

*A joint press release from MoDo and SCA follows.
Questions to MoDo regarding this release will be addressed at our press and analysts conference for the year-end report on 1999 operations.*

The conference is being held today:

Time: 2.30 pm

Place: Strindbergssalen, Berns kongresscenter, Berzelii park, Stockholm.

MoDo and SCA
Joint press release
January 31, 2000

MoDo and SCA initiate exchange listing of Modo Paper

MoDo and SCA have decided to initiate work with an exchange listing and broadening of ownership of Modo Paper AB, in which each currently holds a 50 per cent interest. The broadening of ownership is intended to be accomplished through SCA selling shares in a public offering and MoDo distributing shares to its shareholders.

MoDo intends to propose that the ordinary Annual General Meeting resolves to distribute 35 per cent of the total number of shares in Modo Paper AB to its shareholders. It is SCA's intent in the public offering to sell shares corresponding to an equal number of shares.

Assuming that the market conditions prevail for an exchange listing, the assessment is that Modo Paper will be listed on the OM Stockholm Stock Exchange during April 2000.

Modo Paper

Modo Paper was formed on October 1, 1999 through a merger of MoDo's and SCA's fine paper operations. Modo Paper is Europe's third largest company in

the fine paper segment, with production of 1.7 million tonnes of fine paper and merchanting operations that deliver 1.1 million tonnes. Operations include production in Sweden, Germany, France and Austria, as well as sales offices and merchanting activities in some 20 European countries. The company has about 6,500 employees and annual sales of approximately 20 billion kronor.