

Stora Enso

Full year financial results

January–December 2021

Q4





Record high quarter driven by strong demand and strategic progress

Dividend proposal EUR 0.55 per share

Q4/2021 (compared with Q4/2020)

- Sales increased by 26.3% to EUR 2,719 (2,154) million. Sales excluding Paper increased by 39.0%.
- Operational EBIT increased to EUR 426 (118) million. Operational EBIT excluding Paper increased to EUR 436 (122) million.
- Operational EBIT margin increased to 15.7% (5.5%). Excluding Paper, the operational EBIT margin was 18.6% (7.3%).
- Items affecting comparability (IAC) amounted to EUR -25 (-45) million.
- Operating profit (IFRS) increased to EUR 839 (289) million including the positive impact from the valuation of biological assets.
- EPS was EUR 0.78 (0.30) and EPS excl. fair valuations (FV) was EUR 0.32 (0.09).
- The value of Stora Enso's forest assets, including leased land and Stora Enso's share of Tornator, increased to EUR 8.0 (7.3) billion, equivalent to EUR 10.10 per share.
- Strong cash flow from operations amounted to EUR 619 (436) million. Cash flow after investing activities was EUR 424 (223) million.
- Net debt decreased by EUR 612 million to EUR 2,309 (2,921) million.
- The net debt to operational EBITDA ratio improved to 1.1 (2.3). The target is to keep the ratio below 2.0.
- Operational ROCE excluding the Forest division increased to 20.4% (4.7%), and was clearly above the long-term target of more than 13%.

Year 2021 (compared with 2020)

- Sales were EUR 10,164 (8,553) million.
- Operational EBIT more than doubled to EUR 1,528 (650) million.
- Strong cash flow from operations amounted to EUR 1,752 (1,344) million. Cash flow after investing activities was EUR 1,101 (680) million.
- Operational ROCE excluding the Forest division increased to 17.8% (7.0%).

Key highlights

- To further expand its positioning for growth in sustainable packaging, Stora Enso invests EUR 23 million to increase capacity in containerboard at its Varkaus site in Finland. This initiative will increase the site's capacity of 405,000 tonnes by approximately 10%.
- Stora Enso has, according to plan, ceased deliveries and production of dissolving pulp to focus on growth in other existing and new innovative pulp grades and products.
- Stora Enso will invest EUR 40 million to enhance operational and carbon footprint performance for fluff pulp production at the Skutskär site, as announced in January.
- The conversion to containerboard at the Oulu site has reached key milestones of the investment, in terms of profitability, quality and performance ahead of schedule. Therefore the ramp-up phase is considered finalised.

Dividend proposal

- The Board of Directors will propose a dividend at the AGM on 15 March 2022, of EUR 0.55 (EUR 0.30) per share.

Outlook

- Global megatrends such as an increased eco awareness, an accelerated focus on combatting climate change, and digitalisation underpin Stora Enso's business strategy and the demand for its renewable and eco-friendly products, both short and long term.
- The general macroeconomic environment and the pandemic are persisting uncertainties. However, the market demand for Stora Enso's products across all divisions is supporting sustained commercial momentum. Measures such as pricing, flexibility in sourcing and logistics, as well as hedging are in place to manage volatility.

Guidance

- Stora Enso's full year 2022 operational EBIT is estimated to be approximately in line with the full year operational EBIT for 2021 (EUR 1,528 million).

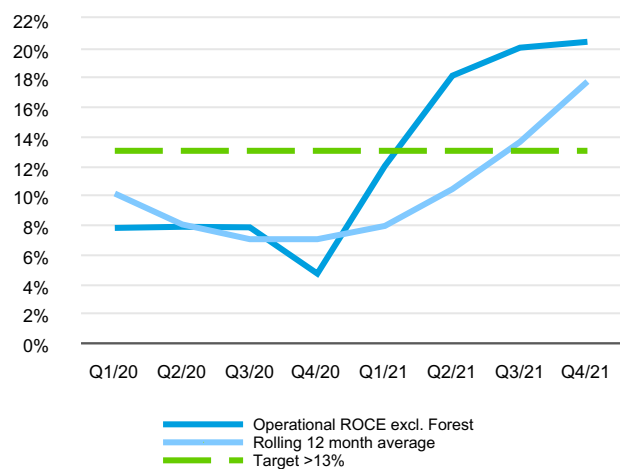
Total maintenance impact

Expected and historical impact as lost value of sales and maintenance costs

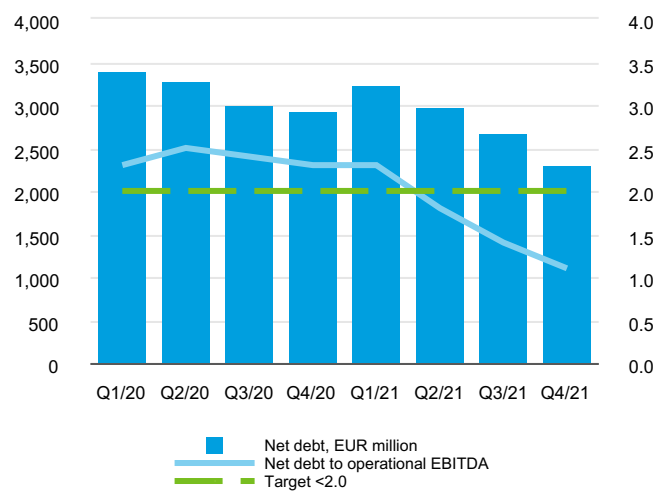
EUR million	Q1/2022 ¹	Q4/2021	Q3/2021	Q2/2021	Q1/2021	Q4/2020
Total maintenance impact	97	146	169	136	105	161

¹ Estimated

Operational ROCE excl. Forest division



Net debt to operational EBITDA



Key figures

EUR million	Q4/21	Q4/20	Change % Q4/21- Q4/20	Q3/21	Change % Q4/21- Q3/21	2021	2020	Change % 2021-2020
Sales	2,719	2,154	26.3%	2,577	5.5%	10,164	8,553	18.8%
Operational EBITDA	602	274	120.0%	570	5.5%	2,184	1,270	71.9%
Operational EBITDA margin	22.1%	12.7%		22.1%		21.5%	14.9%	
Operational EBIT	426	118	262.4%	410	4.0%	1,528	650	135.1%
Operational EBIT margin	15.7%	5.5%		15.9%		15.0%	7.6%	
Operating profit (IFRS)	839	289	189.9%	386	117.4%	1,568	922	70.0%
Profit before tax excl. IAC and FV	381	88	n/m	373	2.1%	1,380	501	175.6%
Profit before tax (IFRS)	793	260	205.7%	349	127.5%	1,419	773	83.7%
Net profit for the period (IFRS)	616	237	159.6%	299	106.1%	1,268	617	105.5%
Cash flow from operations	619	436	41.9%	485	27.6%	1,752	1,344	30.4%
Cash flow after investing activities	424	223	90.4%	347	22.0%	1,101	680	61.9%
Capital expenditure	288	303	-4.8%	124	131.7%	666	687	-3.0%
Capital expenditure excluding investments in biological assets	273	287	-5.1%	111	145.3%	609	628	-3.1%
Depreciation and impairment charges excl. IAC	145	136	6.8%	136	6.6%	555	544	2.0%
Net interest-bearing liabilities	2,309	2,921	-20.9%	2,672	-13.6%	2,309	2,921	-20.9%
Forest assets ⁴	7,966	7,314	8.9%	7,415	7.4%	7,966	7,314	8.9%
Operational return on capital employed (ROCE), %	13.4%	4.3%		13.3%		12.4%	5.8%	
Operational ROCE excl. Forest division ³	20.4%	4.7%		20.0%		17.8%	7.0%	
Earnings per share (EPS) excl. FV, EUR	0.32	0.09	248.4%	0.37	-15.2%	1.19	0.45	165.0%
EPS (basic), EUR	0.78	0.30	156.6%	0.38	104.2%	1.61	0.79	102.1%
Return on equity (ROE)	24.1%	11.9%		12.6%		13.0%	7.6%	
Net debt/equity ratio	0.22	0.33		0.27		0.22	0.33	
Net debt to last 12 months' operational EBITDA ratio	1.1	2.3		1.4		1.1	2.3	
Fixed costs to sales, %	22.9%	29.0%		22.9%		23.4%	26.7%	
Equity per share, EUR	13.55	11.17	21.3%	12.39	9.4%	13.55	11.17	21.3%
Average number of employees (FTE)	22,369	23,406	-4.4%	23,358	-4.2%	23,071	24,455	-5.7%
TRI rate ¹²	5.5	6.7	17.9%	7.3	24.7%	6.2	6.1	1.6%

Operational key figures, items affecting comparability and other non-IFRS measures: The list of Stora Enso's non-IFRS measures and the calculation of the key figures are presented at the end of this report. See also the section *Non-IFRS measures* at the beginning of the Financials section.

IAC = Items affecting comparability, **FV** = Fair valuations and non-operational items

TRI (Total recordable incidents) rate = number of incidents per one million hours worked.

¹ For own employees, including employees of the joint operations Veracel and Montes del Plata

² Historical figures for TRI rate recalculated due to additional data received after the previous Interim Reports.

³ The segment comparative figures have been restated in accordance to the change in presentation of certain consolidation adjustments, as described in the section [Basis of preparation](#).

⁴ Total forest assets value, including leased land and Stora Enso's share of Tornator.

Production and external deliveries

	Q4/21	Q4/20	Change % Q4/21- Q4/20	Q3/21	Change % Q4/21- Q3/21	2021	2020	Change % 2021-2020
Board deliveries ¹ , 1,000 tonnes	1,081	906	19.2%	1,071	0.9%	4,258	3,712	14.7%
Board production ¹ , 1,000 tonnes	1,188	987	20.4%	1,189	-0.1%	4,685	4,063	15.3%
Corrugated packaging European deliveries, million m ²	241	243	-0.6%	229	5.5%	949	902	5.2%
Corrugated packaging European production, million m ²	262	270	-2.8%	254	3.3%	1,049	1,004	4.4%
Market pulp deliveries, 1,000 tonnes	660	689	-4.3%	565	16.8%	2,495	2,443	2.1%
Wood products deliveries, 1,000 m ³	1,157	1,244	-7.0%	1,107	4.5%	4,803	4,692	2.4%
Wood deliveries, 1,000 m ³	3,158	3,196	-1.2%	2,847	10.9%	12,091	11,469	5.4%
Paper deliveries, 1,000 tonnes	615	792	-22.2%	747	-17.6%	2,872	3,106	-7.5%
Paper production, 1,000 tonnes	529	731	-27.6%	762	-30.6%	2,776	3,034	-8.5%

¹ Includes consumer board and containerboard volumes

CEO comment

I'm delighted to see that our solid commercial momentum continued in the fourth quarter. Stora Enso's strong performance has been delivered through strategic progress underpinned by global megatrends. We have benefited from our strategic positioning and scale to achieve a full year operational EBIT margin of 15%, the highest in our long history. The full year operational EBIT more than doubled year-on-year to a record level of 1,528 million euro. The solid demand for our products continued and the balanced mix across all our divisions supported both price levels and volumes. We have managed global logistical disturbances and successfully implemented price increases to mitigate rising fiber, energy and other variable input costs. The organisational commitment and hard work have enabled this progress, while protecting our people and supporting our customers throughout the pandemic.

Group sales increased by 26% year-on-year to 2.7 billion euro and the operational EBIT reached 426 million euro, a year-on-year increase of 309 million euro, the highest quarterly result since early 2000s. We continued to reduce our net debt and reached a net debt to operational EBITDA of 1.1, well below our target of 2. From our areas of strategic focus, both Packaging and Wood Products, delivered record high fourth quarter results. The main driver in Packaging Materials was containerboard, which was supported by higher prices and the successful ramp-up at our Oulu site in Finland. The Wood Products division benefited from sustained, historically high price levels and a good market and product mix. We also had significant contribution from our foundation business Biomaterials, with an all-time high operational EBIT. The Forest division also delivered a record high fourth quarter result driven by the performance of our own forests. Our forest assets are now valued at 8 billion euro, a year-on-year increase of 700 million euro. Our retained paper business is now run with lower fixed costs with some of the high variable input costs from energy and Paper for Recycling (PfR) being successfully mitigated by price increases.

The general macroeconomic environment and the pandemic are persisting uncertainties. I trust in our ability to continue to be proactive and perform. For the first quarter, the tight markets seen in the second half of 2021 have continued, with us being fully booked across all divisions. When looking at this year, our outlook is that we will deliver results for the full year 2022 approximately in line with 2021 (EUR 1,528 million). To reflect the record performance in 2021, and our faith in our strategic direction, the Board proposes an increased dividend of 0.55 euro per share, up from 0.30 euro per share in 2021.

Strong momentum in strategy execution

The fourth quarter finishes off a year of strong progress in our strategic initiatives, where we have delivered on our promises to the market. The actions we have taken, our strong execution and a decentralised and more efficient operating model, are putting us in the driver's seat for further value creation for all our stakeholders.

We have for some years been transforming from being mainly a paper company to become a world leader in renewable products made from trees. Key progress has been further accelerated by lowering our exposure to the structurally declining paper business to make the retained businesses more competitive. Stora Enso is entering a new, evolution phase with the target to deliver on our profitable growth agenda. For the past two years and going

forward, our strategy is focused on growth opportunities through targeted investments in Packaging, Wood Products, and Biomaterials innovations, such as Lignode. Resources and capacity have been freed up to accelerate growth in these areas. We have successfully converted one of our paper machines to board production and invested to increase capacity by debottlenecking existing board machines. We are also investing in strengthening our position as one of the largest providers of engineered wooden elements. A new CLT production site is ready to start operations in the third quarter this year. Lastly, during 2021, we started a pilot plant for Lignode, a high potential, fossil-free, anode material for batteries in electric vehicles and other electric applications.

Sustainability is the opportunity driving both our short and long-term strategy. The green revolution is a natural part of our business and we have new sustainability targets to support it. We see significant prospects for growth to expand our total addressable market and target to grow more than 5% per year over the cycle (excluding the Paper division). By investing in innovation, we further increase the gap to our competitors, enhance our competitive advantage, while at the same time helping our customers become 100% climate positive and circular. This puts us in an excellent position for long-term growth and value creation for all our stakeholders.

The renewable future grows in the forest.

Annica Bresky, President and CEO

Dividend proposal per share (EUR)

0.55

Operational EBIT (Q4/2021)

15.7%

Operational ROCE excluding Forest division (Q4/2021)

20.4%

Target >13%

Reconciliation of operational profitability

EUR million	Q4/21	Q4/20	Change % Q4/21- Q4/20	Q3/21	Change % Q4/21- Q3/21	2021	2020	Change % 2021-2020
Operational EBITDA	602	274	120.0%	570	5.5%	2,184	1,270	71.9%
Depreciation and silviculture costs of EAI	-3	-3	17.7%	-3	20.2%	-11	-15	27.6%
Silviculture costs ¹	-27	-17	-65.9%	-21	-32.7%	-89	-61	-46.4%
Depreciation and impairment excl. IAC	-145	-136	-6.8%	-136	-6.6%	-555	-544	-2.0%
Operational EBIT	426	118	262.4%	410	4.0%	1,528	650	135.1%
Fair valuations and non-operational items ²	437	217	101.4%	8	n/m	394	362	8.9%
Items affecting comparability (IAC) ²	-25	-45	45.7%	-32	23.4%	-354	-90	-295.2%
Operating profit (IFRS)	839	289	189.9%	386	117.4%	1,568	922	70.0%

¹ Including damages to forests

² See section [Non-IFRS measures](#) for IAC and fair valuations and non-operational items definitions.

Fourth quarter 2021 results (compared with Q4/2020)

Breakdown of change in sales Q4/2020 to Q4/2021

Sales Q4/2020, EUR million	2,154
Price and mix	22%
Currency	1%
Volume	2%
Other sales ¹	3%
Total before structural changes	28%
Structural changes ²	-2%
Total	26%
Sales Q4/2021, EUR million	2,719

¹ Energy, paper for recycling, by-products etc.

² Asset closures, major investments, divestments and acquisitions

Group sales increased by 26%, or EUR 565 million, to EUR 2,719 (2,154) million. This was the highest quarterly level since the second quarter of 2013. Group sales excluding the Paper division increased by 39%. Clearly higher sales prices and better mix increased the topline in all divisions. Positive impact from deliveries, driven by higher deliveries in Packaging Materials, was offset by a negative impact from structural change, related to paper site closures at Veitsiluoto in Finland and Kvarnsveden in Sweden.

Operational EBIT increased by 262%, or EUR 308 million, to the highest quarterly level since early 2000s of EUR 426 (118) million. The operational EBIT margin increased to 15.7% (5.5%), mainly due to clearly higher sales prices and better mix in all divisions. The volume impact was EUR 96 million positive, especially due to higher volumes in Packaging Materials. Variable costs had a EUR 271 million negative impact, as all input costs continued to increase. Fixed costs decreased by EUR 6 million, due to good cost management and changed annual maintenance schedule.

Net foreign exchange rates had a negative impact of EUR 5 million on operational EBIT.

The average number of employees in the fourth quarter of 2021 was approximately 22 400 (23 400).

Fair valuations and non-operational items had a positive net impact on the operating profit of EUR 437 (positive 217) million. The positive impact came mainly from the forest valuation increases in Stora Enso's own forests in Sweden and Stora Enso's 41% share of the equity accounted investment Tornator's forests in Finland.

The Group recorded items affecting comparability (IAC) with a negative impact of EUR 25 (negative 45) million on its operating profit. The related tax impact was positive EUR 2 (positive 12) million. The IACs relate mainly to the restructuring in the Paper division, partly offset by the positive capital gain from the divestment of the Arapoti plantations.

Net financial expenses of EUR 46 million were EUR 16 million higher than a year ago. Net interest expenses of EUR 30 million decreased by EUR 3 million, mainly as a result of lower interest-bearing liabilities. Other net financial expenses of EUR 12 increased by EUR 8 million, mainly as a result of early repayment of interest bearing-liabilities. The net foreign exchange impact in respect of cash equivalents, interest-bearing assets and liabilities and related foreign-currency hedges amounted to a loss of EUR 5 (gain of EUR 7) million.

Earnings per share increased by 156.6% to EUR 0.78 (0.30), and earnings per share excluding fair valuations increased by 248.4% to EUR 0.32 (0.09).

Breakdown of change in capital employed 31 December 2020 to 31 December 2021

EUR million	Capital employed
31 December 2020	11,714
Capital expenditure excluding investments in biological assets less depreciation	18
Investments in biological assets less depletion of capitalised silviculture costs	-10
Impairments and reversal of impairments	-149
Fair valuation of forest assets	621
Unlisted securities (mainly PVO)	504
Equity accounted investments	125
Net liabilities in defined benefit plans	125
Operative working capital and other interest-free items, net	-84
Net tax liabilities	-83
Translation difference	157
Other changes	38
31 December 2021	12,976

The operational return on capital employed (ROCE) in the fourth quarter of 2021 was 13.4% (4.3%). Operational ROCE excluding the Forest division was 20.4% (4.7%).

Fourth quarter 2021 results (compared with Q3/2021)

Group sales increased by 6%, or EUR 142 million, to EUR 2,719 (2,577) million, mainly driven by higher sales prices in Packaging Materials and higher deliveries in Biomaterials.

Operational EBIT increased by 4%, or EUR 16 million to EUR 426 (410) million. The positive impact from higher sales prices and deliveries was partly offset by higher input costs. Seasonally higher fixed costs were offset by better profitability in the Nordic equity accounted forest assets and decreased losses from the closed paper units.

Full year results 2021 (compared with 2020)**Breakdown of change in sales 2020 to 2021**

Sales 2020, EUR million	8,553
Price and mix	13%
Currency	0%
Volume	7%
Other sales ¹	1%
Total before structural changes	21%
Structural changes ²	-2%
Total	19%
Sales 2021, EUR million	10,164

¹ Energy, paper for recycling, by-products etc.

² Asset closures, major investments, divestments and acquisitions

Sales increased by 18.8%, or EUR 1,611 million, to EUR 10,164 (8,553) million, mainly driven by higher delivery volumes in all divisions and significantly higher sales prices in all divisions except Paper. Structural changes decreased sales by EUR 172 million, with the main changes being the Veitsiluoto and Kvarnsveden paper site closures and the Oulu paper site conversion into kraftliner production.

Operational EBIT more than doubled to EUR 1,528 (650) million, up 135.1%. Clearly higher sales prices and higher total volumes improved profitability in all other divisions except Paper. The operational EBIT margin of 15.0% was at an all-time high.

Variable costs were EUR 430 million higher, mainly due to higher wood, paper for recycling (PfR) and energy costs. Fixed costs increased by EUR 104 million, mainly due to higher personnel costs and increased maintenance activity. The net foreign exchange rate impact decreased operational EBIT by EUR 102 million. Capital gain from forest land sales in Hylte in Sweden increased the operational EBIT by EUR 74 million and the impact from closed units was EUR 72 million positive.

Earnings per share increased by 102.1% to EUR 1.61 (0.79), and earnings per share excluding fair valuations increased by 165.0% to EUR 1.19 (0.45).

Segments in the fourth quarter of 2021 (compared with Q4/2020)

Packaging Materials division

Record quarter driven by high deliveries and improved profitability in containerboard

The Packaging Materials division aims to lead the development of circular packaging, providing premium packaging materials based on virgin and recycled fiber. Addressing the needs of today's eco-conscious consumers, Stora Enso helps customers replace fossil-based materials with low-carbon, renewable and recyclable alternatives for their food and drink, pharmaceutical or transport packaging. A wide selection of barrier coatings enables design optimisation for various demanding packaging end-uses.

EUR million	Q4/21	Q4/20	Change % Q4/21- Q4/20	Q3/21	Change % Q4/21- Q3/21	2021	2020	Change % 2021-2020
Sales	1,062	759	39.9%	988	7.5%	3,898	3,115	25.2%
Operational EBITDA	210	130	61.5%	225	-6.7%	846	642	31.9%
Operational EBITDA margin	19.8%	17.1%		22.8%		21.7%	20.6%	
Operational EBIT	133	66	99.9%	153	-12.9%	556	403	37.9%
Operational EBIT margin	12.5%	8.8%		15.4%		14.3%	12.9%	
Operational ROOC	16.8%	9.2%		19.5%		18.0%	13.9%	
Cash flow from operations	226	183	23.6%	236	-4.2%	807	692	16.7%
Cash flow after investing activities	128	45	186.8%	170	-24.9%	459	299	53.8%
Deliveries, 1 000 tonnes	1,169	997	17.2%	1,162	0.6%	4,616	4,043	14.2%
Production, 1 000 tonnes	1,188	987	20.4%	1,189	-0.1%	4,685	4,063	15.3%

The comparative figures have been restated in accordance with the change in presentation of certain consolidation adjustments, as described in the section Basis of preparation.

- Sales increased by 40% or EUR 303 million, to an all-time high level of EUR 1,062 million. Clearly higher board prices, including better mix, as well as significantly higher board deliveries, supported by Oulu containerboard site ramp-up, increased the topline.
- Operational EBIT increased by EUR 67 million to a record high fourth quarter level of EUR 133 million, driven by improved containerboard performance. Clearly higher volumes and prices, together with a better mix, more than offset significantly higher variable costs.
- Operational ROOC almost doubled compared to a year ago to 16.8% (9.2%), but remained below the long-term target level, mainly due to increasing capital base and the ramp-up costs related to the Oulu conversion to kraftliner. The ramp-up at Oulu is now considered finalised.
- Stora Enso is investing EUR 23 million to increase flexibility and capacity at the Varkaus containerboard site in Finland, and also to expand the capacity in recycled fiber. The investment will be completed at the end of 2022.
- Stora Enso launched Performa Light CarbonZero™ by Stora Enso, the first carbon neutral cartonboard offer in the market. The product helps Stora Enso's customers to achieve carbon-related sustainability targets.
- The ramp-up of the earlier completed installation of dispersion barrier technology in Forshaga site in Sweden has proceeded according to plan. Commercial deliveries of new innovative barrier products have been carried out during the second half of 2021 to converter customers globally.
- Stora Enso launched UltraThinPE Tec™, a new innovation which significantly reduces the share of plastic coating in food service board (FSB) and applications such as single-use paper cups.

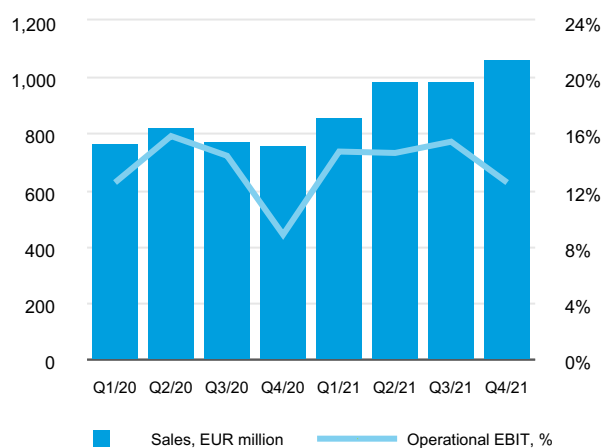
Packaging Materials division (continued)

Market development during Q4

Product	Market	Demand Q4/21 compared with Q4/20	Demand Q4/21 compared with Q3/21	Price Q4/21 compared with Q4/20	Price Q4/21 compared with Q3/21
Consumer board (FBB)	Europe	Stronger	Stable	Significantly higher	Higher
Virgin fiber-based containerboard	Global	Slightly stronger	Stable	Significantly higher	Higher
Recycled fiber based (RCP) containerboard	Europe	Stronger	Slightly stronger	Significantly higher	Significantly higher

Source: Fastmarket RISI, Fastmarket FOEX, CEPI, Numera Analytics

Sales and operational EBIT



Operational ROOC

16.8%

(Target: >20%)

Scheduled annual maintenance shutdowns

	2022	2021
Q1	–	–
Q2	Beihai and Ostrołęka	Beihai and Ostrołęka
Q3	Skoghall, Ingerois, Heinola and Varkaus	Imatra and Varkaus
Q4	Imatra and Fors	Skoghall, Fors, Heinola, Oulu and Ingerois

Packaging Solutions division

All-time high sales driven by increased prices and sales in innovation and services

The Packaging Solutions division develops and sells premium fiber-based packaging products and services. Stora Enso's high-end eco-friendly packaging products are used by leading brands across multiple market sectors, including the retail, e-commerce and industrial sectors. The portfolio includes converting corrugated board and cartonboard, and converting new materials such as formed fiber and wood foams, as well as design and sustainability services, and circular and automation solutions.

EUR million	Q4/21	Q4/20	Change % Q4/21- Q4/20	Q3/21	Change % Q4/21- Q3/21	2021	2020	Change % 2021-2020
Sales	214	160	33.6%	180	18.7%	723	594	21.7%
Operational EBITDA	20	16	21.0%	15	30.6%	56	61	-7.4%
Operational EBITDA margin	9.3%	10.3%		8.5%		7.8%	10.2%	
Operational EBIT	12	10	26.6%	8	55.7%	26	33	-21.1%
Operational EBIT margin	5.6%	6.0%		4.3%		3.6%	5.6%	
Operational ROOC	19.4%	16.0%		12.6%		10.8%	13.9%	
Cash flow from operations	27	18	53.8%	3	n/m	56	51	10.2%
Cash flow after investing activities	17	7	140.8%	-5	n/m	26	28	-6.0%
Corrugated packaging European deliveries, million m ²	264	268	-1.6%	252	4.7%	1,046	999	4.7%
Corrugated packaging European production, million m ²	262	270	-2.8%	254	3.3%	1,049	1,004	4.4%

The comparative figures have been restated in accordance with the change in presentation of certain consolidation adjustments, as described in the section Basis of preparation. The biocomposites business was transferred from Wood Products to Packaging Solutions on 1 July 2020, and the historical figures have not been restated, as the change was not material for the Group.

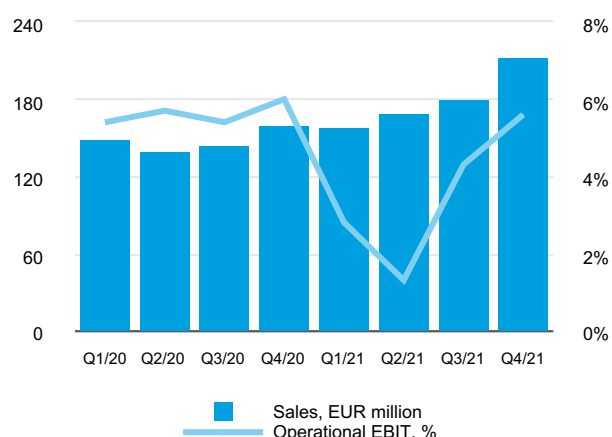
- Sales increased by 34%, or EUR 54 million, to an all-time high level of EUR 214 million. This was mainly due to higher prices, following increased containerboard prices, and strong growth in innovation and service-led business sales.
- Operational EBIT increased by EUR 2 million to EUR 12 million. Improved margins in traditional businesses were partly offset by increased spend in new businesses.
- Operational ROOC improved in line with profitability, but remained below the long-term target, at 19.4% (16.0%).
- Stora Enso extended its packaging offering with a new portfolio of bio-based foams from wood. The offering consists of Fibrease™ by Stora Enso and Papira® by Stora Enso. These products are fully recyclable and can be used for protective and thermal packaging. Fibrease is commercially available now, while the pilot plant for producing Papira started operations at the Fors site in Sweden.
- In 2021, Stora Enso received a record number of 24 international design awards for commercialised packaging solutions, supporting the strategy of delivering high-end eco-friendly solutions to customers.

Market development during Q4

Product	Market	Demand Q4/21 compared with Q4/20	Demand Q4/21 compared with Q3/21	Price Q4/21 compared with Q4/20	Price Q4/21 compared with Q3/21
Corrugated packaging	Europe	Slightly stronger	Slightly stronger	Significantly higher	Higher

Source: Fastmarket RISI

Sales and operational EBIT



Operational ROOC

19.4%

Target: >25%

Biomaterials division

All-time-high performance mainly driven by high pulp prices and volumes

The Biomaterials division meets the growing demand for bio-based solutions to replace fossil-based and hazardous materials. Stora Enso uses all fractions of biomass, like lignin, to develop new solutions. Our work to replace fossil-based materials includes novel applications such as carbon for energy storage, bio-based binders and bio-based carbon fiber. Our pulp offering encompasses a wide variety of grades to meet the demands of paper, board, tissue and hygiene product producers, as well as materials from process side streams, such as tall oil and turpentine from biomass.

EUR million	Q4/21	Q4/20	Change % Q4/21- Q4/20	Q3/21	Change % Q4/21- Q3/21	2021	2020	Change % 2021-2020
Sales	494	314	57.2%	427	15.7%	1,728	1,193	44.9%
Operational EBITDA	204	15	n/m	147	39.0%	618	127	n/m
Operational EBITDA margin	41.4%	4.9%		34.4%		35.7%	10.7%	
Operational EBIT	167	-14	n/m	118	41.2%	495	8	n/m
Operational EBIT margin	33.9%	-4.3%		27.7%		28.7%	0.7%	
Operational ROOC	27.1%	-2.4%		19.6%		20.8%	0.4%	
Cash flow from operations	152	43	254.6%	184	-17.3%	490	96	n/m
Cash flow after investing activities	119	13	n/m	157	-23.8%	391	-1	n/m
Pulp deliveries, 1 000 tonnes	678	649	4.4%	598	13.4%	2,576	2,427	6.1%

The comparative figures have been restated in accordance with the change in presentation of certain consolidation adjustments, as described in the section Basis of preparation

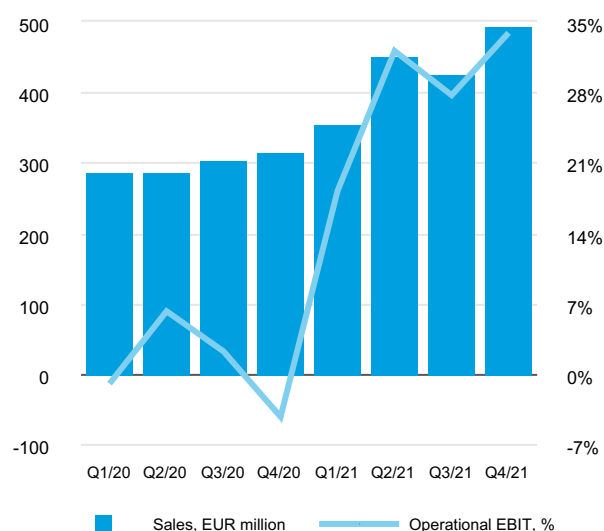
- Sales increased by 57%, or EUR 180 million, to an all-time high level of EUR 494 million, driven by significantly higher pulp prices and record high deliveries.
- Operational EBIT increased by EUR 181 million to an all-time high level of EUR 167 million. Significantly higher sales prices, lower maintenance costs, impacted by changes in the maintenance schedule, and higher volumes improved profitability.
- Operational ROOC clearly exceeded the long-term target level at 27.1% (-2.4%), driven by improved profitability.
- Stora Enso launched NaturaFluff Eco by Stora Enso, a new fluff pulp grade with a lower carbon footprint. NaturaFluff Eco is an oxygen-delignified fluff pulp, where no bleaching chemicals are used in its production. The fluff pulp has circa 30% lower carbon footprint in comparison to traditional fluff pulp, without compromising product performance.
- Stora Enso ceased the deliveries and production of dissolving pulp.

Market development during Q4

Product	Market	Demand Q4/21 compared with Q4/20	Demand Q4/21 compared with Q3/21	Price Q4/21 compared with Q4/20	Price Q4/21 compared with Q3/21
Softwood pulp	Europe	Stable	Stable	Significantly higher	Significantly higher
Hardwood pulp	Europe	Slightly stronger	Stable	Significantly higher	Significantly higher
Hardwood pulp	China	Slightly weaker	Slightly stronger	Significantly higher	Significantly lower

Source: PPPC, Fastmarket FOEX, Fastmarket RISI, Stora Enso

Sales and operational EBIT



Operational ROOC

27.1%

Target: >15%

Scheduled annual maintenance shutdowns

	2022	2021
Q1	Montes del Plata	–
Q2	Enocell	–
Q3	Sunila	Enocell, Skutskär and Sunila
Q4	–	Veracel

Wood Products division

Record high fourth quarter profitability driven by high prices and a balanced product mix

The Wood Products division is one of the largest sawnwood producers in Europe and a leading provider of sustainable wood-based solutions for the construction industry globally. The growing Building Solutions business offers building concepts to support low-carbon construction and eco-friendly designs. Stora Enso develops digital tools to simplify the design and construction of building projects with wood. In addition, we offer applications for windows, doors and packaging industries, as well as pellets for sustainable heating solutions.

EUR million	Q4/21	Q4/20	Change % Q4/21- Q4/20	Q3/21	Change % Q4/21- Q3/21	2021	2020	Change % 2021-2020
Sales	510	360	41.6%	503	1.3%	1,872	1,386	35.0%
Operational EBITDA	101	44	127.7%	135	-25.3%	410	160	156.3%
Operational EBITDA margin	19.8%	12.3%		26.8%		21.9%	11.6%	
Operational EBIT	89	33	170.1%	123	-27.8%	364	114	218.6%
Operational EBIT margin	17.5%	9.2%		24.5%		19.5%	8.3%	
Operational ROOC	53.1%	23.5%		76.5%		59.4%	19.1%	
Cash flow from operations	105	79	33.3%	97	8.1%	313	211	48.3%
Cash flow after investing activities	83	74	12.4%	85	-1.9%	252	181	38.9%
Wood products deliveries, 1 000 m ³	1,105	1,155	-4.4%	1,044	5.8%	4,508	4,407	2.3%

The comparative figures have been restated in accordance with the change in presentation of certain consolidation adjustments, as described in the section Basis of preparation.

- Sales increased by 42%, or EUR 150 million to EUR 510 million. Record high prices supported by solid demand and a balanced mix continued to drive topline growth, despite slightly lower classic sawn deliveries.
- Operational EBIT increased by EUR 56 million to a record high fourth quarter level of EUR 89 million. Extraordinary high profitability continued driven by record prices, which more than offset clearly higher raw material costs and higher production-related costs.
- Operational ROOC remained clearly above the long-term target at 53.1% (23.5%), due to record high profitability, despite clear increase in capital base mainly due to the on-going investments in Building Solutions.
- Stora Enso's strategic focus market, mass timber construction, continues to grow. A slight decrease in the number of building projects is compensated by an extensive increase in the average project size, based on Stora Enso's current strong project pipeline in office, school and health building types.
- There are several initiatives ongoing to implement the division's strategy to grow in value-added products, including:
 - The EUR 79 million investment in a new CLT line in Czech Republic will start ramp-up during the third quarter.
 - At the Varkaus sawmill, Stora Enso is building a plant to produce wood pellets from sawmill by-products such as cutter chips, dry wood chips and sawdust.

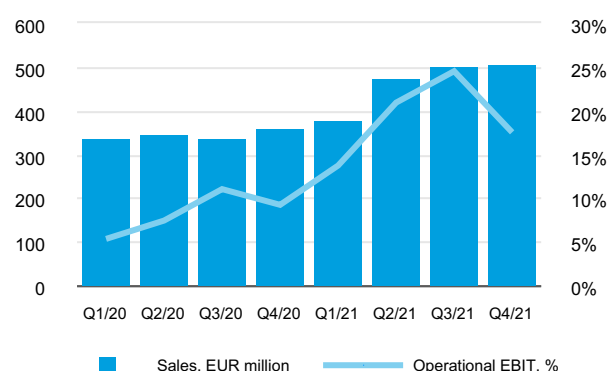
Market development during Q4

Product	Market	Demand Q4/21 compared with Q4/20	Demand Q4/21 compared with Q3/21	Price Q4/21 compared with Q4/20	Price Q4/21 compared with Q3/21
Wood products	Europe	Significantly weaker	Significantly weaker	Significantly higher	Lower

Source: Stora Enso

Sales and operational EBIT

Operational ROOC



53.1%

Target: >20%

Forest division

Strong profitability driven by good operational performance

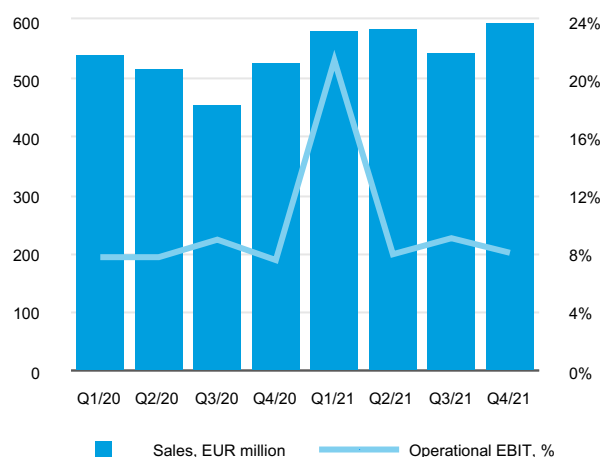
The Forest division creates value through sustainable forest management, competitive wood supply and innovation. Forests are the foundation for Stora Enso's renewable offerings. The division manages Stora Enso's forest assets in Sweden and a 41% share of Tornator, whose forest assets are mainly located in Finland. It is also responsible for wood sourcing for Stora Enso's Nordic, Baltic and Russian operations and B2B customers. Stora Enso is one of the biggest private forest owners in the world.

EUR million	Q4/21	Q4/20	Change % Q4/21- Q4/20	Q3/21	Change % Q4/21- Q3/21	2021	2020	Change % 2021-2020
Sales	597	527	13.2%	546	9.5%	2,311	2,046	13.0%
Operational EBITDA	60	53	14.2%	63	-4.9%	318	215	47.6%
Operational EBITDA margin	10.1%	10.0%		11.6%		13.7%	10.5%	
Operational EBIT	48	39	21.4%	49	-3.0%	267	162	64.6%
Operational EBIT margin	8.0%	7.5%		9.0%		11.5%	7.9%	
Operational ROCE	3.6%	3.7%		3.9%		5.1%	3.8%	
Cash flow from operations	74	39	87.6%	12	n/m	158	202	-21.4%
Cash flow after investing activities	61	30	101.9%	4	n/m	112	165	-32.0%
Wood deliveries, 1 000 m ³	9,713	9,956	-2.4%	9,454	2.7%	39,652	37,369	6.1%
Operational fair value change of biological assets	20	14	41.0%	22	-9.7%	82	70	17.0%

The comparative figures have been restated in accordance with the change in presentation of certain consolidation adjustments, as described in the section Basis of preparation.

- Sales increased by 13%, or EUR 70 million to EUR 597 million, driven by improved product mix and wood prices, especially for logs.
- Operational EBIT increased by EUR 9 million to a record high fourth quarter level of EUR 48 million. The profitability improvement was driven by Stora Enso's own forest assets, mainly related to higher wood prices and wind power projects in Finland and Sweden.
- Operational ROCE remained above the long-term target at 3.6% (3.7%), despite a clear increase in capital base after an increase in biological and forest land values of Stora Enso's own forest assets in Nordics.
- The value of Stora Enso's forest assets, including plantations, leased land and Stora Enso's share of Tornator, increased to EUR 8.0 (7.3) billion.
- Stora Enso divested its 20% ownership in the Arapoti plantations in Brazil, considered a non-core asset, to Arauco Forest Brasil S.A.

Sales and operational EBIT



Operational ROCE

3.6%

Target: >3.5%

Total value of the Group's forest assets

8.0

EUR billion

Paper division

Turnaround ongoing, cost inflation mitigated by price increases

Stora Enso is one of the major paper producers in Europe, with an established customer base and a wide product portfolio for print and office use. Customers benefit from Stora Enso's selection of paper grades made from recycled and virgin fiber, our technical and operational expertise and sustainability know-how, and our sales and customer service centre network.

EUR million	Q4/21	Q4/20	Change % Q4/21- Q4/20	Q3/21	Change % Q4/21- Q3/21	2021	2020	Change % 2021-2020
Sales	389	476	-18.3%	441	-11.8%	1,703	1,979	-14.0%
Operational EBITDA	6	19	-66.5%	-13	147.9%	-48	66	-172.9%
Operational EBITDA margin	1.6%	4.0%		-3.0%		-2.8%	3.3%	
Operational EBIT	-10	-5	-112.3%	-31	67.7%	-124	-38	-224.7%
Operational EBIT margin	-2.6%	-1.0%		-7.0%		-7.3%	-1.9%	
Operational ROOC	-29.9%	-3.4%		-74.2%		-40.3%	-6.6%	
Cash flow from operations	3	70	-95.5%	-20	115.9%	-25	110	-122.5%
Cash flow after investing activities	-11	53	-121.2%	-34	67.0%	-77	36	n/m
Cash flow after investing activities to sales, %	-2.9%	11.1%		-7.7%		-4.5%	1.8%	
Paper deliveries, 1 000 tonnes	615	792	-22.2%	747	-17.6%	2,872	3,106	-7.5%
Paper production, 1 000 tonnes	529	731	-27.6%	762	-30.6%	2,776	3,034	-8.5%

The comparative figures have been restated in accordance with the change in presentation of certain consolidation adjustments, as described in the section Basis of preparation.

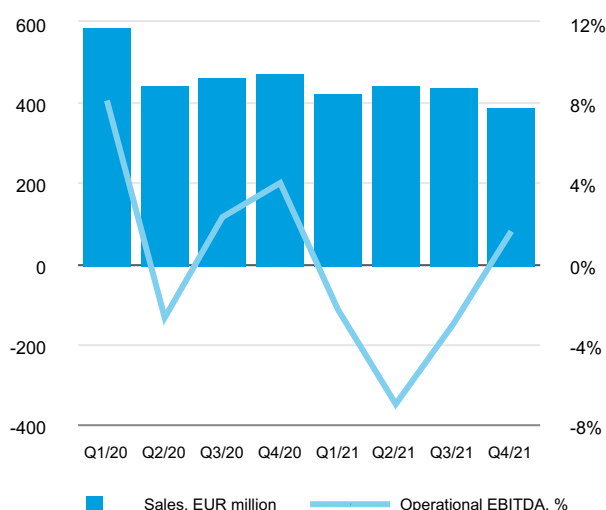
- Sales decreased by 18% or EUR 87 million, to EUR 389 million, driven by the Veitsiluoto and Kvarnsveden site closures and the conversion at Oulu site. Sales from retained business increased by 12% or EUR 58 million mainly due to increased paper prices in all product lines.
- Operational EBIT decreased by EUR 5 million to EUR -10 million. Higher paper prices were more than offset by clearly higher variable costs, mainly for paper for recycling (PFR) and energy. Structural changes decreased fixed costs as well as volumes.
- Cash flow after investing activities to sales ratio, -2.9% (11.1%), decreased to clearly below the long-term target, mainly due to lower profitability, reduction in restructuring provisions and changes in operating working capital. Cash flow after investing activities to sales ratio for retained businesses was 7.4%.

Market development during Q4

Product	Market	Demand Q4/21 compared with Q4/20	Demand Q4/21 compared with Q3/21	Price Q4/21 compared with Q4/20	Price Q4/21 compared with Q3/21
Paper	Europe	Weaker	Stable	Higher	Higher

Source: PPPC

Sales and operational EBITDA



Cash flow after investing activities to sales¹

-2.9%

Target: >7%

Scheduled annual maintenance shutdowns

	2022	2021
Q1	–	Nymölla
Q2	Hylte	–
Q3	Anjala, Nymölla	–
Q4	Hylte	Anjala, Nymölla

¹ The Paper division's financial target is cash flow after investing activities to sales (non-IFRS), because the division's goal is to generate cash flow for the Group so that it can transform into a renewable materials growth company.

Segment Other

The segment Other includes Stora Enso's shareholding in the energy company Pohjolan Voima (PVO), and the Group's shared services and administration.

EUR million	Q4/21	Q4/20	Change % Q4/21- Q4/20	Q3/21	Change % Q4/21- Q3/21	2021	2020	Change % 2021-2020
Sales	285	231	23.4%	302	-5.7%	1,092	928	17.7%
Operational EBITDA	-4	-7	39.5%	5	-185.5%	-9	-3	-214.6%
Operational EBITDA margin	-1.5%	-3.1%		1.7%		-0.8%	-0.3%	
Operational EBIT	-17	-16	-12.1%	-3	n/m	-48	-35	-35.4%
Operational EBIT margin	-6.1%	-6.7%		-1.1%		-4.4%	-3.8%	
Cash flow from operations	32	5	n/m	-27	218.5%	-48	-17	-185.6%
Cash flow after investing activities	27	1	n/m	-28	195.9%	-62	-27	-131.9%

- Sales increased by EUR 54 million to EUR 285 million, mainly due to higher energy and logistic service sales.
- Operational EBIT decreased by EUR 1 million to EUR -17 million. Higher energy services result driven by increased electricity prices was more than offset by higher overall costs.

Financing in the fourth quarter of 2021 (compared with Q3/2021)

Capital structure

EUR million	31 Dec 2021	30 Sep 2021	30 Jun 2021	31 Mar 2021	31 Dec 2020
Operative fixed assets ¹	13,696	12,926	12,687	12,444	12,566
Equity accounted investments	580	470	462	448	456
Operative working capital, net	448	656	643	712	531
Non-current interest-free items, net	-417	-440	-465	-464	-561
Operating Capital Total	14,307	13,612	13,326	13,141	12,993
Net tax liabilities	-1,331	-1,186	-1,158	-1,210	-1,279
Capital Employed	12,976	12,426	12,169	11,931	11,714
Equity attributable to owners of the Parent	10,683	9,769	9,207	8,709	8,809
Non-controlling interests	-16	-15	-13	-14	-16
Net interest-bearing liabilities	2,309	2,672	2,975	3,236	2,921
Financing Total	12,976	12,426	12,169	11,931	11,714

¹ Operative fixed assets include goodwill, other intangible assets, property, plant and equipment, right-of-use assets, forest assets, emission rights, and unlisted securities.

Cash and cash equivalents net of overdrafts increased by EUR 192 million to EUR 1,480 million. Net debt decreased by EUR 363 million to EUR 2,309 (EUR 2,672) million, mainly as a result of strong cash flow after investing activities during the fourth quarter. The ratio of net debt to the last 12 months' operational EBITDA decreased to 1.1 (1.4) due to lower net debt and higher operational EBITDA. The net debt/equity ratio on 31 December 2021 decreased to 0.22 (0.27). The average interest expense rate on borrowings increased slightly to 3.1% (3.0%).

Stora Enso signed a 5-year EUR 700 million committed revolving credit facility during the quarter. The pricing is partly linked to meeting emission targets on Scope 1&2 and Scope 3. The facility was undrawn at the end of the quarter.

Fair valuation of forest assets and Pohjolan Voima Oy (PVO)

The value of total forest assets, including leased land and Stora Enso's share of Tornator's forest assets, increased by EUR 551 million to EUR 7,966 (7,415) million in Q4/2021. The increase is driven by higher market transaction-based prices and the inclusion of retention areas in Sweden. In Tornator new growth models applied in the valuation and other changes increased the forest asset value.

The fair value of biological assets, including Stora Enso's share of Tornator, increased by EUR 456 million in Q4/2021 to EUR 5,453 (4,997) million. The value of forest land, including leased land and Stora Enso's share of Tornator, increased by EUR 96 million in Q4/2021 to EUR 2,514 (2,418) million.

The fair value of PVO shares increased in the quarter by EUR 195 million to EUR 900 million, mainly due to increased electricity prices. The fair valuation changes are reported in Other comprehensive income.

Cash flow in the fourth quarter of 2021 (compared with Q3/2021)

Operative cash flow

EUR million	Q4/21	Q4/20	Change % Q4/21- Q4/20	Q3/21	Change % Q4/21- Q3/21	2021	2020	Change % 2021-2020
Operational EBITDA	602	274	120.0%	570	5.5%	2,184	1,270	71.9%
IAC on operational EBITDA	-13	-8	-70.1%	-32	59.2%	-213	-25	n/m
Other adjustments	-60	-42	-44.3%	-26	-126.7%	-194	-97	-100.9%
Change in working capital	90	212	-57.5%	-27	n/m	-25	195	-112.6%
Cash flow from operations	619	436	41.9%	485	27.6%	1,752	1,344	30.4%
Cash spent on fixed and biological assets	-193	-213	9.6%	-138	-40.0%	-645	-661	2.5%
Acquisitions of equity accounted investments	-2	-1	-291.9%	0	n/m	-6	-2	-203.5%
Cash flow after investing activities	424	223	90.4%	347	22.0%	1,101	680	61.9%

Cash flow after investing activities was strong at EUR 424 million. Working capital decreased by EUR 90 million, mainly due to increased trade payables. Cash spent on fixed and biological assets was EUR 193 million. Payments related to the previously announced provisions amounted to EUR 54 million.

Capital expenditure in the fourth quarter of 2021 (compared with Q4/2020)

Additions to fixed and biological assets totalled EUR 288 (303) million, of which EUR 273 (287) million were fixed assets and EUR 16 (16) million biological assets. Depreciations and impairment charges excluding IACs totalled EUR 145 (136) million. Additions in fixed and biological assets had a cash outflow impact of EUR 193 (213) million.

Capital expenditure by division

EUR million	Q4/21	2021	
Packaging Materials	146	359	including the Oulu conversion project, the wood handling upgrade at Imatra, both in Finland, and the Skoghall board machine 8 capacity increase in Sweden
Packaging Solutions	18	34	
Biomaterials	51	115	including the lignin related investments at Sunila in Finland
Wood Products	25	66	including the cross laminated timber (CLT) investment at Ždírec in the Czech Republic
Forest	13	27	
Paper	29	55	
Total	288	666	

Capital expenditure and depreciation forecast 2022

EUR million	Forecast 2022
Capital expenditure	640–680
Depreciation and depletion of capitalised silviculture costs	610–650

Stora Enso's capital expenditure forecast includes approximately EUR 70 million for the Group's forest assets. The depletion of capitalised silviculture costs is forecast to be EUR 65–80 million.

Key sustainability targets and performance

Safety performance

	Q4/21	Q4/20	Q3/21	2021	2020	Milestone	Milestone to be reached by
TRI rate ^{1,2}	5.5	6.7	7.3	6.2	6.1	4.0	end of 2021

TRI (Total recordable incident) rate = number of incidents per one million hours worked

¹ For own employees, including employees of the joint operations Veracel and Montes del Plata

² Historical figures for TRI rate recalculated due to additional data received after the previous Interim Reports.

The Group's safety milestone for 2021 was not reached. The areas for improvement are being addressed in the strategic Safety Roadmap from 2021. The new milestone will be communicated in the interim report for Q1 2022.

Covid-19 impacts on employees and contractors remained stable and under control during the fourth quarter.

Climate change

Science-based target (SBT) performance compared to 2019 base-year level

	31 Dec 2021	30 Sep 2021	31 Dec 2020	Target	Target to be reached by
Reduction of fossil CO ₂ e emissions (tonnes) ¹ , %	-14%	-14%	-13%	-50%	end of 2030

¹ Direct fossil CO₂e emissions from production and indirect fossil CO₂e emissions related to purchased electricity and heat (Scope 1 and 2). Excluding joint operations. Rolling four quarters.

Stora Enso's updated science-based target is to reduce absolute scope 1 and 2 greenhouse gas (GHG) emissions from operations by 50% by 2030 from the 2019 base year, in line with the 1.5-degree scenario. Stora Enso also commits to reduce scope 3 GHG emissions by 50% by 2030 from the 2019 base year. The scope 3 performance data will be reported in the 2021 Annual Report.

Biodiversity and sustainable forestry

Forest certification coverage

	31 Dec 2021	31 Dec 2020	31 Dec 2019	Target
% of the land owned or leased by Stora Enso that is in wood production and harvesting covered by forest certification schemes ¹	99%	99%	99%	96%

¹As of 2021 the reporting scope on total land area and its forest certification coverage aligned with financial reporting on forests assets. Historical figures recalculated for comparability.

The forest certification coverage for Stora Enso's owned and leased lands remained stable. Biodiversity is an integral part of forest certifications including protection of valuable ecosystems. In 2022, the reporting will be complemented by selected biodiversity indicators on the Group's website.

Sustainable sourcing

Implementation of the Supplier Code of Conduct

	31 Dec 2021	30 Sep 2021	31 Dec 2020	Target
% of supplier spend covered by the Supplier Code of Conduct ¹	96%	96%	96%	95%

¹ Excluding joint operations, intellectual property rights, leasing fees, financial trading, government fees such as customs, and wood purchases from private individual forest owners.

Stora Enso's key performance indicator (KPI) for sustainable sourcing measures the proportion of total supplier spend covered by its Supplier Code of Conduct (SCoC), including all categories and regions. By the end of the year, 96% of Stora Enso's spend on materials, goods, and services was covered by the SCoC.

Other

Stora Enso actively participates in following ESG assessment schemes:

ESG rating	Stora Enso score	Change vs previous score	Rating against peers	Last update
CDP	Climate A-* Forest A- Water B	Unchanged	Clearly above the industry average level	Q4/2021
FTSE Russell	4.2 out of 5.0	Improved from 4.1 to 4.2	Clearly above the industry average level	Q2/2021
ISS Corporate Rating	B- / A+	No change	Among highest decile rank in the industry sector	Q2/2021
ISS QualityScore	Governance 4 Social 1 Environment 1	Improved in Social from 2 to 1**	Clearly above the industry average level	Q4/2021
MSCI	AAA / AAA	Improved from AA to AAA	Clearly above the industry average level	Q3/2021
Sustainalytics	18.0 out of 40.0	Improved from 19.6 to 18.0***	Clearly above the industry average level	Q2/2021
VigeoEiris****	73 out of 100	Improved from 68 to 73	Highest ranked company in the industry	Q3/2021

*Ongoing appeal process for Climate

** 1 indicating the lowest risk

*** "0 risk" being the highest possible score

**** V.E. part of Moody's ESG solutions

In October, Stora Enso was ranked the most sustainable listed company in our sector in Sweden by Dagens Industri, Aktuell Hållbarhet, and Lund University School of Economics and Management.

For the fourth consecutive year, Stora Enso's Sustainability report was included in the top ten sustainability reports globally, according to the World Business Council for Sustainable Development (WBCSD). In addition, Stora Enso's Sustainability Report 2020 was top ranked in Finland in a competition organised by an independent group of expert organisations, and was the winner of the stakeholder category, this year chosen by the Finnish Climate Fund.

EU Taxonomy

The European Commission presented a new growth strategy in 2019, the European Green Deal, with the aim to reduce net greenhouse gas emissions to zero by 2050 and to support economic growth through the most efficient and sustainable use of natural resources.

Regulation (EU) 2020/852 of the European Parliament and Council (the 'Taxonomy Regulation') was introduced for a common classification system for sustainable economic activities. The aim is to scale up sustainable investments and redirect capital flows towards technologies and businesses that are considered to be sustainable.

For the fiscal year 2021 reporting, non-financial undertakings shall only disclose the proportion of the Taxonomy eligible and Taxonomy non-eligible economic activities in their total turnover, capital and operational expenditure.

The emphasis is currently on the most carbon intensive industries and on green energy and innovations. Hence, Stora Enso has, as a forest products company, only a few relevant economic activity categories to report on. The most relevant categories for Stora Enso are forest management in its own forests, manufacturing of wooden-based materials and components for improving buildings' energy efficiency, and bio-based electricity and heat sales. Since forest industry and its main products are largely out of scope, the Taxonomy eligible KPI figures are low.

More information is included in Stora Enso's Annual Report 2021, which will be published on 10 February 2022 at storaenso.com/annualreport.

Proportion of taxonomy eligible activities in 2021

	Total EUR million	Taxonomy eligible		Taxonomy non-eligible	
		%	EUR million	%	EUR million
Turnover ¹	10,177	5%	483	95%	9,694
CAPEX	666	4%	27	96%	639
OPEX	619	6%	38	94%	581

¹ In the taxonomy, turnover includes also rental income, therefore the figure differs slightly from the Group sales.

Short-term risks and uncertainties

Covid-19 and its economic and societal consequences continue to pose a critical threat to the world and Stora Enso's business environment. Global vaccine inequality and new lockdowns and restrictions in many countries to contain the spread of new virus mutations risk compounding social fractures and slow the economic recovery and demand.

While growing geopolitical tensions and divergence may slow economic growth and dampen consumer sentiments, the boundaries of international law and cooperation in tense geopolitical areas, such as the Russia-Ukraine border and the Taiwan strait, are also increasingly being tested and the risk of large-scale conflicts and serious market disruptions have increased short term.

Commodity, energy, and logistics prices and availability of transportation are likely to remain volatile going forward as a result of continued supply chain disturbances, growing tensions between Europe and Russia, China's energy shortage, and transition

challenges from disinvestment in fossil fuel reserves. This could have a material impact on Stora Enso, since the Group's operational and financial performance is susceptible to rapid changes in the cost or availability of raw materials such as roundwood and paper for recycling, and in energy and transport costs.

Moreover, sharp market corrections, increasing volatility in foreign exchange rates and deteriorating economic conditions in the main markets could all affect Stora Enso's profits, cash flow and financial position. Many of these risks are increasing as inflation has accelerated in many countries because of pandemic-related disruptions to supply chains combined with resurgent consumer demand and higher commodity prices.

Stora Enso has been granted various investment subsidies and has given certain investment commitments in different countries e.g. Finland, China and Sweden. If committed planning conditions are not met, local officials may pursue administrative measures to reclaim some of the formerly granted investment subsidies or to impose penalties on Stora Enso, and the outcome of such a process could result in a negative financial impact on Stora Enso.

Other risks and uncertainties include, but are not limited to; general industry conditions, unanticipated expenditures related to the cost of compliance with existing and new environmental and other governmental regulations, and related to actual or potential litigation; material process disruption at one of our manufacturing facilities with operational or environmental impacts; risks inherent in conducting business through joint ventures; and other factors that can be found in Stora Enso's press releases and disclosures.

A more detailed description of risks will be included in Stora Enso's Annual Report 2021, which will be published on 10 February 2022 at storaenso.com/annualreport.

Sensitivity analysis

Energy sensitivity analysis: the direct effect of a 10% increase in electricity and fossil fuel market prices would have a negative impact of approximately EUR 32 million on operational EBIT for the next 12 months.

Wood sensitivity analysis: the direct effect of a 10% increase in wood prices would have a negative impact of approximately EUR 201 million on operational EBIT for the next 12 months.

Pulp sensitivity analysis: the direct effect of a 10% increase in pulp market prices would have a positive impact of approximately EUR 150 million on operational EBIT for the next 12 months.

Chemical and filler sensitivity analysis: the direct effect of a 10% increase in chemical and filler prices would have a negative impact of approximately EUR 36 million on operational EBIT for the next 12 months.

A decrease of energy, wood, pulp or chemical and filler prices would have the opposite impact.

Foreign exchange rates transaction risk sensitivity analysis for the next twelve months: the direct effect on operational EBIT of a 10% strengthening in the value of the US dollar, Swedish krona and British pound would be approximately positive EUR 171 million, negative EUR 19 million and positive EUR 35 million annual impact, respectively. Weakening of the currencies would have the opposite impact. These numbers are before the effect of hedges and assuming no changes occur other than a single currency exchange rate movement in an exposure currency.

The Group's consolidated income statement on operational EBIT level is exposed to a foreign-currency translation risk worth approximately EUR 111 million expense exposure in Brazilian real (BRL) and approximately EUR 83 million income exposure in Chinese Renminbi (CNY). These exposures are arising from the foreign subsidiaries and joint-operations located in Brazil and China, respectively. For these exposures a 10% strengthening in the value of a foreign currency would have a negative EUR 11 million and a positive EUR 8 million impact on operational EBIT, respectively.

Legal proceedings

Contingent liabilities

Stora Enso has undertaken significant restructuring actions in recent years which have included the divestment of companies, sale of assets and mill closures. These transactions include a risk of possible environmental or other obligations the existence of which would be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A provision has been recognised for obligations for which the related amount can be estimated reliably and for which the related future cost is considered to be at least probable.

Stora Enso is party to legal proceedings that arise in the ordinary course of business and which primarily involve claims arising out of commercial law. The management does not consider that liabilities related to such proceedings before insurance recoveries, if any, are likely to be material to the Group's financial condition or results of operations.

European Commission inspection

As announced in Stora Enso's stock exchange release on 12 October 2021, the European Commission has conducted unannounced inspections in locations at several member states at the premises of companies active in the wood pulp sector. Stora Enso was included in the European Commission's inspection at its headquarters in Kanavaranta, Finland.

Stora Enso is cooperating fully with the authorities. As stated by the Commission, the fact that they carry out such inspections does not mean that the companies are guilty of anti-competitive behaviour nor does it prejudice the outcome of the investigation itself.

Stora Enso is under strict confidentiality rules regarding the details of the ongoing European Commission investigation and cannot pre-empt or speculate regarding the next steps or eventual outcome of the investigation.

Legal proceedings in South America

Veracel

On 11 July 2008, Stora Enso announced that a federal judge in Brazil had issued a decision claiming that the permits issued by the State of Bahia for the operations of Stora Enso's joint operations company Veracel were not valid. The judge also ordered Veracel to take certain actions, including reforestation with native trees on part of Veracel's plantations and a possible fine of, at the time of the decision, BRL 20 (EUR 3) million. Veracel disputes the decision and has filed an appeal against it. Veracel operates in full compliance with all Brazilian laws and has obtained all the necessary environmental and operating licences for its industrial and forestry activities from the relevant authorities. In November 2008, a Federal Court suspended the effects of the decision. No provisions have been recorded in Veracel's or Stora Enso's accounts for the reforestation or the possible fine.

Changes in Group management in 2021

René Hansen was appointed EVP, Brand and Communications and a member of the Group Leadership Team. He joins Stora Enso from a position as Vice President, Head of Brand Management at Yara International. He will start in February 2022. He succeeds **Ulrika Lilja**, EVP, Communications and Marketing, who left her position at Stora Enso in September.

Johanna Hagelberg was appointed EVP Biomaterials division in December. She was previously EVP Sourcing and Logistics, The previous EVP Biomaterial division, **Markus Mannström**, left his position at Stora Enso in December.

Annual General Meeting in 2021

Stora Enso's Annual General Meeting (AGM) was held on 19 March 2021 at the Company's Head Office in Helsinki, Finland. In order to prevent the spread of the Covid-19 pandemic, a shareholder or his/her proxy representative could not be present at the venue of the meeting.

The AGM approved the proposal by the Board of Directors that the Company distributes a dividend of EUR 0.30 per share for the year 2020. More information about the AGM in 2021 can be found in the release [Stora Enso's Annual General Meeting and decisions by the Board of Directors](#).

Shareholders' Nomination Board

The Shareholders' Nomination Board, established by Stora Enso's Annual General Meeting (AGM), was appointed in September and it consists of the following members: Antti Mäkinen (Chair of Stora Enso's Board of Directors), Håkan Buskhe (Vice Chair of Stora Enso's Board of Directors), Harri Sailas (Chair of the Board of Directors of Solidium Oy), and Marcus Wallenberg (Chair of the Board of Directors of FAM AB). The Shareholders' Nomination Board elected Marcus Wallenberg as its Chair.

The Shareholders' Nomination Board proposes to the AGM to be held on 15 March 2022 that the Company's Board of Directors shall have nine (9) members.

The Shareholders' Nomination Board proposes that of the current members of the Board of Directors, Håkan Buskhe, Elisabeth Fleuriot, Hock Goh, Helena Hedblom, Christiane Kuehne, Antti Mäkinen, Richard Nilsson and Hans Sohlström be re-elected members of the Board of Directors until the end of the following AGM and that Kari Jordan be elected new member of the Board of Directors for the same term of office.

The Shareholders' Nomination Board proposes that Antti Mäkinen be elected Chair and Håkan Buskhe be elected Vice Chair of the Board of Directors. Mikko Helander announced that he is not available for re-election to the Board of Directors.

Annual General Meeting 2022

Stora Enso Oyj's Annual General Meeting (AGM) will be held on Tuesday 15 March 2022.

The Company will publish the invitation to the Annual General Meeting 2022 on or about 10 February 2022 with more detailed information on the participation and voting at the meeting. More information is available at storaenso.com/agm

The proposals by the Shareholders' Nomination Board to the AGM 2022 have been released on 11 January 2022 and the proposals by the Board of Directors on 28 January 2022. Stora Enso Oyj's annual accounts, the report of the Board of Directors and the auditor's report for 2021 will be published at storaenso.com/annualreport during the week commencing 7 February.

The Annual General Meeting 2022 will be held with exceptional procedures based on the temporary legislative act to limit the spread of the Covid-19 pandemic approved by the Finnish Parliament.

The Board of Directors' dividend proposal

The Board of Directors proposes to the AGM that a dividend of EUR 0.55 per share be distributed on the basis of the balance sheet adopted for the year 2021. The Board of Directors has assessed the Company's financial situation and liquidity before making the proposal. There have been no material changes in the parent company's financial position since 31 December 2021, the liquidity of the parent company remains good and the proposed dividend does not risk the solvency of the company. Stora Enso's policy is to distribute 50% of earnings per share (EPS) excluding fair valuations over the cycle. In 2021, EPS excluding fair valuations was EUR 1.19.

The dividend would be paid to shareholders who on the record date of the dividend payment, 17 March 2022, are recorded in the shareholders' register maintained by Euroclear Finland Oy or in the separate register of shareholders maintained by

Euroclear Sweden AB for Euroclear Sweden registered shares. Dividends payable to Euroclear Sweden registered shares will be forwarded by Euroclear Sweden AB and paid in Swedish crowns. Dividends payable to ADR holders will be forwarded by Citibank N.A. and paid in US dollars.

The Board of Directors proposes to the AGM that the dividend be paid on or about 24 March 2022.

Share capital and shareholdings

During the fourth quarter of 2021, the conversions of 4,584 A shares into R shares were recorded in the Finnish trade register.

During 2021, a total of 10,366 A shares converted into R shares were recorded in the Finnish trade register.

On 31 December 2021, Stora Enso had 176,244,049 A shares and 612,375,938 R shares in issue. The company did not hold its own shares. The total number of Stora Enso shares in issue was 788,619,987 and the total number votes at least 237,481,642.

Events during the period

During the quarter, Stora Enso entered into company-specific collective labour agreements with unions in Finland, regarding all contracts that were bound to end by the end of the year. Negotiations with other labour unions continue.

Events after the period

On 17 January, the conversion of 705 A shares into R shares was recorded in the Finnish trade register.

On 28 January, Stora Enso announced an investment of EUR 40 million in enhancing operational and carbon footprint performance for fluff pulp production at the Skutskär site.

This report has been prepared in English, Finnish, and Swedish. If there are any variations in the content between the versions, the English version shall govern. This report is unaudited.

Helsinki, 28 January 2022

Stora Enso Oyj

Board of Directors

Financials

Basis of Preparation

This unaudited interim financial report has been prepared in accordance with the accounting policies set out in International Accounting Standard 34 on Interim Financial Reporting and in the Group's Financial Report for 2020 with the exception of new and amended standards applied to the annual periods beginning on 1 January 2021 and changes in accounting principles described below.

All figures in this Interim Report have been rounded to the nearest million, unless otherwise stated. Therefore, percentages and figures in this report may not add up precisely to the totals presented and may vary from previously published financial information.

Changes in accounting principles

Changes in Segments presentation

Stora Enso has changed the presentation of certain consolidation adjustments in the segment reporting from 1 January 2021 onwards. When Stora Enso companies sell materials and finished products to other companies within the Group and part of the sold items remain in the receiving company's inventory at the end of the reporting period, the related internal profit is eliminated from the consolidated figures. Under previous presentation principles this internal profit has been fully eliminated at the segment level.

From 1 January 2021 onwards this internal profit is eliminated from the segment figures only to the extent that the profit is fully internal to a single segment. Internal inventory profits from transactions between segments are not eliminated from the segment figures and instead such elimination is done only at Group level. The new presentation is considered to be more reflective of the division specific performance. The comparative figures have been restated accordingly. The new presentation does not affect the Group's total figures.

Cloud computing arrangement costs

Stora Enso has changed its accounting principles to comply with Agenda decision 2 related to IAS 38 Intangible Assets: Configuration or Customisation Costs in a Cloud Computing Arrangement. The second agenda decision addresses how a customer should account for the costs of configuring or customising the supplier's application software in a SaaS arrangement. It includes guidelines when configuration and customisation costs result in the recognition of an intangible asset, when expensed and when considered as a prepayment. The changes in accounting principles do not have any material impact on Stora Enso's consolidated financial statements or disclosures for the current or previous reporting periods.

Accounting implications of the effects of Covid-19

The Group has continued to assess the potential accounting implications of decreased economic activity as a result of Covid-19 pandemic. The Group has also assessed impact on significant accounting estimates and management judgement and identified certain items, which have been evaluated in more detail. In Q1/2021 the review of significant estimates and judgements resulted in asset impairments of EUR 127 million in the Paper division in connection with the planned closure of Kvarnsveden and Veitsiluoto mills.

IAS 36 requires non-financial assets to be tested for impairment whenever there is an indicator those assets might be impaired and in addition goodwill is tested at least every year. The uncertainty in the economic environment may decrease the reliability of long-term forecasts used in the impairment testing models.

Trade receivables and related expected credit losses as well as valuation of slow moving and obsolete finished goods and spare parts are under constant review. During Q4/2021, there were no material increases of credit loss allowances for trade receivables recognised.

The Group's units in some countries have received various forms of assistance from the authorities intended to support employment or temporarily improve cash flows. The savings in income statement or cash flow improvements from the obtained relief measures have not been material for Stora Enso Group during 2021.

Non-IFRS measures

The Group's key non-IFRS performance metric is operational EBIT, which is used to evaluate the performance of its operating segments and to steer allocation of resources to them.

Operational EBIT comprises the operating profit excluding items affecting comparability (IAC) and fair valuations from the segments and Stora Enso's share of the operating profit of equity accounted investments (EAI), also excluding items affecting comparability and fair valuations.

Items affecting comparability are exceptional transactions that are not related to recurring business operations. The most common IAC are capital gains and losses, impairments or impairment reversals, disposal gains and losses relating to Group companies, provisions for planned restructurings, environmental provisions, changes in depreciation due to restructuring and penalties. Items affecting comparability are normally disclosed individually if they exceed one cent per share.

Fair valuations and non-operational items include CO₂ emission rights, non-operational fair valuation changes of biological assets, adjustments for differences between fair value and acquisition cost of forest assets upon disposal and the Group's share of income tax and net financial items of EAI. The adjustments for differences between fair value and acquisition cost of forest assets upon disposal are a result of the fact that the cumulative non-operational fair valuation changes of disposed forest

assets were included in previous periods in IFRS operating profit (biological assets) and other comprehensive income (forest land) and are included in operational EBIT only at the disposal date.

Cash flow from operations (non-IFRS) is a Group specific way to present operative cash flow starting from operational EBITDA instead of operating profit.

Cash flow after investing activities (non-IFRS) is calculated as follows: cash flow from operations (non-IFRS) excluding cash spent on intangible assets, property, plant and equipment, and biological assets and acquisitions of EAls.

Capital expenditure on fixed assets includes investments in and acquisitions of tangible and intangible assets as well as internally generated assets and capitalised borrowing costs, net of any related subsidies. Capital expenditure on leased assets includes new capitalised leasing contracts. Capital expenditure on biological assets consists of acquisitions of biological assets and capitalisation of costs directly linked to growing trees in plantation forests. The cash flow impact of capital expenditure is presented in cash flow from investing activities, excluding lease capex, where the cash flow impact is based on paid lease liabilities and presented in cash flow from financing and operating activities.

The full list of the non-IFRS measures is presented at the end of this report.

The following new and amended standards are applied to the annual periods beginning on 1 January 2021

- Amended standards and interpretations did not have material effect on the Group.

Future standard changes endorsed by the EU but not yet effective in 2021

- No future standard changes endorsed by the EU which would have material effect on the Group.

Condensed consolidated income statement

EUR million	Q4/21	Q4/20	Q3/21	2021	2020
Sales	2,719	2,154	2,577	10,164	8,553
Other operating income	144	34	77	345	147
Change in inventories of finished goods and WIP	-10	-49	89	122	-84
Materials and services	-1,567	-1,296	-1,565	-5,936	-5,043
Freight and sales commissions	-240	-198	-242	-939	-806
Personnel expenses	-332	-332	-307	-1,351	-1,270
Other operating expenses	-170	-96	-121	-610	-394
Share of results of equity accounted investments	114	11	10	143	-1
Change in net value of biological assets	338	234	6	328	428
Depreciation, amortisation and impairment charges	-157	-174	-136	-697	-609
Operating Profit	839	289	386	1,568	922
Net financial items	-46	-30	-37	-149	-150
Profit before Tax	793	260	349	1,419	773
Income tax	-177	-22	-50	-151	-156
Net Profit for the Period	616	237	299	1,268	617
Attributable to					
Owners of the Parent	615	240	301	1,266	626
Non-controlling interests	1	-2	-2	3	-9
Net Profit for the Period	616	237	299	1,268	617
Earnings per Share					
Basic earnings per share, EUR	0.78	0.30	0.38	1.61	0.79
Diluted earnings per share, EUR	0.78	0.30	0.38	1.60	0.79

Consolidated statement of comprehensive income

EUR million	Q4/21	Q4/20	Q3/21	2021	2020
Net profit for the period	616	237	299	1,268	617
Other Comprehensive Income (OCI)					
Items that will Not be Reclassified to Profit and Loss					
Equity instruments at fair value through OCI	195	6	243	501	-136
Actuarial gains and losses on defined benefit plans	-16	75	27	126	20
Revaluation of forest land	86	1,504	-1	225	1,504
Share of OCI of Equity accounted investments (EAI)	18	12	-1	16	12
Income tax relating to items that will not be reclassified	-16	-325	-5	-68	-315
	267	1,273	263	800	1,086
Items that may be Reclassified Subsequently to Profit and Loss					
Cumulative translation adjustment (CTA)	23	117	-7	56	-143
Net investment hedges and loans	8	10	2	14	16
Cash flow hedges and cost of hedging	-1	52	1	-35	54
Share of OCI of Non-controlling Interests (NCI)	-3	0	0	-3	1
Income tax relating to items that may be reclassified	1	-13	0	9	-15
	27	167	-4	42	-87
Total Comprehensive Income	911	1,678	558	2,110	1,616
Attributable to					
Owners of the Parent	912	1,680	560	2,110	1,625
Non-controlling interests	-1	-2	-2	0	-9
Total Comprehensive Income	911	1,678	558	2,110	1,616

CTA = Cumulative Translation Adjustment

OCI = Other Comprehensive Income

EAI = Equity Accounted Investments

Condensed consolidated statement of financial position

EUR million		31 Dec 2021	31 Dec 2020
Assets			
Goodwill	O	282	281
Other intangible assets	O	124	134
Property, plant and equipment	O	5,060	5,007
Right-of-use assets	O	441	452
		5,907	5,874
Forest assets	O	6,747	6,256
Biological assets	O	4,547	4,250
Forest land	O	2,201	2,005
Emission rights	O	137	36
Equity accounted investments	O	580	456
Listed securities	I	13	16
Unlisted securities	O	905	401
Non-current interest-bearing receivables	I	51	93
Deferred tax assets	T	143	117
Other non-current assets	O	34	28
Non-current Assets		14,517	13,276
Inventories	O	1,478	1,270
Tax receivables	T	17	14
Operative receivables	O	1,449	1,145
Interest-bearing receivables	I	84	66
Cash and cash equivalents	I	1,481	1,661
Current Assets		4,509	4,155
Total Assets		19,026	17,431
Equity and Liabilities			
Owners of the Parent		10,683	8,809
Non-controlling Interests		-16	-16
Total Equity		10,666	8,793
Post-employment benefit obligations	O	347	473
Provisions	O	91	102
Deferred tax liabilities	T	1,430	1,332
Non-current interest-bearing liabilities	I	3,313	3,822
Non-current operative liabilities	O	13	13
Non-current Liabilities		5,195	5,743
Current portion of non-current debt	I	180	472
Interest-bearing liabilities	I	444	456
Bank overdrafts	I	1	6
Provisions	O	139	46
Operative liabilities	O	2,339	1,837
Tax liabilities	T	61	78
Current Liabilities		3,165	2,895
Total Liabilities		8,360	8,637
Total Equity and Liabilities		19,026	17,431

Items designated with "O" comprise Operating Capital

Items designated with "I" comprise Net Interest-bearing Liabilities

Items designated with "T" comprise Net Tax Liabilities

Condensed consolidated statement of cash flows

EUR million	2021	2020
Cash Flow from Operating Activities		
Operating profit	1,568	922
Adjustments for non-cash items	209	226
Change in net working capital	-25	195
Cash Flow Generated by Operations	1,752	1,344
Net financial items paid	-140	-134
Income taxes paid, net	-136	-82
Net Cash Provided by Operating Activities	1,476	1,128
Cash Flow from Investing Activities		
Acquisitions of equity accounted investments	-6	-2
Acquisitions of unlisted securities	-1	-14
Cash flow on disposal of subsidiary shares and business operations, net of disposed cash	55	-3
Cash flow on disposal of shares in equity accounted investments	47	0
Cash flow on disposal of unlisted securities	0	1
Cash flow on disposal of forest and intangible assets and property, plant and equipment	105	17
Capital expenditure	-645	-661
Proceeds from non-current receivables, net	-4	-18
Net Cash Used in Investing Activities	-449	-681
Cash Flow from Financing Activities		
Proceeds from issue of new long-term debt	19	1,081
Repayment of long-term debt and lease liabilities	-940	-399
Change in short-term borrowings	-59	-99
Dividends paid	-237	-223
Purchase of own shares ¹	-3	-6
Net Cash Provided by Financing Activities	-1,220	354
Net Change in Cash and Cash Equivalents	-193	801
Translation adjustment	18	-9
Net cash and cash equivalents at the beginning of period	1,655	863
Net Cash and Cash Equivalents at Period End	1,480	1,655
Cash and Cash Equivalents at Period End	1,481	1,661
Bank Overdrafts at Period End	-1	-6
Net Cash and Cash Equivalents at Period End	1,480	1,655
Acquisitions		
Intangible assets and property, plant and equipment	0	25
Tax assets and liabilities	0	-5
Fair value of Net Assets Acquired	0	20
Fair value of Net Assets Acquired	0	-20
Goodwill	0	-20
Disposal of Group companies and business operations		
Cash and cash equivalents, net of bank overdrafts	12	2
Intangible assets, property, plant and equipment and biological assets	32	1
Working capital	10	1
Tax assets and liabilities	9	0
Interest-bearing assets and liabilities	-1	-4
Net Assets in Divested Companies	62	-1
Gain on sale, excluding CTA release and transaction costs	5	0
Total Disposal Consideration	67	-1
Cash part of consideration	67	-1
Cash and cash equivalents in divested companies	-12	-2
Net cash flow from disposal	55	-3

¹ Own shares purchased for the Group's share award programme. The Group did not hold any of its own shares on 31 December 2021.

Statement of changes in equity

EUR million	Fair Value Reserve											Attributable to Owners of the Parent	Non-controlling Interests	Total
	Share Capital	Share Premium and Reserve fund	Invested Non-Restricted Equity Fund	Treasury Shares	Step Acquisition Revaluation Surplus	Equity instruments through OCI	Cash Flow Hedges	Revaluation reserve	OCI of Equity Accounted Investments	CTA and Net Investment Hedges and loans	Retained Earnings			
Balance at 1 January 2020	1,342	77	633	—	4	413	-20	—	—	-136	5,116	7,429	-7	7,423
Net profit for the period	—	—	—	—	—	—	—	—	—	—	626	626	-9	617
OCI before tax	—	—	—	—	—	-136	54	1,504	12	-127	20	1,328	1	1,329
Income tax relating to OCI	—	—	—	—	—	-1	-11	-310	—	-4	-5	-330	—	-330
Total Comprehensive Income	—	—	—	—	—	-137	43	1,195	12	-131	642	1,625	-9	1,616
Dividend	—	—	—	—	—	—	—	—	—	—	-237	-237	—	-237
Acquisitions and disposals	—	—	—	—	-4	—	—	—	—	—	4	—	—	—
Purchase of treasury shares	—	—	—	-6	—	—	—	—	—	—	—	-6	—	-6
Share-based payments	—	—	—	6	—	—	—	—	—	—	-8	-3	—	-3
Balance at 31 December 2020	1,342	77	633	—	—	277	23	1,195	12	-267	5,518	8,809	-16	8,793
Net profit for the period	—	—	—	—	—	—	—	—	—	—	1,266	1,266	3	1,268
OCI before tax	—	—	—	—	—	501	-35	225	16	70	126	903	-3	900
Income tax relating to OCI	—	—	—	—	—	1	8	-46	—	2	-22	-59	—	-59
Total Comprehensive Income	—	—	—	—	—	501	-27	179	16	72	1,369	2,110	—	2,110
Dividend	—	—	—	—	—	—	—	—	—	—	-237	-237	—	-237
Acquisitions and disposals	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Purchase of treasury shares	—	—	—	-3	—	—	—	—	—	—	—	-3	—	-3
Share-based payments	—	—	—	3	—	—	—	—	—	—	—	3	—	3
Balance at 31 December 2021	1,342	77	633	—	—	778	-4	1,373	29	-195	6,650	10,683	-16	10,666

CTA = Cumulative Translation Adjustment OCI = Other Comprehensive Income NCI = Non-controlling Interests

Goodwill, other intangible assets, property, plant and equipment, right-of-use assets and forest assets

EUR million	2021	2020
Carrying value at 1 January	12,130	10,216
Additions in tangible and intangible assets	576	589
Additions in right-of-use assets	33	39
Additions in biological assets	58	59
Depletion of capitalised silviculture costs	-68	-41
Acquisition of subsidiary companies	0	5
Disposals	-76	-13
Disposals of subsidiary companies	-30	-3
Depreciation and impairment	-697	-609
Fair valuation of forest assets	621	1,973
Translation difference and other	108	-86
Statement of Financial Position Total	12,654	12,130

Borrowings

EUR million	31 Dec 2021	31 Dec 2020
Bond loans	2,497	2,789
Loans from credit institutions	577	1,083
Lease liabilities	387	397
Long-term derivative financial liabilities	30	21
Other non-current liabilities	4	5
Non-current interest bearing liabilities including current portion	3,493	4,294
Short-term borrowings	372	413
Interest payable	34	35
Short-term derivative financial liabilities	38	9
Bank overdrafts	1	6
Total Interest-bearing Liabilities	3,938	4,756

EUR million	2021	2020
Carrying value at 1 January	4,756	4,192
Proceeds of new long-term debt	19	1,081
Additions in lease liabilities	33	39
Repayment of long-term debt	-870	-333
Repayment of lease liabilities and interest	-88	-85
Change in short-term borrowings and interest payable	-42	-101
Change in derivative financial liabilities	38	-17
Translation differences and other	92	-20
Total Interest-bearing Liabilities	3,938	4,756

Commitments and contingencies

EUR million	31 Dec 2021	31 Dec 2020
On Own Behalf		
Other commitments	15	14
On Behalf of Equity Accounted Investments		
Guarantees	0	2
On Behalf of Others		
Guarantees	6	6
Other commitments	36	36
Total	57	58
Guarantees	6	8
Other commitments	51	50
Total	57	58

Capital commitments

EUR million	31 Dec 2021	31 Dec 2020
Total	220	207

The Group's direct capital expenditure contracts include the Group's share of direct capital expenditure contracts in joint operations.

Sales by segment – total

EUR million	2021	Q4/21	Q3/21	Q2/21	Q1/21	2020	Q4/20	Q3/20	Q2/20	Q1/20
Packaging Materials	3,898	1,062	988	987	862	3,115	759	771	821	764
Packaging Solutions	723	214	180	170	159	594	160	145	141	149
Biomaterials	1,728	494	427	453	355	1,193	314	305	288	286
Wood Products	1,872	510	503	477	382	1,386	360	341	347	338
Forest	2,311	597	546	586	582	2,046	527	457	519	542
Paper	1,703	389	441	446	428	1,979	476	468	445	591
Other	1,092	285	302	265	240	928	231	230	221	246
Inter-segment sales	-3,163	-831	-809	-792	-732	-2,687	-673	-637	-669	-709
Total	10,164	2,719	2,577	2,592	2,276	8,553	2,154	2,079	2,114	2,207

Sales by segment – external

EUR million	2021	Q4/21	Q3/21	Q2/21	Q1/21	2020	Q4/20	Q3/20	Q2/20	Q1/20
Packaging Materials	3,715	1,006	937	945	827	2,999	729	742	793	735
Packaging Solutions	704	209	175	166	155	578	156	140	137	145
Biomaterials	1,499	424	364	393	318	1,025	278	267	248	233
Wood Products	1,766	479	481	450	355	1,295	335	322	323	316
Forest	781	208	180	197	196	698	182	146	175	194
Paper	1,644	373	425	431	413	1,931	466	455	432	578
Other	55	20	14	10	12	27	8	6	6	7
Total	10,164	2,719	2,577	2,592	2,276	8,553	2,154	2,079	2,114	2,207

Disaggregation of revenue

EUR million	2021	Q4/21	Q3/21	Q2/21	Q1/21	2020	Q4/20	Q3/20	Q2/20	Q1/20
Product sales	10,047	2,670	2,539	2,581	2,257	8,460	2,131	2,056	2,087	2,187
Service sales	117	49	38	11	18	93	23	23	27	20
Total	10,164	2,719	2,577	2,592	2,276	8,553	2,154	2,079	2,114	2,207

Operational EBIT by segment

EUR million	2021	Q4/21	Q3/21	Q2/21	Q1/21	2020	Q4/20	Q3/20	Q2/20	Q1/20
Packaging Materials	556	133	153	144	127	403	66	111	130	96
Packaging Solutions	26	12	8	2	4	33	10	8	8	8
Biomaterials	495	167	118	145	65	8	-14	7	18	-3
Wood Products	364	89	123	100	52	114	33	38	26	18
Forest	267	48	49	46	123	162	39	41	40	42
Paper	-124	-10	-31	-49	-34	-38	-5	-16	-39	21
Other	-48	-17	-3	-16	-11	-35	-16	-13	-7	0
Inter-segment eliminations	-8	5	-7	-8	1	3	3	0	1	-2
Operational EBIT	1,528	426	410	364	328	650	118	175	178	180
Fair valuations and non-operational items ¹	394	437	8	-11	-40	362	217	-4	55	94
Items affecting comparability ¹	-354	-25	-32	-171	-126	-90	-45	-25	-7	-12
Operating Profit (IFRS)	1,568	839	386	182	161	922	289	145	226	262
Net financial items	-149	-46	-37	-30	-36	-150	-30	-31	-36	-53
Profit before Tax	1,419	793	349	152	125	773	260	115	190	209
Income tax expense	-151	-177	-50	56	20	-156	-22	-28	-46	-59
Net Profit	1,268	616	299	207	145	617	237	86	144	149

¹ See section [Non-IFRS measures](#) for IAC and fair valuations and non-operational items definitions.

The segment comparative figures have been restated in accordance to the change in presentation of certain consolidation adjustments, as described in the section Basis of Preparation.

Items affecting comparability (IAC), fair valuations and non-operational items

EUR million	2021	Q4/21	Q3/21	Q2/21	Q1/21	2020	Q4/20	Q3/20	Q2/20	Q1/20
Impairments and impairment reversals	-141	-12	0	-20	-110	-72	-45	-17	-5	-5
Restructuring costs excluding impairments	-227	-31	-30	-145	-21	-23	-7	-10	-1	-5
Acquisitions and disposals	11	16	-5	0	0	6	8	0	0	-2
Other	4	2	3	-6	5	0	-1	2	-1	0
Total IAC on Operating Profit	-354	-25	-32	-171	-126	-90	-45	-25	-7	-12
Fair valuations and non-operational items	394	437	8	-11	-40	362	217	-4	55	94
Total	40	413	-24	-182	-167	271	172	-29	48	82

Items affecting comparability had a negative impact on the operating profit of EUR 25 (negative EUR 45) million. The IAC relate mainly to the restructuring in the Paper division. Fair valuation and non-operational items had a positive impact on the operating profit of EUR 437 (positive EUR 217) million. The fair valuation and non-operational items relate mainly to non-operational fair valuation of biological assets.

Items affecting comparability (IAC) by segment

EUR million	2021	Q4/21	Q3/21	Q2/21	Q1/21	2020	Q4/20	Q3/20	Q2/20	Q1/20
Packaging Materials	-12	-11	2	-3	0	0	7	-2	0	-5
Packaging Solutions	-4	-2	-1	0	0	-6	-1	-5	0	0
Biomaterials	-5	0	1	-1	-5	-53	-53	0	0	0
Wood Products	-1	-1	0	0	0	-3	0	0	-1	-2
Forest	17	17	0	0	0	0	0	0	0	0
Paper	-304	-11	-31	-136	-126	-21	3	-14	-5	-5
Other	-46	-16	-4	-31	5	-7	-1	-5	-1	0
IAC on Operating Profit	-354	-25	-32	-171	-126	-90	-45	-25	-7	-12
IAC on tax	58	2	0	31	26	19	10	5	1	2
IAC on Net Profit	-296	-23	-33	-139	-101	-71	-35	-20	-5	-10
Attributable to:										
Owners of the Parent	-296	-23	-33	-139	-101	-71	-35	-20	-5	-10
Non-controlling interests	0	0	0	0	0	0	0	0	0	0
IAC on Net Profit	-296	-23	-33	-139	-101	-71	-35	-20	-5	-10

Fair valuations and non-operational items by segment

EUR million	2021	Q4/21	Q3/21	Q2/21	Q1/21	2020	Q4/20	Q3/20	Q2/20	Q1/20
Packaging Materials	8	7	0	0	0	-12	-10	0	-1	-1
Packaging Solutions	0	0	0	0	0	0	0	0	0	0
Biomaterials	16	16	0	0	0	13	10	2	0	1
Wood Products	0	0	0	0	0	0	0	0	0	0
Forest	338	412	-5	-21	-48	360	226	-10	55	89
Paper	6	-3	7	1	1	2	-9	4	2	5
Other	27	6	6	9	6	-1	0	0	-1	0
FV and Non-operational Items on Operating Profit	394	437	8	-11	-40	362	217	-4	55	94

Operating profit/loss by segment

EUR million	2021	Q4/21	Q3/21	Q2/21	Q1/21	2020	Q4/20	Q3/20	Q2/20	Q1/20
Packaging Materials	552	129	155	141	127	391	64	108	129	90
Packaging Solutions	23	10	7	2	4	28	8	3	8	8
Biomaterials	506	182	119	144	60	-32	-56	8	18	-2
Wood Products	363	88	123	100	52	111	33	38	25	16
Forest	622	477	44	25	75	522	266	31	95	131
Paper	-423	-24	-55	-185	-159	-58	-11	-26	-42	21
Other	-67	-28	-1	-38	0	-42	-17	-17	-9	0
Inter-segment eliminations	-8	5	-7	-8	1	3	3	0	1	-2
Operating Profit (IFRS)	1,568	839	386	182	161	922	289	145	226	262
Net financial items	-149	-46	-37	-30	-36	-150	-30	-31	-36	-53
Profit before Tax	1,419	793	349	152	125	773	260	115	190	209
Income tax expense	-151	-177	-50	56	20	-156	-22	-28	-46	-59
Net Profit	1,268	616	299	207	145	617	237	86	144	149

The segment comparative figures have been restated in accordance to the change in presentation of certain consolidation adjustments, as described in the section Basis of Preparation.

Key exchange rates for the euro

One Euro is	Closing Rate		Average Rate (Year-to-date)	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
SEK	10.2503	10.0343	10.1448	10.4881
USD	1.1326	1.2271	1.1835	1.1413
GBP	0.8403	0.8990	0.8600	0.8892

Transaction risk and hedges in main currencies as at 31 December 2021

EUR million	EUR	USD	SEK	GBP	Other	Total
Sales during 2021	5,407	2,257	1,050	316	1,134	10,164
Costs during 2021	-4,821	-478	-1,719	-31	-1,320	-8,369
Net amount	586	1,778	-668	285	-186	1,794
Estimated annual operative transaction risk exposure from cash flows for the next 12 months ¹	995	1,712	-191	346		
Cash flow hedges for the next 12 months as at 31 December 2021	-553	-740	89	-78		
Hedge ratio for the next 12 months as at 31 December 2021	56%	43%	47%	22%		
Effect of 10% currency strengthening on Operational EBIT ²	99	171	-19	35		

Sales and costs figures in the above table also include transactions denominated in the functional currencies of Stora Enso Group companies whereas those flows do not constitute a foreign-currency transaction risk exposure for cash flow hedging purposes.

¹ Cash flows are forecasted highly probable foreign exchange net operating cash flows. The exposure presented in the EUR column relates to operative transaction risk exposure from EUR denominated cash flows in Group companies located in Sweden, Czech Republic and Poland with functional currency other than EUR.

² The sensitivity is based on the estimated net operating cash flow for the next 12 months. The calculation does not take into account currency hedges and assumes no other changes occur than exchange rate movement in an exposure currency. A currency weakening would have the opposite impact.

Fair Values of Financial Instruments

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: other techniques, for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly;
- Level 3: techniques which use inputs that have a significant effect on the recorded fair values that are not based on observable market data.

The valuation techniques are described in more detail in the Group's Financial Report. The instruments carried at fair value in the following tables are measured at fair value on a recurring basis.

Carrying amounts of financial assets and liabilities by measurement and fair value categories: 31 December 2021

EUR million	Amortised cost	Fair value through OCI	Fair value through income statement	Total carrying amount	Fair value	Fair value hierarchy		
						Level 1	Level 2	Level 3
Financial assets								
Listed securities	—	13	—	13	13	13	—	—
Unlisted securities	—	900	5	905	905	—	—	905
Non-current interest-bearing receivables	45	6	—	51	51	—	6	—
Derivative assets	—	6	—	6	6	—	6	—
Loan receivables	45	—	—	45	45	—	—	—
Trade and other operative receivables	1,110	39	—	1,149	1,149	—	39	—
Current interest-bearing receivables	52	31	1	84	84	—	32	—
Derivative assets	—	31	1	32	32	—	32	—
Other short-term receivables	52	—	—	52	52	—	—	—
Cash and cash equivalents	1,481	—	—	1,481	1,481	—	—	—
Total	2,687	990	6	3,683	3,683	13	77	905

EUR million	Amortised cost	Fair value through OCI	Fair value through income statement	Total carrying amount	Fair value	Fair value hierarchy		
						Level 1	Level 2	Level 3
Financial liabilities								
Non-current interest-bearing liabilities	3,284	7	23	3,313	3,618	—	30	—
Derivative liabilities	—	7	23	30	30	—	30	—
Non-current debt	3,284	—	—	3,284	3,589	—	—	—
Current portion of non-current debt	180	—	—	180	180	—	—	—
Current interest-bearing liabilities	403	35	7	444	444	—	42	—
Derivative liabilities	—	35	7	42	42	—	42	—
Current debt	403	—	—	403	403	—	—	—
Trade and other operative payables	1,960	—	—	1,960	1,960	—	—	—
Bank overdrafts	1	—	—	1	1	—	—	—
Total	5,827	42	29	5,899	6,204	—	71	—

In accordance with IFRS, derivatives are classified as fair value through income statement. In the above tables for financial assets and liabilities the cash flow hedge accounted derivatives are however presented as fair value through OCI, in line with how they are booked for the effective portion.

Carrying amounts of financial assets and liabilities by measurement and fair value categories: 31 December 2020

EUR million	Amortised cost	Fair value through OCI	Fair value through income statement	Total carrying amount	Fair value	Fair value hierarchy		
						Level 1	Level 2	Level 3
Financial assets								
Listed securities	—	16	—	16	16	16	—	—
Unlisted securities	—	394	7	401	401	—	—	401
Non-current interest-bearing receivables	91	2	—	93	93	—	2	—
Derivative assets	—	2	—	2	2	—	2	—
Loan receivables	91	—	—	91	91	—	—	—
Trade and other operative receivables	814	44	—	858	858	—	44	—
Current interest-bearing receivables	1	60	6	66	66	—	65	—
Derivative assets	—	60	6	65	65	—	65	—
Other short-term receivables	1	—	—	1	1	—	—	—
Cash and cash equivalents	1,661	—	—	1,661	1,661	—	—	—
Total	2,566	515	13	3,094	3,094	16	111	401

EUR million	Amortised cost	Fair value through OCI	Fair value through income statement	Total carrying amount	Fair value	Fair value hierarchy		
						Level 1	Level 2	Level 3
Financial liabilities								
Non-current interest-bearing liabilities	3,801	19	2	3,822	4,233	—	21	—
Derivative liabilities	—	19	2	21	21	—	21	—
Non-current debt	3,801	—	—	3,801	4,212	—	—	—
Current portion of non-current debt	472	—	—	472	472	—	—	—
Current interest-bearing liabilities	444	11	1	456	456	—	12	—
Derivative liabilities	—	11	1	12	12	—	12	—
Current debt	444	—	—	444	444	—	—	—
Trade and other operative payables	1,547	—	—	1,547	1,547	—	—	—
Bank overdrafts	6	—	—	6	6	—	—	—
Total	6,270	30	3	6,303	6,715	—	33	—

In accordance with IFRS, derivatives are classified as fair value through income statement. In the above tables for financial assets and liabilities the cash flow hedge accounted derivatives are however presented as fair value through OCI, in line with how they are booked for the effective portion.

Reconciliation of level 3 fair value measurement of financial assets and liabilities: 31 December 2021

EUR million	2021	2020
Financial assets		
Opening balance at 1 January	401	526
Gains/losses recognised in income statement	0	1
Gains/losses recognised in other comprehensive income	504	-140
Additions	1	15
Disposals	0	-1
Closing balance	905	401
Financial liabilities		
Opening balance at 1 January	0	-25
Deductions	0	25
Closing balance	0	0

Level 3 Financial Assets

At the year end, Level 3 financial assets included EUR 900 million of Pohjolan Voima Oy (PVO) shares for which the valuation method is described in more detail in the Annual Report. The valuation is most sensitive to changes in electricity prices and discount rates. The discount rate of 3.84% used in the valuation model is determined using the weighted average cost of capital method. A +/- 5% change in the electricity price used in the DCF would change the valuation by EUR +119 million and -119 million, respectively. A +/- percentage point change in the discount rate would change the valuation by EUR -155 million and +98 million, respectively. The increased electricity market prices at the end of 2021 have led to decreased trading volumes in the Nord Pool electricity exchange, which may indicate a higher risk of price fluctuations in the future.

Stora Enso shares

Trading volume

	Helsinki		Stockholm	
	A share	R share	A share	R share
October	117,433	34,884,322	218,272	8,332,017
November	68,524	29,021,019	186,495	5,481,941
December	158,477	27,783,781	170,173	5,800,645
Total	344,434	91,689,122	574,940	19,614,603

Closing price

	Helsinki, EUR		Stockholm, SEK	
	A share	R share	A share	R share
October	16.15	14.38	160.20	143.00
November	15.85	14.98	162.40	153.90
December	16.60	16.14	168.20	165.20

Average number of shares

Million	Q4/21	Q4/20	Q3/21	2021	2020
Periodic	788.6	788.6	788.6	788.6	788.6
Cumulative	788.6	788.6	788.6	788.6	788.6
Cumulative, diluted	789.3	788.9	789.3	789.1	789.2

Calculation of key figures

Operational return on capital employed, operational ROCE (%)	100 x $\frac{\text{Annualised operational EBIT}}{\text{Capital employed}^{1,2}}$
Operational return on operating capital, operational ROOC (%)	100 x $\frac{\text{Annualised operational EBIT}}{\text{Operating capital}^2}$
Return on equity, ROE (%)	100 x $\frac{\text{Net profit/loss for the period}}{\text{Total equity}^2}$
Net interest-bearing liabilities	Interest-bearing liabilities – interest-bearing assets
Net debt/equity ratio	$\frac{\text{Net interest-bearing liabilities}}{\text{Equity}^2}$
Earnings per share (EPS)	$\frac{\text{Net profit/loss for the period}^3}{\text{Average number of shares}}$
Operational EBIT	Operating profit/loss excluding items affecting comparability (IAC) and fair valuations of the segments and Stora Enso's share of operating profit/loss excluding IAC and fair valuations of its equity accounted investments (EAI)
Operational EBITDA	Operating profit/loss excluding silviculture costs and damage to forests, fixed asset depreciation and impairment, IACs and fair valuations. The definition includes the respective items of subsidiaries, joint arrangements and equity accounted investments.
Net debt/last 12 months' operational EBITDA ratio	$\frac{\text{Net interest-bearing liabilities}}{\text{LTM operational EBITDA}}$
Fixed costs	Maintenance, personnel and other administration type of costs, excluding IAC and fair valuations
Last 12 months (LTM)	12 months prior to the end of reporting period
TRI	Total recordable incident rate = number of incidents per one million hours worked

¹ Capital employed = Operating capital – Net tax liabilities

² Average for the financial period

³ Attributable to the owners of the Parent

List of non-IFRS measures

Operational EBITDA	Depreciation and impairment charges excl. IAC
Operational EBITDA margin	Operational ROCE
Operational EBIT	Earnings per share (EPS), excl. FV
Operational EBIT margin	Net debt/last 12 months' operational EBITDA ratio
Profit before tax excl. IAC and FV	Fixed costs to sales
Capital expenditure	Operational ROOC
Capital expenditure excl. investments in biological assets	Cash flow from operations
Capital employed	Cash flow after investing activities

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Stora Enso's Q1/2022 results will be published on

28 April 2022

Part of the global bioeconomy, Stora Enso is a leading provider of renewable products in packaging, biomaterials, wooden construction and paper, and one of the largest private forest owners in the world. We believe that everything that is made from fossil-based materials today can be made from a tree tomorrow. Stora Enso has approximately 22,000 employees and our sales in 2021 were EUR 10.2 billion. Stora Enso shares are listed on Nasdaq Helsinki Oyj (STEAV, STERV) and Nasdaq Stockholm AB (STE A, STE R). In addition, the shares are traded in the USA as ADRs (SEOAY). [storaenso.com/investors](https://www.storaenso.com/investors)

It should be noted that Stora Enso and its business are exposed to various risks and uncertainties and 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. 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. All statements are based on management's best assumptions and beliefs in light of the information currently available to it and Stora Enso assumes no obligation to publicly update or revise any forward-looking statement except to the extent legally required.