AGENDA

- Highlights
- Development by Business Area
- Financials
- Outlook
HIGHLIGHTS IN Q1 2012

- Increase in net sales and sales volumes vs. Q4 2011
- Operating profit of MSEK 142, 6% operating margin
- Non-recurring costs of MSEK 14
- Price cuts halted
  - ~2% lower prices in local currency for packaging paper
  - ~25 USD/tonne price increase for NBSK pulp in Europe
- Price increases announced for sack and kraft papers
- Lower wood costs
INCREASED SALES DUE TO HIGHER VOLUMES

**INCREASED SALES DUE TO HIGHER VOLUMES**

**NET SALES**

- Q4 -11: 2,086 MSEK
- Q1 -12: 2,291 MSEK

Sales volume, ktonnes:

- Q4 -11: 315 ktonnes
- Q1 -12: 360 ktonnes

Net sales, MSEK:

Net sales increased by +10% from Q4 -11 to Q1 -12.

Sales volume, ktonnes:

Sales volume increased by +14% from Q4 -11 to Q1 -12.
BUSINESS AREAS & SEGMENTS

Note: Graph shows sales breakdown per business area for Q1 2012.
PACKAGING & SPECIALITY PAPER
Market situation in Q1 2012

• Improved order situation vs. Q4 2011
• Sack paper had higher order levels than normal while kraft paper was at normal levels towards the end of Q1
• Price cuts halted
• 80 EUR/tonne in price increase announced from 1 June for sack and kraft papers
• Operating profit up by MSEK 35
• Mainly due to higher sales volumes and lower variable costs

<table>
<thead>
<tr>
<th></th>
<th>Q1 -12</th>
<th>Q4 -11</th>
<th>Q1 -11</th>
<th>FY 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales, MSEK</td>
<td>1,091</td>
<td>941</td>
<td>1,217</td>
<td>4,293</td>
</tr>
<tr>
<td>Operating profit, MSEK</td>
<td>100</td>
<td>65</td>
<td>140</td>
<td>450</td>
</tr>
<tr>
<td>Operating margin, %</td>
<td>9</td>
<td>7</td>
<td>12</td>
<td>10</td>
</tr>
</tbody>
</table>
PACKAGING BOARDS
Market situation in Q1 2012

- Somewhat improved order situation
  - Slightly lower levels than normal
- Price cuts halted
Operating profit down by MSEK 4
Lower prices were partly offset by higher sales volumes and lower costs

<table>
<thead>
<tr>
<th></th>
<th>Q1 -12</th>
<th>Q4 -11</th>
<th>Q1 -11</th>
<th>FY 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales, MSEK</td>
<td>663</td>
<td>644</td>
<td>728</td>
<td>2,772</td>
</tr>
<tr>
<td>Operating profit, MSEK</td>
<td>56</td>
<td>60</td>
<td>97</td>
<td>370</td>
</tr>
<tr>
<td>Operating margin, %</td>
<td>8</td>
<td>9</td>
<td>13</td>
<td>13</td>
</tr>
</tbody>
</table>
MARKET PULP
Market situation in Q1 2012

- Pulp market improved vs. Q4 2011
- Price increased to ~850 USD/tonne at end of Q1 2012 from ~825 USD/tonne at end of Q4 2011
- Price increase to 870 USD/tonne announced for April
MARKET PULP
Financials – Q1 2012 vs. Q4 2011

- Operating profit improved by MSEK 8
- Higher sales volumes and lower fixed costs compensated for lower prices

<table>
<thead>
<tr>
<th></th>
<th>Q1 -12</th>
<th>Q4 -11</th>
<th>Q1 -11</th>
<th>FY 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales, MSEK</td>
<td>436</td>
<td>416</td>
<td>436</td>
<td>1,752</td>
</tr>
<tr>
<td>Operating profit, MSEK</td>
<td>-16</td>
<td>-24</td>
<td>38</td>
<td>64</td>
</tr>
<tr>
<td>Operating margin, %</td>
<td>-4</td>
<td>-6</td>
<td>9</td>
<td>4</td>
</tr>
</tbody>
</table>
Q1 2012 IN SUM

- 10% increase in net sales due to higher sales volumes (vs. Q4 2011)
- Operating profit of MSEK 142, 6% operating margin
- Non-recurring costs of MSEK 14
- Price cuts halted
- Price increases announced for sack and kraft papers
- Lower wood costs
- Closing of the deal with UPM-Kymmene anticipated to take place in Q2 2012
FINANCIAL INFORMATION
# QUARTERLY KEY FIGURES

<table>
<thead>
<tr>
<th></th>
<th>Q1 -12</th>
<th>Q4 -11</th>
<th>Q1 -11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales, MSEK</td>
<td>2,291</td>
<td>2,086</td>
<td>2,547</td>
</tr>
<tr>
<td>Operating profit, MSEK</td>
<td>142</td>
<td>75</td>
<td>332</td>
</tr>
<tr>
<td>Operating margin</td>
<td>6%</td>
<td>4%</td>
<td>13%</td>
</tr>
<tr>
<td>Profit/share, SEK</td>
<td>0.94</td>
<td>0.44</td>
<td>2.28</td>
</tr>
<tr>
<td>Net debt/equity ratio</td>
<td>-0.04</td>
<td>-0.05</td>
<td>0.05</td>
</tr>
<tr>
<td>Sales volume (ktonnes)</td>
<td>360</td>
<td>315</td>
<td>369</td>
</tr>
</tbody>
</table>
OPERATING PROFIT BRIDGE Q1 2012 vs. Q4 2011

* Includes product mix.
CASH FLOW GENERATION FROM OPERATION

<table>
<thead>
<tr>
<th></th>
<th>Q1 -12</th>
<th>Q4 -11</th>
<th>Q1 -11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating surplus, etc</td>
<td>298</td>
<td>238</td>
<td>481</td>
</tr>
<tr>
<td>Change in working capital, etc.</td>
<td>22</td>
<td>48</td>
<td>-301</td>
</tr>
<tr>
<td>Net financial items, taxes, etc.</td>
<td>-202</td>
<td>-12</td>
<td>-181</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>118</td>
<td>274</td>
<td>-1</td>
</tr>
<tr>
<td>Current net investments</td>
<td>-155</td>
<td>-178</td>
<td>-82</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>-37</td>
<td>96</td>
<td>-83</td>
</tr>
</tbody>
</table>

1) Minus equals increase in net debt
WORKING CAPITAL KEY RATIOS

Days sales outstanding

Overdue

WC as % of quarterly sales
MARKET PRICES AFFECTING RESULT

Electricity index (Sweden*)

Source: Nordpool. *Price area Sweden

Wood price index

Source: Billerud
MARKET PRICES AFFECTING RESULT

Note: Average price for the quarter
Source: Riksbanken *Total Competitiveness Weights Index
CURRENCY SITUATION

- Profit effect of net flow hedging MSEK 44 (99) for Q1 2012
- Market value of outstanding contracts not relating to trade receivable was MSEK 38*

Hedge level 12 months forward:

<table>
<thead>
<tr>
<th>Currency</th>
<th>Q2 -12</th>
<th>Q3 -12</th>
<th>Q4 -12</th>
<th>Q1 -13</th>
<th>Total 12 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR</td>
<td>9.19</td>
<td>9.16</td>
<td>9.10</td>
<td>8.99</td>
<td>9.15</td>
</tr>
<tr>
<td></td>
<td>(83%)</td>
<td>(65%)</td>
<td>(41%)</td>
<td>(14%)</td>
<td>(50%)</td>
</tr>
<tr>
<td>USD</td>
<td>6.74</td>
<td>6.81</td>
<td>6.88</td>
<td>6.82</td>
<td>6.79</td>
</tr>
<tr>
<td></td>
<td>(84%)</td>
<td>(57%)</td>
<td>(38%)</td>
<td>(16%)</td>
<td>(49%)</td>
</tr>
<tr>
<td>GBP</td>
<td>10.58</td>
<td>10.68</td>
<td>10.74</td>
<td>10.71</td>
<td>10.65</td>
</tr>
<tr>
<td></td>
<td>(83%)</td>
<td>(62%)</td>
<td>(36%)</td>
<td>(16%)</td>
<td>(49%)</td>
</tr>
</tbody>
</table>

Note: Data in table and graph are as of 31 March 2012. *As of 31 March 2012.
OUTLOOK
OUTLOOK

• The market shows signs of an upturn during the second quarter.
• The order situation in the packaging paper segments improved in the first quarter, compared to the previous one, and had at the beginning of the second quarter on average returned to normal levels. It is anticipated that the order situation will remain good in the next quarter.
• Price cuts in the packaging paper segments halted during the quarter.
• Price rises have during the quarter been announced in certain product categories and a price increase of 8-10% for sack and kraft paper was announced after the end of the quarter, to take effect on 1 June 2012.
• Acquisition-related non-recurring costs will be charged to results in the quarter in which the acquisition of UPM-Kymmene’s packaging paper business will be completed. These costs are estimated to an additional approximately SEK 15 million. Added to this figure will be non-recurring costs, already disclosed, estimated at approximately SEK 22 million to separate off the business acquired. The costs will accrue over the three remaining quarters of the year.

• Wood prices are anticipated to be lower in 2012 than in 2011.
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.