

Press release

Stockholm, August 28, 2015



SCA enhances its organization and invests

SCA is a global hygiene and forest products company with about 85% of its sales derived from its hygiene operations. To further intensify the focus on the Group's two operations, SCA has decided initiate a dividing of the Group into two divisions: a Hygiene division and a Forest Products division. In relation to the Forest Products division, all forest industry and forest land currently owned by SCA will be merged into one division. A decision has also been made to invest in increased capacity for pulp production in the forest products operation.

"SCA is a global hygiene and forest products company in which we work continuously to enhance the respective operations. The enhancement of the organization and the investment in increased pulp production will secure the long-term competitiveness of the businesses," says Magnus Groth, President and CEO of SCA.

The Forest Products division will encompass all forest industry operations and all forest land currently owned by SCA. The work to realize this consolidation will now begin. There are significant synergies between the forest industry and the ownership of forest land. SCA's forest products operation has a well-integrated supply chain with production facilities concentrated in Northern Sweden in close proximity to its forest holdings.

As of January 1, 2017, the Forest Products division will expand its quarterly financial reporting.

To satisfy the growing demand for pulp, SCA has decided to invest in increased capacity for pulp production at the Östrand pulp mill in Timrå, Sweden. The annual production capacity of bleached sulphate pulp will increase from the current level of approximately 430,000 tons to about 900,000 tons. The investment will amount to about SEK 7.8bn over a three-year period. Production is expected to commence in 2018.

"A cohesive forest products operation in a single division further highlights the value created and optimizes synergies between the forest industry and ownership of forest land. Over time, the investment in Östrand will increase sales and competitiveness and create a world-class cost position and higher margins," says Magnus Groth, President and CEO of SCA.

SCA has also decided to enhance the hygiene operation's organization. Please see separate press release.

Teleconference

A teleconference for the media, investors and analysts will be held today at 9:00 a.m. with President and CEO Magnus Groth.

To join the teleconference, please dial: +44 (0)20 7162 0077, +1 334 323 6201 or +46 (0) 8 505 201 10.

NB: This information is such that SCA must disclose in accordance with the Securities Markets Act or the Financial Instruments Trading Act. The information was submitted for publication on August 28, 2015, at 8:00 a.m. 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 2014 amounted to approximately SEK 104bn (EUR 11.4bn). SCA was founded in 1929, has its headquarters in Stockholm, Sweden, and is listed on NASDAQ OMX Stockholm. More information at www.sca.com.