



BILLERUDKORSNÄS

INTERIM REPORT JANUARY-MARCH 2014



SEKm	Q1 2014	Q4 2013	Δ, %	Q1 2013	Δ, %
Net sales	5 410	4 755	14%	5 181	4%
EBITDA	885	549	61%	727	22%
Adjusted operating profit	555	232	139%	438	27%
Adjusted operating margin	10%	5%	5	8%	2
Operating profit/loss	541	203	167%	363	49%
Net profit/loss for the period	369	103	258%	228	62%
Earnings per share, SEK	1.75	0.48	265%	1.07	64%
Operating cash flow	385	148	160%	277	39%

SEK 5 410m

Net sales

SEK 555m

Adjusted
operating profit

10%

Adjusted
operating margin

First quarter 2014

- Net sales increased 14% compared to previous quarter due to increased volumes and customer re-stocking.
- Adjusted operating profit reached SEK 555 million. The increase from the previous quarter is mainly explained by no planned maintenance shutdowns in the quarter.
- Synergies equivalent to an annual run-rate of approximately SEK 445 million were realised by the end of March. During the first quarter, synergies amounting to approximately SEK 110 million were realised.

January-March 2014 compared with the same period in 2013

- The first quarter 2014 was the first comparable quarter after the combination of Billerud and Korsnäs.
- In spite of slightly reduced local prices, net sales increased due to mix, volume and more favourable currency exchange rates.
- During the year there has been intensive work with realising synergies and the effects are evident on the operating profit level that has improved with SEK 117 million.
- Synergies of approximately SEK 78 million have impacted the quarter compared to the same period last year.

Outlook

- Demand and order situation is expected to remain stable during the second quarter 2014 for all business areas.
- Average prices in local currency are anticipated to stay on current level for the second quarter 2014 for all business areas.
- Wood prices are expected to stay on current level for the second quarter of 2014.
- The target of approximately SEK 530 million in annual synergies and savings is unchanged, and is expected to be reached by the end of 2014.

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The information in this report is such that BillerudKorsnäs AB (publ) is obliged to disclose under the Swedish Securities Market Act and was submitted for publication at 07.00 CET on 24 April 2014.



SEK 5 410m

Net sales Q1 2014

10%

Adjusted operating margin
Q1 2014



Per Lindberg
President and CEO, BillerudKorsnäs

Prices in local currency decreased for some product groups compared to the previous quarter.

COMMENTS BY CEO PER LINDBERG

FIRST-QUARTER RESULTS PROVIDE EVIDENCE OF STRENGTH

"We have started the year in a good way by delivering a strong result for the first quarter without any major hick-ups in our operations. Our adjusted operating profit reached SEK 555 million and our margin was 10%. The cash flow was quite strong and we are back on a net debt/equity level of 0.78 even after the consolidation of Bomhus Energi AB.

We experienced some price reductions compared to the previous quarter within the business areas Packaging Paper and Containerboard, primarily within the sack and fluting product groups. But the demand was good and mix, volume and currency improvement offset the price effects. The price pressure that we have anticipated from increased capacity on the market has not been realised yet and perhaps we have overestimated the impact. Time will tell.

Our integration efforts are moving forward relentlessly and we continue to realise synergies as planned for 2014. The pace of realisation is expected to slow down though as the activities now mostly contain implementation of new systems and ways of working. Integration continues to be a high priority, and we are setting the foundation of a new common culture by starting implementation of our corporate values.

In our quest to reach our long-term financial targets and 15-20% organic growth by 2018, we have stated that we within our financial policy would focus on restoring margins, pay down debt and manage our capital employed. I think we clearly show that we are moving forward on this path. We see improved margins as an effect of synergy realisation and our net debt/equity ratio has come down further. Our working capital improvement project is moving into implementation and many activities are being performed to reach a working capital level of 10% of sales. From our asset review we are developing the plans regarding our future asset structure, plans that will be communicated in due time."

MARKET

BillerudKorsnäs offers the global packaging market innovative and sustainable products and services. The Group has a leading position in primary fibre-based packaging paper and board. The packaging market shows further positive long-term development primarily due to increased globalisation, greater prosperity and changes in consumption patterns. In addition to packaging materials, BillerudKorsnäs sells long-fibre pulp, Northern Bleached Softwood Kraft (NBSK), which is not used in its own production.

The order situation for all business areas continued to be stable. Prices in local currency for the packaging materials segments decreased for some product groups in business areas Packaging Paper and Containerboard compared to the previous quarter.



SALES AND RESULTS

FIRST QUARTER 2014 COMPARED WITH FOURTH QUARTER IN 2013

Net sales were SEK 5 410 million, a 14% increase compared to previous quarter due to increased volumes and customer re-stocking.

Adjusted operating profit reached SEK 555 million, an increase with SEK 323 million. The adjusted operating margin was 10% (5%).

Operating profit was SEK 541 million and net financial items amounted to SEK -72 million. Profit before tax was SEK 469 million and estimated tax was SEK -100 million. Net profit reached SEK 369 million.

14% increase in net sales compared to previous quarter.

CHANGE IN ADJUSTED OPERATING PROFIT COMPARED TO PREVIOUS QUARTER

SEKm	
Adjusted operating profit Q4 -13	232¹
Sales and production volumes, incl. product mix	205
Selling prices (in respective sales currency)	-50
Change in variable costs	-
Change in fixed costs	163
Change in depreciation	2
Effects of exchange rate fluctuations, incl. hedging*	18
Reversal of change in non-recurring items	-15
Adjusted operating profit Q1 -14	555

* Effects of exchange rate fluctuations totalling SEK 18 million comprise the following components: change in spot rates SEK 33 million, currency hedging SEK 30 million and currency effects from revaluation of trade receivables and payments from customers SEK -45 million.

The adjusted operating profit increased with SEK 323 million due to higher volumes, better product mix and lower fixed costs.

The decrease in fixed costs and increase in volumes are primarily explained by the lack of planned maintenance shutdowns.

Lower sales prices in local currencies negatively impacted profit level with SEK 50 million. The effect of currency exchange rate changes was positive, SEK 18 million.

FIRST QUARTER 2014 COMPARED WITH FIRST QUARTER IN 2013

Net sales increased by 4% and adjusted operating profit grew from SEK 438 million to SEK 555 million.

CHANGE IN ADJUSTED OPERATING PROFIT COMPARED TO THE SAME PERIOD IN THE PREVIOUS YEAR

SEKm	
Adjusted operating profit Q1 -13	438¹
Sales and production volumes, incl. product mix	61
Selling prices (in respective sales currency)	-50
Change in variable costs	71
Change in fixed costs	-15
Change in depreciation	20
Effects of exchange rate fluctuations, incl. hedging*	91
Reversal of change in non-recurring items	-61
Adjusted operating profit Q1 -14	555

* Effects of exchange rate fluctuations totalling SEK 91 million comprise the following components: change in spot rates SEK 104 million, currency hedging SEK -63 million and currency effects from revaluation of trade receivables and payments from customers SEK 50 million.

The negative impact from reduced sales prices in local currency of SEK 50 million has been more than well offset by realisation of synergies and increased volumes.

Net sales and profit growth between the years by volume increases, synergy realisation and improved exchange rates.

1 Revised amounts taking into account changed accounting principles. From 2014 Bomhus Energi AB is reported as a joint operation in accordance with IFRS 11 and where BillerudKorsnäs recognises its share of Bomhus Energi AB's revenue, expenses, assets and liabilities.

Lower variable costs are primarily driven by synergy realisation within purchasing and logistics. Lower costs for energy and electricity also had a positive effect on variable costs.

The positive effect from synergies within administration and sales on fixed costs was offset by higher maintenance costs. However, maintenance costs in the first quarter 2013 were exceptionally low.

The lower depreciation level is due to that previously some of the costs for maintenance stops were capitalized and written off until the next maintenance shutdown. As of 1 January 2013 all costs associated with maintenance stops are expensed.

SYNERGY REALISATION

Integration and realisation of synergies are progressing better than plan. Synergies, equivalent to an annual pace of approximately SEK 445 million were realised by the end of March. During the first quarter, synergies amounting to approximately SEK 110 million were realised. Non-recurring integration costs of SEK 14 million impacted the results for the quarter. Accumulated non-recurring costs for integration amount to approximately SEK 148 million and the remaining SEK 52 million are expected to impact earnings during 2014. The synergy target of SEK 530 million is expected to be reached by the end of 2014, and hence the integration project will be finalised ahead of originally anticipated time.

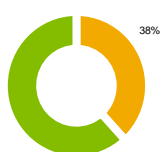
SYNERGY REALISATION

	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
SEKm	2013	2013	2013	2013	2014	2014*	2014*	2014*
Annual pace at end of resp period	155	260	300	370	445	465	490	530
Quarterly synergies**	32	44	79	90	110	115	122	131

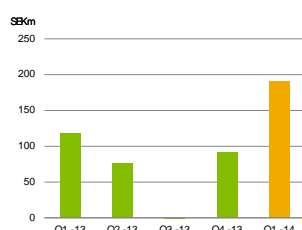
* Expected annual synergy realisation pace and expected quarterly synergies.

** Synergies and savings realised in the quarter, compared to if the synergy and savings programme had not been initiated.

SHARE OF GROUP'S NET SALES Q1 2014



OPERATING PROFIT



PACKAGING PAPER BUSINESS AREA

Packaging Paper offers premium-quality kraft and sack paper, as well as functional solutions for many applications, including packaging for food, industrial purposes, medical applications and carrier bags, for customers with demanding requirements. The business area also sells any surplus of pulp that BillerudKorsnäs does not use in its own production.¹ The business area's largest markets are Europe and Asia.

SEKm	Quarter			Full year
	Q1 -14	Q4 -13	Q1 -13	2013
Net sales	2 068	1 758	1 855	7 279
Net operating expenses, other	-1 763	-1 558	-1 618	-6 527
Depreciation and impairment	-114	-109	-119	-468
Operating profit/loss	191	91	118	284
Operating margin, %	9%	5%	6%	4%
Sales volumes, ktonnes	310	263	275	1 080
whereof packaging paper	207	170	197	750

FIRST QUARTER

Net sales amounted to SEK 2 068 million, an increase of 18 % compared with the previous quarter. The increase was mainly attributable to product mix and re-stocking effect after year-end.

Operating profit reached SEK 191 million, an increase of SEK 100 million compared with the previous quarter. The increase was mainly due to higher production and

¹ The Packaging Paper business area buys and sells pulp at market price. From 1 August 2013 the business area's net exposure in market pulp is estimated to average approximately 150 ktonnes annually.



sales volumes and lower costs following the extensive rebuild in Skärblacka during third and fourth quarter in 2013. The profit improvement is also explained by favourable product mix.

Compared with the first quarter in 2013, operating profit improved with SEK 73 million, mainly as a result of lower costs following the rebuild in Skärblacka but also due to product mix.

MARKET DEVELOPMENT

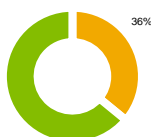
The order situation for kraft and sack paper is on a normal level. Prices in local currency were slightly down compared to previous quarter due to new capacity entering the market.

The market for NBSK pulp improved during the quarter. Prices in Europe rose to approximately USD 920 per tonne at the end of the quarter, compared with approximately USD 910 per tonne at the beginning of the quarter.

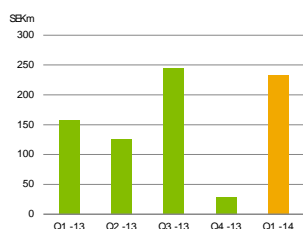
CONSUMER BOARD BUSINESS AREA

The Consumer Board business area develops and markets high-quality board for packaging for beverages, yoghurts, refrigerated and frozen food and other consumer products. Smart solutions in function, design and material selection add further value for the customer. Europe is the largest market.

SHARE OF GROUP'S NET SALES Q1 2014



OPERATING PROFIT



SEKm	Quarter			Full year
	Q1 -14	Q4 -13	Q1 -13	2013
Net sales	1 949	1 659	1 805	6 964
Net operating expenses, other	-1 547	-1 452	-1 474	-5 709
Depreciation and impairment	-169	-178	-173	-698
Operating profit/loss	233	29	158	557
Operating margin, %	12%	2%	9%	8%
Sales volumes, ktonnes	268	231	250	959

FIRST QUARTER

Net sales reached SEK 1 949 million in the first quarter, SEK 290 million higher than the previous quarter, which is mainly due to seasonal variances.

Operating profit amounted to SEK 233 million which was SEK 204 million higher than the previous quarter. Improvement is attributable to volume increase and lower costs due to no maintenance shutdown in the first quarter. The previous quarter was also affected by two unplanned longer stops in Frövi caused by defects in steam generation and distribution.

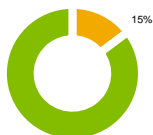
Compared with the first quarter in 2013, operating profit improved with SEK 75 million primarily due to volume increase, but also because the first quarter in 2013 was affected by a reduction of surplus value in the inventory of finished products acquired amounting to SEK 48 million.

MARKET DEVELOPMENT

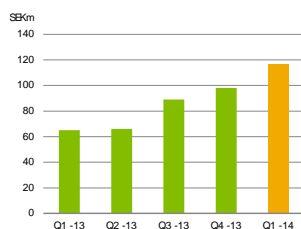
The order situation for liquid packaging board and cartonboard in the first quarter was stable and satisfactory with normal seasonal variances. Prices in local currency were stable, compared with the previous quarter.



SHARE OF GROUP'S NET SALES Q1 2014



OPERATING PROFIT



CONTAINERBOARD BUSINESS AREA

The Containerboard business area offers corrugated board raw material that provides light but strong packaging for demanding transportation uses and primary packaging. An important part of the offering is consultation for packaging optimisation and efficient logistical flows. The business area includes Paccess which strengthens BillerudKorsnäs' position to bring smarter packaging solutions to brand owners, and is a further step in challenging conventional packaging.

SEKm	Quarter			Full year
	Q1 -14	Q4 -13	Q1 -13	2013
Net sales	792	763	797	3 073
Net operating expenses, other	-630	-620	-682	-2 560
Depreciation and impairment	-45	-45	-50	-195
Operating profit/loss	117	98	65	318
Operating margin, %	15%	13%	8%	10%
Sales volumes, ktonnes	139	126	150	552

FIRST QUARTER

Net sales were SEK 792 million, which is above the level of the previous quarter. This is mainly due to volume increases for Fluting.

Operating profit reached SEK 117 million, an increase from previous quarter with SEK 19 million mainly due to no planned maintenance shutdown at Gruvön which negatively impacted previous quarter.

Compared to the same period in 2013, operating profit increased with SEK 52 million. This is mainly attributable to an improved currency exchange rates, as well as lower variable costs.

MARKET DEVELOPMENT

Orders booked remained stable except for order intake on Liner, which was weaker due to increased market competition. During the quarter, parts of Containerboard's product range experienced increased price pressure in local currency.



SEK -3 million earnings impact for the quarter.

CURRENCY HEDGING

During the first quarter 2014, net flows were hedged at EUR/SEK 8.79 (8.72), USD/SEK 6.58 (6.76) and GBP/SEK 10.31 (10.53). Currency hedging had an overall earnings impact of SEK -3 million (60) for the first quarter (compared with if no hedging had taken place).

BillerudKorsnäs' outstanding forward exchange contracts at 31 March 2014 had a market value of SEK 4 million, whereof SEK -3 million is the part of the contracts matched by trade receivables, affected earnings in the first quarter. Other contracts had a market value of SEK 7 million.

HEDGED PORTION OF CURRENCY FLOW FOR EUR, USD AND GBP AND EXCHANGE RATES AGAINST SEK (31 MARCH 2014)

Currency		Q2 -14	Q3 -14	Q4 -14	Q1 -15	Total 12 months
EUR	Share of net flow	100%	100%	100%	14%	78%
	Rate	8.91	8.99	9.06	8.91	8.99
USD	Share of net flow	85%	55%	32%	12%	46%
	Rate	6.59	6.57	6.57	6.55	6.58
GBP	Share of net flow	90%	60%	36%	14%	50%
	Rate	10.49	10.55	10.69	10.70	10.56
Market value of currency contracts*		-4	2	7	-1	4

*On 31 March 2014.

100% of forecasted net flows in EUR hedged for 2014.

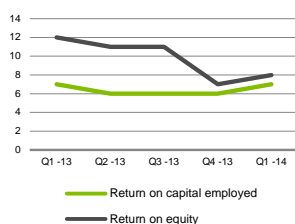
BillerudKorsnäs continuously hedges approximately 50% of forecasted net flows over the coming 12-month period, but in accordance with its financial policy is also able to extend currency hedging to 100% of net flows over the next 15 months. For 2014 the company has increased the hedge for EUR to 100% of forecasted net flows at an exchange rate of SEK 8.94. For the remainder of 2014, the average price for the EUR currency hedging is SEK 8.99.

SEK 280 million in gross investments for the quarter.

INVESTMENTS AND CAPITAL EMPLOYED

Gross investments including business combinations amounted to SEK 280 million (226) for the first quarter. The company has applied for permission to increase capacity in line with growth plans presented in November 2013 and investment decisions in line with this will come during the year.

RETURN, % (ROLLING 12 MONTHS)



BillerudKorsnäs' capital employed at 31 March 2014 amounted to SEK 18 294 million (18 057). Return on capital employed, calculated over the past 12-month period, amounted to 7% (7%). If the effects of currency hedging are excluded, return on capital employed was 7% (5%). Return on equity after tax was 8% (12%).



CASH FLOW AND FINANCIAL POSITION

SUMMARY CASH FLOW STATEMENT

SEKm	Q1 -14	Q1 -13
Operating surplus, etc.	853	842
Change in working capital, etc.	-26	-164
Net financial items, taxes, etc.	-162	-184
Cash flow from operating activities	665	494
Current net investments	-280	-217
Operating cash flow	385	277

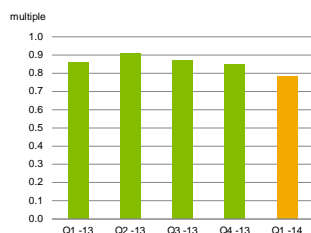
Operating cash flow during the first quarter 2014 amounted to SEK 385 million (277).

Net interest-bearing debt on 31 March 2014 was SEK 8 009 million (8 375).

The Group's net debt/equity ratio at the end of the period was 0.78 (0.86).

BillerudKorsnäs' financial target for its net debt/equity ratio is that it should be less than 0.90.

DEBT/EQUITY RATIO
AT THE END OF THE QUARTER



FINANCING

Interest-bearing loans amounted to SEK 7 561 million on 31 March 2014. Of this amount, utilisation of the syndicated credit facility (maximum: SEK 5 500 million) accounted for SEK 114 million, bond loans for SEK 1 644 million, utilisation of BillerudKorsnäs' commercial paper program (maximum: SEK 3 000 million) for SEK 2 419 million and other interest-bearing liabilities for SEK 3 384 million. From 1 January 2014, Bomhus Energi AB is fully consolidated and the impact on interest-bearing loans per 31 March 2014 was SEK 618 million.

PARENT COMPANY

The parent company BillerudKorsnäs AB includes the Gruvön production unit, the sales organisation for the Nordic market and markets outside Europe, and the head office functions.

Net sales in the first quarter of 2014 amounted to SEK 972 million (989). Operating profit reached SEK 62 million, which was SEK 42 million higher than for the same period in 2013. The increase was mainly attributable to lower integration costs and stronger operating profit at 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. In the first quarter of 2014 this result amounted to SEK -3 million (60).

Investments in property, plant and equipment and intangible assets excluding shares in the first quarter of 2014 amounted to SEK 75 million (22). The average number of employees was 893 (920). Cash and bank balances and short-term investments amounted to SEK 39 million (633).



SEASONAL EFFECTS

BillerudKorsnäs' business is to a relatively limited extent subject to seasonal fluctuations. The greatest impact is from periodic maintenance shutdowns, during which the unit concerned is idle for approximately a week. The loss of production results in somewhat lower deliveries over an extended period before, during and after the shutdown.

MAINTENANCE SHUTDOWNS

In addition to on-going maintenance during production, BillerudKorsnäs' production units normally also require more extensive maintenance at some time during the year. In order to carry out maintenance, production of pulp, paper and board is stopped – known as a maintenance shutdown. The cost of a maintenance shutdown mainly comprises the loss of volume related to the shutdown and fixed costs, mainly in the form of costs of maintenance and overtime work, as well as - to some extent - variable costs such as higher consumption of electricity and wood when production is restarted. The effects of shutdowns on earnings vary depending on the extent of measures carried out, their nature and the actual length of the shutdown. The estimated cost of shutdown is an assessment of the impact on earnings of a normal shutdown, compared to a quarter during which no periodic maintenance shutdown takes place.



Production units	Estimated shutdown cost, ¹ SEKm	Estimated breakdown of shutdown cost by business area			Planned dates of maintenance shutdown 2015 2014 2013
		Packaging	Consumer	Container-board	
		Paper	Board	board	
Gävle	~ 120	~ 5%	~ 80%	~ 15%	Q3 Q4 Q4
Gruvön	~ 120	~ 40%	~ 5%	~ 55%	Q2 Q2 Q4
Frövi	~ 65	0%	100%	0%	Q3 Q3 Q2
Skärblacka	~ 75	~ 85%	0%	~ 15%	Q2 Q3 Q3
Karlsborg	~ 55	100%	0%	0%	Q3 Q3 Q3
Pietarsaari	~ 15	100%	0%	0%	Q3 Q2 Q4

In connection to the maintenance shutdowns in 2014 in Gävle and Frövi, investments for increased capacity of liquid packaging board are planned and the negative impact on operating profit is estimated to be approximately SEK 35 million higher than a "normal" shutdown.

¹ Maintenance shutdowns at Beetham, Rockhammar and Tervasaari have an insignificant effect on BillerudKorsnäs' total earnings.



LARGEST SHAREHOLDERS

BILLERUDKORSNÄS' TEN LARGEST SHAREHOLDERS (31 MARCH 2014)



BillerudKorsnäs is listed on NASDAQ OMX Stockholm.

Shareholder	Number of shares	Number of votes, %
FRAPAG Beteiligungsholding AG	31 300 000	15.1
Nordea Funds	16 525 323	8.0
AMF Insurance & Funds	14 660 042	7.1
Swedbank Robur Funds	13 180 209	6.4
Fourth Swedish National Pension Fund	11 490 303	5.6
Lannebo Funds	8 875 243	4.3
Alecta	8 312 000	4.0
SHB Funds	7 460 674	3.6
Norges Bank Investment Management	5 853 683	2.8
DFA Funds (USA)	4 610 082	2.2
Total 10 largest shareholders	122 267 559	59.1
Total number of shares in the market	206 719 689	100.0

Source: SIS Ägarservice AB. Excludes BillerudKorsnäs' approximately 1.5 million bought-back shares and foreign custodian banks.

The total number of shareholders (including nominee-registered) was 101 104. The proportion of foreign ownership was 28.9% of the number of shares in the market. More information about shareholder structure is available at www.billerudkorsnas.com/investor-relations.

DISTRIBUTION OF SHARES

DISTRIBUTION OF SHARES (31 MARCH 2014)

Registered number of shares	208 219 834
Bought back shares	-1 500 145
Total number of shares in the market	206 719 689

SIGNIFICANT RISKS AND UNCERTAINTIES

BillerudKorsnäs' 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 is provided on pages 21-26 of the 2013 Annual Report.

RELATED PARTY TRANSACTIONS

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



EVENTS AFTER THE END OF THE QUARTER

The Board of Directors has decided to invest approximately SEK 180 million in the paper machine PM6, where Fluting is produced, at the production unit in Gruvön. The aim of the investment is to improve the quality and reduce energy consumption as well as an increase of the volume with 40 kton per year by mid 2016.

Solna, 23 April 2014
BillerudKorsnäs AB (publ)
Board of Directors

FINANCIAL CALENDAR

Interim report January-June 2014	21 July 2014
Interim report January-September 2014	28 October 2014

The 2014 Annual General Meeting will be held on 6 May 2014.

ACCOUNTING PRINCIPLES

The interim report for the Group is prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. Beginning in 2014, ownership in Bomhus Energi AB is reported as a joint operation in accordance with IFRS 11 and where BillerudKorsnäs recognises its share of Bomhus Energi AB's revenues, expenses, assets and liabilities. Numbers and key figures for 2013 have been recalculated, see Appendix. The accounting principles otherwise applied in this interim report are the same as those used in the most recent annual report for 2013, see pages 27-36 and page 67 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 20 of this report.

The information in this interim report is such that BillerudKorsnäs AB (publ) is obliged to disclose under the Swedish Securities Market Act. This report has been prepared in both a Swedish and an English version.



BILLERUDKORSNÄS GROUP
INCOME STATEMENT

SEKm	Quarter			Full year
	Q1 -14	Q4 -13	Q1 -13	2013
Net sales	5 410	4 755	5 181	19 689
Other income	20	31	45	130
Operating income	5 430	4 786	5 226	19 819
Change in inventories	-106	79	-43	-43
Raw materials and consumables	-2 684	-2 529	-2 777	-10 236
Other external costs	-1 016	-1 048	-930	-4 006
Employee benefits expense	-739	-739	-749	-2 958
Depreciation and impairment of non-current assets	-344	-346	-364	-1 439
Operating expenses	-4 889	-4 583	-4 863	-18 682
Operating profit/loss	541	203	363	1 137
Financial income and expenses	-72	-76	-84	-309
Profit/Loss before tax	469	127	279	828
Taxes	-100	-24	-51	-142
Net profit/loss for the period	369	103	228	686
Profit/Loss attributable to:				
Owners of the parent company	361	100	222	671
Non-controlling interests	8	3	6	15
Net profit/loss for the period	369	103	228	686
Earnings per share, SEK	1.75	0.48	1.07	3.24
Diluted earnings per share, SEK	1.75	0.48	1.07	3.24

STATEMENT OF COMPREHENSIVE INCOME

SEKm	Quarter		Full year
	Q1 -14	Q1 -13	2013
Net profit/loss for the period	369	228	686
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Actuarial gains or losses on defined benefit pension plans	-	-1	89
Tax attributable to items not to be reclassified to profit or loss	-	-	-20
Total items never reclassified to profit or loss	-	-1	69
Items that have been or may be reclassified subsequently to profit or loss			
Differences arising from the translation of foreign operations' accounts	2	-54	67
Change in fair value of shareholding in Bergvik Skog	4	17	44
Change in fair value of cash flow hedges	-9	16	-23
Tax attributable to items that have been or may be reclassified subsequently to profit or loss	2	-3	5
Total items that have been or may be reclassified subsequently to profit or loss	-1	-24	93
Total comprehensive income for the period	368	203	848
Attributable to:			
Owners of the parent company	360	199	831
Non-controlling interests	8	4	17
Total comprehensive income for the period	368	203	848



STATEMENT OF CHANGES IN EQUITY

SEKm	Quarter		Full year
	Q1 -14	Q1 -13	2013
Opening balance	9 917	9 435	9 435
Comprehensive income for the period	368	203	848
Rights issue	-	42	42
Share-based payment to be settled in equity instruments	-	2	5
Dividends paid	-	-	-413
Closing balance	10 285	9 682	9 917
Equity attributable to:			
Owners of the parent company	10 216	9 634	9 856
Non-controlling interests	69	48	61
Closing balance	10 285	9 682	9 917

BALANCE SHEET

SEKm	31 Mar 2014	31 Dec 2013
Intangible assets	2 636	2 658
Property, plant and equipment	14 672	14 714
Other non-current assets	812	798
Inventories	2 904	3 029
Accounts receivable	2 639	2 400
Other current assets	896	844
Cash and cash equivalents	288	497
Total assets	24 847	24 940
Equity attributable to owners of the parent company	10 216	9 856
Non-controlling interests	69	61
Total equity	10 285	9 917
Interest-bearing liabilities	4 476	5 197
Provisions for pensions	737	732
Other provisions	40	42
Deferred tax liabilities	2 696	2 691
Total non-current liabilities	7 949	8 662
Interest-bearing liabilities	3 085	2 958
Accounts payables	1 748	1 745
Other liabilities and provisions	1 780	1 658
Total current liabilities	6 613	6 361
Total equity and liabilities	24 847	24 940



STATEMENT OF CASH FLOW

SEKm	Quarter			Full year
	Q1 -14	Q4 -13	Q1 -13	2013
Operating surplus, etc.*	853	526	842	2 656
Change in working capital, etc.	-26	-64	-164	-452
Net financial items, taxes, etc.	-162	45	-184	-425
Cash flow from operating activities	665	507	494	1 779
Investments in property, plant and equipment	-280	-360	-226	-1 334
Acquisition of financial assets	-	-	-	-3
Business combinations	-	-	-	9
Disposal of property, plant and equipment	-	1	9	87
Cash flow from investing activities	-280	-359	-217	-1 241
Change in interest-bearing receivables	-	1	-	1
Change in interest-bearing liabilities	-594	-199	-157	-466
Dividend	-	-	-	-413
Rights issue	-	-	42	42
Cash flow from financing activities	-594	-198	-115	-836
Total cash flow (=change in cash and cash equivalents)	-209	-50	162	-298
Cash and cash equivalents at start of period	497	531	774	774
Translation differences in cash and cash equivalents	-	16	-14	21
Cash and cash equivalents at the end of the period	288	497	922	497

*The amount for the period January - March 2014 takes into account operating profit of SEK 541 million, reversed depreciation SEK 344 million, decrease in pension liabilities SEK -4 million, other provisions SEK -10 million, and net of produced and sold electricity certificates and sold emission rights SEK -18 million. The amount for the period January - March 2013 takes into account operating profit of SEK 363 million, reversed depreciation SEK 364 million, increase in pension liabilities SEK 2 million, other provisions SEK 4 million, capital result SEK -6 million and net of produced and sold electricity certificates and sold emission rights SEK 115 million.

NOTE FINANCIAL ASSETS AND LIABILITIES

Group 31 March 2014	Derivatives in hedge accounting	Accounts and loan receivables	Available for- sale financial assets	Financial liabilities measured at amortised costs	Total carrying amount	Fair value
Other shares and participations	-	-	785	-	785	785
Long-term receivables	-	3	-	-	3	3
Accounts receivable	-	2 639	-	-	2 639	2 639
Other receivables	21	374	-	-	395	395
Cash and cash equivalents ¹	-	288	-	-	288	288
Total	21	3 304	785	-	4 110	4 110
Non-current interest-bearing liabilities	-	-	-	4 476	4 476	4 503
Current interest-bearing liabilities	-	-	-	3 085	3 085	3 085
Accounts payable	-	-	-	1 748	1 748	1 748
Other liabilities	45	-	-	228	273	273
Total	45	-	-	9 537	9 582	9 609
Group 31 December 2013	Derivatives in hedge accounting	Accounts and loan receivables	Available for- sale financial assets	Financial liabilities measured at amortised costs	Total carrying amount	Fair value
Other shares and participations	-	-	781	-	781	781
Long-term receivables	-	3	-	-	3	3
Accounts receivable	-	2 400	-	-	2 400	2 400
Other receivables	27	323	-	-	350	350
Cash and cash equivalents ¹	-	497	-	-	497	497
Total	27	3 223	781	-	4 031	4 031
Non-current interest-bearing liabilities	-	-	-	5 197	5 197	5 166
Current interest-bearing liabilities	-	-	-	2 958	2 958	2 958
Accounts payable	-	-	-	1 745	1 745	1 745
Other liabilities	41	-	-	138	179	179
Total	41	-	-	10 038	10 079	10 048

1 Investments in securities etc. are classified as Cash and cash equivalents when they mature less than three months after the acquisition date and are exposed to only a minor risk of fluctuation in value. The assessment is that the total carrying amount and fair value is consistent and there is no offset.



KEY FIGURES

	Jan-Mar		Full year
	2014	2013	2013
Margins			
Gross margin, %	16	14	13
Operating margin, %	10	7	6
Return (rolling 12 months)			
Return on capital employed, %	7	7	6
Return on total capital, %	5	5	5
Return on equity, %	8	12	7
Return on equity after dilution, %	8	12	7
Capital structure at end of period			
Capital employed, SEKm	18 294	18 057	18 306
Equity, SEKm	10 285	9 682	9 917
Interest-bearing net debt, SEKm	8 009	8 375	8 389
Net debt/equity ratio, multiple	0.78	0.86	0.85
Net debt/equity ratio after dilution, multiple	0.77	0.86	0.84
Equity ratio, %	41	38	40
Equity ratio after dilution, %	41	38	40
Key figures per share			
Earnings per share, SEK	1.75	1.07	3.24
Average number of shares, thousands	206 720	206 501	206 632
Earnings per share after dilution, SEK	1.75	1.07	3.24
Average number of shares after dilution, thousands	207 139	206 806	207 051
Cash flow from operating activities per share, SEK	3.22	2.39	8.61
Operating cash flow per share, SEK	1.86	1.34	2.56
Equity per share, SEK	49.42	46.65	47.68
Number of share at the end of the period, thousands	206 720	206 501	206 720
Equity per share after dilution, SEK	49.32	46.58	47.58
Number of share at the end of the period, thousands	207 139	206 806	207 139
Other key figures			
Gross investments, SEKm	280	226	1 337
Business combinations, SEKm	-	-	-9
Average number of employees	4 175	4 111	4 270



PARENT COMPANY SUMMARISED INCOME STATEMENT

SEKm	Quarter		Full year
	Q1 -14	Q1 -13	2013
Operating income	977	1 000	3 857
Operating expenses	-915	-980	-3 652
Operating profit/loss	62	20	205
Financial income and expenses	-45	-40	-191
Profit/Loss after financial income and expenses	17	-20	14
Appropriations	-	-	-1 231
Profit/loss before tax	17	-20	-1 217
Taxes	-4	5	272
Net profit/loss for the period	13	-15	-945

SUMMARISED BALANCE SHEET

SEKm	31 Mar	31 Dec
	2014	2013
Non-current assets	13 129	13 109
Current assets	4 293	4 851
Total assets	17 422	17 960
Shareholders' equity	7 034	7 020
Untaxed reserves	2 135	2 135
Provisions	487	487
Interest-bearing liabilities	6 696	7 324
Other liabilities	1 070	994
Total equity and liabilities	17 422	17 960



BUSINESS AREAS

The Group's business is controlled and reported according to BillerudKorsnäs' three business areas: Packaging Paper, Consumer Board and Containerboard. Non-current assets and capital investments cannot be broken down by business area since the business areas are highly integrated in terms of production. Other units include wood supply, sales organisations, Nine AB, the Latgran Group, white kraft and sack paper at the Gävle production unit (PM2) until it was sold 1st of August 2013 and dormant companies. Currency hedging etc. includes results from hedging of the Group's net currency flows, revaluation of accounts receivable and payments from customers. The part of currency exposure relating to changes in invoicing rates is included in the business area's profit or loss. Group staff and eliminations comprise Group-wide functions and Group eliminations. Group eliminations also include shares in profits/losses from participations in associated companies.

NET SALES QUARTERLY PER BUSINESS AREA AND FOR THE GROUP

SEKm	Q1 -14	Q4 -13	Q3 -13	Q2 -13	Q1 -13	Q4 -12	Q3 -12	Q2 -12
Packaging Paper	2 068	1 758	1 820	1 846	1 855	1 717	1 925	1 668
Consumer Board	1 949	1 659	1 716	1 784	1 805	508	-	-
Containerboard	792	763	755	758	797	623	634	674
Other units	589	549	471	578	699	183	52	79
Currency hedging, etc.	12	26	-13	38	25	37	17	19
Group staff and eliminations	-	-	-	-	-	-	-	-
Total Group	5 410	4 755	4 749	5 004	5 181	3 068	2 628	2 440

OPERATING PROFIT QUARTERLY PER BUSINESS AREA AND FOR THE GROUP

SEKm	Q1 -14	Q4 -13	Q3 -13	Q2 -13	Q1 -13	Q4 -12	Q3 -12	Q2 -12
Packaging Paper	191	91	-1	76	118	39	84	145
Consumer Board	233	29	244	126	158	35	-	-
Containerboard	117	98	89	66	65	23	73	67
Other units	39	2	17	1	40	9	20	9
Currency hedging, etc.	12	26	-13	38	25	37	17	19
Group staff and eliminations	-51	-43	-27	-45	-43	-118	-33	-79
Total Group	541	203	309	262	363	25	161	161

OPERATING PROFIT ¹ QUARTERLY PER BUSINESS AREA AND FOR THE GROUP

SEKm	Q1 -14	Q4 -13	Q3 -13	Q2 -13	Q1 -13	Q4 -12	Q3 -12	Q2 -12
Packaging Paper	191	168	187	88	118	103	161	145
Consumer Board	233	148	244	241	206	79	-	-
Containerboard	117	151	110	66	65	70	77	67
Other units	39	2	17	1	40	9	20	9
Currency hedging, etc.	12	26	-13	38	25	37	17	19
Group staff and eliminations	-37	-14	1	5	-16	-52	-17	-41
Total Group	555	481	546	439	438	246	258	199
Costs for maintenance shutdowns	-	-249	-209	-115	-	-119	-81	-
Non-recurring items	-14	-29	-28	-62	-75	-102	-16	-38
Operating profit	541	203	309	262	363	25	161	161

OPERATING MARGIN ¹ QUARTERLY PER BUSINESS AREA AND FOR THE GROUP

%	Q1 -14	Q4 -13	Q3 -13	Q2 -13	Q1 -13	Q4 -12	Q3 -12	Q2 -12
Packaging Paper	9	10	10	5	6	6	8	9
Consumer Board	12	9	14	14	11	16	-	-
Containerboard	15	20	15	9	8	11	12	10
Group	10	10	11	9	8	8	10	8

SALES VOLUMES QUARTERLY PER BUSINESS AREA AND FOR THE GROUP

ktonne	Q1 -14	Q4 -13	Q3 -13	Q2 -13	Q1 -13	Q4 -12	Q3 -12	Q2 -12
Packaging Paper	310	263	269	273	275	254	283	242
Consumer Board	268	231	236	242	250	71	-	-
Containerboard	139	126	134	142	150	120	130	132
Total	717	620	639	657	675	445	413	374

¹ Operating profit and margin are adjusted for the effects of periodical maintenance shutdowns and for non-recurring items.



APPENDIX

SUMMARY OF ADJUSTMENTS AND EFFECTS ON INCOME STATEMENT AND BALANCE SHEET DUE TO CHANGED ACCOUNTING PRINCIPLE¹

	According to earlier accounting principles	Bomhus Energi AB	Revised
INCOME STATEMENT			
SEKm	Full year 2013		Full year 2013
Net sales	19 533	156	19 689
Other income	129	1	130
Operating income	19 662	157	19 819
Change in inventories	-43	-	-43
Raw materials and consumables	-10 181	-55	-10 236
Other external costs	-3 980	-26	-4 006
Employee benefits expense	-2 956	-2	-2 958
Depreciation and impairment of non-current assets	-1 402	-37	-1 439
Profit/Loss from participations in associated companies	13	-13	-
Operating expenses	-18 549	-133	-18 682
Operating profit/loss	1 113	24	1 137
Financial income and expenses	-285	-24	-309
Profit/Loss before tax	828	-	828
Taxes	-142	-	-142
Net profit/loss for the period	686	-	686

BALANCE SHEET

	31 Dec 2013		31 Dec 2013
SEKm			
Intangible assets	2 657	1	2 658
Property, plant and equipment	13 797	917	14 714
Other non-current assets	1 127	-329	798
Inventories	3 010	19	3 029
Account receivable	2 380	20	2 400
Other current assets	830	14	844
Cash and cash equivalents	484	13	497
Total assets	24 285	655	24 940
Shareholders equity attributable to owners of parent company	9 856	-	9 856
Non-controlling interests	61	-	61
Shareholders equity	9 917	-	9 917
Interest-bearing liabilities	4 574	623	5 197
Provisions for pensions	732	-	732
Other provisions	42	-	42
Deferred tax liabilities	2 691	-	2 691
Total non-current liabilities	8 039	623	8 662
Interest-bearing liabilities	2 958	-	2 958
Accounts payables	1 726	19	1 745
Other liabilities and provisions	1 645	13	1 658
Total current liabilities	6 329	32	6 361
Total equity and liabilities	24 285	655	24 940

1 From 2014 Bomhus Energi AB is reported as a joint operation in accordance with IFRS 11 and where BillerudKorsnäs recognises its share of Bomhus Energi AB's revenues, expenses, assets and liabilities.



APPENDIX CONTD.

SUMMARY OF ADJUSTMENTS AND EFFECTS ON INCOME STATEMENT AND BALANCE SHEET DUE TO CHANGED ACCOUNTING PRINCIPLE¹

	According to earlier accounting principles	Bomhus Energi AB	Revised
INCOME STATEMENT			
SEKm	Q4 2013		Q4 2013
Net sales	4 713	42	4 755
Other income	31	-	31
Operating income	4 744	42	4 786
Change in inventories	79	-	79
Raw materials and consumables	-2 517	-12	-2 529
Other external costs	-1 038	-10	-1 048
Employee benefits expense	-739	-	-739
Depreciation and impairment of non-current assets	-338	-8	-346
Profit/Loss from participations in associated companies	6	-6	-
Operating expenses	-4 547	-36	-4 583
Operating profit/loss	197	6	203
Financial income and expenses	-70	-6	-76
Profit/Loss before tax	127	-	127
Taxes	-24	-	-24
Net profit/loss for the period	103	-	103

	According to earlier accounting principles	Bomhus Energi AB	Revised
INCOME STATEMENT			
SEKm	Q1 2013		Q1 2013
Net sales	5 132	49	5 181
Other income	45	-	45
Operating income	5 177	49	5 226
Change in inventories	-43	-	-43
Raw materials and consumables	-2 755	-22	-2 777
Other external costs	-922	-8	-930
Employee benefits expense	-748	-1	-749
Depreciation and impairment of non-current assets	-355	-9	-364
Profit/Loss from participations in associated companies	3	-3	-
Operating expenses	-4 820	-43	-4 863
Operating profit/loss	357	6	363
Financial income and expenses	-78	-6	-84
Profit/Loss before tax	279	-	279
Taxes	-51	-	-51
Net profit/loss for the period	228	-	228

¹ From 2014 Bomhus Energi AB is reported as a joint operation in accordance with IFRS 11 and where BillerudKorsnäs recognises its share of Bomhus Energi AB's revenues, expenses, assets and liabilities.



DEFINITIONS

Adjusted operating profit

Operating profit adjusted for non-recurring items.

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

Profit for the period, attributable to owners of the parent, divided by the average number of shares in the market.

Earnings per share after dilution

Profit for the period, attributable to owners of the parent, 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, attributable to owners of the parent, 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, attributable to owners of the parent, 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 primary 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.

NBSK

Northern bleached softwood kraft.

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.

Non-recurring items

One-time costs not affecting the company's run rate cost level.

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.

Return on capital employed

Operating profit as a percentage of average capital employed.

Return on equity

Profit for the period, attributable to owners of the parent, as a percentage of average shareholders' equity, attributable to owners of the parent.

Return on equity after dilution

Profit for the period, attributable to owners of the parent, as a percentage of average shareholders' equity, attributable to owners of the parent, plus the effect of estimated utilisation of incentive programmes.

Return on total capital

Operating profit as a percentage of average total capital.

White top Liner

Liner is the surface layer on corrugated board. White Top liner consists of two layers – a white finish and a brown interior.



BillerudKorsnäs offers primary fibre-based packaging materials and packaging solutions. The company holds a prominent position in several attractive product segments, both in primary fibre-based materials for consumer packaging and for industrial purposes. Through its business model BillerudKorsnäs focuses on its customers and offers high-quality materials, knowledge of the entire value chain and a global network of customers and packaging partners. The aim is to create values that strengthen customer brands and competitiveness, thereby securing the company's position as the natural partner for smarter packaging. BillerudKorsnäs' strategy is to generate profitable growth through world class process efficiency and customer-focused development. Today, BillerudKorsnäs' biggest market is Europe but the company has a clear focus to grow in other parts of the world.

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