

# Press release

Stockholm, 18 July 2014



## SCA and Vinda to integrate hygiene business in China

**SCA, a leading global hygiene and forest products company, and the majority shareholder in China's third-largest tissue company, Vinda International Holdings Limited ("Vinda") is strengthening the cooperation with Vinda. SCA to transfer its hygiene business in China (Mainland China, Hong Kong and Macau) to Vinda.**

As part of the transaction, SCA and Vinda have signed an agreement regarding the exclusive license to market and sell the SCA brands; TENA, (incontinence products) Tork (Away from Home tissue), Tempo (consumer tissue), Libero (baby diapers), and Libresse (feminine care) in China (Mainland China, Hong Kong and Macau). With this agreement, Vinda will hold the rights to these product brands in these Chinese markets. Vinda will acquire SCA's Dr P and Sealer brands in China.

"With its immense number of inhabitants, ageing population and low penetration of hygiene products, China is an attractive and important market with significant potential for future growth. This new cooperation and transaction will generate mutual benefits for both SCA and Vinda particularly in distribution, sales, innovation and R&D. Vinda will get access to a broader product portfolio and SCA's brands will have the potential to reach a broader base of consumers and customers via the extensive and robust distribution network of Vinda in China," says Jan Johansson, President and CEO of SCA.

SCA has been a shareholder in Vinda since 2007, became its majority shareholder in late 2013, and has consolidated Vinda financials since the first quarter of 2014.

SCA's hygiene business in China (Mainland China, Hong Kong and Macau) had net sales of approximately SEK 600m in 2013. The purchase consideration amounts to HKD 1,144m (approx. SEK 1,000m) on a debt-free basis.

The agreement is subject to approval by the independent shareholders of Vinda. Vinda is listed on the Hong Kong Stock Exchange.

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**NB:** This information is such that SCA must disclose in accordance with the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication on 18 July 2014, at approximately 01:00 CET.

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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 and Vinda. As Europe's largest private forest owner, SCA places considerable emphasis on sustainable forest management. The Group has about 44,000 employees. Sales in 2013 amounted to approximately SEK 93bn (EUR 10.7bn). SCA was founded in 1929, has its headquarters in Stockholm, Sweden, and is listed on NASDAQ OMX Stockholm. For more information, visit [www.sca.com](http://www.sca.com).