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28 October 2011

## **Strong earnings and very strong cash flow**

CEO Per Lindberg comments on the development during Q3 2011:

"Billerud can deliver yet another strong result for the third quarter with an operating margin of 13%. Cash flow from operating activities amounted to SEK 531 million, which is very strong. Operating profit for the quarter of SEK 296 million means that earnings for the third quarter were just as strong as in the previous quarters in 2011. This was achieved despite periodic maintenance and market-related shutdowns. So the weaker market situation during the quarter was not reflected in the figures. In the packaging paper segments, we maintained the price level in local currency, but in the latter part of the third quarter we felt some price pressure from the market.

Our work to strengthen Billerud's brand as "The Natural Part in Smarter Packaging" was launched when Billerud opened NASDAQ OMX in New York on 26 September. This clarifies our position as a more customer- and solutions-oriented company and we offer packaging manufacturers and brand owners clear added value with brand-strengthening, productivity-boosting and environment-enhancing packaging solutions.

During the quarter we also earned recognition in the form of the packaging world's finest design award, Pentawards Best of the Show, which went to NINE, Billerud's innovation and design agency, as well as Design Challenge 2011 at the largest packaging fair in the Nordic region which was won by Chesapeake's new Impressions™ packaging range based on Billerud FibreForm®.

Even though the current market situation is uncertain, I view the future with great confidence. We feel well equipped to deal with the challenges and opportunities that lie ahead."

Solna, 28 October 2011  
Billerud AB (publ)

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