

# Press release

Stockholm, January 13, 2016



## SCA's divestment of its business in South East Asia, Taiwan and South Korea for integration with Vinda approved

**SCA's divestment of its business in South East Asia, Taiwan and South Korea for integration with Vinda International Holdings Limited ("Vinda") has been approved by the independent shareholders of Vinda. The transaction is expected to close on February 1, 2016. SCA is the majority shareholder in Vinda, one of China's largest hygiene companies.**

Vinda is listed on the Hong Kong Stock Exchange and the transaction was subject to approval by the independent shareholders of Vinda.

As part of the transaction, SCA and Vinda have signed an agreement regarding the exclusive license to market and sell the SCA brands; TENA (incontinence products), Tork (Away-from-Home tissue), Tempo (consumer tissue), Libero (baby diapers), and Libresse (feminine care) in South East Asia, Taiwan and South Korea. With this agreement, Vinda will hold the rights to these product brands in these Asian markets. Vinda will acquire the brands Drypers, Dr.P, Sealer, Prokids, EQ Dry and Control Plus in these markets. SCA will continue to provide innovation and technical support for the business.

"Asia is an important growth market for SCA with a large population and low penetration of hygiene products. The approved transaction strengthens the collaboration between SCA and Vinda and enables us to further leverage on our strengths to build a leading Asian hygiene business" says Magnus Groth, President and CEO of SCA.

SCA has been a shareholder in Vinda since 2007, became its majority shareholder in late 2013, and has consolidated Vinda financials since the first quarter of 2014. In 2014, SCA divested its hygiene business in China (Mainland China, Hong Kong and Macau) for integration with Vinda.

SCA's hygiene business in South East Asia, Taiwan and South Korea had net sales of approximately SEK 2.2 billion in 2014. The business has approximately 1,600 employees and three personal care production sites in Malaysia and Taiwan. The purchase consideration amounts to HKD 2.8 billion (approx. SEK 3.1 billion) on a debt-free basis.

As a consequence of this transaction SCA's Shanghai office will stop to have operations. This is expected to lead to approximately SEK 90m in restructuring costs that will be recognized as an item affecting comparability in the fourth quarter of 2015.

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**NB:** This information is such that SCA must disclose in accordance with the Securities Markets Act or the Financial Instruments Trading Act. The information was submitted for publication on January 13, 2016, at 09:30 a.m. CET.

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### For further information, please contact:

Linda Nyberg, VP Media Relations and Online Communications, +46 8 788 51 58  
Johan Karlsson, VP Investor Relations, +46 8 788 51 30

**SCA is a leading global hygiene and forest products company.** The Group develops and produces sustainable personal care, tissue and forest products. Sales are conducted in about 100 countries under many strong brands, including the leading global brands TENA and Tork, and regional brands, such as Libero, Libresse, Lotus, Nosotras, Saba, Tempo and Vinda. As Europe's largest private forest owner, SCA places considerable emphasis on sustainable forest management. The Group has about 44,000 employees. Sales in 2014 amounted to approximately SEK 104bn (EUR 11.4bn). SCA was founded in 1929, has its headquarters in Stockholm, Sweden, and is listed on NASDAQ OMX Stockholm. More information at [www.sca.com](http://www.sca.com).