEK)



* Variable costs are excluding costs that are related to higher or lower production and delivery volumes. Instead, such costs are included in the "volume effect", together with the volume increase/decrease in net turnover.

EBIT, ROLLING 12 MONTHS



Rottneros Packaging

Rottneros Packaging focuses on high-quality food packaging with very high demands on its properties. Such properties are purity, barrier properties to achieve long shelf life, surface quality and traceability.

There is a continuous development to optimize both the products and the production process. The moulded packaging trays that Rottneros produces today have a renewable raw material content of 80-95 percent.

In October, moulded trays of fresh fibers were launched for ready meals in supermarkets in Sweden and other countries in Europe.

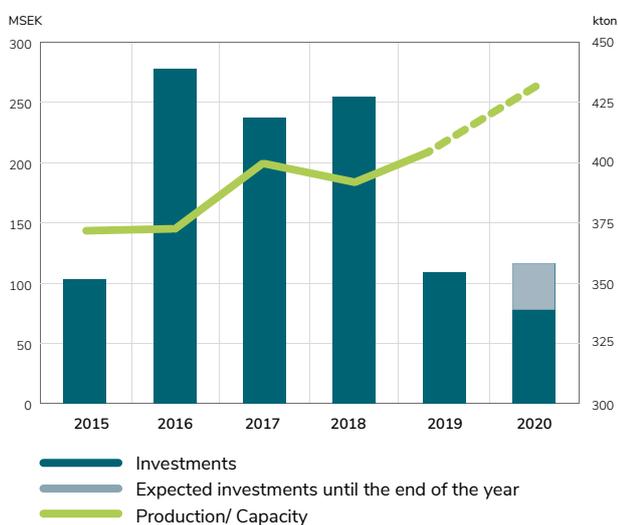
Rottneros participates in the EU innovation project "Pulpacktion" as the only Swedish industrial partner. The goal is to develop a completely renewable bio-based packaging solution at a competitive price and thereby contribute to a more sustainable development in the packaging industry. Rottneros is the coordinator of the project.

Investments

The Group's investments during January-September 2020 amounted to 95 MSEK, of which 80 (65) MSEK in tangible fixed assets, which mainly relates to reinvestments in order to maintain the technical standard that has been achieved in recent years. The investments also include an environmental investment in a fossil-free heating system for Rottneros Mill, as well as investments linked to the annual maintenance shutdown at the mill.

Investments for the year are estimated at approximately 130 MSEK, of which 115 MSEK in tangible fixed assets. Going forward, the investment level is expected to be approximately 100 MSEK per year. In addition to replacement investments, the focus will be on eliminating bottlenecks and increasing efficiency.

ROTTNEROS INVESTMENTS AND CAPACITY INCREASE



Financial position

Rottneros AB has an unsecured bond of 400 MSEK that was issued in August 2017 to primarily Nordic institutional investors. The bond has a variable interest rate of STIBOR 3m + 4,15 percent and shall be repaid in September 2022. The bond has a framework amount of 600 MSEK, which provides an opportunity to call off an additional 200 MSEK. The bond is listed on Nasdaq Stockholm. The bond terms contain the following standard covenants, and are so called incurrence covenants:

	Covenant	Outcome Q3 2020
Net debt to EBITDA ratio	Under 3,5	0,5
Equity/ Assets	Over 50 %	56 %
Divident/ Net income	Max 50 %	0 %

The Group's cash and cash equivalents amounted to 360 MSEK at the end of the third quarter of 2020, compared with 376 MSEK at the end of 2019. Interest-bearing liabilities were 411 MSEK at the end of the quarter. Interest-bearing net debt was 50 MSEK, compared with 35 MSEK at the end of 2019. Total granted and unutilized credits amounted to 182 MSEK at the end of the third quarter of 2020.

The equity/assets ratio as of September 30, 2020 was 56 (61) percent. Equity per share amounted to 8,77 (10,09) SEK at the end of the third quarter.

Cash flow

Cash flow from operating activities for January-September 2020 amounted to 80 (328) MSEK, affected by lower pulp prices on the world market and a more uncertain world market in the wake of the corona pandemic. Cash flow after investments in fixed assets was -13 (205) MSEK.

Net cash flow for the period was -16 (156) MSEK.

Parent Company

Profit after financial items for January-September 2020 in the Parent Company amounted to -37 (-4) MSEK. The result was negatively affected by electricity price hedging.

Changes in management

Arvid Svanborg took office on 1 October 2020 as the new Purchasing Director in Rottneros. He will replace Ingemar Eliasson who retires in 2021.

Average number of employees

The average number of employees was 316 (313).

Risk management

Operationally, the Company uses a number of measures and strategies – for example, focusing on niches and various specific customer segments – aimed at reducing the Group’s dependency on market pulp list prices and at moderating fluctuations in profitability over a business cycle. The factors that have the greatest impact on the Group’s results are linked to exchange rates and the price of pulp, wood and electricity.

IMPACT OF THE CORONA PANDEMIC

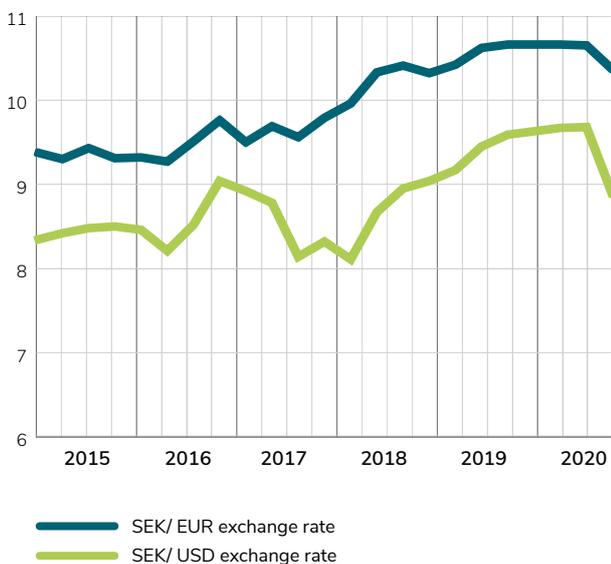
The corona pandemic and the subsequent economic slowdown impacted the market during the quarter. Despite signs that the markets were slowly stabilizing in connection with the easing of restrictions, there is still a high level of future uncertainty regarding the balance of supply and demand. Rottneros continuously monitors risks related to the corona pandemic and takes measures to minimize its impact on the Group.

CURRENCY EXPOSURE, USD AND EUR

Although Rottneros issues invoices in different currencies, the underlying currency for the pulp price is predominantly USD. The underlying exposure to USD is thus high. The direct inflow of USD (the real flow) represents approximately 50 percent of the inflow, and of EUR approximately 35 percent. However, the impact of exchange rate fluctuations on indirect exposure is delayed, as the normal term of a customer contract is between one and three months.

The average USD rate during January-September 2020 was at the same level as January-September 2019.

EXCHANGE RATE TREND 2015-2020



PULP PRICE

The pulp price (NBSK) is set in USD, while the production costs are largely in SEK. At the end of September 2020, the Group held pulp price hedges of 10 500 tonnes with a maturity between October 2020 and June 2021 at an average price of SEK 8 852 per tonne. The fair value of these unrealized price hedges was 10,4 MSEK as of 30 September, 2020.

ELECTRICITY

All external electricity to the mills, approximately 300 GWh annually, is purchased directly via the Nord Pool electricity exchange. Electricity prices are quoted in EUR. At the end of the third quarter of 2020, there were electricity price hedges according to the following table. The table shows the hedged proportion of estimated total consumption and the average price in SEK/kWh. The fair value of the unrealized electricity price hedges was -43 MSEK as of September 30, 2020.

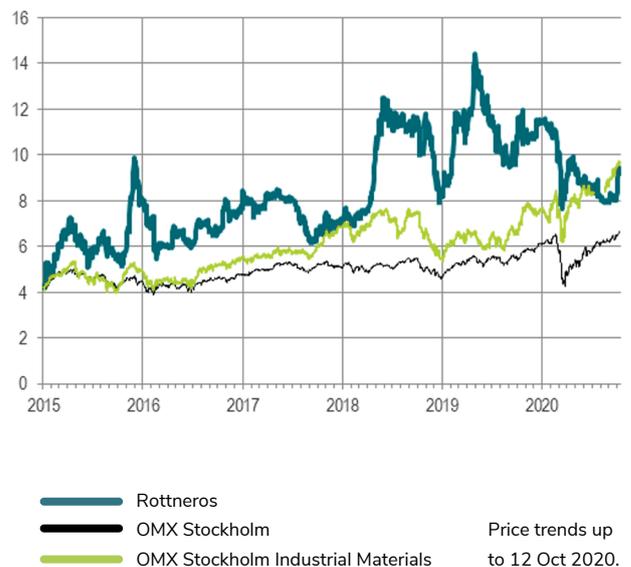
Electricity price hedges as of 30 September 2020:

Year	Proportion hedged	SEK/kWh
2020 Oct-Dec	100 %	0,224
2021	86 %	0,273
2022	77 %	0,328
2023	71 %	0,313
2024	57 %	0,325
2025	57 %	0,329

The high level of hedging protects Rottneros’ future electricity costs against sharp price fluctuations. The average price level for electricity at Nord Pool (area SE3) during January-September 2020 was 0,21 (0,40) SEK per kWh.

See pages 61-67 of the Annual Report for 2019 for further information on risks.

PRICE TREND FOR ROTTNEROS SHARES AND STOCKHOLM STOCK EXCHANGE, 2015-2020



Share information

NUMBER OF SHARES AND TREASURY SHARES

The number of shares in Rottneros totals 153 393 890. Rottneros holds 821 965 treasury shares. No change in treasury shares has occurred during 2020.

SHARE PRICE DEVELOPMENT

JANUARY-SEPTEMBER 2020

At the end of the third quarter of 2020, the share price was 8,16 (11,40 at the end of 2019) SEK. The average price in January-September was 9,33 (11,41) SEK.

TRANSACTIONS WITH RELATED PARTIES

During January - September 2020, Rottneros sold pulp to the related party Arctic Paper S.A. Group amounting to 53 (103) MSEK. Outstanding operating receivables on Arctic Paper as of 30 September, 2020 totalled 11 (47) MSEK. The transactions took place at market conditions.

LARGEST SHAREHOLDERS ON 30 SEPTEMBER 2020

Shareholders	Number of shares (= votes)	Per cent of capital
Arctic Paper S.A.	78 230 883	51,0
PROAD AB	11 110 223	7,2
UBS Switzerland AG, W8IMY	4 040 950	2,6
Försäkringsaktiebolaget, Avanza Pension	3 959 283	2,6
CBNY-DFA-INT SML CAP V	1 602 348	1,0
BNY Mellon NA (Former Mellon), W9	1 449 262	0,9
Caceis Bank, Switzerland Branch, W8IMY	1 400 000	0,9
State Street Bank and Trust Co, W9	1 153 085	0,8
Handelsbanken fonder	855 394	0,6
Caceis Bank Spain SAU, W8IMY	855 113	0,6
TOTAL For 10 largest owners - by size of holding	104 656 541	68,2
Other shareholders	47 915 384	31,2
Rottneros AB (treasury shares from buy-back)	821 965	0,5
TOTAL	153 393 890	100,0

The Nomination Committee before the AGM 2021

Rottneros Annual General Meeting will be held on Wednesday, 28 April 2021, in Söderhamn. In accordance with the guidance decided at Rottneros AGM 2020, the Nominating Committee has been appointed for the AGM 2021.

The Nominating Committee comprises Julia Onstad, appointed by Arctic Paper S.A., Stefan Sundh, appointed by PROAD AB and Per Lundeen, Chairman Rottneros AB. The Nominating Committee has appointed Julia Onstad as its Chairwoman.

The Nominating Committee's tasks are to, before the Annual General Meeting 2021, prepare and present proposals for election of the Chairperson and other members of the Board, Board fees to be divided between the chairperson, other members and remuneration for committee work, election and remuneration of the auditor, election of Chairperson of the Annual General Meeting and, where applicable, changes in the guidelines for the Nominating Committee.

Shareholders who wish to submit proposals to the Nomination Committee can do so by e-mail to: rottneros@vinge.se or by letter to: Nomination Committee, Rottneros AB (publ), c/o Advokatfirma Vinge KB, Box 11025, 404 21 Gothenburg

Such proposals must be received by the Nomination Committee no later than 15 January 2021.

Subsequent events

There are no significant events after the closing date which affects the Group's position and earnings.

Forthcoming dates

4 February, 2021	Year-end report 2020
22 March, 2021	Annual Report 2020
22 April, 2021	Interim report January-March
28 April, 2021	Annual General Meeting, Söderhamn
22 July, 2021	Interim report January-June
22 October 2021	Interim report January-September

For further information, please visit the Rottneros website, rottneros.com.

The Board of Directors and the Chief Executive Officer certify that the half-year report gives a true and fair summary of the development of the Group's operations, financial position and results of operations and describes significant risks and uncertainties faced by the company and the companies included in the Group.

Vallvik, 22 October 2020

Per Lundeen
Chairman of the Board

Marie S. Arwidson
Board Member

Ulf Carlson
Board Member

Roger Mattsson
Board Member

Conny Mossberg
Board Member

Gun-Marie Nilsson
Employee Representative

Mika Palmu
Employee Representative

Lennart Eberleh
President and CEO

This information is information that Rottneros AB is obliged to publish under the EU Market Abuse Regulation and the Securities Market Act. The information was submitted via the contact person below for publication on 22 October 2020 at 8 a.m. CET. This report has been drawn up in both a Swedish and an English version. The Swedish version shall prevail in the event of differences between the two reports.

For further information, please contact:

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CONSOLIDATED INCOME STATEMENT						
AMOUNTS IN MSEK	Jul-Sep 2020	Jul-Sep 2019	Jan-Sep 2020	Jan-Sep 2019	Rolling 12 months	Full year 2019
Net turnover	508	617	1 603	1 829	2 150	2 376
Change in inventories, finished goods	13	-53	26	7	11	-8
Other operating income	-5	13	8	33	3	28
OPERATING INCOME, TOTAL	516	577	1 637	1 869	2 164	2 396
Raw materials and consumables	-312	-305	-934	-927	-1 230	-1 223
Other external expenses	-114	-129	-361	-361	-528	-528
Employee benefit expenses	-58	-62	-199	-202	-268	-271
EBITDA (operating profit before depreciation, amortisation and impairment)	32	81	143	379	138	374
Depreciation/amortisation and impairment	-28	-27	-89	-81	-114	-106
EBIT (operating profit)	4	54	54	298	24	268
Financial income	0	0	0	0	0	0
Financial expenses	-5	-5	-15	-15	-21	-21
TOTAL FINANCIAL ITEMS	-5	-5	-15	-15	-21	-21
PROFIT AFTER FINANCIAL ITEMS	-1	49	39	283	3	247
Tax on profit/loss for the period	0	-11	-11	-60	-4	-53
NET INCOME	-1	38	28	223	-1	194
Average number of shares (thousand) ¹	152 572	152 572	152 572	152 572	152 572	152 572
EARNINGS PER SHARE (SEK) ¹	-0,01	0,25	0,18	1,46	-0,01	1,27

¹ No share-based programmes exist that result in dilution.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME						
AMOUNTS IN MSEK	Jul-Sep 2020	Jul-Sep 2019	Jan-Sep 2020	Jan-Sep 2019	Rolling 12 months	Full year 2019
NET TURNOVER	-1	38	28	223	-1	194
OTHER COMPREHENSIVE INCOME						
Items that have been or may be transferred to profit or loss for the period						
Changes in fair value of cash flow hedges	2	11	-89	-47	-119	-77
Income tax effect on changes in fair value	0	-1	19	11	25	17
Translation differences	-1	0	0	0	0	
TOTAL OTHER COMPREHENSIVE INCOME	1	10	-70	-36	-94	-60
COMPREHENSIVE INCOME FOR THE PERIOD ²	0	48	-42	187	-95	134

² The entire comprehensive income is attributable to the parent company's shareholders.

CONSOLIDATED BALANCE SHEET, SUMMARY

AMOUNTS IN MSEK	30 Sep 2020	30 Sep 2019	31 Dec 2019
Intangible non-current assets	30	14	13
Property, plant and equipment	1 196	1 165	1 198
Financial assets	50	60	69
TOTAL NON-CURRENT ASSETS	1 276	1 254	1 280
Inventories	407	404	375
Current receivables	339	467	342
Cash and cash equivalents	361	394	376
TOTAL CURRENT ASSETS	1 107	1 265	1 093
TOTAL ASSETS	2 383	2 519	2 373
SHAREHOLDERS' EQUITY	1 338	1 492	1 380
Interest-bearing liabilities	411	411	411
Deferred tax liabilities	117	156	135
Other non-interest-bearing liabilities	78	19	41
TOTAL LONG-TERM LIABILITIES	606	586	587
Interest-bearing liabilities	-	-	-
Non-interest-bearing liabilities	429	379	406
TOTAL CURRENT LIABILITIES	429	380	406
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	2 383	2 519	2 373

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY, SUMMARY

AMOUNTS IN MSEK	Share capital	Other contributed capital	Treasury shares	Other reserves		Retained earnings, incl. profit for the year	Total
				Hedging reserve	Translation difference		
Opening balance 1 January 2019	153	730	-69	106	-8	548	1 460
Net income Jan-Sep						223	223
Other comprehensive income, Jan-Sep				-36	0		-36
Total comprehensive income, Jan-Sep				-36	0	223	187
Dividend to shareholders Jan-Sep						-107	-107
Closing balance 30 September 2019	153	730	-69	70	-8	664	1 540
Net income Oct-Dec						-29	-29
Other comprehensive income, Oct-Dec				-24	0		-24
Total comprehensive income for Oct-Dec				-24	0	-29	-53
Dividend to shareholders Oct-Dec						-107	-107
Closing balance 31 December 2019	153	730	-69	46	-8	528	1 380
Net income Jan-Sep						28	28
Other comprehensive income, Jan-Sep				-70	-		-70
Total comprehensive income for Jan-Sep				-70	-	28	-42
Closing balance 30 September 2020	153	730	-69	-24	-8	556	1 338



SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

AMOUNTS IN MSEK	Jan-Sep 2020	Jan-Sep 2019	Rolling 12 months	Jan-Dec 2019
EBIT	54	298	23	267
Adjustment for items not included in the cash flow			3	3
Depreciation/amortisation and impairment	89	81	114	106
EBIT adjusted for non-cash flow affecting items	143	379	140	376
Received/paid financial items	-15	-13	-23	-21
Received/paid tax	1	0	1	0
Cash flow from operating activities before changes in working capital	129	366	118	356
Change in working capital	-49	-38	95	106
Cash flow from operating activities	80	328	213	462
Investments in fixed assets	-95	-65	-139	-109
Sale of fixed assets	2	0	2	0
Change in current loan receivables	-	-	-	-
Cash flow from investing activities	-93	-65	-137	-109
Repayment of long-term loans	-3	-	-3	-
Dividend paid	-	-107	-107	-214
Cash flow from financing activities	-3	-107	-110	-214
PERIOD'S NET CASH FLOW	-16	156	-34	138
Cash and cash equivalents at the beginning of the period	376	238	394	238
Net cash flow for the period	-16	156	-34	138
Cash and cash equivalents at the end of the period	360	394	360	376

CHANGES IN INTEREST-BEARING LIABILITIES

AMOUNTS IN MSEK	Jan-Sep 2020	Jan-Sep 2019	Rolling 12 months	Jan-Sep 2019
Interest-bearing liabilities in the balance sheet at the beginning of the period	411	395	410	395
Changes that are included in cash flow from financing activities				
Repayment of long-term loans from banks	-2	-	-2	-
Total	-2	0	-2	0
Other changes				
Posting of interest-bearing leasing debt in accordance with IFRS 16	0	15	0	15
Through acquisitions	2		2	
Accrual of direct costs in connection with the issue of bond loans that are accrued over the loan period.	0	1	1	1
Interest-bearing liabilities in the balance sheet at the end of the period	411	411	411	411

PARENT COMPANY INCOME STATEMENT

AMOUNTS IN MSEK	Jan-Sep 2020	Jan-Sep 2019	Jan-Dec 2019
Net turnover	6	5	7
Other operating income	28	9	16
OPERATING INCOME, TOTAL	34	14	23
Results from hedging activities	-24	33	49
Other expenses	-12	-12	-18
Employee benefit expenses	-18	-22	-30
EBITDA (operating loss before depreciation, amortisation and impairment)	-20	13	24
Depreciation/amortisation and impairment	-3	-3	-4
EBIT (operating loss)	-23	10	20
Profit from participations in Group companies	0	0	96
Financial income	0	0	1
Financial expenses	-14	-14	-21
TOTAL FINANCIAL ITEMS	-14	-14	76
LOSS/ PROFIT AFTER FINANCIAL ITEMS	-37	-4	96
Tax on loss/ profit for the period	-2	0	-21
NET INCOME	-39	-4	75

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

AMOUNTS IN MSEK	Jan-Sep 2020	Jan-Sep 2019	Jan-Dec 2019
NET TURNOVER	-39	-4	75
Other comprehensive income	-	-	-
TOTAL OTHER COMPREHENSIVE INCOME	-	-	-
COMPREHENSIVE INCOME FOR THE PERIOD	-39	-4	75

PARENT COMPANY BALANCE SHEET, SUMMARY

AMOUNTS IN MSEK	30 Sep 2020	30 Sep 2019	31 Dec 2019
Intangible non-current assets	8	11	10
Equipment	1	1	0
Financial assets ¹	544	293	438
TOTAL NON-CURRENT ASSETS	553	305	448
Current receivables ²	491	567	534
Cash and cash equivalents	343	493	362
TOTAL CURRENT ASSETS	834	1 060	896
TOTAL ASSETS	1 387	1 365	1 344
SHAREHOLDERS' EQUITY	741	807	779
Long-term liabilities – Interest-bearing	397	396	396
Long-term liabilities – Non-interest-bearing	44	38	42
TOTAL LONG-TERM LIABILITIES	441	434	438
Non-interest-bearing current liabilities ³	205	124	127
TOTAL CURRENT LIABILITIES	205	124	127
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1 387	1 365	1 344

¹ Includes claims against subsidiaries of 175 (121) MSEK.

² Includes claims against subsidiaries of 491 (533) MSEK

³ Includes claims against subsidiaries of 176 (100) MSEK.

Supplementary disclosures and notes, summary

ACCOUNTING POLICIES

This 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, except for government grants that are reported in accordance with IAS 20.

Unless otherwise stated, all amounts in this report are in MSEK. Rounding-off differences may occur.

NET TURNOVER

The clear majority of Rottneros' revenues is derived from the sales of pulp. Control is passed at a point in time, which coincides with the actual delivery of the goods. Revenue is recognised at fair value of the consideration received or receivable. Net turnover in the income statement consists of revenues from the sale of goods and invoiced freight, net of returns, discounts, pulp price hedges and VAT.

FINANCIAL INSTRUMENTS

The valuation is based on directly observable price quotations on the reporting date that are classified at level 2 in the fair value hierarchy described in IFRS 13.

The full fair value of a derivative instrument that constitutes a hedging instrument is classified as a non-current asset or non-current liability if the remaining maturity of

the hedged item exceeds twelve months, and as a current asset or current liability if the remaining maturity of the hedged item is less than twelve months. The maximum exposure for credit risk on the reporting date is the fair value of the derivative instruments recognised as assets in the balance sheet.

In August 2017, Rottneros AB issued an unsecured bond of 400 MSEK with a term of 5 year. The loan bears variable interest of STIBOR 3m + 4,15 per cent and must be repaid in September 2022. Direct costs in connection with the issue amounted to approximately 7 MSEK and will be reported as interest costs over the bond period. The bond, which has a framework amount of 600 MSEK, is listed on Nasdaq Stockholm. The bond terms contain standard covenants in the form of net debt to EBITDA of a maximum of 3,5, minimum equity/assets ratio of 50 %, and a maximum dividend of 50 per cent of the previous year's net income. These covenants were fulfilled on the balance sheet day.

The nature of other financial assets and liabilities is in all essential respects the same as on 31 December 2019. The carrying amounts are deemed to be equal to fair values, which was also the case at the end of 2019, since the effect of discounting is not of material significance. Accounts receivable are covered by credit insurance, which reimburses most of any bad debt losses. The Company has long-term relationships with its customers and credit losses have historically been low.

GOVERNMENT GRANTS

Rottneros has received state support in the form of compensation for sick pay, which has been reported under personnel costs and reduces these by 1,1 MSEK. The group has also benefited from lower social security contributions. Reorientation support or short-term working allowance have not been used.

ROTTNEROS' NET TURNOVER CONSISTS OF THE FOLLOWING:

Belopp i MSEK	Jul-Sep 2020	Jul-Sep 2019	Jan-Sep 2020	Jan-Sep 2019	Rolling 12 months	Full year 2019
Sales of pulp	477	599	1 495	1 775	2 019	2 299
Results from pulp price hedging	8	1	16	-1	27	10
Sales of by-products and other	7	13	34	38	47	51
Sales of pulp wood	16	3	58	16	58	16
NET TURNOVER TOTAL	508	617	1 603	1 829	2 151	2 376

FAIR VALUE FOR DERIVATIVES ON 30 SEPTEMBER 2020

Hedging	Hedged volume	Maturity	Hedging level	Fair value (MSEK)
Pulp, forward sell	10 500 tonne	Oct 2020 - June 2021	8 851 SEK/tonne	10
Electricity, forward buy	1 146 480 MWh	2020-2025	0,305 SEK/kWh	-43
Total fair value				-33

FAIR VALUE FOR DERIVATIVES ON 31 DECEMBER 2019

Hedging	Hedged volume	Maturity	Hedging level	Fair value (MSEK)
Pulp, forward sell	12 000 tonne	Jan-Sep 2020	8 878 SEK/tonne	6
Electricity, forward buy	756 480 MWh	2020-2025	0,274 SEK/kWh	50
Total fair value				56

GROUP PERFORMANCE IN SUMMARY

	Jan-Sep 2020	Jan-Sep 2019	Rolling 12 months	Full year 2019	2018	2017	2016	2015
Income statement MSEK								
Net turnover	1 603	1 829	2 150	2 376	2 260	1 912	1 730	1 795
EBITDA	143	379	138	374	394	247	221	321
Depreciation/amortisation and impairment	-89	-81	-114	-106	-99	-91	-51	-58
EBIT	54	298	24	268	295	156	170	263
Financial items (net financial items)	-15	-15	-21	-21	-19	-9	-7	-4
Profit/loss after financial items	39	283	3	247	276	147	163	259
Net income	28	223	-1	194	221	114	128	223
Cash flow statement, MSEK								
Cash flow from operating activities	80	328	213	462	223	222	187	335
Investments in non-current assets	-93	-65	-139	-109	-255	-237	-278	-103
Cash flow after investments	-13	263	73	353	-32	-15	-91	232
Cash used in/provided by financing activities	-3	-107	-107	-214	-56	325	-62	-152
Net cash flow	-16	156	-32	138	-88	310	-153	80
Balance sheet items, MSEK								
Non-current assets	1 276	1 254	1 276	1 280	1 290	1 078	905	706
Inventories	407	404	407	375	389	279	278	267
Current receivables	339	467	339	342	484	324	290	244
Cash and cash equivalents	361	394	361	376	238	326	16	169
Net debt (+) / net cash (-)	50	17	50	35	157	68	-2	-169
Equity	1 338	1 540	1 338	1 380	1 460	1 207	1 151	1 058
Long-term interest-bearing liabilities	411	411	411	411	395	394	-	-
Long-term non-interest-bearing liabilities	205	188	205	176	137	52	14	18
Current interest-bearing liabilities	-	-	-	-	-	-	14	-
Current non-interest-bearing liabilities	429	379	429	406	409	354	310	310
Capital employed	1 388	1 558	1 388	1 415	1 617	1 275	1 149	889
Total equity and liabilities	2 383	2 519	2 383	2 373	2 401	2 007	1 489	1 386
Key ratios								
EBITDA-margin, %	8,9	20,7	6,4	15,7	17,4	12,9	12,8	17,9
EBIT-margin, %	3,4	16,3	1,1	11,3	13,1	8,2	9,8	14,7
Return on shareholders' equity (rolling 12 months), %	-0,1	15,7	-0,1	13,7	16,6	9,7	11,6	21,9
Return on capital employed (rolling 12 months), %	1,6	20,0	1,6	17,7	20,4	12,9	16,7	29,1
Equity ratio,%	56	61	56	58	61	60	77	76
Debt / equity ratio,%	4	1	4	3	11	6	0	-16
Others								
Average no. of employees	316	313	310	303	303	301	282	264
Pulp production, 1,000 tonne	317,3	305,6	417,7	406,0	393,6	393,6	374,1	373,3
Pulp deliveries, 1,000 tonne	310,0	305,1	413,2	408,3	382,5	393,8	374,1	372,2
List price of NBSK pulp, USD per tonne ¹	839	1 036	912	984	1 167	882	802	857
SEK/USD ²	9,40	9,40	9,58	9,46	8,69	8,54	8,56	8,44
List price of NBSK pulp, SEK per tonne	7 883	9 745	8 593	9 304	10 144	7 530	6 867	7 228

¹ Source: Market listing of gross prices once a week. Average for each period.

² Source: Riksbanken's daily quotations. Average for each period.

QUARTERLY DATA, GROUP

	2020			2019				2018			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Income statement, MSEK											
Net turnover	508	510	585	546	617	582	630	580	567	576	537
EBITDA	32	31	80	-5	81	131	167	39	136	118	101
Depreciation/amortisation and impairment	-28	-29	-32	-25	-27	-28	-26	-27	-25	-24	-23
EBIT	4	2	48	-30	54	103	141	12	111	94	78
Financial items (net financial items)	-5	-5	-5	-7	-5	-5	-5	-5	-5	-4	-5
Profit/loss after financial items	-1	-3	43	-37	49	98	136	7	106	90	73
Tax on profit/loss for the period	0	0	-11	8	-10	-21	-28	2	-24	-17	-16
Net income	-1	-3	32	-29	39	77	108	9	82	73	57
Per share											
Earnings per share SEK	-0,01	-0,02	0,21	-0,19	0,25	0,51	0,71	0,06	0,54	0,48	0,37
Other											
Pulp, production 1 000 tonne	110	98	109,4	100,4	100,3	107,7	97,6	93,6	100,0	100,1	99,9
Pulp, deliveries 1 000 tonne	107	93	110,0	103,2	110,8	95,2	99,1	94,3	92,5	97,5	98,2
List price of NBSK pulp SEK per tonne	7 465	8 226	7 988	7 950	8 753	9 900	10 527	11 056	10 983	10 047	8 584

SHARE DATA ¹

		Jan-Sep 2020	Jan-Sep 2019	Rolling 12 months	Full year 2019	2018	2017	2016	2015
Shares outstanding, opening ²	Antal	152 572	152 572	152 572	152 572	152 572	152 572	152 572	152 572
Shares outstanding, closing ²	Antal	152 572	152 572	152 572	152 572	152 572	152 572	152 572	152 572
Average number of shares outstanding ²	Antal	152 572	152 572	152 572	152 572	152 572	152 572	152 572	152 572
Treasury shares ²	Antal	822	822	822	822	822	822	822	822
Earnings per share	SEK	0,18	1,39	0,06	1,27	1,45	0,75	0,84	1,46
Cash flow after investments/share ³	SEK	-0,08	1,73	0,49	2,30	-0,21	-0,10	-0,60	1,52
Equity per share	SEK	8,77	10,09	7,73	9,05	9,57	7,91	7,54	6,93
Dividend ⁴									
Ordinary dividend	SEK	-	-	-	-	0,40	0,30	0,30	0,30
Extra dividend	SEK	-	-	-	-	1,00	0,07	0,10	0,20
Total	SEK	-	-	-	-	1,40	0,37	0,40	0,50
Dividend/equity per share	%	-	-	-	-	14,6	4,7	5,3	7,2
Share price at end of period	SEK	8,16	11,24	8,32	11,40	8,24	7,15	8,05	8,15
Market price/equity/share	ggr	0,9	1,2	1,1	1,3	0,9	0,9	1,1	1,2
P/E ratio per share	ggr	44,4	7,7	130,3	9,0	5,7	9,5	9,6	5,6

¹ None of the key ratios are affected by any dilution effect.

² The number of shares is in thousands and excluding Rottneros' treasury shares.

³ Cash flow from operating activities less investments in non-current assets, divided by the average number of shares outstanding.

⁴ For 2019, the decided dividend is stated.

Alternative performance measures

Alternative performance measures (APM) are financial measures that are not defined in IFRS and are presented outside the financial statements. Rottneros uses the following APMs: Cash flow after investments, Net debt/net cash, Capital employed, Return on capital employed, Return on equity, Equity/assets ratio and Debt/equity ratio. The Company believes that these key ratios are useful for readers of the financial statements as a complement to

other key performance indicators to assess the Rottneros Group's financial position and profitability. Rottneros also uses the key indicators P/E ratio and Direct yield, which the Company believes are relevant for investors and other readers. APMs can be defined in different ways by other companies and therefore may not be comparable with similar measures used by other companies. som används av andra företag.

Definitions of IFRS key ratios and Alternative performance measures

EBITDA

Earnings before depreciation/amortisation and impairment, financial items and income taxes (operating profit before depreciation, amortisation and impairment).

EBIT

Earnings before financial items and income taxes (operating profit).

EBIT MARGIN

EBIT as a percentage of net turnover.

PROFIT MARGIN

Profit after financial items as a percentage of net turnover.

EARNINGS PER SHARE

Net income divided by the average number of shares outstanding.

SHAREHOLDERS' EQUITY PER SHARE

Shareholders' equity divided by number of shares.

CASH FLOW AFTER INVESTMENTS

Cash flow from operating activities less investments in non-current assets.

CAPITAL EMPLOYED

Shareholders' equity plus interest-bearing liabilities minus cash and cash equivalents.

NET DEBT/NET CASH

Interest-bearing liabilities minus cash and cash equivalents.

RETURN ON CAPITAL EMPLOYED (ROLLING 12 MONTHS)

EBIT for the past 12 months, as a percentage of average capital employed (average of capital employed at the beginning of the period and at the end of the period).

RETURN ON SHAREHOLDERS' EQUITY (ROLLING 12 MONTHS)

Net income for the past 12 months, as a percentage of average shareholders' equity (average of shareholders' equity at the beginning of the period and at the end of the period).

EQUITY/ASSETS RATIO

Equity as a percentage of the sum of shareholders' equity and liabilities.

DEBT/EQUITY RATIO

Net debt/cash as a percentage of shareholders' equity.

P/E RATIO

Share price at the end of the period in relation to earnings per share (rolling 12 months).

DIRECT YIELD

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

GLOSSARY

Market pulp	Pulp sold on the market and transported to the customer. Market pulp accounts for about one third of pulp production worldwide. The remaining two thirds are produced at integrated paper and board mills, or used internally within a group.
BCTMP	Bleached Chemi-Thermo-Mechanical Pulp: bleached mechanical pulp where the raw material is impregnated with chemicals. Stronger than TMP. The term is common in North America and Asia (see CTMP).
BEK	Bleached Eucalyptus Kraft pulp.
CTMP	Chemi-Thermo-Mechanical Pulp. Development of TMP, where the mechanical pulp is impregnated with chemicals. Stronger than TMP. The term is used in Europe for both bleached and unbleached pulp.
ECF	Elemental Chlorine Free. Sulphate pulp bleached using chlorine dioxide, not chlorine.
High-yield pulp	Groundwood pulp, TMP and CTMP/BCTMP.
Chemical pulp	Pulp produced by boiling wood raw material with chemicals. The pulp can be bleached to a higher brightness and a higher strength than mechanical pulp. Chemical pulp is usually sulphate pulp, but can also be sulphite pulp.
Short-fibre pulp	Pulp where the raw material is hardwood, which has shorter cellulose fibre than softwood.
Long-fibre pulp	Pulp where the raw material is softwood, which has longer cellulose fibre than hardwood.
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. Groundwood pulp, TMP and CTMP/BCTMP are types of mechanical pulp.
NBSK	Northern Bleached Softwood Kraft: bleached long-fibre sulphate pulp. The leading indicator of world market prices.
Groundwood pulp (SGP)	Mechanical pulp based on roundwood as a raw material.
TMP	Thermo-Mechanical Pulp: mechanical pulp produced using a technique in which the chips are preheated with steam, but without chemicals.
UKP	Unbleached Kraft Pulp, unbleached sulphate pulp.

Every care has been taken to ensure the accuracy of the information in this report, but Rottneros cannot accept any liability for any possible loss or damage as a consequence of using information in this report. The report was originally written in Swedish and translated into English.



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