



Interim report

Q1 2024

January–March 2024 compared with January–March 2023

- Net sales declined to SEK 4,558m (4,813). The sales decrease was mainly due to lower selling prices. Delivery volumes increased compared with the preceding year due to a gradual ramp up of production at mills where strategic capital expenditures have recently been made.
- EBITDA amounted to SEK 1,596m (2,055). Lower selling prices were partly offset by effective cost control due to the high degree of self-sufficiency in primarily wood raw material but also in energy and logistics.
- EBITDA margin was 35.0% (42.7).
- Operating profit declined to SEK 1,077m (1,596).
- Operating cash flow amounted to SEK 677m (1,203).
- Earnings per share was SEK 1.12 (1.74).

January–March 2024 compared with October–December 2023

- Net sales increased to SEK 4,558m (4,384), mainly attributable to higher selling prices.
- EBITDA amounted to SEK 1,596m (1,635) and EBITDA margin was 35.0% (37.3). Higher selling prices were offset by negative exchange rate effects.

KEY FIGURES

SEKm	Quarter				
	2024:1	2023:1	%	2023:4	%
Net sales	4,558	4,813	-5	4,384	4
EBITDA	1,596	2,055	-22	1,635	-2
<i>EBITDA margin, %</i>	35.0	42.7		37.3	
Operating profit	1,077	1,596	-33	1,119	-4
Net Profit	789	1,213	-35	833	-5
<i>Earnings per share SEK</i>	1.12	1.74		1.22	
Operating cash flow	677	1,203		-55	
Net Debt / EBITDA (LTM)	1.8x	1.2x		1.6x	

SUMMARY OF THE FIRST QUARTER OF 2024

The market for fiber-based products gradually strengthened during the quarter, leading to successively higher selling prices, which combined with a strong result in forest operations had a positive earnings impact. The high rate of self-sufficiency in wood raw material, energy and logistics continued to contribute to effective cost control and the strategic capital expenditures recently made in pulp and packaging paper resulted in higher delivery volumes. SCA's earnings for the first quarter of 2024 were in line with the preceding quarter, but were weaker year on year.

The supply of fiber to SCA's industries was stable. The price of sawlogs and pulpwood continued to rise slightly compared with the preceding quarter.

Production at Swedish sawmills has been severely restricted since last autumn, resulting in low producer stocks. Together with low customer inventories, this has resulted in a more robust market balance and higher selling prices for solid-wood products compared with the preceding quarter.

In the Pulp segment, the market for both northern bleached softwood kraft pulp (NBSK) and chemical thermomechanical pulp (CTMP) strengthened, resulting in higher selling prices compared with the preceding quarter.

Selling prices for kraftliner fell compared with the preceding quarter. Demand for packaging material gradually increased during the quarter, leading to progressively higher demand for kraftliner and price increases were announced for the second quarter.

At the end of the first quarter, 797 wind turbines were operating on SCA's land with a combined annual production capacity of 9.4 TWh. The jointly owned biorefinery in Gothenburg began operating at year-end and the ramp up is proceeding according to plan.

GROUP

SALES AND OPERATING PROFIT

January–March 2024 compared with January–March 2023

Net sales amounted to SEK 4,558m (4,813), a change of -5%, of which price/mix accounted for -11%, currency +3% and volume +3%.

EBITDA decreased to SEK 1,596m (2,055), corresponding to an EBITDA margin of 35.0% (42.7). The change was mainly attributable to lower selling prices, which were offset by positive exchange rate effects and effective cost control due to the high rate of self-sufficiency in primarily wood raw material but also energy and logistics. The cost of planned maintenance stops was SEK 0m (21).

Operating profit amounted to SEK 1,077m (1,596).

January–March 2024 compared with October–December 2023

Net sales increased to SEK 4,558m (4,384), a change of 4%, of which price/mix accounted for +7%, currency -3% and volume 0%.

EBITDA amounted to SEK 1,596m (1,635), corresponding to an EBITDA margin of 35.0% (37.3). Higher selling prices in segment Pulp and Wood were offset by lower selling prices in Containerboard, negative exchange rate effects and a lower revaluation of biological assets. The cost of planned maintenance stops was SEK 0m (147).

Operating profit amounted to SEK 1,077m (1,119).

CASH FLOW

January–March 2024 compared with January–March 2023

The operating cash surplus amounted to SEK 1,049m (1,597). The cash flow effect of changes in working capital was SEK -96m (-150). Current capital expenditures, net, amounted to SEK 16m (-279). Operating cash flow was SEK 677m (1,203) (see Note 9).

Strategic capital expenditures totaled SEK -176m (-535) and company and asset acquisitions totaled SEK 0m (-61). Tax received/paid amounted to SEK 66m (-204). Cash flow for the period was SEK 1,990m (37) (see page 14).

FINANCING

At March 31, 2024, net debt totaled SEK 11,712m, an increase during the quarter of SEK 946m. The increase was related to the approved dividend, which had not been paid by the end of the quarter. Net debt in relation to EBITDA amounted to 1.8x, compared with 1.6x in the preceding quarter. The debt/equity ratio amounted to 11.3% compared with 10.3% in the preceding quarter.

At March 31, 2024, gross debt amounted to SEK 17,025m, with an average maturity of 3.7 years (including the lease liability). The loan structure consists of bilateral bank loans, bonds and commercial paper. Unutilized credit facilities amounted to SEK 5,500m at March 31, 2024.

In the first quarter of 2024, financial items totaled SEK -123m compared with SEK -59m in the year-earlier period. The change was attributable to higher average net debt and higher market rates.

TAX

January–March 2024 compared with January–March 2023

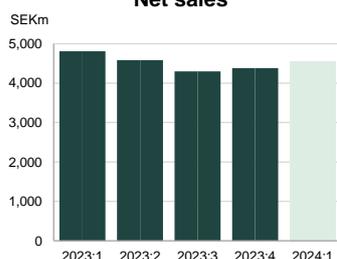
The Group's tax expense amounted to SEK 165m (324), corresponding to an effective tax rate of 17.4% (21.1).

EQUITY

January–March 2024

Equity decreased by SEK 943m during the period to SEK 103,341m at March 31, 2024. Equity increased due to comprehensive income for the period of SEK 990m, decreased due to the approved dividend of SEK 1,931m and decreased due to other items by SEK 2m.

Net sales



EBITDA & margin



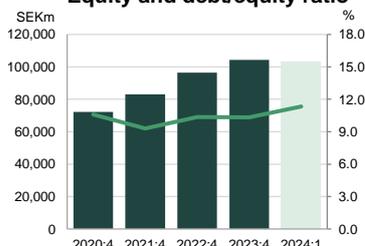
Change in net sales (%)

	2024:1 vs 2023:1	2024:1 vs 2023:4
Total	-5	4
Price/mix	-11	7
Volume	3	0
Currency	3	-3
Acquisition	0	0

Operating cash flow



Equity and debt/equity ratio



CURRENCY EXPOSURE AND CURRENCY HEDGING

Due to a high proportion of exports, SCA's operations are exposed to various currencies. About 90% of sales are priced in currencies other than SEK, primarily EUR, USD and GBP. Most purchasing is conducted in SEK, while some purchasing is carried out in foreign currencies.

To reduce the risk of a weaker SEK, balance sheet items in foreign currency are hedged, as well as major decided and contracted expenses in foreign currency for investments in non-current assets. Added to this, a share of future net flows in the main currencies is hedged and, in some cases, for special order flows. At March 31, 2024, the company had hedged roughly the following shares of the expected net exposure from sales minus purchases.

Currency	Average rate	Share of expected net exposure, %			
		2024:2	2024:3	2024:4	2025:1
EUR	11.48	70	70	50	25
USD	10.64	70	80	60	35

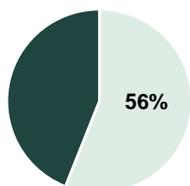
PLANNED MAINTENANCE STOPS

No planned maintenance stops were carried out in the first quarter of 2024. The estimated effect of the planned maintenance stops on earnings, calculated as the sum of the direct cost of the maintenance and lower fixed cost coverage from reduced capacity utilization during the stops, is shown in the table below.

SEKm	Actual				Total
	2023:1	2023:2	2023:3	2023:4	
Pulp	0	0	47	147	194
Containerboard	21	94	68	0	183
Total	21	94	115	147	377

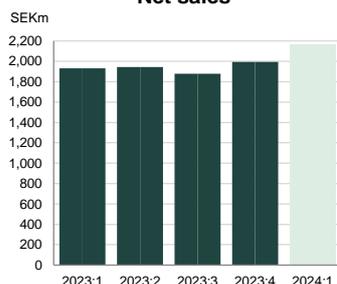
SEKm	Actual	Forecast			Total
	2024:1	2024:2	2024:3	2024:4	
Pulp	0	20	25	175	220
Containerboard	0	0	90	90	180
Total	0	20	115	265	400

Share of EBITDA Jan-Mar 2024*

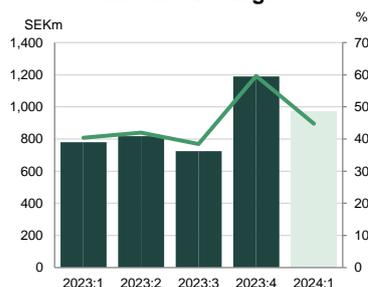


* share calculated of total EBITDA excluding central costs

Net sales



EBITDA & margin



FOREST

SCA is Europe's largest private forest owner with a holding of 2.7 million hectares of forest land in Northern Sweden and the Baltic region. SCA's unique forest holding is a growing resource that provides access to high-quality forest raw materials while absorbing a net of more than 10% of Sweden's fossil CO₂ emissions.

SEKm	Quarter				
	2024:1	2023:1	%	2023:4	%
Net sales	2,169	1,931	12	1,994	9
EBITDA	970	781	24	1,189	-18
Depreciation	-60	-58	3	-60	0
Operating profit	910	723	26	1,129	-19
EBITDA margin, %	44.7	40.4		59.6	
Operating margin, %	42.0	37.4		56.6	
Return on capital employed, %	4.1	3.6		5.4	
Harvesting of own forest, thousand m ³ sub	976	923	6	1,518	-36
Revaluation of biological assets ¹	462	462	0	811	-43

¹ Revaluation of biological assets are included in EBITDA.

The Forest segment includes net sales from timber sourced from SCA's own forests, and from timber purchased from other forest owners, which is sold internally to SCA's industrial operations. The pricing is based on an average of SCA's externally sourced timber prices.

Revaluation of forest assets

The revaluation of biological assets was SEK 462m in the first quarter. The revaluation of the total forest assets is determined by the annual increase in standing volume (net growth) and the change in market price of forest land (see Note 3).

January–March 2024 compared with January–March 2023

Net sales increased 12% to SEK 2,169m (1,931), primarily attributable to higher selling prices for sawlogs and pulpwood.

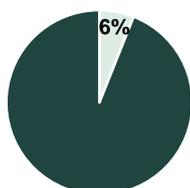
EBITDA increased 24% to SEK 970m (781). This increase was primarily attributable to higher selling prices for sawlogs and pulpwood, and a higher share of harvesting from SCA-owned forest. Sales of forest property during the first quarter of 2024 had a positive earnings impact of SEK 128m.

January–March 2024 compared with October–December 2023

Net sales increased 9% to SEK 2,169m (1,994), primarily related to higher delivery volumes and slightly higher selling prices for sawlogs and pulpwood.

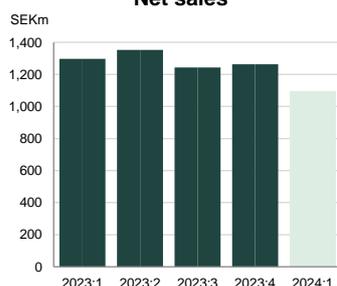
EBITDA declined 18% to SEK 970m (1,189). This decrease was primarily attributable to a lower revaluation of biological assets and seasonally lower share of harvesting from SCA-owned forest, which were offset by slightly higher prices for sawlogs and pulpwood. Sales of forest property had a positive earnings impact of SEK 128m.

Share of EBITDA Jan-Mar 2024*



* share calculated of total EBITDA
excluding central costs

Net sales



EBITDA & margin



WOOD

SCA is one of Europe's leading suppliers of wood-based products for the wood industry and building materials trade, with an annual production capacity of 2.3 m³ of solid-wood products. SCA has five cost-efficient sawmills located close to its forest holdings in Northern Sweden, as well as wood processing and distribution to the building materials trade in Scandinavia and France.

SEKm	Quarter				
	2024:1	2023:1	%	2023:4	%
Net sales	1,093	1,297	-16	1,264	-14
EBITDA	111	123	-10	65	71
Depreciation	-67	-52	29	-64	5
Operating profit	44	71	-38	1	
EBITDA margin, %	10.2	9.5		5.2	
Operating margin, %	4.0	5.5		0.1	
Return on capital employed, %	4.9	8.3		0.2	
Deliveries, wood products, thousand m ³	403	490	-18	506	-20

January–March 2024 compared with January–March 2023

Net sales declined 16% to SEK 1,093m (1,297). The change was primarily attributable to lower delivery volumes.

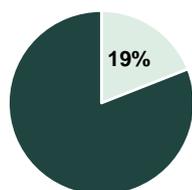
EBITDA declined 10% to SEK 111m (123), which was mainly attributable to lower delivery volumes and higher raw material costs.

January–March 2024 compared with October–December 2023

Net sales declined 14% to SEK 1,093m (1,264), which was mainly attributable to lower delivery volumes. Higher selling prices had a positive effect on sales.

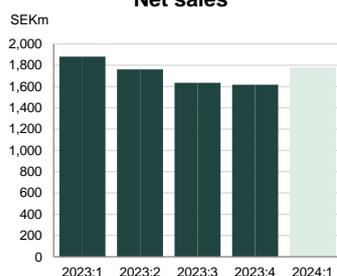
EBITDA increased 71% to SEK 111m (65). The change was primarily attributable to higher selling prices.

Share of EBITDA Jan-Mar 2024*



* share calculated of total EBITDA
excluding central costs

Net sales



EBITDA & margin



PULP

SCA produces Northern bleached softwood kraft pulp (NBSK) at Östrand pulp mill and chemi-thermomechanical pulp (CTMP) at the Ortviken site in Sundsvall with a total capacity of 1 million tonnes per year, which is expected to increase to 1.2 million tonnes in 2025. The Östrand pulp mill is one of the largest and most cost-efficient production lines for NBSK in the world and is also a net producer of green electricity and produces biochemicals such as tall oil and turpentine.

SEKm	Quarter				
	2024:1	2023:1	%	2023:4	%
Net sales	1,774	1,881	-6	1,616	10
EBITDA	323	593	-46	67	382
Depreciation	-169	-155	9	-164	3
Operating profit	154	438	-65	-97	
EBITDA margin, %	18.2	31.5		4.2	
Operating margin, %	8.7	23.3		-6.0	
Return on capital employed, %	6.4	19.2		-4.0	
Deliveries, pulp, thousand tonnes	233	225	4	232	0

January–March 2024 compared with January–March 2023

Net sales declined 6% to SEK 1,774m (1,881). Lower selling prices were offset by higher delivery volumes from the new CTMP mill and positive exchange rate effects.

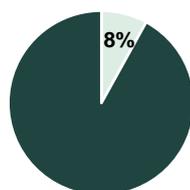
EBITDA declined 46% to SEK 323m (593). The EBITDA margin was 18.2% (31.5). Lower selling prices were somewhat offset by positive exchange rate effects. A provision for ongoing staff reductions of SEK 26m had a negative impact on earnings. The cost of planned maintenance stops was SEK 0m (0).

January–March 2024 compared with October–December 2023

Net sales increased 10% to SEK 1,774m (1,616). The increase was attributable to higher selling prices, which were offset by negative exchange rate effects.

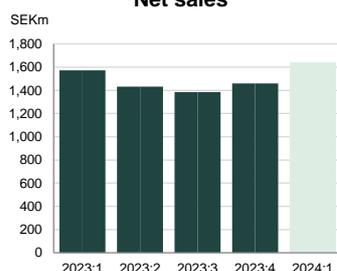
EBITDA increased to SEK 323m (67). Higher selling prices were offset by negative exchange rate effects. The cost of planned maintenance stops was SEK 0m (147).

Share of EBITDA Jan-Mar 2024*

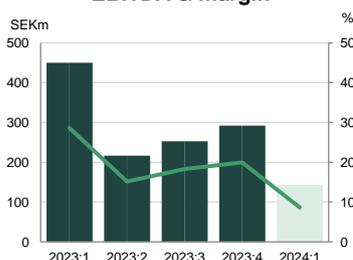


* share calculated of total EBITDA
excluding central costs

Net sales



EBITDA & margin



CONTAINERBOARD

SCA produces kraftliner, renewable packaging paper, at the paper mills in Munksund and Obbola. SCA is Europe's largest independent producer of kraftliner, with a total capacity of 865,000 tonnes per year, which is expected to increase to 1,140,000 tonnes by 2026.

SEKm	Quarter				
	2024:1	2023:1	%	2023:4	%
Net sales	1,635	1,573	4	1,460	12
EBITDA	141	450	-69	292	-52
Depreciation	-195	-168	16	-200	-3
Operating profit	-54	282		92	
EBITDA margin, %	8.6	28.6		20.0	
Operating margin, %	-3.3	17.9		6.3	
Return on capital employed, %	-2.0	15.4		3.4	
Deliveries, kraftliner, thousand tonnes	252	201	25	223	13

January–March 2024 compared with January–March 2023

Net sales increased 4% to SEK 1,635m (1,573). Higher delivery volumes from the new paper machine in Obbola and positive exchange rate effects were offset by lower selling prices.

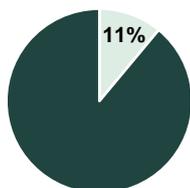
EBITDA declined 69% to SEK 141m (450). The decrease was mainly attributable to lower selling prices. The cost of planned maintenance stops was SEK 0m (21).

January–March 2024 compared with October–December 2023

Net sales increased 12% to SEK 1,635m (1,460). The change was mainly related to higher delivery volumes, which was partly offset by lower selling prices.

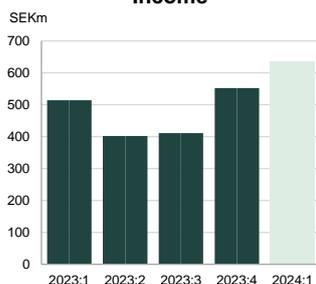
EBITDA declined 52% to SEK 141m (292). The decrease was mainly attributable to lower selling prices, negative mix effects and higher raw material and energy costs. The cost of planned maintenance stops was SEK 0m (0).

Share of EBITDA Jan-Mar 2024*

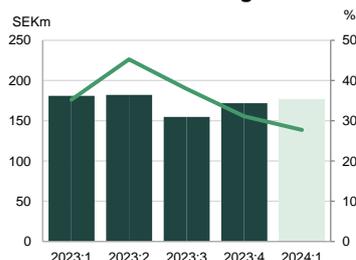


* share calculated of total EBITDA excluding central costs

Income



EBITDA & margin



RENEWABLE ENERGY

SCA produces tall oil, green electricity, refined and unrefined biofuels and is investing in the production of liquid biofuels. SCA is one of Europe's largest producers of bioenergy, with annual production of about 11 TWh. SCA's industries and wind farm produce green electricity corresponding to approximately 1% of Swedish electricity consumption. SCA also leases out land for the production of wind power.

SEKm	Quarter				
	2024:1	2023:1	%	2023:4	%
Revenue ¹	636	514	24	552	15
EBITDA	177	181	-2	172	3
Depreciation	-19	-18	6	-19	0
Operating profit	158	163	-3	153	3
EBITDA margin, % ²	27.7	35.2		31.2	
Operating margin, % ²	24.8	31.7		27.7	
Return on capital employed, %	30.0	35.7		29.8	
Deliveries, renewable electricity from own wind production, GWh	45	63.0	-29	30	50

¹ Income consists of net sales and other operating income

² EBITDA and operating profit as share of income

January–March 2024 compared with January–March 2023

Income increased 24% to SEK 636m (514). The increase was attributable to higher delivery volumes and higher selling prices.

EBITDA declined 2% to SEK 177m (181). The EBITDA margin was 27.7% (35.2). The decrease is mainly related to higher raw material costs, which were offset by higher delivery volumes.

January–March 2024 compared with October–December 2023

Income increased 15% to SEK 636m (552). The increase was primarily attributable to higher delivery volumes.

EBITDA increased 3% to SEK 177m (172). The increase was mainly attributable to higher delivery volumes, which were offset by higher raw material costs. The EBITDA margin decreased to 27.7% (31.2).

SHARE DISTRIBUTION

March 31, 2024	Class A	Class B	Total
Registered number of shares	64,435,149	637,907,340	702,342,489

At the end of the period, the proportion of Class A shares was 9.2%. No change was made to Class A and Class B shares during the first quarter. The total number of votes in the company amounts to 1,282,258,830.

FUTURE EVENTS

- The half-year report will be published on July 26, 2024
- The interim report for the third quarter will be published on October 25, 2024
- The year-end report will be published on January 31, 2025

INVITATION TO PRESS CONFERENCE ON INTERIM REPORT FOR THE FIRST QUARTER OF 2024

Members of the media and analysts are hereby invited to attend a press conference where this interim report will be presented by the President and CEO, Ulf Larsson, and by the CFO, Andreas Ewertz.

Time: Friday, April 26, 2024 at 10:00 a.m.

The press conference will be webcast live at www.sca.com. It is also possible to participate by telephone by calling:

Sweden: +46 (0)8 505 204 24
 UK: +44 (0)33 0551 0200
 USA: +1 786 697 3501

Specify "SCA Q1".

Sundsvall, April 26, 2024

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Please note:

This is information that SCA is obliged to make public pursuant to the EU Market Abuse Regulation and the 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, on April 26, 2024 at 8:00 a.m. CEST. The report has not been reviewed by the company's auditors.

Anders Edholm, SVP Sustainability and Communications, +46 (0)60 19 32 12

GROUP

CONDENSED INCOME STATEMENT

SEKm	Quarter				
	2024:1	2023:1	%	2023:4	%
Net sales	4,558	4,813	-5	4,384	4
Other income	1,079	955	13	858	26
Change in inventories	165	-36		-25	
Change in value in biological assets	462	462	0	811	-43
Raw materials and consumables	-1,412	-1,128	25	-1,139	24
Personnel costs	-706	-661	7	-670	5
Other operating expenses	-2,529	-2,344	8	-2,591	-2
Result from associated companies and JV	-22	-6		7	
EBITDA	1,596	2,055	-22	1,635	-2
Depreciation, amortization and impairment	-519	-459	13	-516	1
Operating profit	1,077	1,596	-33	1,119	-4
Financial items	-123	-59		-141	
Profit before tax	954	1,537	-38	978	-2
Income tax	-165	-324		-145	
Net Profit for the period	789	1,213	-35	833	-5
Earnings attributable to:					
Owners of the parent	789	1,220		854	
Non-controlling interests	-	-7		-21	
Earnings per share SEK - owners of the parent¹	1.12	1.74		1.22	
Average number of shares, millions	702.3	702.3		702.3	
Margins, %					
EBITDA margin	35.0	42.7		37.3	
Operating margin	23.6	33.2		25.5	
Net margin	17.3	25.2		19.0	

¹ There are no dilution effects.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEKm	Quarter		
	2024:1	2023:1	2023:4
Profit for the period	789	1,213	833
Other comprehensive income for the period:			
Items that may not be reclassified to the income statement			
Change in value land assets	-206	-	7,522
Revaluation of defined benefit pension plans	554	222	-8
Income tax attributable to components of other comprehensive income	-72	-46	-1,439
Total	276	176	6,075
Items that have been or may be reclassified subsequently to the income statement			
Cash flow hedges	-282	-10	322
Hedge cost	9	0	4
Translation differences in foreign operations	141	39	-121
Income tax attributable to components of other comprehensive income	57	2	-67
Total	-75	31	138
Other comprehensive income for the period, net of tax	201	207	6,213
Total comprehensive income for the period	990	1,420	7,046
Total comprehensive income attributable to:			
Owners of the parent	990	1,427	7,067
Non-controlling interests	-	-7	-21

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEKm	Jan-Mar	
	2024	2023
Attributable to owners of the parent		
Value, January 1	104,284	96,358
Total comprehensive income for the period	990	1,427
Cash flow hedge transferred to cost of hedged investments	-2	-5
Tax on cash flow hedge transferred to cost of hedged investments	0	1
Dividend, approved	-1,931	-1,756
Acquisition of non-controlling interests	-	0
Value, March 31	103,341	96,025
Non-controlling interests		
Value, January 1	-	-
Total comprehensive income for the period	-	-7
Acquisition of non-controlling interests	-	7
Value, March 31	-	-
Total equity, value March 31	103,341	96,025

CONDENSED CONSOLIDATED BALANCE SHEET

SEKm	Mar 31, 2024	Dec 31, 2023
ASSETS		
Non-current assets		
Intangible assets	873	813
Buildings, land, machinery and equipment	24,914	25,230
Forest assets	107,883	107,481
<i>of which land assets</i>	49,123	49,267
<i>of which biological assets</i>	58,760	58,214
Right-of-use assets	617	570
Other non-current assets	4,036	3,693
Total non-current assets	138,323	137,787
Current assets		
Inventories	5,421	5,361
Trade receivables	3,288	2,858
Other current receivables	951	1,444
Cash and cash equivalents ¹	2,495	502
Total current assets	12,155	10,165
Total assets	150,478	147,952
EQUITY AND LIABILITIES		
Equity		
Owners of the Parent		
Share capital	2,350	2,350
Share premium	6,830	6,830
Reserves	37,254	37,494
Retained earnings including net profit for the period	56,907	57,610
Non-controlling interests	-	-
Total equity	103,341	104,284
Non-current liabilities		
Non-current financial liabilities	12,585	11,498
Provisions for pensions	103	326
Deferred tax liabilities	24,512	24,373
Other non-current liabilities and other provisions	102	101
Total non-current liabilities	37,302	36,298
Current liabilities		
Current financial liabilities	2,406	1,902
Dividend, approved ²	1,931	-
Trade payables	3,912	3,963
Other current liabilities and other provisions	1,586	1,505
Total current liabilities	9,835	7,370
Total liabilities	47,137	43,668
Total liabilities and equity	150,478	147,952

¹ Cash and cash equivalents March, 31, 2024, include blocked bank accounts for a decided dividend of SEK 1,931m.

² The dividend was paid on April, 2, 2024, after the quarterly accounts.

CONSOLIDATED CASH FLOW STATEMENT

SEK m	Jan-Mar	
	2024	2023
Operating activities		
Profit before tax	954	1,537
<i>of which paid and received interest</i>	-132	4
Adjustment for non-cash items ^{1,2}	-13	-6
Change in liabilities regarding restructuring costs	-1	-2
Paid tax	66	-204
Cash flow from operating activities before changes in working capital	1,006	1,325
Cash flow from changes in working capital		
Change in inventories	-59	-141
Change in operating receivables ²	-324	191
Change in operating liabilities ²	-53	-138
Cash flow from operating activities	570	1,237
Investing activities		
Company and asset acquisitions	0	-61
Current capital expenditures in intangible and tangible assets	-206	-254
Sale of tangible assets	309	10
Strategic capital expenditures in non-current assets	-176	-535
Acquisition of financial asset	-6	-24
Cash flow from investing activities	-79	-864
Financing activities		
Loans raised	1,644	0
Amortization of debt	-93	-283
Amortization of debt, leasing	-52	-53
Cash flow from financing activities	1,499	-336
Net cash flow for the period	1,990	37
Cash and cash equivalents at the beginning of the period	502	836
Translation differences in cash and cash equivalents	3	0
Cash and cash equivalents at the end of the period³	2,495	873
¹ Depreciation/amortization and impairment of non-current assets	519	458
Fair-value measurement of biological assets	-462	-462
Gains/loss on assets sales and swaps of assets	-110	3
Unrealized result on hedged items	48	-12
Accrued interest	9	15
Other	-17	-8
Total	-13	-6

² Unrealized result on hedged items has been reclassified from Cash flow from changes in working capital to Adjustment for non-cash items. The comparison period has been recalculated.

³ Cash and cash equivalents include blocked bank accounts for a decided dividend of SEK 1,931 m.

NOTES

1. ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with IAS 34 and recommendation RFR 1 of the Swedish Financial Reporting Board, and with regards to the Parent Company, RFR 2. Applied accounting principles are described in detail in SCA's Annual Report for 2023. New or revised IFRSs and interpretations from IFRIC have not had and are not expected to have any material effect on the Group's or the Parent Company's financial statements.

2. REVENUE FROM CONTRACTS WITH CUSTOMERS

Net sales per region

SEKm	Jan-Mar 2024						
	Forest	Wood	Pulp	Containerboard	Renewable Energy	Eliminations	Total
Sweden	2,131	563	295	106	18	-2,131	982
USA	-	71	317	62	-	-	450
Germany	-	10	162	368	-	-	540
United Kingdom	-	99	63	237	-	-	399
Rest of Europe	38	195	697	600	-	-	1,530
Asia	-	122	184	121	-	-	427
Rest of world	-	33	56	141	-	-	230
Total Group	2,169	1,093	1,774	1,635	18	-2,131	4,558

SEKm	Jan-Mar 2023						
	Forest	Wood	Pulp	Containerboard	Renewable Energy	Eliminations	Total
Sweden	1,897	337	303	133	29	-1,898	801
USA	-	136	399	19	-	-	554
Germany	-	54	160	374	-	-	588
United Kingdom	-	150	84	260	-	-	494
Rest of Europe	34	292	608	644	-	-	1,578
Asia	-	187	293	52	-	-	532
Rest of world	-	141	34	91	-	-	266
Total Group	1,931	1,297	1,881	1,573	29	-1,898	4,813

3. FOREST VALUATION

Accounting principles

The accounting principles for forest assets are described on page 111, Note D3, of SCA's Annual Report for 2023.

Key assessments and assumptions

SCA bases its valuation of forest assets on forest transactions in the areas where SCA owns forest assets. The market prices applied by SCA comprise a weighted average based on forest transactions over the last three years. When establishing the change in value of biological assets, the same valuation model has been used as in the past, with a return requirement of 3.6% (3.5) after tax.

At December 31, 2023, the total standing timber volume was estimated at approximately 271 million m³fo, of which 8 million m³fo is in the Baltic region. Growth in standing timber volume and the change in value of land assets is updated when the market price is updated. The three-year average market price used in valuation of SCA's forest assets at March 31, 2024 was SEK 395/m³fo for the Swedish holdings and EUR 40.5/m³fo for the Baltic holdings. The estimated change in value for biological assets is accrued over the course of the year and is based on discounted cash flows. At March 31, 2024, approximately 25% of the expected annual change in value was recognized, which amounted to SEK 462m. The change in value of biological assets is recognized in the income statement on the line item for change in value in biological assets. At March 31, 2024, the total value of forest assets amounted to SEK 107,883m.

Forest assets

SEKm	Mar 31, 2024	Dec 31, 2023
Forest assets in Sweden	104,097	103,927
Forest assets in the Baltic states	3,786	3,554
Total value of forest assets	107,883	107,481
Deferred tax on forest assets	21,330	21,277

4. OTHER PROVISIONS

Accounting principles

The accounting principles for other provisions are described in detail on page 117, Note D8, of SCA's 2023 Annual Report.

SEKm	Environment	Other	Total
Value, January 1	146	98	244
Provisions	20	26	46
Utilization	0	-58	-58
Reclassifications	-12	19	7
Translation differences	-	-	0
Value, March 31	154	85	239
Provisions comprise:			
Long-term component			70
Short-term component			169

5. RISKS AND UNCERTAINTIES

SCA's risk exposure and risk management are described on pages 67–75 of SCA's 2023 Annual Report.

6. RELATED PARTY TRANSACTIONS

During the period, no transactions took place between SCA and related parties with any material impact on the company's financial position or results.

7. FINANCIAL INSTRUMENTS BY CATEGORY

SEKm	Measure- ment level	Mar 31, 2024	Dec 31, 2023
Financial assets measured at fair value in the income statement			
Derivatives - Current financial assets	2	8	4
Derivatives - Other current receivables	2	21	63
Total		29	67
Financial liabilities measured at fair value in the income statement			
Derivatives - Current financial liabilities	2	1	4
Derivatives - Other current liabilities	2	18	4
Total		19	8
Financial assets measured at fair value through other comprehensive income			
Equity instruments	3	14	14
Total		14	14
Financial liabilities measured at amortized cost			
Non-current financial liabilities excluding leasing	-	12,129	11,044
Non-current financial liabilities, leasing	-	454	442
Current financial liabilities excluding leasing	-	4,145	1,740
Current financial liabilities, leasing	-	192	158
Total		16,920	13,384
Derivatives used for hedge accounting			
Non-current financial assets	2	47	39
Other non-current assets	2	15	27
Other current receivables	2	78	321
Total		140	387
Derivatives used for hedge accounting			
Non-current financial liabilities	2	2	12
Other non-current liabilities	2	32	44
Other current liabilities	2	80	32
Total		114	88

The fair value of trade receivables, other current and non-current receivables, cash and cash equivalents, and trade payables is estimated to be equal to their carrying amount. The total fair value of current and non-current financial liabilities, excluding lease liabilities, was SEK 16,090m (12,601). The value of electricity derivatives is based on published prices in an active market. Other financial instruments are marked to market, based on prevailing currency and interest rates on the balance sheet date. The fair value of debt instruments is determined using valuation models, such as discounting future cash flows at quoted market rates for the respective maturity.

8. CONTINGENT LIABILITIES AND COMMITMENTS

SEKm	Parent		Group	
	Mar 31, 2024	Dec 31, 2023	Mar 31, 2024	Dec 31, 2023
Contingent liabilities				
Guarantees for				
subsidiaries	1,500	1,342	25	-
associates	-	-	5	5
customers and others	-	-	28	28
Other contingent liabilities	2	2	24	24
Total	1,502	1,344	82	57

SCA has, through a wholly owned subsidiary, undertaken to repay debt raised by a joint venture. At March 31, 2024, the SCA Group's undertaking amounted to SEK 81m (71).

9. ALTERNATIVE PERFORMANCE MEASURES

For definitions of alternative performance measures, refer to SCA's 2023 Annual Report, pages 95–97.

Operating cash flow

SEKm	Quarter		
	2024:1	2023:1	2023:4
EBITDA	1,596	2,055	1,635
Changes in biological assets and other non cash flow items	-547	-458	-840
Operating cash surplus	1,049	1,597	795
Change in working capital	-96	-150	-710
Current capital expenditures, net ¹	16	-279	-538
Other operating cash flow	-292	35	398
Operating cash flow	677	1,203	-55
¹ Including following values from new leasing contracts:	-87	-35	-50

Capital structure

SEKm	Mar 31, 2024	Dec 31, 2023
Total assets	150,478	147,952
Financial assets	-5,313	-2,960
Long term, non-interest bearing liabilities	-24,614	-24,474
Short term, non-interest bearing liabilities	-5,498	-5,468
Total capital employed	115,053	115,050
Net debt, SEKm	11,712	10,766
Net debt/EBITDA (LTM) ¹	1.8x	1.6x
Equity, SEKm	103,341	104,284
Net debt/Equity (%)	11.3	10.3

¹ Last Twelve Months

Return on capital employed

%	Quarter			LTM ¹	Full year
	2024:1	2023:1	2023:4	Mar 31, 2024	Dec 31, 2023
<i>Return on capital employed</i>	3.7	6.0	4.0	3.9	4.5
<i>Return on capital employed, industrial</i>	3.4	17.2	0.9	4.1	7.3

¹ Last Twelve Months

Working capital

SEKm	Mar 31, 2024	Dec 31, 2023
Inventories	5,421	5,361
Trade receivable	3,288	2,858
Other current receivables	836	1,218
Trade payable	-3,823	-3,864
Other current liabilities	-1,271	-1,182
Other short term provisions	-32	-70
Working capital	4,419	4,321

Net debt

SEKm	Mar 31, 2024	Dec 31, 2023
Surplus in funded pension plans	2,563	2,219
Non-current financial assets	162	148
Current financial assets	93	91
Cash and cash equivalents	2,495	502
Financial receivables	5,313	2,960
Non-current financial liabilities	12,585	11,498
Provisions for pensions	103	326
Current financial liabilities	2,406	1,902
Dividend, approved	1,931	-
Financial liabilities	17,025	13,726
Net debt	-11,712	-10,766

10. QUARTERLY DATA BY SEGMENT**NET SALES**

SEKm	Quarter					
	2024:1	2023:4	2023:3	2023:2	2023:1	2022:4
Forest	2,169	1,994	1,878	1,945	1,931	1,760
Wood	1,093	1,264	1,244	1,353	1,297	1,422
Pulp	1,774	1,616	1,636	1,760	1,881	1,822
Containerboard	1,635	1,460	1,385	1,432	1,573	1,626
Renewable energy ¹	18	11	5	9	29	-
Other	-	-	-	-	-	0
Intra-group deliveries	-2,131	-1,961	-1,846	-1,917	-1,898	-1,757
Total net sales	4,558	4,384	4,302	4,582	4,813	4,873

EBITDA

SEKm	Quarter					
	2024:1	2023:4	2023:3	2023:2	2023:1	2022:4
Forest	970	1,189	724	817	781	761
Wood	111	65	161	201	123	71
Pulp	323	67	173	380	593	598
Containerboard	141	292	253	217	450	565
Renewable energy ¹	177	172	155	182	181	116
Other	-126	-150	-49	-97	-73	-130
Total EBITDA	1,596	1,635	1,417	1,700	2,055	1,981

EBITDA MARGIN

%	Quarter					
	2024:1	2023:4	2023:3	2023:2	2023:1	2022:4
Forest	44.7	59.6	38.5	42.0	40.4	43.2
Wood	10.2	5.2	13.0	14.9	9.5	5.0
Pulp	18.2	4.2	10.5	21.6	31.5	32.8
Containerboard	8.6	20.0	18.3	15.2	28.6	34.7
Renewable energy ^{1,2}	27.7	31.2	37.9	45.3	35.2	24.6
EBITDA margin	35.0	37.3	32.9	37.1	42.7	40.6

Operating profit

SEKm	Quarter					
	2024:1	2023:4	2023:3	2023:2	2023:1	2022:4
Forest	910	1,129	666	761	723	704
Wood	44	1	105	151	71	15
Pulp	154	-97	6	212	438	452
Containerboard	-54	92	62	46	282	455
Renewable energy ¹	158	153	133	164	163	111
Other	-135	-159	-59	-105	-81	-147
Total operating profit	1,077	1,119	913	1,229	1,596	1,590

¹ Renewable energy is a new segment from January 1, 2023. Year 2022 is recalculated.

² EBITDA as share of Revenue.

Renewable energy's income amounted to	636	552	411	402	514	470
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PARENT COMPANY CONDENSED INCOME STATEMENT

SEKm	Jan-Mar	
	2024	2023
Other operating income	90	74
Other operating expenses	-61	-47
Personnel costs	-30	-25
EBITDA	-1	2
Depreciation and impairment	-24	-23
Operating profit	-25	-21
Financial items	101	52
Profit after financial items	76	31
Appropriations	120	332
Profit before tax	196	363
Income tax	-40	-75
Profit for the period	156	288

Other operating income was mainly related to remuneration for the granting of felling rights for the Parent Company's forest assets. Other comprehensive income was the same as profit for the period.

CONDENSED BALANCE SHEET

SEKm	Mar 31, 2024	Dec 31, 2023
Tangible non-current assets	9,228	9,217
Other non-current assets	12,064	12,015
Total non-current assets	21,292	21,232
Current assets	16,232	16,694
Total assets	37,524	37,926
Restricted equity	11,373	11,373
Non-restricted equity	9,194	9,039
Total equity	20,567	20,412
Provisions	1,745	1,734
Non-current liabilities	12,178	11,127
Current liabilities	3,034	4,653
Total equity, provisions and liabilities	37,524	37,926