

INFORMATION

SVENSKA CELLULOSA AKTIEBOLAGET SCA (publ)
Corporate Communications
Box 7827, SE-103 97 STOCKHOLM, Sweden
Tel +46 8-788 51 00, Fax +46 8-678 81 30
www.sca.se



Joint press release from SCA and MoDo

A joint press release from SCA and MoDo follows.

Questions to SCA with reference to this release will be addressed at the press and analysts conference for the year-end report on 1999 operations.

The conference is being held today as shown below:

Time: 1.30 pm
Place: Biblioteksgatan 29 Konferenser AB
(hörnet Humlegårdsgatan och Biblioteksgatan)

Stockholm 31 January 2000

SVENSKA CELLULOSA AKTIEBOLAGET SCA (publ)

Sten Lindholm
Senior VP Corporate Communications

**Joint press release from
SCA and MoDo
Stockholm 31 January 2000**

SCA AND MODO INITIATE EXCHANGE LISTING OF MODO PAPER

SCA and MoDo have decided to initiate work with an exchange listing and broadening of ownership of Modo Paper AB, in which each currently holds a 50% interest. The broadening of ownership is intended to be accomplished through SCA selling shares in a public offering and MoDo distributing shares to its shareholders.

It is SCA's intent in the public offering to sell shares corresponding to 35% of the total number of shares in Modo Paper AB. MoDo intends to propose that the ordinary Annual General Meeting resolves to distribute an equal number of shares to its shareholders.

Assuming that the market conditions prevail for an exchange listing, the assessment is that Modo Paper will be listed on the OM Stockholm Stock Exchange during April 2000.

Modo Paper

Modo Paper was formed on 1 October 1999 through a merger of MoDo's and SCA's fine paper operations. Modo Paper is Europe's third largest company in the fine paper segment, with production of 1.7 million tons of fine paper and merchanting operations that deliver 1.1 million tons. Operations include production in Sweden, Germany, France and Austria as well as sales offices and merchanting activities in some 20 European countries. The company has about 6,500 employees and annual sales of approximately SEK 20 billion.