Macro update

- Weak global growth
  - Weak Western Europe
  - Increased confidence in some recovery in the US
- Tissue
  - Some growth in Europe and North America
  - High growth in Emerging markets
- Personal Care
  - Good demand for incontinence products in Europe
  - Stable demand for baby diapers and feminine care in Western Europe
  - Good growth in Emerging markets
- Forest Products
  - Improved global market for solid-wood products
  - Improved European market for kraftliner
  - Decreased demand for publication paper
Summary
Q2 2013 vs. Q2 2012

 Sales growth 18%*
   Hygiene business, 21%**
    • Acquisitions
    • Higher volumes
    • Good growth in Emerging markets

 Forest Products, -4%***
  • Lower prices including currency effects
  • Higher volumes

 EBIT increased 5%****
  • Acquisitions
  • Higher volumes
  • Cost savings

 Operating cash flow decreased 37%

* Excluding exchange rate effects and divestments
** Excluding exchange rate effects
*** Excluding divestments
**** Excluding items affecting comparability and exchange rate effects
Efficiency programs

- **Hygiene business cost and productivity program**
  - Achieved cost savings Q2 2013: SEK 231m
  - Annualized cost savings in Q2 2013: EUR 110m
  - Total annual cost savings of EUR 300m, full effect in 2015

- **Georgia-Pacific synergies**
  - Achieved cost savings Q2 2013: SEK 87m
  - Annualized cost savings in Q2 2013: EUR 40m
  - Total annual cost savings of EUR 125m, full effect in 2016

- **Forest Products efficiency program**
  - Achieved earnings improvement Q2 2013: SEK 110m
  - Annualized earnings improvement in Q2 2013: SEK 440m
  - Total annual earnings improvement of SEK 1,300m, full effect in 2015
# Q2 2013 Results

<table>
<thead>
<tr>
<th>SEK millions</th>
<th>Q2 2013</th>
<th>Q2 2012</th>
<th>Change, %</th>
<th>Change, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>22,145</td>
<td>20,273</td>
<td>9</td>
<td>18 **</td>
</tr>
<tr>
<td>EBIT*</td>
<td>2,156</td>
<td>2,105</td>
<td>2</td>
<td>5 ***</td>
</tr>
<tr>
<td>EBIT margin* (%)</td>
<td>9.7</td>
<td>10.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit before tax*</td>
<td>1,943</td>
<td>1,789</td>
<td>9</td>
<td>11 ***</td>
</tr>
<tr>
<td>Earnings per share (SEK)</td>
<td>1.63</td>
<td>1.85</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>1,499</td>
<td>2,391</td>
<td>-37</td>
<td></td>
</tr>
<tr>
<td>Debt/Equity ratio</td>
<td>0.55</td>
<td>0.41</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Excluding items affecting comparability
** Excluding exchange rate effects and divestments
*** Excluding items affecting comparability and exchange rate effects
Q2 2013 vs. Q1 2013

Summary

▪ Group
  ▪ Sales increased 4%*
  ▪ EBIT increased 3%**

▪ Business areas
  ▪ Personal Care, EBIT flat***
    ▪ Higher volumes
    ▪ Cost savings
    ▪ Higher raw material costs
  ▪ Tissue, EBIT increased 11%**
    ▪ Higher volumes
    ▪ Cost savings
    ▪ Higher raw material costs
  ▪ Forest Products, EBIT increased 9%**
    ▪ Higher prices
    ▪ Cost savings
    ▪ Costs for maintenance stops

* Excluding divestments
** Excluding items affecting comparability and divestments
*** Excluding items affecting comparability
Personal Care  
Q2 2013 vs. Q2 2012

- **Sales growth 4% (10\%*)**
  - Incontinence products increased 6\%*
  - Baby diapers increased 7\%*
  - Feminine care increased 8\%*
  - Emerging markets increased 16\%*

- **EBIT increased 3\%** (3\%**)
  - Higher volumes
  - Acquisitions
  - Cost savings
  - Increased marketing activities
  - Higher raw material costs

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**Sales SEKm**

<table>
<thead>
<tr>
<th></th>
<th>Q2 2012</th>
<th>Q2 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>6,530</td>
<td>6,764</td>
</tr>
</tbody>
</table>

**EBIT SEKm**

<table>
<thead>
<tr>
<th></th>
<th>Q2 2012</th>
<th>Q2 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBIT</td>
<td>781</td>
<td>806</td>
</tr>
</tbody>
</table>

**EBIT margin**

|       | 12.0\%  | 11.9\%  |

* Excluding exchange rate effects  
** Excluding items affecting comparability  
*** Excluding items affecting comparability and exchange rate effects
Tissue
Q2 2013 vs. Q2 2012

* Sales growth 23% (28%*)
  ✷ Consumer tissue increased 30%*
  ✷ AFH tissue increased 26%*
  ✷ Emerging markets increased 14%*

* EBIT increased by 27%** (33%***)
  ✷ Acquisitions
  ✷ Cost savings
  ✷ Higher volumes

<table>
<thead>
<tr>
<th>Sales SEKm</th>
<th>Q2 2012</th>
<th>Q2 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>9,461</td>
<td>11,650</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>EBIT** SEKm</th>
<th>Q2 2012</th>
<th>Q2 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,021</td>
<td>1,295</td>
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</tbody>
</table>

| EBIT margin** | 10.8 % | 11.1% |

* Excluding exchange rate effects
** Excluding items affecting comparability
*** Excluding items affecting comparability and exchange rate effects
Forest Products
Q2 2013 vs. Q2 2012

- **Sales decreased 22% (-4%*)**
  - Publication papers, decreased sales
    - Lower prices
    - Divestments
  - Solid-wood products, increased sales
    - Higher volumes
  - Kraftliner, decreased sales
    - Lower volumes
    - Higher prices
  - Pulp, decreased sales
    - Lower prices

- **EBIT decreased 42%**
  - Lower prices
  - Negative currency effects
  - Costs for maintenance stops
  - Cost savings
  - Lower raw material costs

* Excluding divestment
** Excluding items affecting comparability
Summary

- Higher sales and profit for the hygiene businesses
- Good growth rates in Emerging markets
- Lower profit in Forest Products
- Efficiency programs delivering according to plan
Q&A