

INTERIM REPORT JANUARY-MARCH 2012



SEKm	Q1 2012	Q4 2011	Δ, %	Q1 2011	Δ, %
Net sales	2 291	2 086	10%	2 547	-10%
EBITDA	292	225	30%	485	-40%
Operating profit/loss	142	75	89%	332	-57%
Operating margin, %	6%	4%	2	13%	-7
Profit/Loss before tax	132	62	113%	320	-59%
Net profit/loss for the period	96	45	113%	235	-59%
Earnings per share, SEK	0.94	0.44	114%	2.28	-59%

SEK 142m

Operating profit

6%

Operating margin

SEK 132m

Profit before tax

SEK 0.94

Earnings per share

First quarter 2012

- Net sales amounted to SEK 2 291 million, compared with SEK 2 086 million in the previous quarter.
- Operating profit totalled SEK 142 million, up SEK 67 million on the previous quarter. The increase arises mainly from the absence of maintenance or market-related production shutdowns, leading to higher volumes and lower fixed costs.
- Results for the quarter were charged with acquisition-related non-recurring costs of SEK 14 million. Adjusted for these non-recurring costs, operating profit totalled SEK 156 million.
- Prices in local currency for packaging paper fell by around 2% compared with the previous quarter, as a result of the price cuts made during the previous quarter.

Outlook

- The market shows signs of an upturn during the second quarter.
- The order situation in the packaging paper segments improved in the first quarter, compared to the previous one, and had at the beginning of the second quarter on average returned to normal levels. It is anticipated that the order situation will remain good in the next quarter.
- Price cuts in the packaging paper segments halted during the quarter.
- Price rises have during the quarter been announced in certain product categories and a price increase of 8-10% for sack and kraft paper was announced after the end of the quarter, to take effect on 1 June 2012.
- Acquisition-related non-recurring costs will be charged to results in the quarter in which the acquisition of UPM-Kymmene's packaging paper business will be completed. These costs are estimated to an additional approximately SEK 15 million. Added to this figure will be non-recurring costs, already disclosed, estimated at approximately SEK 22 million to separate off the business acquired. The costs will accrue over the three remaining quarters of the year.
- Wood prices are anticipated to be lower in 2012 than in 2011.

Billerud's President and CEO Per Lindberg and CFO Susanne Lithander will present the interim report at a press and analyst conference at 13.30 CET on Thursday, 26 April.
Venue: Tändstickspalatset, Västra Trädgårdsgatan 15, Stockholm.

For further information, please contact:

Per Lindberg, President and CEO +46 70 248 15 17
Susanne Lithander, CFO, +46 730 370 874

The information in this report is such that Billerud Aktiebolag (publ) is obliged to disclose under the Swedish Securities Market Act. The information was submitted for publication at 07.45 CET on 26 April 2012.

10%

Net sales growth
Q1 2012 vs. Q4 2011

6%

Operating margin Q1 2012



Per Lindberg
President and CEO

Approximately 2% lower prices in local currency for packaging paper compared with the previous quarter

The price of NBSK pulp in Europe increased by approximately USD 25 per tonne during the quarter

14% higher sales volumes

COMMENTS BY BILLERUD'S CEO PER LINDBERG

UPTURN IN MARKET WITH POSITIVE OUTLOOK

“The order situation has improved in our packaging paper segments and is now at a normal level. However, our sales of SEK 2 291 million and operating margin of 6% reflect a low level of prices. In local currency, prices for packaging paper fell by around 2% in the first quarter, as a result of pressure on prices during the previous quarter. We are today announcing an increase of EUR 80 per tonne in the prices of our sack and kraft paper, with effect from 1 June.

As we disclosed earlier, we reached agreement with UPM-Kymmene on 1 February concerning the acquisition of its packaging paper operations in Pietarsaari and Tervasaari, at a cost of EUR 130 million. The acquisition will complement our current product offering and enable us to develop and strengthen our offering in renewable, smarter packaging. Through the acquisition, we will also reduce our pulp exposure, in turn bringing down the volatility in our results. It also enables us to expand our EUR cost base. We are anticipating net annual synergies amounting to SEK 30 million, and that earnings per share will rise once the effects of the synergies are achieved. It is anticipated that the take-over of the acquired business will be completed in the second quarter.”

MARKET

Billerud offers the global packaging market innovative and sustainable products and services. The Group has a leading position in primary fibre-based packaging paper. The packaging market shows continued positive long-term development primarily due to increased globalisation, greater prosperity and changed consumption patterns. In addition to packaging paper, Billerud sells the surplus of long-fibre pulp, Northern Bleached Softwood Kraft (NBSK), which is not used in its own production.

The order situation in Billerud's packaging paper segments improved in the quarter, compared with the previous one, but varied from one product group to another. Towards the end of the quarter, the order situation in sack paper was stronger than normal, while it was normal for kraft paper and at somewhat lower levels than normal in the majority of grades of containerboard. Prices in local currency fell by approximately 2% during the quarter, compared with the fourth quarter. This resulted from the price cuts made in the previous quarter. However, the pressure on prices in the fourth quarter lessened during the first quarter of 2012. As a result, no further price cuts were implemented. Today price increases of EUR 80 per tonne are announced for Billerud sack and kraft paper. The price changes are to take effect on 1 June 2012. Further market information per business area is provided on pages 5-6.

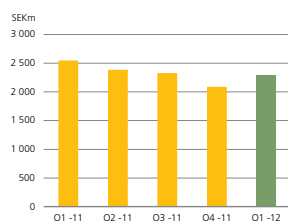
The balance between supply and demand in the market for NBSK pulp improved in the first quarter, compared with the previous quarter. This showed through for example in lower levels of pulp stocks held by producers. The price level in Europe rose to approximately USD 850 per tonne at the end of the quarter, compared with approximately USD 825 per tonne at the beginning of the quarter. A further price increase to USD 870 per tonne has been announced for April.

SALES VOLUMES

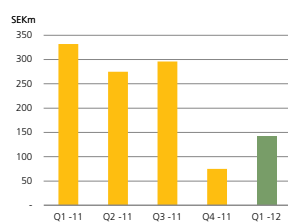
ktonnes	Q1 -12	Q4 -11	Δ, %	Q1 -11	Δ, %
Packaging paper	264	227	16	286	-8
Market pulp	96	88	9	83	16
Total	360	315	14	369	-2

During the first quarter of 2012, Billerud's total sales volumes amounted to 360 ktonnes, up 14% from the previous quarter. In contrast to the previous quarter, neither periodic maintenance nor market-related production shutdowns took place during the quarter.

NET SALES



OPERATING PROFIT



The increase in operating profit arises mainly from the absence of maintenance or market-related production shutdowns, leading to higher volumes and lower fixed costs.

SALES AND RESULTS

FIRST QUARTER COMPARED WITH FOURTH QUARTER

Net sales amounted to SEK 2 291 million, an increase of 10% compared with the fourth quarter. This was mainly attributable to higher sales volumes.

Operating profit totalled SEK 142 million, a rise of SEK 67 million. Adjusted for the acquisition-related non-recurring costs, the operating profit totalled SEK 156 million. The change in operating profit is shown in the table below. The operating margin totalled 6% (4).

CHANGE IN OPERATING PROFIT COMPARED WITH PREVIOUS QUARTER

SEKm	Q1 -12 /Q4 -11
Sales and production volumes, incl. product mix	69
Selling prices (in respective sales currency)	-56
Change in variable costs	37
Change in fixed costs	41
Change in depreciation	0
Effects of exchange rate fluctuations, incl. hedging*	-24
Total change in operating profit/loss	67

*Effects of exchange rate fluctuations totalling SEK -24 million comprise the following items: changes in spot rates SEK -31 million, currency hedging SEK 0 million and currency effects from revaluation of trade receivables and payments from customers SEK 7 million.

In contrast to the previous quarter, neither maintenance nor market-related production shutdowns took place during the quarter, leading to higher volumes and lower fixed costs. Higher sales and production volumes had a positive effect of SEK 69 million on operating profit. As a result of a fire at the Gruvön mill, results in the first quarter were charged with costs of around SEK 8 million, mostly volume-related.

Changes in selling prices in local currency had a negative impact of SEK 56 million. Prices in local currency for the packaging paper segments were on average around 2% down on the previous quarter. This was a result of the price cuts made during the previous quarter.

Variable costs fell by SEK 37 million. Lower wood prices had a positive impact of SEK 48 million on operating profit, while higher costs for other energy, such as fuel oil, bark and raw turpentine, had a negative impact of SEK 18 million. Fixed costs fell by SEK 41 million, mainly due to lower maintenance costs. The cost of consultation in connection with the acquisition of the packaging paper business of UPM-Kymmene raised fixed costs by SEK 14 million.

OPERATING PROFIT PER BUSINESS AREA

Business area (share of sales)	Operating margin, %		Operating profit/loss, SEKm		Deviation
	Q1 -12	Q4 -11	Q1 -12	Q4 -11	
Packaging & Speciality Paper and Packaging Boards <i>Packaging paper (approx. 80%)</i>	9%	8%	156	125	31
Market Pulp <i>Market pulp (approx. 20%)</i>	-4%	-6%	-16	-24	8
Currency hedging and other	na	na	2	-26	28
Group	6%	4%	142	75	67

In addition to the three business areas, the Group includes Currency hedging etc., and Other and eliminations, according to the specification on page 15.

Operating profit for packaging paper (Packaging & Speciality Paper and Packaging Boards) rose by SEK 31 million, corresponding to an increase in the operating margin from 8 to 9%. The increase is attributable to higher sales volumes and lower costs. The operating profit for Market Pulp increased by SEK 8 million, mainly as a result of lower fixed costs and higher sales volumes. The operating margin amounted to -4% compared with -6%. Further financial information per business area is provided on pages 5-7.

Net financial items totalled SEK -10 (-13). Profit before tax was SEK 132 million and estimated tax SEK -36 million. Net profit therefore amounted to 96 million.

9% operating margin for packaging paper and -4% for market pulp

Net sales fell by 10%

FIRST QUARTER COMPARED WITH THE SAME PERIOD IN 2011

Net sales fell by 10% compared with the same period in the previous year.

Operating profit decreased by SEK 190 million

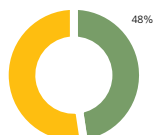
Operating profit fell by SEK 190 million, mainly because of less favourable prices and lower sales and production volumes (see table below). The operating margin reached 6% (13).

CHANGE IN OPERATING PROFIT COMPARED WITH THE SAME PERIOD IN THE PREVIOUS YEAR

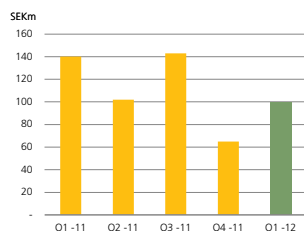
SEKm	Q1 -12 /Q1 -11
Sales and production volumes, incl. product mix	-34
Selling prices (in respective sales currency)	-149
Change in variable costs	29
Change in fixed costs	-9
Change in depreciation	3
Effects of exchange rate fluctuations, incl. hedging*	-30
Total change in operating profit/loss	-190

*Effects of exchange rate fluctuations totalling SEK -30 million comprise the following items: changes in spot rates SEK 26 million, currency hedging SEK -55 million and currency effects from revaluation of trade receivables and payments from customers SEK -1 million.

SHARE OF GROUP'S NET SALES Q1 2012



OPERATING PROFIT



PACKAGING & SPECIALITY PAPER BUSINESS AREA

Packaging & Speciality Paper offers technically advanced kraft and sack paper for packaging for food, industrial applications and carrier bags, as well as services within packaging optimisation and design. The largest markets are Europe and Asia.

SEKm	Quarter			Full year
	Q1 -12	Q4 -11	Q1 -11	2011
Net sales	1 091	941	1 217	4 293
Other income	-	-	-	-
Operating expenses, other	-915	-801	-994	-3 525
Depreciation and impairment	-76	-75	-83	-318
Operating profit/loss	100	65	140	450
Operating margin, %	9%	7%	12%	10%
Sales volumes, ktonnes	136	112	150	507

FIRST QUARTER

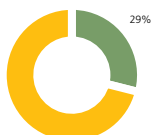
Operating profit amounted to SEK 100 million, an increase of SEK 35 million compared with the previous quarter. The increase is attributable to higher sales volumes and lower variable costs. Less favourable prices impacted negatively on the operating profit.

Compared with the same period in 2011, operating profit fell by SEK 40 million, mainly as a result of lower sales volumes and less favourable prices.

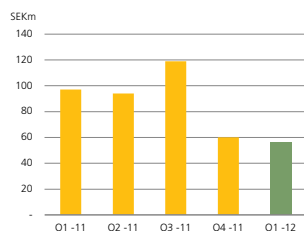
MARKET DEVELOPMENT

The order situation for both sack and kraft paper improved during the quarter compared with the previous quarter. Towards the end of the quarter, the level of orders in sack paper was higher than normal, while it was normal for kraft paper. Prices in local currency weakened for all products during the quarter, compared with the previous quarter. This resulted from the price cuts made in the previous quarter. However, the pressure on prices in the fourth quarter lessened during the quarter. As a result, no further price cuts were implemented. Today price increases of EUR 80 per tonne are announced for Billerud sack and kraft paper. The price changes are to take effect on 1 June 2012.

SHARE OF GROUP'S NET SALES Q1 2012



OPERATING PROFIT



PACKAGING BOARDS BUSINESS AREA

The Packaging Boards business area develops and sells containerboard for packaging for fruit and vegetables, consumer goods and for transport packaging. The offering also includes liquid board and board for paper cups (Cup Stock), as well as packaging optimisation services. Europe is the largest market.

SEKm	Quarter			Full year
	Q1 -12	Q4 -11	Q1 -11	2011
Net sales	663	644	728	2 772
Other income	-	-	-	-
Operating expenses, other	-563	-542	-591	-2 238
Depreciation and impairment	-44	-42	-40	-164
Operating profit/loss	56	60	97	370
Operating margin, %	8%	9%	13%	13%
Sales volumes, ktonnes	128	115	136	504

FIRST QUARTER

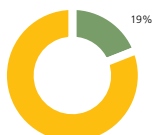
Operating profit amounted to SEK 56 million, down SEK 4 million from the previous quarter. The decrease is attributable to less favourable prices, which were partly offset by higher sales volumes and lower costs.

Compared with the same period in 2011 operating profit fell by SEK 41 million. The decrease is mainly explained by less favourable prices and lower sales volumes.

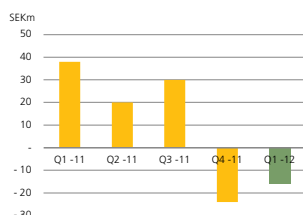
MARKET DEVELOPMENT

The order situation improved somewhat during the quarter compared with the previous quarter, a situation that still prevailed at the end of the quarter. For most of the product grades in the business area, the order situation during the quarter was at somewhat lower levels than normal. Prices in local currency weakened for all products during the quarter, compared with the previous quarter. This resulted from the price cuts made in the previous quarter. However, the pressure on prices in the fourth quarter lessened during the quarter. As a result, no further price cuts were implemented.

SHARE OF GROUP'S NET SALES Q1 2012



OPERATING PROFIT



SEK 44 million earnings impact for the quarter

MARKET PULP BUSINESS AREA

The Market Pulp business area is responsible for sales of long-fibre market pulp to among others manufacturers of tissue, printing and writing paper, and packaging paper. The largest markets are Europe and Asia.

SEKm	Quarter			Full year
	Q1 -12	Q4 -11	Q1 -11	2011
Net sales	436	416	436	1 752
Other income	-	-	-	-
Operating expenses, other	-424	-410	-370	-1 574
Depreciation and impairment	-28	-30	-28	-114
Operating profit/loss	-16	-24	38	64
Operating margin, %	-4%	-6%	9%	4%
Sales volumes, ktonnes	96	88	83	343

FIRST QUARTER

Operating loss amounted to SEK 16 million, an improvement of SEK 8 million on the previous quarter. Less favourable prices were offset by lower fixed costs and higher sales volumes. The sales volume totalled 96 ktonnes and is attributable to the market-related production shutdowns that took place in the packaging paper segments in the previous quarter. These shutdowns led to a higher production volume of market pulp, which was then sold during the first quarter.

Compared with the corresponding period in 2011, operating profit fell by SEK 54 million due to lower prices in local currency. Higher sales volumes and a more favourable currency situation had a positive impact on operating profit.

MARKET DEVELOPMENT

The balance between supply and demand in the market for NBSK pulp improved in the first quarter, compared with the previous quarter. This showed through for example in lower levels of pulp stocks held by producers. The price level in Europe rose to approximately USD 850 per tonne at the end of the quarter, compared with approximately USD 825 per tonne at the beginning of the quarter. A further price increase to USD 870 per tonne has been announced for April.

CURRENCY HEDGING

During the first quarter of 2012, net flows were hedged at EUR/SEK 9.43 (9.60), USD/SEK 6.65 (7.05) and GBP/SEK 10.59 (10.83). Currency hedging had an overall earnings impact of SEK 44 million (99) for the first quarter (compared with if no hedging had taken place).

Billerud's outstanding forward exchange contracts at 31 March 2012 had a market value of SEK 57 million. Of this amount, SEK 19 million - the part of the contracts matched by trade receivables - affected earnings in the first quarter. Other contracts had a market value of SEK 38 million.

HEDGED PORTION OF CURRENCY FLOW FOR EUR, USD AND GBP AND EXCHANGE RATES AGAINST SEK (31 MARCH 2012)

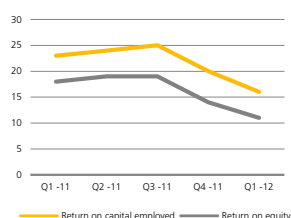
Currency		Q2 -12	Q3 -12	Q4 -12	Q1 -13	Total 12 months
EUR	Share of net flow	83%	65%	41%	14%	50%
	Rate	9.19	9.16	9.10	8.99	9.15
USD	Share of net flow	84%	57%	38%	16%	49%
	Rate	6.74	6.81	6.88	6.82	6.79
GBP	Share of net flow	83%	62%	36%	16%	49%
	Rate	10.58	10.68	10.74	10.71	10.65
Market value of currency contracts*		27	19	10	1	57

*As of 31 March 2012.

Billerud continuously hedges approximately 50% of forecast net flows over the next 12-month period but in accordance with the financial policy is also able to extend currency hedging to 100% of net flows over the next 15 months.

SEK 165 million in gross investments for the quarter

RETURN, % (ROLLING 12 MONTHS)



INVESTMENTS AND CAPITAL EMPLOYED

Gross investments for the first quarter amounted to SEK 165 million (83), of which the environmental and energy investment at Skärblacka mill accounted for SEK 93 million.

Billerud's capital employed at 31 March 2012 amounted to SEK 4 793 million (5 113). Return on capital employed, calculated over the past 12-month period, amounted to 16% (23). If the effects of currency hedging are excluded, return on capital employed was 14% (16). Return on equity after tax was 11% (18).

CASH FLOW AND FINANCIAL POSITION

SUMMARY CASH FLOW STATEMENT

SEKm	Q1 -12	Q1 -11
(positive figure indicates reduction in debt)		
Operating surplus, etc.	298	481
Change in working capital, etc.	22	-301
Net financial items, taxes, etc.	-202	-181
Cash flow from operating activities	118	-1
Current net investments	-155	-82
Operating cash flow	-37	-83
Other items, not affecting cash flow	-5	-6
Change in net debt during the period	-42	-89

Cash flow from operating activities during the first quarter 2012 amounted to SEK 118 million (-1) and the operating cash flow was SEK -37 million (-83).

Interest-bearing net cash as of 31 March 2012 amounted to SEK 191 million, compared with an interest-bearing net debt of SEK 244 million at the end of the first quarter of 2011. The Group's net debt/equity ratio at the end of the period was -0.04 (0.05). Billerud's financial target for the net debt/equity ratio is between 0.60 and 0.90 over a business cycle. The present net debt/equity ratio is therefore lower than the average net debt/equity ratio aimed for over time.

FINANCING

Interest-bearing loans amounted to SEK 804 million at 31 March 2012. Of this amount, utilisation of the syndicated credit facility (maximum: SEK 801 million) accounted for SEK 111 million, bond loans for SEK 675 million, utilisation of Billerud's commercial paper programme (maximum: SEK 1 500 million) for SEK 0 million and other interest-bearing liabilities for SEK 18 million. Billerud also has an unutilised credit facility of SEK 800 million.

PARENT COMPANY

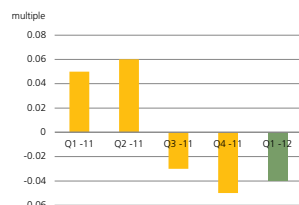
The parent company Billerud AB includes the Gruvön mill, the sales organisation for the Nordic market and markets outside Europe, and the head office functions.

Net sales in the first quarter of 2012 amounted to SEK 997 million (1 145). Operating profit totalled SEK 68 million, SEK 124 million lower than in the previous year. The decline was mainly attributable to a weaker operating profit at Gruvön mill and a lower gain from currency hedges.

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. In the first quarter of 2012, this result amounted to SEK 44 million (99).

Investments in property, plant and equipment and intangible assets, excluding shares, in the first quarter of 2012 amounted to SEK 26 million (14). The average number of employees was 916 (903). Cash and bank balances and short-term investments amounted to SEK 795 million (559).

NET DEBT/EQUITY RATIO AT THE END OF THE QUARTER





SEASONAL EFFECTS

MAINTENANCE SHUTDOWNS

In addition to ongoing maintenance during production, Billerud's mills normally also require more extensive maintenance at some time during the year. In order to carry out maintenance, production of pulp and paper is stopped; this is known as a maintenance shutdown. The cost of a maintenance shutdown mainly comprises the loss of volume related to the shutdown and fixed costs, mainly in the form of costs of maintenance and overtime work, as well as - to some extent - variable costs such as 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 is an assessment of the impact on earnings of a normal shutdown, compared to a quarter during which no periodic maintenance shutdown takes place.

Mill	Estimated shutdown cost, SEKm	Estimated breakdown of shutdown cost by business area			Planned dates of maintenance shutdown 2012 2011 2010
		PSP	PB	MP	
Gruvön	Appr. 100	Appr. 30%	Appr. 60%	Appr. 10%	Q4 Q4 Q2
Karlsborg	Appr. 40	Appr. 50%	0%	Appr. 50%	Q3 Q3 Q3
Skärblacka	Appr. 60	Appr. 70%	Appr. 15%	Appr. 15%	Q3 Q2 Q3

Maintenance shutdowns at Beetham have an insignificant effect on Billerud's total earnings.

OTHER SEASONAL EFFECTS

A significant part of Billerud Flute® volumes is used to package fruit exports from the Mediterranean area. Demand from this customer group varies according to the fruit export season and is normally highest from September to March each year. A significant portion of Billerud's sack paper and QuickFill® sack paper is used as packaging for cement and building materials. Demand for building materials in Europe is generally higher during the period May to October.

LARGEST SHAREHOLDERS

BILLERUD'S TEN LARGEST SHAREHOLDERS (31 MARCH 2012)

Shareholder	Number of shares	Number of votes, %
Frapag Beteiligungsholding AG	21 621 400	21.0
DFA funds	2 927 488	2.8
Government of Norway	2 861 636	2.8
SHB funds	2 830 902	2.7
Swedbank Robur funds	2 318 469	2.2
Fourth Swedish National Pension Fund	1 532 918	1.5
SEB funds	998 418	1.0
The Foundation for Baltic and East European Studies	782 428	0.8
Avanza Pension Insurance	725 902	0.7
Abu Dhabi Investment Authority	566 614	0.5
Total 10 largest shareholders	37 166 175	36.0
Total number of shares in the market	103 114 299	100.0

Source: SIS Ägarservice AB. Billerud's approximately 1.7 million bought back shares and foreign custodian banks are excluded.

The total number of owners (including nominee-registered) amounted to 107 716. The proportion of foreign ownership was 48.6% of the number of shares in the market. More information about shareholder structure is available at www.billerud.com/investors.

BILLERUD GROUP INCOME STATEMENT

SEKm	Quarter			Full year
	Q1 -12	Q4 -11	Q1 -11	2011
Net sales	2 291	2 086	2 547	9 343
Other income	2	9	3	18
Operating income	2 293	2 095	2 550	9 361
Change in inventories	-77	69	-67	1
Raw materials and consumables	-1 114	-1 095	-1 188	-4 480
Other external costs	-448	-480	-457	-1 863
Employee benefits expense	-362	-363	-353	-1 427
Depreciation and impairment of non-current assets	-150	-150	-153	-614
Profit/Loss from participations in associated companies	0	-1	0	0
Operating expenses	-2 151	-2 020	-2 218	-8 383
Operating profit/loss	142	75	332	978
Financial income and expenses	-10	-13	-12	-45
Profit/Loss before tax	132	62	320	933
Taxes	-36	-17	-85	-250
Net profit/loss for the period	96	45	235	683
Profit/Loss attributable to:				
Owners of the parent company	96	45	235	683
Non-controlling interests	0	0	-	0
Net profit/loss for the period	96	45	235	683
Earnings per share, SEK	0.94	0.44	2.28	6.63
Diluted earnings per share, SEK	0.93	0.44	2.28	6.61

STATEMENT OF COMPREHENSIVE INCOME

SEKm	Quarter		Full year
	Q1 -12	Q1 -11	2011
Net profit/loss for the period	96	235	683
Other comprehensive income			
Differences arising from the translation of foreign operations' accounts	-3	-3	3
Change in fair value of available-for-sale financial assets for the period	1	0	0
Change in fair value of cash flow hedges	-19	-96	-312
Change in fair value of cash flow hedges transferred to net profit/loss for the period	44	96	186
Tax attributable to components of other comprehensive income	-7	0	33
Total comprehensive income for the period	112	232	593
Attributable to:			
Owners of the parent company	112	232	593
Non-controlling interests	0	-	0
Total comprehensive income for the period	112	232	593

STATEMENT OF CHANGES IN EQUITY

SEKm	Quarter		Full year
	Q1 -12	Q1 -11	2011
Opening balance	4 871	4 637	4 637
Comprehensive income for the period	112	232	593
Share-based payment to be settled in equity instruments	-	0	2
Dividends paid	-	-	-361
Attributable to owners of the parent company	4 983	4 869	4 871
Non-controlling interests	1	-	1
Closing balance	4 984	4 869	4 872

BALANCE SHEET

	31 Mar	31 Dec
SEKm	2012	2011
Non-current assets	5 512	5 508
Inventories	1 066	1 135
Accounts receivable	1 414	1 391
Other current assets	301	372
Cash and cash equivalents	877	929
Total assets	9 170	9 335
Shareholders' equity attributable to owners of the parent company	4 983	4 871
Non-controlling interests	1	1
Shareholders' equity	4 984	4 872
Interest-bearing liabilities	504	819
Provisions for pensions	223	219
Other provisions	37	36
Deferred tax liabilities	1 470	1 467
Total non-current liabilities	2 234	2 541
Interest-bearing liabilities	300	0
Accounts payables	1 056	1 227
Other liabilities and provisions	596	695
Total current liabilities	1 952	1 922
Total equity and liabilities	9 170	9 335

STATEMENT OF CASH FLOW

	Quarter			Full year
SEKm	Q1 -12	Q4 -11	Q1 -11	2011
Operating surplus, etc.*	298	238	481	1 604
Change in working capital, etc.	22	48	-301	-113
Net financial items, taxes, etc.	-202	-12	-181	-219
Cash flow from operating activities	118	274	-1	1 272
Investments in property, plant and equipment	-165	-179	-83	-512
Acquisition of financial assets	-	-	-	-81
Disposal of property, plant and equipment	10	1	1	2
Cash flow from investing activities	-155	-178	-82	-591
Change in interest-bearing liabilities	-14	6	-5	-132
Dividend	-	-	-	-361
Cash flow from financing activities	-14	6	-5	-493
Total cash flow (=change in cash and cash equivalents)	-51	102	-88	188
Cash and cash equivalents at start of period	929	829	740	740
Translation differences in cash and cash equivalents	-1	-2	-2	1
Cash and cash equivalents at the end of the period	877	929	650	929

*The amount for the period January - March 2012 includes operating profit of SEK 142 million, reversed depreciation SEK 150 million, increase in pension liabilities SEK 3 million, net of produced and sold electricity certificates and sold emission rights SEK 2 million and capital gain SEK 1 million. The amount for the period January - March 2011 includes operating profit of SEK 332 million, reversed depreciation SEK 153 million, increase in pension liabilities SEK 1 million, net of produced and sold electricity certificates and sold emission rights SEK -5 million.

KEY FIGURES

	Jan-Mar		Full year
	2012	2011	2011
Margins			
Gross margin, %	13	19	17
Operating margin, %	6	13	10
Return (rolling 12 months)			
Return on capital employed, %	16	23	20
Return on total capital, %	9	13	11
Return on equity, %	11	18	14
Return on equity after dilution, %	11	18	14
Capital structure at end of period			
Capital employed, SEKm	4 793	5 113	4 639
Equity, SEKm	4 984	4 869	4 872
Interest-bearing net debt, SEKm	-191	244	-233
Net debt/equity ratio, multiple	-0.04	0.05	-0.05
Net debt/equity ratio after dilution, multiple	-0.04	0.05	-0.05
Equity ratio, %	54	52	52
Equity ratio after dilution, %	54	52	52
Key figures per share			
Earnings per share, SEK	0.94	2.28	6.63
Average number of shares, thousands	103 114	103 114	103 114
Earnings per share after dilution, SEK	0.93	2.28	6.61
Average number of shares after dilution, thousands	103 406	103 306	103 406
Cash flow from operating activities per share, SEK	1.14	-0.01	12.33
Operating cash flow per share, SEK	-0.36	-0.80	7.39
Equity per share, SEK	48.33	47.22	47.24
Number of share at the end of the period, thousands	103 114	103 114	103 114
Equity per share after dilution, SEK	48.19	47.13	47.11
Number of share at the end of the period, thousands	103 406	103 306	103 406
Other key figures			
Gross investments, SEKm	165	83	512
Average number of employees	2 233	2 202	2 277

QUARTERLY KEY FIGURES

	Q1 -12	Q4 -11	Q3 -11	Q2 -11	Q1 -11	Q4 -10	Q3 -10	Q2 -10
Earnings per share, SEK	0.94	0.44	2.03	1.88	2.28	2.19	1.84	1.30
Cash flow from operating activities per share, SEK	1.14	2.66	5.15	4.54	-0.01	4.49	4.49	2.01
Return on capital employed, %	3	2	6	6	7	7	6	4
Return on equity, %	2	1	4	4	5	5	4	3
Equity per share, SEK	48.33	47.24	46.53	45.02	47.22	44.97	42.72	40.24

PARENT COMPANY

SUMMARISED INCOME STATEMENT

SEKm	Quarter		Full year
	Q1 -12	Q1 -11	2011
Operating income	968	1 122	4 185
Operating expenses	-900	-930	-3 656
Operating profit/loss	68	192	529
Financial income and expenses	-2	-3	1 051
Profit/Loss after financial income and expenses	66	189	1 580
Appropriations	-	-	-2 212
Profit/loss before tax	66	189	-632
Taxes	-17	-50	168
Net profit/loss for the period	49	139	-464

SUMMARISED BALANCE SHEET

SEKm	31 Mar	31 Mar	31 Dec
	2012	2011	2011
Non-current assets	4 154	4 112	4 198
Current assets	3 438	2 907	3 931
Total assets	7 592	7 019	8 129
Shareholders' equity	3 139	4 054	3 090
Untaxed reserves	2 212	-	2 212
Provisions	547	872	543
Interest-bearing liabilities	1 021	1 230	1 409
Other liabilities	673	863	875
Total equity and liabilities	7 592	7 019	8 129

BUSINESS AREAS

The Group's operations are governed and reported per Billerud's three business areas - Packaging & Speciality Paper, Packaging Boards and Market Pulp. Non-current assets and capital investments cannot be broken down by business area since the business areas are highly integrated in terms of production.

Other business comprises group-wide functions such as corporate headquarters, wood supplies and the sales organisations. Other business also reports profit shares in the associated company ScandFibre Logistics AB, as well as the subsidiaries Tenova Bioplastics AB, Nine TPP AB and Billerud Inc. Other business also includes results from hedging of the Group's net currency flows, the result of pulp price hedges and group eliminations.

The results of the business areas are reported excluding the effects of currency hedging and excluding the effect on profit/loss of revaluation of trade receivables in foreign currency and currency effects in connection with payments. These effects are reported separately on the line Currency hedging, etc. The part of currency exposure relating to changes in invoicing rates is included in the business area's profit or loss.

NET SALES

QUARTERLY PER BUSINESS AREA AND FOR THE GROUP

SEKm	Q1 -12	Q4 -11	Q3 -11	Q2 -11	Q1 -11	Q4 -10	Q3 -10	Q2 -10
Packaging & Speciality Paper	1 091	941	1 056	1 079	1 217	1 020	1 085	1 009
Packaging Boards	663	644	696	704	728	648	649	518
Market Pulp	436	416	465	435	436	450	452	445
Currency hedging, etc.	22	16	46	90	78	54	-17	52
Other and eliminations	79	69	64	75	88	107	82	84
Total Group	2 291	2 086	2 327	2 383	2 547	2 279	2 251	2 108

OPERATING PROFIT/LOSS

QUARTERLY PER BUSINESS AREA AND FOR THE GROUP

SEKm	Q1 -12	Q4 -11	Q3 -11	Q2 -11	Q1 -11	Q4 -10	Q3 -10	Q2 -10
Packaging & Speciality Paper	100	65	143	102	140	131	106	84
Packaging Boards	56	60	119	94	97	122	107	-14
Market Pulp	-16	-24	30	20	38	53	92	100
Currency hedging, etc.	22	16	46	90	78	54	-17	52
Other and eliminations	-20	-42	-42	-31	-21	-34	-12	-21
Total Group	142	75	296	275	332	326	276	201

OPERATING MARGIN

QUARTERLY PER BUSINESS AREA AND FOR THE GROUP

%	Q1 -12	Q4 -11	Q3 -11	Q2 -11	Q1 -11	Q4 -10	Q3 -10	Q2 -10
Packaging & Speciality Paper	9	7	14	9	12	13	10	8
Packaging Boards	8	9	17	13	13	19	16	-3
Market Pulp	-4	-6	6	5	9	12	20	22
Group	6	4	13	12	13	14	12	10

SALES VOLUMES

QUARTERLY PER BUSINESS AREA AND FOR THE GROUP

ktonnes	Q1 -12	Q4 -11	Q3 -11	Q2 -11	Q1 -11	Q4 -10	Q3 -10	Q2 -10
Packaging & Speciality Paper	136	112	119	126	150	121	133	132
Packaging Boards	128	115	125	128	136	121	125	106
Market Pulp	96	88	91	81	83	81	74	71
Total	360	315	335	335	369	323	332	309

DEFINITIONS

Capital employed

Total assets less non-interest bearing liabilities, non-interest bearing provisions and interest-bearing assets.

Cash flow from operating activities per share

Cash flow from operating activities divided by the average number of shares in the market during the period.

Earnings per share

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

Earnings per share after dilution

Profit for the period, attributable to owners of the parent, divided by the average number of shares in the market after estimated utilisation of incentive programmes.

Equity

Shareholders' equity at the end of the period.

Equity per share

Shareholders' equity at the end of the period, attributable to owners of the parent, divided by the number of shares in the market at the end of the period.

Equity per share after dilution

Shareholders' equity at the end of the period, attributable to owners of the parent, plus the effect of estimated utilisation of incentive programmes divided by the number of shares in the market at the end of the period after estimated utilisation of incentive programmes.

Equity ratio

Shareholders' equity as a percentage of total assets.

Equity ratio after dilution

Shareholders' equity plus the effect of estimated utilisation of incentive programmes as a percentage of total assets plus the effect of estimated utilisation of incentive programmes.

Fluting

The rippled middle layer in corrugated board, produced from either primary or recycled fibre.

Gross Margin

Operating profit before depreciation (EBITDA = Earnings before Interest, Taxes, Depreciation and Amortisation) as a percentage of net sales.

Interest-bearing net debt

Interest-bearing provisions and liabilities less interest-bearing assets.

Market pulp

Pulp which is sold to paper mills that do not produce their own pulp.

Net debt/equity ratio

Interest-bearing net debt divided by shareholders' equity.

Net debt/equity ratio after dilution

Interest-bearing net debt divided by shareholders' equity plus the effect of estimated utilisation of incentive programmes.

Operating cash flow per share

Operating cash flow divided by the average number of shares in the market during the period.

Operating margin

Operating profit as a percentage of net sales.

Sulphate pulp

Chemical pulp produced by cooking wood under high pressure and at a high temperature in cooking liquor, known as white liquor (sodium hydroxide and sodium sulphide). Sulphate pulp is also known as kraft pulp.

Return on capital employed

Operating profit as a percentage of average capital employed.

Return on equity

Profit for the period, attributable to owners of the parent, as a percentage of average shareholders' equity, attributable to owners of the parent.

Return on equity after dilution

Profit for the period, attributable to owners of the parent, as a percentage of average shareholders' equity, attributable to owners of the parent, plus the effect of estimated utilisation of incentive programmes.

Return on total capital

Operating profit as a percentage of average total capital.

THE NATURAL PART IN SMARTER PACKAGING

Billerud offers material and services for the packaging of the future. Three business areas, four mills and ten sales offices in nine countries supply more than 1 000 customers in over 100 countries with products and services. The offering is summarised by the concept smarter packaging, solutions which attract more consumers, boost productivity, cut transport costs and reduce waste of resources and environmental impact. Billerud has a world-leading market position within primary fibre-based packaging paper.

Through its business model Billerud focuses on its customers and offers high-quality materials, knowledge of the entire value chain, as well as a global network of customers and packaging partners. Billerud's strategy is to generate profitable growth through World Class Process Efficiency, and Customer-focused Development.

The global packaging market is showing continued positive long-term development primarily due to increased globalisation, greater prosperity and changed consumption patterns.