

Press release

Stockholm, April 5, 2017



SCA to become two listed companies: the forest products company SCA and the hygiene and health company Essity

Today, at the Annual General Meeting of SCA, the company's shareholders voted in favor of the Board of Director's proposal to split the Group into two listed companies. One of these will continue to operate as SCA, an efficient and well-invested forest products company that will include the forest products operations and all forest land currently owned by the Group. SCA's hygiene business, including the current business areas of Personal Care (including the recently acquired BSN medical) and Tissue will become a leading global hygiene and health company operating under the name Essity.

The split of the company will be carried out at a suitable time following completion of the listing process, but no later than in the second half of 2017. In addition to their existing shareholding, SCA's shareholders will also receive shares in the newly listed hygiene and health company Essity in connection with the listing.

"I am pleased that the shareholders support the Board's proposal regarding two separate listed companies. This will increase value for shareholders in the long-term through increased focus, customer value, development opportunities and enables each company to successfully realize its strategies. We look forward to an exciting future for our two strong listed companies," says Magnus Groth, currently President and CEO of SCA and future President and CEO of the new hygiene and health company Essity.

SCA was founded in 1929 as a forest products company operating in Sweden. Over the years, the company expanded geographically and into other business activities, such as paper products production, personal care, consumer tissue and Away-from-Home tissue. In 2016, the hygiene business accounted for approximately 86% of the Group's net sales and the forest products business for approximately 14%. Synergies between the operations have diminished over time.

Today, SCA owns 2.6 million hectares of forest in Northern Sweden, an area corresponding to about 5% of Sweden, making it the largest private forest holding in Europe. With this unique resource as the foundation, SCA has developed a well-invested, resource-efficient industrial operation, designed to generate the highest possible value from the forest using all parts of the tree. The forest products business produces solid-wood products, pulp, kraftliner, publication papers and renewable energy.

Following the split, Essity will be a leading global hygiene and health company that develops, produces and sells personal care and tissue products. Essity stems from the

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SCA is a leading global hygiene and forest products company that sustainably develops, produces and sells personal care, tissue and forest products. Through the recently acquired company BSN medical, the Group offer products within wound care, compression therapy and orthopedics. Sales are conducted in approximately 150 countries under many strong brands, including the leading global brands TENA and Tork, and other brands, such as Libero, Leukoplast, Libresse, Lotus, Nosotras, Saba, Tempo, Vinda and Zewa. As Europe's largest private forest owner, SCA places considerable emphasis on sustainable forest management. In 2016, the Group had approximately 46,000 employees and sales 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. SCA is dedicated to improving well-being through leading hygiene and health solutions. More information at www.sca.com.

words 'essentials' and 'necessities', a fitting name for the products the new hygiene and health company offers – everyday necessities. Essity's vision is; dedicated to improving well-being through leading hygiene and health solutions.



Sales are conducted in approximately 150 countries under globally leading brands including TENA for incontinence products and Tork for Away-from-Home tissue, and under other well-known regional brands, such as Libero, Libresse, Lotus, Nosotras, Saba, Tempo, Vinda and Zewa. With the acquisition of BSN medical, a leading medical solutions company, Essity is further strengthening its capabilities in the health arena with brands such as Leukoplast, Cutimed, JOBST, Delta Cast, Delta Lite and Actimove.

“Hygiene and health are necessities for better lives and our products and solutions play an essential role in improving well-being for people around the world,” says Magnus Groth, currently President and CEO of SCA and future President and CEO of the new hygiene and health company Essity.

For videos and logotypes, visit: <http://www.sca.com/two-listed-companies>

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