

## Income Statement Borregaard Group Q4 2019

<i>Amounts in NOK million</i>	1.10-31.12		1.1-31.12	
	2019	2018	2019	2018
<b>Operating revenues</b>	<b>1 234</b>	<b>1 219</b>	<b>5 063</b>	<b>4 785</b>
Operating expenses	-1 051	-1 036	-4 056	-3 882
<b>EBITDA adj.</b>	<b>183</b>	<b>183</b>	<b>1 007</b>	<b>903</b>
Depreciation property, plant and equipment	-110	-89	-418	-323
<b>EBITA adj.</b>	<b>73</b>	<b>94</b>	<b>589</b>	<b>580</b>
Amortisation intangible assets	-1	-1	-4	-4
Other income and expenses	-11	0	-27	0
<b>Operating profit</b>	<b>61</b>	<b>93</b>	<b>558</b>	<b>576</b>
Financial items, net	-31	-9	-91	-14
<b>Profit before taxes</b>	<b>30</b>	<b>84</b>	<b>467</b>	<b>562</b>
Income tax expence	-12	-19	-116	-137
<b>Profit for the period</b>	<b>18</b>	<b>65</b>	<b>351</b>	<b>425</b>
Profit attributable to non-controlling interests	-20	-15	-66	-51
Profit attributable to owners of the parent	38	80	417	476
<b>Earnings per share (NOK)</b>	<b>0,38</b>	<b>0,80</b>	<b>4,17</b>	<b>4,76</b>
<i>EBITDA adj. margin</i>	<i>14,8 %</i>	<i>15,0 %</i>	<i>19,9 %</i>	<i>18,9 %</i>
<i>EBITA adj. margin</i>	<i>5,9 %</i>	<i>7,7 %</i>	<i>11,6 %</i>	<i>12,1 %</i>

## Interim condensed statement of financial position Borregaard Group

<i>Amounts in NOK million</i>	31.12. 2019	30.9. 2019	31.12. 2018
<b>Assets:</b>			
Intangible assets	93	90	100
Property, plant and equipment	4 232	4 164	3 623
Other assets	251	226	230
Investments in joint venture	99	96	100
<b>Non-current assets</b>	<b>4 675</b>	<b>4 576</b>	<b>4 053</b>
Inventories	931	955	856
Receivables	991	1 051	956
Cash and cash deposits	147	127	86
<b>Current assets</b>	<b>2 069</b>	<b>2 133</b>	<b>1 898</b>
<b>Total assets</b>	<b>6 744</b>	<b>6 709</b>	<b>5 951</b>
<b>Equity and debt:</b>			
Group equity	3 306	3 145	3 123
Non-controlling interests	158	178	198
<b>Equity</b>	<b>3 464</b>	<b>3 323</b>	<b>3 321</b>
Provisions and other liabilities	294	308	271
Interest-bearing liabilities	1 399	1 554	1 115
<b>Non-current liabilities</b>	<b>1 693</b>	<b>1 862</b>	<b>1 386</b>
Interest-bearing liabilities	628	548	272
Other current liabilities	959	976	972
<b>Current liabilities</b>	<b>1 587</b>	<b>1 524</b>	<b>1 244</b>
<b>Equity and liabilities</b>	<b>6 744</b>	<b>6 709</b>	<b>5 951</b>
Equity ratio (%):	51,4 %	49,5 %	55,8 %

## Interim condensed cash flow statement Borregaard Group Q4 2019

<i>Amounts in NOK million</i>	1.10-31.12		1.1-31.12	
	2019	2018	2019	2018
Profit before taxes	30	84	467	562
Amortisation, depreciation and impairment charges	121	90	432	327
Change in net working capital, etc	171	-102	-85	-194
Dividend (share of profit) from JV	2	0	5	6
Taxes paid	-36	-2	-122	-143
<b>Cash flow from operating activities</b>	<b>288</b>	<b>70</b>	<b>697</b>	<b>558</b>
Investments property, plant and equipment and intangible assets *	-213	-213	-583	-762
Other capital transactions	8	2	29	13
<b>Cash flow from Investing activities</b>	<b>-205</b>	<b>-211</b>	<b>-554</b>	<b>-749</b>
Dividends	0	0	-224	-199
Proceeds from exercise of options/shares to employees	1	1	35	23
Buy-back of shares	-4	0	-60	-32
Gain/(loss) on hedges for net investments in subsidiaries	5	-40	-26	-22
<b>Net paid to/from shareholders</b>	<b>2</b>	<b>-39</b>	<b>-275</b>	<b>-230</b>
Proceeds from interest-bearing liabilities	52	39	1 750	1 292
Repayment of interest-bearing liabilities	-143	-24	-1 621	-960
Change in interest-bearing receivables/other liabilities	-1	14	-3	-2
<b>Change in net interest-bearing liabilities</b>	<b>-92</b>	<b>29</b>	<b>126</b>	<b>330</b>
<b>Cash flow from financing activities</b>	<b>-90</b>	<b>-10</b>	<b>-149</b>	<b>100</b>
<b>Change in cash and cash equivalents</b>	<b>-7</b>	<b>-151</b>	<b>-6</b>	<b>-91</b>
Cash and cash equivalents at beginning of period	92	231	86	180
Change in cash and cash equivalents	-7	-151	-6	-91
Currency effects cash and cash equivalents	-4	6	1	-3
<b>Cash and cash equivalents at the end of the period</b>	<b>81</b>	<b>86</b>	<b>81</b>	<b>86</b>
<b>* Investment by category:</b>				
Replacement investments	182	189	370	346
Expansion investments	31	24	213	416

**Quarterly segment information Borregaard Group**

**Operating revenues**

<i>Amounts in NOK million</i>	1.1-31.12 2015	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	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
<b>Borregaard</b>	<b>4 164</b>	<b>4 492</b>	<b>1 136</b>	<b>1 256</b>	<b>1 089</b>	<b>1 137</b>	<b>4 618</b>	<b>1 217</b>	<b>1 199</b>	<b>1 150</b>	<b>1 219</b>	<b>4 785</b>	<b>1 250</b>	<b>1 340</b>	<b>1 239</b>	<b>1 234</b>	<b>5 063</b>
Performance Chemicals	2 008	2 161	550	582	523	521	2 176	555	571	559	552	2 237	600	618	564	548	2 330
Speciality Cellulose	1 436	1 590	412	468	383	435	1 698	434	427	381	427	1 669	392	482	425	426	1 725
Other Businesses	755	776	183	213	197	190	783	239	212	223	253	927	274	256	266	277	1 073
Eliminations	-35	-35	-9	-7	-14	-9	-39	-11	-11	-13	-13	-48	-16	-16	-16	-17	-65

**EBITDA adj.**

<i>Amounts in NOK million</i>	1.1-31.12 2015	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	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
<b>Borregaard</b>	<b>758</b>	<b>1 021</b>	<b>274</b>	<b>318</b>	<b>272</b>	<b>191</b>	<b>1 055</b>	<b>252</b>	<b>239</b>	<b>229</b>	<b>183</b>	<b>903</b>	<b>255</b>	<b>283</b>	<b>286</b>	<b>183</b>	<b>1 007</b>
Performance Chemicals	474	549	141	151	111	90	493	128	115	77	65	385	116	138	103	74	431
Speciality Cellulose	193	344	112	127	114	89	442	89	92	102	75	358	62	77	110	50	299
Other Businesses	91	128	21	40	47	12	120	35	32	50	43	160	77	68	73	59	277

**Depreciations and write downs**

<i>Amounts in NOK million</i>	1.1-31.12 2015	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	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
<b>Borregaard</b>	<b>-261</b>	<b>-274</b>	<b>-74</b>	<b>-75</b>	<b>-75</b>	<b>-82</b>	<b>-306</b>	<b>-75</b>	<b>-75</b>	<b>-84</b>	<b>-89</b>	<b>-323</b>	<b>-98</b>	<b>-104</b>	<b>-106</b>	<b>-110</b>	<b>-418</b>
Performance Chemicals	-27	-32	-9	-10	-11	-14	-44	-13	-13	-22	-23	-71	-29	-31	-36	-38	-134
Speciality Cellulose	-89	-94	-23	-24	-23	-22	-92	-25	-25	-26	-25	-101	-27	-29	-28	-27	-111
Other Businesses	-145	-148	-42	-41	-41	-46	-170	-37	-37	-36	-41	-151	-42	-44	-42	-45	-173

**EBITA adj.**

<i>Amounts in NOK million</i>	1.1-31.12 2015	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	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
<b>Borregaard</b>	<b>497</b>	<b>747</b>	<b>200</b>	<b>243</b>	<b>197</b>	<b>109</b>	<b>749</b>	<b>177</b>	<b>164</b>	<b>145</b>	<b>94</b>	<b>580</b>	<b>157</b>	<b>179</b>	<b>180</b>	<b>73</b>	<b>589</b>
Performance Chemicals	447	517	132	141	100	76	449	115	102	55	42	314	87	107	67	36	297
Speciality Cellulose	104	250	89	103	91	67	350	64	67	76	50	257	35	48	82	23	188
Other Businesses	-54	-20	-21	-1	6	-34	-50	-2	-5	14	2	9	35	24	31	14	104

**Amortisation**

<i>Amounts in NOK million</i>	1.1-31.12 2015	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	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
<b>Borregaard</b>	<b>-1</b>	<b>-4</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-4</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-4</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-4</b>
Performance Chemicals	-1	-4	-1	-1	-1	-1	-4	-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**

<i>Amounts in NOK million</i>	1.1-31.12 2015	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	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
<b>Borregaard</b>	<b>37</b>	<b>13</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-9</b>	<b>-9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-16</b>	<b>0</b>	<b>-11</b>	<b>-27</b>
Performance Chemicals	-9	0	0	0	0	-9	-9	0	0	0	0	0	0	-16	0	0	-16
Speciality Cellulose	46	73	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Businesses	0	-60	0	0	0	0	0	0	0	0	0	0	0	0	0	-11	-11

**Operating profit (EBIT)**

<i>Amounts in NOK million</i>	1.1-31.12 2015	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	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
<b>Borregaard</b>	<b>533</b>	<b>756</b>	<b>199</b>	<b>242</b>	<b>196</b>	<b>99</b>	<b>736</b>	<b>176</b>	<b>163</b>	<b>144</b>	<b>93</b>	<b>576</b>	<b>156</b>	<b>162</b>	<b>179</b>	<b>61</b>	<b>558</b>
Performance Chemicals	437	513	131	140	99	66	436	114	101	54	41	310	86	90	66	35	277
Speciality Cellulose	150	323	89	103	91	67	350	64	67	76	50	257	35	48	82	23	188
Other Businesses	-54	-80	-21	-1	6	-34	-50	-2	-5	14	2	9	35	24	31	3	93

**Quarterly segment information Borregaard Group**
**Hedging effects & currency exposure**

	1.1-31.12 2015	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	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	
<i>Amounts in NOK million</i>																		
<b>Borregaard - EBITA hedging gains &amp; losses</b>	<b>-241</b>	<b>-115</b>	<b>-22</b>	<b>-35</b>	<b>-5</b>	<b>-10</b>	<b>-72</b>	<b>3</b>	<b>-6</b>	<b>-7</b>	<b>-1</b>	<b>-11</b>	<b>-8</b>	<b>-13</b>	<b>-23</b>	<b>-32</b>	<b>-76</b>	
Performance Chemicals	-76	-32	-6	-12	0	0	-18	2	0	0	-1	1	-2	-3	-6	-8	-19	
Speciality Cellulose	-129	-59	-10	-17	-3	-6	-36	2	-2	-2	-1	-3	-4	-7	-11	-16	-38	
Other Businesses	-36	-24	-6	-6	-2	-4	-18	-1	-4	-5	1	-9	-2	-3	-6	-8	-19	
<b>Borregaard - USD EBITA currency exposure (approx)</b>	214	208					206					190					194	
<b>Borregaard - EUR EBITA currency exposure (approx)</b>	78	92					84					84					97	

**Sales revenues**

	1.1-31.12 2015	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	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	
<i>Amounts in NOK million</i>																		
<b>Borregaard</b>	<b>4 075</b>	<b>4 391</b>	<b>1 110</b>	<b>1 225</b>	<b>1 071</b>	<b>1 116</b>	<b>4 522</b>	<b>1 195</b>	<b>1 179</b>	<b>1 131</b>	<b>1 200</b>	<b>4 705</b>	<b>1 222</b>	<b>1 311</b>	<b>1 214</b>	<b>1 204</b>	<b>4 951</b>	
Performance Chemicals	1 952	2 094	535	566	508	508	2 117	542	557	547	537	2 183	576	591	544	520	2 231	
Cellulose	1 339	1 472	379	432	357	398	1 566	406	396	347	399	1 548	364	438	399	386	1 587	
Bioethanol	90	110	30	28	26	37	121	28	31	32	29	120	27	45	25	41	138	
Fine Chemicals	217	253	49	85	56	52	242	73	54	55	65	247	80	50	69	61	260	
Ingredients	351	335	86	83	94	95	358	116	104	113	138	471	139	146	139	160	584	
Other	126	127	31	31	30	26	118	30	37	37	32	136	36	41	38	36	151	

**Performance Chemicals**

	1.1-31.12 2015	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	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
Average gross sales price NOK per mtds	5 500	5 331	5 598	5 317	5 007	5 032	5 229	5 444	5 022	4 943	5 125	5 124	5 608	5 227	5 168	5 489	5 366
Volume ('000 mtds)	410	443	106	118	112	113	449	107	122	122	116	467	114	125	119	111	469
Specialities volume ('000 mtds)	76	79					82					85					85
Construction volume ('000 mtds)	213	214					210					212					209
Industrial volume ('000 mtds)	121	150					157					170					175

**Speciality Cellulose**

	1.1-31.12 2015	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	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
Average gross sales price NOK per mt	9 546	9 986	10 555	10 889	10 524	10 315	10 575	10 105	10 179	10 473	10 485	10 301	10 645	10 439	10 908	10 357	10 580
Volume ('000 mt)	153,6	152,3	36,6	40,5	34,4	39,2	150,7	40,0	39,1	33,2	37,7	150,0	34,5	42,4	37,6	38,6	153,1
High specialised as % of total cellulose product sales volum	57 %	64 %					72 %					62 %					73 %