INTERIM REPORT JANUARY-MARCH 2015

2015-04-21 Per Lindberg, CEO and President, and Susanne Lithander, CFO
BEST QUARTERLY PERFORMANCE EVER

- Operating profit reached a record high SEK 698 million and operating margin over 12%
- Net debt reduced with SEK 734 million from previous quarter to SEK 6 390 million due to a very strong cash flow
- Packaging Paper
  - Normal market situation for sack and kraft paper for the season
- Consumer Board
  - As expected a solid market situation with stable prices for liquid packaging board and cartonboard
- Containerboard
  - Strong order books for fluting, white liner weaker
- Partnering with Tara expedition to further enhance our mission to challenge conventional packaging for a sustainable future
WE DELIVER AS PROMISED
NET SALES GROWTH 4% YOY, OPERATING PROFIT +29% YOY
WE DELIVER AS PROMISED
EXCELLENT CASH FLOW, GOOD ROCE AND STRENGTHENED BALANCE SHEET
Stable demand for sack and kraft paper

Net sales MSEK 2 182, +6% Q1-14

Operating profit MSEK 317, +66% Q1-14

Operating margin 15%

Key take-away

- The order situation for brown sack paper was strong, weaker for MF kraft paper due to increased competition on the market
- The capacity on the Finnish machines were not fully utilized
- Prices in local currency were slightly above previous quarter

Selective growth
Stable and satisfactory market situation with normal seasonal variances

Net sales MSEK 2 023, +4% Q1-14

Operating profit MSEK 290, +24% Q1-14

Operating margin 14%

Key take-away
  - Stable demand and continued global growth
  - Production problems related to trimming issues after machine rebuild in Gävle and Frövi during end of 2014

Volume growth
CONTAINERBOARD BUSINESS AREA
Q1 2015

- Order books remained stable during the quarter
- Net sales MSEK 801, +1% Q1-14
- Operating profit MSEK 137, +17% Q1-14
- Operating margin 17%

Key take-away
- Market position and order intake for fluting remained on a high level.
- Prices and order book for liner was on a lower but stable level during the quarter compared with previous year.

Value growth
OUTLOOK

- Demand and orders situation for the second quarter is expected to be stable with normal seasonal variances for all business areas.
- Average prices in local currency in the second quarter are anticipated to be stable on the same level as in the first quarter.
- No changes to wood prices are foreseen for the second quarter.
- There is a planned maintenance shutdown in Gruvön including a three week rebuild of PM6 in the second quarter of 2015.
CAPITAL MARKETS DAY ON 12 NOVEMBER 2015

Q&A

WE CHALLENGE CONVENTIONAL PACKAGING FOR A SUSTAINABLE FUTURE