



Billerud invests in development laboratory for sacks

Today Billerud announced its result for the first half year 2008. Net turnover was MSEK 4,045, up 6% on the same period previous year. The operating profit was MSEK 328, a rise of MSEK 134, or 69%, on the same period previous year. The market and demand situation for most of Billerud s products weakened during the second quarter due to a generally weaker business cycle.

Billerud s CEO Per Lindberg comments:

We are proud to report earnings for the first half of the year that yields a return on working capital of 13% and a return on equity of 15% over rolling 12 months. During the first two quarters we have maintained the operating margin of 8% that we achieved last year, and reduced our energy costs.

The international forest products industry is facing many challenges right now. Billerud s comparative strength is that we primarily operate in niches that feature a long-term stable growing demand for effective and eco-friendly packaging.

The effect of weaker demand due to a generally weakened business cycle that we could not rule out in the first quarter affected to some extent the second quarter. The increased concern for the business cycle in the second half of this year and beyond, we will meet with the same strategy we have benefitted from so far. This means continued hard work aimed at selling the value creation offered by our products to our customers and end-users. We will also continue to develop our products and continue to improve our efficiency and reduce costs.

Stockholm
24 July 2008
Billerud AB (publ)

Per Lindberg
President and CEO

For further information please see full interim report January – June 2008 at www.billerud.com or contact:

Per Lindberg, president and CEO, +46 8 553 335 01 or +46 70 248 15 17

Bertil Carlsén, CFO, +46 8 553 335 07 or +46 73 021 10 92

Billerud is a packaging paper company with a business concept to supply customers with innovative and high quality packaging paper. A consistent concentration on attractive market segments and a strong customer focus are cornerstones of Billerud s strategy. Billerud focuses on kraft paper and containerboard and has a world-leading position within several product segments. The company s production units are among the most cost-efficient in Europe for these products.