

INFORMATION

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Year-end report

1 January–31 December 2002

| | 02:4 | 02:3 ² | 02:2 | 02:1 | 0212 ² | 0112 |
|---|---------------|-------------------|--------|--------|-------------------------|--------|
| Earnings per share, SEK ¹ | 6.33 | 6.27 | 6.05 | 5.89 | 24.54 | 24.05 |
| Cash flow from current operations per share, SEK ¹ | 9.19 | 11.74 | 9.36 | 6.83 | 37.12 | 48.38 |
| Net sales, SEK M | 22,429 | 22,247 | 22,355 | 21,015 | 88,046 | 82,380 |
| Earnings after financial items, SEK M | 2,053 | 2,032 | 2,026 | 1,967 | 8,078 | 8,090 |
| Net earnings, SEK M | 1,468 | 1,456 | 1,404 | 1,365 | 5,693 | 5,587 |
| Dividend per share, SEK | | | | | 9.60³ | 8.75 |

¹ Adjusted historically to reflect new issue of 1.8 million shares in 2001 for stock option program (see page 10).

² Including the non-recurring effect of the sale of Zewathener, SEK 88 M.

³ Board proposal.

Dividend

- The Board proposes dividend of SEK 9.60 per share, an increase of 10%. Average dividend growth during the most recent five-year period, accordingly, amounts to 12% annually.

2002 compared with 2001

- Despite sharply weaker economic conditions in Europe and North America, earnings per share increased to SEK 24.54 (24.05).
- Acquisitions and volume growth increased sales by 12%; the net effect was limited to 7% due to price and currency effects.
- Operating profit for the Group's largest business area, Hygiene Products, improved by 23%. The operating margin rose to 12%.

Compared with third quarter of 2002

- Earnings per share amounted to SEK 6.33 (6.27).
- Consolidated operating profit, excluding capital gains, increased by 5%. A certain decline, 4%, in operating profit for Hygiene Products was offset by increases in Packaging and Forest Products.

NET SALES AND EARNINGS

Earnings per share rose 2% compared with the preceding year to SEK 24.54 (24.05). Net earnings amounted to SEK 5,693 M (5,587).

Consolidated net sales amounted to SEK 88,046 M (82,380), an increase of 7% compared with the preceding year. Hygiene Products and Packaging increased Group net sales by 6% and 3%, respectively, through company acquisitions. Higher volumes accounted for 3% of the increase. Lower prices and currency movements reduced consolidated net sales by 3% and 2%, respectively.

Group operating profit amounted to SEK 9,101 M (9,492), which was 4% lower than operating profit in the preceding year. Operating profit for Hygiene Products increased 23% to SEK 5,487 M (4,473). Operating profit for Packaging amounted to SEK 3,065 M (3,286), a decline of 7%. Operating profit for Forest Products declined 33% to SEK 1,986 M (2,976). Currency movements had a positive impact of 2% on Group operating profit.

Operating margin for the Group was 10.3% (11.5). The operating margin for Hygiene Products rose to 12% (11), but declined to 10% (11) for Packaging and to 15% (22) for Forest Products.

Despite higher average net debt as a result of acquisitions, financial items improved by SEK 379 M to an expense of SEK 1,023 M (expense: 1,402) as a result of significantly lower interest rates. Group earnings after financial items amounted to SEK 8,078 M (8,090).

Return on shareholders' equity was 12% (13), and return on capital employed 13% (14).

Comparison with the third quarter of 2002

Consolidated earnings per share increased marginally to SEK 6.33 (6.27). Operating profit for Hygiene Products declined 4%, while operating profit for Packaging, excluding non-recurring effects of SEK 88 M from the sale of Zewathener in the third quarter, rose 5%. Including the non-recurring entry, operating profit for Packaging declined 6%. The operating profit of Forest Products increased by 38%. Currency movements had only a marginal impact on Group operating profit.

In hygiene operations, a marginal decline in the operating profit of Consumer Products was attributable in part to lower volumes for feminine hygiene products. For institutional products operating profit was virtually unchanged compared with the preceding quarter. The Packaging business area's current operating profit rose as a result of price increases and company acquisitions; the increase was however offset by higher energy costs. The operating profit of Forest Products improved primarily as a result of higher volumes.

Group operating margin remained unchanged, compared with the third quarter, at 10.3%.

Financial items amounted to an expense of SEK 265 M (expense: 267).

Earnings analysis

| SEK M | 02:4 | 02:3 ¹ | 02:2 | 02:1 | | 0212 ¹ | 0112 |
|---|--------------|-------------------|-------|-------|--|-------------------|--------|
| Hygiene Products | 1,357 | 1,419 | 1,428 | 1,283 | | 5,487 | 4,473 |
| Packaging | 786 | 839 | 702 | 738 | | 3,065 | 3,286 |
| Forest Products | 560 | 406 | 488 | 532 | | 1,986 | 2,976 |
| Other | -108 | -70 | -63 | -59 | | -300 | -233 |
| Operating profit, before goodwill amortization | 2,595 | 2,594 | 2,555 | 2,494 | | 10,238 | 10,502 |
| Goodwill amortization | -277 | -295 | -291 | -274 | | -1,137 | -1,010 |
| Operating profit | 2,318 | 2,299 | 2,264 | 2,220 | | 9,101 | 9,492 |
| Financial items | -265 | -267 | -238 | -253 | | -1,023 | -1,402 |
| Earnings after financial items | 2,053 | 2,032 | 2,026 | 1,967 | | 8,078 | 8,090 |
| Tax | -574 | -569 | -608 | -590 | | -2,341 | -2,444 |
| Minority interest | -11 | -7 | -14 | -12 | | -44 | -59 |
| Net earnings | 1,468 | 1,456 | 1,404 | 1,365 | | 5,693 | 5,587 |
| Earnings per share, SEK | 6.33 | 6.27 | 6.05 | 5.89 | | 24.54 | 24.05 |

¹ Including the non-recurring effect of the sale of Zewathener, SEK 88 M.

C A S H F L O W

The operating cash surplus amounted to SEK 15,245 M (15,410), corresponding to 17% (19) of net sales. Net current capital expenditures during the period amounted to SEK 3,523 M (3,479), working capital rose by SEK 903 M (2,467). Operating cash flow amounted to SEK 12,421 M (14,206).

Tax payments increased to SEK 2,629 M (1,722) due to the utilization of most of the Group's deferred tax receivables in prior years. Consequently, free cash flow totaled SEK 9,485 M (12,021). Cash flow from current operations – defined as cash flow before strategic investments and dividends – amounted to SEK 8,620 M (11,249), or SEK 37.12 (48.38) per share. The decline was thus attributable in part to higher tax payments and a much sharper decrease in working capital the preceding year. The changes in working capital in 2001 was exceptional as a result of specific capital rationalization measures undertaken in the newly acquired American operations and within the hygiene operations in Europe.

Company acquisitions amounted to a total of SEK 6,483 M (13,286), calculated on a debt-free base, of which SEK 4,368 M was attributable to the acquisition of the Italian tissue company, CartoInvest, and SEK 1,199 M to the packaging company Stabernack. Among other items, the balance, SEK 916 M, is attributable to the acquisition of protective packaging companies in North America, a packaging company in Spain and a tissue company in the UK. Divestments amounting to SEK 405 M (19) were attributable primarily to the sale of Zewathener and the Group's former "o.b." tampon operations. Strategic capital investments in plant and machinery amounted to SEK 3,397 M (2,236), of which the paper machine in Laakirchen, Austria, accounts for SEK 1,669 M.

C o m p a r i s o n w i t h t h e t h i r d q u a r t e r o f 2 0 0 2

The operating cash surplus increased by SEK 269 M to SEK 3,964 M (3,695). However, cash flow from current operations declined by SEK 2,133 M (2,727), as a result of higher current capital expenditures.

Cash flow analysis

| SEK M | 02:4 | 02:3 | 02:2 | 02:1 | 0212 | 0112 |
|--|--------------|--------------|-------------|-------------|---------------|--------------|
| Net sales | 22,429 | 22,247 | 22,355 | 21,015 | 88,046 | 82,380 |
| Operating cash surplus | 3,964 | 3,695 | 3,823 | 3,763 | 15,245 | 15,410 |
| <i>% of net sales</i> | 18 | 17 | 17 | 18 | 17 | 19 |
| Current capital expenditures, net | -1,360 | -843 | -771 | -549 | -3,523 | -3,479 |
| <i>% of net sales</i> | 6 | 4 | 3 | 3 | 4 | 4 |
| Changes in working capital | 983 | 738 | -151 | -667 | 903 | 2,467 |
| Other operating cash flow changes | -156 | 26 | -104 | 30 | -204 | -192 |
| Operating cash flow | 3,431 | 3,616 | 2,797 | 2,577 | 12,421 | 14,206 |
| Tax payment etc ¹ | -912 | -694 | -591 | -739 | -2,936 | -2,185 |
| Free cash flow | 2,519 | 2,922 | 2,206 | 1,838 | 9,485 | 12,021 |
| <i>Per share, SEK²</i> | <i>10.86</i> | <i>12.58</i> | <i>9.50</i> | <i>7.91</i> | <i>40.85</i> | <i>51.70</i> |
| Interest payment after taxes | -386 | -195 | -31 | -253 | -865 | -772 |
| Cash flow from current operations | 2,133 | 2,727 | 2,175 | 1,585 | 8,620 | 11,249 |
| <i>Per share, SEK²</i> | <i>9.19</i> | <i>11.74</i> | <i>9.36</i> | <i>6.83</i> | <i>37.12</i> | <i>48.38</i> |
| Strategic investments and divestments | -1,973 | -1,756 | -539 | -5,207 | -9,475 | -15,503 |
| Cash flow before dividend | 160 | 971 | 1,636 | -3,622 | -855 | -4,254 |

¹ Tax attributable to operating profit.

² Adjusted historically to reflect new issue of 1.8 million shares in 2001 for stock option program (see page 10).

FINANCING

Net debt amounted to SEK 23,899 M (23,861), only a marginal increase since year-end 2001, despite significant acquisitions and strategic investments. The cash flow from current operations, SEK 8,620 M, and positive currency effects, SEK 3,032 M, reduced net debt. The acquisition of the Italian company, CartoInvest, and other strategic investments, SEK 9,475 M, as well as the dividend to shareholders, SEK 2,036 M, increased net debt. The change in the definition of net debt¹ resulted in an increase of SEK 184 M. The financing of the new paper machine in Laakirchen has been classified as a financial lease. In conjunction with the opening date of the lease in December, the value of the lease was included in strategic investments.

Consolidated shareholders' equity increased during the year by SEK 2,000 M to SEK 47,983 M, dividends amounted to SEK 2,036 M and the negative impact of currency movements on shareholders' equity amounted to SEK 1,779 M.

The debt/equity ratio amounted to 0.49 (0.51). The interest coverage multiple was 8.9 (6.8).

HYGIENE PRODUCTS BUSINESS AREA

| SEK M | 02:4 | 02:3 | 02:2 | 02:1 | | 0212 | 0112 |
|---|-------------------|-------------------|-------------------|------------------|--|-------------------------|-------------------|
| Net sales | 11,240 | 11,481 | 11,790 | 10,686 | | 45,197 | 40,797 |
| Operating surplus | 2,002 | 2,051 | 2,054 | 1,859 | | 7,966 | 6,632 |
| Operating profit before goodwill amortization | 1,357 | 1,419 | 1,428 | 1,283 | | 5,487 | 4,473 |
| Operating surplus margin, % | 18 | 18 | 17 | 17 | | 18 | 16 |
| Operating margin, % | 12 | 12 | 12 | 12 | | 12 | 11 |
| Volume growth, % | | | | | | | |
| Consumer Products | 1.4 ¹ | -2.4 ¹ | 17.9 ¹ | 0.8 ¹ | | 13.6² | 1.5 ² |
| AFH and Incontinence products | -2.9 ¹ | 1.5 ¹ | 4.7 ¹ | 4.6 ¹ | | 16.1² | 45.3 ² |

¹ Compared with the immediately preceding quarter.

² Compared with corresponding period previous year.

See also quarterly data on pages 18-20.

Net sales amounted to SEK 45,197 M (40,797), an increase of 11% compared with the preceding year. Most of the increase, 12 percentage points, was attributable to the CartoInvest tissue company that was acquired in 2002 and the fact that the acquisition of Georgia-Pacific's Away-From-Home (AFH) operations was not consolidated until the second quarter of 2001. Organic growth, primarily in incontinence operations, increased sales by 3%. Some raw materials-related price adjustments in tissue reduced net sales by 2%. Currency movements reduced sales by 2%.

Operating profit rose 23% to SEK 5,487 M (4,473). The increase was attributable to lower raw materials and manufacturing costs, higher volumes and acquired companies. The improvement was limited by lower prices. Currency movements had a positive impact of 4% on operating profit. All product segments reported improved operating profit, and the operating margin rose for the business area as a whole.

Operating profit in the fourth quarter amounting to SEK 1,357 M (1,419) was 4% lower than corresponding third-quarter profit, mainly as a result of lower volumes for feminine hygiene products. North American tissue operations (AFH) also reported lower operating profit in the fourth quarter due to reduced prices and lower volumes. Price increases implemented in the beginning of the third quarter have slowly eroded, and prices are now at a generally lower level. Currency movements had only a marginal impact on operating profit.

¹ Effective January 1, 2002, the Group changed its definition of net debt to include accrued interest expense and revenues, SEK 184 M, which were previously included in capital employed.

C O N S U M E R P R O D U C T S

Operating profit from Consumer Products rose 24% to SEK 2,808 M (2,269) and the operating margin increased by 1 percentage point. Lower raw material and production costs and the acquisition of CartoInvest contributed to the profit improvement, which was offset by price pressure on tissue. Baby diapers continued to show higher volumes, while lower pulp costs and ongoing productivity improvements contributed to higher margins.

Compared with the third quarter of 2002, operating profit was down 8% to SEK 661 M (719). The decline in operating profit from consumer products was attributed mainly to lower volumes in Southern Europe in the feminine hygiene products segment and negative currency movements related primarily to operations in South and Central America. Despite tough competition and lower pulp prices, volumes and prices remained unchanged in the consumer tissue segment.

A F H a n d I n c o n t i n e n c e p r o d u c t s

Operating profit for AFH and incontinence products amounted to SEK 2,679 M (2,204), an increase of 22% compared with the corresponding period a year earlier. The improvement was attributable primarily to strong global volume growth in the incontinence segment and continued volume growth for AFH. Growth in the incontinence segment, which amounted to 11%, is driven by continued expansion, mainly for light incontinence products. Lower raw materials costs for incontinence operations and reduced production costs for AFH products in Europe also contributed to the profit improvement.

Compared with the third quarter of 2002, operating profit declined marginally to SEK 696 M (700). The earnings trend was affected by price increases for AFH in Europe. Due to intensified competition, however, the operating profit from AFH operations in North America was down marginally due to falling prices and lower volumes.

P A C K A G I N G B U S I N E S S A R E A

| SEK M | 02:4 | 02:3 ³ | 02:2 | 02:1 | | 0212 ³ | 0112 |
|--|--------------------------|--------------------|--------------------|------------------|--|--------------------------|--------------------|
| Net sales | 7,940 | 7,780 | 7,489 | 7,340 | | 30,549 | 29,230 |
| Operating surplus | 1,195 | 1,240 | 1,081 | 1,130 | | 4,646 | 4,846 |
| Operating profit before goodwill amortization | 786 | 839 | 702 | 738 | | 3,065 | 3,286 |
| Operating surplus margin, %¹ | 15 | 16 | 14 | 15 | | 15 | 17 |
| Operating margin, %¹ | 10 | 11 | 9 | 10 | | 10 | 11 |
| Production | | | | | | | |
| Liner products, kton | 618 | 637 | 636 | 628 | | 2,519 | 2,405 |
| Deliveries | | | | | | | |
| Liner products, kton | 605 | 610 | 660 | 628 | | 2,503 | 2,410 |
| Corrugated board, Mm ² | 1,022² | 1,012 ² | 1,007 ² | 988 ² | | 4,029² | 3,923 ² |

¹ Adjusted for external linerboard trading, the margin rises by about 2 percentage points.

² Volumes do not include volumes from protective packaging and other value-added segments.

³ Including the non-recurring effect of the sale of Zewathener, SEK 88 M.

See also quarterly data on pages 18-20.

Net sales in 2002 amounted to SEK 30,549 M (29,230), an increase of 5%. The improvement was attributable primarily to the acquisitions of protective packaging companies in North America, the German packaging company Stabernack and Bertako of Spain, which altogether contributed 8%. In parallel, price and volume effects related to economic conditions reduced net sales by 3%. Currency movements had only a marginal effect on net sales.

Operating profit amounted to SEK 3,065 M (3,286), a decline of 7%. Operating profit was affected negatively by lower prices, mainly for industry-related packaging products. Protective packaging provided a positive effect, partly due to acquisitions. Lower energy costs were offset by higher recovered paper prices. Currency movements had only a marginal effect on operating profit.

Compared with the third quarter of 2002, operating profit declined 6% to SEK 786 M (839). Excluding the third-quarter capital gain amounting to SEK 88 M from the sale of Zewathener, however, the operating profit increased by 5%. Higher prices for corrugated board and the acquisitions of Stabernack and Bertako had favorable effects on operating profit, while rising energy prices had a negative effect. Protective packaging operations were weaker in the fourth quarter, compared with the third quarter, due partly to seasonal variations and negative currency movements.

F O R E S T P R O D U C T S B U S I N E S S A R E A

| SEK M | 02:4 | 02:3 | 02:2 | 02:1 | | 0212 | 0112 |
|--|--------------|-------|-------|-------|--|---------------|--------|
| Net sales | 3,603 | 3,201 | 3,430 | 3,317 | | 13,551 | 13,556 |
| Operating surplus | 798 | 677 | 748 | 786 | | 3,009 | 4,111 |
| Operating profit before goodwill amortization | 560 | 406 | 488 | 532 | | 1,986 | 2,976 |
| Operating surplus margin, % | 22 | 21 | 22 | 24 | | 22 | 30 |
| Operating margin, % | 16 | 13 | 14 | 16 | | 15 | 22 |
| Production | | | | | | | |
| Publication papers, kton | 345 | 304 | 306 | 294 | | 1,249 | 1,248 |
| Solid wood products, km ³ | 196 | 165 | 182 | 171 | | 714 | 651 |
| Deliveries | | | | | | | |
| Publication papers, kton | 354 | 299 | 305 | 284 | | 1,242 | 1,220 |
| Solid wood products, km ³ | 192 | 173 | 190 | 165 | | 720 | 656 |

See also additional information on pages 18-20.

Net sales for Forest Products remained at the same level as in the preceding year, amounting to SEK 13,551 M (13,556). The effect of lower paper prices was offset by somewhat higher volumes as a result of the new SC machine in Laakirchen, and by higher prices and volumes for solid-wood products. Currency movements had only a marginal effect on sales.

Operating profit amounted to SEK 1,986 M (2,976), a decline of 33%. Operating profit from publication paper operations was down as a result of lower prices and reduced deliveries of LWC paper. Pulp operations also showed a decline in operating profit due to lower prices. Currency movements had only a marginal effect on operating profit.

Compared with the third quarter of 2002, operating profit rose 38% as a result of higher volumes and thus improved capacity utilization.

P u b l i c a t i o n p a p e r s

Operating profit from publication paper operations totaled SEK 1,014 M (1,818), a decline of 44%. The sharp decline was due mainly to lower prices. The market for publication papers remained weak. Production curtailments were implemented during the period to adjust production levels to prevailing demand.

The improvement in operating profit during the fourth quarter, compared with the third quarter 2002, amounted to 68%. The increase was attributable primarily to improved capacity utilization and increased volumes for LWC paper, since third-quarter results were affected by rebuilding measures implemented on the LWC machines in Ortviken.

P u l p , t i m b e r a n d s o l i d w o o d p r o d u c t s

Operating profit amounted to SEK 972 M (1,158), a decline of 16% compared with the preceding year. The decline was due mainly to lower pulp prices, while solid-wood product operations improved operating profit as a result of higher capacity utilization and higher prices.

Compared with the third quarter, operating profit in the fourth quarter rose 13%, primarily as a result of a better yield from forestry operations and higher prices for solid-wood products.

G O O D W I L L

Consolidated goodwill amounted to SEK 16,093 M (16,149). Goodwill is amortized over 20 years. Goodwill amortization by business areas is presented on pages 13 and 19.

Earnings excluding goodwill amortization

| SEK M | 02:4 | 02:3 | 02:2 | 02:1 | | 0212 | 0112 |
|---------------------------------------|--------------|-------|-------|-------|--|---------------|--------|
| Operating profit | 2,595 | 2,594 | 2,555 | 2,494 | | 10,238 | 10,502 |
| Earnings after financial items | 2,330 | 2,327 | 2,317 | 2,241 | | 9,215 | 9,100 |
| Net earnings | 1,728 | 1,733 | 1,678 | 1,623 | | 6,762 | 6,537 |
| Earnings per share, SEK | 7.45 | 7.47 | 7.23 | 7.00 | | 29.15 | 28.14 |

P E R S O N N E L

The number of SCA Group employees at year-end 2002 was 43,916, compared with 41,989 at year-end 2001². The increase was attributable to acquired companies.

D I V I D E N D

A proposal has been submitted to increase the dividend by 10% to SEK 9.60 (8.75) per share, a total of SEK 2.212 M. Average annual dividend growth during the most recent five-year period, accordingly, amounts to 12%.

M A R K E T O U T L O O K

Demand for the Group's consumer-related products has remained favorable in the beginning of 2003, but consumer tissue is affected by continued strong competitive pressure. The situation is more difficult to assess for areas dependent on development in the industrial sector. It should be noted, however, that price levels for converted packaging materials are relatively stable and prices for recycled fiber are believed to have bottomed out. Substantial improvements in the European printing paper segment are contingent on a general improvement in advertising trends.

Continued recovery of Group operations in North America may be delayed by general economic concerns that prevail as a result of the crisis in the Middle East.

O T H E R

SCA reports the Group's pension obligations in accordance with the IAS 19 international accounting recommendation. The recommendation's calculation and accounting methodology for defined-benefit pension plans is based on the premise that the long-term value of assets in the pension foundations correspond to the future pension obligations. This long-term approach is reflected in the foundations' investment strategy, whereby 59% of assets is invested in equities and 41% in fixed-income instruments.

In accordance with IAS 19, at year-end the actual market value of the assets is reconciled against the future actuarial value of the pension obligations, adjusted for future salary increases and discounted to current value. Accumulated actuarial gains and losses (for example, returns that deviate from the assumed returns), to the extent that combined they exceed 10% of the highest amount of the assets and obligations (the so-called corridor), shall be recognized in the income statement during the immediately following year, however, with such amount divided by the plan members' average remaining working time (in SCA's case about eleven years).

The value of the pension foundations' assets declined during 2002 by approximately SEK 2.1 billion, of which SEK 1.6 billion is attributable to the development of the stock market and the remainder to currency movements. Although offset by the same currency movements, reduced interest rates, and consequently lower discount rates, resulted in an increase in the present value of pension obligations by SEK 0.2 billion. Accordingly, the actuarial losses, which in accordance with the recommendation are outside the corridor, rose to SEK 3.5 billion. Combined, this means that the Group's total pension cost for 2003 will increase by about SEK 350 M to SEK 1.3 billion distributed equally through the year. However, of this amount calculated as above, about SEK 200 M does not have any cash effect since several pension plans based on local valuation rules are sufficiently financed.

²Including SCA's share in joint-venture companies.

In accordance with the guidelines in RR20, it is reported that the Group's parent company, Svenska Cellulosa Aktiebolaget SCA (publ) owns the forestlands and other fixed properties that are part of the Group's forestry operations and provide felling rights for standing timber to its subsidiary SCA Skog AB. In other respects, the parent company is a holding company whose main task is to own and manage shares in a number of business-group companies and to provide Group-wide management and administration. Operating revenues for the period January-December 2002 amounted to SEK 90 M (73) and earnings before appropriations and taxes to SEK 970 M (1,457). Investments in property and plant during the period amounted to SEK 80 M (98). Liquid funds at the end of the period amounted to SEK 2 M (60).

Effective from the first quarterly report in 2003, SCA will report in accordance with the new RR25 accounting recommendation, "Reporting for segment – areas of operations and geographic areas." SCA's intention in this respect is to divide Hygiene operations into the following segments: (1) consumer tissue, (2) personal care³ and (3) tissue for bulk consumers (AFH). Packaging and Forest Products will be reported as previously. In the Annual Report for 2003, assets and cash flow will also be reported for these segments. In accordance with the recommendation, the Group's sales, assets and investments will also be reported per region⁴.

Company acquisitions during the year

| Acquired company | Purchase price, SEK M ¹ | Consolidation date |
|---------------------|------------------------------------|--------------------|
| Polyfoam Packers | 230 | Feb 2002 |
| Mid-Lands Chemical | 175 | Mar 2002 |
| CartoInvest | 4,368 | Apr 2002 |
| AR Fegersheim | 56 | Apr 2002 |
| Stabernack | 1,199 | Aug 2002 |
| Bertako | 160 | Sep 2002 |
| Packaging Resources | 56 | Sep 2002 |
| Benedetti | 135 | Oct 2002 |

¹ On a debt-free base.

In January 2003, SCA sold its 19.3% minority interest in Metsä Tissue to M-Real, the company's main owner. The transaction released assets amounting to EUR 71 M, corresponding to about SEK 650 M. The shareholding has represented part of the Group's capital employed. As a result of the sale, SCA will report a capital gain of about SEK 50 M. SCA's profit in the first quarter of 2003 will be affected favorably by an additional amount of about SEK 150 M, attributable to the reversal of a provision allocated in the spring of 2001 to cover costs associated with the sale of the minority shareholding.

Pending the approval by appropriate competition authorities, SCA's previously announced acquisition of Scanning's sawmills will be consolidated during the first quarter of 2003.

A N N U A L G E N E R A L M E E T I N G

The Annual General Meeting will be held on Thursday, 3 April 2003, at 3 p.m. at the Aula Magna, University of Stockholm. The proposed record date for dividend entitlement is Tuesday, 8 April. Payment through VPC is expected on Friday, 11 April. The 2002 Annual Report is expected to be released in mid-March 2003. Interim reports during 2003 will be released on 29 April, 25 July and 30 October.

N O M I N A T I O N C O M M I T T E E

The Nomination Committee, which is assigned the task of preparing a proposal regarding composition of the SCA Board of Directors and fee matters, includes Sverker Martin-Löf, SCA Board Chairman, Curt Källströmer, Handelsbankens Pensionsstiftelser, Tor Marthin, AMF Pension, Björn Lind, SEB Asset Management, and Thomas Halvorsen, Fjärde AP-fonden.

³ Personal care includes baby diapers, feminine hygiene products and incontinence products.

⁴ Regions that will be reported are Europe, North America and the Rest of the World.

S H A R E D I S T R I B U T I O N

| 02-12-31 | Series A | Series B | Total |
|------------------------------------|-------------------|--------------------|--------------------|
| Registered number of shares | 41,701,362 | 190,500,706 | 232,202,068 |
| Of which treasury shares | - | (1,775,543) | (1,775,543) |
| Unconverted debenture loans | - | 1,169,394 | 1,169,394 |
| Outstanding warrants | - | 1,740,693 | 1,740,693 |
| Total after full conversion | 41,701,362 | 193,410,793 | 235,112,155 |

During the fourth quarter, 194,525 A shares were converted to B shares. At the end of the quarter, consequently, the percentage of A shares had declined from 18.1% to 18.0%. The conversion of shares occurred at the request of the shareholders concerned, pursuant to the conversion clause that was added to the Articles of Association in 1999.

Calculated in accordance with the recommendations of the Swedish Financial Accounting Standards Council, the effects of outstanding convertible debenture and options programs amount to a maximum dilution of 0.7%, which was taken into consideration when calculating earnings per share for the period.

Stockholm, 30 January 2003

SVENSKA CELLULOSA AKTIEBOLAGET SCA (publ)

Jan Åström
President and CEO

This report has not been subject to examination by the auditors.

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 +44 1622 883 025.

S T A T E M E N T O F E A R N I N G S

| | 02:4 | 02:3 | 01:4 | | 0212 | 0112 |
|---|--------------|---------|---------|--|---------------|---------|
| | SEK M | SEK M | SEK M | | SEK M | SEK M |
| Net sales | 22,429 | 22,247 | 21,509 | | 88,046 | 82,380 |
| Operating expenses | -18,538 | -18,346 | -17,452 | | -72,712 | -67,012 |
| Operating surplus | 3,891 | 3,901 | 4,057 | | 15,334 | 15,368 |
| Depreciation according to plan, properties and plant | -1,371 | -1,350 | -1,323 | | -5,314 | -4,880 |
| Goodwill amortization | -277 | -295 | -281 | | -1,137 | -1,010 |
| Share in earnings of associated companies | 75 | 43 | -1 | | 218 | 14 |
| Operating profit | 2,318 | 2,299 | 2,452 | | 9,101 | 9,492 |
| Financial items | -265 | -267 | -340 | | -1,023 | -1,402 |
| Earnings after financial items | 2,053 | 2,032 | 2,112 | | 8,078 | 8,090 |
| Income taxes | -574 | -569 | -650 | | -2,341 | -2,444 |
| Minority interest | -11 | -7 | -10 | | -44 | -59 |
| Net earnings | 1,468 | 1,456 | 1,452 | | 5,693 | 5,587 |

| | | | | | | |
|--|-------------|------|------|--|--------------|-------|
| Earnings per share, SEK¹ | | | | | | |
| - before dilution effects | 6.36 | 6.32 | 6.30 | | 24.70 | 24.18 |
| - after dilution effects | 6.33 | 6.27 | 6.26 | | 24.54 | 24.05 |
| Operating margin | 10% | 10% | 11% | | 10% | 12% |
| Return on shareholders' equity | 12% | 12% | 13% | | 12% | 13% |
| Return on capital employed | 13% | 13% | 14% | | 13% | 14% |

¹ Adjusted historically in accordance with the Swedish Financial Accounting Standards Council's recommendations. The new issue of 1.8 million shares in 2001 for stock option purposes taken into account. The issue was carried out on 18 May 2001 and the repurchase of these shares was effected on 6 June 2001.

| | | | | | | |
|--|---------|---------|---------|--|---------|---------|
| Net earnings | 1,468.0 | 1,456.0 | 1,452.0 | | 5,693.0 | 5,587.0 |
| Interest on convertible debentures | 1.5 | 1.5 | 1.5 | | 6.0 | 6.0 |
| Adjusted net earnings | 1,469.5 | 1,457.5 | 1,453.5 | | 5,699.0 | 5,593.0 |
| Average number of shares before dilution | 230.4 | 230.4 | 231.1 | | 230.4 | 231.1 |
| Employee convertibles | 1.2 | 1.2 | 1.2 | | 1.2 | 1.2 |
| Outstanding warrants | 0.6 | 0.6 | 0.2 | | 0.6 | 0.2 |
| Average number of shares after dilution | 232.2 | 232.2 | 232.5 | | 232.2 | 232.5 |

S T A T E M E N T O F E A R N I N G S

| | 02:4 | 02 :3 | 01 :4 | | 0212 | 0112 |
|---|--------------------|--------------------|--------------------|--|--------------------|--------------------|
| | EUR M ³ | EUR M ³ | EUR M ³ | | EUR M ¹ | EUR M ² |
| Net sales | 2,469 | 2,412 | 2,329 | | 9,617 | 8,919 |
| Operating expenses | -2,041 | -1,989 | -1,890 | | -7,942 | -7,255 |
| Operating surplus | 428 | 423 | 439 | | 1,675 | 1,664 |
| Depreciation according to plan, properties and plant | -150 | -147 | -143 | | -580 | -528 |
| Goodwill amortization | -30 | -32 | -31 | | -124 | -110 |
| Share in earnings of associated companies | 8 | 5 | 0 | | 24 | 2 |
| Operating profit | 256 | 249 | 265 | | 995 | 1,028 |
| Financial items | -29 | -29 | -37 | | -112 | -152 |
| Earnings after financial items | 227 | 220 | 228 | | 883 | 876 |
| Income taxes | -64 | -61 | -70 | | -256 | -265 |
| Minority interest | -1 | -1 | -1 | | -5 | -6 |
| Net earnings | 162 | 158 | 157 | | 622 | 605 |

¹ The average exchange rate of 9.16 was applied in translation to EUR.

² The average exchange rate of 9.24 was applied in translation to EUR.

³ Isolated quarterly amounts have been calculated as the difference between two accumulated results.

Business areas

NET SALES

1 January–31 December

| SEK M | 2002 | 2001 |
|--------------------------------------|---------------|--------|
| Hygiene Products | 45,197 | 40,797 |
| Consumer products | 23,291 | 20,954 |
| AFH and Incontinence products | 21,906 | 19,843 |
| Packaging | 30,549 | 29,230 |
| Forest Products | 13,551 | 13,556 |
| Publication papers | 7,157 | 7,850 |
| Pulp, timber and solid wood products | 6,394 | 5,706 |
| Other operations | 1,591 | 1,822 |
| Intra-group deliveries | -2,842 | -3,025 |
| Total net sales | 88,046 | 82,380 |

OPERATING SURPLUS

1 January–31 December

| SEK M | 2002 | 2001 |
|--------------------------------------|---------------|--------|
| Hygiene Products | 7,966 | 6,632 |
| Consumer products | 4,220 | 3,445 |
| AFH and Incontinence products | 3,746 | 3,187 |
| Packaging | 4,646 | 4,846 |
| Forest Products | 3,009 | 4,111 |
| Publication papers | 1,806 | 2,585 |
| Pulp, timber and solid wood products | 1,203 | 1,526 |
| Other operations | -287 | -221 |
| Total operating surplus | 15,334 | 15,368 |

O P E R A T I N G P R O F I T

1 January–31 December

| SEK M | 2002 | 2001 |
|---|---------------|--------|
| Hygiene Products | 5,487 | 4,473 |
| Consumer products | 2,808 | 2,269 |
| AFH and Incontinence products | 2,679 | 2,204 |
| Packaging | 3,065 | 3,286 |
| Forest Products | 1,986 | 2,976 |
| Publication papers | 1,014 | 1,818 |
| Pulp, timber and solid wood products | 972 | 1,158 |
| Other operations | -300 | -233 |
| Operating profit, before goodwill amortization | 10,238 | 10,502 |
| Goodwill amortization ¹ | -1,137 | -1,010 |
| Total operating profit | 9,101 | 9,492 |

| | | |
|--|--------------|-------|
| ¹ Goodwill amortization: | 2002 | 2001 |
| Hygiene Products | 417 | 330 |
| Packaging | 379 | 342 |
| Common | 341 | 338 |
| Group | 1,137 | 1,010 |

O P E R A T I N G S U R P L U S M A R G I N

1 January–31 December

| Percent | 2002 | 2001 |
|--------------------------------------|-----------|------|
| Hygiene Products | 18 | 16 |
| Consumer products | 18 | 16 |
| AFH and Incontinence products | 17 | 16 |
| Packaging | 15 | 17 |
| Forest Products | 22 | 30 |
| Publication papers | 25 | 33 |
| Pulp, timber and solid wood products | 19 | 27 |

O P E R A T I N G M A R G I N , e x c l . g o o d w i l l a m o r t i z a t i o n

1 January–31 December

| Percent | 2002 | 2001 |
|--------------------------------------|-----------|------|
| Hygiene Products | 12 | 11 |
| Consumer products | 12 | 11 |
| AFH and Incontinence products | 12 | 11 |
| Packaging | 10 | 11 |
| Forest Products | 15 | 22 |
| Publication papers | 14 | 23 |
| Pulp, timber and solid wood products | 15 | 20 |

| B A L A N C E S H E E T | 2002-12-31 | | 2001-12-31 | |
|---|---------------------|--------------------|-------------------|--------------------|
| | SEK M | EUR M ¹ | SEK M | EUR M ¹ |
| Assets | | | | |
| Goodwill | 16,093 | 1,754 | 16,149 | 1,715 |
| Other intangible assets | 757 | 83 | 701 | 75 |
| Tangible assets | 58,612 | 6,389 | 56,980 | 6,052 |
| Shares and participations | 2,355 | 257 | 2,349 | 249 |
| Long-term financial receivables ² | 3,478 | 379 | 3,888 | 413 |
| Other long-term receivables | 318 | 33 | 788 | 84 |
| Operating receivables and inventories | 24,765 | 2,700 | 23,338 | 2,479 |
| Short-term investments | 295 | 32 | 406 | 43 |
| Cash and bank balances | 2,531 | 276 | 2,189 | 232 |
| Total assets | 109,204 | 11,903 | 106,788 | 11,342 |
| Equity, provisions and liabilities | | | | |
| Shareholders' equity ³ | 47,983 | 5,230 | 45,983 | 4,884 |
| Minority interests | 687 | 75 | 736 | 78 |
| Provisions for pensions | 2,596 | 283 | 2,598 | 276 |
| Other provisions | 12,215 | 1,330 | 12,272 | 1,303 |
| Interest-bearing debt | 27,498 | 2,998 | 27,746 | 2,947 |
| Operating liabilities and other noninterest-bearing debt | 18,225 | 1,987 | 17,453 | 1,854 |
| Total equity, provisions and liabilities | 109,204 | 11,903 | 106,788 | 11,342 |
| ¹ The closing date exchange rate of 9,17 (9,42) was applied in translation to EUR. | | | | |
| ² Of which, pension assets: | | | | |
| | 2,339 | 255 | 2,198 | 233 |
| ³ Additional information, change in shareholders' equity, SEK M. | | | | |
| | Jan–Dec 2002 | | Jan–Dec 2001 | |
| Shareholders' equity, 1 January | 45,983 | | 39,898 | |
| Adjusted for prior year's taxation of land | 117 | | - | |
| New stock issue | - | | 18 | |
| Sale / repurchasing of own shares | 5 | | -18 | |
| Translation differences | -2,908 | | 2,670 | |
| Exchange-rate differences on hedging instruments | 1,129 | | -923 | |
| Revaluation reserve | - | | 557 | |
| Dividend | -2,036 | | -1,806 | |
| Net earnings for the period | 5,693 | | 5,587 | |
| Shareholders' equity, 31 December | 47,983 | | 45,983 | |
| Debt/equity ratio | 0.49 | | 0.51 | |
| Equity/assets | 45% | | 44% | |

C A S H F L O W A N A L Y S I S

1 January–31 December

| SEK M | 2002 | 2001 |
|---|----------------|---------|
| Operating cash surplus | 15,245 | 15,410 |
| Changes in working capital | 903 | 2,467 |
| Current capital expenditures, net | -3,523 | -3,479 |
| Other operating cash flow changes | -204 | -192 |
| Operating cash flow | 12,421 | 14,206 |
| Financial items | -1,023 | -1,402 |
| Income taxes paid | -2,629 | -1,722 |
| Other | -149 | 167 |
| Cash flow from current operations | 8,620 | 11,249 |
| Strategic capital expenditures | -2,823 | -1,469 |
| Strategic structural expenditures | -574 | -767 |
| Company acquisitions | -6,483 | -13,286 |
| Divestments | 405 | 19 |
| Cash flow before dividend | -855 | -4,254 |
| Dividend | -2,036 | -1,806 |
| Cash flow after dividend | -2,891 | -6,060 |
| New stock issue | - | 18 |
| Sale / repurchasing of own shares | 5 | -18 |
| Net cash flow¹ | -2,886 | -6,060 |
| Net debt at beginning of period | -23,861 | -15,880 |
| Net cash flow | -2,886 | -6,060 |
| Asset securitization | - | 1,138 |
| Effect of changed definition of net debt ² | -184 | - |
| Currency effects | 3,032 | -3,059 |
| Net debt at end of period | -23,899 | -23,861 |
| Debt payment capacity | 47% | 51% |

¹ Additional information:

| | | |
|--|---------------|--------|
| Net cash flow | -2,886 | -6,060 |
| Change in interest-bearing debt | 2,907 | 6,528 |
| Change in cash and bank balances | 21 | 468 |
| Cash and bank balances at beginning of period | 2,189 | 1,440 |
| Change in cash and bank balances | 21 | 468 |
| Currency effects on cash and bank balances | 321 | 281 |
| Cash and bank balances at end of period | 2,531 | 2,189 |

² Effective January 1, 2002, the Group changed its definition of net debt to include accrued interest expense and revenues, SEK 184 M, which were previously included in capital employed.

Quarterly data

STATEMENT OF EARNINGS Group

| SEK M | 2002 | | | | 2001 | | | |
|---|--------------|--------|--------|--------|--------|--------|--------|--------|
| | IV | III | II | I | IV | III | II | I |
| Net sales | 22,429 | 22,247 | 22,355 | 21,015 | 21,509 | 20,793 | 21,556 | 18,522 |
| Operating surplus | 3,891 | 3,901 | 3,821 | 3,721 | 4,057 | 3,905 | 3,947 | 3,459 |
| Depreciation according to plan, properties and plant | -1,371 | -1,350 | -1,323 | -1,270 | -1,323 | -1,260 | -1,260 | -1,037 |
| Goodwill amortization | -277 | -295 | -291 | -274 | -281 | -258 | -266 | -205 |
| Share in earnings of associated companies | 75 | 43 | 57 | 43 | -1 | 3 | 16 | -4 |
| Operating profit | 2,318 | 2,299 | 2,264 | 2,220 | 2,452 | 2,390 | 2,437 | 2,213 |
| Financial items | -265 | -267 | -238 | -253 | -340 | -392 | -420 | -250 |
| Earnings after financial items | 2,053 | 2,032 | 2,026 | 1,967 | 2,112 | 1,998 | 2,017 | 1,963 |
| Income taxes | -574 | -569 | -608 | -590 | -650 | -578 | -591 | -625 |
| Minority interest | -11 | -7 | -14 | -12 | -10 | -15 | -19 | -15 |
| Net earnings | 1,468 | 1,456 | 1,404 | 1,365 | 1,452 | 1,405 | 1,407 | 1,323 |
| Earnings per share¹, SEK | | | | | | | | |
| - before dilution effects | 6.36 | 6.32 | 6.10 | 5.92 | 6.30 | 6.10 | 6.08 | 5.70 |
| - after dilution effects | 6.33 | 6.27 | 6.05 | 5.89 | 6.26 | 6.07 | 6.04 | 5.68 |

¹ Adjusted historically in accordance with the Swedish Financial Accounting Standards Council's recommendations. The new issue of 1.8 million shares in 2001 for stock option purposes taken into account. The issue was carried out on 18 May 2001 and the repurchase of these shares was effected on 6 June 2001.

Quarterly data

CASH FLOW ANALYSIS Group

| SEK M | 2002 | | | | 2001 | | | |
|--|--------------|--------------|--------------|---------------|--------------|--------------|--------------|---------------|
| | IV | III | II | I | IV | III | II | I |
| Operating cash surplus | 3,964 | 3,695 | 3,823 | 3,763 | 4,070 | 3,909 | 3,995 | 3,436 |
| Changes in working capital | 983 | 738 | -151 | -667 | 1,772 | 689 | 775 | -769 |
| Current capital expenditures, net | -1,360 | -843 | -771 | -549 | -1,130 | -902 | -949 | -498 |
| Other operating cash flow changes | -156 | 26 | -104 | 30 | -164 | -5 | 51 | -74 |
| Operating cash flow | 3,431 | 3,616 | 2,797 | 2,577 | 4,548 | 3,691 | 3,872 | 2,095 |
| Financial items | -265 | -267 | -238 | -253 | -340 | -392 | -420 | -250 |
| Income taxes paid | -832 | -614 | -527 | -656 | -929 | -425 | -178 | -190 |
| Other | -201 | -8 | 143 | -83 | 255 | 17 | 115 | -220 |
| Cash flow from current operations | 2,133 | 2,727 | 2,175 | 1,585 | 3,534 | 2,891 | 3,389 | 1,435 |
| Strategic capital expenditures | -1,839 | -327 | -374 | -283 | -658 | -257 | -425 | -129 |
| Strategic structural expenditures | -153 | -109 | -188 | -124 | -286 | -183 | -250 | -48 |
| Company acquisitions | -17 | -1,689 | 23 | -4,800 | -1,585 | -110 | -353 | -11,238 |
| Divestments | 36 | 369 | - | - | 5 | 3 | 11 | - |
| Cash flow before dividend | 160 | 971 | 1,636 | -3,622 | 1,010 | 2,344 | 2,372 | -9,980 |
| Dividend | - | -20 | -2,016 | - | - | -20 | -1,786 | - |
| Cash flow after dividend | 160 | 951 | -380 | -3,622 | 1,010 | 2,324 | 586 | -9,980 |
| New stock issue | - | - | - | - | - | - | 18 | - |
| Sale / repurchasing of own shares | - | 2 | 3 | - | - | - | -18 | - |
| Net cash flow | 160 | 953 | -377 | -3,622 | 1,010 | 2,324 | 586 | -9,980 |

Quarterly data Business areas

NET SALES

| SEK M | 2002 | | | | 2001 | | | |
|--------------------------------------|---------------|--------|--------|--------|--------|--------|--------|--------|
| | IV | III | II | I | IV | III | II | I |
| Hygiene Products | 11,240 | 11,481 | 11,790 | 10,686 | 10,668 | 10,580 | 10,963 | 8,586 |
| Consumer products | 5,909 | 5,994 | 6,228 | 5,160 | 5,366 | 5,341 | 5,206 | 5,041 |
| AFH and Incontinence products | 5,331 | 5,487 | 5,562 | 5,526 | 5,302 | 5,239 | 5,757 | 3,545 |
| Packaging | 7,940 | 7,780 | 7,489 | 7,340 | 7,400 | 7,284 | 7,659 | 6,887 |
| Forest Products | 3,603 | 3,201 | 3,430 | 3,317 | 3,621 | 3,257 | 3,296 | 3,382 |
| Publication papers | 1,987 | 1,707 | 1,812 | 1,651 | 2,125 | 1,955 | 1,910 | 1,860 |
| Pulp, timber and solid wood products | 1,616 | 1,494 | 1,618 | 1,666 | 1,496 | 1,302 | 1,386 | 1,522 |
| Other operations | 284 | 463 | 461 | 383 | 538 | 429 | 430 | 425 |
| Intra-Group deliveries | -638 | -678 | -815 | -711 | -718 | -757 | -792 | -758 |
| Total net sales | 22,429 | 22,247 | 22,355 | 21,015 | 21,509 | 20,793 | 21,556 | 18,522 |

OPERATING SURPLUS

| SEK M | 2002 | | | | 2001 | | | |
|--------------------------------------|--------------|-------|-------|-------|-------|-------|-------|-------|
| | IV | III | II | I | IV | III | II | I |
| Hygiene Products | 2,002 | 2,051 | 2,054 | 1,859 | 1,863 | 1,759 | 1,740 | 1,270 |
| Consumer products | 1,046 | 1,087 | 1,114 | 973 | 1,012 | 915 | 775 | 743 |
| AFH and Incontinence products | 956 | 964 | 940 | 886 | 851 | 844 | 965 | 527 |
| Packaging | 1,195 | 1,240 | 1,081 | 1,130 | 1,177 | 1,199 | 1,258 | 1,212 |
| Forest Products | 798 | 677 | 748 | 786 | 1,068 | 1,007 | 1,003 | 1,033 |
| Publication papers | 509 | 380 | 449 | 468 | 702 | 693 | 624 | 566 |
| Pulp, timber and solid wood products | 289 | 297 | 299 | 318 | 366 | 314 | 379 | 467 |
| Other operations | -104 | -67 | -62 | -54 | -51 | -60 | -54 | -56 |
| Total operating surplus | 3,891 | 3,901 | 3,821 | 3,721 | 4,057 | 3,905 | 3,947 | 3,459 |

Quarterly data Business Areas

O P E R A T I N G P R O F I T

| SEK M | 2002 | | | | 2001 | | | |
|--|--------------|-------|-------|-------|-------|-------|-------|-------|
| | IV | III | II | I | IV | III | II | I |
| Hygiene Products | 1,357 | 1,419 | 1,428 | 1,283 | 1,240 | 1,200 | 1,175 | 858 |
| Consumer products | 661 | 719 | 755 | 673 | 699 | 611 | 492 | 467 |
| AFH and Incontinence products | 696 | 700 | 673 | 610 | 541 | 589 | 683 | 391 |
| Packaging | 786 | 839 | 702 | 738 | 777 | 800 | 851 | 858 |
| Forest Products | 560 | 406 | 488 | 532 | 776 | 710 | 730 | 760 |
| Publication papers | 305 | 181 | 251 | 277 | 494 | 480 | 464 | 380 |
| Pulp, timber and solid wood products | 255 | 225 | 237 | 255 | 282 | 230 | 266 | 380 |
| Other operations | -108 | -70 | -63 | -59 | -60 | -62 | -53 | -58 |
| Operating profit before goodwill amortization | 2,595 | 2,594 | 2,555 | 2,494 | 2,733 | 2,648 | 2,703 | 2,418 |
| Goodwill amortization ¹ | -277 | -295 | -291 | -274 | -281 | -258 | -266 | -205 |
| Total operating profit | 2,318 | 2,299 | 2,264 | 2,220 | 2,452 | 2,390 | 2,437 | 2,213 |

¹ Goodwill amortization:

| | | | | | | | | |
|------------------|------------|-----|-----|-----|-----|-----|-----|-----|
| Hygiene Products | 100 | 109 | 110 | 98 | 104 | 84 | 87 | 55 |
| Packaging | 91 | 100 | 96 | 92 | 94 | 87 | 94 | 67 |
| Common | 86 | 86 | 85 | 84 | 83 | 87 | 85 | 83 |
| Group | 277 | 295 | 291 | 274 | 281 | 258 | 266 | 205 |

OPERATING SURPLUS MARGINS

| Percent | 2002 | | | | 2001 | | | |
|--------------------------------------|-----------|-----|----|----|------|-----|----|----|
| | IV | III | II | I | IV | III | II | I |
| Hygiene Products | 18 | 18 | 17 | 17 | 17 | 17 | 16 | 15 |
| Consumer products | 18 | 18 | 18 | 19 | 19 | 17 | 15 | 15 |
| AFH and Incontinence products | 18 | 18 | 17 | 16 | 16 | 16 | 17 | 15 |
| Packaging | 15 | 16 | 14 | 15 | 16 | 16 | 16 | 18 |
| Forest Products | 22 | 21 | 22 | 24 | 29 | 31 | 30 | 31 |
| Publication papers | 26 | 22 | 25 | 28 | 33 | 35 | 33 | 30 |
| Pulp, timber and solid wood products | 18 | 20 | 18 | 19 | 24 | 24 | 27 | 31 |

OPERATING MARGINS, excluding goodwill amortization

| Percent | 2002 | | | | 2001 | | | |
|--------------------------------------|-----------|-----|----|----|------|-----|----|----|
| | IV | III | II | I | IV | III | II | I |
| Hygiene Products | 12 | 12 | 12 | 12 | 12 | 11 | 11 | 10 |
| Consumer products | 11 | 12 | 12 | 13 | 13 | 11 | 9 | 9 |
| AFH and Incontinence products | 13 | 13 | 12 | 11 | 10 | 11 | 12 | 11 |
| Packaging | 10 | 11 | 9 | 10 | 11 | 11 | 11 | 13 |
| Forest Products | 16 | 13 | 14 | 16 | 21 | 22 | 22 | 22 |
| Publication papers | 15 | 11 | 14 | 17 | 23 | 25 | 24 | 20 |
| Pulp, timber and solid wood products | 16 | 15 | 15 | 15 | 19 | 18 | 19 | 25 |

Group data**M A R G I N S**

1 January–31 December

| Percent | 2002 | 2001 |
|--|-------------|------|
| Operating surplus margin | 17.4 | 18.7 |
| Operating margin, excl. goodwill amortization | 11.6 | 12.7 |
| Operating margin | 10.3 | 11.5 |
| Financial net margin | -1.1 | -1.7 |
| Profit margin | 9.2 | 9.8 |
| Tax and minority | -2.7 | -3.0 |
| Net margin | 6.5 | 6.8 |

M A R G I N S – q u a r t e r l y d a t a

| Percent | 2002 | | | | 2001 | | | |
|--|-------------|------|------|------|------|------|------|------|
| | IV | III | II | I | IV | III | II | I |
| Operating surplus margin | 17.3 | 17.5 | 17.1 | 17.7 | 18.9 | 18.8 | 18.3 | 18.7 |
| Operating margin, excl. goodwill amortization | 11.6 | 11.7 | 11.4 | 11.9 | 12.7 | 12.7 | 12.5 | 13.1 |
| Operating margin | 10.3 | 10.3 | 10.1 | 10.6 | 11.4 | 11.5 | 11.3 | 12.0 |
| Financial net margin | -1.1 | -1.2 | -1.0 | -1.2 | -1.6 | -1.9 | -2.0 | -1.4 |
| Profit margin | 9.2 | 9.1 | 9.1 | 9.4 | 9.8 | 9.6 | 9.3 | 10.6 |
| Tax and minority | -2.7 | -2.6 | -2.8 | -2.9 | -3.0 | -2.8 | -2.8 | -3.5 |
| Net margin | 6.5 | 6.5 | 6.3 | 6.5 | 6.8 | 6.8 | 6.5 | 7.1 |

F I V E - Y E A R S U M M A R Y

| Full year | 2002 | 2001 | 2000 ¹ | 1999 ¹ | 1998 ¹ |
|---|-------|-------|-------------------|-------------------|-------------------|
| Earnings after financial items, SEK M | 8,078 | 8,090 | 9,327 | 5,521 | 5,169 |
| Earnings per share, SEK | 24.54 | 24.05 | 30.64 | 16.73 | 16.03 |
| Earnings per share, before goodwill amortization, SEK | 29.43 | 28.40 | 33.76 | 19.52 | 17.96 |
| Debt/equity ratio, times | 0.49 | 0.51 | 0.39 | 0.69 | 0.83 |
| Return on capital employed, % | 13 | 14 | 18 | 12 | 14 |
| Return on shareholders' equity, % | 12 | 13 | 20 | 12 | 13 |

¹ Adjusted historically to reflect new issues.

P r e s s c o n f e r e n c e

SCA's year-end report for the period 1 January-31 December 2002 will be published on 30 January, 2003. The press release will be sent out around noon CET. A press conference will be held in Stockholm, where Jan Åström, President and CEO, will present the results.

Time: 13:00 CET

Venue: Salén Konferenser, Olympia, Norrlandsgatan 15, Stockholm

T e l e p h o n e c o n f e r e n c e

The telephone conference will be held on 30 January, 2003, at 16:00 CET, where Jan Åström will comment on the results. To participate, please call the number below at least 5 minutes prior to the conference call.

Dial-in number UK: +44 (0)20 7162 0125 quote: SCA

Dial-in number US: +1 334 323 6203 quote: SCA

The year-end report and the slide presentation will be available at www.sca.com/Investors.

W e b c a s t i n g

The telephone conference will be broadcasted live (listen-only). A recorded version will be available later the same day. The links will be found at www.sca.com/Investors. Requirements: Windows Media Player or Real Player.

For further information, please contact:

Jan Åström, President and CEO. Phone: +46 70 586 0701.

Peter Nyquist, Senior Vice President, Communications and Investor Relations, Phone: +46 8 788 52 34