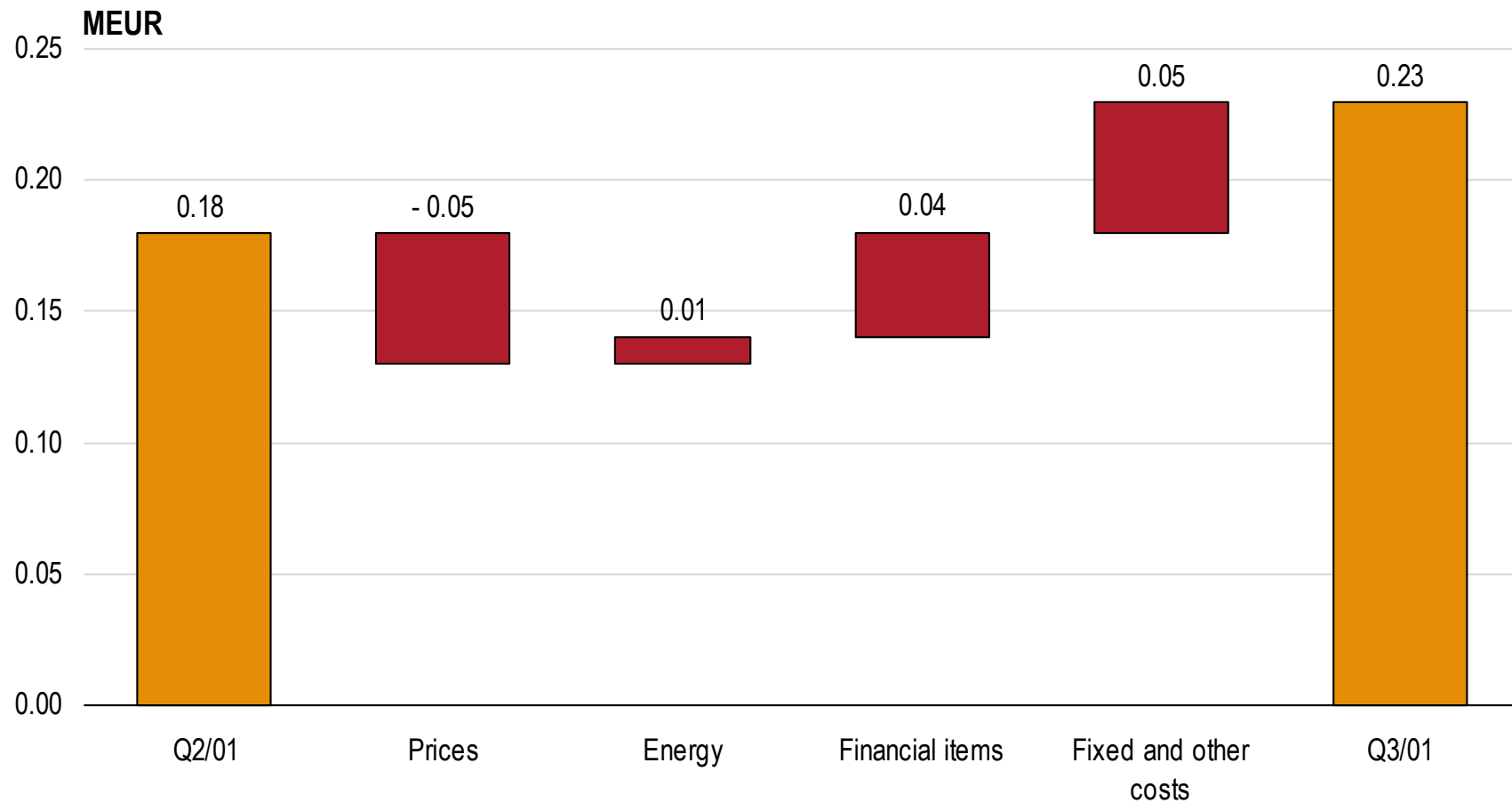


## Results

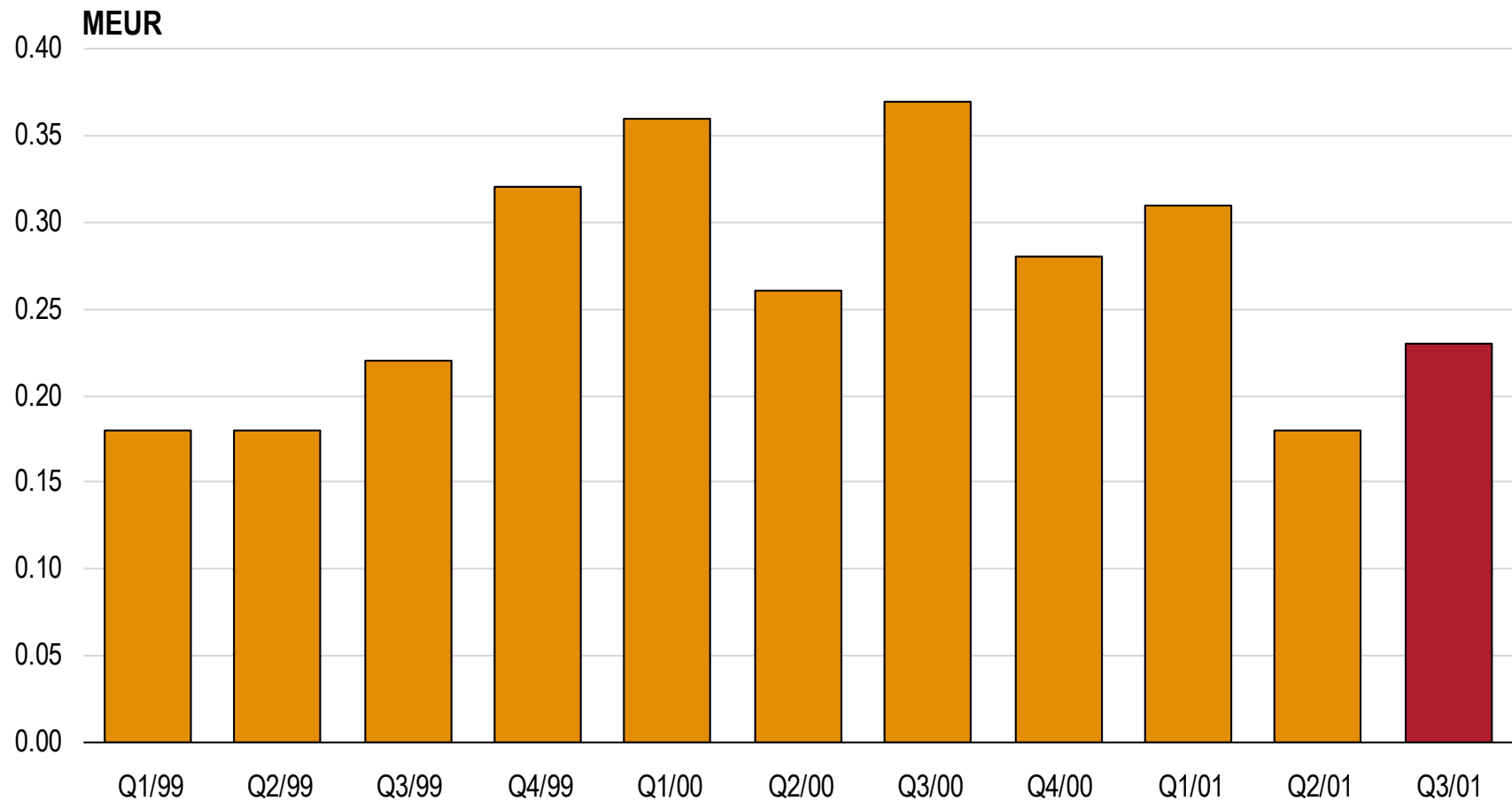
July - September 2001

*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.*

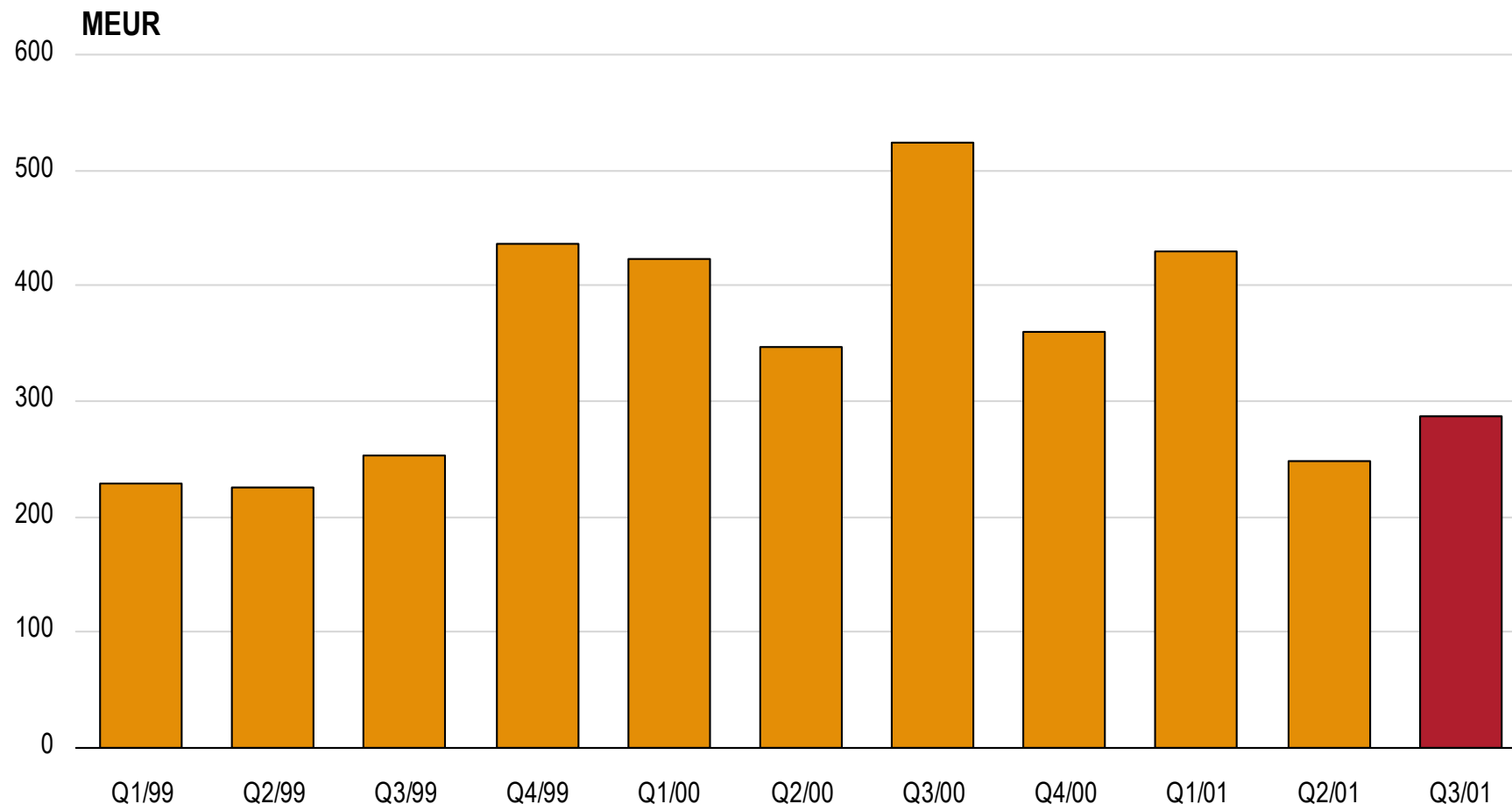
# Change in EPS Q2 vs Q3



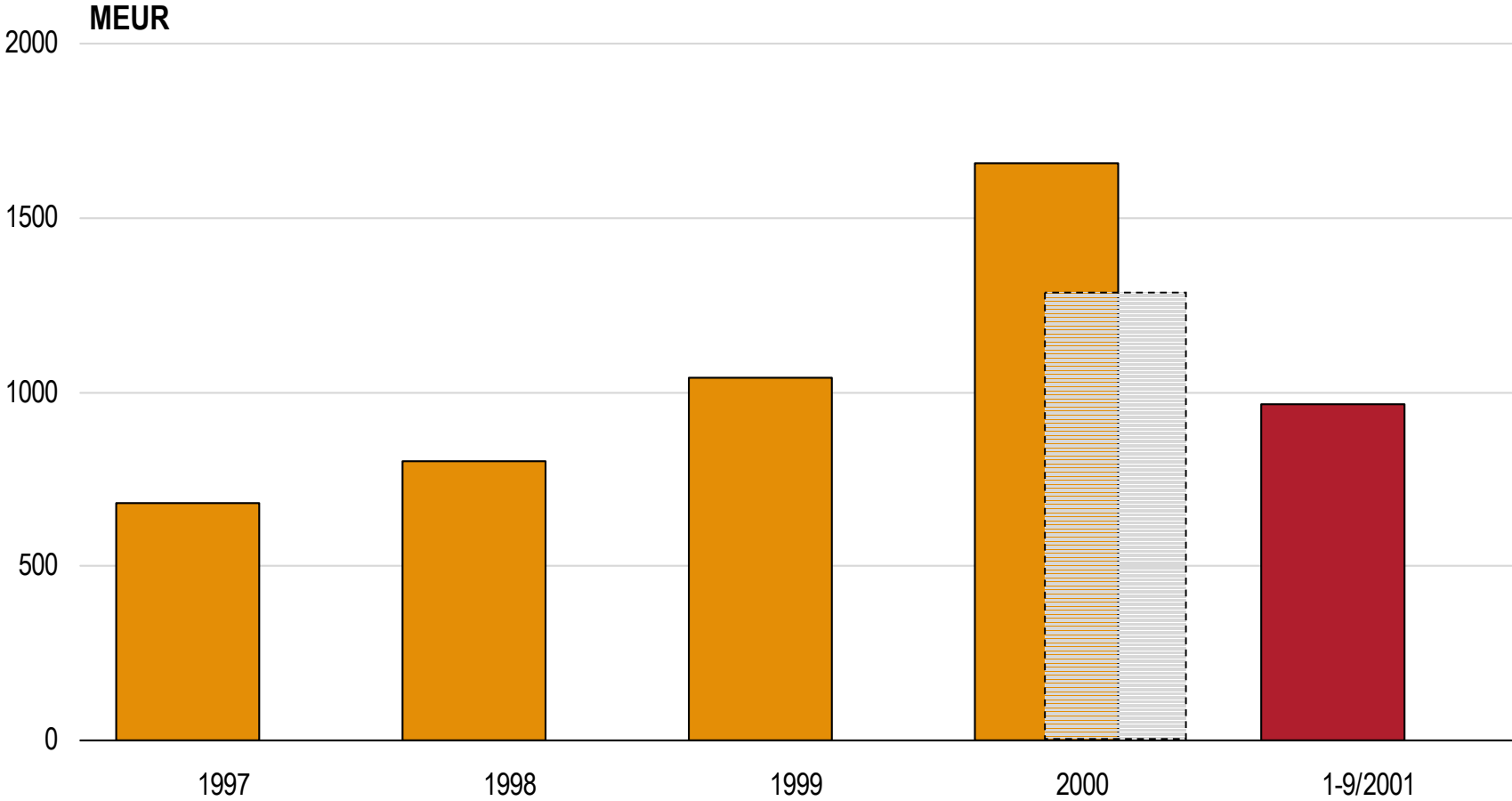
# EPS by quarter



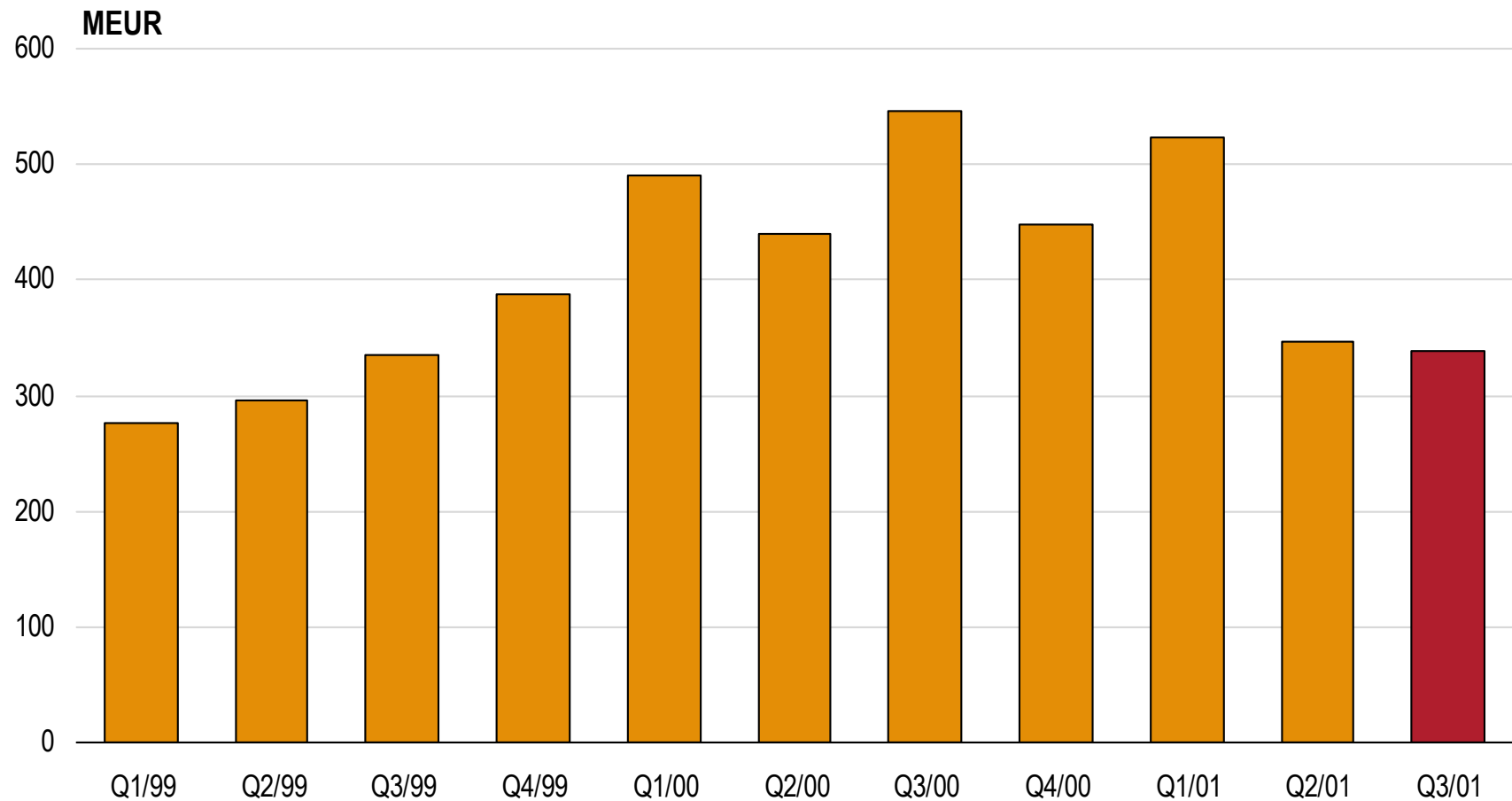
# Profit before tax and minority interests



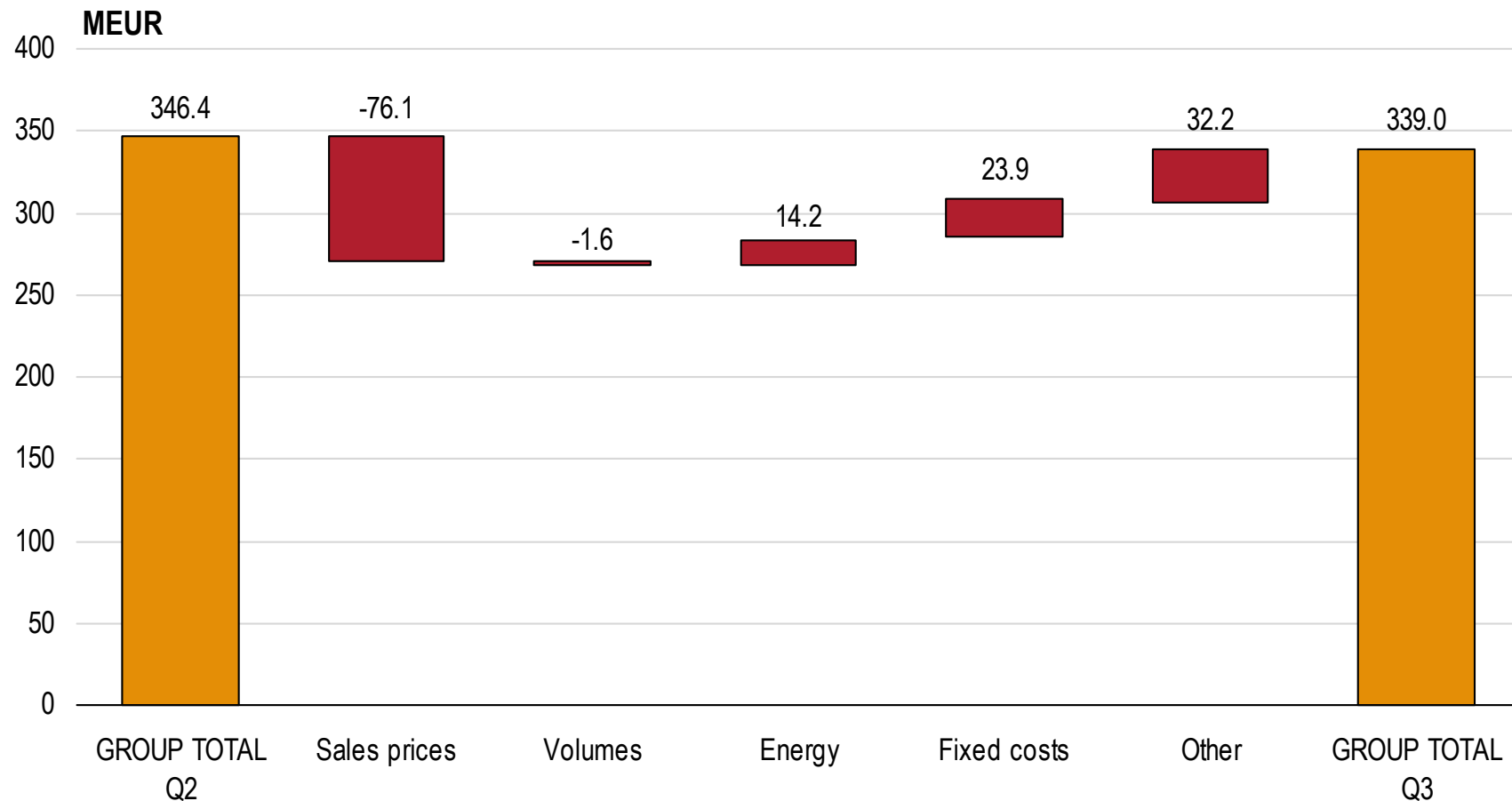
# Profit before tax and minority interests



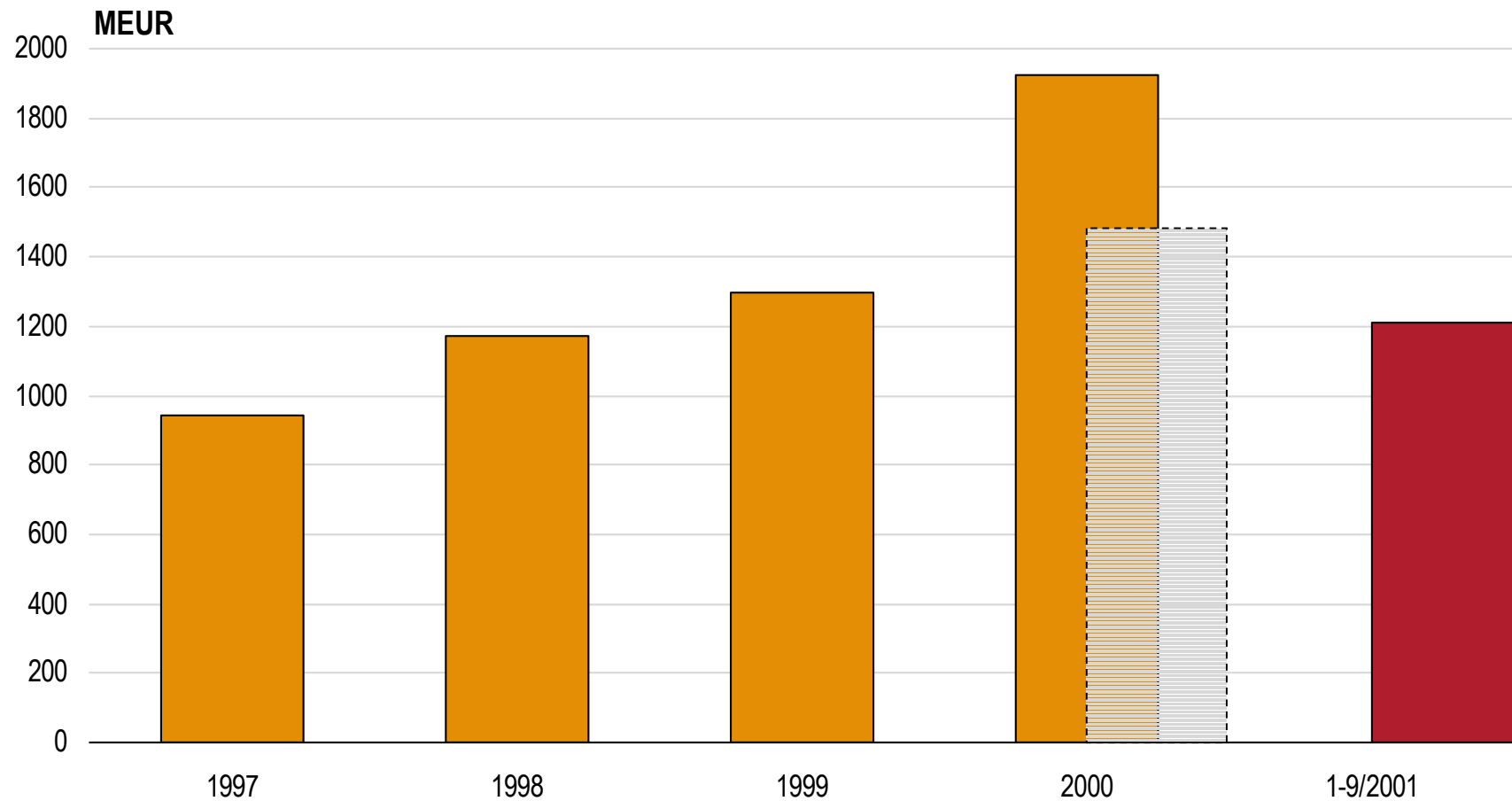
# Operating profit by quarter



# Change in group operating profit from Q2 to Q3



# Operating profit



# Operating profit of main product areas

EUR million	I/00	II/00	III/00	IV/00	I/01	II/01	III/01
Magazine paper	92	91	139	78	114	72	84
Operating profit % sales	16	16	19	8	13	9	10
Newsprint	63	43	81	82	134	126	129
Operating profit % sales	15	10	18	17	27	26	27
Fine paper	151	147	194	198	168	82	71
Operating profit % sales	20	19	22	19	16	9	8
Packaging boards	116	91	131	104	115	90	98
Operating profit % sales	16	12	17	14	16	13	15
Timber	24	22	17	11	6	8	3
Operating profit % sales	8	7	6	4	2	3	1

# Q3 market related curtailments

## Magazine papers

- Europe 110 000 tonnes
  - North America 70 000 tonnes
- 

## Newsprint

- Europe 42 000 tonnes
- 

## Fine papers

- Europe 223 000 tonnes
  - North America 26 000 tonnes
- 

## Packaging boards

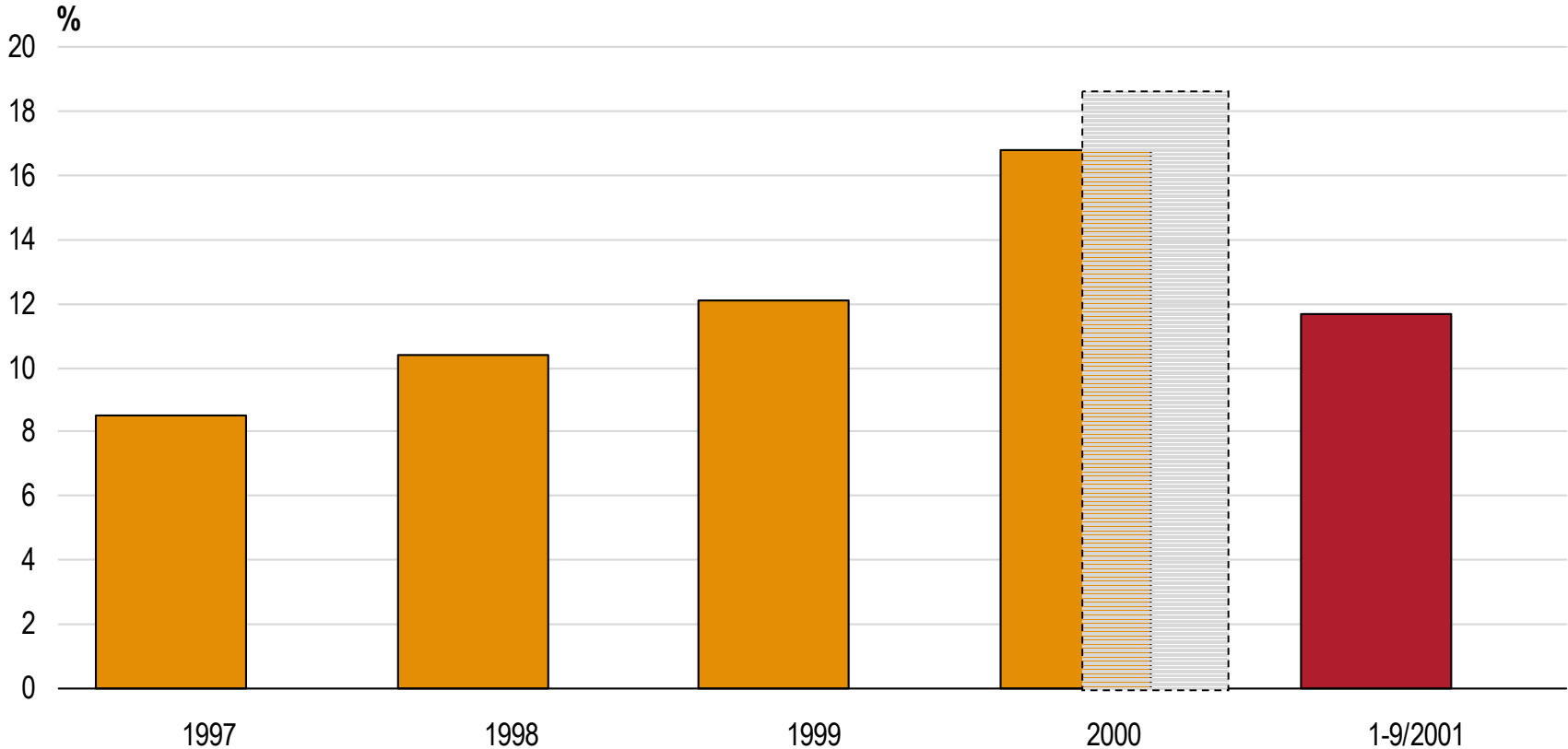
36 000 tonnes

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## Total

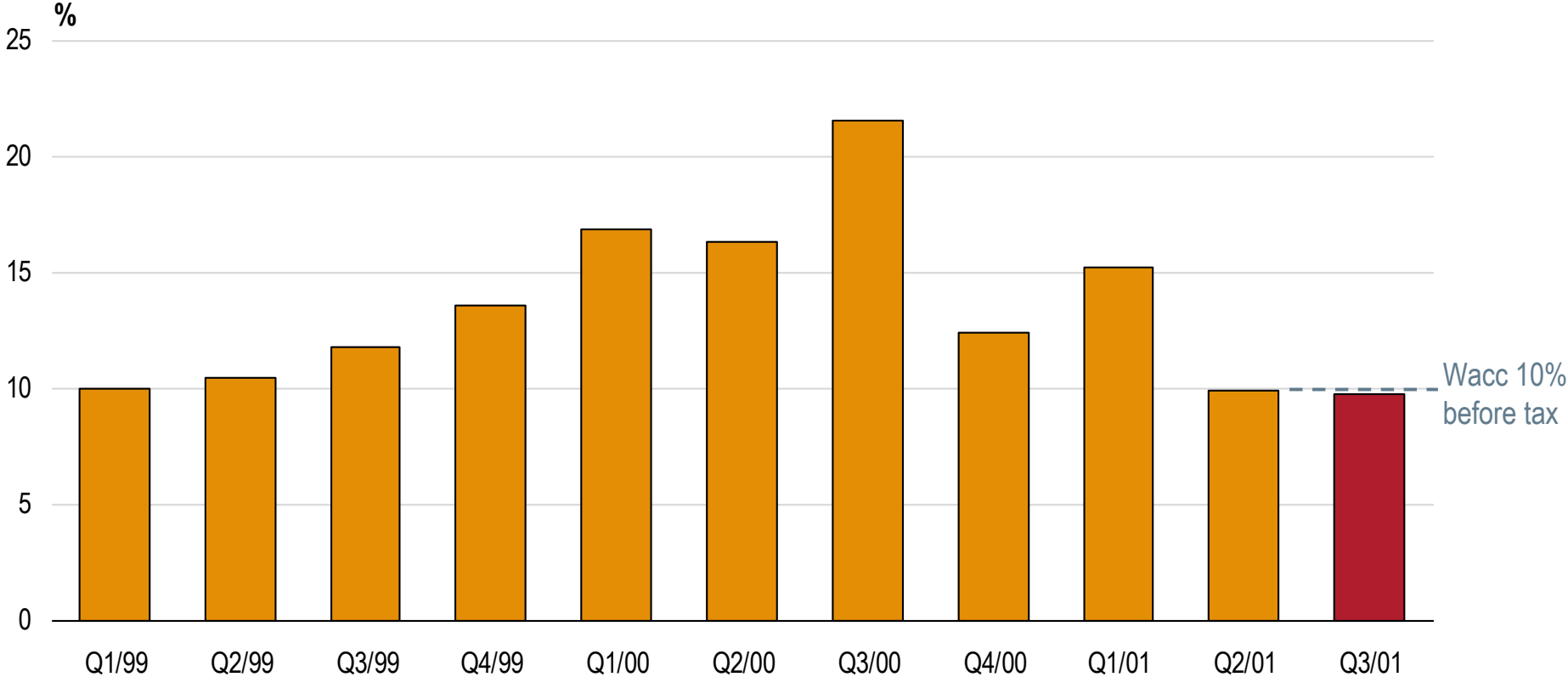
**507 000 tonnes**

# ROCE



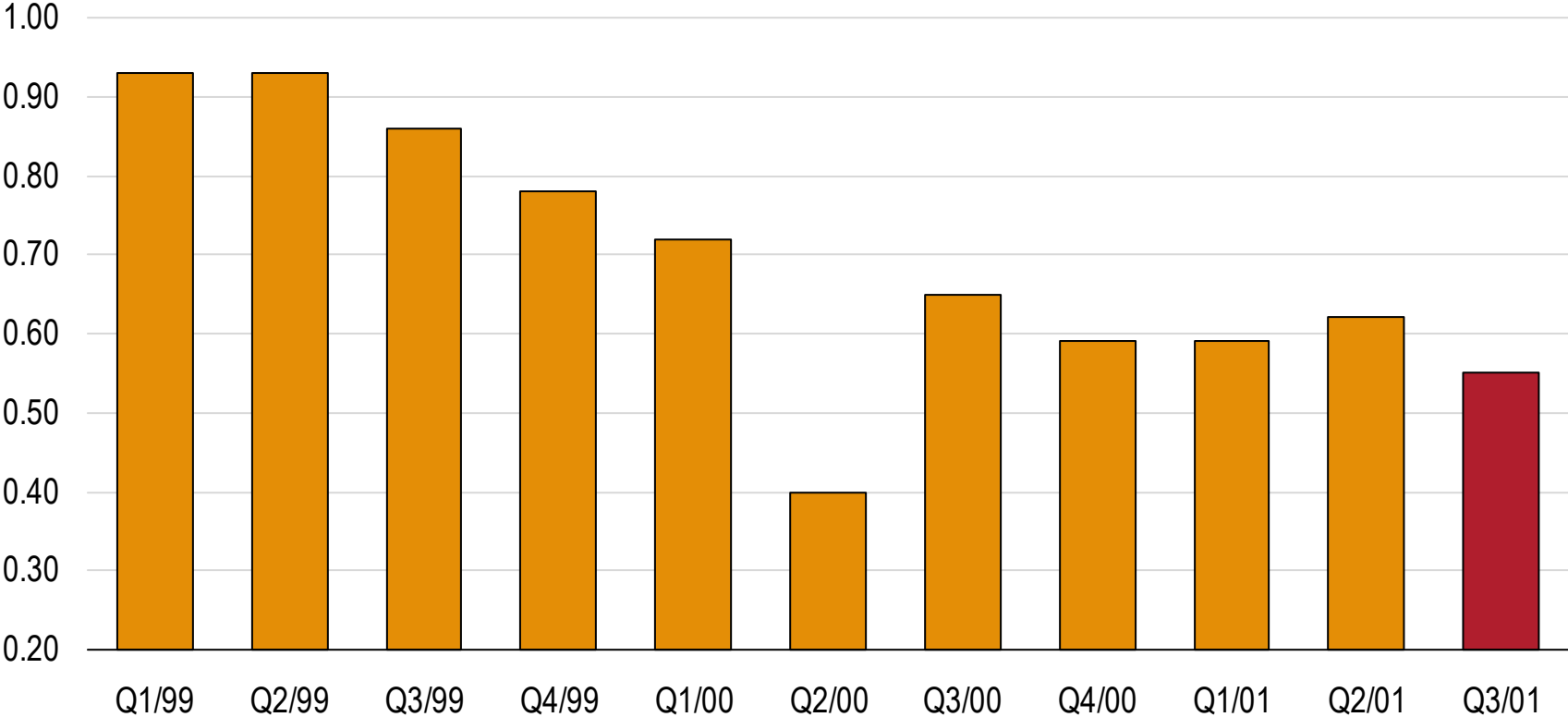
**Target  $\geq$  13% over the cycle**

# ROCE by quarter



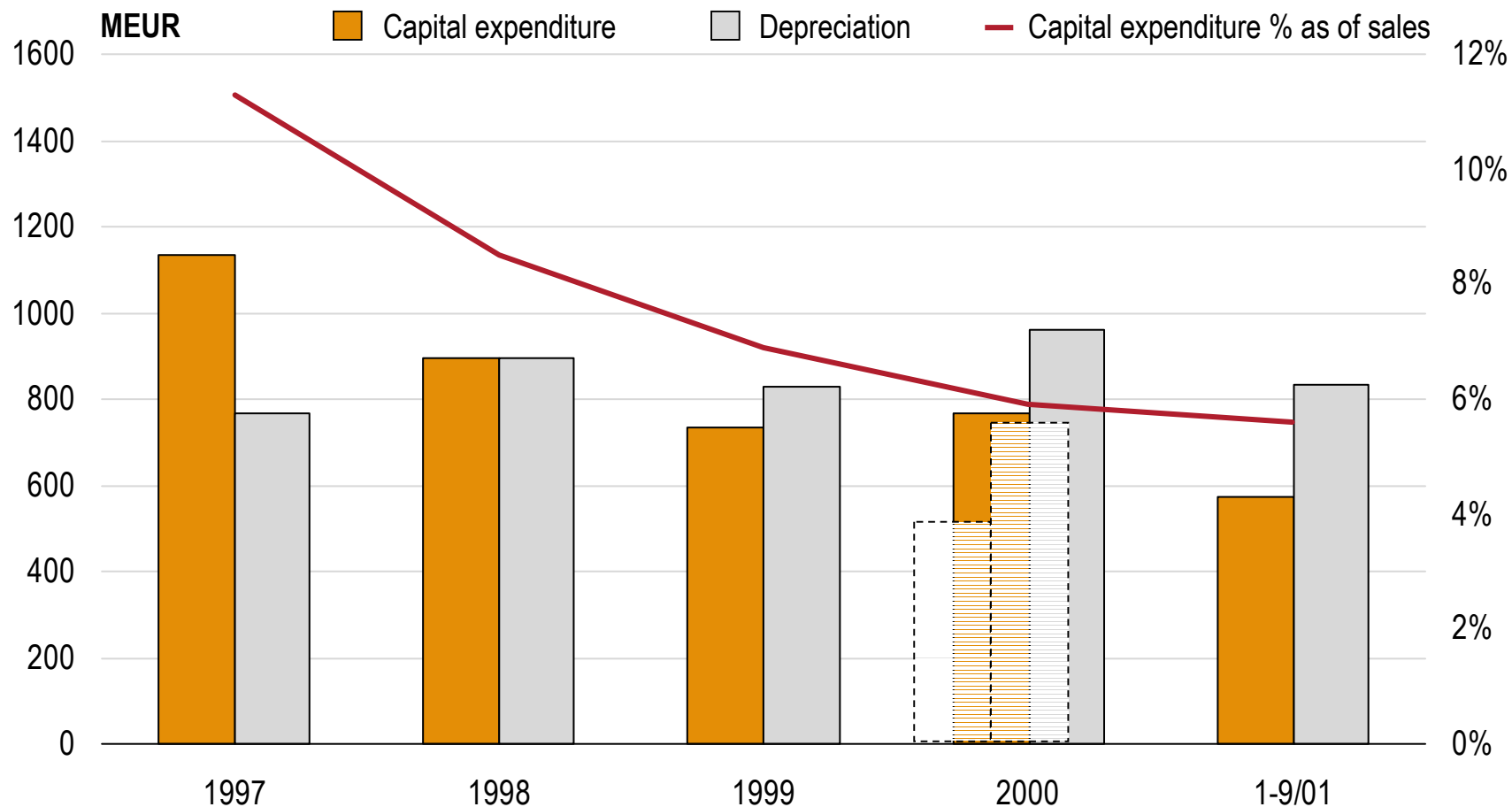
**Target  $\geq$  13% over the cycle**

# Debt/equity



**Target  $\leq 0.8$**

# Capital expenditure and depreciation



# Market outlook

- Weakening of pulp prices has halted and first price increases have been announced
- Seasonal strength in coated magazine and fine paper, but it is not sustainable until economic and political confidence is restored and forthcoming new capacity absorbed
- European demand for SC paper and uncoated fine paper should stay healthy despite the general weakening of these markets
- Newsprint demand in Europe and North America is expected to remain weak
- In packaging boards no clear improvement is expected before spring 2002
- Demand for timber products is anticipated to continue weak

# Summary

- Market uncertainty has increased
- The outlook is being affected by world events
- Stora Enso will continue to adjust its capacity to market demand
- Continuing weak markets combined with seasonal curtailments and planned downtime for rebuilds in the fourth quarter will affect the Q4 EPS
- Internal efficiency and cost awareness will support business
- Low capital expenditure secures good cash flow
- Share buy-back programme continues

What  
paper  
can  
do