

Press release

Stockholm, February 22, 2018

Essity to strengthen the Professional Hygiene business in Europe

To further strengthen the competitiveness of the Professional Hygiene business in Europe, Essity has decided to invest in creating a center for napkin production in the existing production facility in Altopascio, Italy. This will strengthen Essity's product offering, with the leading global brand Tork, and increase efficiency in the supply chain. The investment in Altopascio will lead to restructuring measures at multiple production facilities across Europe in the coming years.

The activities are aligned with the company's strategy to optimize the geographic production footprint to increase cost and capital efficiency and further increase value creation in the Professional Hygiene business area.

The restructuring measures include the closure of a converting production facility in Hlohovec, Slovakia, in 2020.

The total investments will amount to approximately SEK 590m, of which the majority is related to investments in Altopascio, Italy. The restructuring costs will amount to approximately SEK 580m, of which SEK 350m are expected to impact the first quarter of 2018 and the remaining costs are expected to impact the second quarter of 2018. The costs will be recognized as an item affecting comparability. Approximately SEK 410m of these costs are expected to impact cash flow.

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About Essity

Essity is a leading global hygiene and health company dedicated to improving well-being through our products and solutions, essentials for everyday life. The name Essity stems from the words essentials and necessities. Our sustainable business model creates value for people and nature. Sales are conducted in approximately 150 countries under the leading global brands TENA and Tork, and other strong brands, such as Jobst, Leukoplast, Libero, Libresse, Lotus, Nosotras, Saba, Tempo, Vinda and Zewa. Essity has about 48,000 employees and net sales in 2017 amounted to approximately SEK 109bn (EUR 11.3bn). The headquarters is located in Stockholm, Sweden, and the company is listed on Nasdaq Stockholm. More information at www.essity.com.