



## Interim Report January-June 2004

Corporate Identity No. 556025-5001

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

	Quarter			January-June	
	2004 II	2004 I	2003 II	2004	2003
Net turnover, MSEK	<b>1 764</b>	1 820	1 731	<b>3 584</b>	3 575
Operating profit, MSEK	<b>161</b>	225	284	<b>386</b>	581
Operating margin, %	<b>9</b>	12	16	<b>11</b>	16
Profit after financial items, MSEK	<b>140</b>	205	266	<b>345</b>	542
Net profit, MSEK	<b>101</b>	147	190	<b>248</b>	390
Earnings per share, SEK	<b>1.91</b>	2.73	3.30	<b>4.64</b>	6.75

- Operating profit during the January-June period reached MSEK 386, down 34% on the previous year. The fall was mainly due to lower prices and changed exchange rates. Deliveries amounted to 680 000 tonnes, up 6% on the previous year, in spite of larger maintenance stoppages.
- Compared with the first quarter the operating profit was down 28% or MSEK 64. The maintenance stoppages in Gruvön and Skärblacka had a negative impact on profit with MSEK 80.
- The profit after financial items was MSEK 345 and the return on capital employed over the past 12 months was 20%. Excluding the effects of currency hedging the return was 11%.
- The operating cash flow was MSEK 391, up MSEK 80 on the same period in 2003.
- The Board has decided to continue buying back Billerud shares.
- Billerud's profit after financial items is expected to be around MSEK 800 for 2004, compared to MSEK 1,042 during 2003. Changes in currency rates explains around MSEK 250 of the difference.

**Billerud's CEO Bert Östlund will present the Financial Statement live at a press conference today at 3 pm CET.**

**Location: Spårvagnshallarna, Birger Jarlsgatan 57 A, Stockholm**

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## **Billerud Group**

### **Market**

Deliveries in the second quarter amounted to 323,000 tonnes, down around 10% on the first quarter. The decrease was due to the maintenance stoppages at Billerud's two largest mills, Gruvön and Skärblacka. During the first half of the year deliveries have reached 680,000 tonnes, up around 6% on 2003.

Nearly unchanged orderbooks was noted for Billerud's packaging paper during the second quarter. Prices were raised for Billerud's containerboard products and were generally stable for other products. Due to an improved customer mix, average prices increased compared to the first quarter. Price rises have been announced for kraft paper starting from the third quarter. Deliveries of packaging paper amounted to 249,000 tonnes during the second quarter, down 8% on the first quarter. During the first six months deliveries totalled 519,000 tonnes, up 7% on the same period in 2003.

Price for long fibre sulphate pulp increased during the quarter. The market price climbed from USD 620 per tonne at the end of March to the current price of around USD 660 per tonne. Billerud's deliveries of market pulp fell by 15% compared with the first quarter and amounted to 74,000 tonnes. Deliveries during the first six months totalled 161,000 tonnes, up 6% compared with the same period last year.

### **Sales and results**

As previously announced, Billerud acquired the UK packaging paper company Henry Cooke Ltd on 27 February 2004. The name of the company has been changed to Billerud Beetham Ltd and has been consolidated in the Billerud Group from March 2004.

#### *Second quarter*

Net turnover for the second quarter amounted to MSEK 1,764, down 3% on the first quarter. Higher average prices during the quarter could not compensate for the reduction in volumes of about 10% due to the maintenance stoppages.

The operating profit was MSEK 161, down MSEK 64, or 28%, on the previous quarter. Lower contribution due to the maintenance stoppages reduced operating profit with about MSEK 80. Results were also affected by an MSEK 7 retroactive charge for electricity tax for the period August 2003 to June 2004.

Comments for the earnings trend for each product area are presented on page 5.

Net financial items amounted to MSEK -21 and were mainly interest charges for Billerud's syndicated bank loan and other loans. The profit after financial items amounted to MSEK 140.

#### *January- June*

Net turnover amounted to MSEK 3,584, virtually unchanged on the same period in 2003. During the period Beetham's net effect on the Billerud Group's turnover was MSEK 113 and on deliveries around 8,000 tonnes. The acquisition boosted turnover by around 3%. Group turnover was further boosted by around 5% due to higher volumes. These increases were offset by lower average prices (expressed in SEK), which meant that turnover was unchanged.

The operating profit was MSEK 386, down MSEK 195 or 34% on the same period in 2003. The change was due to the following components (expressed in MSEK):

Increased delivery volumes	+80
Lower sales prices, expressed in local currency	-155
Lower costs	+30
<u>Profit fall due to changed exchange rates</u>	<u>-150</u>
Total fall in operating profit	-195

A system for electricity certificates was introduced in Sweden from 1 May 2003. Revenues from sold certificates are reported as a reduction in electricity costs. The table above includes a reduction in costs of around MSEK 50 due to the sale of electricity certificates. A retroactive electricity tax charge of around MSEK 7 for the period August 2003 to June 2004 is also included.

Net financial items amounted to MSEK -41, down MSEK 2 or 5%, compared with the same period in 2003. The decline is completely due to one-off costs relating to the refinancing of Billerud's syndicated bank loan.

The estimated tax charge was MSEK 97, corresponding to a tax rate of 28%.

## Foreign exchange exposure

During the first six months of 2004 net flows were hedged at the following rates: EUR/SEK 9.30, USD/SEK 9.01 and GBP/SEK 14.07. Currency hedging of USD and GBP had an overall positive effect on net turnover and thus the operating profit of MSEK 194, of which 9% was due to EUR, 89% to USD and 2% to GBP. For the second quarter alone, the effects of hedging were positive at MSEK 91, of which 19% was due to hedging of EUR and 81% to hedging of USD.

Another impact on profits comes from customer receivables in foreign currency being valued at the hedged rates at the end of the period. Including this re-evaluation, the change in exchange rates had a negative effect on profits during the January-June period of around MSEK 150 compared with the same period in 2003.

Billerud has hedged around 100% of estimated net flows in EUR over 15 months, around 42% of estimated net flows in USD over 12 months and around 54% of estimated net flows in GBP over 12 months at the rates shown below. At present, 77% of hedged amounts are in EUR, 20% in USD and 3% in GBP.

### Hedged exchange rates for the next 15 months (five quarters)

Currency	Q 3 2004	Q 4 2004	Q 1 2005	Q 2 2005	Q 3 2005	Average
EUR/SEK	9,22	9,28	9,14	9,22	9,18	9,21
USD/SEK	8,44	8,50	7,67	7,62	-	8,34
GBP/SEK	13,23	13,17	13,48	13,53	-	13,29

Outstanding contracts, not matched by accounts receivable, as of 30 June 2004, had no effect on profits. If these contracts had been redeemed on the closing date it would have had a positive effect on profits of MSEK 79.

## **Investments and capital employed**

Investments in fixed assets during the period January-June 2004 amounted to MSEK 232, while depreciation in the same period was MSEK 205. The main investments were in the biological treatment plant at Gruvön and in higher capacity for sack paper and kraft paper at Skärblacka.

For the full year, investments are expected to be slightly above the depreciation level, which is expected to be at around MSEK 400.

Billerud's capital employed amounted to MSEK 4,506 as of 30 June 2004, compared with MSEK 4,424 at the end of 2003. The increase is mainly due to the acquisition of Billerud Beetham.

The return on capital employed, calculated over the latest 12-month period, was 20%, compared with 24% for the full year in 2003. The return on shareholders' equity after tax was 19%. If the positive effects of currency contracts are excluded, the return over the latest 12-month period was 11%.

## **Cash flow and financial position**

Cash flow from current activities during the first six months amounted to MSEK 621. Cash flow in 2004 is being affected positively by Billerud not having to make supplementary preliminary tax payments, which was the case in 2003. The ongoing investments are lower than for the same period in 2003. Operating cash flow amounted to MSEK 391, up MSEK 80 on the same period in 2003.

The acquisition of Billerud Beetham affected cash flow by MSEK 222, of which MSEK 209 was payment for shares and the assumption of net debt. The remaining amount concerns costs of around MSEK 6 in connection with the take-over and costs of around MSEK 7 for changes in the sales organisation. Cash flow in the company from the acquisition date is reported in the cash flow statement.

During the period MSEK 346 was paid in dividends and MSEK 168 in share buy-backs. A total of MSEK 514 was therefore paid out to shareholders. The difference between the actual dividend, MSEK 346, and the dividend proposed in the Annual Report, MSEK 352, is related to share buy-backs. From 1 January 2004 up to the record date for the dividend payment Billerud AB acquired 875,000 shares for which no dividend was paid.

External borrowings increased by MSEK 535 during the period and liquid assets increased by MSEK 190. Net debt increased by MSEK 359.

The Group's net debt/equity ratio at the end of the period was 0.54, compared with 0.38 at the end of 2003 and 0.48 on 30 June 2003. The increase in the net debt/equity ratio during 2004 was a consequence of dividend and share buy-back costs and the acquisition of Billerud Beetham and is in accordance with Billerud's financial goals.

### Cash flow analysis in summary

MSEK (positive figure indicates a reduction in debt)	Jan-June 2004	Jan-March 2004	April-June 2004	Jan-June 2003
Current activities	621	326	295	559
Investment activities	-230	-78	-152	-248
Operating cash flow	391	248	143	311
Acquisition of Henry Cooke Ltd	-222	-222		
Cash flow after investment activities	169	26	143	311
Dividend	-346	-	-346	-376
Share buy-back	-168	-96	-72	-52
To shareholders	-514	-96	-418	-428
Other, items not affecting cash flow	-14	-16	2	-8
Change in net debt during the period	-359	-86	-273	-125

### Financing

Interest-bearing loans as of 30 June 2004 amounted to MSEK 2,006. This includes utilisation of a syndicated bank loan of MSEK 341, bond loans of MSEK 742 and utilisation of Billerud's certificate programme of MSEK 894 (of a maximum MSEK 1,000). There is also a convertible debenture with a market value of MSEK 29.

### Personnel

The average number of employees during the first quarter of 2004 was 2,558, compared with 2,388 in the first six months of 2003. The increase is primarily due to the acquisition of Billerud Beetham.

### Product areas

Billerud's activities consist of three product areas – Kraft paper, Containerboard and Market pulp – which are strongly integrated in terms of production, making them hard to identify for accounting purposes. Risks and opportunities do not differ significantly between the product areas. Billerud has chosen to report and control its activities in these three product areas, which in the company's judgement form a joint operation and a primary segment. Markets are not considered to differ significantly in terms of risks and opportunities.

### Net turnover and operating profit

	Net turnover						Operating profit					
	Q 2 2004	Q 1 2004	% change	Jan-Jun 2004	Jan-Jun 2003	% change	Q 2 2004	Q 1 2004	% change	Jan-Jun 2004	Jan-Jun 2003	% change
MSEK												
Kraft paper	929	902	3	1831	1 818	1	106	138	-23	244	371	-34
Containerboard	470	520	-10	990	1 062	-7	1	34	-97	35	173	-80
Market pulp	365	398	-8	763	695	10	64	63	2	127	61	108
Other and eliminations		-			-		-10	-10		-20	-24	
<b>Total Group</b>	<b>1764</b>	<b>1 820</b>	<b>-3</b>	<b>3584</b>	<b>3 575</b>	<b>-</b>	<b>161</b>	<b>225</b>	<b>-28</b>	<b>386</b>	<b>581</b>	<b>-34</b>

## ***Kraft paper***

### *Second quarter*

The operating profit for the quarter was MSEK 106, down MSEK 32, or 23%, on the first quarter mainly due to lower volumes and higher costs. The average price level was slightly higher during the second quarter.

### *January-June*

The operating profit was MSEK 244, down 34%, mainly due to lower prices and negative currency effects, which was partly compensated by an 11% increase in delivery volumes.

## ***Containerboard***

### *Second quarter*

The operating profit for the quarter was MSEK 1, down MSEK 33, or 97%, on the previous quarter. Delivery volumes were down 13% and the cost level was higher, mainly due to the maintenance stoppage at Gruvön and Skärblacka. Average prices were slightly higher than the previous quarter.

### *January-June*

The operating profit was MSEK 35, down 80% on the same period in 2003, mainly due to lower prices.

## ***Market pulp***

### *Second quarter*

The operating profit for the quarter was MSEK 64, up MSEK 1 or 2% on the first quarter.

### *January-June*

The operating profit was MSEK 127, up MSEK 66 or 108% compared with the same period in 2003 due to higher prices, a 6% increase in delivery volumes and lower costs.

## **Parent company**

Billerud AB comprises the Gruvön mill, the sales organisation for the Nordic markets and markets outside Europe, and head office functions.

Net turnover in the first six months of 2004 amounted to MSEK 1,512. The profit after financial items amounted to MSEK 52. Fixed-asset investments, excluding shares, amounted to MSEK 137. The average number of employees was 1,167. Liquid assets and short-term investments amounted to MSEK 459.

## **Buy-back of shares and share distribution**

Billerud's Board of Directors has decided to continue buying back the company's own shares. The decision is part of changes to the company's capital structure in accordance with the financial goals, which includes maintaining the debt/equity ratio between 0.6 and 0.9. Shares will be acquired on the stock exchange at market rates.

During the first six months of 2004 Billerud has bought back 1,478,000 shares at an average price of around SEK 113.37 per share. After the buy-back the company's holding of its own shares is now 5,260,000 shares, which represents around 9% of the total number of shares.

The Annual General Meeting held on 5 May 2004 voted to write down the company's share capital by 58,212,500 SEK by withdrawing without repayment 4,657,000 shares bought back by the company at the time of the AGM. An application has been made at the county court for permission to perform this transaction, and a decision is expected in September 2004.

The holding of the company's own shares can amount in total to a maximum of around 5,791,000 shares, equivalent to 10% of the total number of shares. Up to the time when the county court publishes its verdict a further maximum 531,000 shares may be bought back. Following the write down of share capital a further maximum of around 1.8 million shares may be bought back up to the date of the next AGM. The restriction is due to the availability of non-restricted shareholders' capital.

## Largest shareholders

According to the register held by VPC (The Swedish Securities Register) and other sources as of 30 June 2004 the ten largest shareholders in Billerud are as follows (excluding Billerud's own holding of 5.3 million shares and holdings by banks):

Owner	No. of shares (millions)	% of shares on the market (shares = votes)
GMO Fonder	1.7	3.3
SEB Fonder/SEB Trygg Liv	1.7	3.1
AFA Försäkringar	1.5	2.9
AMF	1.5	2.8
JP Morgan Chase	1.4	2.7
Handelsbanken Fonder	1.3	2.4
DWS Investment	1.2	2.3
Skandia Fonder/Skandia Liv	0.8	1.5
Putnam Fonder	0.8	1.5
Robur Fonder	0.7	1.3
<b>Total</b>	<b>12.6</b>	<b>23.9</b>
<b>Total excluding Billerud's buy-back of shares (5 260 000)</b>	<b>52.6</b>	<b>100.0</b>

Non-Swedish shareholders own 27% of the total number of shares on the market. There are 169,000 shareholders (including nominee registrations).

## Distribution of shares

As of 30 June 2004 the distribution of shares was as follows:

Registered amount of shares	57 909 998
<u>Bought-back shares in company ownership</u>	<u>- 5 260 000</u>
Shares on the market	52 649 998
<u>Convertible debenture loan (on full conversion)</u>	<u>268 047</u>
Shares on the market (after full conversion)	52 918 045

## Introduction of IFRS

Billerud is affected by the introduction of certain International Accounting Standards (IAS) rules starting in 2005. A survey of the effects of introducing International Financial Reporting Standards (IFRS) is presented in the annual report for 2003 on page 19. In addition to the information given in the annual report, no further significant differences compared with current accounting principles have been identified.

## Outlook

Deliveries in the second half of the year are expected to reach around the same level as in the first half of the year. The price level for Billerud's kraft paper and containerboard is at present higher than during the first half of 2004, expressed in invoicing currencies. For market pulp, the current price is about USD 660 per tonne of long fibre sulphate. The assessment is that pulp prices will rise to the announced level of USD 670 per tonne.

Changes in currency rates, including existing hedging contracts, will have a negative impact on operating profit of around MSEK 250 in 2004 compared with 2003, whereof around MSEK 100 during second quarter.

Increased costs for fibre are expected to have a negative impact on the operating profit of around MSEK 70 compared with 2003. This increase will affect Billerud mainly from the third quarter.

A maintenance stoppage is planned at Karlsborg in the third quarter.

Based on the above factors Billerud is forecasting improved results in the second half of 2004 compared with the first half. Billerud's profit after financial items in 2004 is expected to reach around MSEK 800, compared to MSEK 1,042 during 2003.

Stockholm, Sweden  
20 July 2004  
Billerud AB (publ)

*The Board of Directors*

*This interim report has not been subject to verification by the company's authorised public accountants.*

### Interim reports

Third quarter 2004	21 October 2004
Financial Statement 2004	27 January 2005
First quarter 2005	26 April 2005
Second quarter 2005	26 July 2005
Third quarter 2005	26 October 2005

The AGM will be held on 3 May 2005

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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.*



## Billerud Group

## Accounting principles

The accounts are prepared in accordance with the recommendations of the Swedish Financial Accounting Standards Council, and this report is drawn up in accordance with the Council's recommendation RR20. Concerning recommendation RR25 (Reporting for segments – line of business and geographic area) see comments under Product areas on page 5 of this report. Most of Billerud's pension plans are benefit-related. From 2004 Billerud will implement recommendation RR29 – Remuneration to employees. These rules are based on IAS 19 and the effect of changing principles has been reported directly under shareholders' equity as of 1 January 2004. Adapting to this recommendation is described in the specification of the change in shareholders' equity below. For details of accounting principles and definitions of key figures, see the 2003 Annual Report pages 46-49 and page 57.

Profit and Loss Account	3 months		6 months		Full year	
	Apr-Jun 2004	Jan-March 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jan-Dec 2003
MSEK						
Net turnover	1 764	1 820	1 731	3 584	3 575	6 992
Other income	2	2	2	4	4	10
<b>Operating income</b>	<b>1 766</b>	<b>1 822</b>	<b>1 733</b>	<b>3 588</b>	<b>3 579</b>	<b>7 002</b>
Raw materials and consumables	-651	-665	-605	-1 316	-1 216	-2 439
Change in stock	-11	-36	31	-47	-2	28
Other external expenses	-472	-476	-446	-948	-964	-1 869
Staff expenses	-367	-319	-334	-686	-626	-1 224
Depreciation	-104	-101	-95	-205	-190	-380
<b>Operating expenses</b>	<b>-1 605</b>	<b>-1 597</b>	<b>-1 449</b>	<b>-3 202</b>	<b>-2 998</b>	<b>-5 884</b>
<b>Operating profit</b>	<b>161</b>	<b>225</b>	<b>284</b>	<b>386</b>	<b>581</b>	<b>1 118</b>
Financial items	-21	-20	-18	-41	-39	-76
<b>Profit after financial items</b>	<b>140</b>	<b>205</b>	<b>266</b>	<b>345</b>	<b>542</b>	<b>1 042</b>
Tax	-39	-58	-76	-97	-152	-294
<b>Net profit for the period</b>	<b>101</b>	<b>147</b>	<b>190</b>	<b>248</b>	<b>390</b>	<b>748</b>
<b>Earnings per share, SEK</b>	<b>1.91</b>	<b>2.73</b>	<b>3.30</b>	<b>4.64</b>	<b>6.75</b>	<b>13.13</b>
<b>Earnings per share after full conversion, SEK</b>	<b>1.90</b>	<b>2.72</b>	<b>3.29</b>	<b>4.63</b>	<b>6.73</b>	<b>13.09</b>
<b>Balance sheet</b>						
MSEK			30 June 2004	30 June 2003	31 March 2004	31 Dec 2003
Fixed assets			4 567	4 419	4 520	4 364
Stocks			710	688	704	690
Accounts receivable			1 197	1 143	1 226	1 083
Other current assets			183	178	155	154
Cash, bank balances and short term investments			543	279	679	353
<b>Total assets</b>			<b>7 200</b>	<b>6 707</b>	<b>7 284</b>	<b>6 644</b>
Shareholders' equity			2 928	3 195	3 245	3 204
Interest-bearing provisions			121	96	123	108
Non-interest-bearing provisions			1 006	694	1 017	973
Interest-bearing liabilities			2 006	1 728	1 867	1 470
Accounts payable			495	354	414	383
Other, non-interest-bearing liabilities			644	640	618	506
<b>Total shareholders' equity, provisions and liabilities</b>			<b>7 200</b>	<b>6 707</b>	<b>7 284</b>	<b>6 644</b>
<b>Specification of change in equity</b>						
MSEK			Jan-June 2004	Jan-June 2003	Jan-March 2004	Full year 2003
Opening equity			3 204	3 233	3 204	3 233
Adapting to recommendation RR 29 of the Swedish Financial Accounting Standards Council			-10		-10	
Adjusted opening equity			3 194	3 233	3 194	3 233
Net profit for the period			248	390	147	748
Dividend			-346	-376		-376
Share buy-back			-168	-52	-96	-401
<b>Closing equity</b>			<b>2 928</b>	<b>3 195</b>	<b>3 245</b>	<b>3 204</b>

<b>Cash Flow Statement</b>	<b>Jan-June</b>	Jan-June	April-June	Full year
MSEK	<b>2004</b>	2003	2004	2003
Operating surplus, etc 1)	<b>591</b>	772	<b>260</b>	1 494
Change in working capital, etc	<b>95</b>	-34	<b>60</b>	79
Net financial items, taxes, etc	<b>-65</b>	-179	<b>-25</b>	-201
<b>Cash flow from operating activities</b>	<b>621</b>	559	<b>295</b>	1 372
Investment in fixed assets	<b>-232</b>	-249	<b>-153</b>	-381
Acquisition of Henry Cooke Ltd	<b>-222</b>			
Disposal of fixed assets	<b>2</b>	1	<b>1</b>	1
<b>Cash flow from investment activities</b>	<b>-452</b>	-248	<b>-152</b>	-380
Changes in interest-bearing debt	<b>535</b>	-200	<b>139</b>	-458
Dividend	<b>-346</b>	-376	<b>-346</b>	-376
Share buy-back	<b>-168</b>	-52	<b>-72</b>	-401
<b>Cash flow from financing activities</b>	<b>21</b>	-628	<b>-279</b>	-1 235
<b>Total cash flow (= change in liquid assets)</b>	<b>190</b>	-317	<b>-136</b>	-243
<b>Liquid assets at the beginning of the year</b>	<b>353</b>	596	<b>679</b>	596
<b>Total cash flow</b>	<b>190</b>	-317	<b>-136</b>	-243
<b>Liquid assets at the end of the period</b>	<b>543</b>	279	<b>543</b>	353

1) The amount for the January-June period includes an operating surplus of MSEK 386 and returned depreciation of MSEK 205.

<b>Key figures</b>	<b>Jan-June</b>	Jan-June	Jan-March	Full year
	<b>2004</b>	2003	2004	2003
<i>Margins</i>				
Gross margin, %	<b>16</b>	22	18	21
Operating margin, %	<b>11</b>	16	12	16
<i>Return (rolling 12 months)</i>				
Return on capital employed, %	<b>20</b>	27	23	24
Return on equity, %	<b>19</b>	27	21	23
Return on equity after full conversion, %	<b>19</b>	27	21	23
<i>Capital structure at end of period</i>				
Capital employed, MSEK	<b>4 506</b>	4 740	4 551	4 424
Shareholders equity, MSEK	<b>2 928</b>	3 195	3 245	3 204
Interest-bearing net debt, MSEK	<b>1 579</b>	1 545	1 306	1 220
Net debt/equity ratio, times	<b>0.54</b>	0.48	0.40	0.38
Net debt/equity ratio after full conversion, times	<b>0.52</b>	0.47	0.39	0.37
Equity ratio, %	<b>41</b>	48	45	48
Equity ratio after full conversion, %	<b>41</b>	48	45	49
<i>Per share</i>				
Profit per share, SEK	<b>4.64</b>	6.75	2.73	13.13
Average no. of shares, '000	<b>53 393</b>	57 805	53 800	56 990
Earnings per share after full conversion, SEK	<b>4.63</b>	6.73	2.72	13.09
Average no. of shares, '000	<b>53 661</b>	58 074	54 068	57 258
<i>Per share at end of period</i>				
Equity per share, SEK	<b>55.61</b>	55.69	60.93	58.19
No. of shares, '000	<b>52 650</b>	57 374	53 253	54 128
Equity per share after full conversion, SEK	<b>55.87</b>	55.92	61.16	59.42
No. of shares, '000	<b>52 918</b>	57 642	53 521	54 396
Gross investments, MSEK	<b>232</b>	249	79	381
Acquisition of Henry Cooke Ltd	<b>222</b>		222	
Average number of employees	<b>2 558</b>	2 388	2 463	2 418

## Product areas

### Quarterly breakdown of net turnover by product area and for the Group

MSEK	2004		2003				
	II	I	Full year	IV	III	II	I
Kraft paper	929	902	3 474	788	868	873	945
Containerboard	470	520	2 067	519	486	521	541
Market pulp	365	398	1 454	383	376	337	358
Other and eliminations	-	-	-3	-1	-2	-	-
Total Group	1 764	1820	6 992	1 689	1 728	1 731	1 844

### Quarterly breakdown of operating profit by product area and for the Group

MSEK	2004		2003				
	II	I	Full year	IV	III	II	I
Kraft paper	106	138	718	150	197	169	202
Containerboard	1	34	287	56	58	91	82
Market pulp	64	63	175	63	51	38	23
Other and eliminations	-10	-10	-62	-14	-24	-14	-10
Total Group	161	225	1 118	255	282	284	297

### Quarterly breakdown of operating margin by product area and for the Group

%	2004		2003				
	II	I	Full year	IV	III	II	I
Kraft paper	11	15	21	19	23	19	21
Containerboard	0	7	14	11	12	18	15
Market pulp	18	16	12	16	14	11	6
The Group	9	12	16	15	16	16	16

### Quarterly delivery volumes per product area

'000 tonnes	2004		2003				
	II	I	Full year	IV	III	II	I
Kraft paper	132	136	476	113	122	115	126
Containerboard	117	134	489	128	115	121	125
Market Pulp	74	87	323	86	85	69	83
Total	323	357	1 288	327	322	305	334