

Income Statement Borregaard Group Q4 2017

<i>Amounts in NOK million</i>	1.10-31.12		1.1-31.12	
	2017	2016	2017	2016
Operating revenues	1 137	1 110	4 618	4 492
Operating expenses	-946	-877	-3 563	-3 471
EBITDA adj.	191	233	1 055	1 021
Depreciation property, plant and equipment	-82	-73	-306	-274
EBITA adj.	109	160	749	747
Amortisation intangible assets	-1	-1	-4	-4
Other income and expenses	-9	0	-9	13
Operating profit	99	159	736	756
Financial items, net	-10	-8	-21	-32
Profit before taxes	89	151	715	724
Income tax expence	-4	-28	-157	-171
Profit for the period	85	123	558	553
Profit attributable to non-controlling interests	-5	0	-8	-2
Profit attributable to owners of the parent	90	123	566	555
Earnings per share (NOK)	0,90	1,23	5,66	5,55
<i>EBITDA adj. margin</i>	<i>16,8 %</i>	<i>21,0 %</i>	<i>22,8 %</i>	<i>22,7 %</i>
<i>EBITA adj. margin</i>	<i>9,6 %</i>	<i>14,4 %</i>	<i>16,2 %</i>	<i>16,6 %</i>

Interim condensed statement of financial position Borregaard Group

	31.12. 2017	30.9. 2017	31.12. 2016
<i>Amounts in NOK million</i>			
Assets:			
Intangible assets	111	112	125
Property, plant and equipment	3 126	2 858	2 471
Other assets	93	165	115
Investments in joint venture	118	116	121
Non-current assets	3 448	3 251	2 832
Inventories	734	712	626
Receivables	971	899	948
Cash and cash deposits	180	199	265
Current assets	1 885	1 810	1 839
Total assets	5 333	5 061	4 671
Equity and debt:			
Group equity	2 889	2 923	2 679
Non-controlling interests	107	78	34
Equity	2 996	3 001	2 713
Provisions and other liabilities	277	298	299
Interest-bearing liabilities	743	775	525
Non-current liabilities	1 020	1 073	824
Interest-bearing liabilities	283	71	61
Other current liabilities	1 034	916	1 073
Current liabilities	1 317	987	1 134
Equity and liabilities	5 333	5 061	4 671
Equity ratio (%):	56,2 %	59,3 %	58,1 %

Interim condensed cash flow statement Borregaard Group Q4 2017

<i>Amounts in NOK million</i>	1.10-31.12		1.1-31.12	
	2017	2016	2017	2016
Profit before taxes	89	151	715	724
Amortisation, depreciation and impairment charges	89	74	316	278
Change in net working capital, etc	80	161	-92	170
Dividend (share of profit) from JV	13	6	11	-1
Taxes paid	-95	-14	-170	-90
Cash flow from operating activities	176	378	780	1 081
Investments property, plant and equipment and intangible assets *	-339	-294	-968	-622
Other capital transactions	2	2	10	5
Cash flow from Investing activities	-337	-292	-958	-617
Dividends	0	0	-349	-149
Proceeds from exercise of options/shares to employees	0	2	11	7
Buy-back of shares	0	0	-29	-10
Gain/(loss) on hedges for net investments in subsidiaries	-35	-32	8	13
Net paid to/from shareholders	-35	-30	-359	-139
Proceeds from interest-bearing liabilities	288	6	668	106
Repayment from interest-bearing liabilities	-126	-202	-258	-309
Change in interest-bearing receivables/other liabilities	12	3	46	-23
Change in net interest-bearing liabilities	174	-193	456	-226
Cash flow from financing activities	139	-223	97	-365
Change in cash and cash equivalents	-22	-137	-81	99
Cash and cash equivalents at beginning of period	198	385	265	169
Change in cash and cash equivalents	-22	-137	-81	99
Currency effects cash and cash equivalents	4	17	-4	-3
Cash and cash equivalents at the end of the period	180	265	180	265
* Investment by category:				
Replacement investments	144	164	344	358
Expansion investments	195	130	624	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	1.4-30.6 2017	1.7-30.9 2017	1.10-31.12 2017	1.1-31.12 2017
<i>Amounts in NOK million</i>																	
Borregaard	3 886	3 939	1 007	1 054	1 069	1034	4 164	1 113	1 167	1 102	1 110	4 492	1 136	1 256	1 089	1 137	4 618
Performance Chemicals	1 645	1 822	503	515	488	502	2 008	550	584	515	512	2 161	550	582	523	521	2 176
Speciality Cellulose	1 596	1 459	336	365	389	346	1 436	383	385	416	406	1 590	412	468	383	435	1 698
Other Businesses	664	682	176	183	199	197	755	190	206	179	201	776	183	213	197	190	783
<i>Eliminations</i>	<i>- 19</i>	<i>- 24</i>	<i>- 8</i>	<i>- 9</i>	<i>- 7</i>	<i>- 11</i>	<i>- 35</i>	<i>-10</i>	<i>-8</i>	<i>-8</i>	<i>-9</i>	<i>-35</i>	<i>-9</i>	<i>-7</i>	<i>-14</i>	<i>-9</i>	<i>-39</i>

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 2 016	1.4-30.6 2 016	1.7-30.9 2 016	1.10-31.12 2 016	1.1-31.12 2 016	1.1-31.3 2 017	1.4-30.6 2 017	1.7-30.9 2 017	1.10-31.12 2017	1.1-31.12 2017
<i>Amounts in NOK million</i>																	
Borregaard	710	730	169	196	225	168	758	236	269	283	233	1 021	274	318	272	191	1 055
Performance Chemicals	314	410	117	134	117	106	474	146	147	141	115	549	141	151	111	90	493
Speciality Cellulose	326	248	30	39	79	45	193	76	91	105	72	344	112	127	114	89	442
Other Businesses	70	72	22	23	29	17	91	14	31	37	46	128	21	40	47	12	120

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 2 016	1.4-30.6 2 016	1.7-30.9 2 016	1.10-31.12 2 016	1.1-31.12 2 016	1.1-31.3 2 017	1.4-30.6 2 017	1.7-30.9 2 017	1.10-31.12 2017	1.1-31.12 2017
<i>Amounts in NOK million</i>																	
Borregaard	- 221	- 244	- 64	- 65	- 65	- 67	- 261	-65	-69	-67	-73	-274	-74	-75	-75	-82	-306
Performance Chemicals	- 18	- 22	- 6	- 7	- 6	- 8	- 27	-8	-7	-9	-8	-32	-9	-10	-11	-14	-44
Speciality Cellulose	- 82	- 85	- 22	- 21	- 23	- 23	- 89	-23	-23	-23	-25	-94	-23	-24	-23	-22	-92
Other Businesses	- 121	- 137	- 36	- 37	- 36	- 36	- 145	-34	-39	-35	-40	-148	-42	-41	-41	-46	-170

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 2 016	1.4-30.6 2 016	1.7-30.9 2 016	1.10-31.12 2 016	1.1-31.12 2 016	1.1-31.3 2 017	1.4-30.6 2 017	1.7-30.9 2 017	1.10-31.12 2017	1.1-31.12 2017
<i>Amounts in NOK million</i>																	
Borregaard	489	486	105	131	160	101	497	171	200	216	160	747	200	243	197	109	749
Performance Chemicals	296	388	111	127	111	98	447	138	140	132	107	517	132	141	100	76	449
Speciality Cellulose	244	163	8	18	56	22	104	53	68	82	47	250	89	103	91	67	350
Other Businesses	- 51	- 65	- 14	- 14	- 7	- 19	- 54	-20	-8	2	6	-20	-21	-1	6	-34	-50

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 2 016	1.4-30.6 2 016	1.7-30.9 2 016	1.10-31.12 2 016	1.1-31.12 2 016	1.1-31.3 2 017	1.4-30.6 2 017	1.7-30.9 2 017	1.10-31.12 2017	1.1-31.12 2017
<i>Amounts in NOK million</i>																	
Borregaard	- 2	0	0	0	0	- 1	- 1	-1	-1	-1	-1	-4	-1	-1	-1	-1	-4
Performance Chemicals	- 2	0	0	0	0	- 1	- 1	-1	-1	-1	-1	-4	-1	-1	-1	-1	-4
Speciality Cellulose	0	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	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 2 016	1.4-30.6 2 016	1.7-30.9 2 016	1.10-31.12 2 016	1.1-31.12 2 016	1.1-31.3 2 017	1.4-30.6 2 017	1.7-30.9 2 017	1.10-31.12 2017	1.1-31.12 2017
<i>Amounts in NOK million</i>																	
Borregaard	14	-30	0	0	0	37	37	0	13	0	0	13	0	0	0	-9	-9
Performance Chemicals	-9	0	0	0	0	-9	-9	0	0	0	0	0	0	0	0	-9	-9
Speciality Cellulose	0	0	0	0	0	46	46	0	73	0	0	73	0	0	0	0	0
Other Businesses	23	- 30	0	0	0	0	0	0	-60	0	0	-60	0	0	0	0	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 2 016	1.4-30.6 2 016	1.7-30.9 2 016	1.10-31.12 2 016	1.1-31.12 2 016	1.1-31.3 2 017	1.4-30.6 2 017	1.7-30.9 2 017	1.10-31.12 2017	1.1-31.12 2017
<i>Amounts in NOK million</i>																	
Borregaard	501	456	105	131	160	137	533	170	212	215	159	756	199	242	196	99	736
Performance Chemicals	285	388	111	127	111	88	437	137	139	131	106	513	131	140	99	66	436
Speciality Cellulose	244	163	8	18	56	68	150	53	141	82	47	323	89	103	91	67	350
Other Businesses	- 28	- 95	- 14	- 14	- 7	- 19	- 54	-20	-68	2	6	-80	-21	-1	6	-34	-50

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 2 016	1.4-30.6 2 016	1.7-30.9 2 016	1.10-31.12 2 016	1.1-31.12 2 016	1.1-31.3 2 017	1.4-30.6 2 017	1.7-30.9 2 017	1.10-31.12 2017	1.1-31.12 2017
Amounts in NOK million																	
Borregaard - EBITA hedging gains & losses	10	-51	-70	-54	-55	-62	-241	-43	-24	-24	-24	-115	-22	-35	-5	-10	-72
Performance Chemicals	4	-12	-22	-18	-17	-19	-76	-12	-7	-7	-6	-32	-6	-12	0	0	-18
Speciality Cellulose	3	-32	-40	-29	-28	-32	-129	-22	-11	-13	-13	-59	-10	-17	-3	-6	-36
Other Businesses	3	-7	-8	-7	-10	-11	-36	-9	-6	-4	-5	-24	-6	-6	-2	-4	-18

Borregaard - USD EBITA currency exposure (approx)

265	250		214		208		206
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Borregaard - EUR EBITA currency exposure (approx)

96	89		78		92		84
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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 2 016	1.4-30.6 2 016	1.7-30.9 2 016	1.10-31.12 2 016	1.1-31.12 2 016	1.1-31.3 2 017	1.4-30.6 2 017	1.7-30.9 2 017	1.10-31.12 2017	1.1-31.12 2017
Amounts in NOK million																	
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	1 225	1 071	1 116	4 522
Performance Chemicals	1 612	1 779	492	499	474	487	1 952	531	569	494	500	2 094	535	566	508	508	2 117
Cellulose	1 483	1 344	312	343	365	319	1 339	345	363	388	376	1 472	379	432	357	398	1 566
Bioethanol	110	112	24	21	25	20	90	32	21	29	28	110	30	28	26	37	121
Fine Chemicals	193	185	46	55	60	56	217	54	68	47	84	253	49	85	56	52	242
Ingredients	323	328	83	82	92	94	351	89	88	87	71	335	86	83	94	95	358
Other	101	100	31	32	32	31	126	31	36	31	29	127	31	31	30	26	118

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 2 016	1.4-30.6 2 016	1.7-30.9 2 016	1.10-31.12 2 016	1.1-31.12 2 016	1.1-31.3 2 017	1.4-30.6 2 017	1.7-30.9 2 017	1.10-31.12 2017	1.1-31.12 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	5 317	5 007	5 032	5 229
Volume ('000 mtds)	462	446	99	108	100	103	410	107	122	108	106	443	106	118	112	113	449
Specialities volume ('000 mtds)	77	78					76					79					82
Construction volume ('000 mtds)	257	238					213					214					210
Miscellaneous volume ('000 mtds)	128	130					121					150					157

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 2 016	1.4-30.6 2 016	1.7-30.9 2 016	1.10-31.12 2 016	1.1-31.12 2 016	1.1-31.3 2 017	1.4-30.6 2 017	1.7-30.9 2 017	1.10-31.12 2017	1.1-31.12 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	10 889	10 524	10 315	10 575
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	40,5	34,4	39,2	150,7
High specialised as % of total cellulose product sales volum	67 %	63 %					57 %					64 %					72 %