
September 14, 2010

Environmental Court of Appeal confirms sanction

On September 14, 2010 the Environmental Court of Appeal decided that Billerud, in accordance with the decision from the Environmental Court and the Swedish Environmental Protection Agency, is to pay a sanction of approximately SEK 19.5 million.

On 10 December 2007 the Swedish Environmental Protection Agency decided to impose a sanction on Billerud of approximately SEK 19.5 million for inaccurate reporting of emission rights for 2006. According to existing rules, Billerud performed an audit and a report of the correct number of emission rights for 2006. As the result of an administrative error, Billerud's emission rights for the facilities in Skärblacka and Karlsborg were assigned to the wrong account in the Swedish Emission Trading Registry (SUS). Billerud lodged an appeal against the decision to the Environmental Court, which ruled in September 2009 that Billerud should pay the fine in accordance with the Swedish Environmental Protection Agency's decision. Billerud then chose to appeal against the decision to the Environmental Court of Appeal which has now decided that Billerud should pay the sanction.

Since Billerud made a provision for this amount in 2009, today's judgement will have no impact on the company's earnings for 2010.

"We accept the decision of the Environmental Court of Appeal, but in our opinion a sanction of SEK 19.5 is not proportionate," says Billerud's President and CEO, Per Lindberg.

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The information is such that Billerud is obligated to publish under the Swedish Securities Market Act. Submitted for publication at 5:30 p.m. on September 14 2010.