Interim Report
1 January – 30 June 2012
Global economy and private consumption to slow in 2012
- Debt crisis in parts of Western Europe has a negative impact
- Emerging markets shows relatively good growth

Hygiene products
- Good growth in Emerging markets
- Low or no growth in Western Europe and North America

Forest products
- Lower European demand and unacceptably low prices in publication paper
- Continued weak demand and unsatisfactory low prices in solid-wood products
- Price increases for Kraftliner during Q2
Q2 2012
Closed five important deals

- Acquisition of Georgia-Pacific’s European tissue operations
- Acquisition of Everbeauty an Asian hygiene products company
- Increased shareholding in Vinda
- Acquisition of PISA in Chile
- Divestment of the Packaging business, excluding the two kraftliner mills
Summary
Q2 2012 vs Q2 2011

- **Sales increased 2%**
  - **Hygiene business**
    - Higher volumes
    - Higher prices
    - Good growth in emerging markets
      - Personal Care, 20%**
      - Tissue, 17%**
  - **Forest Products**
    - Lower volumes
    - Lower prices

- **EBIT increased 16%***
  - Higher volumes
  - Lower raw material and energy costs

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* Excluding exchange rate movements and divestment
** Excluding exchange rate movements
*** Excluding items affecting comparability, exchange rate movements and divestments
# Q2 2012 results

<table>
<thead>
<tr>
<th><strong>SEK millions</strong></th>
<th><strong>Q2 2012</strong></th>
<th><strong>Q2 2011</strong></th>
<th><strong>Change, %</strong></th>
<th><strong>%</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>20,273</td>
<td>20,415</td>
<td>-1</td>
<td>2</td>
</tr>
<tr>
<td>EBIT*</td>
<td>2,105</td>
<td>1,810</td>
<td>16</td>
<td>16</td>
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<tr>
<td>EBIT margin* (%)</td>
<td>10.4</td>
<td>8.9</td>
<td></td>
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<tr>
<td>Profit before tax*</td>
<td>1,789</td>
<td>1,527</td>
<td>17</td>
<td></td>
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<tr>
<td>Earnings per share (SEK)</td>
<td>1.85</td>
<td>1.96</td>
<td></td>
<td></td>
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<tr>
<td>Operating cash flow</td>
<td>2,391</td>
<td>1,868</td>
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<tr>
<td>Debt/Equity ratio</td>
<td>0.41</td>
<td>0.55</td>
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<td></td>
</tr>
</tbody>
</table>

* Excluding items affecting comparability
** Excluding exchange rate movements, and divestments
Q2 2012 vs. Q1 2012

Summary

- **Group**
  - Sales increased 4%
  - EBIT increased 15%*

- **Business areas**
  - Personal Care, EBIT increased 17%*
    - Higher volumes
    - Improved product mix
  - Tissue, EBIT increased 10%*
    - Higher volumes
    - Lower energy costs
    - Higher raw material costs
  - Forest Products, EBIT increased 31%*
    - Higher prices
    - Lower volumes
    - Lower raw material and energy costs

* Excluding items affecting comparability
Personal Care
Q2 2012 vs. Q2 2011

- **Sales increased 7% (+10%*)**
  - Incontinence care increased 9%*
  - Baby diapers increased 14%*
  - Feminine care increased 8%*
  - Emerging markets increased 20%**

- **EBIT increased 34%*** (41%****)
  - Higher volumes
  - Improved product mix
  - Cost savings
  - Lower raw material costs

* Excluding exchange rate movements and divestments
** Excluding exchange rate movements
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**** Excluding items affecting comparability, exchange rate movements and divestments
Tissue
Q2 2012 vs. Q2 2011

- **Sales decreased 2% (+4%*)**
  - Consumer tissue increased 5%*
  - AFH tissue increased 2%*
  - Emerging markets increased 17%**

- **EBIT increased by 53%*** (45%****)
  - Higher prices
  - Improved product mix
  - Lower raw material costs
  - Cost savings

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** Excluding exchange rate movements
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**** Excluding items affecting comparability and exchange rate movements
Forest Products
Q2 2012 vs. Q2 2011

- **Sales decreased 9%**
  - Publication papers, decreased sales
    - Lower volumes
  - Solid-wood products, flat sales
    - Higher volumes
    - Lower prices
  - Kraftliner, decreased sales
    - Lower prices
    - Higher volumes
  - Pulp, decreased sales
    - Lower prices and volumes

- **EBIT decreased 34%**
  - Lower prices
  - Higher raw material costs

* Excluding items affecting comparability
Q&A