STORA ENSO OYJ INTERIM REVIEW 22 October 2013 at 13.00 EET

# Stora Enso Interim Review January–September 2013
## Firm operational EBIT, solid cash flow

***Q3/2013 (compared with Q3/2012)***

**Operational EBIT slightly higher at EUR 184 (EUR 178) million.**

- **Operational ROCE 9.0% (8.2%).**
- **Net debt to the last twelve months' operational EBITDA improved to 2.5 (2.8).**
- **Cash flow from operations EUR 331 (EUR 312) million. Liquidity further strengthened to EUR 2.1 (EUR 1.7) billion.**

***Q3/2013 (compared with Q2/2013)***

- **Operational EBIT significantly higher at EUR 184 (EUR 124) million mainly due to lower costs.**

***Q1-Q3/2013 (compared with Q1-Q3/2012)***

- **Operational EBIT at EUR 426 (EUR 472) million.**
- **Solid cash flow from operations at EUR 776 (EUR 781) million.**

***Transformation***

- **Consumer board machine in Guangxi, China is expected to be operational in the beginning of 2016, as previously announced.**
- **Montes del Plata Pulp Mill is expected to begin the mill start-up process during the first months of 2014, provided the main contractors continue to deliver on their updated schedules.**

***Streamlining and structure simplification***

- **EUR 200 million streamlining and structure simplification programme announced on 23 April 2013 proceeding as planned.**

***Outlook***

- **In Q4/2013 sales are expected to be lower than the EUR 2 727 million and operational EBIT clearly lower than the EUR 158 million in Q4/2012. Renewable Packaging and Building and Living are expected to experience usual seasonal weakness in operational EBIT in Q4/2013. Historically, Renewable Packaging has typically generated around 85% of its operational EBIT during the first three quarters of the year. The weak demand and price situation in European paper markets is expected to continue in Q4/2013.**

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***Business ID 1039050-8***

**Summary of Third Quarter Results***

| | | Q3/13 | Q2/13 | Q3/12 |
|---|---|---|---|---|
| Sales | EUR million | 2 556 | 2 717 | 2 694 |
| Operational EBITDA | EUR million | 311 | 247 | 302 |
| **Operational EBIT**** | **EUR million** | **184** | **124** | **178** |
| Operating profit (IFRS) | EUR million | 158 | 74 | 165 |
| Profit before tax excl. NRI | EUR million | 125 | 60 | 102 |
| Profit before tax | EUR million | 102 | 27 | 102 |
| Net profit excl. NRI | EUR million | 104 | 45 | 81 |
| Net profit | EUR million | 84 | 21 | 81 |
| EPS excl. NRI | EUR | 0.13 | 0.05 | 0.10 |
| EPS | EUR | 0.11 | 0.02 | 0.11 |
| CEPS excl. NRI | EUR | 0.32 | 0.24 | 0.29 |
| Operational ROCE | % | 9.0 | 5.8 | 8.2 |

** Data for the comparative periods have been restated following adoption of the amended IAS 19 Employee Benefits standard. Data for the comparative periods have been restated in all tables affected by IAS 19. For further details, please see Basis of Preparation on page 13.*

*** Operational EBIT comprises the operating profit excluding NRI and fair valuations of the segments and Stora Enso's share of the operating profit excluding NRI and fair valuations of its equity accounted investments (EAI). Fair valuations include equity incentive schemes, synthetic options net of realised and open hedges, $CO_2$ emission rights and valuations of biological assets related to forest assets in EAI.*

**Stora Enso Deliveries and Production**

| | Q3/13 | Q2/13 | Q3/12 | Q1-Q3/13 | Q1-Q3/12 | 2012 | Change % Q3/13–Q3/12 | Change % Q3/13–Q2/13 | Change % Q1-Q3/13–Q1–Q3/12 |
|---|---|---|---|---|---|---|---|---|---|
| Paper and board deliveries (1 000 tonnes) | 2 456 | 2 508 | 2 576 | 7 460 | 7 699 | 10 268 | -4.7 | -2.1 | -3.1 |
| Paper and board production (1 000 tonnes) | 2 469 | 2 496 | 2 610 | 7 484 | 7 796 | 10 357 | -5.4 | -1.1 | -4.0 |
| Wood products deliveries (1 000 $m^3$) | 1 191 | 1 345 | 1 129 | 3 683 | 3 575 | 4 750 | 5.5 | -11.4 | 3.0 |
| Market pulp deliveries (1 000 tonnes)* | 254 | 303 | 267 | 845 | 774 | 1 058 | -4.9 | -16.2 | 9.2 |
| Corrugated packaging deliveries (million $m^2$) | 278 | 271 | 275 | 809 | 818 | 1 097 | 1.1 | 2.6 | -1.1 |

** Stora Enso's net market pulp position is expected to be about 1.2 million tonnes for 2013.*

## Key Figures

| EUR million | Q3/13 | Q2/13 | Q3/12 | Q1-Q3/13 | Q1-Q3/12 | 2012 | Change % Q3/13–Q3/12 | Change % Q3/13–Q2/13 | Change % Q1-Q3/13–Q1-Q3/12 |
|---|---|---|---|---|---|---|---|---|---|
| Sales | 2 556 | 2 717 | 2 694 | 7 940 | 8 088 | 10 815 | -5.1 | -5.9 | -1.8 |
| Operational EBITDA | 311 | 247 | 302 | 798 | 818 | 1 094 | 3.0 | 25.9 | -2.4 |
| Operational EBITDA margin, % | 12.2 | 9.1 | 11.2 | 10.1 | 10.1 | 10.1 | 8.9 | 34.1 | - |
| Operational EBIT | 184 | 124 | 178 | 426 | 472 | 630 | 3.4 | 48.4 | -9.7 |
| Operational EBIT margin, % | 7.2 | 4.6 | 6.6 | 5.4 | 5.8 | 5.8 | 9.1 | 56.5 | -6.9 |
| Operating profit (IFRS) | 158 | 74 | 165 | 252 | 447 | 701 | -4.2 | 113.5 | -43.6 |
| Operating margin (IFRS), % | 6.2 | 2.7 | 6.1 | 3.2 | 5.5 | 6.5 | 1.6 | 129.6 | -41.8 |
| Profit before tax excl. NRI | 125 | 60 | 102 | 240 | 234 | 317 | 22.5 | 108.3 | 2.6 |
| Profit before tax | 102 | 27 | 102 | 93 | 277 | 481 | - | 277.8 | -66.4 |
| Net profit for the period excl. NRI | 104 | 45 | 81 | 205 | 174 | 263 | 28.4 | 131.1 | 17.8 |
| Net profit for the period | 84 | 21 | 81 | 89 | 224 | 490 | 3.7 | 300.0 | -60.3 |
| Capital expenditure | 102 | 86 | 131 | 249 | 347 | 556 | -22.1 | 18.6 | -28.2 |
| Depreciation and impairment charges excl. NRI | 145 | 145 | 149 | 436 | 433 | 583 | -2.7 | - | 0.7 |
| Operational ROCE, % | 9.0 | 5.8 | 8.2 | 6.8 | 7.2 | 7.3 | 9.8 | 55.2 | -5.6 |
| Earnings per share (EPS) excl. NRI, EUR | 0.13 | 0.05 | 0.10 | 0.25 | 0.22 | 0.33 | 30.0 | 160.0 | 13.6 |
| EPS (basic), EUR | 0.11 | 0.02 | 0.11 | 0.11 | 0.28 | 0.61 | - | n/m | -60.7 |
| Cash earnings per share (CEPS) excl. NRI, EUR | 0.32 | 0.24 | 0.29 | 0.81 | 0.77 | 1.07 | 10.3 | 33.3 | 5.2 |
| CEPS, EUR | 0.29 | 0.20 | 0.29 | 0.70 | 0.83 | 1.28 | - | 45.0 | -15.7 |
| Return on equity (ROE), % | 6.2 | 1.5 | 5.7 | 2.1 | 5.1 | 8.3 | 8.8 | n/m | -58.8 |
| Debt/equity ratio | 0.51 | 0.55 | 0.52 | 0.51 | 0.52 | 0.48 | -1.9 | -7.3 | -1.9 |
| Net debt/last twelve months' operational EBITDA | 2.5 | 2.7 | 2.8 | 2.5 | 2.8 | 2.5 | -10.7 | -7.4 | -10.7 |
| Equity per share, EUR | 6.82 | 6.67 | 7.26 | 6.82 | 7.26 | 7.32 | -6.1 | 2.2 | -6.1 |
| Equity ratio, % | 41.1 | 40.7 | 42.6 | 41.1 | 42.6 | 42.8 | -3.5 | 1.0 | -3.5 |
| Average number of employees | 28 297 | 28 661 | 29 167 | 28 346 | 28 915 | 28 777 | -3.0 | -1.3 | -2.0 |
| Average number of shares (million) | | | | | | | | | |
| periodic | 788.6 | 788.6 | 788.6 | 788.6 | 788.6 | 788.6 | | | |
| cumulative | 788.6 | 788.6 | 788.6 | 788.6 | 788.6 | 788.6 | | | |
| cumulative, diluted | 788.6 | 788.6 | 788.6 | 788.6 | 788.6 | 788.6 | | | |

*Operational EBIT comprises the operating profit excluding NRI and fair valuations of the segments and Stora Enso's share of the operating profit excluding NRI and fair valuations of its equity accounted investments (EAI). Fair valuations include equity incentive schemes, synthetic options net of realised and open hedges, $CO_2$ emission rights and valuations of biological assets related to forest assets in EAI.*

*NRI = Non-recurring items. These are exceptional transactions that are not related to normal business operations. The most common non-recurring items are capital gains, additional write-downs or reversals of write-downs, provisions for planned restructuring and penalties. Non-recurring items are normally specified individually if they exceed one cent per share.*

### Reconciliation of Operational Profitability

| EUR million | Q3/13 | Q2/13 | Q3/12 | Q1-Q3/13 | Q1-Q3/12 | 2012 | Change % Q3/13–Q3/12 | Change % Q3/13–Q2/13 | Change % Q1-Q3/13–Q1-Q3/12 |
|---|---|---|---|---|---|---|---|---|---|
| **Operational EBITDA** | **311** | **247** | **302** | **798** | **818** | **1 094** | **3.0** | **25.9** | **-2.4** |
| Equity accounted investments (EAI), operational* | 18 | 22 | 25 | 64 | 87 | 119 | -28.0 | -18.2 | -26.4 |
| Depreciation and impairment excl. NRI | -145 | -145 | -149 | -436 | -433 | -583 | 2.7 | - | -0.7 |
| **Operational EBIT** | **184** | **124** | **178** | **426** | **472** | **630** | **3.4** | **48.4** | **-9.7** |
| Fair valuations and non-operational items** | -3 | -17 | -13 | -27 | -45 | -59 | 76.9 | 82.4 | 40.0 |
| Non-recurring items | -23 | -33 | - | -147 | 20 | 130 | n/m | 30.3 | n/m |
| **Operating Profit (IFRS)** | **158** | **74** | **165** | **252** | **447** | **701** | **-4.2** | **113.5** | **-43.6** |

** Group's share of operational EBIT of equity accounted investments (EAI).*
*** Fair valuations and non-operational items include equity incentive schemes, synthetic options net of realised and open hedges, $CO_2$ emission rights and valuations of biological assets related to forest assets in equity accounted investments (EAI) and Group's share of tax and net financial items of EAI.*

## Q3/2013 Results (compared with Q3/2012)

### Breakdown of Sales Change Q3/2012 to Q3/2013

| | **Sales** |
|---|---|
| **Q3/12, EUR million** | **2 694** |
| Price and mix, % | -1 |
| Currency, % | -1 |
| Volume, % | -1 |
| Other sales*, % | -1 |
| Total before structural changes, % | -4 |
| Structural change**, % | -1 |
| Total, % | -5 |
| **Q3/13, EUR million** | **2 556** |

** Wood, energy, paper for recycling, by-products etc.*
*** Asset closures, major investments, divestments and acquisitions*

Sales at EUR 2 556 million were EUR 138 million lower than a year ago as sales of paper products declined. Operational EBIT was EUR 184 million.

Lower volumes and lower sales prices in local currencies for paper grades decreased operational EBIT by EUR 25 million and EUR 28 million, respectively. Higher volumes in packaging improved operational EBIT by EUR 15 million. Paper and board production was curtailed by 8% (8%) and sawnwood production by 1% (10%) to manage inventories.

Overall variable costs were EUR 28 million lower, mainly due to lower prices for wood raw material and pulp. Fixed costs were reduced by EUR 26 million.

The operational result from equity accounted investments decreased by EUR 7 million, mainly due to Veracel.

The average number of employees at 28 300 was 870 lower than a year ago. The number of employees decreased mainly in Sweden and Finland due to closures and restructurings. The average number of employees increased by 410 in China.

The Group recorded non-recurring items (NRI) with a negative net impact of approximately EUR 23 million on operating profit and a positive impact of approximately EUR 3 million on income tax in its third quarter 2013 results. The NRI are related to restructuring provisions due to the streamlining and structure simplification project announced on 23 April 2013, and release of provisions recorded in previous periods.

Net financial expenses at EUR 56 million were EUR 7 million lower than a year ago. The net interest expense increased by EUR 8 million due to the slightly higher average gross debt level, lower capitalised interest and lower interest income. The fair valuation of interest rate derivatives had a positive impact of EUR 12 million. The net foreign exchange impact in the third quarter in respect of cash, interest-bearing assets and liabilities and related hedges was EUR 7 (EUR -1) million. During the quarter, a EUR 99 million loan note issued by Papyrus Holding AB, classified in the balance sheet as an available-for-sale investment, was derecognised as a result of the Group receiving a cash prepayment of EUR 40 million, with the terms on the remaining portion of the loan being changed through mutual agreement. The new loan note has been classified in the balance sheet as a non-current loan receivable. A net fair valuation loss of EUR 5 million related to the changes in the note terms was recorded in the third quarter of 2013.

### Breakdown of Capital Employed Change Q3/2012 to Q3/2013

| | Capital Employed |
|---|---|
| **Q3/12, EUR million** | **8 814** |
| Capital expenditure less depreciation | -140 |
| Available-for-sale: operative (mainly PVO) | -144 |
| Equity accounted investments | 114 |
| Net liabilities in defined benefit plans | -135 |
| Operative working capital and other interest-free items, net | -223 |
| Net tax liabilities | 143 |
| Translation difference | -210 |
| Other changes | -27 |
| **Q3/13, EUR million** | **8 192** |

The operational return on capital employed was 9.0% (8.2%). Excluding the ongoing strategic investments in Biomaterials and Renewable Packaging the operational return on capital employed would have been 10.4% (9.5%).

## January–September 2013 Results (compared with January–September 2012)

Sales decreased by EUR 148 million year-on-year due to lower sales of paper grades. Operational EBIT decreased by EUR 46 million due to clearly lower prices in local currencies and lower deliveries in paper grades. However, fixed costs were reduced, and fibre and chemical costs were clearly lower.

### Q3/2013 Results (compared with Q2/2013)

Sales decreased by EUR 161 million, but operational EBIT improved from EUR 124 million in the second quarter to EUR 184 million in the third quarter. Sales prices and volumes remained stable, but energy and especially fixed costs decreased, partly due to seasonality.

### Capital Structure

| **EUR million** | **30 Sep 13** | **30 Jun 13** | **31 Dec 12** | **30 Sep 12** |
|---|---|---|---|---|
| Operative fixed assets* | 5 613 | 5 571 | 6 022 | 6 001 |
| Equity accounted investments | 1 972 | 1 999 | 1 965 | 1 978 |
| Operative working capital, net | 1 363 | 1 418 | 1 460 | 1 641 |
| Non-current interest-free items, net | -575 | -580 | -611 | -475 |
| **Operating Capital Total** | **8 373** | **8 408** | **8 836** | **9 145** |
| Net tax liabilities | -181 | -174 | -217 | -331 |
| **Capital Employed** | **8 192** | **8 234** | **8 619** | **8 814** |
| | | | | |
| Equity attributable to owners of the Parent | 5 381 | 5 261 | 5 770 | 5 725 |
| Non-controlling interests | 86 | 88 | 92 | 89 |
| Net interest-bearing liabilities | 2 725 | 2 885 | 2 757 | 3 000 |
| **Financing Total** | **8 192** | **8 234** | **8 619** | **8 814** |

** Operative fixed assets include property, plant and equipment, goodwill, biological assets, emission rights, available-for-sale operative shares and other intangible assets.*

**Financing Q3/2013 (compared with Q2/2013)**

Total unutilised committed credit facilities were unchanged at EUR 700 million, and cash and cash equivalents net of overdrafts remained strong at EUR 2 096 million, which is EUR 289 million more than for the previous quarter. In addition, Stora Enso has access to various long-term sources of funding up to EUR 600 million.

In September 2013 Stora Enso drew a EUR 140 million seven-year loan from the European Investment Bank (EIB) to be used for research and development. The interest rate of the loan is 3.3%. There are no financial covenants in the terms of the new loan.

During the third quarter of 2013, Stora Enso repurchased EUR 34 million of the 5.125% bond notes due in June 2014. Following the repurchase, the aggregate nominal amount of the outstanding notes is EUR 347 million. In addition, a bond maturing in August 2013 with a nominal amount of EUR 25 million was repaid.

The ratio of net debt to the last twelve months' operational EBITDA was 2.5 (2.7).

The debt/equity ratio at 30 September 2013 was 0.51 (0.55). The decrease is primarily due to net profit and cash flow generation in the third quarter of 2013 and EUR 77 million increase in the value of Stora Enso's shareholding in PVO owing to higher electricity prices.

**Cash Flow**

| EUR million | Q3/13 | Q2/13 | Q3/12 | Q1-Q3/13 | Q1-Q3/12 | 2012 | Change % Q3/13–Q3/12 | Change % Q3/13–Q2/13 | Change % Q1-Q3/13–Q1-Q3/12 |
|---|---|---|---|---|---|---|---|---|---|
| Operational EBITDA | 311 | 247 | 302 | 798 | 818 | 1 094 | 3.0 | 25.9 | -2.4 |
| NRI on Operational EBITDA | -23 | -54 | - | -128 | 31 | 18 | n/m | 57.4 | n/m |
| Dividends received from equity accounted investments | 2 | 7 | 1 | 20 | 9 | 102 | 100.0 | -71.4 | 122.2 |
| Other adjustments | -3 | 18 | 5 | 1 | -10 | -34 | -160.0 | -116.7 | 110.0 |
| Change in working capital | 44 | 126 | 4 | 85 | -67 | 74 | n/m | -65.1 | 226.9 |
| **Cash Flow from Operations** | **331** | **344** | **312** | **776** | **781** | **1 254** | **6.1** | **-3.8** | **-0.6** |
| Cash spent on fixed and biological assets | -107 | -80 | -155 | -275 | -377 | -561 | 31.0 | -33.8 | 27.1 |
| Acquisitions of equity accounted investments | -8 | -37 | -37 | -55 | -99 | -115 | 78.4 | 78.4 | 44.4 |
| **Cash Flow after Investing Activities** | **216** | **227** | **120** | **446** | **305** | **578** | **80.0** | **-4.8** | **46.2** |

**Q3/2013 cash flow**

Third quarter 2013 cash flow from operations remained solid at EUR 331 million. Receivables decreased by EUR 90 million. Payments from the previously announced restructuring provisions were EUR 30 million. Inventories and payables were unchanged.

**Capital Expenditure for January–September 2013**

Additions to fixed and biological assets in the first three quarters of 2013 totalled EUR 249 million, which is 57% of depreciation in the same period. Investments in fixed assets and biological assets had a cash outflow impact of EUR 275 million in the first three quarters of 2013.

The EUR 25 million equity injection into Montes del Plata, a joint venture in Uruguay, and EUR 30 million cost of acquiring a 35% shareholding in Bulleh Shah, a joint venture in Pakistan, totalled EUR 55 million in the first three quarters of 2013.

The main capital expenditure projects ongoing during the first three quarters of 2013 were Montes del Plata and the Ostrołęka containerboard machine.

**Capital Expenditure, Equity Injections and Depreciation Forecast 2013**

| EUR million | Forecast 2013 |
|---|---|
| Capital expenditure* | 400–450 |
| Equity injections | 75 |
| **Total** | **475–525** |
| Depreciation | 580–600 |

* Capital expenditure includes approximately EUR 40-80 million for the project in Guangxi, China.

## Streamlining and structure simplification programme to cut EUR 200 million from fixed costs

The streamlining and structure simplification programme, which is intended to achieve annual net fixed cost savings of EUR 200 million after compensating for inflation in addition to cost takeout in the second quarter of 2014 versus actual 2012 is proceeding according to plan. The full impact of the net cost savings is expected from the second quarter of 2014 onwards.

About 40% of the cost reduction actions specific to this programme were completed by the end of the third quarter of 2013. The impact on Stora Enso's result for 2013 is expected to be limited. The non-recurring one-time costs related to the programme in the first nine months of 2013 totalled EUR 88 million, including EUR 45 million in the third quarter of 2013. Most of the remaining non-recurring costs were announced in the third quarter of 2013. The number of employees was reduced by 770 by the end of the third quarter.

## Near-term Outlook

In the fourth quarter of 2013 sales are expected to be lower than the EUR 2 727 million and operational EBIT clearly lower than the EUR 158 million in the fourth quarter of 2012. Renewable Packaging and Building and Living are expected to experience usual seasonal weakness in operational EBIT in the fourth quarter of 2013. Historically, Renewable Packaging has typically generated around 85% of its operational EBIT during the first three quarters of the year. The weak demand and price situation in European paper markets is expected to continue in the fourth quarter 2013.

## Segments Q3/13 compared with Q3/12

### Printing and Reading

Printing and Reading is a world-class responsible supplier of paper from renewable sources for print media and office use. Its wide offering serves publishers, retailers, printing houses, merchants, converters and office suppliers, among others. Printing and Reading produces newsprint, book paper, SC paper, coated paper and office paper.

| EUR million | Q3/13 | Q2/13 | Q3/12 | Q1-Q3/13 | Q1-Q3/12 | 2012 | Change % Q3/13–Q3/12 | Change % Q3/13–Q2/13 | Change % Q1-Q3/13–Q1-Q3/12 |
|---|---|---|---|---|---|---|---|---|---|
| Sales | 1 041 | 1 101 | 1 227 | 3 265 | 3 645 | 4 839 | -15.2 | -5.4 | -10.4 |
| Operational EBITDA | 81 | 51 | 121 | 204 | 364 | 493 | -33.1 | 58.8 | -44.0 |
| Operational EBIT | 13 | -17 | 53 | -2 | 164 | 223 | -75.5 | 176.5 | -101.2 |
| % of sales | 1.2 | -1.5 | 4.3 | -0.1 | 4.5 | 4.6 | -72.1 | 180.0 | -102.2 |
| Operational ROOC, %* | 1.9 | -2.4 | 7.0 | -0.1 | 7.2 | 7.4 | -72.9 | 179.2 | -101.4 |
| Paper deliveries, 1 000 t | 1 582 | 1 652 | 1 794 | 4 918 | 5 339 | 7 130 | -11.8 | -4.2 | -7.9 |
| Paper production, 1 000 t | 1 600 | 1 641 | 1 789 | 4 924 | 5 401 | 7 210 | -10.6 | -2.5 | -8.8 |

** Operational ROOC = 100% x Operational EBIT/Average operating capital*

- Sales prices in local currencies and product mix had a clearly negative impact on the results. Delivery volumes were lower than a year ago as paper demand remained weak in Europe.
- Pulp costs were significantly lower due to lower bleached hardwood kraft pulp (BHKP) consumption at Oulu Mill and the long stoppage in the third quarter of 2012 at Veitsiluoto Pulp Mill, which distorted the year-on-year comparison. Fixed costs were clearly lower than a year ago.
- Stora Enso is investing some EUR 14 million in pulp mill modernisation at Oulu Mill in Finland. The investment will improve the mill's environmental performance and cost efficiency.

***Markets***

| Product | Market | Demand Q3/13 compared with Q3/12 | Demand Q3/13 compared with Q2/13 | Price Q3/13 compared with Q3/12 | Price Q3/13 compared with Q2/13 |
|---|---|---|---|---|---|
| Paper | Europe | Weaker | Stable | Slightly lower | Stable |

### Biomaterials

Biomaterials offers a variety of pulp grades to meet the demands of paper, board and tissue producers. Pulp made from renewable resources in a sustainable manner is an excellent raw material with many different end uses. Biomaterials comprises mainly plantations, the Group's joint-venture Veracel and Montes del Plata pulp mills, Nordic stand-alone pulp mills, the Pulp Competence Centre and the Biorefinery.

| EUR million | Q3/13 | Q2/13 | Q3/12 | Q1-Q3/13 | Q1-Q3/12 | 2012 | Change % Q3/13–Q3/12 | Change % Q3/13–Q2/13 | Change % Q1-Q3/13–Q1-Q3/12 |
|---|---|---|---|---|---|---|---|---|---|
| Sales | 242 | 257 | 268 | 756 | 756 | 1 012 | -9.7 | -5.8 | - |
| Operational EBITDA | 29 | 22 | 38 | 79 | 66 | 99 | -23.7 | 31.8 | 19.7 |
| Operational EBIT | 17 | 14 | 32 | 53 | 54 | 82 | -46.9 | 21.4 | -1.9 |
| % of sales | 7.0 | 5.4 | 11.9 | 7.0 | 7.1 | 8.1 | -41.2 | 29.6 | -1.4 |
| Operational ROOC, %* | 4.9 | 3.8 | 8.8 | 5.1 | 4.9 | 5.7 | -44.3 | 28.9 | 4.1 |
| Pulp deliveries, 1 000 t | 444 | 461 | 467 | 1 380 | 1 365 | 1 836 | -4.9 | -3.7 | 1.1 |

** Operational ROOC = 100% x Operational EBIT/Average operating capital*

- The Enocell Pulp Mill annual maintenance stoppage and the unfavourable currency impacts and additional costs, including writing down of capitalised costs and settlement of past legal disputes, at Veracel Pulp Mill decreased operational EBIT.
- Montes del Plata Pulp Mill (MDP) is expected to begin the mill start-up process during the first months of 2014, provided the main contractors continue to deliver on their updated schedules. In 2014 Stora

Enso's share of MDP's production is expected to be approximately half a million tonnes, a reduction from the earlier estimate of 650 000 tonnes that assumed start-up by the end of September 2013. The primary focus is to have an excellent mill commissioning, which is key to a successful ramp-up.

***Markets***

| Product | Market | Demand Q3/13 compared with Q3/12 | Demand Q3/13 compared with Q2/13 | Price Q3/13 compared with Q3/12 | Price Q3/13 compared with Q2/13 |
|---|---|---|---|---|---|
| Softwood pulp | Europe | Slightly stronger | Slightly stronger | Higher | Slightly higher |

## Building and Living

Building and Living provides wood-based innovations and solutions for everyday living and housing needs. The product range covers all areas of urban construction, from supporting structures to interior design and environmental construction. Further-processed products include massive wood elements and housing modules, wood components and pellets, in addition to a variety of sawn timber goods.

| EUR million | Q3/13 | Q2/13 | Q3/12 | Q1-Q3/13 | Q1-Q3/12 | 2012 | Change % Q3/13–Q3/12 | Change % Q3/13–Q2/13 | Change % Q1-Q3/13–Q1-Q3/12 |
|---|---|---|---|---|---|---|---|---|---|
| Sales | 460 | 500 | 403 | 1 401 | 1 228 | 1 684 | 14.1 | -8.0 | 14.1 |
| Operational EBITDA | 33 | 39 | 10 | 85 | 42 | 59 | 230.0 | -15.4 | 102.4 |
| Operational EBIT | 24 | 28 | 1 | 56 | 22 | 29 | n/m | -14.3 | 154.5 |
| % of sales | 5.2 | 5.6 | 0.2 | 4.0 | 1.8 | 1.7 | n/m | -7.1 | 122.2 |
| Operational ROOC, %* | 17.7 | 20.0 | 0.7 | 13.6 | 5.1 | 5.2 | n/m | -11.5 | 166.7 |
| Deliveries, 1 000 $m^3$ | 1 157 | 1 303 | 1 097 | 3 573 | 3 460 | 4 592 | 5.5 | -11.2 | 3.3 |

** Operational ROOC = 100% x Operational EBIT/Average operating capital*

- Global sales prices in local currencies were clearly higher than a year ago.
- Sales volume increased by 6%, costs decreased.
- Stora Enso cross-laminated timber (CLT) elements will be used to build a two-storey wooden-framed administrative building for the Nordic World Ski Championships in Sweden.

***Markets***

| Product | Market | Demand Q3/13 compared with Q3/12 | Demand Q3/13 compared with Q2/13 | Price Q3/13 compared with Q3/12 | Price Q3/13 compared with Q2/13 |
|---|---|---|---|---|---|
| Wood products | Europe | Stronger | Significantly weaker | Slightly higher | Stable |

## Renewable Packaging

Renewable Packaging offers fibre-based packaging materials and innovative packaging solutions for consumer goods and industrial applications. Renewable Packaging operates throughout the value chain, from pulp production to production of materials and packaging, and recycling. It comprises three business units: Consumer Board, Packaging Solutions and Packaging Asia.

| EUR million | Q3/13 | Q2/13 | Q3/12 | Q1-Q3/13 | Q1-Q3/12 | 2012 | Change % Q3/13–Q3/12 | Change % Q3/13–Q2/13 | Change % Q1-Q3/13–Q1-Q3/12 |
|---|---|---|---|---|---|---|---|---|---|
| Sales | 829 | 835 | 812 | 2 484 | 2 418 | 3 216 | 2.1 | -0.7 | 2.7 |
| Operational EBITDA | 152 | 129 | 134 | 400 | 370 | 476 | 13.4 | 17.8 | 8.1 |
| Operational EBIT | 100 | 77 | 83 | 245 | 218 | 273 | 20.5 | 29.9 | 12.4 |
| % of sales | 12.1 | 9.2 | 10.2 | 9.9 | 9.0 | 8.5 | 18.6 | 31.5 | 10.0 |
| Operational ROOC, %* | 16.9 | 12.7 | 14.3 | 14.0 | 12.8 | 12.1 | 18.2 | 33.1 | 9.4 |
| Paper and board deliveries, 1 000 t | 874 | 856 | 782 | 2 542 | 2 360 | 3 138 | 11.8 | 2.1 | 7.7 |
| Paper and board production, 1 000 t | 869 | 855 | 821 | 2 560 | 2 395 | 3 147 | 5.8 | 1.6 | 6.9 |
| Corrugated packaging deliveries, million $m^2$ | 278 | 271 | 275 | 809 | 818 | 1 097 | 1.1 | 2.6 | -1.1 |
| Corrugated packaging production, million $m^2$ | 266 | 267 | 269 | 791 | 801 | 1 076 | -1.1 | -0.4 | -1.2 |

** Operational ROOC = 100% x Operational EBIT/Average operating capital*

- Higher sales volumes and lower variable costs, especially for wood, more than offset the impact of a less favourable mix.
- Ramp-up of the new containerboard machine at Ostrołęka in Poland is proceeding as planned.
- The consumer board machine in Guangxi, China is expected to be operational in the beginning of 2016, as previously announced. Approvals from MOFCOM (Ministry of Commerce of People’s Republic of China) are expected to be received before the end of 2013.
- There will be an annual maintenance stoppage at Skoghall and Fors mills in Sweden during the fourth quarter of 2013.

***Markets***

| Product | Market | Demand Q3/13 compared with Q3/12 | Demand Q3/13 compared with Q2/13 | Price Q3/13 compared with Q3/12 | Price Q3/13 compared with Q2/13 |
|---|---|---|---|---|---|
| Consumer board | Europe | Slightly stronger | Stable | Slightly lower | Stable |
| Corrugated packaging | Europe | Stable | Stable | Stable | Stable |

## Other

The segment Other includes the Nordic forest equity accounted investments, Stora Enso’s shareholding in Pohjolan Voima, operations supplying wood to the Nordic mills and Group shared services and administration.

| EUR million | Q3/13 | Q2/13 | Q3/12 | Q1-Q3/13 | Q1-Q3/12 | 2012 | Change % Q3/13–Q3/12 | Change % Q3/13–Q2/13 | Change % Q1-Q3/13–Q1-Q3/12 |
|---|---|---|---|---|---|---|---|---|---|
| Sales | 612 | 685 | 645 | 2 018 | 2 011 | 2 684 | -5.1 | -10.7 | 0.3 |
| Operational EBITDA | 16 | 6 | -1 | 30 | -24 | -33 | n/m | 166.7 | 225.0 |
| Operational EBIT | 30 | 22 | 9 | 74 | 14 | 23 | 233.3 | 36.4 | n/m |
| % of sales | 4.9 | 3.2 | 1.4 | 3.7 | 0.7 | 0.9 | 250.0 | 53.1 | n/m |

- Variable costs were lower for Wood Supply in the third quarter of 2013.

**Short-term Risks and Uncertainties**
The main short-term risks and uncertainties relate to the economic situation in Europe, the ability of certain countries to refinance excessive debts and further increasing imbalance in the European paper market.

Energy sensitivity analysis: the direct effect of a 10% increase in electricity, heat, oil and other fossil fuel market prices would have a negative impact of approximately EUR 15 million on operational EBIT for the next twelve months, after the effect of hedges.

Wood sensitivity analysis: the direct effect of a 10% increase in wood prices would have a negative impact of approximately EUR 200 million on operational EBIT for the next twelve months.

Chemicals and fillers sensitivity: the direct effect of a 10% increase in chemical and filler prices would have a negative impact of approximately EUR 69 million on operational EBIT for the next twelve months.

A decrease of energy, wood or chemical and filler prices would have the opposite impact.

Foreign exchange rates sensitivity analysis for the next twelve months: the direct effect on operational EBIT of a 10% strengthening in the value of the US dollar, Swedish krona and British pound against the euro would be about positive EUR 102 million, negative EUR 84 million and positive EUR 50 million annual impact, respectively. Weakening of the currencies would have the opposite impact. These numbers are before the effect of hedges and assuming no changes occur other than a single currency exchange rate movement.

**Veracel**
On 11 July 2008 Stora Enso announced that a federal judge in Brazil had issued a decision claiming that the permits issued by the State of Bahia for the operations of Stora Enso’s equity accounted investment Veracel were not valid. The judge also ordered Veracel to take certain actions, including reforestation with native trees on part of Veracel’s plantations and a possible BRL 20 million (EUR 7 million) fine. Veracel disputes the decision and has filed an appeal against it. Veracel operates in full compliance with all Brazilian laws and has obtained all the necessary environmental and operating licences for its industrial and forestry activities from the competent authorities. In November 2008 a Federal Court suspended the effects of the decision. Veracel has not recorded any provision for the reforestation or the possible fine.

On 30 September 2009 a judge in the State of Bahia issued an interim decision ordering the State Government of Bahia not to grant Veracel further plantation licences in the municipality of Eunápolis in response to claims by a state prosecutor that Veracel’s plantations exceeded the legal limits, which Veracel disputes. Veracel’s position is supported by documentation issued by the State environmental authority. The case has now been closed by the judge and will not be reported further.

During construction of Veracel Pulp Mill, a supplier won the international tendering to supply part of the mill. The proposal included an element to make the plant eligible for a Drawback Suspension Tax Benefit which would provide exemptions on imports. One of the conditions of the drawback was that funds used to pay the supplier be raised outside Brazil. At the same time, part of the mill construction was financed locally. Following a tax inspection at the supplier, Federal Tax Authorities issued a tax infraction note against the supplier intended to cancel the drawback benefits. The supplier presented its defence and the appeal is still pending a decision from the Administrative Tax Entity Court. In parallel, the supplier filed an arbitration proceeding against Veracel in order to determine which company shall be responsible for eventual damages if the supplier is found guilty. In September 2013 the International Chamber of Commerce Arbitration Court decided that Veracel and the supplier shall share liability for any potential damages in the ratio Veracel 75% and the supplier 25%. Veracel’s exposure amounts to approximately BRL 90 million (EUR 30 million). No provisions have been made in either Veracel’s or Stora Enso’s accounts for this case.

**Class Action Lawsuits in USA**
In the context of magazine paper sales in the USA in 2002 and 2003, Stora Enso Oyj (SEO) and Stora Enso North America (SENA) were sued in a number of class action (and other civil) lawsuits filed in the USA by various magazine paper purchasers that claimed damages for alleged antitrust violations. In December 2010 a US federal district court granted a motion for summary judgement dismissing the direct purchaser class action claims on SEO and SENA. Following appeal, a federal court of appeals on 6 August 2012 upheld the district court’s ruling as to SEO, but reversed the district court’s ruling as to SENA and referred that part of the case back to the district court for a jury trial to determine whether SENA’s conduct did violate the federal antitrust

laws. The trial of the case against SENA was scheduled to begin in August 2013. Because Stora Enso disposed of SENA in 2007, Stora Enso's liability, if any, would have been determined by the provisions in the SENA Sales and Purchasing Agreement. On 17 July 2013, Stora Enso reached an agreement (which is subject to approval by the US federal district court) to settle the cases filed by the direct magazine paper purchasers without any admission of liability by SENA or SEO. Stora Enso has paid into escrow USD 8 million to cover the cost of settling those claims, which cost has been recorded in the third quarter 2013 accounts. The only remaining case that is pending, filed on behalf of indirect purchasers of publication paper in the California state court, has been stayed pending final resolution of the direct purchaser case. In previous periods the cases were disclosed as a contingent liability.

**Legal Proceedings in Finland**

On 3 December 2009 the Finnish Market Court fined Stora Enso for competition law infringements in the market for roundwood in Finland from 1997 to 2004. Stora Enso did not appeal against the ruling.

On 31 March 2011 Metsähallitus of Finland initiated legal proceedings against Stora Enso, UPM and Metsäliitto claiming compensation for damages allegedly suffered due to the competition law infringements. The total claim against all the defendants amounts to approximately EUR 160 million and the secondary claim against Stora Enso to approximately EUR 85 million.

In addition, Finnish municipalities and private forest owners have initiated similar legal proceedings. The total amount claimed from all the defendants amounts to approximately EUR 75 million and the secondary claims and claims solely against Stora Enso to approximately EUR 25 million.

Stora Enso denies that Metsähallitus and other plaintiffs have suffered any damages whatsoever and will forcefully defend itself. No provisions have been made in Stora Enso's accounts for these lawsuits.

In August 2013 the Supreme Administrative Court gave its decision concerning the water treatment lagoon in the environmental permit related to the closure of Kemijärvi Pulp Mill. The Court ordered Stora Enso to deliver a new action plan for removing the majority of the sludge from the basin at the Kemijärvi site to the State Administrative Agency by the end of 2014. The Agency was ordered to evaluate the costs to Stora Enso against the environmental benefits. No provisions have been made in Stora Enso's accounts for this case.

**Changes in Group Management**

On 17 September Stora Enso announced that it had appointed Seppo Parvi as its new Chief Financial Officer. He is currently Chief Financial Officer and Executive Vice President, Food and Medical Business Area, at Ahlstrom Corporation. He will join Stora Enso at the latest during the first quarter of 2014.

**Share Capital**

During the quarter no A shares were converted into R shares.

On 30 September 2013 Stora Enso had 177 146 372 A shares and 611 473 615 R shares in issue of which the Company held no A shares or R shares.

This report is unaudited.

Helsinki, 22 October 2013
Stora Enso Oyj
Board of Directors

# Financials

**Basis of Preparation**
This unaudited interim financial report has been prepared in accordance with the accounting policies set out in International Accounting Standard 34 on Interim Financial Reporting and in the Group's Annual Report for 2012.

The Group has applied the following amendment effective from 1 January 2013 that requires restatement of previous financial statements:

- IAS 19 Employee Benefits (amendment) eliminates the 'corridor method', streamlines the presentation of changes in assets and liabilities arising from defined benefit plans and enhances the disclosure requirements arising from the standard. The Group has not applied the 'corridor method'. The effects of this amendment on the Group financial statements are not material. The effects on the Condensed Consolidated Income Statement are the following:

**Effects of Changes to IAS 19 Employee Benefits**

| EUR million | As published 2012 | Adjustment 2012 | Restated 2012 |
|---|---|---|---|
| Operational EBIT | 618 | 12 | 630 |
| Operating profit (IFRS) | 689 | 12 | 701 |
| Net financial items | -207 | -13 | -220 |
| Profit before tax | 482 | -1 | 481 |
| Income tax | 9 | - | 9 |
| Net profit for the period | 491 | -1 | 490 |
| **Attributable to:** | | | |
| Owners of the Parent | 481 | -1 | 480 |
| Non-controlling interests | 10 | - | 10 |
| | **491** | **-1** | **490** |
| Total equity | 5 876 | -14 | 5 862 |
| Post-employment benefit provisions | 462 | 18 | 480 |
| Deferred tax liabilities | 344 | -4 | 340 |

The following standards have also been applicable for the first time effective from 1 January 2013:

- IAS 1 Presentation of Financial Statements (amendment) introduces changes to the presentation of items of other comprehensive income. Items that could be reclassified to profit or loss at a future point in time now have to be presented separately from items that will never be reclassified. The amendment affected presentation only and had no impact on the Group's financial position or performance.
- IFRS 7 Financial Instruments: Enhanced disclosure requirements related to offsetting of financial assets and financial liabilities. The amendment might have some effect on presentation in the financial statements but had no impact on the Group's financial position or performance.
- IFRS 13 Fair Value Measurement establishes the definition of fair value and introduces a single IFRS framework for measuring fair value while seeking to increase consistency and comparability by requiring disclosures about fair value measurements applied in the financial statements of an entity. The application of IFRS 13 has not materially affected the fair value measurements carried out by the Group. The new standard also requires specific disclosures on fair values, some of which replace existing disclosure requirements in other standards. Some of these disclosures are specifically required for financial instruments, thereby affecting the interim financial statement. The additional disclosures are included in this Interim Review.
- IAS 12 Income Taxes (amendment) provides additional regulation on deferred tax in the case of recovery of underlying assets. The amendment is not relevant to the Group.
- IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine introduces accounting treatment for stripping costs arising in the mining industry. The interpretation is not relevant to the Group.

All figures in this Interim Review have been rounded to the nearest million, unless otherwise stated.

**Condensed Consolidated Income Statement**

| EUR million | Q3/13 | Q2/13 | Q3/12 | Q1-Q3/13 | Q1-Q3/12 | 2012 | Change % Q3/13–Q3/12 | Change % Q3/13–Q2/13 | Change % Q1-Q3/13–Q1-Q3/12 |
|---|---|---|---|---|---|---|---|---|---|
| **Sales** | 2 556 | 2 717 | 2 694 | 7 940 | 8 088 | 10 815 | -5.1 | -5.9 | -1.8 |
| Other operating income | 29 | 25 | 47 | 87 | 171 | 219 | -38.3 | 16.0 | -49.1 |
| Materials and services | -1 612 | -1 776 | -1 725 | -5 112 | -5 192 | -6 974 | 6.6 | 9.2 | 1.5 |
| Freight and sales commissions | -236 | -249 | -256 | -743 | -748 | -1 008 | 7.8 | 5.2 | 0.7 |
| Personnel expenses | -309 | -362 | -329 | -1 024 | -1 038 | -1 349 | 6.1 | 14.6 | 1.3 |
| Other operating expenses | -134 | -160 | -125 | -479 | -416 | -578 | -7.2 | 16.3 | -15.1 |
| Share of results of equity accounted investments | 9 | 14 | 8 | 49 | 17 | 108 | 12.5 | -35.7 | 188.2 |
| Depreciation and impairment | -145 | -135 | -149 | -466 | -435 | -532 | 2.7 | -7.4 | -7.1 |
| **Operating Profit** | **158** | **74** | **165** | **252** | **447** | **701** | **-4.2** | **113.5** | **-43.6** |
| Net financial items | -56 | -47 | -63 | -159 | -170 | -220 | 11.1 | -19.1 | 6.5 |
| **Profit before Tax** | **102** | **27** | **102** | **93** | **277** | **481** | **-** | **277.8** | **-66.4** |
| Income tax | -18 | -6 | -21 | -4 | -53 | 9 | 14.3 | -200.0 | 92.5 |
| **Net Profit for the Period** | **84** | **21** | **81** | **89** | **224** | **490** | **3.7** | **300.0** | **-60.3** |
| | | | | | | | | | |
| **Attributable to:** | | | | | | | | | |
| Owners of the Parent | 82 | 19 | 80 | 84 | 218 | 480 | 2.5 | n/m | -61.5 |
| Non-controlling interests | 2 | 2 | 1 | 5 | 6 | 10 | 100.0 | - | -16.7 |
| | **84** | **21** | **81** | **89** | **224** | **490** | **3.7** | **300.0** | **-60.3** |
| | | | | | | | | | |
| **Earnings per Share** | | | | | | | | | |
| Basic earnings per share, EUR | 0.11 | 0.02 | 0.11 | 0.11 | 0.28 | 0.61 | - | n/m | -60.7 |
| Diluted earnings per share, EUR | 0.11 | 0.02 | 0.11 | 0.11 | 0.28 | 0.61 | - | n/m | -60.7 |

## Consolidated Statement of Comprehensive Income

| EUR million | Q3/13 | Q2/13 | Q3/12 | Q1-Q3/13 | Q1-Q3/12 | 2012 |
|---|---|---|---|---|---|---|
| Net profit for the period | 84 | 21 | 81 | 89 | 224 | 490 |
| **Other Comprehensive Income** | | | | | | |
| **Items that will Not be Reclassified to Profit and Loss** | | | | | | |
| Actuarial losses on defined benefit plans | -2 | - | -8 | -2 | -16 | -184 |
| Share of other comprehensive income of equity accounted investments that will not be reclassified | - | - | - | -1 | -5 | -5 |
| Income tax relating to items that will not be reclassified | 1 | - | 2 | 1 | 5 | 35 |
| | **-1** | **-** | **-6** | **-2** | **-16** | **-154** |
| **Items that may be Reclassified Subsequently to Profit and Loss** | | | | | | |
| Share of other comprehensive income of equity accounted investments that may be reclassified | 1 | 10 | -4 | 14 | -11 | 1 |
| Currency translation movements on equity net investments (CTA) | -32 | -174 | 20 | -129 | 20 | -29 |
| Currency translation movements on non-controlling interests | -3 | -4 | -2 | -4 | -2 | -3 |
| Net investment hedges | -8 | 27 | -17 | 6 | -25 | -17 |
| Currency and commodity hedges | 7 | -19 | 36 | -23 | 42 | 34 |
| Available-for-sale financial assets | 69 | -135 | 66 | -107 | -134 | -178 |
| Income tax relating to items that may be reclassified | 1 | -2 | -4 | 3 | -5 | -3 |
| | **35** | **-297** | **95** | **-240** | **-115** | **-195** |
| **Total Comprehensive Income** | **118** | **-276** | **170** | **-153** | **93** | **141** |
| **Total Comprehensive Income Attributable to:** | | | | | | |
| Owners of the Parent | 119 | -274 | 171 | -154 | 89 | 134 |
| Non-controlling interests | -1 | -2 | -1 | 1 | 4 | 7 |
| | **118** | **-276** | **170** | **-153** | **93** | **141** |

## Condensed Consolidated Statement of Cash Flows

| EUR million | Q1-Q3/13 | Q1-Q3/12 |
|---|---|---|
| **Cash Flow from Operating Activities** | | |
| Operating profit | 252 | 447 |
| Hedging result from OCI | -23 | 41 |
| Adjustments for non-cash items | 439 | 401 |
| Change in net working capital | 96 | -40 |
| **Cash Flow Generated by Operations** | **764** | **849** |
| Net financial items paid | -124 | -206 |
| Income taxes paid, net | -32 | -91 |
| **Net Cash Provided by Operating Activities** | **608** | **552** |
| | | |
| **Cash Flow from Investing Activities** | | |
| Acquisitions of subsidiaries and business operations, net of acquired cash | - | -11 |
| Acquisitions of equity accounted investments | -55 | -99 |
| Acquisitions of available-for-sale investments | -9 | - |
| Proceeds from sale of fixed assets and shares, net of disposed cash | 15 | 6 |
| Proceeds from disposal of available-for-sale investments | 43 | - |
| Capital expenditure | -275 | -377 |
| Proceeds from/payments of non-current receivables, net | 98 | -42 |
| **Net Cash Used in Investing Activities** | **-183** | **-523** |
| | | |
| **Cash Flow from Financing Activities** | | |
| Proceeds from issue of new long-term debt | 151 | 1 472 |
| Long-term debt, payments | -143 | -476 |
| Change in short-term borrowings | 75 | -189 |
| Dividends paid | -237 | -237 |
| Dividend to non-controlling interests | -6 | -3 |
| **Net Cash Used in/Provided by Financing Activities** | **-160** | **567** |
| | | |
| **Net Increase in Cash and Cash Equivalents** | **265** | **596** |
| Translation adjustment | -14 | -30 |
| Net cash and cash equivalents at the beginning of period | 1 845 | 1 134 |
| **Net Cash and Cash Equivalents at Period End** | **2 096** | **1 700** |
| | | |
| **Cash and Cash Equivalents at Period End** | **2 097** | **1 708** |
| **Bank Overdrafts at Period End** | **-1** | **-8** |
| **Net Cash and Cash Equivalents at Period End** | **2 096** | **1 700** |

| | | |
|---|---|---|
| **Acquisitions** | | |
| Cash and cash equivalents, net of bank overdraft | - | 2 |
| Fixed assets | - | 6 |
| Working capital | - | 8 |
| Tax assets and liabilities | - | 1 |
| Interest-bearing liabilities and receivables | - | -5 |
| **Fair Value of Net Assets Acquired** | - | **12** |
| Value of previously held equity interests | - | -3 |
| **Total Purchase Consideration** | - | **9** |
| Less cash and cash equivalents in acquired companies | - | -2 |
| **Net Purchase Consideration** | - | **7** |
| | | |
| Cash part of the consideration, net of acquired cash | - | 11 |
| Payment concerning unfinished 2011 acquisition | - | -4 |
| **Net Purchase Consideration** | - | **7** |

## Property, Plant and Equipment, Intangible Assets, Goodwill and Biological Assets

| EUR million | Q1-Q3/13 | 2012 | Q1-Q3/12 |
|---|---|---|---|
| Carrying value at 1 January | 5 541 | 5 437 | 5 437 |
| Acquisition of subsidiary companies | - | 6 | 6 |
| Additions in tangible and intangible assets | 237 | 536 | 334 |
| Additions in biological assets | 12 | 20 | 13 |
| Disposals | -21 | -2 | -2 |
| Depreciation and impairment | -466 | -532 | -435 |
| Translation difference and other | -63 | 76 | 109 |
| **Statement of Financial Position Total** | **5 240** | **5 541** | **5 462** |

## Borrowings

| EUR million | 30 Sep 13 | 31 Dec 12 | 30 Sep 12 |
|---|---|---|---|
| Non-current borrowings | 3 884 | 4 341 | 4 434 |
| Current borrowings | 1 263 | 793 | 778 |
| | **5 147** | **5 134** | **5 212** |

| | Q1-Q3/13 | 2012 | Q1-Q3/12 |
|---|---|---|---|
| Carrying value at 1 January | 5 134 | 4 373 | 4 373 |
| Proceeds of borrowings (net) | 82 | 712 | 768 |
| Translation difference and other | -69 | 49 | 71 |
| **Statement of Financial Position Total** | **5 147** | **5 134** | **5 212** |

## Condensed Consolidated Statement of Financial Position

| EUR million | | 30 Sep 13 | 31 Dec 12 | 30 Sep 12 |
|---|---|---|---|---|
| **Assets** | | | | |
| **Non-current Assets** | | | | |
| PPE*, goodwill and other intangible assets | O | 5 015 | 5 319 | 5 243 |
| Biological assets | O | 225 | 222 | 219 |
| Emission rights | O | 18 | 30 | 39 |
| Equity accounted investments | O | 1 972 | 1 965 | 1 978 |
| Available-for-sale: Interest-bearing | I | 10 | 96 | 92 |
| Available-for-sale: Operative | O | 355 | 451 | 500 |
| Non-current loan receivables | I | 79 | 134 | 226 |
| Deferred tax assets | T | 165 | 143 | 124 |
| Other non-current assets | O | 17 | 23 | 41 |
| | | **7 856** | **8 383** | **8 462** |
| **Current Assets** | | | | |
| Inventories | O | 1 459 | 1 458 | 1 526 |
| Tax receivables | T | 14 | 19 | 18 |
| Operative receivables | O | 1 636 | 1 687 | 1 754 |
| Interest-bearing receivables | I | 236 | 297 | 186 |
| Cash and cash equivalents | I | 2 097 | 1 850 | 1 708 |
| | | **5 442** | **5 311** | **5 192** |
| **Total Assets** | | **13 298** | **13 694** | **13 654** |
| **Equity and Liabilities** | | | | |
| Owners of the Parent | | 5 381 | 5 770 | 5 725 |
| Non-controlling Interests | | 86 | 92 | 89 |
| **Total Equity** | | **5 467** | **5 862** | **5 814** |
| **Non-current Liabilities** | | | | |
| Post-employment benefit provisions | O | 465 | 480 | 348 |
| Other provisions | O | 119 | 142 | 141 |
| Deferred tax liabilities | T | 318 | 340 | 427 |
| Non-current debt | I | 3 884 | 4 341 | 4 434 |
| Other non-current operative liabilities | O | 8 | 12 | 27 |
| | | **4 794** | **5 315** | **5 377** |
| **Current Liabilities** | | | | |
| Current portion of non-current debt | I | 602 | 181 | 208 |
| Interest-bearing liabilities | I | 661 | 612 | 570 |
| Operative liabilities | O | 1 732 | 1 685 | 1 639 |
| Tax liabilities | T | 42 | 39 | 46 |
| | | **3 037** | **2 517** | **2 463** |
| **Total Liabilities** | | **7 831** | **7 832** | **7 840** |
| **Total Equity and Liabilities** | | **13 298** | **13 694** | **13 654** |

** PPE = Property, Plant and Equipment*

*Items designated with “O” comprise Operating Capital*
*Items designated with “I” comprise Interest-bearing Net Liabilities*
*Items designated with “T” comprise Net Tax Liabilities*

## Statement of Changes in Equity

*CTA = Cumulative Translation Adjustment* *OCI = Other Comprehensive Income*
*NCI = Non-controlling Interests* *EAI = Equity Accounted Investments*

| EUR million | Share Capital | Share Premium and Reserve fund | Invested Non-Restricted Equity Fund | Treasury Shares | Step Acquisition Revaluation Surplus | Available-for-Sale Financial Assets | Currency and Commodity Hedges | OCI of Equity Accounted Investments | CTA and Net Investment Hedges | Retained Earnings | Attributable to Owners of the Parent | Non-controlling Interests | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Balance at 31 Dec 2011** | **1 342** | **77** | **633** | **-10** | **4** | **541** | **-17** | **-29** | **32** | **3 300** | **5 873** | **87** | **5 960** |
| Profit for the period | - | - | - | - | - | - | - | - | - | 218 | 218 | 6 | 224 |
| OCI before tax | - | - | - | - | - | -134 | 42 | -16 | -5 | -16 | -129 | -2 | -131 |
| Income tax relating to components of OCI | - | - | - | - | - | -1 | -10 | - | 6 | 5 | - | - | - |
| **Total Comprehensive Income** | **-** | **-** | **-** | **-** | **-** | **-135** | **32** | **-16** | **1** | **207** | **89** | **4** | **93** |
| Dividend | - | - | - | - | - | - | - | - | - | -237 | -237 | -2 | -239 |
| **Balance at 30 Sep 2012** | **1 342** | **77** | **633** | **-10** | **4** | **406** | **15** | **-45** | **33** | **3 270** | **5 725** | **89** | **5 814** |
| Profit for the period | - | - | - | - | - | - | - | - | - | 262 | 262 | 4 | 266 |
| OCI before tax | - | - | - | - | - | -44 | -8 | 12 | -41 | -168 | -249 | -1 | -250 |
| Income tax relating to components of OCI | - | - | - | - | - | - | 4 | - | -2 | 30 | 32 | - | 32 |
| **Total Comprehensive Income** | **-** | **-** | **-** | **-** | **-** | **-44** | **-4** | **12** | **-43** | **124** | **45** | **3** | **48** |
| **Balance at 31 Dec 2012** | **1 342** | **77** | **633** | **-10** | **4** | **362** | **11** | **-33** | **-10** | **3 394** | **5 770** | **92** | **5 862** |
| Profit for the period | - | - | - | - | - | - | - | - | - | 84 | 84 | 5 | 89 |
| OCI before tax | - | - | - | - | - | -107 | -23 | 13 | -123 | -2 | -242 | -4 | -246 |
| Income tax relating to components of OCI | - | - | - | - | - | 1 | 4 | - | -2 | 1 | 4 | - | 4 |
| **Total Comprehensive Income** | **-** | **-** | **-** | **-** | **-** | **-106** | **-19** | **13** | **-125** | **83** | **-154** | **1** | **-153** |
| Dividend | - | - | - | - | - | - | - | - | - | -237 | -237 | -7 | -244 |
| Share-based payments | - | - | - | - | - | - | - | - | - | 1 | 1 | - | 1 |
| NCI transaction in EAI | - | - | - | - | - | - | - | - | - | 1 | 1 | - | 1 |
| Cancellation of treasury shares | - | - | - | 10 | - | - | - | - | - | -10 | - | - | - |
| **Balance at 30 Sep 2013** | **1 342** | **77** | **633** | **-** | **4** | **256** | **-8** | **-20** | **-135** | **3 232** | **5 381** | **86** | **5 467** |

## Commitments and Contingencies

| EUR million | 30 Sep 13 | 31 Dec 12 | 30 Sep 12 |
|---|---|---|---|
| **On Own Behalf** | | | |
| Pledges | - | 1 | 1 |
| Mortgages | 6 | 6 | 10 |
| **On Behalf of Equity Accounted Investments** | | | |
| Guarantees | 554 | 653 | 582 |
| **On Behalf of Others** | | | |
| Guarantees | 5 | 5 | 5 |
| **Other Commitments, Own** | | | |
| Operating leases, in next 12 months | 63 | 92 | 89 |
| Operating leases, after next 12 months | 498 | 497 | 498 |
| Other commitments | 5 | 5 | 5 |
| **Total** | **1 131** | **1 259** | **1 190** |
| | | | |
| Pledges | - | 1 | 1 |
| Mortgages | 6 | 6 | 10 |
| Guarantees | 559 | 658 | 587 |
| Operating leases | 561 | 589 | 587 |
| Other commitments | 5 | 5 | 5 |
| **Total** | **1 131** | **1 259** | **1 190** |

## Capital commitments

The Group’s direct capital expenditure contracts, excluding acquisitions, amounted to EUR 81 million (compared with EUR 120 million at 30 September 2012 and EUR 72 million at 31 December 2012).

The Group’s share of capital expenditure contracts in equity accounted investments, excluding acquisitions, amounted to EUR 106 million (compared with EUR 272 million at 30 September 2012 and EUR 213 million at 31 December 2012) of which Stora Enso has guaranteed EUR 51 million (compared with EUR 189 million at 30 September 2012 and EUR 189 million at 31 December 2012).

## Sales by Segment

| EUR million | Q3/13 | Q2/13 | Q1/13 | 2012 | Q4/12 | Q3/12 | Q2/12 | Q1/12 |
|---|---|---|---|---|---|---|---|---|
| Printing and Reading | 1 041 | 1 101 | 1 123 | 4 839 | 1 194 | 1 227 | 1 191 | 1 227 |
| Biomaterials | 242 | 257 | 257 | 1 012 | 256 | 268 | 246 | 242 |
| Building and Living | 460 | 500 | 441 | 1 684 | 456 | 403 | 444 | 381 |
| Renewable Packaging | 829 | 835 | 820 | 3 216 | 798 | 812 | 827 | 779 |
| Other | 612 | 685 | 721 | 2 684 | 673 | 645 | 663 | 703 |
| Inter-segment sales | -628 | -661 | -695 | -2 620 | -650 | -661 | -650 | -659 |
| **Total** | **2 556** | **2 717** | **2 667** | **10 815** | **2 727** | **2 694** | **2 721** | **2 673** |

## Operational EBIT by Segment

| EUR million | Q3/13 | Q2/13 | Q1/13 | 2012 | Q4/12 | Q3/12 | Q2/12 | Q1/12 |
|---|---|---|---|---|---|---|---|---|
| Printing and Reading | 13 | -17 | 2 | 223 | 59 | 53 | 43 | 68 |
| Biomaterials | 17 | 14 | 22 | 82 | 28 | 32 | 15 | 7 |
| Building and Living | 24 | 28 | 4 | 29 | 7 | 1 | 11 | 10 |
| Renewable Packaging | 100 | 77 | 68 | 273 | 55 | 83 | 73 | 62 |
| Other | 30 | 22 | 22 | 23 | 9 | 9 | 2 | 3 |
| **Operational EBIT** | **184** | **124** | **118** | **630** | **158** | **178** | **144** | **150** |
| Fair valuations and non-operational items* | -3 | -17 | -7 | -59 | -14 | -13 | -34 | 2 |
| Non-recurring Items | -23 | -33 | -91 | 130 | 110 | - | 45 | -25 |
| **Operating Profit (IFRS)** | **158** | **74** | **20** | **701** | **254** | **165** | **155** | **127** |
| Net financial items | -56 | -47 | -56 | -220 | -50 | -63 | -70 | -37 |
| **Profit/Loss before Tax** | **102** | **27** | **-36** | **481** | **204** | **102** | **85** | **90** |
| Income tax expense | -18 | -6 | 20 | 9 | 62 | -21 | -16 | -16 |
| **Net Profit/Loss** | **84** | **21** | **-16** | **490** | **266** | **81** | **69** | **74** |

** Fair valuations and non-operational items include equity incentive schemes, synthetic options net of realised and open hedges, $CO_2$ emission rights, valuations of biological assets related to forest assets in EAI and Group's share of tax and net financial items of EAI.*

## NRI by Segment

| EUR million | Q3/13 | Q2/13 | Q1/13 | 2012 | Q4/12 | Q3/12 | Q2/12 | Q1/12 |
|---|---|---|---|---|---|---|---|---|
| Printing and Reading | 8 | -30 | -84 | 70 | 67 | - | 13 | -10 |
| Biomaterials | -1 | 11 | - | -7 | -7 | - | - | - |
| Building and Living | - | - | -7 | - | - | - | - | - |
| Renewable Packaging | -28 | 4 | - | -53 | -38 | - | - | -15 |
| Other | -2 | -18 | - | 120 | 88 | - | 32 | - |
| **NRI on Operating Profit** | **-23** | **-33** | **-91** | **130** | **110** | **-** | **45** | **-25** |
| NRI on Financial items | - | - | - | 34 | 11 | - | 9 | 14 |
| NRI on tax | 3 | 9 | 19 | 63 | 56 | - | 2 | 5 |
| **NRI on Net Profit** | **-20** | **-24** | **-72** | **227** | **177** | **-** | **56** | **-6** |
| | | | | | | | | |
| **NRI on Net Profit attributable to** | | | | | | | | |
| Owners of the Parent | -20 | -24 | -72 | 221 | 175 | - | 52 | -6 |
| Non-controlling interests | - | - | - | 6 | 2 | - | 4 | - |
| | **-20** | **-24** | **-72** | **227** | **177** | **-** | **56** | **-6** |

## Fair Valuations and Non-operational Items* by Segment

| EUR million | Q3/13 | Q2/13 | Q1/13 | 2012 | Q4/12 | Q3/12 | Q2/12 | Q1/12 |
|---|---|---|---|---|---|---|---|---|
| Printing and Reading | -1 | - | - | -1 | - | - | - | -1 |
| Biomaterials | -2 | -11 | -3 | -29 | 6 | -7 | -24 | -4 |
| Building and Living | - | - | - | -3 | -1 | - | - | -2 |
| Renewable Packaging | -1 | - | - | -1 | - | - | - | -1 |
| Other | 1 | -6 | -4 | -25 | -19 | -6 | -10 | 10 |
| **Fair Valuations and Non-operational Items on Operating Profit** | **-3** | **-17** | **-7** | **-59** | **-14** | **-13** | **-34** | **2** |

** Fair valuations and non-operational items include equity incentive schemes, synthetic options net of realised and open hedges, $CO_2$ emission rights, valuations of biological assets related to forest assets in EAI and Group's share of tax and net financial items of EAI.*

## Operating Profit/Loss by Segment

| EUR million | Q3/13 | Q2/13 | Q1/13 | 2012 | Q4/12 | Q3/12 | Q2/12 | Q1/12 |
|---|---|---|---|---|---|---|---|---|
| Printing and Reading | 20 | -47 | -82 | 292 | 126 | 53 | 56 | 57 |
| Biomaterials | 14 | 14 | 19 | 46 | 27 | 25 | -9 | 3 |
| Building and Living | 24 | 28 | -3 | 26 | 6 | 1 | 11 | 8 |
| Renewable Packaging | 71 | 81 | 68 | 219 | 17 | 83 | 73 | 46 |
| Other | 29 | -2 | 18 | 118 | 78 | 3 | 24 | 13 |
| **Operating Profit (IFRS)** | **158** | **74** | **20** | **701** | **254** | **165** | **155** | **127** |
| Net financial items | -56 | -47 | -56 | -220 | -50 | -63 | -70 | -37 |
| **Profit/Loss before Tax** | **102** | **27** | **-36** | **481** | **204** | **102** | **85** | **90** |
| Income tax expense | -18 | -6 | 20 | 9 | 62 | -21 | -16 | -16 |
| **Net Profit/Loss** | **84** | **21** | **-16** | **490** | **266** | **81** | **69** | **74** |

## Key Exchange Rates for the Euro

| One Euro is | Closing Rate | | Average Rate | |
|---|---|---|---|---|
| | **30 Sep 13** | **31 Dec 12** | **30 Sep 13** | **31 Dec 12** |
| SEK | 8.6575 | 8.5820 | 8.5798 | 8.7067 |
| USD | 1.3505 | 1.3194 | 1.3172 | 1.2856 |
| GBP | 0.8361 | 0.8161 | 0.8522 | 0.8111 |

## Transaction Risk and Hedges in Main Currencies as at 30 September 2013

| EUR million | USD | SEK | GBP |
|---|---|---|---|
| Estimated annual net operating cash flow exposure | 1 020 | -840 | 500 |
| Transaction hedges as at 30 Sep 2013 | -480 | 420 | -250 |
| **Hedging Percentage as at 30 Sep 2013 for Next 12 Months** | **47%** | **50%** | **50%** |

*Additional USD and GBP hedges for 13-15 months increase the hedging percentages by 1% and 4% respectively.*

## Changes in Exchange Rates on Operational EBIT

| Operational EBIT: Currency Strengthening of + 10% | EUR million |
|---|---|
| USD | 102 |
| SEK | -84 |
| GBP | 50 |

*The sensitivity is based on estimated next 12 months net operating cash flow. The calculation does not take into account currency hedges, and assumes no changes occur other than a single currency exchange rate movement. Weakening would have the opposite impact.*

**Fair Values of Financial Instruments**

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly;
- Level 3: techniques which use inputs which have a significant effect on the recorded fair values that are not based on observable market data.

The valuation techniques are described in more detail in the Financial Statements.

**Carrying Amounts of Financial Assets and Liabilities by Measurement and Fair Value Categories: 30 September 2013**

| EUR million | Loans and Receivables | Financial Items at Fair Value through Income Statement | Hedging Derivatives | Available-for-Sale Financial Assets | Carrying Amounts by Balance Sheet Item | Fair Value |
|---|---|---|---|---|---|---|
| **Financial Assets** | | | | | | |
| Available-for-sale | - | - | - | 365 | 365 | 365 |
| Non-current loan receivables | 79 | - | - | - | 79 | 79 |
| Trade and other operative receivables | 1 334 | - | - | - | 1 334 | 1 334 |
| Interest-bearing receivables | 114 | 87 | 35 | - | 236 | 236 |
| Current investments and cash | 2 097 | - | - | - | 2 097 | 2 097 |
| **Carrying Amount by Category** | **3 624** | **87** | **35** | **365** | **4 111** | **4 111** |

| EUR million | Financial Items at Fair Value through Income Statement | Hedging Derivatives | Measured at Amortised Cost | Carrying Amounts by Balance Sheet Item | Fair Value |
|---|---|---|---|---|---|
| **Financial Liabilities** | | | | | |
| Non-current debt | - | 4 | 3 880 | 3 884 | 4 084 |
| Current portion of non-current debt | - | - | 602 | 602 | 602 |
| Interest-bearing liabilities | 103 | 33 | 525 | 661 | 661 |
| Trade and other operative payables | 2 | - | 1 252 | 1 254 | 1 254 |
| Bank overdrafts | - | - | 1 | 1 | 1 |
| **Carrying Amount by Category** | **105** | **37** | **6 260** | **6 402** | **6 602** |

| EUR million | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Derivative Financial Assets | - | 122 | - | **122** |
| Available-for-sale Financial Assets | 10 | - | 355 | **365** |
| Derivative Financial Liabilities | - | 142 | - | **142** |

### Reconciliation of Level 3 Fair Value Measurement of Financial Assets: 30 September 2013

| EUR million | Unlisted Shares | Unlisted Interest-bearing Securities | Total |
|---|---|---|---|
| Opening balance at 1 January 2013 | 451 | 90 | **541** |
| Interest capitalised | - | 9 | **9** |
| Gains (losses) recognised in income statement | 1 | 2 | **3** |
| Gains in OCI transferred to income statement | - | -7 | **-7** |
| Losses recognised in other comprehensive income | -103 | - | **-103** |
| Additions | 9 | - | **9** |
| Disposals | -3 | -94 | **-97** |
| **Closing Balance at 30 September 2013** | **355** | **-** | **355** |

### Unlisted shares

The unlisted shares comprise mainly PVO shares for which the valuation method is described in more detail in the Annual Report. The valuation is most sensitive to changes in electricity prices and discount rates. The discount rate of 4.52% used in the valuation model is determined using the weighted average cost of capital method. A +/- 5% change in the electricity price used in the DCF would change the valuation by +/- EUR 83 million and a +/- 1% change in the discount rate would change the valuation by -/+ EUR 121 million.

**Unlisted Interest-bearing Securities**

During the third quarter, a EUR 99 million loan note issued by Papyrus Holding AB, classified on the balance sheet as unlisted interest-bearing security, was derecognised as a result of the Group receiving a cash prepayment of EUR 40 million, with the terms on the remaining portion of the loan being changed through mutual agreement. The new loan note has been classified in the balance sheet as a non-current loan receivable.

## Stora Enso Shares

| Trading volume | Helsinki | | Stockholm | |
|---|---|---|---|---|
| | A share | R share | A share | R share |
| July | 50 650 | 58 513 352 | 88 966 | 20 992 907 |
| August | 53 767 | 60 489 856 | 119 134 | 21 501 028 |
| September | 236 269 | 77 663 812 | 280 592 | 25 103 493 |
| **Total** | **340 686** | **196 667 020** | **488 692** | **67 597 428** |

| Closing Price | Helsinki, EUR | | Stockholm, SEK | |
|---|---|---|---|---|
| | A share | R share | A share | R share |
| July | 6.12 | 5.58 | 52.95 | 48.32 |
| August | 6.10 | 5.85 | 53.40 | 51.25 |
| September | 6.56 | 6.27 | 56.95 | 54.65 |

## Calculation of Key Figures

| | | |
|---|---|---|
| Operational return on capital employed, operational ROCE (%) | 100 x | Operational EBIT<br>Capital employed [1) 2)] |
| Operational return on operating capital, operational ROOC (%) | 100 x | Operational EBIT<br>Operating capital [1) 2)] |
| Return on equity, ROE (%) | 100 x | Profit before tax and non-controlling items – taxes<br>Total equity [2)] |
| Equity ratio (%) | 100 x | Total equity<br>Total assets |
| Interest-bearing net liabilities | | Interest-bearing liabilities – interest-bearing assets |
| Debt/equity ratio | | Interest-bearing net liabilities<br>Equity [3)] |
| CEPS | | Fixed asset<br>Net profit/loss for the period [3)] – depreciation and impairment<br>Average number of shares |
| EPS | | Net profit/loss for the period [3)]<br>Average number of shares |
| Operational EBIT | | Operating profit/loss excluding NRI and fair valuations of the segments and Stora Enso's share of operating profit/loss excluding NRI and fair valuations of its equity accounted investments (EAI) |
| Operational EBITDA | | Operating profit/loss excluding fixed asset depreciation and impairment, share of results of equity accounted investments, NRI and fair valuations |
| Net debt to operational EBITDA ratio | | Interest-bearing net liabilities<br>Operational EBITDA |
| Last twelve months (LTM) | | Twelve months preceding the reporting date |

[1)] Capital employed = Operating capital – Net tax liabilities
[2)] Average for the financial period
[3)] Attributable to owners of the Parent

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**Stora Enso's full year 2013 results will be published on 5 February 2014.**

**ANALYST CONFERENCE CALL**

CEO Jouko Karvinen, acting CFO Jyrki Tammivuori and SVP Investor Relations Ulla Paajanen-Sainio will be hosting a combined conference call and webcast today at 16.00 Finnish time (15.00 CET, 14.00 UK time, 09.00 US Eastern time).

If you wish to participate, please dial:

| | |
|---|---|
| Continental Europe and UK | +44 (0)20 3427 1906 |
| Finland | +358 (0)9 6937 9543 |
| Sweden | +46 (0)8 5065 3936 |
| US | +1 212 444 0481 |
| Confirmation Code: | 3288537 |

The live webcast may be accessed at www.storaenso.com/investors

*Stora Enso is the global rethinker of the paper, biomaterials, wood products and packaging industry. We always rethink the old and expand to the new to offer our customers innovative solutions based on renewable materials. Stora Enso employs some 28 000 people worldwide, and our sales in 2012 amounted to EUR 10.8 billion. Stora Enso shares are listed on NASDAQ OMX Helsinki (STEAV, STERV) and Stockholm (STE A, STE R). In addition, the shares are traded in the USA as ADRs (SEOAY) in the International OTCQX over-the-counter market.*



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