

Press release

Stockholm, December 22, 2016



SCA to discontinue its hygiene business in India

SCA has decided to discontinue its hygiene business in India. Four years after entering the Indian market, our conclusion is that profitability cannot be achieved within a reasonable timeframe. SCA prioritizes growth in selected emerging markets such as China, Southeast Asia, Latin America, Eastern Europe and Russia, where the company already holds strong market positions. Emerging markets accounted for 32% of SCA's net sales in 2015.

The total cost of the discontinuation of operations are expected to amount to approximately SEK 350m and will be recognized as an item affecting comparability in the fourth quarter of 2016. Approximately SEK 50m of these costs are expected to impact cash flow.

The hygiene business in India reported total net sales of approximately SEK 110m in 2015, the majority of which related to baby diapers.

The hygiene business in India will be discontinued in the first quarter of 2017.

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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, Vinda and Zewa. As Europe's largest private forest owner, SCA places considerable emphasis on sustainable forest management. The Group has about 44,000 employees. Sales in 2015 amounted to approximately SEK 115bn (EUR 12.3bn). SCA was founded in 1929, has its headquarters in Stockholm, Sweden, and is listed on Nasdaq Stockholm. For more information, visit www.sca.com.