
22 May 2012

Acquisition of UPM's packaging paper operations approved by the requisite regulatory authorities

The requisite regulatory authorities have approved Billerud Finland Oy's acquisition of UPM's packaging paper operations at Pietarsaari and Tervasaari. Billerud Finland Oy is a wholly owned subsidiary of Billerud AB. The purchase price is around EUR 130 million.

“The acquisition strengthens our offering in packaging paper and provides us with a strong platform for the further development of smarter packaging solutions. Also, the acquisition sharply reduces our pulp exposure as we will purchase an annual pulp volume corresponding to around 85% of Billerud's present pulp sales volume. We also reduce our currency exposure,” says Per Lindberg, President and CEO of Billerud.

The transaction involves Billerud taking over one paper machine at Pietarsaari and one at Tervasaari, both in Finland. In 2011, sales amounted to around EUR 220 million (SEK 2 billion). Manufactured products are various packaging papers (sack/kraft paper) with extensive areas of use in the food, retail, construction and other industries.

Completion of the acquisition is expected to take place during the second quarter of 2012.

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The information is such that Billerud Aktiebolag (publ) is obligated to publish under the Swedish Securities Market Act. Submitted for publication at 8 am CET, 22 May 2012. This press release has been prepared in a Swedish, an English and a Finnish version. In the event of variations between the language versions, the Swedish version shall take precedence.