

JANUARY 1 – DECEMBER 31, 2016 (compared with same period a year ago)

- Net sales totaled SEK 117,314m (115,316)
- Organic sales, which exclude exchange rate effects, acquisitions and divestments, increased by 2%
- Operating profit rose 3% to SEK 11,279m (10,947)
- Adjusted operating profit, excluding items affecting comparability, rose 7% to SEK 13,989m (13,014)
- The adjusted operating margin was 11.9% (11.3%)
- Adjusted profit before tax rose 8% to SEK 13,070m (12,059)
- Items affecting comparability totaled SEK -2,710m (-2,067), of which SEK -1,907m (-874) affects cash flow
- Profit for the period was SEK 6,012m (7,452)
- Earnings per share were SEK 7.93 (9.97)
- The adjusted return on capital employed was 12.5% (12.0%)
- Cash flow from current operations was SEK 10,382m (9,890)
- The Board of Directors proposes an increased dividend by 4.3% to SEK 6.00 (5.75) per share
- Work initiated to propose to the 2017 Annual General Meeting to decide on a split of the SCA Group into two listed companies: hygiene and forest products
- Entered into an agreement to acquire the medical solutions company BSN medical. The purchase price for the shares is EUR 1,400m, and takeover of net debt amounts to approximately EUR 1,340m*

*Calculated as per December 31, 2016.

EARNINGS TREND

SEKm	1612	1512	%	2016:4	2015:4	%
Net sales	117,314	115,316	2	30,897	29,040	6
Adjusted operating profit ¹	13,989	13,014	7	3,685	3,454	7
Items affecting comparability	-2,710	-2,067		-696	697	
Operating profit	11,279	10,947	3	2,989	4,151	-28
Financial items	-919	-955		-289	-259	
Profit before tax	10,360	9,992	4	2,700	3,892	-31
Adjusted profit before tax ¹	13,070	12,059	8	3,396	3,195	6
Tax ²	-4,348	-2,540		-1,117	-985	
Net profit for the period	6,012	7,452	-19	1,583	2,907	-46
Earnings per share, SEK	7.93	9.97		1.99	4.03	

¹ Excluding items affecting comparability

² Including a provision of approximately SEK 1,300m for the full year 2016 and of approximately SEK 300m for the full year and the fourth quarter of 2015 related to ongoing tax cases.

CEO'S COMMENTS

Organic sales for the full year 2016 increased by 2% and were affected by a somewhat challenging market situation for hygiene products and capacity reductions. Adjusted operating profit, excluding currency translation effects, acquisitions and divestments, increased by 8%, and the adjusted operating margin increased by 0.6 percentage points to 11.9%. The adjusted return on capital employed increased by 0.5 percentage points to 12.5%.

The Board of Directors proposes an increase in the dividend by 4.3% to SEK 6.00 per share.

In 2016 we initiated work to propose to the 2017 Annual General Meeting to decide on a split of the SCA Group into two listed companies: hygiene and forest products. During the year we have enhanced our strategy and vision. The acquisition of Wausau Paper, a leading North American Away-from-Home tissue company, was completed, and the company is being successfully integrated. We strengthened our collaboration with Vinda on building a leading Asian hygiene business. In addition, we entered into an agreement to acquire the medical solutions company BSN medical. The purchase price for the shares was EUR 1,400m, and takeover of net debt amounts to approximately EUR 1,340m*. The acquisition of BSN medical is an excellent strategic fit for SCA and supports our vision. BSN medical has leading market positions in several attractive medical product categories and provides a new growth platform with future industry consolidation opportunities. BSN medical shares similar positive market characteristics, customers and sales channels with our incontinence business, with the globally leading TENA brand, providing opportunities for accelerated growth through cross-selling. The transaction is subject to customary regulatory approvals and is expected to close during the second quarter of 2017.

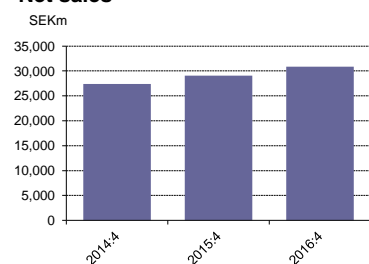
We have further developed our customer and consumer offerings, and launched 23 innovations during the year. Innovations were launched in consumer tissue under the Lotus, Plenty, Regio, Tempo and Zewa brands, among others; in feminine care under the Bodyform, Libresse and Nosotras brands, among others; in baby diapers under the Drypers and Libero brands; and in AfH tissue and incontinence products under the two globally leading brands Tork and TENA, respectively. We continued to increase the efficiency of the value chain and address underperforming market positions. During the year we decided to implement restructuring measures in our tissue operations in France and Spain. These measures are aligned with the strategy to improve production efficiency in order to drive cost and capital efficiency and further increase value creation in the Tissue business area. We decided to discontinue our baby diaper business in Mexico and our hygiene business in India. After four years in the Indian market, we do not believe that profitability can be achieved within a reasonable time frame. We are prioritizing growth in selected emerging markets such as China, Southeast Asia, Latin America, Eastern Europe and Russia, where we already have strong market positions. During the year our hygiene business in Southeast Asia, Taiwan and South Korea were integrated with Vinda, in which we are the majority shareholder.

Consolidated net sales for the fourth quarter of 2016 increased by 6% compared with the same period a year ago. Organic sales increased by 2%. In emerging markets, which accounted for 33% of net sales, organic sales increased by 7%, while in mature markets they were level with the same period a year ago. For Personal Care, organic sales decreased by 1%. Growth was negatively affected by the baby diaper operations, where organic sales decreased by 4%, mainly related to lower sales in Russia, Mexico, the Middle East and Africa as a result of increased competition and the decision to close the baby diaper business in Mexico, among other things. For incontinence products, organic sales were level with the same period a year ago. In Europe, the retail sector showed continued high growth, while lower sales to the health care sector had a negative effect on growth. For Tissue, organic sales increased by 4%. Growth was positively affected by emerging markets, where organic sales increased by 11%. For Forest Products, organic sales increased by 4%, mainly owing to higher volumes of solid-wood products and pulp.

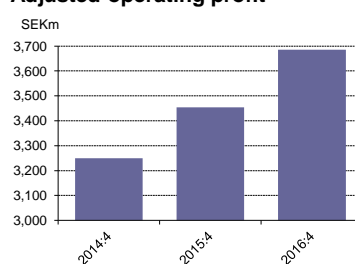
The Group's adjusted operating profit for the fourth quarter of 2016, excluding currency translation effects, acquisitions and divestments, rose 5% compared with the same period a year ago. The increase is mainly related to a better price/mix, higher volumes, cost savings and lower raw material costs. Investments were made in increased marketing activities. The British pound and Mexican peso have weakened against a number of trading currencies, which had a negative earnings effect. The Group's adjusted operating margin was level with the preceding year at 11.9%. Operating cash flow increased by 6%. The adjusted return on capital employed decreased by 0.3 percentage points to 12.8%.

*Calculated as per December 31, 2016.

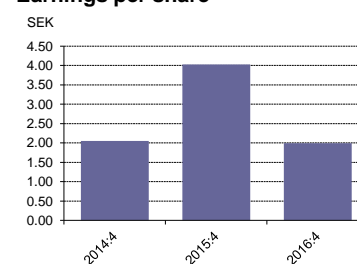
Net sales



Adjusted operating profit



Earnings per share



Excluding items affecting comparability

ADJUSTED EARNINGS TREND FOR THE GROUP

SEKm	1612	1512	%	2016:4	2015:4	%
Net sales	117,314	115,316	2	30,897	29,040	6
Adjusted cost of goods sold ¹	-85,721	-85,476		-22,525	-21,372	
Adjusted gross profit ¹	31,593	29,840	6	8,372	7,668	9
Adjusted sales, general and administration ¹	-17,604	-16,826		-4,687	-4,214	
Adjusted operating profit ¹	13,989	13,014	7	3,685	3,454	7
Financial items	-919	-955		-289	-259	
Adjusted profit before tax ¹	13,070	12,059	8	3,396	3,195	6
Adjusted tax ^{1,2}	-4,775	-3,306		-1,193	-1,046	
Adjusted net profit for the period ¹	8,295	8,753	-5	2,203	2,149	3
Earnings per share, SEK owners of the parent company						
- after dilution effects	7.93	9.97		1.99	4.03	
Adjusted Margins (%)						
Gross margin ¹	26.9	25.9		27.1	26.4	
Operating margin ¹	11.9	11.3		11.9	11.9	
Financial net margin	-0.8	-0.8		-0.9	-0.9	
Profit margin ¹	11.1	10.5		11.0	11.0	
Tax ^{1,2}	-4.1	-2.9		-3.9	-3.6	
Net margin ¹	7.0	7.6		7.1	7.4	

¹ Excluding items affecting comparability; for amounts see page 14.

² Including a provision of approximately SEK 1,300m for the full year 2016 and of approximately SEK 300m for the full year and the fourth quarter of 2015 related to ongoing tax cases.

ADJUSTED OPERATING PROFIT PER BUSINESS AREA

SEKm	1612	1512	%	2016:4	2015:4	%
Personal Care	4,255	3,990	7	1,143	1,086	5
Tissue	8,155	7,217	13	2,215	1,943	14
Forest Products	2,211	2,605	-15	552	612	-10
Other	-632	-798		-225	-187	
Total ¹	13,989	13,014	7	3,685	3,454	7

¹ Excluding items affecting comparability; for amounts see page 14.

OPERATING CASH FLOW PER BUSINESS AREA

SEKm	1612	1512	%	2016:4	2015:4	%
Personal Care	4,723	3,792	25	1,143	1,061	8
Tissue	9,334	7,667	22	2,586	2,102	23
Forest Products	1,884	2,501	-25	645	689	-6
Other	-993	-1,039		-432	-121	
Total	14,948	12,921	16	3,942	3,731	6

GROUP

MARKET/EXTERNAL ENVIRONMENT

January–December 2016 compared with corresponding period a year ago

The global market for hygiene products was somewhat challenging in 2016.

The British pound and Mexican peso have weakened considerably against a number of trading currencies, which has led to higher costs for imports of raw materials and finished products.

The European and North American markets for incontinence products in the health care sector showed higher demand, but with continued price pressure as a result of fierce competition. The European and North American retail markets for incontinence products showed high growth. Emerging markets showed higher demand for incontinence products. The global market for incontinence products was characterized by continued high competition. In Europe, demand for baby diapers and feminine care products was stable. In emerging markets, demand increased for baby diapers and feminine care products. The global market for baby diapers and several markets for feminine care products were characterized by increased competition and campaign activity.

The European market for consumer tissue showed low growth and increased competition. The European and North American markets for AfH tissue showed low growth. Growth was slightly higher in Europe than in North America. The Chinese tissue market showed higher demand.

Demand for kraftliner and solid-wood products in Europe increased in 2016. Demand in Europe for publication papers continued to decrease during the year.

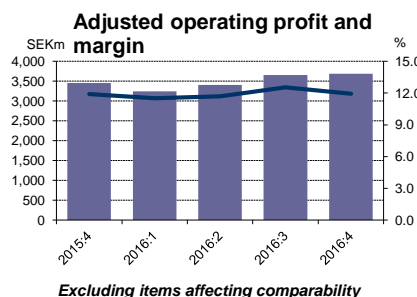
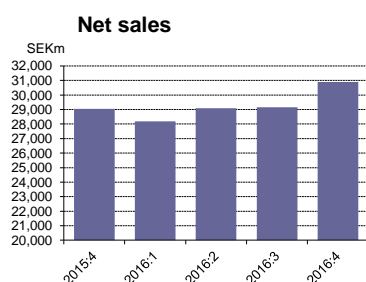
NET SALES AND EARNINGS

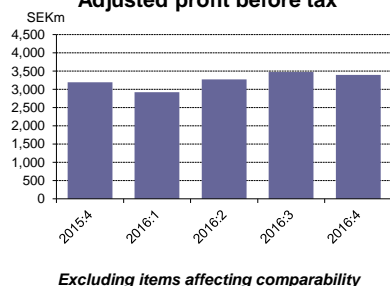
January–December 2016 compared with corresponding period a year ago

Net sales increased by 2% compared with the same period a year ago, to SEK 117,314m (115,316). Organic sales, which exclude exchange rate effects, acquisitions and divestments, increased by 2%, of which volume accounted for 1% and price/mix for 1%. Organic sales were level in mature markets compared with the same period a year ago and increased by 7% in emerging markets. Emerging markets accounted for 32% of net sales. Exchange rate effects decreased net sales by 3%. The acquisition of Wausau Paper Corp. increased net sales by 3%.

Adjusted operating profit rose 7% (8% excluding currency translation effects, acquisitions and divestments) to SEK 13,989m (13,014). Higher volumes, a better price/mix, cost savings, lower raw material and energy costs, and acquisition contributed to the earnings growth. In Personal Care and Tissue, selling costs were higher, and investments were made in increased marketing activities. The British pound and Mexican peso have weakened against a number of trading currencies, which had a negative earnings effect. Adjusted operating profit for Personal Care rose 7% (10% excluding currency translation effects and divestments). Adjusted operating profit for Tissue rose 13% (12% excluding currency translation effects and acquisitions). For Forest Products, adjusted operating profit decreased by 15%.

Items affecting comparability amounted to SEK -2,710m (-2,067) and include costs of approximately SEK -1,090m mainly for ongoing antitrust cases in Chile, Colombia, Poland, Spain and Hungary. They also include restructuring costs of approximately SEK -805m mainly related to the closures of the tissue plants in Sant Joan de Mediona, Spain, and Saint-Cyr-en-Val, France, and restructuring measures at the Hondouville and Saint-Etienne-du-Rouvray production plants in France. Items affecting comparability also include costs of approximately SEK -175m for the closure of the baby diaper business in Mexico, costs of approximately SEK -375m for the discontinuation of the hygiene business in India, integration costs related to the acquisition of Wausau Paper Corp., and inventory valuation in connection with the acquisition balance, together totaling approximately SEK -215m. They also include transaction costs of SEK -145m for BSN medical and other costs of approximately SEK -90m. Also included a capital gain of approximately SEK 200m attributable to the divestment of SCA's



Adjusted profit before tax**Change in net sales (%)**

	1612 vs. 1512	2016:4 vs. 2015:4
Total	2	6
Price/mix	1	0
Volume	1	2
Currency	-3	1
Acquisitions	3	3
Divestments	0	0

Change in adjusted operating profit (%)

	1612 vs. 1512	2016:4 vs. 2015:4
Total	7	7
Price/mix	4	4
Volume	7	4
Raw materials	3	5
Energy	2	-1
Currency	-3	0
Other	-6	-5

shareholding in IL Recycling.

Financial items decreased to SEK -919m (-955). Lower interest payments and positive currency translation effects had a positive effect on financial items.

Adjusted profit before tax rose 8% (9% excluding currency translation effects, acquisitions and divestments) to SEK 13,070m (12,059). The tax expense, excluding effects of items affecting comparability, was SEK 4,775m (3,306), including a provision of approximately SEK 1,300m (300) related to ongoing tax cases.

Adjusted profit for the period decreased by 5% (4% excluding currency translation effects, acquisition and divestment) to SEK 8,295m (8,753). Profit for the period decreased by 19% (18% excluding currency translation effects, acquisitions and divestments) to SEK 6,012m (7,452). Earnings per share, including items affecting comparability, were SEK 7.93 (9.97).

The adjusted return on capital employed was 12.5% (12.0%).

The value of biological assets was approximately SEK 30.1bn at the start of the year and approximately SEK 30.8bn at year-end. In the 2016 valuation, the assumptions for future prices and costs as well as for the discount rate (WACC) have been adjusted. The discount rate has been lowered from 6.25% to 5.25% to adapt it to the lower level of interest rates in Sweden. The lower discount rate has resulted in an increase in value by approximately SEK 7.1bn. The assumptions for prices and costs have been changed from 10 to 5 years' historical outcome. In the 2016 valuation, an average wood prices of SEK 432 (467) m³sub has been used. The changed assumptions have resulted in a decrease in value by approximately SEK 6.7bn. Other changes amounted to approximately SEK 0.3bn. See page 26 for further information.

Fourth quarter 2016 compared with fourth quarter 2015

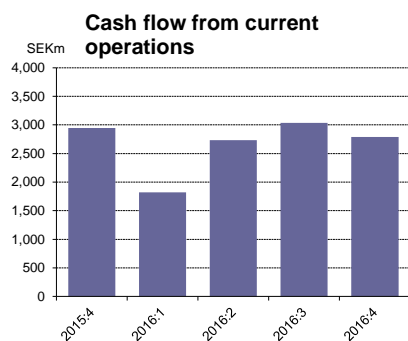
Net sales increased by 6% to SEK 30,897m (29,040). Organic sales, which exclude exchange rate effects, acquisitions and divestments, increased by 2%, of which volume accounted for 2% and price/mix for 0%. Organic sales were level in mature markets compared with the same period a year ago and increased by 7% in emerging markets. Emerging markets accounted for 33% of net sales. Exchange rate effects increased net sales by 1%, and the acquisition of Wausau Paper Corp. increased net sales by 3%.

Adjusted operating profit rose 7% (5% excluding currency translation effects, acquisitions and divestments) to SEK 3,685m (3,454). Higher volumes, a better price/mix, cost savings, lower raw material costs and acquisition contributed to the earnings growth. Investments were made in increased marketing activities. The British pound and Mexican peso have weakened against several trading currencies, which had a negative earnings effect.

Adjusted profit before tax rose 6% (5% excluding currency translation effects, acquisitions and divestments) to SEK 3,396m (3,195). The tax expense, excluding effects of items affecting comparability, was SEK 1,193m (1,046).

Adjusted profit for the period rose 3% (2% excluding currency translation effects, acquisitions and divestments) to SEK 2,203m (2,149). Profit for the period decreased by 46% (47% excluding currency translation effects, acquisitions and divestments) to SEK 1,583m (2,907). Earnings per share, including items affecting comparability, were SEK 1.99 (4.03).

The adjusted return on capital employed was 12.8% (13.1%).



CASH FLOW AND FINANCING

January–December 2016 compared with corresponding period a year ago

The operating cash surplus amounted to SEK 19,343m (18,312). The cash flow effect of changes in working capital was SEK 1,970m (-399). Working capital as a share of net sales decreased. Current capital expenditures amounted to SEK -5,181m (-4,162). Operating cash flow amounted to SEK 14,948m (12,921).

Financial items decreased to SEK -919m (-955). Lower interest payments and positive currency translation effects had a positive impact on financial items. Income tax payments totaled SEK 3,799m (2,208). Cash flow from current operations amounted to SEK 10,382m (9,890) during the period. The improvement is mainly attributable to a lower level of tied-up capital and a higher operating surplus.

Strategic capital expenditures totaled SEK -4,264m (-3,125). The increase is mainly attributable to the investment in increased capacity at Östrand pulp mill in Sweden and the investment in a new production plant for incontinence products in Brazil. During the year approximately SEK 2.0bn was invested in Östrand, and since the start of the project approximately SEK 2.6bn has been invested of the total, estimated investment of approximately SEK 7.8bn. The net sum of acquisitions and divestments was SEK -6,109m (236). The increase is mainly attributable to the acquisition of Wausau Paper Corp. Payment of the shareholder dividend affected cash flow by SEK -4,228m (-3,903). Net cash flow totaled SEK -3,784m (3,098).

Net debt increased by SEK 5,883m during the year, to SEK 35,361m. Excluding pension liabilities, net debt amounted to SEK 30,944m. Net cash flow increased net debt by SEK 3,784m. Fair value measurement of pension assets and updated assumptions and assessments that affect measurement of the net pension liability, together with fair value measurement of financial instruments, increased net debt by SEK 1,526m. The fair value measurement is mainly attributable to assumptions of lower discount rates, which increase the pension liability. Exchange rate movements increased net debt by SEK 573m.

The debt/equity ratio was 0.44 (0.39). Excluding pension liabilities, the debt/equity ratio was 0.39 (0.36). The debt payment capacity was 40% (47%).

EQUITY

January–December 2016

Consolidated equity increased by SEK 3,828m during the period, to SEK 79,519m. Net profit for the period increased equity by SEK 6,012m. Payment of the shareholder dividend decreased equity by SEK 4,228m. Equity decreased by SEK 1,114m net after tax as a result of fair value measurement of pension assets and updated assumptions and assessments that affect the valuation of the pension liability. Fair value measurement of financial instruments increased equity by SEK 564m after tax. Exchange rate movements, including the effects of hedges of net investments in foreign assets, after tax, increased equity by SEK 2,312m. Equity increased as a result of a private placement of SEK 431m to non-controlling interests in Vinda, and decreased by SEK 156m through acquisitions of non-controlling interests. Other items increased equity by SEK 7m.

TAX

January–December 2016

A tax expense of SEK 4,775m is reported, excluding items affecting comparability. The reported tax expense corresponds to a tax rate of 36.5% for the period. The tax rate, excluding items affecting comparability and excluding a tax provision of approximately SEK 1.3bn, among others related to ongoing tax cases in Sweden and Austria was 26%.

The tax expense including items affecting comparability was SEK 4,348m, corresponding to a tax rate of 42% for the period. The tax rate including items affecting comparability and excluding a tax provision of approximately SEK 1.3bn among others related to ongoing tax cases in Sweden and Austria was 29%.

DIVIDEND

The Board of Directors proposes an increase in the dividend by 4.3% to SEK 6.00 per share (5.75), or SEK 4 214m (4,038). Dividend growth thereby amounts to 7.4% during the last five-year period and 4.1% during the last ten-year period. April 7, 2017, has been proposed as the record date for the right to the dividend.

EVENTS DURING THE QUARTER

SCA acquires BSN medical, a leading medical solutions company

On December 19, 2016, SCA communicated that the company has entered into an agreement to acquire BSN medical, a leading medical solutions company, from the private equity group EQT. BSN medical develops, manufactures, markets and sells products within wound care, compression therapy and orthopedics. The purchase price for the shares is EUR 1,400m, and takeover of net debt amounts to approximately EUR 1,340m¹⁾. Completion of the transaction is subject to customary regulatory approvals. Closing is expected to take place during the second quarter 2017.

BSN medical is an innovative medical solutions company with well-known brands such as Leukoplast, Cutimed, JOBST, Delta Cast, Delta Lite and Actimove, which are long established brand leaders in their key markets. BSN medical has a strong go-to-market and supply chain with sales in more than 140 countries and production in 11 countries. BSN medical has approximately 6,000 employees.

The BSN medical acquisition is an excellent strategic fit for SCA and supports the company's vision to improve well-being through leading hygiene and health solutions, two closely interlinked areas. BSN medical has leading market positions in several attractive medical product categories and provides a new growth platform with future industry consolidation opportunities. SCA's incontinence business, with the globally leading TENA brand, shares similar positive market characteristics, customers and sales channels with BSN medical, which will provide opportunities for accelerated growth through cross-selling.

BSN medical reported net sales for 2015 of EUR 861m (SEK 8,050m), adjusted EBITDA²⁾ of EUR 201m (SEK 1,879m), an adjusted operating profit³⁾ of EUR 137m (SEK 1,281m), an adjusted operating margin³⁾ of 15.9%, and an adjusted return on capital employed³⁾ of 7.7%. BSN medical reported net sales of EUR 627m (SEK 5,872m) for the first nine months of 2016, adjusted EBITDA²⁾ of EUR 151m (SEK 1,414m), an adjusted operating profit³⁾ of EUR 103m (SEK 965m), and an adjusted operating margin³⁾ of 16.4%. The acquisition is expected to be accretive to SCA's earnings per share from year one. BSN medical has high cash conversion and an asset-light business model.

In relation to the acquisition, SCA expects to realize annual synergies of at least EUR 30m with full effect three years after closing. Restructuring costs are expected to amount to approximately EUR 10m and are expected to be incurred in the first three years following completion. Transaction costs amount to approximately EUR 25m, of which approximately EUR 15m has been recognized as an item affecting comparability in the fourth quarter of 2016. The remaining costs will be recognized as an item affecting comparability in the second quarter of 2017. Intangibles related to the acquisition are expected to amount to approximately EUR 2.7bn. The acquisition will be fully debt-funded, and SCA has committed credit facilities in place. SCA remains fully committed to retaining a solid investment grade rating.

¹⁾ Calculated as per December 31, 2016

²⁾ Excluding items affecting comparability

³⁾ Excluding items affecting comparability and including BSN medical's purchase price allocation amortization

SCA closes baby diaper business in Mexico

On October 3, 2016, SCA communicated that as part of its work on addressing weak market positions that have inadequate profitability, the Group has decided to discontinue its baby diaper business in Mexico. The baby diaper business in Mexico had net sales of approximately SEK 340m in 2015.

SCA to discontinue hygiene business in India

On December 22, 2016, SCA communicated that the company has decided to discontinue its hygiene business in India. Four years after entering the Indian market, SCA's conclusion is that profitability cannot be achieved within a reasonable time frame. SCA prioritizes growth in selected emerging markets such as China, Southeast Asia, Latin America, Eastern Europe and Russia, where the company already holds strong market positions. The hygiene business in India reported total net sales of approximately SEK 110m in 2015, the majority of which was related to baby diapers. Discontinuation of the hygiene business will take place during the first quarter of 2017.

Capital structure and dividend policy for SCA's hygiene business

On October 27, 2016, SCA communicated that the capital structure target for SCA's hygiene business is to have an effective capital structure at the same time that the long-term access to debt financing is secured. Cash flow in relation to net debt shall take into account the target to maintain a solid investment grade rating. Dividend policy: SCA's hygiene business aims to provide long-term stable and rising dividends to its shareholders. When cash flow from current operations exceeds what the company can invest in profitable expansion over the long term, and under the condition that the capital structure target is met, the surplus shall be distributed to the shareholders. As per September 30, 2016, SCA's net debt, including pension liabilities, amounted to SEK 40,281m, allocated pro forma as follows: SEK 35,281m attributed to the hygiene business and SEK 5,000m to the forest products business.

Result of meeting of holders of bonds issued by SCA

On October 27, 2016, SCA invited holders of bonds issued under the company's EMTN program to a meeting and announced an offer to the bond holders to agree to a substitution of counterparty from SCA to SCA Hygiene AB and to waive certain conditions in connection with the contemplated distribution of SCA Hygiene AB to SCA's shareholders. The meeting was held on November 25, 2016, where the offer and the request were approved.

SCA recognized as world leader in corporate action on climate change

On October 25, 2016, SCA announced that it had qualified for a position on the CDP 2016 Climate change "A" List for its climate change leadership. SCA was also recognized as a global leader on the Supplier Climate "A" List for its strategies and actions to combat climate change. CDP is an international, non-profit organization that works to promote sustainability. SCA also qualified for a position on the CDP 2016 Forest "A" List and was awarded a score of "A" Leadership in the CDP 2016 Global Water Report.

EVENTS AFTER THE END OF THE QUARTER**SCA strengthens its tissue business in the UK**

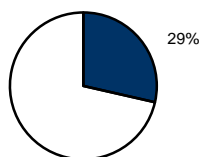
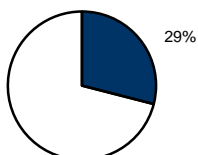
On January 26, 2017, SCA announced that, to meet the growing demand for high-quality tissue and strengthen the product offering in the UK, SCA is investing in a through-air drying (TAD) machine at its tissue plant in Skelmersdale. SCA has also decided to close an older tissue machine in Stubbins and signed an agreement to divest its tissue plant in Chesterfield to Sidcot Group Limited. These measures are part of SCA's Tissue Roadmap and are aligned with the company's strategy to streamline production and secure capacity for future growth to increase value creation in the Tissue business area. Both initiatives are subject to customary consultation with employee representatives.

Following the investment at the Skelmersdale tissue plant of approximately SEK 160m, the production capacity of TAD mother reels will be 28,000 tons. The cost for closing the older tissue machine in Stubbins, with an annual production capacity of 20,000 tons, is expected to amount to approximately SEK 120m. The cost will be recognized as an item affecting comparability, mainly taken in the first quarter of 2017. Approximately SEK 70m of these costs are expected to impact cash flow.

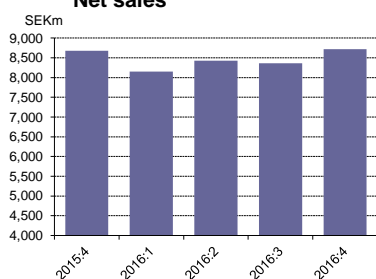
Sidcot Group Limited will pay a consideration of approximately GBP 3m (approximately SEK 35m) for the production facility in Chesterfield. The facility produces mother reels but has no converting capacity. SCA will have no internal need for the type of mother reels produced at the plant. The annual production capacity is 31,000 tons. An impairment loss of SEK 10m will be recognized as an item affecting comparability in the fourth quarter of 2016. Closing of the transaction is expected in the first quarter of 2017.

POTENTIAL SPLIT OF THE SCA GROUP INTO TWO LISTED COMPANIES; HYGIENE AND FOREST PRODUCTS

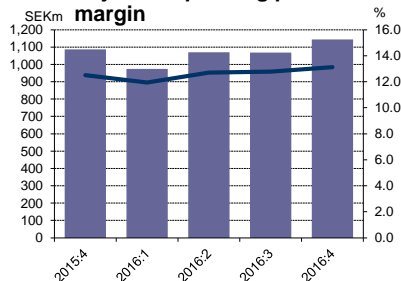
As communicated on 24 August 2016, SCA has initiated work in order to propose to the 2017 Annual General Meeting to decide on a split of the SCA Group into two listed companies: hygiene and forest products. This work is proceeding according to plan. The total costs for the potential split of the SCA Group are estimated to be approximately SEK 1,070m, including project and listing costs of approximately SEK 320m, one-time foreign tax on non-current assets outside Sweden of approximately SEK 450m, and brand-related costs of approximately SEK 300m. Of the total costs, approximately SEK 120m are expected to affect financial items, approximately SEK 155m are expected to affect equity, and approximately SEK 795m are expected to affect items affecting comparability. Of the total costs, SEK 80m affected the fourth quarter of 2016, of which SEK 68m affected financial items and SEK 12m affected items affecting comparability.

Share of Group, net sales
1612Share of Group, operating profit
1612

Net sales



Adjusted operating profit and margin



Change in net sales (%)

	1612 vs. 1512	2016:4 vs. 2015:4
Total	-2	0
Price/mix	1	1
Volume	2	-2
Currency	-4	1
Acquisitions	0	0
Divestments	-1	0

Change in adjusted operating profit (%)

	1612 vs. 1512	2016:4 vs. 2015:4
Total	7	5
Price/mix	8	11
Volume	8	-6
Raw materials	-1	0
Energy	0	0
Currency	-4	-2
Other	-4	2

PERSONAL CARE

SEKm	1612	1512	%	2016:4	2015:4	%
Net sales	33,651	34,344	-2	8,711	8,681	0
Adjusted operating surplus	5,305	5,012	6	1,428	1,313	9
Adjusted operating profit*	4,255	3,990	7	1,143	1,086	5
Adjusted operating margin, %*	12.6	11.6		13.1	12.5	
Adjusted return on capital employed, %*	31.8	29.2		34.7	33.1	
Operating cash flow	4,723	3,792		1,143	1,061	

*) Excluding restructuring costs, which are reported as items affecting comparability outside of the business area.

January–December 2016 compared with corresponding period a year ago

Net sales decreased by 2% to SEK 33,651m (34,344). Organic sales, which exclude exchange rate effects, acquisitions and divestments, increased by 3%, of which volume accounted for 2% and price/mix for 1%. The divestment of the baby diaper business in South Africa decreased net sales by 1%. Organic sales increased by 2% in mature markets and by 3% in emerging markets. Emerging markets accounted for 41% of net sales. Exchange rate effects decreased net sales by 4%.

For incontinence products, under the globally leading TENA brand, organic sales increased by 2%. Growth is attributable to emerging markets and western Europe. For baby diapers, organic sales decreased by 1%. Western Europe showed high growth, while sales in emerging markets decreased. For feminine care products, organic sales increased by 10%, attributable to emerging markets and western Europe.

Adjusted operating profit rose 7% (10% excluding currency translation effects and divestments) to SEK 4,255m (3,990). Profit was favorably affected by higher volumes, a better price/mix and cost savings. Higher raw material costs had a negative earnings effect. Selling costs were higher, and investments were made in increased marketing activities. The British pound and Mexican peso have weakened against several trading currencies, which had a negative earnings effect.

The adjusted return on capital employed was 31.8% (29.2%). The operating cash surplus amounted to SEK 5,314m (5,018). Operating cash flow increased to SEK 4,723m (3,792).

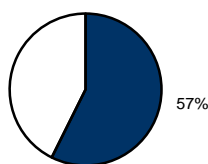
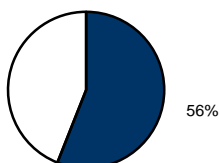
Fourth quarter 2016 compared with fourth quarter 2015

Net sales were level with the same period a year ago and amounted to SEK 8,711m (8,681). Organic sales decreased by 1%, of which price/mix accounted for growth of 1% and volume accounted for -2%. Organic sales were level in mature markets compared with the same period a year ago and decreased by 1% in emerging markets. Emerging markets accounted for 41% of net sales. Exchange rate effects increased net sales by 1%.

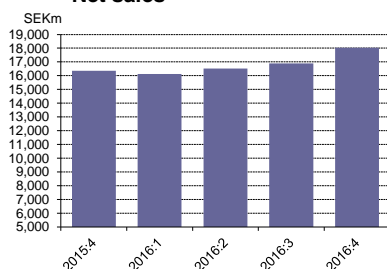
For incontinence products, under the globally leading TENA brand, organic sales growth was level with the same period a year ago. In Europe, the retail sector showed continued high growth, while lower sales to the health care sector had a negative effect on growth. For baby diapers, organic sales decreased by 4%, mainly related to lower sales in Russia, Mexico, the Middle East and Africa as a result of increased competition and the decision to close the baby diaper business in Mexico, among other things. For feminine care products, organic sales increased by 5%, mainly attributable to Latin America, where the market shares have increased.

Adjusted operating profit rose 5% (7% excluding currency translation effects and divestments) to SEK 1,143m (1,086). Profit was favorably affected by a better price/mix and cost savings. Lower volumes had a negative earnings effect. Investments were made in increased marketing activities. The British pound and Mexican peso have weakened against a number of trading currencies, which had a negative earnings effect.

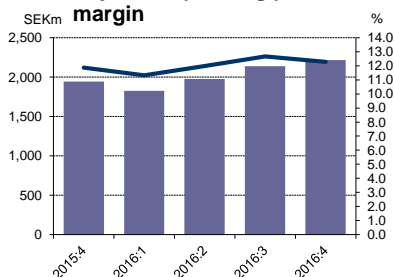
The adjusted return on capital employed was 34.7% (33.1%).

Share of Group, net sales
1612Share of Group, operating profit
1612

Net sales



Adjusted operating profit and margin



Change in net sales (%)

	1612 vs. 1512	2016:4 vs. 2015:4
Total	5	10
Price/mix	1	0
Volume	2	4
Currency	-3	1
Acquisitions	5	5
Divestments	0	0

Change in adjusted operating profit (%)

	1612 vs. 1512	2016:4 vs. 2015:4
Total	13	14
Price/mix	8	1
Volume	8	9
Raw materials	6	10
Energy	5	1
Currency	-3	1
Other	-11	-8

TISSUE

SEKm	1612	1512	%	2016:4	2015:4	%
Net sales	67,561	64,184	5	18,044	16,366	10
Adjusted operating surplus	11,920	10,679	12	3,196	2,807	14
Adjusted operating profit*	8,155	7,217	13	2,215	1,943	14
Adjusted operating margin, %*	12.1	11.2		12.3	11.9	
Adjusted return on capital employed, %*	13.5	12.9		14.4	14.1	
Operating cash flow	9,334	7,667		2,586	2,102	

*) Excluding restructuring costs, which are reported as items affecting comparability outside of the business area.

January–December 2016 compared with corresponding period a year ago

Net sales increased by 5% to SEK 67,561m (64,184). Organic sales, which exclude exchange rate effects, acquisitions and divestments, increased by 3%, of which price/mix accounted for 1% and volume for 2%. The acquisition of Wausau Paper Corp. increased net sales by 5%. Organic sales decreased by 1% in mature markets and increased by 10% in emerging markets. Emerging markets accounted for 32% of net sales. Exchange rate effects decreased net sales by 3%.

For consumer tissue, organic sales increased by 3%. Growth is related to high growth in emerging markets, particularly China, Latin America and Russia. For AfH tissue, organic sales increased by 3%. The increase was related to western Europe and emerging markets.

Adjusted operating profit rose 13% (12% excluding currency translation effects and acquisitions) to SEK 8,155m (7,217). A better price/mix, higher volumes, cost savings, lower raw material and energy costs, and acquisition contributed to the earnings increase. The acquisition of Wausau Paper Corp. increased operating profit by 4%. Selling costs were higher, and investments were made in increased marketing activities. The British pound and Mexican peso have weakened against several trading currencies, which had a negative earnings effect.

The adjusted return on capital employed was 13.5% (12.9%). The operating cash surplus increased to SEK 11,970m (10,703). Operating cash flow was SEK 9,334m (7,667).

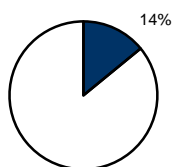
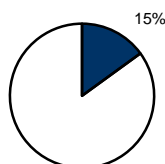
Fourth quarter 2016 compared with fourth quarter 2015

Net sales increased by 10% to SEK 18,044m (16,366). Organic sales increased by 4%, of which price/mix accounted for 0% and volume for 4%. The acquisition of Wausau Paper Corp. increased net sales by 5%. Organic sales were level in mature markets compared with the same period a year ago and increased by 11% in emerging markets. Emerging markets accounted for 33% of net sales. Exchange rate effects increased net sales by 1%.

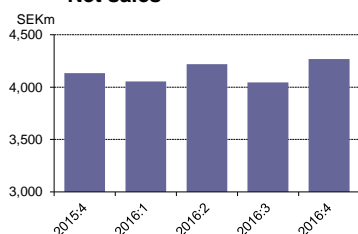
For consumer tissue, organic sales increased by 4%. Growth was mainly related to China, Latin America and Russia. Lower sales of mother reels in western Europe had a negative impact on growth. For AfH tissue, organic sales increased by 4%, related to North America, western Europe and emerging markets.

Adjusted operating profit rose 14% (10% excluding currency translation effects and acquisitions) to SEK 2,215m (1,943). Higher volumes, a better price/mix, cost savings, lower raw material and energy costs, and acquisition contributed to the earnings increase. The acquisition of Wausau Paper Corp. increased operating profit by 3%. Investments were made in increased marketing activities. The British pound and Mexican peso have weakened against several trading currencies, which had a negative earnings effect.

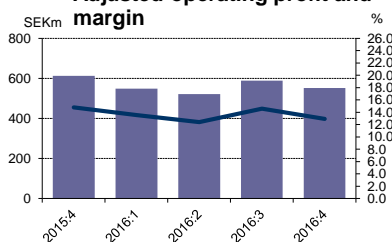
The adjusted return on capital employed was 14.4% (14.1%). Goodwill related to the acquisition of Wausau Paper Corp. had a negative effect.

Share of Group, net sales
1612Share of Group, operating profit
1612

Net sales



Adjusted operating profit and margin



Change in net sales (%)

	1612 vs. 1512	2016:4 vs. 2015:4
Total	-4	3
Price/mix	-3	0
Volume	0	4
Currency	-1	-1
Acquisitions	0	0
Divestments	0	0

Change in adjusted operating profit (%)

	1612 vs. 1512	2016:4 vs. 2015:4
Total	-15	-10
Price/mix*	-16	0
Volume	0	4
Raw materials	0	-2
Energy	-3	-11
Currency	0	0
Other	4	-1

*Price/mix includes exchange rate effects of approximately 0% (SEK 6m) and +11% (SEK 70m), respectively.

FOREST PRODUCTS

SEKm	1612	1512	%	2016:4	2015:4	%
Deliveries						
- Publication papers, thousand tonnes	733	842	-13	193	218	-11
- Solid-wood products, thousand m ³	2,480	2,336	6	617	548	13
- Kraftliner products, thousand tonnes	800	827	-3	195	196	-1
- Pulp products, thousand tonnes	507	514	-1	131	122	7
Net sales	16,587	17,279	-4	4,268	4,133	3
Adjusted operating surplus	3,331	3,798	-12	844	886	-5
Adjusted operating profit*	2,211	2,605	-15	552	612	-10
Adjusted operating margin, %*	13.3	15.1		12.9	14.8	
Adjusted return on capital employed, %*	5.7	6.9		5.5	6.6	
Operating cash flow	1,884	2,501		645	689	

*) Excluding restructuring costs, which are reported as items affecting comparability outside of the business area.

In the event of a split of the SCA Group into two listed companies; hygiene and forest products it is expected that there will be a need to recruit approximately 15 to 20 positions in the headquarters for the forest products business in Sundsvall, Sweden.

January–December 2016 compared with corresponding period a year ago

Net sales decreased by 4% to SEK 16,587m (17,279). Organic sales, which exclude exchange rate effects, acquisitions and divestments, decreased by 3%, of which price/mix accounted for -3% and volume for 0%. The closure of a publication paper machine during the fourth quarter of 2015 decreased net sales by 3%. Exchange rate effects decreased net sales by 1%.

Solid-wood products showed lower prices (including exchange rate effects) and higher volumes. Pulp and kraftliner showed lower prices (including exchange rate effects) and lower volumes. Publication papers showed higher prices (including exchange rate effects) and lower volumes.

Adjusted operating profit decreased by 15% to SEK 2,211m (2,605). Lower prices (including exchange rate effects) and higher energy costs had a negative earnings effect. Lower distribution costs and raw material costs had a positive earnings effect.

The adjusted return on capital employed was 5.7% (6.9%). The operating cash surplus was SEK 2,639m (3,319), and operating cash flow totaled SEK 1,884m (2,501).

Fourth quarter 2016 compared with fourth quarter 2015

Net sales increased by 3% to SEK 4,268m (4,133). Organic sales, which exclude exchange rate effects, acquisitions and divestments, increased by 4%, of which price/mix accounted for 0% and volume for 4%. The closure of a publication paper machine during the fourth quarter of 2015 decreased net sales by 3%. Exchange rate effects decreased net sales by 1%.

Kraftliner showed lower prices (including exchange rate effects) and lower volumes. Solid-wood products showed higher prices and higher volumes. Pulp showed lower prices (including exchange rate effects) and higher volumes. Publication papers showed higher prices (including exchange rate effects) and lower volumes.

Adjusted operating profit decreased by 10% to SEK 552m (612). Higher energy costs and raw material costs led to lower earnings. Higher volumes and lower distribution costs had a positive earnings effect.

The adjusted return on capital employed was 5.5% (6.6%).

SHARE DISTRIBUTION

December 31, 2016	Class A	Class B	Total
Registered number of shares	64,594,572	640,515,522	705,110,094
- of which treasury shares		2,767,605	2,767,605

At the end of the reporting period the proportion of Class A shares was 9.2%. During the fourth quarter, no Class A shares were converted to Class B shares at the request of shareholders. The total number of votes in the company is 1,286,461,242.

FUTURE REPORTS

SCA's 2016 Annual Report will be available from the company and on the company's website, www.sca.com, during the week of March 13, 2017, and forward.

During 2017, quarterly reports will be published on April 27, July 18 and October 26.

ANNUAL GENERAL MEETING

SCA's Annual General Meeting will be held at 15:00 CET on April 5, 2017, at Stockholm Waterfront Congress Centre, in Stockholm, Sweden.

INVITATION TO PRESS CONFERENCE ON YEAR-END REPORT 2016

Media and analysts are invited to a press conference, where this Year-end report will be presented by Magnus Groth, President and CEO.

Time: 10:00 CET, Thursday, January 26, 2017

Location: SCA's headquarters, Waterfront Building, Klarabergsviadukten 63, Stockholm, Sweden

The presentation will be webcast at www.sca.com. To participate, call: +44 (0)20 7162 0077, +1 646 851 2407 or +46 (0)8 5052 0110. Specify "SCA" or conference ID no. 961083.

Stockholm, January 26, 2017

SVENSKA CELLULOSA AKTIEBOLAGET SCA (publ)

Magnus Groth

President and CEO

For further information, please contact:

Fredrik Rystedt, CFO and Executive Vice President, +46 8 788 51 31

Johan Karlsson, Vice President Investor Relations, Group Function Communications, +46 (0)8 788 51 30

Linda Nyberg, Vice President Media and Online, Group Function Communications, +46 (0)8 788 51 58

Joséphine Edwall-Björklund, Senior Vice President, Group Function Communications, +46 (0)8 788 52 34

NB

This information is such that SCA is obligated to make public pursuant to the EU Market Abuse Regulation and the Swedish 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, at 08:00 CET on January 26, 2017. This interim report has not been reviewed by the company's auditors.

Karl Stoltz, Media Relations Manager, +46 8 788 51 55

STATEMENT OF PROFIT OR LOSS

SEKm	2016:4	2015:4	2016:3	1612	1512
Net sales	30,897	29,040	29,154	117,314	115,316
Cost of goods sold ¹	-22,525	-21,372	-21,071	-85,721	-85,476
Items affecting comparability ^{1,2}	-48	-61	-353	-529	-323
Gross profit	8,324	7,607	7,730	31,064	29,517
Sales, general and administration ¹	-4,732	-4,270	-4,473	-17,756	-17,025
Items affecting comparability including impairments ^{1,2}	-648	758	-357	-2,181	-1,744
Share of profits of associates and joint ventures	45	56	42	152	199
Operating profit	2,989	4,151*	2,942	11,279	10,947*
Financial items	-289	-259**	-175	-919	-955**
Profit before tax	2,700	3,892	2,767	10,360	9,992
Tax	-1,117	-985	-452	-4,348	-2,540
Net profit for the period	1,583	2,907	2,315	6,012	7,452
Earnings attributable to:					
Owners of the parent	1,398	2,827	2,174	5,570	7,002
Non-controlling interests	185	80	141	442	450
Earnings per share, SEK - owners of the parent total operations					
- before dilution effects	1.99	4.03	3.10	7.93	9.97
- after dilution effects	1.99	4.03	3.10	7.93	9.97
Earnings per share	2016:4	2015:4	2016:3	1612	1512
Earnings attributable to owners of the parent	1,398	2,827	2,174	5,570	7,002
Average no. of shares before dilution, millions	702.3	702.3	702.3	702.3	702.3
Average no. of shares after dilution, millions	702.3	702.3	702.3	702.3	702.3
¹ Of which, depreciation	-1,637	-1,443	-1,571	-6,258	-5,961
² Distribution of items affecting comparability by function					
Cost of goods sold	-48	-61	-353	-529	-323
Sales, general and administration	-468	-103	-56	-1,757	-551
Impairment, etc.	-180	-109	-301	-424	-2,163
Financial items	0	970	0	0	970
Total items affecting comparability	-696	697	-710	-2,710	-2,067
* Including sales of securities, 970 SEKm					
** Not including sales of securities, 970 SEKm					
Gross margin	26.9	26.2	26.5	26.5	25.6
Operating margin	9.7	11.0	10.1	9.6	8.7
Financial net margin	-0.9	2.4	-0.6	-0.8	0.0
Profit margin	8.8	13.4	9.5	8.8	8.7
Tax	-3.6	-3.4	-1.6	-3.7	-2.2
Net margin	5.2	10.0	7.9	5.1	6.5
Adjusted, excluding items affecting comparability:	2016:4	2015:4	2016:3	1612	1512
Gross margin	27.1	26.4	27.7	26.9	25.9
Operating margin	11.9	11.9	12.5	11.9	11.3
Financial net margin	-0.9	-0.9	-0.6	-0.8	-0.8
Profit margin	11.0	11.0	11.9	11.1	10.5
Tax	-3.9	-3.6	-2.3	-4.1	-2.9
Net margin	7.1	7.4	9.6	7.0	7.6

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

SEKm	2016:4	2015:4	2016:3	1612	1512
Profit for the period	1,583	2,907	2,315	6,012	7,452
Other comprehensive income for the period					
Items that may not be reclassified to the income statement					
Actuarial gains/losses on defined benefit pension plans	3,755	332	-1,856	-1,525	2,562
Income tax attributable to components of other comprehensive income	-851	-7	392	411	-558
	2,904	325	-1,464	-1,114	2,004
Items that have been or may be reclassified subsequently to the income statement					
Available-for-sale financial assets	-3	-842	2	-1	-652
Cash flow hedges	292	-124	106	750	-157
Translation differences in foreign operations	125	-1,582	1,235	2,652	-1,871
Gains/losses from hedges of net investments in foreign operations	648	416	-436	-437	-58
Other comprehensive income from associated companies	18	-17	-4	12	-17
Income tax attributable to components of other comprehensive income	-220	-67	66	-89	44
	860	-2,216	969	2,887	-2,711
Other comprehensive income for the period, net of tax	3,764	-1,891	-495	1,773	-707
Total comprehensive income for the period	5,347	1,016	1,820	7,785	6,745
Total comprehensive income attributable to:					
Owners of the parent	5,096	1,059	1,572	7,108	6,510
Non-controlling interests	251	-43	248	677	235

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEKm	1612	1512
Attributable to owners of the parent		
Opening balance, January 1	70,401	67,622
Total comprehensive income for the period	7,108	6,510
Dividend	-4,038	-3,687
Private placement to non-controlling interest	240	0
Private placement to non-controlling interest, dilution	-110	0
Issue costs private placement	-4	0
Acquisition of non-controlling interests	-799	-40
Acquisition of non-controlling interests, dilution	348	0
Remeasurement effect upon acquisition of non-controlling interests	-4	-4
Closing balance	73,142	70,401
Non-controlling interests		
Opening balance, January 1	5,290	5,250
Total comprehensive income for the period	677	235
Dividend	-190	-216
Private placement to non-controlling interest	199	0
Private placement to non-controlling interest, dilution	110	0
Issue costs private placement	-4	0
Acquisition of non-controlling interests	643	21
Acquisition of non-controlling interests, dilution	-348	0
Closing balance	6,377	5,290
Total equity, closing balance	79,519	75,691

CONSOLIDATED OPERATING CASH FLOW ANALYSIS

SEKm	1612	1512
Operating cash surplus	19,343	18,312
Change in working capital	1,970	-399
Current capital expenditures, net	-5,181	-4,162
Restructuring costs, etc.	-1,184	-830
Operating cash flow	14,948	12,921
Financial items	-919	-955
Income taxes paid	-3,799	-2,208
Other	152	132
Cash flow from current operations	10,382	9,890
Acquisitions	-6,598	-93
Strategic capital expenditures in non-current assets	-4,264	-3,125
Divestments	489	329
Cash flow before dividend	9	7,001
Private placement to non-controlling interest	435	0
Dividend	-4,228	-3,903
Net cash flow	-3,784	3,098
Net debt at the start of the period	-29,478	-35,947
Net cash flow	-3,784	3,098
Remeasurement to equity	-1,526	1,910
Translation differences	-573	1,461
Net debt at the end of the period	-35,361	-29,478
Debt/equity ratio	0.44	0.39
Debt payment capacity, %	40	47

CONSOLIDATED CASH FLOW STATEMENT

SEKm	1612	1512
Operating activities		
Profit before tax	10,360	9,992
Adjustment for non-cash items ¹	7,025	6,604
	17,385	16,596
Paid tax	-3,799	-2,208
Cash flow from operating activities before changes in working capital	13,586	14,388
Cash flow from changes in working capital		
Change in inventories	1,076	-1,390
Change in operating receivables	-236	-1,129
Change in operating liabilities	1,130	2,120
Cash flow from operating activities	15,556	13,989
Investing activities		
Acquisitions	-4,420	-74
Divestments	489	329
Investment in tangible and intangible assets	-9,368	-7,591
Sale of tangible assets	186	304
Sale of securities	141	2,046
Repayment of loans from external parties	0	177
Cash flow from investing activities	-12,972	-4,809
Financing activities		
New issue to non-controlling interests	435	0
Acquisition of non-controlling interests	-50	-11
Loans raised	16,165	11,100
Amortization of loans	-15,614	-15,039
Dividend	-4,228	-3,903
Cash flow from financing activities	-3,292	-7,853
Cash flow for the period	-708	1,327
Cash and cash equivalents at the beginning of the period	5,042	3,815
Translation differences in cash and cash equivalents	148	-100
Cash and cash equivalents at the end of the period	4,482	5,042
Cash flow from operating activities per share, SEK	22.06	19.84
Reconciliation with consolidated operating cash flow statement		
Cash flow for the period	-708	1,327
Repayment of loans from external parties	-141	-177
Sale of securities	0	-2,046
Loans raised	-16,165	-11,100
Financial liabilities (additional purchase price) at acquisitions	0	-9
Net debt in acquired and divested operations	-2,128	0
Amortization of borrowing	15,614	15,039
Investment through financial lease	-264	0
Accrued interest	8	64
Net cash flow according to consolidated operating cash flow statement	-3,784	3,098
¹ Depreciation/amortization and impairment of non-current assets	6,806	8,216
Fair-value measurement of forest assets	-689	-476
Gains/loss on assets sales and swaps of assets	19	21
Unpaid related to efficiency programs	571	232
Gain/loss on divestments	-265	-92
Payments related to efficiency programs recognized	-262	-302
Provision related to ongoing antitrust cases	813	0
Gain/loss on sales of securities	0	-970
Other	32	-25
Total	7,025	6,604

CONSOLIDATED BALANCE SHEET

SEKm	Note	December 31, 2016	December 31, 2015
Assets			
Goodwill		19,257	15,412
Other intangible assets		7,750	7,440
Buildings, land, machinery and equipment		62,184	54,532
Biological assets		30,770	30,119
Participation in joint ventures and associates		1,123	1,078
Shares and participation		46	45
Surplus in funded pension plans		1,186	371
Non-current financial assets	4	722	1,032
Deferred tax assets		1,465	1,063
Other non-current assets	4	242	150
Total non-current assets		124,745	111,242
Inventories		14,347	14,661
Trade receivables	4	17,811	16,829
Current tax assets		741	872
Other current receivables		2,898	2,831
Current financial assets	4	568	775
Non-current assets held for sale		156	120
Cash and cash equivalents		4,482	5,042
Total current assets		41,003	41,130
Total assets		165,748	152,372
Equity			
Share capital		2,350	2,350
Other capital provided		6,830	6,830
Reserves		400	-2,242
Retained earnings		63,562	63,463
Attributable to owner of the Parent		73,142	70,401
Non-controlling interests		6,377	5,290
Total equity		79,519	75,691
Liabilities			
Non-current financial liabilities	4	31,360	21,475
Provisions for pensions		5,602	2,771
Deferred tax liabilities		11,718	11,076
Other non-current provisions		1,413	901
Other non-current liabilities	4	181	258
Total non-current liabilities		50,274	36,481
Current financial liabilities ¹	4	5,357	12,452
Trade payables	4	15,750	14,351
Current tax liabilities		935	827
Current provisions		1,447	990
Other current liabilities		12,466	11,580
Total current liabilities		35,955	40,200
Total liabilities		86,229	76,681
Total equity and liabilities		165,748	152,372

¹ Committed credit lines amount to SEK19,164m of which unutilized SEK 19,164m.

CONSOLIDATED BALANCE SHEET cont.

SEKm	December 31, 2016	December 31, 2015
Debt/equity ratio	0.44	0.39
Equity/assets ratio	44%	46%
Return on capital employed*	10.1%	10.1%
Return on equity	7.9%	9.9%
Excluding items affecting comparability:		
Return on capital employed*	12.5%	12.0%
Return on equity	11.0%	11.6%
*) Rolling twelve months		
Equity per share, SEK	113	107
Capital employed	114,880	105,169
- of which working capital	6,883	8,167
Provisions for restructuring costs are included in the balance sheet as follows:		
- Other provisions**	1,413	901
- Operating liabilities	898	548
***) of which, provision for tax risks	516	798
Net debt	35,361	29,478
Total Equity	79,519	75,691

NET SALES (business area reporting)

SEKm	1612	1512	2016:4	2016:3	2016:2	2016:1	2015:4	2015:3
Personal Care	33,651	34,344	8,711	8,362	8,427	8,151	8,681	8,668
Tissue	67,561	64,184	18,044	16,889	16,514	16,114	16,366	16,292
Forest Products	16,587	17,279	4,268	4,045	4,219	4,055	4,133	4,232
Other	26	-9	17	-16	42	-17	2	13
Intra-group deliveries	-511	-482	-143	-126	-116	-126	-142	-106
Total net sales	117,314	115,316	30,897	29,154	29,086	28,177	29,040	29,099

ADJUSTED OPERATING PROFIT (business area reporting)

SEKm	1612	1512	2016:4	2016:3	2016:2	2016:1	2015:4	2015:3
Personal Care	4,255	3,990	1,143	1,068	1,070	974	1,086	1,058
Tissue	8,155	7,217	2,215	2,137	1,977	1,826	1,943	1,892
Forest Products	2,211	2,605	552	589	522	548	612	693
Other	-632	-798	-225	-142	-164	-101	-187	-172
Total adjusted operating profit ¹	13,989	13,014	3,685	3,652	3,405	3,247	3,454	3,471
Financial items	-919	-955	-289	-175	-130	-325	-259	-233
Profit before tax ¹	13,070	12,059	3,396	3,477	3,275	2,922	3,195	3,238
Tax	-4,775	-3,306	-1,193	-685	-2,161	-736	-1,046	-803
Net profit for the period ²	8,295	8,753	2,203	2,792	1,114	2,186	2,149	2,435
¹ Excluding items affecting comparability before tax amounting to:	-2,710	-2,067	-696	-710	-1,113	-191	697	-2,484
² Excluding items affecting comparability after tax amounting to:	-2,283	-1,301	-620	-477	-1,035	-151	758	-1,867

ADJUSTED OPERATING MARGIN (business area reporting)

%	1612	1512	2016:4	2016:3	2016:2	2016:1	2015:4	2015:3
Personal Care	12.6	11.6	13.1	12.8	12.7	11.9	12.5	12.2
Tissue	12.1	11.2	12.3	12.7	12.0	11.3	11.9	11.6
Forest Products	13.3	15.1	12.9	14.6	12.4	13.5	14.8	16.4

STATEMENT OF PROFIT OR LOSS

SEKm	2016:4	2016:3	2016:2	2016:1	2015:4
Net sales	30,897	29,154	29,086	28,177	29,040
Adjust Cost of goods sold	-22,525	-21,071	-21,297	-20,828	-21,372
Items affecting comparability	-130	-353	-106	-22	-61
Gross profit	8,242	7,730	7,683	7,327	7,607
Sales, general and administration	-4,732	-4,473	-4,417	-4,134	-4,270
Items affecting comparability	-566	-357	-1,007	-169	758
Share of profits of associates and joint ventures	45	42	33	32	56
Operating profit	2,989	2,942	2,292	3,056	4,151
Financial items	-289	-175	-130	-325	-259
Profit before tax	2,700	2,767	2,162	2,731	3,892
Taxes	-1,117	-452	-2,083	-696	-985
Net profit for the period	1,583	2,315	79	2,035	2,907

INCOME STATEMENT PARENT COMPANY

SEKm		
Administrative expenses	-829	-1,109
Other operating income	539	430
Other operating expenses	-202	-200
Operating profit	-492	-879
Financial items	43,394	10,976
Profit before tax	42,902	10,097
Untaxed reserve and Tax	-357	-365
Net profit for the period	42,545	9,732

Financial items were affected during the period by a one-time dividend of EUR 3,504m (SEK 32,432m) from SCA Group Holding B.V. Financial assets have increased by a corresponding amount.

BALANCE SHEET PARENT COMPANY

SEKm	December 31, 2016	December 31, 2015
Intangible assets	0	0
Tangible assets	8,271	8,190
Financial assets	79,880	140,198
Total non-current assets	88,151	148,388
Total current assets	61,147	2,430
Total assets	149,298	150,818
Restricted equity	10,996	10,996
Unrestricted equity	87,390	48,883
Total equity	98,386	59,879
Untaxed reserves	242	230
Provisions	1,330	1,674
Non-current liabilities	2,271	16,555
Current liabilities	47,069	72,480
Total equity, provisions and liabilities	149,298	150,818

In SCA's parent company, transactions have been carried out to prepare for a distribution and listing of the hygiene business contingent upon a decision by the Board of Directors to propose a distribution and listing of the hygiene business to the 2017 Annual General Meeting.

The change in financial assets pertains mainly to shares in subsidiaries, where SCA AB has made a capital contribution of SEK 75,000m to SCA Hygiene AB, which increased the value of shares in subsidiaries by a corresponding amount. SCA Hygiene AB thereafter acquired Group Holding BV for a book value of SEK 95,000m from SCA AB. In addition, transfer of certain assets and liabilities was made to SCA Hygiene AB for a preliminary purchase price of approximately SEK 12,000m, which includes a transfer of SCA Capital at a value of SEK 71,000m and internal liabilities of approximately SEK 58 000m.

In October, SCA's holders of bonds issued under the company's EMTN program approved a substitution of counterparty from SCA AB to SCA Hygiene AB, entailing that non-current assets decreased by SEK 20,000m and were replaced with a current internal liability of a corresponding amount.

NOTES

1 ACCOUNTING PRINCIPLES

This year-end report has been prepared in accordance with IAS 34 and recommendation RFR 1 of the Swedish Financial Reporting Board (RFR), and with regards to the Parent Company, RFR 2.

Effective January 1, 2016, SCA applies the following new or amended IFRSs:

- IAS 1 Amendments to IAS 1: Disclosure Initiative
- Annual improvements to IFRSs 2012–2014 Cycle
- Amendments to IAS 27: Equity Method in Separate Financial Statements
- Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortization
- Amendments to IFRS 11 Accounting for Acquisitions of Interests in Joint Operations, Improvements to IFRSs 2011–2013 Cycle

These standards are not judged to have any material impact on the Group's or Parent Company's result of operations or financial position.

In other respects, the accounting principles applied correspond to those described in the 2015 Annual Report.

2 RISKS AND UNCERTAINTIES

SCA's risk exposure and risk management are described on pages 76–81 of the 2015 Annual Report. No significant changes have taken place that have affected the reported risks.

Risks in conjunction with company acquisitions are analyzed in the due diligence processes that SCA carries out prior to all acquisitions. In cases where acquisitions have been carried out that may affect the assessment of SCA's risk exposure, these are described under the heading "Other events" in interim reports.

Risk management processes

SCA's board decides on the Group's strategic direction, based on recommendations made by Group management. Responsibility for the long-term, overall management of strategic risks corresponds to the company's delegation structure, from the Board to the CEO and from the CEO to the business unit presidents. This means that most operational risks are managed by SCA's business units at the local level, but that they are coordinated when considered necessary. The tools used in this coordination consist primarily of the business units' regular reporting and the annual strategy process, where risks and risk management are a part of the process.

SCA's financial risk management is centralized, as is the Group's internal bank for the Group companies' financial transactions and management of the Group's energy risks. Financial risks are managed in accordance with the Group's finance policy, which is adopted by SCA's board and which – together with SCA's energy risk policy – makes up a framework for risk management. Risks are aggregated and monitored on a regular basis to ensure compliance with these guidelines. SCA has also centralized other risk management.

SCA has a staff function for internal audit, which monitors compliance in the organization with the Group's policies.

3 RELATED PARTY TRANSACTIONS

No transactions have been carried out between SCA and related parties that have had a material impact on the company's financial position and results of operations.

4 FINANCIAL INSTRUMENTS PER CATEGORY

Distribution by level for measurement at fair value.

SEKm	Carrying amount in the balance sheet	Measured at fair value through profit or loss	Derivatives used for hedge accounting	Available-for-sale financial assets	Financial liabilities measured at amortized cost	Of which fair value by level ¹	
						1	2
December 31, 2016							
Derivatives	1,259	313	946	-	-	-	1,259
Non-current financial assets	90	-	-	90	-	82	8
Total assets	1,349	313	946	90	-	82	1,267
Derivatives	705	567	138	-	-	-	705
Financial liabilities							
Current financial liabilities	4,656	425	-	-	4,231	-	425
Non-current financial liabilities	31,338	16,021	-	-	15,317	-	16,021
Total liabilities	36,699	17,013	138	-	19,548	-	17,151
December 31, 2015							
Derivatives	1,225	576	649	-	-	-	1,225
Non-current financial assets	83	-	-	83	-	75	8
Total assets	1,308	576	649	83	-	75	1,233
Derivatives	1,090	538	552	-	-	-	1,090
Financial liabilities							
Current financial liabilities	11,866	5,634	-	-	6,232	-	5,634
Non-current financial liabilities	21,353	10,967	-	-	10,386	-	10,967
Total liabilities	34,309	17,139	552	-	16,618	-	17,691

¹ No financial instruments have been classified to level 3

The fair value of trade receivables, other current and non-current receivables, cash and cash equivalents, trade payables and other current and non-current liabilities is estimated to be equal to their book value. The total fair value of financial liabilities is SEK 37,047m (33,877).

No transfers between level 1 and 2 were made during the period.

The fair value of financial instruments is calculated based on current market quotations on the balance sheet date. The value of derivatives is based on published prices in an active market. The fair value of debt instruments is set using valuation models, such as discounting of future cash flows to quoted market interest rates for the respective durations.

5 ACQUISITIONS AND DIVESTMENTS

On October 13, 2015, SCA communicated that it had made a public offer for Wausau Paper Corp., one of the largest Away-from-Home tissue companies in North America. On November 17, 2015, the deal was approved by the U.S. authorities, and at a shareholder meeting on January 20, 2016, Wausau Paper's shareholders accepted the offer from SCA. The transaction was closed on January 21, 2016, and SCA consolidates the company as from that date. The purchase consideration was USD 513m (SEK 4,401m) in cash. The preliminary purchase price allocation has been adjusted compared with the first quarter, as additional information has been obtained about fair values, and new calculations have been made with respect to intangible assets. Goodwill is justified by synergies between SCA and Wausau Paper, among other things by giving customers a broad portfolio of products. The acquisition is expected to generate annual synergies of approximately USD 40m, with full effect three years after closing. Synergies are expected in sourcing, production, logistics, reduced imports, higher volumes of premium products, and reduced selling and administrative costs. Restructuring costs are expected to amount to approximately USD 50m.

The acquisition has affected the Group's net sales from the date of acquisition by SEK 2,996m, adjusted operating profit by SEK 272m, and profit for the period before tax, including items affecting comparability, by SEK 32m. If the acquisition had been consolidated as from January 1, 2016, anticipated net sales would have totaled SEK 3,164m, and profit before tax, including items affecting comparability, would have been SEK 48m.

Purchase price allocation, Wausau Paper Corp. SEKm	Preliminary
Intangible assets	213
Non-current assets	2,896
Current assets	672
Cash and cash equivalents	14
Net debt	-2,127
Provisions and other non-current liabilities	-71
Operating liabilities	-525
Net identifiable assets and liabilities	1,072
Goodwill	3,329
Consideration paid	4,401
Consideration paid	-4,401
Cash and cash equivalents in acquired operations	14
Effect on the Group's cash and cash equivalents (Consolidated cash flow statement)	-4,387
Acquired net debt excluding cash and cash equivalents	-2,127
Acquisition of operations including net debt taken over (Consolidated operating cash flow statement)	-6,514

On October 29, 2015, SCA communicated that the company is divesting its business in Southeast Asia, Taiwan and South Korea for integration with Vinda International Holdings Limited ("Vinda"), a subsidiary that at the end of the period is 54.6%-owned by SCA and is listed on the Hong Kong Stock Exchange. The purchase consideration was set at HKD 2.5bn on a debt-free basis. The transaction was closed on April 1, 2016.

Within the SCA Group this transaction is regarded as a common control transaction, whereby no surplus value has arisen and no earnings effects from surplus values have arisen as a result of the transaction.

During the period SCA sold its 33.33% shareholding in the recycling company IL Recycling. The pertinent authorities approved the transaction in June 2016. The transaction was closed on June 30, 2016, for a preliminary purchase consideration of approximately SEK 240m, resulting in a capital gain of approximately SEK 200m.

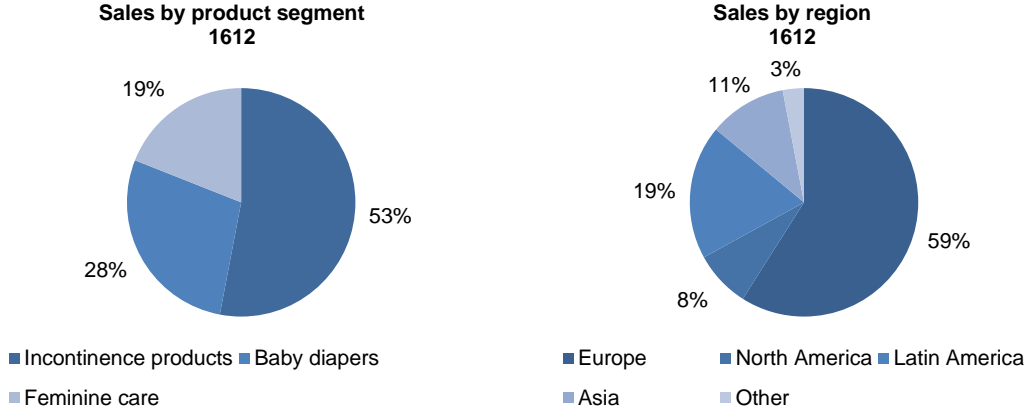
On December 19, 2016, SCA communicated that the company has entered into an agreement to acquire BSN medical, a leading medical solutions company. BSN medical develops, manufactures, markets and sells products within wound care, compression therapy and orthopedics. The purchase price for the shares is EUR 1,400m, and takeover of net debt amounts to approximately EUR 1,340m*. Completion of the transaction is subject to customary regulatory approvals. Closing is expected to take place during the second quarter 2017.

*Calculated as per December 31, 2016

6 SUPPLEMENTARY SEGMENTAL INFORMATION

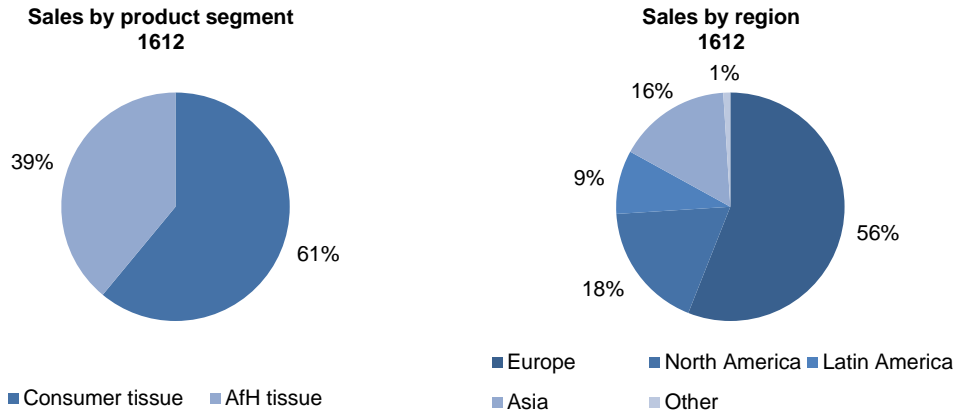
Personal Care

Sales per product segment and region



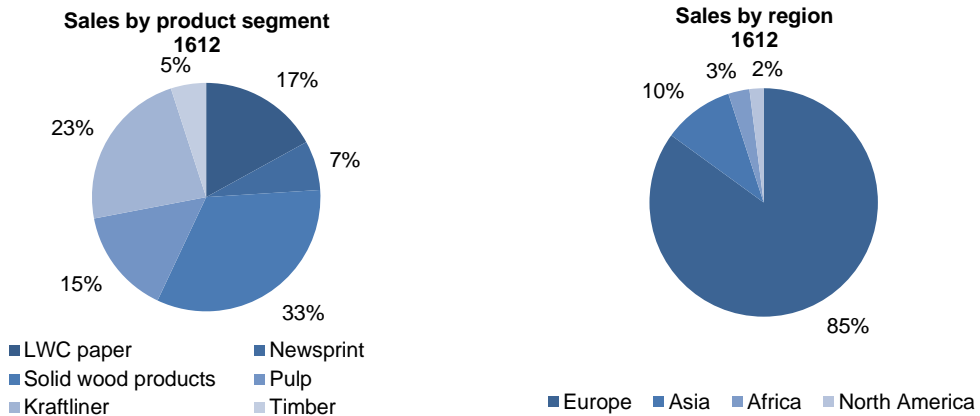
Tissue

Sales per product segment and region



Forest Products

Sales per product segment and region



Biological assets

The value of biological assets was approximately SEK 30.1bn at the start of the year and approximately SEK 30.8bn at year-end. In the 2016 valuation, the assumptions for future prices and costs as well as for the discount rate (WACC) have been adjusted. The discount rate has been lowered from 6.25% to 5.25% to adapt it to the lower level of interest rates in Sweden. The lower discount rate has resulted in an increase in value by approximately SEK 7.1bn. The assumptions for prices and costs have been changed from 10 to 5 years' historical outcome. In the 2016 valuation, an average timber price of SEK 432 (467) per solid cubic meter under bark (m³sub) has been used. The changed assumptions have resulted in a decrease in value by approximately SEK 6.7bn. Other changes amounted to approximately SEK 0.3bn.

Standing forest

SEKm	1612	1512
Value, January 1	30,119	29,685
Purchases and forest swaps	17	33
Sales	-55	-75
Other changes in fair value	1,472	1,549
Change due to felling	-783	-1,073
Value, December 31	30,770	30,119
Deferred tax related to standing forest	6,769	6,626

7 Use of non- International Financial Reporting Standards (IFRS) performance measures

Guidelines for Alternative Performance Measures (APMs) for companies with securities listed on a regulated market in the EU have been issued by the European Securities and Markets Authority (ESMA). These guidelines are to be applied for APMs used as from July 3, 2016.

Reference is made in the year-end report to a number of non-IFRS performance measures that are used to help investors as well as management analyze the company's operations. Described below are the non-IFRS performance measures that are used as a complement to the financial information that is reported in accordance with IFRS.

Description of financial performance measures that are not used in IFRS

Non-IFRS performance measure	Description	Reason for use of the measure
Organic sales	Sales that exclude changes in exchange rate effects, acquisitions and divestments	This measure is of major importance for management in its monitoring of underlying sales driven by changes in volume, price and product mix for comparable units between different periods
Gross profit	Net sales less the cost of goods sold	For a manufacturing company, gross profit is an important measure for showing the margin before selling and administrative costs
Adjusted gross profit	Net sales less the cost of goods sold excluding items affecting comparability	Adjusted gross profit is stripped of items affecting comparability and is thus a better measure for showing the company's margins before the effect of costs such as selling and administrative costs
Operating surplus	Calculated as operating profit before depreciation and amortization of tangible and intangible assets, and share of profits from associates	This measure is a good complement to operating profit, as it shows the cash surplus from operations
Operating profit	Calculated as operating profit before financial items and taxes	Operating profit provides an overall picture of profit generation in the operating activities
Adjusted operating profit	Calculated as operating profit before financial items, excluding items affecting comparability	Adjusted operating profit is a key ratio for control of the Group's profit centers and provides a better understanding of earnings performance of the operations than the non-adjusted operating profit
Adjusted profit before tax	Calculated as operating profit before tax, excluding items affecting comparability	This is a useful measure for showing total profit for the company including financing, but not affected by taxes and items that affect comparability with previous periods
Operating cash surplus	Calculated as profit before tax after adding back depreciation, amortization and impairment of tangible and intangible assets, share of profits in associates, items affecting comparability, and excluding income taxes paid	This measure shows the cash flow generated by profit and is part of the follow-up of cash flow
Items affecting comparability	Under items affecting comparability, SCA includes costs in connection with acquisitions, restructuring, impairment and other specific events	Separate reporting of items affecting comparability between periods provides a better understanding of the company's operating activities

Non-IFRS performance measure	Description	Reason for use of the measure
Operating cash flow	Consists of the sum of the operating cash surplus and change in working capital less current capital expenditures in non-current assets and structural costs	This is an important control measure used internally within the organization that shows the combined cash flow from operating activities including all parts that the units have control over themselves
Cash flow from current operations	Consists of operating cash flow less financial items and income taxes paid, and affected by other financial cash flows	This measure can be said to illustrate the cash flow generated by operations and that can potentially be used for strategic initiatives such as strategic capital expenditures or acquisitions
Strategic capital expenditures in non-current assets	Strategic capital expenditures aim to increase the company's future cash flow through investments in expansion of non-current assets or new technologies that enhance the company's competitiveness	Shows that size of the capital expenditures that are made in expansion and other growth measures
Current capital expenditures	Consist of competitiveness-preserving capital expenditures of a maintenance, efficiency improvement, replacement or environmental character	Shows the size of the capital expenditures required to maintain existing manufacturing capacity
Adjusted profit for the period	Profit for the period after deducting items affecting comparability	Shows the period's total earnings capacity
Operating surplus margin	Operating surplus as a percentage of net sales for the year	This measure is a good complement to the operating margin, as it shows the cash surplus in relation to net sales
Operating margin	Operating profit as a percentage of net sales for the year	The operating margin is a key measure together with sales growth and capital turnover ratio for monitoring value creation
Net margin	Net profit for the year as a percentage of net sales for the year	The net margin shows the remaining share of net sales after all of the company's costs have been deducted, apart from income tax
Capital turnover ratio	Net sales for the year divided by average capital employed	Shows in a clear manner how effectively capital is employed. Together with sales growth and the operating margin, the capital turnover ratio is a key measure for monitoring value creation
Net debt	Consists of the Group's interest-bearing liabilities including pension liabilities and accrued interest, less cash and cash equivalents, interest-bearing current and non-current receivables, and capital investment shares	Net debt is the most relevant measure for showing the company's total debt financing
Working capital	The Group's and business areas' working capital is calculated as non-current operating receivables less non-current operating liabilities	This measure shows how much working capital that is tied up in the operations and can be put in relation to sales to understand how effectively tied-up working capital is used

Non-IFRS performance measure	Description	Reason for use of the measure
Capital employed	The Group's and business areas' capital employed is calculated as an average of total assets on the balance sheet excluding interest-bearing assets and pension assets, less total liabilities, excluding interest-bearing liabilities and pension liabilities	This measure shows the amount of total capital that is used in the operations and is thus one of the components for measuring the return from operations
Return on capital employed (ROCE)	The accumulated return on capital employed is calculated as operating profit on a moving 12-month basis as a percentage of an average of capital employed during the last five quarters. The corresponding key ratio for a quarter is calculated as operating profit for the quarter multiplied by four, as a percentage of the average of capital employed during the last two quarters	This is the central ratio for measuring the return on the capital tied up in operations
Return on equity	For the Group, return on equity is calculated as profit for the year as a percentage of average equity	Shows from a shareholder perspective the return that is generated on the owners' capital that is invested in the company
Equity/assets ratio	Equity excluding minority expressed as a percentage of total assets	A traditional measure for showing financial risk, expressing the amount of restricted equity that is financed by the owners
Debt/equity ratio	Expressed as net debt in relation to equity	Helps show financial risk and is the most useful measure for management to monitor the level of the company's indebtedness
Debt repayment capacity	Expressed as the cash surplus in relation to average net debt	A financial measure that shows the company's capacity to repay its debt
Restructuring costs	Costs for impairment together with personnel costs in connection with restructuring	This measure shows the specific costs that have arisen in connection with restructuring of a specific operation, which contributes to a better understanding of the underlying cost level in the continuing operations
Financial net margin	Net financial items divided by net sales	This measure shows the relation between net financial items and net sales

Calculation of financial performance measures that are not defined in IFRS**Capital employed**

SEKm	1612	1512
Total assets	165,748	152,372
-Financial receivables	-6,958	-7,220
-Non-current non-interest bearing liabilities	-13,312	-12,235
-Current non-interest bearing liabilities	-30,598	-27,748
Capital employed	114,880	105,169

Working capital

SEKm	1612	1512
Inventories	14,347	14,661
Accounts receivable	17,811	16,829
Other current receivable	2,898	2,831
Accounts payables	-15,750	-14,351
Other current liabilities	-12,466	-11,580
Adjustments	43	-223
Working capital	6,883	8,167

Net debt

SEKm	1612	1512
Surplus in funded pension plans	1,186	371
Non-current financial assets	722	1,032
Current financial assets	568	775
Cash and cash equivalents	4,482	5,042
Financial receivables	6,958	7,220
Non-current financial liabilities	31,360	21,475
Provisions for pensions	5,602	2,771
Current financial liabilities	5,357	12,452
Financial liabilities	42,319	36,698
Net debt	35,361	29,478

Operating surplus

SEKm	1612	1512	2016:4	2015:4
Operating profit	11,279	10,947	2,989	4,151
-Share of profits of associates and joint ventures	-152	-199	-45	-56
-Depreciation	6,258	5,961	1,637	1,443
-Items affecting comparability	2,710	2,067	696	-697
-Depreciation in Items affecting comparability	-80	0	-9	0
Operating surplus	20,015	18,776	5,268	4,841

Capital employed

SEKm	2016:4	2016:3	2016:2	2016:1	2015:4
Personal Care	13,665	12,680	13,577	13,904	13,149
Tissue	61,335	62,018	61,905	60,905	55,054
Forest Products	40,109	39,532	38,232	37,832	37,216
Other	-229	370	-1,060	-41	-250
Total capital employed	114,880	114,600	112,654	112,600	105,169

Operating cash flow

SEKm	1612	1512	2016:4	2015:4
Personal Care				
Operating cash surplus	5,314	5,018	1,432	1,314
Change in working capital	289	-314	120	-22
Current capital expenditures, net	-805	-840	-331	-238
Restructuring costs, etc	-75	-72	-78	7
Operating cash flow	4,723	3,792	1,143	1,061
Tissue				
Operating cash surplus	11,970	10,703	3,216	2,828
Change in working capital	861	-285	883	120
Current capital expenditures, net	-3,159	-2,260	-1,412	-674
Restructuring costs, etc	-338	-491	-101	-172
Operating cash flow	9,334	7,667	2,586	2,102
Forest Products				
Operating cash surplus	2,639	3,319	726	828
Change in working capital	119	95	177	286
Current capital expenditures, net	-959	-869	-272	-407
Restructuring costs, etc	85	-44	14	-18
Operating cash flow	1,884	2,501	645	689

Organic sales

SEKm	1612	2016:4
Personal Care		
Organic sales	865	-66
Currency effect*	-1,313	130
Acquisition/Disposals	-245	-33
Reported change	-693	31
Tissue		
Organic sales	1,818	588
Currency effect*	-1,375	339
Acquisition/Disposals	2,934	750
Reported change	3,377	1,677
Forest Products		
Organic sales	-557	167
Currency effect*	-134	-30
Acquisition/Disposals	0	0
Reported change	-691	137
SCA Group		
Organic sales	2,131	703
Currency effect*	-2,822	438
Acquisition/Disposals	2,689	717
Reported change	1,998	1,858

* Consists only of currency translation effects