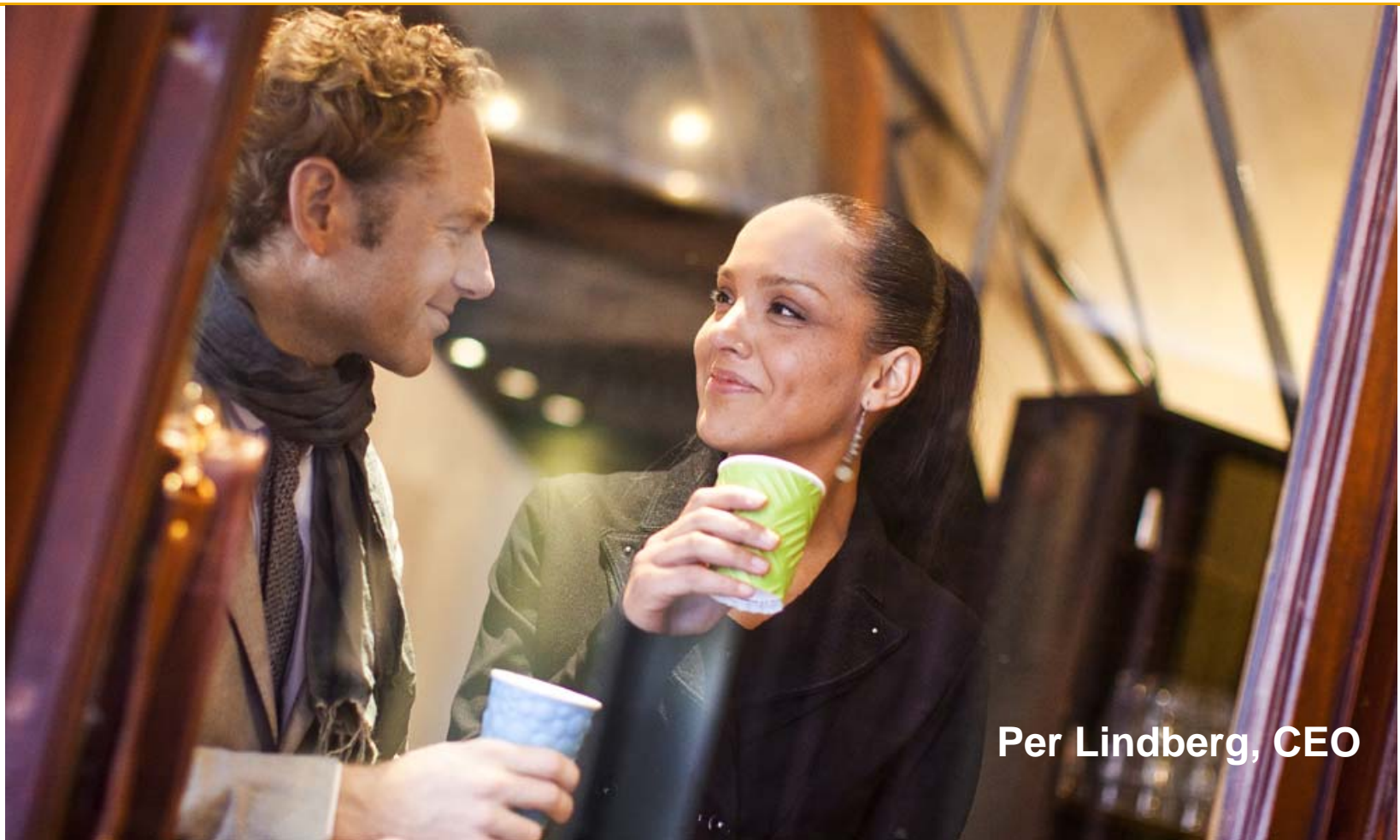




BILLERUD – the innovative packaging paper company

June 20, 2011



Per Lindberg, CEO



BILLERUD AT A GLANCE

- Leading supplier of primary fibre-based packaging paper
- Packaging-optimising services
- Innovation is a core focus
- Integrated and cost-efficient production
- Sales of SEK 9 billion
- 1,000 customers in 100 countries





WE KNOW **PACKAGING!**

Kraft paper



Sack paper



Fluting



Liner



Liquid board



Cup Stock



Bio plastic



Services

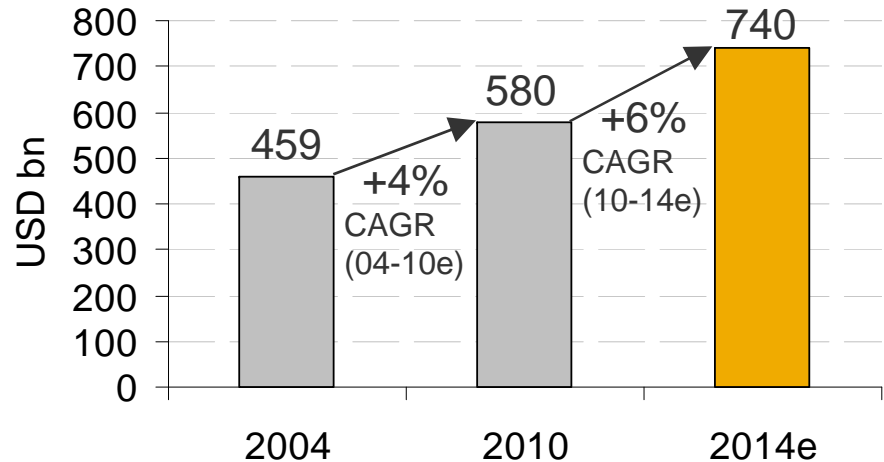




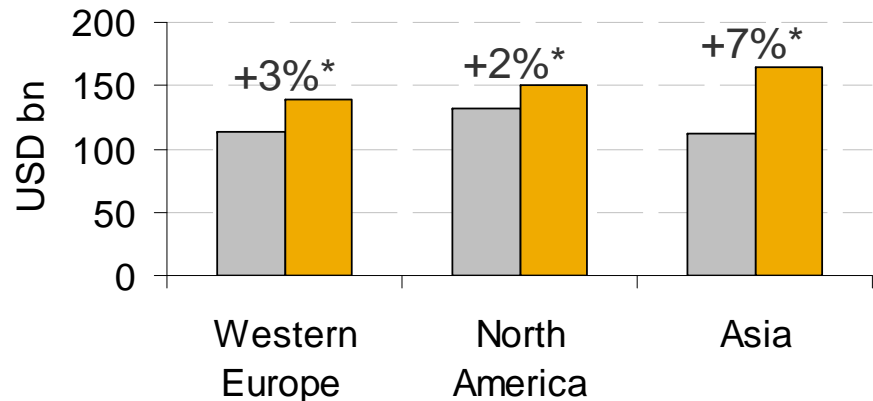
STEADY GROWTH FOR PACKAGING

- +3% 2010 vs. 2009
- +6% annually until 2014
- Main drivers
 - » Globalisation
 - » Increased prosperity
 - » Changing patterns of consumption and purchasing
- Asia a growth region

Global packaging market



Geographical breakdown





STRONG TREND FOR PAPER



Sustainability

- 87% of European consumers prefer paper to plastic in packaging
- Paper only accounts for 12% of the European flexible packaging market
- Legislation promote renewable material



Product optimisation

- ~EUR 10bn of fruit and vegetables transported in Europe is never sold
- Lighter, stronger boxes with primary fibre



Product differentiation

- Packaging an effective marketing channel for brand owners
- Material performance is critical for sales



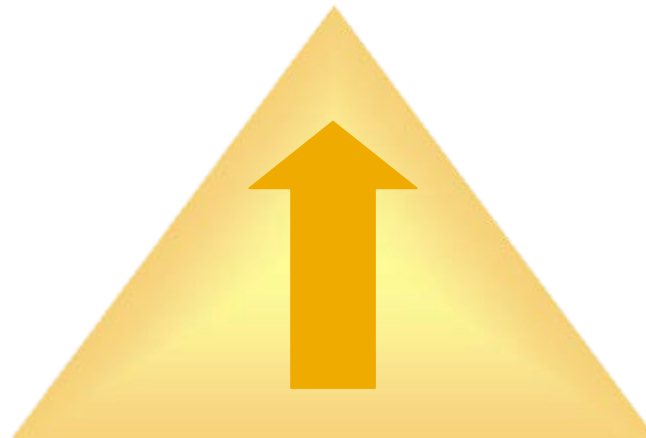
Product safety

- Certification for food and medicine packaging in the EU
- Primary fibre optimal as material



STRATEGY

GROWTH



Process efficiency

- Focus on cost efficiency
 - » Cost savings of MSEK 750 achieved 2005-2009
- Working capital efficiency

Customer-focused development

- Successful business development drives growth and improves profitability
 - » Innovation
 - » Customer focus
 - » Sustainability



INCREASED PRODUCTIVITY





INCREASE VALUE OF SALES

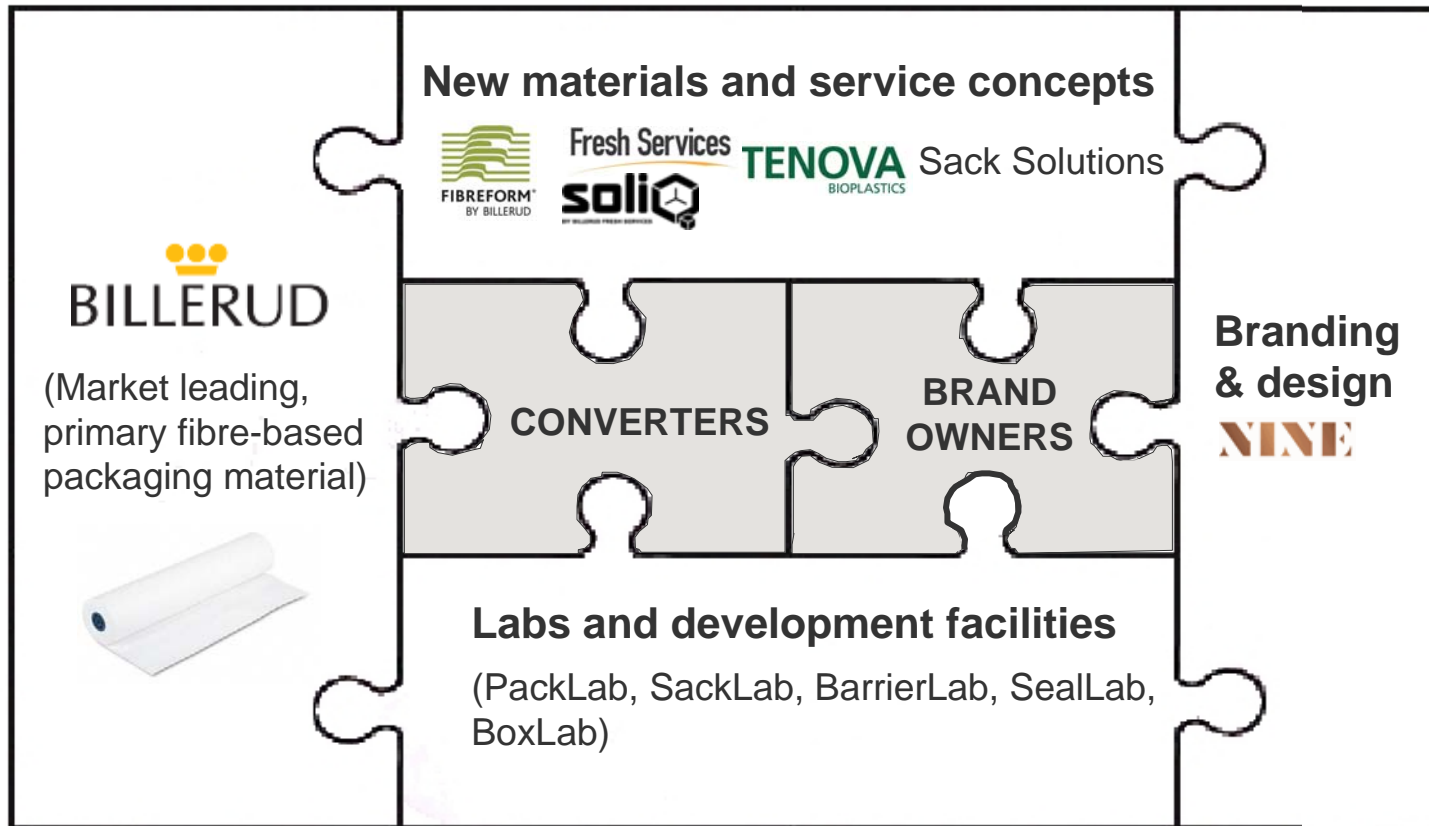
- Develop the packaging of tomorrow
 - » Material
 - » Function
 - » Design
 - » Sustainability
- Minimise packaging-related losses
- Increased customer focus

ADDED
VALUE
FOR THE
CUSTOMER





DIFFERENTIATING BUSINESS MODEL





FRESH FOOD

- Fresh produce worth of EUR 10bn in Europe is destroyed, much due to inadequate packaging
- Aim is to optimising fruit and vegetables packaging
- Fresh Services
 - Minimising packaging-related wastage along the delivery chain
 - Study the entire process; from the grower to the retail store
- SoliQ concept launched April 2011
- Box Lab
 - Creates the optimal box using the right material and structural design



FOOD & CONSUMER PACKAGING

- Sustainability and product differentiation important drivers
- Billerud FibreForm®
 - Unique elasticity
 - Replace fossil plastic
 - Very large interest from brand owners
 - Received several innovation awards
- Nine
 - Packaging design specialist
- Barriers of bio plastic



Work Style talking

With extremely high stretchability, FibreForm offers totally new opportunities for developing ideas and designing packaging solutions where previously traditional papers have had their limitations.

FibreForm's unique properties make it possible to design creative, striking and personal packaging solutions in exciting shapes. It is also possible to create very deep embossings that reinforce the brand. An anonymous product can be given a fresh breath of life and thus stand out from the crowd.

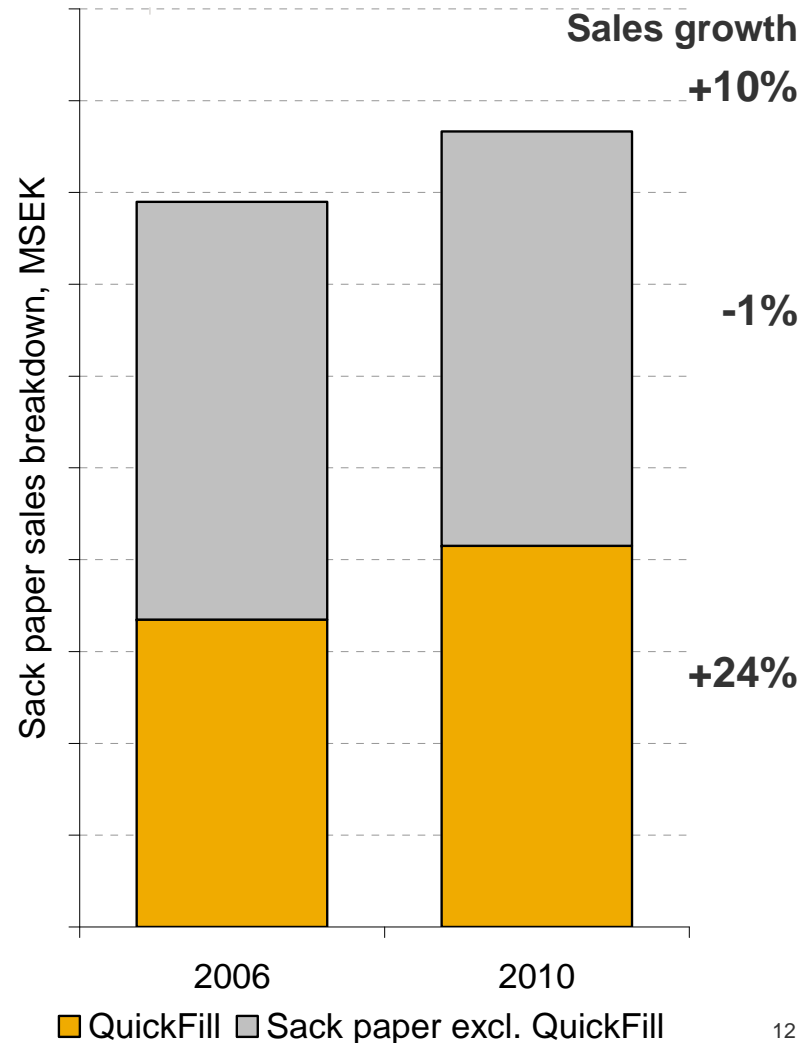
Think outside the box

There is no law of nature that says that a mobile phone must be packed



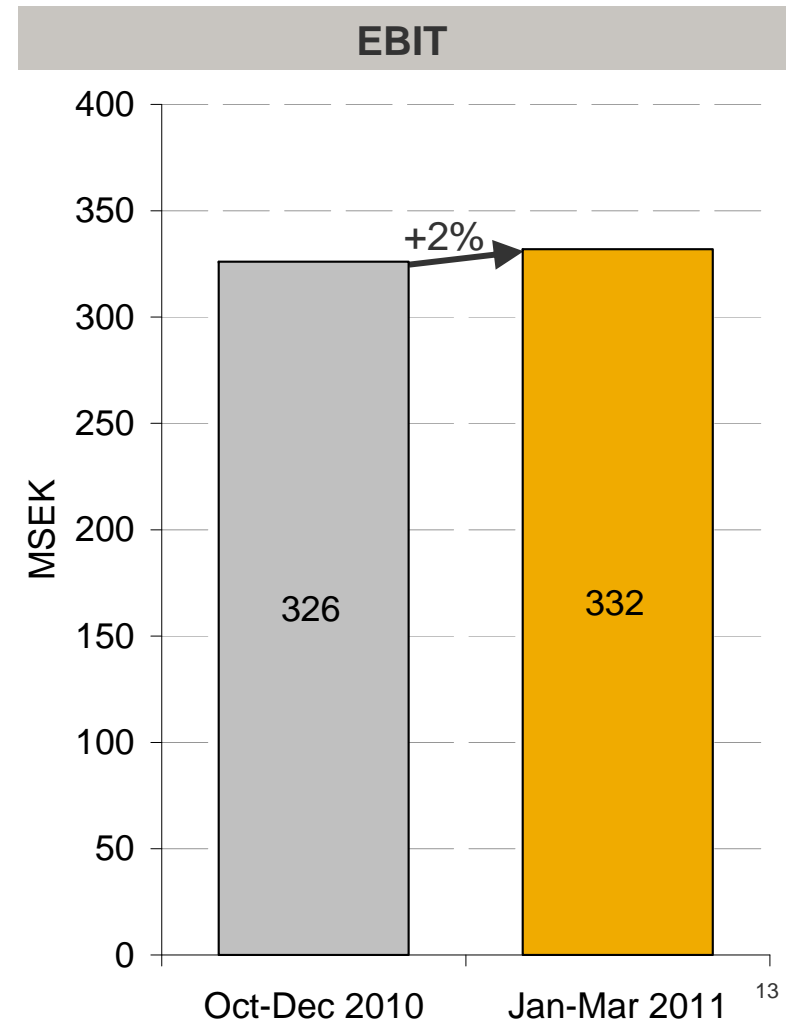
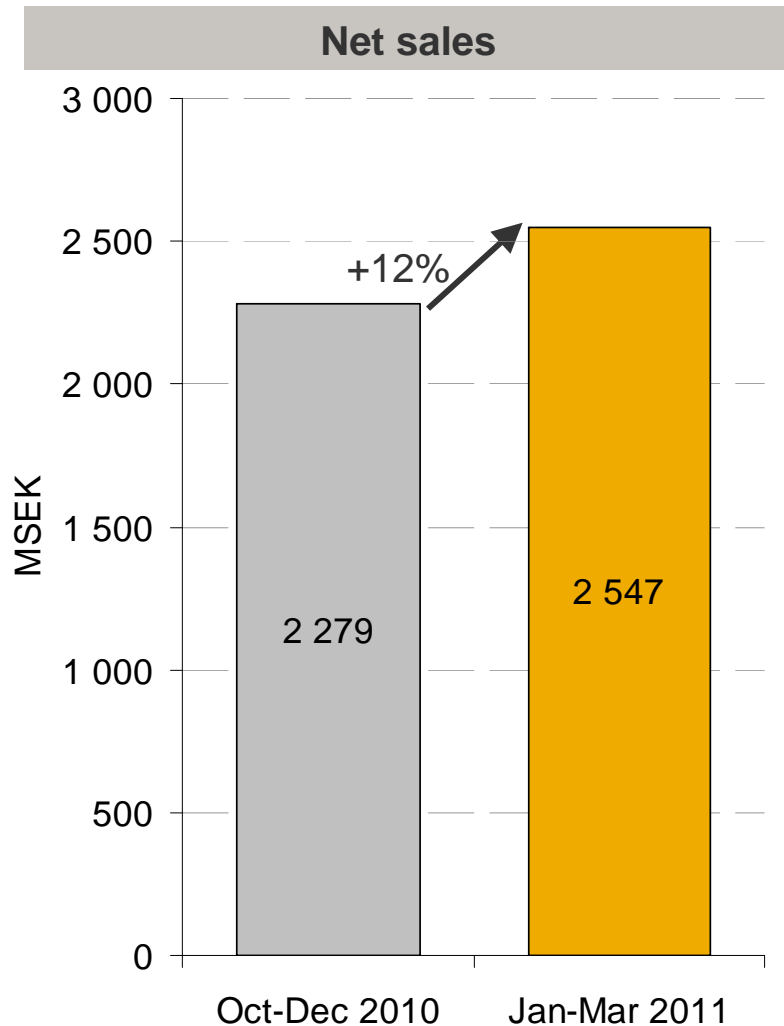
SACK SOLUTIONS

- Increase in demand primarily in emerging markets
 - Growth >10% in Asia
- +10% sales increase vs. 2006
- Mix improvement with QuickFill
 - +24% sales increase vs. 2006
- Sack concepts
 - Focus on end-customers and brand owners
- Sack Lab
 - Optimise sack functions along the value chain



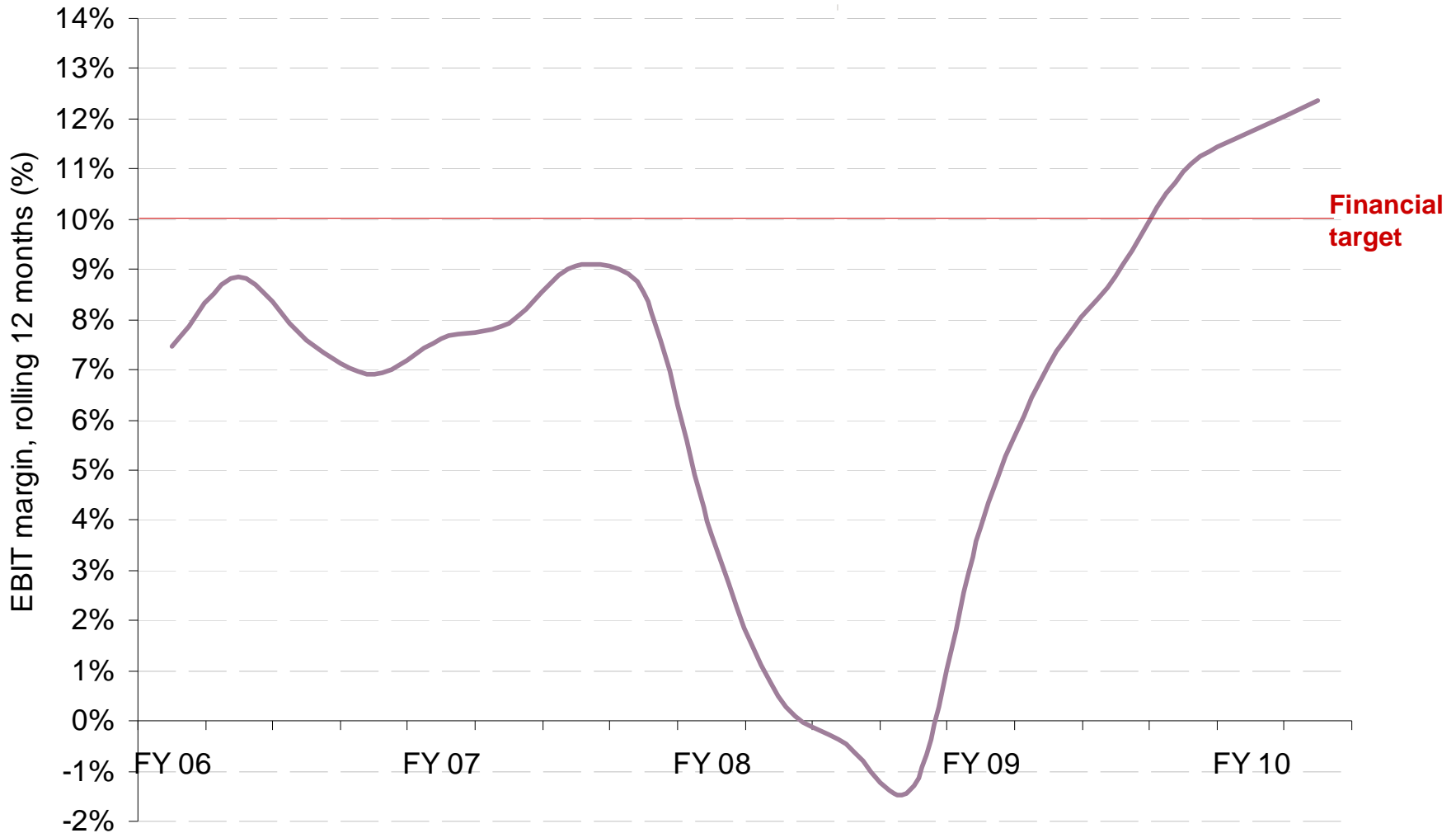


CONTINUED INCREASE IN NET SALES & EBIT



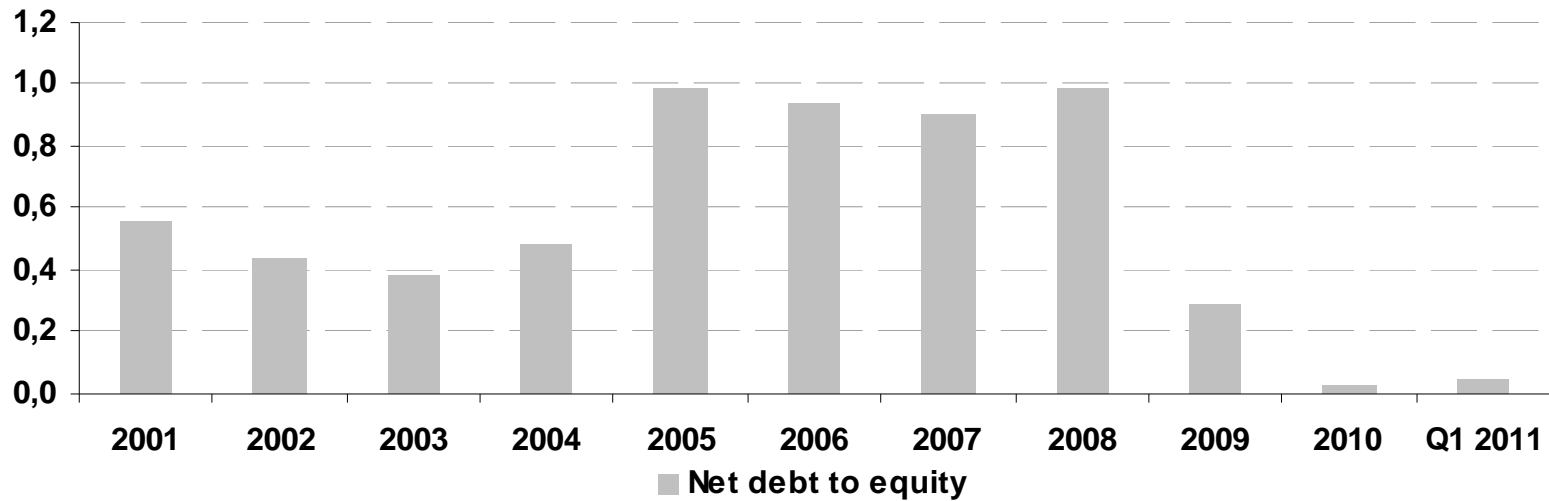


STRONG MARGIN TREND



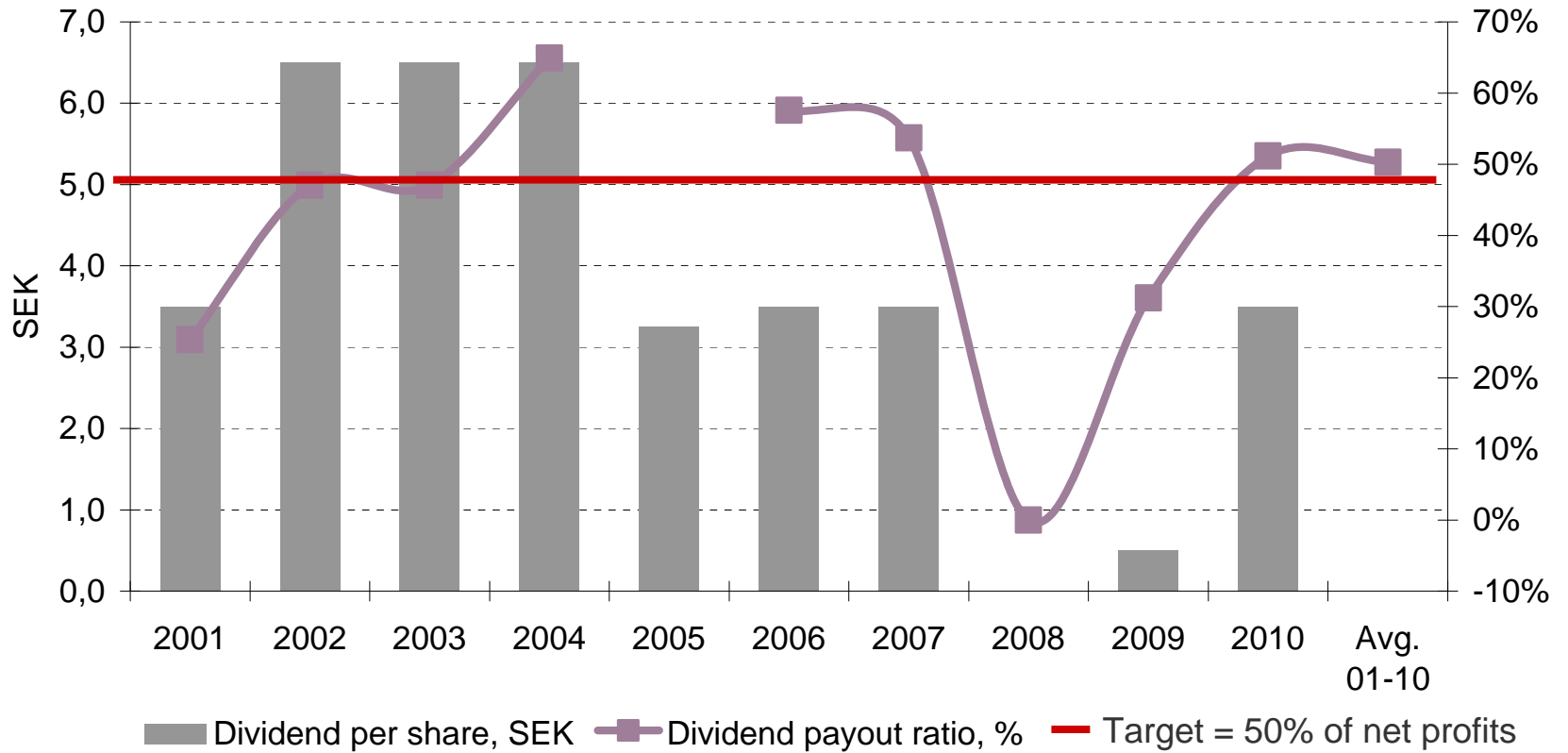


STRONG BALANCE SHEET





DIVIDEND



OUTLOOK FY 2011

- The order situation remains good or very good in most of Billerud's packaging paper areas. This provides conditions for a stable development within Billerud's packaging paper and packaging paper solutions segments.
- Price increases announced in the first quarter of 2011 are expected to have an impact in the coming quarters.
- The effects of a stronger SEK will be largely compensated by currency hedges.





Q&A

