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Annual General Meeting

19 March 2002

It should be noted that certain statements herein which are not historical facts, including, without limitation those regarding expectations for market growth and developments; expectations for growth and profitability; and statements preceded by “believes”, “expects”, “anticipates”, “foresees”, or similar expressions, are forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Since these statements are based on current plans, estimates and projections, they involve risks and uncertainties which may cause actual results to materially differ from those expressed in such forward-looking statements. Such factors include, but are not limited to: (1) operating factors such as continued success of manufacturing activities and the achievement of efficiencies therein, continued success of product development, acceptance of new products or services by the Group’s targeted customers, success of the existing and future collaboration arrangements, changes in business strategy or development plans or targets, changes in the degree of protection created by the Group’s patents and other intellectual property rights, the availability of capital on acceptable terms; (2) industry conditions, such as strength of product demand, intensity of competition, prevailing and future global market prices for the Group’s products and the pricing pressures thereto, price fluctuations in raw materials, financial condition of the customers and the competitors of the Group, the potential introduction of competing products and technologies by competitors; and (3) general economic conditions, such as rates of economic growth in the Group’s principal geographic markets or fluctuations in exchange and interest rates.

Year 2001 in Brief

- Satisfactory financial results
- Key ratios were in line with targets
- Difficult market conditions, particularly in North America, due to the slowdown in the world economy
- Internal restructuring continued
- Consolidated Papers was successfully integrated

Main Events

- Start-up of Imatra pulping line in April
- Decision on restructuring of Magazine Paper and Newsprint assets
- Dissolution of the Pulp Division
- Purchase of the outstanding 26.5% minority holding in Stora Enso Timber

Income Statement

EUR million	2000	2001
Sales	13 017.0	13 508.8
Expenses and other business income	-9 516.3	-10 754.3
Depreciation	-1 129.4	-1 267.6
Operating profit	2 371.3	1 486.9
Share of results of associated companies	20.6	79.6
Financial income and expenses	-292.9	-343.5
Profit before tax and minority interests	2 099.0	1 223.0
Direct tax	-650.3	-299.6
Minority interests	-13.7	2.9
Profit for the period	1 435.0	926.3

Balance Sheet

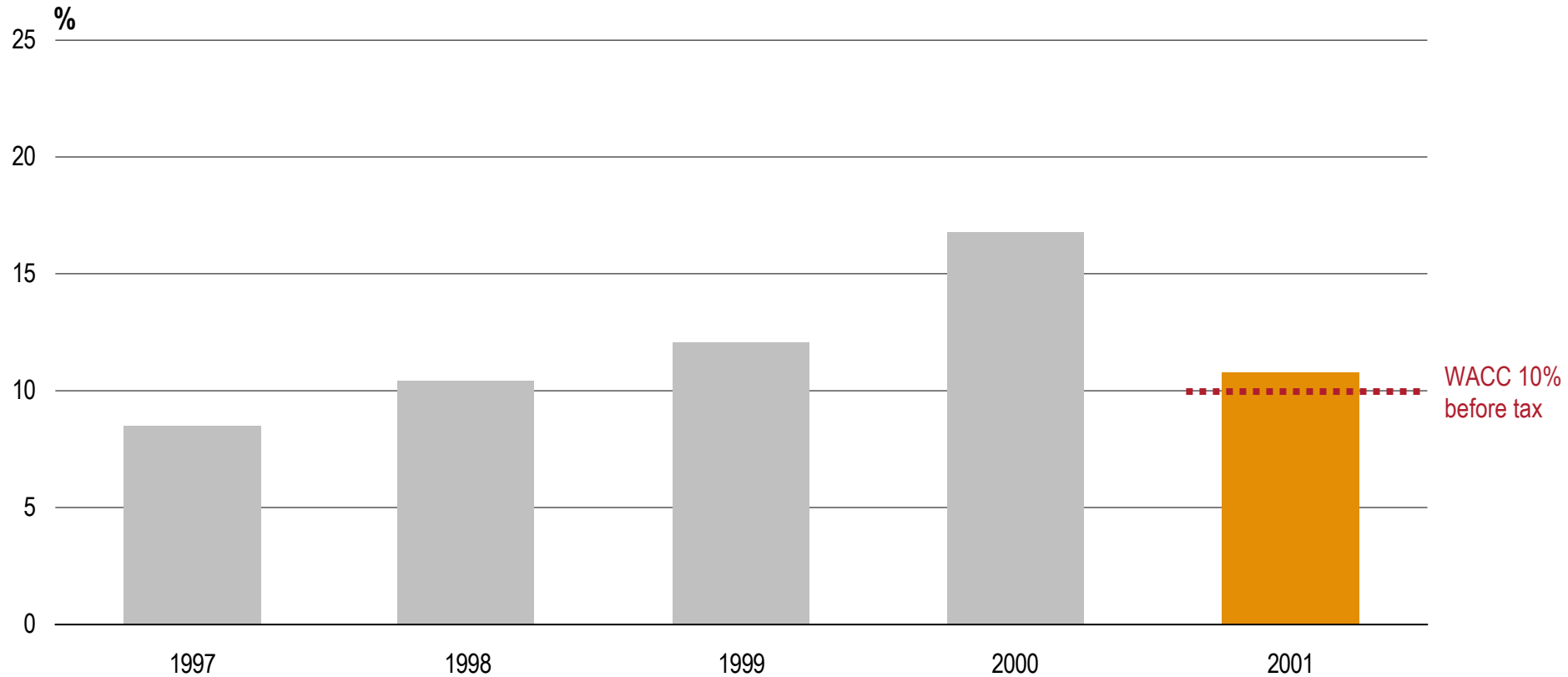
EUR million	2000	2001
Fixed assets and other long-term investment	16 379.0	16 177.7
Inventories	1 589.5	1 600.0
Receivables, investments, cash and bank	3 354.3	2 780.7
Shareholders' equity	8 570.8	8 989.0
Minority interests	149.4	50.2
Deferred tax	2 818.7	2 499.7
Interest-bearing liabilities	6 855.5	6 409.5
Operating liabilities	2 928.4	2 610.0
Balance sheet total	21 322.8	20 558.4

Earnings per Share and Cash Earnings per Share



excluding non-recurring items

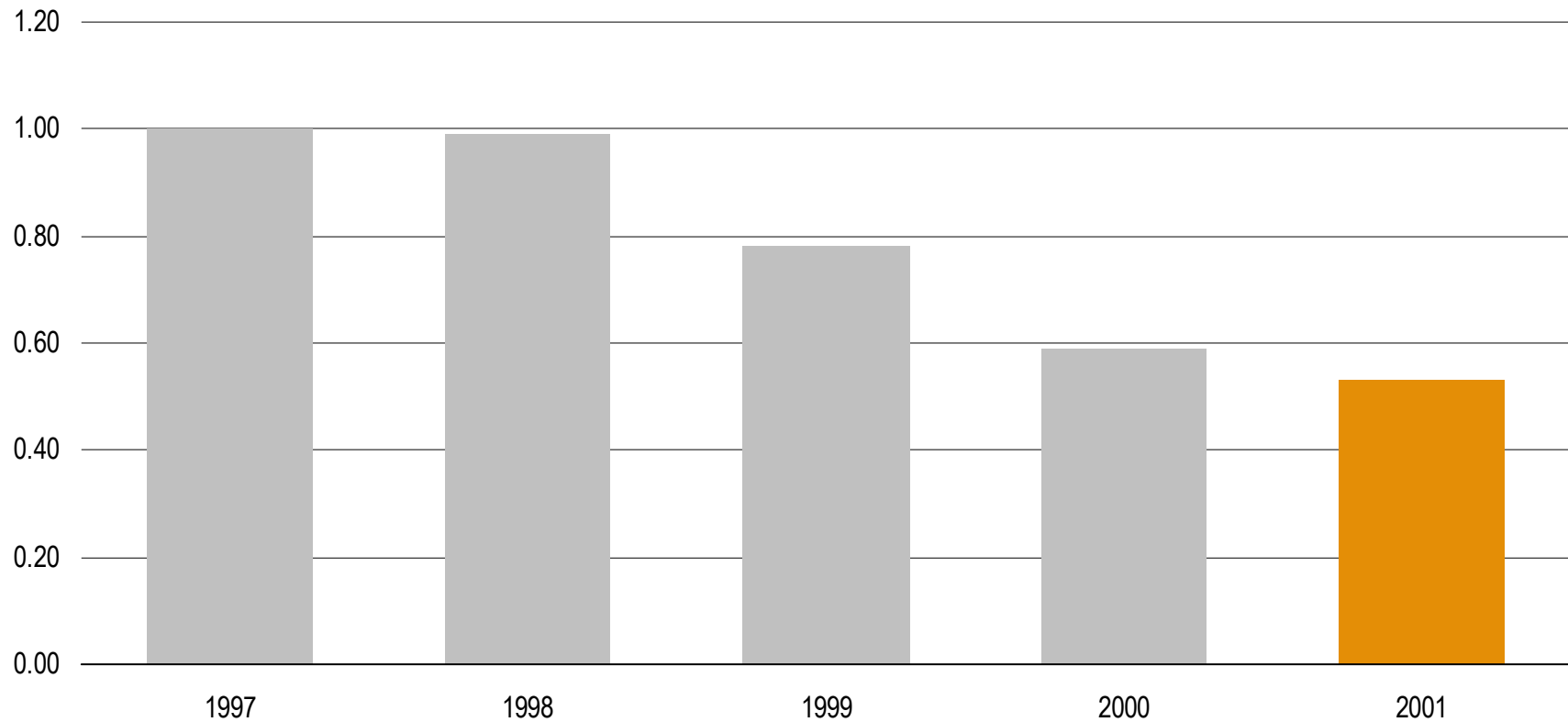
Return on Capital Employed



Target > 13% over the cycle

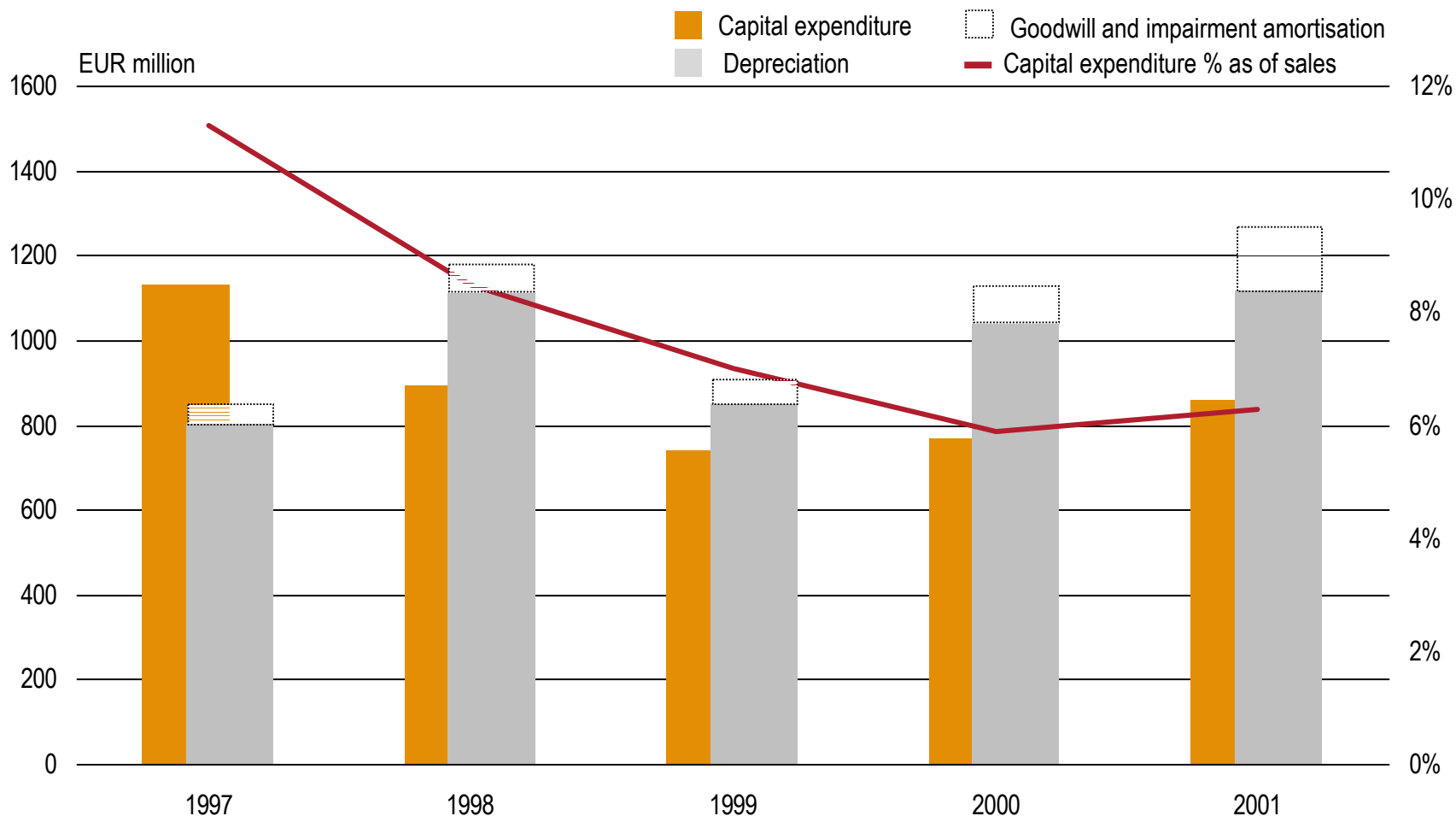
excluding non-recurring items

Debt/Equity



Target ≤ 0.8

Capital Expenditure and Depreciation



North American Division

- Continued successful integration of Consolidated Papers
- Major restructuring of operations
 - closing-down of 2 paper machines
 - reduction of workforce by 1 500 people (20%)
- Operating loss of USD 26 million. Depreciation USD 308 million, 15% of sales
- Strong operating cash flow: USD 210 million after capital expenditure
- Synergy benefits realised USD 66 million
 - vs. target of USD 90 million
 - productivity-related synergies impacted by market conditions

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Looking Ahead

Cornerstones of Strategy

Targets

- Sustainable profitable growth
- ROCE > 13% over the cycle
- Debt/equity \leq 0.8
- Capital expenditure < depreciation

Means

- Continued focus on core businesses and assets
- Drive to improve asset quality (► lower unit costs)
- Sound raw material (fibre) strategy
- Earnings-accretive acquisitions

Outlook 2002

- ▶ Year 2002 will be challenging
 - Timber markets will remain weak
 - Demand for pulp, coated magazine and fine papers as well as for newsprint is expected to remain weak
 - + Demand for SC paper and uncoated fine paper should remain stable
 - + Packaging board markets are likely to stay rather stable
 - + Increased market sensitivity as production curtailments and de-stocking have emptied inventories
- ▶ Pick-up in demand is conditional on a firm improvement in the global economy
- ▶ Stora Enso will continue to adjust production to market demand

Stora Enso's Strengths

Once demand picks up Stora Enso will be in a position to benefit from the full effects of:

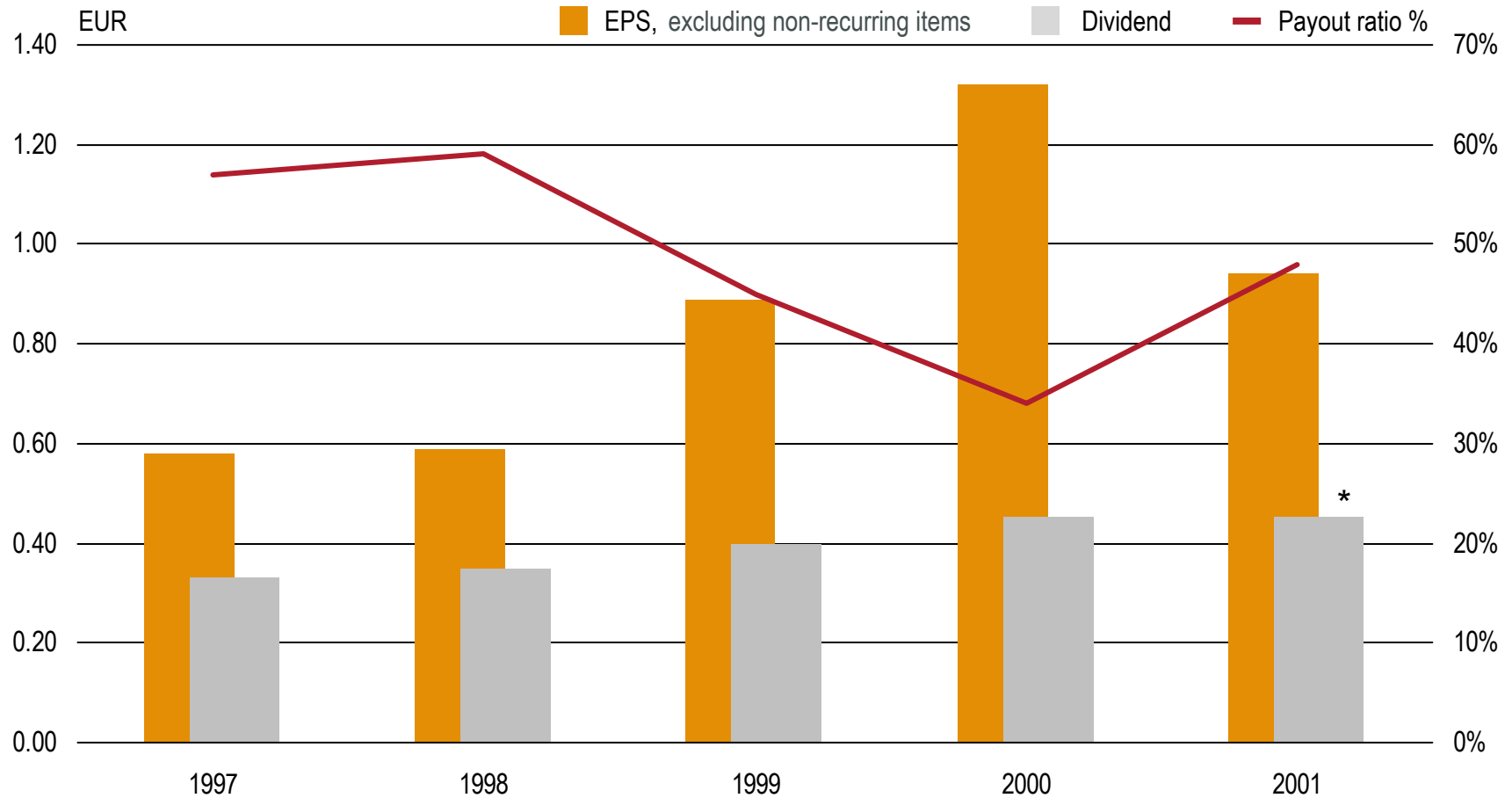
- Streamlined structure and organisation
- Inbuilt efficiency
- Pro-active capacity management
- Extensive restructuring and rebuild projects implemented in recent years
- Strong balance sheet
 - enabling future restructuring and growth
 - share buy-back programmes

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Dividend for 2001

- Earnings per share EUR 1.03
- Dividend proposal EUR 0.45
- Total dividend payment EUR 408.6 million
- Record date 22 March 2002
- Dividend payment to be effected on 5 April 2002

Earnings per Share



*) Board proposal

Proposed Distribution of Profit

	EUR million
Profits from previous periods	1 147.3
Purchase of own shares	-199.8
Profit for the financial period	2 208.3
Dividend of EUR 0.45 per share to be distributed on 907 911 299 shares	-408.6
Retained earnings after distribution of dividend	2 747.1

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Remuneration for Members of the Board of Directors

Proposal for the year 2002

Chairman	EUR 135 000
Vice chairman	EUR 85 000
Members (payable only to non-executive board members)	EUR 60 000

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Proposed Members of the Board of Directors

- Josef Ackermann
- Krister Ahlström
- Claes Dahlbäck
- Harald Einsmann
- Björn Hägglund
- Jukka Härmälä
- George W. Mead
- Ilkka Niemi
- Paavo Pitkänen
- Jan Sjöqvist
- Marcus Wallenberg

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Proposed Auditor

PricewaterhouseCoopers Oy,
Authorised Public Accountants

- responsible auditor: Pekka Nikula, APA

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Reduction of Share Capital by Cancellation of Shares

- Authorisation of AGM 2001
 - not more than 9 679 000 Series A shares
 - not more than 35 586 000 Series R shares
- Shares repurchased by the Company to be cancelled
 - 813 200 Series A shares
 - 7 319 800 Series R shares
- Number of shares and share capital after cancellation
 - 183 460 385 Series A shares
 - 716 317 914 Series R shares
 - Share capital EUR 1 529 623 108.30
(EUR 1 543 449 208.30 before cancellation)

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Authorisation to Repurchase Shares in the Company

- Repurchase of shares in the Company by using distributable equity
- Not more than 9 100 000 Series A shares and not more than 35 500 000 Series R shares (however, not exceeding 5% of the votes or share capital)
- In public trading at the market price prevailing at the time of the repurchase
- Shares repurchased can be used
 - to improve the capital structure
 - for the financing of acquisitions or other transactions or
 - to be otherwise disposed of or cancelled
 - cancellation requires separate decision of the shareholders' meeting
- Authorisation is valid until 18 March 2003

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Authorisation to Dispose Shares in the Company

- Not more than 9 100 000 Series A shares and not more than 35 500 000 Series R shares
- The Board shall have the right to decide to whom and in which manner the shares are to be transferred:
 - in business acquisitions and other transactions or in public trading
 - by derogation from the pre-emptive rights of shareholders
- The Board shall decide on the transfer price and on the basis for the calculation
- Shares can be disposed of against in-kind consideration in the form of assets other than cash
- Authorisation is valid until 18 March 2003

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