Summary Q3 2015

- Good organic growth in sales and operating profit
- Strong growth in emerging markets
- Good cash flow
- Continued strong contribution from efficiency gains
- Eight innovations and product launches
  - Drypers, Libero, Tempo, TENA and Tork
Group
Q3 2015 vs. Q3 2014

Sales
SEK 29,099m
+9%

Organic Sales Growth
+5%

Operating Profit*
SEK 3,471m
+10%**

Operating Margin*
11.9%
+50bp

EPS
SEK 0.71***
-74%

Operating Cash Flow
SEK 4,305m
+7%

* Excluding items affecting comparability
** Excluding items affecting comparability and currency translation effects
*** Including items affecting comparability. Excluding items affecting comparability SEK 3.37, +20%
Important Events

- Dividing the Group into two divisions: a Hygiene division and a Forest Products division
- Enhancing the hygiene organization
- Acquiring Wausau Paper Corp., a North American Away-from-Home tissue company
- Divesting business in South East Asia, Taiwan and South Korea for integration with Vinda
- Divesting baby diapers business in South Africa
- Divesting Bromma Business Jet
- Closure of tissue production facility in France
- Intending to close paper machine at Ortviken publication paper mill and an impairment loss for the mill
- Investing in increased pulp capacity
- Inclusion in Dow Jones Sustainability Indices as industry leader
Strategic Priorities

PROFITABLE GROWTH

INNOVATION

EFFICIENCY

INCREASING EFFICIENCY IN THE ENTIRE VALUE CHAIN
Acquisition of Wausau Paper Corp.

- Acquisition of Wausau Paper, one of the largest Away-from-Home tissue companies in North America
- Wausau Paper had sales in 2014 of USD 352m (SEK 2.4 billion)
- Total consideration of USD 513m (SEK 4.2 billion) in cash
- Expected annual synergies of approximately USD 40m with full effect three years after closing
  - Restructuring costs expected to amount to approximately USD 50m
- Completion of the transaction is subject to Wausau Paper shareholder and regulatory approvals
  - Closing expected during Q1 2016
Divesting business in South East Asia, Taiwan and South Korea for integration with Vinda

- Exclusive license for Vinda to market and sell SCA brands in South East Asia, Taiwan and South Korea
  - TENA, Tork, Tempo, Libero and Libresse
- Vinda will acquire the SCA brands Drypers, Sealer, Dr P, 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 approx. SEK 2.2 billion in 2014
- Purchase consideration amounts to HKD 2.8 billion (approx. SEK 3.1 billion)
- The agreement is subject to approval by the independent shareholders of Vinda with closing expected during Q1 2016
Intended closure of paper machine at Ortviken paper mill and an impairment loss for the mill

- Intended closure of paper machine at Ortviken publication paper mill
- Impairment loss for the Ortviken publication paper mill
- Efficiency improvement measures at the Obbola and Munksund kraftliner mills
- Total annual cost savings approx. SEK 180m, of which approx. SEK 120m in lower depreciation, with full effect 2017
- Total costs of approx. SEK 1.4 billion
  - Impairment loss of approx. SEK 1.3 billion recognized as an item affecting comparability in Q3 2015
  - Restructuring costs of approx. SEK 90m recognized as an item affecting comparability in Q4 2015
Fredrik Rystedt
CFO
Net Sales
Q3 2015 vs. Q3 2014

- Organic sales growth 5%
  - Price/Mix 3%
  - Volume 2%

Net sales Q3 2014: SEK 26,594m
Price/Mix: 3%
Volume: 2%
Currency: 4%
Net sales Q3 2015: SEK 29,099m

Increase: +9%
Organic Sales Growth

Group

Personal Care

Tissue
Operating Profit* – Group
Q3 2015 vs. Q3 2014

* Excluding items affecting comparability
## Cash Flow

### Q3 2015 vs. Q3 2014

<table>
<thead>
<tr>
<th></th>
<th>Q3 2015 SEKm</th>
<th>Q3 2014 SEKm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating cash surplus</td>
<td>4,770</td>
<td>4,195</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>714</td>
<td>813</td>
</tr>
<tr>
<td>Restructuring costs, etc</td>
<td>-220</td>
<td>-148</td>
</tr>
<tr>
<td>Capital expenditures (including strategic)</td>
<td>-1,731</td>
<td>-1,195</td>
</tr>
<tr>
<td><strong>Operating cash flow including strategic capital expenditures</strong></td>
<td><strong>3,533</strong></td>
<td><strong>3,665</strong></td>
</tr>
</tbody>
</table>
Items affecting comparability
Q3 2015

<table>
<thead>
<tr>
<th>Description</th>
<th>Q3 2015 (SEKm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impairment of assets, mainly Ortviken publication paper mill</td>
<td>1,410</td>
</tr>
<tr>
<td>Impairment of brands, Mexican baby diapers and Everbeauty acquisition</td>
<td>438</td>
</tr>
<tr>
<td>Restructuring costs related to Georgia-Pacific acquisition</td>
<td>430</td>
</tr>
<tr>
<td>Costs for divestment of Bromma Business Jet</td>
<td>95</td>
</tr>
<tr>
<td>Other, including transaction related advisory fees</td>
<td>111</td>
</tr>
<tr>
<td><strong>Total items affecting comparability</strong></td>
<td><strong>2,484</strong></td>
</tr>
</tbody>
</table>
Magnus Groth
President and CEO
Personal Care
Q3 2015 vs Q3 2014

- **Sales growth 9%**
- **Organic sales growth 8%**
- **Operating profit increased 18%***
  - Better price/mix
  - Higher volumes
  - Cost savings
  - Higher raw material costs mainly due to a stronger USD
  - Increased marketing activities for incontinence products
- **Operating margin 12.2%***
- **ROCE**** 31.4%**

### Net Sales

<table>
<thead>
<tr>
<th></th>
<th>Q3 2014</th>
<th>Q3 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEK 7,968m</td>
<td>SEK 8,668m</td>
<td></td>
</tr>
<tr>
<td>+9%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Operating Profit*

<table>
<thead>
<tr>
<th></th>
<th>Q3 2014</th>
<th>Q3 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEK 897m</td>
<td>SEK 1,058m</td>
<td></td>
</tr>
<tr>
<td>+18%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Operating Margin*

<table>
<thead>
<tr>
<th></th>
<th>Q3 2014</th>
<th>Q3 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>11.3%</td>
<td>12.2%</td>
<td></td>
</tr>
<tr>
<td>+90bp</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Excluding items affecting comparability

**Return on capital employed excluding items affecting comparability
Organic sales growth 8%
- Price/mix +4%
- Volume +4%
- Strong growth in emerging markets
- Strong growth for feminine care and baby diapers

Mature markets
- Western Europe
  - Strong growth for baby diapers
  - Good growth for feminine care
  - Higher sales for incontinence products
- North America
  - Lower sales for incontinence products

Emerging markets
- Latin America +20%
  - Strong growth for feminine care and incontinence products
  - Good growth for baby diapers
- Russia +48%
  - Strong growth for all product segments
Personal Care
Innovations and Product Launches Q3 2015

TENA Men Protective Shield

- Extra thin, black shield to protect men against drips and dribbles
- Enable recruitment of the many men who do not use purpose-made-products
- The thin, black design marks the shield out as clearly ‘for men’ and extremely discreet

Libero Touch™

- Premium assortment of Libero diapers. Full range of both open and pant diapers
- Upgraded with new super soft and comfortable materials and premium packaging

Drypers Touch™

- Drypers softest diapers ever with DrySOFT™, providing ultimate comfort for the baby
- Upgraded with new and softer materials and premium packaging
Tissue
Q3 2015 vs Q3 2014

- **Sales growth 13%**
- **Organic sales growth 6%**
- **Operating profit increased 9%***
  - Better price/mix
  - Higher volumes
  - Cost savings
  - Higher raw material costs mainly due to a stronger USD
- **Operating margin 11.6%***
- **ROCE** **13.5%**

* Excluding items affecting comparability
** Return on capital employed excluding items affecting comparability
Tissue
Q3 2015 vs Q3 2014

- Organic sales growth 6%
  - Price/mix +2%
  - Volume +4%
  - Strong growth in emerging markets

- Mature markets
  - Western Europe
    - Good growth for consumer tissue
    - Flat sales for AfH tissue
  - North America
    - Good growth for AfH tissue

- Emerging markets
  - Asia +16%
  - Latin America +11%
  - Russia +17%
Tissue
Innovations and Product Launches Q3 2015

- New dispenser line for premium washrooms
- Combining form and function for dispensers in high-end washrooms

- The most exclusive Tork Xpress® hand towel for premium washrooms
- Even more impressive drying and user experience
- New leaf print

- Upgrade of the core range of Tempo® Hankies
- "Best ever Tempo® because softer than ever, strong as always"
- Includes all existing Tempo® 4 ply products

- Tempo® Light cube boxes come with the well known quality of Tempo® tissues, but are lighter, suit many different usage occasions at home
- Launch of two variants in 8 design executions: Tempo® Light & Tempo® Cosmetic

Tork Image Design Line® and Tork Luxury Soft Foam Soap
Tork Xpress® Extra Soft Multifold Hand Towel
Tempo®
Tempo® Light
Sales growth 0%
- Price/mix +1%
- Volume -2%
- Currency +1%
- Strong growth for kraftliner and pulp

Operating profit increased 14%**
- Higher prices (including exchange rate effects)
- Cost savings
- Lower raw material and energy costs

Operating margin 16.4%*

ROCE*** 7.4%
Q3 2015

Summary

- Good organic growth in sales and operating profit
- Several strategic initiatives
Q&A