Magnus Groth
President and CEO
Summary Q2 2016

- Strong organic growth in operating profit*
- Good organic sales growth in the hygiene business
- Good organic sales growth in emerging markets
- Strong cash flow
- Good contribution from efficiency gains
- Provision for ongoing anti-trust and tax cases
- Divestment of business in South East Asia, Taiwan and South Korea for integration with Vinda closed on April 1

- Introduced 7 innovations
  - For example Lotus, Okay, Plenty, Zewa, TENA and Tork

* Adjusted operating profit which excludes items affecting comparability
### Group
#### Q2 2016 vs. Q2 2015

<table>
<thead>
<tr>
<th>Category</th>
<th>Q2 2016</th>
<th>Change</th>
<th>Q2 2015</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales</strong></td>
<td>SEK 29,086m</td>
<td>0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Organic Sales Growth</strong></td>
<td>+2%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted Operating Profit</strong></td>
<td>SEK 3,405m</td>
<td>+9%**</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted Operating Margin</strong></td>
<td>11.7%</td>
<td>+70bp</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>EPS</strong></td>
<td>SEK 0.11***</td>
<td>-96%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operating Cash Flow</strong></td>
<td>SEK 3,542m</td>
<td>+21%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Excluding items affecting comparability
** Excluding items affecting comparability, currency translation effects, acquisitions and divestments
*** Including items affecting comparability and tax provision. Excluding items affecting comparability and tax provision SEK 3.49, +18%
SCA Group Adjusted ROCE*

Adjusted ROCE*

Target 13%

11.6%  Q2 2015

12.1%  Q2 2016

*Adjusted return on capital employed excluding items affecting comparability
Innovations
Q2 2016

TENA Overnight Underwear

- Expands TENA assortment with new range of overnight underwear.
- Stays in place. Helps preventing leaks at night.
- Includes secure barrier system. W-shaped absorbent zone and Triple Protection for worry free nights.

Tork Washstation Dispenser

- Precisely engineered and Hazard Analysis and Critical Control Point International certified to help mitigate risks.
- Increases operational efficiency.
- Handles pressures of rigorous environment.
Innovations
Q2 2016

New Okay Compressed

- Compacted kitchen rolls to just half the size.
- Easier to carry & store. 30% less packaging. Less CO\textsubscript{2} emissions.

Lotus Confort, Zewa Plus

- Upgrade of Family Comfort Bathroom Tissue assortment.
- Improved balance of softness and strength.

Plenty, Zewa Wisch & Weg

- Product quality upgrade for more usage occasions around the house.
- New pack design for better shelf stand out and range navigation.
- New power claim.

Zewa Just 1, Regio Just 1

- 1 sheet can be enough – so thick and absorbent.
- With special Soft Zone.
- 20% larger sheets.
Fredrik Rystedt
CFO
Net Sales
Q2 2016 vs. Q2 2015

Organic sales growth +2%
- Price/Mix +1%
- Volume +1%
Organic Sales Growth

Group

Personal Care

Tissue

Forest Products
Adjusted Operating Profit* – Group
Q2 2016 vs. Q2 2015

SEK 3,217m

SEK +202m
SEK +285m
SEK +70m
SEK +92m
SEK -160m
SEK +67m
SEK -368m
SEK 3,405m

+6%

Adjusted Operating Profit Q2 2015
Price/Mix
Volume
Raw Material
Energy
Currency
Acquisition
Other
Adjusted Operating Profit Q2 2016

* Excluding items affecting comparability
## Cash Flow

Q2 2016 vs. Q2 2015

<table>
<thead>
<tr>
<th></th>
<th>Q2 2016 SEKm</th>
<th>Q2 2015 SEKm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating cash surplus</td>
<td>4,797</td>
<td>4,626</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>4</td>
<td>-550</td>
</tr>
<tr>
<td>Restructuring costs, etc</td>
<td>-202</td>
<td>-233</td>
</tr>
<tr>
<td>Capital expenditures (including strategic)</td>
<td>-1,981</td>
<td>-1,259</td>
</tr>
<tr>
<td><strong>Operating cash flow including strategic capital expenditures</strong></td>
<td><strong>2,618</strong></td>
<td><strong>2,584</strong></td>
</tr>
</tbody>
</table>
## Items Affecting Comparability

### Q2 2016

<table>
<thead>
<tr>
<th>Item</th>
<th>SEKm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for ongoing anti-trust cases</td>
<td>-964</td>
</tr>
<tr>
<td>Capital gain on divestment of ownership stake in IL Recycling</td>
<td>218</td>
</tr>
<tr>
<td>Restructuring costs for closure of tissue plant in Sant Joan de Medion, Spain</td>
<td>-224</td>
</tr>
<tr>
<td>Restructuring costs for closure of tissue plant in Saint-Cyr-en-Val, France</td>
<td>-102</td>
</tr>
<tr>
<td>Wausau Paper Corp., including integration costs</td>
<td>-46</td>
</tr>
<tr>
<td>Other</td>
<td>5</td>
</tr>
</tbody>
</table>

**Total items affecting comparability**                          | -1,113 |
Magnus Groth
President and CEO
Personal Care
Q2 2016 vs Q2 2015

- **Net sales -3%**

- **Organic sales growth +5%**

- **Adjusted operating profit +10%**
  - Better price/mix
  - Higher volumes
  - Cost savings
  - Investments in increased marketing activities in Latin America

- **Adjusted operating margin 12.7%**

- **Adjusted ROCE**** 31.1%

* Excluding items affecting comparability

** Adjusted return on capital employed excluding items affecting comparability
Personal Care
Q2 2016 vs Q2 2015

- **Organic sales growth +5%**
  - Price/mix +1%
  - Volume +4%
  - Good growth in mature and emerging markets
  - Strong growth for feminine care

- **Mature markets**
  - Western Europe
    - Strong growth for baby diapers
    - Good growth for incontinence products and feminine care
  - North America
    - Good growth for incontinence products

- **Emerging markets**
  - Latin America +6%
    - Strong growth for feminine care
    - Higher sales for incontinence products
    - Lower sales for baby diapers
  - Russia -2%
    - Strong growth incontinence products and feminine care
    - Lower sales for baby diapers
  - Asia +6%
Net sales +3%

Organic sales growth +3%

Adjusted operating profit +8%*
- Better price/mix
- Higher volumes
- Cost savings
- Lower energy and raw material costs
- Acquisition

Adjusted operating margin 12.0%*

Adjusted ROCE** 12.9%
Organic sales growth +3%
- Price/mix +1%
- Volume +2%
- Strong growth in emerging markets

Mature markets
- Western Europe
  - Lower sales for consumer tissue
  - Higher sales for AfH tissue
- North America
  - Slightly lower sales for AfH tissue

Emerging markets
- Asia +10%
- Latin America +10%
- Russia +3%

Organic Sales Growth by Region
- Total: +3%
- Mature Markets: 0%
- Emerging Markets: +10%

Organic Sales Growth by Product Segment
- Total: +3%
- Consumer Tissue: +3%
- AfH Tissue: +4%

% of Tissue Net Sales:
- Total: 69%
- Mature Markets: 31%
- Consumer Tissue: 61%
- AfH Tissue: 39%
Forest Products
Q2 2016 vs Q2 2015

- Net sales -8%
- Organic sales growth -7%
  - Price/mix -3%
  - Volume -4%
- Adjusted operating profit -16%*
  - Lower prices (including exchange rate effects)
  - Lower volumes
  - Lower energy and raw material costs
- Adjusted operating margin 12.4%*
- Adjusted ROCE** 5.5%

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** Excluding items affecting comparability
** Adjusted return on capital employed excluding items affecting comparability
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Q&A