Q2 2008 – Summary

- Good sales growth
- Strong performance in our hygiene businesses
- Profit decline in our packaging and saw mill operations
Q2 2008 – Market update

Hygiene businesses
- Stable demand in the main markets
- Strong growth in emerging markets

Packaging and Forest Products
- Weakened demand in packaging and saw mill markets
- High inventory levels of liner and solid wood products led to further price pressure
First half 2008 results

<table>
<thead>
<tr>
<th>SEK millions</th>
<th>H1 2008</th>
<th>H1 2007</th>
<th>Change, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>54,852</td>
<td>51,743</td>
<td>6</td>
</tr>
<tr>
<td>EBIT</td>
<td>4,670</td>
<td>4,730</td>
<td>-1</td>
</tr>
<tr>
<td>EBIT-margin (%)</td>
<td>8.5</td>
<td>9.1</td>
<td></td>
</tr>
<tr>
<td>Profit before tax</td>
<td>3,649</td>
<td>3,876</td>
<td>-6</td>
</tr>
<tr>
<td>Earnings per share (SEK)</td>
<td>4.14</td>
<td>4.26</td>
<td>-3</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>2,651</td>
<td>2,804</td>
<td>-5</td>
</tr>
<tr>
<td>Debt/Equity ratio</td>
<td>0.66</td>
<td>0.56</td>
<td></td>
</tr>
<tr>
<td>Debt payment capacity (%)</td>
<td>32</td>
<td>33</td>
<td></td>
</tr>
</tbody>
</table>

unless otherwise stated
## Q2 2008 results

### SEK millions

<table>
<thead>
<tr>
<th></th>
<th>Q2 2008</th>
<th>Q2 2007</th>
<th>Change, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>27,339</td>
<td>26,128</td>
<td>5</td>
</tr>
<tr>
<td>EBIT</td>
<td>2,199</td>
<td>2,448</td>
<td>-10</td>
</tr>
<tr>
<td>EBIT-margin (%)</td>
<td>8.0</td>
<td>9.4</td>
<td></td>
</tr>
<tr>
<td>Profit before tax</td>
<td>1,703</td>
<td>2,013</td>
<td>-15</td>
</tr>
<tr>
<td>Earnings per share (SEK)</td>
<td>1.96</td>
<td>2.23</td>
<td>-12</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>1,795</td>
<td>1,742</td>
<td>3</td>
</tr>
</tbody>
</table>

*unless otherwise stated*
**Personal Care**

Sales increased 2%
- Volume growth of 5%
- Sales growth of 19%* in emerging markets
- Incontinence care, 8% sales growth
  - Double digit growth in retail channel
- Baby diapers, 2% sales growth
  - Strong growth in emerging markets
  - Negative impact from technology shift in Europe
- Feminine care, 2% sales decrease
  - Currency effects

**EBIT decreased 5%**
- Positive mix
- Negative impact from ongoing shift towards more advanced technology in baby diapers
- Higher raw material costs

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*Currency adjusted*
**Tissue**

**Q2 2008**

**Sales growth of 14%**
- Sales growth of 23%* in emerging markets
- Consumer Tissue, 25% sales growth
  - Acquisition
  - Price increases
  - High volume growth in Eastern Europe and Latin America
- AFH Tissue, 2% sales decrease
  - Higher prices and volumes in Europe
  - Negative currency impact from North America

**EBIT increased 40%**
- Acquisition
- Price increases

**Taken over two production facilities:**
- Orleans from 1 April, Manchester from 1 July

*Currency adjusted*
Packaging

Q2 2008

Sales growth of 4%
- Price increases

EBIT decreased 27%
- Higher raw material and energy costs
- Production downtime and stop
  - Total cost of approximately SEK 60m
- High inventory levels of liner
  - Price pressure on liner
    - Increased external sales, negative impact of SEK 55m

Divestment of conventional packaging business in UK and Ireland
- Annual sales EUR 300 million
- Purchase price EUR 125 million
- Expected to be finalized during Q3
- Focus on specialized packaging in UK and Ireland
Forest Products

Sales decreased 3%

- Publication papers
  - Flat sales
    - Sales growth for magazine paper offset by lower sales for newsprint
- Solid-wood products
  - Sales decline
    - Lower prices
- Pulp
  - Sales increase

EBIT decreased 26%

- Related to lower result for solid wood products
- Higher result in forest operations compensated for lower results in publication paper and pulp

1) Adjusted for the transport operations now included in other income
Outlook 2008

Continued strong hygiene businesses
- Continued good growth in emerging markets
- Stable demand in mature markets

Operating profit for Packaging and Forest Products to remain under pressure
- High inventory levels of liner and solid wood products
- Challenge to maintain corrugated prices
SCA Capital Market Day
17 September 2008 in Düsseldorf, Germany

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