



INTERIM REPORT

JANUARY-MARCH 2011



GREAT NEWS FOR YOUR PRODUCE

soliQ

Fresh Box Alliance is an association of quality-minded packaging manufacturers devoted to delivering optimized packaging solutions to a demanding fresh produce industry. SoliQ is our brand and concept for true performance.

>> Now there is an optimised packaging concept developed especially for ensuring safe transportation of fresh produce. By contributing to **better transport performance without cost increases**, SoliQ™ offers a unique solution that benefits every player in a long and demanding value chain. **Contact us** and we will tell you more.

Fresh Services
BILLERUD FRESH SERVICES AB, info@freshservices.com www.freshservices.com

**SoliQ™, a unique service concept for the
Global Produce Supply Chain**

SoliQ™, a unique service concept for the Global Produce Supply Chain

Billerud's subsidiary, Billerud Fresh Services, is now launching SoliQ™, an optimised corrugated packaging concept, developed by the Billerud Box Lab, and the direct result of Billerud's close work with the value chain for fruit and vegetables.

SoliQ has been developed for customers that substantially want to reduce losses linked to non-performing packaging during transport in order to secure quality. SoliQ allows greater efficiency and a lower environmental impact.

Sensors are used to follow the produce all the way from the fruit exporter to the retailer in Europe, in order to check the quality and make sure that any problems are detected immediately.

The SoliQ concept is targeting the produce industry. The European market for fruit and vegetables is valued at EUR 100 billion. About 10% of all fresh produce never reaches the consumer. A significant amount of this unnecessary and costly waste is due to inferior packaging. SoliQ is major step forward in solving this problem.

	3 months		Full year	
	Jan-Mar 2011	Oct-Dec 2010	Jan-Mar 2010	Jan-Dec 2010
Net sales, SEKm	2 547	2 279	2 190	8 828
EBITDA, SEKm	485	492	380	1 647
Operating profit/loss, SEKm	332	326	234	1 037
Operating margin, %	13%	14%	11%	12%
Profit/Loss before tax, SEKm	320	308	212	960
Net profit/loss for the period, SEKm	235	225	156	705
Earnings per share, SEK	2,28	2,19	1,52	6,84

January-March 2011 compared with the same period in 2010

- Net sales amounted to SEK 2 547 million (2 190), an increase of 16%.
- Profit for the period amounted to SEK 235 million (156).
- Earnings per share amounted to SEK 2.28 (1.52).
- Operating profit amounted to SEK 332 million (234), corresponding to a margin of 13% (11). The increase was largely due to improved prices.

January-March 2011 compared with October-December 2010

- Net sales amounted to SEK 2 547 million (2 279), an increase of 12%.
- Operating profit amounted to SEK 332 million (326). The 2% increase is mainly attributable to higher sales volumes.
- The strong order situation continued during the first quarter.

Outlook for the full-year 2011

- The order situation remains good or very good in most of Billerud's packaging paper areas. This provides conditions for a stable development within Billerud's packaging paper and packaging paper solutions segments.
- Price increases announced in the first quarter of 2011 are expected to have an impact in the coming quarters.
- The effects of a stronger SEK will be largely compensated by currency hedges.

For further information in connection with this report, please contact Per Lindberg, President and CEO, +46 702 481 517 or Bertil Carlsén, CFO, +46 730 211 092

Billerud's CEO Per Lindberg and CFO Bertil Carlsén will present the interim report at a press conference on Wednesday, 20 April at 10.30 CET.

Venue: Spårvagnshallarna, Birger Jarlsgatan 57 A, Stockholm.

Comments by Billerud's CEO Per Lindberg:

Sales growth with stronger margins

"I note Billerud's continued good performance with great satisfaction. We had record sales volumes during the first quarter and this has provided growth of over 10% compared with the previous quarter. This was achieved with a continued strong operating margin of 13%. Our aim has been to achieve a stable and high operating profit as a base for growth. We steadily laid the foundations for this in 2010 and the stronger base was further strengthened during the first quarter of the year. It is also gratifying to see that our sales growth derives from a combination of volume growth, an improved mix of products and markets, as well as higher prices in local currency. This has enabled us to withstand the cost increases and a stronger Swedish krona during the quarter.

The market as a whole remains strong, although the strength of some small segments has started to wane. The strong Swedish krona will also have long-term consequences. In the short term we are working to hedge exchange rates and in the slightly longer term with the prices of our products. In time, however, it will become more difficult to compensate for an increasingly strong Swedish krona by raising prices, which means that we must continue to review our cost base and the currencies in which we incur our costs.

Our continuous further development of our customer offerings and our ability to sell remain in focus and are yielding results. Starting with this quarter we refer in external and internal contexts to sold volumes instead of delivered volumes. This reflects our increasingly strong focus on sales. We hope that the rest of the industry will follow our lead in this important change in the industry's terminology."

Billerud Group

Market

Billerud offers the global packaging market innovative and sustainable products and services. The Group has a leading position in new-fibre based packaging paper. The packaging market shows continued positive development primarily due to increased globalisation, greater prosperity and changed consumption patterns.

The year started with continued good or very good demand within all of Billerud's packaging paper segments. Prices in local currency increased by an average of approximately 2% during the quarter compared with the fourth quarter of 2010. Additional price increases have been announced for Billerud's largest product segments in 2011.

Demand for market pulp (NBSK) remained good during the first quarter. The price level in Europe rose to USD 980 per tonne at the end of the quarter compared with USD 950 per tonne at the start of the quarter. An additional price increase to USD 1 010 per tonne has been announced for April.

Billerud's total sales volumes amounted to 369 000 tonnes in the first quarter of 2011, an increase of 14% compared with the previous quarter. The delivery situation in December was negatively affected by the many holidays around the turn of the year and made more difficult by the snow and cold weather. This resulted in higher volumes during the first quarter. Compared with the same period in the previous year, sales volumes rose 8%.

During the quarter sales volumes for packaging paper amounted to 286 000 tonnes, an increase of 18% compared with the previous quarter and an increase of 7% compared with the same period in the previous year.

Sales volumes of market pulp amounted to 83 000 tonnes during the quarter, an increase of 2% compared with the previous quarter and an increase of 11% compared with the same period in the previous year.

Sales and results

First quarter 2011 compared with fourth quarter 2010

Net sales amounted to SEK 2 547 million, an increase of 12% compared with the fourth quarter mainly due to higher sales volumes.

Operating profit amounted to SEK 332 million, an increase of SEK 6 million. The change in operating profit is shown in the table below. The operating margin amounted to 13% (14).

Change in operating profit compared with previous quarter

SEKm	Jan-Mar 11/ Okt-Dec 10
Sales and production volumes, incl. product mix	51
Selling prices (in respective sales currency)	46
Change in variable costs	-78
Change in fixed costs	49
Change in depreciation	13
Effects of exchange rate fluctuations, incl. hedging*	-75
Total change in operating profit/loss	6

* Effects of exchange rate fluctuations totalling SEK -75 million comprise the following components: changed spot rates SEK -96 million, currency hedging SEK 20 million and currency effects from remeasurement of trade receivables and payments from customers, etc., SEK 1 million.

Higher sales volumes had a positive effect on operating profit of SEK 51 million. Improved selling prices in local currency had a positive impact of SEK 46 million, which was entirely attributable to packaging paper. The packaging paper segment increased its prices in local currency by an average of approximately 2% compared with the previous quarter. Variable costs rose by SEK 78 million of which the effect of increased wood prices was SEK 38 million and the effect of increased costs for other energy was SEK 28 million. Fixed costs decreased by SEK 49 million, mainly due to lower maintenance costs during the quarter.

Operating profit per business area

Business area (share of sales)	Operating margin, %		Operating profit/loss, SEKm		Deviation
	Jan-Mar 2011	Oct-Dec 2010	Jan-Mar 2011	Oct-Dec 2010	
Packaging & Speciality Paper and Packaging Boards <i>Packaging paper (approx. 80%)</i>	12%	15%	237	253	-16
Market Pulp <i>Market pulp (approx. 20%)</i>	9%	12%	38	53	-15
Currency hedging and other	na	na	57	20	37
Group	13%	14%	332	326	6

In addition to the three business areas, the Group includes Currency hedging, etc., and Other and eliminations according to the specification on page 17.

Operating profit for packaging paper (Packaging & Speciality Paper and Packaging Boards) decreased by SEK 16 million, corresponding to a decrease in the operating margin from 15% to 12% mainly due to the less favourable currency situation and increased variable costs. Operating profit for Market Pulp decreased by SEK 15 million due to less favourable selling prices and higher variable costs. The operating margin for market pulp decreased to 9%

compared with 12% in the fourth quarter. Further financial information per business area is provided on pages 7-9.

Net financial items amounted to SEK -12 million (-18). Profit before tax amounted to SEK 320 million. Estimated tax was SEK -85 million. Net profit therefore amounted to SEK 235 million.

First quarter compared with same period in 2010

Net sales increased by 16% compared with the same period in the previous year.

Operating profit increased by SEK 98 million mainly due to improved prices which compensated for increased costs (see table below). Operating margin amounted to 13% (11).

Change in operating profit compared with the same period in the previous year

SEKm	Jan-Mar 11/ Jan-Mar 10
Sales and production volumes, incl. product mix	10
Selling prices (in respective sales currency)	481
Change in variable costs	-88
Change in fixed costs	-22
Change in depreciation	-7
Effects of exchange rate fluctuations, incl. hedging*	-276
Total change in operating profit/loss	98

* Effects of exchange rate fluctuations totalling SEK -276 million comprise the following components: changed spot rates SEK -280 million, currency hedging SEK -18 million and currency effects from remeasurement of trade receivables and payments from customers, etc., SEK 22 million.

Net financial items amounted to SEK -12 million (-22), an improvement of SEK 10 million due to lower debt.

Significant risks and uncertainties

Billerud's products are generally dependent on the business cycle, in terms of both price development and potential sales volumes. The Group is exposed to currency fluctuations since most revenues are invoiced in foreign currency while a large part of operating expenses are in SEK.

A more in-depth description of risks and a sensitivity analysis are provided on pages 71-75 of the 2010 Annual Report.

Related party transactions

No transactions have taken place between Billerud and related parties that significantly affect the company's position and earnings.

Currency hedging

During the first quarter of 2011 net flows were hedged at EUR/SEK 9.60 (10.94), USD/SEK 7.05 (8.48) and GBP/SEK 10.83 (12.02). Currency hedging had an overall earnings impact of SEK 99 million (117) (compared with if no hedging had taken place).

Billerud's outstanding forward exchange contracts at 31 March 2011 had a market value of SEK 185 million. The contracts matched by trade receivables affected earnings in the first quarter. Other contracts had a market value of SEK 132 million.

Billerud continuously hedges approximately 50% of forecast net flows over the next 12-month period but in accordance with the financial policy is also able to extend currency hedging to 100% of net flows over the next 15 months.

The hedged portion of the flows and the hedged rates for EUR, USD and GBP at 31 March 2011 are shown in the table below.

Hedged portion of currency flows for EUR, USD and GBP and exchange rates against SEK

		Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Total
Currency		2011	2011	2011	2012	12 month
EUR	Share of net flow	85%	51%	49%	47%	58%
	Rate	9,23	9,19	9,41	9,48	9,31
USD	Share of net flow	88%	61%	35%	16%	50%
	Rate	7,12	7,50	6,82	6,60	7,14
GBP	Share of net flow	86%	54%	42%	20%	51%
	Rate	10,79	10,77	10,74	10,64	10,76

Investments and capital employed

Gross investments in intangible assets and property, plant and equipment, including company acquisitions, in the first quarter of 2011 amounted to SEK 83 million (51).

Billerud's capital employed amounted to SEK 5 113 million at 31 March 2011, compared with SEK 4 792 million at 31 December 2010 and SEK 5 084 million at 31 March 2010.

Return on capital employed, calculated over the past 12-month period, amounted to 23% (11). If the effects of currency hedging are excluded, return on capital employed was 16% (8). Return on equity after tax was 18% (10).

Cash flow and financial position

Summary cash flow statement

	3 months	
	Jan-Mar 2011	Jan-Mar 2010
SEKm (positive figure indicates reduction in debt)		
Operating surplus, etc.	481	379
Change in working capital, etc.	-301	-88
Net financial items, taxes, etc.	-181	-30
Cash flow from operating activities	-1	261
Current net investments	-82	-50
Business combinations	-	-
Operating cash flow	-83	211
Dividend	-	-
Other items, not affecting cash flow	-6	-35
Change in net debt during the period	-89	176

Cash flow from operating activities in the first quarter of 2011 amounted to SEK -1 million (261). The decrease was partly caused by increased working capital due among other things to higher stocks of wood as well as increased sales. In addition, a supplementary tax payment for 2010 of SEK 166 million was made during the period.

Operating cash flow during the first quarter of 2011 amounted to SEK -83 million (211).

Interest-bearing net debt at 31 March 2011 amounted to SEK 244 million compared with SEK 155 million at 31 December 2010 and SEK 976 million at 31 March 2010. The Group's net debt/equity ratio at the end of the period was 0.05 compared with 0.03 at 31 December 2010 and 0.24 at 31 March 2010. Billerud's financial target for the debt/equity ratio is between 0.60 and 0.90 over a business cycle. The present debt/equity ratio is thus lower than the average debt/equity ratio aimed for over time. Cash and cash equivalents at 31 March 2011 amounted to SEK 650 million compared with SEK 795 million at 31 March 2010.

Financing

During the first quarter of 2011 the SEK 1 200 million syndicated credit facility which matures in 2012 was replaced with a new 5-year facility for SEK 801 million with a consortium of banks.

Interest-bearing loans amounted to SEK 944 million at 31 March 2011. Of this amount, utilisation of the syndicated credit facility (maximum: SEK 801 million) accounted for SEK 116 million, bond loans amounted to SEK 825 million, utilisation of Billerud's commercial paper programme (maximum: SEK 1 500 million) for SEK 0 million and other interest-bearing liabilities for SEK 3 million.

Personnel

The average number of employees during the first quarter of 2011 amounted to 2 202 compared with 2 175 during the same period in the previous year, an increase of 27 employees.

Segment information

The Group's operations are managed and reported by business area as set out below.

- The Packaging & Speciality Paper business area is responsible for sales of sack paper and kraft paper with a focus on packaged food, paper carrier bags, sack solutions and industrial applications.
- The Packaging Boards business area is responsible for sales of fluting, liner and liquid board with a focus on fruit and vegetables and consumer goods.
- The Market Pulp business area is responsible for sales of long-fibre market pulp.
- Other business comprises group-wide functions such as corporate headquarters, wood supplies and the sales organisations. Other business also reports profit shares in associates/joint ventures, Nine TPP AB and ScandFibre Logistics AB, as well as the subsidiary Tenova Bioplastics AB. Other business also includes results from hedging of the Group's net currency flows, the result of pulp price hedges and group eliminations.

Non-current assets and capital investments cannot be broken down by business area since the business areas are highly integrated in terms of production.

Summary income statement per business area

	Packaging & Speciality Paper		Packaging Boards		Market Pulp		Other business		Group total	
	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
SEKm										
Net sales	1 217	1 052	728	613	436	384	166	141	2 547	2 190
Other income	-	-	-	-	-	-	3	2	3	2
Operating expenses, other	-994	-880	-591	-517	-370	-325	-110	-90	-2 065	-1 812
Depreciation and impairment	-83	-76	-40	-40	-28	-28	-2	-2	-153	-146
Share of profits of associates/JV	-	-	-	-	-	-	0	0	0	0
Operating profit/loss	140	96	97	56	38	31	57	51	332	234
<i>Operating margin</i>	12%	9%	13%	9%	9%	8%			13%	11%
Financial items									-12	-22
Tax									-85	-56
Net profit/loss									235	156

For quarterly data commented on below, see page 17 of this report.

Packaging & Speciality Paper business area

First quarter

Operating profit amounted to SEK 140 million, an increase of SEK 9 million compared with the fourth quarter of 2010. Improved prices in local currency and higher sales volumes compensated for a less favourable currency situation and higher variable costs.

Compared with the same period in 2010 operating profit increased by SEK 44 million, which was mainly attributable to improved prices.

Operating margin amounted to 12% compared with 13% for the fourth quarter of 2010 and 9% for the same period in the previous year.

Market development

During the quarter the order situation for sack paper continued to be very good for the season and for kraft paper slightly below the level in the first quarter of 2010. This situation was unchanged at the end of the quarter. The price level in local currency increased for most products during the first quarter compared with the previous quarter and additional price increases have been announced.

Packaging Boards business area

First quarter

Operating profit amounted to SEK 97 million, a decrease of SEK 25 million compared with the fourth quarter of 2010. A less favourable currency situation and higher variable costs had a negative impact on operating profit and was partly counteracted by improved prices in local currency and higher sales volumes.

Compared with the same period in 2010 operating profit increased by SEK 41 million, mainly due to improved prices.

Operating margin amounted to 13% compared with 19% in the fourth quarter of 2010 and 9% in the same period last year.

Market development

The order situation remained stable during the first quarter. This situation was unchanged at the end of the quarter. The price level in local currency increased for the majority of products compared with the previous quarter and additional price increases were announced.

Market Pulp business area

First quarter

Operating profit amounted to SEK 38 million, a decrease of SEK 15 million compared with the fourth quarter of 2010, which was mainly due to a less favourable currency situation and increased variable costs.

Compared with the corresponding period in 2010 operating profit increased by SEK 7 million, mainly due to improved prices.

Operating margin amounted to 9% compared with 12% in the fourth quarter of 2010 and 8% in the same period in the previous year

Market development

Demand for market pulp (NBSK) remained good during the first quarter. The price level in Europe rose to USD 980 per tonne at the end of the quarter compared with USD 950 per tonne at the start of the quarter. An additional price increase to USD 1 010 per tonne has been announced for April.

Parent company

Billerud AB includes the Gruvön mill, the sales organisation for the Nordic market and markets outside Europe, and the head office functions.

Net sales during the first quarter of 2011 amounted to SEK 1 145 million (951). Operating profit amounted to SEK 192 million (149), an increase compared with the previous year of SEK 43 million, mainly due to a higher operating profit for the Gruvön mill.

The parent company hedges both its own and the Group's net currency flows. The parent company's earnings include the results of these hedging measures. This result amounted to SEK 99 million (117).

Investments in property, plant and equipment and intangible assets excluding shares in the first quarter of 2011 amounted to SEK 14 million (25). The average number of employees was 903 (901). Cash and bank balances and short-term investments amounted to SEK 559 million (707).

Seasonal effects

Maintenance shutdowns

In addition to ongoing maintenance during production, Billerud's mills normally also require more extensive maintenance at some time during the year. So that maintenance can be carried out production of pulp and paper is stopped – known as a maintenance shutdown. An estimation of planned maintenance shutdowns and those already carried out are shown below.

Mill	2011	2010
Gruvön	Q4, 10 days	Q2, 10 days
Karlsborg	Q3, 10 days	Q3, 10 days
Skärblacka	Q2, 8 days	Q3, 8 days

Maintenance shutdowns at Beetham have an insignificant effect on Billerud's total earnings.

The effects of shutdowns on earnings vary depending on the extent of the measures carried out, their nature and the actual length of the shutdown. Billerud works continually to spread the cost of maintenance shutdowns more evenly across the year.

Other seasonal effects

A significant part of Billerud Flute[®] volumes are used to package fruit exports from the Mediterranean area. Demand from this customer group varies with the fruit export season and is normally highest from September to March each year. A significant portion of Billerud's sack paper and QuickFill[®] sack paper is used as packaging for cement and building materials. Demand for building materials in Europe is generally higher during the period May to October.

Largest shareholders

Billerud's ten largest shareholders at 31 March 2011 according to SIS Ägarservice AB (Billerud's approximately 1.7 million treasury shares and foreign custodian banks are excluded):

Shareholder	Number of shares	Per cent of votes
Frapag Beteiligungsholding AG	21 621 400	21,0
DFA funds	2 875 586	2,8
SEB funds	1 804 138	1,7
Government of Norway	1 777 338	1,7
SHB funds	1 675 791	1,6
Swedbank Robur funds	1 459 345	1,4
Skandia Life Insurance	1 291 070	1,3
Fourth Swedish National Pension Fund	1 140 672	1,1
Avanza Pension Insurance	1 021 311	1,0
Nordea funds	1 019 287	1,0
Total 10 largest shareholders	35 685 938	34,6
Total number of shares in the market	103 114 299	100,0

The proportion of foreign ownership was 45.7% of the number of shares in the market. The total number of owners (including nominee-registered) amounted to 119 653. More information about shareholder structure is available at www.billerud.com/investors.

Distribution of shares

At 31 March 2011 the distribution of shares was as follows.

Registered number of shares	104 834 613
Treasury shares	-1 720 314
Total number of shares in the market	103 114 299

No treasury shares have been purchased since year-end 2004.

Outlook for the full-year 2011

- The order situation remains good or very good in most of Billerud's packaging paper areas. This provides conditions for a stable development within Billerud's packaging paper and packaging paper solutions segments.
- Price increases announced in the first quarter of 2011 are expected to have an impact in the coming quarters.
- The effects of a stronger SEK will be largely compensated by currency hedges.

Stockholm, 20 April 2011
Billerud AB (publ)
Board of Directors

This information is such that Billerud AB is required to disclose under the Securities Market Act. This report has been prepared in both a Swedish and an English version. In the event of variations between the two, the Swedish version shall take precedence. The report has not been reviewed by the company's auditors.

Financial calendar

Interim report January-June 2011
Interim report January-September 2011

21 July 2011
28 October 2011

The 2011 Annual General Meeting will be held on 4 May 2011.

Billerud

Business concept and business model

Billerud is a packaging paper company. The business concept is to offer customers packaging material and solutions that promote and protect their products – packaging that is attractive, strong and made of renewable material.

Billerud has a world-leading position within several product segments, both within paper for consumer packaging and for industrial applications. Customers mainly comprise packaging manufacturers. Billerud is increasingly offering packaging solutions direct to end customers and brand owners.

Strategy

Billerud's strategy has three cornerstones: World Class Process Efficiency, Customer-focused Development, and Growth. Billerud is working on three focus areas for growth: Fresh Foods, Food & Consumer Packaging and Sack Solutions.

Value drivers

Billerud's business is favoured by the market's increased need for packaging optimisation, enhanced quality demands, unique design and good cost efficiency. Other key drivers are greater environmental awareness and political decisions against plastic which are increasing interest in paper solutions and renewable raw materials. Billerud is also affected by macroeconomic development, currency fluctuations and other business environment factors.

Billerud Group

Accounting principles

The interim report for the Group is prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The accounting principles applied in this interim report are the same as those used in the most recent annual report for 2010, see pages 76-84 and page 111 for definitions of key indicators. The interim report for the parent company is prepared in accordance with the Swedish Annual Accounts Act. Key figure definitions are provided on page 18.

Income statement	3 months			Full year
	Jan-Mar	Oct-Dec	Jan-Mar	Jan-Dec
SEKm	2011	2010	2010	2010
Net sales	2 547	2 279	2 190	8 828
Other income	3	2	2	85
Operating income	2 550	2 281	2 192	8 913
Change in inventories	-67	213	9	105
Raw materials and consumables	-1 188	-1 175	-1 044	-4 241
Other external costs	-457	-455	-446	-1 753
Employee benefits expense	-353	-372	-331	-1 377
Depreciation and impairment of non-current assets	-153	-166	-146	-610
Profit/Loss from participations in associated companies and joint ventures	0	0	0	0
Operating expenses	-2 218	-1 955	-1 958	-7 876
Operating profit/loss	332	326	234	1 037
Financial income and expenses	-12	-18	-22	-77
Profit/Loss before tax	320	308	212	960
Taxes	-85	-83	-56	-255
Net profit/loss for the period	235	225	156	705
Earnings per share, SEK	2,28	2,19	1,52	6,84
Deluted earnings per share, SEK	2,28	2,18	1,51	6,83
Statement of comprehensive income	Jan-Mar	Jan-Mar	Jan-Dec	
SEKm	2011	2010	2010	
Net profit/loss for the period	235	156	705	
Other comprehensive income				
Differences arising from the translation of foreign operations'	-3	-8	-15	
Change in fair value of available-for-sale financial assets for the period	0	0	0	
Change in fair value of cash flow hedges	-96	-160	-315	
Change in fair value of cash flow hedges transferred to net profit/loss for the period	96	113	313	
Tax attributable to components of other comprehensive income	0	12	1	
Total comprehensive income for the period	232	113	689	
Statement of changes in equity	Jan-Mar	Jan-Mar	Jan-Dec	
SEKm	2011	2010	2010	
Opening balance	4 637	3 995	3 995	
Comprehensive income for the period	232	113	689	
Share-based payment to be settled in equity instruments, IFRS 2	0	0	0	
Sales of treasury shares, incentive programme	-	-	5	
Dividends paid	-	-	-52	
Closing balance	4 869	4 108	4 637	

There are no non-controlling interests in profit for the period or equity.

Balance sheet	31 Mar	31 Mar	31 Dec
SEKm	2011	2010	2010
Non-current assets	5 458	5 485	5 531
Inventories	1 145	1 046	1 070
Accounts receivable	1 586	1 273	1 412
Other current assets	588	409	447
Cash and cash equivalents	650	795	740
Total assets	9 427	9 008	9 200
Shareholders' equity	4 869	4 108	4 637
Interest-bearing liabilities	794	1 074	798
Provisions for pensions	210	197	207
Other provisions	28	27	27
Deferred tax liabilities	1 434	1 377	1 434
Total non-current liabilities	2 466	2 675	2 466
Interest-bearing liabilities	150	500	150
Accounts payables	970	1 039	1 157
Other liabilities and provisions	972	686	790
Total current liabilities	2 092	2 225	2 097
Total equity and liabilities	9 427	9 008	9 200

Statement of cash flow	Jan-Mar	Oct-Dec	Jan-Mar	Jan-Dec
SEKm	2011	2010	2010	2010
Operating surplus, etc. ¹⁾	481	583	379	1 625
Change in working capital, etc.	-301	-115	-88	-147
Net financial items, taxes, etc.	-181	-7	-30	-85
Cash flow from operating activities	-1	461	261	1 393
Investments in property, plant and equipment	-83	-83	-50	-334
Acquisition of financial assets	-	-100	-30	-261
Disposal of property, plant and equipment	1	2	0	3
Cash flow from investing activities	-82	-181	-80	-592
Change in interest-bearing liabilities	-5	-199	-199	-820
Dividend	-	-	-	-52
Sale of treasury shares, incentive programme	-	1	-	5
Cash flow from financing activities	-5	-198	-199	-867
Total cash flow (=change in cash and cash equivalents)	-88	82	-18	-66
Cash and cash equivalents at start of period	740	663	818	818
Translation differences in cash and cash equivalents	-2	-5	-5	-12
Cash and cash equivalents at the end of the period	650	740	795	740

1) The amount for the period January - March 2011 includes operating profit SEK 332 million, reversed depreciation SEK 153 million, increase in pension liabilities SEK 1 million and net of produced and sold electricity certificates and sold emission rights SEK -5 million. The amount for the period January - March 2010 includes operating profit SEK 234 million, reversed depreciation SEK 146 million, payment of restructuring costs SEK -1 million, increase in pension liabilities SEK 2 million and net of produced and sold electricity certificate and sold emission rights SEK -2 million.

Key figures

	Jan-Mar 2011	Jan-Mar 2010	Jan-Dec 2010
<i>Margins</i>			
Gross margin, %	19	17	19
Operating margin, %	13	11	12
<i>Return (rolling 12 months)</i>			
Return on capital employed, %	23	11	21
Return on total capital, %	13	6	12
Return on equity, %	18	10	17
Return on equity after dilution, %	18	10	17
<i>Capital structure at end of period</i>			
Capital employed, SEKm	5 113	5 084	4 792
Equity, SEKm	4 869	4 108	4 637
Interest-bearing net debt, SEKm	244	976	155
Net debt/equity ratio, multiple	0,05	0,24	0,03
Net debt/equity ratio after dilution, multiple	0,05	0,24	0,03
Equity ratio, %	52	46	50
Equity ratio after dilution, %	52	46	50
<i>Per share ¹⁾</i>			
Earnings per share, SEK	2,28	1,52	6,84
Average number of shares, thousands	103 114	102 983	103 062
Earnings per share after dilution, SEK	2,28	1,51	6,83
Average number of shares after dilution, thousands	103 306	103 139	103 254
Cash flow from operating activities per share, SEK	-0,01	2,53	13,52
Operating cash flow per share, SEK	-0,80	2,05	7,77
<i>Per share at end of period ¹⁾</i>			
<i>Equity per share, SEK</i>			
	47,22	39,89	44,97
Number of share, thousands	103 114	102 983	103 114
<i>Equity per share after dilution, SEK</i>			
	47,13	39,86	44,88
Number of share, thousands	103 306	103 139	103 306
Gross investments, SEKm	83	51	334
Business combinations, SEKm	-	-	-
Average number of employees	2 202	2 175	2 240

Quarterly key figures

	2011		2010		2009			
	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun
Earnings per share, SEK ¹⁾	2,28	2,19	1,84	1,30	1,52	1,55	0,48	0,11
Cash flow from operating activities per share, SEK ¹⁾	-0,01	4,49	4,49	2,01	2,53	3,53	6,09	3,09
Return on capital employed, %	7	7	6	4	5	4	1	1
Return on equity, %	5	5	4	3	4	4	1	0
Equity per share, SEK ¹⁾	47,22	44,97	42,72	40,24	39,89	38,80	37,96	37,90

1) Historic figures recalculated taking the rights issue in September 2009 into account.

Parent company

	3 months		Full year
	Jan-Mar 2011	Jan-Mar 2010	Jan-Dec 2010
Summarised income statement			
SEKm			
Operating income	1 122	985	3 881
Operating expenses	-930	-836	-3 356
Operating profit/loss	192	149	525
Financial income and expenses	-3	-20	-61
Profit/Loss after financial income and expenses	189	129	464
Appropriations	-	-	2 098
Profit/loss before tax	189	129	2 562
Taxes	-50	-33	-673
Net profit/loss for the period	139	96	1 889
Summarised balance sheet			
SEKm			
Non-current assets	4 112	4 009	4 146
Current assets	2 907	3 291	2 927
Total assets	7 019	7 300	7 073
Shareholders' equity	4 054	2 324	3 915
Untaxed reserves	-	2 098	-
Provisions	872	451	869
Interest-bearing liabilities	1 230	1 726	1 227
Other liabilities	863	701	1 062
Total equity and liabilities	7 019	7 300	7 073

Business areas

Billerud's net sales and operating profit/loss by business area are presented below. The results of the business areas are reported excluding the effects of currency hedging and excluding the effect on profit/loss of remeasurement of trade receivables in foreign currency and currency effects in connection with payments. These effects are reported separately on the line Currency hedging, etc. The part of currency exposure relating to changes in invoicing rates is included in the business area's profit or loss.

Quarterly net sales per business area and for the Group

SEKm	2011		2010		2009			
	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun
Packaging & Speciality Paper	1 217	1 020	1 085	1 009	1 052	953	965	1 023
Packaging Boards	728	648	649	518	613	557	565	573
Market Pulp	436	450	452	445	384	380	325	310
Currency hedging, etc.	78	54	-17	52	64	95	-12	-62
Other and eliminations	88	107	82	84	77	75	50	63
Total Group	2 547	2 279	2 251	2 108	2 190	2 060	1 893	1 907

Quarterly operating profit/loss per business area and for the Group

SEKm	2011		2010		2009			
	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun
Packaging & Speciality Paper	140	131	106	84	96	85	74	133
Packaging Boards	97	122	107	-14	56	37	68	25
Market Pulp	38	53	92	100	31	8	-21	-58
Currency hedging, etc.	78	54	-17	52	64	95	-12	-62
Other and eliminations	-21	-34	-12	-21	-13	6	-45	4
Total Group	332	326	276	201	234	231	64	42

Quarterly operating margin per business area and for the Group

%	2011		2010		2009			
	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun
Packaging & Speciality Paper	12	13	10	8	9	9	8	13
Packaging Boards	13	19	16	-3	9	7	12	4
Market Pulp	9	12	20	22	8	2	-6	-19
Group	13	14	12	10	11	11	3	2

Quarterly sales volumes per business area

ktonnes	2011		2010		2009			
	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun
Packaging & Speciality Paper	150	121	133	132	138	128	130	132
Packaging Boards	136	121	125	106	130	126	123	114
Market Pulp	83	81	74	71	75	82	75	77
Total	369	323	332	309	343	336	328	323

Definitions

Capital employed

Total assets less non-interest bearing liabilities, non-interest bearing provisions and interest-bearing assets.

Cash flow from operating activities per share

Cash flow from operating activities divided by the average number of shares in the market during the period.

Earnings per share

Net profit divided by the average number of shares in the market.

Earnings per share after dilution

Net profit divided by the average number of shares in the market after estimated utilisation of incentive programmes.

Equity

Shareholders' equity at the end of the period.

Equity per share

Shareholders' equity at the end of the period divided by the number of shares in the market at the end of the period.

Equity per share after dilution

Shareholders' equity at the end of the period plus the effect of estimated utilisation of incentive programmes divided by the number of shares in the market at the end of the period after estimated utilisation of incentive programmes.

Equity ratio

Shareholders' equity as a percentage of total assets.

Equity ratio after dilution

Shareholders' equity plus the effect of estimated utilisation of incentive programmes as a percentage of total assets plus the effect of estimated utilisation of incentive programmes.

Fluting

The rippled middle layer in corrugated board, produced from either new or recycled fibre.

Gross Margin

Operating profit before depreciation (EBITDA = Earnings before Interest, Taxes, Depreciation and Amortisation) as a percentage of net sales.

Interest-bearing net debt

Interest-bearing provisions and liabilities less interest-bearing assets.

Market pulp

Pulp which is sold to paper mills that do not produce their own pulp.

Net debt/equity ratio

Interest-bearing net debt divided by shareholders' equity.

Net debt/equity ratio after dilution

Interest-bearing net debt divided by shareholders' equity plus the effect of estimated utilisation of incentive programmes.

Operating cash flow per share

Operating cash flow divided by the average number of shares in the market during the period.

Operating margin

Operating profit as a percentage of net sales.

Sulphate pulp

Chemical pulp produced by cooking wood under high pressure and at a high temperature in cooking liquor, known as white liquor (sodium hydroxide and sodium sulphide). Sulphate pulp is also known as kraft pulp.

Return on capital employed

Operating profit as a percentage of average capital employed.

Return on equity

Net profit as a percentage of average shareholders' equity.

Return on equity after dilution

Net profit as a percentage of average shareholders' equity plus the effect of estimated utilisation of incentive programmes.

Return on total capital

Operating profit as a percentage of average total capital.

