

JANUARY 1 – JUNE 30, 2015 (compared with same period a year ago)

- Net sales rose 14% (5% excluding exchange rate effects) to SEK 57,177m (50,063)
- Organic sales growth, which excludes exchange rate effects, acquisitions and divestments, was 5%
- Operating profit, excluding items affecting comparability, rose 9% to SEK 6,089m (5,564)
- The operating margin, excluding items affecting comparability, was 10.6% (11.1%)
- Profit before tax, excluding items affecting comparability, rose 11% to SEK 5,626m (5,081)
- Items affecting comparability totaled SEK -280m (-405)
- Earnings per share were SEK 5.23 (4.66)
- Return on capital employed, excluding items affecting comparability, was 11.4% (11.4%)
- Cash flow from current operations was SEK 3,366m (2,078)

Earnings trend

SEKm	1506	1406	%	2015:2	2014:2	%
Net sales	57,177	50,063	14	29,219	25,829	13
Gross profit	14,516	12,727	14	7,484	6,601	13
Operating profit^{1,2}	6,089	5,564	9	3,217	2,934	10
Financial items	-463	-483		-193	-195	
Profit before tax^{1,2}	5,626	5,081	11	3,024	2,739	10
Tax ¹	-1,457	-1,336		-781	-722	
Net profit for the period¹	4,169	3,745	11	2,243	2,017	11
Earnings per share, SEK	5.23	4.66		2.80	2.54	
² Including gains on forest swaps, before tax.	0	327		0	175	

¹ Excluding items affecting comparability; for amounts see page 14.

² Including gains on forest swaps, before tax.

CEO'S COMMENTS

The second quarter of 2015 showed continued good organic sales growth and a higher operating profit compared with the same period a year ago. This is despite a continued challenging business environment, with higher raw material costs mainly owing to the stronger U.S. dollar. The favorable performance has been made possible by continued focus on our three strategic priorities: profitable growth, innovation and efficiency. During the quarter we introduced ten innovations and product launches under brands such as Edet, Okay, Plenty, TENA, Tork and Zewa, at the same time that our work on improving efficiency along the entire value chain continues with undiminished strength.

We continue to invest in emerging markets and have decided to invest approximately SEK 650m in a new production facility in Brazil for the manufacture of incontinence products. SCA is today the second largest company in the Brazilian market for incontinence products, with the globally leading TENA brand and the local Biofral brand. Brazil, which is one of SCA's prioritized emerging markets, is the third largest retail market in the world for incontinence products.

During the second quarter of 2015, price increases were achieved for consumer tissue in Europe, with gradual effect during the second half of 2015.

Consolidated net sales for the second quarter of 2015 increased by 13% compared with the same period a year ago. Organic sales growth was 5%, with growth in all business areas. In emerging markets, which accounted for 33% of sales, organic sales growth was 12% and in mature markets organic sales growth was 2%.

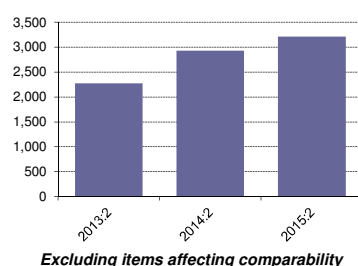
Consolidated operating profit for the second quarter of 2015, excluding items affecting comparability, gains on forest swaps and currency translation effects, rose 9% compared with the same period a year ago. The increase is mainly attributable to a better price/mix, higher volumes and cost savings. Raw material costs increased by SEK 435m. The operating margin, excluding items affecting comparability and gains on forest swaps, increased by 0.3 percentage points to 11.0%. Operating cash flow increased by 42%.

Personal Care showed a higher operating profit for the second quarter of 2015 compared with the same period a year ago. Operating profit was favorably affected by a better price/mix, higher volumes and cost savings. Higher raw material costs had a negative impact on earnings as a result of the stronger U.S. dollar and higher pulp prices, which were not fully compensated by lower costs for oil-based raw materials. Tissue showed a higher operating profit owing to a better price/mix, higher volumes and cost savings. Higher raw material costs related mainly to the stronger U.S. dollar had a negative impact on earnings. Operating profit for Forest Products, excluding gains on forest swaps, rose mainly as a result of higher prices (including exchange rate effects) and cost savings.

Net sales



Operating profit



Earnings per share



EARNINGS TREND FOR THE GROUP

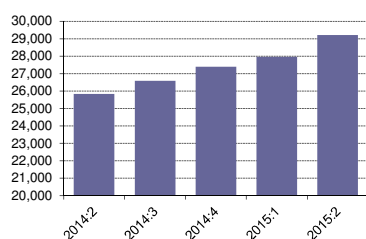
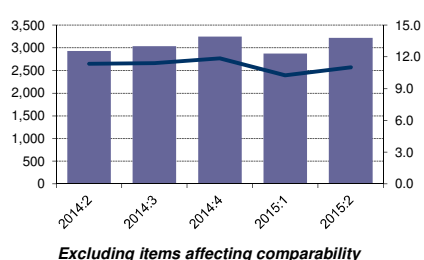
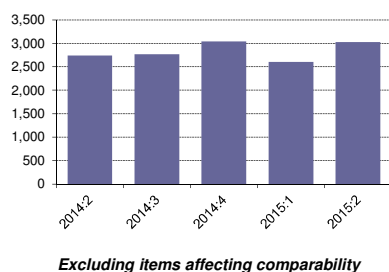
SEKm	1506	1406	%	2015:2	2014:2	%
Net sales	57,177	50,063	14	29,219	25,829	13
Cost of goods sold	-42,661	-37,336		-21,735	-19,228	
Gross profit	14,516	12,727	14	7,484	6,601	13
Sales, general and administration	-8,427	-7,163		-4,267	-3,667	
Operating profit^{1,2}	6,089	5,564	9	3,217	2,934	10
Financial items	-463	-483		-193	-195	
Profit before tax^{1,2}	5,626	5,081	11	3,024	2,739	10
Tax ¹	-1,457	-1,336		-781	-722	
Net profit for the period¹	4,169	3,745	11	2,243	2,017	11
¹ Excluding items affecting comparability; for amounts see page 14.						
² Including gains on forest swaps, before tax.	0	327		0	175	
Earnings per share, SEK owners of the parent company						
- after dilution effects	5.23	4.66		2.80	2.54	
Margins (%)						
Gross margin	25.4	25.4		25.6	25.6	
Operating margin^{1,2}	10.6	11.1		11.0	11.4	
Financial net margin	-0.8	-1.0		-0.7	-0.8	
Profit margin^{1,2}	9.8	10.1		10.3	10.6	
Tax ¹	-2.5	-2.7		-2.7	-2.8	
Net margin¹	7.3	7.4		7.6	7.8	
¹ Excluding items affecting comparability; for amounts see page 14.						
² Including gains on forest swaps, before tax.	0	327		0	175	

OPERATING PROFIT PER BUSINESS AREA

SEKm	1506	1406	%	2015:2	2014:2	%
Personal Care	1,846	1,699	9	977	877	11
Tissue	3,382	3,045	11	1,826	1,652	11
Forest Products ²	1,300	1,209	8	622	623	0
Other	-439	-389		-208	-218	
Total^{1,2}	6,089	5,564	9	3,217	2,934	10
¹ Excluding items affecting comparability; for amounts see page 14.						
² Including gains on forest swaps, before tax.	0	327		0	175	

OPERATING CASH FLOW PER BUSINESS AREA

SEKm	1506	1406	%	2015:2	2014:2	%
Personal Care	1,275	1,118	14	871	730	19
Tissue	3,332	2,492	34	1,665	1,415	18
Forest Products	985	295	234	670	57	1,075
Other	-707	-413		-281	-142	
Total	4,885	3,492	40	2,925	2,060	42

Net sales**Operating profit and margin****Profit before tax****Change in net sales (%)**

	1506 vs 1406	2015:2 vs. 2014:2
Total	14	13
Price/mix	2	2
Volume	3	3
Currency	9	8
Acquisitions	0	0
Divestments	0	0

Change in operating profit (%)

	1506 vs 1406	2015:2 vs. 2014:2
Total	9	10
Price/mix	19	17
Volume	9	7
Raw materials	-21	-15
Energy	1	1
Currency	8	7
Other	-7	-7

GROUP**MARKET/EXTERNAL ENVIRONMENT**

The global market for hygiene products was affected by greater competition, low growth in mature markets and continued favorable growth in emerging markets during the first half of 2015 compared with the same period a year ago. The U.S. dollar strengthened considerably, which among other things led to higher costs for raw materials, such as pulp, purchased in U.S. dollars.

The European and North American markets for incontinence products showed low growth in the institutional and home care sectors, and favorable growth in the retail market during the first half of 2015 compared with the same period a year ago. Emerging markets showed favorable growth in demand for incontinence products. The market for incontinence products was affected by greater competition and campaign activity. In western Europe, demand for baby diapers was stable, while demand for feminine care products decreased slightly. In emerging markets, demand grew for baby diapers and feminine care products. The global market for baby diapers was characterized by intense competition and campaign activity.

The European market for consumer tissue and AfH tissue showed low growth during the first half of 2015 compared with the same period a year ago. In North America, growth was low for AfH tissue, and competition rose as a result of greater investment in production capacity. The Chinese tissue market showed good growth.

In Europe, demand for kraftliner and solid-wood products increased during the first half of 2015 compared with the same period a year ago. Demand in Europe for publication papers continued to fall.

SALES AND EARNINGS**January–June 2015 compared with corresponding period a year ago**

Net sales rose 14% to SEK 57,177m (50,063). Organic sales growth, which excludes exchange rate effects, acquisitions and divestments, was 5%, of which volume accounted for 3% and price/mix for 2%. Organic sales growth was 3% in mature markets and 12% in emerging markets. Emerging markets accounted for 33% of sales. Exchange rate effects increased sales by 9%.

Operating profit, excluding items affecting comparability, rose 9% (7% excluding gains on forest swaps and currency translation effects) to SEK 6,089m (5,564). A better price/mix, higher volumes and cost savings contributed to the earnings growth. Raw material costs increased by SEK 1,142m, mainly owing to the stronger U.S. dollar. Investments were made in increased marketing activities for incontinence products and in India. Since January 1, 2015, SCA no longer includes gains on forest swaps in the income statement, and thus gains on forest swaps amounted to SEK 0m, compared with SEK 327m in the preceding year. Operating profit for Personal Care, excluding items affecting comparability, increased by 9% (4% excluding currency translation effects). Operating profit for Tissue, excluding items affecting comparability, increased by 11% (decrease of 2% excluding currency translation effects). For Forest Products, operating profit, excluding items affecting comparability, increased by 8% (47% excluding gains on forest swaps).

Items affecting comparability amounted to SEK -280m (-405) and consist mainly of costs associated with management changes, costs for the termination of an aircraft lease, and integration costs for the Georgia-Pacific acquisition.

Financial items decreased to SEK -463m (-483) as a result of lower interest rates and lower average net debt during the period. Profit before tax, excluding items affecting comparability, rose 11% (3% excluding currency translation effects) to SEK 5,626m (5,081). The tax expense, excluding the effects of items affecting comparability, was SEK 1,457m (1,336).

Net profit for the period, excluding items affecting comparability, rose 11% (3% excluding currency translation effects) to SEK 4,169m (3,745). Earnings per share, including items affecting comparability, were SEK 5.23 (4.66).

Return on capital employed, excluding items affecting comparability, was 11.4% (11.4%).

Second quarter 2015 compared with second quarter 2014

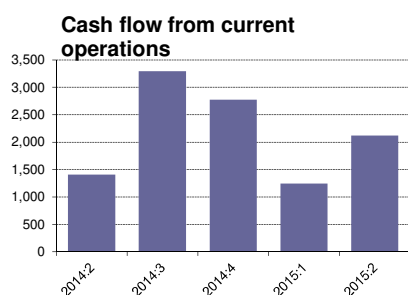
Net sales rose 13% to SEK 29,219m (25,829). Organic sales growth, which excludes exchange rate effects, acquisitions and divestments, was 5%, of which volume accounted for 3% and price/mix for 2%. Organic sales growth was 2% in mature markets and 12% in emerging markets. Emerging markets accounted for 33% of sales. Exchange rate effects increased sales by 8%.

Operating profit, excluding items affecting comparability, rose 10% (9% excluding gains on forest swaps and currency translation effects) to SEK 3,217m (2,934). A better price/mix, higher volumes and cost savings contributed to the earnings increase. Raw material costs increased by SEK 435m. Gains on forest swaps were lower and amounted to SEK 0m (175).

Profit before tax, excluding items affecting comparability, rose 10% (3% excluding exchange rate effects) to SEK 3,024m (2,739).

Profit for the period, excluding items affecting comparability, rose 11% (4% excluding currency translation effects) to SEK 2,243m (2,017). Earnings per share, including items affecting comparability, were SEK 2.80 (2.54).

Return on capital employed, excluding items affecting comparability, was 11.6% (11.2%).



CASH FLOW AND FINANCING

The operating cash surplus amounted to SEK 8,744m (7,536). The cash flow effect of changes in working capital was SEK -1,578m (-1,969). Increased trade payables did not compensate for increased trade receivables and inventories. Current capital expenditures amounted to SEK -1,821m (-1,607). Operating cash flow amounted to SEK 4,885m (3,492).

Financial items decreased to SEK -463m (-483) as a result of lower interest rates and lower average net debt during the period. Tax payments totaled SEK 1,143m (947). Cash flow from current operations amounted to SEK 3,366m (2,078) during the period. The improvement is mainly attributable to a higher operating surplus.

Strategic investments totaled SEK -785m (-900). The net sum of acquisitions and divestments was SEK -21m (-9). Payment of the shareholder dividend affected cash flow by SEK -3,796m (-3,411). Net cash flow totaled SEK -1,236m (-2,242).

Net debt has decreased by SEK 1,689m during the year to SEK 34,258m. Excluding pension liabilities, net debt amounted to SEK 32,052m. Net cash flow increased net debt by SEK 1,236m. Fair value measurement of pension assets and pension obligations together with fair valuation of financial instruments decreased net debt by SEK 3,190m. Exchange rate movements increased net debt by SEK 265m.

The debt/equity ratio was 0.45 (0.56). Excluding pension liabilities, the debt/equity ratio was 0.42 (0.51). The debt payment capacity was 42% (38%).

EQUITY

Consolidated equity increased by SEK 2,798m during the period, to SEK 75,670m. Net profit for the period increased equity by SEK 3,977m. Payment of the shareholder dividend decreased equity by SEK 3,796m, while statement of the net pension liability to fair value increased equity by SEK 2,255m after tax. Statement of financial instruments to fair value increased equity by SEK 299m after tax. Exchange rate movements, including the effects of hedges of net investments in foreign assets, after tax, increased equity by SEK 82m. Other items decreased equity by SEK 19m.

TAX

A tax expense of SEK 1,457m is reported for the period, excluding items affecting comparability, corresponding to a tax rate of 26%. The tax expense including items affecting comparability was SEK 1,369m, corresponding to a tax rate of 25.6%.

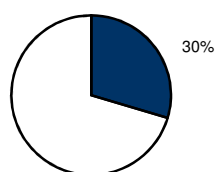
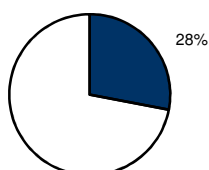
EVENTS DURING THE QUARTER

On June 2, 2015, SCA issued SEK 1.5bn with a four-year tenor under its Euro Medium Term Note (EMTN) program. The transaction consists of two tranches: a SEK 900m fixed rate tranche with a yield to maturity of 0.7925% and a SEK 600m floating rate tranche priced at three-month STIBOR +0.50%. The purpose of the transactions is to refinance maturing loans.

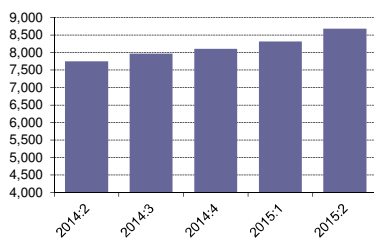
During 2014 and 2015 SCA participated in the Volvo Ocean Race via the female Team SCA. This has served as a global marketing platform with women and sustainability in focus, giving SCA opportunities to meet customers, consumers, employees and media representatives. The results have exceeded set targets.

EVENTS AFTER THE END OF THE QUARTER

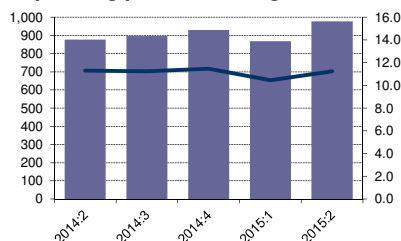
On July 16, 2015, SCA announced that the company will invest approximately SEK 650m in a new production facility in Brazil for the manufacture of incontinence products. Production start is planned for 2016. SCA established a presence in the Brazilian market for incontinence products through an acquisition in 2011. Since then, SCA has grown its sales and market share in Brazil. Today SCA is the second largest company in the Brazilian market for incontinence products, with the globally leading TENA brand and the local Biofral brand. Brazil, which is one of SCA's prioritized emerging markets, is the third largest retail market in the world for incontinence products. The new production facility in Jarinu, Brazil, will replace the existing, smaller facility. SCA had net sales of SEK 514m in Brazil in 2014.

Share of Group, net sales
1506Share of Group, operating profit
1506

Net sales



Operating profit and margin



Change in net sales (%)

	1506 vs 1406	2015:2 vs. 2014:2
Total	13	12
Price/mix	3	4
Volume	3	2
Currency	7	6
Acquisitions	0	0
Divestments	0	0

Change in operating profit (%)

	1506 vs 1406	2015:2 vs. 2014:2
Total	9	11
Price/mix	21	23
Volume	13	11
Raw materials	-21	-8
Energy	0	0
Currency	5	0
Other	-9	-15

PERSONAL CARE

SEK m	1506	1406	%	2015:2	2014:2	%
Net sales	16,995	14,992	13	8,676	7,750	12
Operating surplus	2,374	2,190	8	1,243	1,121	11
Operating profit*	1,846	1,699	9	977	877	11
Operating margin, %*	10.9	11.3		11.3	11.3	
Return on capital employed, %*	26.0	27.7		28.6	28.5	
Operating cash flow	1,275	1,118		871	730	

*) Excluding restructuring costs, which are reported as items affecting comparability outside of the business area.

January–June 2015 compared with the corresponding period a year ago

Net sales rose 13% to SEK 16,995m (14,992). Organic sales growth, which excludes exchange rate effects, acquisitions and divestments, was 6%, of which volume accounted for 3% and price/mix for 3%. Organic sales growth was 3% in mature markets and 11% in emerging markets. Emerging markets accounted for 44% of sales. Exchange rate effects increased sales by 7%.

For incontinence products, under the globally leading TENA brand, organic sales growth was 3%. Growth is attributable to western Europe and emerging markets, which compensated for lower sales in North America. For baby diapers, organic sales growth was 5%. Growth is mainly attributable to Europe. For feminine care products, organic sales growth was 17%, mainly attributable to emerging markets and western Europe.

Operating profit, excluding items affecting comparability, rose 9% (4% excluding currency translation effects) to SEK 1,846m (1,699). Profit was favorably affected by a better price/mix, higher volumes and cost savings. Higher raw material costs resulting from the stronger U.S. dollar and higher pulp prices had a negative earnings impact. Investments were made in increased marketing activities for incontinence products and in India.

Return on capital employed, excluding items affecting comparability, was 26.0% (27.7%).

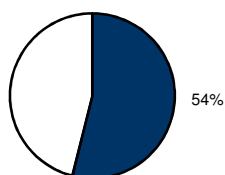
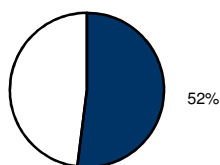
The operating cash surplus amounted to SEK 2,375m (2,195). Operating cash flow increased to SEK 1,275m (1,118).

Second quarter 2015 compared with second quarter 2014

Net sales rose 12% to SEK 8,676m (7,750). Organic sales growth was 6%, of which price/mix accounted for 4% and volume for 2%. Organic sales growth was 2% in mature markets and 11% in emerging markets. Emerging markets accounted for 44% of sales. Exchange rate effects increased sales by 6%.

For incontinence products, under the globally leading TENA brand, organic sales growth was 3% compared with the same period a year ago. Growth is attributable to western Europe and emerging markets, which compensated for lower sales in North America. For baby diapers, organic sales growth was 4%, mainly attributable to Europe. For feminine care products, organic sales growth was 18%, attributable to emerging markets and western Europe.

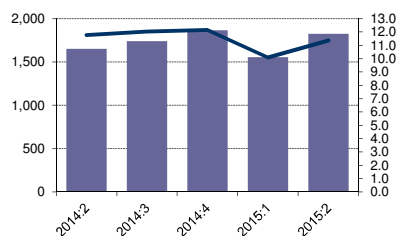
Operating profit, excluding items affecting comparability, rose 11% (11% excluding currency translation effects) to SEK 977m (877). Profit was favorably affected by a better price/mix, higher volumes and cost savings. Higher raw material costs resulting from the stronger U.S. dollar and higher pulp prices had a negative earnings impact. Investments were made in increased marketing activities for incontinence products and in India.

Share of Group, net sales
1506Share of Group, operating profit
1506

Net sales



Operating profit and margin



Change in net sales (%)

	1506 vs 1406	2015:2 vs. 2014:2
Total	16	15
Price/mix	1	1
Volume	4	3
Currency	11	11
Acquisitions	0	0
Divestments	0	0

Change in operating profit (%)

	1506 vs 1406	2015:2 vs. 2014:2
Total	11	11
Price/mix	10	9
Volume	8	6
Raw materials	-26	-22
Energy	1	2
Currency	13	12
Other	5	4

TISSUE

SEKm	1506	1406	%	2015:2	2014:2	%
Net sales	31,526	27,155	16	16,091	14,039	15
Operating surplus	5,121	4,554	12	2,699	2,411	12
Operating profit*	3,382	3,045	11	1,826	1,652	11
Operating margin, %*	10.7	11.2		11.3	11.8	
Return on capital employed, %*	12.5	12.7		13.2	13.6	
Operating cash flow	3,332	2,492		1,665	1,415	

*) Excluding restructuring costs, which are reported as items affecting comparability outside of the business area.

Cost savings associated with the acquisition of Georgia-Pacific's European tissue operations amounted to approximately SEK 435m during the first half of 2015. During the second quarter of 2015, cost savings totaled approximately SEK 225m, corresponding to an annual rate of approximately EUR 95m. Total cost savings are expected to be EUR 125m upon full effect in 2016.

During the second quarter of 2015, price increases were achieved for consumer tissue in Europe, with gradual effect during the second half of 2015.

January–June 2015 compared with corresponding period a year ago

Net sales rose 16% to SEK 31,526m (27,155). Organic sales growth, which excludes exchange rate effects, acquisitions and divestments, was 5%, of which volume accounted for 4% and price/mix for 1%. Organic sales growth was 1% in mature markets and 14% in emerging markets. Emerging markets accounted for 32% of sales. Exchange rate effects increased sales by 11%.

For consumer tissue, organic sales growth was 6%. Emerging markets, particularly China, showed high growth in sales. For AfH tissue, organic sales growth was 2%. The increase was mainly related to North America.

Operating profit, excluding items affecting comparability, rose 11% (decrease of 2% excluding currency translation effects) to SEK 3,382m (3,045). Higher volumes, a better price/mix and cost savings contributed to the earnings increase. Higher raw material costs mainly resulting from the stronger U.S. dollar had a negative earnings impact.

Return on capital employed, excluding items affecting comparability, was 12.5% (12.7%).

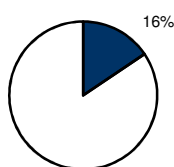
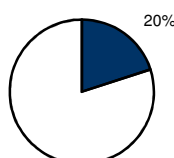
The operating cash surplus increased to SEK 5,119m (4,554). Operating cash flow increased to SEK 3,332m (2,492). The increase is mainly attributable to a higher operating cash surplus and a lower level of tied-up working capital.

Second quarter 2015 compared with second quarter 2014

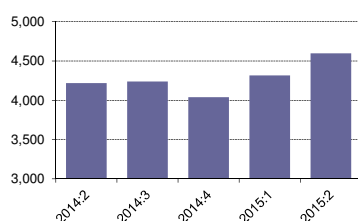
Net sales rose 15% to SEK 16,091m (14,039). Organic sales growth was 4%, of which price/mix accounted for 1% and volume for 3%. Organic sales growth was 0% in mature markets and 13% in emerging markets. Emerging markets accounted for 33% of sales. Exchange rate effects increased sales by 11%.

For consumer tissue, organic sales growth was 5%. Emerging markets, particularly China, showed high growth in sales. For AfH tissue, organic sales growth was 1% and was attributable to emerging markets and North America, which compensated for lower sales in western Europe.

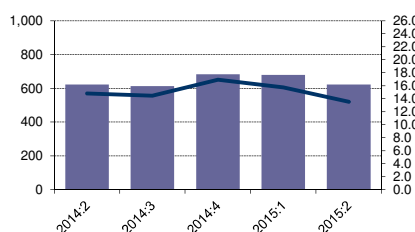
Operating profit, excluding items affecting comparability, rose 11% (decrease of 1% excluding currency translation effects) to SEK 1,826m (1,652). Higher volumes, a better price/mix, cost savings and lower energy costs had a positive earnings impact. Higher raw material costs mainly resulting from the stronger U.S. dollar had a negative earnings impact.

Share of Group, net sales
1506Share of Group, operating profit
1506

Net sales



Operating profit and margin



Change in net sales (%)

	1506 vs. 1406	2015:2 vs. 2014:2
Total	8	9
Price/mix	3	1
Volume	3	6
Currency	2	2
Acquisitions	0	0
Divestments	0	0

Change in operating profit (%)

	1506 vs. 1406	2015:2 vs. 2014:2
Total	8	0
Price/mix*	32	23
Volume	2	4
Raw materials	0	1
Energy	2	2
Currency	0	0
Other**	-28	-30

*Price/mix includes exchange rate effects of approximately 44% (SEK 531m) and 36% (SEK 224m).

**Other includes gains on forest swaps totaling -27% (SEK -327m) and -28% (SEK -175m).

FOREST PRODUCTS

SEKm	1506	1406	%	2015:2	2014:2	%
Deliveries						
- Publication papers, thousand tonnes	422	430	-2	210	214	-2
- Solid-wood products, thousand m ³	1,210	1,151	5	682	614	11
- Kraftliner products, thousand tonnes	425	401	6	206	194	6
- Pulp products, thousand tonnes	261	261	0	134	129	4
Net sales	8,914	8,216	8	4,598	4,217	9
Operating surplus	1,907	1,797	6	926	914	1
Operating profit*	1,300	1,209	8	622	623	0
Operating margin, %*	14.6	14.7		13.5	14.8	
Return on capital employed, %*	6.8	6.8		6.5	6.7	
Operating cash flow	985	295		670	57	

*) Excluding restructuring costs, which are reported as items affecting comparability outside of the business area.

January–June 2015 compared with corresponding period a year ago

Net sales rose 8% to SEK 8,914m (8,216). Sales growth excluding exchange rate effects was 6%, of which volume accounted for 3% and price/mix for 3%. Exchange rate effects increased sales by 2%.

Kraftliner showed higher prices (including exchange rate effects) and higher volumes. Publication papers showed higher prices (including exchange rate effects) and lower volumes. Pulp showed higher prices (including exchange rate effects). Solid-wood products showed lower prices (including exchange rate effects) and higher volumes.

Operating profit, excluding items affecting comparability, rose 8% (47% excluding gains on forest swaps) to SEK 1,300m (1,209). Higher prices (including exchange rate effects), higher volumes, lower energy costs and cost savings contributed to the earnings increase. Gains on forest swaps were lower than in the corresponding period a year ago and amounted to SEK 0m (327).

Return on capital employed, excluding items affecting comparability, was 6.8% (6.8%).

The operating cash surplus was SEK 1,652m (1,136), and operating cash flow totaled SEK 985m (295).

Second quarter 2015 compared with second quarter 2014

Net sales rose 9% to SEK 4,598m (4,217). Sales growth excluding exchange rate effects was 7%, of which price/mix accounted for 1% and volume for 6%. Exchange rate effects increased sales by 2%.

Kraftliner and pulp showed higher prices (including exchange rate effects) and higher volumes. Publication papers showed higher prices (including exchange rate effects) and lower volumes. Solid-wood products showed lower prices (including exchange rate effects) and higher volumes.

Operating profit, excluding items affecting comparability, was level with the corresponding quarter a year ago (increase of 39% excluding gains on forest swaps) and amounted to SEK 622m (623). Profit was positively affected by higher prices (including exchange rate effects), higher volumes, cost savings and lower energy costs. Gains on forest swaps were lower than in the corresponding period a year ago and amounted to SEK 0m (175).

The Board of Directors and President certify that the half-year interim report gives a true and fair view of the Parent Company's and Group's operations, financial position and results of operations, and describes material risks and uncertainties facing the Parent Company and the companies included in the Group.

Stockholm, July 16, 2015
SVENSKA CELLULOSA AKTIEBOLAGET SCA (publ)

Pär Boman
Chairman of the Board

Roger Boström
Employee representative

Annemarie Gardshol
Director

Leif Johansson
Director

Bert Nordberg
Director

Louise Julian Svanberg
Director

Örjan Svensson
Employee representative

Barbara Milian Thoralfsson
Director

Thomas Wiklund
Employee representative

Magnus Groth
Director,
President and CEO

Auditor's review report on interim financial information in summary (interim report), prepared in accordance with IAS 34 and Ch. 9 of the Swedish Annual Accounts Act

Introduction

We have reviewed this report for Svenska Cellulosa Aktiebolaget SCA (publ) as per June 30, 2015, and the six-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410, *Review of Interim Report Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA) and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion based on a review does not give the same level of assurance as a conclusion based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Annual Accounts Act for the Group, and in accordance with the Annual Accounts Act for the Parent Company.

Stockholm, July 16, 2015

PricewaterhouseCoopers AB

Anna-Clara af Ekenstam

Authorized Public Accountant

SHARE DISTRIBUTION

June 30, 2015	Class A	Class B	Total
Registered number of shares	85,562,182	619,547,912	705,110,094
- of which treasury shares		2,767,605	2,767,605

At the end of the reporting period the proportion of Class A shares was 12.1%. During the second quarter, at the request of shareholders a total of 90,000 Class A shares were converted to Class B shares. The total number of votes in the company is thereafter 1,475,169,732.

FUTURE REPORTS

An interim report will be published on October 29, 2015. The year-end report for 2015 will be published on January 28, 2016.

INVITATION TO PRESS CONFERENCE ON Q2 INTERIM REPORT 2015

Media and analysts are invited to a press conference, where this interim report will be presented by Magnus Groth, President and CEO of SCA.

Time: 13:30 CET, Thursday, July 16, 2015

Location: SCA's headquarters, Waterfront Building, Klarabergsviadukten 63, Stockholm, Sweden

The presentation will be webcast at www.sca.com. To participate, call: +44 (0)20 7162 0077, +1 334 323 6201 or +46 (0)8 5052 0110.

For further information, please contact:

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NB

SCA discloses the information provided herein pursuant to the Securities Markets Act. This report has been prepared in both Swedish and English versions. In case of variations in the content between the two versions, the Swedish version shall govern. Submitted for publication on July 16, 2015, at 12:00 CET.

CONSOLIDATED OPERATING CASH FLOW ANALYSIS

SEKm	1506	1406
Operating cash surplus	8,744	7,536
Change in working capital	-1,578	-1,969
Current capital expenditures, net	-1,821	-1,607
Restructuring costs, etc.	-460	-468
Operating cash flow	4,885	3,492
Financial items	-463	-483
Income taxes paid	-1,143	-947
Other	87	16
Cash flow from current operations	3,366	2,078
Acquisitions	-21	-157
Strategic capital expenditures in non-current assets	-785	-900
Divestments	0	148
Cash flow before dividend	2,560	1,169
Dividend	-3,796	-3,411
Net cash flow	-1,236	-2,242
Net debt at the start of the period	-35,947	-33,919
Net cash flow	-1,236	-2,242
Remeasurement to equity	3,190	-1,180
Translation differences	-265	-574
Net debt at the end of the period	-34,258	-37,915
Debt/equity ratio	0.45	0.56
Debt payment capacity, %	42	38

CONSOLIDATED CASH FLOW STATEMENT

SEKm	1506	1406
Operating activities		
Profit before tax	5,346	4,676
Adjustment for non-cash items ¹	2,508	1,907
	7,854	6,583
Paid tax	-1,143	-947
Cash flow from operating activities before changes in working capital	6,711	5,636
Cash flow from changes in working capital		
Change in inventories	-416	-161
Change in operating receivables	-2,327	-1,993
Change in operating liabilities	1,165	185
Cash flow from operating activities	5,133	3,667
Investing activities		
Acquisitions	-1	-158
Divestments	0	148
Investment in tangible and intangible assets	-2,695	-2,565
Sale of tangible assets	89	58
Loan granted to external parties	-159	-102
Cash flow from investing activities	-2,766	-2,619
Financing activities		
Acquisition of non-controlling interests	-7	-169
Net change loan	2,999	2,069
Dividend	-3,796	-3,411
Cash flow from financing activities	-804	-1,511
Cash flow for the period	1,563	-463
Cash and cash equivalents at the beginning of the period	3,815	3,785
Translation differences in cash and cash equivalents	32	66
Cash and cash equivalents at the end of the period	5,410	3,388
Cash flow from operating activities per share, SEK	7.28	5.20
Reconciliation with consolidated operating cash flow statement		
Cash flow for the period	1,563	-463
Less:		
Loans granted to external parties	159	102
Net change loan	-2,999	-2,069
Add:		
Net debt in acquired and divested operations	0	171
Accrued interest	53	17
Financial liabilities (additional purchase price) at acquisitions	-12	0
Net cash flow according to consolidated operating cash flow statement	-1,236	-2,242
¹ Depreciation/amortization and impairment of non-current assets	3,138	2,637
Fair-value measurement of forest assets	-254	-332
Gains on assets sales and swaps of assets	-4	-329
Gain/loss on divestments	-92	0
Payments related to efficiency programs, already recognized	-213	-226
Other	-67	157
<i>Total</i>	<i>2,508</i>	<i>1,907</i>

STATEMENT OF PROFIT OR LOSS

SEKm	2015:2	2014:2	2015:1	1506	1406
Net sales	29,219	25,829	27,958	57,177	50,063
Cost of goods sold ¹	-21,735	-19,228	-20,926	-42,661	-37,336
Gross profit	7,484	6,601	7,032	14,516	12,727
Sales, general and administration ¹	-4,313	-3,670	-4,198	-8,511	-7,157
Items affecting comparability ²	-158	-158	-122	-280	-405
Share of profits of associates and joint ventures	46	3	38	84	-6
Operating profit	3,059	2,776	2,750	5,809	5,159
Financial items	-193	-195	-270	-463	-483
Profit before tax	2,866	2,581	2,480	5,346	4,676
Tax	-737	-682	-632	-1,369	-1,235
Net profit for the period	2,129	1,899	1,848	3,977	3,441
Earnings attributable to:					
Owners of the parent	1,968	1,784	1,705	3,673	3,276
Non-controlling interests	161	115	143	304	165
Earnings per share, SEK - owners of the parent total operations					
- before dilution effects	2.80	2.54	2.43	5.23	4.66
- after dilution effects	2.80	2.54	2.43	5.23	4.66
Calculation of earnings per share	2015:2	2014:2	2015:1	1506	1406
Earnings attributable to owners of the parent	1,968	1,784	1,705	3,673	3,276
Average no. of shares before dilution, millions	702.3	702.3	702.3	702.3	702.3
Average no. of shares after dilution, millions	702.3	702.3	702.3	702.3	702.3
¹ Of which, depreciation	-1,511	-1,329	-1,486	-2,997	-2,629
² Distribution of items affecting comparability by function					
Cost of goods sold	19	-4	9	28	-178
Sales, general and administration	-39	-150	-128	-167	-218
Impairment, etc.	-138	-4	-3	-141	-9
Total items affecting comparability	-158	-158	-122	-280	-405
Gross margin	25.6	25.6	25.2	25.4	25.4
Operating margin	10.5	10.7	9.8	10.2	10.3
Financial net margin	-0.7	-0.8	-1.0	-0.8	-1.0
Profit margin	9.8	9.9	8.8	9.4	9.3
Tax	-2.5	-2.6	-2.3	-2.4	-2.5
Net margin	7.3	7.3	6.5	7.0	6.8
Excluding items affecting comparability:	2015:2	2014:2	2015:1	1506	1406
Gross margin	25.6	25.6	25.2	25.4	25.4
Operating margin	11.0	11.4	10.3	10.6	11.1
Financial net margin	-0.7	-0.8	-1.0	-0.8	-1.0
Profit margin	10.3	10.6	9.3	9.8	10.1
Tax	-2.7	-2.8	-2.4	-2.5	-2.7
Net margin	7.6	7.8	6.9	7.3	7.4

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

SEKm	2015:2	2014:2	2015:1	1506	1406
Profit for the period	2,129	1,899	1,848	3,977	3,441
Other comprehensive income for the period					
Items that may not be reclassified to the income statement					
Actuarial gains/losses on defined benefit pension plans	2,901	-537	54	2,955	-1,299
Income tax attributable to components of other comprehensive income	-674	137	-26	-700	317
	2,227	-400	28	2,255	-982
Items that have been or may be reclassified subsequently to the income statement					
Available-for-sale financial assets	-106	69	340	234	119
Cash flow hedges	21	21	77	98	-81
Translation differences in foreign operations	-1,703	2,079	2,188	485	1,773
Gains/losses from hedges of net investments in foreign operations	153	-419	-668	-515	-357
Income tax attributable to components of other comprehensive income	-47	90	128	81	101
	-1,682	1,840	2,065	383	1,555
Other comprehensive income for the period, net of tax	545	1,440	2,093	2,638	573
Total comprehensive income for the period	2,674	3,339	3,941	6,615	4,014
Total comprehensive income attributable to:					
Owners of the parent	2,776	3,030	3,387	6,163	3,547
Non-controlling interests	-102	309	554	452	467

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEKm	1506	1406
Attributable to owners of the parent		
Opening balance, January 1	67,622	63,271
Total comprehensive income for the period	6,163	3,547
Dividend	-3,687	-3,336
Issue costs in associated companies	0	-49
Acquisition of non-controlling interests	-19	-110
Remeasurement effect upon acquisition of non-controlling interests	-2	-2
Closing balance	70,077	63,321
Non-controlling interests		
Opening balance, January 1	5,250	4,540
Total comprehensive income for the period	452	467
Dividend	-109	-75
Acquisition of non-controlling interests	0	-59
Closing balance	5,593	4,873
Total equity, closing balance	75,670	68,194

CONSOLIDATED BALANCE SHEET

SEKm	Note	June 30, 2015	December 31, 2014
Assets			
Goodwill		15,936	15,717
Other intangible assets		8,052	7,963
Tangible assets		85,971	86,030
Shares and participations		1,104	1,141
Non-current financial assets	4	3,837	3,140
Other non-current receivables	4	1,589	1,494
Total non-current assets		116,489	115,485
Operating receivables and inventories	4	36,359	34,124
Current financial assets	4	655	1,252
Non-current assets held for sale		32	60
Cash and cash equivalents		5,410	3,815
Total current assets		42,456	39,251
Total assets		158,945	154,736
Equity			
Owners of the parent		70,077	67,622
Non-controlling interests		5,593	5,250
Total equity		75,670	72,872
Liabilities			
Provisions for pensions		2,776	5,100
Other provisions		11,458	10,195
Non-current financial liabilities	4	27,738	24,246
Other non-current liabilities	4	733	806
Total non-current liabilities		42,705	40,347
Current financial liabilities ¹	4	13,531	14,640
Other current liabilities	4	27,039	26,877
Total current liabilities		40,570	41,517
Total liabilities		83,275	81,864
Total equity and liabilities		158,945	154,736
¹ Committed credit lines amount to SEK 18,748m of which unutilized SEK 18,748m.			
Debt/equity ratio		0.45	0.49
Equity/assets ratio		44%	44%
Return on capital employed		10.2%	9.9%
Return on equity		10.4%	10.2%
Excluding items affecting comparability:			
Return on capital employed		11.4%	11.2%
Return on equity		11.9%	11.9%
Equity per share, SEK		107	103
Capital employed		109,928	108,819
- of which working capital		9,968	8,350
Provisions for restructuring costs are included in the balance sheet as follows:			
- Other provisions*		539	600
- Operating liabilities		406	623
*) of which, provision for tax risks		448	489
Net debt		34,258	35,947
Total Equity		75,670	72,872

NET SALES (business area reporting)

SEKm	1506	1406	2015:2	2015:1	2014:4	2014:3	2014:2	2014:1
Personal Care	16,995	14,992	8,676	8,319	8,106	7,968	7,750	7,242
Tissue	31,526	27,155	16,091	15,435	15,366	14,473	14,039	13,116
Forest Products	8,914	8,216	4,598	4,316	4,037	4,237	4,217	3,999
Other	-24	-24	-24	0	-14	-7	-45	21
Intra-group deliveries	-234	-276	-122	-112	-98	-77	-132	-144
Total net sales	57,177	50,063	29,219	27,958	27,397	26,594	25,829	24,234

OPERATING PROFIT (business area reporting)

SEKm	1506	1406	2015:2	2015:1	2014:4	2014:3	2014:2	2014:1
Personal Care	1,846	1,699	977	869	930	897	877	822
Tissue	3,382	3,045	1,826	1,556	1,867	1,740	1,652	1,393
Forest Products ³	1,300	1,209	622	678	683	613	623	586
Other	-439	-389	-208	-231	-230	-215	-218	-171
Total operating profit ¹	6,089	5,564	3,217	2,872	3,250	3,035	2,934	2,630
Financial items	-463	-483	-193	-270	-209	-269	-195	-288
Profit before tax ¹	5,626	5,081	3,024	2,602	3,041	2,766	2,739	2,342
Tax	-1,457	-1,336	-781	-676	-648	-660	-722	-614
Net profit for the period ²	4,169	3,745	2,243	1,926	2,393	2,106	2,017	1,728
¹ Excluding items affecting comparability before tax amounting to:	-280	-405	-158	-122	-887	-108	-158	-247
² Excluding items affecting comparability after tax amounting to:	-192	-304	-114	-78	-789	-83	-118	-186
³ Including gains on forest swaps, before tax	0	327	0	0	3	6	175	152

OPERATING MARGIN (business area reporting)

%	1506	1406	2015:2	2015:1	2014:4	2014:3	2014:2	2014:1
Personal Care	10.9	11.3	11.3	10.4	11.5	11.3	11.3	11.4
Tissue	10.7	11.2	11.3	10.1	12.2	12.0	11.8	10.6
Forest Products	14.6	14.7	13.5	15.7	16.9	14.5	14.8	14.7

STATEMENT OF PROFIT OR LOSS

SEKm	2015:2	2015:1	2014:4	2014:3	2014:2
Net sales	29,219	27,958	27,397	26,594	25,829
Cost of goods sold	-21,735	-20,926	-20,307	-19,877	-19,228
Gross profit	7,484	7,032	7,090	6,717	6,601
Sales, general and administration	-4,313	-4,198	-3,920	-3,721	-3,670
Items affecting comparability	-158	-122	-887	-108	-158
Share of profits of associates and joint ventures	46	38	80	39	3
Operating profit	3,059	2,750	2,363	2,927	2,776
Financial items	-193	-270	-209	-269	-195
Profit before tax	2,866	2,480	2,154	2,658	2,581
Taxes	-737	-632	-550	-635	-682
Net profit for the period	2,129	1,848	1,604	2,023	1,899

INCOME STATEMENT PARENT COMPANY

SEKm	1506	1406
Administrative expenses	-582	-344
Other operating income	136	218
Other operating expenses	-111	-110
Operating profit	-557	-236
Financial items	2,135	5,222
Profit before tax	1,578	4,986
Tax	243	314
Net profit for the period	1,821	5,300

BALANCE SHEET PARENT COMPANY

SEKm	June 30, 2015	December 31, 2014
Tangible assets	8,116	8,108
Financial assets	134,059	134,120
Total non-current assets	142,175	142,228
Total current assets	3,143	3,759
Total assets	145,318	145,987
Restricted equity	10,996	10,996
Unrestricted equity	40,972	42,838
Total equity	51,968	53,834
Untaxed reserves	213	213
Provisions	1,286	1,231
Non-current liabilities	25,415	21,216
Current liabilities	66,436	69,493
Total equity, provisions and liabilities	145,318	145,987

NOTES

1 ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with IAS 34 and recommendation RFR 1 of the Swedish Financial Reporting Board (RFR), and with regard to the Parent Company, RFR 2.

Effective January 1, 2015, SCA applies the following new or amended IFRSs:

- Amendments to IAS 19: Defined Benefit Plans: Employee Contributions
- Annual Improvements to IFRSs 2010-2012 Cycle
- Annual Improvements to IFRSs 2011-2013 Cycle

These standards are not judged to have any material impact on the Group's or Parent Company's result of operations or financial position.

In other respects, the accounting principles applied correspond to those described in the 2014 Annual Report.

2 RISKS AND UNCERTAINTIES

SCA's risk exposure and risk management are described on pages 78–83 of the 2014 Annual Report. No significant changes have taken place that have affected the reported risks.

Risks in conjunction with company acquisitions are analyzed in the due diligence processes that SCA carries out prior to all acquisitions. In cases where acquisitions have been carried out that may affect the assessment of SCA's risk exposure, these are described under the heading "Other events" in interim reports.

Risk management processes

SCA's board decides on the Group's strategic direction, based on recommendations made by Group management. Responsibility for the long-term, overall management of strategic risks corresponds to the company's delegation structure, from the Board to the CEO and from the CEO to the business unit presidents. This means that most operational risks are managed by SCA's business units at the local level, but that they are coordinated when considered necessary. The tools used in this coordination consist primarily of the business units' regular reporting and the annual strategy process, where risks and risk management are a part of the process.

SCA's financial risk management is centralized, as is the Group's internal bank for the Group companies' financial transactions and management of the Group's energy risks. Financial risks are managed in accordance with the Group's finance policy, which is adopted by SCA's board and which – together with SCA's energy risk policy – makes up a framework for risk management. Risks are aggregated and monitored on a regular basis to ensure compliance with these guidelines. SCA has also centralized other risk management.

SCA has a staff function for internal audit, which monitors compliance in the organization with the Group's policies.

3 RELATED PARTY TRANSACTIONS

No transactions have been carried out between SCA and related parties that have had a material impact on the company's financial position and results of operations.

4 FINANCIAL INSTRUMENTS PER CATEGORY

Distribution by level for measurement at fair value

SEKm	Carrying amount in the balance sheet	Measured at fair value through profit or loss	Derivatives used for hedge accounting	Available-for-sale financial assets	Financial liabilities measured at amortized cost	Of which fair value by level ¹	
						1	2
June 30, 2015							
Derivatives	1,234	455	779	-	-	-	1,234
Non-current financial assets	2,046	-	-	2,046	-	2,038	8
Total assets	3,280	455	779	2,046	-	2,038	1,242
Derivatives	1,392	677	715	-	-	-	1,392
Financial liabilities							
Current financial liabilities	12,612	4,320	-	-	8,292	-	4,320
Non-current financial liabilities	27,531	18,564	-	-	8,967	-	18,564
Total liabilities	41,535	23,561	715	-	17,259	-	24,276
December 31, 2014							
Derivatives	1,839	824	1,015	-	-	-	1,839
Non-current financial assets	1,815	-	-	1,815	-	1,807	8
Total assets	3,654	824	1,015	1,815	-	1,807	1,847
Derivatives	1,082	500	582	-	-	-	1,082
Financial liabilities							
Current financial liabilities	13,966	4,126	-	-	9,840	-	4,126
Non-current financial liabilities	24,214	12,904	-	-	11,310	-	12,904
Total liabilities	39,262	17,530	582	-	21,150	-	18,112

¹ No financial instruments have been classified to level 3

The fair value of trade receivables, other current and non-current receivables, cash and cash equivalents, trade payables and other current and non-current liabilities is estimated to be equal to their book value. The total fair value of financial liabilities amounts to SEK 41,390m (39,243).

No transfers between level 1 and 2 were made during the period.

The fair value of financial instruments is calculated based on current market quotations on the balance sheet date. The value of derivatives is based on published prices in an active market. The fair value of debt instruments is set using valuation models, such as discounting of future cash flows to quoted market interest rates for the respective durations.