Good afternoon, ladies and gentlemen, and welcome to the SCA year end report, 2011. Let me just start with some key events during the year and, of course, then the binding offer to acquire Georgia Pacific tissue business in Europe is one. The divestment of packaging, excluding craftliner business in Sweden, is one. We also have acquisitions, strategic acquisition in emerging markets, such as Brazil and two acquisitions in Turkey, one 50% and one 95%.

We also have established a joint venture in Australia, as communicated. We have introduced an efficiency programme in, particularly in our hygiene business. And this is probably the first time in SCA’s history we launch a major efficiency programme and that will bring us some cost saving, but mainly faster to the market, more efficient sales force, etc.

We also have established a new wind power venture that will give us, fully utilised, two TWh per year in production. Coming into the full year, we do have, if we compare like to like, a sales increase of 4%. We have good growth in emerging markets and this is all in local currency. Packaging volume for the year is flat. We have a substantial increase in corrugated prices of some 9%.

Forest, in the forest area, publication paper volume is flat and solid wood is up by 5%. Looking at the EBIT result, as you have seen, we have had some substantial cost increases in raw material of some 3.2 billion SEK. On top of that, we also had higher energy cost, higher transportation cost and some other cost increasing also. But, in spite of that, we’ve been able to keep the results flat compared to last year.

Then we do have seen increased interest rates and that’s why you see the impact, profit before tax decreasing. And the increase in interest was some 174 million SEK compared to last year.

If we look, compared to… Q4 to Q4, we also have a small sale increase. We have higher volumes in our hygiene business and also quite good growth in the emerging markets. Packaging volume is down. But, if you remember, we had an extremely strong Q4, in particular, very, very strong December, in Packaging last year. Because normally the packaging business is, at least half of December, it’s closed down. But last year we had very few red days and, which means that we had an increased sale so this quarter was more normal compared to last year. We also have a decrease in publication paper. Publication paper, as we also have discussed, is less cyclical-impacted and probably more structurally impacted. And we do have a decline of consumption of paper in Europe, not at the speed as we see in the US, where it’s down more than 50%, but gradually, consumption is coming down.
We have a slight increase of EBIT. Also in this area, we have higher raw material costs and a negative currency impact and increased rates, interest rates compared to the fourth quarter last year. We also, this quarter, as you have seen, have a lot of items affecting comparability and those, in total, are today 5.6, a little bit more than 5.6 billion SEK. The bulk of it is in packaging, the write-down of assets of some 3.9 billion. Then we also have, in relation to the divestment of the 50% in Australia. We also have, of course transaction cost where we’ve been doing three deals of this size and the restructuring costs communicated previously, all impacting this year and this quarter.

Looking at the full year result, if we start with the sales, we have as much as 5.3 billion negative currency impact in sales and that is mainly or only in translation. We have compensated that by 1.1 billion higher volume and 3.5 billion higher price mix, compared to last year. And then we also have the delta between divestment and acquisition, which is another negative impact of 500 million SEK. So very big movements in the sales line, of course also impacting further down.

We have today a debt equity of 0.6 and you know that we have a target over the cycle of 0.7. Of course, it’s going to be impacted, as you’ve seen from communication, by the acquisition and the divestment. If we look at Q4 to Q3, we have – sorry, I think I jumped one, didn’t I? Q4 to Q3, we have a flat sales, increase in the EBIT of 4% and also before, profit before tax. One big item in this numbers is that we have an inventory loss of 280 million SEK in Q4 compared with Q3. And that’s, of course, due to the, to raw materials coming down and then, of course, we had to re-evaluate our inventories.

We have a substantial increase in profit in our Hygiene business, both in Personal care and in Tissue. It’s improved price mix, it’s lower raw material costs but also higher volume. So we had a good momentum and we’ve got through all our price increases that we were aiming for in Tissue during Q4. Part of that also came, as you know, in Q3.

Packaging, profitability is going down. Is, it’s mainly the liner business that is impacted in this quarter and, as I said also, it’s normally the weakest season for packaging in Q4. So we have kept the volume in corrugated reasonably stable, some price decreases, of course, when you had the liner decrease on price of 10%, that will have an impact also on the corrugated prices. Also, Forest were impacted by lower prices compared to Q3.

Coming into Personal care, we have had a good growth in all our categories and also very good growth, as I’ve said, in the emerging markets. The Baby category is a combination of Europe and Latin America. We are gradually getting in the big contracts we managed to get last year which, all in all, will be some 500 million pieces of baby diapers. It’s part of that that’s come around in Q4 but the bulk will come in during next year.

And we also have, as I said, a substantial increase of profitability and, if we take like for like, it’s an increase of 12%. And it’s volume, it’s price, it’s cost saving but also here we have higher raw material cost and a negative currency impact. And the margin is now above 12% in personal care in, all in all.

Then walking into Tissue, also a sales increase of 3% like for like. Consumer tissue is flat, Away-from-home is growing quite well. We have had a very good development in United States. You know that we are trying to lift the Away-from-home from the sort of bulk products up to value-added products and during last year, we actually increased the value-
added product by more than 17%. So now we’re up to 33% value-added compared to somewhere around 25 previous year.

We’ve been able to increase prices and we had a growth in, overall in volume in the US also but also, Away-from-home Europe is doing well and we continue to grow market share.

The EBIT improvement is prices, product mix but also lower raw material costs but there is a negative currency impact even in the Tissue business. And we are, in Q4, above 10% in margin.

Packaging, as I said, very strong Q4 last year, more normal Q4 this year. We have higher prices. We have increased prices by some 200 million SEK and we have increased raw material costs of some 110 million SEK and lower volume impacting it by 90 million SEK. So it’s a combination of increased prices but slightly lower volumes. And main part of this is still in testliner.

And as you may have seen, we just announced today that we are going to increase prices on the liner side; €100 in testliner and €80 in craftliner. And that will be implemented during the Spring. We anticipate, due to the fact that this quarter is the weakest, that we will have higher volume and higher margin Q1 in Packaging, as you know we have in Q4.

Forest products; we have, in local currency, increased prices by 20% in news during last year and 7% in magazine paper. But that has all been consumed by currency or increased raw material costs. So it’s, even though we have been achieving what we, I think, we communicated we would like to achieve, it’s sort of been disappearing by the currency and raw material. And here it’s mainly waste paper that we’ve seen increased prices but also clay, etc, that we use in producing our magazine paper.

Going forward, we believe absolutely that we will sell all we produce and we have a very good contractual situation for the next year. But very, very difficult to get any increased prices, both in news and in magazine paper.

We’re also proposing an increase of dividend with 5%, up to SEK 4.20 from the four crowns that we had last year and we believe that this is a good balance between the uncertainty in the financial world that we see in Europe, the confidence we have in our own businesses and, of course, the intention we have to grow further in the Hygiene business.

Just a few words on the two transactions we are in. You have seen this, the binding offer on Georgia-Pacific. The process is going according to plan. We don’t see anything that will stop this so far and it will, of course, in the end, improve the profit by share. It’s big synergies, bigger than we have in Packaging in the SCA group and the process will be finalised some time during the first half of this year.

Packaging is also going according to plan. There will be an AGM in DS Smith the 3rd February but, as they communicated in the press release, they have already more than 50% of the shareholders who is supporting this. Financing is in place and then, of course, we need to have the normal consultation with the unions and the EU Commission to get approval to conclude the deal. And this will have a negative impact on profit per share by
0.73 Swedish crowns, Georgia, a positive 1.7. And this will also, of course, reduce our debt to equity to 0.5, which means that we have some manoeuvre rooms to grow the Hygiene business.

Since we are in the end of the year, just a few words on our strategy and, as you may know, we have been focusing very much on efficiency. In efficiency, we include costs, cashflow and capital efficiency. We have innovation as a very important theme in the company and last year, we also added growth as an important theme for the company.

If we look at efficiency, we have restructuring the baby system in Europe. That’s finished now, up and running. We have efficiency programme and now we have it in the hygiene business, that will give us an annual saving on some 700 Sweden SEK when it’s finalised. And the cost for that is 1.4 billion SEK. And we have already taken 955 million SEK out of that.

We have just launched a new Hygiene organisation. The purpose of that is to cut costs, faster to the market, faster innovation, a more efficient innovation process, but also to speed up growth. So that is gradually being implemented in the company during the first quarter. We also continue to, of course, invest in upgrades and new capacity.

Innovation; we have a fortunate situation in the company today. A couple of years ago, we had a market screaming for innovation. Today, we have a market saying, please hold on, we can’t launch anything more now, and that’s the situation you want to be in. And that’s the situation we want to continue to be in, going forward also. So we have really made a huge effort to improve the innovation process and that has, so far, been very successful.

And we have had quite a lot of new launches in the market this year, in important incontinence area but also in baby and in Away-from-home. And I will just show you a very, very short film on one of the innovations.

That’s just, so this was our dance collection, with new pants for babies and, as you also may know, we are absolutely dominating the Nordic markets when it comes to the pant products.

Growth; of course, Georgia Pacific is an important one. We are seeing high growth in emerging markets. We have, as I said, the strategic acquisition of the biggest inco company in Brazil and that’s just a building stone in Brazil to continue to build incontinence but also to add new categories, of course, in the Brazilian market. Turkey; very central for expanding in that region with incontinence, the 95% that’s required, but also a joint venture when it comes to baby and feminine, also a very important step.

Organisation - I talked about. Wind power capacity and upgrades so we do accelerate the growth of the company but we want to accelerate it in a way so we feel safe, that it’s the right thing to do and, of course, that we pay the right price for anything we are acquiring.

So with this presentation, I would ask Lennart to join me here and we will try to answer any questions you may have.
Questions and Answers

Linus Larsson – SEB Enskilda

It’s, I’m here. It’s Linus Larsson with SEB Enskilda. If I remember correctly, I think you guided on the tissue margin to exceed 10% by the first quarter. Now, you exceed that already in the fourth quarter. I wonder if you have a new guidance for the first or for the first quarter or for the first half of 2012. What do you expect in terms of Tissue margins?

Well, I mean, the ambition is, of course, the same, that we should be above 10% in margin. Having the 10.2% that we have in Q4 now, we have to remember that if the fourth quarter is the weakest in Packaging, the fourth quarter is the strongest in hygiene and normally the first quarter is weaker because there’s a lot of pre-buying in the end of the year. So, but still, of course, the ambition is to be above 10%.

And what you just said; does that go for the group as a whole, that we should expect a weaker operating profit for the first quarter compared to the fourth quarter as well?

I mean, we are not giving any forecast like that but, of course, we, what we’ll do is comment on the seasonality, which we have every year. And we will probably have it this year also but, having said that, looking at the volume in the start of the year, we see good volumes in almost all our business areas and we also see, as I said, in Packaging volume picking up. So we don’t see any, yet, any impact of a downturn of the economic cycle, at least the first two weeks in the year. Still very early.

Okay, excellent. And then just coming back to those two big transactions that you’ve announced, the Packaging divestment and the Georgia-Pacific acquisition, can you just update us where you are in the regulatory process? Have you filed both of those, are you in the phase one stage or even further?

Well, when it comes to Packaging, it’s, we have, we, of course, have to wait until the AGM has taken place in the 3rd February because we want the shareholders to say yes. But then we will speed it up with the consultation with the union and with EU. And from a European perspective, at least from my point of view, it should be simpler than maybe the Tissue business because we have very few overlapping businesses. But we’ll have to wait until 3rd then, but of course, we are preparing for everything.

In Georgia-Pacific, we are managing that in the way we expected and we think that will be a longer process than Packaging but so far it’s, we haven’t seen anything that is sort of scaring us off in any way.

Okay, so that means that you expect the phase two...?

No, no, absolutely not, no.

Okay, all right, okay.

I will be very disappointed if that happens.

Okay, thank you very much.
Oskar Lindström – Danske Bank

Oskar Lindström here from Danske Bank. A couple of questions: the first one regards raw material costs, which benefited this quarter. Do you also expect to benefit from lower raw material costs in the first quarter, given where prices are today and the various lag effects in your P&L?

We have, if you take pulp as an example, we have normally delay of some 40-45 days before we get the price through in our system, which means that, I mean, even though we have seen pulp picking up slightly slightly in the end of the year, there should be a benefit to us in Q1, if nothing dramatic happens just now.

And also OCC is reasonably stable, up a little bit also in the end of the year so it’s more flattish than going down just now but with the delay, it should be some positive impact.

And your customers on the tissue side, of course, are aware of sort of where your major input costs are going or have been going. Are you seeing any price pressure on segments of your tissue market?

Well, I mean, it’s a war out there so, of course, it’s pressure all the time but so far, we’ve been successful in implementing what we’re doing, and it’s absolutely necessary. If they want to have a long-term supplier, we have to make some profit so we can reinvest in the business.

But we should not expect any further price increases sequentially in the first quarter. I mean, you’ve achieved...

No, I don’t think so, not as the situation is today.

Okay, and a final question. I spoke to Lennart about this before but the goodwill write-down was some 8.5 billion of which four – is that correct, yes?

Lennart Persson

The write-down was not eight-and-a-half.

No, but, sorry, the reduction in goodwill on your books.

Yes, but...

I can’t sort of quite add them up. There was four billion that you wrote down.

Yes.

Two billion that went along with the Packaging that you’re, that’s set to be sold, and there’s another billion in the Australian assets, so that’s seven billion. Am I missing 1.5 billion in goodwill somewhere?
Yes, you are but, I mean, the write-downs we have described in the one-offs and then we have moved the remaining part of the goodwill linked to Australia and also linked to the Packaging to the two lines you have in the balance sheet, asset held for sale.

*Okay, so it’s actually more than two billion that’s being sent along with Packaging?*

Yes, the remaining part not written off is transferred to the two lines.

*All right, thank you very much.*

**Lars Kjellberg – Credit Suisse**

Lars Kjellberg, Credit Suisse. Coming back to the Packaging transaction first, obviously, you divided it up in the French business and the balance. Could that even be considered to be two separate transactions, i.e. could one be delayed more than the other or will they come as a one package?

**Jan Johansson**

No, I would say they will come as one package because normally, we’d never -you would not go into the Commission before you have done your consultation with the unions.

Okay. If I heard you right, you expect a margin, sequential margin improvement in the Packaging business in Q1 versus Q4. What is that based upon? Better volumes, I guess, but anything else that you’re considering when you talked about that?

Well, it is better volumes and better cost position but also some delay from the raw material decreases that hasn’t worked into the system yet.

*And when you talked about the raw material write-downs or inventory losses, where do they actually hit specifically?*

Mainly in the Hygiene.

Okay. And then coming to the Hygiene business, obviously, you’re making various growth initiatives, which is, was way overdue, but they’re coming through, which is nice. But what are you looking at in terms of organic growth in your business? And so far it sort of is quite on the Asian side, if you want to elaborate a bit what’s going on there.

Well, we have a target of growing by 5-7% in Personal care organic and 3-4%, in Tissue, which we are doing just now. And when it comes to the Asian side, I mean, south-east Asia is, where we have a strong position, is still doing well. We still want to be -have a bigger position in China. Our Incontinence introduction is going much better than we anticipated but still only in two of the major cities where we actually today already are market leaders.

But to reach the rest of the country, we need a distribution system which we don’t have today so we’re working on how we could achieve that. And then, of course, as I said, we need to expand in Brazil when it comes to categories so those are the main focuses. And India is, of course, on the watch-list. Also how to get into India in a good way.
Okay, thank you.

Karri Rinta, Handelsbanken

Yes, thank you. A few strategic questions, firstly about the branded Personal care business in Europe; do you think that you would have sort of an ambition or a temptation to start growing in the branded business in Europe? Now that you have resources you are putting the Tissue and Personal care together, to some extent, or can we see that you actually put more resources in the branded business in Europe?

We have communicated that we do want to grow the branded business compared to the private label business and, by Georgia-Pacific, we’re actually reaching the target we set.

Sorry, on the Personal care business.

On the Personal care business?

Yes.

I don’t see any reason to change the strategy that we have today because in trying to do that organically, that would, that will bring enormous investments. You could do it by acquisition but not organically, I don’t believe that.

Okay, then the Tissue business; do you think that you could see yourself splitting the Tissue business into Professional and Consumer in the future, like some of your competitors are doing, or reporting it separately?

Well, I mean, we don’t, as I stand here today, we don’t have any plans for that.

Okay, thank you.

Mikael Jäfs – Cheuvreux

Mikael Jäfs from Cheuvreux. A question on your Personal care business there. You highlight at the end of that discussion that you have a lower operating cashflow for last year. Is this just a seasonal effect for the quarter or is there, could you just elaborate a bit on it?

It’s mainly due – Lennart, you correct me – because we have such a high sales in the end of the day so receivables are growing but…

Lennart Persson

Yes, that’s correct, yes. We have seen, if you compare with last year’s fourth quarter, we have seen higher working capital this year due to mainly increased sales and, by that, increased receivables.
Okay, perfect, thank you. And then just a short question on the Georgia-Pacific. You were talking about the synergies there. Should we expect some form of non-recurring costs added to sort of the purchase price of Georgia-Pacific in future?

**Jan Johansson**

Well, I mean, I think it’s too early to have a firm view on that and we’ll come back to it when the deal is closed.

*Perfect, thanks.*

**Unidentified female speaker**

Okay. Do we have any questions from the telephone audience, please?

**Jussi Uskola – Deutsche Bank**

Okay, thank you. So a few mechanical questions, the first being related to your Packaging operations. Some of your US peers have said now that they might be reducing their imports of craftliner to Europe now due to weak Fridays and relatively strong local demand. Can you discuss a bit on how you see the craftliner demand being right now and also how do you see pricing of boxes developing in Q1 and perhaps even Q2?

The second thing relates to newsprint. Can you give any comments about ongoing price negotiations or recent price negotiations and what kind of contract periods have you been aiming for now in the year-end negotiations? Thanks.

Well, the first one is that we have seen craftliner inventories coming down in the end of the year and beginning of this year and that, of course, is one reason why we are increasing the price. The import or the export from US to Europe; will come and go depending on the currency because the cost position in the US is not any better than the cost position in Europe so it’s only a currency game.

And, of course, if you have a weak US dollar and a strong euro maybe, it’s a strong business but I think the development is the opposite now, which means that we probably will see less. Second question?

**Newsprint.**

Newsprint. Volume-wise, we are in a very good position contractually, both in News and in magazine paper. As I said, when it comes to pricing, we see an opportunity with very, very small price increases, if any.

But have you been able to conclude anything with regards to that?

We have been, concluded, for the first half, quite substantial volumes, yes.

Okay, and I presume, then, that the first half, kind of you are aiming for biannual contracts now.
We are trying to get that but normally you can also have the volume contracted but not the price contracted and in news, it’s the normal pattern, previously anyway, was yearly contracts but you see shorter contracts now. But in magazine, you have everything from two, three months to half a year. So it’s different depending on the quality.

*Okay, thanks.*

**Myles Alsop – UBS**

*Yes, just a few quick questions. Just on the test liner price increase, what gives you sort of confidence to go for, what a €100 per tonne increase in test liner? I mean, it’s, what, 20-odd percent price increase. I mean, how much have waste paper costs increased, where are test liner inventories, should we believe you’re going to achieve that?*

Well, it’s, one simple answer is, of course, that we need it and everyone else needs it. It’s also because of the higher raw material costs and I think I read in the paper that one of our competitors also increased prices today. But the growth of the inventory that we saw during at least part of the last year hasn’t continued, which also is a sign that it may be the right opportunity to increase prices.

And, of course, we will do whatever we can to push those €100 in because, from a test liner perspective, it’s absolutely necessary.

*So how much has waste paper costs gone up?*

You mean during last year or…?

*Well, since the trough, yes, since December.*

**Lennart Persson**

We have seen it come up this year during the first week. Not much, but anyhow, it has come up.

*Okay. And what’s, have inventories actually come down for test liner or are they just sort of stable?*

**Jan Johansson**

It’s more stable.

*Okay, but they’re slightly higher than average, aren’t they?*

It’s not higher than average but higher than it was during the recession.

*Okay. And on the demand side, you’re saying it’s fairly healthy as you look at it. And what’s your demand expectation for 2012 for corrugated?*

Yes, I mean, it’s, as I said, it’s a very uncertain time we’re in so what we are trying to do is to follow it what, how we can during to the, to our order books. And so far, we don’t see
any sort of reaction as we saw in the previous crisis. And guessing longer than that is… probably you are as good as I am to guess on that.

*Okay, so it’s kind of flat demand in Q1 as we’re looking and no real visibility?*

We will have higher volumes in Q1 than in Q4 due to the seasonality.

*Okay, sorry, yes. And then in terms of the synergies with Georgia-Pacific, obviously it’s a big number and critical in terms of making the deal make financial sense. Could you give us a sense of the timing? Is it kind of a third, a third, a third or is it up-front? And just very broadly, what it relates to, what’s underpinning it?*

We will be absolutely happy to do that why, once we have closed the deal.

*Has that number been audited, the 125 million, or is it kind of back-of-the-envelope of SCA’s?*

It’s not back-of-an-envelope.

*Okay. And just maybe very lastly, then, on the Tissue side, in terms of demand, I mean, how is demand holding up? And just in terms of prices, you’re saying flat prices, just to be clear, in Q1?*

We don’t have any planned price increases for Q1, as the situation is today with the raw material prices.

*Is there pressure on prices, though, and could prices actually come down in Q1?*

I mean, that’s nothing we have in our plans either but, I mean, as I said, there is always a war out there to get volume. But we are absolutely focusing on getting the right volume and not the wrong volume.

*Right. And why do you think Kimberley was kind of talking about prices being down a couple of percent for European tissue in Q4?*

I haven’t really had time to look in, deeply into their report but we know that they are struggling in part of the business in Europe.

*Okay, thank you.*

Thank you.

**Ross Gilardi – BOA/ML**

*Hello, good afternoon. Thanks, gentlemen. Jan, I just wanted to ask you, I mean, the packaging divestiture is basically, is fund, more than funding the GP acquisition and you’ve got the proceeds from Australia and so forth. So, you know, would you be willing, if the opportunity presented itself, to make another sizeable acquisition in the hygiene businesses overall? I’m realising, you know, you’ve got a lot on your plate now but just your attitude on that.*
Yes, well, you’re absolutely right. We have to digest what we’re doing just now before we can think of anything else but we are absolutely looking into growing by acquisition but not in a way that we are risking our balance sheet and our debt payment capacity. There has to be good, has to be a good balance there.

And in terms of additional acquisitions you might do, I mean, would you envision you’re further focused on consolidating the European market or is, at this point, would emerging markets be a higher priority for you?

The emerging market is a higher priority but, of course, we are generating our cashflow in Europe and we still get some 70, 80% of our revenues from Europe so it’s very important that we have a market in Europe that really can have the profit level that is necessary. But priority number one is in emerging markets.

Okay, very good. And did I hear you correctly – I was in and out for a moment – that you think you'll actually have the GP acquisition closed by the end of the second quarter or approved, or at what stage do you expect to be?

We are working on a plan now that it will be finalised during the first half but, of course, we are extremely dependent on the process in the EU Commission and we can’t really impact that but that is the assumption we have.

Okay, very good. And what will your cap ex look like net of, you know, compared to where it is now, when you factor both transactions in? Will you sort of, on a forward-looking run rate, have higher or lower capital spending requirements, do you think?

I think that’s also a question I would like to get back to when the deals are closed.

Okay, fair enough. And then just, sorry, a couple more. I think you mentioned that, on baby diapers, in association with your restructuring, you’ve talked about contract wins. Did you say that those aren’t really going to kick in until the first quarter of this year and, if so, would you expect a step up in margins in Personal care as you bring on those volumes, or would there be any impact on margins to consider?

We have some of it in Q4 but the bulk will come in during this year and everything else like it will have a positive impact on the margin.

Okay, and then just lastly, on the forest, is your, have you had any revaluation at all, what’s, is it still going to be the 26.1 billion SEK – if I have that number correct on your balance sheet – for year end?

Lennart Persson

We haven’t done any revaluation of the forest so far, anyway. We have, we do it regularly, not every year, we look at it but, I mean, we do it every tenth year.

Jan Johansson
When we look at the total sort of management of the forest, but, of course, if things changes and then we decide to increase our, the harvest from our own forest, then we need to look at the valuation. As you know, today we grew our own forest by 1% a year, as an example, and it’s absolutely possible to change that and grow it maybe 0.5% but today we stick with what we have.

But one of your competitors, I mean, obviously, has got a different timing cycle for their harvesting plan, coming up with a new plan, but it sounds like they’re going to harvest more in the future. Do you, I mean, is there a demand, is, do you see incremental demand for timber in the Nordic region that would allow you to actually increase your harvest?

I think I mean, you’re probably referring to Holmen and their revaluation of the forest and, of course, they have built a very big sawmill in the middle of Sweden that they need to supply. I think we have a very good balance of our own forests and private-owned forests, which is very important also for us to keep in the system. But within that system, you can, of course, change it. But as from now, we continue with the growth of the forest and the value we have.

Right, okay, great. Thank you very much.

Thank you.

Unidentified female speaker

Thank you. Let’s take some questions here from the audience in the room, please.

Oskar Lindstrom – Danske Bank

Okay, it’s Oskar Lindstrom from Danske Bank again. A couple of questions; one, in their Q4 results, Kimberly-Clark referred to higher than normal rebates in the baby diaper side. Is that something that you have seen or had any effect from in your fourth quarter results?

We have an improvement of our baby business but, of course, I think – I don’t know if I should talk for Kimberly-Clark but there is, of course, huge pressure between Proctor & Gamble and private label in Europe and we have our branded business in Scandinavia and in Russia. And in that pressure, you have Kimberly-Clark and we are then on the sort of private label side or on the retail branded side and Proctor & Gamble on the other side. And there has been, Proctor have been really driving the baby market.

A second question, more of a strategic character, is, I mean, presuming the acquisition of the Georgia-Pacific tissue business here in Europe is achieved, I mean, you will, of course, increase your net exposure versus the pulp market, will be buying more than you do today. Do you feel any need to sort of hedge that or reduce that exposure by increasing your exposure to market pulp or increasing your pulp capacity? What’s your thinking around that?

Yes, it’s absolutely true. On the other hand, we are reducing the OCC exposure so, which maybe is even more difficult to predict. It will take down our hedge. We are today at 40, 41% and will be down to 30-something, if I remember rightly. I don’t see an immediate
need to increase our own pulp production. We are in the same situation as our competitors and there will always be pulp to buy. It’s only a question of price and as long as we can price, buy at the same price as our competitors, we will have to be more competitive in other parts of the business.

But you’ll maintain the pulp production in Mannheim or has that gone?

We don’t have any different plans today than we – of course, we have the option in Östrandin, as we talked about as well, to 800,000 tonne and, at some stage, that probably is something we should do, but not today, not in the near future.

And it’s not related to sort of increasing your exposure?

No, it has to live by its own merits.

All right, thank you very much.

Unidentified female speaker

Okay, let’s go back to questions from the telephone audience, please.

Nin Diaz – JP Morgan

Good afternoon, gentlemen. My question was on the publication paper side so you did comment on newsprint pricing, at best, being slightly up. Can you comment on magazine pricing as well? And second is, can you comment on the volume? I mean, you said you’re in a good position in newsprint volumes. Does it mean you think volumes will be up on a year-on-year basis? Or you, that, or I’m just trying to understand what that statement implies and can you make a similar comment for the magazine volumes? Thank you.

We have been producing at full rate and selling everything in last year and the year before that and for almost every year and we’ll continue that this year also. So from a volume point of view, it doesn’t have any impact. When it comes to pricing, all the negotiations are not yet finalised. What I can see so far it is a difficult situation. It’s an over-capacity in Europe, consumption is going down and, of course, there will be small, if any, possibilities to have any major price increases, both in news and in magazine paper.

Understood. And given that and prices have come down and you don’t expect volumes to go down, based on your production versus sales, do you expect your earnings on the EBIT line for the publication business to be higher, year on year?

I mean, we don’t give that kind of forecast and the main thing that will have an impact on that will probably be currency and that’s very difficult to forecast.

Okay, that’s very helpful. Thank you.

Thank you.

Markus Almerud – Morgan Stanley
Hi, Markus Almerud here from Morgan Stanley. Most of my questions have been asked but a couple of follow-ups. First, on paper prices, magazine paper prices, particularly, but also news; you’re talking about, it will be hard to increase prices but you haven’t seen any decreases so far.

No, that’s true; I hate to decrease prices! that’s why. But looking at news, it’s, it will be a slight price increase. When it comes to magazine, it’s, it is too early to have a very firm view but there is the possibility of price decreases, on a European basis.

Okay. And on corrugated, what did you see, quarter on quarter, in terms of corrugated pricing?

Q3 to Q4, there was a slight price decrease of 1.5%, which was, from a corrugated point of view, well covered by the price increase of liner.

Okay. And then just to clarify a comment, I saw you quoted on one of the news agencies, just wanted to clarify with you, where you had said that you do not expect or you do not want to sell any of your forest assets. And I just wanted to clarify if you, what exactly you were talking about, if you were talking about forest assets, forest products or both, if you could just clarify that quote.

The question was very wide and the answer was as wide; No.

Okay. Perfect. And then finally, on diapers; do you continue to gain share in diapers? I know you did last year so, I guess, the question is the – well, the 500, except for the new orders you have gotten to 500 million units. Do you also gain share with other customers?

Well, in that part of our business, in the private label or retailer brand, we are now at the 100% run rate so to get more volume, we need to increase our production capacity.

Okay, perfect. Thank you very much.

Thank you.

Johan Sjoberg – Carnegie

Yes, thank you very much. Jan, can you say something about the cost efficiency that you will receive following the new organisation within hygiene?

Well, part of that has been communicated in the 700 million saving but the remaining, we are still, is still work in progress. As soon as we have finalised that, we will get back to the markets and have an idea about it.

In Q4, the write-down of inventory, how big was that?

280.

280, and that is foremost, I would say, or I would assume, in Tissue or...?
It’s both, actually, Tissue and Personal care.

If you look at how... The Australian business was fully included in the fourth quarter, wasn’t it?

Yes.

And that will be excluded as of Q1, right?

Yes.

What type of EBIT did that contribute, would you say?

I don’t think we can comment on that today. We’ll see at the Q1 report.

All right. I mean, I understand, I mean, seasonally you see margins decline in Personal care as you have seasonal better volumes of Incontinence during the fourth quarter and, I guess, that is also the case now for Q1. In Tissue, you were not giving any statements. I would say, or did you on the previous question? Are you looking for margin increases in Q1, quarter on quarter?

We also have seasonality in Tissue and particularly in the US, in Q1 so if you look in history, we normally have a weaker Q1 than the Q4, both in Tissue and Personal care.

But if you take all these things – I mean, I would assume that you don’t have any inventory write-downs in Tissue during the first quarter. You will also see lower pulp price and also lower recycled prices. Why are you being so cautious?

Well, I mean, if we see lower raw material prices, I will have even further inventory losses so…

All right.

It’s very difficult to say but I am cautious because I know that Q1 is normally a weaker quarter.

All right, cool. Thanks a lot.

Thank you.

Ross Gilardi – BOA/ML

Yes, I just, so were the proceeds from the Australia joint venture on the cashflow statement, are they in one of the line items or do you get paid for that, technically, in the first quarter?

We got it 4th January, yes.

Okay, so it’s not, they’re not in there yet. Great. And can you give us any help on the annualised sales and profit for the craftliner business that you are retaining, what it was
for 2011 and will you just roll that into the pulp, timber and solid wood segment or will you break it out separately?

We will include that in the Forest products when the deal is closed, yes.

Okay, and is there anything you could help us from modelling perspective as to what sort of the run rate profitability is for the craftliner assets that you’re retaining?

It’s nothing we have communicated directly but, of course, you can see it if you look at the statements of what we are divesting and compare it with the Packaging business.

Okay, that’ll get – you’ve had some, I think, some acquisitions and divestitures there that also would maybe skew it a little bit, if I’m not mistaken. So is that the map will get you close enough?

It will get you very close.

Yes, okay, thank you very much.

Thank you.

Unidentified female speaker

Okay, thank you. Do we have any more questions from the audience in the room? No. Any last comments, Jan?

Closing Comments

Jan Johansson

No, I think we have touched upon all the important issues. I think the comment I may finish with is that, just from our perspective, we think we’re going into 2012 as a stronger company than we went into 2011 so hope to see you next time. Thank you.