

Press release

Stockholm, April 3, 2017



SCA's acquisition of BSN medical now closed

SCA's acquisition of BSN medical, a leading medical solutions company, has been closed. The company develops, manufactures, markets and sells products within wound care, compression therapy and orthopedics. The purchase price for the shares amounts to EUR 1,400m and takeover of net debt to approximately EUR 1,340m¹. SCA consolidates BSN medical as of April 3, 2017.

BSN medical's sales for 2016 amounted to EUR 850m (SEK 8,038m) and adjusted EBITDA² for 2016 was EUR 210m (SEK 1,986m). Organic sales, which excludes exchange rate effects, acquisitions and divestments, increased by 5.3%. BSN medical will be included in SCA's Personal Care business area. Together with SCA's business unit Incontinence Care, BSN medical will form the new business unit Health and Medical Solutions. This business unit will be led by Margareta Lehmann, currently President of SCA Incontinence Care.

"The BSN medical acquisition is an excellent strategic fit for SCA, supporting our vision to improve well-being through leading hygiene and health solutions, two closely interlinked areas. Our incontinence business, with the global leading TENA brand, shares similar positive market characteristics, customer and sales channels with BSN medical, which provide opportunities for accelerated growth through cross-selling," says Magnus Groth, President and CEO, SCA.

"BSN medical, with well-known brands such as Leukoplast, Cutimed, JOBST, Delta Cast, Delta Lite and Actimove, has leading market positions in several attractive medical product categories and provides a new growth platform with future industry consolidation opportunities," Magnus Groth, President and CEO, SCA, continues.

The acquisition is expected to realize annual synergies of at least EUR 30m with full effect three years after closing. Restructuring costs are expected to amount to a total of approximately EUR 10m to be incurred in the first three years following completion.

The BSN medical acquisition is expected to be accretive to SCA's earnings per share from the first year. The company has high cash conversion and an asset-light business model.

The acquisition is fully debt-funded. SCA remains fully committed to retaining a solid investment grade rating.

1) Based on net debt as per December 31, 2016. Final takeover of net debt will be based on March 31, 2017.

2) Excluding items affecting comparability

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SCA is a leading global hygiene and forest products company that sustainably develops, produces, markets and sells 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, Vinda and Zewa. As Europe's largest private forest owner, SCA places considerable emphasis on sustainable forest management. The Group has about 46,000 employees. Sales in 2016 amounted to approximately SEK 117bn (EUR 12.4bn). SCA was founded in 1929, has its headquarters in Stockholm, Sweden, and is listed on NASDAQ Stockholm. More information at www.sca.com.