

# Press release

Sundsvall, July 22, 2022

## Interim Report Q2 2022

### January–June 2022 compared with January–June 2021

- Net sales amounted to SEK 10,914m (8,982). The increase was mainly attributable to high demand for SCA's products, higher selling prices and increased sales to core markets. Through its own logistics company, SCA has a unique control over logistics from the forest to the customer, which has benefited delivery reliability in a turbulent period.
- EBITDA improved 58% to SEK 5,729m (3,619). The increase was mainly attributable to higher selling prices in all product areas while a high degree of self-sufficiency in wood, energy and logistics enabled good cost control. EBITDA margin increased to 52.5% (40.3).
- Valuation of SCA's forest assets increased to SEK 87.9bn compared to SEK 84.5bn at year-end previous year due to further increased prices on forest assets in Northern Sweden
- Operating profit increased to SEK 4,958m (2,927)
- Operating cash flow strengthened to SEK 3,085m (1,581) and thereby continued to finance ongoing strategic investments
- Earnings per share was SEK 5.50 (3.20)

### April–June 2022 compared with April–June 2021

- Net sales amounted to SEK 5,899m (4,810). The increase was mainly attributable to strong demand for SCA's products, higher selling prices and positive exchange rate effects.
- EBITDA amounted to SEK 3,121m (2,260). The increase was mainly attributable to higher selling prices, which were offset by higher raw material costs. EBITDA margin strengthened to 52.9% (47.0).

### April–June 2022 compared with January–March 2022

- Net sales amounted to SEK 5,899m (5,015). The increase was mainly attributable to higher selling prices and higher delivery volumes.
- EBITDA amounted to SEK 3,121m (2,608). The increase was primarily attributable to higher selling prices in all product areas. EBITDA margin increased to 52.9% (52.0).

The core of SCA's business is the growing forest, Europe's largest private forest holding. Around this unique resource, we have built a well-developed value chain based on renewable raw material from our own and others' forests. We offer packaging paper, pulp, wood products, renewable energy, services for forest owners and efficient transport solutions.

2021 the forest products company SCA had approximately 4,000 employees and sales amounted to approximately SEK 18.8 bn. SCA was founded in 1929 and has its headquarters in Sundsvall, Sweden. For more information, visit [www.sca.com](http://www.sca.com)

**Svenska Cellulosa Aktiebolaget SCA**  
Skepparplatsen 1  
SE-851 88 Sundsvall  
Tel: +46 60 19 30 00

[www.sca.com](http://www.sca.com)

## KEY FIGURES

SEKm	Quarter					Jan-Jun 2022		
	2022:2	2021:2	%	2022:1	%	2022	2021	%
Net sales	5,899	4,810	23	5,015	18	10,914	8,982	22
EBITDA	3,121	2,260	38	2,608	20	5,729	3,619	58
<i>EBITDA margin (%)</i>	<i>52.9</i>	<i>47.0</i>		<i>52.0</i>		<i>52.5</i>	<i>40.3</i>	
Operating profit	2,735	1,881	45	2,223	23	4,958	2,927	69
Net Profit	2,180	1,483	47	1,760	24	3,940	2,285	72
<i>Earnings per share SEK</i>	<i>3.05</i>	<i>2.06</i>		<i>2.45</i>		<i>5.50</i>	<i>3.20</i>	
Operating cash flow	1,942	1,106		1,143		3,085	1,581	
Net Debt / EBITDA (LTM)	0.8x	1.4x		1.0x		0.8x	1.4x	

## SUMMARY OF THE SECOND QUARTER OF 2022

Earnings for the second quarter of 2022 were the highest ever. The improvement compared with the preceding quarter and the year-earlier quarter was mainly attributable to strong demand for SCA's products with higher sales to core markets, in particular Scandinavia and Central Europe, and higher selling prices.

Higher inflationary pressure has resulted in increased costs for input goods and logistics services. Good control over SCA's own value chain and a high degree of self-sufficiency in wood and energy largely offset the cost increases resulting from rising inflation. Through its own logistics company, SCA also has unique control over logistics from the forest to the customer, which benefits both delivery reliability and cost control.

The supply of wood raw material to SCA's industries was stable during the quarter. The price of pulpwood increased while the price of saw logs was in line with the preceding quarter.

Selling prices for solid-wood products increased compared with the preceding period and delivery volumes were at normal levels. Demand for building materials from private individuals was weaker while demand from new construction was favorable.

Demand in the Pulp segment remained at a good level with higher selling prices and increased delivery volumes compared with the preceding quarter. The CTMP (chemi-thermomechanical pulp) expansion project at the Ortviken site in Sundsvall is progressing on time and on budget.

Demand for kraftliner was strong during the period. Average selling prices increased compared with the preceding quarter. A planned maintenance stop was carried out at the Obbola mill in Umeå during the period. Operating trials for the new paper machine will begin this autumn, which is earlier than planned. The earlier-than-scheduled trials create positive conditions for a successful project (see page 5).

### Higher transaction prices for forest assets in northern Sweden

SCA has based its valuation of forest assets on forest transactions carried out in the areas where SCA owns forest. The market value of the forest increased during the first six months of 2022. The average market price used in the valuation of SCA's forest assets was SEK 342/m<sup>3</sup>fo at June 30 compared to SEK 324/m<sup>3</sup>fo at December 31, 2021 (see Note 3).

The core of SCA's business is the growing forest, Europe's largest private forest holding. Around this unique resource, we have built a well-developed value chain based on renewable raw material from our own and others' forests. We offer packaging paper, pulp, wood products, renewable energy, services for forest owners and efficient transport solutions. 2021 the forest products company SCA had approximately 4,000 employees and sales amounted to approximately SEK 18.8 bn. SCA was founded in 1929 and has its headquarters in Sundsvall, Sweden. For more information, visit [www.sca.com](http://www.sca.com)

**Svenska Cellulosa Aktiebolaget SCA**  
Skepparplatsen 1  
SE-851 88 Sundsvall  
Tel: +46 60 19 30 00

[www.sca.com](http://www.sca.com)



## INVITATION TO PRESS CONFERENCE ON HALF-YEAR REPORT 2022

Members of the media and analysts are hereby invited to attend a press conference where this interim report will be presented by the President and CEO, Ulf Larsson, and by the CFO, Andreas Ewertz.

Time: Friday, July 22, 2022 at 10:00 a.m.

The press conference will be webcast live at [www.sca.com](http://www.sca.com). It is also possible to participate by telephone by calling:

Sweden: +46 (0)8 566 426 51

UK: +44 (0)3333 000 804

US: +1 631 913 1422

Specify the conference ID: 10918682#.

### For further information, please contact

Andreas Ewertz, CFO, +46 (0)60 19 31 97

Josefine Bonnevier, Investor Relations Director, +46 (0)60 19 33 90

### Please note:

---

This is information that SCA is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. This report has been prepared in both Swedish and English versions. In case of variations in the content between the two versions, the Swedish version shall govern. The information was submitted for publication, through the agency of the contact person set out below, on July 22, 2022 at 08:00 a.m. CEST. The report has been reviewed by the company's auditors.

---

Anders Edholm, Senior Vice President, Communications, +46 (0)60 19 32 12

The core of SCA's business is the growing forest, Europe's largest private forest holding. Around this unique resource, we have built a well-developed value chain based on renewable raw material from our own and others' forests. We offer packaging paper, pulp, wood products, renewable energy, services for forest owners and efficient transport solutions. 2021 the forest products company SCA had approximately 4,000 employees and sales amounted to approximately SEK 18.8 bn. SCA was founded in 1929 and has its headquarters in Sundsvall, Sweden. For more information, visit [www.sca.com](http://www.sca.com)

**Svenska Cellulosa Aktiebolaget SCA**  
Skepparplatsen 1  
SE-851 88 Sundsvall  
Tel: +46 60 19 30 00

[www.sca.com](http://www.sca.com)