

Income Statement Borregaard Group Q3 2016

	1.7-30.9		1.1-30.9		1.1-31.12
<i>Amounts in NOK million</i>	2016	2015	2016	2015	2015
Operating revenues	1 102	1 069	3 382	3 130	4 164
Operating expenses	-819	-844	-2 594	-2 540	-3 406
EBITDA adj.	283	225	788	590	758
Depreciations property, plant and equipment	-67	-65	-201	-194	-261
EBITA adj.	216	160	587	396	497
Amortisation intangible assets	-1	0	-3	0	-1
Other income and expenses	0	0	13	0	37
Operating profit	215	160	597	396	533
Financial items, net	-10	-9	-24	-20	-27
Profit before taxes	205	151	573	376	506
Taxes	-49	-40	-143	-100	-122
Profit for the period	156	111	430	276	384
Profit attributable to non-controlling interests	-1	-1	-2	-2	-2
Profit attributable to owners of the parent	157	112	432	278	386
Earnings per share (NOK)	1,57	1,12	4,32	2,78	3,86
<i>EBITDA adj. margin</i>	<i>25,7 %</i>	<i>21,0 %</i>	<i>23,3 %</i>	<i>18,8 %</i>	<i>18,2 %</i>
<i>EBITA adj. margin</i>	<i>19,6 %</i>	<i>15,0 %</i>	<i>17,4 %</i>	<i>12,7 %</i>	<i>11,9 %</i>

Interim condensed statement of financial position Borregaard Group

	30.9. 2016	30.6. 2016	31.12. 2015
<i>Amounts in NOK million</i>			
Assets:			
Intangible assets	123	127	137
Property, plant and equipment	2 243	2 200	2 122
Other assets	176	121	121
Investments in joint venture	118	145	106
Non-current assets	2 660	2 593	2 486
Inventories	660	671	676
Receivables	938	981	838
Cash and cash deposits	385	163	169
Current assets	1 983	1 815	1 683
Total assets	4 643	4 408	4 169
Equity and debt:			
Group equity	2 677	2 385	2 056
Non-controlling interests	4	4	5
Equity	2 681	2 389	2 061
Provisions and other liabilities	312	335	408
Interest-bearing liabilities	769	784	802
Non-current liabilities	1 081	1 119	1 210
Interest-bearing liabilities	9	9	9
Other current liabilities	872	891	889
Current liabilities	881	900	898
Equity and liabilities	4 643	4 408	4 169
Equity ratio (%):	57,7 %	54,2 %	49,4 %

Interim condensed cash flow statement Borregaard Group Q3 2016

<i>Amounts in NOK million</i>	1.7-30.9		1.1-30.9		1.1-31.12
	2016	2015	2016	2015	2015
Profit before taxes	205	151	573	376	506
Amortisation, depreciation and impairment charges	69	65	204	194	269
Change in net working capital, etc	48	-26	9	-228	-106
Dividend (share of profit) from JV	31	16	-7	-2	-14
Taxes paid	-14	-8	-76	-78	-92
Cash flow from operating activities	339	198	703	262	563
Investments property, plant and equipment and intangible assets ¹⁾	-115	-71	-328	-230	-430
Other capital transactions	1	2	3	5	5
Cash flow from Investing activities	-114	-69	-325	-225	-425
Dividends	0	0	-149	-124	-124
Proceeds from exercise of share options	2	0	5	0	11
Buy-back of treasury shares	-1	0	-10	0	-5
Gain/(loss) on hedges for net investments in subsidiaries	16	-40	45	-50	-76
Net paid to/from shareholders	17	-40	-109	-174	-194
Proceeds from interest-bearing liabilities	0	0	100	100	100
Repayment of interest-bearing liabilities	-3	-52	-107	-56	-109
Change in interest-bearing receivables/other liabilities	-11	29	-26	17	21
Change in net interest-bearing liabilities	-14	-23	-33	61	12
Cash flow from financing activities	3	-63	-142	-113	-182
Change in cash and cash equivalents	228	66	236	-76	-44
Cash and cash equivalents at beginning of period	163	36	169	168	168
Change in cash and cash equivalents	228	66	236	-76	-44
Currency effects cash and cash equivalents	-6	23	-20	33	45
Cash and cash equivalents at the close of the period	385	125	385	125	169
1) Investment by category:					
Replacement investments	65	56	194	156	246
Expansion investments	50	15	134	74	184

Quarterly segment information Borregaard Group

Operating revenues

	1.1-31.12	1.1-31.12	1.1-31.03	1.4-30.6	1.7-30.9	1.10-31.12	1.1-31.12	1.1-31.03	1.4-30.6	1.7-30.9	1.10-31.12	1.1-31.12	1.1-31.3	1.4-30.6	1.7-30.9	1.1-30.9
<i>Amounts in NOK million</i>	2012	2013	2014	2014	2014	2014	2014	2 015	2 015	2 015	2 015	2 015	2 016	2 016	2 016	2 016
Borregaard	3 838	3 886	992	993	1 003	951	3 939	1 007	1 054	1 069	1 034	4 164	1 113	1 167	1 102	3 382
Performance Chemicals	1 586	1 645	442	472	467	441	1 822	503	515	488	502	2 008	550	584	515	1 649
Speciality Cellulose	1 616	1 596	379	358	384	338	1 459	336	365	389	346	1 436	383	385	416	1 184
Other Businesses	715	664	175	171	158	178	682	176	183	199	197	755	190	206	179	575
<i>Eliminations</i>	- 79	- 19	- 4	- 8	- 6	- 6	- 24	- 8	- 9	- 7	- 11	- 35	- 10	- 8	- 8	- 26

EBITDA adj.

	1.1-31.12	1.1-31.12	1.1-31.03	1.4-30.6	1.7-30.9	1.10-31.12	1.1-31.12	1.1-31.03	1.4-30.6	1.7-30.9	1.10-31.12	1.1-31.12	1.1-31.3	1.4-30.6	1.7-30.9	1.1-30.9
<i>Amounts in NOK million</i>	2012	2013	2014	2014	2014	2014	2014	2 015	2 015	2 015	2 015	2 015	2 016	2 016	2 016	2 016
Borregaard	746	710	158	190	225	157	730	169	196	225	168	758	236	269	283	788
Performance Chemicals	265	314	89	109	122	90	410	117	134	117	106	474	146	147	141	434
Speciality Cellulose	374	326	56	58	83	51	248	30	39	79	45	193	76	91	105	272
Other Businesses	107	70	13	23	20	16	72	22	23	29	17	91	14	31	37	82

Depreciations and write downs

	1.1-31.12	1.1-31.12	1.1-31.03	1.4-30.6	1.7-30.9	1.10-31.12	1.1-31.12	1.1-31.03	1.4-30.6	1.7-30.9	1.10-31.12	1.1-31.12	1.1-31.3	1.4-30.6	1.7-30.9	1.1-30.9
<i>Amounts in NOK million</i>	2012	2013	2014	2014	2014	2014	2014	2 015	2 015	2 015	2 015	2 015	2 016	2 016	2 016	2 016
Borregaard	- 207	- 221	- 59	- 60	- 60	- 65	- 244	- 64	- 65	- 65	- 67	- 261	- 65	- 69	- 67	- 201
Performance Chemicals	- 17	- 18	- 5	- 5	- 5	- 7	- 22	- 6	- 7	- 6	- 8	- 27	- 8	- 7	- 9	- 24
Speciality Cellulose	- 75	- 82	- 22	- 21	- 21	- 21	- 85	- 22	- 21	- 23	- 23	- 89	- 23	- 23	- 23	- 69
Other Businesses	- 115	- 121	- 32	- 34	- 34	- 37	- 137	- 36	- 37	- 36	- 36	- 145	- 34	- 39	- 35	- 108

EBITA adj.

	1.1-31.12	1.1-31.12	1.1-31.03	1.4-30.6	1.7-30.9	1.10-31.12	1.1-31.12	1.1-31.03	1.4-30.6	1.7-30.9	1.10-31.12	1.1-31.12	1.1-31.3	1.4-30.6	1.7-30.9	1.1-30.9
<i>Amounts in NOK million</i>	2012	2013	2014	2014	2014	2014	2014	2 015	2 015	2 015	2 015	2 015	2 016	2 016	2 016	2 016
Borregaard	539	489	99	130	165	92	486	105	131	160	101	497	171	200	216	587
Performance Chemicals	248	296	84	104	117	83	388	111	127	111	98	447	138	140	132	410
Speciality Cellulose	299	244	34	37	62	30	163	8	18	56	22	104	53	68	82	203
Other Businesses	- 8	- 51	- 19	- 11	- 14	- 21	- 65	- 14	- 14	- 7	- 19	- 54	- 20	- 8	2	- 26

Amortisation

	1.1-31.12	1.1-31.12	1.1-31.03	1.4-30.6	1.7-30.9	1.10-31.12	1.1-31.12	1.1-31.03	1.4-30.6	1.7-30.9	1.10-31.12	1.1-31.12	1.1-31.3	1.4-30.6	1.7-30.9	1.1-30.9
<i>Amounts in NOK million</i>	2012	2013	2014	2014	2014	2014	2014	2 015	2 015	2 015	2 015	2 015	2 016	2 016	2 016	2 016
Borregaard	- 3	- 2	0	0	0	0	0	0	0	0	- 1	- 1	- 1	- 1	- 1	- 3
Performance Chemicals	- 3	- 2	0	0	0	0	0	0	0	0	- 1	- 1	- 1	- 1	- 1	- 3
Speciality Cellulose	0	0	0	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	0	0	0

Other income and expenses

	1.1-31.12	1.1-31.12	1.1-31.03	1.4-30.6	1.7-30.9	1.10-31.12	1.1-31.12	1.1-31.03	1.4-30.6	1.7-30.9	1.10-31.12	1.1-31.12	1.1-31.3	1.4-30.6	1.7-30.9	1.1-30.9
<i>Amounts in NOK million</i>	2012	2013	2014	2014	2014	2014	2014	2 015	2 015	2 015	2 015	2 015	2 016	2 016	2 016	2 016
Borregaard	- 71	14	0	0	0	- 30	- 30	0	0	0	37	37	0	13	0	13
Performance Chemicals	- 57	- 9	0	0	0	0	0	0	0	0	- 9	- 9	0	0	0	0
Speciality Cellulose	- 2	0	0	0	0	0	0	0	0	0	46	46	0	73	0	73
Other Businesses	- 12	23	0	0	0	- 30	- 30	0	0	0	0	0	0	- 60	0	- 60

Operating profit (EBIT)

	1.1-31.12	1.1-31.12	1.1-31.03	1.4-30.6	1.7-30.9	1.10-31.12	1.1-31.12	1.1-31.03	1.4-30.6	1.7-30.9	1.10-31.12	1.1-31.12	1.1-31.3	1.4-30.6	1.7-30.9	1.1-30.9
<i>Amounts in NOK million</i>	2012	2013	2014	2014	2014	2014	2014	2 015	2 015	2 015	2 015	2 015	2 016	2 016	2 016	2 016
Borregaard	465	501	99	130	165	62	456	105	131	160	137	533	170	212	215	597
Performance Chemicals	188	285	84	104	117	83	388	111	127	111	88	437	137	139	131	407
Speciality Cellulose	297	244	34	37	62	30	163	8	18	56	68	150	53	141	82	276
Other Businesses	- 20	- 28	- 19	- 11	- 14	- 51	- 95	- 14	- 14	- 7	- 19	- 54	- 20	- 68	2	- 86

Quarterly segment information Borregaard Group

Hedging effects & currency exposure

	1.1-31.12 2012	1.1-31.12 2013	1.1-31.03 2014	1.4-30.6 2014	1.7-30.9 2014	1.10-31.12 2014	1.1-31.12 2014	1.1-31.03 2 015	1.4-30.6 2 015	1.7-30.9 2 015	1.10-31.12 2 015	1.1-31.12 2 015	1.1-31.3 2 016	1.4-30.6 2 016	1.7-30.9 2 016	1.1-30.9 2 016
Amounts in NOK million																
Borregaard - EBITA hedging gains & losses	54	10	-17	2	-3	-33	-51	-70	-54	-55	-62	-241	-43	-24	-24	-91
Performance Chemicals	13	4	-3	1	-1	-9	-12	-22	-18	-17	-19	-76	-12	-7	-7	-26
Speciality Cellulose	30	3	-11	1	-2	-20	-32	-40	-29	-28	-32	-129	-22	-11	-13	-46
Other Businesses	11	3	-3	0	0	-4	-7	-8	-7	-10	-11	-36	-9	-6	-4	-19

Borregaard - USD EBITA currency exposure (approx)

265	265		250		214	
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Borregaard - EUR EBITA currency exposure (approx)

105	96		89		78	
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Sales revenues

	1.1-31.12 2012	1.1-31.12 2013	1.1-31.03 2014	1.4-30.6 2014	1.7-30.9 2014	1.10-31.12 2014	1.1-31.12 2014	1.1-31.03 2 015	1.4-30.6 2 015	1.7-30.9 2 015	1.10-31.12 2 015	1.1-31.12 2 015	1.1-31.3 2 016	1.4-30.6 2 016	1.7-30.9 2 016	1.1-30.9 2 016
Amounts in NOK million																
Borregaard	3 792	3 822	969	969	984	926	3 848	988	1 032	1 048	1 007	4 075	1 082	1 145	1 076	3 303
Performance Chemicals	1 548	1 612	430	461	455	433	1 779	492	499	474	487	1 952	531	569	494	1 594
Cellulose	1 522	1 483	345	331	354	314	1 344	312	343	365	319	1 339	345	363	388	1 096
Bioethanol	91	110	33	26	30	23	112	24	21	25	20	90	32	21	29	82
Fine Chemicals	243	193	56	40	42	47	185	46	55	60	56	217	54	68	47	169
Ingredients	297	323	79	84	81	84	328	83	82	92	94	351	89	88	87	264
Other	91	101	26	27	22	25	100	31	32	32	31	126	31	36	31	98

Performance Chemicals

	1.1-31.12 2012	1.1-31.12 2013	1.1-31.03 2014	1.4-30.6 2014	1.7-30.9 2014	1.10-31.12 2014	1.1-31.12 2014	1.1-31.03 2 015	1.4-30.6 2 015	1.7-30.9 2 015	1.10-31.12 2 015	1.1-31.12 2 015	1.1-31.3 2 016	1.4-30.6 2 016	1.7-30.9 2 016	1.1-30.9 2 016
Average gross sales price NOK per mtds	3 435	3 953	4 522	4 385	4 528	4 740	4 539	5 744	5 393	5 424	5 459	5 500	5 669	5 191	5 196	5 342
Volume ('000 mtds)	501	462	109	117	113	107	446	99	108	100	103	410	107	122	108	337
Specialities % (share of total volum)	14 %	17 %					18 %					19 %				
Contruction % (share of total volum)	56 %	56 %					53 %					52 %				
Miscellaneous % (share of total volum)	30 %	27 %					29 %					29 %				

Speciality Cellulose

	1.1-31.12 2012	1.1-31.12 2013	1.1-31.03 2014	1.4-30.6 2014	1.7-30.9 2014	1.10-31.12 2014	1.1-31.12 2014	1.1-31.03 2 015	1.4-30.6 2 015	1.7-30.9 2 015	1.10-31.12 2 015	1.1-31.12 2 015	1.1-31.3 2 016	1.4-30.6 2 016	1.7-30.9 2 016	1.1-30.9 2 016
Average gross sales price NOK per mt	9 949	9 343	9 065	8 711	9 187	9 660	9 144	9 337	8 894	9 881	10 176	9 546	10 150	9 912	9 830	9 958
Volume ('000 mt)	149,6	158,0	39,1	37,6	38,4	34,3	149,4	37,8	41,7	39,6	34,5	153,6	36,0	37,4	40,6	114,0
High specialised as % of total cellulose product sales volum	73 %	67 %					63 %					57 %				