



**THE NATURAL PART IN
SMARTER PACKAGING**

BILLERUD IN SHORT

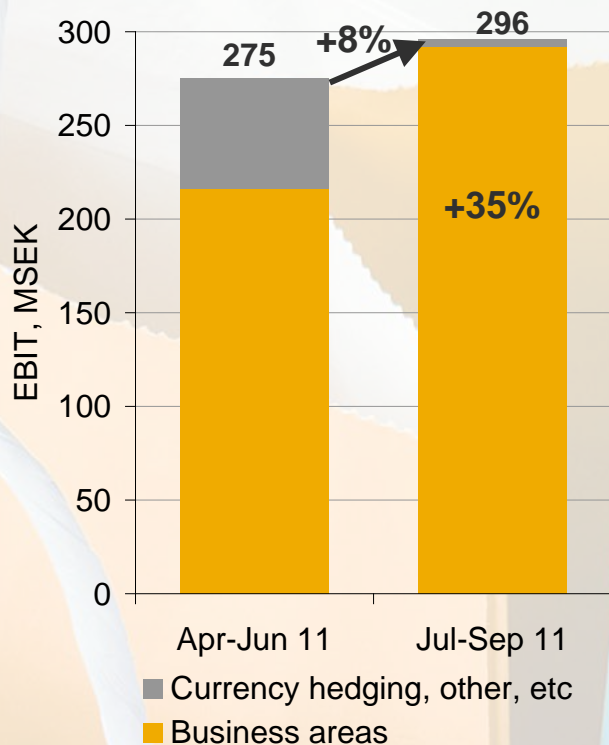
- Leading supplier of primary fibre-based packaging paper
- Packaging-optimising services
- Strong market niche positions
- Integrated and cost-efficient production
- Sales of SEK 9 billion
- 1,000 customers in 100 countries
- Listed on the NASDAQ OMX Stockholm

HIGHLIGHTS IN Q3 2011

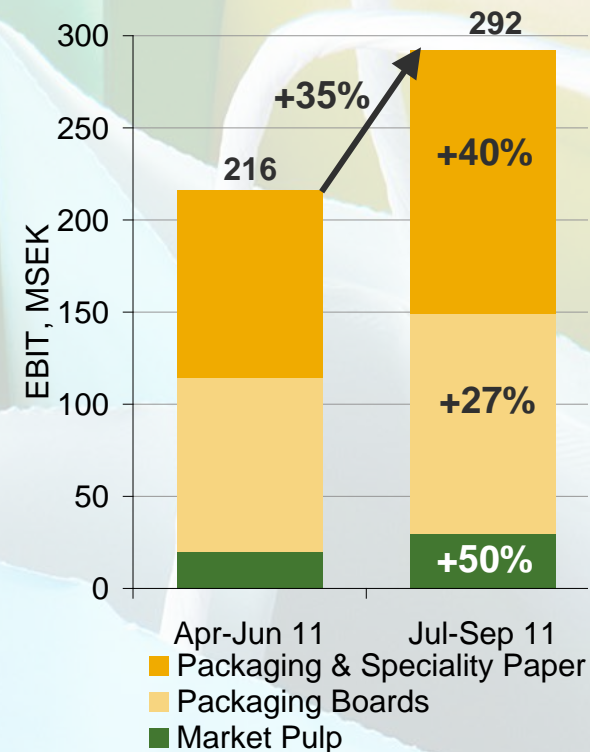
- Strong earnings
 - Operating profit of MSEK 296, margin 13%
- Very strong cash flow
 - Cash flow from operating activities of MSK 531
- Net cash position
- Significant increase in earnings for packaging paper

STRONG RESULTS FROM BUSINESS AREAS

Billerud group



Business areas



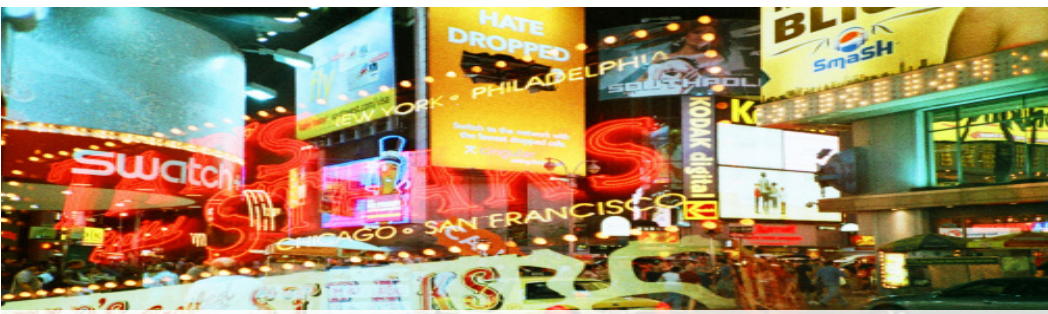
OUTLOOK FOR FY 2011

- Market development at the start of the fourth quarter was marked by some uncertainty about demand. Customers have continued to reduce their packaging paper stock levels, which is having a negative impact on orders. Underlying demand, however, is estimated to be relatively stable in most segments
- The start of the fourth quarter has been characterised by continued price pressure
- Billerud continues its efforts to increase the proportion of sales of packaging paper solutions, i.e. material combined with services in order to create conditions for a relatively more stable development

SMARTER PACKAGING



SMARTER PACKAGING



Attracts more consumers



Increases production capacity



Lowers transportation costs



Reduces waste



Lowers impact on the environment

SMARTER PACKAGING WITH THE BEST MATERIALS

Sack paper

High strength
and excellent
deaeration



Kraft paper

Strength and
high quality



FibreForm®

Stretching the
limits of paper



Fluting

Strongest in
the world



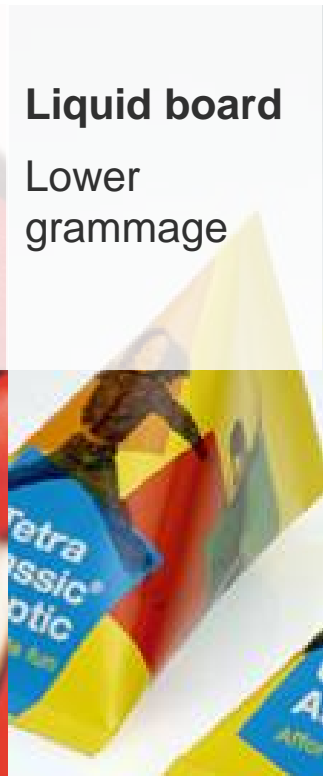
White liner

Outstanding
printing
qualities



Liquid board

Lower
grammage



SMARTER PACKAGING WITH THE BROADEST KNOWLEDGE

- Comprehensive knowledge of the whole value chain
- Cutting-edge knowledge of box and sack design
- Pack Lab, Sack Lab, Box Lab
- Pentawards Best of the Show
 - Billerud's design agency NINE received the world's finest design award
- Design Challenge 2011
 - Billerud FibreForm[®] was rewarded at the largest Nordic packaging fair



SMARTER PACKAGING WITH OUR GLOBAL NETWORK

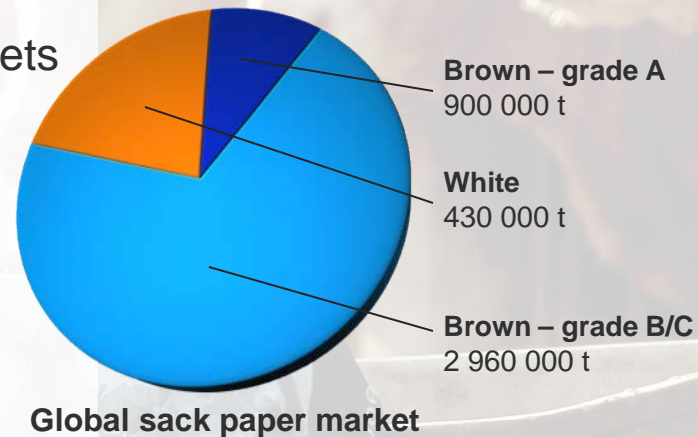
- 1,000 external converters in more than 100 countries
- Network of independent converters facilitate efficient logistics and quality-assured performance
- Dialogue with machine manufacturers

REINFORCING THE LEAD IN SACK SOLUTIONS

- Global leader in White and Brown – grade A
- Increasing demand, primarily in emerging markets
- Strong growth in Billerud’s premium QuickFill

Focus: Optimise function along the value chain

- Less packaging material
- Quicker filling
- Improved design

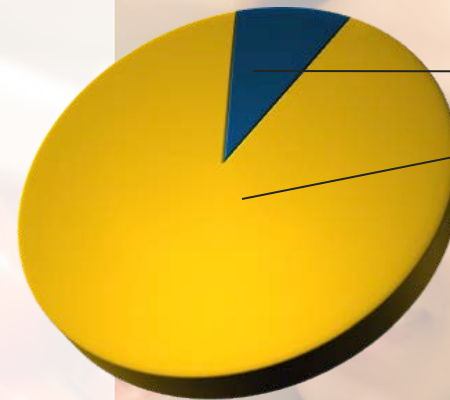


ADDING VALUE TO FRESH FRUIT AND VEGETABLES

- Minimising losses from growers to retailers with smarter packaging
- Substantial cost savings and environmental improvements

SoliQ™ concept launched April 2011

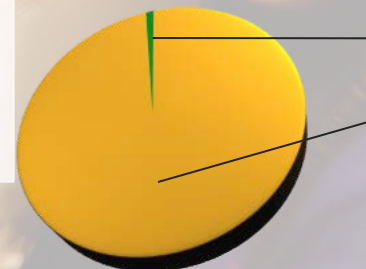
- Correct choice of material
- Right box design
- Quality-assured performance



Losses ~10%

European fruit and vegetable market €100 bn

Source: Fairtrade labeling;
McKinsey & Co; Billerud

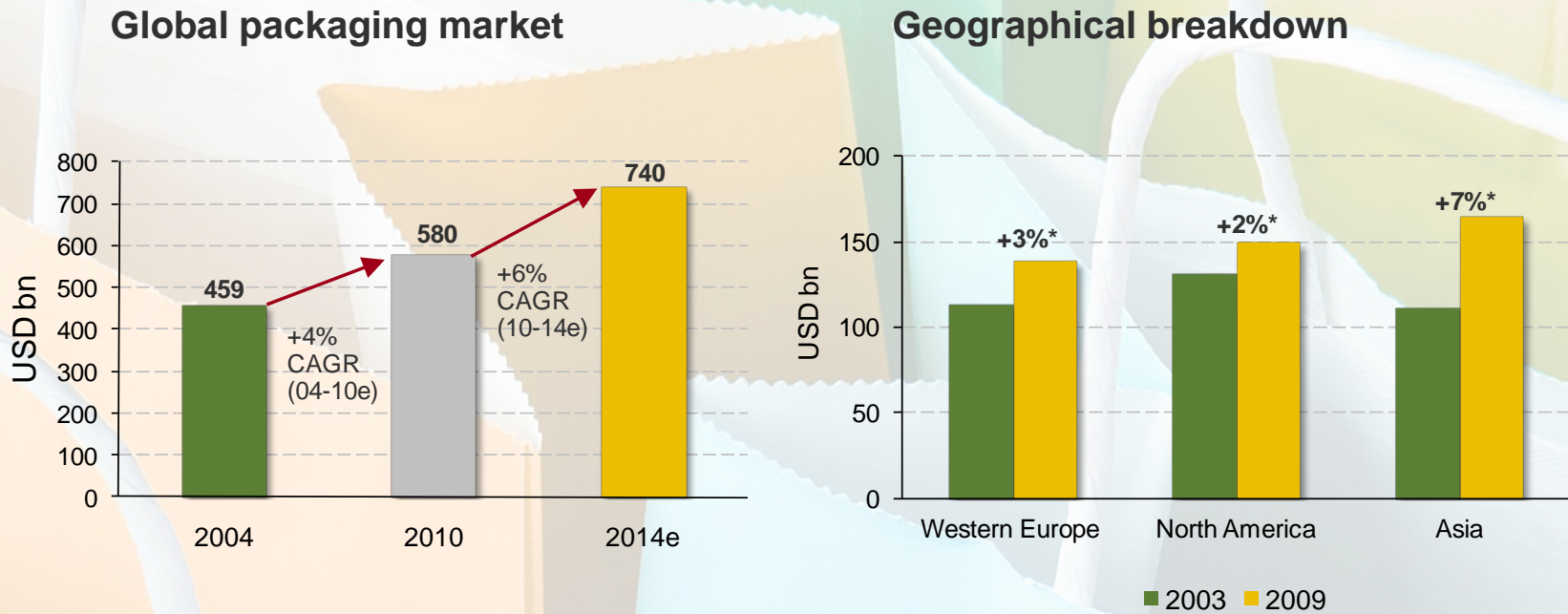


~ 1% fluting cost

Cost of fruit in shop (retail)

Source: FranceAgriMer;
McKinsey & Co; Billerud

STEADY GROWTH FOR PACKAGING

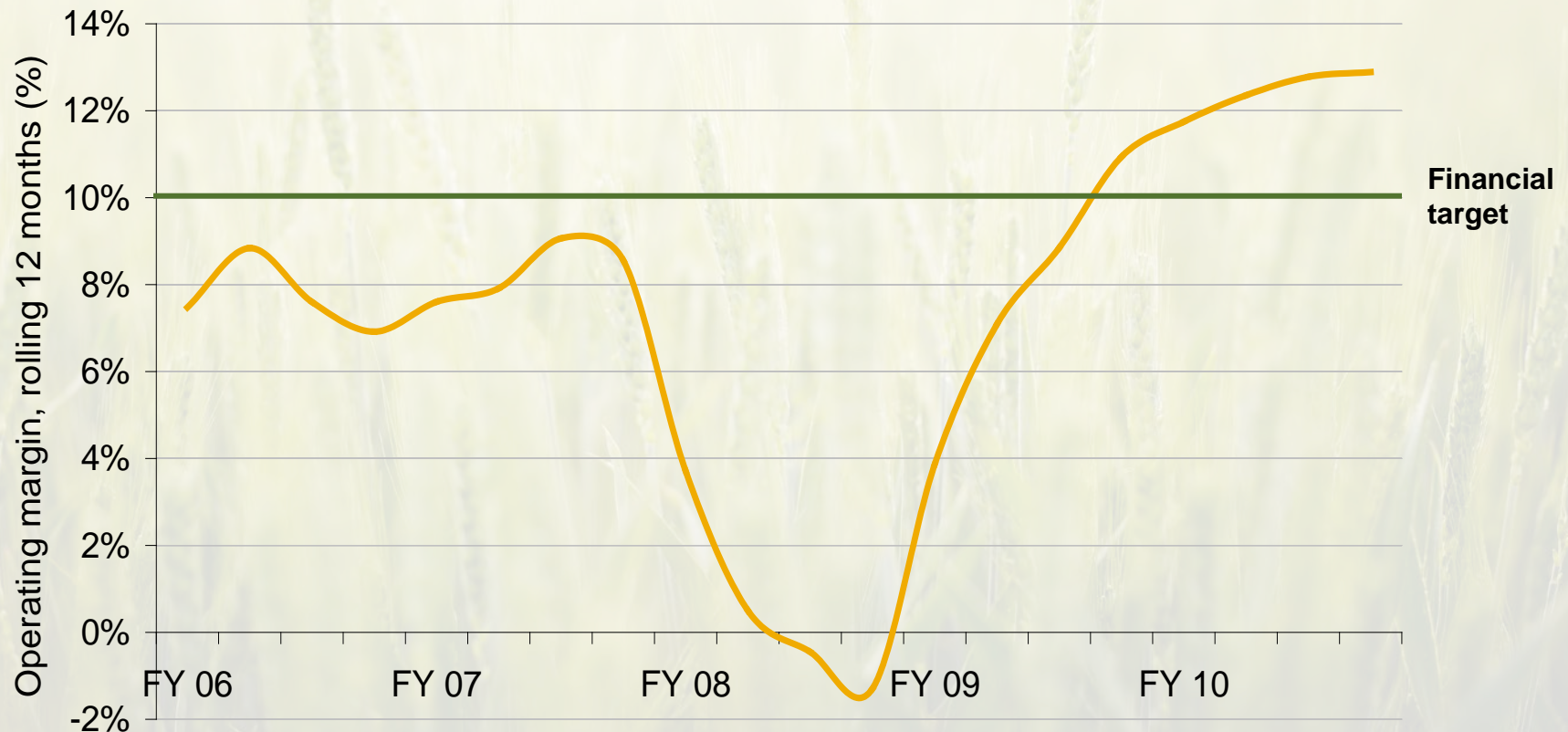


Source: Pira International Ltd, World Packaging Organisation, Billerud. * CAGR (03-09).

JANUARY-SEPTEMBER KEY FIGURES

	Jan-Sep 2011	Jan-Sep 2010	vs. 2010
Net sales, MSEK	7,257	6,549	+11%
Operating profit, MSEK	903	711	+27%
Operating margin	12%	11%	+1p.p.
Profit/share, SEK	6.19	4.66	+33%
Net debt/equity ratio	-0.03	0.12	+0.15
Sales volume (ktonnes)	1,039	984	+6%

WELL ABOVE TARGET FOR OPERATING MARGIN



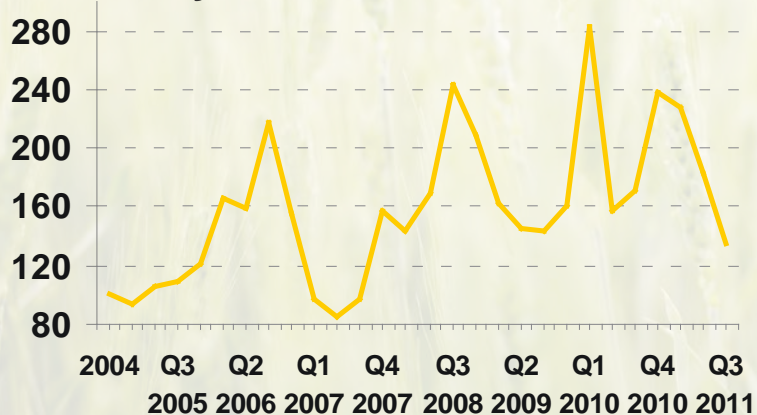
STRONG CASH FLOW GENERATION FROM OPERATION

MSEK	Q3 2011	Q2 2011	Q3 2010
Operating surplus, etc	464	421	417
Change in working capital, etc.	83	57	67
Net financial items, taxes, etc.	-16	-10	-20
Cash flow from operating activities	531	468	464
Current net investments	-121	-129	-113
Operating cash flow	410	339	351
Dividend	-	-361	-
Other items, not affecting cash flow	-2	-1	1
Change in net debt ¹⁾	408	-23	352

¹⁾ Minus equals increase in net debt

MARKET PRICES AFFECTING RESULT

Electricity index (Sweden*)



Source: Nordpool. *Price area Sweden

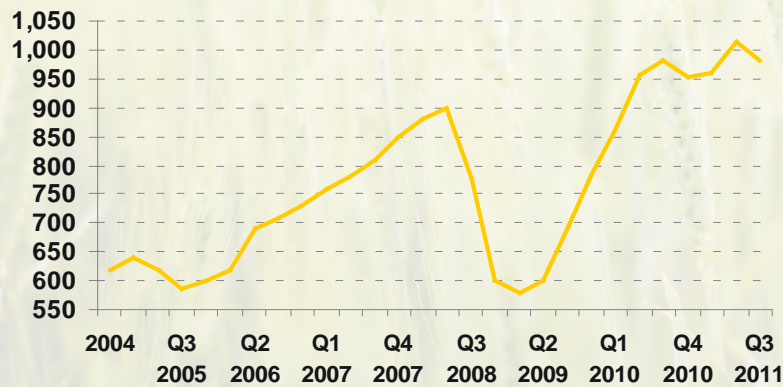
Wood price index



Source: Billerud

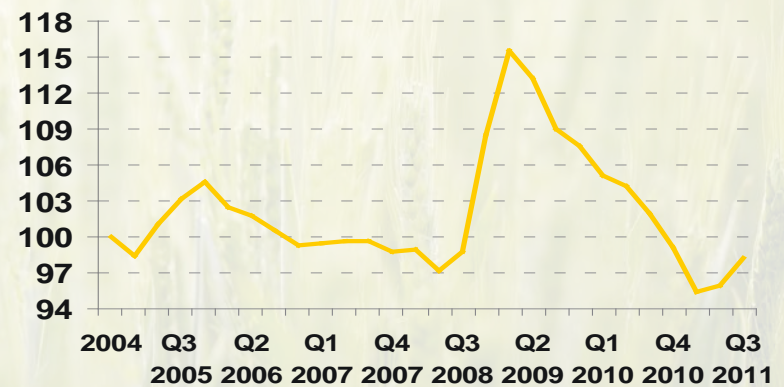
MARKET PRICES AFFECTING RESULT

Market pulp (USD/t)



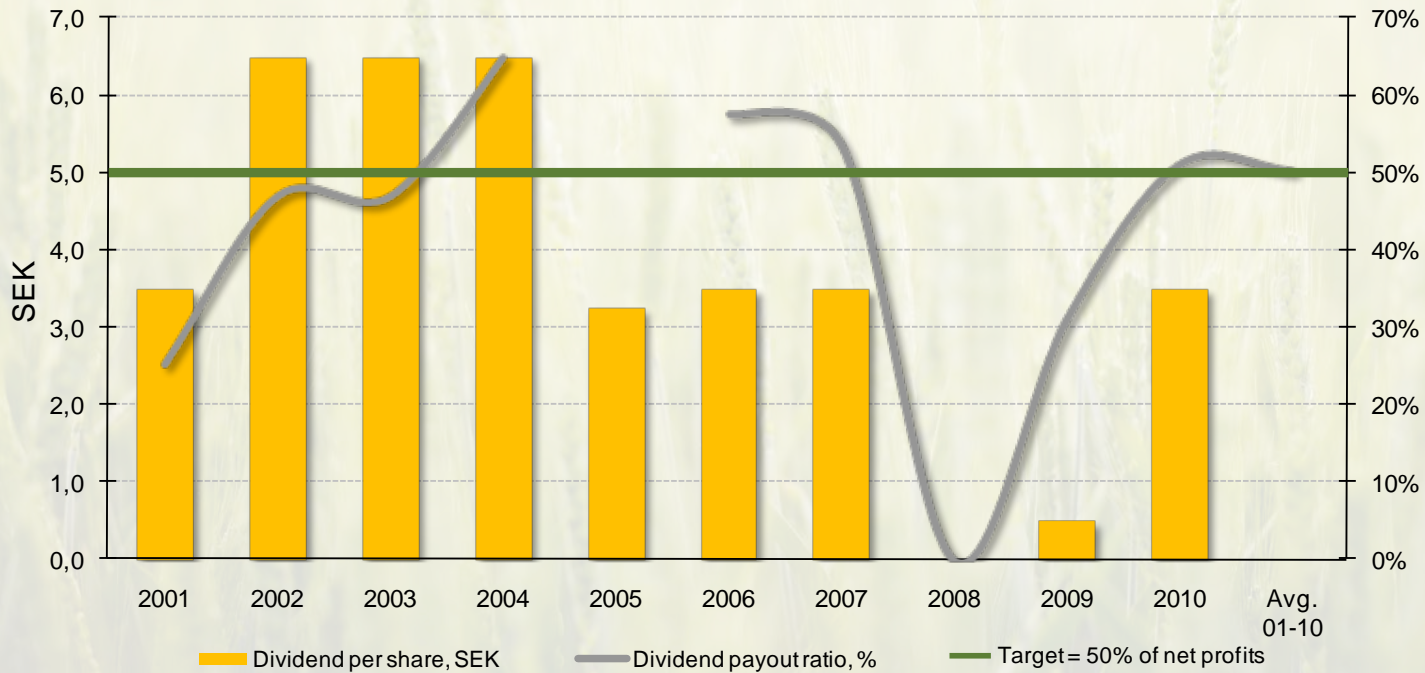
Note: Average price for the quarter

TCW index*



*Source: Riksbanken *Total Competitiveness Weights Index*

DIVIDEND



Q&A



EMBRACING THE {GOODS}

We believe in embracing what is important to our customers, our company, our employees and the environment. By always giving back more than we take, we are building a company for future generations.