

THIRD QUARTER

2012

NORSKE SKOG

NORWEGIAN PAPER TRADITION



OUR BUSINESS

Norske Skog is a world leading producer of newsprint and magazine paper. The group has 12 fully or partly owned mills in 10 countries and an annual production capacity of approximately 4.0 million tonnes. Through sales offices and agents, newsprint and magazine paper is sold to over 80 countries. The group has 4 400 employees.

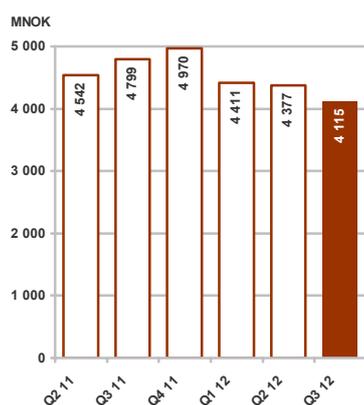
The parent company, Norske Skogindustrier ASA is incorporated in Norway and has its head office at Lysaker outside of Oslo. The company is listed on the Oslo Stock Exchange.

KEY FIGURES (UNAUDITED)

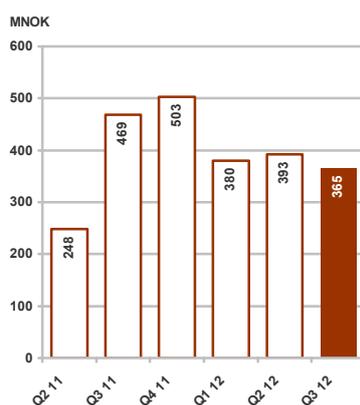
All amounts are presented in NOK million unless otherwise stated.

	JUL-SEP 2012	APR-JUN 2012	JUL-SEP 2011	YTD 2012	YTD 2011
INCOME STATEMENT					
Operating revenue	4 115	4 377	4 799	12 904	13 934
Gross operating earnings	365	393	469	1 138	1 012
Operating earnings	-455	118	-1 883	-925	-1 860
Profit/loss for the period	-433	-91	-1 841	-867	-1 952
Earnings per share (NOK)	-2.28	-0.48	-9.66	-4.56	-10.24
CASH FLOW					
Net cash flow from operating activities	463	6	413	736	46
Net cash flow from investing activities	-86	235	-21	373	574
Cash flow per share (NOK)	2.44	0.03	2.18	3.88	0.24
OPERATING MARGIN AND PROFITABILITY (%)					
Gross operating margin	8.9	9.0	9.8	8.8	7.3
Return on capital employed	1.0	1.2	0.2	3.1	-1.7
Return on equity	-6.4	-1.3	-20.7	-12.5	-21.5
Return on assets	-3.2	0.6	-7.6	-5.2	-6.8
PRODUCTION / DELIVERIES / CAPACITY UTILISATION					
Production (1 000 tonnes)	904	912	1 011	2 742	2 872
Deliveries (1 000 tonnes)	901	928	996	2 740	2 837
Production / capacity (%)	90	90	91	88	87
	30 SEP 2012	30 JUN 2012	31 MAR 2012	31 DEC 2011	30 SEP 2011
BALANCE SHEET					
Non-current assets	13 746	14 267	14 342	15 803	15 892
Current assets	4 834	5 467	5 883	6 171	7 700
Total assets	18 580	19 734	20 224	21 974	23 592
Equity	6 459	7 044	7 031	7 433	7 967
Net interest-bearing debt	6 285	6 883	7 096	7 863	8 066

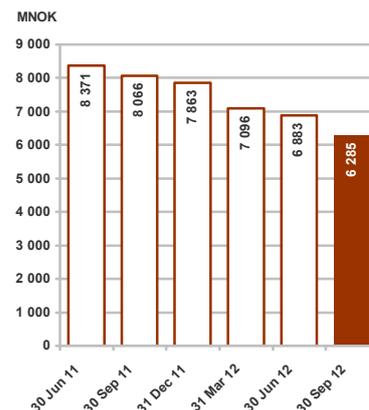
OPERATING REVENUE



GROSS OPERATING EARNINGS



NET INTEREST-BEARING DEBT



REPORT OF THE BOARD OF DIRECTORS FOR THE THIRD QUARTER OF 2012

- Third quarter of 2012: Gross operating earnings NOK 365 million (NOK 393 million in the second quarter of 2012). Weak markets, currency and adaption of production to maximise cash flow contributed to the decline
- Strong cash flow from operating activities of NOK 550 million, before net financial payments in the quarter
- Net interest-bearing debt reduced by NOK 598 million to NOK 6 285 million in the quarter. Debt reduction of NOK 1 578 million so far this year
- Conversion of a machine at Norske Skog Boyer to magazine paper production, closure of a machine at Norske Skog Tasman and sale of Norske Skog Parenco announced in the quarter

INCOME STATEMENT

	JUL-SEP 2012	APR-JUN 2012	JUL-SEP 2011	YTD 2012	YTD 2011
Operating revenue	4 115	4 377	4 799	12 904	13 934
Gross operating earnings ¹⁾	365	393	469	1 138	1 012
Depreciation	-231	-230	-429	-712	-1 292
Operating earnings	-455	118	-1 883	-925	-1 860
Profit/loss before income taxes	-453	-125	-2 135	-1 048	-2 136
Profit/loss for the period	-433	-91	-1 841	-867	-1 952

¹⁾ Operating earnings before depreciation, restructuring expenses, other gains and losses and impairments.

Norske Skog's operating revenue declined compared with the previous quarter and the corresponding period last year. The decline was impacted by lower sales volumes in a weak market, and reduced capacity in the group following the closure of Norske Skog Follum and the divestment of Norske Skog Bio Bio.

Variable costs were lower, both in relation to the previous quarter and compared to the same period last year. Variable costs consist mainly of energy and fibre (wood, recovered paper and cellulose). Fixed costs showed a clear decrease, with ongoing cost reduction programmes and reduced production capacity in the group. The annual level of fixed costs was down from NOK 4.2 billion in the third quarter last year, to NOK 3.6 billion.

Gross operating earnings decreased slightly from the previous quarter and showed a marked decline compared with the same

period last year. Newsprint Europe had the weakest development, followed by magazine paper. Newsprint outside Europe showed a more stable development.

Depreciation was NOK 231 million in the quarter. This was almost identical to the previous quarter, but a significant decrease compared with the third quarter last year.

Depreciation, restructuring costs and impairment charges contributed to a negative result.

Global demand for newsprint decreased by two per cent in the first eight months of the year, compared with the same period last year. For magazine paper, there was a decline of six per cent.

Capacity utilisation for the group was 90 per cent (90 per cent in the second quarter).

SPECIAL ITEMS IN THE OPERATING EARNINGS UNDER IFRS

	JUL-SEP 2012	APR-JUN 2012	JUL-SEP 2011	YTD 2012	YTD 2011
Restructuring expenses	-122	0	-4	-132	-27
Other gains and losses	-65	-46	-43	-781	331
Impairments	-403	0	-1 875	-437	-1 883

Restructuring costs are mainly related to the announced closure of a machine at Norske Skog Tasman in New Zealand. Impairments reflected the closure decision at Norske Skog Tasman and the

divestment of Norske Skog's operations in the Netherlands at a price below book value. Other gains and losses in the quarter related mainly to a fall in the value of energy contracts recognised in the balance sheet.

FINANCIAL ITEMS

	JUL-SEP 2012	APR-JUN 2012	JUL-SEP 2011	YTD 2012	YTD 2011
Net interest expenses incl. realised gain/loss on interest rate derivatives	-155	-140	-199	-443	-527
Unrealised gain/loss on interest rate derivatives	-1	-2	0	-2	-19
Net interest expenses	-156	-142	-200	-444	-546
Currency gains/losses ¹⁾	225	-176	-240	262	103
Other financial items	16	76	189	135	172
Total financial items	86	-242	-251	-47	-271

¹⁾ Currency gains and losses on accounts receivable and accounts payable are reported as Operating revenue and Cost of materials respectively.

Net interest expenses were NOK 156 million in the quarter and slightly higher than the previous quarter. Currency gains of NOK 225 million related to the ongoing currency hedging and currency gains on

interest-bearing debt that does not qualify for hedge accounting. Other financial items included a gain on the buy-back of own bonds.

CASH FLOW

	JUL-SEP 2012	APR-JUN 2012	JUL-SEP 2011	YTD 2012	YTD 2011
Gross operating earnings	365	393	469	1 138	1 012
Change in working capital and adjustments ¹⁾	187	55	-75	229	-508
Cash from net financial items	-87	-417	25	-594	-375
Taxes paid	-2	-24	-6	-36	-83
Net cash flow from operating activities	463	6	413	736	46
Purchases of property, plant and equipment and intangible assets	-106	-95	-119	-291	-325
Sales of property, plant and equipment, shares in companies, financial assets etc.	11	329	127	654	927

¹⁾ Includes items with no cash effect included in Gross operating earnings, items with cash effect included in Other gains and losses and payments made relating to restructuring activities.

Net cash flow from operating activities was NOK 463 million in the quarter, driven by gross operating earnings, release of working capital and low interest payments in the period. The release of working capital was helped by cash from trade receivables related to Norske Skog Follum.

Purchases of property, plant and equipment related to ordinary maintenance and energy efficiency investments.

BALANCE SHEET

	30 SEP 2012	30 JUN 2012	31 DEC 2011	30 SEP 2011
Non-current assets	13 746	14 267	15 803	15 892
Cash and cash equivalents	1 028	1 251	1 200	2 427
Other current assets	3 806	4 216	4 971	5 273
Total assets	18 580	19 734	21 974	23 592
Equity including non-controlling interests	6 459	7 044	7 433	7 967
Non-current liabilities	9 190	9 354	10 184	10 051
Current liabilities	2 931	3 337	4 356	5 574
Net interest-bearing debt	6 285	6 883	7 863	8 066

Equity including non-controlling interests was NOK 6 459 million at 30 September 2012, a reduction of NOK 585 million from the previous quarter. The decrease was due to the negative result for the period and currency translation differences. Equity per share was NOK 34. More information is provided in the detailed statement of changes in equity later in this report.

Net interest-bearing debt was NOK 6 285 million at 30 September 2012, a reduction of NOK 598 million in the quarter. The reduction came from cash flow from operating activities and a positive currency impact.

Cash and cash equivalents amounted to NOK 1 028 million at 30 September 2012.

SEGMENT INFORMATION

NEWSPRINT EUROPE

	JUL-SEP 2012	APR-JUN 2012	JUL-SEP 2011	YTD 2012	YTD 2011
Operating revenue	1 072	1 205	1 548	3 392	4 666
Gross operating earnings	86	107	144	298	245
Depreciation	-52	-52	-147	-156	-437
Operating earnings	22	76	-47	145	-214
Gross operating margin (%)	8.1	8.9	9.3	8.8	5.3
Production (1 000 tonnes)	294	289	381	884	1 173
Deliveries (1 000 tonnes)	290	308	374	877	1 155
Production / capacity (%)	90	89	89	87	91

The region includes Norske Skog's European operations in the newsprint market with mills in Norway, France and Austria. Annual production capacity is 1 305 000 tonnes.

Operating revenue decreased from the previous quarter, with lower sales volumes in a weak market. When comparing with the corresponding period last year, the decrease is affected by the closure of Norske Skog Follum and changed reporting of Norske Skog Parenco. Norske Skog Parenco was reported within the magazine paper segment from the fourth quarter of 2011, and will be deconsolidated from the fourth quarter of 2012.

The level of variable costs and fixed costs declined in the third quarter compared with the two comparison periods.

Gross operating earnings were lower, both in relation to the previous quarter and the same quarter last year. Depreciation was unchanged from the second quarter, but significantly lower than last year.

Demand for newsprint in Europe has shown a decline of ten per cent in the first nine months of the year. However, an increase in exports of 29 per cent has limited the impact on deliveries from the industry, which have fallen by four per cent.

Capacity utilisation in the quarter was 90 per cent (89 per cent in the second quarter).

NEWSPRINT OUTSIDE EUROPE

	JUL-SEP 2012	APR-JUN 2012	JUL-SEP 2011	YTD 2012	YTD 2011
Operating revenue	1 317	1 399	1 484	4 076	4 256
Gross operating earnings	223	218	246	637	679
Depreciation	-124	-120	-152	-382	-457
Operating earnings	-267	74	-306	-176	-194
Gross operating margin (%)	16.9	15.6	16.6	15.6	16.0
Production (1 000 tonnes)	270	280	317	830	905
Deliveries (1 000 tonnes)	272	290	314	839	896
Production / capacity (%)	92	92	97	90	92

The region consists of Norske Skog's operations in Australasia, South America and Asia. Annual production capacity is 1 180 000 tonnes.

Operating revenue fell compared with the previous quarter, due to lower sales volumes. The sale of Norske Skog Bio Bio in May affects the comparison with the corresponding period last year.

The level of variable costs was relatively stable in the third quarter, compared with the two comparison periods. Fixed costs decreased compared to the same quarter last year, following the divestment of Norske Skog Bio Bio.

Gross operating earnings were slightly higher than in the previous quarter, but lower compared with the corresponding period last year. Depreciation was stable, both when comparing with the previous quarter and with the same quarter last year.

Demand for newsprint in Australasia was weak, with a decline of ten per cent in the first eight months of the year. In South America, there was an increase of two per cent. Capacity utilisation was 92 per cent (92 per cent in the second quarter).

MAGAZINE PAPER

	JUL-SEP 2012	APR-JUN 2012	JUL-SEP 2011	YTD 2012	YTD 2011
Operating revenue	1 580	1 602	1 568	4 944	4 326
Gross operating earnings	84	90	77	278	152
Depreciation	-50	-52	-124	-159	-378
Operating earnings	-74	43	-1 321	34	-1 451
Gross operating margin (%)	5.3	5.6	4.9	5.6	3.5
Production (1 000 tonnes)	339	342	313	1 028	794
Deliveries (1 000 tonnes)	338	330	307	1 025	786
Production / capacity (%)	89	90	89	87	76

The segment includes Norske Skog's operations in the magazine paper market, with mills in Norway, Germany, Austria and the Netherlands. Total annual production capacity was 1 525 000 tonnes in the third quarter and will be 1 260 000 tonnes from the fourth quarter following the divestment of Norske Skog Parenco.

Operating revenue in the third quarter was in line with the previous quarter and the corresponding period last year. Sales volumes were also stable in these periods, when the closure of Norske Skog Follum and changed reporting of Norske Skog Parenco are taken into account. The insurance settlement in connection with the fire at Norske Skog Saugbrugs last year was finally completed during the quarter.

The variable cost level was stable compared with the previous quarter, while fixed costs were reduced.

Gross operating earnings showed a slight decrease compared with the previous quarter, and a slight increase compared with the same quarter last year. Depreciation was in line with the second quarter, but significantly decreased from last year.

Demand for magazine paper in Europe declined in the first nine months of the year. For SC (uncoated) magazine paper, there was a decrease of four per cent, while there was a decrease of nine per cent for LWC (coated) magazine paper.

Capacity utilisation was 89 per cent (90 per cent in the second quarter).

OTHER ACTIVITIES

	JUL-SEP 2012	APR-JUN 2012	JUL-SEP 2011	YTD 2012	YTD 2011
Operating revenue	551	618	853	1 930	2 886
Gross operating earnings	-34	-32	-5	-97	-80
Depreciation	-5	-5	-6	-14	-20
Operating earnings	-140	-85	-111	-946	88

Other activities include the purchase and internal resale of energy to the mills, trading activities related to recovered paper, unallocated group costs and the purchase and resale of wood.

HEALTH AND SAFETY

The H-value (the number of lost-time injuries per million working hours) was 2.48 in the 12 month period from 1 October 2011 to 30 September 2012.

EVENTS IN THE THIRD QUARTER OF 2012

Norske Skog Parenco in the Netherlands was sold to a local investment company, H2 Equity Partners, with interests in areas such as packaging. Norske Skog Parenco was formally transferred to the new owner on 2 October.

In the quarter, Norske Skog announced investments in Australia for conversion of a machine at Norske Skog Boyer to magazine paper production. Meanwhile, it was decided to shut down a machine at Norske Skog Tasman in New Zealand.

RISK MANAGEMENT

Norske Skog conducts continuous evaluations of its operational and financial risk factors. The main operational risks are related to prices and sales volumes for newsprint and magazine paper, as well as the prices of key input factors such as wood, recovered paper and energy.

Financial risk management mainly includes currency, interest rate and liquidity risk. A description of risk factors and risk management is given in the annual financial statements for 2011.

RELATED PARTIES

Some of the company's shareholders are forest owners who supply wood to the group's mills in Norway. All transactions with related parties are conducted on normal commercial terms. No directors receive remuneration for their work for the company from any source other than the company itself.

SHARES

The foreign ownership share at 30 September 2012 was 19 per cent, two percentage points lower than at year-end. An overview of the main shareholders at 30 September 2012 is included on page 17, and is based on information supplied by RD:IR and VPS through the service Nominee ID.

OUTLOOK FOR THE YEAR

Norske Skog expects relatively stable volumes and margins for the rest of the year, when the Parenco transaction is taken into account. The company will actively adapt production to match market demand and will continue its efforts to reduce fixed costs and net interest-bearing debt.

LYSAKER, 31 OCTOBER 2012 – THE BOARD OF DIRECTORS IN NORSKE SKOGINDUSTRIER ASA



Eivind Reiten
Chair



Eilif Due
Board member



Siri Beate Hatten
Board member



Finn Johnsson
Board member



Karen Kvalevåg
Board member



Ase Aulie Michelet
Board member



Jon-Aksel Torgersen
Board member



Kjetil Bakkan
Board member



Paul Kristiansen
Board member



Svein Erik Veie
Board member



Sven Ombudstvedt
President and CEO

INTERIM FINANCIAL STATEMENTS, THIRD QUARTER OF 2012

CONDENSED CONSOLIDATED INCOME STATEMENT

NOK MILLION	NOTE	JUL-SEP 2012	APR-JUN 2012	JUL-SEP 2011	YTD 2012	YTD 2011
Operating revenue	6	4 115	4 377	4 799	12 904	13 934
Distribution costs		-424	-428	-470	-1 270	-1 322
Cost of materials		-2 381	-2 569	-2 866	-7 566	-8 554
Change in inventories		-36	-19	45	-21	164
Employee benefit expenses		-606	-642	-697	-1 956	-2 103
Other operating expenses		-302	-327	-342	-953	-1 106
Gross operating earnings		365	393	469	1 138	1 012
Depreciation	4	-231	-230	-429	-712	-1 292
Restructuring expenses	9	-122	0	-4	-132	-27
Other gains and losses	5, 8	-65	-46	-43	-781	331
Impairments	3, 4	-403	0	-1 875	-437	-1 883
Operating earnings		-455	118	-1 883	-925	-1 860
Share of profit in associated companies	3	-83	0	-2	-75	-5
Financial items		86	-242	-251	-47	-271
Profit/loss before income taxes		-453	-125	-2 135	-1 048	-2 136
Income taxes		20	34	294	181	184
Profit/loss for the period		-433	-91	-1 841	-867	-1 952
Profit/loss for the period attributable to:						
Owners of the parent		-432	-91	-1 834	-867	-1 944
Non-controlling interests		-1	0	-8	0	-8
Basic/diluted earnings per share (NOK)		-2.28	-0.48	-9.66	-4.56	-10.24

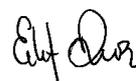
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

NOK MILLION	JUL-SEP 2012	APR-JUN 2012	JUL-SEP 2011	YTD 2012	YTD 2011
Profit/loss for the period	-433	-91	-1 841	-867	-1 952
Other comprehensive income					
Currency translation differences	-235	105	119	-319	-357
Tax expense on translation differences	0	-1	-2	0	44
Hedge of net investment in foreign operations	85	0	-140	198	26
Tax expense on net investment hedge	-2	-5	-26	14	-26
Reclassification to income statement, divestment of operations ¹⁾	0	-23	5	-23	49
Tax expense on reclassifications	0	23	0	23	0
Other items	0	6	1	0	1
Tax expense on other items	0	0	0	0	0
Other comprehensive income for the period	-152	105	43	-107	-264
Comprehensive income for the period	-585	14	-1 884	-974	-2 216
Comprehensive income for the period attributable to:					
Owners of the parent	-584	14	-1 877	-973	-2 207
Non-controlling interests	-1	0	-7	-1	-9
¹⁾ Reconciliation of reclassification to income statement, divestment of operations:					
Currency translation differences	0	58	5	58	49
Hedge of net investment in foreign operations	0	-81	0	-81	0
Total	0	-23	5	-23	49

CONDENSED CONSOLIDATED BALANCE SHEET

NOK MILLION	NOTE	30 SEP 2012	30 JUN 2012	31 DEC 2011	30 SEP 2011
Deferred tax asset		456	444	352	128
Intangible assets	4	343	130	148	149
Property, plant and equipment	3, 4	11 336	11 950	12 622	12 616
Investments in associated companies	3	341	429	422	203
Other non-current assets	8	1 271	1 314	2 258	2 796
Total non-current assets		13 746	14 267	15 803	15 892
Inventories		1 657	1 768	1 867	2 279
Trade and other receivables		1 969	2 200	2 732	2 616
Cash and cash equivalents	7	1 028	1 251	1 200	2 427
Other current assets	5, 8	180	249	372	378
Total current assets		4 834	5 467	6 171	7 700
Total assets		18 580	19 734	21 974	23 592
Paid-in equity		12 302	12 302	12 303	12 303
Retained earnings and other reserves		-5 855	-5 271	-4 883	-4 350
Non-controlling interests		12	13	13	13
Total equity		6 459	7 044	7 433	7 967
Pension obligations		510	500	541	577
Deferred tax liability		511	524	500	470
Interest-bearing non-current liabilities	7	7 322	7 621	8 407	8 322
Other non-current liabilities	8	847	708	736	683
Total non-current liabilities		9 190	9 354	10 184	10 051
Interest-bearing current liabilities	7	209	749	931	2 453
Trade and other payables	10	2 190	2 244	2 474	2 607
Tax payable		61	38	31	40
Other current liabilities	5, 8, 10	472	306	920	475
Total current liabilities		2 931	3 337	4 356	5 574
Total liabilities		12 121	12 690	14 540	15 625
Total equity and liabilities		18 580	19 734	21 974	23 592

LYSAKER, 31 OCTOBER 2012 – THE BOARD OF DIRECTORS IN NORSKE SKOGINDUSTRIER ASA


Eivind Reiten
Chair

Eilif Due
Board member

Siri Beate Hatlen
Board member

Finn Johnsson
Board member

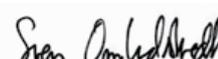
Karen Kvalevåg
Board member

Åse Aulie Michelet
Board member

Jon-Aksel Torgersen
Board member

Kjetil Bakkan
Board member

Paul Kristiansen
Board member

Svein Erik Veie
Board member

Sven Ombudstvedt
President and CEO

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

NOK MILLION	JUL-SEP 2012	APR-JUN 2012	JUL-SEP 2011	YTD 2012	YTD 2011
Cash generated from operations	4 301	4 358	4 580	13 369	13 801
Cash used in operations	-3 750	-3 910	-4 186	-12 003	-13 297
Cash from net financial items	-87	-417	25	-594	-375
Taxes paid	-2	-24	-6	-36	-83
Net cash flow from operating activities ¹⁾	463	6	413	736	46
Purchases of property, plant and equipment and intangible assets	-106	-95	-119	-291	-325
Sales of property, plant and equipment and intangible assets	2	10	75	55	152
Dividend received	8	1	0	10	0
Purchase of shares in companies and other financial payments	0	0	-28	0	-28
Sales of shares in companies and other financial payments	9	319	52	599	775
Net cash flow from investing activities	-86	235	-21	373	574
New loans raised	113	530	7	1 067	1 137
Repayments of loans	-703	-684	-481	-2 334	-3 825
Purchase/sale of treasury shares	0	-1	0	-1	0
Net cash flow from financing activities	-591	-154	-474	-1 267	-2 689
Foreign currency effects on cash and cash equivalents	-8	7	115	-13	56
Total change in cash and cash equivalents	-223	94	33	-172	-2 013
Cash and cash equivalents at start of period	1 251	1 157	2 394	1 200	4 440
Cash and cash equivalents at end of period	1 028	1 251	2 427	1 028	2 427
¹⁾ Reconciliation of net cash flow from operating activities					
Gross operating earnings	365	393	469	1 138	1 012
Payments made relating to restructuring activities	-13	-123	-14	-165	-48
Change in working capital	226	183	-60	401	-510
Adjustment for items with no cash impact	-27	-5	0	-8	51
Cash flow from net financial items	-87	-417	25	-594	-375
Taxes paid	-2	-24	-6	-36	-83
Net cash flow from operating activities	463	6	413	736	46

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN GROUP EQUITY

NOK MILLION	Paid-in equity	Retained earnings	Hedge accounting	Other equity reserves	Total before non-controlling interests	Non-controlling interests	Total equity
Equity 1 January 2011	12 303	-3 048	489	416	10 161	22	10 183
Profit/loss for the period	0	-111	0	0	-111	0	-111
Other comprehensive income for the period	0	0	166	-385	-219	-2	-222
Equity 30 June 2011	12 303	-3 158	655	31	9 831	20	9 851
Profit/loss for the period	0	-1 833	0	0	-1 833	-8	-1 841
Other comprehensive income for the period	0	0	-166	122	-44	1	-43
Equity 30 September 2011	12 303	-4 992	489	153	7 954	13	7 967
Profit/loss for the period	0	-592	0	0	-592	0	-592
Other comprehensive income for the period	0	0	-249	308	59	0	59
Equity 31 December 2011	12 303	-5 584	240	461	7 420	13	7 433
Profit/loss for the period	0	-434	0	0	-434	0	-434
Other comprehensive income for the period	0	0	71	-26	45	0	45
Change in holding of treasury shares	-1	0	0	0	-1	0	-1
Equity 30 June 2012	12 302	-6 018	311	435	7 031	13	7 044
Profit/loss for the period	0	-432	0	0	-432	-1	-433
Other comprehensive income for the period	0	0	83	-235	-152	0	-152
Equity 30 September 2012	12 302	-6 450	394	201	6 446	12	6 459

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Norske Skogindustrier ASA ("the company") and its subsidiaries ("the group") manufacture, distribute and sell publication paper. This includes newsprint and magazine paper.

Norske Skog changed its internal organisational structure in 2011. As a result of this, the group's segment structure has been changed with effect from 1 January 2012. See Note 6 Operating segments for more information.

All amounts in the interim financial statements are presented in NOK million unless otherwise stated. Due to rounding, there may be differences in the summation of columns.

The interim financial statements were authorised for issue by the board of directors in Norske Skogindustrier ASA on 31 October 2012.

2. ACCOUNTING POLICIES

The interim financial statements of Norske Skog have been prepared in accordance with IAS 34 *Interim Financial Reporting*. The interim financial statements do not include all information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements for 2011. The interim financial statements are unaudited.

The accounting policies applied in the preparation of the interim financial statements are consistent with those applied in the

preparation of the annual financial statements for the year ended 31 December 2011, except for the adaptation of amended standards and new interpretations which are mandatory from 1 January 2012. These changes are described in the annual financial statements for 2011. None of these have had a material impact on the financial position or performance of the group.

The group has not early adopted any standard, interpretation or amendment that has been issued but is not yet mandatory.

3. ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

Preparation of interim financial statements in accordance with IFRS implies use of estimates, which are based on judgements and assumptions that affect the application of accounting principles and the reported amounts of assets, liabilities, revenues and expenses. Actual amounts might differ from such estimates.

Estimated decline in value of intangible assets and property, plant and equipment

Intangible assets which have an indefinite useful life and goodwill are not subject to amortisation, but are tested annually for impairment. Property, plant and equipment, and intangible assets that are subject to amortisation are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Since the carrying amount of the net assets in the group at the end of the third quarter of 2012 is higher than its market capitalisation, an impairment evaluation of the recoverable amount of the group's cash-generating units has been made. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from a cash-generating unit. The group's cash-generating units are Europe newsprint, Australasia newsprint, Norske Skog Pisa newsprint, Norske Skog Singburi newsprint, Europe magazine paper (light weight coated (LWC)), Norske Skog Saugbrugs magazine paper (super calendared (SC)) and Norske Skog Parenco magazine paper (NorCal).

Calculation of value in use requires use of estimates. When estimating the value in use at 30 September 2012, there was no indication that further impairments should be made.

Impairment losses have been recognised in the third quarter, as a result of the agreement to sell the paper mill Norske Skog Parenco and the global recovered paper business, Reparco. The impairment losses have been calculated based on the agreed sales price less costs to sell. An impairment loss of NOK 116 million has been expensed in the magazine paper segment and NOK 54 million has been expensed in other activities.

During the third quarter, Norske Skog decided to permanently close 150 000 tonnes of newsprint capacity at Norske Skog Tasman in New Zealand. An impairment loss of NOK 236 million has been

recognised in relation to the closure, and is expensed in the newsprint segment in the third quarter of 2012.

Impairment losses on property, plant and equipment of NOK 36 million in the first quarter of 2012 related to Norske Skog Bio Bio, which was divested during the second quarter of 2012.

The possibility of reversing impairment losses in prior periods on property, plant and equipment and intangible assets (except goodwill) has also been evaluated at 30 September 2012. No reversals of previous impairments have been recognised in the third quarter of 2012.

The estimation of recoverable amount is based on assumptions regarding the future development of several factors. These include price development for finished goods, sales volumes, input prices (wood, recovered paper, energy, development in salaries etc.), capital expenditure on operational fixed assets, currency rates and interest rates. This means that there will be uncertainty when it comes to the outcome of the calculations. Norske Skog has performed sensitivity analyses using the variables mentioned above to predict how fluctuations will impact recoverable amount. In relation to the assumptions made in the calculation of the present value of future cash flows, recoverable amount is most sensitive to changes in prices of finished goods, sales volumes and the discount rate used. A reduction in sales price (from 2013) and sales volume in the cash flow period of five per cent will cause a reduction in recoverable amount in the order of NOK 6 100 million and NOK 1 700 million respectively. Correspondingly, a one per cent increase in the discount rate will cause a reduction in the recoverable amount of NOK 1 300 million. A price increase of five per cent on the input prices for wood, recovered paper, energy and labour will reduce recoverable amount by approximately NOK 700 million, NOK 500 million, NOK 500 million and NOK 700 million respectively.

Investments in associated companies

Norske Skog owns a 33.65% stake in Malaysian Newsprint Industries Sdn. Bhd. (MNI) in Malaysia. Investments are recognised in the consolidated financial statements in accordance with the equity method. MNI have derecognised some assets in their financial statements for the third quarter of 2012. This derecognition relates to

property, plant and equipment that is no longer in use and will therefore not generate future economic benefits. Norske Skog's share of this derecognition is recognised in the consolidated financial statements for the third quarter of 2012, and amounts to NOK 183 million.

The derecognition that is recognised in MNI's financial statements has provided the basis for reversal of some of the impairment previously recognised in Norske Skog's consolidated financial statements, relating to the investment in MNI. Based on this, Norske Skog has reversed previous impairments of NOK 94 million in the third quarter of 2012. The effect of the derecognition and reversal of previous impairments is presented net in the income statement, and included in the line Share of profit in associated companies. The carrying value of Norske Skog's investment in MNI amounts to NOK 313 million at 30 September 2012, which is equivalent to Norske Skog's share of equity (including redeemable shares and share premium) recognised in MNI's company financial statements.

Commodity contracts and embedded derivatives in commodity contracts measured at fair value

Commodity contracts that fail to meet the own-use exemption criteria in IAS 39 *Financial instruments – recognition and measurement* are recognised in the balance sheet and valued at fair value. Fair value of commodity contracts and embedded derivatives in commodity contracts which are not traded in an active market, are assessed through valuation techniques. Some of these contracts are long-term

energy contracts. The electricity price for long-term electricity contracts in Norway and New Zealand is not directly observable in the market for the whole contract length. Price forecasts from acknowledged external sources are used in the estimation of fair value. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on marked conditions existing at each balance sheet date.

See Note 9 in the annual financial statements for 2011 for more information regarding the calculation of fair value of derivatives.

Provisions

Provisions for environmental restoration, dismantling costs, restructuring activities and legal claims are recognised when the group has a present legal or constructive obligation as a result of past events; an outflow of resources is more likely than not to be required to settle the obligation and the amount can be reliably estimated.

Provisions for future environmental- and dismantling liabilities are based on a number of assumptions made using management's best judgment. Changes in any of these assumptions could have an impact on the group's provisions and costs.

See Note 2 in the annual financial statements for 2011 for a more thorough description of important accounting estimates and assumptions impacting the preparation of financial statements.

4. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

JAN-SEP 2012	PROPERTY, PLANT AND EQUIPMENT	INTANGIBLE ASSETS	TOTAL
Carrying value at start of period	12 622	148	12 770
Depreciation	-696	-16	-712
Impairments	-437	0	-437
Acquisitions ¹⁾	282	247	529
Value change, biological assets	-6	0	-6
Disposals	-133	-33	-166
Currency translation differences	-296	-3	-299
Carrying value at end of period	11 336	343	11 679

¹⁾ The difference between acquisitions and the line Purchases of property, plant and equipment and intangible assets in the consolidated statement of cash flows is due to finance leases, allocated emission allowances and accruals for payments.

5. DIVESTMENT OF OPERATIONS

On 1 August 2012, an agreement was signed for the sale of the shares in Norske Skog Parenco B.V. in the Netherlands, and the global recovered paper business, Reparco. The sale was completed with effect from 2 October 2012.

In accordance with IFRS 5 *Non-current assets held for sale and discontinued operations*, property, plant and equipment at Parenco and Reparco has been recognised at 30 September 2012 at the lower of book value and sales proceeds less costs to sell. Sales proceeds less costs to sell were lower than book value, and property, plant and equipment was therefore written down in its entirety. Therefore, it was not appropriate to reclassify property, plant and equipment in the balance sheet as assets and liabilities held for sale. See Note 3 for information on impairment in the third quarter in connection with the divestment of Parenco and Reparco. In accordance with the same standard, depreciation of fixed assets was ceased from August.

On 24 March 2012, an agreement was signed for the sale of the shares in Papeles Norske Skog Bio Bio S.A. in Chile. The transaction was completed with effect from 3 May 2012. The sale resulted in a loss of NOK 10 million, which was expensed in the second quarter in

the income statement line Other gains and losses. Reclassification to Other current assets at Norske Skog Bio Bio amounted to NOK 226 million at 31 March 2012. Of this amount, NOK 220 million was reclassified from Property, plant and equipment and NOK 6 million from Deferred tax asset. Reclassification of pension liabilities to Other current liabilities amounted to NOK 38 million.

On 23 March 2012, an agreement was signed for the sale of shares in Norske Skog Follum AS, Follum Industripark AS and related properties. The transaction was completed with effect from 29 June 2012. A gain of NOK 26 million was recognised in Other gains and losses in the second quarter. A gain of NOK 3 million was recognised in the same income statement line in the third quarter, in connection with the final settlement of the transaction. Reclassification to Other current assets at Norske Skog Follum amounted to NOK 130 million at 31 March 2012. This amount consisted primarily of deferred tax assets. Reclassification of pension liabilities to Other current liabilities in the same period amounted to NOK 10 million.

6. OPERATING SEGMENTS

The composition of Norske Skog's operating segments was changed with effect from 1 January 2012. The segment structure is in line with the new operating model implemented during 2011. Norske Skog's chief operating decision maker is corporate management, who distribute resources and assess performance of the group's mills. The mills have a direct reporting line to corporate management.

In the segment reporting, the mills are grouped based on the product produced, within the segments newsprint and magazine paper. The operating segment newsprint is further divided into the geographic regions newsprint Europe and newsprint outside Europe.

Activities that are not part of the operating segments are included in other activities. From 1 January 2012, activities relating to energy are included within other activities. This is because there is no longer a central unit for monitoring and controlling activities related to energy. There will still be operating revenue and operating expenses related to energy, but the bulk of revenue will be from units within the group. Going forward, the activities related to energy will therefore have little or no importance for Norske Skog's ongoing operations.

The comparative figures for 2011 have been restated in accordance with the new segment structure.

JUL-SEP 2012	NEWSPRINT	MAGAZINE PAPER	OTHER ACTIVITIES	ELIMINATIONS	NORSKE SKOG GROUP
Operating revenue	2 472	1 580	551	-487	4 115
Distribution costs	-260	-142	-22	0	-424
Cost of materials	-1 377	-965	-461	422	-2 381
Change in inventories	-8	-23	-6	0	-36
Employee benefit expenses	-323	-237	-46	0	-606
Other operating expenses	-191	-128	-49	66	-302
Gross operating earnings	315	84	-34	0	365
Depreciation	-176	-50	-5	0	-231
Restructuring expenses	-112	0	-9	0	-122
Other gains and losses	-36	8	-38	0	-65
Impairments	-232	-116	-54	0	-403
Operating earnings	-241	-74	-140	0	-455

JAN-SEP 2012	NEWSPRINT	MAGAZINE PAPER	OTHER ACTIVITIES	ELIMINATIONS	NORSKE SKOG GROUP
Operating revenue	7 767	4 944	1 930	-1 736	12 904
Distribution costs	-772	-432	-67	1	-1 270
Cost of materials	-4 407	-3 034	-1 651	1 525	-7 566
Change in inventories	-20	3	-4	0	-21
Employee benefit expenses	-1 017	-786	-152	0	-1 956
Other operating expenses	-595	-415	-152	210	-953
Gross operating earnings	956	278	-97	0	1 138
Depreciation	-539	-159	-14	0	-712
Restructuring expenses	-117	-4	-11	0	-132
Other gains and losses	-46	34	-769	0	-781
Impairments	-267	-116	-54	0	-437
Operating earnings	-13	34	-946	0	-925

JAN-SEP 2011	NEWSPRINT	MAGAZINE PAPER	OTHER ACTIVITIES	ELIMINATIONS	NORSKE SKOG GROUP
Operating revenue	9 084	4 326	2 886	-2 361	13 934
Distribution costs	-860	-402	-60	0	-1 322
Cost of materials	-5 388	-2 703	-2 539	2 076	-8 554
Change in inventories	120	43	0	0	164
Employee benefit expenses	-1 219	-709	-176	0	-2 103
Other operating expenses	-797	-403	-191	284	-1 106
Gross operating earnings	940	152	-80	0	1 012
Depreciation	-895	-378	-20	0	-1 292
Restructuring expenses	-2	-2	-23	0	-27
Other gains and losses	32	88	211	0	331
Impairments	-573	-1 310	0	0	-1 883
Operating earnings	-497	-1 451	88	0	-1 860

OPERATING SEGMENT NEWSPRINT

The newsprint segment encompasses production and sale of standard newsprint and other paper qualities used in newspapers, inserts, catalogues etc.

INCOME STATEMENT	JUL-SEP 2012	APR-JUN 2012	JUL-SEP 2011	YTD 2012	YTD 2011
Operating revenue	2 472	2 727	3 087	7 767	9 084
Distribution costs	-260	-265	-286	-772	-860
Cost of materials	-1 377	-1 511	-1 780	-4 407	-5 388
Change in inventories	-8	-90	32	-20	120
Employee benefit expenses	-323	-328	-400	-1 017	-1 219
Other operating expenses	-191	-199	-257	-595	-797
Gross operating earnings	315	335	397	956	940
Depreciation	-176	-173	-299	-539	-895
Restructuring expenses	-112	0	0	-117	-2
Other gains and losses	-36	-4	25	-46	32
Impairments	-232	2	-573	-267	-573
Operating earnings	-241	159	-451	-13	-497
Share of operating revenue from external parties (%)	99	99	99	99	99
OPERATING REVENUE PER REGION					
Newsprint Europe	1 072	1 205	1 548	3 392	4 666
Newsprint outside Europe	1 317	1 399	1 484	4 076	4 256
Sales offices and other activities	1 145	1 212	1 198	3 427	3 398
Eliminations	-1 062	-1 089	-1 144	-3 127	-3 237
Total	2 472	2 727	3 087	7 767	9 084
GROSS OPERATING EARNINGS PER REGION					
Newsprint Europe	86	107	144	298	245
Newsprint outside Europe	223	218	246	637	679
Sales offices and other activities	6	9	6	20	15
Eliminations	0	0	0	0	0
Total	315	335	397	956	940

OPERATING SEGMENT MAGAZINE PAPER

The magazine paper segment encompasses production and sale of the paper qualities super calendered (SC), machine finished coated (MFC), light weight coated (LWC) and NorCal. Magazine paper is

used in magazines, catalogues and advertising materials. Norske Skog Parenco is reported in the operating segment for magazine paper from the fourth quarter of 2011.

INCOME STATEMENT	JUL-SEP 2012	APR-JUN 2012	JUL-SEP 2011	YTD 2012	YTD 2011
Operating revenue	1 580	1 602	1 568	4 944	4 326
Distribution costs	-142	-141	-166	-432	-402
Cost of materials	-965	-1 032	-975	-3 034	-2 703
Change in inventories	-23	70	20	3	43
Employee benefit expenses	-237	-261	-243	-786	-709
Other operating expenses	-128	-147	-128	-415	-403
Gross operating earnings	84	90	77	278	152
Depreciation	-50	-52	-124	-159	-378
Restructuring expenses	0	2	0	-4	-2
Other gains and losses	8	3	29	34	88
Impairments	-116	0	-1 302	-116	-1 310
Operating earnings	-74	43	-1 321	34	-1 451
Share of operating revenue from external parties (%)	97	94	97	95	94

OTHER ACTIVITIES

Activities in the group that do not fall into the operating segments newsprint or magazine paper are presented under other activities. This includes purchase and resale of energy to the group's mills,

corporate functions, real estate activities, trading and sorting of recovered paper and purchase and resale of wood.

INCOME STATEMENT	JUL-SEP 2012	APR-JUN 2012	JUL-SEP 2011	YTD 2012	YTD 2011
Operating revenue	551	618	853	1 930	2 886
Distribution costs	-22	-21	-18	-67	-60
Cost of materials	-461	-524	-729	-1 651	-2 539
Change in inventories	-6	1	-7	-4	0
Employee benefit expenses	-46	-53	-55	-152	-176
Other operating expenses	-49	-53	-49	-152	-191
Gross operating earnings	-34	-32	-5	-97	-80
Depreciation	-5	-5	-6	-14	-20
Restructuring expenses	-9	-1	-4	-11	-23
Other gains and losses	-38	-45	-97	-769	211
Impairments	-54	-1	0	-54	0
Operating earnings	-140	-85	-111	-946	88
Share of operating revenue from external parties (%)	24	27	26	26	30
OPERATING REVENUE					
Energy	139	163	308	588	1 195
Recovered paper	173	193	232	572	710
Real estate activities	0	0	1	0	5
Corporate functions	44	48	60	139	179
Miscellaneous	204	223	268	658	842
Eliminations	-9	-9	-17	-27	-45
Total	551	618	853	1 930	2 886
GROSS OPERATING EARNINGS					
Energy	0	0	0	0	3
Recovered paper	0	1	3	3	14
Real estate activities	3	-2	-1	1	-12
Corporate functions	-37	-24	-6	-86	-74
Miscellaneous	-1	-7	-1	-14	-11
Eliminations	0	0	0	0	0
Total	-34	-32	-5	-97	-80

7. INTEREST-BEARING DEBT

NET INTEREST-BEARING DEBT

Norske Skog has recognised an amount in the balance sheet as a result of the termination of a large part of the fair value hedge portfolio in the first half of 2009. A hedge reserve (deferred income) amounting to NOK 217 million is included in interest-bearing debt at 30 September 2012. The corresponding figure as at 31 December 2011 was NOK 270 million.

The hedge reserve does not constitute any payment obligation for the group, but will be amortised in the income statement over the lifetime of the debt that has been hedged.

30 SEP 2012	REPORTED KEY FIGURES	KEY FIGURES ACCORDING TO LOAN AGREEMENT ¹⁾
Interest-bearing non-current liabilities	7 322	7 483
Interest-bearing current liabilities	209	213
- Hedge reserve	217	216
- Cash and cash equivalents	1 028	1 042
= Net interest-bearing debt	6 285	6 437
Adjusted net interest-bearing debt ²⁾		6 520

¹⁾ Calculated using the average exchange rate per month for the last 12-month period.

²⁾ Adjusted net interest-bearing debt according to definition in loan agreement.

LOAN COVENANTS

The loan covenants in the group's credit facility of EUR 140 million are partly linked to the debt ratio (Adjusted net interest-bearing debt / Adjusted EBITDA) and the interest coverage ratio (Adjusted EBITDA / Net interest expense).

In accordance with the agreement, all key figures are calculated at the average exchange rate per month for the last 12-month period.

The group's bond loans do not include financial covenants.

30 SEP 2012	REPORTED FIGURES	LOAN COVENANTS ²⁾
EBITDA (last 12 months)	1 640	
Adjusted EBITDA ¹⁾ (last 12 months)	1 575	
Net interest expense (last 12 months)	590	
Adjusted net interest-bearing debt / Adjusted EBITDA	4.14	< 5.00
Adjusted EBITDA / Net interest expense	2.67	> 2.25

¹⁾ Adjusted EBITDA consists of gross operating earnings for the group, excluding units that have been sold during the last 12 months.

²⁾ The loan covenants presented in the table are as at 30 September 2012.

LOAN COVENANTS 2012/2013	31 DEC 2012	31 MAR 2013	30 JUN 2013	30 SEP 2013
Adjusted net interest-bearing debt / Adjusted EBITDA	< 4.75	< 4.25	< 4.00	< 3.75
Adjusted EBITDA / Net interest expense	> 2.25	> 2.50	> 2.50	> 2.75

DEBT REPAYMENT SCHEDULE

CONTRACTUAL INSTALMENT PAYMENTS ON CURRENT AND NON-CURRENT INTEREST-BEARING DEBT		30 SEP 2012
2012 – fourth quarter		61
2013		173
2014		940
2015		943
2016		993
2017		2 958
2018		35
2019		35
2020		37
2021		26
2022 to 2033		1 188
Total		7 389

Total debt listed in the repayment schedule may differ from the carrying value in the balance sheet. This is due to premiums and discounts on issued bonds and hedge reserve.

BONDS

Bond financing constitutes the majority of Norske Skog's total debt financing. All bonds are issued by Norske Skogindustrier ASA and are

unsecured. The table below shows Norske Skog's issued bonds at 30 September 2012.

MATURITY	CURRENCY	COUPON	ORIGINAL AMOUNT	OUTSTANDING AMOUNT 30 SEP 2012
October 2015	USD	6.125%	USD 200 mill	USD 158 mill
October 2033	USD	7.125%	USD 200 mill	USD 200 mill
June 2016	EUR	11.75%	EUR 150 mill	EUR 130 mill
June 2017	EUR	7.00%	EUR 500 mill	EUR 397 mill
June 2014	NOK (NSG 17)	15.5%	NOK 530 mill	NOK 508 mill
June 2014	NOK (NSG 18)	N3m + 11.5%	NOK 220 mill	NOK 195 mill
October 2014	NOK (NSG 15)	5.4%	NOK 300 mill	NOK 185 mill

8. ENERGY CONTRACTS, DERIVATIVES AND FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE

30 SEP 2012	ASSETS		LIABILITIES	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Energy contracts and embedded derivatives in energy contracts	114	1 112	-20	-106
Other raw material contracts	0	0	-6	-46
Other derivatives and financial instruments carried at fair value	85	0	-25	-20
Total	198	1 112	-50	-172

Norske Skog's portfolio of commodity contracts consists primarily of physical energy contracts. The fair value of commodity contracts is therefore particularly sensitive to future fluctuations in energy prices. The fair value of embedded derivatives in physical contracts depends on currency and price index fluctuations.

Lower energy prices have a negative impact on fair value. Energy prices in the Nordic region have declined in both the short and long end of the price curve compared with the previous quarter. In New Zealand, energy prices have declined in the short term and are virtually unchanged in the long term.

A decrease in estimates of consumer price indices has a positive impact on fair value. Consumer price indices, which affect the fair value, shows only small changes compared with the previous quarter.

Changes in the value of energy-/commodity contracts and embedded derivatives in contracts are presented in the income statement line Other gains and losses. Realised effects from sales of energy contracts are also included in this accounting line. NOK 37 million has been expensed in the third quarter of 2012, relating to negative changes in the value of energy contracts.

9. RESTRUCTURING EXPENSES

Restructuring expenses of NOK 122 million in the third quarter consist mainly of provisions for severance payments of NOK 105 million as a result of the decision to permanently close 150 000 tonnes of newsprint capacity at Norske Skog Tasman in New Zealand. A provision of NOK 9 million was recognised at head office in relation to severance payments and other costs as a result of changes in corporate management. A provision of NOK 7 million was also recognised in relation to redundancies at Norske Skog Golbey in France.

Restructuring expenses in the second quarter of 2012 consisted of income of NOK 2 million after a review of the previous provision for severance payments at Norske Skog Parenco in the Netherlands, and a provision for severance payments of NOK 1 million at head office.

Restructuring expenses of NOK 11 million in the first quarter of 2012 were mainly related to provisions for severance payment and other costs as a result of the decision to close Norske Skog's shared service centre located in Antwerp in Belgium.

10. RECLASSIFICATION IN THE BALANCE SHEET

In the first quarter of 2012, a review of the classification of balance sheet items was performed. This resulted in the reclassification of restructuring liabilities in the balance sheet from Trade and other payables to Other current liabilities. The modified classification is

applied retrospectively, and comparative figures in the balance sheet have been restated. The change has had an impact of NOK 172 million at 30 September 2012 (NOK 83 million at 30 June 2012 and NOK 68 million at 30 September 2011).

11. THE NORSKE SKOG SHARE

	30 SEP 2012	30 JUN 2012	31 MAR 2012	31 DEC 2011	30 SEP 2011
Share price (NOK)	5.19	4.09	5.70	4.52	4.21
Book value of equity per share (NOK)	33.97	37.08	36.96	39.08	41.88

12. PRINCIPAL SHAREHOLDERS

PRINCIPAL SHAREHOLDERS AT 30 SEPTEMBER 2012	NUMBER OF SHARES	OWNERSHIP %
Nobelssystem Scandinavia AS	7 200 000	3.79
Folketrygdfondet	6 924 431	3.65
AT Skog	6 671 000	3.51
SKAGEN Fondene	6 275 100	3.30
Dimensional Fund Advisors	5 668 306	2.98
Allskog BA	5 261 414	2.77
Astrup Fearnley AS	5 189 688	2.73
Acadian Asset Management	4 915 349	2.59
Uthalden AS	3 820 000	2.01
Nordnet Bank AB	3 411 789	1.80
Holmen Fund Management	3 000 000	1.58
Fiducia AS	2 986 644	1.57
Nordea Bank PLC Finland	2 638 700	1.39
Saba Capital Management	2 612 257	1.38
Havliide AS	2 296 466	1.21
AS Herdebred	2 112 005	1.11
Torstein I. Tvenge	2 000 000	1.05
Danske Bank	1 996 378	1.05
Mjøsen Skog BA	1 970 560	1.04
Shareholders with < 1% ownership	112 995 539	59.49
Total	189 945 626	100.00

The data is provided by RD:IR and VPS, through the Nominee ID service. The data is obtained through the analysis of beneficial ownership and fund manager information provided in replies to disclosure of ownership notices issued to all custodians on the

Norske Skogindustrier ASA share register. Whilst every reasonable effort is made to verify all data, neither RD:IR nor VPS can guarantee the accuracy of the analysis.

13. EVENTS AFTER THE BALANCE SHEET DATE

The divestment of the paper mill Norske Skog Parenco and the global recovered paper business, Reparco, was completed on 2 October 2012. There have been no other events after the balance sheet date

with significant impact on the interim financial statements for the third quarter of 2012.



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