

Interim Report



Q1 2015



Magnus Groth

President and CEO

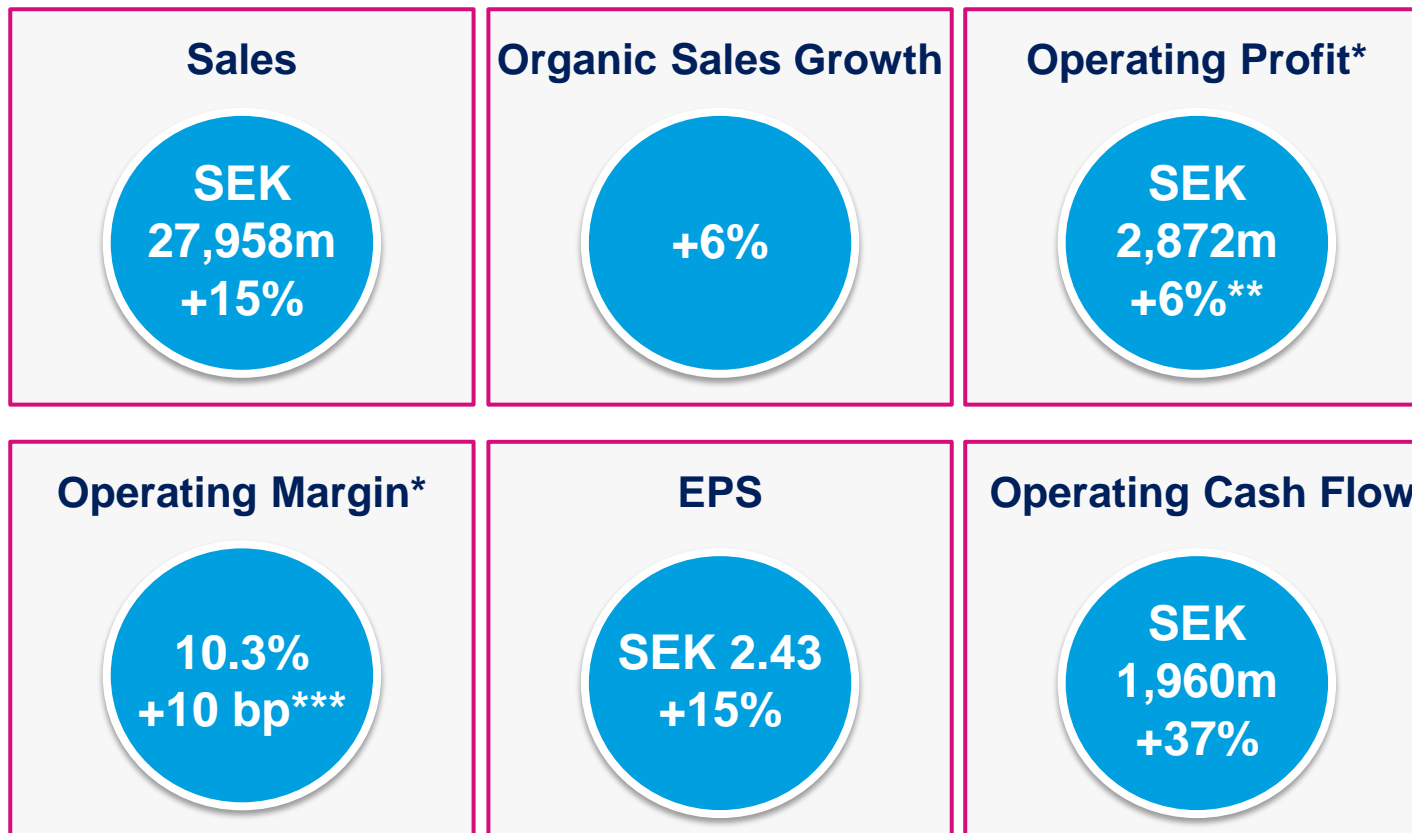
Summary Q1 2015

- Good organic growth in sales and operating profit
- Strong growth in emerging markets
- Strong cash flow
- Higher sales and profits in all business areas
- Continued work with efficiency
- Introduced 11 innovations and product launches
 - Edet, Nosotras, Plenty, Tork and Zewa



Group

Q1 2015 vs. Q1 2014



* Excluding items affecting comparability

** Excluding items affecting comparability, gains on forest swaps of SEK 0m (152) before tax and currency translation effects

*** Excluding items affecting comparability and gains on forest swaps of SEK 0m (152) before tax

Strategic Priorities



EFFICIENCY



INNOVATION



GROWTH



INCREASING EFFICIENCY IN THE VALUE CHAIN

Innovations and Product Launches

Q1 2015



Tork Industrial Low-Lint Cleaning Cloth

Nosotras Frescura Extrema

Plenty Schoonmaak Doekjes

Edet Ultra Soft, Zewa Deluxe



- For sensitive surfaces and industrial cleaning & technical tasks that need pristine results
- Antistatic, perfect for more technical tasks
- Works well with solvents, detergents and disinfectants

- Range of hygiene products which give women an extra kick of hygiene and freshness feeling during the day

- Hygienic & useful for tougher cleaning tasks
- Thanks to its Power Dots technology, it delivers the superior strength of a cloth combined with the absorbency and convenience of Plenty kitchen roll

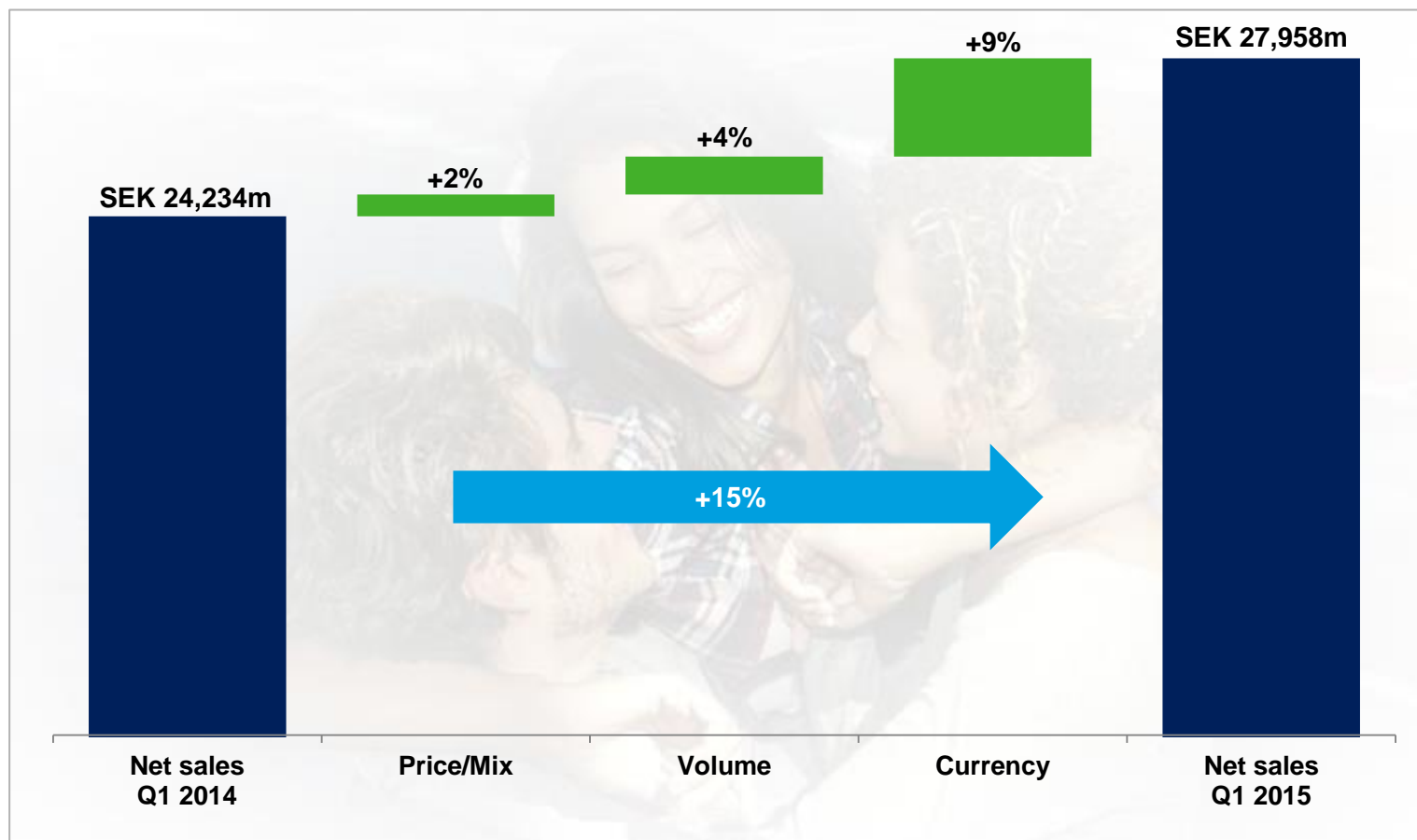
- Softness increase
- Bulk increase
- New absorbing cushions embossing design

Fredrik Rystedt

CFO

Net Sales

Q1 2015 vs. Q1 2014



■ Organic sales growth 6%

◆ Price/Mix +2%

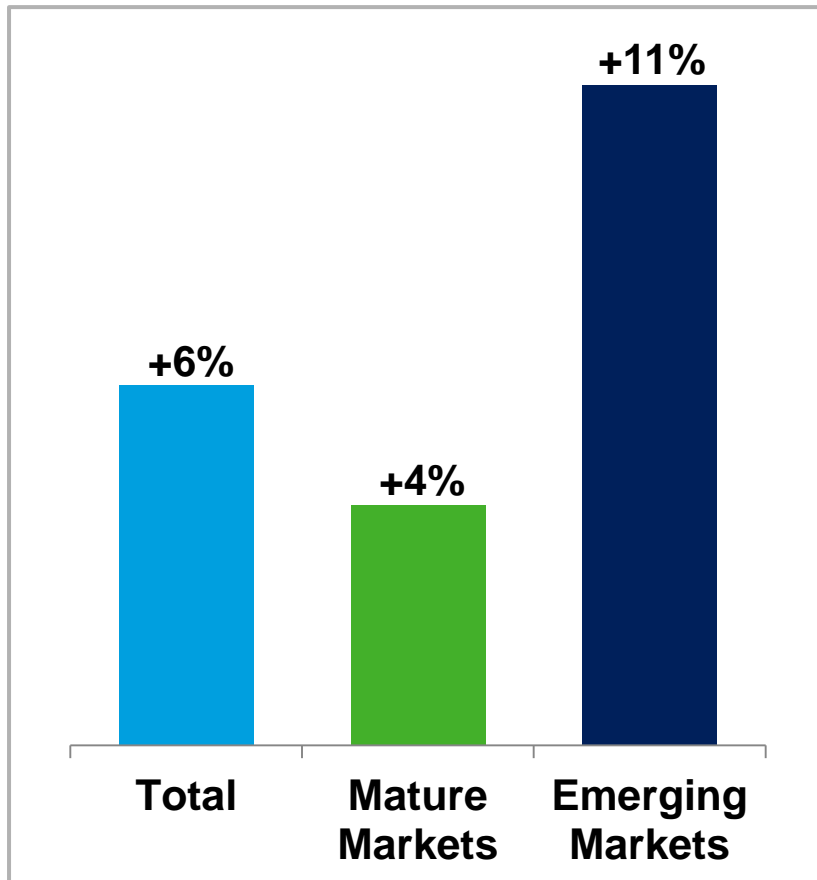
◆ Volume +4%

Group

Organic Sales Growth Q1 2015 vs. Q1 2014



By region



■ Mature markets

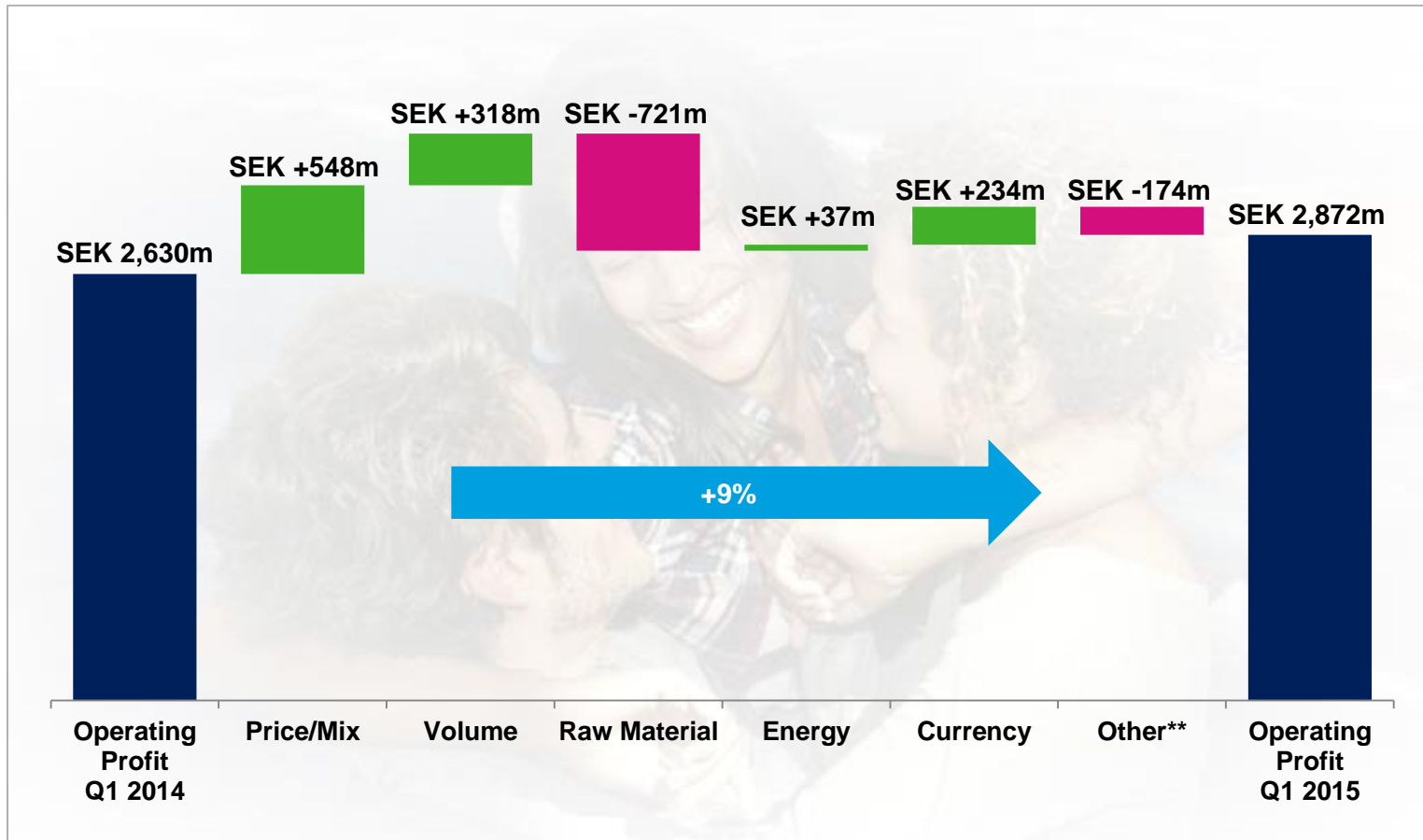
- ◆ Western Europe
 - Strong growth for baby diapers and feminine care
 - Good growth for incontinence products
 - Higher sales for consumer tissue
 - Lower sales for AfH tissue
- ◆ North America
 - Strong growth for AfH tissue
 - Lower sales for incontinence products

■ Emerging markets

- ◆ Strong growth in emerging markets
 - Personal Care
 - Latin America +15%
 - Russia +27%
 - Tissue
 - Asia +19%
 - Latin America +9%
 - Russia +15%

Operating Profit* – Group

Q1 2015 vs. Q1 2014



* Excluding items affecting comparability and including gains on forest swaps of SEK 0m (152) before tax

** Other includes gains on forest swaps of SEK -152m

Cash Flow

Q1 2015 vs. Q1 2014



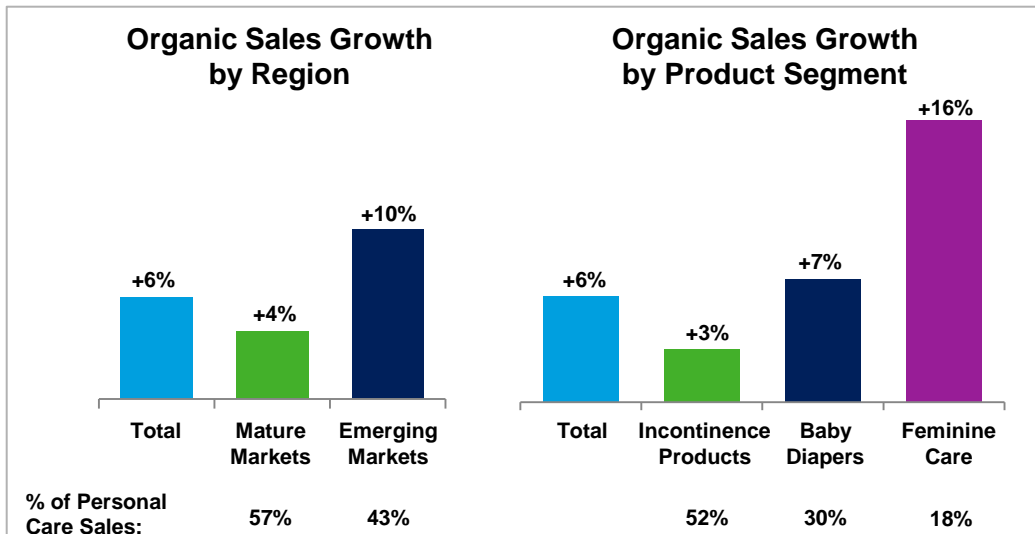
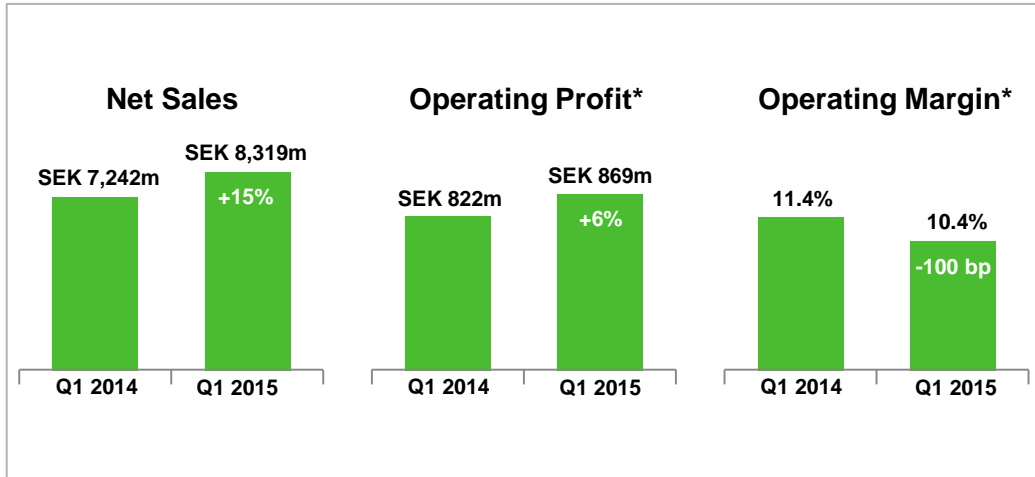
	Q1 2015 SEKm	Q1 2014 SEKm
Operating cash surplus	4,118	3,569
Change in working capital	-1,028	-1,141
Restructuring costs, etc	-227	-230
Capital expenditures (including strategic)	-1,347	-1,275
Operating cash flow including strategic capital expenditures	1,516	923

Magnus Groth

President and CEO

Personal Care

Q1 2015 vs Q1 2014



- **Sales growth 15%**
- **Organic sales growth 6%**
 - ◆ Price/mix +2%
 - ◆ Volume +4%
 - ◆ Strong growth in emerging markets
 - ◆ Strong growth for baby diapers and feminine care
- **Operating profit increased 6%***
 - ◆ Higher volumes
 - ◆ Better price/mix
 - ◆ Cost savings
 - ◆ Higher raw material costs due to higher pulp prices and a stronger USD
 - ◆ Investments in increased marketing activities for incontinence products and in India
- **Operating margin 10.4%***
- **ROCE** 26.1%**

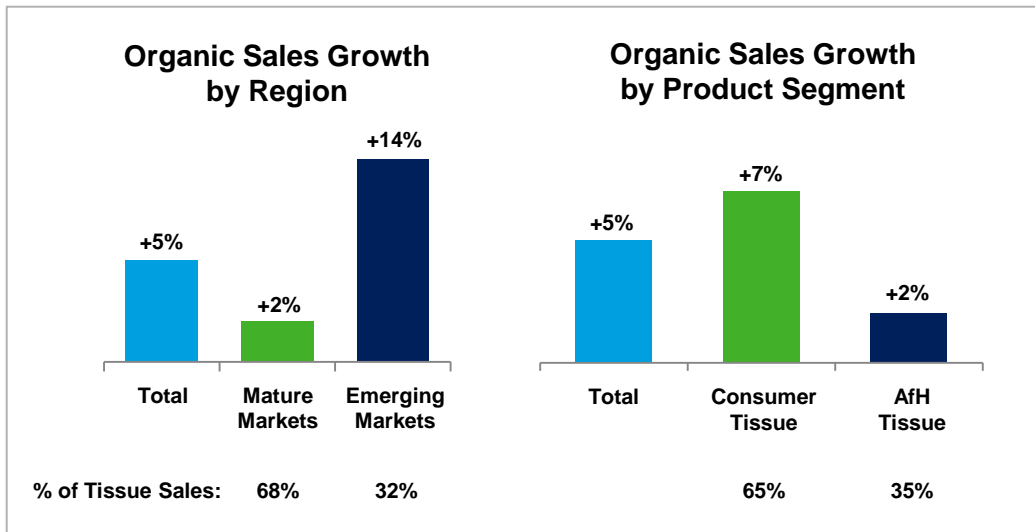
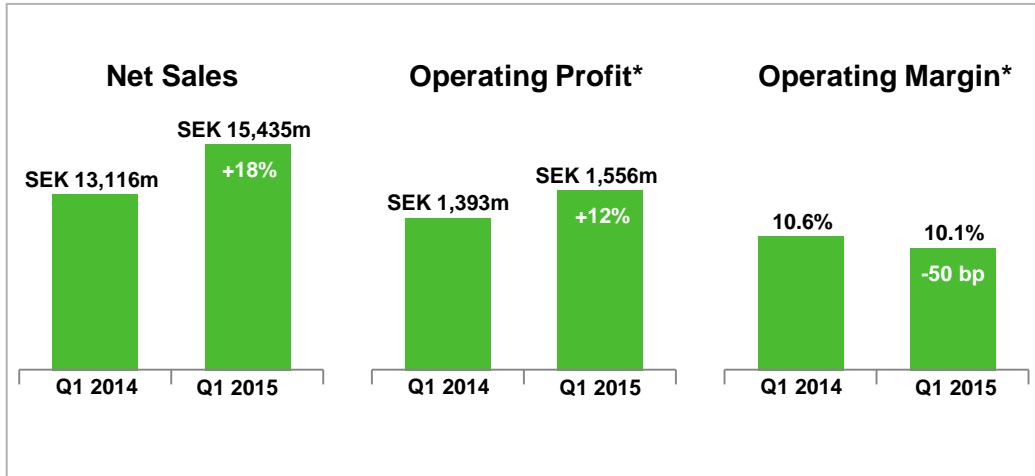


* Excluding items affecting comparability

** Return on capital employed excluding items affecting comparability

Tissue

Q1 2015 vs Q1 2014



- **Sales growth 18%**
- **Organic sales growth 5%**
 - ◆ Price/mix +1%
 - ◆ Volume +4%
 - ◆ Strong growth in emerging markets
 - ◆ Strong growth for consumer tissue
- **Operating profit increased 12%***
 - ◆ Higher volumes
 - ◆ Better price/mix
 - ◆ Cost savings
 - ◆ Higher raw material costs mainly due to a stronger USD
- **Operating margin 10.1%***
- **ROCE** 12.5%**

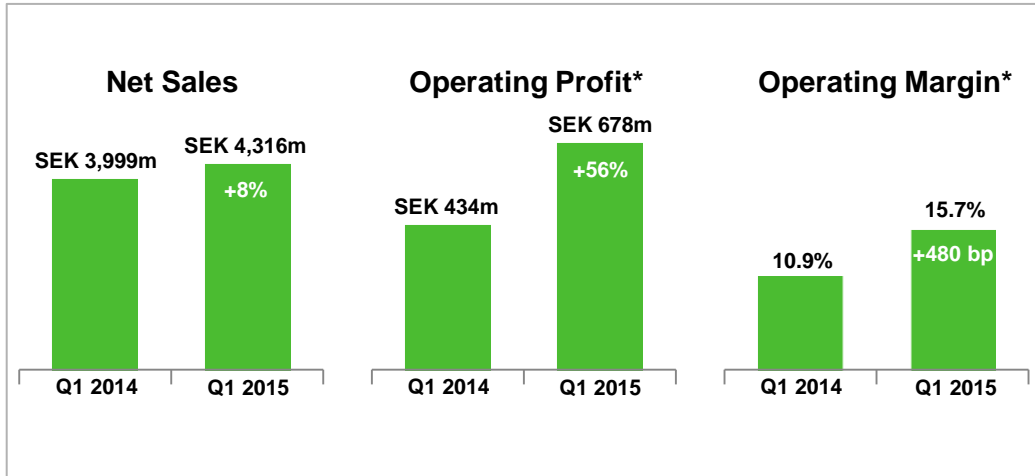


* Excluding items affecting comparability

** Return on capital employed excluding items affecting comparability

Forest Products

Q1 2015 vs Q1 2014



- **Sales growth 8%**
 - ◆ Price/mix +5%
 - ◆ Volume +1%
 - ◆ Currency +2%
 - ◆ Strong growth for kraftliner and pulp
- **Operating profit increased 56%***
 - ◆ Higher prices (including exchange rate effects)
 - ◆ Lower energy costs
 - ◆ Cost savings
- **Operating margin 15.7%***
- **ROCE** 6.8%**



* Excluding items affecting comparability and gains on forest swaps of SEK 0m (152) before tax

** Return on capital employed excluding items affecting comparability

Q1 2015

Summary



- Good organic growth in sales and operating profit
- Strong growth in emerging markets
- Strong cash flow
- Higher sales and profits in all business areas

Global Environment

- Low growth in mature markets and good growth in emerging markets for hygiene products
- FX headwinds due to stronger USD
- Competitive market environment



Q&A



SCA
Care of Life

