

Income Statement Borregaard Group Q3 2020

<i>Amounts in NOK million</i>	1.7-30.9		1.1-30.9		1.1-31.12
	2020	2019	2020	2019	2019
Operating revenues	1 260	1 239	3 990	3 829	5 063
Operating expenses	-994	-953	-3 121	-3 005	-4 056
EBITDA	266	286	869	824	1 007
Depreciation property, plant and equipment	-112	-106	-333	-308	-418
Amortisation intangible assets	-1	-1	-3	-3	-4
Other income and expenses	0	0	-96	-16	-27
Operating profit	153	179	437	497	558
Financial items, net	-20	-23	-60	-60	-91
Profit before taxes	133	156	377	437	467
Income tax expense	-34	-38	-109	-104	-116
Profit for the period	99	118	268	333	351
Profit attributable to non-controlling interests	-13	-13	-47	-46	-66
Profit attributable to owners of the parent	112	131	315	379	417
Earnings per share (NOK)	1,12	1,31	3,15	3,79	4,17
<i>EBITDA margin</i>	<i>21,1 %</i>	<i>23,1 %</i>	<i>21,8 %</i>	<i>21,5 %</i>	<i>19,9 %</i>

Interim condensed statement of financial position Borregaard Group

	30.9. 2020	30.6. 2020	31.12. 2019
<i>Amounts in NOK million</i>			
Assets:			
Intangible assets	90	94	93
Property, plant and equipment	3 962	3 975	3 852
Right-of-use assets	374	374	380
Other assets	249	284	251
Investments in joint venture	26	26	99
Non-current assets	4 701	4 753	4 675
Inventories	1 001	1 003	931
Receivables	1 055	1 120	991
Cash and cash deposits	50	67	147
Current assets	2 106	2 190	2 069
Total assets	6 807	6 943	6 744
Equity and debt:			
Group equity	3 112	2 926	3 306
Non-controlling interests	124	141	158
Equity	3 236	3 067	3 464
Provisions and other liabilities	373	444	294
Interest-bearing liabilities	1 480	1 530	1 419
Non-current liabilities	1 853	1 974	1 713
Interest-bearing liabilities	687	694	608
Other current liabilities	1 031	1 208	959
Current liabilities	1 718	1 902	1 567
Equity and liabilities	6 807	6 943	6 744
Equity ratio (%):	47,5 %	44,2 %	51,4 %

Interim condensed cash flow statement Borregaard Group Q3 2020

<i>Amounts in NOK million</i>	1.7-30.9		1.1-30.9		1.1-31.12
	2020	2019	2020	2019	2019
Profit before taxes	133	156	377	437	467
Amortisation, depreciation and impairment charges	113	107	336	311	432
Change in net working capital, etc	-57	-37	-221	-256	-85
Dividend (share of profit) from JV	0	3	63	3	5
Taxes paid	-36	3	-85	-86	-122
Cash flow from operating activities	153	232	470	409	697
Investments property, plant and equipment and intangible assets *	-99	-101	-312	-370	-583
Other capital transactions	-3	10	2	21	29
Cash flow from Investing activities	-102	-91	-310	-349	-554
Dividends	0	0	-229	-224	-224
Proceeds from exercise of options/shares to employees	5	4	34	34	35
Buy-back of shares	-11	-8	-61	-56	-60
Gain/(loss) on hedges for net investments in subsidiaries	-2	-40	-49	-31	-26
Net paid to/from shareholders	-8	-44	-305	-277	-275
Proceeds from interest-bearing liabilities	400	351	1 350	1 698	2 100
Repayment of interest-bearing liabilities	-516	-425	-1 446	-1 478	-1 971
Change in interest-bearing receivables/other liabilities	4	5	30	-2	-3
Change in net interest-bearing liabilities	-112	-69	-66	218	126
Cash flow from financing activities	-120	-113	-371	-59	-149
Change in cash and cash equivalents	-69	28	-211	1	-6
Cash and cash equivalents at beginning of period	-59	59	81	86	86
Change in cash and cash equivalents	-69	28	-211	1	-6
Currency effects cash and cash equivalents	1	5	3	5	1
Cash and cash equivalents at the end of the period	-127	92	-127	92	81
* Investment by category:					
Replacement investments	52	58	191	188	370
Expansion investments	47	43	121	182	213

Quarterly segment information Borregaard Group

Operating revenues

	1.1-31.12 2016	1.1-31.12 2017	1.1-31.3 2018	1.4-30.6 2018	1.7-30.9 2018	1.10-31.12 2018	1.1-31.12 2018	1.1-31.3 2019	1.4-30.6 2019	1.7-30.9 2019	1.10-31.12 2019	1.1-31.12 2019	1.1-31.1 2020	1.4-30.6 2020	1.7-30.9 2020	1.1-30.9 2020
<i>Amounts in NOK million</i>																
Borregaard	4 492	4 618	1 217	1 199	1 150	1 219	4 785	1 250	1 340	1 239	1 234	5 063	1 372	1 358	1 260	3 990
BioSolutions	2 563	2 594	687	693	690	705	2 775	755	781	720	726	2 982	797	819	733	2 349
BioMaterials	1 575	1 672	432	426	378	425	1 661	394	472	430	416	1 712	454	417	403	1 274
Fine Chemicals	368	370	103	86	89	96	374	110	96	96	104	406	128	131	131	290
Eliminations	-14	-18	-5	-6	-7	-7	-25	-9	-9	-7	-12	-37	-7	-9	-7	-23

EBITDA

	1.1-31.12 2016	1.1-31.12 2017	1.1-31.3 2018	1.4-30.6 2018	1.7-30.9 2018	1.10-31.12 2018	1.1-31.12 2018	1.1-31.3 2019	1.4-30.6 2019	1.7-30.9 2019	1.10-31.12 2019	1.1-31.12 2019	1.1-31.1 2020	1.4-30.6 2020	1.7-30.9 2020	1.1-30.9 2020
<i>Amounts in NOK million</i>																
Borregaard	1 021	1 055	252	239	229	183	903	255	283	286	183	1 007	242	361	266	869
BioSolutions	605	545	149	139	112	99	499	168	192	156	131	647	170	193	132	495
BioMaterials	321	414	74	79	95	64	312	45	64	94	31	234	46	101	91	238
Fine Chemicals	95	96	29	21	22	20	92	42	27	36	21	126	26	67	43	136

Depreciations and write downs

	1.1-31.12 2016	1.1-31.12 2017	1.1-31.3 2018	1.4-30.6 2018	1.7-30.9 2018	1.10-31.12 2018	1.1-31.12 2018	1.1-31.3 2019	1.4-30.6 2019	1.7-30.9 2019	1.10-31.12 2019	1.1-31.12 2019	1.1-31.1 2020	1.4-30.6 2020	1.7-30.9 2020	1.1-30.9 2020
<i>Amounts in NOK million</i>																
Borregaard	-274	-306	-75	-75	-84	-89	-323	-98	-104	-106	-110	-418	-109	-112	-112	-333
BioSolutions	-78	-94	-24	-23	-32	-34	-113	-41	-44	-48	-50	-183	-51	-51	-53	-155
BioMaterials	-177	-192	-46	-47	-47	-49	-189	-49	-53	-50	-51	-203	-50	-52	-51	-153
Fine Chemicals	-19	-20	-5	-5	-5	-6	-21	-8	-7	-8	-9	-32	-8	-9	-8	-25

Amortisation

	1.1-31.12 2016	1.1-31.12 2017	1.1-31.3 2018	1.4-30.6 2018	1.7-30.9 2018	1.10-31.12 2018	1.1-31.12 2018	1.1-31.3 2019	1.4-30.6 2019	1.7-30.9 2019	1.10-31.12 2019	1.1-31.12 2019	1.1-31.1 2020	1.4-30.6 2020	1.7-30.9 2020	1.1-30.9 2020
<i>Amounts in NOK million</i>																
Borregaard	-4	-4	-1	-1	-1	-1	-4	-1	-1	-1	-1	-4	-1	-1	-1	-3
BioSolutions	-4	-4	-1	-1	-1	-1	-4	-1	-1	-1	-1	-4	-1	-1	-1	-3
BioMaterials	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fine Chemicals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Other income and expenses

	1.1-31.12 2016	1.1-31.12 2017	1.1-31.3 2018	1.4-30.6 2018	1.7-30.9 2018	1.10-31.12 2018	1.1-31.12 2018	1.1-31.3 2019	1.4-30.6 2019	1.7-30.9 2019	1.10-31.12 2019	1.1-31.12 2019	1.1-31.1 2020	1.4-30.6 2020	1.7-30.9 2020	1.1-30.9 2020
<i>Amounts in NOK million</i>																
Borregaard	13	-9	0	0	0	0	0	0	-16	0	-11	-27	0	-96	0	-96
BioSolutions	-24	-9	0	0	0	0	0	0	-16	0	0	-16	0	-90	0	-90
BioMaterials	37	0	0	0	0	0	0	0	0	0	-11	-11	0	-6	0	-6
Fine Chemicals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Operating profit (EBIT)

	1.1-31.12 2016	1.1-31.12 2017	1.1-31.3 2018	1.4-30.6 2018	1.7-30.9 2018	1.10-31.12 2018	1.1-31.12 2018	1.1-31.3 2019	1.4-30.6 2019	1.7-30.9 2019	1.10-31.12 2019	1.1-31.12 2019	1.1-31.1 2020	1.4-30.6 2020	1.7-30.9 2020	1.1-30.9 2020
<i>Amounts in NOK million</i>																
Borregaard	756	736	176	163	144	93	576	156	162	179	61	558	132	152	153	437
BioSolutions	499	438	124	115	79	64	382	126	131	107	80	444	118	51	78	247
BioMaterials	181	222	28	32	48	15	123	-4	11	44	-31	20	-4	43	40	79
Fine Chemicals	76	76	24	16	17	14	71	34	20	28	12	94	18	58	35	111

Quarterly segment information Borregaard Group

Hedging effects & currency exposure

	1.1-31.12 2016	1.1-31.12 2017	1.1-31.3 2018	1.4-30.6 2018	1.7-30.9 2018	1.10-31.12 2018	1.1-31.12 2018	1.1-31.3 2019	1.4-30.6 2019	1.7-30.9 2019	1.10-31.12 2019	1.1-31.12 2019	1.1-31.1 2020	1.4-30.6 2020	1.7-30.9 2020	1.1-30.9 2020
<i>Amounts in NOK million</i>																
Borregaard - EBITDA hedging gains & losses	-115	-72	3	-6	-7	-1	-11	-8	-13	-23	-32	-76	-62	-84	-51	-197
BioSolutions	-41	-22	3	1	0	-1	3	-4	-6	-9	-14	-33	-26	-38	-21	-85
BioMaterials	-59	-36	2	-2	-2	-1	-3	-3	-7	-11	-16	-37	-30	-39	-25	-94
Fine Chemicals	-15	-14	-2	-5	-5	1	-11	-1	0	-3	-2	-6	-6	-7	-5	-18
Borregaard - USD EBITDA currency exposure (approx)	209	207					194					203				
Borregaard - EUR EBITDA currency exposure (approx)	92	84					84					98				

Sales revenues

	1.1-31.12 2016	1.1-31.12 2017	1.1-31.3 2018	1.4-30.6 2018	1.7-30.9 2018	1.10-31.12 2018	1.1-31.12 2018	1.1-31.3 2019	1.4-30.6 2019	1.7-30.9 2019	1.10-31.12 2019	1.1-31.12 2019	1.1-31.1 2020	1.4-30.6 2020	1.7-30.9 2020	1.1-30.9 2020
<i>Amounts in NOK million</i>																
Borregaard	4 391	4 522	1 195	1 179	1 131	1 200	4 705	1 222	1 311	1 214	1 204	4 951	1 347	1 337	1 229	3 913
BioSolutions	2 485	2 524	670	677	674	687	2 708	728	753	697	695	2 873	775	800	706	2 281
BioMaterials	1 543	1 634	424	417	371	418	1 630	385	465	422	407	1 679	445	407	395	1 247
Fine Chemicals	363	365	102	85	87	95	369	109	94	95	102	400	127	130	128	385
<i>Eliminations</i>	0	-1	-1	0	-1	0	-2	0	-1	0	0	-1	0	0	0	0

BioSolutions

	1.1-31.12 2016	1.1-31.12 2017	1.1-31.3 2018	1.4-30.6 2018	1.7-30.9 2018	1.10-31.12 2018	1.1-31.12 2018	1.1-31.3 2019	1.4-30.6 2019	1.7-30.9 2019	1.10-31.12 2019	1.1-31.12 2019	1.1-31.1 2020	1.4-30.6 2020	1.7-30.9 2020	1.1-30.9 2020
Average gross sales price NOK per mtds	5 684	5 618	5 966	5 455	5 455	5 783	5 654	6 385	5 999	5 865	6 455	6 166	6 885	7 431	6 701	7 008
Volume ('000 mtds)	444	450	107	122	122	117	468	115	125	119	111	470	115	106	99	320
Specialities volume ('000 mtds)	80	83					86					86				
Construction volume ('000 mtds)	214	210					212					209				
Industrial volume ('000 mtds)	150	157					170					175				

BioMaterials

	1.1-31.12 2016	1.1-31.12 2017	1.1-31.3 2018	1.4-30.6 2018	1.7-30.9 2018	1.10-31.12 2018	1.1-31.12 2018	1.1-31.3 2019	1.4-30.6 2019	1.7-30.9 2019	1.10-31.12 2019	1.1-31.12 2019	1.1-31.1 2020	1.4-30.6 2020	1.7-30.9 2020	1.1-30.9 2020
Average gross sales price NOK per mt	9 992	10 589	10 129	10 202	10 532	10 528	10 337	10 724	10 561	10 982	10 417	10 665	11 382	12 579	11 780	11 884
Volume ('000 mt)	152,3	150,7	40,0	39,1	33,3	37,7	150,1	34,5	42,4	37,6	38,6	153,1	40,0	33,9	34,2	108,1
High specialised as % of total cellulose product sales volum	64 %	72 %					62 %					73 %				