
19 July 2012

Historic first half-year

CEO Per Lindberg comments on the development during Q2 2012:

“The first half-year of 2012 will go to history as the period in which we successfully concluded negotiations on two major strategic acquisitions. In January, we acquired UPM’s packaging paper operation, with ownership being transferred in June on approval by the competition authorities. This generated sales of SEK 168 million and an operating profit of SEK 10 million in the second quarter. On 20 June, we announced the combination with Korsnäs. In the transaction, Billerud will acquire Korsnäs shares from the current holder, Kinnevik, in exchange for cash and shares in Billerud. The combination represents a natural progression in consolidating the successful businesses of Billerud and Korsnäs in packaging materials and packaging solutions, with the objective of creating a strong international player in the packaging industry. The deal is conditional on approval by the AGM and the competition authorities.

It is pleasing to note that Billerud’s three business areas are performing better than in the first quarter and that the operating margin for our packaging papers is higher than 10%. Overall, Billerud reports sales of SEK 2 440 million and an operating margin of 7%. Our price increases are not yet reflected in earnings. Their impact is only expected to emerge during the next half-year.

Through our acquisitions, Billerud will become an even stronger partner for our customers. We would like our customers to see our expansion and strengthened position as something greatly to be welcomed. Billerud’s focus going forward will be to integrate our acquisitions in such a way as to offer customers an extended product portfolio and improved service and to the shareholders deliver the increased return that they expect.”

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Per Lindberg
President and CEO

For further information please contact:

*Per Lindberg, President and CEO, +46 8 553 335 01 or +46 70 248 15 17
Susanne Lithander, CFO, +46 8 553 335 07 or +46 73 037 08 74*

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