



SCA Interim Report

1 January – 30 June 2010



Q2 2010 vs Q2 2009

SCA market update



■ **Significantly increased raw material prices**

- ◆ OCC +330%
- ◆ Recovered paper US +70%
- ◆ Recovered paper Europe +120%
- ◆ Pulp +60%

■ **Hygiene business**

- ◆ Good growth for Incontinence care, AFH tissue and Feminine care
- ◆ Continued good growth in emerging markets

■ **Packaging and Forest Products**

- ◆ Increased demand for Packaging
 - Corrugated volumes increased 9%
- ◆ Increased demand for Publication papers
 - Publication paper volumes increased 2%



Q2 2010 results



SEK millions unless otherwise stated	Q2 2010	Q2 2009	Change, Q2/Q2,%	Change, Q2/Q2,%**	Q1 2010
Net sales	27,652	27,915	-1	6	26,722
EBIT*	2,440	2,368	3	6	2,027
EBIT margin* (%)	8.8	8.5			7.6
Profit before tax*	2,196	2,014	9	12	1,748
Earnings per share (SEK)	2.04	1.66	23		1.53
Cash flow from current operations	1,668	3,047			1,148
Debt/Equity ratio	0.62	0.71			0.57

* Excluding restructuring costs

** Adjusted for exchange rate movements



H1 2010 results



SEK millions	H1 2010	H1 2009	Change, %	Change, %**
unless otherwise stated				
Net sales	54,374	56,242	-3	4
EBIT*	4,467	4,504	-1	3
EBIT margin* (%)	8.2	8.0		
Profit before tax*	3,944	3,525	12	16
Earnings per share (SEK)	3.57	3.24	10	
Cash flow from current operations	2,816	4,687		
Debt/Equity ratio	0.62	0.71		



* Excluding restructuring costs

** Adjusted for exchange rate movements

Q2 2010 vs. Q1 2010

Summary



■ Group

- ◆ Sales increased 3%
- ◆ EBIT increased 20%
- ◆ Profit before tax increased 26%

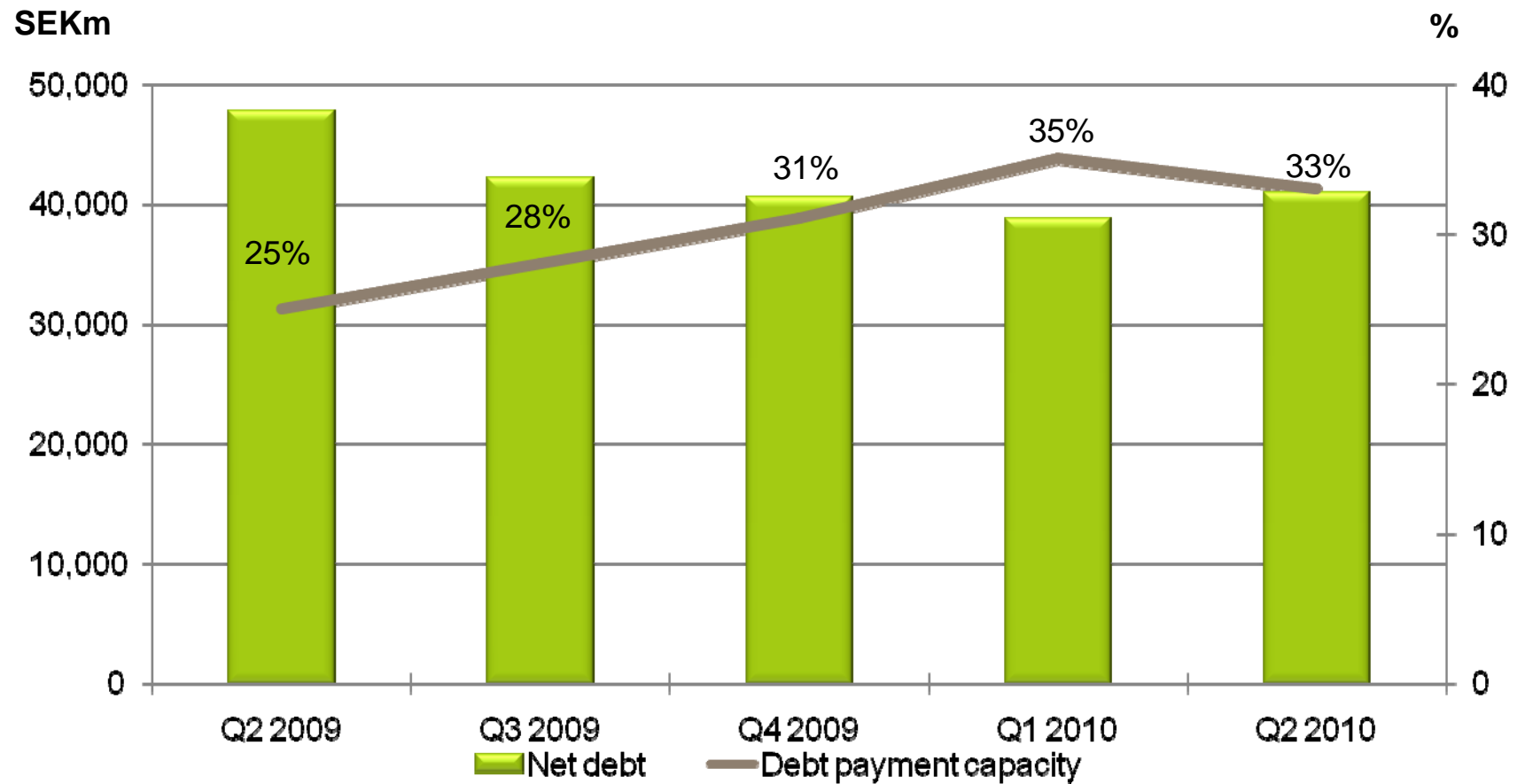
■ Business areas

- ◆ Higher EBIT in all business areas despite higher raw material costs
- ◆ Personal Care, EBIT increased 2%
 - Higher volumes
- ◆ Tissue, EBIT increased 11%
 - Higher volumes and lower distribution costs
- ◆ Packaging, EBIT increased 59%
 - Higher prices and volumes
- ◆ Forest Products, EBIT increased 42%
 - Higher prices and lower energy costs

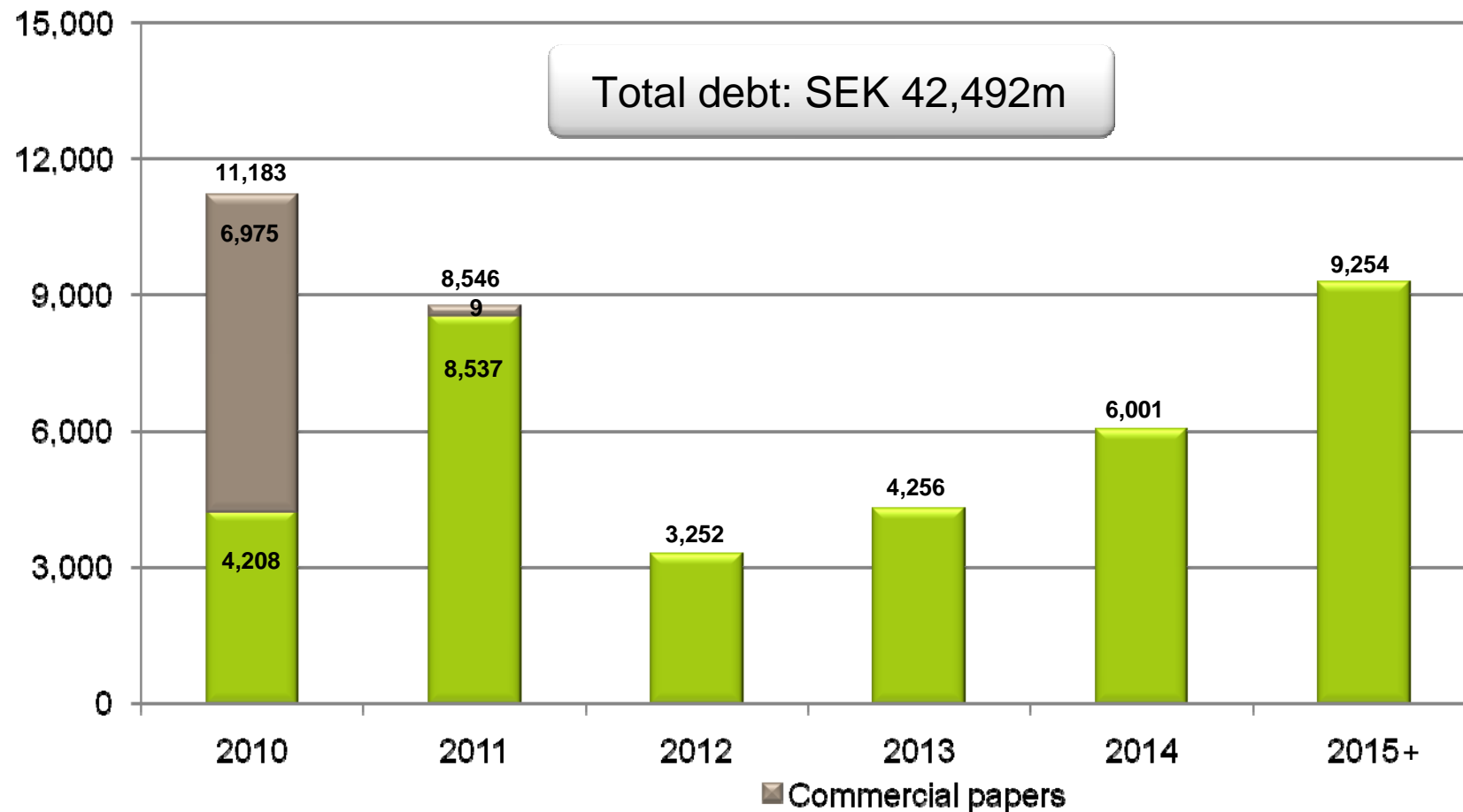


Net debt

And debt payment capacity



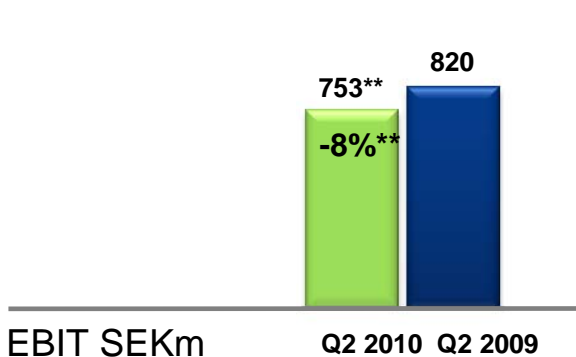
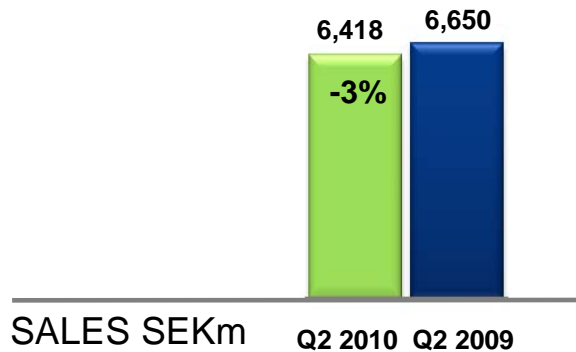
Debt maturity profile



- Cash and cash equivalents SEK 3,999m
- Unutilized credit lines SEK 29,503m

Personal Care

Q2 2010 vs Q2 2009



EBIT margin 11.7%** 12.3%

* Excluding exchange rate effects

** Excluding restructuring costs

*** Excluding restructuring costs and exchange rate effects

■ Sales decreased 3% (+2%*)

- ◆ Incontinence care increased 5%*
- ◆ Feminine care increased 7%*
- ◆ Baby diapers decreased 8%*

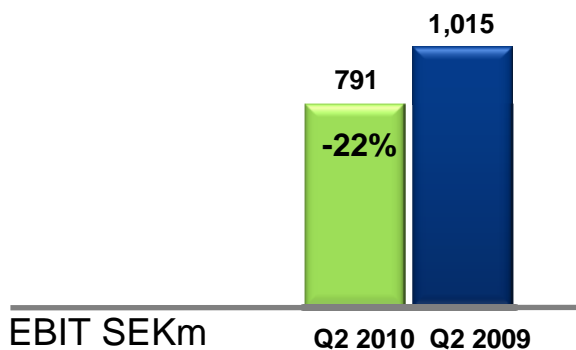
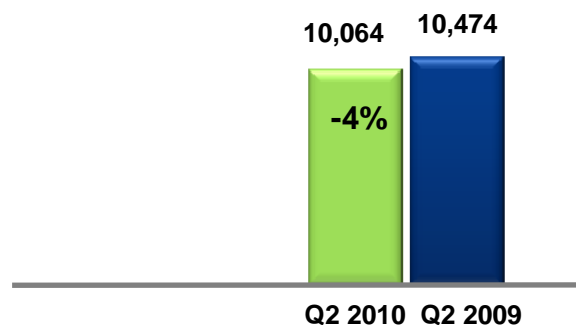
■ EBIT decreased by 8%** (4%***)

- ◆ Higher volumes
- ◆ Higher raw material cost
- ◆ Increased market activities



Tissue

Q2 2010 vs Q2 2009



	Q2 2010	Q2 2009
EBIT SEKm	791	1,015
EBIT margin	7.9%	9.7%

■ Sales decreased 4% (+2%*)

- ◆ Consumer tissue decreased 1%*
- ◆ AFH tissue increased 8%*

■ EBIT decreased by 22% (19%*)

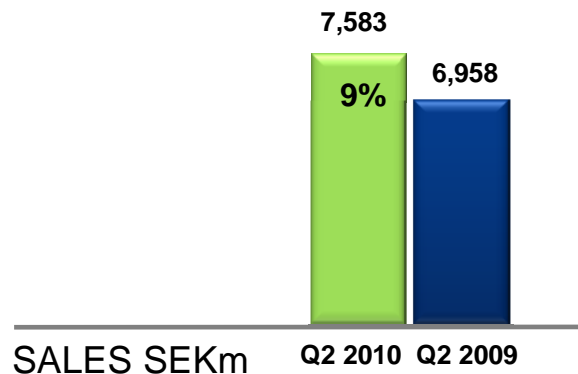
- ◆ Higher raw material costs
- ◆ Slightly lower prices
- ◆ Lower distribution costs
- ◆ Synergies from acquisition



* Excluding exchange rate effects

Packaging

Q2 2010 vs Q2 2009

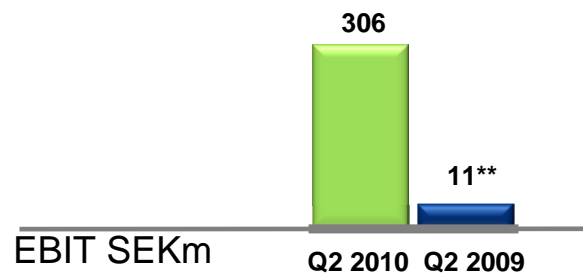


- **Sales increased by 9% (24%*)**

- ◆ Higher prices and volumes

- **EBIT increased to SEK 306m (11**)**

- ◆ Higher prices and volumes
- ◆ Savings from restructuring program
- ◆ Increased raw material costs
- ◆ Negative currency impact



EBIT margin 4.0% 0.2**%

* Adjusted for the divestment of the Asian packaging business and excluding exchange rate effects

** Excluding restructuring costs



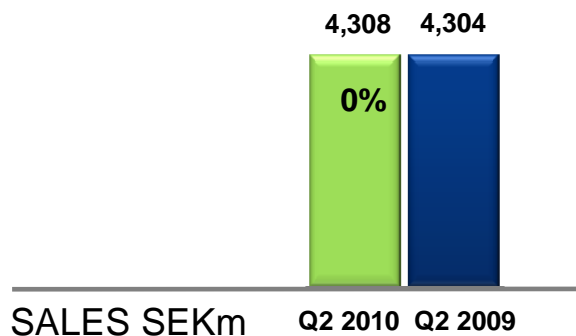
Forest Products

Q2 2010 vs Q2 2009



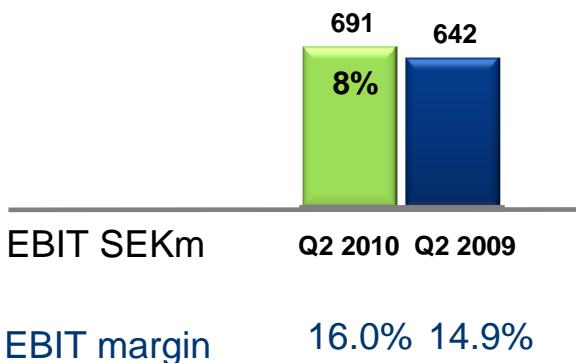
■ Sales flat (+2%*)

- ◆ Publication papers
 - Higher volumes
 - Lower prices
- ◆ Pulp and Solid-wood products
 - Higher prices



■ EBIT increased by 8% (8%*)

- ◆ Publication papers, decreased EBIT
 - Lower prices
 - Increased raw material costs
- ◆ Pulp and Solid-wood products, increased EBIT
 - Higher prices



* Excluding exchange rate effects

Outlook 2010



■ Group

- ◆ Improved general market conditions
- ◆ Effects from price increases gradually during the second half 2010

■ Hygiene businesses

- ◆ Good demand
- ◆ Increasing prices for Tissue



■ Packaging

- ◆ Demand improvement
- ◆ Increasing prices



■ Forest Products

- ◆ Recovery from low level for publication papers
- ◆ Price increases on magazine paper





Q & A

c/o Life Because our products make life easier for you and for millions of people around the world. Because our resources and the way we work are natural parts of the global lifecycle. And because we care.

