# Press release

Stockholm, February 23, 2017



### Proposed distribution of SCA's hygiene business

## An information brochure will be published in the week beginning March 6, 2017

In August 2016, SCA announced that the company would initiate work in order to be able to propose to the 2017 Annual General Meeting to decide on a split of the SCA Group into two listed companies; one to operate the hygiene business and one to operate the forest products business. In addition to a proposed cash dividend of SEK 6.00 per share, SCA's Board of Directors has today decided to propose to the Annual General Meeting on April 5, 2017 to decide on the distribution of all shares in the wholly owned subsidiary SCA Hygiene AB to shareholders of SCA. Additional information to SCA's shareholders regarding the proposed distribution of shares in SCA Hygiene AB will be published in the form of an information brochure on the company's website www.sca.com in the week beginning March 6. Shortly thereafter it will be distributed to all shareholders.

The Board of Directors has also decided to propose that the Annual General Meeting authorize the Board of Directors to determine the record date for the distribution of all shares in SCA Hygiene AB. Should the shareholders vote in favor of this distribution proposal, the plan is to distribute the shares in SCA Hygiene AB in accordance with Lex Asea\* rules and to list the company on Nasdaq Stockholm, where the share is expected to be traded on the Nordic list and the segment Large Cap. In addition to their existing shareholding, SCA's shareholders will also receive shares in the newly listed hygiene company in connection with the listing. Each share of Class A in SCA carries entitlement to one share of Class B in SCA Hygiene AB.

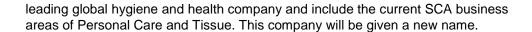
A split of the Group and a distribution and listing of the shares in the subsidiary which today operates the hygiene business, is expected to increase focus, customer value, development opportunities and enables each company to successfully realize its strategies under the leadership of separate and dedicated management teams. This is considered to increase value for SCA's shareholders in the long term. An evaluation of various methods and structural alternatives has been carried out.

Following a split, there will be two listed companies, one of which will be SCA, an efficient and well-invested forest products company that will include the forest products operations and all forest land currently owned by the SCA Group. The second will be a

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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 46,000 employees. Sales in 2016 amounted to approximately SEK 117bn (EUR 12.4bn). SCA was founded in 1929, has its headquarters in Stockholm, Sweden, and is listed on NASDAQ Stockholm. More information at www.sca.com.





\*Lex Asea is a tax regulation in Sweden. This provision means that if a parent company distributes shares in a wholly owned subsidiary to its shareholders, then the taxation of the capital gain the shareholders may enjoy in connection with the distribution can, under certain circumstances, be postponed until such time the shareholder in turn sells the shares that were received.

**NB:** This information is information that SCA is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, at 15:35 p.m. CET on February 23, 2017.

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