

28 April 2009

## **Billerud reports improved operating profit in the first quarter despite continued difficult market situation**

**Today Billerud presented the results for January – March 2009. Net turnover increased by 11% compared to the fourth quarter 2008 and operating loss decreased by MSEK 128, from MSEK -165 to MSEK -37. An improved order situation increased delivered volumes by 12% compared to the fourth quarter 2008.**

Billerud's CEO Per Lindberg comments:

*"The operating loss for the first quarter was MSEK -37, which was an improvement on the loss of the fourth quarter of 2008, which was MSEK-165. Despite making a loss and the continued difficult market situation with major uncertainty about the future, we were pleased with some bright spots in the first quarter. An improved order situation and the launch of new products meant that market-related production stops, like the ones carried out in the fourth quarter of 2008, have not been necessary, and this meant that our sales volumes could increase by 12%. Falling wood prices and our own cost savings meant that both fixed and volume-adjusted variable costs were lower than the previous quarter. We have also reduced our financial risk going forward by refinancing and extending our syndicated loan.*

*Through the acquisition in February of Tenova Bioplastics we have introduced essential competence to our development of packaging solutions for our customers based on renewable and biologically degradable material. Work aimed at strengthening our competence in our niche markets is already bearing fruit as it is easier to maintain volumes and profitability with customers we have deeper co-operation with.*

*We have thereby completed the first round of the challenging new business climate and we are ready to continue doing what is needed to meet the remaining challenges, before we get back to more normal business conditions."*

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Billerud AB (publ)

Per Lindberg  
President and CEO

For further information please see full interim report Jan-March 2009 at [www.billerud.com/reports](http://www.billerud.com/reports) or contact

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*Billerud is a packaging paper company with a business concept to supply customers with innovative and high quality packaging paper. A consistent concentration on attractive market segments and a strong customer focus are cornerstones of Billerud's strategy. Billerud focuses on kraft paper and containerboard and has a world-leading position within several product segments. The company's production units are among the most cost-efficient in Europe for these products*

[www.billerud.com](http://www.billerud.com)