Hygiene businesses
- Stable demand in the main markets
- Continued strong growth in emerging markets

Packaging and Forest Products
- Lower demand for packaging and solid-wood products
- Liner and solid-wood products inventory levels are still too high
- Improved market balance in publication papers
Q3 2008
Summary

- **Group**
  - Sales growth of 5% currency adjusted
  - EBIT decline of 19%
  - Price increases not enough to offset higher raw material and energy costs

- **Business Areas**
  - Strong profit and sales growth in Tissue
  - Stable performance in Personal Care
  - Profit decrease in Packaging and Forest Products
## Q3 2008 results

<table>
<thead>
<tr>
<th></th>
<th>Q3 2008</th>
<th>Q3 2007</th>
<th>Change, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>27,438</td>
<td>26,362</td>
<td>4</td>
</tr>
<tr>
<td>EBIT</td>
<td>2,046</td>
<td>2,526</td>
<td>-19</td>
</tr>
<tr>
<td>EBIT margin (%)</td>
<td>7.5</td>
<td>9.6</td>
<td></td>
</tr>
<tr>
<td>Profit before tax</td>
<td>1,438</td>
<td>2,019</td>
<td>-29</td>
</tr>
<tr>
<td>Earnings per share</td>
<td>1.78</td>
<td>2.87</td>
<td>-38</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>2,476</td>
<td>3,084</td>
<td>-20</td>
</tr>
</tbody>
</table>

SEK millions unless otherwise stated
## Nine Months 2008 results

<table>
<thead>
<tr>
<th></th>
<th>9M 2008</th>
<th>9M 2007</th>
<th>Change, %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>82,290</td>
<td>78,105</td>
<td>5</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>6,716</td>
<td>7,256</td>
<td>-7</td>
</tr>
<tr>
<td><strong>EBIT margin (%)</strong></td>
<td>8.2</td>
<td>9.3</td>
<td></td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td>5,087</td>
<td>5,895</td>
<td>-14</td>
</tr>
<tr>
<td><strong>Earnings per share (SEK)</strong></td>
<td>5.92</td>
<td>7.13</td>
<td>-17</td>
</tr>
<tr>
<td><strong>Operating cash flow</strong></td>
<td>5,127</td>
<td>5,888</td>
<td>-13</td>
</tr>
<tr>
<td><strong>Debt/Equity ratio</strong></td>
<td>0.67</td>
<td>0.53</td>
<td></td>
</tr>
</tbody>
</table>
Solid financing structure

As of 28 October 2008

- Commercial papers SEK 12.4bn
- Unutilized long-term committed credit facilities of SEK 20.2bn
- Cash and cash equivalents of SEK 4bn
Personal Care
Q3 2008

- Sales increased by 5%
  - Incontinence care, 7% sales growth
    - Growth in Retail and Health Care
    - Good growth in Russia and Eastern Europe
  - Baby diapers, 6% sales growth
    - Strong growth in emerging markets
  - Feminine care, 4% sales growth
    - Positive volume growth

- Volume growth of 4%
- Sales growth in emerging markets 13%*

- EBIT decreased by 1%
  - Improved product mix
  - Increasing raw material costs
  - Negative impact from technology shift in baby diapers

* Currency adjusted
**Tissue**

**Q3 2008**

- **Sales increased by 18%**
  - *Consumer tissue, 30% sales growth*
    - Sales growth adjusted for acquisition 8%
    - Price increases and volume growth
  - *AFH tissue, 3% sales growth*
    - 6% sales growth currency adjusted
    - Price increases in all regions

- **Volume growth of 15%, adjusted for acquisition 3%**

- **Sales growth in emerging markets 21%***

- **EBIT increased by 36%**
  - Increased prices
  - Impact from acquisition
  - Higher raw material and energy costs

---

*Currency adjusted*
Packaging
Q3 2008

- **Stable sales**
  - Higher prices offset lower volumes in Europe

- **EBIT decreased by 51%**
  - Increased corrugated prices
  - Higher raw material, energy and transportation costs
  - Production downtime
  - External export sales of liner

<table>
<thead>
<tr>
<th></th>
<th>Q3 2007</th>
<th>Q3 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>SALES SEKm</td>
<td>8,434</td>
<td>8,400</td>
</tr>
<tr>
<td>EBIT SEKm</td>
<td>648</td>
<td>319</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>7.7%</td>
<td>3.8%</td>
</tr>
</tbody>
</table>
Sales decrease of 11% adjusted for transport operations*

- Publication papers, stable sales
  - Higher prices
  - Lower volumes
  - Negative currency effects

- Solid-wood products, lower sales
  - Lower prices and volumes

EBIT decreased by 37%

- Solid-wood products
  - Profit decrease of SEK 250m
  - Lower prices and volumes
  - Production downtime
  - Higher raw material costs

- Publication papers
  - Price increase of 6% did not compensate for raw material and energy cost increases

* Adjusted for the transport operations now included in other income
Outlook

- Continued strong hygiene businesses
- Packaging and solid-wood products remain under pressure
- Price increases for publication papers
essentials
for everyday life™