FY 2008
Summary

Group
- Sales growth of 4%
- Hygiene sales growth in emerging markets of 16%
- EBIT decline of 13%*
- Improved price/mix and higher volumes did not compensate for increased raw material and energy cost (SEK 3.5bn)

Business areas
- Strong sales and profit growth in Tissue
- Strong sales growth and stable profit in Personal Care
- Significant profit decline in Packaging and solid-wood products

*Adjusted for items affecting comparability totalling SEK 300m
## FY 2008 results

<table>
<thead>
<tr>
<th>SEK millions</th>
<th>FY 2008</th>
<th>FY 2007</th>
<th>Change, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>110,449</td>
<td>105,913</td>
<td>4</td>
</tr>
<tr>
<td>EBIT</td>
<td>8,554</td>
<td>9,847*</td>
<td>-13*</td>
</tr>
<tr>
<td>EBIT margin (%)</td>
<td>7.7</td>
<td>9.3*</td>
<td></td>
</tr>
<tr>
<td>Profit before tax</td>
<td>6,237</td>
<td>7,937*</td>
<td>-21*</td>
</tr>
<tr>
<td>Earnings per share (SEK)</td>
<td>7.94</td>
<td>9.80**</td>
<td>-19**</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>7,813</td>
<td>8,127</td>
<td>-4</td>
</tr>
<tr>
<td>Debt/Equity ratio</td>
<td>0.70</td>
<td>0.58</td>
<td></td>
</tr>
</tbody>
</table>

* Adjusted for items affecting comparability totalling SEK 300m
** Adjusted for items affecting comparability totalling SEK 0.36 per share
Hygiene business
- Stable demand in mature markets
- Continued good growth in emerging markets

Packaging and Forest Products
- Weak demand for Packaging and solid-wood products
- Price increases for publication papers
# Q4 2008 results

<table>
<thead>
<tr>
<th>SEK millions</th>
<th>Q4 2008</th>
<th>Q4 2007</th>
<th>Change, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>28,159</td>
<td>27,808</td>
<td>1</td>
</tr>
<tr>
<td>EBIT</td>
<td>1,838</td>
<td>2,591*</td>
<td>-29*</td>
</tr>
<tr>
<td>EBIT margin (%)</td>
<td>6.5</td>
<td>9.3*</td>
<td></td>
</tr>
<tr>
<td>Profit before tax</td>
<td>1,150</td>
<td>2,042*</td>
<td>-44*</td>
</tr>
<tr>
<td>Earnings per share (SEK)</td>
<td>2.02</td>
<td>2.67**</td>
<td>-24**</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>2,686</td>
<td>2,239</td>
<td>20</td>
</tr>
</tbody>
</table>

* Adjusted for items affecting comparability totalling SEK 300m
** Adjusted for items affecting comparability totalling SEK 0.36 per share
Sales increased by 10%
- Incontinence care, 11% sales growth
  - Healthcare sales increased 12%
- Baby diapers, 11% sales growth
  - Double digit growth in emerging markets
- Feminine care, 7% sales growth
  - Positive price and volume development

Sales growth in emerging markets 21%

EBIT decreased by 9%
- Improved product mix
- Increasing raw material costs
- Negative impact from technology shift in baby diapers

<table>
<thead>
<tr>
<th></th>
<th>Q4 2007</th>
<th>Q4 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>SALES SEKm</td>
<td>5,706</td>
<td>6,289</td>
</tr>
<tr>
<td>EBIT SEKm</td>
<td>781</td>
<td>712</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>13.7%</td>
<td>11.3%</td>
</tr>
</tbody>
</table>
Sales increased by 10%
- **Consumer tissue, 10% sales growth**
  - Higher prices and volumes
- **AFH tissue, 9% sales growth**
  - Lower volumes
  - Price increases in all regions

Sales growth in emerging markets 23%

EBIT increased by 22%
- Higher prices
- Synergies from acquisition
- Higher raw material, energy and transportation costs

<table>
<thead>
<tr>
<th>SALES SEKm</th>
<th>Q4 2007</th>
<th>Q4 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>9,343</td>
<td>10,256</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EBIT SEKm</th>
<th>Q4 2007</th>
<th>Q4 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>508</td>
<td>619</td>
</tr>
</tbody>
</table>

EBIT margin
- 5.4% 6.0%
Sales decreased 2%*
  - Lower volumes and prices

EBIT decreased by 84%
  - Lower volumes
  - Higher raw material, energy and transportation costs
  - Production downtime 92,000 tonnes

* Adjusted for the divestment of the UK and Ireland conventional corrugated business
Forest Products
Q4 2008

- Sales decrease of 6%*
  - *Publication papers, increased sales*
    - Higher prices and volumes
  - *Solid-wood products, lower sales*
    - Lower prices

- EBIT decreased by 25%
  - *Solid-wood products, decreased EBIT*
    - Lower prices
    - Production downtime
    - Higher raw material costs
  - *Publication papers, increased EBIT*
    - Higher prices and volumes and positive currency effects compensated for raw material and energy cost increases

* Adjusted for the transport operations now included in other income
Solid financing structure

As of 31 December 2008

- Commercial papers SEK 10.2bn
- Unutilized long-term committed credit facilities of SEK 20.7bn
- Cash and cash equivalents of SEK 5.7bn
As of 31 December 2008

- Net debt of SEK 47.0bn (37.4)

- Increase related to:
  - Net cash flow: SEK -3.0bn
  - Remeasurement of pension assets and liabilities and financial instruments to fair value: SEK -3.5bn
  - Exchange rate movements caused by the weaker Swedish krona: SEK -3.1bn
Dividend proposal

- Proposed dividend for 2008 of SEK 3.50 (4.40)
- Big uncertainty in the general economic environment and the financial systems combined with lower earnings
Outlook 2009

- **Hygiene businesses**
  - Continued positive development
  - Still good demand despite downturn in economy
  - Good growth in emerging markets

- **Packaging**
  - Earnings will decrease if the negative demand continues

- **Forest Products**
  - Stable development during 2009

- **Positive impact from lower raw material costs**
Q & A