

# Quarterly report

3/2007



*Moelven's stand at this year's builders' trade fair Bygg Reis Deg attracted a wide audience, and both staff and visitors appreciated our "Quality Rooms".*

**MOELVEN®**

## Profit and Loss Account

NOK mill.	3 <sup>rd</sup> Quarter			Nine months			Total	
	2007	2006	2005	2007	2006	2005	2006	2005
Operating revenues	1,852.9	1,588.9	1,391.2	5,960.8	4,861.6	4,476.8	6,692.4	6,004.9
Depreciation	43.3	43.0	42.9	132.9	129.4	134.7	177.6	178.0
Cost of goods sold	1,086.9	1,050.5	909.5	3,481.3	3,131.0	2,867.1	4,218.9	3,809.4
Operating expenses	463.7	414.0	403.9	1,532.8	1,378.5	1,361.9	1,922.7	1,858.9
<b>Operating profit</b>	<b>259.0</b>	<b>81.5</b>	<b>34.9</b>	<b>813.8</b>	<b>222.7</b>	<b>113.1</b>	<b>373.2</b>	<b>158.6</b>
Income from associates	0.3	-0.9	-1.0	-1.4	-1.9	-2.7	-3.9	-3.4
Interest and other financial income	3.9	2.6	3.4	8.8	9.5	6.7	7.1	4.5
Interest and other financial expenses	-6.4	-12.6	-13.8	-24.8	-37.0	-41.5	-40.0	-46.7
<b>Operating result before tax</b>	<b>256.8</b>	<b>70.6</b>	<b>23.5</b>	<b>796.4</b>	<b>193.3</b>	<b>75.6</b>	<b>336.4</b>	<b>113.0</b>
Estimated tax cost	77.6	20.3	11.6	229.7	55.7	30.2	96.9	45.7
Minority interests	-0.8	0.6	0.6	-4.3	0.9	0.9	0.2	0.6
<b>Net profit</b>	<b>178.5</b>	<b>50.9</b>	<b>12.5</b>	<b>562.4</b>	<b>138.5</b>	<b>46.3</b>	<b>239.7</b>	<b>67.9</b>

## Balance Sheet

NOK mill.	Change in 3 <sup>rd</sup> Quarter			Per 30.09.			Per 31.12.	
	2007	2006	2005	2007	2006	2005	2006	2005
Intangible assets	-0.9	-1.3	-1.0	5.9	9.7	10.4	8.4	10.6
Tangible assets	2.6	48.9	-2.5	1,117.2	1,074.2	1,049.2	1,135.6	1,035.8
Financial assets	-3.4	-1.5	1.1	72.5	90.3	110.9	73.8	94.4
<b>Total fixed assets</b>	<b>-1.7</b>	<b>46.1</b>	<b>-2.4</b>	<b>1,195.6</b>	<b>1,174.2</b>	<b>1,170.5</b>	<b>1,217.8</b>	<b>1,140.8</b>
Stocks	-113.2	-193.1	-114.0	993.0	774.5	839.6	846.5	967.1
Receivables	-13.0	-21.5	-32.2	1,308.7	1,051.0	895.5	955.7	826.6
Deposits	16.7	24.4	35.8	86.9	87.3	70.6	51.6	29.6
<b>Total current assets</b>	<b>-109.5</b>	<b>-190.2</b>	<b>-110.5</b>	<b>2,388.6</b>	<b>1,912.8</b>	<b>1,805.7</b>	<b>1,853.8</b>	<b>1,823.3</b>
<b>Total assets</b>	<b>-111.2</b>	<b>-144.1</b>	<b>-112.9</b>	<b>3,584.2</b>	<b>3,087.0</b>	<b>2,976.2</b>	<b>3,071.6</b>	<b>2,964.1</b>
Share capital*	0.0	0.0	0.0	647.7	647.7	647.7	647.7	647.7
Other equity and capital	161.6	56.8	13.3	1,111.5	573.4	422.0	586.0	428.7
<b>Total equity</b>	<b>161.6</b>	<b>56.8</b>	<b>13.3</b>	<b>1,759.2</b>	<b>1,221.1</b>	<b>1,089.7</b>	<b>1,233.7</b>	<b>1,076.4</b>
Long-term liabilities	-339.7	-177.1	-32.1	481.7	880.3	977.8	670.9	876.7
Current liabilities	66.9	-23.8	-94.1	1,343.3	985.6	908.7	1,167.0	1,011.0
<b>Total liabilities</b>	<b>-272.8</b>	<b>-200.9</b>	<b>-126.2</b>	<b>1,825.0</b>	<b>1,865.9</b>	<b>1,886.5</b>	<b>1,837.9</b>	<b>1,887.7</b>
<b>Total equity and liabilities</b>	<b>-111.2</b>	<b>144.1</b>	<b>-112.9</b>	<b>3,584.2</b>	<b>3,087.0</b>	<b>2,976.2</b>	<b>3,071.6</b>	<b>2,964.1</b>

\*129,542,384 shares at NOK 5.-, adjusted to account for 1,100 own shares.

## Key figures

NOK mill.	3 <sup>rd</sup> Quarter			Nine months			Total	
	2007	2006	2005	2007	2006	2005	2006	2005
Net operating margin /EBIT (in %)	14.0	5.1	2.5	13.7	4.6	2.5	5.6	2.6
Gross operating margin/EBITDA (in %)	16.3	7.8	5.5	15.9	7.2	5.5	8.2	5.6
Earnings per share (in NOK)	1.38	0.40	0.09	4.37	1.07	0.35	1.85	0.52
Cash flow per share (in NOK)	2.28	0.90	0.53	7.25	2.55	1.68	3.71	2.28
Equity ratio (in %)	5.8	3.5	1.8	49.1	39.6	36.6	40.2	36.6
Investments	52.8	73.1	36.7	169.8	169.7	78.0	244.6	111.6
Return on capital employed (in %)	47.4	16.4	7.1	54.0	14.8	7.1	19.6	7.6
Capital employed	-41.4	-140.7	-137.1	1,994.8	1,962.3	1,932.7	1,752.0	1,856.5
Net interest bearing debt	-261.8	-221.9	-186.2	203.3	653.9	772.4	466.7	750.5
Net working capital	-112.2	-216.1	-177.4	1,680.9	1,343.6	1,248.3	1,208.6	1,250.4
Number of employees	3,328	3,232	3,192	3,335	3,235	3,193	3,210	3,159
Sickness absence rate (in %)	6.64	5.62	5.98	6.33	5.87	6.27	5.89	6.20
Number of injuries with absence	26	21	38	73	66	70	91	98
Number of shareholders	972	984	989	972	984	989	972	984
Average number of shares	129 541 284	129 541 284	129 541 284	129 541 284	129 541 284	129 541 284	129 541 284	129 541 284

The quarterly report has been prepared using the same accounting principles as those used in the annual accounts and according to NGAAP.

## Director's report

- Good market and operating conditions again in third quarter
- Operating revenues for quarter increased to MNOK 1 853 (1 589)
- Operating profit for quarter increased to MNOK 259 (82)

### Highlights

Solid market and operating conditions for all of the Group's divisions contributed again this period to generate one of the best quarterly results ever for Moelven, even though both operating revenues and operating profit fell somewhat from the historically high figure last quarter. In addition to the normal seasonal decline during the summer holiday months as a result of fewer production days than in previous quarters, the decline from the second quarter was primarily due to a levelling off of the international market for sawn wood, combined with higher prices for timber.

One consequence of the higher timber prices is that availability of raw materials for the Moelven Group's timber-intensive units has been very high in the third quarter. At the end of the third quarter, timber cost is approximately NOK 450 million higher on an annual basis than last year, which impacts the margin for the timber-intensive units in a negative direction.

Scandinavian merchant builders', which represent the main share of customers for the planing division Wood, have reduced their stock levels in the third quarter. Even though demand is still high on the part of retail customers, this stock level adjustment has caused a slight reduction in demand for the division's products. The reduction in demand, however, is not expected to be larger than normal for this period of year.

For Building Systems, the high market activity remained strong through the third quarter, and the companies have a larger than normal backlog of orders.

The solid earnings and cash flow has resulted in historically high financial solidity and liquidity reserves for the Group. This unique situation provides an opportunity to further strengthen the investment programme that was

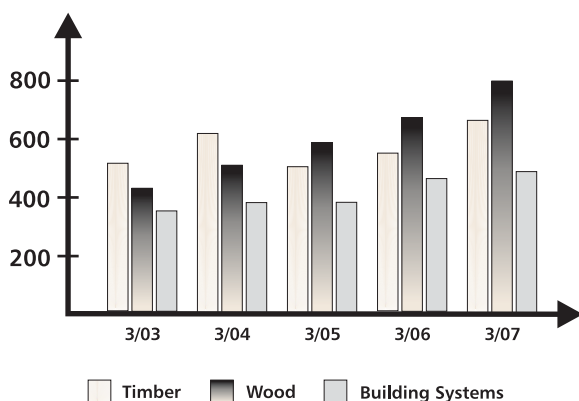
started in 2006 and was aimed at upgrading the Group's production units. It also opens up for the possibility of making acquisitions should opportunities arise that fit into the Group's long-term strategy and plans, such as was the case with Trysil Skog AS. The agreement to purchase Trysil Skog AS was signed on 19 September, and the transaction was approved by the competition authorities on 1 October. The due diligence process is moving into the last phase now, and everything seems to indicate that the acquisition will be finalised as planned in the fourth quarter.

Moelven MassivTre AS (Moelven owns 47.5% of the shares) has supplied solid wood elements to three family houses of various sizes in Longyearbyen on Svalbard. The buildings were constructed using solid wood elements ready-cut from Moelven MassivTre and shipped in containers to Svalbard. The building process was therefore very short. Wind-proofing and prevention of any void cavities in the exterior panelling that could fill with snow have been two extremely important challenges. Both decks, outer walls, exterior panelling, inner walls, kitchen counters and interior doors were supplied by Moelven MassivTre AS. This project is a prime example of how deliveries of this relatively new type of element can satisfy strict requirements when it comes to both architectural and structural design.

The project Fremtiden (pictured on the back cover of this report) is one of the proposed designs submitted in connection with an architectural competition for the new Holmenkollen facility. The proposal was purchased by the builder as one of several possible alternatives. The final decision about which solution will be chosen will be made by Oslo City Council.

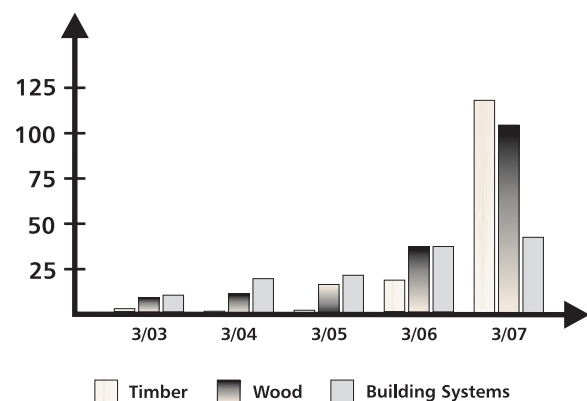
### Operating revenues

NOK mill.



### Operating profit

NOK mill.



## Operating revenues and profit

Operating revenues and profit for the Group in the third quarter increased in all three divisions and ended at NOK 1 852.9 million (1 588.9) and NOK 259.0 million (81.5), respectively. Overall for the three first quarters, operating revenues totalled NOK 5 960.8 million (4 861.6), while operating profit amounted to NOK 813.8 million (222.7). Ordinary pre-tax profit was NOK 796.4 million (193.3). Profit after taxes and minority interests totalled NOK 562.4 million (138.5).

As for the first half year, the main reason for the higher result (MNOK 177.5) is the extremely favourable market conditions, even though stabilising prices and rising raw material costs are reducing the margins for some products. Operating conditions and access to raw materials have largely been good, but many sites usually prioritise investments and maintenance during the summer months and this usually results in somewhat less value-creation during this period.

## Investments, balance sheet and financing

During the third quarter, investments totalling NOK 52.8 million (73.1) have been made. The rate of investment is somewhat slower than the original plan. The reason for the delay is that the high demand for the Group's products has made it desirable to postpone the production reductions that certain investments would have caused, and also that the high level of investment activity in the industry is causing longer delivery times for equipment from a number of suppliers.

At the end of the third quarter, the Group's total assets on book amounted to NOK 3 584.2 million (3 087.0). The increase is primarily due to larger stocks and accounts

receivable as a result of the higher activity level. Net operating capital totalled 21.1% of operating revenues (20.7).

As of 31.12.2006, Trysil Skog AS had total assets on book valued at NOK 62.3 million. There is no goodwill on book relating to the purchase, and consolidation as of 31.12.2006 would increase the Group's overall balance sheet figure by approximately NOK 63.0 million.

Cash flow from operations in the third quarter totalled NOK 295.9 million (116.8), representing NOK 2.28 per share (0.90). Net interest-bearing debt was further reduced, and was only NOK 203.3 million (653.9) at the end of the quarter. The liquidity reserve was NOK 1 183.9 million (779.8). Most of the liquidity reserve consists of unused drawing rights which are part of the Group's long-term loan framework. The volume of drawing rights will not be reduced since plans call for an increased level of investment activity in 2008 and there is a need for liquidity in connection with the payment of dividends and taxes. It is also important for the Group to be able to make acquisitions without having to apply for separate financing should the right opportunity arise.

Approximately half of the Group's assets are recorded on book in Swedish kroner, and the rate development from 0.8874 as of 30.09.06 to 0.8376 as of 30.09.07 has caused a reduction in the balance sheet totalling approximately NOK 100 million. Equity has been assessed on the assumption of continued operations, and at the end of the third quarter totalled NOK 1 759.2 million (1 221.1). The equity figure corresponds to NOK 13.58 per share (9.43). Equity ratio totalled 49.1% (39.6). When converting the figures from the Group's Swedish subsidiaries to the same exchange rate as that at the end of the third quarter 2006, the equity figure amounts to approximately NOK 1 730 million, which corresponds to an equity ratio of about 49.4%.

Divisions	NOK mill.	3 <sup>rd</sup> Quarter			Nine months			Total	
		2007	2006	2005	2007	2006	2005	2006	2005
<b>Operating revenues</b>									
<b>Timber</b>		653.0	547.5	498.2	2,347.1	1,856.6	1,756.2	2,583.6	2,355.4
<b>Wood</b>		797.7	664.5	590.8	2,319.1	1,875.2	1,727.1	2,530.0	2,268.7
<b>Building Systems</b>		530.4	447.0	392.4	1,709.0	1,387.4	1,283.7	1,937.5	1,770.1
Laminated Timber		112.6	108.6	96.9	348.4	305.0	295.7	424.9	402.0
Electrical installations		80.3	54.2	45.3	257.6	155.5	146.4	219.4	197.3
Modular Buildings		198.6	146.1	142.8	676.8	529.8	496.7	736.1	706.6
Modular System Interiors		138.9	138.1	107.4	453.8	421.7	369.1	593.6	496.7
<b>Others/Eliminations</b>		-128.2	-70.1	-90.2	-414.4	-257.6	-290.2	-358.7	-389.3
<b>The Group</b>		1,852.9	1,588.9	1,391.2	5,960.8	4,861.6	4,476.8	6,692.4	6,004.9
<b>Operating profit/loss</b>									
<b>Timber</b>		119.7	16.5	2.6	430.5	84.2	37.0	161.4	61.4
<b>Wood</b>		104.9	34.9	14.3	292.6	76.2	44.6	118.3	56.2
<b>Building Systems</b>		40.3	33.7	23.6	116.2	80.3	55.3	121.8	75.9
Laminated Timber		9.5	9.4	6.3	21.1	18.3	16.2	25.4	20.0
Electrical installations		0.8	1.7	1.1	5.7	1.6	3.3	3.7	-7.8
Modular Buildings		14.6	7.9	8.9	46.6	27.0	16.4	37.8	31.6
Modular System Interiors		15.4	14.7	7.3	42.9	33.3	19.4	54.8	32.1
<b>Others</b>		-5.9	-3.6	-5.6	-25.5	-18.0	-23.8	-28.3	-34.9
<b>The Group</b>		259.0	81.5	34.9	813.8	222.7	113.1	373.2	158.6

## Divisions

### Timber

Operating revenues in the third quarter were NOK 653.0 million (547.5), while operating profit totalled NOK 119.7 million (16.5). Operating revenues for the first nine months of the year amounted to NOK 2 347.1 million (1 856.6), with operating profit at NOK 430.5 million (84.2).

Prices for sawn pine seemed to level off in the third quarter, with the price for some lower quality categories even falling. Prices for spruce products have continued to develop strongly, but at a slower rate compared to the first six months of the year. The reason for this development is the high supply of sawn spruce from lower quality trees felled during last winter's storms, combined with international demand being somewhat lower than anticipated. Several producers have therefore signalled reductions in the production volumes of spruce. The priority given to the wood felled during the storms has also limited harvesting capacity and access to sawn pine.

While prices for finished products have weakened, raw material costs have risen in the third quarter and thereby contributed to reducing margins.

The overall investment projects follow the revised plan. Most measures are targeted toward improving utilisation of raw materials and reducing processing costs. The start-up of new facilities has in some cases taken somewhat longer than expected and has resulted in somewhat higher processing costs than anticipated.

### Wood

Operating revenues in the third quarter were NOK 797.7 million (664.5), with operating profit at NOK 104.9 million (34.9). Overall for the first nine months of the year, operating revenues totalled NOK 2 319.1 million (1 875.2), and operating profit totalling NOK 292.6 million (76.2).

Demand for Wood's products has been high in the third quarter as well; however, adjustments to stock levels among Scandinavian builders' merchants have had a negative impact on volume. Except for a slight reduction in the rate of new-build projects in Norway and Denmark, very few underlying signals in Scandinavia seem to indicate an upcoming significant slowdown in market activity.

The division is a major purchaser of sawn wood, with annual purchases amounting to more than 200,000 m<sup>3</sup> from suppliers outside of the Moelven Group. The rising price level for sawn wood has had an impact on Wood's

raw material costs in a negative direction, but this has been compensated for up to now by higher prices on Wood's finished goods. In addition to price increases, internal efficiency measures such as focussing on logistics and the efficient use of raw materials have contributed to the higher profit figure by reducing expenses.

### Building Systems

Operating revenues in the third quarter were NOK 530.4 million (447.0), with operating profit at NOK 40.3 million (33.7). Overall for the first nine months of the year, operating revenues totalled NOK 1 709.0 million (1 387.4), and operating profit amounted to NOK 116.2 million (80.3).

The high level of activity in the Scandinavian construction market has remained steady throughout the third quarter, and operations in Norway and Sweden are still running at full capacity in many sectors.

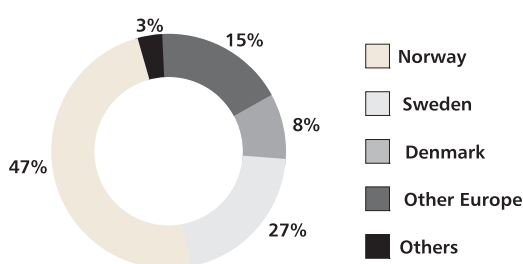
The glulam business posted third quarter results on the same level as for the year before. The cost of raw materials has been higher than normal - particularly in Sweden - due to delivery shortages from several traditional suppliers. The delivery situation is now under control.

For the modular and interior layout companies, the activity level has been high during the period, with a significant increase in profit figures compared to the same period last year. The rate of new orders has been very solid, and in some areas order reserves stretches 14 months ahead in time. The production flow in the modular companies has improved, and this has generated cost-savings. However, significant price increases in materials in relation to pre-calculated budgets have resulted in several projects ending with a poor end result.

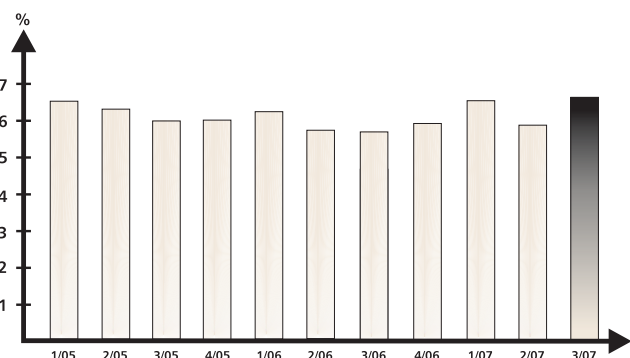
Difficulties in recruiting personnel with appropriate expertise and limited access to certain product components have also posed challenges in the third quarter.

At this year's builders' trade fair "Bygg Reis Deg", Moelven Nordia AS launched two new products, "Glassfront" and "Conversation Room". Both products received a very positive response from customers. Glassfront is a new glass wall system with a large glass surface area, while "Conversation Room" is a prefabricated system for soundproofing freestanding rooms in open office landscapes.

Sales By Market Area 3 Quarters



Sickness absence rate (%)



## Other businesses

In addition to the parent company, Moelven Industrier ASA, this business division includes common services such as timber acquisitions, bio-energy, R&D, finances, insurance, IT, communications and human resources. A few other smaller business units and assets not related to the Group's core business activities are included in this division as well. At the end of the third quarter, there were a total of 78 employees, of which 28 are female. Thirty-one employees work in Sweden and 47 in Norway. The book value of assets not relating to operations totalled approximately NOK 29.5 million (29.0).

Operating revenues in the third quarter totalled NOK 55.7 million (46.7), with an operating loss of NOK 6.2 million (minus 3.6). Overall for the first nine months of the year, operating revenues totalled NOK 154.9 million (128.3), while operating loss amounted to NOK 25.5 million (minus 18.0).

## Employees

Absenteeism due to illness in the third quarter (2007) was 6.64% (5.62) or 10 580 (8 635) full workdays. In all, there were 149 450 (145 896) workdays during the third quarter. The rate of absenteeism due to long-term sick leave totalled 3.64% (3.11).

The number of personal injuries resulting in subsequent sick leave was 26 (21). This figure corresponds to 30.14 (24.9) injuries resulting in subsequent sick leave per million work hours. Efforts aimed at reducing the number of injuries will be intensified.

At the end of the third quarter, the Group had a total of 3 335 (3 235) employees. Of the total number of employees, 1 730 (1 692) work in Norwegian companies, 1 575 (1 518) in Swedish companies, 23 (22) in Danish companies and 7 (3) in other countries. Overall, there are 317 female and 3 018 male employees in the Group.

## International Accounting Standards (IFRS)

Since Moelven Industrier ASA is not publicly listed, the company is not obliged to publicise accounts in accordance with International Financial Reporting Standards (IFRS). The accounts have been prepared based on Norwegian accounting standards, while the table below shows the potential effect of reporting using IFRS.

The major differences in using IFRS are in the reporting of pension commitments, the use of financial instruments

and the treatment of dividends. If IFRS had been used starting in 2005, pension commitments would have caused a one-off reduction in equity of some NOK 55 million. The effects of financial instruments will vary in relation to market value assessments at the time of reporting.

## Outlook

Overall the Board expects the positive market conditions to continue in the fourth quarter, even though a slowing in demand for some of the Group's products may take place. Overall demand for the Group's products and services should be significantly higher than last year. As expected, the rate of new-builds - of major importance to Wood - is already showing signs of slowing somewhat from an extremely high level in Norway and Denmark. The slowdown should be limited, however, owing to the generally favourable market conditions in the two countries.

In Sweden, a continued high level of activity is expected in the area of renovation and maintenance.

For the sawmills, solid demand is expected to continue in the domestic markets. Favourable market conditions for sawn wood are also expected to continue in the export markets, but with a falling tendency for spruce.

Availability of timber is expected to be high in the fourth quarter. Although average prices will be higher compared to the first six months of the year, this will to a certain degree be offset by a larger fall in sawn wood prices. The businesses in Building Systems have at the end of the third quarter satisfactory order reserves and new order rate. Full capacity utilisation and maintenance of a high level of business activity is expected through the second half of the year.

The three-year investment programme that was started in 2006 will continue in 2007. Due to capacity limitations on the part of suppliers and a period of favourable market conditions, however, certain investment projects will be delayed until 2008. An even higher rate of investment is planned for 2008, so total investments will be significantly higher next year compared to the current year.

The Board expects overall operating revenues to be higher in 2007, and a profit figure that is significantly higher than in the previous year.

## Board of Moelven Industrier ASA

Moelv, 16 October 2007

IFRS	NOK mill.	3 <sup>rd</sup> Quarter			Nine months			Total	
		2007	2006	2005	2007	2006	2005	2006	2005
<b>Profit and Loss Account</b>									
EBITDA		302.1	124.4	77.8	946.6	352.0	241.7	560.8	333.5
EBIT		259.7	82.6	35.7	816.2	226.0	109.5	387.7	159.1
Result before tax		255.4	68.6	38.4	793.3	213.5	51.0	361.5	111.6
<b>Balance Sheet</b>									
Change in 3 <sup>rd</sup> Quarter									
	NOK mill.	2007	2006	2005	2007	2006	2005	2006	2005
Equity		160.8	55.2	24.3	1,728.8	1,188.2	1,019.7	1,301.9	1,060.8
Total assets		-109.9	-146.9	-115.8	3,587.2	3,097.1	2,975.9	3,060.7	2,946.0
Equity ratio		5.8	3.4	2.1	48.2	38.4	34.3	42.5	36.0

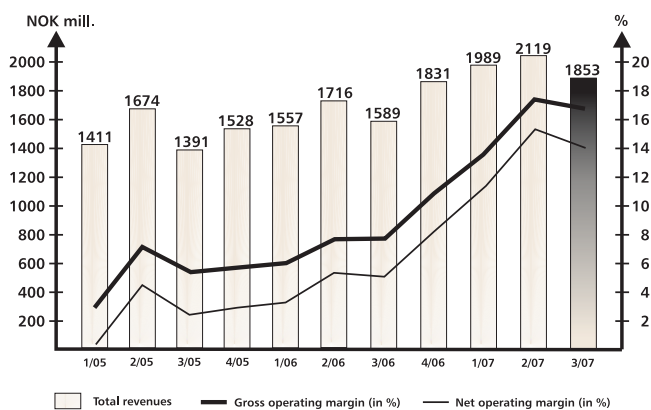
## Changes in total equity for the Group

NOK mill.	Change in 3 <sup>rd</sup> Quarter			Per 30.09.			Per 31.12.	
	2007	2006	2005	2007	2006	2005	2006	2005
Opening balance	1,597.6	1,164.3	1,076.4	1,233.7	1,076.4	1,053.4	1,076.4	1,053.4
Profit/loss	179.2	50.3	11.9	566.7	137.6	45.4	239.5	67.3
Foreign currency translation	-16.8	5.9	0.8	-36.9	7.8	-10.0	11.0	-8.9
Provisions for dividend	0.0	0.0	0.0	0.0	0.0	0.0	-97.2	-32.4
Change in reclassified assets	0.0	0.0	0.0	0.0	-1.6	0.0	3.8	-3.6
Minority interests	-0.8	0.6	0.6	-4.3	0.9	0.9	0.2	0.6
Changes for year/period	161.6	56.8	13.3	525.5	144.7	36.3	157.3	23.0
<b>Total equity NGAAP</b>	<b>1,759.2</b>	<b>1,221.1</b>	<b>1,089.7</b>	<b>1,759.2</b>	<b>1,221.1</b>	<b>1,089.7</b>	<b>1,233.7</b>	<b>1,076.4</b>
IFRS effects				-30.4	-32.9	-70.0	68.2	-15.6
<b>Total equity IFRS</b>				<b>1,728.8</b>	<b>1,188.2</b>	<b>1,019.75</b>	<b>1,301.9</b>	<b>1,060.8</b>

## Cash Flow Statement

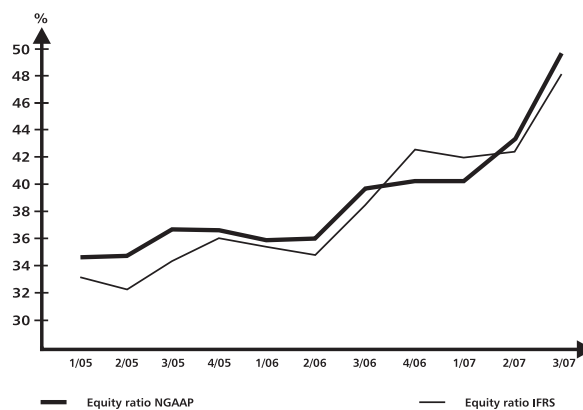
NOK mill.	Change in 3 <sup>rd</sup> Quarter			Nine months			Total	
	2007	2006	2005	2007	2006	2005	2006	2005
Net cash flow from operations	482,8	295,9	183,4	611,0	325,8	163,3	512,3	286,1
Cash from operating result	295,9	116,8	68,3	938,8	329,7	217,0	480,6	295,9
Cash flow from working capital	186,9	179,1	115,1	-327,8	-3,9	-53,7	31,7	-9,8
Cash flow from/to investments	-52,8	-66,9	-37,8	-160,8	-136,3	-78,8	-196,4	-85,3
Cash flow from/to financing	-413,3	-204,6	-109,8	-414,9	-131,8	-31,4	-293,9	-188,7
<b>Net cash flow for the period</b>	<b>16,7</b>	<b>24,4</b>	<b>35,8</b>	<b>35,3</b>	<b>57,7</b>	<b>53,1</b>	<b>22,0</b>	<b>12,1</b>
Liquid funds	16,7	24,4	35,8	86,9	87,3	70,6	51,6	29,6
Unutilised credit facilities	216,5	168,2	73,7	1.097,0	692,5	746,5	907,6	705,0
<b>Available liquid funds</b>	<b>233,2</b>	<b>192,6</b>	<b>109,5</b>	<b>1.183,9</b>	<b>779,8</b>	<b>817,1</b>	<b>959,2</b>	<b>734,6</b>

## Revenues and margins



Quarterly in 2005 - 2007

## Equity ratio



Quarterly in 2005 - 2007

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**This is Moelven**

The Norwegian forestry cooperatives Glommen Skog BA, Mjøsen Skog BA, Havass Skog BA, AT Skog BA and Viken Skog BA own 60% of the shares in the Moelven Group. A further 39.6% of the shares are owned by Eidsiva Vekst AS, while the remainder are in the hands of private shareholders.

The headquarters for the Group are in Moelven, Norway. In all, there are 39 production units in the Group, which are distributed primarily in south-east Norway and mid-Sweden. Even though overall production output is evenly distributed between the two countries, the Swedish plants sell a larger share of their production output in Norway. Of the 3 335 persons employed in the Group, 1 730 work in Norway, 1 575 in Sweden, 23 in Denmark and 7 in other countries.

The Group is divided into three divisions: Timber, Wood and Building Systems.

The Timber division consists of 14 production plants that produce sawn pine and spruce timber. Eight of the plants are located in Sweden and six in Norway. Annual production is approximately 1.4 million cubic metres of sawn timber, in addition to chippings, shavings and bark for a total value of approximately NOK 280 million. About 65% of sales are to customers in Scandinavia. The total number of employees is 831 persons, of which 87 are female. A total of 287 employees work in Norway, 541 in Sweden, two in Germany and one in the Netherlands.

The Wood division consists of 14 production units. Five

of the plants are combi-facilities featuring both sawmill and planing mill capacities. While four of the plants produce only natural, untreated building timber, one of the plants is also able to produce impregnated timber. The other companies are specialised production plants that produce moulding, flooring, indoor panelling, various components, sawn wood and specially treated building materials. The overall aim is to offer highly processed wood products to the construction market. Almost 80% of the products are sold through chains of builders' merchants. Industrial chippings worth a total of about NOK 120 million are also generated annually. Approximately 93% of the division's sales are in Scandinavia. The total number of employees is 899 persons, of which 116 are female. Of the overall number of employees, 562 work in Norway, 314 in Sweden and 23 in Denmark.

The Building Systems division consists of eleven production plants, divided into the business areas Laminated Timber, Building Modules and System Interiors. All of the businesses in this division supply flexible, tailored and cost-efficient construction and interior systems for project customers in Scandinavia. In addition to delivering bridges and load-bearing structures, the Laminated Timber business also sells considerable amounts of standard glulam beams via chains of builders' merchants. Approximately 96% of sales take place in Scandinavia. The division as a whole has 1 519 employees, of which 89 are female. A total of 827 employees work in Norway, while there are 688 in Sweden and four in England.

*Supplying quality rooms*

*Athletes, organisers and spectators will experience "Qualityd Rooms" in the new Holmenkollen facility if the design proposed by architects Terje Rørby, Jan Inge Lindeberg and Helge Saatvedt is chosen. Uncertainty linked to possible fog, wind or rain will be eliminated, and the venue will become an even more attractive site for both summer and winter events.*

More information:

[www.moelven.com](http://www.moelven.com)