



# INTERIM REPORT JANUARY-MARCH 2016

2016-04-21 Per Lindberg, CEO and President, and Susanne Lithander, CFO

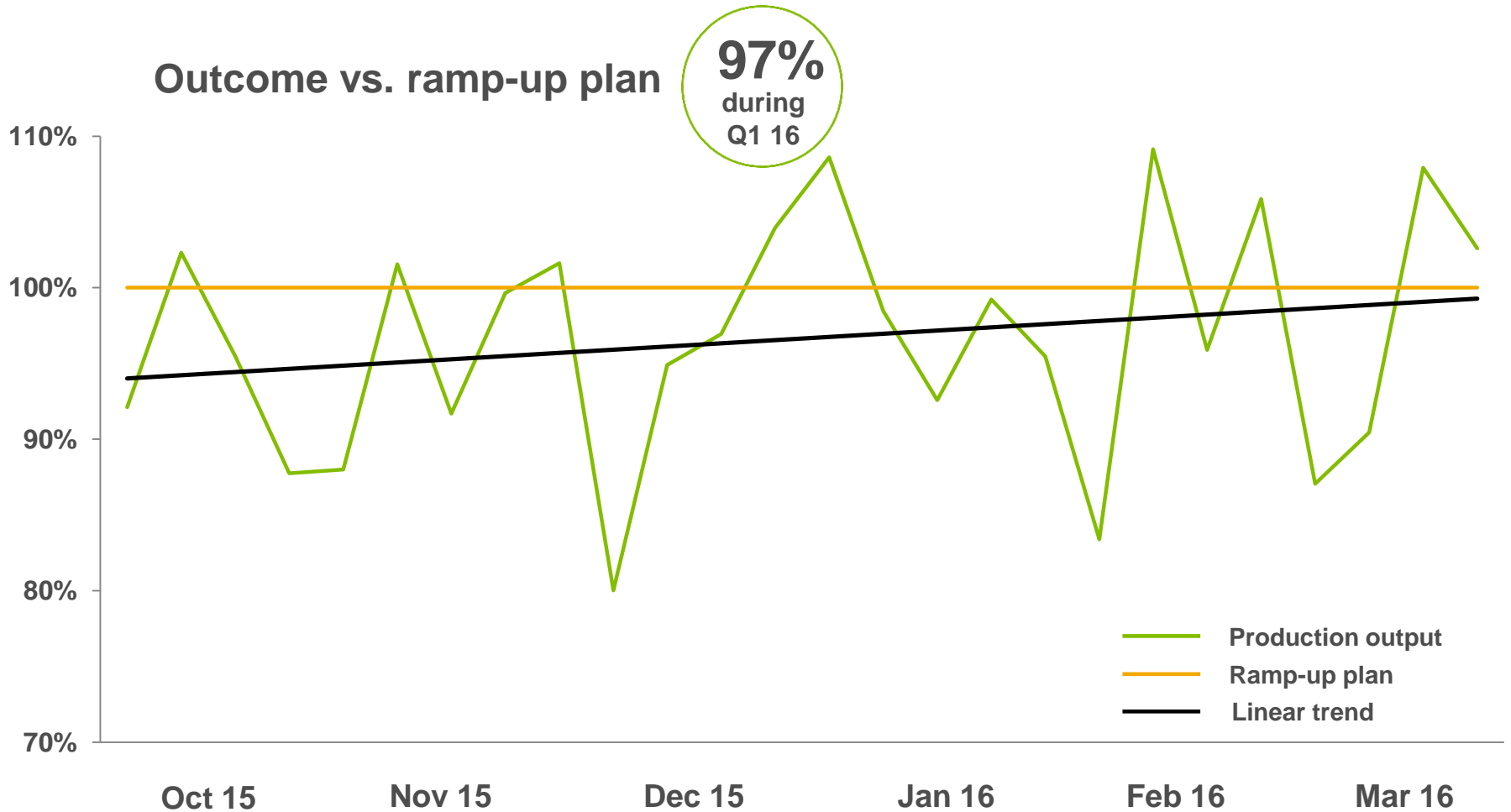


## STABLE MARKETS AND STABLE PERFORMANCE DESPITE SLOW RAMP-UP

- EBITDA reached SEK 1 017 million and EBITDA margin 19%
- Underlying markets were in general stable during the quarter
- Ramp-up issues after rebuilds had impact on Q1 2016
  - Lost growth in Consumer Board
  - Production approx 20 kton below plan
  - Despite that, all time high production level for a quarter
- Packaging Paper
  - Brown sack paper market continues to be weaker than normal, all other segments stable with normal seasonal variance
- Consumer Board
  - Targeted volume growth hampered by ramp-up delays. Continued stable market situation
- Corrugated Solutions
  - Increasing market supply may impact pricing going forward



# TOTAL PRODUCTION OUTPUT IMPROVING



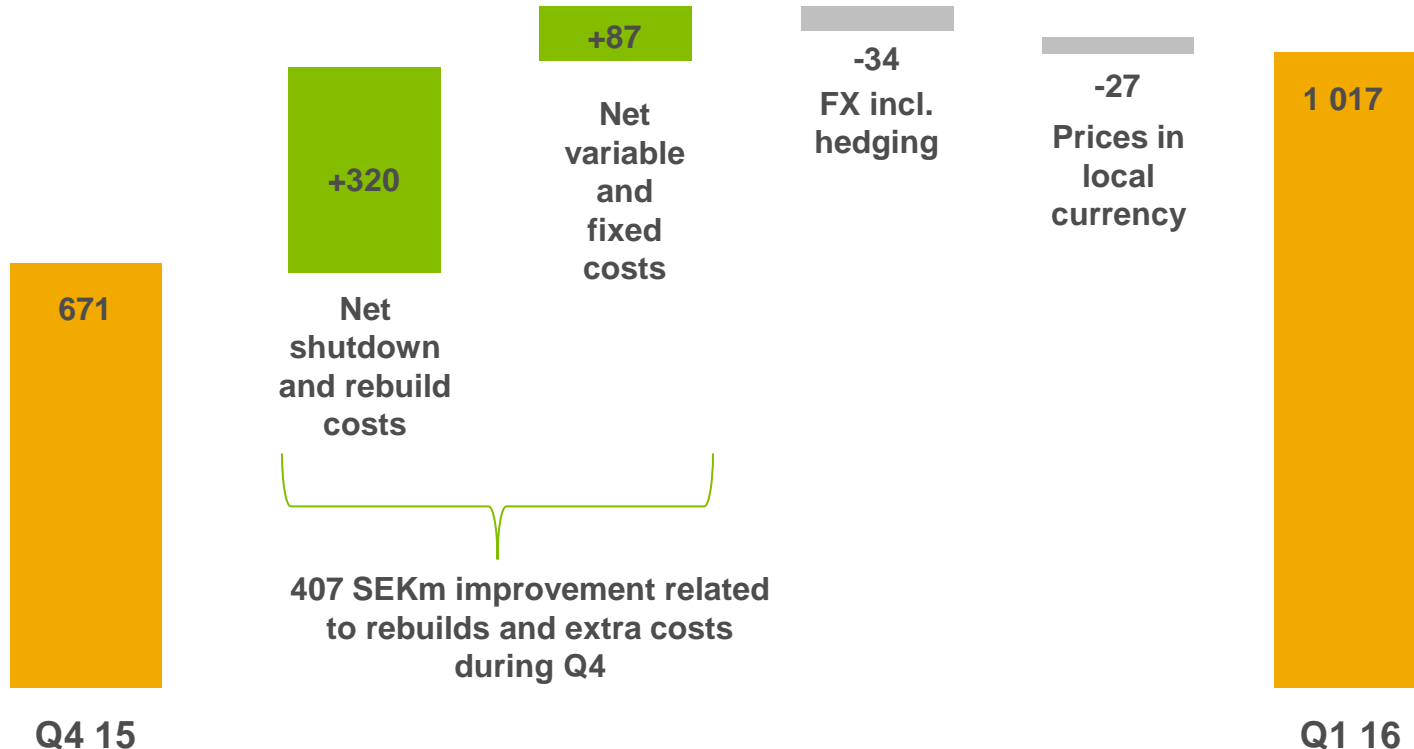


# IMPROVING PROFITABILITY

DRIVEN BY IMPROVED VOLUMES AND LOWER MAINTENANCE COSTS

EBITDA (SEKm) improvement

**+52%**



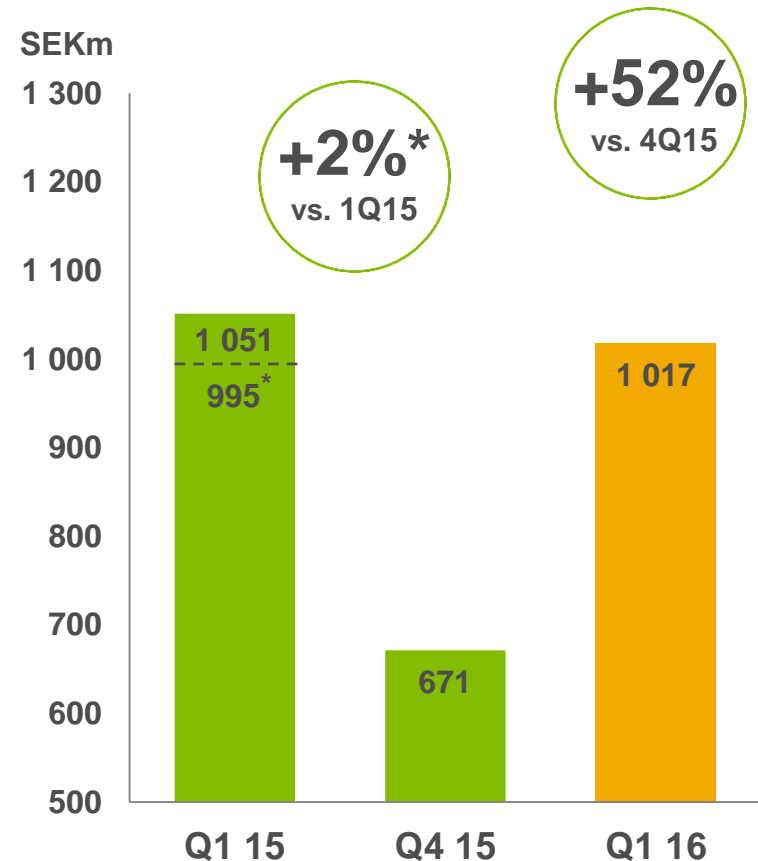
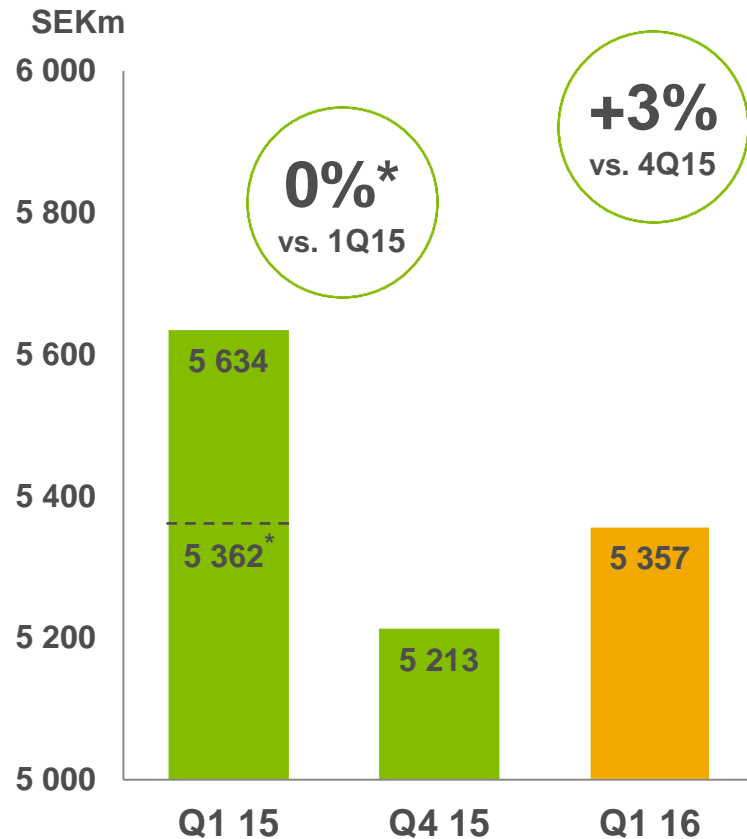


# STABLE PERFORMANCE DESPITE SLOW RAMP-UP

COMPARABLE NET SALES ON SAME LEVEL AS LAST YEAR  
EBITDA ABOVE TARGET

## NET SALES

## EBITDA



\* Excluding divested operations



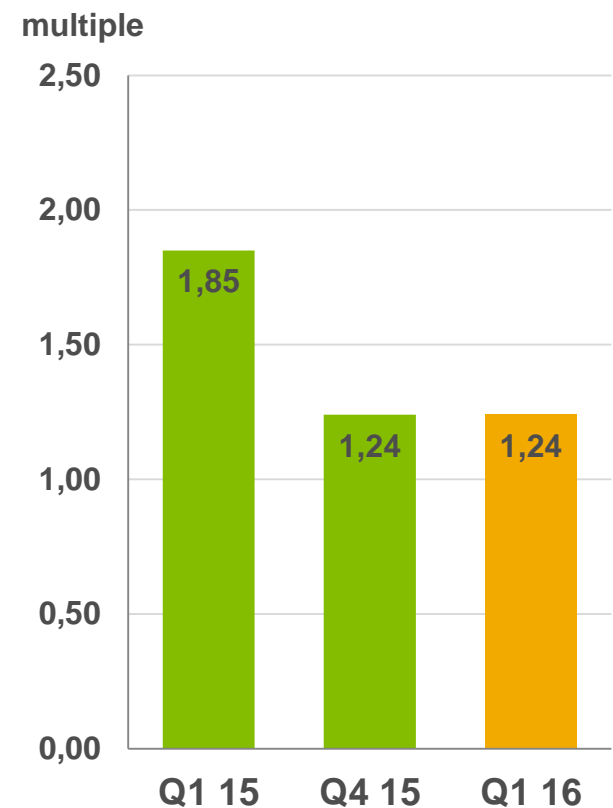
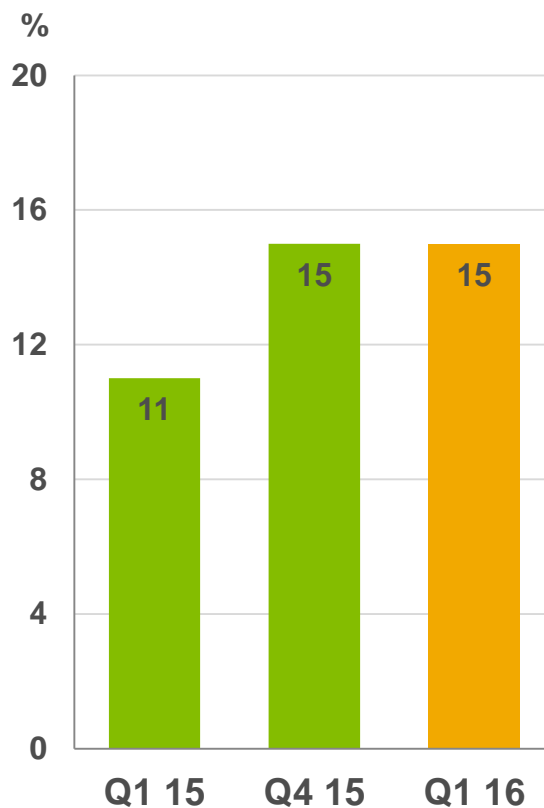
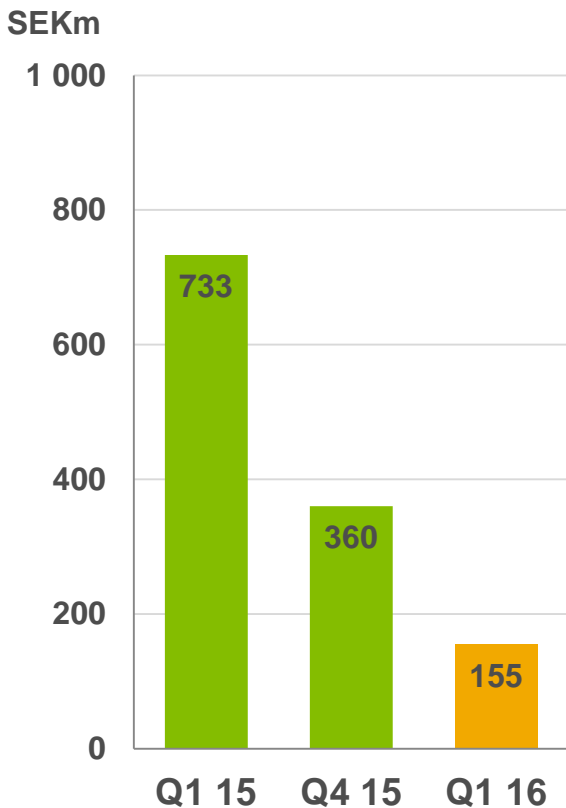
# STABLE PERFORMANCE DESPITE SLOW RAMP-UP

DECREASE IN OP. CASH FLOW, ROCE ABOVE TARGET, NET DEBT/EBITDA IN LINE WITH PREVIOUS QUARTER

## OP. CASH FLOW

## ROCE

## NET DEBT/EBITDA



ROCE based on rolling 12 months



## PACKAGING PAPER BUSINESS AREA Q1 2016

- Lower pulp and brown sack paper prices impact sales and profitability
- Net sales SEK 2 087 million, -4% Q1-15
- EBITDA SEK 358 million, -18% Q1-15
- EBITDA margin 17%
- Markets
  - Stable prices in local currencies except for weaker brown sack paper market
  - Stable order situation for white sack and kraft paper markets, weaker than normal for brown sack paper
  - Sack paper market is expected to seasonally improve in Q2



**Selective growth**



## CONSUMER BOARD BUSINESS AREA Q1 2016

- Net sales SEK 2 024 million, +0% Q1-15
- EBITDA SEK 484 million, +4% Q1-15
- EBITDA margin 24%
- Markets
  - Stable order situation and pricing in local currencies
  - Lost growth due to ramp-up delays
  - Continued tight supply situation



**Volume growth**





## CORRUGATED SOLUTIONS BUSINESS AREA Q1 2016

- Net sales SEK 879 million, +10% Q1-15
- EBITDA SEK 217 million, +23% Q1-15
- EBITDA margin 25%
- Markets
  - Stable pricing and order books during the quarter
  - Increasing market supply may create price pressure on both liner and fluting



**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 in general anticipated to be stable. Prices within Corrugated Solutions may be impacted by the increased market supply.
- No changes to wood prices are anticipated for the second quarter.
- Limited volume growth is expected in business area Consumer Board in the second quarter due to the production disturbances in the first quarter.
- Gruvön and Skärblacka production units will have planned maintenance shutdowns during the second quarter.

## Q&A

**WE CHALLENGE CONVENTIONAL  
PACKAGING FOR A  
SUSTAINABLE FUTURE**





# BILLERUDKORSNÄS

