

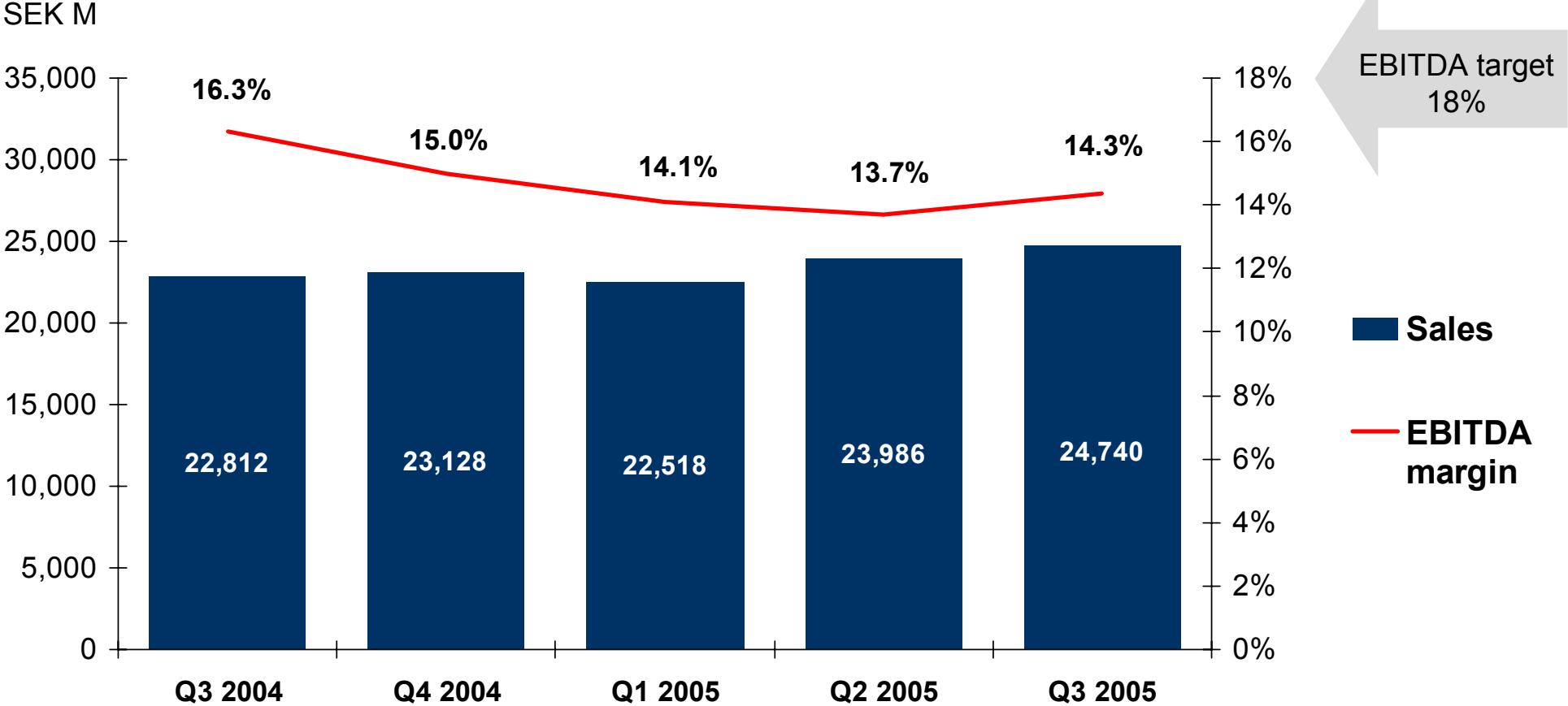
SCA Interim Report

1 January–30 September 2005



Jan Åström
President and CEO

Group – Quarterly Development*



* Excluding items affecting comparability



Financial summary

Including items affecting comparability

	Q3 2005	Change Q3/Q2 (%)	9M 2005	Change Y05/Y04 (%)
Net sales, SEK M	24,740	+3%	71,244	+7%
Earnings after financial items, SEK M	-3,396	n/a	-1,141	n/a
Earnings per share, SEK	-10.31	n/a	-3.22	n/a

Financial summary

*Excluding items affecting comparability**

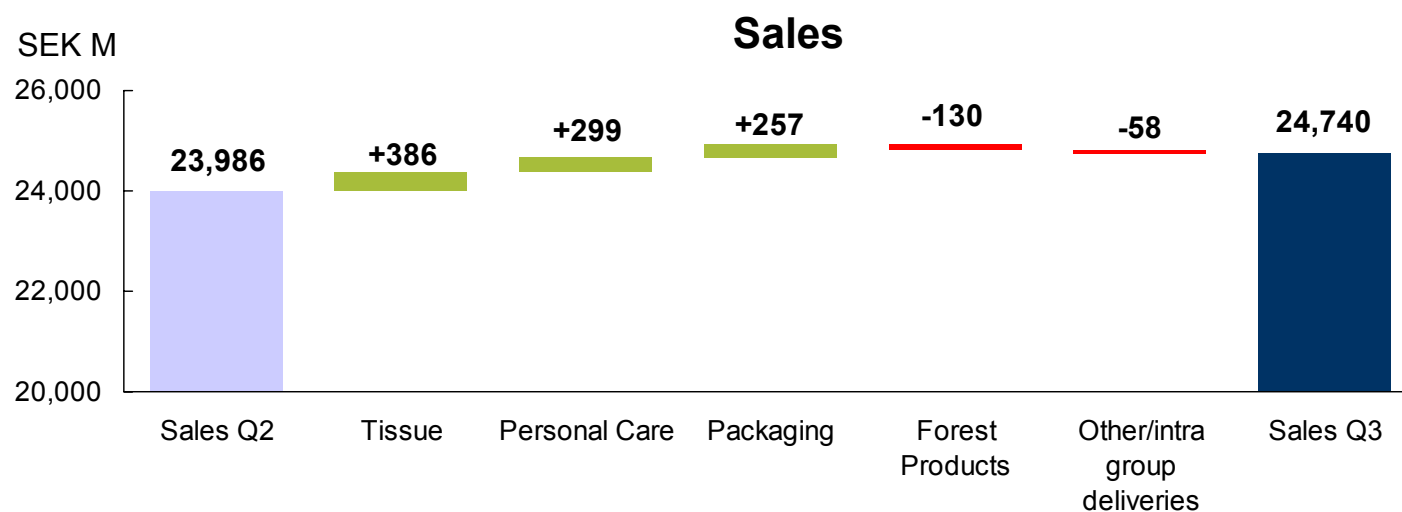
	Q3 2005	Change Q3/Q2 (%)	9M 2005	Change Y05/Y04 (%)
Net sales, SEK M	24,740	+3%	71,244	+7%
Earnings after financial items, SEK M	1,544	+13%	4,224	-24%
Earnings per share, SEK	5.40	+26%	13.83	-20%

* Earnings in the third quarter were affected by costs for efficiency enhancement measures of SEK 4,940 M before taxes and SEK 3,667 M after taxes. Earnings in the first nine months were affected by costs for efficiency enhancement measures of SEK 5,365 M before taxes and SEK 3,981 M after taxes

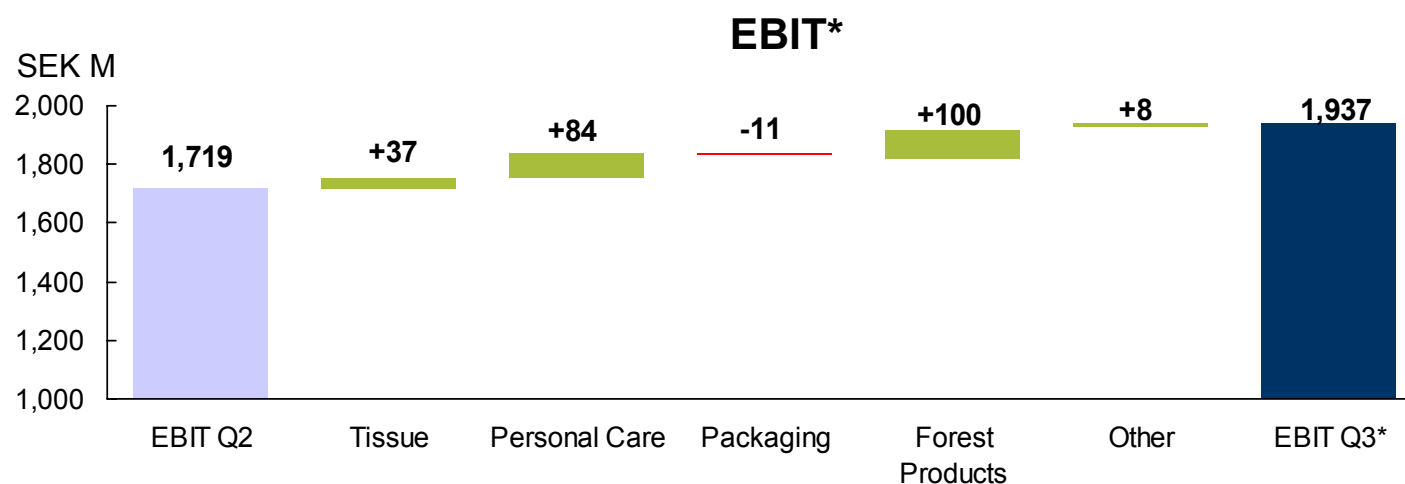


SCA Group Sales and EBIT*

Q3 compared with Q2



Sales +3%, whereof
currency effects +2%



EBIT* +13%, whereof
currency effects +5%

* Excluding items affecting comparability

Cash Flow Analysis

9M 2005 compared with 9M 2004

- **Operating cash flow SEK 5.1 (6.3) bn**
 - ◆ Lower operating cash surplus
 - ◆ Improved change in working capital
 - ◆ Current capex in line with previous year
 - ◆ Cash outflow related to structural costs

- **Cash flow before dividend SEK +0.9 (-5.7) bn**
 - ◆ Lower taxes paid
 - ◆ No major acquisitions

- **Debt equity ratio: 0.73 (0.64)**



Commitment to cost reductions

Program announced Q4 2004 / Q1 2005

- **Program delivering according to plan**
 - ◆ Savings of about SEK 400 M realized YTD 2005

Program announced in August 2005

- **Announced restructuring measures:**
 - ◆ Argovia (testliner) will be closed in November 2005
 - ◆ Djursland (testliner) will be closed in March 2006
 - ◆ Tilburg (tissue) planned to be closed in the second half of 2006
 - ◆ Measures within the Nordic tissue production structure
- **Restructuring costs in Q3 2005: SEK 4,940 M**
 - ◆ Write down of fixed assets: SEK 2,321 M
 - ◆ Other restructuring costs: SEK 2,619 M



Development by Segment



Hygiene Products

Tissue

- **Demand**
 - Fair development in Europe
 - Strong volumes in North America
- **Prices**
 - Consumer tissue prices stable in Europe since April
 - Price initiatives taken in Europe
 - Shelf price increase in Germany for the first time in four years
 - New price increase within AFH tissue North America implemented during September
- **Forming the future production structure**
 - Optimization of AFH/consumer tissue production in Europe
 - Successful start-up in Valls, Spain, ahead of schedule



Hygiene Products

Personal Care

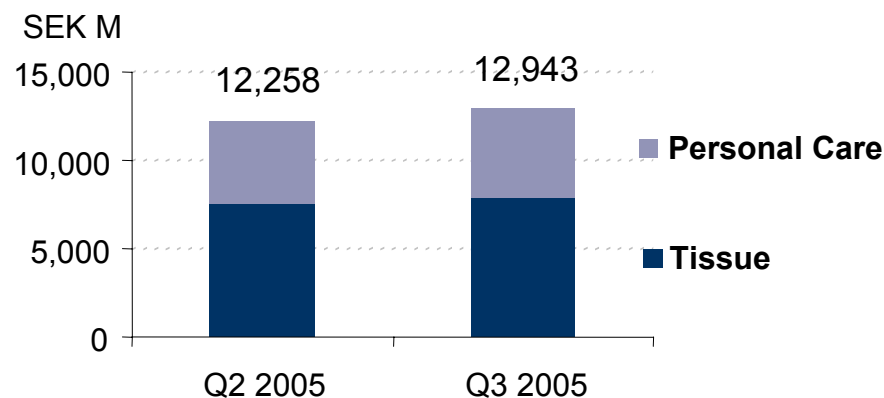
- **Continuous strong growth within incontinence products**
 - Strong growth within retail
 - New products launched
- **Favorable volume development within baby diapers**
 - Successful relaunch of Libero “Up&Go”
 - Strong development in Eastern Europe
- **Tough competition remains within feminine hygiene products**
 - New product launches in 2006



Hygiene Products – Sales and EBIT

Q3 compared with Q2

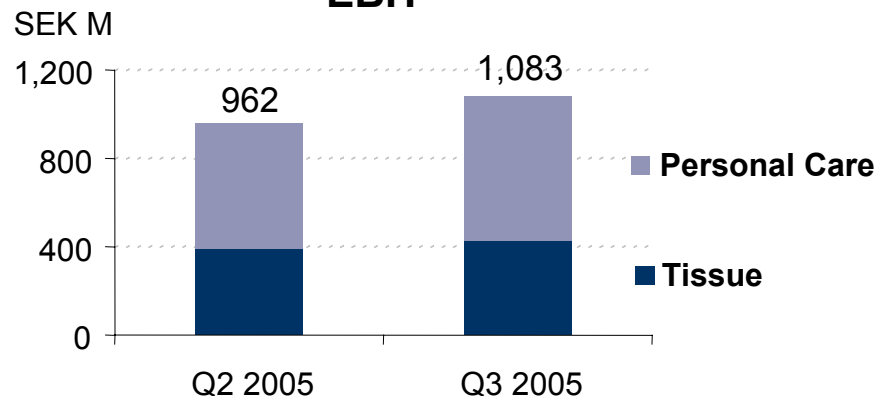
Sales



Tissue:

- 5% sales increase Q3/Q2
- 9% EBIT increase Q3/Q2, whereof 3% related to currency
- Cost savings leading to improved margins

EBIT

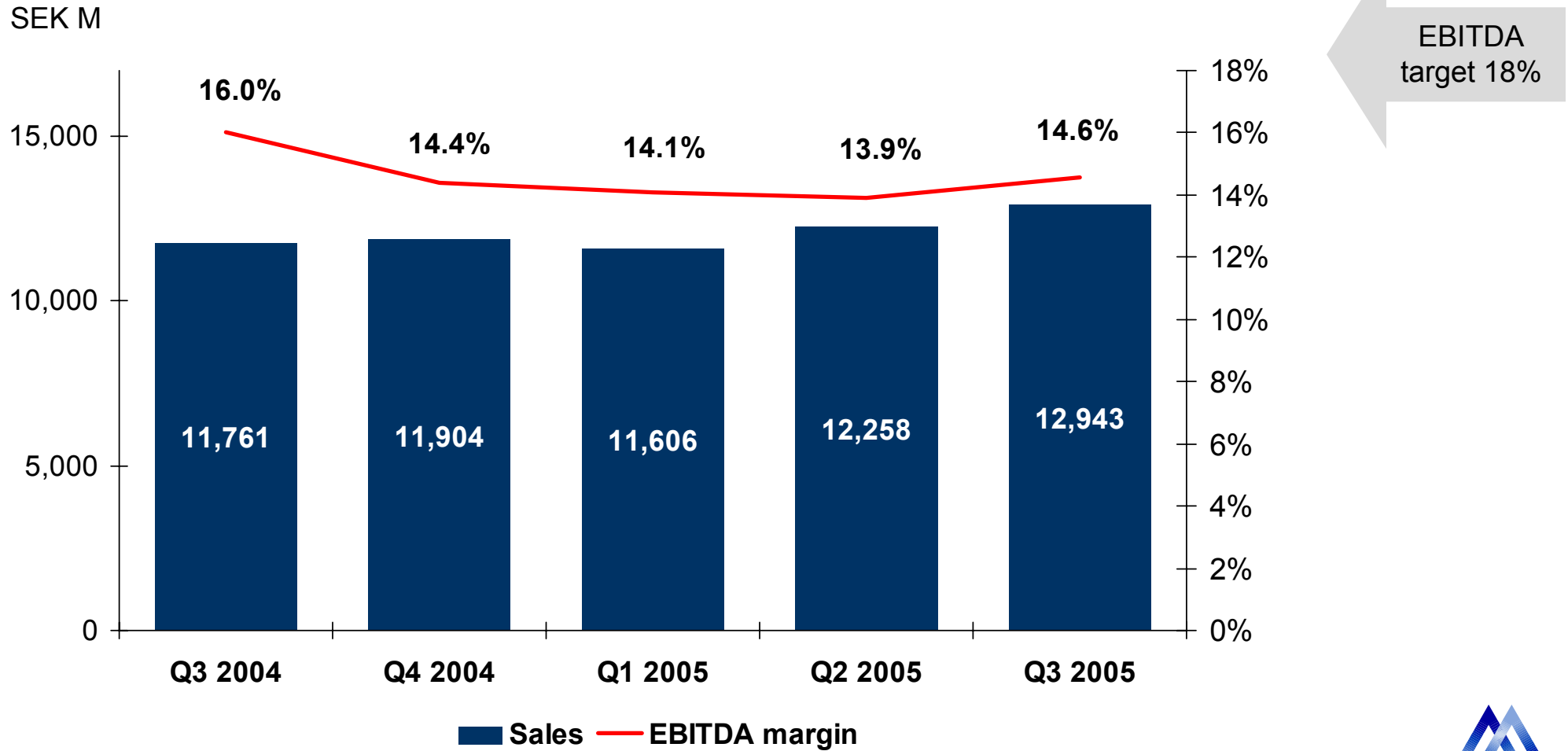


Personal Care:

- 6% sales increase Q3/Q2
- 15% EBIT increase Q3/Q2, whereof 4% related to currency
- Cost savings leading to improved margins

Hygiene Products - Development

Quarterly data



Packaging

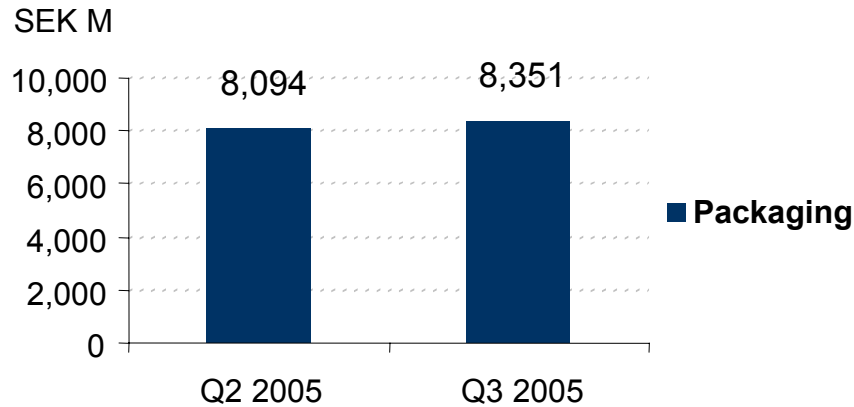
- Seasonality in corrugated board
 - Stable prices during the third quarter
 - European strategic accounts growth: 8% (Y/Y)
- Specialty/protective packaging
 - Increased costs for oil based raw material
 - Favorable volume development in China
- Competitive pressure in containerboard remains
 - Declining prices during the quarter - stabilized in the end of Q3, price increases under implementation
- Stable prices for recovered paper



Packaging – Sales and EBIT

Q3 compared with Q2

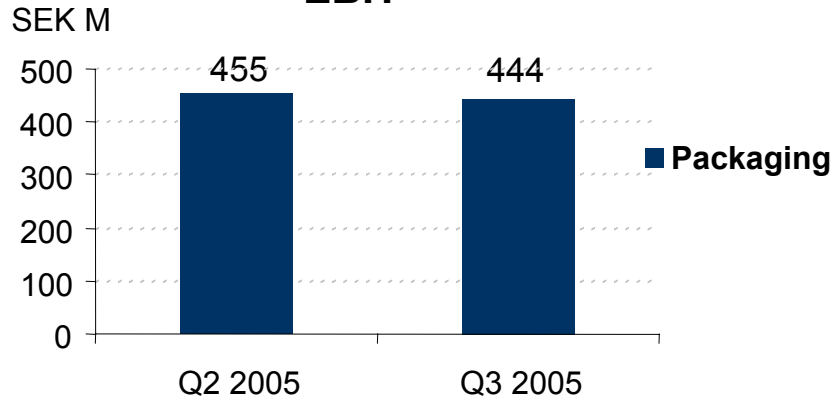
Sales



Packaging:

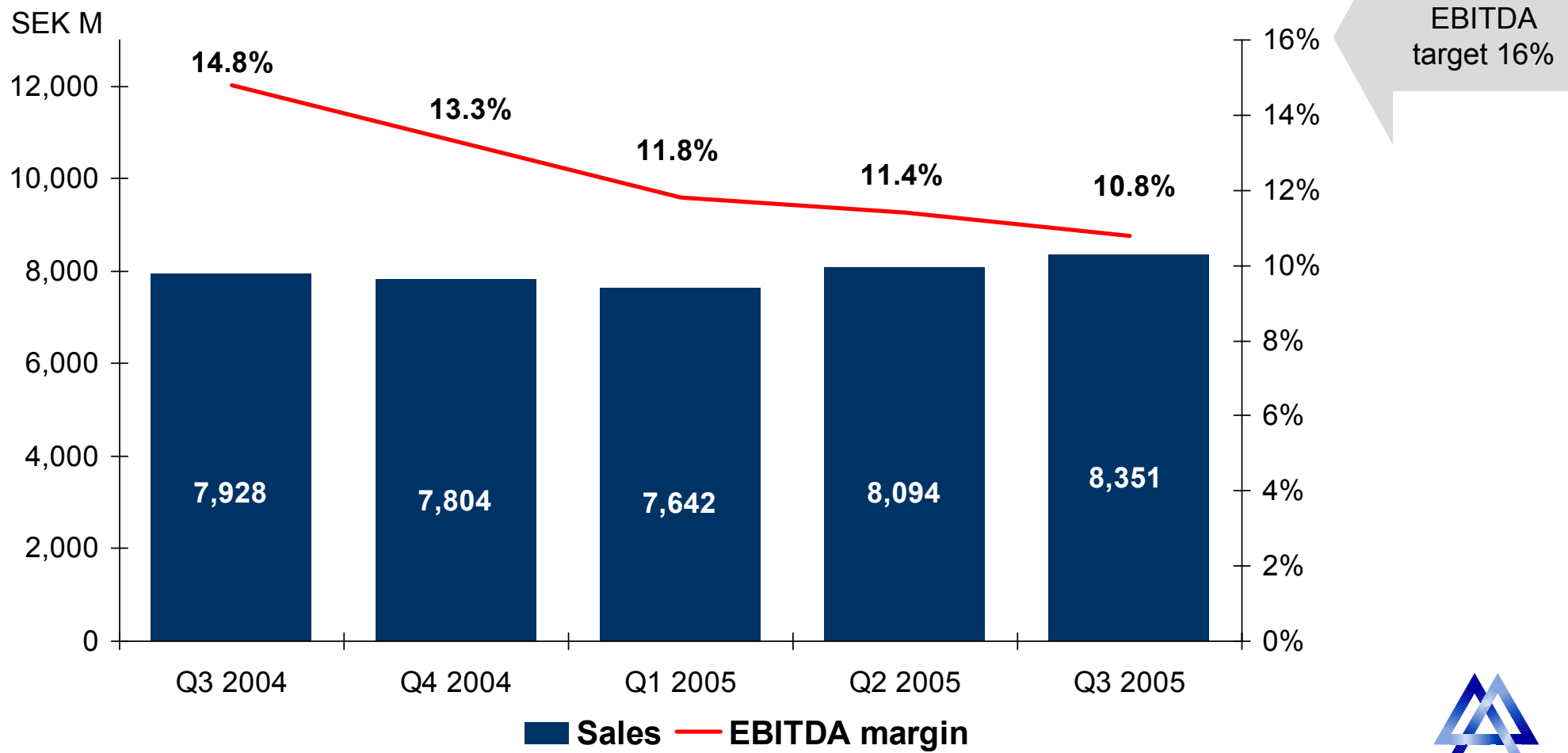
- 3% revenue increase Q3/Q2, whereof 2% currency effects
- 2% EBIT decrease Q3/Q2
- Cost savings partly offsetting declining containerboard prices

EBIT



Packaging - Development

Quarterly data



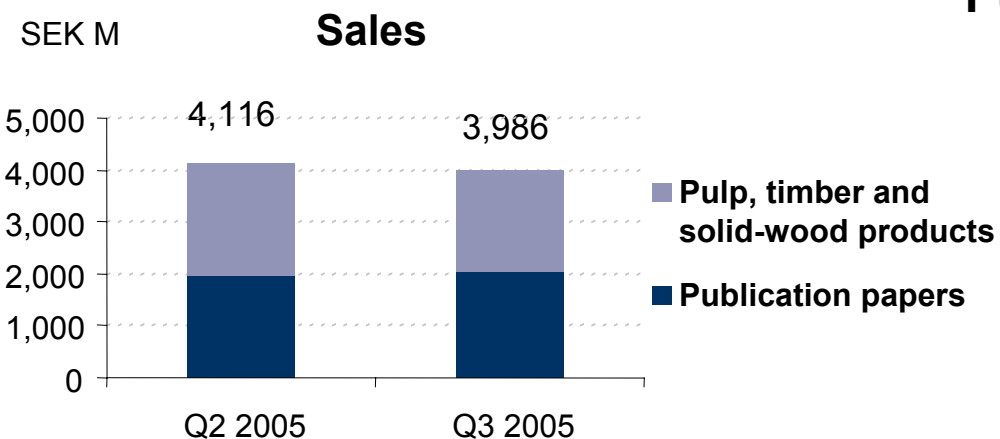
Forest Products

- Improved performance within publication papers
 - Seasonally favorable volumes
 - Strong order books, especially for LWC paper
 - Improved advertising market in Germany
- Pulp, timber and solid-wood products
 - Stable prices within softwood pulp
 - Increased prices on pine and high-quality spruce



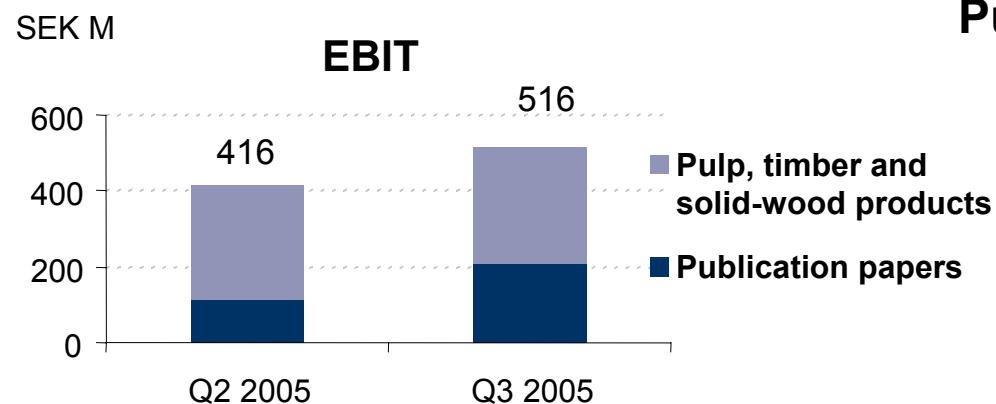
Forest Products – Sales and EBIT

Q3 compared with Q2 2005



Publication papers:

- 4% sales increase Q3/Q2
- 82% EBIT increase Q3/Q2 (maintenance stop in Q2)
- High capacity utilization
- Slightly higher prices



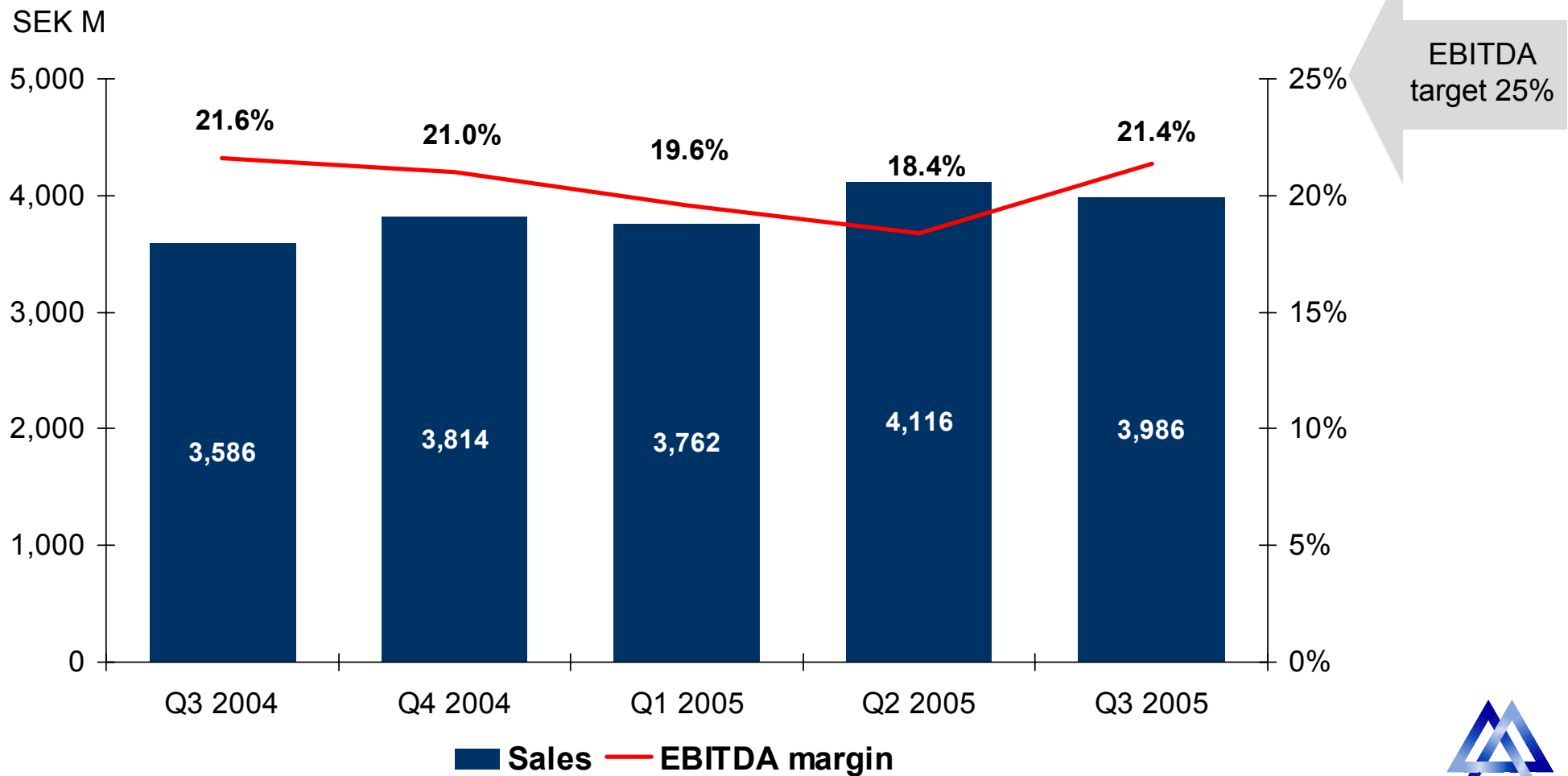
Pulp, timber and solid-wood products:

- 2% EBIT increase Q3/Q2
- 9% sales decrease Q3/Q2
- Higher prices on solid-wood products



Forest Products - Development

Quarterly data



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