

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

- Net sales rose 13% (5% excluding exchange rate effects) to SEK 86,276m (76,657)
- Organic sales growth, which excludes exchange rate effects, acquisitions and divestments, was 5%
- Operating profit, excluding items affecting comparability, rose 11% to SEK 9,560m (8,599)
- The operating margin, excluding items affecting comparability, was 11.1% (11.2%)
- Profit before tax, excluding items affecting comparability, rose 13% to SEK 8,864m (7,847)
- Items affecting comparability totaled SEK -2,764m (-513) of which SEK -710m (-470) affect cash flow
- Earnings per share were SEK 5.94 (7.35)
- Return on capital employed, excluding items affecting comparability, was 11.7% (11.5%)
- Cash flow from current operations was SEK 6,944m (5,373)

Earnings trend

SEKm	1509	1409	%	2015:3	2014:3	%
Net sales	86,276	76,657	13	29,099	26,594	9
Gross profit	22,172	19,444	14	7,656	6,717	14
Operating profit^{1,2}	9,560	8,599	11	3,471	3,035	14
Financial items	-696	-752		-233	-269	
Profit before tax^{1,2}	8,864	7,847	13	3,238	2,766	17
Tax ¹	-2,260	-1,996		-803	-660	
Net profit for the period¹	6,604	5,851	13	2,435	2,106	16
Earnings per share, SEK	5.94	7.35		0.71	2.68	

¹ Excluding items affecting comparability; for amounts see page 13.

² Including gains on forest swaps, before tax.

0	333	0	6
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CEO'S COMMENTS

The third quarter of 2015 showed good organic sales growth, a higher operating profit and a higher operating cash flow compared with the same period a year ago.

The past few months have been eventful, during which we made a number of important, strategic decisions. To further intensify the focus on the Group's two operations, SCA has decided to initiate a dividing of the Group into two divisions: a Hygiene division and a Forest Products division. As of January 1, 2017, the Forest Products division will expand its quarterly financial reporting. In Forest Products, we have decided to invest in increased capacity for pulp production at the Östrand pulp mill in Sweden. Over time, the investment in Östrand will increase sales and competitiveness and create a world-class cost position and higher margins.

To accelerate growth and the pace of innovation as well as to further strengthen the competitiveness of SCA's hygiene operations, we have also decided to implement an enhancement of our hygiene organization, effective January 1, 2016. In October we announced that SCA is acquiring Wausau Paper Corp., a North American Away-from-Home tissue company. Wausau Paper's product portfolio complements SCA's offerings in North America and gives us access to premium tissue in the region. We expect the acquisition to generate benefits for SCA and our customers. The transaction is subject to Wausau Paper shareholder and regulatory approvals, and is expected to close during the first quarter of 2016.

In Asia, which is an important growth market with a large population and low penetration of hygiene products, we strengthen the collaboration with Vinda by divesting our business in South East Asia, Taiwan and South Korea for integration with Vinda. The transaction enables us to further leverage on our strengths to build a leading Asian hygiene business.

We have continued to address areas for improvement. Against the backdrop of declining global demand for publication papers over several years and weak profitability at the Ortviken paper mill, we intend to close one newsprint machine at Ortviken paper mill in Sundsvall, Sweden. We will also recognize an impairment loss for the mill. We are divesting our baby diaper operation in South Africa, which has had unsatisfactory profitability. In addition, we have addressed our brand valuation in relation to our baby diaper operation in Mexico and the Everbeauty acquisition in Asia, which has entailed impairment losses. We are divesting our ownership in Bromma Business Jet and have recognized costs for this during the third quarter. The sale is in line with SCA's previous announcement that the Group will not own business jets.

As part of SCA's ongoing cost-savings program related to the acquisition of Georgia-Pacific's European tissue operations, in October we closed our tissue production plant in Saint-Cyr-en-Val, France. The closure gave rise to restructuring costs during the third quarter 2015.

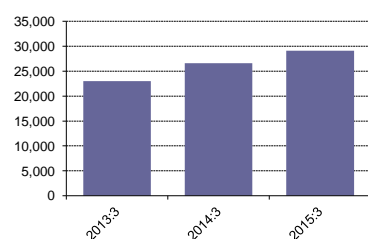
Also during the quarter, SCA was included in Dow Jones Sustainability Indices, one of the world's most prestigious sustainability rankings. SCA was named industry leader in the Household Products sector.

Consolidated net sales for the third quarter of 2015 increased by 9% compared with the same period a year ago. Organic sales growth was 5% as a result of favorable growth for both Personal Care and Tissue. In emerging markets, which accounted for 32% of sales, organic sales growth was 12%, and in mature markets organic sales growth was 3%. During the quarter we introduced eight innovations and product launches under the Drypers, Libero, Tempo, TENA and Tork brands.

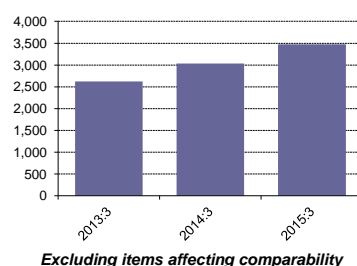
Consolidated operating profit for the third quarter of 2015, excluding items affecting comparability and currency translation effects, rose 10% compared with the same period a year ago. The increase is mainly attributable to a better price/mix, higher volumes and cost savings. Raw material costs increased by SEK 758m, mainly due to the stronger U.S. dollar. The operating margin, excluding items affecting comparability, increased by 0.5 percentage points to 11.9%. Operating cash flow increased by 7%. Return on capital employed, excluding items affecting comparability, grew by 1.4 percentage points to 12.8%.

Both Personal Care and Tissue showed a higher operating profit for the third 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 mainly owing to the stronger U.S. dollar. Operating profit for Forest Products rose mainly as a result of higher prices (including exchange rate effects), cost savings and lower raw material and energy costs.

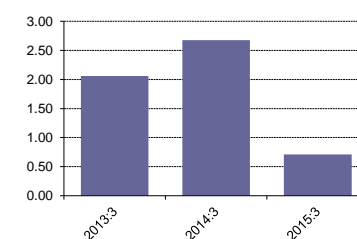
Net sales



Operating profit



Earnings per share



EARNINGS TREND FOR THE GROUP

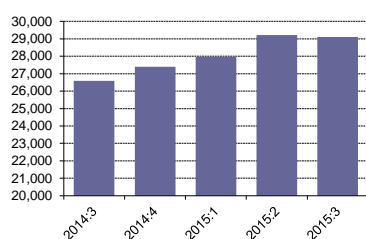
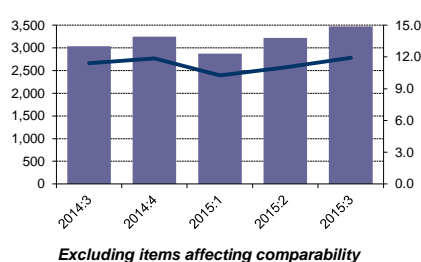
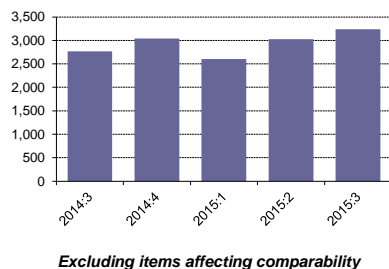
SEKm	1509	1409	%	2015:3	2014:3	%
Net sales	86,276	76,657	13	29,099	26,594	9
Cost of goods sold	-64,104	-57,213		-21,443	-19,877	
Gross profit	22,172	19,444	14	7,656	6,717	14
Sales, general and administration	-12,612	-10,845		-4,185	-3,682	
Operating profit^{1,2}	9,560	8,599	11	3,471	3,035	14
Financial items	-696	-752		-233	-269	
Profit before tax^{1,2}	8,864	7,847	13	3,238	2,766	17
Tax ¹	-2,260	-1,996		-803	-660	
Net profit for the period¹	6,604	5,851	13	2,435	2,106	16
¹ Excluding items affecting comparability; for amounts see page 13.						
² Including gains on forest swaps, before tax.	0	333		0	6	
Earnings per share, SEK owners of the parent company						
- after dilution effects	5.94	7.35		0.71	2.68	
Margins (%)						
Gross margin	25.7	25.4		26.3	25.3	
Operating margin^{1,2}	11.1	11.2		11.9	11.4	
Financial net margin	-0.8	-1.0		-0.8	-1.0	
Profit margin^{1,2}	10.3	10.2		11.1	10.4	
Tax ¹	-2.6	-2.6		-2.8	-2.5	
Net margin¹	7.7	7.6		8.3	7.9	
¹ Excluding items affecting comparability; for amounts see page 13.						
² Including gains on forest swaps, before tax.	0	333		0	6	

OPERATING PROFIT PER BUSINESS AREA

SEKm	1509	1409	%	2015:3	2014:3	%
Personal Care	2,904	2,596	12	1,058	897	18
Tissue	5,274	4,785	10	1,892	1,740	9
Forest Products ²	1,993	1,822	9	693	613	13
Other	-611	-604		-172	-215	
Total^{1,2}	9,560	8,599	11	3,471	3,035	14
¹ Excluding items affecting comparability; for amounts see page 13.						
² Including gains on forest swaps, before tax.	0	333		0	6	

OPERATING CASH FLOW PER BUSINESS AREA

SEKm	1509	1409	%	2015:3	2014:3	%
Personal Care	2,731	2,297	19	1,456	1,179	23
Tissue	5,565	5,051	10	2,233	2,559	-13
Forest Products	1,812	845	114	827	550	50
Other	-918	-686		-211	-273	
Total	9,190	7,507	22	4,305	4,015	7

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

	1509 vs 1409	2015:3 vs. 2014:3
Total	13	9
Price/mix	2	3
Volume	3	2
Currency	8	4
Acquisitions	0	0
Divestments	0	0

Change in operating profit (%)

	1509 vs 1409	2015:3 vs. 2014:3
Total	11	14
Price/mix	20	23
Volume	10	12
Raw materials	-22	-25
Energy	2	2
Currency	7	4
Other	-6	-2

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 nine months 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 nine months 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 nine months 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 higher demand.

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

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

Net sales rose 13% to SEK 86,276m (76,657). 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 32% of sales. Exchange rate effects increased sales by 8%.

Operating profit, excluding items affecting comparability, rose 11% (8% excluding gains on forest swaps and currency translation effects) to SEK 9,560m (8,599). A better price/mix, higher volumes and cost savings contributed to the earnings growth. Raw material costs increased by SEK 1,924m, 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 333m in the preceding year. Operating profit for Personal Care, excluding items affecting comparability, increased by 12% (9% excluding currency translation effects). Operating profit for Tissue, excluding items affecting comparability, increased by 10% (0% excluding currency translation effects). For Forest Products, operating profit, excluding items affecting comparability, increased by 9% (27% excluding gains on forest swaps).

Items affecting comparability amounted to SEK -2,764m (-513) and consist of impairment of assets mainly related to the Ortviken paper mill in Forest Products. They also include integration costs for the Georgia-Pacific acquisition, impairment of brands related to the baby diaper operation in Mexico and the Everbeauty acquisition in Asia, transaction costs, costs associated with management changes, and costs for the termination of an aircraft lease and the divestment of the ownership in Bromma Business Jet.

Financial items decreased to SEK -696m (-752) as a result of lower average net debt during the period, which compensated for slightly higher interest rates during the period.

Profit before tax, excluding items affecting comparability, rose 13% (6% excluding currency translation effects) to SEK 8,864m (7,847). The tax expense, excluding

the effects of items affecting comparability, was SEK 2,260m (1,996).

Net profit for the period, excluding items affecting comparability, rose 13% (6% excluding currency translation effects) to SEK 6,604m (5,851). Earnings per share, including items affecting comparability, were SEK 5.94 (7.35).

Return on capital employed, excluding items affecting comparability, was 11.7% (11.5%).

Third quarter 2015 compared with third quarter 2014

Net sales rose 9% to SEK 29,099m (26,594). Organic sales growth, which excludes exchange rate effects, acquisitions and divestments, was 5%, of which volume accounted for 2% and price/mix for 3%. Organic sales growth was 3% in mature markets and 12% in emerging markets. Emerging markets accounted for 32% of sales. Exchange rate effects increased sales by 4%.

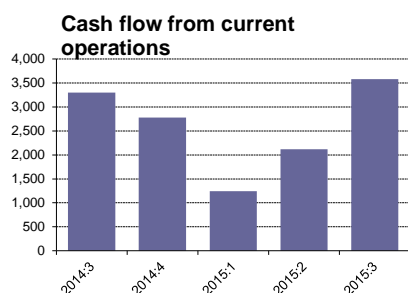
Operating profit, excluding items affecting comparability, rose 14% (10% excluding currency translation effects) to SEK 3,471m (3,035). A better price/mix, higher volumes and cost savings contributed to the earnings increase. Raw material costs increased by SEK 758m.

Profit before tax, excluding items affecting comparability, rose 17% (13% excluding exchange rate effects) to SEK 3,238m (2,766).

Profit for the period, excluding items affecting comparability, rose 16% (12% excluding currency translation effects) to SEK 2,435m (2,106). Earnings per share, including items affecting comparability, were SEK 0.71 (2.68).

Return on capital employed, excluding items affecting comparability, was 12.8% (11.4%).

CASH FLOW AND FINANCING



The operating cash surplus amounted to SEK 13,514m (11,731). The cash flow effect of changes in working capital was SEK -864m (-1,156). Increased trade payables did not compensate for increased trade receivables and inventories. Current capital expenditures amounted to SEK -2,780m (-2,452). Operating cash flow amounted to SEK 9,190m (7,507).

Financial items decreased to SEK -696m (-752) as a result of lower average net debt, which compensated for slightly higher interest rates during the period. Tax payments totaled SEK 1,682m (1,400). Cash flow from current operations amounted to SEK 6,944m (5,373) during the period. The improvement is mainly attributable to a higher operating surplus.

Strategic investments totaled SEK -1,558m (-1,250). The net sum of acquisitions and divestments was SEK 260m (349). Payment of the shareholder dividend affected cash flow by SEK -3,864m (-3,442). Net cash flow totaled SEK 1,782m (332).

Net debt has decreased by SEK 4,226m during the year to SEK 31,721m. Excluding pension liabilities, net debt amounted to SEK 28,853m. Net cash flow decreased net debt by SEK 1,782m. Fair value measurement of pension assets and pension obligations together with fair valuation of financial instruments decreased net debt by SEK 2,420m. Exchange rate movements decreased net debt by SEK 24m.

The debt/equity ratio was 0.42 (0.53). Excluding pension liabilities, the debt/equity ratio was 0.39 (0.46). The debt payment capacity was 44% (39%).

EQUITY

Consolidated equity increased by SEK 1,843m during the period, to SEK 74,715m. Net profit for the period increased equity by SEK 4,545m. Payment of the shareholder dividend decreased equity by SEK 3,864m, while statement of the net pension liability to fair value increased equity by SEK 1,679m after tax. Statement of financial instruments to fair value increased equity by SEK 163m after tax. Exchange rate movements, including the effects of hedges of net investments in foreign assets, after tax, decreased equity by SEK 658m. Other items decreased equity by SEK 22m.

TAX

A tax expense of SEK 2,260m is reported for the period, excluding items affecting comparability, corresponding to a tax rate of 25.5%. The tax expense including items affecting comparability was SEK 1,555m, corresponding to a tax rate of 25.5%.

EVENTS DURING 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.

On July 21, 2015, SCA and the South African company Nampak signed an agreement under which SCA will acquire the remaining 50% of the jointly owned South African subsidiary Sancella S.A. In conjunction with this SCA and Nampak signed an agreement to divest Sancella S.A.'s baby diaper operation to a South African company. Sancella S.A. had net sales of approximately SEK 330m in 2014, of which the baby diaper operation accounted for approximately SEK 250m. Going forward, in South Africa SCA will focus on feminine care and incontinence products under the Lifestyle and TENA brands, which accounted for approximately SEK 80m of Sancella S.A.'s net sales in 2014. The transactions are expected to close during the fourth quarter of 2015 after approval from the relevant authorities.

On August 19, 2015, SCA announced that it had made the decision, as part of SCA's ongoing cost-savings program related to the acquisition of Georgia-Pacific's European tissue operations, to close the tissue production plant in Saint-Cyr-en-Val, France. The production plant had annual capacity of 35,000 ton. Production was discontinued in October 2015. Restructuring costs for the closure of the production plant are expected to amount to approximately SEK 480m, of which about SEK 380m are recognized as an item affecting comparability in the third quarter of 2015. The remaining SEK 100m will be recognized as an item affecting comparability in 2016. Of the restructuring costs, approximately SEK 260m is expected to affect cash flow.

On August 28, 2015, SCA announced the company's decision to initiate a dividing of the Group into two divisions: a Hygiene division and a Forest Products division, aimed at further intensifying the focus on the Group's two operations. With respect to the Forest Products division, all forest industry operations and forest land currently owned by SCA will be merged into one division. The Forest Products division will expand its quarterly financial reporting starting January 1, 2017.

On August 28, 2015, SCA announced the company's decision to invest in increased capacity for pulp production at the Östrand pulp mill in Timrå, Sweden. The annual production capacity of bleached sulphate pulp will increase from the current level of approximately 430,000 tons to about 900,000 tons. The investment will amount to about SEK 7.8 billion over a three-year period. Production is expected to commence in 2018.

On August 28, 2015, SCA announced that on January 1, 2016, the company will implement an enhancement of its hygiene organization in an effort to intensify growth and the pace of innovation as well as to further strengthen the competitiveness of SCA's hygiene operations. This enhancement entails that the operations in AfH tissue and incontinence products in Europe and North America will be reorganized into two business units, Away from Home Professional Care and Incontinence Care. Latin America will become a new business unit, SCA Latin America. Global Hygiene Supply Tissue and Global Hygiene Supply Personal Care are being strengthened through the respective production activities being given direct reporting lines. A project organization is being established and is tasked with optimizing and streamlining logistics flows. The organizational changes have no impact on SCA's external financial reporting structure.

On September 7, 2015, SCA announced that Christoph Michalski, President of SCA Global Hygiene Category, has been appointed CEO of Vinda International Holdings Limited, effective October 1, 2015. His appointment represents a clear commitment from both SCA and Vinda to strengthen their long-term cooperation. SCA is the majority shareholder in Vinda, one of China's largest hygiene companies. Vinda is listed on the Hong Kong Stock Exchange.

On September 11, 2015, SCA announced that the company has been included in the Dow Jones Sustainability Indices, one of the world's most prestigious sustainability rankings. SCA has qualified for inclusion in both the Dow Jones Sustainability World Index and the Dow Jones Sustainability Europe Index, and was named industry leader in the Household Products sector. SCA was awarded particularly high scores in the areas of branding, innovation, environmental management system and environmental and social reporting.

EVENTS AFTER THE END OF THE QUARTER

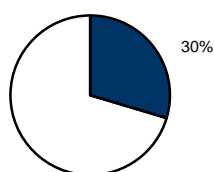
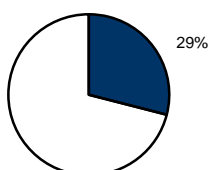
On October 13, 2015, SCA announced that it will acquire Wausau Paper for total consideration of USD 513m (approximately SEK 4.2 billion) in cash. Wausau Paper is one of the largest Away-from-Home tissue companies in North America. The company manufactures and markets Away-from-Home towel and tissue products along with soap and dispensing systems. The combined operations will provide customers with access to a comprehensive portfolio of food service offerings and premium tissue and washroom products. Following completion of the acquisition, SCA will continue to honor Wausau Paper's existing customer contracts and programs. Wausau Paper's reported sales for the first half of 2015 amounted to USD 175m (SEK 1.5 billion), with EBITDA of USD 32m (SEK 268m) and an operating profit of USD 11m (SEK 94m). Wausau Paper's reported sales in 2014 amounted to USD 352m (SEK 2.4 billion), with EBITDA of USD 38m (SEK 263m) and an operating profit of USD -3m (SEK -19m). On a pro forma basis, giving effect to the acquisition, SCA's sales for the full year 2014 would have increased from SEK 104.1 billion to SEK 106.5 billion. Pro forma operating profit for the full year 2014, excluding items affecting comparability, would have been on a similar level and amounted to approximately SEK 11.8 billion. The acquisition is expected to generate annual synergies of approximately USD 40m, with full effect three years after closing. Synergies are expected in sourcing, production, logistics, reduced imports, increased volumes of premium products and reduced selling and administrative costs. The restructuring costs are expected to amount to approximately USD 50m. Completion of the transaction is subject to Wausau Paper shareholder and regulatory approvals. The Wausau Paper board will recommend that its shareholders vote in favor of the acquisition by SCA. Closing is expected to take place during the first quarter of 2016.

On October 23, 2015, SCA announced that the company, together with the other part-owners, is divesting Bromma Business Jet. The divestment is expected to be completed not later than February 29, 2016. The transaction will give rise to costs of approximately SEK 95m and is reported as an item affecting comparability in the third quarter of 2015.

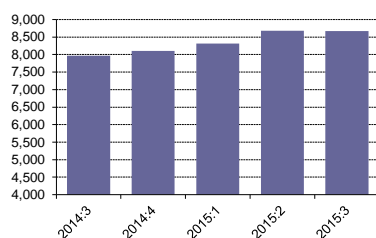
On October 29, 2015, SCA announced the company's intention to close a newsprint machine at the Ortvikén paper mill in Sundsvall and recognize an impairment loss for the mill. Efficiency improvement measures are being carried out at the Obbola and Munksund kraftliner mills. The closure, impairment loss and efficiency improvement measures entails total costs of approximately SEK 1.4 billion and will lead to annual cost savings of approximately SEK 180m, of which approximately SEK 120m in lower depreciation, with full effect in 2017. The impairment loss amounts to approximately SEK 1.3 billion and is recognized as an item affecting comparability in the third quarter of 2015. The restructuring costs amount to approximately SEK 90m and will be recognized as an item affecting comparability in the fourth quarter of 2015.

On October 29, 2015, SCA announced that the company has named Anna Sävinger-Åslund as new Senior Vice President Group Function Human Resources. Anna Sävinger-Åslund will be a member of the Executive Management Team and will report to SCA's President and CEO Magnus Groth. She will assume her position on November 1, 2015.

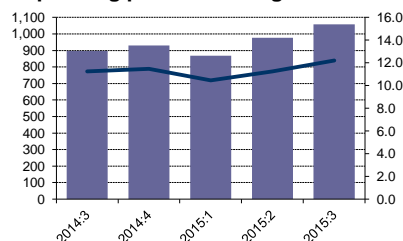
On October 29, 2015, SCA announced that the company divests its business in South East Asia, Taiwan and South Korea for integration with Vinda International Holdings Limited (“Vinda”). SCA is the majority shareholder in Vinda, one of China’s largest hygiene companies. As part of the transaction, SCA and Vinda have signed an agreement regarding the exclusive license to market and sell the SCA brands; TENA (incontinence products), Tork (Away-from-Home tissue), Tempo (consumer tissue), Libero (baby diapers), and Libresse (feminine care) in South East Asia, Taiwan and South Korea. With this agreement, Vinda will hold the rights to these product brands in these Asian markets. Vinda will acquire the brands Drypers, Dr.P, Sealer, Prokids, EQ Dry and Control Plus in these markets. SCA’s hygiene business in South East Asia, Taiwan and South Korea had net sales of approximately SEK 2.2 billion in 2014. The purchase consideration amounts to HKD 2.8 billion (approx. SEK 3.1 billion) on a debt-free basis. The agreement is subject to approval by the independent shareholders of Vinda. Closing of the transaction is expected during the first quarter of 2016. Vinda is listed on the Hong Kong Stock Exchange. As a consequence of this transaction SCA’s Shanghai office will stop to have operations. This is expected to lead to approximately SEK 90m in restructuring costs that will be recognized as an item affecting comparability in the fourth quarter of 2015.

Share of Group, net sales
1509Share of Group, operating profit
1509

Net sales



Operating profit and margin



Change in net sales (%)

	1509 vs 1409	2015:3 vs. 2014:3
Total	12	9
Price/mix	4	4
Volume	3	4
Currency	5	1
Acquisitions	0	0
Divestments	0	0

Change in operating profit (%)

	1509 vs 1409	2015:3 vs. 2014:3
Total	12	18
Price/mix	26	36
Volume	17	21
Raw materials	-22	-24
Energy	0	0
Currency	3	0
Other	-12	-15

PERSONAL CARE

SEKm	1509	1409	%	2015:3	2014:3	%
Net sales	25,663	22,960	12	8,668	7,968	9
Operating surplus	3,699	3,330	11	1,325	1,140	16
Operating profit*	2,904	2,596	12	1,058	897	18
Operating margin, %*	11.3	11.3		12.2	11.3	
Return on capital employed, %*	27.7	27.6		31.4	26.8	
Operating cash flow	2,731	2,297		1,456	1,179	

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

January–September 2015 compared with corresponding period a year ago

Net sales rose 12% to SEK 25,663m (22,960). Organic sales growth, which excludes exchange rate effects, acquisitions and divestments, was 7%, of which volume accounted for 3% and price/mix for 4%. Organic sales growth was 3% in mature markets and 12% in emerging markets. Emerging markets accounted for 43% of sales. Exchange rate effects increased sales by 5%.

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 8%. Growth is 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 12% (9% excluding currency translation effects) to SEK 2,904m (2,596). 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 27.7% (27.6%).

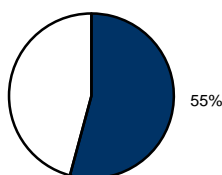
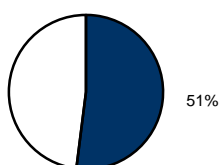
The operating cash surplus amounted to SEK 3,704m (3,337). Operating cash flow increased to SEK 2,731m (2,297).

Third quarter 2015 compared with third quarter 2014

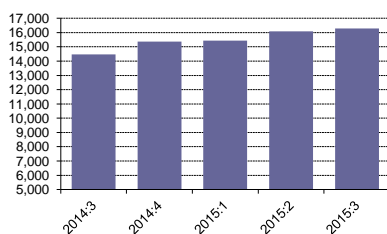
Net sales rose 9% to SEK 8,668m (7,968). Organic sales growth was 8%, of which price/mix accounted for 4% and volume for 4%. Organic sales growth was 5% in mature markets and 14% in emerging markets. Emerging markets accounted for 42% of sales. Exchange rate effects increased sales by 1%.

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 12%, mainly attributable to Europe. For feminine care products, organic sales growth was 21%, attributable to emerging markets and western Europe.

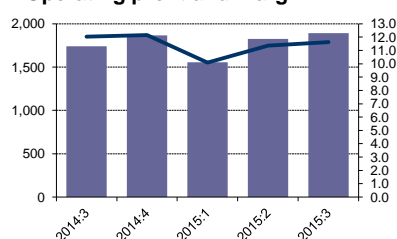
Operating profit, excluding items affecting comparability, rose 18% (18% excluding currency translation effects) to SEK 1,058m (897). Profit was favorably affected by a better price/mix, higher volumes and cost savings. Higher raw material costs, mainly owing to the stronger U.S. dollar, had a negative earnings impact. Investments were made in increased marketing activities for incontinence products.

Share of Group, net sales
1509Share of Group, operating profit
1509

Net sales



Operating profit and margin



Change in net sales (%)

	1509 vs 1409	2015:3 vs. 2014:3
Total	15	13
Price/mix	1	2
Volume	4	4
Currency	10	7
Acquisitions	0	0
Divestments	0	0

Change in operating profit (%)

	1509 vs 1409	2015:3 vs. 2014:3
Total	10	9
Price/mix	12	15
Volume	9	9
Raw materials	-29	-33
Energy	1	1
Currency	10	7
Other	7	10

TISSUE

SEKm	1509	1409	%	2015:3	2014:3	%
Net sales	47,818	41,628	15	16,292	14,473	13
Operating surplus	7,872	7,088	11	2,751	2,534	9
Operating profit*	5,274	4,785	10	1,892	1,740	9
Operating margin, %*	11.0	11.5		11.6	12.0	
Return on capital employed, %*	12.8	12.7		13.5	13.1	
Operating cash flow	5,565	5,051		2,233	2,559	

*) 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 665m during the first nine months of 2015. During the third quarter of 2015, cost savings totaled approximately SEK 230m, corresponding to an annual rate of approximately EUR 100m. Total cost savings are expected to be EUR 125m upon full effect in 2016.

January–September 2015 compared with corresponding period a year ago

Net sales rose 15% to SEK 47,818m (41,628). 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 10%.

For consumer tissue, organic sales growth was 7%. Growth is related to high growth in emerging markets, particularly China, and higher sales in western Europe. For AfH tissue, organic sales growth was 2%. The increase was mainly related to emerging markets and North America.

Operating profit, excluding items affecting comparability, rose 10% (0% excluding currency translation effects) to SEK 5,274m (4,785). A better price/mix, higher volumes 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 12.8% (12.7%).

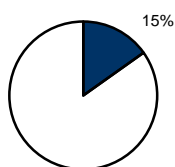
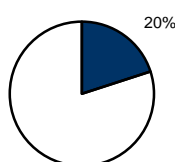
The operating cash surplus increased to SEK 7,875m (7,090). Operating cash flow increased to SEK 5,565m (5,051).

Third quarter 2015 compared with third quarter 2014

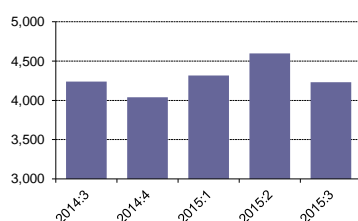
Net sales rose 13% to SEK 16,292m (14,473). Organic sales growth was 6%, of which price/mix accounted for 2% and volume for 4%. Organic sales growth was 2% in mature markets and 14% in emerging markets. Emerging markets accounted for 32% of sales. Exchange rate effects increased sales by 7%.

For consumer tissue, organic sales growth was 7%. Growth was related to high growth in emerging markets, particularly China, and higher sales in western Europe. For AfH tissue, organic sales growth was 3% and was attributable to emerging markets and North America.

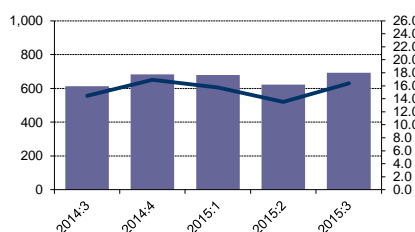
Operating profit, excluding items affecting comparability, rose 9% (2% excluding currency translation effects) to SEK 1,892m (1,740). A better price/mix, higher volumes and cost savings had a positive earnings impact. Higher raw material costs mainly resulting from the stronger U.S. dollar had a negative earnings impact.

Share of Group, net sales
1509Share of Group, operating profit
1509

Net sales



Operating profit and margin



Change in net sales (%)

	1509 vs. 1409	2015:3 vs. 2014:3
Total	6	0
Price/mix	3	1
Volume	1	-2
Currency	2	1
Acquisitions	0	0
Divestments	0	0

Change in operating profit (%)

	1509 vs. 1409	2015:3 vs. 2014:3
Total	9	13
Price/mix*	27	18
Volume	2	1
Raw materials	2	5
Energy	4	9
Currency	0	0
Other**	-26	-20

*Price/mix includes exchange rate effects of approximately 39% (SEK 707m) and 28% (SEK 174m).

**Other includes gains on forest swaps totaling -18% (SEK -333m) and -1% (SEK -6m).

FOREST PRODUCTS

SEKm	1509	1409	%	2015:3	2014:3	%
Deliveries						
- Publication papers, thousand tonnes	624	660	-5	202	230	-12
- Solid-wood products, thousand m ³	1,788	1,729	3	578	578	0
- Kraftliner products, thousand tonnes	631	599	5	206	198	4
- Pulp products, thousand tonnes	392	391	0	131	130	1
Net sales	13,146	12,453	6	4,232	4,237	0
Operating surplus	2,912	2,709	7	1,005	912	10
Operating profit*	1,993	1,822	9	693	613	13
Operating margin, %*	15.2	14.6		16.4	14.5	
Return on capital employed, %*	7.0	7.3		7.4	6.4	
Operating cash flow	1,812	845		827	550	

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

During the fourth quarter of 2015, production stops will be carried out at two production plants, which is expected to have a negative earnings impact of approximately SEK 70m.

January–September 2015 compared with corresponding period a year ago

Net sales rose 6% to SEK 13,146m (12,453). Sales growth excluding exchange rate effects was 4%, of which volume accounted for 1% 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. Solid-wood products showed lower prices (including exchange rate effects) and higher volumes. Pulp showed higher prices (including exchange rate effects) and unchanged volumes.

Operating profit, excluding items affecting comparability, rose 9% (27% excluding gains on forest swaps) to SEK 1,993m (1,822). Higher prices (including exchange rate effects), higher volumes, lower raw material and 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 (333).

Return on capital employed, excluding items affecting comparability, was 7.0% (7.3%).

The operating cash surplus was SEK 2,491m (1,850), and operating cash flow totaled SEK 1,812m (845).

Third quarter 2015 compared with third quarter 2014

Net sales were level with corresponding period a year ago and totaled SEK 4,232m (4,237). Sales growth excluding exchange rate effects was -1%, of which price/mix accounted for 1% and volume for -2%. Exchange rate effects increased sales by 1%.

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

Operating profit, excluding items affecting comparability, rose 13% (14% excluding gains on forest swaps) to SEK 693m (613). Profit was positively affected by higher prices (including exchange rate effects), cost savings and lower raw material and energy costs. Gains on forest swaps were lower than in the corresponding period a year ago and amounted to SEK 0m (6).

SHARE DISTRIBUTION

September 30, 2015	Class A	Class B	Total
Registered number of shares	84,962,182	620,147,912	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 12.0%. During the third quarter, at the request of shareholders a total of 600,000 Class A shares were converted to Class B shares. The total number of votes in the company is thereafter 1,469,769,732.

FUTURE REPORTS

The year-end report for 2015 will be published on January 28, 2016. SCA's 2015 Annual Report is scheduled for publication during the week of March 21, 2016.

During 2016 interim reports will be published April 28, July 19 and October 27.

ANNUAL GENERAL MEETING

SCA's Annual General Meeting will be held at 15:00 CET on April 14, 2016, in the Aula Magna hall at Stockholm University, Frescati, Stockholm, Sweden.

INVITATION TO PRESS CONFERENCE ON Q3 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.

Time: 10:00 CET, Thursday, October 29, 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. Specify "SCA" or conference ID no. 955480.

Stockholm, October 29, 2015
SVENSKA CELLULOSA AKTIEBOLAGET SCA (publ)

Magnus Groth
President and CEO

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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 at 08:00 CET on October 29, 2015. This report has not been reviewed by the company's auditors.

STATEMENT PROFIT OR LOSS

SEK m	2015:3	2014:3	2015:2	1509	1409
Net sales	29,099	26,594	29,219	86,276	76,657
Cost of goods sold ¹	-21,443	-19,877	-21,735	-64,104	-57,213
Gross profit	7,656	6,717	7,484	22,172	19,444
Sales, general and administration ¹	-4,244	-3,721	-4,313	-12,755	-10,878
Items affecting comparability ²	-2,484	-108	-158	-2,764	-513
Share of profits of associates and joint ventures	59	39	46	143	33
Operating profit	987	2,927	3,059	6,796	8,086
Financial items	-233	-269	-193	-696	-752
Profit before tax	754	2,658	2,866	6,100	7,334
Tax	-186	-635	-737	-1,555	-1,870
Net profit for the period	568	2,023	2,129	4,545	5,464
Earnings attributable to:					
Owners of the parent	502	1,883	1,968	4,175	5,159
Non-controlling interests	66	140	161	370	305
Earnings per share, SEK - owners of the parent total operations					
- before dilution effects	0.71	2.68	2.80	5.94	7.35
- after dilution effects	0.71	2.68	2.80	5.94	7.35
Calculation of earnings per share	2015:3	2014:3	2015:2	1509	1409
Earnings attributable to owners of the parent	502	1,883	1,968	4,175	5,159
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	-1,521	-1,392	-1,511	-4,518	-4,021
² Distribution of items affecting comparability by function					
Cost of goods sold	-290	-38	19	-262	-216
Sales, general and administration	-281	-36	-39	-448	-254
Impairment, etc.	-1,913	-34	-138	-2,054	-43
Total items affecting comparability	-2,484	-108	-158	-2,764	-513
Gross margin	26.3	25.3	25.6	25.7	25.4
Operating margin	3.4	11.0	10.5	7.9	10.5
Financial net margin	-0.8	-1.0	-0.7	-0.8	-1.0
Profit margin	2.6	10.0	9.8	7.1	9.5
Tax	-0.6	-2.4	-2.5	-1.8	-2.4
Net margin	2.0	7.6	7.3	5.3	7.1
Excluding items affecting comparability:	2015:3	2014:3	2015:2	1509	1409
Gross margin	26.3	25.3	25.6	25.7	25.4
Operating margin	11.9	11.4	11.0	11.1	11.2
Financial net margin	-0.8	-1.0	-0.7	-0.8	-1.0
Profit margin	11.1	10.4	10.3	10.3	10.2
Tax	-2.8	-2.5	-2.7	-2.6	-2.6
Net margin	8.3	7.9	7.6	7.7	7.6

CONSOLIDATED OPERATING CASH FLOW ANALYSIS

SEK m	1509	1409
Operating cash surplus	13,514	11,731
Change in working capital	-864	-1,156
Current capital expenditures, net	-2,780	-2,452
Restructuring costs, etc.	-680	-616
Operating cash flow	9,190	7,507
Financial items	-696	-752
Income taxes paid	-1,682	-1,400
Other	132	18
Cash flow from current operations	6,944	5,373
Acquisitions	-21	-500
Strategic capital expenditures in non-current assets	-1,558	-1,250
Divestments	281	151
Cash flow before dividend	5,646	3,774
Dividend	-3,864	-3,442
Net cash flow	1,782	332
Net debt at the start of the period	-35,947	-33,919
Net cash flow	1,782	332
Remeasurement to equity	2,420	-2,700
Translation differences	24	-1,130
Net debt at the end of the period	-31,721	-37,417
Debt/equity ratio	0.42	0.53
Debt payment capacity, %	44	39

CONSOLIDATED CASH FLOW STATEMENT

SEK m	1509	1409
Operating activities		
Profit before tax	6,100	7,334
Adjustment for non-cash items ¹	6,083	3,006
	12,183	10,340
Paid tax	-1,682	-1,400
Cash flow from operating activities before changes in working capital	10,501	8,940
Cash flow from changes in working capital		
Change in inventories	-808	59
Change in operating receivables	-1,393	-966
Change in operating liabilities	1,337	-249
Cash flow from operating activities	9,637	7,784
Investing activities		
Acquisitions	-1	-503
Divestments	281	151
Investment in tangible and intangible assets	-4,458	-3,812
Sale of tangible assets	120	110
Repayment of loans from external parties	7	172
Cash flow from investing activities	-4,051	-3,882
Financing activities		
Acquisition of non-controlling interests	-10	-169
Net change loan	-820	619
Dividend	-3,864	-3,442
Cash flow from financing activities	-4,694	-2,992
Cash flow for the period	892	910
Cash and cash equivalents at the beginning of the period	3,815	3,785
Translation differences in cash and cash equivalents	-43	160
Cash and cash equivalents at the end of the period	4,664	4,855
Cash flow from operating activities per share, SEK	13.67	11.04
Reconciliation with consolidated operating cash flow statement		
Cash flow for the period	892	910
Less:		
Repayment of loans from external parties	-7	-172
Net change loan	0	-619
Financial liabilities (additional purchase price) at acquisitions	-9	0
Add:		
Net debt in acquired and divested operations	0	172
Net change loan	820	0
Accrued interest	86	41
Net cash flow according to consolidated operating cash flow statement	1,782	332
¹ Depreciation/amortization and impairment of non-current assets	6,664	4,064
Fair-value measurement of forest assets	-421	-523
Gains on assets sales and swaps of assets	5	-334
Unpaid related to efficiency programs	223	23
Gain/loss on divestments	-92	0
Payments related to efficiency programs, already recognized	-286	-306
Remeasurements of previously owned share upon acquisition	0	-35
Other	-10	117
<i>Total</i>	6,083	3,006

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

SEK m	2015:3	2014:3	2015:2	1509	1409
Profit for the period	568	2,023	2,129	4,545	5,464
Other comprehensive income for the period					
Items that may not be reclassified to the income statement					
Actuarial gains/losses on defined benefit pension plans	-725	-1,419	2,901	2,230	-2,718
Income tax attributable to components of other comprehensive income	149	335	-674	-551	652
	-576	-1,084	2,227	1,679	-2,066
Items that have been or may be reclassified subsequently to the income statement					
Available-for-sale financial assets	-44	-102	-106	190	17
Cash flow hedges	-131	169	21	-33	88
Translation differences in foreign operations	-774	1,556	-1,703	-289	3,329
Gains/losses from hedges of net investments in foreign operations	41	-532	153	-474	-889
Income tax attributable to components of other comprehensive income	30	75	-47	111	176
	-878	1,166	-1,682	-495	2,721
Other comprehensive income for the period, net of tax	-1,454	82	545	1,184	655
Total comprehensive income for the period	-886	2,105	2,674	5,729	6,119
Total comprehensive income attributable to:					
Owners of the parent	-712	1,680	2,776	5,451	5,227
Non-controlling interests	-174	425	-102	278	892

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK m	1509	1409
Attributable to owners of the parent		
Opening balance, January 1	67,622	63,271
Total comprehensive income for the period	5,451	5,227
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	-3	-3
Closing balance	69,364	65,000
Non-controlling interests		
Opening balance, January 1	5,250	4,540
Total comprehensive income for the period	278	892
Dividend	-177	-106
Acquisition of non-controlling interests	0	-59
Closing balance	5,351	5,267
Total equity, closing balance	74,715	70,267

CONSOLIDATED BALANCE SHEET

SEK m	Note	September 30, 2015	December 31, 2014
Assets			
Goodwill		15,720	15,717
Other intangible assets		7,468	7,963
Tangible assets		84,189	86,030
Shares and participations		1,123	1,141
Non-current financial assets	4	3,588	3,140
Other non-current receivables	4	1,250	1,494
Total non-current assets		113,338	115,485
Operating receivables and inventories	4	35,901	34,124
Current financial assets	4	787	1,252
Non-current assets held for sale		222	60
Cash and cash equivalents		4,664	3,815
Total current assets		41,574	39,251
Total assets		154,912	154,736
Equity			
Owners of the parent		69,364	67,622
Non-controlling interests		5,351	5,250
Total equity		74,715	72,872
Liabilities			
Provisions for pensions		3,375	5,100
Other provisions		10,807	10,195
Non-current financial liabilities	4	21,041	24,246
Other non-current liabilities	4	786	806
Total non-current liabilities		36,009	40,347
Current financial liabilities ¹	4	16,261	14,640
Other current liabilities	4	27,927	26,877
Total current liabilities		44,188	41,517
Total liabilities		80,197	81,864
Total equity and liabilities		154,912	154,736
¹ Committed credit lines amount to SEK 19 134m of which unutilized SEK 19 134m.			
Debt/equity ratio		0.42	0.49
Equity/assets ratio		45%	44%
Return on capital employed		8.4%	9.9%
Return on equity		8.3%	10.2%
Excluding items affecting comparability:			
Return on capital employed		11.7%	11.2%
Return on equity		12.1%	11.9%
Equity per share, SEK		106	103
Capital employed		106,436	108,819
- of which working capital		8,940	8,350
Provisions for restructuring costs are included in the balance sheet as follows:			
- Other provisions*		555	600
- Operating liabilities		568	623
*) of which, provision for tax risks		464	489
Net debt		31,721	35,947
Total Equity		74,715	72,872

NET SALES (business area reporting)

SEK m	1509	1409	2015:3	2015:2	2015:1	2014:4	2014:3	2014:2
Personal Care	25,663	22,960	8,668	8,676	8,319	8,106	7,968	7,750
Tissue	47,818	41,628	16,292	16,091	15,435	15,366	14,473	14,039
Forest Products	13,146	12,453	4,232	4,598	4,316	4,037	4,237	4,217
Other	-11	-31	13	-24	0	-14	-7	-45
Intra-group deliveries	-340	-353	-106	-122	-112	-98	-77	-132
Total net sales	86,276	76,657	29,099	29,219	27,958	27,397	26,594	25,829

OPERATING PROFIT (business area reporting)

SEK m	1509	1409	2015:3	2015:2	2015:1	2014:4	2014:3	2014:2
Personal Care	2,904	2,596	1,058	977	869	930	897	877
Tissue	5,274	4,785	1,892	1,826	1,556	1,867	1,740	1,652
Forest Products ³	1,993	1,822	693	622	678	683	613	623
Other	-611	-604	-172	-208	-231	-230	-215	-218
Total operating profit¹	9,560	8,599	3,471	3,217	2,872	3,250	3,035	2,934
Financial items	-696	-752	-233	-193	-270	-209	-269	-195
Profit before tax¹	8,864	7,847	3,238	3,024	2,602	3,041	2,766	2,739
Tax	-2,260	-1,996	-803	-781	-676	-648	-660	-722
Net profit for the period²	6,604	5,851	2,435	2,243	1,926	2,393	2,106	2,017

¹ Excluding items affecting comparability before tax amounting to: -2,764 -513 -2,484 -158 -122 -887 -108 -158

² Excluding items affecting comparability after tax amounting to: -2,059 -387 -1,867 -114 -78 -789 -83 -118

³ Including gains on forest swaps, before tax: 0 333 0 0 0 3 6 175

OPERATING MARGIN (business area reporting)

%	1509	1409	2015:3	2015:2	2015:1	2014:4	2014:3	2014:2
Personal Care	11.3	11.3	12.2	11.3	10.4	11.5	11.3	11.3
Tissue	11.0	11.5	11.6	11.3	10.1	12.2	12.0	11.8
Forest Products	15.2	14.6	16.4	13.5	15.7	16.9	14.5	14.8

STATEMENT OF PROFIT OR LOSS

SEK m	2015:3	2015:2	2015:1	2014:4	2014:3
Net sales	29,099	29,219	27,958	27,397	26,594
Cost of goods sold	-21,443	-21,735	-20,926	-20,307	-19,877
Gross profit	7,656	7,484	7,032	7,090	6,717
Sales, general and administration	-4,244	-4,313	-4,198	-3,920	-3,721
Items affecting comparability	-2,484	-158	-122	-887	-108
Share of profits of associates and joint ventures	59	46	38	80	39
Operating profit	987	3,059	2,750	2,363	2,927
Financial items	-233	-193	-270	-209	-269
Profit before tax	754	2,866	2,480	2,154	2,658
Taxes	-186	-737	-632	-550	-635
Net profit for the period	568	2,129	1,848	1,604	2,023

INCOME STATEMENT PARENT COMPANY

SEK m	1509	1409
Administrative expenses	-850	-514
Other operating income	204	289
Other operating expenses	-166	-165
Operating profit	-812	-390
Financial items	4,945	4,763
Profit before tax	4,133	4,373
Tax	358	449
Net profit for the period	4,491	4,822

BALANCE SHEET PARENT COMPANY

SEK m	September 30, 2015	December 31, 2014
Intangible assets	0	0
Tangible assets	8,141	8,108
Financial assets	133,980	134,120
Total non-current assets	142,121	142,228
Total current assets	2,494	3,759
Total assets	144,615	145,987
Restricted equity	10,996	10,996
Unrestricted equity	43,642	42,838
Total equity	54,638	53,834
Untaxed reserves	213	213
Provisions	1,292	1,231
Non-current liabilities	16,669	21,216
Current liabilities	71,803	69,493
Total equity, provisions and liabilities	144,615	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 regards to the Parent Company, RFR 2.

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

- 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

SEK m	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
September 30, 2015							
Derivatives	1,245	572	673	-	-	-	1,245
Non-current financial assets	2,003	-	-	2,003	-	1,995	8
Total assets	3,248	572	673	2,003	-	1,995	1,253
Derivatives	796	203	593	-	-	-	796
Financial liabilities							
Current financial liabilities	15,941	6,628	-	-	9,313	-	6,628
Non-current financial liabilities	20,926	11,247	-	-	9,679	-	11,247
Total liabilities	37,663	18,078	593	-	18,992	-	18,671
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 37,389m (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.

5 ACQUISITIONS AND DIVESTMENTS

In July SCA signed an agreement to acquire the remaining 50% of the jointly owned South African subsidiary Sancella S.A. from Nampak. The purchase consideration amounts to SEK 1. SCA has since previously reported Sancella S.A. as a subsidiary, which is why the acquisition will be accounted for as an equity transaction. In conjunction with this SCA and Nampak signed an agreement to divest Sancella S.A.'s baby diaper operation to a South African company. The transactions are expected to close during the fourth quarter of 2015 after approval from the pertinent authorities. Pending completion of the sale of the baby diaper operation, the operation will be reported as a non-current asset held for sale.

Acquisition after the end of the reporting period

On October 13, 2015, SCA announced that it will acquire Wausau Paper, one of the largest producers of Away-from-Home tissue in the North American market, for total consideration of USD 513m (approximately SEK 4.2 billion) in cash. Completion of the transaction is subject to Wausau Paper shareholder and regulatory approvals. Closing is expected to take place during the first quarter of 2016.

A preliminary purchase price allocation will be prepared for Wausau Paper once the bid has been approved by Wausau Paper's shareholders and the authorities.

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