Q2 2014
Market Update

- **Tissue**
  - Stable demand for tissue in Europe
  - Some growth for AfH tissue in North America
  - Increased demand in emerging markets

- **Personal Care**
  - Stable demand for personal care products in Europe
  - Increased demand in emerging markets

- **Forest Products**
  - Decreased demand for publication papers in Europe
  - Improved market for solid-wood products in Europe
Summary
Q2 2014 vs. Q2 2013

- Stable market demand in mature markets and higher market demand in emerging markets
- Good organic sales growth
- Strong increase of EBIT and EBIT-margin
- Efficiency programs delivering according to plan
- Several launches of new innovations and products
  - Libero, Libresse, TENA and Tork
- Floated joint venture in Australia, New Zealand and Fiji
- SCA and Vinda to integrate hygiene business in China
SCA and Vinda to integrate hygiene business in China

- SCA to transfer its hygiene business in China (Mainland China, Hong Kong and Macau) to Vinda
- Exclusive license for Vinda to market and sell SCA brands; TENA, Tork, Tempo, Libero and Libresse in China
- Vinda to acquire SCA’s Dr P and Sealer brands in China
- Benefits in distribution, sales, innovation and R&D
- Vinda gets access to a broader product portfolio and SCA brands, reaching broader consumer and customer base
- SCA’s hygiene business in China had net sales of approx. SEK 600m in 2013
- Purchase consideration amounts to approx. SEK 1,000m
- Subject to approval by the shareholders of Vinda
## Group

### Q2 2014 vs. Q2 2013

<table>
<thead>
<tr>
<th>Category</th>
<th>Q2 2014</th>
<th>Q2 2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>SEK 25,829m</td>
<td>+12%</td>
<td></td>
</tr>
<tr>
<td>Organic Sales Growth</td>
<td>+3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Profit*</td>
<td>SEK 2,934m</td>
<td>+29%</td>
<td></td>
</tr>
<tr>
<td>Operating Margin*</td>
<td>11.4%</td>
<td>+150 bp</td>
<td></td>
</tr>
<tr>
<td>EPS</td>
<td>SEK 2.54</td>
<td>+56%</td>
<td></td>
</tr>
<tr>
<td>Operating Cash Flow</td>
<td>SEK 2,060m</td>
<td>+28%</td>
<td></td>
</tr>
</tbody>
</table>

* Excluding items affecting comparability and including gains on forest swaps of SEK 175m (0) before tax
Innovations and Product Launches
Q2 2014

TENA
Lady / Lady Pants
- Global relaunch of TENA Lady and Lady pants
- Feminine designed Lady pants allowing consumers to choose from a family of TENA Lady range fitted for the needed occasion – discrete & secure

Libresse
Multistyle Liners / CurveFit™
- New Libresse Multistyle, the most absorbent liners designed to fit any style of knickers
- Curvefit liners, uniquely shaped to perfectly fit body shape for maximum comfort

Libero
Comfort / Up&Go
- Comfort: Elastics smoother and softer around the legs, improved fit with better comfort
- Up&Go: Improved fit adjusts to baby’s unique body, softly following in every move. High absorption capacity to secure optimal leakage protection
Innovations and Product Launches
Q2 2014

- **Tork - Bloe®**
  - IT-based washroom service
  - Provides easily accessible real-time data on toilet use
  - Facilitates cleaning, control odors and reduce water usage

- **Tork - EasyCube™**
  - IT-based washroom service
  - Provides easily accessible real-time data on refill consumption
  - Gives instant overview of when and where cleaning is needed

- **Tork Sanitizing Wet Wipe**
  - Wet wipes for cleaning and sanitizing restaurant tables
  - Discreet and portable solution
Group
Q2 2014 vs. Q2 2013

- Sales growth 12%
- Organic sales growth of 3%
  - All business areas show organic sales growth
  - Good growth for the hygiene business in emerging markets
  - Good growth for Forest Products
- Operating profit increased 29%*
  - Organic operating profit growth 11%**
  - Better price/mix
  - Higher volumes
  - Cost savings
  - Acquisition in China
  - Gains on forest swaps
  - Higher raw material costs
- Operating margin increased 150 bp to 11.4%*
  - Higher margin in Tissue and Forest Products
- Operating cash flow increased 28%

* Excluding items affecting comparability and including gains on forest swaps of SEK 175m (0) before tax
** Excluding items affecting comparability, exchange rate effects, acquisition in China and gains on forest swaps
## Net Sales
### Q2 2014 vs. Q2 2013

<table>
<thead>
<tr>
<th></th>
<th>Q2 2013</th>
<th>Q2 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>SEK 23,119m</td>
<td>SEK 25,829m</td>
</tr>
<tr>
<td>Price/Mix</td>
<td>+2%</td>
<td>+7%</td>
</tr>
<tr>
<td>Volume</td>
<td>+1%</td>
<td>+2%</td>
</tr>
<tr>
<td>Acquisition</td>
<td>+7%</td>
<td></td>
</tr>
<tr>
<td>Currency</td>
<td>+2%</td>
<td></td>
</tr>
<tr>
<td>Net sales</td>
<td>SEK 25,829m</td>
<td></td>
</tr>
</tbody>
</table>

- **Organic sales growth 3.3%**
  - Price/Mix +2%
  - Volume +1%
Emerging markets

- Strong growth in Eastern Europe, Russia and Latin America
  - Feminine care in Latin America +19%
  - Incontinence products in Latin America +23%
  - Incontinence products in Russia +29%
  - Tissue in Russia +22%

Mature markets

- Low growth in mature markets
  - AfH tissue in Western Europe +5%
## Q2 2014 Results

**SEK millions**

<table>
<thead>
<tr>
<th></th>
<th>Q2 2014</th>
<th>Q2 2013</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>25,829</td>
<td>23,119</td>
<td>12</td>
</tr>
<tr>
<td>Operating profit*</td>
<td>2,934</td>
<td>2,278</td>
<td>29</td>
</tr>
<tr>
<td>Operating margin* (%)</td>
<td>11.4</td>
<td>9.9</td>
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</tr>
<tr>
<td>Profit before tax*</td>
<td>2,739</td>
<td>2,051</td>
<td>34</td>
</tr>
<tr>
<td>Earnings per share (SEK)</td>
<td>2.54</td>
<td>1.63</td>
<td>56</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>2,060</td>
<td>1,606</td>
<td>28</td>
</tr>
<tr>
<td>Debt/Equity ratio</td>
<td>0.56</td>
<td>0.54</td>
<td></td>
</tr>
</tbody>
</table>

*Excluding items affecting comparability and including gains on forest swaps of SEK 175m (0) before tax
Sales growth 4%

Organic sales growth 4%
- Price/mix +2%
- Volume +2%
- Strong growth in emerging markets
- Growth in all product segments
- Strong growth for feminine care

Operating profit decreased 3%*
- Better price/mix
- Higher volumes
- Cost savings
- Higher raw material costs
- Negative transaction exchange rate effects due to weakened currencies in emerging markets

Operating margin 11.3%*

* Excluding items affecting comparability
**Tissue**

**Q2 2014 vs Q2 2013**

- **Sales growth 18%**
- **Organic sales growth 2%**
  - Price/mix +1%
  - Volume +1%
  - Strong growth in emerging markets
  - Good growth for AfH tissue
- **Operating profit increased 24%**
  - Better price/mix
  - Higher volumes
  - Cost savings
  - Acquisition in China
  - Lower raw material and energy costs
- **Operating margin 11.8%**

*Excluding items affecting comparability*
Sales growth 11%
- Price/mix +6%
- Volume +4%
- Currency +1%
- Growth in all product segments

Operating profit increased 149%*
- Higher prices
- Cost savings
- Gains on forest swaps
- Higher energy costs
- Higher harvesting costs

Operating margin 14.8%*

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Q&A