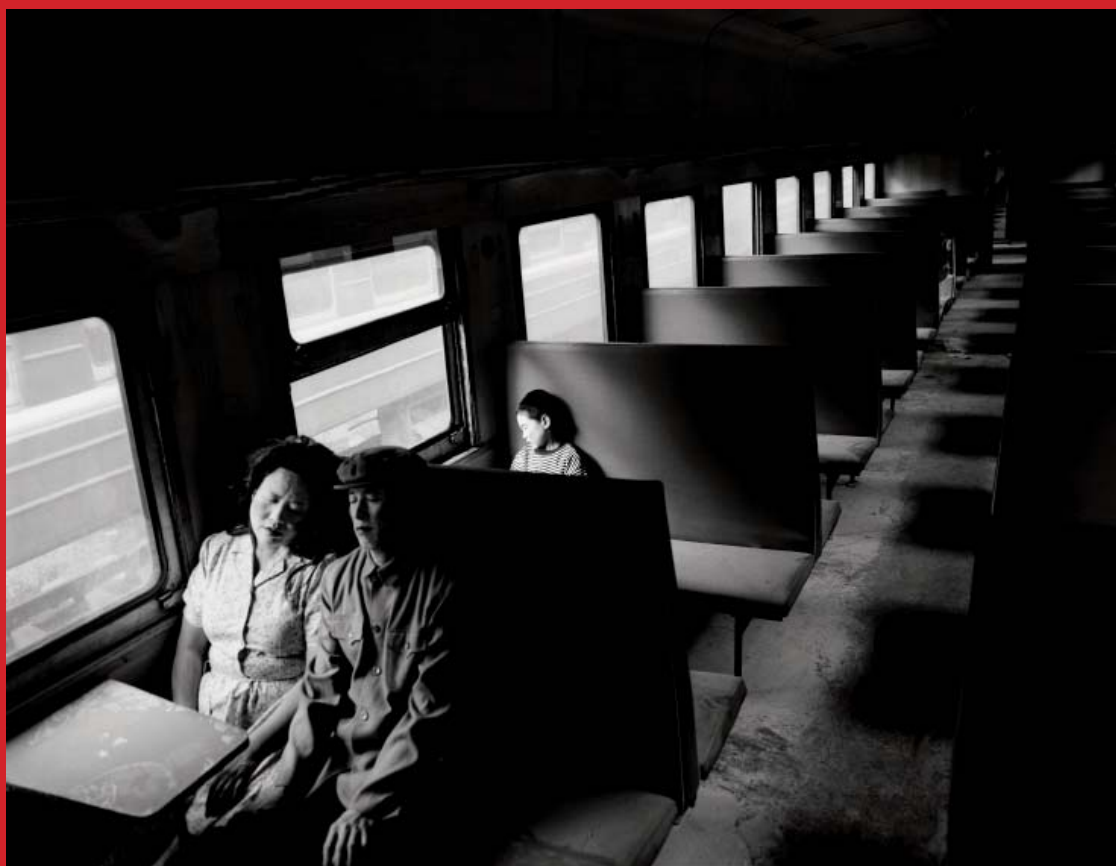




20
10
annual
report



In 2010, CellMark continued to excel despite an uncertain global marketplace. Specifically, we executed several key programs that aligned with our strategy to grow the company, organically and through acquisition.

Despite market uncertainty, our raw materials units, the Pulp and Recycling divisions, exceeded expectations considerably. At the same time, Paper and Packaging identified and acted upon numerous opportunities to dramatically increase their market presence. Thanks to these and other initiatives, the Group transacted close to 5 million tons. This volume, combined with a relatively strong market and safe transaction management, led to a successful year.

Also during 2010, all divisions diversified their product and service portfolios – CellMark continues to explore emerging markets and expand its reach and capabilities. The Pulp division, for example, has laid the groundwork for a solid biofuel facility in South East Asia. Additionally, the Paper division identified several new suppliers, in Europe and North America, and created deeper and more efficient channels to connect with them. It also began working with new product lines. The Recycling division is involved in several new facilities, including the Duquesa materials recovery plant in the Dominican Republic. Moreover, the Packaging division significantly increased its volume with partners in key markets, and continued a growth plan into new regions and product diversification.

CellMark also continued to work closely with our banking and credit insurance partners, who enabled the company to pursue and implement the increasingly innovative and flexible solutions the market requires. In addition, we remain grateful to our global customers and suppliers, whose support remains invaluable to our success.

Finally, in 2010, we invested heavily in new people; the company now has more than 500 employees. These professionals are living examples of our key corporate values: integrity, trust, transparency and accountability. Thanks to them, CellMark had a strong 2010. We forged ahead during difficult economic times, and set the stage for even greater success in 2011.

Hans Kling



CellMark recognizes the increasing need for networking and guidance in a dynamic, rapidly changing business environment.

Since its establishment in 1984, CellMark has become one of the world's foremost providers of supply chain services to the pulp and paper industry. Our specialists in sales, marketing, logistics and financial services feature market-leading know-how, and they embrace their challenging role as innovators and developers of truly creative solutions.

CellMark comprises four product divisions: Pulp, Paper, Packaging and Recycling as well as the subdivisions Energy and Machinery. Our global network of 47 offices in 20 countries, complemented by numerous agents in other markets, represent and support the product divisions.

Today, CellMark's annual sales volume is almost 5 million tons. Our sourcing activities extend to more than 60 countries, with sales in about 120 markets. Further, the Group has about 520 employees in wholly owned subsidiaries.





Our motto reads: Surpassing your expectations through change!

It is a comfort to welcome and cultivate the spirit of change. In an environment which changes with ever increasing speed, we want to embrace that change and create even higher expectations for the services we provide to our business partners. Autonomy, mastery and purpose shall be our guiding premise.

2010 was a truly eventful year and several unexpected occurrences impacted our global business.

The disastrous earthquake in Chile, which sadly resulted in so much destruction and loss of life, also had a profound impact on the pulp market. Prices spiked globally in the aftermath, but by the middle of the year, the Chinese market ground to a halt for almost two months. These events greatly impacted our business as both countries have become increasingly more important to the products we take to market. In the latter part of the year, the market finally normalized and we saw robust demand and stable pricing.

We also saw the renewal and extension of some cornerstone relationships with key suppliers, which we consider an honour and also a testament to the quality of our services. This was a recognition for which we are truly grateful and proud.

Despite this CellMark Pulp did exit a long term partnership of ten years with one key supplier who will forge ahead independently. Sales volume was affected negatively as a result but new account activity has almost completely supplemented this loss.

Our efforts in the renewable energy area, with a particular focus on bio-mass, showed good progress. We have now engaged in partnerships on four continents and with them found new insights and opportunities for further developments, which will be a welcome addition to our portfolio of products and services. This aligns well with CellMark Pulp's commitment to remain a world class, global service provider to our clients.

PULP



CellMark Paper endured a difficult 2010. A combination of several factors, supply disruptions, currency volatility and a fast changing market contributed to our struggles. As a result of these problems, maintaining profitability levels became a significant hardship.

Despite the market issues that the division had to battle through, 2010 also featured many positives. Our sales volume grew from previous year and reached nearly 1.1 million tons. We increased our business with several high profile customers and developed new relationships with others. We also cultivated a number of strategic supply sources and the divisions' Miami team performed very well, followed closely by some special Paper division projects.

Although the year was disappointing in terms of financial results, we made significant strides from a business development perspective. Specifically, we added several talented people across the organization and invested in several large-scale strategic partnerships that will serve us very well in 2011 and beyond. These investments have left CellMark Paper in a far more powerful position with global customers and suppliers as we proceed through 2011.

We are very confident about the prospects for the business moving forward and are projecting very significant growth in 2011. This dramatic expansion will result from a combination of acquisitions, strategic partnerships and organic growth. At the same time, the sales team has embraced new efforts to increase profitability.

Thanks to a host of strategic programs, a more promising economy and an enthusiastic and committed workforce, we look forward to considerable improvements in 2011.

PAPER



The improving market conditions of late 2009 continued through early 2010, with more tonnage available for export in the first months of the year. Pricing started the year still at very depressed levels, but global demand started to show improvement following a very difficult 2009. By mid-year 2010 we had already shown a growth of almost 40% in tonnage and a significant improvement in profit.

With more supply from our broad base of mill partners, we were able to continue our diversification plan to increase sales in Africa and to fulfill growing demand in Latin America and the MidEast regions. New sales staff took on the tasks of supporting more detailed analysis of our activity to extract full value of our sales programs. A good spread of market activity allowed us to have our top sales markets located on all continents. New supply relationships with mill partners in the USA, Europe, Australia and Asia contributed to the continuing growth and diversification of markets.

The trend in price increases continued from Q1 through the end of 2010, with some products increasing in price by almost 50%. Market demand varied throughout the world, with emerging markets showing stronger growth and demand for packaging materials than the more traditional areas of North America and Europe. Containerboard supply from Europe and Asia were impacted by volatile waste paper prices, while US containerboard with more stable pricing trends became more available. Sackkraft supply became tight by mid-year, with prices increasing strongly for the balance of the year. New supply of tissue grades from Asia started to become available by year-end, but global demand continued to outstrip supply.

By year-end, we had experienced a strong increase in supply of containerboard grades, and good support of sackkraft supply and other grades, with an overall increase of 17% in tonnage sold compared to the previous year. Through market price increases, effective logistics, and overall cost and credit controls, we were able to finish the year with a strong profit, more than doubling our results from 2009.

The outlook for 2011 is for continued activity levels in our key markets that will allow for continued, but measured, growth. Supply from a strong and committed mix of mill partners will support our focused marketing plans and allow us to prepare and support a trend of economic recovery across all markets over the next years.

PACKAGING



With the December 31, 2009 expiration of the green liquor subsidy, recycled content mills were again on equal footing, or in many cases at a competitive advantage to their virgin counterparts. OCC was again in high demand and with mill inventories at very low levels, during what is the slowest generation and collection season, it created the perfect storm that traders only see once in a decade. Consequently prices spiked to record highs by March; an auspicious start to a turbulent and rather profitable year.

The slow economic recovery was a primary contributor to the reduced generation and collection of all recovered fiber across North America. Newsprint consumption was drastically reduced resulting in fewer publication papers to be recovered. The same could be said for all packaging grades of paper and paperboard which are directly linked to reduced consumer spending. This presented challenges for recycling plants that are both volume and price sensitive. CellMark's recycling facilities stayed ahead of the curve with careful cost controls, increased efficiencies and generated acceptable profits despite flat to nominal growth.

CellMark's non fiber recycling business doubled its volume in 2010 and will likely grow at an annual rate of 30% per year over the next two years. We made sales into eight different countries in 2010 broadening our customer base to compliment the well established US and Chinese outlets we serve. This is a prime, targeted growth area for CellMark Recycling.

2010 was CellMark Recycling's most rewarding year in so many ways. Our ability to forecast market shifts, and share the same with key suppliers and customers presents further growth opportunities as we strategically align our strengths with market needs. We are very optimistic about our industry and the role we play.

RECYCLING







1984

Cellulose Marketing International AB is founded in Gothenburg with 21 employees. Five overseas sales offices are established. Later, in 1997, the company name is changed to CellMark AB.



1987

CellMark is now 100 % employee owned. We acquire Pacific Forest Resources Inc. (PacFor), adding packaging paper and board and recovered paper to our existing base in market pulp and whitepaper.



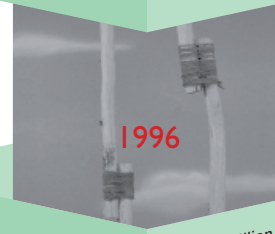
1990

We reach the one million ton mark and sell our products in 36 markets.



1996

The two million ton mark is realized. We become ISO-9002 certified. We acquire our first Recycling plant.



1999

During the 1990s CellMark acquires American Paper Sales and Perkins Goodwin in the U.S. and Unifibra in Europe. Singapore Pulp Private Ltd (SPPL) is established in Singapore.



2000

Group sales exceed one billion U.S. dollars. We acquire Gothia Paper AB and Larsson Paper AB.





2001

Over three million tons of pulp and paper are sold to 102 markets. Most subsidiaries are consolidated under the CellMark brand name.



2004

CellMark celebrates its 20th anniversary and reached a sales volume of over 4 million tons.



2006

CellMark now has ten Regional offices in Europe, North America and Asia and an additional twenty-seven sales offices worldwide. We become FSC and PEFC certified.



2007

Group sales exceed 5 million tons.



2009

CellMark celebrates its 25th anniversary. With the acquisitions of Fibres International in 2008 and Syracuse Recycling in 2009, CellMark Recycling now operates 10 recycling facilities in North America.



2010

CellMark acquire Sicutec AB, a supplier of second hand machinery and equipment to the pulp and paper industry.



The Board of Directors and the President hereby submit the annual report and the consolidated financial statements for 2010. The parent company's financials are not presented separately in this report. Note 2, number of employees, salaries and emoluments etc is a summary. The statutory annual report, including the financials of the parent company and complete supplementary information, can be obtained from the company or the Swedish Registration Office, Bolagsverket.

Operations

CellMark Holding AB, together with wholly-owned subsidiaries and associated companies, markets forest products. The net sales of the parent company and the group result from marketing of forest products and commission thereon. Investments for the year for the group totalled TSEK 51 694, whereof TSEK 25 315 referred to equipment, TSEK 472 to computer software, TSEK 18 to other intangible assets and TSEK 25 889 to land and buildings.

Group Identification

CellMark Holding AB, company reg.no. 556498-0893, is the parent company of CellMark AB, company reg.no. 556244-2433 and a subsidiary to CellMark Investment AB, company reg no 556737-1959.

Foreign Branches

The Group has representative offices in Shanghai and Qingdao.

Risk Management

CellMark has defined the risks in our business model and has well-developed processes for the elimination of such risks. Price and product risks are covered as we only conclude back-to-back transactions with suppliers and customers. We sell counterpart and political risks in the insurance and banking markets, where we also cover our foreign exchange exposures.

Financial Highlights of the Group (MUSD*)

	2010	2009	2008	2007	2006	2005	2004	2003
Operating Income	2 585	2 153	2 542	2 313	1 892	1 684	1 519	1 245
Profit after								
Financial Items	26.7	26.0	23.1	27.2	23.2	17.2	18.0	13.1
Total Assets	728	626	640	644	534	418	404	311
Equity Ratio (%)	19.1	18.6	14.9	19.0	17.7	16.7	18.1	19.4

*MUSD shall be read as Millions of US Dollars.

Equity Ratio: Shareholders' equity as a percentage of total assets.

Equity

The Group's non-restricted equity totals TSEK 858 189, which includes the profit for the year of TSEK 157 201.



The financial results as well as the operating and financial position of the Group are presented in the following income statement and balance sheet, cash flow statement, related supplementary information and notes to the accounts.

CONSOLIDATED INCOME STATEMENT

	Note	2010		2009	
		SEK (000)	USD (000)*	SEK (000)	USD (000)**
Operating Income					
Net Sales		18 616 480	2 580 104	16 422 085	2 151 177
Other Operating Income		32 602	4 518	16 646	2 181
Total Operating Income	1	18 649 082	2 584 622	16 438 731	2 153 358
Operating Expenses					
Goods for Resale		-17 702 437	-2 453 424	-15 498 544	-2 030 200
Other External Costs	3	-236 161	-32 730	-221 509	-29 016
Personnel Costs	2	-486 220	-67 386	-470 187	-61 591
Depreciation of Fixed Assets	5, 6, 7, 8	-25 821	-3 579	-29 078	-3 809
Total Operating Expenses		-18 450 639	-2 557 119	-16 219 318	-2 124 616
Operating Profit		198 443	27 503	219 413	28 742
Result from Financial Investments					
Result from Participations in Associated Companies		7 115	986	1 957	256
Interest Income		30 018	4 160	29 328	3 842
Interest Expenses		-42 584	-5 902	-52 052	-6 819
Total Result from Financial Investments		-5 451	-756	-20 767	-2 721
Profit after Financial Items		192 992	26 747	198 646	26 021
Tax on Profit for the Year	4	-36 507	-5 059	-58 539	-7 668
Minority Interest		716	99	3 158	414
Net Profit for the Year		157 201	21 787	143 265	18 767

*Based on average exchange rate during the year | USD = SEK 7.2154

**Based on average exchange rate during the year | USD = SEK 7.6340

CONSOLIDATED BALANCE SHEET

	Note	Dec 31, 2010		Dec 31, 2009	
		SEK (000)	USD (000)*	SEK (000)	USD (000)**
ASSETS					
Fixed Assets					
Intangible Fixed Assets					
Goodwill	5	485	71	1 896	263
Computer Software	6	4 408	648	6 943	963
Other Intangible Fixed Assets	6	7 610	1 119	12 166	1 687
Total Intangible Fixed Assets		12 503	1 838	21 005	2 913
Tangible Fixed Assets					
Land and Buildings	7	117 024	17 203	98 721	13 687
Equipment	8	60 467	8 889	54 372	7 539
Total Tangible Fixed Assets		177 491	26 092	153 093	21 226
Financial Assets					
Participations in Associated Companies	10	25 473	3 745	19 884	2 757
Other Shares		767	113	693	96
Endowment Insurance		13 483	1 982	4 059	563
Other Long-Term Receivables		59 497	8 746	32 214	4 466
Deferred Tax Assets		30 459	4 478	31 847	4 416
Total Financial Assets		129 679	19 064	88 697	12 298
Total Fixed Assets		319 673	46 994	262 795	36 437
Current Assets					
Inventory					
		829 373	121 922	789 782	109 502
Current Receivables					
Accounts Receivable – Trade		3 088 150	453 973	2 916 581	404 379
Receivables from Parent Company		165 719	24 361	128 112	17 762
Receivables from Associated Companies		20 087	2 953	15 762	2 185
Prepaid Tax		3 441	506	4 891	678
Other Receivables		93 021	13 674	53 217	7 378
Prepaid Expenses and Accrued Income		60 241	8 856	87 376	12 114
Total Current Receivables		3 430 659	504 323	3 205 939	444 496
Cash and Bank Balances		370 870	54 519	253 452	35 141
Total Current Assets		4 630 902	680 764	4 249 173	589 139
TOTAL ASSETS		4 950 575	727 758	4 511 968	625 576

*Based on closing day rate of exchange | USD = SEK 6.8025

**Based on closing day rate of exchange | USD = SEK 7.2125

CONSOLIDATED BALANCE SHEET

EQUITY AND LIABILITIES

Equity

Restricted Equity

Share Capital, 1 677 231 shares

à par SEK 0.1

Restricted Reserves

Total Restricted Equity

Non-Restricted Equity

Non-Restricted Reserves

Profit for the Year

Total Non-Restricted Equity

Total Equity

Minority Interest

Provisions

Deferred Taxes

Provisions for Pension

Total Provisions

Long-Term Liabilities

Liabilities to Credit Institutions

Other Long-Term Liabilities

Total Long-Term Liabilities

Current Liabilities

Liabilities to Credit Institutions

Accounts Payable – Trade

Due to Associated Companies

Income Tax Liability

Other Current Liabilities

Accrued Expenses and Prepaid Income

Total Current Liabilities

TOTAL EQUITY AND LIABILITIES

MEMORANDUM ITEMS

Pledged Assets

Contingent Liabilities

Note **Dec 31, 2010** Dec 31, 2009
SEK (000) USD (000)* SEK (000) USD (000)**

11

168	25	168	23
84 897	12 480	87 517	12 134
85 065	12 505	87 685	12 157

700 988	103 049	608 489	84 366
157 201	23 109	143 265	19 864
858 189	126 158	751 754	104 230

943 254 **138 663** 839 439 116 387

952 **140** 1 725 239

6 456	949	4 987	691
15 386	2 262	5 093	706
21 842	3 211	10 080	1 397

82 177	12 080	79 480	11 020
495	73	1 493	207
82 672	12 153	80 973	11 227

2 013 487	295 991	2 173 059	301 291
1 444 716	212 380	927 364	128 577
13 578	1 996	7 940	1 101
7 861	1 156	55 122	7 643
156 176	22 959	177 041	24 546
266 037	39 109	239 225	33 168
3 901 855	573 591	3 579 751	496 326

4 950 575 **727 758** 4 511 968 625 576

12 3 520 056 517 465 3 491 978 484 156

12 389 561 57 267 742 036 102 882

*Based on closing day rate of exchange 1 USD = SEK 6.8025

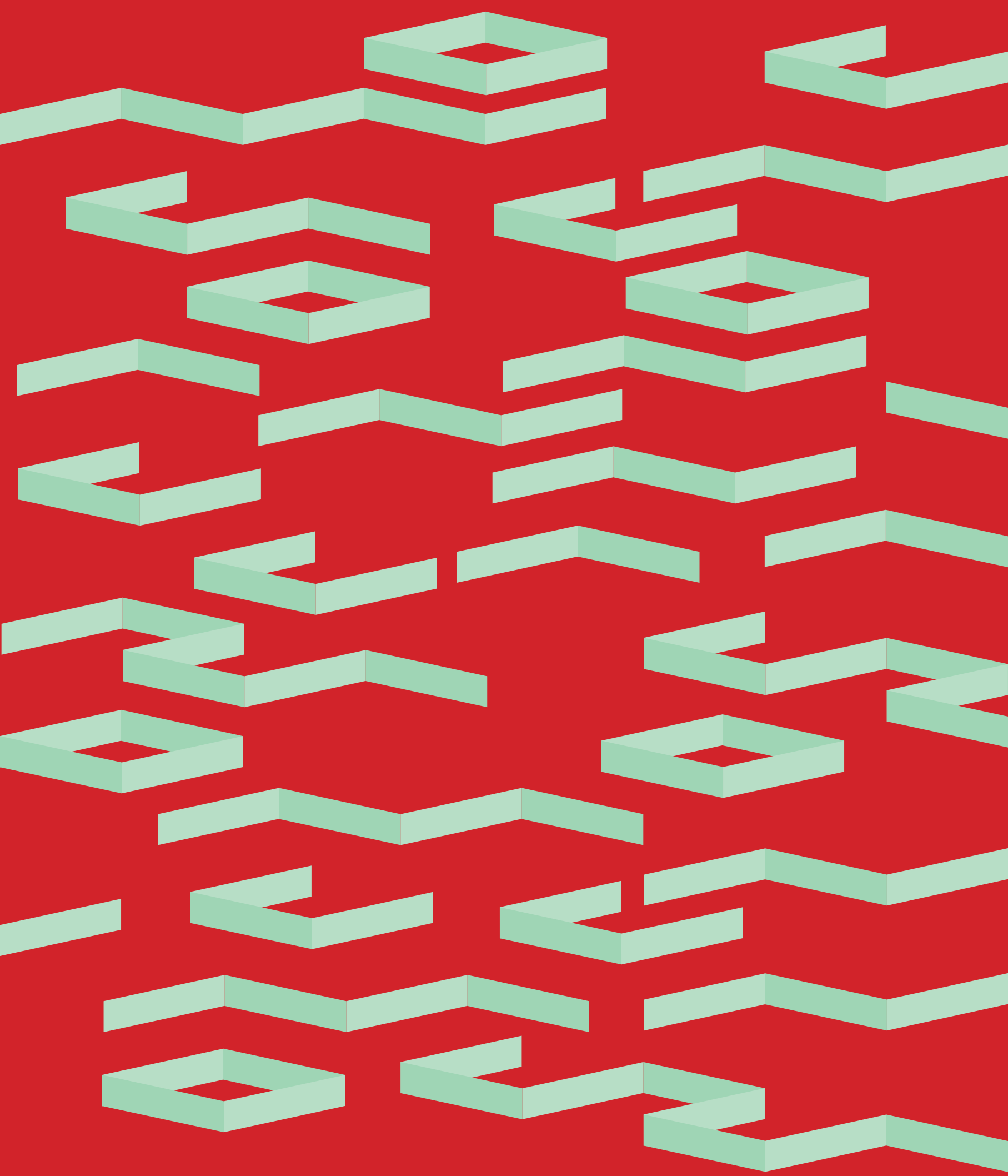
**Based on closing day rate of exchange 1 USD = SEK 7.2125

CONSOLIDATED CASH FLOW STATEMENT

	2010 SEK (000)	2009 SEK (000)
Operating Activities		
Operating Profit	198 443	219 413
Adjustment for Items Excluded from Cash Flow Statement, etc.		
Depreciation	25 821	29 078
Other Adjustments	19 681	32 804
Currency Exchange Differences	-3 407	-1 717
Capital Gain/Loss of Fixed Assets	2	-2 635
	240 540	276 943
Interest Received	30 018	29 328
Interest Paid	-42 584	-52 052
Income Taxes Paid	-71 721	-19 596
Cash Flow from Operating Activities before Changes in Working Capital	156 253	234 623
Cash Flow from Changes in Working Capital		
Change in Inventories	-77 132	50 339
Change in Accounts Receivable	-299 616	296 651
Change in Receivables	-60 505	99 504
Change in Accounts Payable	559 059	-207 817
Change in Liabilities	-78 250	-279 032
Cash Flow from Operating Activities	199 809	194 268
Investing Activities		
Purchase of Intangible Fixed Assets	-539	-4 019
Purchase of Tangible Fixed Assets	-54 171	-22 653
Purchase of Financial Assets	-454	0
Sale of Fixed Assets	2 624	9 485
Sale of Financial Assets	0	2 033
Dividend Received	568	0
Change in Long-Term Receivables	-30 592	-4 391
Cash Flow from Investing Activities	-82 564	-19 545
Financing Activities		
Change in Loan from Credit Institutions, etc.	5 785	-147 340
Cash Flow from Financing Activities	5 785	-147 340
Net Change in Cash and Cash Equivalents	123 030	27 383
Cash and Cash Equivalents Beginning of the Year	253 452	238 100
Exchange Rate Difference in Cash and Cash Equivalents	-5 612	-12 031
Cash and Cash Equivalents End of the Year	370 870	253 452











Accounting Principles

The annual report has been prepared according to the Swedish Annual Accounts Act and the general advice and guidelines of the Swedish Accounting Standards Board.

Consolidated Financial Statements

The consolidated income statement and balance sheet include all companies in which the parent company directly or indirectly holds more than 50% of the shares or voting rights, see note 9.

All acquisitions of companies have been recorded according to the acquisition method. Untaxed reserves reported in the individual group companies are divided in the consolidated balance sheet as a capital part and a tax part. The capital part has been accounted for under restricted reserves. The tax part is accounted for as an allocation under deferred tax.

Companies acquired during the year have been consolidated from acquisition date.

Participations in associated companies have been reported according to the equity method. Companies where CellMark holds between 20% and 50% of the voting rights are treated as associated companies. The equity method means that the acquisition cost for the shares, adding the change in the associated company's equity after the date of acquisition, is accounted for under the heading "Participations in Associated Companies" in the consolidated balance sheet.

The current method has been used in translating the income statements and balance sheets in foreign subsidiaries into Swedish kronor. All assets and liabilities in the foreign subsidiaries' balance sheets have been translated at year-end rate and all items in the income statements have been translated using the average rate of the year. Translation differences arising have been entered directly as equity.

Receivables and Liabilities in Foreign Currency

Receivables and liabilities in foreign currency have been translated at the rate of exchange at year-end. The difference between the acquisition value and the value at year-end has been accounted for as income/expense. Receivables and liabilities that have been sold forward have been valued at the forward exchange rate.



Fixed Assets Fixed assets are accounted for at the acquisition cost with deduction for depreciation according to plan based on assessment of the expected economic life of the assets. Depreciation according to plan is computed as follows:

Computer equipment	20%
Other equipment	20%
Buildings	2%
Goodwill	10–20%
Other intangible assets	10–20%

Current Assets Receivables have been recorded at the amount they are expected to be paid.

Inventories have been valued at the lower of cost or market, i.e. the lower of the acquisition value and the estimated net sales value.

Cash Flow Statement Cash and cash equivalents include bank balances and short-term investments.

Note 1
Operating Income

Group	2010	2009
Pulp	5 669 949	5 073 179
Paper	6 711 652	6 978 616
Packaging	3 362 402	2 313 404
Recycling	2 905 079	2 073 532
Total	18 649 082	16 438 731

No Purchases or Sales between the Parent Company and other Group Companies have taken place.

Note 2

Number of Employees, Salaries and Emoluments, etc

	2010	Men	2009	Men
Group				
Average Number of Employees:				
Sweden	97	43	94	43
USA	349	222	289	174
Other Countries	78	37	80	39
	524	302	463	256

Number of Board Members, Presidents and Managing Officers:	2010	Men	2009	Men
Board Members	21	20	21	20
Presidents and Managing Officers	14	12	14	12

Salaries, emoluments, social security expenses and pension expenses were paid as follows:

	2010	2009
Salaries and Emoluments	373 192	366 792
Social Security Expenses	51 312	46 062
Pension Expenses	35 688	33 882
	460 192	446 736

Pension Obligation to Board and President	0	0
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Note 3

Disclosure of Audit Fee and Cost Reimbursements

	2010	2009
Group		
Moore Stephens		
Audit Assignment	1 859	254
Non-Audit Assignments	1 136	256
Other Auditors		
Audit Assignment	1 176	3 276
Non-Audit Assignments	4 957	4 920
Total	9 128	8 706

Note 4

Tax on Profit for the Year

	2010	2009
Group		
Income Tax	38 533	43 564
Deferred Tax	-2 026	14 975
	36 507	58 539

Note 5

Acquisition Values and Depreciation, etc. for Goodwill

	Dec 31, 2010	Dec 31, 2009
Group		
Acquisition Value Brought Forward	27 261	30 280
Sales/Disposals	-305	0
Exchange Rate Differences	-2 693	-3 019
Accumulated Acquisition Value		
Carried Forward	24 263	27 261
Depreciation Brought Forward	-25 365	-27 279
Exchange Rate Differences	2 640	3 090
Depreciation for the Period	-1 053	-1 176
Accumulated Depreciation		
Carried Forward	-23 778	-25 365
Book Value	485	1 896

Note 6

Acquisition Values and Depreciation, etc. for
Computer Software

Group		
Acquisition Value Brought Forward	20 777	21 357
Purchases	472	191
Sales/Disposals	-31	0
Reclassifications	33	0
Exchange Rate Differences	-522	-771
Accumulated Acquisition Value		
Carried Forward	20 729	20 777
Depreciation Brought Forward	-13 834	-9 936
Sales/Disposals	31	0
Exchange Rate Differences	338	363
Depreciation for the Period	-2 856	-4 261
Accumulated Depreciation		
Carried Forward	-16 321	-13 834
Book Value	4 408	6 943

Other Intangible Assets

Group		
Acquisition Value Brought Forward	28 780	27 729
Purchases	18	3 606
Sales/Disposals	0	-533
Exchange Rate Differences	-1 677	-2 022
Accumulated Acquisition Value		
Carried Forward	27 121	28 780
Depreciation Brought Forward	-16 614	-15 128
Sales/Disposals	0	533
Exchange Rate Differences	1 215	1 207
Depreciation for the Period	-4 112	-3 226
Accumulated Depreciation		
Carried Forward	-19 511	-16 614
Book Value	7 610	12 166

Note 7

Acquisition Values and Depreciation, etc. for
Land and Buildings

Group	Dec 31, 2010	Dec 31, 2009
Acquisition Value Brought Forward	117 238	118 590
Purchases	25 889	6 043
Sales/Disposals	0	-180
Exchange Rate Differences	-5 811	-7 215
Accumulated Acquisition Value Carried Forward	137 316	117 238
Depreciation Brought Forward	-16 517	-14 700
Write down Brought Forward	-2 000	0
Exchange Rate Differences	737	791
Write down	0	-2 000
Depreciation for the Period	-2 512	-2 608
Accumulated Depreciation Carried Forward	-20 292	-18 517
Book Value	117 024	98 721
Book Value, Buildings	78 192	64 608
Book Value, Land	38 832	34 113
	117 024	98 721
Tax Assessment Value		
Tax Assessment Value for Properties in Sweden	10 967	10 967
For Buildings	8 625	8 625

Note 8

Acquisition Values and Depreciation, etc. for Equipment

Group	Dec 31, 2010	Dec 31, 2009
Acquisition Value Brought Forward	138 169	145 257
Purchases	25 315	7 935
Subsidiaries Acquired	0	2 518
Sales/Disposals	-10 988	-8 868
Reclassifications	-33	0
Exchange Rate Differences	-6 389	-8 673
Accumulated Acquisition Value Carried Forward	146 074	138 169
Depreciation Brought Forward	-83 797	-80 828
Sales/Disposals	9 164	7 711
Exchange Rate Differences	4 314	5 127
Depreciation for the Period	-15 288	-15 807
Accumulated Depreciation Carried Forward	-85 607	-83 797
Book Value	60 467	54 372

Note 9

Participating Interests in Group Companies

Company	Country/ Reg office	Share of Capital	Dec 31, 2010 Book Value	Dec 31, 2009 Book Value
CellMark AB, 556244-2433/ par SEK 9 015 000/ Book Value	Gothenburg	100%	23 015 23 015	23 015 23 015
CellMark AB's Participation in Group Companies				
Company	Country/ Reg office	Share of Capital	Dec 31, 2010 Book Value	Dec 31, 2009 Book Value
CellMark Inc/ par USD 49 000/	USA	100%	28 916	28 916
CellMark Asia Pte Ltd/ par SGD 1 000 000/	Singapore	100%	3 385	3 385
Singapore Pulp Private Ltd/ par SGD 100 000/	Singapore	100%	0	0
CellMark SA/ par CHF 300 000/	Switzerland	100%	74 356	73 840
Celltorp AB, 556056-9716/ par SEK 1 000 000/	Gothenburg	100%	0	0
Hylte Converting AB, 556528-8924/ par SEK 600 000/	Hyltebruk	100%	7 315	7 315
646325 B.C. Ltd/ par CAD 1/	Canada	100%	0	0
CellMark SA/ par CHF 1 000 000/	Switzerland	100%	0	516
Worldchem Scandinavia AB, 556418-0361/ par SEK 670 000/	Gothenburg	100%	58 771	58 771
CellMark Iberica SL/ par EUR 3 010/	Spain	100%	1 894	1 894
CellMark Paper SA de CV/ par MXN 20 000/	Mexico	100%	2 302	2 302
CellMark Recycling Benelux BV/ par EUR 18 151/	The Netherlands	100%	30 538	30 538
CellMark Exports Inc/ par USD 2 500/	USA	100%	67	67
BC Holdings Inc/ par CAD 1/	Canada	100%	0	0
CellMark UK/ par GBP 1/	UK	100%	14	14
CellMark Paper Peru SRL/ par PEN 3 500/	Peru	100%	3 765	3 765
Sicutec AB, 556790-7216/ /par SEK 100 000/ Book Value	Stockholm	100%	100 211 423	0 211 323

Note 10

Participating Interests in Associated Companies

Group	Dec 31, 2010	Dec 31, 2009
Share of Capital, Opening Balance	19 884	19 857
Share of Profit for the Year at Associated Companies	7 115	1 957
Deduction for Dividends Received	-568	0
Reorganization within the Group	0	-653
Exchange Rate Differences	-958	135
Sales/Disposals	0	-1 412
Share of Capital at Year-End	25 473	19 884

Company	Country/ Reg. office	Share of Capital	Dec 31, 2010 Book Value	Dec 31, 2009 Book Value
Intersales KB, 916840-3930				
Participation Right	Gothenburg		-488	-797
Pittsburgh Recycling Services Inc/ par USD 50 000/	USA	50%	8 229	7 129
Central Kentucky Fiber Resources LLC	USA	50%	3 294	2 396
Urban Impact Recycling Ltd/ par CAD 1 501 580/	Canada	50%	13 721	11 391
Bren-Mar Properties LLC	USA	50%	449	-235
3600 Viking Way Enterprises Ltd	Canada	50%	268	0
Book Value			25 473	19 884

Note 11
Equity

Group	Share Capital	Restricted Reserves	Non-Restricted Equity	Total
Amount Brought Forward	168	87 517	751 754	839 439
Group Contribution			-27 951	-27 951
Translation Difference for the Year		-6 816	-18 619	-25 435
Movement between Restricted and Non-Restricted Equity		4 196	-4 196	0
Profit for the Year			157 201	157 201
Amount at Year-End	168	84 897	858 189	943 254

TSEK -51 044 of the total translation difference, TSEK -37 289, is allocated to Non-Restricted Reserves and TSEK 13 755 to Restricted Reserves.

Note 12
Pledged Assets and Contingent Liabilities

Group	Dec 31, 2010	Dec 31, 2009
Pledged Assets for Liabilities to Credit Institutions		
Floating Charge	30 000	40 127
Property Mortgage	16 837	8 000
Inventories	569 537	567 107
Accounts Receivable	2 830 765	2 819 403
Bank Balances	11 637	823
Import Letter of Credit	47 797	52 459
Endowment Insurance	13 483	4 059
Total Pledged Assets	3 520 056	3 491 978
Contingent Liabilities		
Sureties/Guarantees	325 512	633 157
Pension Obligation	15 386	5 093
Other Contingent Liabilities	48 663	103 786
Total Contingent Liabilities	389 561	742 036



Gothenburg, April 20, 2011

Hans Kling
President

Thomas Hedberg

Adrian Montague

Victor E Rice

Our Audit Report was submitted on April 20, 2011

Carl Magnus Kollberg
Authorized Public Accountant

Ulf Lindesson
Authorized Public Accountant





To the General Meeting of
the shareholders of CellMark Holding AB

Corporate identity number 556498-0893



We have audited the annual accounts, the consolidated accounts, the accounting records and the administration of the board of directors and the managing director of CellMark Holding AB for the financial year 2010. These accounts and the administration of the company are the responsibility of the board of directors and the managing director. Our responsibility is to express an opinion on the annual accounts, the consolidated accounts and the administration based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in Sweden. Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual accounts and the consolidated accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounts. An audit also includes assessing the accounting principles used and their application by the board of directors and the managing director, as well as evaluating the overall presentation of information in the annual accounts and the consolidated accounts. As a basis for our opinion concerning discharge from liability, we examined significant decisions, actions taken and circumstances of the company in order to be able to determine the liability, if any, to the company of any board member or the managing director. We also examined whether any board member or the managing director has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association. We believe that our audit provides a reasonable basis for our opinion set out below.

The annual accounts and the consolidated accounts have been prepared in accordance with the Annual Accounts Act and, thereby, give a true and fair view of the company's and the group's financial position and results of operations in accordance with generally accepted accounting principles in Sweden.

We recommend to the general meeting of shareholders that the income statements and balance sheets of the parent company and the group be adopted, that the profit for the parent company be dealt with in accordance with the proposal in the director's report and that the members of the board of directors and the managing director be discharged from liability for the financial year.

Gothenburg, April 20, 2011

Carl Magnus Kollberg
Authorized Public Accountant

Ulf Lindesson
Authorized Public Accountant

This audit report is a translation of the audit report issued for the official annual report including information regarding the parent company and complete information in note 2.

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REGIONAL OFFICES HAVE FULL FACILITIES FOR SALES, LOGISTICS AND TRADE FINANCE



= DIVISIONAL HEADQUARTERS

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Wang Ningde

Wang Ningde was born in 1972 in Kuandian, China, and now works and lives in Beijing. He has created a suite of photographs entitled *Some Days*, which is a series of images deeply rooted in tradition but undeniably contemporary in its expression.

His photographs are dreamlike. All his subjects either have their backs turned to the camera or have their eyes shut, captured in a closed world of private recollections. At times they are depictions of single individuals lost in private daydreams or memories of the past, while others show small groups devoid of contact with each other or the observer. Private worlds, hidden secrets, frozen in time.

Wang Ningde has exhibited extensively and his work is to be found in numerous collections world-wide.





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