

Press release

Stockholm, June 7, 2017



SCA to close tissue production plant in the US

To further improve efficiency and strengthen the competitiveness for the Professional Hygiene business in North America, SCA has decided to close the tissue production plant in Flagstaff, Arizona, in the US.

The closure of the Flagstaff tissue production plant is part of SCA's Tissue Roadmap and is aligned with the company's strategy to optimize the geographic production footprint to drive cost and capital efficiency and further increase value creation in the Professional Hygiene business area.

The Flagstaff tissue production plant has an annual capacity of 55,000 tons for the Professional Hygiene business. Production will be discontinued in June 2017. The restructuring costs for the closure are expected to amount to approximately SEK 250m and will be recognized as an item affecting comparability, mainly taken in the second quarter of 2017. Approximately SEK 40m of these costs are expected to impact cash flow.

SCA, with the leading global brand Tork, is the second largest player in the US professional hygiene market. The US is the Group's largest market, based on net sales in 2016, and is highly prioritized by SCA.

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SCA is a leading global hygiene and forest products company that sustainably develops, produces and sells personal care, tissue and forest products. Through the recently acquired company BSN medical, the Group offer products within wound care, compression therapy and orthopedics. Sales are conducted in approximately 150 countries under many strong brands, including the leading global brands TENA and Tork, and other brands, such as Libero, Leukoplast, Libresse, Lotus, Nosotras, Saba, Tempo, Vinda and Zewa. As Europe's largest private forest owner, SCA places considerable emphasis on sustainable forest management. In 2016, the Group had approximately 46,000 employees and sales 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. SCA is dedicated to improving well-being through leading hygiene and health solutions. More information at www.sca.com.