

Income Statement Borregaard Group Q1 2017

<i>Amounts in NOK million</i>	1.1-31.3		1.1-31.12
	2017	2016	2016
Operating revenues	1 136	1 113	4 492
Operating expenses	-862	-877	-3 471
EBITDA adj.	274	236	1 021
Depreciation property, plant and equipment	-74	-65	-274
EBITA adj.	200	171	747
Amortisation intangible assets	-1	-1	-4
Other income and expenses	0	0	13
Operating profit	199	170	756
Financial items, net	-4	-9	-32
Profit before taxes	195	161	724
Income tax expence	-48	-41	-171
Profit for the period	147	120	553
Profit attributable to non-controlling interests	-1	-1	-2
Profit attributable to owners of the parent	148	121	555
Earnings per share (NOK)	1,48	1,21	5,55
<i>EBITDA adj. margin</i>	<i>24,1 %</i>	<i>21,2 %</i>	<i>22,7 %</i>
<i>EBITA adj. margin</i>	<i>17,6 %</i>	<i>15,4 %</i>	<i>16,6 %</i>

Interim condensed statement of financial position Borregaard Group

	31.3. 2017	31.12. 2016
<i>Amounts in NOK million</i>		
Assets:		
Intangible assets	121	125
Property, plant and equipment	2 559	2 471
Other assets	86	115
Investments in joint venture	127	121
Non-current assets	2 893	2 832
Inventories	687	626
Receivables	949	948
Cash and cash deposits	182	265
Current assets	1 818	1 839
Total assets	4 711	4 671
Equity and debt:		
Group equity	2 808	2 679
Non-controlling interests	59	34
Equity	2 867	2 713
Provisions and other liabilities	280	299
Interest-bearing liabilities	526	525
Non-current liabilities	806	824
Interest-bearing liabilities	41	61
Other current liabilities	997	1 073
Current liabilities	1 038	1 134
Equity and liabilities	4 711	4 671
Equity ratio (%):	60,9 %	58,1 %

Interim condensed cash flow statement Borregaard Group Q1 2017

<i>Amounts in NOK million</i>	1.1-31.3		1.1-31.12
	2017	2016	2016
Profit before taxes	195	161	724
Amortisation, depreciation and impairment charges	75	66	278
Change in net working capital, etc	-156	-243	170
Dividend (share of profit) from JV	-2	-22	-1
Taxes paid	-30	-31	-90
Cash flow from operating activities	82	-69	1 081
Investments property, plant and equipment and intangible assets *	-159	-71	-622
Other capital transactions	2	1	5
Cash flow from Investing activities	-157	-70	-617
Dividends	0	0	-149
Proceeds from exercise of options/shares to employees	11	1	7
Buy-back of shares	-29	0	-10
Gain/(loss) on hedges for net investments in subsidiaries	9	11	13
Net paid to/from shareholders	-9	12	-139
Proceeds from interest-bearing liabilities	5	0	106
Repayment from interest-bearing liabilities	-27	-2	-309
Change in interest-bearing receivables/other liabilities	23	-9	-23
Change in net interest-bearing liabilities	1	-11	-226
Cash flow from financing activities	-8	1	-365
Change in cash and cash equivalents	-83	-138	99
Cash and cash equivalents at beginning of period	265	169	169
Change in cash and cash equivalents	-83	-138	99
Currency effects cash and cash equivalents	0	-13	-3
Cash and cash equivalents at the end of the period	182	18	265
* Investment by category:			
Replacement investments	78	34	358
Expansion investments	81	37	264

Quarterly segment information Borregaard Group

Operating revenues

	1.1-31.12 2013	1.1-31.12 2014	1.1-31.3 2015	1.4-30.6 2015	1.7-30.9 2015	1.10-31.12 2015	1.1-31.12 2015	1.1-31.3 2016	1.4-30.6 2016	1.7-30.9 2016	1.10-31.12 2016	1.1-31.12 2016	1.1-31.3 2017
<i>Amounts in NOK million</i>													
Borregaard	3 886	3 939	1 007	1 054	1 069	1 034	4 164	1 113	1 167	1 102	1 110	4 492	1 136
Performance Chemicals	1 645	1 822	503	515	488	502	2 008	550	584	515	512	2 161	550
Speciality Cellulose	1 596	1 459	336	365	389	346	1 436	383	385	416	406	1 590	412
Other Businesses	664	682	176	183	199	197	755	190	206	179	201	776	183
Eliminations	-19	-24	-8	-9	-7	-11	-35	-10	-8	-8	-9	-35	-9

EBITDA adj.

	1.1-31.12 2013	1.1-31.12 2014	1.1-31.3 2015	1.4-30.6 2015	1.7-30.9 2015	1.10-31.12 2015	1.1-31.12 2015	1.1-31.3 2016	1.4-30.6 2016	1.7-30.9 2016	1.10-31.12 2016	1.1-31.12 2016	1.1-31.3 2017
<i>Amounts in NOK million</i>													
Borregaard	710	730	169	196	225	168	758	236	269	283	233	1 021	274
Performance Chemicals	314	410	117	134	117	106	474	146	147	141	115	549	141
Speciality Cellulose	326	248	30	39	79	45	193	76	91	105	72	344	112
Other Businesses	70	72	22	23	29	17	91	14	31	37	46	128	21

Depreciations and write downs

	1.1-31.12 2013	1.1-31.12 2014	1.1-31.3 2015	1.4-30.6 2015	1.7-30.9 2015	1.10-31.12 2015	1.1-31.12 2015	1.1-31.3 2016	1.4-30.6 2016	1.7-30.9 2016	1.10-31.12 2016	1.1-31.12 2016	1.1-31.3 2017
<i>Amounts in NOK million</i>													
Borregaard	- 221	- 244	- 64	- 65	- 65	- 67	- 261	- 65	- 69	- 67	- 73	- 274	- 74
Performance Chemicals	- 18	- 22	- 6	- 7	- 6	- 8	- 27	- 8	- 7	- 9	- 8	- 32	- 9
Speciality Cellulose	- 82	- 85	- 22	- 21	- 23	- 23	- 89	- 23	- 23	- 23	- 25	- 94	- 23
Other Businesses	- 121	- 137	- 36	- 37	- 36	- 36	- 145	- 34	- 39	- 35	- 40	- 148	- 42

EBITA adj.

	1.1-31.12 2013	1.1-31.12 2014	1.1-31.3 2015	1.4-30.6 2015	1.7-30.9 2015	1.10-31.12 2015	1.1-31.12 2015	1.1-31.3 2016	1.4-30.6 2016	1.7-30.9 2016	1.10-31.12 2016	1.1-31.12 2016	1.1-31.3 2017
<i>Amounts in NOK million</i>													
Borregaard	489	486	105	131	160	101	497	171	200	216	160	747	200
Performance Chemicals	296	388	111	127	111	98	447	138	140	132	107	517	132
Speciality Cellulose	244	163	8	18	56	22	104	53	68	82	47	250	89
Other Businesses	- 51	- 65	- 14	- 14	- 7	- 19	- 54	- 20	- 8	2	6	- 20	- 21

Amortisation

	1.1-31.12 2013	1.1-31.12 2014	1.1-31.3 2015	1.4-30.6 2015	1.7-30.9 2015	1.10-31.12 2015	1.1-31.12 2015	1.1-31.3 2016	1.4-30.6 2016	1.7-30.9 2016	1.10-31.12 2016	1.1-31.12 2016	1.1-31.3 2017
<i>Amounts in NOK million</i>													
Borregaard	- 2	0	0	0	0	- 1	- 1	- 1	- 1	- 1	- 1	- 4	- 1
Performance Chemicals	- 2	0	0	0	0	- 1	- 1	- 1	- 1	- 1	- 1	- 4	- 1
Speciality Cellulose	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Businesses	0	0	0	0	0	0	0	0	0	0	0	0	0

Other income and expenses

	1.1-31.12 2013	1.1-31.12 2014	1.1-31.3 2015	1.4-30.6 2015	1.7-30.9 2015	1.10-31.12 2015	1.1-31.12 2015	1.1-31.3 2016	1.4-30.6 2016	1.7-30.9 2016	1.10-31.12 2016	1.1-31.12 2016	1.1-31.3 2017
<i>Amounts in NOK million</i>													
Borregaard	14	- 30	0	0	0	37	37	0	13	0	0	13	0
Performance Chemicals	- 9	0	0	0	0	- 9	- 9	0	0	0	0	0	0
Speciality Cellulose	0	0	0	0	0	46	46	0	73	0	0	73	0
Other Businesses	23	- 30	0	0	0	0	0	0	- 60	0	0	- 60	0

Operating profit (EBIT)

	1.1-31.12 2013	1.1-31.12 2014	1.1-31.3 2015	1.4-30.6 2015	1.7-30.9 2015	1.10-31.12 2015	1.1-31.12 2015	1.1-31.3 2016	1.4-30.6 2016	1.7-30.9 2016	1.10-31.12 2016	1.1-31.12 2016	1.1-31.3 2017
<i>Amounts in NOK million</i>													
Borregaard	501	456	105	131	160	137	533	170	212	215	159	756	199
Performance Chemicals	285	388	111	127	111	88	437	137	139	131	106	513	131
Speciality Cellulose	244	163	8	18	56	68	150	53	141	82	47	323	89
Other Businesses	- 28	- 95	- 14	- 14	- 7	- 19	- 54	- 20	- 68	2	6	- 80	- 21

Quarterly segment information Borregaard Group
Hedging effects & currency exposure

	1.1-31.12 2013	1.1-31.12 2014	1.1-31.3 2015	1.4-30.6 2015	1.7-30.9 2015	1.10-31.12 2015	1.1-31.12 2015	1.1-31.3 2016	1.4-30.6 2016	1.7-30.9 2016	1.10-31.12 2016	1.1-31.12 2016	1.1-31.3 2017
<i>Amounts in NOK million</i>													
Borregaard - EBITA hedging gains & losses	10	-51	-70	-54	-55	-62	-241	-43	-24	-24	-24	-115	-22
Performance Chemicals	4	-12	-22	-18	-17	-19	-76	-12	-7	-7	-6	-32	-6
Speciality Cellulose	3	-32	-40	-29	-28	-32	-129	-22	-11	-13	-13	-59	-10
Other Businesses	3	-7	-8	-7	-10	-11	-36	-9	-6	-4	-5	-24	-6
Borregaard - USD EBITA currency exposure (approx)	265	250					214					208	
Borregaard - EUR EBITA currency exposure (approx)	96	89					78					92	

Sales revenues

	1.1-31.12 2013	1.1-31.12 2014	1.1-31.3 2015	1.4-30.6 2015	1.7-30.9 2015	1.10-31.12 2015	1.1-31.12 2015	1.1-31.3 2016	1.4-30.6 2016	1.7-30.9 2016	1.10-31.12 2016	1.1-31.12 2016	1.1-31.3 2017
<i>Amounts in NOK million</i>													
Borregaard	3 822	3 848	988	1 032	1 048	1 007	4 075	1 082	1 145	1 076	1 088	4 391	1 110
Performance Chemicals	1 612	1 779	492	499	474	487	1 952	531	569	494	500	2 094	535
Cellulose	1 483	1 344	312	343	365	319	1 339	345	363	388	376	1 472	379
Bioethanol	110	112	24	21	25	20	90	32	21	29	28	110	30
Fine Chemicals	193	185	46	55	60	56	217	54	68	47	84	253	49
Ingredients	323	328	83	82	92	94	351	89	88	87	71	335	86
Other	101	100	31	32	32	31	126	31	36	31	29	127	31

Performance Chemicals

	1.1-31.12 2013	1.1-31.12 2014	1.1-31.3 2015	1.4-30.6 2015	1.7-30.9 2015	1.10-31.12 2015	1.1-31.12 2015	1.1-31.3 2016	1.4-30.6 2016	1.7-30.9 2016	1.10-31.12 2016	1.1-31.12 2016	1.1-31.3 2017
Average gross sales price NOK per mtds	3 953	4 539	5 744	5 393	5 424	5 459	5 500	5 669	5 191	5 196	5 272	5 331	5 598
Volume ('000 mtds)	462	446	99	108	100	103	410	107	122	108	106	443	106
Specialities % (share of total volum)	17 %	18 %					19 %					18 %	
Contraction % (share of total volum)	56 %	53 %					52 %					48 %	
Miscellaneous % (share of total volum)	27 %	29 %					29 %					34 %	

Speciality Cellulose

	1.1-31.12 2013	1.1-31.12 2014	1.1-31.3 2015	1.4-30.6 2015	1.7-30.9 2015	1.10-31.12 2015	1.1-31.12 2015	1.1-31.3 2016	1.4-30.6 2016	1.7-30.9 2016	1.10-31.12 2016	1.1-31.12 2016	1.1-31.3 2017
Average gross sales price NOK per mt	9 343	9 144	9 337	8 894	9 881	10 176	9 546	10 150	9 912	9 830	10 068	9 986	10 555
Volume ('000 mt)	158,0	149,4	37,8	41,7	39,6	34,5	153,6	36,0	37,4	40,6	38,3	152,3	36,6
High specialised as % of total cellulose product sales volum	67 %	63 %					57 %					64 %	