

Södra's interim report

1 July-30 September 2020

- Net sales amounted to SEK 4,925 million (5,391).
- Operating profit before depreciation, amortisation and impairment amounted to SEK 415 million (858).
- Operating profit totalled SEK 93 million (512).
- The operating margin was 2 percent (9).
- Cash flow after investments was SEK 746 million (894).

Key indicators	2020 Jul-Sep	2019 Jul-Sep	2020 Jan-Sep	2019 Jan-Sep	2019 Jan-Dec
Net sales, SEK million	4,925	5,391	15,918	17,908	23,183
Operating profit before depreciation, amortisation and impairment, SEK million	415	858	1,519	3,489	3,897
Operating profit, SEK million	93	512	541	2,520	2,582
EBITDA margin, %	8	16	10	19	17
Operating margin, %	2	9	3	14	11
Return on capital employed, %	—	—	3	16	12
Equity ratio, %	—	—	57	58	59
Cash flow after investments, SEK million	746	894	800	2,301	2,227
No. of employees	—	—	3,155	3,153	3,150
CO ₂ fossil from production, ktonnes	17	18	54	51	70
CO ₂ fossil from transportation, ktonnes ¹⁾	—	—	—	—	207
Rate of forest growth, m ³ fo/ha per year ¹⁾	—	—	—	—	7.1
Lost-time-accidents (LTA ²⁾), no.	9	17	29	46	62
Lost-time-accident rate (LTAR ³⁾)	8	16	8	13	12

¹⁾ These key indicators are not calculated quarterly.

²⁾ LTA (lost-time-accident): occupational injury with absence.

³⁾ LTAR (lost-time-accident rate): the number of occupational injuries with absence per million hours worked.



Stable result given the current market conditions

Södra's operating profit for the period ending on 30 September totalled SEK 541 million (2,520). Operating profit for the third quarter was SEK 93 million. The earnings trend was driven by lower prices for market pulp, while delivery volumes for both market pulp and sawn timber remain favourable.

The global economy is forecast to contract this year due to COVID-19, despite a slight and recent recovery. A more stable and sustainable turnaround in coming years will require an easing of the uncertainty created by the pandemic. In the short term, the global economy is also affected by a number of political events, including the US presidential election and the ongoing US-China trade dispute – which is not expected to de-escalate in the very near future. Further, the EU-UK Brexit talks will receive a greater focus in the fourth quarter of this year since the transition period for the UK expires on 31 December 2020. Despite considerable uncertainty, the expansive stimulus packages launched by governments and central banks all over the world could help to ensure continued economic recovery. However, the success of these recovery packages rests on higher levels of consumer confidence, so that demand fuels the willingness of companies to invest.

Net sales for the period ending on 30 September amounted to SEK 15,918 million (17,908) and operating profit totalled SEK 541 million (2,520). The operating margin was 3 percent. Given the current market conditions, the results are considered stable. Both the decrease in sales and decline in earnings were due to considerably lower prices for market pulp compared with the year-earlier period. A weak upward trajectory meant that prices were slightly higher at the end of the quarter compared with the beginning of the year. To date this year, the price of sawn timber is lower year-on-year. Demand for Södra's core products remained favourable, while production was stable at a high level. Outbound deliveries and the quality of our products also remained high. Södra's financial position is strong with an equity ratio of 57 percent.

In line with Södra's strategy for strengthening the company's competitiveness to remain an attractive business partner, we are further intensifying the Group's focus on productivity and efficiency. During the autumn, efforts to improve our internal efficiency commenced. An important part of this process is increased digitisation. Digitisation presents new opportunities for streamlining production and administration processes, which should be utilised. Södra aims to achieve the absolute highest level of efficiency, which will strengthen the Group as well as individual employees.

A key element of Södra's strategy for sustainable and profitable growth is efficient use of wood raw material.



One good example is the biomethanol plant at Mönsterås, which was opened by the Swedish Minister for Enterprise, Ibrahim Baylan, at a virtual ceremony in early October. This is the first fossil-free plant for biomethanol in the world. The biomethanol is made from the crude methanol recovered from the manufacturing process in Södra's pulp mill and is part of the circular process that already exists at the pulp mill. Biomethanol production is therefore an efficient use of forest products and is one of the forest industry's many contributions to the transition to a bioeconomy.

The spruce bark beetle has caused significant damage in Södra's area. The outbreaks are affecting the quality of our forest products, which is why getting the wood raw material out of the forest quickly is crucial. By working together, Södra has commendably engaged its entire supply chain – from owners, contractors, employees to



mills – in efforts to limit the negative effects. These joint efforts and the favourable weather conditions yielded results. Despite a 50-percent reduction compared with last year, the level of damage is 1 million m³ on Södra members' estates, which is still extremely high.

One of Södra's overarching sustainability targets is a zero accident vision. Health and safety is a top priority and Group Senior Management is carefully monitoring the various activities that are continuously taking place in Södra's units to prevent workplace hazards and strengthen the safety culture. A safe and healthy workplace is a critical success factor. Employees are a company's most valuable asset and the ability to offer stimulating work in a safe and secure workplace is an obvious objective. This also guarantees the company's long-term competitiveness.

In the fourth quarter, Södra has planned a major maintenance shutdown at the pulp mill at Mörrum, and a minor maintenance shutdown at Mönsterås. These shutdowns will have a negative impact on operating profit for the fourth quarter. Meanwhile, from a long-term perspective, the forest industry will play a major and important role in the transition to a more sustainable society, and a broader range of forest-based products will be a key component.

Peter Karlsson

Interim President and CEO



The period in brief

The prevailing market conditions had a significant impact on Södra's operating profit. Despite higher year-on-year delivery volumes for Södra's core products, the price formation for market pulp was weaker. Sales amounted to SEK 4,925 million (5,391) and operating profit totalled SEK 93 million (512). Operating profit for the first nine months of the year totalled SEK 541 million (2,520). Return on capital employed was 3 percent (16) and the equity ratio was 57 percent.

MARKET CONDITIONS

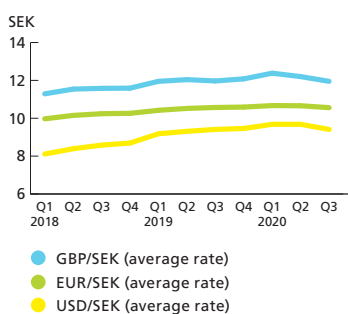
Economic indicators plummeted in the first half of the year followed by a pause for breath in the third quarter. The Purchasing Managers Index (PMI) recovered for several countries and regions, and returned to pre-pandemic levels. At the same time, international trade rose from all-time lows in April and May. However, the rise in cases of COVID-19 around the world is creating anxiety and could lead to further restrictions, which could hamper long-term economic growth.

The fourth quarter of 2020 will probably be characterised by continued caution due to the pandemic and geopolitical tensions. The US presidential election is approaching, while the US-China trade war continues. At the same time, the uncertainty surrounding Brexit is also increasing as the deadline for the transition period (31 December 2020) between the EU and the UK draws closer. Despite these dark clouds, exceptional fiscal and monetary stimulus is creating conditions for continued economic recovery. Economic growth was already highly diverse in the Euro-zone before the pandemic. Overall, the region was impacted by a sharp fall in GDP. Of the four largest economies, Spain was the worst performer with a 24-percent plunge in GDP during the first half of the year, while Germany only dropped by half that figure. Germany has launched much

larger stimulus packages than France, Spain and Italy. However, these three countries will receive larger contributions from the EU recovery fund over the next three years. The European Central Bank (ECB) has focused on responding to the crisis and keeping interest rates low rather than continuing its review of the monetary policy strategy that was launched in January. In the UK, business investment and exports have slowed due to concerns over Brexit, while the service sector has been hard hit by restrictions and low levels of consumer confidence.

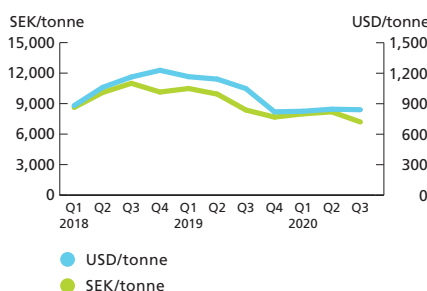
The US appears to be increasingly fragmented. Income and wealth gaps have widened by international comparison, and the pandemic seems to be accentuating this trend. The upcoming presidential election will be held under very unique circumstances for the whole world. The pandemic has led to both mandatory and self-imposed restrictions on the voting process and the number of postal votes will increase, which could cause the result announcement to be delayed. Lockdowns to slow the spread of coronavirus hit the US economy severely. Unemployment initially soared to record-high levels, but has gradually declined albeit at an increasingly slower rate. Fiscal stimulus to boost household spending helped to ease the fall in GDP during the second quarter. The Federal Reserve has held interest rates near zero and signalled that they will stay

Foreign exchange rates



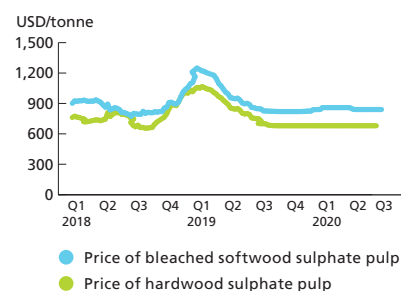
Source: ECB

Pulp prices



Source: Foex PIX Pulp Index and Södra

List price for softwood and hardwood pulp



Source: Foex PIX



there for some time to come. This interest rate decision led to an increase in consumer confidence, which is evident from statistics for home sales and new residential construction.

China's PMI turned positive and stabilised at pre-pandemic levels. The growth rate was surprisingly positive, driven by industry and exports. Any new virus outbreaks have been considerably less severe than the initial coronavirus outbreak in the city of Wuhan. Unemployment has fallen since it peaked in February, but at a declining rate. There may therefore be a risk of weak domestic consumption moving forward.

In Sweden, export volumes returned to pre-pandemic levels and the National Institute of Economic Research's (NIER) Swedish Economy Report for September was better than expected. In addition, the manufacturing industry's PMI continued to rise in September. Other positive signs included a trend towards stabilisation of the labour market. The Riksbank announced there was little scope for further interest-rate cuts and that the policy rate alone would not help inflation rise towards the target. In line with other central banks, however, the Riksbank signalled continued low interest rates in the coming years. House prices subsequently recovered following a decline in the most acute phase of the pandemic. The rising number of coronavirus cases in Norway has raised questions and is expected to slow growth that was otherwise relatively positive. The Danish economy has partly recovered following the lockdowns in March and April, but new restrictions could delay the recovery process. Lockdowns enabled control over the spread of the virus in Finland but the economy was hard hit and recovery has been sluggish.

In the third quarter, the SEK strengthened against the USD, the EUR and the GBP. In September, however, the SEK lost ground after gradually strengthening in July and August.

Both production and forest conditions remained favourable, which meant that the supply of raw material to the mills remained stable. Demand for spruce logs was very high due to increased demand for sawn timber. The focus on prioritising the removal of beetle-damaged forest continued. The future forecast remains uncertain due to the difficulty of predicting the effects of the COVID-19 pandemic.

Demand for sawn timber was very strong during the quarter, driven by strong demand in the building materials trade and normal demand in the industrial segment. Combined with a worldwide decrease in sawmill production, stocks are low across the entire supply chain, which is driving up prices for sawn timber. Demand is expected to remain favourable in the short term but uncertainty about the future remains high in the long term, in relation to the effects of COVID-19.

Following a sharp decline in (PIX) in 2019, pulp prices have remained stable, albeit low, in 2020. At the end of the quarter, the price of softwood sulphate pulp was USD 840

per tonne, compared with USD 859 at the end of the preceding quarter. The price of hardwood sulphate pulp remained stable and was USD 680 at the end of the quarter, which was unchanged compared with the preceding quarter. However, the current price for softwood sulphate pulp is considered weak, while underlying demand for Södra's products improved during the last quarter. Södra has therefore announced a price rise to USD 880 from 1 October.

The continuing pandemic is causing major uncertainty, with varying degrees of impact on market demand and thus pulp producers around the world. The price of dissolving pulp rose slightly and was USD 620 per tonne at the end of the quarter, according to CCFGroup.

NET SALES

During the quarter, consolidated net sales amounted to SEK 4,925 million (5,391), down 9 percent. The negative sales trend was due to considerably lower prices for market pulp, while delivery volumes for Södra's core products were higher year-on-year, both during the quarter and cumulative. Cumulative net sales amounted to SEK 15,918 million (17,908), and the sales trend was related to considerably lower prices for market pulp.

RESULT

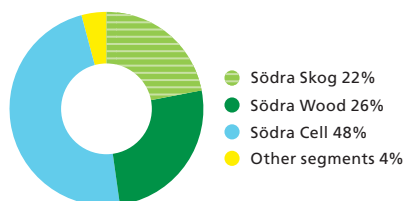
Operating profit for the quarter totalled SEK 93 million (512), representing an operating margin of 2 percent (9). Profit before tax was SEK 87 million (506). Tax expense for the period was SEK 41 million (60). Operating profit for the quarter reflects the continued weak price formation for market pulp. The result was positively impacted by favourable delivery volumes and a positive price formation for sawn timber. Södra's well-invested facilities continued to deliver high-quality and stable volumes. Outbound deliveries of market pulp and sawn timber were higher year-on-year during the period as well as cumulative. Cumulative operating profit amounted to SEK 541 million (2,520). Return on capital employed was 3 percent (16). The change in earnings was due to lower prices for market pulp.



BUSINESS AREAS

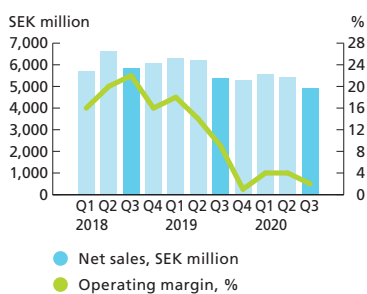
SEK million	Net sales					Operating profit				
	2020 Jul-Sep	2019 Jul-Sep	2020 Jan-Sep	2019 Jan-Sep	2019 Jan-Dec	2020 Jul-Sep	2019 Jul-Sep	2020 Jan-Sep	2019 Jan-Sep	2019 Jan-Dec
Södra Skog	2,428	2,699	8,509	8,968	11,980	35	26	88	161	298
Södra Wood	1,524	1,395	4,611	4,485	5,756	128	39	212	304	262
Södra Cell	2,545	3,054	8,039	9,804	12,594	-8	551	544	2,416	2,511
Other segments	199	215	664	924	1,231	-20	-15	-113	-29	-52
Intra-Group	—	—	—	—	—	-42	-89	-190	-332	-437
Eliminations	-1,771	-1,972	-5,905	-6,273	-8,378	—	—	—	—	—
Group	4,925	5,391	15,918	17,908	23,183	93	512	541	2,520	2,582

Sales per business area

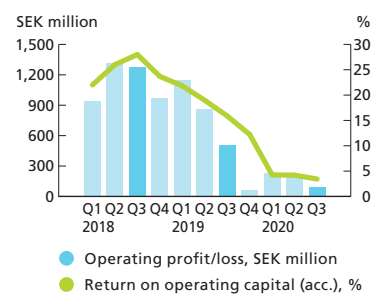


Total SEK 4,925 million, excluding internal deliveries.

Net sales and operating margin



Operating profit and return on capital employed



Södra's financial target is a minimum long-term return of 10 percent on capital employed.



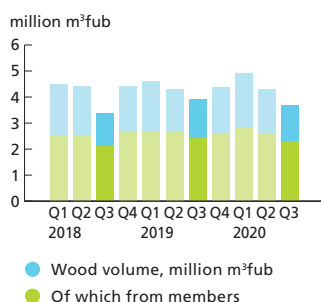
Business areas

Södra Skog

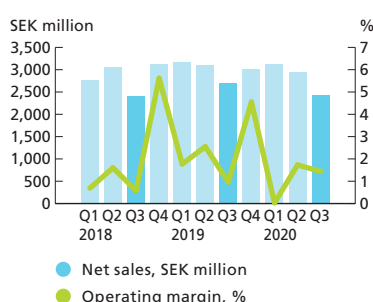
Södra Skog's operating profit for the period totalled SEK 35 million (26). The result is attributable to favourable volumes from field operations and reduced imports. During the period, Södra Skog purchased 3.7 million m³sub,

comprising 62 percent pulpwood and cellulose chips, 31 percent saw logs and 7 percent biofuels. Cumulative operating profit amounted to SEK 88 million (161).

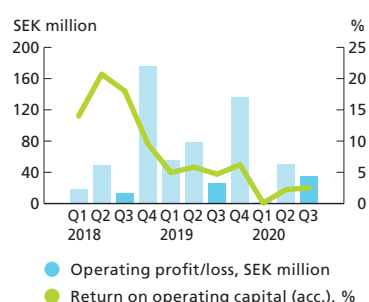
Wood volume



Net sales and operating margin



Operating profit/loss and return

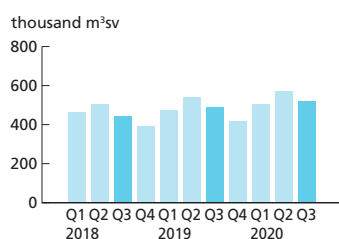


Södra Wood

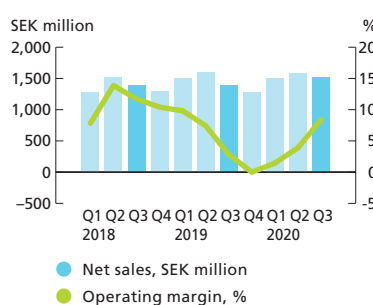
Södra Wood's operating profit for the period totalled SEK 128 million (39), reflecting the positive price formation for sawn timber and continued high demand for sawn timber. The delivery volume from Södra Wood increased to 520 thousand m³sw, compared with 490 thousand m³sw in the

year-earlier period. Sales for the quarter amounted to SEK 1,524 million (1,395). Cumulative sales amounted to SEK 4,611 million (4,485) and operating profit totalled SEK 212 million (304).

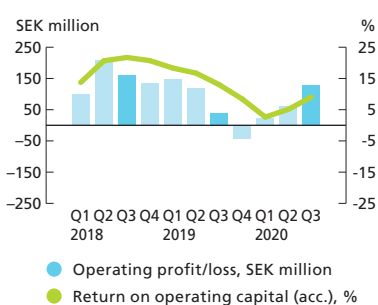
Sales volume, sawn timber



Net sales and operating margin



Operating profit/loss and return





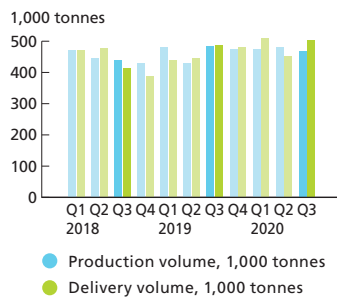
Södra Cell

Södra Cell's operating loss for the period totalled SEK 8 million (profit: 551). The earnings decline was due to lower prices for market pulp. Sales for the quarter amounted to SEK 2,545 million (3,054). The production volume totalled 468 ktonnes, comprising 401 ktonnes of softwood sulphate pulp, 29 ktonnes of hardwood sulphate pulp and 38 ktonnes of dissolving pulp.

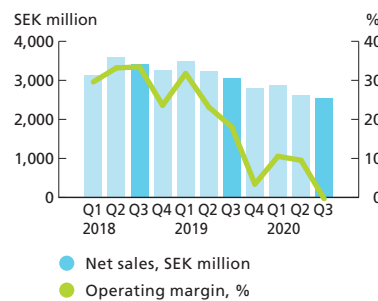
Cumulative sales amounted to SEK 8,039 million (9,804) and operating profit totalled SEK 544 million (2,416).

During the quarter, electricity generated at the pulp mills was 480 GWh. Excess electricity amounted to 149 GWh. The excess represented about 31 percent of the generated volume and was sold on the open market.

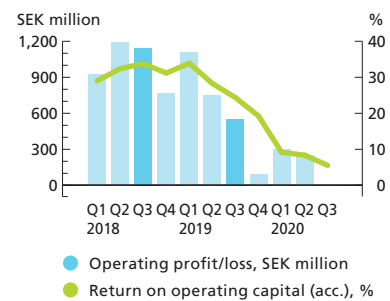
Production and delivery volume



Net sales and operating margin



Operating profit/loss and return



Other segments

Other segments reported a total loss of SEK 20 million (loss: 15) for the period. During the quarter, the build up of the demo facility in Tofte continued as planned, and Silva's operating loss for the period was SEK 17 million (loss: 5).

Operating loss for Trivselhus amounted to SEK 10 million (loss: 9). 52 houses (52) were delivered during the quarter.

Södra's participation in the SunPine associate's result for the period amounted to SEK 8 million (1).

**NET FINANCIAL ITEMS**

The Group's net financial items amounted to an expense of SEK 6 million (expense: 6) for the quarter.

CASH FLOW

Cash flow before investments amounted to SEK 997 million (1,110) for the quarter. Cash flow after investments was SEK 746 million (894). At the end of the quarter, cash and cash equivalents and current investments amounted to SEK 3,181 million (3,010 at 31 December 2019).

FINANCIAL POSITION

At 30 September 2020, equity amounted to SEK 16,822 million (17,382 at 31 December 2019), of which paid-up and issued contributed capital accounted for SEK 4,838 million (4,636 at 31 December 2019). Total assets increased to SEK 29,352 million (29,337 at 31 December 2019).

At 30 September 2020, the equity ratio was 57 percent (59 at 31 December 2019). At the end of the quarter, Södra's borrowings comprised loans of SEK 4,432 million (4,086 at 31 December 2019) from members, a six-year loan of SEK 800 million (868) from the Nordic Investment Bank and a green bond of SEK 1,000 million (1,000) listed on Nasdaq Stockholm, with a maturity of less than 12 months. Södra has four credit agreements, enabling Södra to borrow up to SEK 3,500 million over a period of one to five years. At 30 September 2020, the debt/equity ratio was 0.2 (0.2 at 31 December 2019).

INVESTMENTS, ACQUISITIONS AND DIVESTMENTS

Investments for the quarter totalled SEK 267 million (223), of which SEK 201 million (84) pertained to Södra Cell, SEK 30 million (44) to Södra Wood and SEK 21 million (46) to Södra Skog. The investments were mainly focused on expansion, productivity and the environment.

EVENTS AFTER THE CLOSE OF THE PERIOD

No significant events occurred after the balance-sheet date.

EMPLOYEES

At 30 September, the number of employees was 3,155 (3,153), of whom 23 percent (23) were women.

FUTURE OUTLOOK

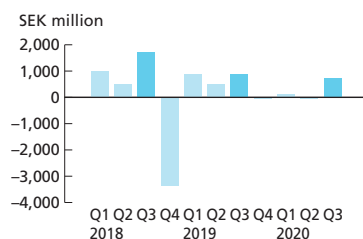
During the ongoing pandemic, operations have continued without any major disruptions. The effects of the pandemic and the fiscal measures taken to slow the spread of the virus and mitigate the economic impact are difficult to predict. In addition, there is major uncertainty regarding the lead time for a 'new normal.' Demand patterns in this new normal are also of significant interest. However, the ongoing pandemic will obviously have an adverse impact on Södra's result for 2020, and the Group is taking all necessary measures to mitigate the negative effects. From a long-term perspective, underlying demand for forest-based products is favourable in the ongoing transition towards a sustainable bioeconomy, which means that medium and long-term outlooks are still highly positive.

FOREST VALUATION

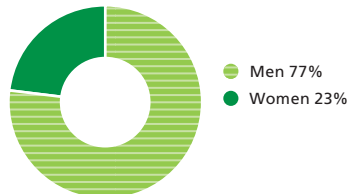
At the end of this year, Södra is planning to introduce a new accounting method for estimating the value of forest holdings in Sweden, based on the market value of completed transactions in the areas where Södra owns forest land. Preliminary estimates based on currently available transaction prices and forest management plans indicate a market value ranging from SEK 600-750 million in Sweden, compared with the existing carrying amount of SEK 212 million.

The reassessment, after provisions for deferred tax, is expected to generate a positive non-recurring effect in the fourth quarter of 2020. The reassessment of biological assets will be recognised as a positive earnings effect, while the reassessment of land assets will be recognised in other comprehensive income and not affect the result for the period.

The review is scheduled for completion in the fourth quarter.

Cash flow after investments

During the quarter, cash flow after investments was SEK 746 million.

Employees

At 30 September, the number of employees was 3,155, of whom 23 percent were women.



SUSTAINABILITY

Sustainability targets

Efforts to achieve the Group's sustainability targets continued during the quarter. Three of the targets are high priority: fossil-free production and fossil-free transportation, a higher rate of forest growth and a zero accident vision.

Fossil-fuel free

Södra is aiming for fossil-free production by 2020 and fossil-free transportation by 2030. In the third quarter of 2020, fossil carbon dioxide emissions from production, working machinery and internal transportation amounted to 17 ktonnes (18), of which direct emissions accounted for 6 ktonnes (9) and indirect emissions for 11 ktonnes (9). Södra's own harvesting teams began testing electrical power saws. The aim is to reduce our reliance on fossil fuels and spread knowledge amongst Södra's members. A feasibility study on the production of aviation biofuel from forest biomass together with KLM and other partners was completed. The results show that production is technically possible but clear policy incentives are required to attract investment.

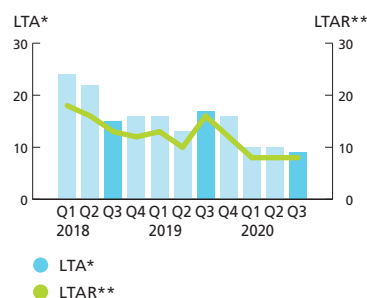
Forest growth

Södra's target is a 20 percent higher rate of forest growth by 2050 compared with 2015. The control of spruce bark beetle damage was a top priority during the quarter. The assessment is that spruce bark beetle damage has been halved in Götaland compared with the preceding year due to successful forest protection strategies and favourable weather. The aim of increasing areas for forest clearing has been temporarily put on hold in favour of spruce bark beetle control. New estimates show that wildlife browsing damage causes a long-term forest growth reduction of at least 10 percent and efforts to reduce wildlife browsing damage have intensified.

Occupational health and safety (OHS)

Södra has a zero accident vision and the lost-time-accident rate (LTAR – number of occupational injuries with absence per million hours worked) will decrease 15 percent per year by 2020. In the third quarter of 2020, the number of lost-time-accidents (LTA) was 9 (17) and the lost-time-accident rate (LTAR) was 8 (16). The focus on preventive measures will continue, including Lean practices such as risk observations and risk analyses, Behaviour-Based Safety (BBS), and Man-Technology-Organisation (MTO). Södra continuously follows the COVID-19 guidance issued by the Public Health Agency of Sweden, while information, guidelines and risk management will remain a top priority combined with ongoing efforts to ensure that Södra can offer a safe and secure workplace. During the quarter, safety walks were initiated by the CEO and HR Director in all of Södra's facilities. The aim is to further highlight the significance of systematic OHS management at Södra.

Occupational injuries



* LTA (lost-time-accident). Occupational injury with absence.

** LTAR (lost-time-accident rate). The number of lost-time-accidents per million hours worked.



THE BOARD AND PRESIDENT'S ASSURANCE

The Board of Directors and the President assure that this interim report provides a true and fair view of the Parent Company and the Group's operations, position and results and describes the significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

Växjö, 21 October 2020

Lena Ek
Chair

Paul Christensson
Vice Chair

Kristina Alsér
Board member

Dan Andersson
Employee representative

Hans Berggren
Board member

Pål Börjesson
Board member

Magnus Hall
Board member

Ylva op den Velde
Hammargren
Board member

Pontus Johansson
Employee representative

Ulf Johansson
Board member

Lars Nilsson
Employee representative

Mats Sandgren
Board member

Peter Karlsson
Interim President and CEO



Assurance report

Södra Skogsägarna ekonomisk förening, corporate identity number 729500-3789

INTRODUCTION

We have conducted a review of the interim financial information (interim report) provided by Södra Skogsägarna ekonomisk förening at 30 September 2020, and the nine-month period ending on that date. The Board of Directors and the President are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2410, 'Review of Interim Report Performed by the Independent Auditor of the Entity.' A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope compared with the focus and scope of an audit in accordance with ISAs and other generally accepted auditing standards. The procedures performed in a review

do not allow us to obtain such assurance that we become aware of all significant matters that could have been identified if an audit was performed. Accordingly, the conclusion expressed on the basis of a review does not provide the same level of assurance as a conclusion expressed on the basis of an audit.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim report has not been prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act for the Group, and the Swedish Annual Accounts Act for the Parent Company.

Växjö, 21 October 2020

Martin Johansson
Authorised Public Accountant
PricewaterhouseCoopers AB

Madeleine Edberg
Authorised Public Accountant
PricewaterhouseCoopers AB

Carina Arvidsson Löw
Member Representative Auditor

Dick Stagmo
Member Representative Auditor



Condensed consolidated statement of comprehensive income

SEK million	2020 Jul-Sep	2019 Jul-Sep	2020 Jan-Sep	2019 Jan-Sep	2019 Jan-Dec
Net sales	4,925	5,391	15,918	17,908	23,183
Other revenue	45	96	93	208	354
Operating expenses	-4,554	-4,629	-14,492	-14,627	-19,640
Depreciation, amortisation and impairment	-323	-346	-978	-969	-1,315
Operating profit	93	512	541	2,520	2,582
Net financial items	-6	-6	-97	-3	-87
Profit before tax	87	506	444	2,517	2,495
Income tax	-41	-60	-96	-335	-323
Profit for the period	46	446	348	2,182	2,172
Other comprehensive income					
Items that will not be reclassified to profit or loss	-35	-178	-43	-266	-61
Items that will be reclassified to profit or loss	19	38	0	145	43
Other comprehensive income for the period	-16	-140	-43	-121	-18
Total comprehensive income for the period	30	306	305	2,061	2,154
Profit attributable to					
Owners of the Parent	46	446	348	2,182	2,172
Profit for the period	46	446	348	2,182	2,172
Comprehensive income attributable to					
Owners of the Parent	30	306	305	2,061	2,154
Comprehensive income for the period	30	306	305	2,061	2,154



Condensed consolidated statement of financial position

SEK million	30 Sep 2020	30 Sep 2019	31 Dec 2019
ASSETS			
Intangible assets	410	382	393
Property, plant and equipment	15,224	15,190	15,118
Biological assets	2,956	2,824	2,918
Shares and participations in associates	270	310	324
Financial investments	34	14	36
Other non-current receivables	23	90	12
Deferred tax assets	4	4	4
Total non-current assets	18,921	18,814	18,805
Inventories	3,232	3,834	3,835
Tax assets	126	25	142
Operating receivables	3,892	4,257	3,545
Current investments	868	768	938
Cash and cash equivalents	2,313	2,091	2,072
Total current assets	10,431	10,975	10,532
TOTAL ASSETS	29,352	29,789	29,337
EQUITY AND LIABILITIES			
Equity attributable to owners of the Parent	16,822	17,241	17,382
Total equity	16,822	17,241	17,382
Non-current interest-bearing financial liabilities	1,210	2,322	2,368
Non-current interest-bearing operating liabilities	293	231	210
Provisions for pensions	525	740	477
Non-current provisions	111	159	143
Deferred tax liabilities	1,550	1,401	1,554
Other non-current operating liabilities	22	74	35
Total non-current liabilities	3,711	4,927	4,787
Current interest-bearing financial liabilities	5,143	3,581	3,729
Current interest-bearing operating liabilities	95	101	118
Income tax liabilities	2	88	12
Other current operating liabilities and provisions	3,579	3,851	3,309
Total current liabilities	8,819	7,621	7,168
Total liabilities	12,530	12,548	11,955
TOTAL EQUITY AND LIABILITIES	29,352	29,789	29,337



Condensed consolidated statement of changes in equity

SEK million	Total equity
Opening balance, 1 January 2020	17,382
Comprehensive income for the year	305
Contributed capital, paid-up by members	83
Contributed capital, paid-out to members	-47
Dividends to members	-901
Closing balance, 30 September 2020	16,822
Opening balance, 1 January 2019	16,011
Comprehensive income for the year	2,061
Contributed capital, paid-up by members	37
Contributed capital, paid-out to members	0
Dividends to members	-862
Other changes	-6
Closing balance, 30 September 2019	17,241

Condensed consolidated statement of cash flows

SEK million	2020 Jan-Sep	2019 Jan-Sep	2019 Jan-Dec
Profit before tax	444	2,517	2,495
Adjustment for non-cash items and change in provisions	895	697	834
Income tax paid	-80	-325	-415
Net cash flow from operating activities before change in working capital	1,259	2,889	2,914
Change in inventories (increase -)	505	-96	-14
Change in operating receivables (increase -)	-362	-262	497
Change in operating liabilities (increase +)	318	520	-54
Cash flow from operating activities	1,720	3,051	3,343
Cash flow from investing activities	-920	-750	-1,116
Cash flow after investing activities	800	2,301	2,227
Change in contributed capital	36	37	83
Dividends paid	-901	-862	-861
Change in loans from members	345	339	557
Change in loans	-90	-66	-105
Change in current investments with maturity > 90 days	61	-544	-711
Other changes	—	0	1
Cash flow from financing activities	-549	-1,096	-1,036
CASH FLOW FOR THE PERIOD	251	1,205	1,191
Cash and cash equivalents at beginning of period	2,072	873	873
Exchange gains/losses on cash and cash equivalents	-10	13	8
Cash and cash equivalents at end of period	2,313	2,091	2,072



Parent Company

RESULT AND FINANCIAL POSITION

Net sales declined to SEK 4,313 million (4,793) and operating profit decreased to SEK 84 million (443). Operating profit for the quarter reflects the continued weak price formation for market pulp. The result was positively impacted by favourable delivery volumes and a positive price formation for sawn timber. Södra's well-invested facilities continued to deliver high-quality and stable volumes. Outbound deliveries of market pulp and sawn timber were higher year-on-year during the period as well as cumulative. Cumulative net sales amounted to SEK 14,184 million (15,841) and operating profit totalled SEK 556 million (2,352).

Net financial items for the quarter amounted to SEK 1 million (1).

Profit after net financial items for the period totalled SEK 85 million (444).

MEMBERS

The number of members increased to 52,810 (52,192 at year-end) and during the quarter, the affiliated membership area increased by approximately 14 thousand hectares to 2.68 million hectares (2.64 at year-end).

Parent Company income statement, condensed

SEK million	2020 Jul-Sep	2019 Jul-Sep	2020 Jan-Sep	2019 Jan-Sep	2019 Jan-Dec
Net sales	4,313	4,793	14,184	15,841	20,453
Other revenue	41	98	104	216	191
Operating expenses	-3,987	-4,176	-12,886	-12,890	-17,290
Depreciation, amortisation and impairment	-283	-272	-846	-815	-1,098
Operating profit	84	443	556	2,352	2,256
Net financial items	1	1	-88	43	-103
Profit after financial items	85	444	468	2,395	2,153
Appropriations	—	—	—	—	-317
Profit before tax	85	444	468	2,395	1,836
Income tax	-35	-44	-80	-298	-196
Profit for the period	50	400	388	2,097	1,640



Parent Company balance sheet, condensed

SEK million	30 Sep 2020	30 Sep 2019	31 Dec 2019
ASSETS			
Intangible assets	3	1	1
Property, plant and equipment	12,921	12,962	12,978
Shares and participations in Group companies	4,653	4,568	4,604
Interest-bearing receivables from Group companies	—	—	31
Shares and participations in associates	98	245	99
Surplus in funded pension plans	2	36	40
Other non-current investments	33	14	35
Other non-current receivables	23	90	12
Deferred tax assets	42	61	60
Total non-current assets	17,775	17,977	17,860
Inventories	2,313	2,868	2,906
Current interest-bearing receivables from Group companies	901	763	710
Current receivables	3,556	3,893	3,373
Current financial investments	1,062	1,162	1,329
Cash and bank balances	1,905	1,482	1,482
Total current assets	9,737	10,168	9,800
TOTAL ASSETS	27,512	28,145	27,660
EQUITY AND LIABILITIES			
Restricted equity	6,252	6,002	6,049
Non-restricted equity	3,939	5,077	4,619
Total equity	10,191	11,079	10,669
Untaxed reserves	7,485	7,184	7,483
Provisions	113	190	183
Non-current interest-bearing liabilities from Group companies	8	8	8
Non-current interest-bearing liabilities	1,210	2,322	2,368
Non-current operating liabilities	6	—	8
Total non-current liabilities	1,224	2,330	2,384
Current interest-bearing liabilities from Group companies	228	163	154
Current interest-bearing liabilities	5,121	3,581	3,687
Current tax liabilities	—	76	—
Current operating liabilities and provisions	3,150	3,542	3,100
Total current liabilities	8,499	7,362	6,941
TOTAL EQUITY AND LIABILITIES	27,512	28,145	27,660



Notes

Note 1 | Accounting policies

Södra applies International Financial Reporting Standards (IFRSs), as adopted by the EU. This interim report for the Group was prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The Parent Company applies Recommendation RFR 2 Accounting for Legal Entities issued by the Swedish Financial Reporting Board, and the Swedish Annual Accounts Act.

The accounting policies applied are consistent with those presented in the 2019 Annual Report, except for new standards and revisions of standards and interpretations applicable to annual periods beginning on or after 1 January 2020 and that have not already been applied in the preparation of the 2019 Annual Report. The standards with impact on the consolidated financial statements and that have been applied for the first time in the financial year commencing 1 January 2020 are described below.

Definition of Material – Amendments to IAS 1 and IAS 8. The IASB has issued narrow-scope amendments to IAS 1 Presentation of Financial Statements, and to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to align the definition of materiality throughout IFRSs and in the Conceptual Framework for Financial Reporting, to clarify when information is material and to incorporate some of the guidance in IAS 1 regarding immaterial information.

Definition of a Business (Amendments to IFRS 3). Under the changed definition of a business, an acquisition must include a set of activities and assets that significantly contribute to the ability to continue producing outputs. The definition of the output of a business has been narrowed to focus on providing goods and services to customers, which generates investment income or other income from ordinary activities. The current definition does not include 'a return in the form of dividends, lower costs or other economic benefits.' These changes will probably mean that more acquisitions are recognised as asset acquisitions.

A number of new or amended standards and interpretations have not yet come into effect, and have not been applied in advance in the preparation of these financial statements. No early adoption of updates or amendments that take effect after the 2020 financial year has been planned, and none of these are expected to have any material impact on the consolidated financial statements.

The regulations for economic associations have been applied in the calculation of current tax. These mean that dividend proposal for the financial year (which will be paid out in the following year) is tax deductible in the current year and has been treated as a deduction in the calculation of current tax. The deduction has affected the tax expense recognised in net profit or loss.

All figures in the report have been rounded off to the nearest million, unless otherwise stated. As a result, some percentages and figures in the report may not correspond with the total shown, and may also differ from previously published information.

Note 2 | Risks and uncertainties

No additional material risks have been identified since the 2019 Annual Report, except that WHO has declared the outbreak of COVID-19 a pandemic. For a description of risks and uncertainties, refer to Södra's 2019 Annual Report under "Risks and risk management" on pages 48-49, and to "Events after the close of the period" on page 9 of this report. An overall description of a selection of such risk areas, and the key measures for control and management, are presented below.

Södra operates in a global market and is therefore impacted by the general economic trend and currency fluctuations, as well as more industry and Group-specific factors.

Efforts to identify, assess and manage risks are an integral and key component of Södra's business management. The Treasury Unit is responsible for managing financial risk, based on a financial policy established by the Board. Operational risks are controlled and managed by the President, management team and employees, in accordance with central policies and guidelines. Södra also has a Business Ethics Council and a Health and Safety Committee that work Group-wide with risk areas such as anti-corruption, cyber security and safety risks.

Note 3 | Related parties

There were no transactions between Södra and related parties with any significant effect on the company's financial position or result. The nature and scope of transactions with related parties are consistent with those that existed in 2019.



Note 4 | Revenue

The following table shows Södra's net sales per revenue category:

SEK million	Jul-Sep									
	Södra Skog		Södra Wood		Södra Cell		Other segments		Group	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Wood raw material	389	392	—	—	—	—	—	—	389	392
Wood products	—	—	1,333	1,185	—	—	—	-1	1,333	1,184
Market pulp	—	—	—	—	2,276	2,863	—	—	2,276	2,863
Energy products	74	108	34	43	232	150	12	9	352	310
Houses and lots	—	—	—	—	—	—	136	135	136	135
Forestry services	323	353	—	—	—	—	—	—	323	353
Transportation	51	80	—	—	—	—	—	—	51	80
Construction contracts	—	—	—	—	—	—	55	70	55	70
Other	10	2	—	—	—	—	0	2	10	4
Net sales, goods and services	847	935	1,367	1,228	2,508	3,013	203	215	4,925	5,391

Note 5 | Financial instruments

Financial assets and liabilities are essentially of the same nature and scope as in the most recently published annual report.

Group SEK million	30 Sep 2020		31 Dec 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial investments	34	34	36	36
Operating receivables	2,858	2,858	2,494	2,494
Current investments	868	868	938	938
Cash and cash equivalents	2,313	2,313	2,072	2,072
Total assets, financial instruments	6,073	6,073	5,540	5,540
Other assets, non-financial instruments	23,279		23,797	
Total assets	29,352		29,337	
Non-current liabilities	1,518	1,578	2,605	2,700
Current interest-bearing liabilities	5,238	5,296	3,847	3,890
Current operating liabilities	2,689	2,689	2,390	2,390
Total liabilities, financial instruments	9,445	9,563	8,842	8,980
Other liabilities, non-financial instruments	3,085		3,113	
Total liabilities	12,530		11,955	

The following tables present information about how fair value is determined for the financial instruments that are measured at fair value in the statement of financial position. Fair value measurements are categorised into a three-level hierarchy:

Level 1: Based on prices quoted in active markets for identical instruments.

Level 2: Based on direct or indirect observable market data not included in Level 1.

Level 3: Based on inputs that are unobservable in the market.

Group, 30 Sep 2020

SEK million	Level 1	Level 2	Level 3	Total
Assets	3,181	—	34	3,215
Liabilities	15	—	32	47

Group, 31 Dec 2019

SEK million	Level 1	Level 2	Level 3	Total
Assets	3,010	—	37	3,047
Liabilities	27	—	1	28

The fair value of financial instruments is measured on the basis of quoted market prices at the balance-sheet date. Derivatives are measured on the basis of published price quotations in an active market. For unquoted shares where a reliable market value cannot be determined, the carrying amount is used as an indicator of fair value. The fair value of debt instruments is measured using techniques such as discounting expected future cash flows at quoted market interest rates for each duration.



Note 6 | Biological assets

At 30 September 2020, the estimated fair value of Södra's standing timber was SEK 2,956 million (2,918 at 31 December 2019). The change in the balance sheet was SEK 38 million (60), and pertained to exchange-rate effects and an asset acquisition of SEK 14 million via the acquisition of Alfredsson Latvia SIA. The parameters used to measure the fair value of standing timber are updated annually.

As of 31 December 2020, Södra is planning to introduce a new accounting method for estimating the value of the company's forest holdings in Sweden, based on the market value of completed transactions in the areas where Södra owns forest land.

In light of the price of forest assets in completed forest land transactions, Södra has conducted a review of the method and assumptions used to determine the value of the Group's forest assets in the balance sheet. Based on this review, the value of forest holdings in Sweden will be determined on the basis of on their market value, while forest holdings in the Baltics will continue to be determined using the previous principle since the statistics that are available for market transactions are not considered sufficiently reliable. Södra intends to continue monitoring the possibility of assessing the value of forest holdings in the Baltics using their market value.

Note 7 | Business combinations

There were no material acquisitions or divestments during the reporting period.

Note 8 | Scheduled maintenance shutdowns

At Södra Cell, in addition to routine maintenance during normal operation, there are also planned maintenance shutdowns to perform more extensive maintenance, whereby pulp production is stopped. The earnings impact of the maintenance shutdowns varies, depending on the extent and nature of the maintenance measures and the duration of the shutdowns. The cost comprises lost revenue due to lost production, and the direct costs of the maintenance. In the third quarter, the cost of scheduled maintenance shutdowns was SEK 42 million (13).



Quarterly data and segment information

	2020 Jul-Sep	2019 Jul-Sep	2020 Jan-Sep	2019 Jan-Sep	Full-year 2019
NET SALES, SEK MILLION					
Södra Skog	2,428	2,699	8,509	8,968	11,980
of which external	(847)	(935)	(3,276)	(3,390)	(4,565)
Södra Wood	1,524	1,395	4,611	4,485	5,756
of which external	(1,367)	(1,228)	(4,056)	(3,941)	(5,006)
Södra Cell	2,545	3,054	8,039	9,804	12,594
of which external	(2,508)	(3,013)	(7,923)	(9,654)	(12,383)
Other segments	199	215	664	924	1,231
of which external	(203)	(215)	(664)	(924)	(1,229)
Intra-Group	—	—	—	—	—
Eliminations	-1,771	-1,972	-5,905	-6,273	-8,378
Group	4,925	5,391	15,918	17,908	23,183
OPERATING PROFIT/LOSS BEFORE DEPRECIATION, AMORTISATION AND IMPAIRMENT, SEK MILLION					
Södra Skog	54	44	140	212	366
Södra Wood	175	89	363	452	462
Södra Cell	231	780	1,261	3,098	3,432
Other segments	-10	-11	-78	-2	3
Intra-Group	-35	-44	-167	-271	-366
Eliminations	—	—	—	—	—
Group	415	858	1,519	3,489	3,897
OPERATING PROFIT, SEK MILLION					
Södra Skog	35	26	88	161	298
Södra Wood	128	39	212	304	262
Södra Cell	-8	551	544	2,416	2,511
Other segments	-20	-15	-113	-29	-52
Intra-Group	-42	-89	-190	-332	-437
Eliminations	—	—	—	—	—
Group	93	512	541	2,520	2,582
OPERATING MARGIN, %					
Södra Skog	1	1	1	2	2
Södra Wood	8	3	5	7	5
Södra Cell	neg.	18	7	25	20
Other segments	neg.	neg.	neg.	neg.	neg.
Intra-Group	neg.	neg.	neg.	neg.	—
Eliminations	—	—	—	—	—
Group	2	9	3	14	11
ASSETS, SEK MILLION					
Södra Skog	—	—	4,081	3,881	3,772
Södra Wood	—	—	3,212	3,063	3,017
Södra Cell	—	—	17,758	17,527	17,484
Other segments	—	—	1,536	1,345	1,269
Intra-Group	—	—	3,976	5,062	4,869
Eliminations	—	—	-1,211	-1,089	-1,074
Group	—	—	29,352	29,789	29,337
AVERAGE OPERATING CAPITAL, SEK MILLION					
Södra Skog	—	—	4,626	4,567	4,795
Södra Wood	—	—	3,126	3,115	3,111
Södra Cell	—	—	13,114	13,225	13,044
Other segments	—	—	1,179	1,265	1,234
Intra-Group	—	—	—	—	—
Eliminations	—	—	—	—	—
Group, average capital employed	—	—	21,056	21,156	21,104



	2020 Jul-Sep	2019 Jul-Sep	2020 Jan-Sep	2019 Jan-Sep	Full-year 2019
RETURN ON OPERATING CAPITAL, %					
Södra Skog	—	—	3	5	6
Södra Wood	—	—	9	13	8
Södra Cell	—	—	6	24	19
Other segments	—	—	neg.	neg.	neg.
Intra-Group	—	—	—	—	—
Eliminations	—	—	—	—	—
Consolidated return on capital employed, %	—	—	3	16	12
CASH FLOW AFTER INVESTMENTS, SEK MILLION					
Södra Skog	327	243	642	580	129
Södra Wood	481	174	382	132	131
Södra Cell	80	717	419	2,197	2,653
Other segments	-142	-7	-240	151	137
Intra-Group	0	-233	-403	-759	-823
Eliminations	—	—	—	—	—
Group	746	894	800	2,301	2,227
INVESTMENTS, SEK MILLION					
Södra Skog	21	46	77	96	145
Södra Wood	30	44	138	255	384
Södra Cell	201	84	665	442	684
Other segments	13	9	51	10	11
Intra-Group	2	40	25	120	40
Eliminations	—	—	—	-136	-136
Group	267	223	956	787	1,128
AVERAGE NO. OF EMPLOYEES					
Södra Skog	—	—	616	624	599
Södra Wood	—	—	912	889	902
Södra Cell	—	—	1,182	1,163	1,177
Other segments	—	—	180	200	197
Intra-Group	—	—	237	254	251
Eliminations	—	—	—	—	—
Group	—	—	3,127	3,130	3,126



Alternative performance measures

Södra manages its operations by analysing key indicators. Some of these financial key indicators are defined or specified in applicable regulations for financial information, or by other applicable laws. All others are referred to as

alternative performance measures (APMs). Södra uses the following alternative performance measures and believes they provide valuable complementary information for analysing Södra's performance.

NET SALES, CHANGE IN %

	2020 Jan-Sep	2019 Jan-Sep	2019 Jan-Dec
Opening net sales	17,908	18,168	24,230
Closing net sales	15,918	17,908	23,183
Change	-11	-1	-4

Shows Södra's growth.

OPERATING PROFIT BEFORE DEPRECIATION, AMORTISATION AND IMPAIRMENT, SEK MILLION

	2020 Jan-Sep	2019 Jan-Sep	2019 Jan-Dec
Operating profit	541	2,520	2,582
Depreciation, amortisation and impairment	978	969	1,315
Operating profit before depreciation, amortisation and impairment	1,519	3,489	3,897

A complement to operating profit/loss, which shows the items on the income statement that affect cash flow.

EBITDA MARGIN, %

	2020 Jan-Sep	2019 Jan-Sep	2019 Jan-Dec
Operating profit before depreciation, amortisation and impairment	1,519	3,489	3,897
Net sales	15,918	17,908	23,183
EBITDA margin	10	19	17

The EBITDA margin shows the percentage of surplus on each SEK earned less operating costs, but before depreciation, amortisation and impairment. This measure gives an overall view of the cash flow generated. The measurement is used to produce an overall trend analysis of Södra's performance, and for comparison with other companies.

OPERATING PROFIT, SEK MILLION

	2020 Jan-Sep	2019 Jan-Sep	2019 Jan-Dec
Net sales	15,918	17,908	23,183
Other revenue	93	208	319
Operating expenses	-14,492	-14,627	-19,605
Depreciation, amortisation and impairment	-978	-969	-1,315
Operating profit	541	2,520	2,582

Operating profit/loss shows the surplus on sales less operating costs, including depreciation, amortisation and impairment. This is an essential measure for producing a trend analysis of Södra's performance, and for comparison with other companies.

OPERATING MARGIN, %

	2020 Jan-Sep	2019 Jan-Sep	2019 Jan-Dec
Operating profit	541	2,520	2,582
Net sales	15,918	17,908	23,183
Operating margin	3	14	11

The operating margin is a measurement of the proportion of surplus on each sales SEK less operating costs, including depreciation, amortisation and impairment. This surplus is used to cover interest expenses and tax, and to provide acceptable dividends. The measurement is used to produce an overall trend analysis of Södra's performance, and for comparison with other companies.



NET DEBT, SEK MILLION

	2020 Jan-Sep	2019 Jan-Sep	2019 Jan-Dec
Interest-bearing provisions	—	—	—
Interest-bearing liabilities	6,741	6,235	6,425
Financial receivables	0	—	—
Current investments and cash and cash equivalents	-3,181	-2,859	-3,010
Net debt	3,560	3,376	3,415

Shows Södra's financial strength.

DEBT/EQUITY RATIO, TIMES

	2020 Jan-Sep	2019 Jan-Sep	2019 Jan-Dec
Net debt, SEK million	3,560	3,376	3,415
Equity	16,822	17,241	17,382
Debt/equity ratio	0.2	0.2	0.2

The debt/equity ratio is used to measure Södra's financial strength and, in combination with the equity ratio, is the measurement most frequently used by management to monitor the Group's financial leverage.

CAPITAL EMPLOYED, SEK MILLION

	2020 Jan-Sep	2019 Jan-Sep	2019 Jan-Dec
Assets	29,352	29,789	29,337
Financial assets	-3,215	-2,873	-3,046
Provisions*	-111	-159	-143
Income tax*	-1,552	-1,489	-1,566
Non-interest-bearing operating liabilities	-3,601	-3,925	-3,344
Capital employed	20,873	21,343	21,238
Average	21,056	21,156	21,104

* Not considered in the calculation of Operating capital.

Capital employed shows the capital used by Södra and is a component of Return on capital employed.

RETURN ON CAPITAL EMPLOYED, %

	2020 Jan-Sep	2019 Jan-Sep	2019 Jan-Dec
Average capital employed	21,056	21,156	21,104
Operating profit	541	2,520	2,582
12-month operating profit	721	3,360	2,582
Return	3	16	12

Return on capital employed is a measure of the interest that Södra pays on capital tied up in operations.

EQUITY RATIO, %

	2020 Jan-Sep	2019 Jan-Sep	2019 Jan-Dec
Equity	16,822	17,241	17,382
Assets	29,352	29,789	29,337
Equity ratio	57	58	59

An established and key measure of Södra's financial strength. Shows the proportion of total assets financed by equity. The measure indicates the ability to pay long-term liabilities, since any future losses will be deducted from equity.

DEFINITIONS

Operating profit/loss before depreciation, amortisation and impairment, SEK million
Operating profit/loss excluding depreciation and amortisation of property, plant and equipment and intangible assets.

EBITDA margin, %
Operating profit/loss excluding depreciation and amortisation of property, plant and equipment and intangible assets expressed as a percentage of net sales.

Operating profit, SEK million
Net sales and other revenue less operating costs including depreciation, amortisation and impairment.

Operating margin, %
Operating profit/loss expressed as a percentage of net sales.

Net debt, SEK million
Interest-bearing liabilities less interest-bearing assets and cash and cash equivalents.

Debt/equity ratio, times
Net debt in relation to equity.

Capital employed, SEK million
Assets excluding interest-bearing assets, provisions and liabilities.

Return on capital employed, %
Full-year operating profit/loss expressed as a percentage of average capital employed.

Equity ratio, %
Equity expressed as a percentage of assets.

Financial reporting

- The interim report for October-December will be published on 18 February 2021 at 11 a.m.
- The Annual General Meeting will be held in June 2021.
- Interim reports can be downloaded from sodra.com

The information in this interim report is such that Södra Skogsägarna ekonomisk förening is required to disclose under the Swedish Securities Market Act and/or the Financial Instruments Trading Act. The information was submitted for publication on 22 October 2020.

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This is Södra

Södra was founded in 1938 and is the largest forest-owner association in Sweden, with a membership of more than 52,000 forest owners. We engage in modern and responsible forestry, and operate state-of-the-art mills in which we process our raw material. In 2019, sales amounted to SEK 23 billion and the number of employees was 3,150. Through value-generating relationships and a long-term approach, Södra shows the way for the next generation of forestry.