



BILLERUDKORSNÄS



Q3

January–September 2017

INTERIM REPORT JANUARY-SEPTEMBER 2017

Quarterly data

- Net sales for the third quarter increased by approximately 3% compared with the same quarter last year, mainly as a result of improved prices in local currency.
- EBITDA was just over 1% better than in the same quarter last year as a result of local price increases.
- EBITDA was affected by costs of SEK 215 million for planned maintenance shutdowns.
- Earnings per share for the quarter amounted to SEK 2.48 (2.41).

Outlook – Q4

- Demand and order situation are expected to be strong in the fourth quarter with normal seasonal variances for all business areas.
- The Packaging Paper and Corrugated Solutions business areas see opportunities for local price increases in the next quarter.
- Wood costs for Q4 are expected to be unchanged.
- Costs for planned maintenance shutdowns in the fourth quarter are estimated at SEK 120 million.
- Additional non-recurring costs at Gruvön of around SEK 30 million for training and temporary staff are expected to impact the fourth quarter.

Outlook for 2018

- Paper prices in local currency are expected to increase.
- The total raw material cost might be impacted by an increased market demand.
- The pulp price is expected to decrease during the year.
- Production capacity is estimated to increase by approximately 1%.
- The MG machine, moved to Skärblacka from Tervasaari, will be started up and is expected to produce 40 ktonnes, mainly in the second half of the year.
- Before the start-up of the new board machine at Gruvön in 2019, the company will need to build up stock of around 20 ktonnes.
- The company expects additional non-recurring costs at Gruvön of around SEK 150 million for loss of volumes, training and temporary staff.

KEY FIGURES

SEKm	Q3	Q3	Change	Jan-Sep	Jan-Sep	Change
	2017	2016		2017	2016	
Net sales	5 544	5 393	3%	16 780	16 189	4%
EBITDA	1 051	1 037	1%	2 837	2 913	-3%
EBITDA, %	19%	19%		17%	18%	
Operating profit	681	677	1%	1 720	1 834	-6%
Operating margin, %	12%	13%		10%	11%	
Net profit/loss for the period	513	500	3%	1 270	1 381	-8%
Earnings per share, SEK	2.48	2.41	3%	6.13	6.67	-8%
Operating cash flow	-202	696	-129%	-182	1 482	-112%
ROCE, %	N/A	N/A		11%	12%	
Adjusted ROCE, %	N/A	N/A		13%	13%	
Working Capital, % of net sales	9%	11%		9%	11%	
Interest-bearing net debt / EBITDA, multiple	1.41	1.27		1.41	1.27	

For key figures and a reconciliation of alternative performance measures, see pages 19-20.

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This information constituted inside information prior to publication. This is information that BillerudKorsnäs AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 07.00 CET on 17 October 2017.



COMMENTS BY CEO

Good demand and stable results



Per Lindberg,
President and CEO

SEK 5 544 million

Net sales

SEK 1 051 million

EBITDA

19%

EBITDA MARGIN

“We experienced a very strong market in the quarter, resulting in positive sales performance. Net sales were up 3% and volumes were up 1% on last year. Overall, we have had some difficulties with production availability in recent quarters, so we have established a new organisation to work proactively on both availability and quality at our facilities. I am confident that this will generate results over the coming years.

Looking ahead, market conditions appear encouraging, and we see good opportunities for continued growth. In the longer term, we will have additional support from increasing demand for sustainable packaging solutions. In this respect, our major investments, which will start to deliver in 2018 and 2019, will make a significant positive contribution to our growth on this market.”

The result

EBITDA in the quarter was SEK 1 051 million and we experienced positive sales performance on the back of a strong market in Europe and increased demand in China and the rest of Asia. The slightly higher volumes, combined with higher prices, offset negative currency movements. During the quarter, our Karlsborg production unit was affected by a production shutdown due to a fire, which had an approximately SEK 35 million impact on earnings. The fire was put out quickly and there were no injuries to personnel, but it caused extensive damage to cabling in an adjacent area. The damage has been repaired and Karlsborg’s production is running according to plan once again.

The business areas delivered stable earnings. Consumer Board recorded its highest cartonboard sales volumes since Billerud and Korsnäs merged. Within Corrugated Solutions, Managed Packaging posted sales growth of almost 50 percent compared to last year.

Market outlook

The market for all business areas is expected to remain strong over the next quarter. We are seeing favourable order levels and opportunities for further price increases. It is uncertain, however, how large the price increases may be.

In the longer term, this positive picture is being further strengthened by growing demand for sustainable packaging solutions, particularly regarding alternatives to plastic. Plastic waste is one of the greatest environmental challenges of our time and we are therefore seeing a greater focus on regulation to counter unnecessary use of plastic. This is strengthening our competitiveness as opportunities to replace less sustainable solutions are growing.

Strategy

Efficiency is a cornerstone of our strategy. Our approach to efficiency is about doing things right, and having efficient processes and practices. It is our customers who principally determine what are the right things to do. That’s why we are increasingly focusing on developing and harmonising our working practices by strengthening group-wide functions within our production organisation. This relates in particular to minimising production disruptions and ensuring our products maintain consistently high quality.

Another aspect of this is structural. Our two major investment projects, a new board machine at Gruvön and a world-leading MG centre at Skärblacka, not only demonstrate our ambition of meeting the market’s growing needs with efficient board and paper machines. We have also demonstrated our ability to create a production system that is efficient both in terms of its overall structure and its constituent parts. This is in order to supply our current and future customers with the highest-quality sustainable packaging materials and solutions. These projects are proceeding to schedule and we are looking forward to the start-ups; spring 2018 for Skärblacka and spring 2019 for Gruvön.

Sales and results

EBITDA increased by 22% compared with the second quarter, mainly as a result of lower personnel costs over the summer holiday period.

EBITDA was slightly better than the same period last year.

Q3 2017 compared with Q2 2017

Net sales for the third quarter were 1% lower than the previous quarter, mainly as a result of unfavourable currency movements combined with a higher share of pulp. This was offset by higher sales volumes, positive growth for ScandFibre Logistics and favourable price development.

The increase in sales volumes were principally due to the good market conditions within Packaging Paper and Corrugated Solutions. Consumer Board was negatively affected by the shutdown at Gävle. The loss of volumes from the shutdowns in the quarter was at the same level as the previous quarter. The positive sales performance was offset by a loss of volumes as a result of the fire at Karlsborg at the beginning of September.

EBITDA rose by 22%, or SEK 188 million, compared with the second quarter. This was mainly seasonally related and was due to lower personnel costs over the summer holiday period. The total cost of planned maintenance shutdowns in the third quarter was SEK 215 million, which is around SEK 15 million lower than the previous quarter. The cost of the fire at Karlsborg had a negative effect of SEK 35 million on earnings for the quarter.

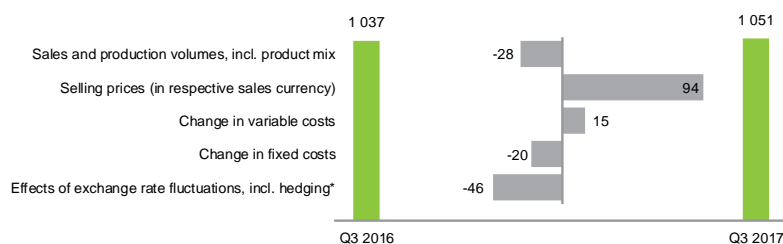
Q3 2017 compared with Q3 2016

Net sales increased by 3% compared with the same period last year. Improved prices, in particular for pulp, liner and sack paper, combined with 1% higher volumes, offset negative currency movements.

Sales volumes were slightly higher than the same quarter last year. Packaging Paper decreased by 1% owing to a loss of volumes because of the fire at Karlsborg and the closure of Tervasaari. Consumer Board increased by 2%, driven by growth in Europe and China. Corrugated Solutions volumes rose by 4% driven by fluting and coated liner.

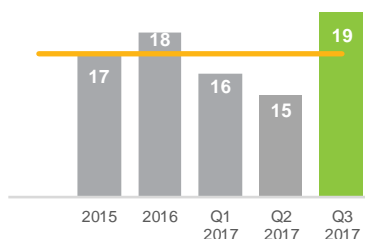
EBITDA was slightly better than the same period last year, +1%. Improved local prices offset negative currency movements, a slightly weaker product mix and higher maintenance shutdown costs. Costs for planned shutdowns amounted to approximately SEK 215 million, compared with SEK 194 million for the same period last year.

Change in EBITDA for Q3 2017 compared with Q3 2016, SEK million



Adjusted EBITDA margin

Target level >17%



*Effects of exchange rate fluctuations totalling SEK -46 million comprise the following components: change in spot rates of SEK -42 million, currency hedging of SEK 72 million and currency effects from the revaluation of trade receivables and payments from customers of SEK -76 million.

SEKm	Quarter		Jan-Sep	
	Q3 -17	Q3 -16	2017	2016
Net sales	5 544	5 393	16 780	16 189
ScandFibre Logistics AB	-	-	-293	-171
SIA Freja	-	-	-1	-5
Net sales comparable units	5 544	5 393	16 486	16 013
EBITDA	1 051	1 037	2 837	2 938
ScandFibre Logistics AB	-	-	-	1
SIA Freja	-	1	-	-
EBITDA comparable units	1 051	1 038	2 837	2 939

The above table shows earnings for comparable units over the different periods. For the January-September 2016 comparative period, adjusted EBITDA is used.



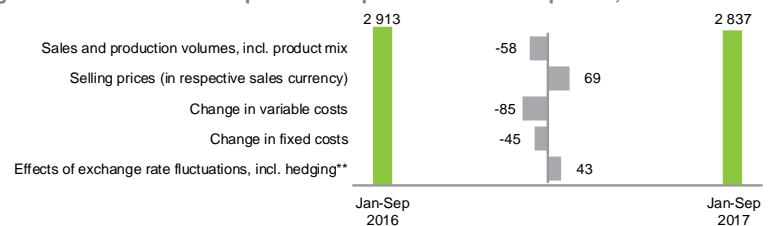
EBITDA decreased by 3% as a result of the fire at Karlsborg, increased costs for the purchase of external pulp and quality issues in Q1.

Jan–Sep 2017 compared with Jan–Sep 2016

Net sales for the first three quarters of 2017 were 4% higher than for the corresponding period last year and underlying organic growth in sales was 3%. Sales volumes increased by 1%. Consumer Board contributed a 4% increase in sales volumes, Corrugated Solutions was in line with last year, while Packaging Paper decreased slightly. For Packaging Paper, the negative effect from the closure of Tervasaari was partly offset by continued strong conditions in Europe for sack paper and kraft paper, and demand from China and the rest of Asia remains strong. Favourable currency effects and better market prices also had a positive impact on net sales.

EBITDA decreased by 3%, or SEK 76 million, mainly as a result of the fire at Karlsborg, increased costs for the purchase of external pulp for Frövi due to the rebuild of Rockhammar and quality issues in Q1. The impact of this was partly offset, however, by favourable price and currency developments.

Change in EBITDA for Jan–Sep 2017 compared with Jan–Sep 2016, SEK million



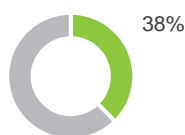
**Effects of exchange rate fluctuations totalling SEK 43 million comprise the following components: change in spot rates of SEK 184 million, currency hedging of SEK 10 million and currency effects from the revaluation of trade receivables and payments from customers of SEK -151 million.

Packaging Paper business area

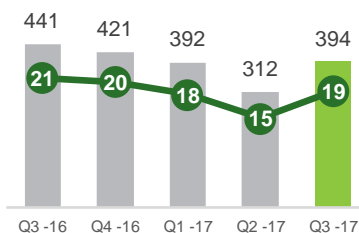
KRAFT AND SACK PAPER FOR CUSTOMERS WITH TOUGH DEMANDS

Packaging Paper offers kraft and sack paper of premium quality plus smart solutions for customers in the industrial, medical equipment and consumer segments. The business area also sells surplus pulp that BillerudKorsnäs does not use in its own production. The Group's net exposure in market pulp is estimated to average approximately 210 ktonnes for 2017, 125 ktonnes 2018 and 0 ktonnes in 2021.

Share of Group's net sales
Q3 2017



EBITDA



Key figures

SEKm	Quarter		Jan-Sep		Full year
	Q3 -17	Q3 -16	2017	2016	2016
Net sales	2 090	2 100	6 382	6 272	8 339
Net operating expenses, other	-1 696	-1 659	-5 284	-5 207	-6 853
EBITDA	394	441	1 098	1 065	1 486
EBITDA, %	19%	21%	17%	17%	18%
Operating profit/loss	278	316	750	692	990
Operating margin, %	13%	15%	12%	11%	12%
Sales volumes, ktonnes	289	292	870	882	1 167
whereof packaging paper	186	184	560	560	746

Q3 2017 compared with Q3 2016

Net sales were at the same level as in the third quarter of 2016 as a result of improved selling prices but lower production volumes, due to the closure of the Tervassari production facility and a fire at the Karlsborg production facility.

EBITDA decreased by 11% compared with the same period last year as a result of lower production volumes and the effect of the costs from the fire at the Karlsborg production facility. This was partly offset by price increases for paper.

Jan-Sep 2017 compared with Jan-Sep 2016

Net sales increased by 2% compared with the same nine-month period in 2016, despite sales volumes decreasing by 1% as a result of a favourable sales mix and higher prices in local currency.

EBITDA rose by 3% compared with the same period last year, owing to a better sales mix, higher prices and lower fixed costs.

Market development

Market conditions were stable and favourable during the quarter. The market improved compared with the previous quarter for all sack and kraft papers. Prices in local currency increased slightly for both sack papers and kraft papers compared with the previous quarter. The market for NBSK pulp remained stable and positive in the quarter compared with the previous quarter. Prices were around USD 910 per tonne at the end of the quarter compared with USD 890 at the end of the previous quarter. The price of pulp at the end of the third quarter of 2016 was USD 810 per tonne.

Outlook

Kraft and sack paper markets remain solid, with the potential to increase prices in local currency.

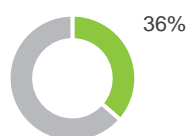


Consumer Board business area

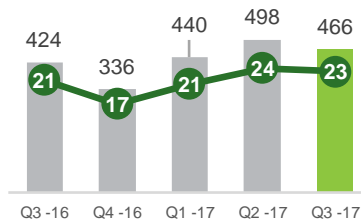
LIQUID PACKAGING BOARD AND CARTONBOARD WITH UNIQUE PROPERTIES

Consumer Board delivers packaging materials in high-quality board made from primary fibre for beverages, food products and various other consumer goods. Smart solutions in terms of function, design and material selection create added value for customers.

Share of Group's net sales
Q3 2017



EBITDA



Key figures

SEKm	Quarter		Jan-Sep		Full year
	Q3 -17	Q3 -16	2017	2016	2016
Net sales	2 019	1 975	6 246	6 027	8 015
Net operating expenses, other	-1 553	-1 551	-4 842	-4 640	-6 292
EBITDA	466	424	1 404	1 387	1 723
EBITDA, %	23%	21%	22%	23%	21%
Operating profit/loss	270	234	815	816	964
Operating margin, %	13%	12%	13%	14%	12%
Sales volumes, ktonnes	265	261	829	794	1 051

Q3 2017 compared with Q3 2016

Sales and sales volumes increased by 2% compared with the third quarter of 2016.

EBITDA rose by 10% compared with the third quarter of 2016. The increase was mainly attributable to higher sales volumes and lower variable costs.

Jan–Sep 2017 compared with Jan–Sep 2016

Compared with the period January to September 2016, sales volumes and net sales rose by 4%.

EBITDA increased by 1% compared with the first three quarters of 2016. The increase is less than the increase in sales primarily because of events in the first quarter of 2017, principally quality costs attributable to production in the second half of 2016 and start-up issues relating to the Rockhammar rebuild in late 2016. The total impact on the business area from these two items was SEK 80 million. Underlying EBITDA rose by 7% compared with 2016.

Market development

We see continued good demand within the Consumer Board business area. The cartonboard deliveries for the third quarter were the largest in a single quarter since the formation of BillerudKorsnäs. The increase in volumes for the quarter was slightly lower than the previous quarter owing mainly to fewer production disruptions. Prices in local currency were unchanged compared with the previous quarter.

Outlook

Orders for Consumer Board are expected to remain stable and satisfactory with normal seasonal variations.

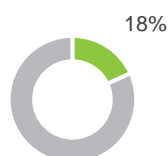


Corrugated Solutions business area

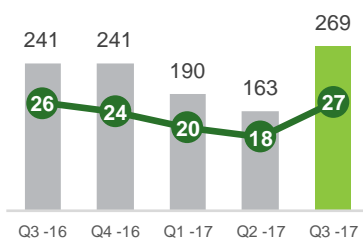
STRONG FLUTING AND LINER ADD VALUE

Corrugated Solutions supplies materials to corrugated board manufacturers and packaging solutions to brand owners. The strong and light materials – fluting and liner – are used in corrugated boxes for fragile goods and demanding distribution systems. Smart packaging is delivered via the Managed Packaging concept, which delivers supply chain solutions and packaging optimisations for brand owners, with a view to challenging conventional solutions.

Share of Group's net sales
Q3 2017



EBITDA



KEY FIGURES

SEKm	Quarter		Jan-Sep		Full year
	Q3 -17	Q3 -16	2017	2016	2016
Net sales	1 012	913	2 845	2 631	3 620
Net operating expenses, other	-743	-672	-2 223	-2 043	-2 791
EBITDA	269	241	622	588	829
EBITDA, %	27%	26%	22%	22%	23%
Operating profit/loss	226	197	488	453	647
Operating margin, %	22%	22%	17%	17%	18%
Sales volumes, ktonnes	145	140	410	407	554

Q3 2017 compared with Q3 2016

Net sales increased by 11% compared with the same quarter in 2016 as a result of increased sales volumes, improved prices in local currency and strong Managed Packaging sales.

EBITDA increased by 12% compared with the third quarter of 2016 owing mainly to increased sales, supported by improved prices in local currency and a favourable product mix.

Jan-Sep 2017 compared with Jan-Sep 2016

Net sales were 8% higher than for the same period in 2016 as a result of increased sales, improved prices in local currency and favourable exchange rates. Sales growth in Managed Packaging also contributed to the positive performance.

EBITDA increased by 6% compared with the same period in 2016 owing to positive currency effects combined with lower delivery costs.

Market development

The liner and fluting order books remained strong, with improved price levels in Europe. Managed Packaging continued to deliver strong sales growth in the quarter.

Outlook

Demand for fluting and liner is expected to remain strong, driven by the business area's expansion into new regions. Managed Packaging is expected to continue delivering sales growth at the same pace as before, both through new customers and increased volumes from existing customers.



Currency hedging

SEK 45 million impact on net sales for the quarter.

Currency hedging had an overall net sales impact of SEK 45 million (-27) for the third quarter and SEK 22 million (13) for the first three quarters of 2017 (compared with no currency hedging).

The outstanding forward exchange contracts at 30 September 2017 had a market value of SEK 75 million, SEK 17 million of which is the portion of the contracts matched by trade receivables that affected earnings in the third quarter. Accordingly, other contracts had a market value of SEK 58 million.

Hedged portion of forecast currency flows** for EUR, USD and GBP and exchange rates against SEK (30 September 2017)

Currency		Q4-17	Q1-18	Q2-18	Q3-18	Q4-18	Total 15 months
EUR	Share of net flow	80%	82%	80%	78%	77%	79%
	Rate	9.55	9.62	9.61	9.69	9.57	9.61
USD	Share of net flow	72%	58%	-	-	-	26%
	Rate	8.89	9.05	-	-	-	8.96
GBP	Share of net flow	29%	-	-	-	-	6%
	Rate	10.57	-	-	-	-	10.57
Market value of currency contracts*		25	33	4	12	1	75

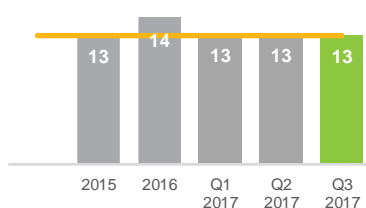
*30 September 2017.

**Excluding currency flows from investments in a new board machine at Gruvön, which are currently not hedged.

The currency hedging policy is to hedge 0–80% of forecast net flows over the next 15 months. Any deviations from the policy must be approved by the Board of Directors.

Adjusted return on capital employed

Target level >13%



Investments and capital employed

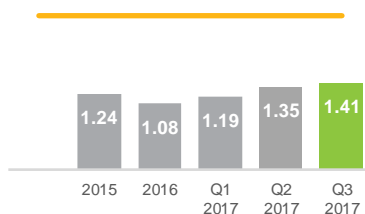
Gross investments amounted to SEK 1 343 million (322) for the third quarter and SEK 2 802 million (899) for the first nine months of 2017.

Capital employed at 30 September 2017 amounted to SEK 18 466 million (17 287). Return on capital employed (ROCE), calculated over the last 12-month period, amounted to 11% (12%). The last 12-month period was affected by restructuring costs at Gruvön. ROCE calculated using adjusted operating profit amounted to 13% (13%).

Return on equity was 11% (13%).

Cash flow and financial position

Net debt/EBITDA
target level <2.5



Summary cash flow statement

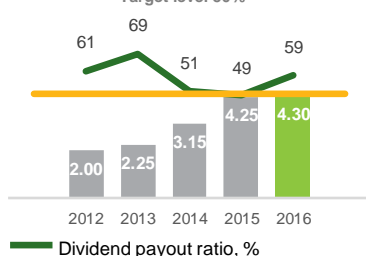
SEKm	Quarter		Jan-Sep	
	Q3 -17	Q3 -16	2017	2016
Operating surplus, etc.	1 022	1 014	2 754	2 850
Change in working capital, etc.	201	20	174	-216
Net financial items, taxes, etc.	-83	-17	-310	-254
Cash flow from operating activities	1 140	1 017	2 618	2 380
Current net investments	-1 342	-321	-2 800	-898
Operating cash flow	-202	696	-182	1 482

Operating cash flow for the first nine months of 2017 amounted to SEK -182 million (1 482). The decrease was mainly due to the level of investment increasing due to investments at Gruvön and Skärblacka. Working capital in relation to sales was 9% for the quarter, which is an improvement on the second quarter of 2017 when it was 10%.

Net interest-bearing debt at 30 September 2017 was SEK 4 982 million (4 551). The Group's interest-bearing net debt in relation to EBITDA at the end of the period was 1.41 (1.27). The target is to have a ratio below 2.5.

Financing

Dividend policy
Target level 50%



Interest-bearing debt amounted to SEK 5 128 million, an increase of SEK 418 million on the previous quarter. The change was mainly due to a new bilateral loan amounting to SEK 428 million being raised in the quarter. Compared with the same period last year, interest-bearing debt increased by SEK 889 million and bond loans increased by SEK 1 500 million.

Commercial paper and bilateral loans decreased by SEK 200 million and SEK 411 million respectively.

Loan	Limit, SEKm	Maturity, years			Total utilized
		0-1	1-2	2-	
Syndicated credit facilities	5 500				-
Term loans			225	903	1 128
Bond loans within MTN program	5 000	1 500		2 000	3 500
Commercial paper	3 000				-
Term loan, Bomhus Energi AB		44	44	412	500
Group total		1 544	269	3 315	5 128



Taxes

The tax cost for the first nine months of 2017 amounted to SEK 345 million (381), equal to approximately 21% (22%) of profit before tax.

Parent company

The parent company BillerudKorsnäs AB includes the sales organisation for the Nordic market and markets outside Europe, and the head office functions.

Operating income for the first nine months of 2017 was SEK -95 million compared with SEK 29 million for the first nine months of 2016. The decrease was mainly due to the negative impact from hedging contracts and revaluations of trade receivables.

The parent company hedges both its own and the Group's net currency flows. The parent company's earnings include the results of these hedging measures. For the first nine months, this result amounted to SEK 22 million (13).

The average number of employees was 107 (100). Cash and bank balances, and short-term investments amounted to SEK 726 million (316).

Seasonal effects



BillerudKorsnäs' business is subject to seasonal fluctuations to a relatively limited extent. Periodical maintenance shutdowns have the largest impact, as they involve each unit stopping production for around one week. The loss of production results in somewhat lower deliveries over an extended period before, during and after the shutdown. It should also be noted that the Group usually has a somewhat higher cost level in the fourth quarter than in previous quarters.

Planned maintenance shutdowns

In addition to ongoing maintenance during production, BillerudKorsnäs' production units normally also require more extensive maintenance at some time during the year. Maintenance requires the production of pulp, paper and board to stop. The principal cost items in a maintenance shutdown are loss of volume arising from the shutdown and fixed costs, mainly maintenance and overtime costs, as well as a certain portion of variable costs including higher consumption of electricity and wood when production is restarted. The effects of shutdowns on earnings vary depending on the extent of the measures carried out, their nature and the actual length of the shutdown. The estimated cost of shutdown involves an assessment of the impact on earnings of a normal shutdown compared with a quarter during which no periodic maintenance shutdown takes place.

Estimated maintenance shutdown cost

Production units	Estimated shutdown cost ¹	Estimated breakdown of shutdown cost by business area			Planned dates of maintenance shutdown		
		SEKm	Packaging Paper	Consumer Board	Corrugated Solutions	2018	2017
Gävle	~ 140	~ 5%	~ 80%	~ 15%	Q3	Q3	Q3
Gruvön*	~ 140	~ 40%	~ 10%	~ 50%	Q2	Q2	Q2
Frövi	~ 90	0%	100%	0%	Q4	Q4	Q4
Skärblacka	~ 120	~ 85%	0%	~ 15%	Q2	Q2	Q2
Skärblacka**	~ 20	100%	0%	0%	-	Q3	-
Karlsborg	~ 55	100%	0%	0%	Q3	Q3	Q3
Pietarsaari	~ 15	100%	0%	0%	Q3	Q2	-
Rockhammar	~ 15	0%	100%	0%	Q4	Q4	Q4

¹ Maintenance shutdowns at Beetham have an insignificant effect on BillerudKorsnäs' total earnings.

*Gruvön had a maintenance shutdown at the end of March 2017, affecting the reports for both the first and second quarters. The cost for the first quarter was SEK 75 million and SEK 70 million for the second quarter.

**Skärblacka had an additional maintenance shutdown at PM7 at the end of September 2017, affecting both the third-quarter and fourth-quarter reports. The cost for the third quarter was SEK 5 million, and for the fourth quarter it is estimated to be SEK 15 million, affecting the Packaging Paper business area.

Costs for planned maintenance shutdowns reflect the estimated cost impact for 2017. In the third quarter, planned maintenance shutdowns took place at Gävle, Skärblacka and Karlsborg. The total cost for maintenance shutdowns in Q3 was approximately SEK 215 million, which was in line with estimates.

Largest shareholders

BillerudKorsnäs' ten largest shareholders (30 September 2017)

Shareholder	Number of shares	Number of votes, %
FRAPAG Beteiligungsholding AG	31 300 000	15.1
AMF Insurance & Funds	20 292 968	9.8
Swedbank Robur Funds	9 617 057	4.6
Fourth Swedish National Pension Fund	7 869 106	3.8
Alecta	7 148 000	3.5
Norges Bank	4 705 314	2.3
Vanguard	4 022 455	1.9
Dimensional Fund Advisors	3 280 868	1.6
AFA Insurance	2 945 900	1.4
Handelsbanken Funds	2 927 494	1.4
Total 10 largest shareholders	94 109 162	45.4
Total number of shares in the market	206 956 668	100.0

Distribution of shares

Distribution of shares (30 September 2017)

Registered number of shares	208 219 834
Bought back shares	-1 263 166
Total number of shares in the market	206 956 668

Significant risks and uncertainties

BillerudKorsnäs' products are generally dependent on the business cycle, in terms of both price development and potential sales volumes. The Group is exposed to currency fluctuations, since most revenues are invoiced in foreign currency, while a large part of operating expenses are in SEK. A more detailed description of risks and a sensitivity analysis are provided on pages 84-91 of the 2016 Annual and Sustainability Report.

Related-party transactions

No transactions have taken place between BillerudKorsnäs and related parties that significantly affect the company's position and earnings.

Events after the end of the quarter

No significant events have occurred after the end of the quarter.

2018 Annual General Meeting

The Annual General Meeting will be held in Stockholm on 15 May 2018. Shareholders wishing to have matters considered at the Annual General Meeting should submit their proposals in writing to BillerudKorsnäs AB (publ), Att: Andreas Mattsson, General Counsel, Box 703, 169 27 Solna, Sweden, at least seven weeks before the Annual General Meeting, to ensure the matter can be included in the convening notice for the Meeting. Notified matters can be included on the agenda of the Annual General Meeting only if they are suitable for decision by the Meeting and if notification is provided in due time. Further details on how and when to provide notification of participation at the Annual General Meeting will be published in advance of the Meeting.

Financial calendar

Year-end report 2017 – 29 January 2018

Q1 2018 – 20 April 2018

2018 Annual General Meeting – 15 May 2018

Q2 2018 – 18 July 2018

Q3 2018 – 16 October 2018

Solna, 16 October 2017

BillerudKorsnäs AB (publ)

Per Lindberg
President and CEO

This information is information that BillerudKorsnäs AB (publ) is obliged to publish in accordance with the EU Market Abuse Regulation. This information has been prepared in both a Swedish and an English version.



Translation of the Swedish original

Review report

To the Board of Directors of BillerudKorsnäs AB (publ)
Corp. id. 556025-5001

Introduction

We have reviewed the summary interim financial information (interim report) of BillerudKorsnäs AB (publ) as of 30 September 2017 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm 16 October 2017

KPMG AB

Ingrid Hornberg Román
Authorized Public Accountant

BillerudKorsnäs Group

Summarised income statement

SEKm	Quarter			Jan-Sep		Full year
	Q3 -17	Q2 -17	Q3 -16	2017	2016	2016
Net sales	5 544	5 600	5 393	16 780	16 189	21 657
Other income	39	48	31	146	107	155
Operating income	5 583	5 648	5 424	16 926	16 296	21 812
Change in inventories	-91	-82	117	-333	224	300
Raw materials and consumables	-2 556	-2 646	-2 608	-7 808	-7 787	-10 457
Other external costs	-1 117	-1 141	-1 144	-3 412	-3 363	-4 574
Employee benefits expense	-767	-914	-752	-2 532	-2 457	-3 474
Depreciation and impairment of non-current assets	-370	-374	-360	-1 117	-1 079	-1 561
Profit/Loss from participations in associated companies	-1	-2	-	-4	-	-1
Operating expenses	-4 902	-5 159	-4 747	-15 206	-14 462	-19 767
Operating profit/loss	681	489	677	1 720	1 834	2 045
Financial income and expenses	-22	-45	-36	-105	-72	-108
Profit/Loss before tax	659	444	641	1 615	1 762	1 937
Taxes	-146	-88	-141	-345	-381	-419
Net profit/loss for the period	513	356	500	1 270	1 381	1 518
Profit/Loss attributable to:						
Owners of the parent company	513	356	500	1 270	1 381	1 518
Non-controlling interests	-	-	-	-	-	-
Net profit/loss for the period	513	356	500	1 270	1 381	1 518
Earnings per share, SEK	2.48	1.72	2.41	6.13	6.67	7.33
Diluted earnings per share, SEK	2.47	1.72	2.41	6.12	6.66	7.31

Summarised statement of comprehensive income

SEKm	Quarter			Jan-Sep		Full year
	Q3 -17	Q2 -17	Q3 -16	2017	2016	2016
Net profit/loss for the period	513	356	500	1 270	1 381	1 518
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Actuarial gains or losses on defined benefit pension plans	-	-	-63	-	-63	-12
Tax attributable to items not to be reclassified to profit or loss	-	-	14	-	14	3
Total items never reclassified to profit or loss	-	-	-49	-	-49	-9
Items that have been or may be reclassified subsequently to profit or loss						
Differences arising from the translation of foreign operations' accounts	-16	12	28	-11	57	53
Change in fair value of shareholding in Bergvik Skog	8	1	8	18	-30	16
Change in fair value of cash flow hedges	84	66	16	139	-7	76
Tax attributable to items that have been or may be reclassified subsequently to profit or loss	-19	-14	-3	-31	2	-17
Total items that have been or may be reclassified subsequently to profit or loss	57	65	49	115	22	128
Total comprehensive income for the period	570	421	500	1 385	1 354	1 637
Attributable to:						
Owners of the parent company	570	421	500	1 385	1 354	1 637
Non-controlling interests	-	-	-	-	-	-
Total comprehensive income for the period	570	421	500	1 385	1 354	1 637



Summarised balance sheet

SEKm	30 Sep 2017	30 Sep 2016	31 Dec 2016
Intangible assets	2 273	2 318	2 335
Property, plant and equipment	16 594	14 732	14 937
Other non-current assets	1 533	1 313	1 439
Total non-current assets	20 400	18 363	18 711
Inventories	2 754	3 071	3 142
Accounts receivable	2 684	2 557	2 612
Other current assets	925	658	681
Cash and cash equivalents	899	503	708
Total current assets	7 262	6 789	7 143
Total assets	27 662	25 152	25 854
Equity attributable to owners of the parent company	13 484	12 736	13 021
Non-controlling interests	-	-	1
Total equity	13 484	12 736	13 022
Interest-bearing liabilities	3 584	2 698	2 687
Provisions for pensions	768	827	778
Other provisions	245	46	252
Deferred tax liabilities	3 415	3 157	3 410
Total non-current liabilities	8 012	6 728	7 127
Interest-bearing liabilities	1 544	1 541	1 142
Accounts payables	3 215	2 531	3 049
Other liabilities and provisions	1 407	1 616	1 514
Total current liabilities	6 166	5 688	5 705
Total equity and liabilities	27 662	25 152	25 854

Summarised statement of changes in equity

SEKm	Jan-Sep 2017	2016	Full year 2016
Opening balance	13 022	12 418	12 418
Comprehensive income for the period	1 385	1 354	1 637
Share-based payment to be settled in equity instruments	10	8	11
Buyback of own shares	-41	-	-
Dividend to owners of the parent company	-891	-880	-880
Dividend to non-controlling interests	-1	-164	-164
Closing balance	13 484	12 736	13 022
Equity attributable to:			
Owners of the parent company	13 484	12 736	13 021
Non-controlling interests	-	-	1
Closing balance	13 484	12 736	13 022

Summarised cash flow statement

SEKm	Quarter			Jan-Sep		Full year
	Q3 -17	Q2 -17	Q3 -16	2017	2016	2016
Operating surplus, etc.*	1 022	837	1 014	2 754	2 850	3 781
Change in working capital, etc.	201	458	20	174	-216	332
Net financial items, taxes, etc.	-83	-78	-17	-310	-254	-371
Cash flow from operating activities	1 140	1 217	1 017	2 618	2 380	3 742
Investments in intangible assets, property, plant and equipment	-1 314	-892	-322	-2 739	-899	-1 607
Acquisition of financial assets	-29	-12	-	-63	-	-38
Sales of subsidiary	-	-	-	15	-	-
Business combinations	-	-	-	-	-6	-6
Disposal of property, plant and equipment	1	1	1	2	1	4
Cash flow from investing activities	-1 342	-903	-321	-2 785	-904	-1 647
Change in interest-bearing receivables	-1	-	1	-1	6	2
Change in interest-bearing liabilities	419	-310	-759	1 300	-153	-564
Buy-back of own shares	-41	-	-	-41	-	-
Dividend to owners of the parent company	-	-891	-	-891	-880	-880
Dividend to non-controlling interests	-1	-	-	-1	-165	-165
Cash flow from financing activities	376	-1 201	-758	366	-1 192	-1 607
Total cash flow (=change in cash and cash equivalents)	174	-887	-62	199	284	488
Cash and cash equivalents at start of period	732	1 617	551	708	188	188
Translation differences in cash and cash equivalents	-7	2	14	-8	31	32
Cash and cash equivalents at the end of the period	899	732	503	899	503	708

*The amount for the period January–September 2017 takes into account operating profit of SEK 1 720 million, reversed depreciation of SEK 1 117 million, earnings from the sale of businesses of SEK -5 million, earnings from the sale of fixed assets of SEK 6 million, earnings from associated companies of SEK 4 million, a decrease in pension liabilities of SEK -25 million, other provisions of SEK -46 million, net of produced and sold electricity certificates and sold emission rights of SEK -27 million and incentive programmes of SEK 10 million. The amount for the period January–September 2016 takes into account operating profit of SEK 1 834 million, reversed depreciation of SEK 1 079 million, decrease in pension liabilities of SEK -36 million, other provisions of SEK -16 million, net of produced and sold electricity certificates and sold emission rights of SEK -19 million and incentive programmes of SEK 8 million.



Note 1 Accounting policies

The interim report for the Group is prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The accounting policies applied in this interim report are the same as those used in the most recent annual report for 2016, see pages 101-107 and page 134 for definitions of key figures. The interim report for the parent company is prepared in accordance with the Swedish Annual Accounts Act. Key figure definitions are provided on page 21 of this report.

In addition to the financial measures defined in IFRS, certain key figures, which qualify as alternative performance measures (APMs) are presented to reflect the underlying business performance and enhance comparability from period to period. These APMs should not be considered as a substitute for measures defined under IFRS.

Note 2 Financial assets and liabilities

	Derivatives in hedge accounting	Accounts and loan receivables	Available for- sale financial assets	Financial liabilities measured at amortised costs	Total carrying amount	Fair value
Valuation classification	Level 2		Level 3			
Group 30 September 2017						
Other shares and participations	-	-	1 414	-	1 414	1 414
Long-term receivables	-	21	-	-	21	21
Accounts receivable	-	2 684	-	-	2 684	2 684
Other receivables	189	468	-	-	657	657
Cash and cash equivalents ¹	-	899	-	-	899	899
Total	189	4 072	1 414	-	5 675	5 675
Non-current interest-bearing liabilities	-	-	-	3 584	3 584	3 590
Current interest-bearing liabilities	-	-	-	1 544	1 544	1 566
Accounts payables	-	-	-	3 215	3 215	3 215
Other liabilities	30	-	-	122	152	152
Total	30	-	-	8 465	8 495	8 523

	Derivatives in hedge accounting	Accounts and loan receivables	Available for- sale financial assets	Financial liabilities measured at amortised costs	Total carrying amount	Fair value
Valuation classification	Level 2		Level 3			
Group 31 December 2016						
Other shares and participations	-	-	1 343	-	1 343	1 343
Long-term receivables	-	21	-	-	21	21
Accounts receivable	-	2 612	-	-	2 612	2 612
Other receivables	107	378	-	-	485	485
Cash and cash equivalents ¹	-	708	-	-	708	708
Total	107	3 719	1 343	-	5 169	5 169
Non-current interest-bearing liabilities	-	-	-	2 687	2 687	2 731
Current interest-bearing liabilities	-	-	-	1 142	1 142	1 142
Accounts payables	-	-	-	3 049	3 049	3 049
Other liabilities	129	-	-	193	322	322
Total	129	-	-	7 071	7 200	7 244

¹ Short-term investments are classified as 'Cash and cash equivalents' when they mature less than three months after the acquisition date and are exposed to only a minor risk of fluctuation in value.

Note 3 Other disclosures

Other disclosures in accordance with IAS 34.16A are disclosed on the pages before the income statement and the statement of comprehensive income. Business area/segment information is disclosed on the pages 5-7, financing information on page 9, seasonal effects are disclosed on page 11 and events after the end of the quarter on page 13.

Key figures

	Jan-Sep		Full year
	2017	2016	2016
Margins			
EBITDA, %	17	18	17
Operating margin, %	10	11	9
Return (rolling 12 months)			
Return on capital employed, %	11	12	12
Return on equity, %	11	13	12
Capital structure at end of period			
Capital employed, SEKm	18 466	17 287	16 906
Working capital, SEKm	1 962	2 471	1 957
Equity, SEKm	13 484	12 736	13 022
Interest-bearing net debt, SEKm	4 982	4 551	3 884
Net debt/equity ratio	0.37	0.36	0.30
Interest-bearing net debt / EBITDA, multiple	1.41	1.27	1.08
Key figures per share			
Earnings per share, SEK	6.13	6.67	7.33
Dividend (for the financial year) per share, SEK	-	-	4.30
Other key figures			
Working capital as percentage of net sales, %	9	11	11
Gross investments, SEKm	2 802	899	1 645
Average number of employees	4 376	4 251	4 274



Reconciliation of alternative performance measures

Adjusted EBITDA, SEKm	Quarter			Jan-Sep	Full year	
	Q3 - 17	Q2 - 17	Q3 - 16	2017	2016	2016
Operating profit	681	489	677	1 720	1 834	2 045
Depreciation and impairment of non-current assets	370	374	360	1 117	1 079	1 561
EBITDA	1 051	863	1 037	2 837	2 913	3 606
Items affecting comparability	-	-	-	-	25	230
Adjusted EBITDA	1 051	863	1 037	2 837	2 938	3 836
Adjusted Operating profit, SEKm						
Operating profit	681	489	677	1 720	1 834	2 045
Items affecting comparability	-	-	-	-	25	350
Adjusted Operating profit	681	489	677	1 720	1 859	2 395
Adjusted earnings per share, SEK						
Profit attributed to owners of the parent company, SEKm	513	356	500	1 270	1 381	1 518
Items affecting comparability, attributed to owners of the parent company, SEKm	-	-	-	-	25	273
Adjusted profit attributed to owners of the parent company, SEKm	513	356	500	1 270	1 406	1 791
Weighted number of outstanding shares, thousands	207 218	207 186	207 089	207 167	207 020	207 037
Adjusted earnings per share	2.48	1.72	2.41	6.13	6.79	8.65
Adjusted Return on capital employed (ROCE), SEKm						
Adjusted Operating profit over 12 months *	2 257	2 252	2 179	2 257	2 179	2 395
Average capital employed over 12 months	17 586	17 380	17 386	17 586	17 386	17 350
Adjusted Return on capital employed	13%	13%	13%	13%	13%	14%
Items affecting comparability, SEKm						
Fraud (Operating expenses)					25	25
New board machine, KM7 - restructuring (Operating expenses)						205
New board machine, KM7 - write-down (Impairment of non-current assets)						120
Items affecting comparability	-	-	-	-	25	350

* 12 months is calculated by adding accumulated amounts for the current year plus full previous year, minus prior year's accumulated amounts for periods exceeding 12 months from the balance sheet date.

	30 Sep 2017	30 Sep 2016	31 Dec 2016
Capital employed, SEKm			
Total assets	27 662	25 152	25 854
Accounts payables	-3 215	-2 531	-3 049
Other liabilities and provisions	-1 407	-1 616	-1 514
Other provisions	-245	-46	-252
Deferred tax liabilities	-3 415	-3 157	-3 410
Interest-bearing non-current assets	-15	-12	-15
Cash and Cash equivalents	-899	-503	-708
Capital employed	18 466	17 287	16 906
Working capital, SEKm			
Inventories	2 754	3 071	3 142
Accounts receivables	2 684	2 557	2 612
Other operating receivables	925	657	681
Accounts payables	-3 215	-2 531	-3 049
Other operating liabilities (excl provisions)	-1 358	-1 513	-1 428
Tax liabilities	172	230	-1
Working capital	1 962	2 471	1 957
Interest-bearing net debt, SEKm			
Interest bearing provisions	768	827	778
Interest bearing non-current liabilities	3 584	2 698	2 687
Interest bearing current liabilities	1 544	1 541	1 142
Interest-bearing non-current assets	-15	-12	-15
Cash and Cash equivalents	-899	-503	-708
Interest-bearing net debt	4 982	4 551	3 884

Definitions

ADJUSTED KEY FIGURES

Adjusted key figures on EBITDA, Operating profit, Return on capital employed and Earnings per share provide a better understanding of the underlying business performance and enhance comparability from period to period, when the effect of items affecting comparability are adjusted for.

ADJUSTED EBITDA

Operating profit before depreciation and amortisation adjusted for items affecting comparability.

ADJUSTED EARNINGS PER SHARE

Earnings per share adjusted for items affecting comparability after tax attributable to owners of the parent company.

ADJUSTED OPERATING PROFIT

Operating profit adjusted for items affecting comparability.

CAPITAL EMPLOYED

Total assets less non-interest bearing liabilities, non-interest bearing provisions and interest-bearing assets. The measure is used to quantify the net total assets used in the operating business, and is used as a component in measuring operating profitability.

EARNINGS PER SHARE

Profit for the period, attributable to owners of the parent, divided by the average number of shares in the market.

EQUITY

Equity at the end of the period.

EBITDA

Operating profit before depreciation and amortisation (EBITDA = Earnings before Interest, Taxes, Depreciation and Amortisation). EBITDA is a measure of operating performance. It is a profit measure that is close to the operating cash flow.

EBITDA, %

Operating profit before depreciation (EBITDA = Earnings before Interest, Taxes, Depreciation and Amortisation) as a percentage of net sales. The measure is used in business review as well as for benchmarking with peer companies.

INTEREST-BEARING NET DEBT

Interest-bearing provisions and liabilities less interest-bearing assets. The measure is used to quantify the debt financing, taken the amount of financial assets into account. The measure is used as a component in measuring financial risk.

INTEREST-BEARING NET DEBT/ EBITDA

Interest bearing net debt at the end of the period divided by EBITDA for the last twelve months. The measure shows the size of the interest-bearing net debt compared to the repayment capacity. A higher (lower) ratio indicates a higher (lower) risk.

MF KRAFT PAPER

Machine Finished kraft paper.

MG KRAFT PAPER

Machine Glazed kraft paper.

NBSK

Northern Bleached Softwood Kraft.

NET DEBT/EQUITY RATIO

Interest-bearing net debt divided by equity. The ratio shows the mix between interest-bearing net debt and equity financing. A higher ratio means higher financial leverage and may have positive effects on return on equity, but imply a higher financial risk.

OPERATING CASH FLOW

Cash flow from operating activities including net investments in property, plant and equipment and acquisition of financial assets. The measure shows cash flow generated in the operating business, which provides the amount of cash flows available to repay debt and pay dividends to the shareholders.

OPERATING MARGIN

Operating profit as a percentage of net sales. Operating margin shows the percentage of revenue remaining as operating profit after deducting all operating expenses. The measure is used in business review as well as for benchmarking with peer companies.

RETURN ON CAPITAL EMPLOYED (ROCE)

Operating profit calculated over 12 months as a percentage of average capital employed calculated per quarter. The return on capital employed is a measure that shows how effectively total net operating assets are used in order to generate return in the operating business. The measure takes capital invested in the operating activities into account and is used in business review and benchmarking with peer companies.

RETURN ON EQUITY

Profit calculated over 12 months, attributable to owners of the parent company, as a percentage of average shareholders' equity calculated per quarter, attributable to owners of the parent company. The measure represents total profitability compared to the equity invested by the parent company's shareholders.

WORKING CAPITAL

Inventories, accounts receivables and other operating receivables less accounts payables and other operating liabilities. The measure shows the amount of current net assets that is tied up in the business. Together with non-current assets, working capital constitutes the operating capital employed to generate operating returns.

WORKING CAPITAL AS PERCENTAGE OF NET SALES

Average working capital for the last three months, divided by annual net sales at year end or annualised net sales during interim-quarter (net sales for the quarter multiplied by four). Working capital in relation to net sales shows how effectively the working capital is used. A lower percentage means less capital is tied up to generate a given amount of revenue, and an increased ability to internally finance growth and return to shareholders.



Parent company

Summarised income statement

SEKm	Quarter		Jan-Sep		Full Year
	Q3 -17	Q3 -16	2017	2016	2016
Operating income	115	94	282	404	482
Operating expenses	-111	-113	-377	-375	-509
Operating profit/loss	4	-19	-95	29	-27
Financial income and expenses	25	-18	-64	-87	-121
Profit/Loss after financial income and expenses	29	-37	-159	-58	-148
Appropriations	-	-	-	-	1 291
Profit/loss before tax	29	-37	-159	-58	1 143
Taxes	7	13	50	19	-245
Net profit/loss for the period	36	-24	-109	-39	898

Summarised balance sheet

SEKm	30 Sep 2017	30 Sep 2016	31 Dec 2016
Non-current assets	10 744	10 748	10 754
Current assets	7 030	3 976	5 747
Total assets	17 774	14 724	16 501
Shareholders' equity	6 262	6 352	7 292
Untaxed reserves	1 031	660	1 031
Provisions	199	202	204
Interest-bearing liabilities	9 950	7 264	7 081
Other liabilities	332	246	893
Total equity and liabilities	17 774	14 724	16 501

Quarterly data

The Group's business is managed and reported according to BillerudKorsnäs' three business areas. As of Q1 2017, Other includes former Other Units and Group Staff and Eliminations. Other units included results from wood supply, Nine AB, Scandifibre Logistics AB, rental operations, dormant companies, items affecting comparability and costs due to larger investments in the production structure. Group staff and eliminations included Group-wide functions, Group eliminations and the share in profits in associated companies. Comparable periods have been adjusted. Currency hedging etc. includes results from hedging of the Group's net currency flows and revaluation of trade receivables and payments from customers. The part of the currency exposure that relates to changes in exchange rates for invoicing is included in the business area's profit/loss.

Net sales quarterly per business area and for the Group

SEKm	Q3 -17	Q2 -17	Q1 -17	Q4 -16	Q3 -16	Q2 -16	Q1 -16	Q4 -15	Jan-Sep 2017	Jan-Sep 2016
Packaging Paper	2 090	2 151	2 141	2 067	2 100	2 085	2 087	2 020	6 382	6 272
Consumer Board	2 019	2 099	2 128	1 988	1 975	2 028	2 024	1 933	6 246	6 027
Corrugated Solutions	1 012	902	931	989	913	839	879	880	2 845	2 631
Other	422	483	465	463	400	421	363	387	1 370	1 184
Currency hedging, etc.	1	-35	-29	-39	5	66	4	-7	-63	75
Total Group	5 544	5 600	5 636	5 468	5 393	5 439	5 357	5 213	16 780	16 189

EBITDA quarterly per business area and for the Group

SEKm	Q3 -17	Q2 -17	Q1 -17	Q4 -16	Q3 -16	Q2 -16	Q1 -16	Q4 -15	Jan-Sep 2017	Jan-Sep 2016
Packaging Paper	394	312	392	421	441	266	358	252	1 098	1 065
Consumer Board	466	498	440	336	424	479	484	295	1 404	1 387
Corrugated Solutions	269	163	190	241	241	130	217	204	622	588
Other	-80	-75	-70	-267	-74	-82	-46	-73	-225	-202
Currency hedging, etc.	2	-35	-29	-38	5	66	4	-7	-62	75
Total Group	1 051	863	923	693	1 037	859	1 017	671	2 837	2 913

EBITDA¹ quarterly per business area and for the Group

SEKm	Q3 -17	Q2 -17	Q1 -17	Q4 -16	Q3 -16	Q2 -16	Q1 -16	Q4 -15	Jan-Sep 2017	Jan-Sep 2016
Packaging Paper	464	482	420	421	502	415	358	370	1 366	1 275
Consumer Board	596	506	446	471	544	495	484	472	1 548	1 523
Corrugated Solutions	284	212	231	241	254	209	217	219	727	680
Other	-80	-75	-70	-62	-74	-57	-46	-72	-225	-177
Currency hedging, etc.	2	-35	-29	-38	5	66	4	-7	-62	75
Total Group	1 266	1 090	998	1 033	1 231	1 128	1 017	982	3 354	3 376
Costs for maint. shutdowns	-215	-227	-75	-135	-194	-244	-	-310	-517	-438
Items affecting comparability	-	-	-	-205	-	-25	-	-1	-	-25
EBITDA	1 051	863	923	693	1 037	859	1 017	671	2 837	2 913

EBITDA margin¹ quarterly per business area and for the Group

%	Q3 -17	Q2 -17	Q1 -17	Q4 -16	Q3 -16	Q2 -16	Q1 -16	Q4 -15	Jan-Sep 2017	Jan-Sep 2016
Packaging Paper	22	22	20	20	24	20	17	18	21	20
Consumer Board	30	24	21	24	28	24	24	24	25	25
Corrugated Solutions	28	24	25	24	28	25	25	25	26	26
Group	23	19	18	19	23	21	19	19	20	21

Sales volumes quarterly per business area and for the Group

ktonne	Q3 -17	Q2 -17	Q1 -17	Q4 -16	Q3 -16	Q2 -16	Q1 -16	Q4 -15	Jan-Sep 2017	Jan-Sep 2016
Packaging Paper	289	288	293	285	292	295	295	281	870	882
Consumer Board	265	279	285	257	261	268	265	257	829	794
Corrugated Solutions	145	121	144	147	140	129	138	132	410	407
Total Group	699	688	722	689	693	692	698	670	2 109	2 083

¹ EBITDA and margin are adjusted for the effects of periodical maintenance shutdowns and for items affecting comparability.

This is BillerudKorsnäs

BillerudKorsnäs is one of the **world's leading suppliers of high-quality, packaging materials** based on renewable raw material. Our wood raw material comes from sustainable managed forests and manufacturing takes place at resource-efficient, integrated production units.

Our customers are packaging manufacturers, brand owners and large retail and supermarket chains. Through close collaboration with customers and partners all over the world, we are able to offer a customised and broad product portfolio that features a high degree of innovation.

Demand is driven by global megatrends, particularly rising urbanisation, a greater focus on sustainability and changing consumption patterns. Consumer segments, primarily food and beverages, account for 74% of sales. While Europe is the core market, BillerudKorsnäs is gradually strengthening its presence in the leading growth markets of Asia.

Smart packaging solutions using paper or board from BillerudKorsnäs reduce the impact on the climate, cut the use of resources along the whole value chain and contribute to a sustainable future.

BUSINESS MODEL

Our business model is based on high-performance materials from forests in the north, advice, service and the collective knowledge held by a global network of machine suppliers, packaging manufacturers, researchers and design agencies. Innovative packaging solutions are developed in close collaboration with customers all over the world that demand the highest standards of quality, performance and sustainability.

STRATEGIC FOCUS

BillerudKorsnäs' overall objective is sustainable and profitable growth. The target is to grow by 3–4% a year. Our strategy is based on five areas that all interact: **Position, Innovation, Sustainability, Efficiency and Employees**. Find out more at billerudkorsnas.com

VALUE DRIVERS

High-performance materials based on renewable raw material from responsibly managed forests. Smarter solutions that optimise our customers' business. Leading positions in the growing global packaging market. A holistic approach to the entire packaging value chain from raw material all the way to the end-customer and recycling.



BILLERUDKORSNÄS

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