

Press release

Record containerboard deliveries conclude a transformative year for Norske Skog

Norske Skog delivered a profit before income taxes of NOK 354 million and an EBITDA of NOK 769 million for 2025. Total operating income increased from NOK 10.2 to 10.5 billion for 2025. Norske Skog has strengthened market shares across key segments. At year-end, the group held a cash position of NOK 1.1 billion. The fourth quarter marked a period of operational progress and strategic execution. Norske Skog achieved record production and deliveries of recycled containerboard, both for the quarter and the full year, despite profitability being temporarily impacted by ramp-up costs, trial deliveries, and export volumes from Golbey PM1. The ramp-up continues to develop in line with expectations, with full utilisation targeted in the first half of 2027.

“We are concluding the year with strong operational momentum and a significantly improved liquidity position,” says Geir Drangslund, CEO of Norske Skog. “Record containerboard deliveries, increased market shares, and solid progress across several strategic projects demonstrate the resilience of our organisation and the long-term value of our transformation efforts.”

In the fourth quarter of 2025, total operating income increased to NOK 2 589 million, up from NOK 2 403 million in the previous quarter. Norske Skog had total operating earnings of NOK -194 million compared to NOK 193 million in the previous quarter, and a loss before income taxes of NOK 256 million, down from NOK 120 million in the previous quarter. Equity decreased from NOK 5 997 million to NOK 5 819 million, reducing the equity ratio from 42.8 % to 39.6 %. Total assets increased from NOK 14 002 million to NOK 14 707 million, whereof cash and cash equivalents increased from NOK 758 million to NOK 1 082 million. Net interest-bearing debt increased from NOK 4 243 million to NOK 4 295 million.

Net cash flow from operating activities was NOK 163 million in the quarter, mainly due to improved working capital. Net cash flow from investing activities was NOK -133 million, reflecting ongoing investments in the Golbey PM1 project, the book paper conversion project at Norske Skog Skogn, and continued maintenance investments across mills. Net cash flow from financing activities increased to NOK 290 million from NOK -55 million in the previous quarter.

Market segments

Norske Skog’s publication paper segment, with an annual capacity of 1.3 million tonnes, increased operating income this quarter through higher deliveries and growing market share, partly offset by slightly lower prices. Norske Skog maintained stable distribution costs, reduced fixed costs through 2025, and expects the energy refund in Austria to contribute approximately EUR 5 million annually through 2029.

Norske Skog’s packaging paper segment, with mills in France and Austria and a total capacity of 0.8 million tonnes, faced lower sales prices, which was somewhat offset by lower recycled paper costs, but it still resulted in net negative EBITDA at Bruck PM3 and Golbey PM1 in the fourth quarter of 2025. Margins are expected to improve in 2026 through long-term contracts, increased European sales, and support from energy certificates and grants totalling EUR 50 million over 2026–2028. Full utilisation at Golbey PM1 is expected in the first half of 2027.

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Projects and other initiatives

Norske Skog Skogn expects to complete the book paper project in the second quarter of 2026, enabling supply of standard bulk book paper under the NOR Book brand from Skogn PM1 with a total capacity of up to 140 000 tonnes. The remaining investment for the project amounts to about NOK 25 million. Norske Skog Skogn also expects to complete the first stage of the PulpFlex project in the second quarter of 2026, which will reduce energy consumption, improve fibre quality og power grid flexibility. PulpFlex has obtained NOK 52 million in governmental grant from ENOVA.

Norske Skog Skogn joined Carbon Centric in a partnership for carbon capture of biogenic CO₂, targeting carbon-negative operations at Skogn.

Norske Skog has launched several initiatives to improve profitability and cash flow across all mills, including reviews of both variable and fixed costs and working capital efficiency. The company continues to evaluate strategic options for Norske Skog Saugbrugs, with a decision expected during the second quarter of 2026.

The appeal regarding the decision to exclude Norske Skog Skogn and Norske Skog Saugbrugs from the EU Emissions Trading System (EU ETS) for the period 2026 to 2030 is currently being handled by the Ministry of Climate and Environment. The exclusion is based on revised qualification criteria under which facilities with more than 95% of emissions originating from sustainable biomass no longer qualify for free CO₂ allowances. Norske Skog is actively engaging with the authorities to seek a reversal of this decision.

Outlook

Norske Skog aims to continue increasing market share despite an uncertain operating environment and challenging markets. The company expects continued volatility in raw material prices, excess production capacity, and frequently changing operating conditions. To remain competitive, Norske Skog places strong emphasis on reducing production costs and working capital.

Norske Skog expects to complete key development projects at Skogn in the second quarter of 2026, including the NOR Book paper project, and the first stage of PulpFlex, strengthening product offerings, fibre quality, and power grid flexibility support. In parallel, Norske Skog Saugbrugs plans to conclude the study for rebuilding PM6 to enable production of SC magazine paper and TMP-based kraftliner.

Norske Skog monitors the capital and liquidity position closely and has several ongoing initiatives to secure the financial performance and competitive position going forward.

About Norske Skog

Norske Skog is a producer of packaging paper and publication paper across four mills in Europe. Packaging paper includes testliner and fluting and publication paper includes newsprint and magazine paper. The annual production capacity of packaging paper is 0.8 million tonnes, and the annual production capacity of publication paper is 1.3 million tonnes. Packaging paper and publication paper are sold through sales offices and agents. Norske Skog has approximately 1 650 employees and the parent company, Norske Skog ASA, a public limited liability company, is incorporated in Norway and has its head office in Oslo. The company is listed on Oslo Stock Exchange with the ticker NSKOG.

Presentation and quarterly material

The company will arrange a Teams-webinar today at 08:30 CET, which can be attended by clicking the webinar link on the front page of the www.norskeskog.com.

The quarterly board of directors report, the presentation, the financial statements and the press releases are available on www.norskeskog.com, and published on www.newsweb.no under the ticker NSKOG. If you want to receive future Norske Skog press releases, please subscribe through the website of the Oslo Stock Exchange www.newsweb.no.

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