



Continued strong North America contribution
and decisive actions to strengthen Europe

| Year-end report January–December 2025



Ivar Vatne
President & CEO



Andrei Krés
CFO

Performance and key highlights

Full year 2025

Another year with different market realities in our 2 regions

North America: Another excellent performance (EBITDA 20%)

Europe: Net sales and EBITDA deterioration (EBITDA 9%)

Strong working capital discipline enables excellent cash flow

Cost saving measures and reduced investments

The Board of Directors proposes dividend of SEK 2.00

SEKm	2025	Change vs 2024
Net sales	40,488	-7%
Adjusted EBITDA	4,176	-19%
<i>Adjusted EBITDA margin</i>	<i>10%</i>	<i>-2 pp</i>
Adjusted operating profit (EBIT)	1,308	-43%
<i>Adjusted operating margin</i>	<i>3%</i>	<i>-2 pp</i>
Cash flow from operating activities	3,167	+5%
<i>Cash conversion</i>	<i>77%</i>	<i>+21 pp</i>
Earnings per share (SEK)	2.86	-59%

Performance and key highlights

Q4 2025

Currency-neutral sales decline of 14%, mainly driven by lower board sales in Europe and Asia

Another excellent profitability delivery in North America

Lower earnings in Europe due to continued weak demand and oversupply

Acceleration of Nordic pulpwood price decreases

SEKm	Q4-25	Change vs Q3-25	Change vs Q4-24
Net sales	9,238	-7%	-19%
Adjusted EBITDA	818	-23%	-43%
<i>Adjusted EBITDA margin</i>	<i>9%</i>	<i>-2 pp</i>	<i>-4 pp</i>
Adjusted operating profit (EBIT)	123	-66%	-83%
<i>Adjusted operating margin</i>	<i>1%</i>	<i>-3 ppt</i>	<i>-5 pp</i>
Cash flow from operating activities	418	-57%	-76%
<i>Cash conversion</i>	<i>38%</i>	<i>-101 pp</i>	<i>-57 pp</i>
EPS (SEK)	1.22	n/a	-62%

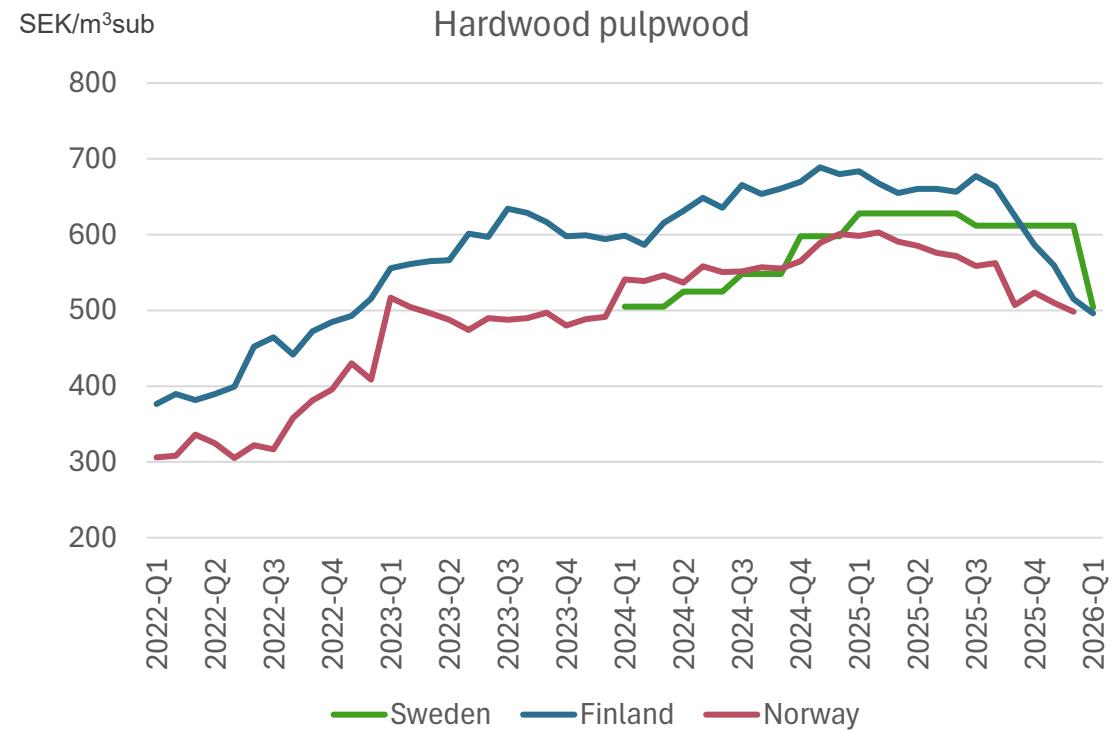
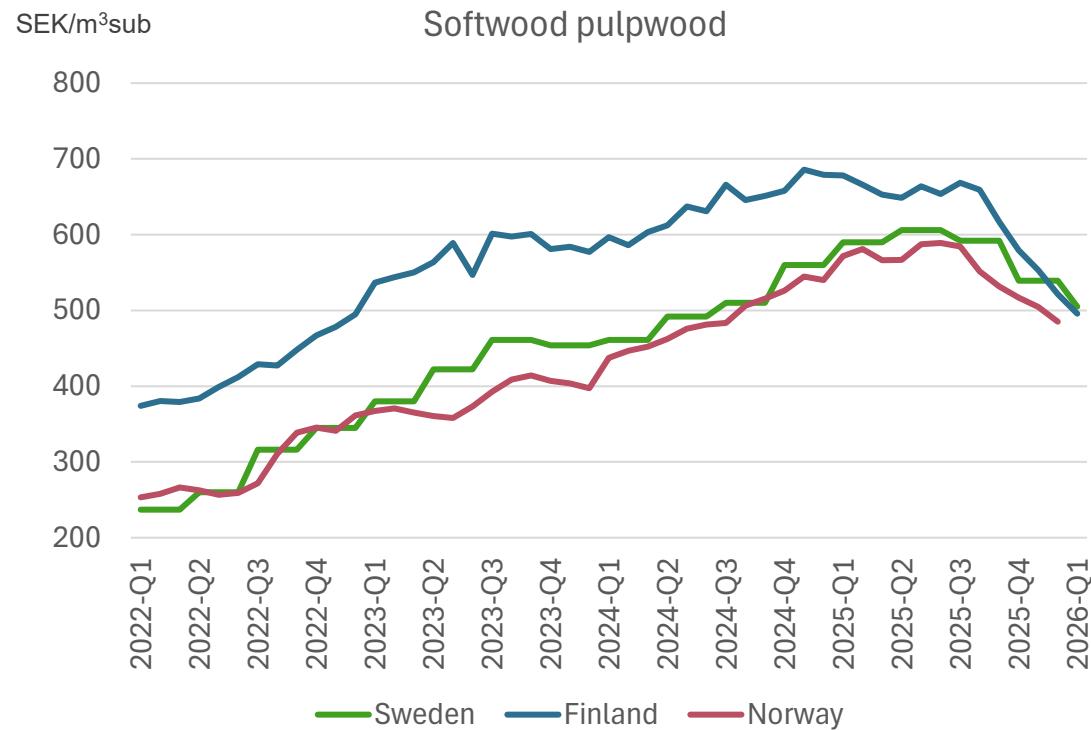
Q4: Solid situation in the US - weak conditions for Region Europe

No significant changes expected short term

Sales split, % ¹	Food & Drink	Printing & Publishing Papers	Consumer & Luxury	Industrial
LPB (8.6bn)	100%			
Cartonboard (2.4bn)	25%		75%	
Containerboard (5.0bn)	80%		10%	10%
Kraft & Specialty Paper (5.3bn) ²	50%		30%	10%
Sack Paper (3.3bn)	15%			85%
Graphical Paper (8.3bn)		100%		
Share of Group Net Sales ³	~40%	~20%	~10%	~10%
Billerud Market status Q4	Weak	Normal	Weak	Weak
Billerud Market outlook Q1	Weak	Normal	Weak	Weak

1) 2025 Net Sales in bn SEK. 2) Excluding medical paper. 3) Total Group Net Sales include Currency hedging and Other, not allocated to end-use segments

Accelerating Nordic pulpwood price declines



Road-side prices

Source: Norway, Landbruksdirektoratet. Finland, LUKE. Sweden, average of public pricelists for mid-Sweden from Billerud, Mellanskog, Sveaskog, Stora Enso and Holmen

On track with our Evolution program in North America

Qualification of packaging materials



Escanaba Woodyard Upgrade



Full year '25:

Topline decline driven by FX headwinds and weaker Europe volumes, partly offset by pricing

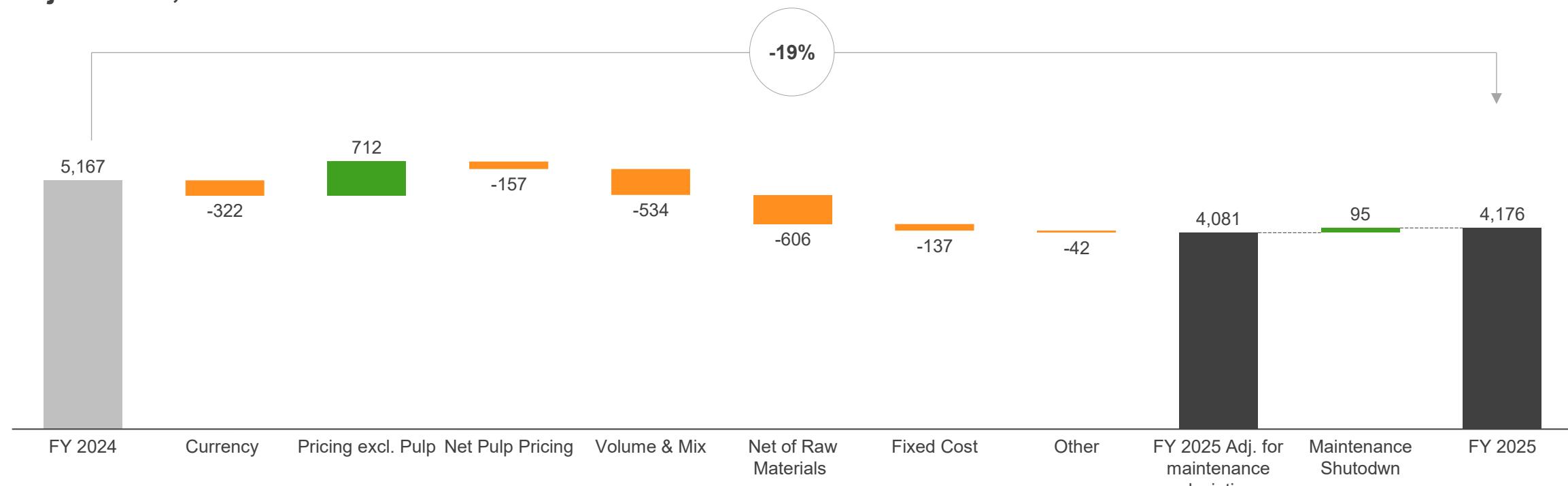
Net sales, SEKm



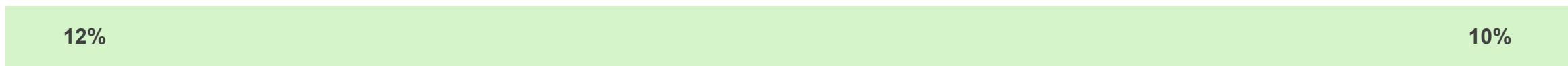
Full year '25:

Profitability deterioration through FX headwinds and volume decline. Pricing offset input cost inflation

Adj EBITDA, SEKm

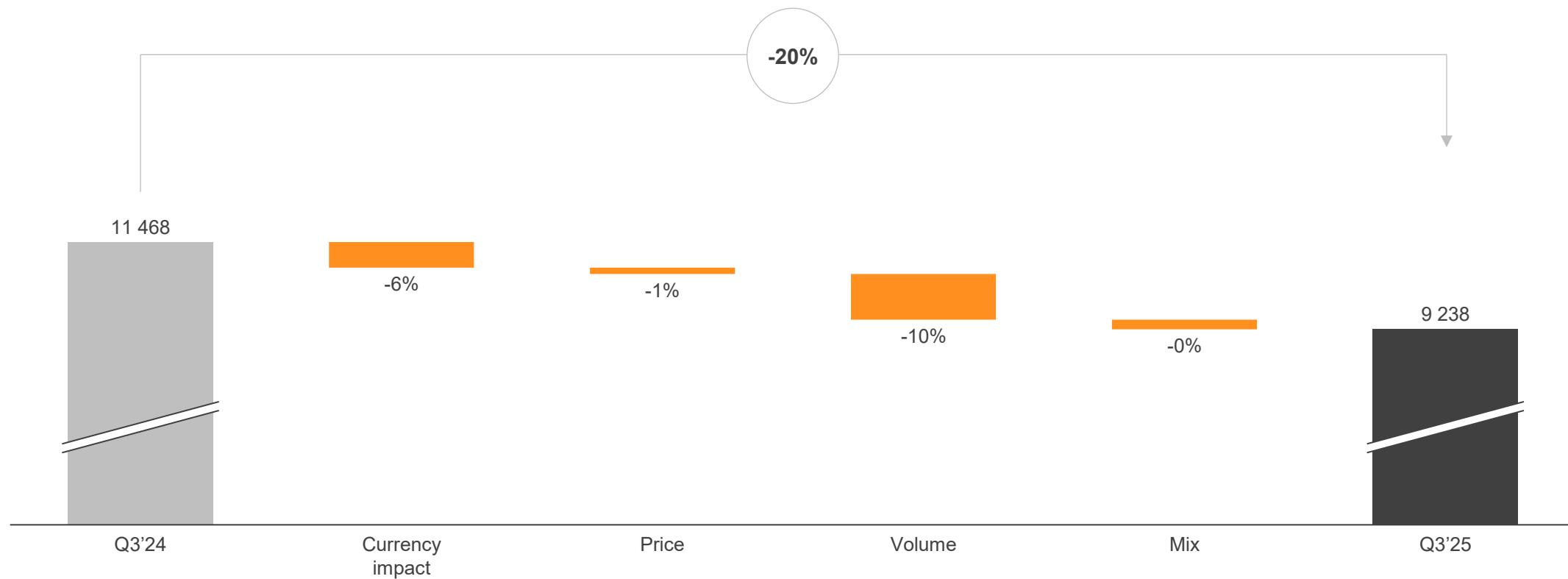


Adj. EBITDA%



Q4'25:

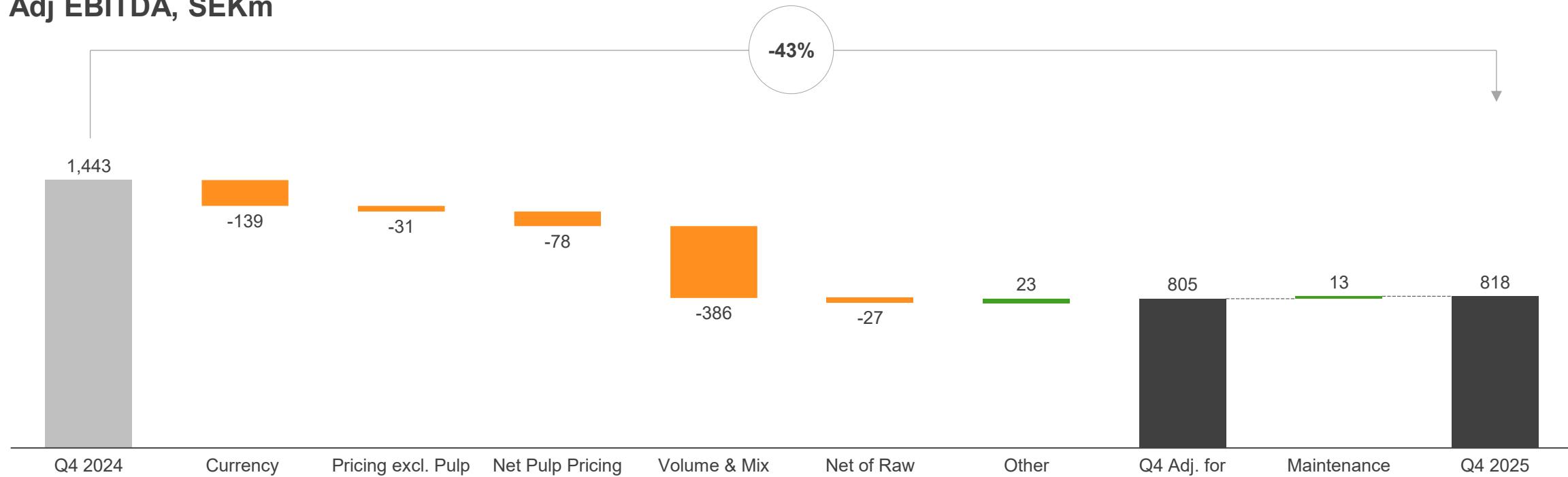
Net sales decline due to volume slowdown and currency effects

Net sales, SEKm

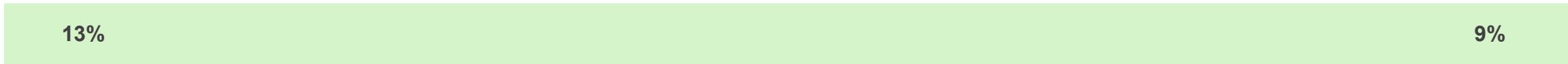
Q4'25:

Reduced profitability due to volume decline, FX headwind and weaker pulp pricing

Adj EBITDA, SEKm

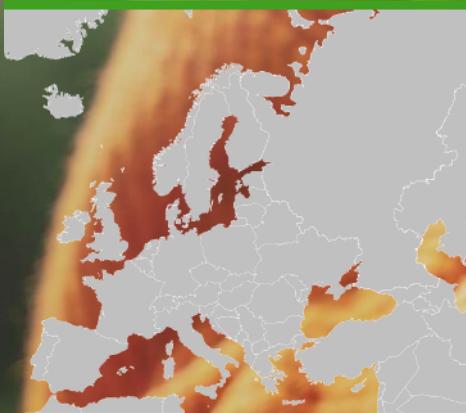


Adj. EBITDA%



REGION

Europe





Region

Europe



Share of net sales
Q4 2025

- Currency-neutral topline decline of 18% due to lower volumes and negative price impact
- Accelerating pulpwood cost relief
- Weak market conditions with negative pricing impact to continue into Q1
- Secured LPB volumes for 2026 in line with 2025

SEKm	Q4-25	Q4-24	Change
Net sales	5,798	7,431	-22%
<i>Liquid packaging board</i>	1,887	2,567	-26%
<i>Containerboard</i>	1,159	1,401	-17%
<i>Kraft and specialty paper</i>	836	1,100	-24%
<i>Sack paper</i>	705	853	-17%
<i>Cartonboard</i>	466	648	-28%
<i>Market pulp</i>	669	789	-15%
Net operating expenses	-5,439	-6,543	-17%
EBITDA	359	888	-60%
EBITDA margin	6%	12%	-6 pp

REGION

North America



Region

North America



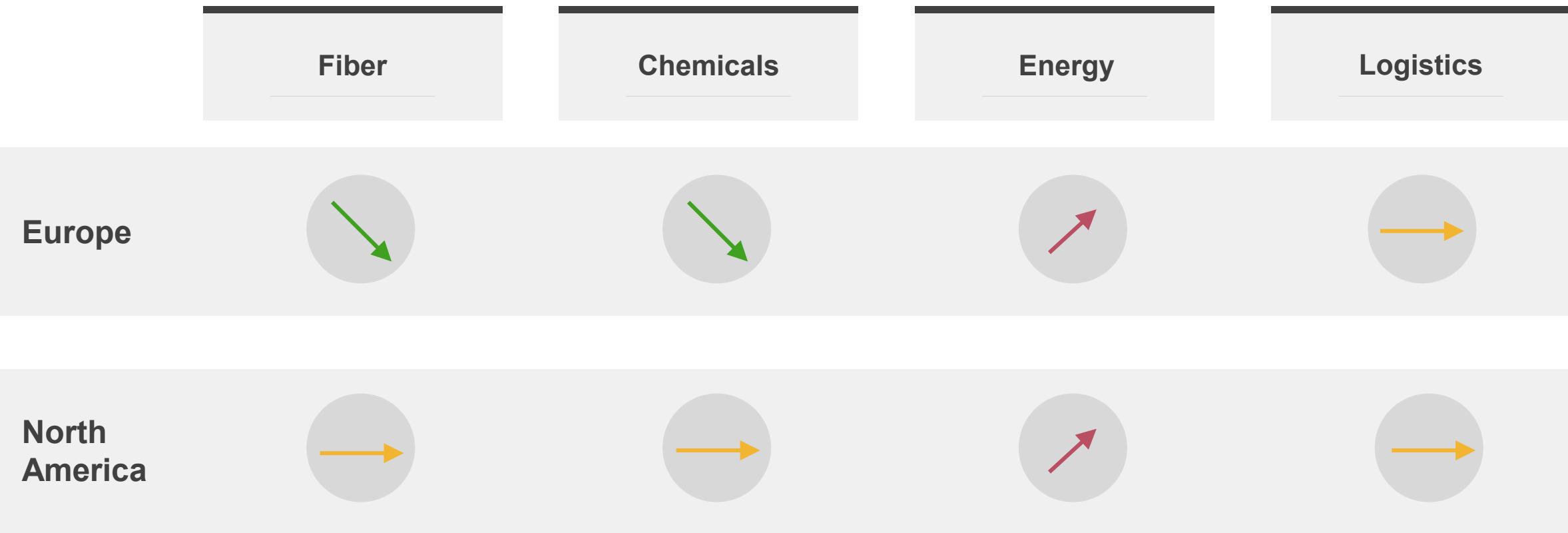
- Currency-neutral topline decline of 1% due to lower pulp prices
- Excellent profitability driven by lower costs and favorable category mix
- Operating rates increased to 79% (68%) in Q4
- Solid performance expected to continue into Q1
- Ongoing qualifications of packaging materials

SEKm	Q4-25	Q4-24	Change
Net sales	2,742	3,175	-14%
<i>Graphic paper</i>	1,950	2,128	-8%
<i>Label paper</i>	496	631	-21%
<i>Market pulp</i>	251	451	-44%
Net operating expenses	-2,204	-2,569	-14%
EBITDA	538	606	-11%
EBITDA margin	20%	19%	+1 pp

GROUP

Input costs

Lower input costs in Europe starting to materialize Wood cost relief to continue into Q1



Trend arrows refer to input cost development during Q4'25 vs Q3'25

Cost saving program on track for 2026

Annualized savings of SEK 800m with full effect at the end of 2026

Expected savings of SEK 500m in 2026 vs 2025

Union negotiations largely completed

Q1 cost reductions of SEK 40m accelerating into Q2



Significantly improved cash conversion in 2025

New and reduced CAPEX guidance for 2026

- Increased operating cash flow despite lower profit
- Leverage remains well below target level
- Capex for 2025 below previous estimate
- Capex for 2026 reduced to SEK 2.6bn
- Board of Directors proposes a dividend of SEK 2.0 per share, amounting to SEK 497m

CAPEX of SEK 2.6bn in 2026	
Strategic capex: SEK 0.6bn	
Base capex: SEK 2.0bn	

SEKm	Q4 2025	Q4 2024	2025	2024
Profit before tax	334	1,030	890	2,248
Adjustments for non-cash items	584	582	2,666	2,343
Tax paid	7	-80	-257	-428
Cash flow from changes in working capital	-507	187	-132	-1,133
Cash flow from operating activities	418	1,719	3,167	3,030
Investments in tangible and non-current assets	-909	-613	-2,656	-2,437
Operating cash flow after investments in tangible and non-current assets	-491	1,106	511	593
Cash conversion	38%	95%	77%	56%

SEKm	2025	2024
Net debt	6,082	5,347
Net debt / adjusted EBITDA	1.5	1.0
Adjusted ROCE	4%	7%

Billerud exits the JV with Viken Skog for BCTMP production at Follum

Original plan to start-up BCTMP production at the Follum site in Norway - JV with Viken Skog AS

Billerud to exit due to changed market conditions and a lengthy environmental permit process

Approx. SEK 50m write-off in Q1 2026 as IAC (non-cash)

Our good relationship with Viken will continue to further explore new business opportunities



Outlook for Q1 2026



Sustained solid performance in North America



Continued weak market conditions in Europe and Asia
with negative pricing impact



Lower pulpwood costs



Loss of free emission rights and sequentially higher
planned maintenance costs





BILLERUD

