

# Creating Value

## **Stora Enso Key Facts**

Full Year 2003

# Stora Enso in Brief



Stora Enso is an integrated paper, packaging and forest products company producing publication and fine papers, packaging boards and wood products, areas in which the Group is a global market leader.



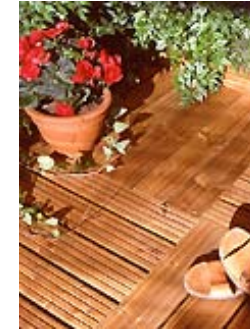
# Stora Enso in Brief



**Paper**



**Packaging  
Boards**



**Forest  
Products**

- A world leader
  - 15.7 million tonnes of paper and board
  - 7.4 million m<sup>3</sup> of sawn and processed wood products
- Three core product areas
  - Paper, Packaging Boards and Forest Products
- Sales: EUR 12.2 billion
- Approximately 43 000 employees in 40 countries
- Market capitalisation: EUR 9.3 billion
- Shares listed on Helsinki, Stockholm and New York stock exchanges

# Mission, Vision and Values

**Mission** We promote communication and well-being of people by turning renewable fibre into paper, packaging and processed wood products

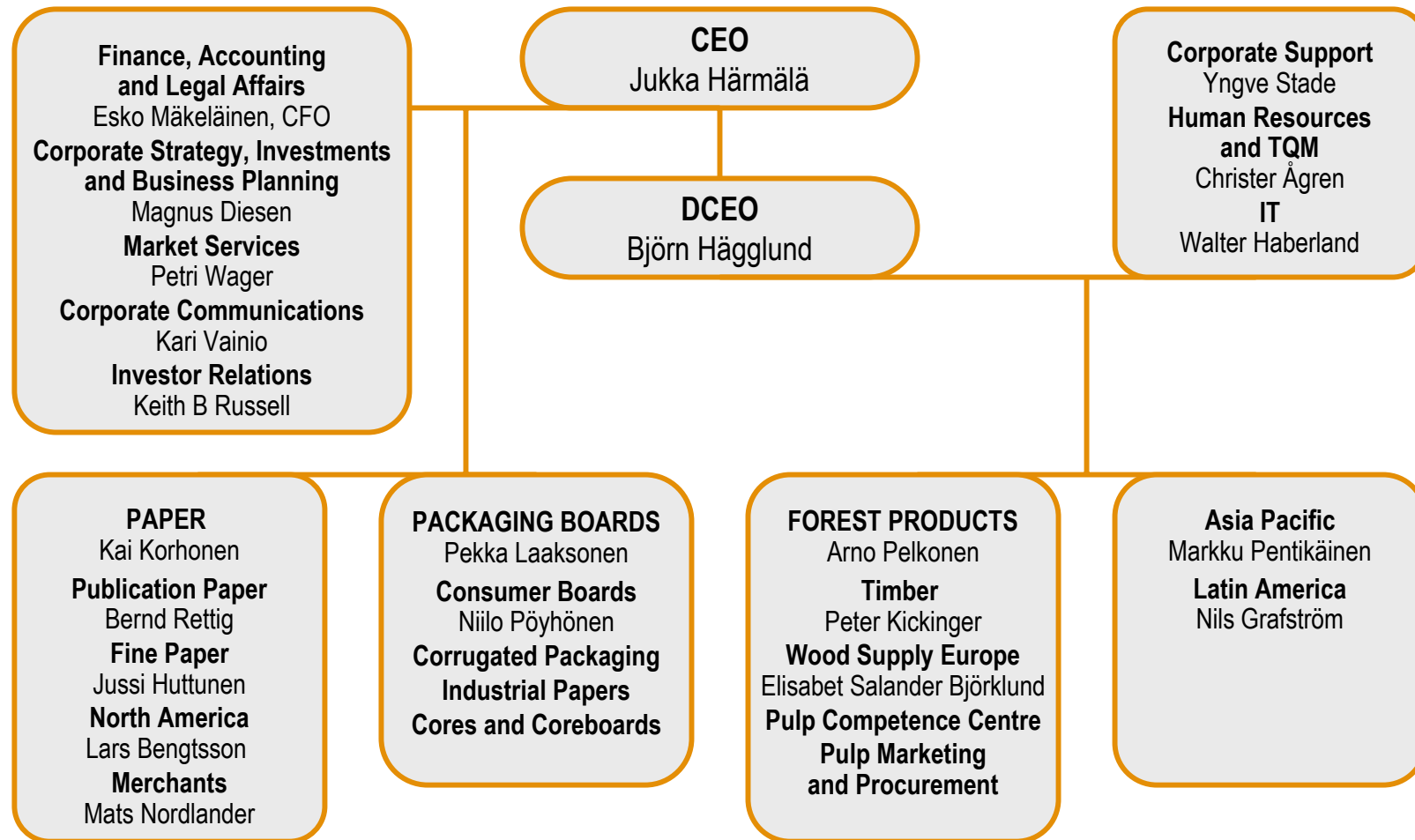
**Vision** We will be the leading forest products company in the world

- We take the lead in developing the industry
- Customers choose us for the value we create for them
- We attract investors for the value we create
- Our employees are proud to work with us
- We are an attractive partner for our suppliers

**Values**

- Customer focus - "We are the customers' first choice"
- Performance - "We deliver results"
- Responsibility - "We comply with principles of sustainable development"
- Emphasis on people - "Motivated people create success"
- Focus on future - "We take the first step"

# Group Structure



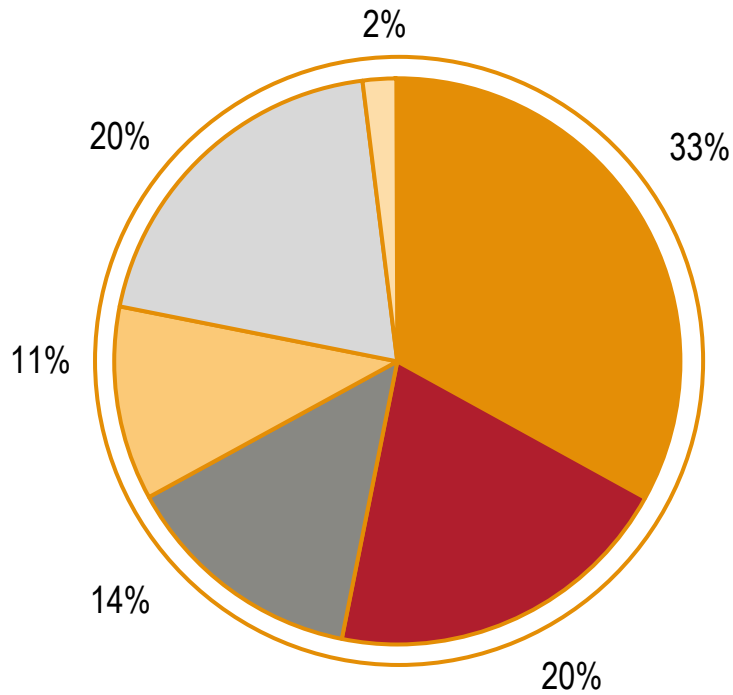
# Key Figures

EUR million	2001	2002	2003
Sales	13 509	12 783	12 172
Operating profit*	1 495	927	538
% of sales*	11.1	7.2	4.4
Profit before tax and minority interests*	1 231	735	331
Profit for the period	926	-222	147
Earnings per share (EPS)*, EUR	0.94	0.57	0.25

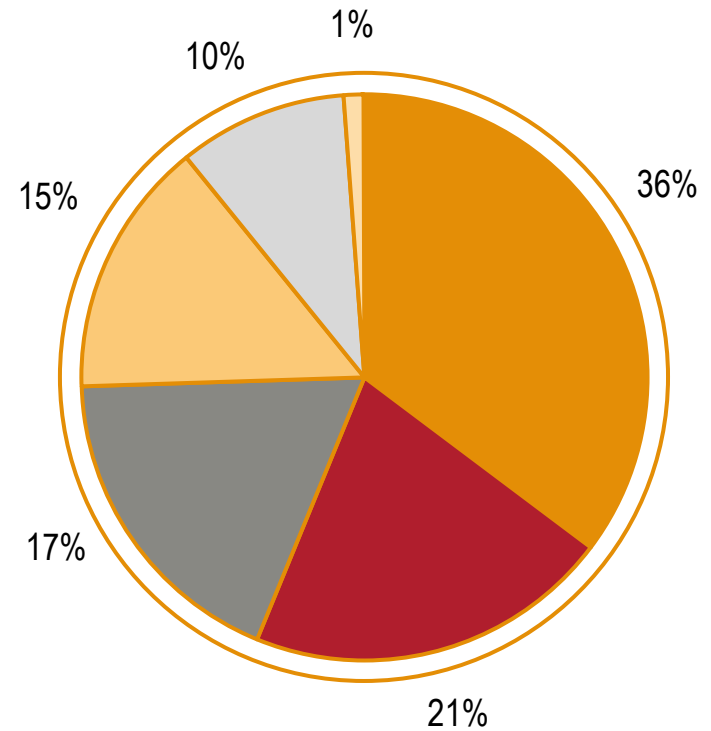
\*) excluding net non-recurring items

# Breakdown by Location

Number of Employees



Paper and Board Capacity

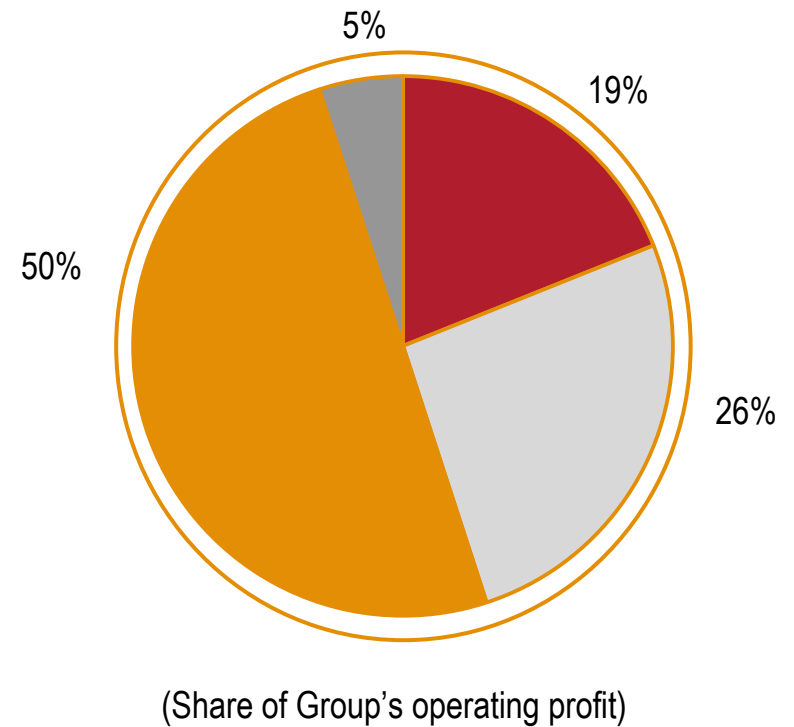
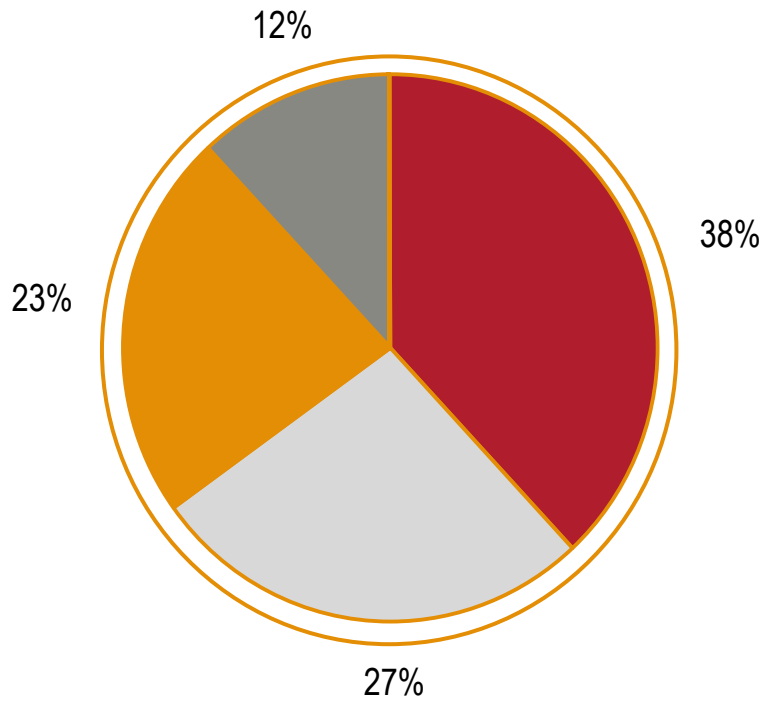


- Finland
- Sweden
- North America
- Germany
- Other European countries
- Asia

# Breakdown by Segment

Sales, EUR 12.2 billion




Operating profit, EUR 538 million



- Publication Paper
- Packaging Boards
- Fine Paper
- Wood Products

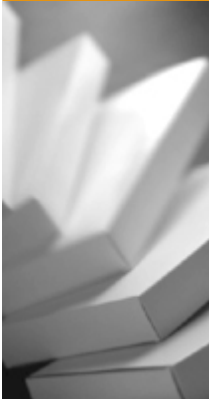

# Leading Market Positions

## Paper Product Area

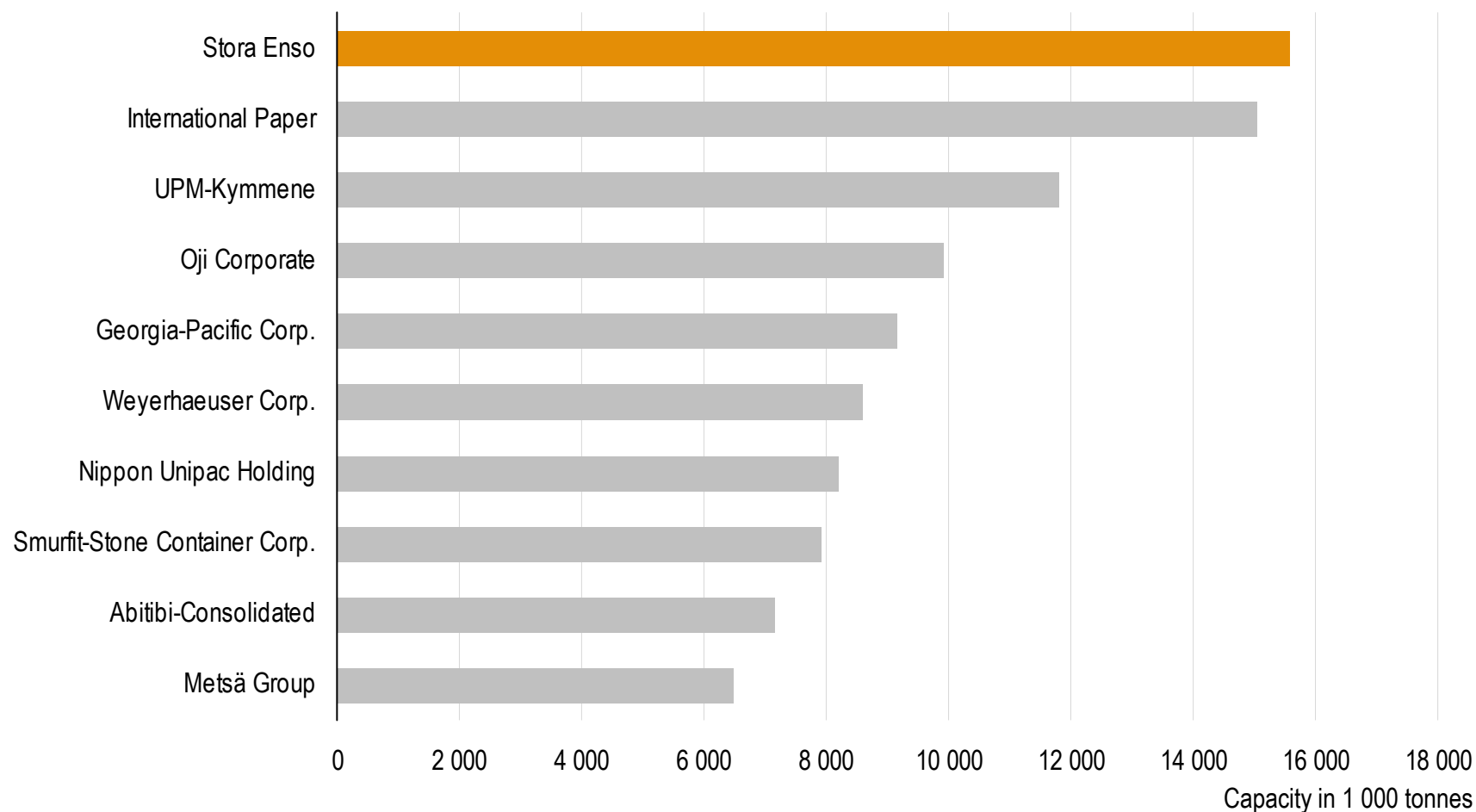
Product	Uses	Market Position	Key Markets	Market Share		Production Capacity
				Europe	Global	
 <p><b>Publication Paper</b> Uncoated super-calendered, uncoated machine-finished papers, coated mechanical, machine-finished coated papers and wallpaper.</p>	<p>Magazines Printed advertising material Catalogues and direct marketing</p>	<p>World's second-largest producer, largest producer in North America, second-largest in Europe</p>	<p>Europe &amp; North America</p>	<p>21 %</p>	<p>18 %</p>	<p>4.5 million tonnes</p>
 <p>Standard newsprint Newsprint specialities such as improved newsprint, directory papers and book papers.</p>	<p>Newspaper and supplements Advertising leaflets Telephone directories Hardback Pocket books</p>	<p>World's fourth-largest producer of newsprint and newsprint specialities, largest producer in Europe</p>	<p>Europe, North America &amp; Far East</p>	<p>20 %</p>	<p>7 %</p>	<p>3.6 million tonnes</p>
 <p><b>Fine Paper</b> Graphic papers (Coated fine paper)  Office papers (Uncoated fine paper) Speciality papers</p>	<p>Document printing Commercial printing High-quality books Labelling, print-on-demand applications, and for protecting, transporting and identifying products</p>	<p>World's third-largest producer of graphic papers  World's sixth-largest producer of office papers World's largest producer of speciality papers</p>	<p>Europe &amp; North America  Europe &amp; Asia</p>	<p>13 %  14 %</p>	<p>9 %  4 %</p>	<p>4.4 million tonnes</p>

# Leading Market Positions

## Packaging Boards and Forest Products Product Areas

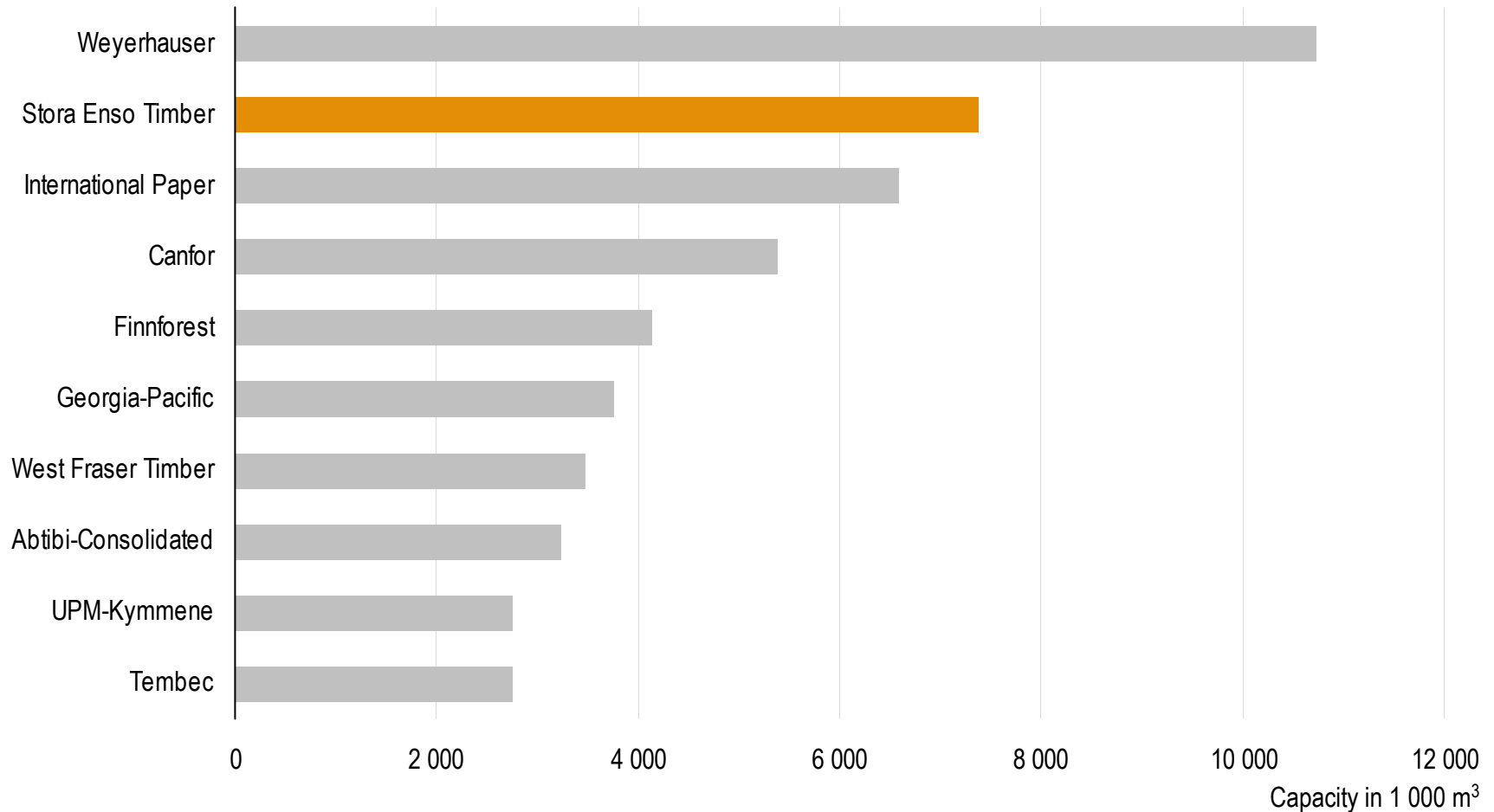
Product	Uses	Market Position	Key Markets	Market Share		Production Capacity
				Europe	Global	
 <p><b>Packaging Boards</b> Liquid packaging boards, cupstock, cartonboards, containerboards, corrugated packaging, industrial papers, coreboards, cores</p>	Packaging	Leading producer of consumer packaging boards	Europe, Asia, and North America	N/A	N/A	3.2 million tonnes of packaging boards and papers, 335 million m <sup>2</sup> of corrugated packaging and 200 000 tonnes of cores
 <p><b>Wood Products</b> Sawn and further-processed wood products</p>	<p>Construction</p> <p>Joinery</p> <p>Wood products trade</p>	World's second-largest producer of sawn softwood, largest producer in Europe	Europe, Asia, North Africa, Middle East and North America	N/A	N/A	Sawn timber annual production capacity 7.4 million m <sup>3</sup> , further-processing capacity 2.8 million m <sup>3</sup>

# Leading Producers Paper and Board, January 2004



Source: Jaakko Pöyry Consulting

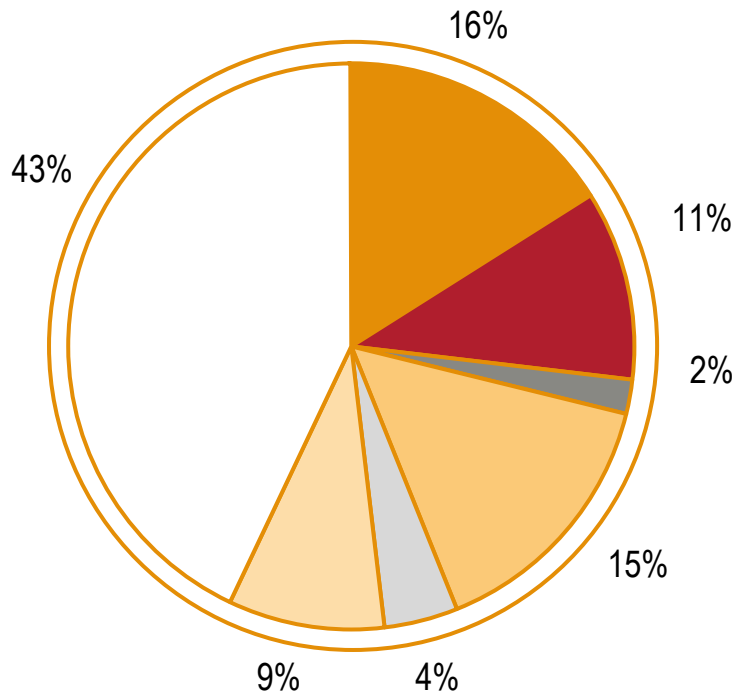
# Largest Sawn Timber Producers, January 2004



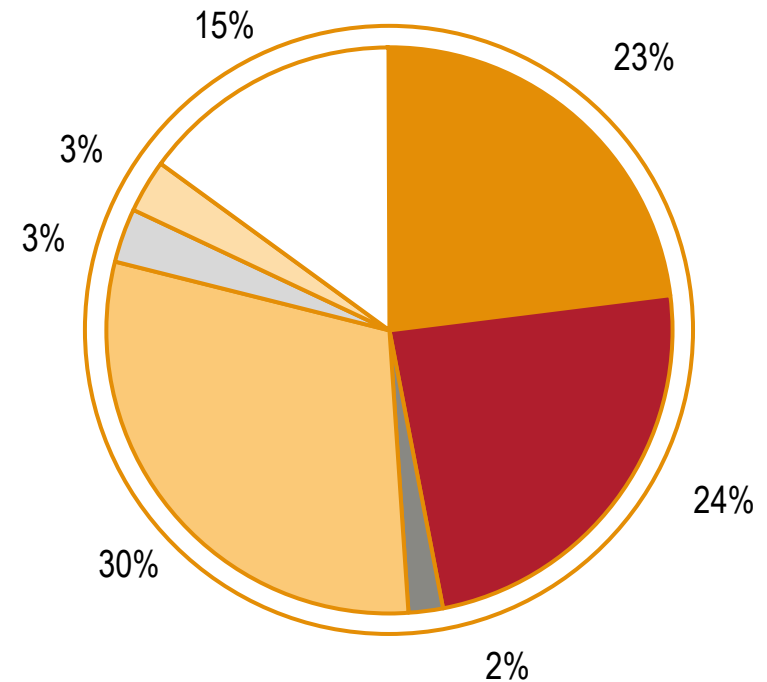
Note: North American volumes converted from board feet on 2x6 basis  
(conversion 1000 mbft = 1.62 m<sup>3</sup>)

# Ownership Distribution

By % of shares held



By % of voting power



- Finnish institutions
- Finnish state
- Finnish private shareholders
- Swedish institutions
- Swedish private shareholders
- ADR holders
- Under nominee names (Non-Finnish/ Non-Swedish shareholders)

# Environmental Responsibility

- Wood, Stora Enso's major raw material is renewable
- All our products are recyclable and recycled fibre is a vitally important raw material
- The share of bio-fuels in energy production is high
- Stora Enso strives systematically for better environmental performance
- Transparent & verified reporting

# Stora Enso's EMAS approach

- Stora Enso is a forerunner in the forest industry in EMAS (Eco-Management and Audit Scheme) registration
- 100% of Stora Enso's pulp, paper and board capacity is covered by EMAS and/or ISO 14001
- Also all Nordic sawmills and wood procurement in Finland, Sweden and Russia have been EMAS registered
- EMAS allows Stora Enso to focus on most relevant issues in each production location



# Production Plants



Information as it happens:

[www.storaenso.com](http://www.storaenso.com)

[www.storaenso.com/investors](http://www.storaenso.com/investors)