



# INTERIM REPORT JANUARY-SEPTEMBER 2015

2015-10-21 Per Lindberg, CEO and President, and Susanne Lithander, CFO



# STRONG PERFORMANCE AND STRUCTURAL OPPORTUNITIES

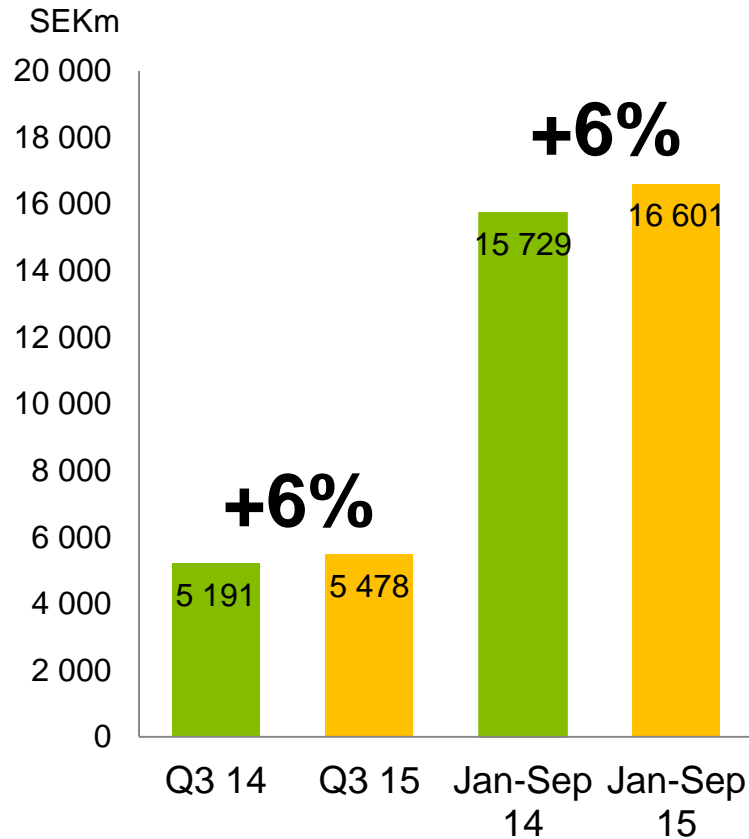
- Adjusted operating profit reached SEK 683 million and adjusted operating margin 12%
- Reported operating profit impacted by divestiture of SIA Latgran and cost for closure of Tervasaari site
- Packaging Paper
  - Balanced development: MG strong, MF and white sack weaker but stable
- Consumer Board
  - 5% growth, solid market situation, stable prices and tight delivery situation
- Containerboard
  - All-time high margins, strong order books and improved pricing
- Two restructuring pre-projects announced



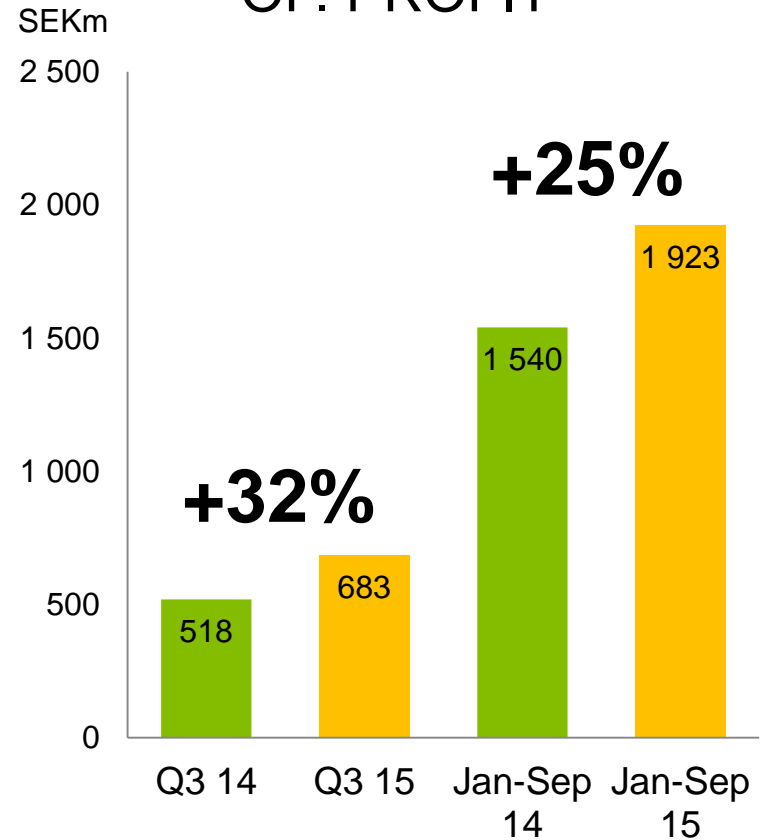
# WE DELIVER AS PROMISED

NET SALES GROWTH 6% YOY, ADJUSTED OPERATING PROFIT +25% YOY

## NET SALES



## ADJUSTED OP. PROFIT

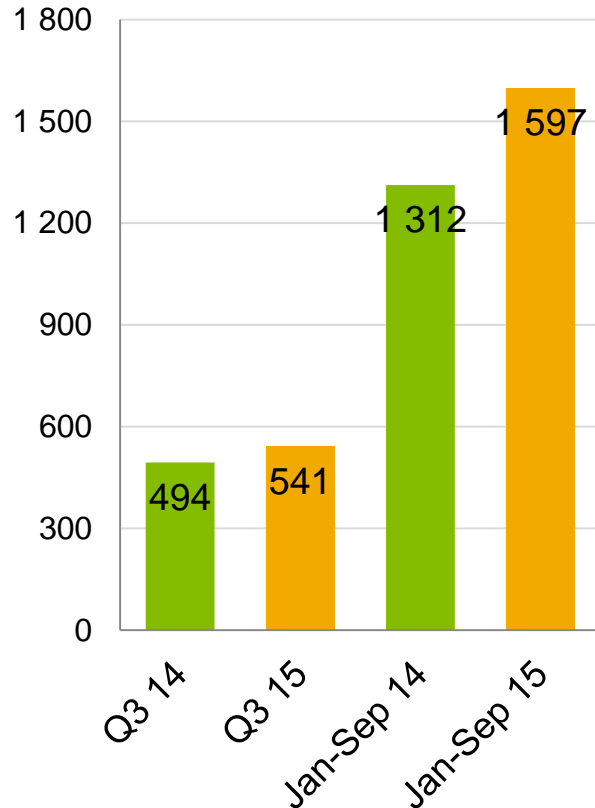




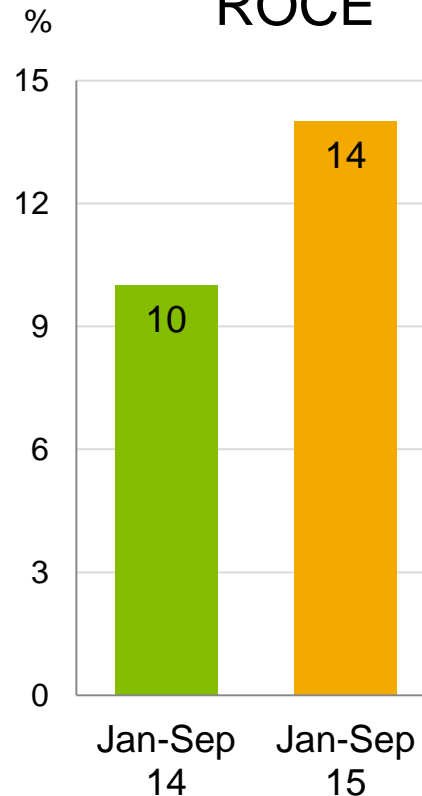
# WE DELIVER AS PROMISED

STRONG CASH FLOW, REACHING ROCE TARGET AND DECREASING ND/E

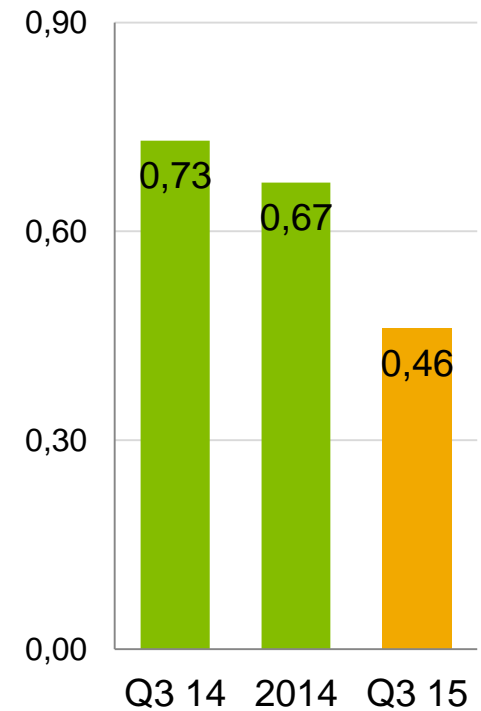
## OP. CASH FLOW



## ADJUSTED ROCE



## NET DEBT/EQUITY





## PACKAGING PAPER BUSINESS AREA Q3 2015

- Stable demand for sack and kraft paper
- Net sales SEK 2 174 million, +6% Q3-14
- Operating profit SEK 278 million, +76% Q3-14
- Operating margin 13%
- Markets
  - Prices in local currency were on the same level as previous quarter
  - Sack paper market is expected to be weaker during Q4



### Selective growth

- Looming overcapacity in some segments
- The decision was made to close Tervasaari site
- Pre-project initiated to investigate move of Tervasaari machine and investment in surface treatment capacity



## CONSUMER BOARD BUSINESS AREA Q3 2015

- Stable and satisfactory market situation with normal seasonal variances
- Net sales SEK 2 006 million, +6% Q3-14
- Operating profit SEK 234 million, -4% Q3-14
- Operating margin 12%
- Markets
  - Growing demand with delivery pressure from liquid packaging board markets



### Volume growth

- YoY volume growth 5%
- Pre-project to build new board machine initiated
- Ongoing capacity upgrade in Frövi to 550 kton/year



## CONTAINERBOARD BUSINESS AREA Q3 2015

- Strong demand for fluting and normal for white liner
- Net sales SEK 926 million, +20% Q3-14
- Operating profit SEK 203 million, +69% Q3-14
- Operating margin 22%
- Market
  - Order demand for fluting continues to be strong
  - Prices and order book for white liner was on a stable level during the quarter



### Value growth

- Record margin for the business area
- Continued roll-out of value based solutions



## OUTLOOK

- Demand and orders situation for the fourth quarter is expected to be stable with normal seasonal variances for all business areas.
- Average prices in local currency in the fourth quarter are anticipated to be stable.
- No changes to wood prices are anticipated for the fourth quarter.
- There are planned maintenance shutdowns in Frövi, Skärblacka and Pietarsaari in the fourth quarter of 2015.

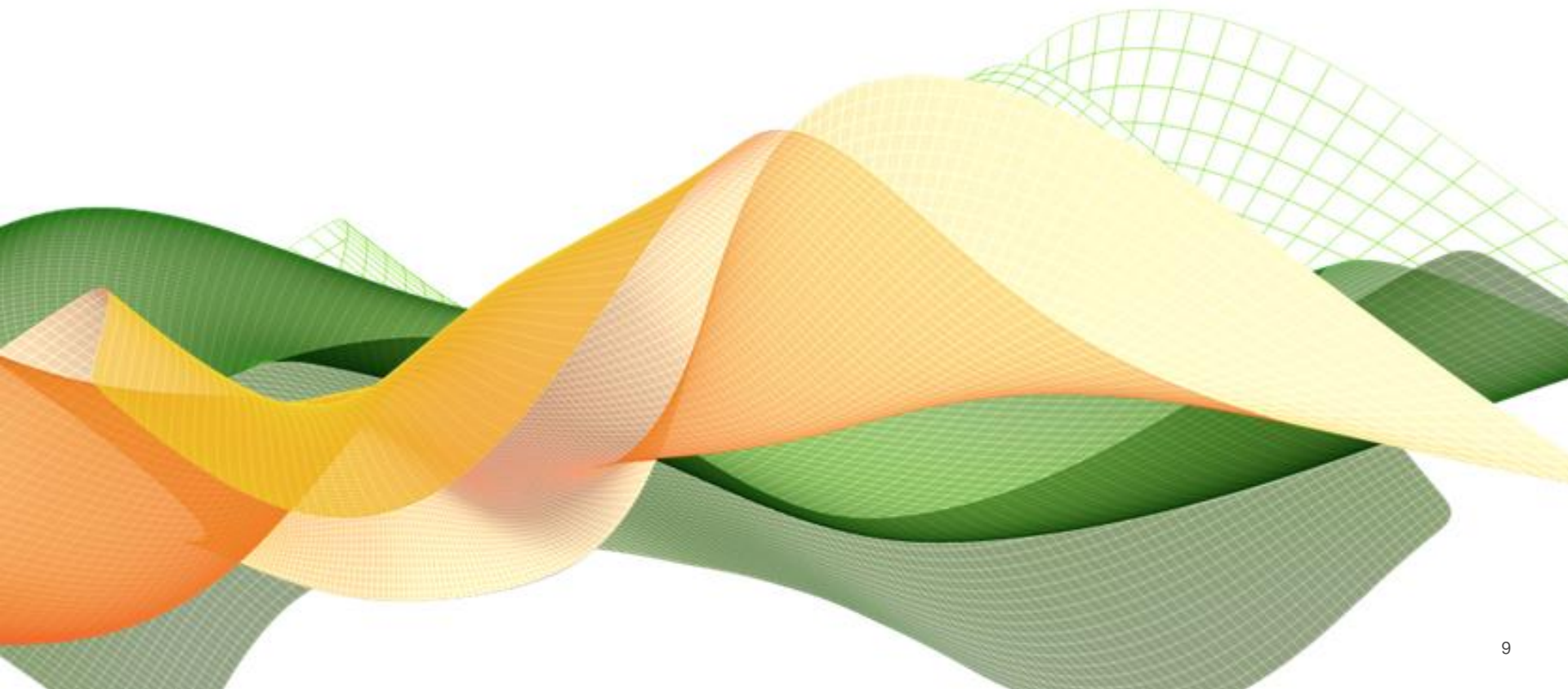




# CAPITAL MARKETS DAY ON 12 NOVEMBER 2015

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## Q&A

**WE CHALLENGE CONVENTIONAL  
PACKAGING FOR A  
SUSTAINABLE FUTURE**





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