

JANUARY 1–SEPTEMBER 30, 2014 (compared with same period a year ago)

- Net sales rose 10% (10% excluding exchange rate effects and divestments) to SEK 76,657m (69,453)
- Organic sales growth, which excludes exchange rate effects, acquisitions and divestments, was 3% (4% including Vinda's organic sales growth)
- Operating profit, excluding items affecting comparability, rose 19% (17% excluding exchange rate effects and divestments) to SEK 8,599m (7,218)
- The operating margin, excluding items affecting comparability, was 11.2% (10.4%)
- Profit before tax, excluding items affecting comparability, rose 22% (20% excluding exchange rate effects and divestments) to SEK 7,847m (6,429)
- Items affecting comparability totaled SEK -513m (-1,024)
- Earnings per share were SEK 7.35 (5.28)
- Cash flow from current operations was SEK 5,373m (4,282)
- Recalculations have been made for previous periods on account of new and amended IFRSs and rules governing consolidated financial statements and joint arrangements (see note 6)

Earnings trend

SEKm	1409	1309	%	2014:3	2013:3	%
Net sales	76,657	69,453	10	26,594	23,002	16
Gross profit	19,444	17,380	12	6,717	5,974	12
Operating profit^{1,2}	8,599	7,218	19	3,035	2,625	16
Financial items	-752	-789		-269	-283	
Profit before tax^{1,2}	7,847	6,429	22	2,766	2,342	18
Tax ¹	-1,996	-1,706		-660	-656	
Net profit for the period¹	5,851	4,723	24	2,106	1,686	25
Earnings per share, SEK	7.35	5.28		2.68	2.06	

¹ Excluding items affecting comparability; for amounts see page 13.

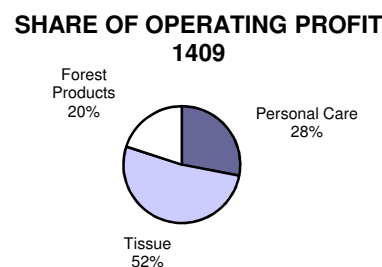
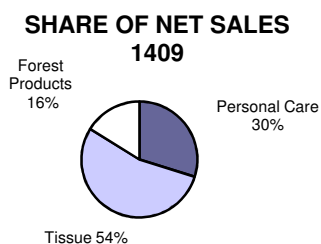
² Including gains on forest swaps, before tax.

CEO'S COMMENTS

SCA had yet another strong quarter and despite higher competition and low growth in mature markets, we delivered good organic sales growth. We continued our successful innovation work, and during the quarter we introduced a number of innovations and product launches under the Libresse, Lotus, Saba, Tempo and Tork brands. Our work on achieving greater cost efficiency continued, however, we were negatively affected by higher raw material costs due to both higher prices and a stronger dollar.

The Tissue business area posted a considerably higher operating profit, however, the margin was negatively affected by the consolidation of Vinda. Vinda showed a strong sales growth of 22%. The Personal Care business area reported higher earnings as a result of higher volumes and cost savings, which compensated for higher raw material costs stemming partly from a stronger dollar. In Europe, sales and operating profit increased for both Personal Care and Tissue. The business area Forest Products showed a considerable earnings improvement, mainly owing to higher prices (including exchange rate effects) and cost savings.

Consolidated net sales for the third quarter of 2014 increased by 16% compared with the same period a year ago. Organic sales growth was 4%, with growth across all business areas. Growth was mainly related to the hygiene operations' emerging markets and the Forest Products business area. Operating profit for the third quarter of 2014, excluding items affecting comparability, rose 16% over the same period a year ago. The increase is mainly attributable to a better price/mix, higher volumes, cost savings and the acquisition of the majority shareholding in the Chinese company Vinda. Higher raw material costs had a negative impact on earnings. The operating margin, excluding items affecting comparability, was 11.4% which is the same level as a year earlier. Earnings per share grew 30% to SEK 2.68. Operating cash flow increased by 59%.



EARNINGS TREND FOR THE GROUP

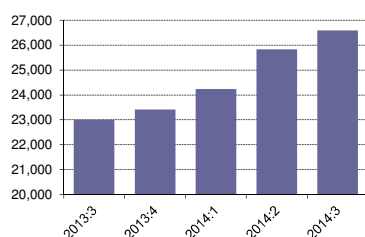
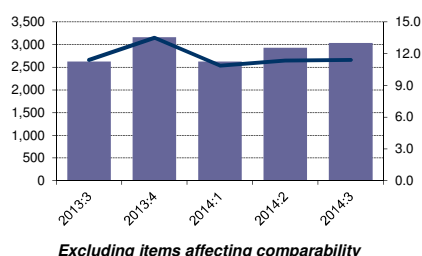
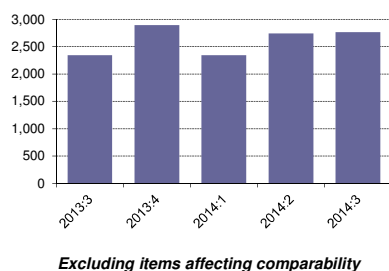
SEKm	1409	1309	%	2014:3	2013:3	%
Net sales	76,657	69,453	10	26,594	23,002	16
Cost of goods sold	-57,213	-52,073		-19,877	-17,028	
Gross profit	19,444	17,380	12	6,717	5,974	12
Sales, general and administration	-10,845	-10,162		-3,682	-3,349	
Operating profit^{1,2}	8,599	7,218	19	3,035	2,625	16
Financial items	-752	-789		-269	-283	
Profit before tax^{1,2}	7,847	6,429	22	2,766	2,342	18
Tax ¹	-1,996	-1,706		-660	-656	
Net profit for the period¹	5,851	4,723	24	2,106	1,686	25
¹ Excluding items affecting comparability; for amounts see page 13.						
² Including gains on forest swaps, before tax.	333	128		6	7	
Earnings per share, SEK owners of the parent company						
- after dilution effects	7.35	5.28		2.68	2.06	
Margins (%)						
Gross margin	25.4	25.0		25.3	26.0	
Operating margin^{1,2}	11.2	10.4		11.4	11.4	
Financial net margin	-1.0	-1.1		-1.0	-1.2	
Profit margin^{1,2}	10.2	9.3		10.4	10.2	
Tax ¹	-2.6	-2.5		-2.5	-2.9	
Net margin¹	7.6	6.8		7.9	7.3	
¹ Excluding items affecting comparability; for amounts see page 13.						
² Including gains on forest swaps, before tax.	333	128		6	7	

OPERATING PROFIT PER BUSINESS AREA

SEKm	1409	1309	%	2014:3	2013:3	%
Personal Care	2,596	2,660	-2	897	880	2
Tissue	4,785	4,123	16	1,740	1,524	14
Forest Products ²	1,822	927	97	613	420	46
Other	-604	-492		-215	-199	
Total^{1,2}	8,599	7,218	19	3,035	2,625	16
¹ Excluding items affecting comparability; for amounts see page 13.						
² Including gains on forest swaps, before tax.	333	128		6	7	

OPERATING CASH FLOW PER BUSINESS AREA

SEKm	1409	1309	%	2014:3	2013:3	%
Personal Care	2,297	2,575	-11	1,179	1,252	-6
Tissue	5,051	3,837	32	2,559	1,718	49
Forest Products	845	593	42	550	176	213
Other	-686	-917		-273	-622	
Total	7,507	6,088	23	4,015	2,524	59

Net sales**Operating profit and margin****Profit before tax****Change in net sales (%)**

	1409 vs. 1309	2014:3 vs. 2013:3
Total	10	16
Price/mix	1	1
Volume	2	3
Currency	2	5
Acquisitions	7	7
Divestments	-2	0

GROUP**MARKET/EXTERNAL ENVIRONMENT**

The first nine months of 2014 were characterized by weak growth in the global economy. The global market for hygiene products was affected by greater competition and low growth in mature markets. Growth in emerging markets was favorable.

Growth was stable in the European and North American markets for incontinence products during the first nine months of 2014 compared with the same period a year ago. Growth in institutions and the home care sector was low and was negatively affected by cost-cutting programs in many countries which resulted in changes in reimbursement systems. The retail market for incontinence products showed continued good growth. In emerging markets, demand rose for incontinence products. The market for incontinence products was affected by greater competition and campaign activity.

The European market for baby diapers showed stable demand during the first nine months of 2014 compared with the same period a year ago. The global market for baby diapers was characterized by intensive competition and campaign activity.

In feminine care products, demand in Europe was stable during the first nine months of 2014 compared with the same period a year ago. In Latin America, Mexico and Chile showed favorable growth, while Colombia and Peru experienced weaker performance.

Demand in Western Europe for consumer tissue was stable during the first nine months of 2014 compared with the same period a year ago. In Europe and North America, growth was low for AfH tissue. Greater competition in North America resulting from higher production investments mainly in consumer tissue, which also affected the AfH tissue market. The Russian market showed good growth for both consumer tissue and AfH tissue. The Chinese market showed good growth.

In Europe, demand for solid-wood products and kraftliner rose during the first nine months of 2014 compared with the same period a year ago. European demand for publication papers continued to fall.

SALES AND EARNINGS**January–September 2014 compared with corresponding period a year ago**

Net sales rose 10% to SEK 76,657m (69,453). Organic sales growth, which excludes exchange rate effects, acquisitions and divestments, was 3%, of which volume accounted for 2% and price/mix for 1%. Organic sales growth was 1% in mature markets and 9% in emerging markets. In Europe, sales increased for both Personal Care and Tissue. Emerging markets accounted for 31% of sales, including Vinda. The acquisition of the majority shareholding in the Chinese company Vinda increased sales by 7%. Sales growth including acquisition, but excluding exchange rate effects and divestments, was 10%. Divestments decreased sales by 2%. Exchange rate effects increased sales by 2%.

Operating profit, excluding items affecting comparability, rose 19% (17% excluding exchange rate effects and divestments) to SEK 8,599m (7,218). A better price/mix, higher volumes, cost savings, the acquisition in China and gains on forest swaps contributed to the earnings growth. The acquisition of the majority shareholding in the Chinese company Vinda increased earnings by 5%. Higher raw material costs and divestments had a negative impact on earnings. Operating profit for Personal Care, excluding items affecting comparability, decreased by 2% (6% excluding exchange rate effects). In Europe, operating profit increased for both Personal Care and Tissue. Operating profit for Tissue, excluding items affecting comparability, rose 16% (14% excluding exchange rate effects and divestments). For Forest Products, operating profit excluding items affecting comparability improved by 97% (100% excluding divestments).

Items affecting comparability amounted to SEK -513m (-1,024) and consist of restructuring costs for the previously announced efficiency programs, revaluation

effects pertaining to Vinda's product inventory attributable to the acquisition balance, transaction costs associated with acquisitions and divestments, and integration costs for the Georgia-Pacific acquisition.

Cost savings related to the cost-cutting and efficiency program covering all of SCA's hygiene operations, i.e., Personal Care and Tissue, amounted to approximately SEK 1,590m during the first nine months of 2014. During the third quarter of 2014, the cost savings amounted to approximately SEK 580m, corresponding to an annual rate of approximately EUR 255m. Total cost savings are expected to total EUR 300m upon full effect in 2015. The program will be concluded at year-end.

Financial items decreased to SEK -752m (-789) as a result of lower interest rates, which compensated for a higher average level of net debt during the period. Profit before tax, excluding items affecting comparability, rose 22% (20% excluding exchange rate effects and divestments) to SEK 7,847m (6,429). The tax expense, excluding items affecting comparability, was SEK 1,996m (1,706).

Net profit for the period, excluding items affecting comparability, rose 24% (22% excluding exchange rate effects and divestments) to SEK 5,851m (4,723). Earnings per share, including items affecting comparability, were SEK 7.35 (5.28).

Third quarter 2014 compared with third quarter 2013

Net sales rose 16% to SEK 26,594m (23,002). Organic sales growth, which excludes exchange rate effects, acquisitions and divestments, was 4%, of which volume accounted for 3% and price/mix for 1%. Organic sales growth was 2% in mature markets and 9% in emerging markets. In Europe, sales increased for both Personal Care and Tissue. Emerging markets accounted for 31% of sales, including Vinda. The acquisition of the majority shareholding in the Chinese company Vinda increased sales by 7%. Sales growth including acquisition, but excluding exchange rate effects, was 11%. Exchange rate effects increased sales by 5%.

Operating profit, excluding items affecting comparability, rose 16% (10% excluding exchange rate effects) to SEK 3,035m (2,625). The increased profit is attributable to a better price/mix, higher volumes, cost savings and the acquisition of the majority shareholding in the Chinese company Vinda. In Europe, operating profit increased for both Personal Care and Tissue. The acquisition of Vinda increased profit by 4%. Higher raw material costs had a negative impact on earnings.

Profit before tax, excluding items affecting comparability, rose 18% (12% excluding exchange rate effects) to SEK 2,766m (2,342).

CASH FLOW AND FINANCING

The operating cash surplus amounted to SEK 11,731m (10,193). The cash flow effect of changes in working capital was SEK -1,156m (-1,052), mainly due to an increase in trade receivables. Current capital expenditures amounted to SEK -2,452m (-2,283). Operating cash flow amounted to SEK 7,507m (6,088).

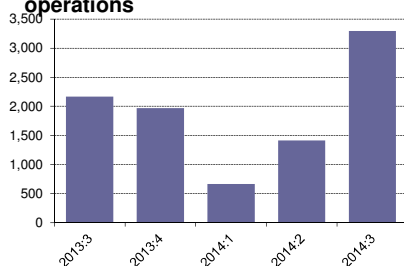
Financial items decreased to SEK -752m (-789) as a result of lower interest rates, which compensated for a higher average level of net debt during the period. Tax payments totaled SEK 1,400m (1,166). Cash flow from current operations amounted to SEK 5,373m (4,282) during the period. The improvement is mainly attributable to a higher operating surplus.

Strategic investments totaled SEK -1,250m (-1,230). The net sum of acquisitions and divestments was SEK -349m (612). Payment of the shareholder dividend affected cash flow by SEK -3,442m (-3,258). Net cash flow totaled SEK 332m (406).

Net debt has increased by SEK 3,498m during the year to date, to SEK 37,417m. Excluding pension liabilities, net debt amounted to SEK 32,621m. Net cash flow decreased net debt by SEK 332m. Fair value measurement of pension assets and pension obligations together with fair valuation of financial instruments increased net debt by SEK 2,700m. Exchange rate movements increased net debt by SEK 1,130m.

The debt/equity ratio was 0.53 (0.50 at the start of the year and 0.51 on September

Cash flow from current operations



30, 2013). Excluding pension liabilities, the debt/equity ratio was 0.46 (0.47 at the start of the year and 0.46 on September 30, 2013). The debt payment capacity was 39% (37%).

EQUITY

Consolidated equity increased by SEK 2,456m during the period, to SEK 70,267m. Net profit for the period increased equity by SEK 5,464m. Equity decreased by SEK 3,442m through payment of the shareholder dividend, and by SEK 2,066m after tax as a result of restatement of the net pension liability to fair value. Fair value measurement of financial instruments increased equity by SEK 83m after tax. Exchange rate movements, including the effects of hedges of net investments in foreign assets, after tax, increased equity by SEK 2,635m. Acquisitions of non-controlling interests decreased equity by SEK 169m. Issue costs in associated companies decreased equity by SEK 49m.

TAX

A tax expense of SEK 1,996m is reported for the period, excluding items affecting comparability, corresponding to a tax rate of 25.5%. The tax expense including items affecting comparability was SEK 1,870m.

EVENTS DURING THE YEAR

On March 25, 2014, SCA raised – as the first listed Swedish company – SEK 1.5bn through a green bond issue. The proceeds will be used for investments in projects with a positive environmental impact. The bond, which is denominated in Swedish kronor, has a five-year tenor and is issued under the company's EMTN (Euro Medium Term Note) program. The bond has two tranches – a SEK 1bn floating rate note, priced at three-month STIBOR +0.68% annually, and a SEK 500m fixed rate tranche with an annual coupon of 2.50%.

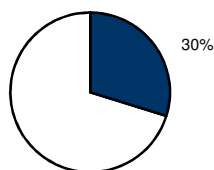
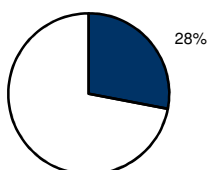
In June 2014 SCA strengthened its presence in the Middle East through the acquisition of the outstanding 50% of the joint venture company Fine Sancellia in Jordan from Nuqul Group. The purchase price for the outstanding shares was approximately USD 25m (approximately SEK 165m) on a debt-free basis. Fine Sancellia is a leading player in feminine care products in parts of the Middle East under the Nana and Cinderella brands. The company had sales of approximately SEK 200m in 2013.

On June 30, 2014, SCA floated its joint venture in Australia, New Zealand and Fiji – Asaleo Care – on the Australian Securities Exchange (ASX). SCA's holding in Asaleo Care after the IPO is approximately 32.5%. Asaleo Care manufactures and markets consumer tissue and AfH tissue, baby diapers, feminine care products and incontinence products. Leading brands include TENA, Tork, Sorbent, Libra and Treasures. In 2013 the company reported net sales of AUD 625m (approximately SEK 3.9bn) and operating profit of AUD 97m (approximately SEK 610m). The company has approximately 1,050 full-time employees. The market capitalization was approximately AUD 995m (approximately SEK 6,300m), of which SCA's share of ownership amounted to approximately AUD 323m (approximately SEK 2,040m). SCA will continue to report the holding in accordance with the equity method. TENA and Tork are SCA's leading global brands for incontinence products and AfH tissue, respectively. These two brands will continue to be owned by SCA but will be licensed to Asaleo Care for sales of products under these brands in Australia, New Zealand and Fiji.

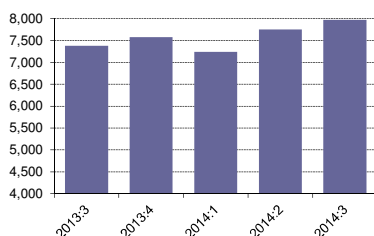
EVENTS AFTER THE END OF THE QUARTER

On July 18, 2014, SCA announced that the company is strengthening its cooperation with the Chinese company Vinda through the transfer by SCA of its hygiene business in China (Mainland China, Hong Kong and Macau) to Vinda. On September 12, 2014, Vinda's independent shareholders approved the transaction, which was then completed on October 1, 2014. As part of the transaction, SCA and Vinda signed an exclusive license agreement for Vinda to market and sell the SCA brands TENA (incontinence products), Tork (AfH tissue), Tempo (consumer tissue), Libero (baby diapers) and Libresse (feminine care) in China (Mainland China, Hong Kong and Macau). Under the agreement, Vinda holds the rights to these brands in these Chinese markets. Vinda acquired SCA's Dr P and Sealer brands in China. SCA has been a shareholder in Vinda since 2007, became its majority shareholder in late 2013, and has consolidated Vinda since the first

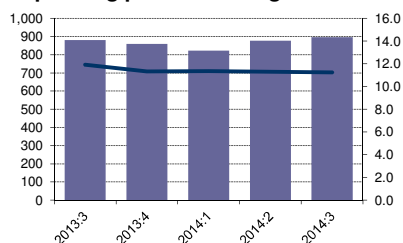
quarter of 2014. SCA's hygiene business in China (Mainland China, Hong Kong and Macau) had net sales of approximately SEK 600m in 2013. The purchase consideration amounted to HKD 1,144m (approximately SEK 1,000m) on a debt-free basis, which corresponds to SCA's book value for the company. Vinda is listed on the Hong Kong Stock Exchange.

Share of Group, net sales
1409Share of Group, operating profit
1409

Net sales



Operating profit and margin



Change in net sales (%)

	1409 vs. 1309	2014:3 vs. 2013:3
Total	4	8
Price/mix	1	0
Volume	2	4
Currency	1	4
Acquisitions	0	0
Divestments	0	0

Change in operating profit (%)

	1409 vs. 1309	2014:3 vs. 2013:3
Total	-2	2
Price/mix	2	0
Volume	8	7
Raw materials	-16	-18
Energy	0	0
Currency	4	6
Other	0	7

PERSONAL CARE

SEKm	1409	1309	%	2014:3	2013:3	%
Net sales	22,960	22,158	4	7,968	7,382	8
Operating surplus	3,330	3,359	-1	1,140	1,089	5
Operating profit*	2,596	2,660	-2	897	880	2
Operating margin, %*	11.3	12.0		11.3	11.9	
Operating cash flow	2,297	2,575		1,179	1,252	

*) Excluding restructuring costs, which are reported as items affecting comparability outside of the business area.

January–September 2014 compared with corresponding period a year ago

Net sales rose 4% to SEK 22,960m (22,158). Organic sales growth, which excludes exchange rate effects, acquisitions and divestments, was 3%, of which volume accounted for 2% and price/mix for 1%. Organic sales growth was 0% in mature markets and 6% in emerging markets. Sales increased in Europe. Emerging markets accounted for 42% of sales. Exchange rate effects increased sales by 1%.

For incontinence products, under the globally leading TENA brand, organic sales growth was 2%. Growth is mainly attributable to emerging markets. For baby diapers, organic sales growth was 0%. Growth in Europe compensated for lower sales in Asia and Latin America. For feminine care products, organic sales growth was 10%, mainly attributable to emerging markets.

Operating profit, excluding items affecting comparability, was 2% lower than the corresponding period a year ago and amounted to SEK 2,596m (2,660). Operating profit increased in Europe. Higher raw material costs, partly stemming from a stronger dollar, and investments in greater market activities had a negative effect on earnings. Profit was favorably affected by higher volumes, a better price/mix and cost savings. Incontinence products and feminine care products showed improved earnings compared with the preceding year, while profit for baby diapers was lower.

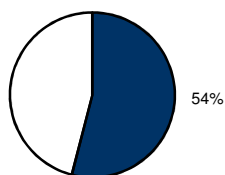
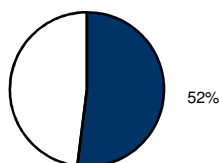
The operating cash surplus amounted to SEK 3,337m (3,367). Operating cash flow decreased to SEK 2,297m (2,575) as a result of the lower operating cash surplus, a higher level of tied-up working capital and increased investments.

Third quarter 2014 compared with third quarter 2013

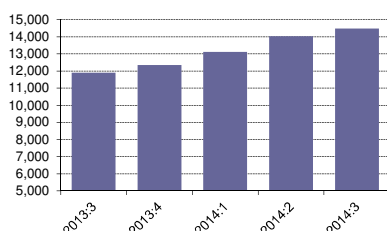
Net sales rose 8% to SEK 7,968m (7,382). Organic sales growth was 4%, of which price/mix accounted for 0% and volume for 4%. Organic sales growth was 2% in mature markets and 6% in emerging markets. Sales increased in Europe. Emerging markets accounted for 42% of sales. Currency effects increased net sales by 4%.

For incontinence products, under the globally leading TENA brand, organic sales growth was 3%, mainly attributable to emerging markets. For baby diapers, organic sales growth was 2%, mainly attributable to Europe. For feminine care products, organic sales growth was 9%, mainly attributable to emerging markets and Western Europe.

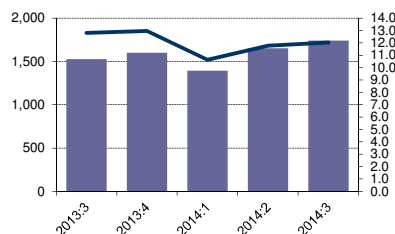
Operating profit, excluding items affecting comparability, increased by 2% (decreased by 4% excluding exchange rate effects) to SEK 897m (880). Operating profit increased in Europe. Profit was favorably affected by higher volumes and cost savings. Profit was negatively affected by higher raw material costs, partly as a result of a stronger dollar.

Share of Group, net sales
1409Share of Group, operating profit
1409

Net sales



Operating profit and margin



Change in net sales (%)

	1409 vs. 1309	2014:3 vs. 2013:3
Total	16	22
Price/mix	0	0
Volume	1	1
Currency	4	7
Acquisitions	13	14
Divestments	-2	0

Change in operating profit (%)

	1409 vs. 1309	2014:3 vs. 2013:3
Total	16	14
Price/mix	3	1
Volume	3	4
Raw materials	-1	-3
Energy	3	4
Currency	4	6
Other	4	2

TISSUE

SEKm	1409	1309	%	2014:3	2013:3	%
Net sales	41,628	35,739	16	14,473	11,910	22
Operating surplus	7,088	6,018	18	2,534	2,163	17
Operating profit*	4,785	4,123	16	1,740	1,524	14
Operating margin, %*	11.5	11.5		12.0	12.8	
Operating cash flow	5,051	3,837		2,559	1,718	

*) Excluding restructuring costs, which are reported as items affecting comparability outside of the business area.

Cost savings associated with the acquisition of Georgia-Pacific's European tissue operations amounted to approximately SEK 440m during the first nine months of 2014. During the third quarter of 2014, cost savings totaled approximately SEK 150m, corresponding to an annual rate of approximately EUR 70m. Total cost savings are expected to be EUR 125m upon full effect in 2016.

January–September 2014 compared with corresponding period a year ago

Net sales rose 16% to SEK 41,628 (35,739). Organic sales growth, which excludes exchange rate effects, acquisitions and divestments, was 1%, of which price/mix accounted for 0% and volume for 1%. Organic sales growth was 0% in mature markets and 8% in emerging markets. Sales increased in Europe. Emerging markets accounted for 29% of sales, including Vinda. The acquisition of the majority shareholding in the Chinese company Vinda increased sales by 13%. Sales growth including acquisition, but excluding exchange rate effects and divestments, was 14%. Divestments lowered sales by 2%. Exchange rate effects increased sales by 4%.

For consumer tissue, organic sales growth was 1%. The sales growth for own brands compensated for lower sales under retailers' brands as a result of a decision during the first quarter of 2014 to leave certain contracts in Western Europe with insufficient profitability. Emerging markets showed favorable growth in sales. For AfH tissue, organic sales growth was 3%. The increase was related to Western Europe and emerging markets. Sales in North America were hurt by the harsh winter.

Operating profit, excluding items affecting comparability, rose 16% (14% excluding exchange rate effects and divestments) to SEK 4,785m (4,123). Operating profit increased in Europe. Higher volumes, a better price/mix, cost savings, the acquisition in China and lower energy costs contributed to the earnings increase. Higher raw material costs and the harsh winter in North America had a negative impact on profit. The acquisition in China increased profit by 8%. Divestments in Europe had a negative impact on profit by 2%.

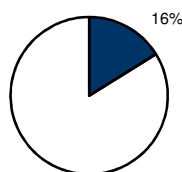
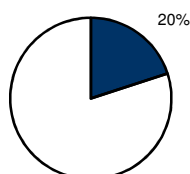
The operating cash surplus increased to SEK 7,090m (6,012). Operating cash flow increased to SEK 5,051m (3,837). The higher operating cash surplus compensated for higher capital expenditures.

Third quarter 2014 compared with third quarter 2013

Net sales rose 22% to SEK 14,473m (11,910). Organic sales growth was 1%, of which price/mix accounted for 0% and volume for 1%. Organic sales growth was 0% in mature markets and 9% in emerging markets. Sales increased in Europe. Emerging markets accounted for 30% of sales, including Vinda. The acquisition in China increased sales by 14%. Sales growth including acquisition, but excluding exchange rate effects, was 15%. Exchange rate effects increased sales by 7%.

For consumer tissue, organic sales growth was 0%. Emerging markets showed favorable growth in sales. In Western Europe, sales decreased as a result of a decision during the first quarter of 2014 to leave certain contracts with insufficient profitability. For AfH tissue, organic sales growth was 2% and was related to Europe, North America and Latin America.

Operating profit, excluding items affecting comparability, rose 14% (8% excluding exchange rate effects) to SEK 1,740m (1,524). Operating profit increased in Europe. Higher volumes, cost savings, the acquisition in China and lower energy costs had a positive impact on profit. Higher raw material costs and higher distribution costs lowered profit. In AfH tissue in North America, earnings decreased mainly as a result of greater competition resulting from higher production investments mainly in consumer tissue, which also affected the AfH tissue market. The acquisition in China increased profit by 7%, but had a negative impact on the margin. Excluding Vinda, the margin was level with the preceding year.

Share of Group, net sales
1409Share of Group, operating profit
1409

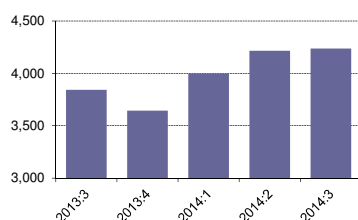
FOREST PRODUCTS

SEKm	1409	1309	%	2014:3	2013:3	%
Deliveries						
- Publication papers, thousand tonnes	660	766	-14*	230	212	8
- Solid-wood products, thousand m ³	1,729	1,684	3	578	544	6
- Kraftliner products, thousand tonnes	599	551	9	198	178	11
- Pulp products, thousand tonnes	391	381	3	130	135	-4
Net sales	12,453	11,879	5	4,237	3,843	10
Operating surplus	2,709	1,888	43	912	720	27
Operating profit**	1,822	927	97	613	420	46
Operating margin, %**	14.6	7.8		14.5	10.9	
Operating cash flow	845	593		550	176	

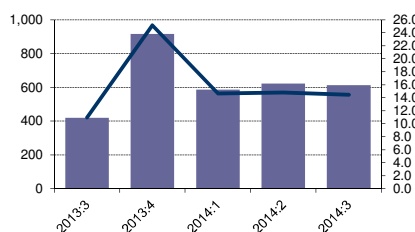
*) Adjusted for the divestment of Laakirchen, deliveries increased by 6%.

**) Excluding restructuring costs, which are reported as items affecting comparability outside of the business area.

Net sales



Operating profit and margin



Change in net sales (%)

	1409 vs. 1309	2014:3 vs. 2013:3
Total	5	10
Price/mix	6	4
Volume	4	5
Currency	1	1
Acquisitions	0	0
Divestments	-6	0

Change in operating profit (%)

	1409 vs. 1309	2014:3 vs. 2013:3
Total	97	46
Price/mix*	67	36
Volume	2	3
Raw materials	-15	-30
Energy	1	2
Currency	0	0
Other**	42	35

*Price/mix includes exchange rate effects of approximately 42% (SEK 390m) and 48% (SEK 200m), respectively.

**Other includes gains on forest swaps totaling 22% (SEK 205m) and 0% (SEK -1m), respectively.

The ongoing efficiency program led to an earnings improvement of approximately SEK 760m during the first nine months of 2014. The earnings improvement during the third quarter amounted to approximately SEK 260m, corresponding to an annual rate of approximately SEK 1,030m. The total earnings improvement is expected to amount to SEK 1,300m upon full effect in 2015. The program will be concluded at year-end.

During the fourth quarter of 2014, a maintenance shutdown will be carried out at a production plant, which is expected to have a negative impact on profit by approximately SEK 30m.

January–September 2014 compared with corresponding period a year ago

Net sales rose 5% to SEK 12,453m (11,879). Sales growth excluding exchange rate effects and divestments was 10%, of which price/mix accounted for 6% and volume for 4%. The divestment of the publication paper mill in Laakirchen decreased sales by 6%. Exchange rate effects increased sales by 1%.

Publication papers, kraftliner, pulp and solid-wood products showed higher volumes and higher prices (including exchange rate effects).

Operating profit, excluding items affecting comparability, rose 97% (100% excluding divestments) to SEK 1,822m (927). Higher prices (including exchange rate effects), higher volumes and cost savings contributed to the earnings increase. Earnings were negatively affected by higher logging costs associated with storm felling. The divestment of the publication paper mill in Laakirchen had a negative impact on earnings by 3%. Profit also includes gains on forest swaps, totaling SEK 333m (128).

The operating cash surplus was SEK 1,850m (1,321), and operating cash flow totaled SEK 845m (593).

Third quarter 2014 compared with third quarter 2013

Net sales rose 10% to SEK 4,237m (3,843). Sales growth excluding exchange rate effects was 9%, of which price/mix accounted for 4% and volume for 5%. Exchange rate effects increased sales by 1%.

Sales of publication papers and solid-wood products rose as a result of higher prices (including exchange rate effects) and higher volumes. Sales of kraftliner rose as a result of higher volumes. Sales of pulp rose as a result of higher prices (including exchange rate effects).

Operating profit, excluding items affecting comparability, rose 46%, to SEK 613m (420). The earnings increase can be credited primarily to higher prices (including exchange rate effects), cost savings and lower energy costs. Earnings were negatively affected by higher logging costs associated with storm felling. Profit also includes gains on forest swaps, totaling SEK 6m (7).

SHARE DISTRIBUTION

September 30, 2014	Class A	Class B	Total
Registered number of shares	86,200,235	618,909,859	705,110,094
- of which treasury shares		2,767,605	2,767,605

At the end of the reporting period the proportion of Class A shares was 12.2%. During the third quarter, at the request of shareholders a total of 871,874 Class A shares were converted to Class B shares. After the end of the third quarter, at the request of shareholders a total of 195 Class A shares were converted to Class B shares. The total number of votes in the company is thereafter 1,480,910,454.

FUTURE REPORTS

The year-end report for 2014 will be published on January 30, 2015. SCA's 2014 Annual Report is scheduled for publication during the week of March 23, 2015.

In 2015, interim reports will be published on April 30, July 16 and October 29.

ANNUAL GENERAL MEETING

SCA's Annual General Meeting will be held at 15:00 CET on April 15, 2015, at the Stockholm Waterfront Congress Centre, in Stockholm, Sweden.

INVITATION TO PRESS CONFERENCE ON Q3 INTERIM REPORT 2014

Media and analysts are invited to a press conference, where this interim report will be presented by Jan Johansson, President and CEO of SCA.

Time: 10:00 CET, Wednesday, October 29, 2014

Location: SCA's headquarters, Waterfront Building, Klarabergsviadukten 63, Stockholm, Sweden

The presentation will be webcasted at www.sca.com. To participate, call: +44 (0)20 7162 0077, +1 (334) 323-6201 or + 46 (0)8 5052 0110.

Stockholm, October 29, 2014

SVENSKA CELLULOSA AKTIEBOLAG SCA (publ)

Jan Johansson
President and CEO

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NB

SCA discloses the information provided herein pursuant to the Securities Markets Act. This report has been prepared in both Swedish and English versions. In case of variations in the content between the two versions, the Swedish version shall govern. Submitted for publication on October 29, 2014, at 8.00 a.m. CET. This report has not been reviewed by the company's auditors.

OPERATING CASH FLOW ANALYSIS

SEKm	1409	1309
Operating cash surplus	11,731	10,193
Change in working capital	-1,156	-1,052
Current capital expenditures, net	-2,452	-2,283
Restructuring costs, etc.	-616	-770
Operating cash flow	7,507	6,088
Financial items	-752	-789
Income taxes paid	-1,400	-1,166
Other	18	149
Cash flow from current operations	5,373	4,282
Acquisitions	-500	-942
Strategic capital expenditures, fixed assets	-1,250	-1,230
Divestments	151	1,554
Cash flow before dividend	3,774	3,664
Dividend	-3,442	-3,258
Net cash flow	332	406
Net debt at the start of the period	-33,919	-33,063
Net cash flow	332	406
Remeasurement to equity	-2,700	1,382
Currency effects	-1,130	270
Effect of reclassification of operating liability to net debt	0	-186
Net debt at the end of the period	-37,417	-31,191
Debt/equity ratio	0.53	0.51
Debt payment capacity, %	39	37

CASH FLOW STATEMENT

SEKm	1409	1309
Operating activities		
Profit before tax	7,334	5,405
Adjustment for non-cash items ¹	3,006	3,338
	10,340	8,743
Paid tax	-1,400	-1,166
Cash flow from operating activities before changes in working capital	8,940	7,577
Cash flow from changes in working capital		
Change in inventories	59	75
Change in operating receivables	-966	-613
Change in operating liabilities	-249	-514
Cash flow from operating activities	7,784	6,525
Investing activities		
Acquisition of operations	-503	86
Sold operations	151	1,336
Acquisition tangible and intangible assets	-3,812	-3,830
Sale of tangible assets	110	317
Repayment of loans from external parties	172	319
Cash flow from investing activities	-3,882	-1,772
Financing activities		
Acquisition of non-controlling interests	-169	-1,028
Borrowings	619	127
Dividends paid	-3,442	-3,258
Cash flow from financing activities	-2,992	-4,159
Cash flow for the period	910	594
Cash and cash equivalents at the beginning of the year	3,785	2,118
Exchange rate differences in cash and cash equivalents	160	-54
Cash and cash equivalents at the end of the period	4,855	2,658
Cash flow from operating activities per share, SEK	11.04	9.25
Reconciliation with operating cash flow analysis		
Cash flow for the period	910	594
Deducted items:		
Repayment of loans from external parties	-172	-319
Borrowings	-619	-127
Amortization of debt	0	0
Added items:		
Net debt in acquired and divested operations	172	218
Accrued interest	41	40
Net cash flow according to operating cash flow analysis	332	406
¹ Depreciation and impairment, fixed assets	4,064	3,881
Fair-value measurement/net growth of forest assets	-523	-442
Gains sale/swap of assets	-334	-176
Unpaid related to efficiency programs	23	396
Profit or Loss from disposals	0	120
Payments related to efficiency programs, already recognized	-306	-435
Revaluation of previously owned share	-35	0
Other	117	-6
<i>Total</i>	<i>3,006</i>	<i>3,338</i>

STATEMENT OF PROFIT OR LOSS

SEKm	2014:3	2013:3	2014:2	1409	1309
Net sales	26,594	23,002	25,829	76,657	69,453
Cost of goods sold ¹	-19,877	-17,028	-19,228	-57,213	-52,073
Gross profit	6,717	5,974	6,601	19,444	17,380
Sales, general and administration ¹	-3,721	-3,424	-3,670	-10,878	-10,291
Items affecting comparability ²	-108	-233	-158	-513	-1,024
Share of profits of associates	39	75	3	33	129
Operating profit	2,927	2,392	2,776	8,086	6,194
Financial items	-269	-283	-195	-752	-789
Profit before tax	2,658	2,109	2,581	7,334	5,405
Tax	-635	-595	-682	-1,870	-1,457
Net profit for the period	2,023	1,514	1,899	5,464	3,948
Earnings attributable to:					
Owners of the parent	1,883	1,448	1,784	5,159	3,711
Non-controlling interests	140	66	115	305	237
Earnings per share, SEK - owners of the parent total operations					
- before dilution effects	2.68	2.06	2.54	7.35	5.28
- after dilution effects	2.68	2.06	2.54	7.35	5.28
Calculation of earnings per share	2014:3	2013:3	2014:2	1409	1309
Earnings attributable to owners of the parent	1,883	1,448	1,784	5,159	3,711
Average no. of shares before dilution, millions	702.3	702.3	702.3	702.3	702.3
Average no. of shares after dilution, millions	702.3	702.3	702.3	702.3	702.3
¹ Of which, depreciation	-1,392	-1,241	-1,329	-4,021	-3,728
² Distribution of items affecting comparability					
Distribution of restructuring costs, etc. per function					
Cost of goods sold	-38	-63	-4	-216	-213
Sales, general and administration	-36	-170	-150	-254	-658
Impairment, etc.	-34	0	-4	-43	-153
Total items affecting comparability	-108	-233	-158	-513	-1,024
Gross margin	25.3	26.0	25.6	25.4	25.0
Operating margin	11.0	10.4	10.7	10.5	8.9
Financial net margin	-1.0	-1.2	-0.8	-1.0	-1.1
Profit margin	10.0	9.2	9.9	9.5	7.8
Tax	-2.4	-2.6	-2.6	-2.4	-2.1
Net margin	7.6	6.6	7.3	7.1	5.7
Excluding items affecting comparability:					
Gross margin	25.3	26.0	25.6	25.4	25.0
Operating margin	11.4	11.4	11.4	11.2	10.4
Financial net margin	-1.0	-1.2	-0.8	-1.0	-1.1
Profit margin	10.4	10.2	10.6	10.2	9.3
Tax	-2.5	-2.9	-2.8	-2.6	-2.5
Net margin	7.9	7.3	7.8	7.6	6.8

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

SEKm	2014:3	2013:3	2014:2	1409	1309
Profit for the period	2,023	1,514	1,899	5,464	3,948
Other comprehensive income for the period					
Items never reclassified subsequently to profit or loss					
Actuarial gains/losses on defined benefit pension plans	-1,419	-421	-537	-2,718	1,208
Income tax relating to components of other comprehensive income	335	127	137	652	-309
	-1,084	-294	-400	-2,066	899
Items that may be reclassified subsequently to profit or loss					
Available-for-sale financial assets	-102	68	69	17	174
Cash flow hedges	169	98	21	88	9
Exchange differences on translating foreign operations	1,556	-1,131	2,079	3,329	-685
Gains/losses from hedges of net investments in foreign operations	-532	204	-419	-889	17
Income tax relating to components of other comprehensive income	75	-66	90	176	-254*
	1,166	-827	1,840	2,721	-739
Other comprehensive income for the period, net of tax	82	-1,121	1,440	655	160
Total comprehensive income for the period	2,105	393	3,339	6,119	4,108
Total comprehensive income attributable to:					
Owners of the parent	1,680	425	3,030	5,227	4,023
Non-controlling interests	425	-32	309	892	85
*) Whereof a correction of previous year					-249

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEKm	1409	1309
Attributable to owners of the parent		
Opening balance, January 1	63,271	59,706
Total comprehensive income for the period	5,227	4,023
Dividend	-3,336	-3,161
Issue costs associated	-49	0
Acquisition of non-controlling interests	-110	-666
Revaluation effect of non-controlling interests	-3	-3
Closing balance	65,000	59,899
Non-controlling interests		
Opening balance, January 1	4,540	1,993
Total comprehensive income for the period	892	85
Dividend	-106	-98
Acquisition of non-controlling interests	-59	-335
Closing balance	5,267	1,645
Total equity, closing balance	70,267	61,544

CONSOLIDATED BALANCE SHEET

SEKm	Note	September 30, 2014	December 31, 2013
Assets			
Goodwill		14,750	13,785
Other intangible assets		8,720	8,136
Tangible assets		84,190	81,544
Shares and participations		1,017	1,072
Non-current financial assets	4	2,599	3,190
Other non-current receivables	4	1,702	1,819
Total non-current assets		112,978	109,546
Operating receivables and inventories	4	33,488	31,077
Current financial assets	4	541	536
Non-current assets held for sale		33	32
Cash and cash equivalents		4,855	3,785
Total current assets		38,917	35,430
Total assets		151,895	144,976
Equity			
Owners of the parent		65,000	63,271
Non-controlling interests		5,267	4,540
Total equity		70,267	67,811
Liabilities			
Provisions for pensions		4,798	2,548
Other provisions		10,124	10,531
Non-current financial liabilities	4	24,532	28,703
Other non-current liabilities	4	582	593
Total non-current liabilities		40,036	42,375
Current financial liabilities ¹	4	15,953	10,009
Other current liabilities	4	25,639	24,781
Total current liabilities		41,592	34,790
Total liabilities		81,628	77,165
Total equity and liabilities		151,895	144,976
¹ Committed credit lines amount to SEK 18 675m of which unutilized SEK 18 675m.			
Debt/equity ratio		0.53	0.50
Visible equity/assets ratio		43%	44%
Return on capital employed		10%	10%
Return on equity		11%	9%
Excluding items affecting comparability:			
Return on capital employed		11%	11%
Return on equity		11%	11%
Equity per share, SEK		100	96
Capital employed		107,684	101,730
- of which working capital		8,876	7,740
Provisions for restructuring costs are included in the balance sheet as follows:			
- Other provisions*		410	416
- Operating liabilities		517	786
*) of which, provision for tax risks		307	292
Net debt		37,417	33,919
Total Equity		70,267	67,811

NET SALES (business area reporting)

SEKm	1409	1309	2014:3	2014:2	2014:1	2013:4	2013:3	2013:2
Personal Care	22,960	22,158	7,968	7,750	7,242	7,578	7,382	7,475
Tissue	41,628	35,739	14,473	14,039	13,116	12,357	11,910	11,930
Forest Products	12,453	11,879	4,237	4,217	3,999	3,646	3,843	3,788
Other	-31	99	-7	-45	21	-4	-2	26
Intra-group deliveries	-353	-422	-77	-132	-144	-157	-131	-100
Total net sales	76,657	69,453	26,594	25,829	24,234	23,420	23,002	23,119

OPERATING PROFIT (business area reporting)

SEKm	1409	1309	2014:3	2014:2	2014:1	2013:4	2013:3	2013:2
Personal Care	2,596	2,660	897	877	822	859	880	902
Tissue	4,785	4,123	1,740	1,652	1,393	1,601	1,524	1,333
Forest Products ³	1,822	927	613	623	586	916	420	250
Other	-604	-492	-215	-218	-171	-213	-199	-207
Total operating profit¹	8,599	7,218	3,035	2,934	2,630	3,163	2,625	2,278
Financial items	-752	-789	-269	-195	-288	-272	-283	-227
Profit before tax¹	7,847	6,429	2,766	2,739	2,342	2,891	2,342	2,051
Tax	-1,996	-1,706	-660	-722	-614	-933	-656	-524
Net profit for the period²	5,851	4,723	2,106	2,017	1,728	1,958	1,686	1,527
¹ Excluding items affecting comparability before tax amounting to:	-513	-1,024	-108	-158	-247	-215	-233	-373
² Excluding items affecting comparability after tax amounting to:	-387	-775	-83	-118	-186	-45	-172	-297
³ Including gains on forest swaps, before tax	333	128	6	175	152	455	7	0

OPERATING MARGIN (business area reporting)

%	1409	1309	2014:3	2014:2	2014:1	2013:4	2013:3	2013:2
Personal Care	11.3	12.0	11.3	11.3	11.4	11.3	11.9	12.1
Tissue	11.5	11.5	12.0	11.8	10.6	13.0	12.8	11.2
Forest Products	14.6	7.8	14.5	14.8	14.7	25.1	10.9	6.6

STATEMENT OF PROFIT OR LOSS

SEKm	2014:3	2014:2	2014:1	2013:4	2013:3
Net sales	26,594	25,829	24,234	23,420	23,002
Cost of goods sold	19,877	19,228	18,108	17,512	-17,028
Gross profit	6,717	6,601	6,126	5,908	5,974
Sales, general and administration	-3,721	-3,670	-3,487	-2,831	-3,424
Items affecting comparability	-108	-158	-247	-215	-233
Share of profits of associates	39	3	-9	86	75
Operating profit	2,927	2,776	2,383	2,948	2,392
Financial items	-269	-195	-288	-272	-283
Profit before tax	2,658	2,581	2,095	2,676	2,109
Taxes	-635	-682	-553	-763	-595
Net profit for the period	2,023	1,899	1,542	1,913	1,514

INCOME STATEMENT PARENT COMPANY

SEKm	1409	1309
Administrative expenses	-514	-579
Other operating income	289	279
Other operating expenses	-165	-161
Operating profit	-390	-461
Financial items	4,763	354
Profit before tax	4,373	-107
Tax	449	432
Net profit for the period	4,822	325

BALANCE SHEET PARENT COMPANY

SEKm	September 30, 2014	December 31, 2013
Intangible fixed assets	0	1
Tangible fixed assets	8,019	7,644
Financial fixed assets	134,090	129,651
Total fixed assets	142,109	137,296
Total current assets	2,725	1,895
Total assets	144,834	139,191
Restricted equity	10,996	10,996
Unrestricted equity	43,492	42,006
Total equity	54,488	53,002
Untaxed reserves	197	197
Provisions	1,301	1,280
Non-current liabilities	22,223	21,367
Current liabilities	66,625	63,345
Total equity, provisions and liabilities	144,834	139,191

NOTES

1 ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with IAS 34 and recommendation RFR 1 of the Swedish Financial Reporting Board (RFR), and with regard to the Parent Company, RFR 2.

Effective January 1, 2014, SCA applies the following new or amended IFRSs:

- IFRS 10 Consolidated Accounting
- IFRS 11 Joint Arrangements
- IFRS 12 Disclosures of Interests in Other Entities
- IAS 27 Separate Financial Statements
- IAS 28 Investments in Associates and Joint Ventures
- Amendments to IAS 36: Recoverable Amount Disclosure for Non-Financial Assets
- Amendments to IAS 39: Novation of Derivatives and Continuation of Hedge Accounting

These standards are applied retrospectively, entailing that income statements and balance sheets for 2013 and 2012 have been recalculated to reflect the changes in the new and amended reporting standards. The effects of these recalculations are outlined in note 6. It is mainly IFRS 10 Consolidated Accounting and IFRS 11 Joint Arrangements that have affected the recalculations. Other standards are not judged to have any material impact on the Group's or Parent Company's result of operations or financial position.

In other respects, the accounting principles applied correspond to those described in the 2013 Annual Report.

Recalculation of joint ventures to subsidiaries

IFRS 10 is based on already existing principles defining control as the decisive factor in determining whether a company is to be included in the consolidated accounts. The definition of control is based on the premise that the owner has the ability to control the company, is entitled to a return and has the power to influence the activities that impact the return. The standard provides further guidance should it not be clear whether there is a controlling influence. In light of the new standard, an analysis of shareholder agreements has been carried out. For some joint ventures, the assessment is that SCA has a controlling influence according to IFRS 10.

Recalculation of joint ventures

IFRS 11 Joint Arrangements is a new standard for classification of joint arrangements as joint ventures or joint operations. Decisive for the classification is how the rights and obligations are shared by the parties in a joint arrangement. In a joint operation, parties to the agreement have rights to the assets and obligations for the liabilities associated with the investment, meaning that the operator must account for its share of the assets, liabilities, revenues and costs according to the proportional method. In a joint venture, the parties that have joint control have rights to the net assets of the arrangement. Joint ventures will be accounted for using the equity method.

SCA previously applied the proportional method for most of its joint ventures. For companies that will continue to be classified as joint ventures, the proportional method will be replaced by the equity method, which entails that assets and liabilities will no longer be recognized on the balance sheet, but rather will be replaced by a net item including the goodwill for each joint venture. The same applies for the income statement, where income and expenses will be replaced by the recognition of the share in profits in the income statement as "Profits from joint ventures and associates". However, joint arrangements classified as joint operations will still be recognized in accordance with the proportional method.

For SCA, an analysis of the new standard has shown that most of the joint arrangements not reclassified as subsidiaries (refer to IFRS 10) will be classified as joint ventures and will be restated in accordance with the equity method. A small number of individual arrangements will be classified as joint operations and will continue to be recognized in accordance with the proportional method.

2 RISKS AND UNCERTAINTIES

SCA's risk exposure and risk management are described on pages 60–65 of the 2013 Annual Report. No significant changes have taken place that have affected the reported risks.

Risks in conjunction with company acquisitions are analyzed in the due diligence processes that SCA carries out prior to all acquisitions. In cases where acquisitions have been carried out that may affect the assessment of SCA's risk exposure, these are described under the heading "Other events" in interim reports.

Risk management processes

SCA's board decides on the Group's strategic direction, based on recommendations made by Group management. Responsibility for the long-term, overall management of strategic risks corresponds to the

company's delegation structure, from the Board to the CEO and from the CEO to the business unit presidents. This means that most operational risks are managed by SCA's business units at the local level, but that they are coordinated when considered necessary. The tools used in this coordination consist primarily of the business units' regular reporting and the annual strategy process, where risks and risk management are a part of the process.

SCA's financial risk management is centralized, as is the Group's internal bank for the Group companies' financial transactions and management of the Group's energy risks. Financial risks are managed in accordance with the Group's finance policy, which is adopted by SCA's board and which – together with SCA's energy risk policy – makes up a framework for risk management. Risks are aggregated and followed up on a regular basis to ensure compliance with these guidelines. SCA has also centralized other risk management.

SCA has a staff function for internal audit, which monitors compliance in the organization with the Group's policies.

3 RELATED PARTY TRANSACTIONS

No transactions have been carried out between SCA and related parties that have had a material impact on the company's financial position and results of operations.

4 FINANCIAL INSTRUMENTS

Distribution by level for measurement at fair value

SEKm	Carrying amount in the balance sheet	Measured at fair value through profit or loss	Derivatives used for hedge accounting	Available-for-sale financial assets	Financial liabilities measured at amortized cost	Of which fair value by level ¹	
						1	2
September 30, 2014							
Derivatives	958	183	775	-	-	-	958
Non-current financial assets	1,687	-	-	1,687	-	1,679	8
Total assets	2,645	183	775	1,687	-	1,679	966
Derivatives	732	403	329	-	-	-	732
Financial liabilities							
Current financial liabilities	24,373	3,189	-	-	21,184	-	3,189
Non-current financial liabilities	15,614	13,177	-	-	2,437	-	13,177
Total liabilities	40,719	16,769	329	-	23,621	23,621	17,098
December 31, 2013							
Derivatives	1,082	273	809	-	-	-	1,082
Non-current financial assets	1,657	-	-	1,657	-	1,649	8
Total assets	2,739	273	809	1,657	-	1,649	1,090
Derivatives	647	186	461	-	-	-	647
Financial liabilities							
Current financial liabilities	9,934	521	-	-	9,413	-	521
Non-current financial liabilities	28,406	15,796	-	-	12,610	-	15,796
Total liabilities	38,987	16,503	461	-	22,023	-	16,964

¹ No financial instruments have been classified to level 3

The fair value of trade receivables, other current and non-current receivables, cash and cash equivalents, trade payables and other current and non-current liabilities is estimated to be equal to their book value. The total fair value of financial liabilities amounts to SEK 40,853m (39,010).

No transfers between level 1 and 2 were made during the period.

The fair value of financial instruments is calculated based on current market quotations on the balance sheet date. The value of derivatives is based on published prices in an active market. The fair value of debt instruments is set using valuation models, such as discounting of future cash flows to quoted market interest rates for the respective durations.

5 ACQUISITIONS AND DIVESTMENTS

During the fourth quarter of 2013 SCA acquired additional shares in Vinda. SCA became the majority shareholder with a 51.4% ownership. Vinda is a Chinese tissue company listed on the Hong Kong Stock Exchange. The preliminary purchase price allocation is presented in the 2013 year-end report. Vinda's net sales for the first nine months of 2014 amounted to SEK 4,837m and operating profit, excluding items affecting comparability amounted to SEK 430m, SEK 348m including items affecting comparability. Net sales during the third quarter amounted to SEK 1,750m. Operating profit excluding items affecting comparability amounted to SEK 143m, while operating profit including items affecting comparability totaled SEK 176m.

In June SCA acquired the outstanding 50% in Fine Sancellia in Jordan from Nuqul Group. The consideration paid amounted to approximately USD 25m (approximately SEK 165m). Fine Sancellia has previously been consolidated as a subsidiary, since SCA is considered to have a controlling influence. It is thus treated as an equity transaction and entails that no new purchase price allocation has been prepared.

6 EFFECTS OF RECALCULATIONS OF PREVIOUS PERIODS

This note outlines the effects of recalculations of previous periods' cash flow statements, income statements, balance sheets and the quarterly overview of the segments and the note on financial instruments.

Effects of recalculations, operating cash flow analysis, January–September 2013

SEKm	Previously reported	Recalculation IFRS10 & IFRS11	After recalculation
Operating cash surplus	9,809	384	10,193
Change in working capital	-1,019	-33	-1,052
Current capital expenditures, net	-2,258	-25	-2,283
Restructuring costs, etc.	-769	-1	-770
Operating cash flow	5,763	325	6,088
Financial items	-745	-44	-789
Income taxes paid	-1,084	-82	-1,166
Other	126	23	149
Cash flow from current operations	4,060	222	4,282
Acquisitions	-940	-2	-942
Strategic capital expenditures, fixed assets	-1,213	-17	-1,230
Divestments	1,554	0	1,554
Cash flow before dividend	3,461	203	3,664
Dividend	-3,193	-65	-3,258
Cash flow after dividend	268	138	406
Net cash flow from disposal group	0	0	0
Net cash flow	268	138	406
Net debt at the start of the period	-32,927	-136	-33,063
Net cash flow	268	138	406
Remeasurement to equity	1,382	0	1,382
Currency effects	231	39	270
Effect of reclassification of operating liability*	-186	0	-186
Net debt at the end of the period	-31,232	41	-31,191
Debt/equity ratio	0.52		0.51
Debt payment capacity, %	36		37

* Provision for payroll tax has been reclassified to net debt under IAS 19.

Effects of recalculations, cash flow statement, January–September 2013

SEKm	Previously reported	Recalculation IFRS10 & IFRS11	After recalculation
Operating activities			
Profit before tax	5,116	289	5,405
Adjustment for non-cash items ¹	3,268	70	3,338
	8,384	359	8,743
Paid tax	-1,084	-82	-1,166
Cash flow from operating activities before changes in working capital	7,300	277	7,577
Cash flow from changes in working capital			
Change in inventories	128	-53	75
Change in operating receivables	-571	-42	-613
Change in operating liabilities	-576	62	-514
Cash flow from operating activities	6,281	244	6,525
Investing activities			
Acquisition of operations	88	-2	86
Sold operations	1,336	0	1,336
Acquisition tangible and intangible assets	-3,787	-43	-3,830
Sale of tangible assets	316	1	317
Repayment of loans from external parties	377	-58	319
Cash flow from investing activities	-1,670	-102	-1,772
Financing activities			
Acquisition of non-controlling interests	-1,028	0	-1,028
Borrowings	155	-28	127
Dividends paid	-3,193	-65	-3,258
Cash flow from financing activities	-4,066	-93	-4,159
Cash flow for the period	545	49	594
Cash and cash equivalents at the beginning of the year	2,017	101	2,118
Exchange rate differences in cash and cash equivalents	-44	-10	-54
Cash and cash equivalents at the end of the period	2,518	140	2,658
Cash flow from operating activities per share, SEK	8.91	0.35	9.25
Reconciliation with operating cash flow analysis			
Cash flow for the period	545	49	594
Deducted items:			
Repayment of loans from external parties	-377	58	-319
Borrowings	-155	28	-127
Added items:			
Net debt in acquired and divested operations	218	0	218
Accrued interest	37	3	40
Net cash flow according to operating cash flow analysis	268	138	406
¹ Depreciation and impairment, fixed assets	3,825	56	3,881
Fair-value measurement/net growth of forest assets	-442	0	-442
Gains sale/swap of assets	0	-176	-176
Unpaid related to efficiency programs	396	0	396
Profit or Loss from disposals	120	0	120
Payments related to efficiency programs, already recognized	-435	0	-435
Other	-196	190	-6
<i>Total</i>	<i>3,268</i>	<i>70</i>	<i>3,338</i>

Effects of recalculations, statement of profit or loss

SEKm	Pre- viously reported	Recalculation IFRS10 & IFRS11	After re- calculation	Pre- viously reported	Recalculation IFRS10 & IFRS11	After re- calculation
Net sales	22,046	956	23,002	66,577	2,876	69,453
Cost of goods sold ¹	-16,383	-645	-17,028	-50,156	-1,917	-52,073
Gross profit	5,663	311	5,974	16,421	959	17,380
Sales, general and administration ¹	-3,212	-212	-3,424	-9,660	-631	-10,291
Items affecting comparability ²	-233	0	-233	-1,024	0	-1,024
Share of profits of associates	73	2	75	124	5	129
Operating profit	2,291	101	2,392	5,861	333	6,194
Financial items	-268	-15	-283	-745	-44	-789
Profit before tax	2,023	86	2,109	5,116	289	5,405
Tax	-574	-21	-595	-1,378	-79	-1,457
Net profit for the period	1,449	65	1,514	3,738	210	3,948
Earnings attributable to:						
Owners of the parent	1,449	-1	1,448	3,711	0	3,711
Non-controlling interests	0	66	66	27	210	237
Earnings per share, SEK - owners of the parent total operations						
- before dilution effects	2.06		2.06	5.28		5.28
- after dilution effects	2.06		2.06	5.28		5.28
Calculation of earnings per share						
Earnings attributable to owners of the parent	1,449	-1	1,448	3,711	0	3,711
Average no. of shares before dilution, millions	702.3		702.3	702.3		702.3
Average no. of shares after dilution, millions	702.3		702.3	702.3		702.3
¹ of which, depreciation	-1,222	-19	-1,241	-3,672	-56	-3,728
² Distribution of items affecting comparability						
Distribution of restructuring costs, etc. per function						
Cost of goods sold	-63	0	-63	-213	0	-213
Sales, general and administration	-160	-10	-170	-648	-10	-658
Impairment, etc.	-10	10	0	-163	10	-153
Total items affecting comparability	-233	0	-233	-1,024	0	-1,024
Gross margin	25.7	0.3	26.0	24.7	0.3	25.0
Operating margin	10.4	0.0	10.4	8.8	0.1	8.9
Financial net margin	-1.2	0.0	-1.2	-1.1	0.0	-1.1
Profit margin	9.2	0.0	9.2	7.7	0.1	7.8
Tax	-2.6	0.0	-2.6	-2.1	0.0	-2.1
Net margin	6.6	0.0	6.6	5.6	0.1	5.7
Excluding items affecting comparability:						
Gross margin	25.7	0.3	26.0	24.7	0.3	25.0
Operating margin	11.4	0.0	11.4	10.3	0.1	10.4
Financial net margin	-1.2	0.0	-1.2	-1.1	0.0	-1.1
Profit margin	10.2	0.0	10.2	9.2	0.1	9.3
Tax	-2.9	0.0	-2.9	-2.4	-0.1	-2.5
Net margin	7.3	0.0	7.3	6.8	0.0	6.8

Recalculation of consolidated balance sheet, December 31, 2013

SEKm	Previously reported	Recalculation IFRS10 & IFRS11	After recalculation
Assets			
Goodwill	13,630	155	13,785
Other intangible assets	8,031	105	8,136
Tangible assets	80,570	974	81,544
Shares and participations	1,310	-238	1,072
Non-current financial assets	3,221	-31	3,190
Other non-current receivables	1,720	99	1,819
Total non-current assets	108,482	1,064	109,546
Operating receivables and inventories	29,882	1,195	31,077
Current financial assets	227	309	536
Non-current assets held for sale	32	0	32
Cash and cash equivalents	3,649	136	3,785
Total current assets	33,790	1,640	35,430
Total assets	142,272	2,704	144,976
Equity			
Owners of the parent	63,271	0	63,271
Non-controlling interests	3,033	1,507	4,540
Total equity	66,304	1,507	67,811
Liabilities			
Provisions for pensions	2,546	2	2,548
Other provisions	10,432	99	10,531
Non-current financial liabilities	28,444	259	28,703
Other non-current liabilities	586	7	593
Total non-current liabilities	42,008	367	42,375
Current financial liabilities	9,828	181	10,009
Other current liabilities	24,132	649	24,781
Total current liabilities	33,960	830	34,790
Total liabilities	75,968	1,197	77,165
Total equity and liabilities	142,272	2,704	144,976
Debt/equity ratio	0.51		0.50
Visible equity/assets ratio	44%		44%
Return on capital employed	9%		10%
Return on equity	9%		9%
Excluding items affecting comparability:			
Return on capital employed	11%		11%
Return on equity	10%		11%
Equity per share, SEK	94	2	96
Capital employed	100,190	1,540	101,730
- of which working capital	7,224	516	7,740
Provisions for restructuring costs are included in the balance sheet as follows:			
- Other provisions*	786	-370	416
- Operating liabilities	414	372	786
*) of which, provision for tax risks	293	-1	292
Net debt	33,886	33	33,919
Total Equity	66,304	1,507	67,811

Recalculation of consolidated statement of profit or loss and other comprehensive income, third quarter 2013

SEKm	Previously reported	Recalculation IFRS10 & IFRS11	After recalculation
Profit for the period	1,449	65	1,514
Other comprehensive income for the period			
Items never reclassified subsequently to profit or loss			
Actuarial gains/losses on defined benefit pension plans	-421	0	-421
Income tax relating to components of other comprehensive income	127	0	127
	-294	0	-294
Items that may be reclassified subsequently to profit or loss			
Available-for-sale financial assets	68	0	68
Cash flow hedges	98	0	98
Exchange differences on translating foreign operations	-1,036	-95	-1,131
Gains/losses from hedges of net investments in foreign operations	204	0	204
Income tax relating to components of other comprehensive income	-66	0	-66
	-732	-95	-827
Other comprehensive income for the period, net of tax	-1,026	-95	-1,121
Total comprehensive income for the period	423	-30	393
Total comprehensive income attributable to:			
Owners of the parent	425	0	425
Non-controlling interests	-2	-30	-32

Recalculation of consolidated statement of profit or loss and other comprehensive income, January-September 2013

SEKm	Previously reported	Recalculation IFRS10 & IFRS11	After recalculation
Profit for the period	1,826	87	1,913
Other comprehensive income for the period			
Items never reclassified subsequently to profit or loss			
Actuarial gains/losses on defined benefit pension plans	766	-47	719
Income tax relating to components of other comprehensive income	-191	12	-179
	575	-35	540
Items that may be reclassified subsequently to profit or loss			
Available-for-sale financial assets	75	0	75
Cash flow hedges	-57	0	-57
Exchange differences on translating foreign operations	1,355	-14	1,341
Gains/losses from hedges of net investments in foreign operations	-440	0	-440
Income tax relating to components of other comprehensive income	123*	0	123
	1,056	-14	1,042
Other comprehensive income for the period, net of tax	1,631	-49	1,582
Total comprehensive income for the period	3,457	38	3,495
Total comprehensive income attributable to:			
Owners of the parent	3,373	0	3,373
Non-controlling interests	84	38	122
*) Whereof a correction of previous year	-249		-249

Recalculation of consolidated statement of changes in equity, January–September 2013

SEKm	Previously reported	Recalculation IFRS10 & IFRS11	After recalculation
Attributable to owners of the parent			
Opening balance, January 1	59,706	0	59,706
Total comprehensive income for the period	4,023	0	4,023
Dividend	-3,161	0	-3,161
Acquisition of non-controlling interests	-666	0	-666
Revaluation effect of non-controlling interests	-3	0	-3
Closing balance	59,899	0	59,899
Non-controlling interests			
Opening balance, January 1	458	1,535	1,993
Total comprehensive income for the period	50	35	85
Dividend	-32	-66	-98
Acquisition of non-controlling interests	-335	0	-335
Closing balance	141	1,504	1,645
Total equity, closing balance	60,040	1,504	61,544

Recalculation of note 4, Financial instruments, December 2013**Distribution by level when measured at fair value**

SEKm	Carrying amount in the balance sheet	Measured at fair value through profit or loss	Derivatives used for hedge accounting	Available-for-sale financial assets	Financial liabilities measured at amortized cost	Of which fair value by level ¹	
						1	2
Previously reported							
Derivatives	1,077	268	809	-	-	-	1,077
Non-current financial assets	1,657	-	-	1,657	-	1,649	8
Total assets	2,734	268	809	1,657	-	1,649	1,085
Derivatives	647	186	461	-	-	-	647
Financial liabilities							
Current financial liabilities	8,874	521	-	-	8,353	-	521
Non-current financial liabilities	26,516	15,796	-	-	10,720	-	15,796
Total liabilities	36,037	16,503	461	-	19,073	-	16,964
Recalculation IFRS10 & IFRS11							
Derivatives	5	5	-	-	-	-	5
Non-current financial assets	-	-	-	-	-	-	-
Total assets	5	5	-	-	-	-	5
Derivatives	-	-	-	-	-	-	-
Financial liabilities							
Current financial liabilities	1,060	-	-	-	1,060	-	-
Non-current financial liabilities	1,890	-	-	-	1,890	-	-
Total liabilities	2,950	-	-	-	2,950	-	-
After recalculation							
Derivatives	1,082	273	809	-	-	-	1,082
Non-current financial assets	1,657	-	-	1,657	-	1,649	8
Total assets	2,739	273	809	1,657	-	1,649	1,090
Derivatives	647	186	461	-	-	-	647
Financial liabilities							
Current financial liabilities	9,934	521	-	-	9,413	-	521
Non-current financial liabilities	28,406	15,796	-	-	12,610	-	15,796
Total liabilities	38,987	16,503	461	-	22,023	-	16,964

¹ No financial instruments have been classified to level 3