



Interim Report

1 January – 30 September 2009



First nine months 2009

General market update



■ Hygiene businesses

- ◆ Stable demand in mature markets
- ◆ Continued growth in emerging markets

■ Packaging and Forest Products

- ◆ Weak demand for packaging
 - Western European demand -9%*
- ◆ Liner inventories continued down
- ◆ Weak demand for publication papers and solid-wood products
 - European demand for:
 - SC paper -9%**
 - LWC paper -24%**
 - Newsprint -12%**



* Year to date August 2009 vs 2008

** Year to date September 2009 vs 2008

Q3 2009

SCA business market update



Hygiene business

- Stable demand for Personal Care and Tissue
- Continued growth in emerging markets

Packaging and Forest Products

- Liner price increases
- Stabilized demand on low level for Packaging
- Increased demand for publication papers and solid-wood products



Q3 2009 vs. Q2 2009

Summary



Group

- Stable underlying sales
- EBIT increased 9%*
 - Higher EBIT in Tissue and Packaging
- Profit before tax increased 9%*
- Cash flow from current operations increased to SEK 4,259m



* Excluding SEK 387m Packaging restructuring costs

Q3 2009 results

SEK millions unless otherwise stated	Q3 2009	Q3 2008	Change, %	Q2 2009
Net sales	27,108	27,438	-1	27,915
EBIT*	2,576	2,046	26	2,368
EBIT margin (%)*	9.5	7.5		8.5
Profit before tax*	2,199	1,438	53	2,014
Earnings per share (SEK)	1.82	1.78	2	1.66
Cash flow from current operations	4,259	1,483	287	3,047

- EBIT increased 26%*
 - Improved product mix
 - Lower raw material and energy costs
 - Lower prices in Packaging
 - Lower volumes
- Profit before tax increased 53%*
 - Lower finance net



* Excluding SEK 387m Packaging restructuring costs

Cost

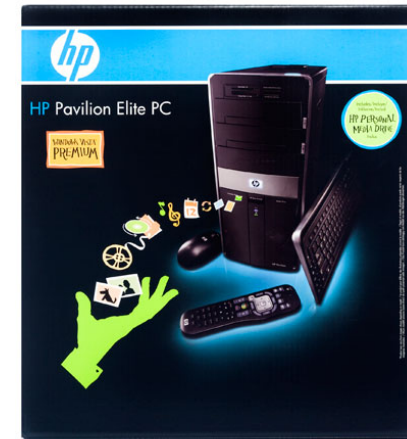
Packaging restructuring program



Current status

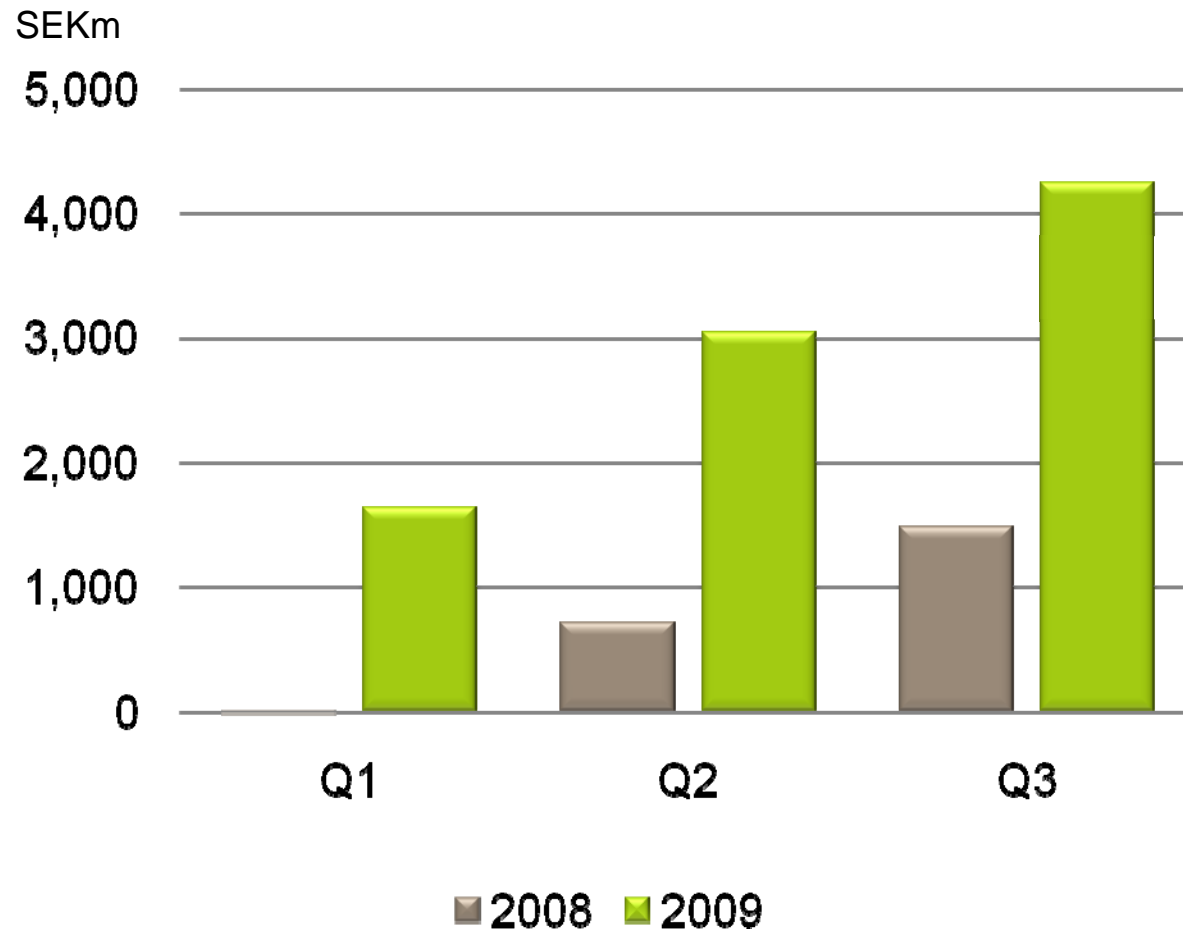
- Closed New Hythe testliner mill
- Closed 9 of 11 corrugated units
- Employee reduction: 1,040 of 2,200
- Costs: SEK 826m of SEK 1.7bn
- Savings: SEK 148m of SEK 1,070m

Delivering according to plan



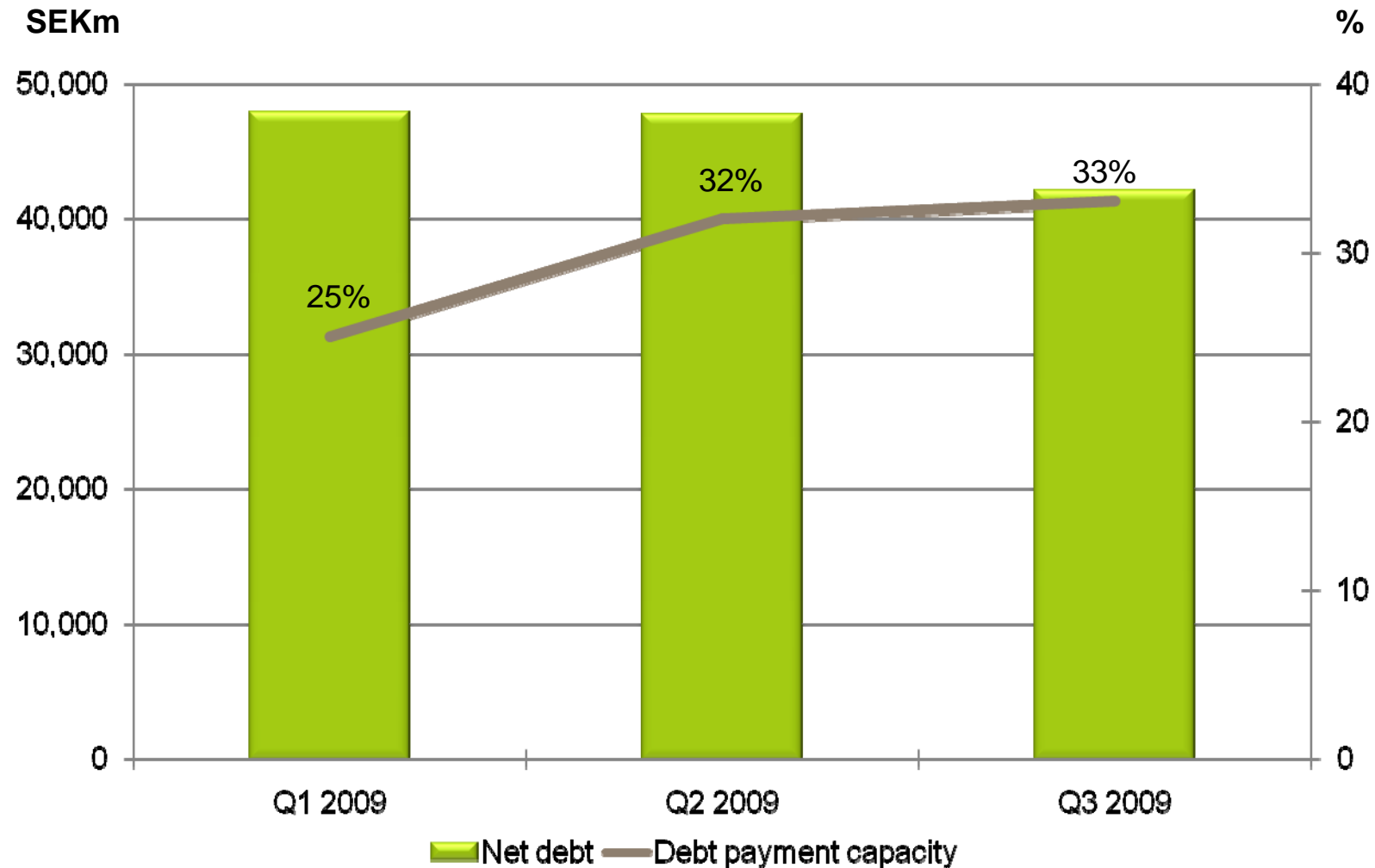
Cash flow

Strong improvement in cash flow from current operations



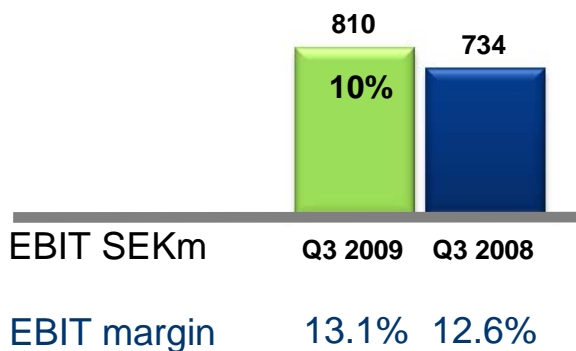
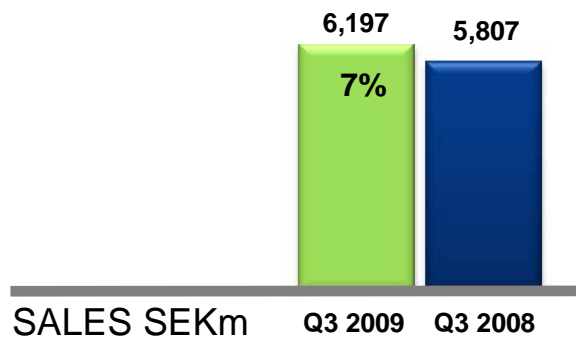
Reduced net debt

And improved debt payment capacity



Personal Care

Q3 2009 vs Q3 2008



- **Sales increased by 7%, currency 6%**

- ◆ Highest growth for Incontinence care and Feminine care
- ◆ Emerging markets growth 9%

- **EBIT increased by 10%**

- ◆ Improved mix and higher prices
- ◆ Lower raw material cost
- ◆ Higher marketing costs

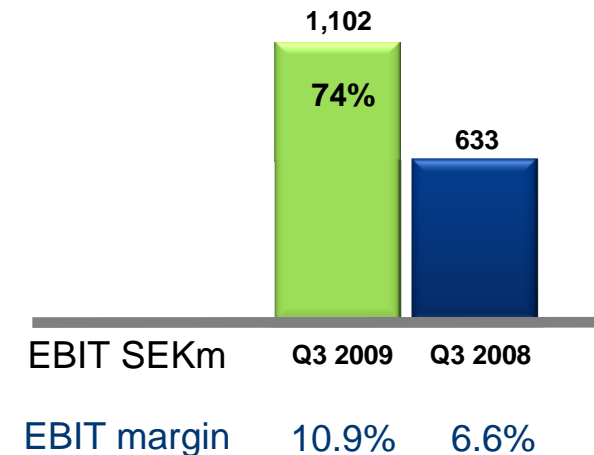
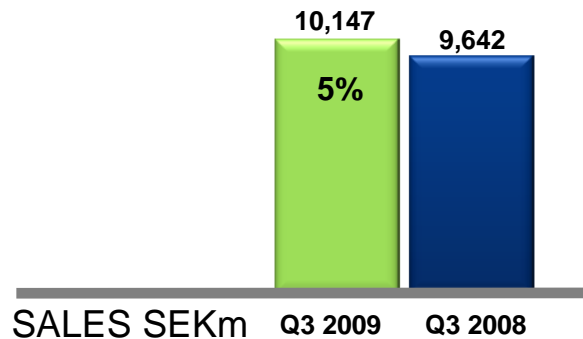
- **EBIT margin increased 0.5 percentage points**

- ◆ Improved Baby diapers margin



Tissue

Q3 2009 vs Q3 2008



- **Sales increased by 5%, currency 7%**

- ◆ *Consumer tissue, 4% sales growth*
 - Higher prices
 - Stable volumes
- ◆ *AFH tissue, 8% sales growth*
 - Slightly higher prices
 - Slightly lower volumes
- ◆ *Emerging markets growth 1%*

- **EBIT increased by 74%**

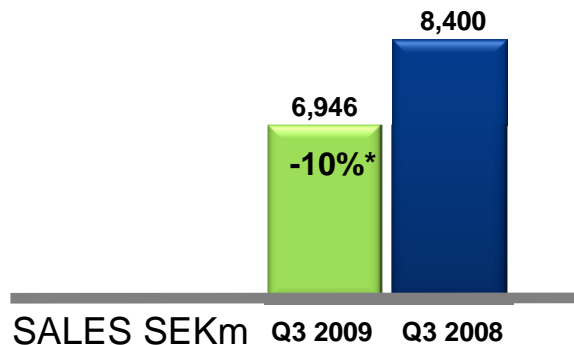
- ◆ Improved mix
- ◆ Higher prices
- ◆ Lower raw material and energy costs
- ◆ Acquisition synergies
- ◆ Higher marketing costs

- **EBIT margin increased 4.3 percentage points**



Packaging

Q3 2009 vs Q3 2008



SALES SEKm Q3 2009 Q3 2008

- **Sales decreased 10%*, currency 5%**

- ◆ Lower prices and volumes

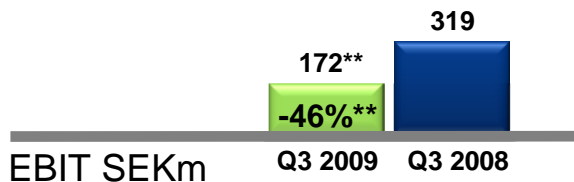
- **EBIT decreased by 46%****

- ◆ Lower prices and volumes
- ◆ Production downtime 75,000 tonnes
- ◆ Lower energy and raw material costs

- **EBIT margin decreased 1.3 percentage points**

- **Restructuring program on plan**

- ◆ Costs: SEK 387m
- ◆ Savings: SEK 148m year to date



EBIT SEKm Q3 2009 Q3 2008

EBIT margin 2.5%** 3.8%

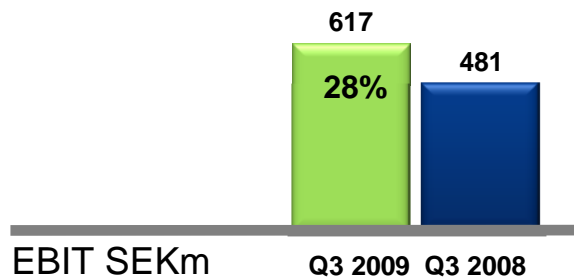
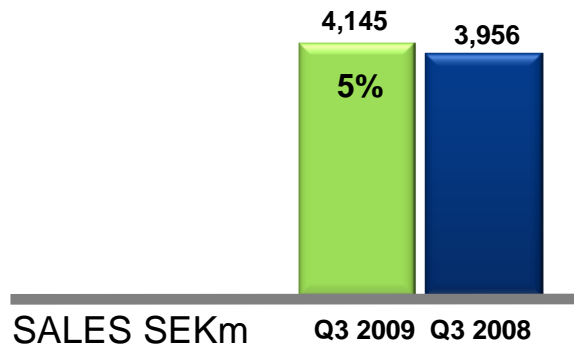
* Adjusted for the divestment of the UK and Ireland conventional corrugated business

** Excluding SEK 387m Packaging restructuring costs



Forest Products

Q3 2009 vs Q3 2008



Metric	Q3 2009	Q3 2008
EBIT margin	14.9%	12.2%

- **Sales increased 5%, currency 2%**
 - ◆ *Publication papers, sales increased*
 - Higher prices
 - ◆ *Solid-wood products, sales increased*
 - Higher volumes

- **EBIT increased 28%**
 - ◆ *Publication papers, increased EBIT*
 - Higher prices
 - Lower energy and raw material costs
 - ◆ *Solid-wood products, increased EBIT*

- **EBIT margin increased 2.7 percentage points**



Outlook 2009



- **Group**
 - ◆ Demand on similar level
 - ◆ Higher raw material and energy costs

- **Hygiene businesses**
 - ◆ Stable demand
 - ◆ High promotion activities

- **Packaging**
 - ◆ Increasing liner prices
 - ◆ Continued weak demand

- **Forest Products**
 - ◆ Weak demand for publication papers
 - ◆ Increasing prices for solid-wood products



Summary

- Stable sales
- Significant profit improvement
 - ◆ EBIT: +26%
 - ◆ Profit before tax: +53%
- Strong cash flow
 - ◆ Cash flow from current operations: +SEK 6.8bn
- Focus:
 - ◆ Cost
 - ◆ Cash flow
 - ◆ Innovation
 - ◆ Growth





Q & A



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