



BILLERUD

INTERIM REPORT

JANUARY - MARCH 2010

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NULLA DIES SINE LINEA
– Not a day without progress!



“NULLA DIES SINE LINEA – Not a day without progress” was the motto that Billerud’s legendary CEO Christian Storjohann coined in 1907–1947.

Christian Storjohann, Billerud’s CEO between 1907 and 1947, realised from the start of the last century that innovation and progress are the key to success.

Billerud has a long history as an innovative company and Christian Storjohann’s motto still inspires our work on leading the field and adding new products, concepts and services to Billerud’s offering. In our development work, we often join forces with customers and business partners. We are currently focusing our innovative energy on creating new packaging solutions from renewable and sustainable materials that protect products and strengthen customers’ brands.

	Quarter			Full year
	2010 I	2009 IV	2009 I	2009
Net sales, SEKm	2 190	2 060	1 900	7 760
EBITDA, SEKm	380	374	102	861
Operating profit/loss, SEKm	234	231	-37	300
Operating margin, %	11%	11%	-2%	4%
Profit/Loss before tax, SEKm	212	204	-69	186
Net profit/loss for the period, SEKm	156	160	-39	165
Earnings per share, SEK	1,52	1,55	-0,53	2,04

January-March 2010 compared with the same period in 2009

- Net sales amounted to SEK 2 190 million (1 900).
- Profit for the period amounted to SEK 156 million (-39).
- Earnings per share amounted to SEK 1.52 (-0.53).
- Operating profit amounted to SEK 234 million (-37), which corresponded to a margin of 11% (-2).

January-March 2010 compared with October-December 2009

- Net sales amounted to SEK 2 190 million (2 060).
- Profit for the period amounted to SEK 156 million (160).
- Operating profit amounted to SEK 234 million (231), an improvement of SEK 3 million, mainly due to improved prices in local currency which were offset by higher variable costs.
- The strong order bookings continued in the first quarter.
- Continued strong cash flow.

Outlook for the full-year 2010

- The second quarter of 2010 started with continued good demand within all segments.
- Price increases have been implemented for all products and further price increases have been announced in order to gradually restore prices to sustainable levels in the long term.
- Strike action during the second quarter will have a negative effect on total deliveries for the full year.

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Billerud's CEO Per Lindberg and CFO Bertil Carlsén will present the interim report at a press conference on Thursday, 29 April at 13.00 CET. Venue: Spårvagnshallarna, Birger Jarlsgatan 57 A, Stockholm.

Comments by Billerud's CEO Per Lindberg:

Second consecutive quarter with an operating margin above 10%

"With an operating profit of SEK 234 million for the first quarter of 2010 we now have two consecutive quarters behind us when we have achieved our target of an operating margin in excess of 10%. This, combined with continued stable demand, is a sign that the recovery is now standing on increasingly firm ground.

The favourable demand means that work to restore price levels is well set to continue. Since we are forced to adapt the pace of these price increases to our customers' market situation, these increases are being implemented in stages as their business improves. In parallel the work of developing our products is also under way. We continuously see the result in terms of new customers, new applications and commercial successes. It is satisfactory to see what we have achieved in terms of new ideas and innovations, even though a lot remains to be done.

"Billerud now stands strong both as a business and financially and we are looking forward with confidence to the continued recovery."

Billerud Group

Market

The year started with good demand within all segments. The work of implementing the price increases announced in the fourth quarter of 2009 on all Billerud's products continued during the first quarter. The pace of these price increases varied for different products depending on customers' ability to achieve their own price increases as well as the proportion of fixed-price contracts. Additional price increases in Billerud's largest product segments have been announced in 2010 in order to restore prices to long-term, sustainable levels.

Demand for Nordic long-fibre sulphate pulp (NBSK) remained good in the first quarter. Global production has decreased, however, mainly due to the earthquake in Chile which forced a temporary shutdown of the Chilean pulp mills. Global stock levels at producers and consumers are very low. The price in USD continued to rise during the first quarter and additional price increases were announced after the end of the quarter.

Billerud's total deliveries amounted to 343 000 tonnes in the first quarter of 2010, an increase of 2% compared with the immediately preceding quarter and 6% compared with the same period in the previous year.

Deliveries of packaging paper amounted to 268 000 tonnes in the first quarter of 2010, an increase of 6% compared with the immediately preceding quarter and 10% compared with the same period in the previous year.

Deliveries of market pulp amounted to 75 000 tonnes during the quarter, a decrease of 9% compared with the immediately preceding quarter and 9% compared with the same period in the previous year.

Sales and results

First quarter of 2010 compared with the same period in 2009

Net sales amounted to SEK 2 190 million, an increase of 15% compared with the same period in the previous year. Volumes increased by 6% to 343 000 tonnes.

Operating profit amounted to SEK 234 million, an increase of SEK 271 million which was mainly due to higher volumes, an improved price level in local currency and lower variable costs (see table below). The increased electricity prices resulted in a cost increase for electricity of SEK 26 million compared with the same period in 2009. The operating margin amounted to 11% (-2).

	Q 1-10/ Q 1-09
Delivery and production volumes, including product mix	122
Selling prices (in respective sales currency)	122
Change in variable costs	57
Change in fixed costs	-31
Change in depreciation	-7
Effects of exchange rate fluctuations, including hedging*	8
Total change in operating profit/loss	271

* Effects of exchange rate fluctuations totalling SEK 8 million comprise the following components: changed spot rates SEK -198 million, currency hedging SEK 271 million and currency effects from remeasurement of trade receivables and payments from customers SEK -65 million.

Net financial items amounted to SEK -22 million (-32), an improvement of SEK 10 million due to lower debt.

Profit before tax amounted to SEK 212 million. Estimated tax was SEK -56 million. Net profit therefore amounted to SEK 156 million.

First quarter of 2010 compared with the fourth quarter of 2009

Net sales increased by 6% (SEK 130 million) compared with the fourth quarter of the previous year. Volumes rose 2%.

Operating profit increased by 1% (SEK 3 million). Prices in local currency increased by approximately 5%. Variable costs rose by SEK 109 million of which increased electricity prices accounted for SEK 43 million and higher wood prices for SEK 30 million. The operating margin was unchanged at 11% in both quarters.

	Q 1-10/ Q 4-09
Delivery and production volumes, including product mix	20
Selling prices (in respective sales currency)	108
Change in variable costs	-109
Change in fixed costs	35
Change in depreciation	-3
Effects of exchange rate fluctuations, including hedging*	-48
Total change in operating profit/loss	3

* Effects of exchange rate fluctuations totalling SEK 48 million comprise the following components: changed spot rates SEK -21 million, currency hedging SEK 37 million and currency effects from remeasurement of trade receivables and payments from customers SEK -64 million.

Operating profit for packaging paper (Packaging & Speciality Paper and Packaging Boards) increased by SEK 30 million, corresponding to an increase in the operating margin from 8% to 9%. Operating profit for market pulp (Market Pulp) improved by SEK 23 million and the operating margin amounted to 8% compared with 2%.

Business area (share of sales)	Operating margin, %		Operating profit/loss, MSEK		Deviation
	Jan-Mar	Oct-Dec	Jan-Mar	Oct-Dec	
	2010	2009	2010	2009	
Packaging & Speciality Paper and Packaging Boards <i>Packaging paper (approx. 80%)</i>	9%	8%	152	122	30
Market Pulp <i>Market pulp (approx. 20 %)</i>	8%	2%	31	8	23
Currency hedging and other			51	101	-50
Total	11%	11%	234	231	3

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

For further accounting by business areas, see pages 6-8.

Significant risks and uncertainties

Billerud's products are generally dependent on the business cycle, in terms of both price development and potential delivery volumes. The Group is exposed to currency fluctuations since most revenues are invoiced in foreign currency while most operating expenses are in SEK.

Billerud's mills have a higher capacity for sulphate pulp production than is used in production of packaging paper. To ensure cost-effective production, Billerud is largely dependent on being able to sell its surplus sulphate pulp as market pulp. A more in-depth description of risks and a sensitivity analysis are provided on pages 68-72 of the 2009 Annual Report.

On 10 December 2007 the Swedish Environmental Protection Agency decided to impose a sanction on Billerud of SEK 19 million for inaccurate reporting of emission rights for 2006. Billerud's assessment is that the company met its commitments and that the SEK 19 million sanction lacks legal basis and is not proportionate. Billerud lodged an appeal against the decision to the Environmental Court, which ruled in September 2009 that Billerud should pay the fine in accordance with the Swedish Environmental Protection Agency's decision. Billerud therefore made a provision for this amount in the third quarter of 2009 but also appealed against the decision to the Environmental Court of Appeal. Leave to appeal has been granted by the Environmental Court of Appeal.

Related party transactions

No transactions have taken place between Billerud and related parties that significantly affect the company's position and earnings.

Currency hedging

During the first quarter of 2010 net flows were hedged at EUR/SEK 10.94 (9.80), USD/SEK 8.48 (6.69), GBP/SEK 12.02 (11.86) and DKK/SEK 1.49 (1.31). Currency hedging had an overall earnings impact of SEK 117 million (-151) (compared with if no hedging had taken place).

Billerud's outstanding forward currency contracts at 31 March 2010 had a market value of SEK 187 million. The contracts matched by trade receivables affected earnings in the first quarter. Other contracts had a market value of SEK 133 million.

Billerud continuously hedges 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.

DKK only accounts 0.3% of total hedged flows. During the first quarter a decision was made to stop hedging flows in DKK.

The hedged proportion of flows and hedged rates for EUR, USD and GBP at 31 March are shown in the table below.

Hedged portion of currency flows for EUR, USD and GBP and exchange rates against SEK

Currency		Apr-Jun 2010	July-Sep 2010	Oct-Dec 2010	Jan-Mar 2011	Total 12 month
EUR	Share of flow	91%	73%	72%	31%	67%
	Rate	11,03	11,02	10,37	10,52	10,79
USD	Share of flow	93%	65%	41%	26%	57%
	Rate	7,39	7,21	7,24	7,23	7,30
GBP	Share of flow	90%	61%	40%	11%	50%
	Rate	11,77	11,49	11,46	11,35	11,60

Investments and capital employed

Gross investments including company acquisitions amounted to SEK 51 million compared with SEK 90 million in the same period last year.

Billerud's capital employed amounted to SEK 5 084 million at 31 March 2010, compared with SEK 5 148 million at 31 December 2009 and SEK 5 536 million at 31 March 2009.

Return on capital employed, calculated over the past 12-month period, amounted to 11% (1). If the effects of currency hedging are excluded, return on capital employed was 8% (8). Return on equity after tax was 10% (-1).

Cash flow and financial position

Summary cash flow statement

SEKm (positive figure indicates reduction in debt)	Jan-Mar	Jan-Mar
	2010	2009
Operating surplus, etc.	379	49
Change in working capital, etc.	-88	-163
Net financial items, taxes, etc.	-30	-46
Cash flow from operating activities	261	-160
Current net investments	-50	-45
Business combinations	-	-36
Net investments of financial assets	-30	-
Operating cash flow	181	-241
New issue	-	-
Dividend	-	-
Other items, not affecting cash flow	-5	-15
Change in net debt during the period	176	-256

Cash flow from operating activities in the first quarter of 2010 amounted to SEK 261 million compared with SEK -160 million in the same period in the previous year.

Operating cash flow amounted to SEK 181 million compared with SEK -241 million in the same period in the previous year.

Interest-bearing net debt amounted to SEK 976 million at 31 March 2010, compared with SEK 1 152 million at 31 December 2009 and SEK 2 873 million at 31 March 2009. The Group's net debt/equity ratio at the end of the period was 0.24 compared with 0.29 at 31 December 2009 and 1.08 at 31 March 2009. Billerud's financial target for the debt/equity ratio is between 0.60 and 0.90 over a business cycle. Cash and cash equivalents at 31 March 2010 amounted to SEK 795 million.

Financing

During the first quarter of 2010 Billerud reduced its syndicated credit facility of SEK 1 800 million to SEK 1 200 million. The facility matures in April 2012.

Interest-bearing loans amounted to SEK 1 574 million at 31 March 2010. Of this amount, utilisation of the syndicated credit facility (maximum: SEK 1 200 million) accounted for SEK 96 million, the syndicated bank loan for SEK 150 million, bond loans for SEK 1 225 million, and utilisation of Billerud's commercial paper programme (maximum: SEK 1 500 million) for SEK 100 million and other interest-bearing liabilities for SEK 3 million.

Loan	Credit limit	Utilised	Maturity
Syndicated credit facility	1 200	96	April 2012
Syndicated bank loan	150	150	December 2012
Commercial paper		100	1-6 months
Bond loan 5		150	April 2010
Bond loan 6		250	June 2010
Bond loan 2		150	September 2011
Bond loan 4		300	February 2013
Bond loan 7		225	June 2013
Bond loan 8		150	March 2016
Total		1 571	

Personnel

The average number of employees in the first quarter of 2010 was 2 175 compared with 2 205 in the first quarter of 2009, that is, a reduction of 30 employees.

Segment information

The Group's operations are managed and reported by business area as set out below.

- The Packaging & Speciality Paper business area is responsible for sales of sack paper and kraft paper with a focus on packaged food, paper carrier bags, sack solutions and industrial applications.
- The Packaging Boards business area is responsible for sales of fluting, liner and liquid board with a focus on fruit and vegetables and consumer goods.
- The Market Pulp business area is responsible for sales of long-fibre market pulp.
- Other business comprises group-wide functions such as corporate headquarters, wood supplies and the sales organisations. Other business also reports profit shares in associates/joint ventures, Nine TPP AB and ScandFibre Logistics AB, as well as the subsidiary Tenova Bioplastics AB which was acquired in 2009. Other business also includes results from hedging of the Group's net currency flows, the result of pulp price hedges and eliminations.

Non-current assets and capital investments cannot be broken down by business area since the business areas are highly integrated in terms of production.

	Packaging & Speciality Paper		Packaging Boards		Market Pulp		Other business		Group total	
	Jan-Mar 2010	Jan-Mar 2009	Jan-Mar 2010	Jan-Mar 2009	Jan-Mar 2010	Jan-Mar 2009	Jan-Mar 2010	Jan-Mar 2009	Jan-Mar 2010	Jan-Mar 2009
Net sales	1 052	993	613	667	384	323	141	-83	2 190	1 900
Other income	-	-	-	-	-	-	2	4	2	4
Operating expenses, other	-880	-830	-517	-525	-325	-374	-90	-73	-1 812	-1 802
Depreciation and impairment	-76	-69	-40	-42	-28	-26	-2	-2	-146	-139
Share of profits of associates/JV	0	0	0	0	0	0	0	0	0	0
Operating profit/loss	96	94	56	100	31	-77	51	-154	234	-37
<i>Operating margin</i>	<i>9%</i>	<i>9%</i>	<i>9%</i>	<i>15%</i>	<i>8%</i>	<i>-24%</i>			<i>11%</i>	<i>-2%</i>
Financial items									-22	-32
Tax									-56	30
Net profit/loss									156	-39

For quarterly date commented on below, see page 15 of this report.

Packaging & Speciality Paper business area

First quarter

Operating profit amounted to SEK 96 million, an increase of SEK 2 million compared with the same period in the previous year. Higher volumes made a positive contribution while a less favourable currency situation had a negative impact. The price level in local currency was largely unchanged. In relation to the fourth quarter of 2009, operating profit rose SEK 11 million. The change is explained by higher volumes. Price increases in local currency compensated for a less favourable currency situation. The cost of raw materials increased. Operating profit for the quarter was charged with the cost of a bad debt of approximately SEK 10 million. The operating margin was 9%, which is the same level as was reported in both the first quarter of 2009 and the previous quarter.

Market development

The order situation in the first quarter remained good for sack and kraft paper which resulted in very good delivery volumes. The order books were still good at the end of the quarter. The price level increased for most products compared with the previous quarter and further price increase were announced.

The new product Billerud FibreForm[®] has now resulted in concrete business, among others, for food packaging for the UK market. Volume development remains, however, at an early stage.

Packaging Boards business area

First quarter

Operating profit amounted to SEK 56 million, a decrease of SEK 44 million compared with the same period in the previous year. The change was due to a less favourable currency situation combined with less favourable prices in local currency, which were compensated to some extent by higher volume and lower variable costs. Compared with the fourth quarter of 2009, operating profit increased by SEK 19 million. Implemented price increase in local currency compensated for higher raw material costs and a less favourable currency situation. Lower fixed costs had a positive effect on operating profit. The operating margin was 9% compared with 15% for the same period in the previous year and 7% for the fourth quarter of 2009.

Market development

The market for containerboard remained strong in the first quarter, which could be seen in good delivery volumes. Order bookings were good for fully bleached virgin fibre-based liner and very good for S/C fluting, a situation which continued through the end of the quarter. The price level also rose for all products compared with the previous quarter and further price increases were announced.

Market Pulp business area

First quarter

Operating profit amounted to SEK 31 million, an increase of SEK 108 million compared with the same period in the previous year mainly due to improved prices. Compared with the fourth quarter of 2009, operating profit rose SEK 23 million, primarily due to improved prices.

Volume, on the other hand, was lower than in the previous quarter due to a higher proportion of produced packaging paper and a slightly lower total production volume.

Market development

The market for market pulp (NBSK) remained strong in the first quarter. The earthquake in Chile in end of February resulted in a loss of production. The pulp production in Chile amounts to approximately 8% of the global market for pulp. A number of price increases were implemented during the quarter where the price at the end of the quarter amounted to USD 890, to be compared with USD 800 at the end of the fourth quarter of 2009. Additional announcements of price increases have been made to USD 960 at 1 May 2010.

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 for the first quarter of 2010 amounted to SEK 951 million (771). Operating profit amounted to SEK 149 million (-80), an increase of SEK 229 million compared with the same period in the previous year, mainly due to lower variable costs and higher volumes.

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. This result amounted to SEK 117 million (-151).

Investments in property, plant and equipment and intangible assets excluding shares amounted to SEK 25 million (19) in the first quarter of 2010. The average number of employees was 901 (929). Cash and bank balances and short-term investments amounted to SEK 707 million (197).

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. So that maintenance can be carried out production of pulp and paper is stopped – known as a maintenance shutdown. An estimation of planned maintenance shutdowns and those already carried out are shown below.

Mill	2010	2009
Gruvön	Q 2, 10 days	No shutdown 2009
Karlsborg	Q 3, 10 days	Q 3, 10 days
Skärblacka	Q3, 8 days	Q 3, 8 days

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

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. Billerud works continually to spread the cost of maintenance shutdowns more evenly across the quarters.

Other seasonal effects

A significant part of Billerud Flute® volumes are used to package fruit exports from the Mediterranean area. Demand from this customer group varies with 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 at 31 March 2010 according to SIS Ägarservice AB (Billerud's approximately 1.9 million treasury shares and foreign custodian banks are excluded):

Shareholder	Number of shares	Per cent of votes
Frapag Beteiligungsholding AG	21 621 400	21,0
DFA funds	2 705 460	2,6
Government of Norway	2 151 964	2,1
Sundh Stefan company (Proad AB)	2 000 000	1,9
SHB funds	1 367 037	1,3
Swedbank Robur funds	1 255 363	1,2
Avanza Pension Försäkring AB	1 124 933	1,1
Östersjöstiftelsen	998 602	1,0
SEB funds	920 438	0,9
Apoteket AB:s pension foundation	744 600	0,7
Total 10 largest shareholders	34 889 797	33,9
Total number of shares in the market	102 983 140	100,0

Some changes in the table of Billerud's largest shareholders at 31 March 2010 compared with the previous quarter are attributable to new owner definitions with the changeover to a new data supplier.

The proportion of foreign ownership was 45.3% of the number of shares in the market. The total number of owners (included nominee-registered) was approximately 122 245. More information about shareholder structure is available at www.billerud.se/investerare.

Distribution of shares

At 31 March 2010 the distribution of shares was as follows.

Registered number of shares	104 834 613
<u>Treasury shares</u>	<u>-1 851 473</u>
Shares in the market	102 983 140

No treasury shares have been purchased since year-end 2004.

Events after the end of the quarter

The Swedish Paper Workers Union has between 12 April to 26 April implemented an overtime ban, ban on employing new staff, and a ban on hiring temporary staff which included all Billerud's Swedish paper mills. In addition, the Swedish Paper Workers Union went on a strike at Billerud's Skärblacka paper mill with effect from 06.00 CET on 16 April until 18.24 CET on 26 April. Also Gruvön paper mill was affected by the strike during 24 minutes on 26 April that resulted in a delayed production start up after a periodic maintenance shutdown.

The Confederation of Swedish Enterprise has declared that all mills included in the Swedish Paper Workers Union's strike will receive full compensation. The strike will however, have a negative impact on total deliveries for the full year.

Outlook

The second quarter of 2010 started with continued good demand within all segments.

Price increases have been implemented for all products and further price increases have been announced in order to gradually restore prices to sustainable levels in the long term.

Strike action during the second quarter will have a negative effect on total deliveries for the full year.

Stockholm, 29 April 2010
Billerud AB (publ)

Board of Directors

This interim report has not been reviewed by the company's auditors

Financial calendar

Interim report January-June 2010	22 July 2010
Interim report January-September 2010	29 October 2010

The 2010 Annual General Meeting will be held on 4 May 2010.

This information is such that Billerud AB is required to disclose under the Securities Market Act.

Billerud Group

Accounting principles

The interim report for the Group is produced in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The accounting principles applied in this interim report are the same as those used in the most recent annual report for 2009, see pages 73-84 and page 115 for definitions of key indicators. The parent company's interim report is prepared in accordance with the Swedish Annual Accounts Act.

Income statement	3 months		Full year	
	Jan-Mar 2010	Oct-Dec 2009	Jan-Mar 2009	Jan-Dec 2009
SEKm				
Net sales	2 190	2 060	1 900	7 760
Other income	2	24	4	32
Operating income	2 192	2 084	1 904	7 792
Change in inventories	9	80	-28	26
Raw materials and consumables	-1 044	-966	-1 022	-3 870
Other external costs	-446	-461	-422	-1 706
Employee benefits expense	-331	-363	-330	-1 380
Depreciation and impairment of non-current assets	-146	-143	-139	-561
Profit/Loss from participations in associated companies and joint ventures	0	0	0	-1
Operating expenses	-1 958	-1 853	-1 941	-7 492
Operating profit/loss	234	231	-37	300
Financial income and expenses	-22	-27	-32	-114
Profit/Loss before tax	212	204	-69	186
Taxes	-56	-44	30	-21
Net profit/loss for the period	156	160	-39	165
		0	0	0
Earnings per share, SEK	1,52	1,55	-0,53	2,04
Deluted earnings per share, SEK	1,51	1,55	-0,53	2,03

Statement of comprehensive income	Jan-Mar 2010	Jan-Mar 2009	Full year 2009
SEKm			
Net profit/loss for the period	156	-39	165
Other comprehensive income			
Differences arising from the translation of foreign operations' accounts	-8	4	-3
Change in fair value of available-for-sale financial assets for the period	0	-	-
Change in fair value of cash flow hedges	-160	230	366
Change in fair value of cash flow hedges transferred to net profit/loss for the period	113	-149	-1
Tax attributable to components of other comprehensive income	12	-21	-96
Total comprehensive income for the period	113	25	431

Statement of changes in equity	Jan-Mar 2010	Jan-Mar 2009	Full year 2009
SEKm			
Opening balance	3 995	2 638	2 638
Comprehensive income for the period	113	25	431
Right issue	-	-	925
Share-based payment to be settled in equity instruments, IFRS 2	0	0	1
Dividends paid	-	-	-
Closing balance	4 108	2 663	3 995

There are no minority interests in profit for the period or equity.

Balance sheet	31 Mar	31 Mar	31 Dec
SEKm	2010	2009	2009
Non-current assets	5 485	5 786	5 555
Inventories	1 046	1 129	1 065
Accounts receivable	1 273	1 383	1 152
Other current assets	409	348	491
Cash and cash equivalents	795	303	818
Total assets	9 008	8 949	9 081
Shareholders' equity	4 108	2 663	3 995
Interest-bearing liabilities	1 074	2 256	1 080
Provisions for pensions	197	185	193
Other provisions	27	26	27
Deferred tax liabilities	1 377	1 274	1 357
Total non-current liabilities	2 675	3 741	2 657
Interest-bearing liabilities	500	735	697
Accounts payables	1 039	958	1 056
Other liabilities and provisions	686	852	676
Total current liabilities	2 225	2 545	2 429
Total equity and liabilities	9 008	8 949	9 081

Statement of cash flow	Jan-Mar	Oct-Dec	Jan-Mar	Full year
SEKm	2010	2009	2009	2009
Operating surplus, etc. ¹⁾	379	392	49	862
Change in working capital, etc.	-88	-54	-163	116
Net financial items, taxes, etc.	-30	-1	-46	-124
Cash flow from operating activities	261	337	-160	854
Investments in property, plant and equipment	-50	-56	-54	-271
Acquisition of operations, net effect on cash and cash equivalents	-	-	-36	-35
Acquisition of financial assets	-30	-	-	-
Disposal of property, plant and equipment	0	4	9	14
Cash flow from investing activities	-80	-52	-81	-292
Change in interest-bearing liabilities	-199	-690	0	-1 207
Share issue	-	-3	-	925
Dividend	-	-	-	-
Sale of treasury shares, incentive programme	-	-	-	-
Cash flow from financing activities	-199	-693	0	-282
Total cash flow (=change in cash and cash equivalents)	-18	-408	-241	280
Cash and cash equivalents at start of period	818	1 226	542	542
Translation differences in cash and cash equivalents	-5	0	2	-4
Cash and cash equivalents at the end of the period	795	818	303	818

1) The amount for the period January-March 2010 includes operating profit of SEK 234 million, reversed depreciation SEK 146 million, payment of restructuring costs SEK -1 million, increase in pension liabilities SEK 2 million, net of produced and sold electricity certificates and sold emission rights SEK -2 million. The amount for the period January-March 2009 includes operating profit SEK -37 million, reversed depreciation SEK 139 million, payment of restructuring costs SEK -2 million, increase in pension liabilities SEK 1 million, net of produced and sold electricity certificates SEK -49 million and capital gains SEK -3 million.

Key figures	Jan-Mar 2010	Jan-Mar 2009	Full year 2009
<i>Margins</i>			
Gross margin, %	17	5	11
Operating margin, %	11	-2	4
<i>Return (rolling 12 months)</i>			
Return on capital employed, %	11	1	6
Return on total capital, %	6	0	3
Return on equity, %	10	-1	5
Return on equity after dilution, %	10	-1	5
<i>Capital structure at end of period</i>			
Capital employed, SEKm	5 084	5 536	5 148
Equity, SEKm	4 108	2 663	3 995
Interest-bearing net debt, SEKm	976	2 873	1 152
Net debt/equity ratio, multiple	0,24	1,08	0,29
Net debt/equity ratio after dilution, multiple	0,24	1,08	0,29
Equity ratio, %	46	30	44
Equity ratio after dilution, %	46	30	44
<i>Per share ¹⁾</i>			
Earnings per share, SEK	1,52	-0,53	2,04
Average number of shares, thousands	102 983	73 711	81 029
Earnings per share after dilution, SEK	1,51	-0,53	2,03
Average number of shares after dilution, thousands	103 139	73 711	81 155
Cash flow per share, SEK	1,76	-3,20	6,94
<i>Per share at end of period ¹⁾</i>			
Equity per share, SEK	39,89	36,13	38,80
Number of share, thousands	102 983	73 711	102 983
Equity per share after dilution, SEK	39,86	36,13	38,75
Number of share, thousands	103 139	73 711	103 117
Gross investments, SEKm	51	54	271
Business combinations, SEKm	-	36	35
Average number of employees	2 175	2 205	2 232

Key figures, 5 years	Jan-Mar 2010	Jan-Mar 2009	2009	2008	2007	2006	2005
Net profit/loss, SEKm	156	-39	165	152	336	312	-183
Earnings per share, SEK ¹⁾	1,52	-0,53	2,04	2,07	4,56	4,25	-2,49
Return on capital employed, %	5	-1	6	5	11	11	-4
Return on total capital, %	3	0	3	3	7	7	-3
Return on equity, %	4	-2	5	5	12	12	-7
Equity ratio, %	46	30	44	29	31	33	33

1) Historic figures recalculated taking the rights issue in September 2009 into account.

Parent company

Summarised income statement SEKm	3 months		Full year
	Jan-Mar 2010	Jan-Mar 2009	Jan-Dec 2009
Operating income	985	780	3 322
Operating expenses	-836	-860	-3 237
Operating profit/loss	149	-80	85
Financial income and expenses	-20	-33	-74
Profit/Loss after financial income and expenses	129	-113	11
Appropriations	-	-	-2 098
Profit/loss before tax	129	-113	-2 087
Taxes	-33	30	579
Net profit/loss for the period	96	-83	-1 508

Summarised balance sheet SEKm	31 Mar 2010	31 Mar 2009	31 Dec 2009
Non-current assets	4 009	4 156	4 018
Current assets	3 291	2 860	3 368
Total assets	7 300	7 016	7 386
Shareholders' equity	2 324	2 212	2 228
Untaxed reserves	2 098	-	2 098
Provisions	451	808	414
Interest-bearing liabilities	1 726	2 967	1 975
Other liabilities	701	1 029	671
Total equity and liabilities	7 300	7 016	7 386

Business areas

Billerud's net sales and operating profit/loss by business area are presented below. The results of the business areas are reported excluding the effects of currency hedging and excluding the effect on profit/loss of remeasurement 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.

Quarterly net sales per business area and for the Group

SEKm	2010	2009				
	I	Full year	IV	III	II	I
Packaging & Speciality Paper	1 052	3 934	953	965	1 023	993
Packaging Boards	613	2 362	557	565	573	667
Market Pulp	384	1 338	380	325	310	323
Currency hedging, etc.	64	-110	95	-12	-62	-131
Other and eliminations	77	236	75	50	63	48
Total Group	2 190	7 760	2 060	1 893	1 907	1 900

Quarterly operating profit/loss per business area and for the Group

SEKm	2010	2009				
	I	Full year	IV	III	II	I
Packaging & Speciality Paper	96	386	85	74	133	94
Packaging Boards	56	230	37	68	25	100
Market Pulp	31	-148	8	-21	-58	-77
Currency hedging, etc.	64	-110	95	-12	-62	-131
Other and eliminations	-13	-58	6	-45	4	-23
Total Group	234	300	231	64	42	-37

Quarterly operating margin per business area and for the Group

%	2010	2009				
	I	Full year	IV	III	II	I
Packaging & Speciality Paper	9	10	9	8	13	9
Packaging Boards	9	10	7	12	4	15
Market Pulp	8	-11	2	-6	-19	-24
Group	11	4	11	3	2	-2

Quarterly delivery volumes per business area

ktonnes	2010	2009				
	I	Full year	IV	III	II	I
Packaging & Speciality Paper	138	508	128	130	132	118
Packaging Boards	130	488	126	123	114	125
Market Pulp	75	316	82	75	77	82
Total	343	1 312	336	328	323	325