

Paper, packaging & forest products

Divestment of North American paper operations

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Divestment of North American paper operations

Rationale

- To create a leading North American coated paper producer by combining SENA and NewPage
- Minority ownership offers potential value creation for Stora Enso's shareholders
- Best solution for Stora Enso North America's customers and employees

Stora Enso's Objectives

- Focus Stora Enso to improve long-term earnings
- Simplify the Group structure
- Increased focus on Europe and growth markets
- Create value for Stora Enso shareholders

Key Facts

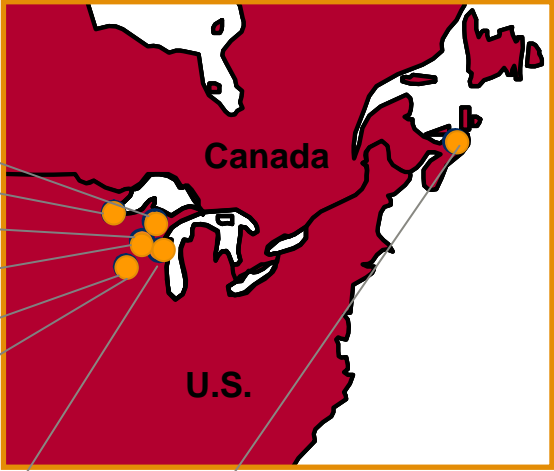
- Stora Enso divests eight publication, fine and speciality paper mills in the United States and Canada
 - Total capacity 2 745 000 tonnes
 - Number of personnel about 4 350
- Corenso's North American operations retained
- Combined company NewPage will be among the North American leaders in its field
 - 12 paper mills
 - Estimated capacity 4 754 000 tonnes
 - Headquartered in Miamisburg, Ohio

Transaction Details

- Transaction value is approximately USD 2 520 million (EUR 1 816 million)
- Transaction consideration consists of
 - Cash USD 1 500 million (EUR 1 080 million)
 - Vendor notes USD 200 million (EUR 144 million)
 - 19.9% of the shares in the new company valued at approximately USD 370 million (EUR 267 million)
- NewPage will assume net liabilities of about USD 450 million (EUR 324 million)
- Transaction expected to be completed during the first quarter of 2008, subject to customary regulatory approvals

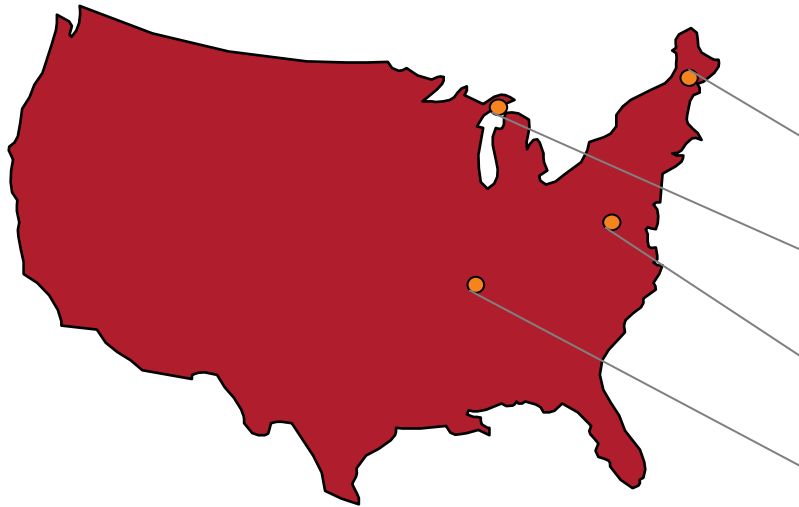
Stora Enso Mill Locations

Mill	Grades	Capacity, tonnes
Niagara, Wisconsin	MWC	220 000
Duluth, Minnesota	SC	235 000
Whiting, Wisconsin	LWC	210 000
Stevens Point, Wisconsin	Coated specialties	130 000
Biron, Wisconsin	LWC	355 000
Wisconsin Rapids, Wisconsin	WFC	435 000



Mill	Grades	Capacity, tonnes
Kimberly, Wisconsin	WFC, coated specialties	590 000
Port Hawkesbury, Nova Scotia	SC, news	550 000

NewPage Mill Locations



Mill	Grades	Capacity, tonnes
Rumford, Maine	WFC, MWC	545 000
Escanaba, Michigan	WFC, LWC, MWC, HWC	680 000
Luke, Maryland	WFC, coated specialties	325 000
Wickliffe, Kentucky	WFC	260 000

Estimated Financial Impact on Stora Enso Group

Annual sales reduction	EUR 1 950 million ^(*)
EBITDA reduction	EUR 189 million ^(*)
Capital employed reduction	EUR 1 750 million
Debt / Equity Ratio	From 0.64 to 0.42 ^(**)

* Based on 2006 results for the divested businesses, with an average exchange rate of EUR/USD 1.2563

** Including impact of reversing the impairment from EUR 1300 million to EUR 500 million in the third quarter of 2007

- No gain or loss recognised in Q3 2007
 - Estimated impairment charge of EUR 1 300 million announced 5 September 2007 will decrease by about EUR 800 million
- No material impact expected on annual operating profit

Summary

- Creating a stronger entity by joining forces with NewPage
- The first major step on our path to focus Stora Enso's operations
- Objective remains: improve long-term earnings of Stora Enso