PREPARING FOR THE FUTURE

2016

- All-time high production
  - Five production records
- All-time high sales volumes
  - Growth under target
- All-time high cash-flow
  - Debt level at 1.08
- All-time low working capital
  - End of 2016

Q4

- Stable markets in general
- Adj EBITDA reached SEK 898 million and adj EBITDA margin 16%
- Decision to build a new board machine in Gruvön
VOLUMES AND SALES
SALES VOLUMES REACHED ALL-TIME HIGH. NET SALES ON THE SAME LEVEL

SALES VOLUMES
+1.4%

NET SALES
N/A

NET SALES*
comparable units
+0.3%

* Excluding divested and acquired operations
IMPROVED PROFITABILITY
ONE-OFF COSTS IN Q4 AND LATGRAN DIVESTITURE PREVIOUS YEAR

EBITDA

SEKm

<table>
<thead>
<tr>
<th></th>
<th>Q4 15</th>
<th>Q4 16</th>
<th>Jan-Dec 15</th>
<th>Jan-Dec 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>671</td>
<td>693</td>
<td>4,003</td>
<td>3,606</td>
</tr>
<tr>
<td>Change</td>
<td>+3%</td>
<td></td>
<td>-10%</td>
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</table>

Adjusted EBITDA*

SEKm

<table>
<thead>
<tr>
<th></th>
<th>Q4 15</th>
<th>Q4 16</th>
<th>Jan-Dec 15</th>
<th>Jan-Dec 16</th>
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</thead>
<tbody>
<tr>
<td>Value</td>
<td>672</td>
<td>898</td>
<td>3,661</td>
<td>3,836</td>
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<tr>
<td>Change</td>
<td>+34%</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>+5%</td>
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</table>

* Adjusted EBITDA is adjusted for items affecting comparability
FINANCIAL TARGETS

OP. CASH FLOW

<table>
<thead>
<tr>
<th></th>
<th>Q4 15</th>
<th>Q4 16</th>
<th>Jan-Dec 15</th>
<th>Jan-Dec 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEKm</td>
<td>360</td>
<td>619</td>
<td>1,957</td>
<td>2,101</td>
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Adjusted ROCE

<table>
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<tr>
<th></th>
<th>Jan-Dec 15</th>
<th>Jan-Dec 16</th>
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<tbody>
<tr>
<td>%</td>
<td>13</td>
<td>14</td>
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</table>

NET DEBT/EBITDA

<table>
<thead>
<tr>
<th></th>
<th>Q4 15</th>
<th>Q3 16</th>
<th>Q4 16</th>
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</thead>
<tbody>
<tr>
<td>multiple</td>
<td>1.24</td>
<td>1.27</td>
<td>1.08</td>
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</table>

ROCE based on rolling 12 months
PACKAGING PAPER BUSINESS AREA
Q4 2016

- Strong performance
- Net sales SEK 2 067 million, +2% vs. Q4-15
  - Good sales mix and high production in integrated mills
  - Favourable exchange rates
- EBITDA SEK 421 million, +67% vs. Q4-15
- EBITDA margin 20%

Markets
- Unchanged paper prices in local currencies, except for sack paper where a slight increase is expected
- Improved order situation for brown sack paper
- Stable order situation for white sack and kraft paper markets

Selective growth
Stable quarter, but lack of growth

Net sales SEK 1 988 million, +3% vs. Q4-15
  - Product mix
  - Hampered by production disturbances

EBITDA SEK 336 million, +14% vs. Q4-15

EBITDA margin 17%

Markets
  - Stable order situation and pricing in local currencies

Volume growth
Continued strong performance

- Net sales SEK 989 million, +12% vs. Q4-15
  - Strong demand for liner, fluting back on track
  - Positive currency effect
- EBITDA SEK 241 million, +18% vs. Q4-15
- EBITDA margin 24%

Markets
- Stable pricing and order books for liner and fluting
- Managed Packaging continue to deliver strong growth

Value growth
THE LARGEST INVESTMENT IN BILLERUDKORSNÄS’ HISTORY

- One of the largest investments in Sweden in recent years
- The investment will streamline BillerudKorsnäs’ production structure
- New board machine, KM7
  - SEK 5.7 billion investment
  - Production capacity ~550 000 t/a of liquid packaging board, cartonboard, food service board and liner
  - Start up early 2019
  - Fully utilised by 2023
  - Machine EBITDA positive by 2020
- One-off costs taken in Q4 2016 of SEK 325 million
OUTLOOK

- Demand and order situation for the first quarter is expected to be stable with normal seasonal variances for all business areas.

- Average prices in local currency in the first quarter are anticipated to be unchanged in all segments except for the impact of previously announced price increases in the sack segment.

- For the coming quarter the wood cost is expected to increase approximately 3% due to higher transportation cost. However no changes to wood prices are expected.

- Investment level 2017 will be approximately SEK 4 300 million.

- The Board of Directors proposes a dividend of SEK 4.30 per share for 2016.
We challenge conventional packaging for a sustainable future