WE CHALLENGE CONVENTIONAL PACKAGING FOR A SUSTAINABLE FUTURE
BILLERUDKORSNÄS VS BILLERUD A YEAR AGO
A STABLE AND STRONGER COMPANY

- **Strong platform for growth**: MSEK ~530 in yearly synergy savings
- **Sharply reduced pulp market exposure**
- **Lower relative currency exposure**: ~65% of sales, ~50%, ~30%
- **60% to 75% Higher proportion of sales to consumer segments**
- **Widened offering**: 3 business areas, 2.8 million tons
- **MSEK ~530 in yearly synergy savings**
Note: Graphs show breakdown of sales volume per business area.
INCREASED FOCUS ON CONSUMER SECTORS

Food & Beverages: 57%
Industrial: 26%
Consumer & Luxury Goods: 11%
Medical & Hygiene: 6%

Billerud pre transaction:
40%
41%
7%
12%

Note: Percentage of Group’s combined net sales in 2012. For Billerud pre transaction figures are for FY 2011.
STEADY GROWTH FOR PACKAGING
GLOBAL PACKAGING MARKET

Source: Pira International, 2011, BillerudKorsnöss
SMARTER PACKAGING DRIVING GROWTH

FRESHER THINKING

SMOOTHER JOURNEYS

GREATER RESULTS

SHARPER BRANDS

BRIGHTER FUTURES
BUSINESS MODEL
A HOLISTIC APPROACH TO CUSTOMER NEEDS
WORLD-CLASS PACKAGING MATERIALS

PACKAGING PAPER
Kraft paper

CONSUMER BOARD
Liquid Packaging Board

CONTAINERBOARD
Fluting

Sack paper

Cartonboard

Liner
SOLUTION SERVICES

- Comprehensive knowledge of the whole value chain
- Strong technical knowledge of packaging design
  - Expert assistance in the areas of packaging optimisation, print support and conversion support
GLOBAL NETWORK

Packaging manufacturers

Machine manufacturers

Research institutes

More than 1,500 customers and packaging partners in more than 100 countries
SYNERGIES AND SAVINGS ABOVE PLAN
ANOTHER MSEK 200 IDENTIFIED UNTIL END OF 2015

Achieved synergies, MSEK

0 100 200 300 400 500 600
2013 2014 2015
Q&A

Capital Markets Day in Stockholm on 14 November 2013. More info will be posted on www.billerudkorsnas.com
APPENDIX
PRODUCTION FACILITIES

- 8 production units
- Integrated production in Sweden
  - Controlled process
  - High product quality
  - High self-sufficiency rate in electricity
  - Lower energy consumption
- Total prod. capacity of approximately 2,800 ktonnes
FINANCIAL TARGETS
BILLERUDKORSNÄS’ FINANCIAL TARGETS OVER A BUSINESS CYCLE ARE:

- Operating margin > 10%
- Return on Capital Employed > 13%
- Net debt/Equity ratio < 0.9
- Dividend policy 50%
No significant forest assets

Purchases made from handful of major suppliers
- Bergvik Skog, Holmen, Mellanskog, Stora Enso and Sveaskog
- Large amount of private land owners in Central and Northern Sweden

The majority of wood raw materials acquired locally

About 20% of the wood requirement is imported
- Majority from the Baltics