

INFORMATION

SVENSKA CELLULOSA AKTIEBOLAGET SCA (publ)
Communications and Investor Relations
Box 7827, SE-103 97 STOCKHOLM, Sweden
Tel 0046 8 788 51 00. Fax 0046 8 678 81 30
www.sca.se



Interim report 1 January - 30 June 2001

	01:2	01:1	0106	0006
Earnings per share, SEK ¹	6.04	5.68	11.72	9.77
Cash flow from current operations per share, SEK ¹	14.54	6.15	20.69	10.09
Net sales, SEK M	21,556	18,522	40,078	32,343
Earnings after financial items, SEK M	2,017	1,963	3,980	3,443
Net earnings after tax, SEK M	1,407	1,323	2,730	2,279

¹ Adjusted historically to reflect new issue of 1.8 million shares in 2001.

- Earnings per share improved by 20%.
- Cash flow from operations more than doubled.
- Higher operating profit in all business areas: Hygiene Products 56%, Packaging 28% and Forest Products 15%.
- Earnings per share were 6% higher in the second quarter than in first.
- Integration of acquired operations in North America proceeding according to plan. Effect on earnings per share in the second quarter amounted to SEK 0.40.

NET SALES AND EARNINGS

Earnings per share increased 20% and amounted to SEK 11.72 (9.77). Net earnings after tax amounted to SEK 2,730 M (2,279).

Consolidated net sales amounted to SEK 40,078 M (32,343), an increase of 24% compared with the year-earlier period. Of this increase, 13% was attributable to growth, mainly due to company acquisitions, while higher sales prices and an improved product mix accounted for 3%. Currency movements increased consolidated net sales by 8%.

Group operating profit amounted to SEK 4,650 M (4,044), an increase of 15% compared with the year-earlier period. Excluding the Group's share in earnings of Modo Paper, which amounted to SEK 524 M in the first six months of 2000, the increase was 32%. All business areas reported higher earnings. The operating profit for Hygiene Products amounted to SEK 2,033 M (1,304), an increase of 56%. Packaging reported operating profit of SEK 1,709 M (1,336), an increase of 28%, and operating profit in Forest Products amounted to SEK 1,490 M (1,293), an increase of 15%. The North American acquisitions accounted for 17 and 7 percentage points, respectively, of the increases for Hygiene Products and Packaging.

Financial items amounted to an expense of SEK 670 M (expense: 601). A lower average level of net debt did not fully compensate the effects of higher interest rates and the weakening of the Swedish krona.

Group earnings after financial items amounted to SEK 3,980 M (3,443), an improvement of 16% compared with the year-earlier period. Currency movements increased earnings after financial items by 11%.

Excluding non-recurring items, return on shareholders' equity was 14% (14) and return on capital employed was 15% (13).

Net sales and operating profit from the North American operations acquired at the beginning of 2001 were included in the second quarter results as of the acquisition date, which was March 2 for tissue operations and March 9 for the packaging company. Net sales for these operations accounted for slightly more than 7% of consolidated net sales. The effect on earnings per share was SEK 0.40. Integration is progressing according to plan, and the development meets established targets.

Comparison with the first quarter of 2001

Consolidated earnings per share improved by 6% to SEK 6.04. Hygiene Products improved operating profit by 37%. Excluding acquired North American operations, profit increased by 12%. Packaging reached a profit on the same level as in the first quarter. Excluding acquired packaging operations in North America, profit decreased by 12%. Due to lower pulp prices, Forest Products reported a 4% decline in operating profit. Publication paper operations, however, increased operating profit by 22% and thus reported the best quarterly operating profit ever. The Group's financial costs increased as a result of the North American acquisitions. Currency movements affected earnings in the second quarter positively by 4%.

CASH FLOW

The operating cash surplus amounted to SEK 7,431 M (5,737), equal to 19% (18) of net sales. The change in working capital amounted to an inflow of SEK 6 M (outflow 1,516) during the period. This improvement was primarily attributable to Hygiene Products. Current capital expenditures totaled SEK 1,447 M (946), which together with other items resulted in operating cash flow of SEK 5,967 M (3,217).

Cash flow from current operations, defined as cash flow before strategic investments and dividends, amounted to SEK 4,824 M (2,357), equal to SEK 20.69 (10.09) per share.

Company acquisitions during the period amounted to SEK 11,591 M and consisted primarily of the North American acquisitions. Strategic capital investments in plant and machinery, divestments as well as restructuring costs, totaled SEK 841 M.

Comparisons with the first quarter of 2001

The operating cash surplus amounted to SEK 3,995 M (3,436) and working capital decreased. Despite higher current capital expenditures, operating cash flow from operations thus amounted to SEK 3,872 M, which was SEK 1,777 M higher than during the preceding quarter.

Cash flow analysis

SEK M	01:2	01:1	0106	0006
Net sales	21,556	18,522	40,078	32,343
Operating cash surplus	3,995	3,436	7,431	5,737
<i>% of net sales</i>	19	19	19	18
Current capital expenditures, net	-949	-498	-1,447	-946
<i>% of net sales</i>	4	3	4	3
Changes in working capital	775	-769	6	-1,516
Other operating cash flow changes	51	-74	-23	-58
Operating cash flow	3,872	2,095	5,967	3,217
Tax payment etc ¹	-317	-272	-589	-430
Free cash flow	3,555	1,823	5,378	2,787
<i>Per share, SEK²</i>	15.26	7.81	23.07	11.93
Interest payment after taxes	-166	-388	-554	-430
Cash flow from current operations	3,389	1,435	4,824	2,357
<i>Per share, SEK²</i>	14.54	6.15	20.69	10.09
Strategic investments and divestments	-1,017	-11,415	-12,432	-1,057
Cash flow before dividend	2,372	-9,980	-7,608	1,300

¹ Tax attributable to operating profit.

² Adjusted historically to reflect new issue of 1.8 million shares in 2001.

FINANCING

An asset securitization was implemented based on certain accounts receivable. This transaction reduced operating receivables and net debt by SEK 1,139 M. The change was not included in consolidated cash flow.

Net debt amounted to SEK 26,803 M, and has thereby increased by SEK 10,923 M since year-end 2000. The change was attributable to the North American acquisitions and other strategic investments, which created an outflow of SEK 12,432 M, a dividend of SEK 1,786 M, asset

securitization totaling SEK 1,139 M and a net of cash flow from current operations and of currency effects etc totaling SEK 2,156 M.

The debt/equity ratio amounted to 0.62 (0.69). The interest coverage multiple was 6.9 (6.7).

HYGIENE PRODUCTS BUSINESS AREA

SEK M	01:2	01:1	0106	0006
Net sales	10,963	8,586	19,549	14,901
Operating surplus	1,740	1,270	3,010	2,037
Operating profit	1,175	858	2,033	1,304
Operating surplus margin, %	16	15	15	14
Operating margin, %	11	10	10	9
Volume growth, %				
Consumer products	1.7¹	-0.5 ¹	2.2²	18.8 ²
AFH and Incontinence products	46.4¹	-0.6 ¹	32.7²	5.9 ²

¹ Compared with the immediately preceding quarter.

² Compared with corresponding period previous year.

See also additional information on pages 16-19.

Net sales amounted to SEK 19,549 M (14,901), an increase of 31% compared with the year-earlier period. Acquired tissue operations in North America accounted for 14% of the increase. Higher sales prices and a better product mix increased sales by 5%, while organic growth contributed 3%. Currency movements generated favorable effects amounting to 9% of the increase in sales.

Operating profit rose 56% to SEK 2,033 M (1,304). The improvement was attributable primarily to increased sales prices, volume growth and the acquisition in North America. Increased costs, primarily for pulp and other raw materials, limited the improvement. Excluding the North American acquisition, operating profit improved by 39%. Currency movements increased profit by 9%.

Operating profit during the second quarter increased 37% to SEK 1,175 M (858), compared with the first quarter of 2001. The increase was primarily attributable to the acquisition of the North American tissue operations, as well as lower raw materials costs for tissue operations. Raw material costs for fluff products remained largely unchanged, compared with the first quarter. Excluding the North American acquisition, earnings improved by 11%. Currency movements increased operating profit by 2%.

Consumer products

Operating profit from consumer products increased 66% to SEK 959 M (578). The improvement was primarily the result of the full effect of previously implemented price increases for tissue products. Baby diapers and feminine hygiene products showed improved profitability and increased volumes. As a result of the rationalization measures implemented in recent years, baby diapers have now achieved a satisfactory return. Sales and profits are currently equally divided between products sold under SCA's own brands and retailer's brands. Production is concentrated to two highly efficient plants.

Compared with the first quarter of 2001, operating profit during the second quarter rose 5%, from SEK 467 M to SEK 492 M as a result of lower raw material costs, an effect that was reduced by somewhat lower prices, primarily in southern Europe, and increased costs for advertising and marketing, however. The operating margin remained unchanged at 9%.

AFH and incontinence products

Operating profit attributable to AFH and incontinence products were 48% higher, compared with the preceding year, and amounted to SEK 1,074 M (726). Apart from North American acquisition, the improvement in profit was attributable to higher prices, primarily for AFH products, and higher volumes for incontinence products. Excluding the North American acquisition, operating profit improved 17%.

In comparison with the first quarter, operating profit increased by 75% during the second quarter and amounted to SEK 683 M (391). The improvement in operating profit was primarily attributable to the acquired tissue operations in North America. Increased volumes for incontinence products and the positive effects of lower raw materials costs also contributed to the improvement. Excluding the North American acquisition, operating profit increased by 18%. The operating margin increased from 11% to 12%. Growth in the North American tissue market was weak during the period. This development was offset by falling raw materials prices and certain price increases.

PACKAGING BUSINESS AREA

SEK M	01:2	01:1	0106	0006
Net sales	7,659	6,887	14,546	11,791
Operating surplus	1,258	1,212	2,470	1,984
Operating profit	851	858	1,709	1,336
Operating surplus margin, %	16	18	17	17
Operating margin, %	11	13	12	11
Production				
Liner products, kton	599	648	1,247	1,278
Deliveries				
Liner products, kton	615	645	1,260	1,267
Corrugated board, Mm ²	997¹	1,017	2,015¹	1,887

¹ These volumes do not include any volumes attributable to the North American acquisition.

Net sales for the period amounted to SEK 14,546 M (11,791), an increase of 23%. The increase was attributable to acquired companies, 15%, full effects of higher prices previously introduced and changes in the product mix, 4%. Currency movements increased sales by 7%. Deliveries declined during the year, resulting in decreased net sales by 3%.

Operating profit amounted to SEK 1,709 M (1,336), an improvement of 28%. The increase was attributable primarily to higher sales prices, acquired companies and lower raw materials costs. Higher energy costs limited the improvement in operating profit. Currency movements increased operating profit by 6%.

Profit for the second quarter was on the same level as for the first quarter. Excluding the North American acquisition profit declined by 12%. Deliveries were 2% lower than during the first quarter due to weaker demand, primarily in the UK and the Nordic countries. At the same time, significant production downtime was implemented in liner operations. Currency movements had no effect on earnings.

The operating margin fell during the second quarter from 12.5 to 11.1% or 1.4 percentage points. Changes in the product mix caused by weaker demand in the industrial sector in which margins are higher than for standard packaging products resulted in reduced margins. Lower capacity utilization and stoppage for periodic maintenance in one of the kraftliner plants also affected margins negatively. Furthermore, the integration of North American operations contributed to the reduction, since these operations do not include paper production. Prices for corrugated board products, however, remain largely unchanged.

Corrugated board packaging

Market growth, which weakened gradually, is expected to amount to just 0.5% for the first six months of the year. Demand for corrugated board is declining in the UK, and volumes in general have been weak in the beginning of 2001. Volume growth for SCA's corrugated board activities has been lower than market growth due to the Group's strict pricing policy. The newly acquired operations in North America were negatively affected by the weakening of the electronics sector. However, this was offset by continued favorable development in other segments, such as pharmaceuticals.

Containerboard

In order to balance demand and inventories, SCA extensively implemented downtime for testliner and kraftliner during the second quarter. Testliner and kraftliner prices are at the end of the second quarter lower than the average price for the quarter.

FOREST PRODUCTS BUSINESS AREA

SEK M	01:2	01:1	0106	0006
Net sales	3,296	3,382	6,678	6,272
Operating surplus	1,003	1,033	2,036	1,819
Operating profit	730	760	1,490	1,293
Operating surplus margin, %	30	31	30	29
Operating margin, %	22	22	22	21
Production				
Publication paper, kton	318	316	634	638
Solid wood products, km ³	161	154	315	357
Deliveries				
Publication paper, kton	298	297	595	640
Solid wood products, km ³	173	171	344	362

See also additional information on pages 16-19.

Net sales for Forest Products increased 6% and amounted to SEK 6,678 M (6,272). Higher sales prices more than adequately compensated lower volumes. Currency movements increased sales by 3%.

Operating profit, which was strongly affected (18%) by currency movements, amounted to SEK 1,490 M (1,293), an increase of 15%. Improved earnings were reported for both publication paper and pulp and forestry operations.

Compared with the first quarter of 2001, operating profit declined by 4%. Lower profits in pulp operations were not fully offset by the increased earnings in publication paper operations. Currency movements generated favorable effects on operating profit by 8%.

Publication papers

Operating profit from publication paper operations amounted to SEK 844 M (669), an increase of 26%. Currency movements together with sales price increases introduced during the first quarter improved operating profit. This effect on earnings, however, was limited by significantly higher costs for chemicals, energy, pulp and wood. The market for newsprint and SC paper has remained balanced with stable prices, while demand for LWC paper has been somewhat weakening. During the period, production downtime was implemented for LWC paper.

The improvement in earnings during the second quarter amounted to 22%, compared with the first quarter. The improvement was due to the full effect of increased prices, lower raw materials costs and favorable currency effects.

Pulp, timber and solid wood products

The operating profit amounted to SEK 646 M (624), an increase of 4% compared with the year-earlier period. Operating profit from forestry operations improved, partly as a result of higher timber prices. Operating profit from pulp operations were also higher, compared with the year-earlier period, despite the deterioration of market conditions now in progress. Operating profit from sawmill operations improved mainly as a result of rationalization measures.

Despite positive currency movements, operating profit declined by 30% in the second quarter, compared with the first quarter, as a result of decreasing pulp prices.

PERSONNEL

The number of SCA Group employees at the close of the period amounted to 40,392 (34,874). The increase was due to the North American acquisitions and the acquisition of Metsä Corrugated.

MARKET OUTLOOK

Given current business conditions, hygiene products shows the best stability in both demand and earnings development among all the Group's products. During the second quarter, this product area, partially as a result of the North American acquisitions, accounted for 44% of the Group's operating profit. Despite some price pressure now prevailing in certain tissue products segments, continued volume growth and further reductions in raw materials costs should be able to offset these effects.

Within the Packaging business area, the economic slowdown in various industrial sectors is having an increasingly pronounced effect on demand. Deterioration in the electronics sector is affecting such markets as the UK and the Nordic countries. In southern Europe, on the other hand, demand remains relatively strong. No substantial change in the situation of demand is expected during the autumn. Both kraft and testliner prices are now at a slightly lower level than the average price during the second quarter. Recycled paper prices are expected to remain at current low levels. SCA will continue to adjust liner production to demand.

For publication paper operations, a reduction in advertising volumes could result in a decline in demand and lead to some price pressure. SCA will adjust production to current demand in this area, as well.

OTHER

The SCA Group's interim report was prepared in accordance with the recommendations of the Swedish Financial Accounting Standards Council. The Financial Accounting Standards Council's new recommendation, RR9, regarding income taxes has been adapted, but otherwise the Group's accounting principles are unchanged. Deferred tax on previously written-up forest and land values is reported gross, which resulted in an increase of SEK 1.4 billion in the Group's provisions for deferred taxes and a corresponding increase in tangible fixed assets.

Since the previous report, 1,454,198 series A shares were converted to series B shares. Consequently, at the end of the quarter, the proportion of series A shares declined from 21.5% to 20.7%. The conversion of shares occurred at the request of the affected shareholders and pursuant to the conversion clause added to the Articles of Association in 1999.

SHARE DISTRIBUTION

01-06-30	Series A	Series B	Total
Registered number of shares	48,170,176	184,031,379	232,201,555
Of which treasury shares	-	(1,800.000)	(1,800.000)
Unconverted debenture loans	-	1,168,987	1,168,987
Outstanding warrants	-	1,753,480	1,753,480
Total after full conversion	48,170,176	186,953,846	235,124,022

Calculated in accordance with the recommendations of the Financial Accounting Standards Council's, effects of the outstanding convertible debenture and warrant programs amount to a maximum dilution of 0.6%, which was taken into account when calculating earnings per share for the period.

Stockholm, July 27, 2001
SVENSKA CELLULOSA AKTIEBOLAGET SCA (publ)

Sverker Martin-Löf
President and CEO

This report is unaudited.
The interim report for 1 January - 31 September will be released on 30 October 2001.

Copies of the Interim Report are available at SCA U.K. Holdings Limited, SCA Packaging House, 543, New Hythe Lane, Aylesford, Kent ME20 7PE, attention, Tony Staples, telephone 0044 1622 883 025.

Statement of Earnings

1 January – 30 June

	2001		2000	
	SEK M	EUR M	SEK M	EUR M
Net sales	40,078	4,430	32,343	3,859
Operating expenses	-32,672	-3,611	-26,571	-3,170
Operating surplus	7,406	819	5,772	689
Depreciation according to plan, properties and plant	-2,297	-254	-1,926	-230
Depreciation according to plan, goodwill	-471	-52	-344	-41
Share in earnings of Modö Paper AB	-	-	524	62
Share in earnings of other associated companies	12	1	18	2
Operating profit	4,650	514	4,044	482
Financial items	-670	-74	-601	-72
Earnings after financial items	3,980	440	3,443	410
Income taxes	-1,216	-134	-1,136	-135
Minority interest	-34	-4	-28	-3
Net earnings after tax	2,730	302	2,279	272
Earnings per share, SEK				
- before dilution effects	11.78		9.82	
- after dilution effects ¹	11.72		9.77	
Operating margin	12 %		13 %	
Return on shareholders equity	14 %		14 %	
Return on capital employed	15 %		13 %	

¹Calculation of earnings per share after dilution

Net earnings	2,730	2,279
Interest on convertible debentures	3	4
? net earnings	2733	2,283
Average number of shares before dilution	231.8	231.9
Unconverted debenture loans	1.2	1.2
Outstanding warrants	0.1	0.5
Average number of shares after dilution	233.1	233.6

Business Areas

Net sales

1 January – 30 June

SEK M	2001	2000
Hygiene Products	19,549	14,901
Packaging	14,546	11,791
Forest Products	6,678	6,272
Other operations	855	729
Intra-Group deliveries	-1,550	-1,350
Total net sales	40,078	32,343

See also additional information on page 17.

Operating profit

1 January – 30 June

SEK M	2001	2000
Hygiene Products	2,033	1,304
Packaging	1,709	1,336
Forest Products	1,490	1,293
Share in earnings, Modö Paper		524
Others	-111	-69
Operating profit, before goodwill amortization	5,121	4,388
Goodwill amortization¹	-471	-344
Operating profit	4,650	4,044

See also additional information on page 17.

¹ Goodwill amortization:	2001	2000
Hygiene Products	142	89
Packaging	161	98
Common	168	157
Group	471	344

Balance sheet

	2001-06-30		2000-12-31	
	SEK M	EUR M	SEK M	EUR M
Assets				
Goodwill	15,743	1,713	11,218	1,268
Other intangible assets	577	63	1,160	131
Tangible assets	54,705	5,952	44,587	5,041
Shares and participations	2,104	229	1,920	217
Long-term receivables	1,734	189	1,764	200
Other long-term receivables	377	41	371	42
Operating receivables and inventories	24,055	2,617	21,065	2,381
Short-term investments	625	68	502	57
Cash and bank balances	2,739	298	1,440	163
Total assets	102,659	11,170	84,027	9,500
Equity, provisions and liabilities				
Shareholders' equity ¹	42,790	4,656	40,457	4,574
Minority interests	705	77	612	69
Provisions for pensions	700	76	891	101
Other provisions	10,242	1,114	8,353	944
Interest-bearing debt	31,200	3,395	18,694	2,114
Operating liabilities and other noninterest-bearing debt	17,022	1,852	15,020	1,698
Total equity, provisions and liabilities	102,659	11,170	84,027	9,500
Debt/equity	0,62 times		0,39 times	
Equity/assets	42 %		49 %	

¹ Additional information, change in shareholders' equity, SEK M.

	Jan–Jun 2001	Jan–Jun 2000
Shareholders' equity, 1 January	40,457	34,133
New stock issue	18	
Repurchasing of own stock	-18	
Translation differences	2,296	-630
Exchange-rate differences on hedging instruments	-907	129
Dividend	-1,786	-1,566
Net earnings for the period	2,730	2,279
Shareholders' equity, 30 June	42,790	34,345

Cash flow statement

1 January – 30 June

SEK M	2001	2000
Operating cash surplus	7,431	5,737
Changes in working capital	6	-1,516
Current capital expenditures, net	-1,447	-946
Other operating cash flow changes	-23	-58
Operating cash flow	5,967	3,217
Financial items	-670	-601
Income taxes paid	-368	-232
Other	-105	-27
Cash flow from current operations	4,824	2,357
Strategic capital expenditures	-554	-739
Strategic structural expenditures	-298	-212
Company acquisitions	-11,591	-138
Divestments	11	32
Cash flow before dividend	-7,608	1,300
Dividend	-1,786	-1,566
Cash flow after dividend	-9,394	-266
New stock issue	18	-
Repurchasing of own stock	-18	-
Net cash flow¹	-9,394	-266
Net debt at beginning of period	-15,880	-24,073
Asset securitization	1,139	-
Net cash flow	-9,394	-266
Currency effects	-2,668	382
Net debt at end of period	-26,803	-23,957
Debt payment capacity	54%	41%

¹ Additional information:

Net cash flow	-9,394	-266
Change in interest-bearing debt	10,420	195
Change in cash and bank balances	1,026	-71
Cash and bank balances at beginning of period	1,440	1,630
Change in cash and bank balances	273	-71
Currency effects on cash and bank balances	1,026	-42
Cash and bank balances at end of period	2,739	1,517

Quarterly data

Group

SEK M	2001		2000			
	II	I	IV	III	II	I
Net sales	21,556	18,522	18,030	16,784	16,351	15,992
Operating surplus	3,947	3,459	3,555	3,116	2,903	2,869
Depreciation according to plan, properties and plant	-1,260	-1,037	-1,048	-949	-952	-974
Depreciation according to plan, goodwill	-266	-205	-196	-189	-172	-172
Share in earnings of Modo Paper AB	-	-	-	120	306	218
Share in earnings of other associated companies	16	-4	23	27	8	10
Operating profit, excl. non-recurring items	2,437	2,213	2,334	2,125	2,093	1,951
Non-recurring items	-	-	-	2,031	-	-
Operating profit	2,437	2,213	2,334	4,156	2,093	1,951
Financial items	-420	-250	-286	-320	-320	-281
Earnings after financial items	2,017	1,963	2,048	3,836	1,773	1,670
Earnings after financial items, excl. non-recurring items	2,017	1,963	2,048	1,805	1,773	1,670
Income taxes	-591	-625	-648	-349	-587	-549
Minority interest	-19	-15	-11	-7	-16	-12
Net earnings after tax - excl. non-recurring items	1,407	1,323	1,389	3,480 1,249	1,170	1,109
Earnings per share, SEK						
- before dilution effects	6.08	5.70	5.99	15.01	5.04	4.78
- after dilution effects	6.04	5.68	5.96	14.91	5.01	4.76
excl. non-recurring items				5.36		

Quarterly data Business Areas

Net sales

SEK M	2001		2000			
	II	I	IV	III	II	I
Hygiene Products	10,963	8,586	8,291	7,848	7,499	7,402
Packaging	7,659	6,887	6,752	6,093	6,015	5,776
Forest Products	3,296	3,382	3,376	3,228	3,177	3,095
Other operations	430	425	365	390	347	382
Intra-Group deliveries	-792	-758	-754	-775	-687	-663
Total net sales	21,556	18,522	18,030	16,784	16,351	15,992

See also additional information on page 18.

Operating surplus

SEK M	2001		2000			
	II	I	IV	III	II	I
Hygiene Products	1,740	1,270	1,283	1,131	1,001	1,036
Packaging	1,258	1,212	1,197	1,067	982	1,002
Forest Products	1,003	1,033	997	942	950	869
Other operations	-54	-56	78	-24	-30	-38
Total operating surplus, excl. non-recurring items	3,947	3,459	3,555	3,116	2,903	2,869
Non-recurring items	-	-	-	2,031	-	-
Total operating surplus	3,947	3,459	3,555	5,147	2,903	2,869

See also additional information on page 18.

Quarterly data Business Areas

Operating profit

SEK M	2001		2000			
	II	I	IV	III	II	I
Hygiene Products	1,175	858	865	740	631	673
Packaging	851	858	854	787	671	665
Forest Products	730	760	734	693	686	607
Share in earnings of Modo Paper	-	-	-	120	306	218
Other operations	-53	-58	77	-26	-29	-40
Operating profit before goodwill amortization	2,703	2,418	2,530	2,314	2,265	2,123
Goodwill amortization¹	-266	-205	-196	-189	-172	-172
Total operating profit, excl. non-recurring items	2,437	2,213	2,334	2,125	2,093	1,951
Non-recurring items	-	-	-	2,031	-	-
Total operating profit, incl. non-recurring items	2,437	2,213	2,334	4,156	2,093	1,951

See also additional information on page 17.

¹ Goodwill amortization:

Hygiene Products	87	55	51	48	43	46
Packaging	94	67	63	62	51	47
Common	85	83	82	79	78	79
Group	266	205	196	189	172	172

Quarterly data Business Areas

Operating surplus margins

Percent	2001			2000		
	II	I	IV	III	II	I
Hygiene Products	16	15	15	14	13	14
Packaging	16	18	18	18	16	17
Forest Products	30	31	30	29	30	28

See also additional information on page 19.

Operating margins excluding goodwill amortization

Percent	2001			2000		
	II	I	IV	III	II	I
Hygiene Products	11	10	10	9	8	9
Packaging	11	13	13	13	11	12
Forest Products	22	22	22	21	22	20

See also additional information on page 19.

Quarterly data Group

Margins

Excl. non-recurring items	2001			2000		
Percent	II	I	IV	III	II	I
Operating surplus margin	18.3	18.7	19.7	18.6	17.8	17.9
Operating margin, excl. goodwill amortization	12.5	13.1	14.0	13.8	13.9	13.3
Operating margin	11.3	12.0	13.0	12.7	12.8	12.2
Financial net margin	-2.0	-1.4	-1.6	-1.9	-1.9	-1.8
Profit margin	9.3	10.6	11.4	10.8	10.9	10.4
Tax and minority	-2.8	-3.5	-3.7	-3.4	-3.7	-3.5
Net margin	6.5	7.1	7.7	7.4	7.2	6.9

Five-year summary

Full year	2000 ¹	1999 ¹	1998 ¹	1997 ¹	1996 ¹
Earnings after financial items, SEK M	9,327	5,521	5,169	4,457	3,573
Earnings per share after tax, SEK	30.64	16.73	16.03	13.11	10.05
Earnings per share after tax, excluding goodwill amortization, SEK	33.76	19.52	17.96	14.87	11.42
Debt/equity ratio, times	0.39	0.69	0.83	0.85	0.79
Return on capital employed, %	18	12	14	12	11
Return on shareholders' equity, %	20	12	13	12	10

¹ Adjusted historically to reflect new issues.

Additional information Business Areas

Net sales

1 January – 30 June

SEK M	2001	2000
Hygiene Products	19,549	14,901
Consumer products	10,247	8,883
AFH and Incontinence products	9,302	6,018
Forest Products	6,678	6,272
Publication paper	3,770	2,821
Pulp, timber and solid wood products	2,908	3,451

Operating profit

1 January – 31 June

SEK M	2001	2000
Hygiene Products	2,033	1,304
Consumer products	959	578
AFH and Incontinence products	1,074	726
Forest Products	1,490	1,293
Publication paper	844	624
Pulp, timber and solid wood products	646	669

Additional information Business Areas

Quarterly data

Net sales

SEK M	2001		2000			
	II	I	IV	III	II	I
Hygiene Products	10,963	8,586	8,291	7,848	7,499	7,402
Consumer products	5,206	5,041	4,828	4,662	4,440	4,443
AFH and Incontinence products	5,757	3,545	3,463	3,186	3,059	2,959
Forest Products	3,296	3,382	3,376	3,228	3,177	3,095
Publication paper	1,910	1,860	1,977	1,729	1,767	1,684
Pulp, timber and solid wood products	1,386	1,522	1,399	1,499	1,410	1,411

Operating surplus

SEK M	2001		2000			
	II	I	IV	III	II	I
Hygiene Products	1,740	1,270	1,283	1,131	1,001	1,036
Consumer products	775	743	731	645	536	571
AFH and Incontinence products	965	527	552	486	465	465
Forest Products	1,003	1,033	997	942	950	869
Publication paper	624	566	560	480	506	516
Pulp, timber and solid wood products	379	467	437	462	444	353

Operating profit

SEK M	2001		2000			
	II	I	IV	III	II	I
Hygiene Products	1,175	858	865	740	631	673
Consumer products	492	467	455	361	267	311
AFH and Incontinence products	683	391	410	379	364	362
Forest Products	730	760	734	693	686	607
Publication paper	464	380	375	304	331	338
Pulp, timber and solid wood products	266	380	359	389	355	269

Additional information Business Areas

Quarterly data

Operating surplus margins

Percent	2001		2000			
	II	I	IV	III	II	I
Hygiene Products	16	15	15	14	13	14
Consumer products	15	15	15	14	12	13
AFH and Incontinence products	17	15	16	15	15	16
Forest Products	30	31	30	29	30	28
Publication paper	33	30	28	28	29	31
Pulp, timber and solid wood products	27	31	31	31	31	25

Operating margins excluding goodwill amortization

Percent	2001		2000			
	II	I	IV	III	II	I
Hygiene Products	11	10	10	9	8	9
Consumer products	9	9	9	8	6	7
AFH and Incontinence products	12	11	12	12	12	12
Forest Products	22	22	22	21	22	20
Publication paper	24	20	19	18	19	20
Pulp, timber and solid wood products	19	25	26	26	25	19

Press conference

SCA's Interim Report for the period 1 January – 30 June 2001 will be published on July 27, 2001. The press release will be sent out around 09:00 CET. A press conference will be held in Stockholm, where Sverker Martin-Löf, President and CEO, will present and comment on the results.

Time: 10:30 CET

Venue: **Salén Konferens « Aulan », Norrlandsgatan 15, Stockholm (new venue)**

Telephone conference

The telephone conference will be held on July 27, 2001, at 15:00 CET (09:00 EST), where Sverker Martin-Löf will present and comment on the results. The interim report and the slide presentation will be available at [www.sca.com /Investors](http://www.sca.com/Investors).

To participate, please call Genesys Conferencing at the number below at least 5 minutes prior to the conference call. Please note that you do not need a personal code, but be prepared to state your name and company.

Dial-in number UK **+44 20 8240 8244** **quote: SCA**

Dial-in number US **+1 303 224 6997** **quote: SCA**

If you are unable to participate in the conference call, a replay will be available for 5 working days after the telephone conference at the following numbers:

UK replay number +44 20 8288 4459 (access code: 695 232)

US replay number +1 303 804 1855 (access code: 109 2184)

For further contact, please contact:

Sverker Martin-Löf, President and CEO, phone +46-70 574 88 08

Peter Nyquist, Vice President communications and Investor Relations, phone +46-70 575 29 06