STORAENSO

Focus on the future

Stora Enso Key Facts

Q2 2005

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.

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.

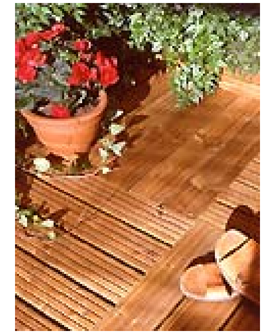


Stora Enso in Brief

Publication Paper

Fine Paper

Packaging Boards



Forest Products

- A world leader
  - 16.4 million tonnes of paper and board
  - 7.7 million m^3 of sawn and processed wood products
- Four main divisions
  - Publication paper, Fine Paper, Packaging Boards and Forest Products
- Sales: EUR 12.4 billion
- Approximately 45 000 employees in more than 40 countries
- Market capitalisation: EUR 8.6 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”

Stora Enso Organisation

CEO
Jukka Härmälä

Market Services
Jussi Huttunen

Corporate Communications
Kari Vainio

Corporate Support
Environment, Energy, Procurement, R&D
Yngve Stade

Finance, Accounting, Legal, IR
Esko Mäkeläinen

Corporate IT, HR, Business Excellence
Christer Ågren

Corporate Strategy, Investments and Business Planning
Arno Pelkonen

Emerging Markets

Publication Paper
Bernd Rettig

Fine Paper
Pekka Laaksonen

Stora Enso North America
Lars Bengtsson

Packaging Boards
Kai Korhonen

Forest Products
Elisabet Salander Björklund

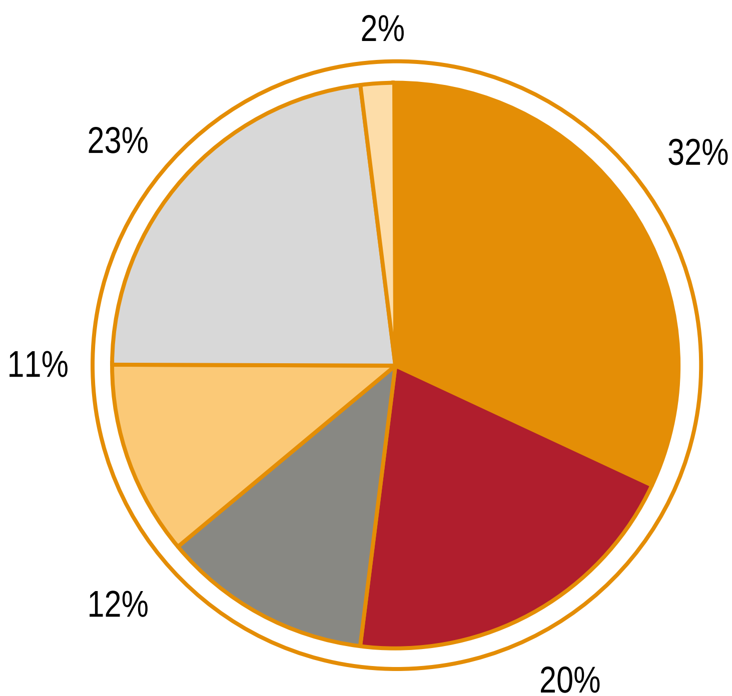
Key Figures

EUR million	2004	Q1/2005	Q2/2005
Sales	12 396	3 145	3 187
Operating profit*	339	113	18
% of sales*	2.7	3.6	0.6
Profit before tax and minority interests*	272	84	0
Profit for the period	741	59	-10
Earnings per share (EPS)*, EUR	0.26	0.07	0.00

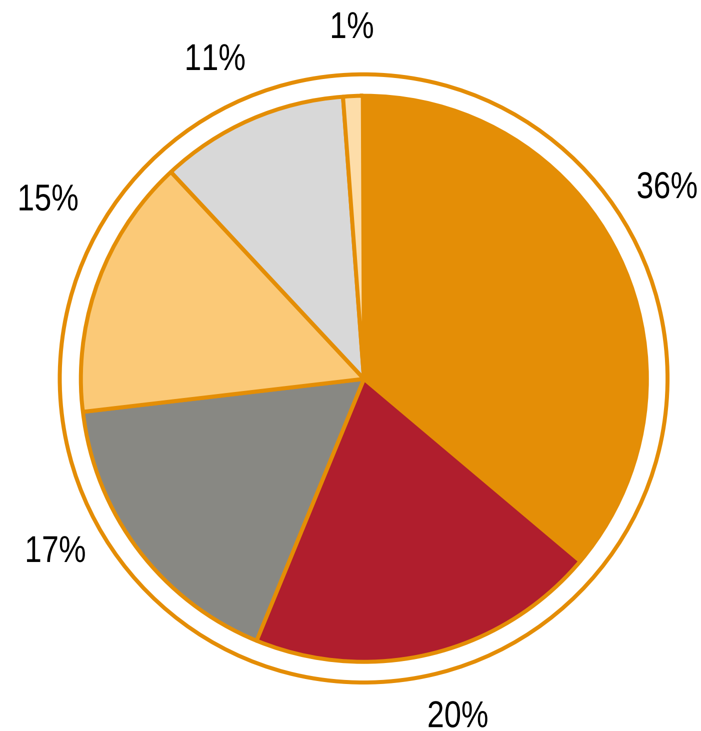
*) excluding net non-recurring items

Breakdown by Location

Number of Employees



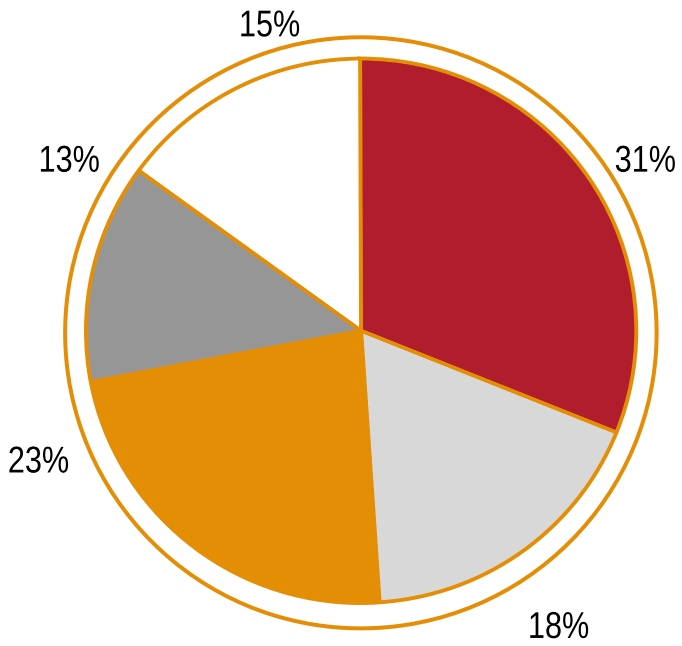
Paper and Board Capacity



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

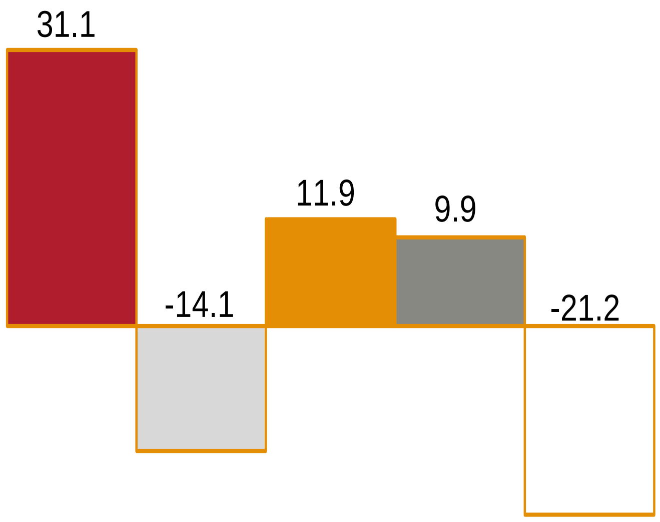
Breakdown by Segment

Sales, EUR 3 187 million



Operating profit, EUR 18 million

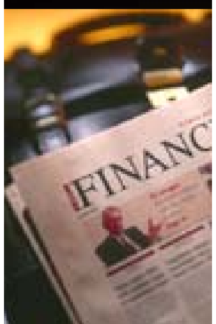
Contribution to Group's operating result *),
EUR million



Publication Paper
Fine Paper
Packaging Boards
Wood Products
Other

*) excluding non-recurring items

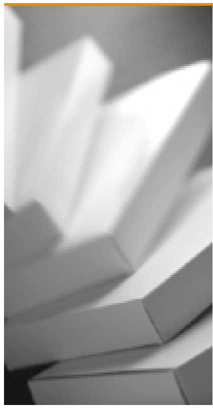
Leading Market Positions



Product	Uses	Market Position	Key Markets	Market Share Europe	Market Share Global	Production Capacity
Publication Paper Super-calendered, machine-finished papers, coated magazine papers and wallpaper.	Magazines Printed advertising material Catalogues and direct marketing	World's second-largest producer	Europe & North America	20 %	17 %	4.6 million tonnes
Newsprint Newsprint specialities, directory papers and book papers.	Newspaper and supplements Advertising leaflets Telephone directories Hardback Pocket books	World's third-largest producer of newsprint and newsprint specialities	Europe, North America & Far East	22 %	8 %	3.5 million tonnes
Fine Paper Graphic papers (Coated fine paper)	Document printing Commercial printing High-quality books	World's second-largest producer of graphic papers	Europe & North America	13 %	9 %	4.1 million tonnes
Office papers (Uncoated fine paper)		World's fifth-largest producer of office papers	Europe & Asia	14 %	4 %	

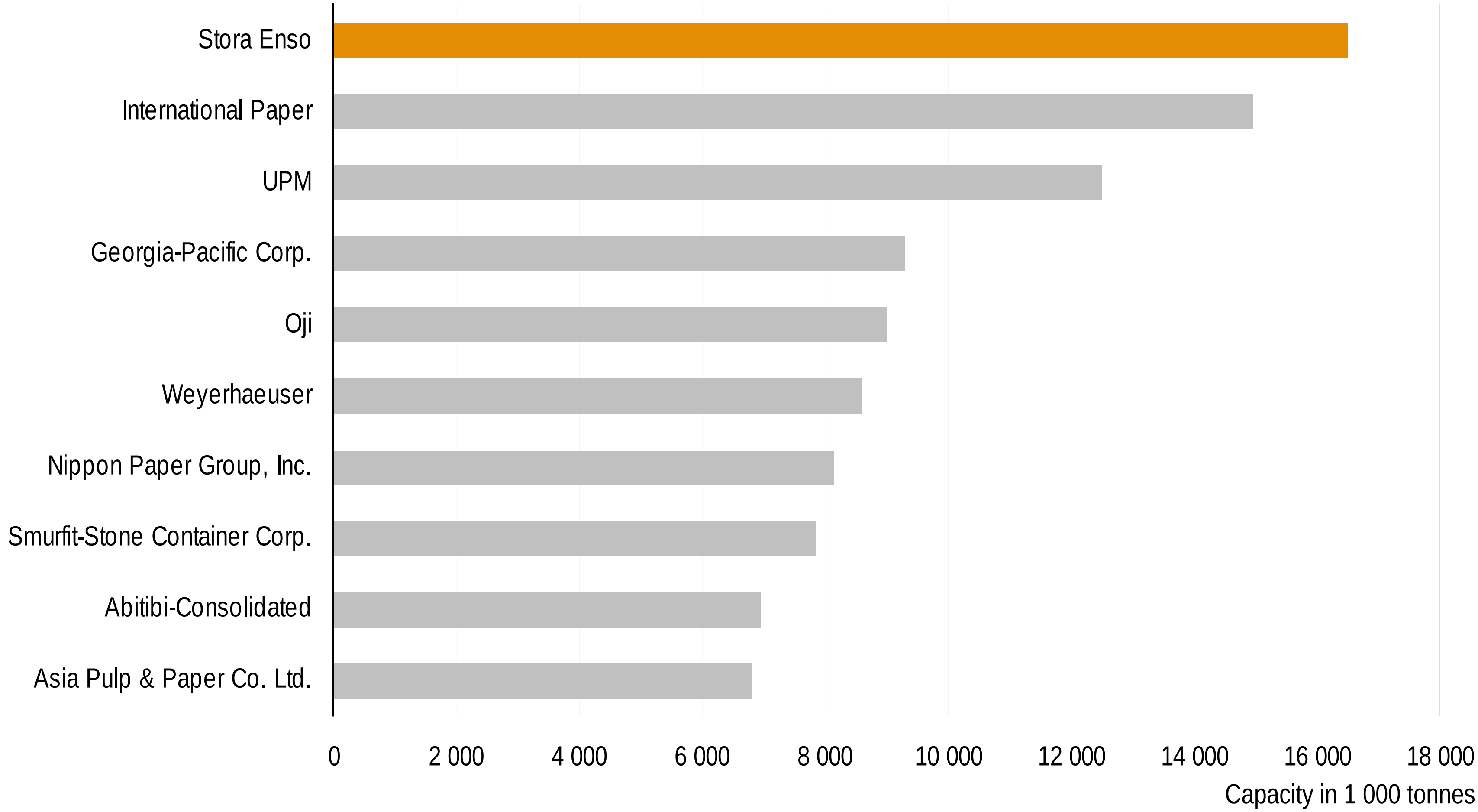
Leading Market Positions

STORAENSO



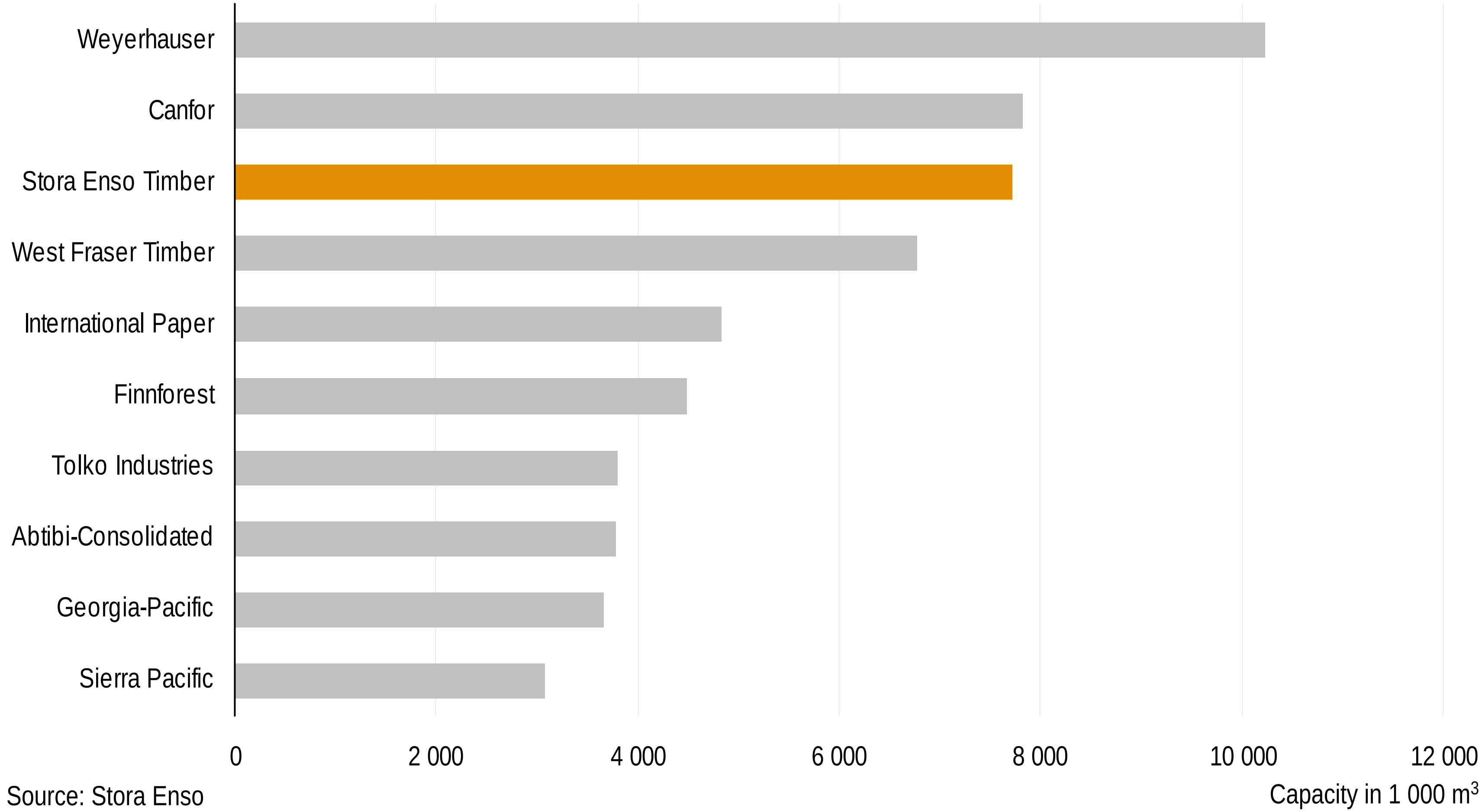
Product	Uses	Market Position	Key Markets	Market Share Europe	Market Share Global	Production Capacity
Packaging Boards						
Liquid packaging boards, cupstock, cartonboards, containerboards, corrugated packaging, coreboards, cores, laminating papers, paper sacks, sack and kraft papers	Packaging	Leading producer of consumer packaging boards	Europe, Asia, and North America	N/A	N/A	4.1 million tonnes of packaging boards and papers, 930 million m^2 of corrugated packaging and 215 000 tonnes of cores
Speciality papers	Labelling, print-on-demand applications, and for protecting, transporting and identifying products	World's largest producer of speciality papers	North America & Europe	N/A	N/A	
Wood Products						
Sawn and further-processed wood products	Construction Joinery Wood products trade	World's third-largest producer of sawn softwood	Europe, Asia, North Africa, Middle East and North America	N/A	N/A	Sawn timber annual production capacity 7.7 million m^3, further-processing capacity 3.2 million m^3

Leading Producers of Paper and Board, July 2005



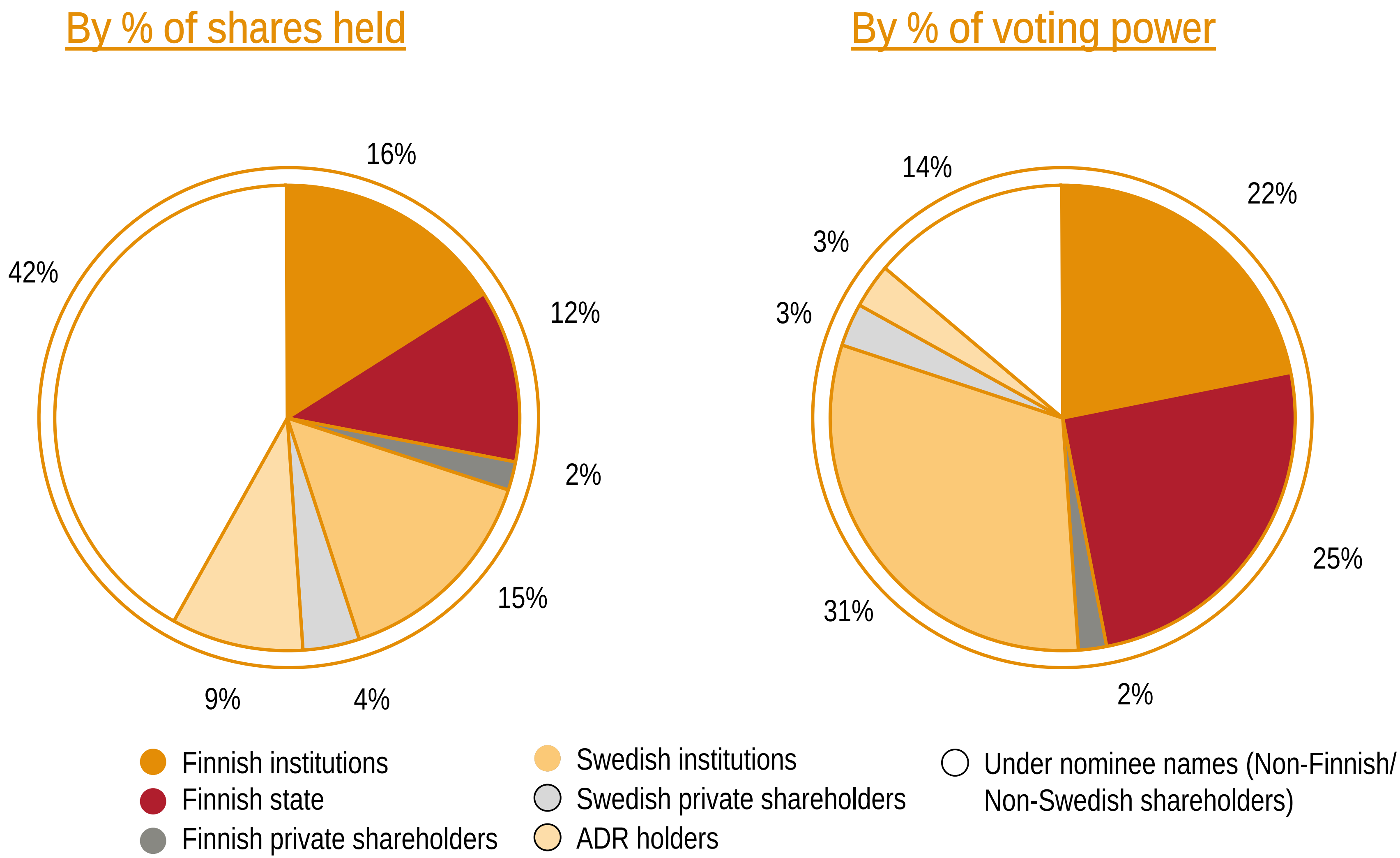
Source: Jaakko Pöyry Consulting

Largest Sawn Timber Producers, July 2005



Source: Stora Enso
Note: North American volumes converted from board feet on 2x6 basis (conversion 1000 mbft = 1.62 m^3)

Ownership Distribution



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

Sustainability
Why does it matter?

The drivers

- Lack of trust towards companies
- Legislative pressures within EU
- Legitimacy of globalisation questioned
- Operating in natural resources industry
- Size - a major player in forest industry
- Knowledge society – transparency and life online
- Vulnerability of brands

Our business case

- Supports the licence to operate
- Creates competitive advantage
- Enhances access to capital
- Attracts the best employees
- Right thing to do – value driven

Production Plants

Information as it happens:

www.storaenso.com

www.storaenso.com/investors