Stora Enso Interim Report Q1

1 January – 31 March 2016

THE RENEWABLE MATERIALS COMPANY

Another quarter of progress

Q1/2016 (compared with Q1/2015)

- Sales EUR 2 445 (EUR 2 491) million decreased 1.8%. Sales excluding the structurally declining paper business and divested Barcelona Mill increased 2.4%, primarily due to increasing volumes from Montes del Plata Mill and the ramp-up of Varkaus kraftliner mill.
- Operational EBIT increased 12.7% to EUR 248 (EUR 220) million, and the margin was record high at 10.1%.
- EPS EUR 0.15 (EUR 0.16)
- Cash flow from operations amounted to EUR 289 (EUR 171) million, due to increased profitability and continued good working capital management; cash flow after investing activities was EUR 96 (EUR 29) million.
- Continued improvement of the balance sheet; net debt to operational EBITDA 2.3 (2.6), liquidity reduced to EUR 604 (EUR 1 320) million, as planned.
- Operational ROCE 11.3% (10.1%), operational ROCE excluding the Beihai Mill investment 13.7% (11.3%).

Q1/2016 (compared with Q4/2015)

- Sales declined by 1.7%. Sales excluding the structurally declining paper business decreased 0.7%, mainly due to lower sales in Biomaterials and Wood Products divisions.
- Operational EBIT increased 2.5%, mainly due to lower maintenance costs.

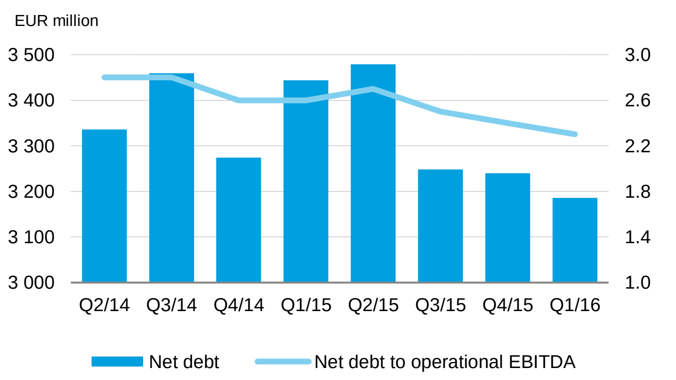
Transformation

- Varkaus Mill kraftliner ramp-up proceeding despite some operational challenges, full production expected in early 2017, as earlier announced. The new production line for wooden building elements (LVL) is scheduled to start up in June 2016.
- Beihai consumer board mill in China is expected to start up in May 2016. It is forecast to take approximately 18 to 24 months for the mill to reach full production.
- The divestment of Arapoti Mill in Brazil was completed in March.
- On 8 April, Stora Enso announced plans to divest its 33.33% ownership in the Swedish recycled materials company IL Recycling AB.

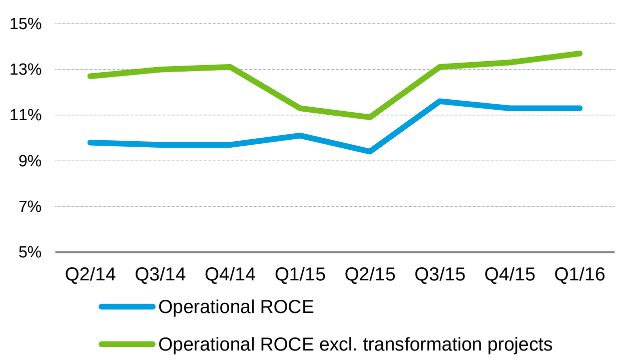
Outlook for Q2/2016

Sales are estimated to be slightly higher than the amount of EUR 2 445 million recorded in Q1/2016. Operational EBIT is expected to be in line with or somewhat lower than the EUR 248 million recorded in Q1/2016. These estimates include the negative impact of the scheduled annual maintenance shutdowns at Montes del Plata pulp mill, Ostrołęka containerboard mill and Langerbrugge paper mill during Q2/2016. The negative impact from maintenance is expected to be approximately EUR 25 million higher than in Q1/2016.

NET DEBT TO OPERATIONAL EBITDA



OPERATIONAL ROCE



KEY FIGURES

EUR million	Q1/16	Q1/15	Change % Q1/16–Q1/15	Q4/15	Change % Q1/16–Q4/15	2015
Sales	2 445	2 491	-1.8%	2 487	-1.7%	10 040
Operational EBITDA	356	340	4.7%	341	4.4%	1 352
Operational EBITDA margin	14.6%	13.6%		13.7%		13.5%
Operational EBIT	248	220	12.7%	242	2.5%	915
Operational EBIT margin	10.1%	8.8%		9.7%		9.1%
Operating profit (IFRS)	194	215	-9.8%	393	-50.6%	1 059
Profit before tax excl. NRI	183	154	18.8%	610	-70.0%	1 048
Profit before tax	155	162	-4.3%	360	-56.9%	814
Net profit for the period	114	129	-11.6%	407	-72.0%	783
Capital expenditure	188	130	44.6%	355	-47.0%	989
Capital expenditure excluding investments in biological assets	167	108	54.6%	331	-49.5%	912
Depreciation and impairment charges excl. NRI	124	133	-6.8%	121	2.5%	517
Net interest-bearing liabilities	3 185	3 444	-7.5%	3 240	-1.7%	3 240
Operational ROCE	11.3%	10.1%		11.3%		10.6%
Earnings per share (EPS), excl. NRI, EUR	0.19	0.15		0.78		1.24
EPS (basic), EUR	0.15	0.16		0.53		1.02
Return on equity (ROE)	8.2%	9.6%		30.7%		14.6%
Debt/equity ratio	0.58	0.65		0.60		0.60
Net debt/last 12 months' operational EBITDA ratio	2.3	2.6		2.4		2.4
Fixed costs to sales	24.4%	23.9%		25.7%		25.0%
Equity per share, EUR	6.97	6.77		6.83		6.83
Average number of employees	25 521	26 781	-4.7%	26 080	-2.1%	26 783
TRI rate	11.3	10.1	11.9%	12.6	-10.3%	11.0
LTA rate	3.6	4.8	-25.0%	5.6	-35.7%	4.7

Operational EBIT comprises the operating profit excluding NRI and fair valuations of the segments and Stora Enso's share of the operating profit excluding NRI and fair valuations of its equity-accounted investments (EAI). Fair valuations and non-operational items include equity incentive schemes and related hedges, CO_2 emission rights, valuations of biological assets, and the group's share of tax and net financial items of EAI.
NRI = Non-recurring items. These are exceptional transactions that are not related to normal business operations. The most common non-recurring items are capital gains, additional write-downs or reversals of write-downs, provisions for planned restructuring and penalties. Non-recurring items are normally disclosed individually if they exceed one cent per share.
TRI (Total recordable incidents) rate = number of incidents per one million hours worked.
LTA (Lost-time accident) rate = number of lost-time accidents per one million hours worked.

DELIVERIES AND PRODUCTION

	Q1/16	Q1/15	Change % Q1/16–Q1/15	Q4/15	Change % Q1/16–Q4/15	2015
Board deliveries, 1 000 tonnes	797	748	6.6%	741	7.6%	3 045
Board production, 1 000 tonnes	926	852	8.7%	840	10.2%	3 394
Corrugated packaging deliveries, million m^2	259	274	-5.5%	274	-5.5%	1 112
Market pulp deliveries, 1 000 tonnes	466	457	2.0%	486	-4.1%	1 873
Wood product deliveries, 1 000 m^3	1 124	1 061	5.9%	1 157	-2.9%	4 490
Paper deliveries, 1 000 tonnes	1 340	1 432	-6.4%	1 424	-5.9%	5 778
Paper production, 1 000 tonnes	1 395	1 472	-5.2%	1 435	-2.8%	5 794

CEO comment

"In the first quarter of 2016, sales excluding the structurally declining paper business and divested Consumer Board Barcelona Mill increased 2.4%. This was primarily due to increasing volumes at Montes del Plata pulp mill and ramp-up of Varkaus kraftliner mill.

Cash flow year-on-year continued to be strong, due to increased profitability and improved working capital. Furthermore, we had a record high operational EBIT margin of 10.1%.

We continue to make progress in transforming into a renewable materials growth company. The Beihai consumer board mill in China is expected to be operational next month, i.e. in May 2016, ahead of schedule. The mill will be inaugurated in June. We expect full production in 18 to 24 months from the start up. The Varkaus Mill kraftliner ramp-up is proceeding and the market acceptance for brown kraftliner and its quality have been good from the beginning. Full production is expected in early 2017. The work on a new production line for wooden building elements (LVL) at Varkaus Mill is proceeding according to plan and production is scheduled to begin in June.

We invest in China and Sweden to further improve competitiveness in strategic growth areas. The investment in a new polyethylene coating line in the new consumer board mill in Beihai will enable us to be more responsive to our customers' demands in high quality food safety. The investments in a new chemical plant at the consumer board mill in Skoghall, and at Skutskär Mill to reduce its sulphur emissions, shows our orientation towards minimizing environmental impact.

We progress with our set action plans based on the group-wide Human Rights assessment consolidated by the Danish Institute for Human Rights. At the end of the quarter, 79% (69% by the end of 2015) of the preventive and remediation actions were completed.

During the quarter, Stora Enso was granted the award of Bio-based brand of the year, based on our transformation story. The award positions us well in the bioeconomy sphere and shows our commitment towards developing new sustainable solutions.

When it comes to outlook for the second quarter of 2016, sales are estimated to be slightly higher than the amount of EUR 2 445 million recorded in the first quarter of 2016. Operational EBIT is expected to be in line with or somewhat lower than the EUR 248 million recorded in the first quarter of 2016. These estimates include the negative impact of the scheduled annual maintenance shutdowns at Montes del Plata pulp mill, Ostrołęka containerboard mill and Langerbrugge paper mill during the second quarter of 2016. The negative impact from maintenance is expected to be approximately EUR 25 million higher than in the first quarter of 2016.

I would like to thank our customers for their business, our employees for their dedication and our investors for their trust."

Karl-Henrik Sundström, CEO

Operational EBIT margin (Q1/2016)

10.1%

Operational ROCE (Q1/2016)

11.3%

(Target >13%)

Net debt to operational EBITDA

2.3

(Target <3.0)

RECONCILIATION OF OPERATIONAL PROFITABILITY

EUR million	Q1/16	Q1/15	Change % Q1/16–Q1/15	Q4/15	Change % Q1/16–Q4/15	2015
Operational EBITDA	**356**	**340**	**4.7%**	**341**	**4.4%**	**1 352**
Equity accounted investments (EAI), operational*	16	13	23.1%	22	-27.3%	80
Depreciation and impairment excl. NRI	-124	-133	6.8%	-121	-2.5%	-517
Operational EBIT	**248**	**220**	**12.7%**	**242**	**2.5%**	**915**
Fair valuations and non-operational items**	-26	-13	-100.0%	401	-106.5%	378
Non-recurring items	-28	8	n/m	-250	88.8%	-234
Operating Profit (IFRS)	**194**	**215**	**-9.8%**	**393**	**-50.6%**	**1 059**

* The group's share of operational EBIT of equity accounted investments (EAI).
** Fair valuations and non-operational items include equity incentive schemes and related hedges, CO_2 emission rights, valuations of biological assets, and the group's share of tax and net financial items of EAI.

First quarter 2016 results (compared with Q1/2015)

BREAKDOWN OF CHANGE IN SALES Q1/2015 TO Q1/2016

Sales Q1/2015, EUR million	**2 491**
Price and mix	-
Currency	-
Volume	-
Other sales*	1%
Total before structural changes	1%
Structural changes**	-3%
Total	-2%
Sales Q1/2016, EUR million	**2 445**

* Wood, energy, paper for recycling, by-products etc.
** Asset closures, major investments, divestments and acquisitions

Group sales at EUR 2 445 million were EUR 46 million lower than a year ago, mainly due to declining paper demand, the conversion of paper production to kraftliner at Varkaus Mill in Finland, and the divestments of Uetersen Mill in Germany and Barcelona Mill in Spain. New kraftliner delivery volumes from Varkaus Mill increased sales. Operational EBIT was EUR 248 (EUR 220) million, an increase of EUR 28 million. The operational EBIT margin was 10.1% (8.8%).

Higher volumes, mainly from Montes del Plata Mill, increased operational EBIT by EUR 8 million, despite some operational challenges at Varkaus pulp mill. This was offset by EUR 7 million lower sales prices in local currencies, especially for softwood pulp. Variable costs were EUR 8 million lower, mainly due to lower wood and energy costs. Fixed costs were EUR 21 million higher, mainly due to the Varkaus kraftliner mill ramp-up and increased costs in Consumer Board division, partly related to the approaching start-up of Beihai Mill. The net foreign exchange impact on operational EBIT was a positive EUR 28 million. As Stora Enso is primarily a euro and Swedish crown cost-based company, selling significant volumes in other currencies, such as the US dollar and British pound, a material part of the effect on operational EBIT is a combination of price and currency movements. Depreciation was EUR 8 million lower, mainly due to the impairment of intangible assets and property, plant and equipment in the fourth quarter of 2015. Result from equity accounted investments increased by EUR 3 million.

Board production was curtailed by 2% (2%), sawnwood production by 1% (6%) and paper production by 8% (6%), to reduce working capital.

The average number of employees in the group in the first quarter of 2016 was 25 521, which is 1 260 lower than the same quarter a year ago. The main reasons for the reduction of employees, compared to a year earlier, are the divestment of Arapoti Mill in Brazil, the closure of the Inpac unit in India, the divestments of Barcelona Mill in Spain and the Komárom plant in Hungary, and the reduction of personnel at Inpac units in China.

Fair valuations and non-operational items had a negative EUR 26 (negative EUR 13) million impact on operating profit. The impact comes mainly from the Nordic forest equity accounted investments.

Earnings per share excluding non-recurring items was EUR 0.19 (EUR 0.15), earnings per share was EUR 0.15 (EUR 0.16).

The group recorded non-recurring items (NRI) with a negative net impact of approximately EUR 28 million in its operating profit. The NRIs are related to the divestment of Arapoti Mill in Brazil, completed during the first quarter of 2016. This booked loss on disposal of EUR 28 million was mainly related to a cumulative translation adjustment, as announced earlier.

Net financial expenses at EUR 39 million were EUR 14 million lower than a year ago. Respectively, the net interest expenses at EUR 31 million were EUR 17 million lower than a year ago mainly due to reduced debt level and active debt liability management. The net foreign exchange impact in the first quarter in respect of cash, interest-bearing assets and liabilities and related hedges amounted to a gain of EUR 2 (gain of EUR 6) million.

BREAKDOWN OF CHANGE IN CAPITAL EMPLOYED 31 MARCH 2015 TO 31 MARCH 2016

EUR million	Capital Employed
31 March 2015	**8 975**
Capital expenditure less depreciation	502
Impairments and reversal of impairments	-244
Valuation of biological assets	-15
Available-for-sale: operative (mainly PVO)	-333
Equity accounted investments	491
Net liabilities in defined benefit plans	79
Operative working capital and other interest-free items, net	-242
Net tax liabilities	-19
Translation difference	-312
Other changes	-85
31 March 2016	**8 797**

The operational return on capital employed in the first quarter of 2016 was 11.3% (10.1%). Excluding the ongoing investment in Beihai Mill in Consumer Board division, the operational return on capital employed would have been 13.7% (11.3%).

First quarter 2016 results (compared with Q4/2015)

Sales decreased by EUR 42 million to EUR 2 445 million.

Operational EBIT was EUR 6 million higher than in the previous quarter at EUR 248 million. Fixed costs were EUR 25 million lower, mainly due to lower maintenance activity. This was partly offset by seasonally EUR 13 million higher energy costs, and EUR 7 million higher transportation costs. Depreciation was EUR 4 million higher. The result from equity accounted investments was EUR 6 million weaker due to the lower result from Nordic forest associates. The net foreign exchange impact on operational EBIT was a positive EUR 12 million.

Financing in first quarter 2016 (compared with Q4/2015)

CAPITAL STRUCTURE

EUR million	31 Mar 16	31 Dec 15	31 Mar 15
Operative fixed assets*	6 794	6 822	7 253
Equity accounted investments	1 545	1 570	1 048
Operative working capital, net	980	884	1 286
Non-current interest-free items, net	-464	-476	-574
Operating Capital Total	**8 855**	**8 800**	**9 013**
Net tax liabilities	-58	-47	-38
Capital Employed	**8 797**	**8 753**	**8 975**
Equity attributable to owners of the Parent	5 500	5 388	5 336
Non-controlling interests	112	125	195
Net interest-bearing liabilities	3 185	3 240	3 444
Financing Total	**8 797**	**8 753**	**8 975**

* Operative fixed assets include property, plant and equipment, goodwill, biological assets, emission rights, available-for-sale operative shares and other intangible assets.

Total unutilised committed credit facilities were unchanged at EUR 700 million, and cash and cash equivalents net of overdrafts were brought down by EUR 203 million to EUR 604 million decreasing liquidity as planned. In addition, Stora Enso has access to various long-term sources of funding up to EUR 850 (850) million.

The net debt was EUR 3 185 million, a decrease of EUR 55 million from the previous quarter, mainly as a result of weaker US dollar and positive cash flow.

The fair value of PVO shares accounted for as available-for-sale investments increased in the quarter by EUR 4 million to EUR 127 million. The changes in fair valuation are included in the Other Comprehensive Income in equity.

The ratio of net debt to the last twelve months' operational EBITDA was 2.3 (2.4). The debt/equity ratio at 31 March 2016 was 0.58 (0.60).

Cash flow in first quarter 2016

CASH FLOW

EUR million	Q1/16	Q1/15	Change % Q1/16–Q1/15	Q4/15	Change % Q1/16–Q4/15	2015
Operational EBITDA	356	340	4.7%	341	4.4%	1 352
NRI on operational EBITDA	-27	8	n/m	-41	34.1%	-24
Dividends received from equity accounted investments	-	-	-	-	-	32
Other adjustments	21	10	110.0%	8	162.5%	55
Change in working capital	-61	-187	67.4%	104	-158.7%	141
Cash Flow from Operations	**289**	**171**	**69.0%**	**412**	**-29.9%**	**1 556**
Cash spent on fixed and biological assets	-193	-142	-35.9%	-336	42.6%	-956
Acquisitions of equity accounted investments	-	-	-	-1	100.0%	-1
Cash Flow after Investing Activities	**96**	**29**	**231.0%**	**75**	**28.0%**	**599**

First quarter 2016 cash flow after investing activities was EUR 96 million. Working capital increased by EUR 61 million, mainly due to a seasonal increase in inventories in Paper division and segment Other. Payments related to the previously announced restructuring provisions were EUR 8 million.

Capital expenditure

Additions to fixed and biological assets in the first quarter totalled EUR 188 million, of which EUR 167 million were fixed assets and EUR 21 million biological assets. Depreciations totalled EUR 124 million. Additions in fixed assets and biological assets had a cash outflow impact of EUR 193 million in the first quarter.

The main projects ongoing in the first quarter of 2016 were the construction of the board machine at Beihai Mill in China, and the new production line for wooden building elements (LVL) at Varkaus Mill in Finland.

CAPITAL EXPENDITURE, EQUITY INJECTIONS AND DEPRECIATION FORECAST 2016

EUR million	Forecast 2016
Capital expenditure	680–720
Depreciation	510–530

The capital expenditure forecast includes approximately EUR 100 million for the group's biological assets and approximately EUR 160 million for the construction of Beihai Mill in Consumer Board division in China.

Segments in first quarter 2016 (compared with Q1/2015)

Consumer Board division

Consumer Board division develops and provides consumer packaging boards for printing and packaging applications. A wide board and barrier coating selection is suitable for the design and optimisation of packaging for liquid, food, pharmaceutical and luxury goods. We serve brand owners globally and are expanding in growth markets such as China and Asia Pacific to meet rising demand.

EUR million	Q1/16	Q1/15	Change % Q1/16–Q1/15	Q4/15	Change % Q1/16–Q4/15	2015
Sales	564	569	-0.9%	560	0.7%	2 340
Operational EBITDA	108	115	-6.1%	89	21.3%	434
Operational EBITDA margin	19.1%	20.2%		15.9%		18.5%
Operational EBIT	73	79	-7.6%	53	37.7%	290
Operational EBIT margin	12.9%	13.9%		9.5%		12.4%
Operational ROOC*	14.3%	17.3%		10.6%		15.5%
Cash flow from operations	82	39	110.3%	152	-46.1%	481
Cash flow after investing activities	-16	-28	42.9%	-15	-6.7%	21
Board deliveries, 1 000 tonnes	588	603	-2.5%	575	2.3%	2 458
Board production, 1 000 tonnes	624	638	-2.2%	575	8.5%	2 490

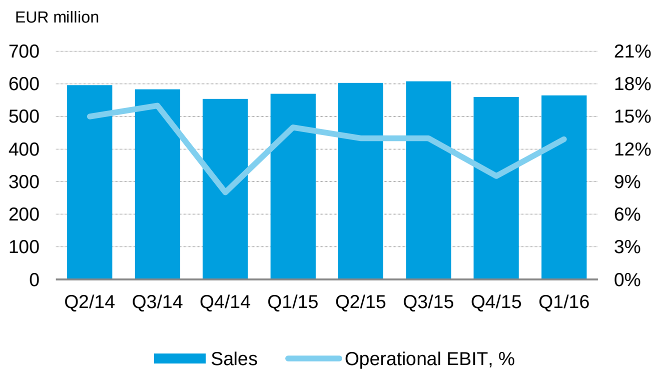
* Operational ROOC = 100% x Operational EBIT/Average operating capital

- Sales increased by 4.6%, excluding the divestment of Barcelona Mill in Spain.
- Higher volumes, supported by record high production excluding Barcelona Mill, were more than offset by increased fixed costs. The negative impact of the approaching start-up of Beihai Mill and the ongoing plantation operations in Guangxi was EUR 21 million, or EUR 11 million higher than a year ago.
- The construction of the Beihai consumer board mill in China is proceeding. The board machine is expected to start up in May. The impact of the operations is approximately EUR 20 million negative in the second quarter and is estimated to be slightly higher than previously forecast due to the early start-up of the machine. The impact in the second half of 2016 is estimated to be approximately EUR 30 million negative per quarter, including a quarterly depreciation of EUR 10 million. It is forecast to take approximately 18 to 24 months for the mill to reach full production.
- Operational ROOC without the Beihai Mill investment would have been 34.2% (30.0%).
- In March, Stora Enso announced investments in a new polyethylene (PE) coating line at Beihai Mill (EUR 31 million) to support competitiveness by enabling short lead-times and full quality control for PE-coated prime Food Service Board (FSB), and in a new chemical plant at Skoghall Mill, Sweden (EUR 16 million).

MARKETS

Product	Market	Demand Q1/16 compared with Q1/15	Demand Q1/16 compared with Q4/15	Price Q1/16 compared with Q1/15	Price Q1/16 compared with Q4/15
Consumer board	Europe	Slightly stronger	Slightly stronger	Stable	Stable

SALES AND OPERATIONAL EBIT



Operational ROOC (Q1/2016)

14.3%

(Target: >20%)

Scheduled annual maintenance shutdowns in 2016

Q1 –
Q2 –
Q3 Imatra and Ingerois mills
Q4 Skoghall and Fors mills

Packaging Solutions division

Packaging Solutions division develops fibre-based packaging, and operates at every stage of the value chain from pulp production, material and packaging production to recycling. Our solutions serve leading converters, brand owners and retail customers helping to optimise performance, reduce total costs and enhance sales.

EUR million	Q1/16	Q1/15	Change % Q1/16–Q1/15	Q4/15	Change % Q1/16–Q4/15	2015
Sales	245	221	10.9%	240	2.1%	913
Operational EBITDA	23	40	-42.5%	37	-37.8%	147
Operational EBITDA margin	9.4%	18.1%		15.4%		16.1%
Operational EBIT	7	26	-73.1%	22	-68.2%	90
Operational EBIT margin	2.9%	11.8%		9.2%		9.9%
Operational ROOC*	3.2%	12.9%		10.5%		11.1%
Cash flow from operations	10	30	-66.7%	23	-56.5%	138
Cash flow after investing activities	-10	18	-155.6%	-24	58.3%	20
Board deliveries (external), 1 000 tonnes	209	145	44.1%	166	25.9%	587
Board production, 1 000 tonnes	302	214	41.1%	265	14.0%	904
Corrugated packaging deliveries, million m^2	259	274	-5.5%	274	-5.5%	1 112
Corrugated packaging production, million m^2	253	275	-8.0%	270	-6.3%	1 093

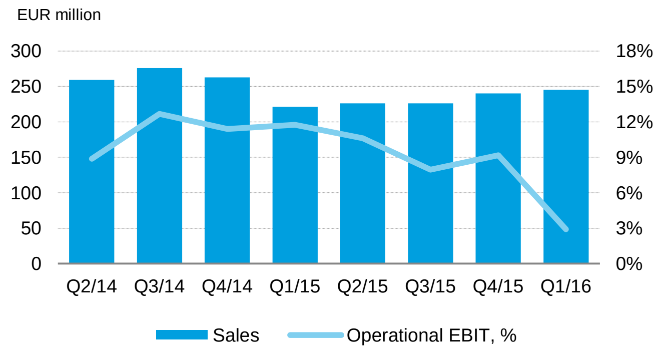
* Operational ROOC = 100% x Operational EBIT/Average operating capital

- Sales increased by 11% mainly due to the ramp-up of Varkaus kraftliner mill and higher sales at the Ostrołęka containerboard mill.
- Varkaus kraftliner mill ramp-up is proceeding according to plan, but some technical challenges in operations, primarily in the pulp mill, led to an additional negative operational EBIT contribution of EUR 8 million. The market acceptance for brown kraftliner and its quality have been good from the beginning. Full production is expected in early 2017.
- Operations in China (Inpac) decreased operational EBIT by EUR 11 million, of which more than half relates to one time corrections of cumulative errors in stock reporting and the rest to a decline in business with some key customers.
- In April, Stora Enso announced that it is carrying out a feasibility study with the aim of expanding containerboard production at the Ostrołęka Mill in Poland by 500 000 tonnes annually.

MARKETS

Product	Market	Demand Q1/16 compared with Q1/15	Demand Q1/16 compared with Q4/15	Price Q1/16 compared with Q1/15	Price Q1/16 compared with Q4/15
Containerboard	Europe	Slightly stronger	Stable	Slightly higher	Slightly lower
Corrugated packaging	Europe	Slightly stronger	Stable	Slightly higher	Stable

SALES AND OPERATIONAL EBIT



Operational ROOC (Q1/2016)

3.2%

(Target: >20%)

Scheduled annual maintenance shutdowns in 2016

Q1 –
Q2 Ostrołęka Mill
Q3 Heinola Mill
Q4 Varkaus Mill

Biomaterials division

Biomaterials division offers a variety of pulp grades to meet the demands of paper, board, tissue, textile and hygiene product producers. We also develop new ways to maximise the value extractable from wood, as well as other kinds of lignocellulosic biomasses. Sugars and lignin hold potential for use in applications in the specialty chemical, construction, personal care and food industries. We have a global presence with operations in Brazil, Finland, Laos, Sweden, Uruguay, and the USA.

EUR million	Q1/16	Q1/15	Change % Q1/16–Q1/15	Q4/15	Change % Q1/16–Q4/15	2015
Sales	351	354	-0.8%	374	-6.1%	1 484
Operational EBITDA	110	100	10.0%	108	1.9%	420
Operational EBITDA margin	31.3%	28.2%		28.9%		28.3%
Operational EBIT	84	73	15.1%	81	3.7%	313
Operational EBIT margin	23.9%	20.6%		21.7%		21.1%
Operational ROOC*	13.1%	11.4%		12.7%		12.4%
Cash flow from operations	115	18	n/m	127	-9.4%	385
Cash flow after investing activities	81	-18	n/m	91	-11.0%	187
Pulp deliveries, 1 000 tonnes	617	593	4.0%	644	-4.2%	2 499

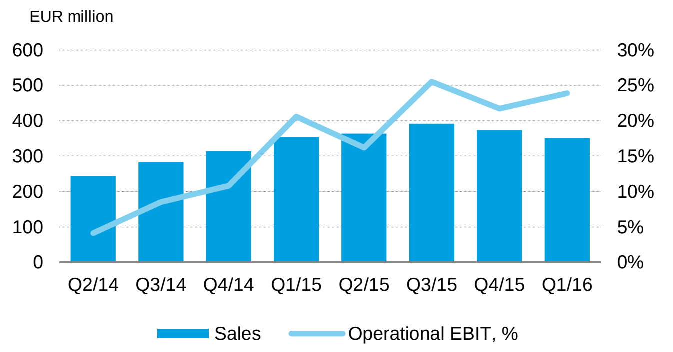
* Operational ROOC = 100% x Operational EBIT/Average operating capital

- Sales decreased slightly as lower softwood pulp sales prices in local currencies were only partly offset by higher sales volumes, mainly due to Montes del Plata Mill ramp-up.
- Operational EBIT increased due to lower wood costs, and also due to higher sales volumes from Montes del Plata Mill.
- In March, Stora Enso announced an investment of EUR 16 million to improve the environmental performance by reducing the sulphur emissions at Skutskär Mill in Sweden.

MARKETS

Product	Market	Demand Q1/16 compared with Q1/15	Demand Q1/16 compared with Q4/15	Price Q1/16 compared with Q1/15	Price Q1/16 compared with Q4/15
Softwood pulp	Europe	Stable	Slightly stronger	Significantly lower	Slightly lower
Hardwood pulp	Europe	Slightly stronger	Stable	Slightly higher	Slightly lower

SALES AND OPERATIONAL EBIT



Operational ROOC (Q1/2016)

13.1%

(Target: >15%)

Scheduled annual maintenance shutdowns in 2016

Q1 –
Q2 Montes del Plata Mill
Q3 Veracel and Skutskär mills
Q4 Enocell Mill

Wood Products division

Wood Products division provides versatile wood-based solutions for building and housing. Our product range covers all areas of urban construction including massive wood elements and housing modules, wood components and pellets. We also offer a variety of sawn timber goods. Our customers are mainly construction and joinery companies, merchandisers and retailers. Wood Products operates globally and has more than 20 production units in Europe.

EUR million	Q1/16	Q1/15	Change % Q1/16–Q1/15	Q4/15	Change % Q1/16–Q4/15	2015
Sales	382	392	-2.6%	395	-3.3%	1 603
Operational EBITDA	23	23	0.0%	26	-11.5%	111
Operational EBITDA margin	6.0%	5.9%		6.6%		6.9%
Operational EBIT	16	15	6.7%	21	-23.8%	81
Operational EBIT margin	4.2%	3.8%		5.3%		5.1%
Operational ROOC*	12.3%	11.7%		16.6%		15.7%
Cash flow from operations	34	14	142.9%	10	240.0%	118
Cash flow after investing activities	10	4	150.0%	-21	147.6%	59
Wood products deliveries, 1 000 m^3	1 086	1 025	6.0%	1 116	-2.7%	4 334

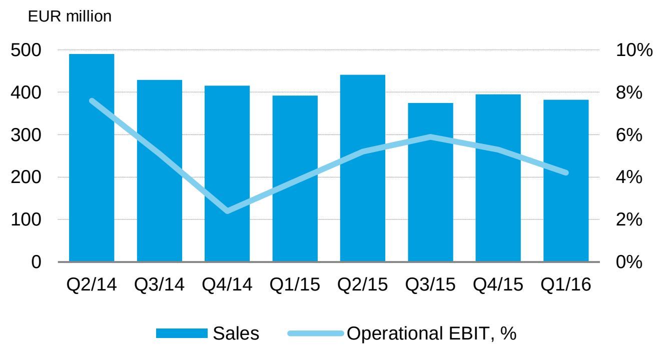
* Operational ROOC = 100% x Operational EBIT/Average operating capital

- Sales decreased mainly due to lower sales prices in local currencies and reduction in volumes of traditional sawn goods.
- Operational EBIT increased mainly due to higher volumes in building systems and components.
- The investment in a new production line for wooden building elements (LVL) at Varkaus Mill is proceeding according to plan and the raw material supply for production has begun. Production is scheduled to begin in June 2016.

MARKETS

Product	Market	Demand Q1/16 compared with Q1/15	Demand Q1/16 compared with Q4/15	Price Q1/16 compared with Q1/15	Price Q1/16 compared with Q4/15
Wood products	Europe	Stronger	Stronger	Lower	Stable

SALES AND OPERATIONAL EBIT



Operational ROOC (Q1/2016)

12.3%

(Target: >18%)

Paper division

Paper division provides best-in-class paper solutions for print media and office use. The wide selection covers papers made from recycled and fresh wood fibre. Our main customer groups include publishers, retailers, printing houses, merchants, converters and office suppliers. Our mills are located predominantly in Europe, and in China. Three of the mills produce paper based on 100%-recycled fibre.

EUR million	Q1/16	Q1/15	Change % Q1/16–Q1/15	Q4/15	Change % Q1/16–Q4/15	2015
Sales	854	914	-6.6%	890	-4.0%	3 630
Operational EBITDA	83	61	36.1%	74	12.2%	231
Operational EBITDA margin	9.7%	6.7%		8.3%		6.4%
Operational EBIT	51	18	183.3%	41	24.4%	77
Operational EBIT margin	6.0%	2.0%		4.6%		2.1%
Operational ROOC*	17.1%	4.5%		12.5%		5.5%
Cash flow from operations	53	65	-18.5%	54	-1.9%	286
Cash flow after investing activities	45	54	-16.7%	16	181.3%	201
Cash flow after investing activities to sales	5.3%	5.9%		1.8%		5.5%
Paper deliveries, 1 000 tonnes	1 340	1 432	-6.4%	1 424	-5.9%	5 778
Paper production, 1 000 tonnes	1 395	1 472	-5.2%	1 435	-2.8%	5 794

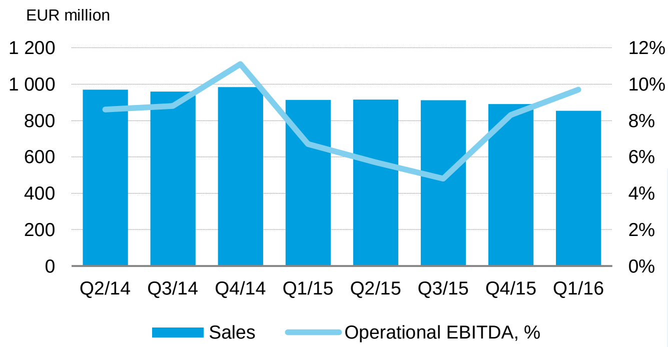
* Operational ROOC = 100% x Operational EBIT/Average operating capital

- Sales were negatively impacted by the conversion of Varkaus Mill in Finland to kraftliner, and the divestment of Uetersen Mill in Germany. Excluding these structural impacts sales remained stable.
- Operational EBIT improved mainly due to lower costs. The year-on-year comparison is also impacted by a provision booking of a doubtful receivable of EUR 7 million recorded in the first quarter of 2015.
- Depreciation was EUR 8 million lower, mainly due to the impairment of intangible assets and property, plant and equipment in the fourth quarter of 2015.
- Cash flow after investing activities stabilised after a strong improvement a year ago.
- The divestment of Arapoti Mill in Brazil was completed in March.
- On 8 April, Stora Enso announced plans to divest its 33.33% ownership in the Swedish recycled materials company IL Recycling AB to Stena Metall AB, a Swedish recycling company. The transaction is expected to be closed during the third quarter of 2016. Stora Enso will record a capital gain of approximately EUR 16 million related to the transaction at closing. The transaction will decrease Stora Enso's net debt by approximately EUR 26 million, and it will not have material impact on the group's operational EBIT going forward.

MARKETS

Product	Market	Demand Q1/16 compared with Q1/15	Demand Q1/16 compared with Q4/15	Price Q1/16 compared with Q1/15	Price Q1/16 compared with Q4/15
Paper	Europe	Slightly weaker	Weaker	Stable	Slightly higher

SALES AND OPERATIONAL EBITDA*



Cash flow after investing activities to sales (Q1/2016)

5.3%

(Target: >7%)

Scheduled annual maintenance shutdowns in 2016

Q1 –
Q2 Langerbrugge Mill
Q3 Anjala, Maxau, Oulu, and Veitsiluoto mills
Q4 –

* The Paper division's financial target is cash flow after investing activities to sales, because the division's goal is to generate cash flow for the group so that it can transform into a renewable materials growth company.

Other

The segment Other includes the Nordic forest equity-accounted investments, Stora Enso's shareholding in the energy company Pohjolan Voima, operations supplying wood to the Nordic mills and group shared services and administration.

EUR million	Q1/16	Q1/15	Change % Q1/16–Q1/15	Q4/15	Change % Q1/16–Q4/15	2015
Sales	648	647	0.2%	639	1.4%	2 478
Operational EBITDA	9	1	n/m	7	28.6%	9
Operational EBITDA margin	1.4%	0.2%		1.1%		0.4%
Operational EBIT	17	9	88.9%	24	-29.2%	64
Operational EBIT margin	2.6%	1.4%		3.8%		2.6%
Cash flow from operations	-5	5	-200.0%	46	-110.9%	148
Cash flow after investing activities	-14	-1	n/m	28	-150.0%	111

- Operational EBIT improved due to better performance in logistics operations and better operational result for the group's equity accounted forest investments.

Sustainability in first quarter 2016 (compared with Q1/2015)

Safety performance

TRI AND LTA RATES*

	Q1/16	Q1/15	Q4/15	2015	Milestone	Milestone to be reached by
TRI rate	11.3	10.1	12.6	11.0		
LTA rate	3.6	4.8	5.6	4.7	3.8	end of 2016

TRI (Total recordable incident) rate = number of incidents per one million hours worked.
LTA (Lost-time accident) rate = number of lost-time accidents per one million hours worked.
*For Stora Enso employees

The group's short-term milestone for the Lost-time accident (LTA) rate is 3.8 by the end of 2016.

Suppliers

Implementation of the Supplier Code of Conduct

SUPPLIER CODE OF CONDUCT

	31 Mar 16	31 Dec 15	31 Mar 15	Target	Target to be reached by
% of supplier spend covered by the Supplier Code of Conduct*	91%	90%	77%	90%	end of 2016

*Excluding joint operations. Performance in 2015 excludes Wood Supply units.

Human rights

Stora Enso's partnership with the International Labour Organization (ILO)

As part of the partnership with the ILO in Pakistan, consultation with ILO's tripartite constituents, including the representatives of government, employers and workers, was held in Lahore in February. A mapping of Bulleh Shah Packaging's waste paper and agricultural by-product supply chains, as the first phase of the formative ground research, was initiated by the ILO in March. The formative ground research by the ILO is now expected to commence upon the completion of the supply chain mapping and to be completed by the end of the agricultural harvesting season.

Action plans to address the Danish Institute for Human Rights (DIHR) assessment findings

PROGRESS ON THE IMPLEMENTATION OF PREVENTIVE AND REMEDIATION ACTIONS

	Completed	On track	Not on track	Closed*	Regular review**
Implementation progress, % of all the actions	79%	12%	1%	5%	3%

*Issues that were identified in the Human Rights assessments but closed following reassessment of their validity in specific local contexts.

**Longer-term actions without a targeted end-date that require continuous review.

At the end of the quarter 79% (69% by the end of 2015) of the preventive and remediation actions were completed. The actions are based on the UN Guiding Principles on Business and Human Rights and criteria created in collaboration with DIHR. During the quarter some of the actions were deemed closed after reassessing their validity in specific local contexts.

Mitigating Child Labour in Pakistan

BULLEH SHAH PACKAGING'S DIRECT SUPPLIERS OF DOMESTIC FIBRE AND AGRICULTURAL BY-PRODUCTS

	31 Mar 16	31 Dec 15	31 Mar 15	Target	Target to be reached by
Number of direct active suppliers	276	335	210		
Audit coverage year-to-date (%)*	6%	45%	9%	45%	end of 2016

*The share of direct suppliers of OCC and agricultural by-products that are audited during the calendar year. Excluding institutional OCC suppliers identified as low risk.

Bulleh Shah Packaging (BSP) conducted 55 (53) internal audits of its material and service suppliers during the first quarter, including 7 follow-up audits on previous corrective action requests. No external audits were conducted.

During the quarter, one young worker case not in compliance with ILO conventions, and unacceptable for Stora Enso and BSP, was found in the operations of a supplier providing printed fabric for BSP employees' sportswear. The young worker was not conducting hazardous work. Cases involving workers between 14-18 years of age are referred to as young workers in accordance with Pakistan-specific implementation of the ILO Minimum Working Age Convention (ILO C138). The hiring of this young worker by a subcontractor violates the suppliers' contractual obligations under BSP's Supplier Sustainability Requirements. Both the supplier and the young worker were willing to comply with BSP's Child Labour Remediation Policy and reduce the young worker's working hours enabling education in accordance with the Child Labour Remediation Policy. The supplier was re-audited during the quarter and found to be compliant.

In February 2016, Stora Enso presented the results of a study commissioned by BSP from independent consultants on child labour within the agriculture sector around BSP's biomass collection centres. The key results of the study confirm that child labour is prevalent in the area. Childrens' role in agriculture has become more prominent due to high poverty levels; parents' illiteracy and lack of off-farm work skills; and parents being indebted to landlords resulting in bonded labour for families. Many children are working under hereditary labour relationships. Although the study did not determine that the families interviewed work in Bulleh Shah Packaging's supply chains, Stora Enso considers it to be likely. The results of this study substantiate the findings of the Human Rights Assessment carried out in Pakistan in 2014. Stora Enso will address these findings through the Public-Private Partnership with the ILO; one of the objectives of the partnership is to look into the root causes of child labour in BSP's supply chain.

The work on preparing the mobile medical clinic continued during the first quarter by defining the final specifications for manufacturing of the clinic and assessing component suppliers.

Forests, plantations and land use

Correction of land leasing contracts in Guangxi, China

SOCIAL FORESTLANDS LEASED BY STORA ENSO IN GUANGXI

	31 Mar 16	31 Dec 15	31 Mar 15	Target	Target to be reached by
Social forestland leased, ha	32 125	32 322	32 508		
Leased area without contractual defects, ha	16 642	16 471	16 212		
Lease contracts without contractual defects, % of all contracts	64%	63%	61%	100%	start-up of the planned pulp mill*

In contracts without defects the ownership of land is clear or solved, and the contracting procedure is proven to be legal, authentic and valid. The contract correction process includes a desktop documentation review, field investigations, legal and operational risk analysis, stakeholder consultations, the collection of missing documentation and the signing of new agreements or amendments directly with the villages or households concerned, or in some cases contract termination.

*The decision on the investment in the pulp mill will be made after the start-up of the board mill in 2016.

Stora Enso leases a total of 85 157 hectares of land in various regions of Guangxi, of which 38% (38%) is social land leased from village collectives, individual households and local forest farms.

In cases of conflict that the contract correction procedures cannot resolve, Stora Enso will terminate the contracts in a responsible way. During the first quarter, irreconcilable or economically unviable contracts corresponding to 200 hectares were terminated. By the end of the quarter contracts corresponding to 1 933 hectares were additionally identified in the process as irreconcilable or economically unviable. The target is to terminate all these contracts by the end of 2016.

Land occupations by the Social Landless Movements in Bahia, Brazil

LAND OCCUPIED BY SOCIAL LANDLESS MOVEMENTS NOT INVOLVED IN THE SUSTAINABLE SETTLEMENT INITIATIVE

	31 Mar 16	31 Dec 15	31 Mar 15
Area occupied by social movements not involved in the Sustainable Settlement Initiative, ha	4 592	5 461	5 659

As of the end of the first quarter, 4 592 hectares of land owned by Veracel were occupied by social landless movements not involved in the Sustainable Settlement Initiative. During the first quarter, Veracel continued to seek repossessions of occupied areas through legal processes, and the company resumed forest management on 869 hectares. Veracel has reserved 16 500 hectares to support the Sustainable Settlement Initiative. At the end of 2015 the total land area owned by Veracel was 216 000 hectares, of which 85 000 are planted with eucalyptus for pulp production.

Carbon dioxide

PERFORMANCE COMPARED TO BASELINE LEVEL*

	Q1/16**	Q1/15	Q4/15	2015	Target	Target to be reached by
Climate and energy						
Reduction of fossil CO_2 emissions per saleable tonne of pulp, paper and board (kg/t)***	-24%	-27%	-32%	-32%	-35%	end of 2025

*From baseline year 2006.
**Q1 performance includes January and February. The Q1 performance will be completed with March performance in the Interim Review for Q2.
***Covering direct fossil CO_2 emissions from production and indirect fossil CO_2 emissions related to purchased electricity and heat (Scope 1 and 2).

For over a decade, Stora Enso has actively reduced the energy intensity of its operations and in many places, also its dependency on fossil fuels. Today, over 75% of the energy the Group generates and uses comes from Carbon Neutral sources inside and outside the company. It is Stora Enso's firm intention to drive down fossil fuel use even more over the next ten years to get as close to zero as possible using technically and commercially feasible means.

Other events

In January Stora Enso announced a three-year agreement with the John Nurminen Foundation to support the Foundation's Clean Baltic Sea projects.

Short-term risks and uncertainties

The main short-term risks and uncertainties are related to the increasing imbalance in the European paper market.

Energy sensitivity analysis: the direct effect of a 10% increase in electricity, heat, oil and other fossil fuel market prices would have a negative impact of approximately EUR 6 million on operational EBIT for the next 12 months, after the effect of hedges.

Wood sensitivity analysis: the direct effect of a 10% increase in wood prices would have a negative impact of approximately EUR 169 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 105 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 51 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 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 crown and British pound against the euro would have approximately a positive EUR 106 million, negative EUR 90 million and positive EUR 37 million annual impact, respectively. A weakening of the currencies would have the opposite impact. These figures are before the effect of hedges and assuming no changes will occur other than a single currency exchange rate movement.

The group incurs annual unhedged net costs worth approximately EUR 130 million in Brazilian real (BRL) in its operations in Brazil. For these flows, a 10% strengthening in the value of BRL would have a EUR 13 million negative impact on operational EBIT.

Legal proceedings

Proceedings in Latin America

Veracel

Fibria and Stora Enso each own 50% of Veracel, and the joint ownership is governed by a shareholder agreement. In May 2014, Fibria initiated arbitration proceedings against Stora Enso claiming that Stora Enso was in breach of certain provisions of the shareholder agreement. Fibria has estimated that the interest to be paid regarding the dispute should be approximately USD 54 (EUR 50) million. Stora Enso denies any breach of contract and disputes the method for calculating the interest to be paid. No provisions have been made in Stora Enso’s accounts for this case.

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 BRL 20 (EUR 5) 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.

Proceeding in Finland

Finnish wood claim

In December 2009, the Finnish Market Court fined Stora Enso for competition law infringements in the market for roundwood in Finland from 1997 to 2004. Stora Enso did not appeal against the ruling. In March 2011 Metsähallitus of Finland initiated legal proceedings against Stora Enso, UPM and Metsä Group claiming compensation for damages allegedly suffered due to competition law infringements. The total claim against the defendants amounts to approximately EUR 160 million and the secondary claim against Stora Enso to approximately EUR 87 million. In addition, certain Finnish municipalities and private forest owners initiated similar legal proceedings. The total amount claimed from the defendants amounts to approximately EUR 33 million, the secondary claims solely against Stora Enso amount to approximately EUR 7 million. Stora Enso denies that Metsähallitus and the other plaintiffs suffered any damages whatsoever and will forcefully defend itself. In March 2014, the Helsinki District Court dismissed 13 private forest owners’ claims as time-barred. In November 2014, the Helsinki Court of Appeal revoked the decision of the District Court. Stora Enso and the other defendants have appealed the Court of Appeals decision in the Supreme Court, which, in February 2016, ruled that the claims are partly time-barred. It is still too early to assess the impact on the overall claim amount. No provisions have been made in Stora Enso’s accounts for these lawsuits.

Share capital

During the first quarter of 2016, the conversion of a total of 25 000 A shares into R shares was recorded in the Finnish trade register.

On 31 March 2016, Stora Enso had 176 507 090 A shares and 612 112 897 R shares in issue. The total number of shares was 788 619 987 and the votes amounted to 237 718 379. The company did not hold its own shares.

On 4 January 2016, BlackRock Inc.'s indirect holding in Stora Enso shares increased over the threshold of 5%.

On 17 February 2016, BlackRock Inc.'s indirect holding in Stora Enso shares fell below the threshold of 5%.

On 17 March 2016, BlackRock Inc.'s indirect holding in Stora Enso shares increased over the threshold of 5%.

Events after the period

Stora Enso will extend its silent period to 30 days starting from the second quarter. The next silent period will begin on 21 June 2016.

On 13 April 2016, Norges Bank's holding in Stora Enso shares fell below the threshold of 5%.

Annual General Meeting

Stora Enso Oyj's Annual General Meeting (AGM) will be held at 16.00 (Finnish time) on Thursday 28 April 2016 at the Marina Congress Center, Katajanokanlaituri 6, Helsinki, Finland.

The Board of Directors' proposal for the payment of dividend

The Board of Directors proposes to the AGM that a dividend of EUR 0.33 per share be distributed for the year 2015.

The dividend would be paid to shareholders who on the record date of the dividend payment, 2 May 2016, 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 10 May 2016.

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

Helsinki, 28 April 2016
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 2015.

All figures in this Interim Report have been rounded to the nearest million, unless otherwise stated.

The following amendments to the standards are applied to the annual periods beginning on 1 January 2016

- IAS 19 *Defined Benefit Plans Employee Contributions* (amendment) effective for annual periods beginning on or after 1 July 2014. The amendment was not endorsed by the EU until January 2015, i.e. the effective date is transferred to 2016. The amendment clarifies the accounting for contributions made by employees or third parties to defined benefit plans. The amendment does not have a significant effect on the group financial statement.
- Amendments to IAS 16 and IAS 41 *Agriculture: Bearer Plants*. The amendments define a bearer plant and require biological assets that meet the definition of a bearer plant to be accounted for as property, plant and equipment. These amendments have no effect on the group financial statements.
- Amendments to IAS 16 and IAS 38 *Clarification of Acceptable Methods of Depreciation and Amortisation*. The amendments prohibit using a revenue-based depreciation method for items of property, plant and equipment and introduce a rebuttable presumption that revenue is not an appropriate basis for amortisation of an intangible asset. These amendments have no effect on the group financial statements.
- IFRS 11 *Accounting for Acquisition of Interests in Joint Operations* (amendment) provides guidance on how to account for the acquisition of a joint operation that constitutes a business. The amendment has no effect on the group financial statements.
- IAS 27 *Equity Method in Separate Financial Statements* (amendment) reinstates the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements. This change is not relevant to the group.
- Amendments to IAS 1: *Disclosure* Initiative clarifies the presentation principles. The amendments do not have material effect on the group financial statement.

Disposal of Arapoti Mill in Brazil

On 31 December 2015 Stora Enso signed an agreement to divest its entire 80% shareholding in the Arapoti magazine paper mill in Paraná, Brazil, to Papeles Bio Bio, a Chilean paper producer. The initial consideration for the divestment of the shares was approximately EUR 19 million, subject to customary closing day adjustments. Following the agreement, the group recognised a EUR 34 million expense consisting of fixed asset impairments, deferred tax asset write-down, and transaction costs in its fourth quarter 2015 accounts. EUR 6 million of the total impact was allocated to the non-controlling interest holders. The closing took place on 31 March. The updated consideration was EUR 17 million subject to customary post-closing adjustments. The transaction resulted in an additional loss of approximately EUR 28 million in the first quarter 2016 accounts, mainly due to cumulative translation adjustments. Based on 2015 annual figures, the transaction decreases Stora Enso's sales by approximately EUR 100 million. Arapoti Mill has an annual production capacity of 185 000 tonnes of coated magazine paper (LWC), and it employs 320 people.

EUR million	31 Mar 2016
Inventories	11
Receivables	31
Cash and cash equivalents	1
Total assets	**43**
Non-current liabilities	8
Current liabilities	14
Total liabilities	**22**
Net assets	**21**
Non-controlling interests	4
Net assets disposed of on 31 March 2016	**17**

CONDENSED CONSOLIDATED INCOME STATEMENT

EUR million	Q1/16	Q1/15	Q4/15	2015
Sales	**2 445**	**2 491**	**2 487**	**10 040**
Other operating income	30	28	38	128
Change in inventories of finished goods and WIP	36	55	7	18
Change in net value of biological assets	-7	-9	-41	-89
Materials and services	-1 463	-1 508	-1 532	-6 008
Freight and sales commissions	-231	-241	-232	-970
Personnel expenses	-342	-323	-321	-1 313
Other operating expenses	-146	-138	-127	-503
Share of results of equity accounted investments	-3	-7	480	519
Depreciation, amortisation and impairment charges	-125	-133	-366	-763
Operating Profit	**194**	**215**	**393**	**1 059**
Net financial items	-39	-53	-33	-245
Profit before Tax	**155**	**162**	**360**	**814**
Income tax	-41	-33	47	-31
Net Profit for the Period	**114**	**129**	**407**	**783**
Attributable to:				
Owners of the Parent	118	129	424	807
Non-controlling interests	-4	-	-17	-24
Net Profit for the Period	**114**	**129**	**407**	**783**
Earnings per Share				
Basic earnings per share, EUR	0.15	0.16	0.53	1.02
Diluted earnings per share, EUR	0.15	0.16	0.54	1.02

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	Q1/16	Q1/15	Q4/15	2015
Net profit for the period	114	129	407	783
Other Comprehensive Income (OCI)				
Items that will Not be Reclassified to Profit and Loss				
Actuarial gains and losses on defined benefit plans	-	-	75	77
Income tax relating to items that will not be reclassified	-	-	-36	-36
	-	**-**	**39**	**41**
Items that may be Reclassified Subsequently to Profit and Loss				
Share of OCI of EAIs that may be reclassified	-3	-1	2	5
Currency translation movements on equity net investments (CTA)	-32	191	76	28
Currency translation movements on non-controlling interests	-5	18	3	6
Net investment hedges	14	-37	-9	-33
Cash flow hedges	23	-51	18	60
Non-controlling interests' share of cash flow hedges	-	-1	-	1
Available-for-sale investments	-	23	-66	-327
Income tax relating to items that may be reclassified	-8	17	-4	-8
	-11	**159**	**20**	**-268**
Total Comprehensive Income	**103**	**288**	**466**	**556**
Attributable to:				
Owners of the Parent	112	271	480	573
Non-controlling interests	-9	17	-14	-17
Total Comprehensive Income	**103**	**288**	**466**	**556**

CTA = Cumulative Translation Adjustment
OCI = Other Comprehensive Income
EAI = Equity Accounted Investments

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR million		31 Mar 16	31 Dec 15	31 Mar 15
Assets				
Goodwill	O	246	248	248
Other intangible assets	O	148	156	170
Property, plant and equipment	O	5 591	5 627	5 608
		5 985	**6 031**	**6 026**
Biological assets	O	636	640	709
Emission rights	O	35	20	48
Equity accounted investments	O	1 545	1 570	1 048
Available-for-sale: Listed securities	I	24	28	27
Available-for-sale: Operative	O	138	131	470
Non-current loan receivables	I	68	68	63
Deferred tax assets	T	245	246	257
Other non-current assets	O	61	63	83
Non-current Assets		**8 737**	**8 797**	**8 731**
Inventories	O	1 403	1 373	1 507
Tax receivables	T	8	6	8
Operative receivables	O	1 334	1 324	1 550
Interest-bearing receivables	I	74	53	136
Cash and cash equivalents	I	605	808	1 321
Current Assets		**3 424**	**3 564**	**4 522**
Total Assets		**12 161**	**12 361**	**13 253**
Equity and Liabilities				
Owners of the Parent		5 500	5 388	5 336
Non-controlling Interests		112	125	195
Total Equity		**5 612**	**5 513**	**5 531**
Post-employment benefit provisions	O	371	378	451
Other provisions	O	108	112	158
Deferred tax liabilities	T	267	252	254
Non-current debt	I	3 173	3 342	3 618
Other non-current operative liabilities	O	46	49	48
Non-current Liabilities		**3 965**	**4 133**	**4 529**
Current portion of non-current debt	I	237	228	606
Interest-bearing liabilities	I	545	626	766
Bank overdrafts	I	1	1	1
Other provisions	O	42	48	69
Other operative liabilities	O	1 715	1 765	1 702
Tax liabilities	T	44	47	49
Current Liabilities		**2 584**	**2 715**	**3 193**
Total Liabilities		**6 549**	**6 848**	**7 722**
Total Equity and Liabilities		**12 161**	**12 361**	**13 253**

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	Q1/16	Q1/15
Cash Flow from Operating Activities		
Operating profit	194	215
Hedging result from OCI	-4	-8
Adjustments for non-cash items	156	143
Change in net working capital	-61	-187
Cash Flow Generated by Operations	**285**	**163**
Net financial items paid	-78	-86
Income taxes paid, net	-36	-25
Net Cash Provided by Operating Activities	**171**	**52**
Cash Flow from Investing Activities		
Acquisitions of available-for-sale investments	-2	-
Proceeds from disposal of subsidiary shares and business operations, net of disposed cash	13	-20
Proceeds from disposal of intangible assets and property, plant and equipment	-	1
Capital expenditure	-193	-142
Proceeds from non-current receivables, net	-5	20
Net Cash Used in Investing Activities	**-187**	**-141**
Cash Flow from Financing Activities		
Proceeds from issue of new long-term debt	1	3
Repayment of long-term debt	-108	-116
Change in short-term borrowings	-18	20
Buy-out of interest in subsidiaries from non-controlling interests	-46	-
Equity injections from, less dividends to, non-controlling interests	-2	11
Purchase of own shares*	-2	-6
Net Cash Used in Financing Activities	**-175**	**-88**
Net Decrease in Cash and Cash Equivalents	**-191**	**-177**
Translation adjustment	-13	53
Net cash and cash equivalents at the beginning of period	808	1 444
Net Cash and Cash Equivalents at Period End	**604**	**1 320**
Cash and Cash Equivalents at Period End	**605**	**1 321**
Bank Overdrafts at Period End	**-1**	**-1**
Net Cash and Cash Equivalents at Period End	**604**	**1 320**
Disposals		
Cash and cash equivalents	1	20
Working capital	20	-21
Interest-bearing assets and liabilities	-	1
Non-controlling interests	-4	-
Net Assets in Divested Companies	**17**	**-**
Gain on sale	-	-
Total Disposal Consideration	**17**	**-**
Cash part of consideration	14	-
Non-cash part of consideration	3	-
Total Disposal Consideration	**17**	**-**

* Own shares purchased for the group's share award programme. The group did not hold any of its own shares at the end of March 2016.

PROPERTY, PLANT AND EQUIPMENT, GOODWILL, BIOLOGICAL ASSETS AND OTHER INTANGIBLE ASSETS

EUR million	Q1/16	Q1/15	2015
Carrying value at 1 January	6 671	6 461	6 461
Additions in tangible and intangible assets	167	108	912
Additions in biological assets	21	22	77
Harvesting in biological assets	-7	-11	-76
Disposals	-	-1	-23
Disposals of subsidiary companies	-	-	-12
Depreciation and impairment	-125	-133	-763
Valuation of biological assets	-	2	-13
Translation difference and other	-106	287	108
Statement of Financial Position Total	**6 621**	**6 735**	**6 671**

BORROWINGS

EUR million	31 Mar 16	31 Dec 15	31 Mar 15
Bond loans	1 819	1 834	2 647
Loans from credit institutions	1 502	1 637	1 437
Finance lease liabilities	61	61	69
Other non-current liabilities	28	38	71
Non-current Debt including Current Portion	**3 410**	**3 570**	**4 224**
Short-term borrowings	471	492	473
Interest payable	23	64	57
Derivative financial liabilities	51	70	236
Bank overdrafts	1	1	1
Total Interest-bearing Liabilities	**3 956**	**4 197**	**4 991**

EUR million	Q1/16	2015	Q1/15
Carrying value at 1 January	4 197	4 894	4 894
Proceeds of new long-term debt	1	435	3
Repayment of long-term debt	-108	-1 181	-116
Change in short-term borrowings and interest payable	-62	-15	-41
Change in derivative financial liabilities	-19	-110	56
Translation differences and other	-53	174	195
Total Interest-bearing Liabilities	**3 956**	**4 197**	**4 991**

STATEMENT OF CHANGES IN EQUITY

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

					Fair Valuation Reserve								
EUR million	**Share Capital**	**Share Premium and Reserve Fund**	**Invested Non-Restricted Equity Fund**	**Treasury Shares**	**Step Acquisition Revaluation Surplus**	**Available-for-Sale Investments**	**Cash Flow Hedges**	**OCI of Equity Accounted Investments**	**CTA and Net Investment Hedges**	**Retained Earnings**	**Attributable to Owners of the Parent**	**Non-controlling Interests**	**Total**
Balance at 31 December 2014	**1 342**	**77**	**633**	**-**	**4**	**354**	**-69**	**-24**	**-149**	**2 902**	**5 070**	**167**	**5 237**
Profit for the period	-	-	-	-	-	-	-	-	-	129	129	-	129
OCI before tax	-	-	-	-	-	23	-51	-1	154	-	125	17	142
Income tax relating to components of OCI	-	-	-	-	-	-	10	-	7	-	17	-	17
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**23**	**-41**	**-1**	**161**	**129**	**271**	**17**	**288**
Acquisitions and disposals	-	-	-	-	-	-	-	-	-	-	-	11	11
Purchase of treasury shares	-	-	-	-6	-	-	-	-	-	-	-6	-	-6
Share-based payments	-	-	-	6	-	-	-	-	-	-5	1	-	1
Balance at 31 March 2015	**1 342**	**77**	**633**	**-**	**4**	**377**	**-110**	**-25**	**12**	**3 026**	**5 336**	**195**	**5 531**
Profit/loss for the period	-	-	-	-	-	-	-	-	-	678	678	-24	654
OCI before tax	-	-	-	-	-	-350	111	6	-159	77	-315	-10	-325
Income tax relating to components of OCI	-	-	-	-	-	-	-25	-	-	-36	-61	-	-61
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**-350**	**86**	**6**	**-159**	**719**	**302**	**-34**	**268**
Dividend	-	-	-	-	-	-	-	-	-	-237	-237	-2	-239
Acquisitions and disposals	-	-	-	-	-	-	-	-	-	-	-	-50	-50
Loss on NCI buy-out	-	-	-	-	-	-	-	-	-	-16	-16	16	-
Share-based payments	-	-	-	-	-	-	-	-	-	3	3	-	3
Balance at 31 December 2015	**1 342**	**77**	**633**	**-**	**4**	**27**	**-24**	**-19**	**-147**	**3 495**	**5 388**	**125**	**5 513**
Profit/loss for the period	-	-	-	-	-	-	-	-	-	118	118	-4	114
OCI before tax	-	-	-	-	-	-	23	-3	-18	-	2	-5	-3
Income tax relating to components of OCI	-	-	-	-	-	-	-5	-	-3	-	-8	-	-8
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**-**	**18**	**-3**	**-21**	**118**	**112**	**-9**	**103**
Acquisitions and disposals	-	-	-	-	-	-	-	-	-	-	-	-4	-4
Purchase of treasury shares	-	-	-	-2	-	-	-	-	-	-	-2	-	-2
Share-based payments	-	-	-	2	-	-	-	-	-	-	2	-	2
Balance at 31 March 2016	**1 342**	**77**	**633**	**-**	**4**	**27**	**-6**	**-22**	**-168**	**3 613**	**5 500**	**112**	**5 612**

COMMITMENTS AND CONTINGENCIES

EUR million	31 Mar 16	31 Dec 15	31 Mar 15
On Own Behalf			
Mortgages	4	4	4
On Behalf of Equity Accounted Investments			
Guarantees	10	17	18
On Behalf of Others			
Guarantees	29	30	6
Other Commitments, Own			
Operating leases, in next 12 months	82	83	86
Operating leases, after next 12 months	782	804	898
Other commitments	11	11	5
Total	**918**	**949**	**1 017**
Mortgages	4	4	4
Guarantees	39	47	24
Operating leases	864	887	984
Other commitments	11	11	5
Total	**918**	**949**	**1 017**

Capital Commitments

The group's direct capital expenditure contracts, excluding acquisitions, amounted to EUR 147 (compared with EUR 327 million at 31 March 2015 and EUR 196 million at 31 December 2015). These amounts include the group's share of direct capital expenditure contracts in joint operations.

SALES BY SEGMENT

EUR million	Q1/16	2015	Q4/15	Q3/15	Q2/15	Q1/15
Consumer Board	564	2 340	560	608	603	569
Packaging Solutions	245	913	240	226	226	221
Biomaterials	351	1 484	374	392	364	354
Wood Products	382	1 603	395	375	441	392
Paper	854	3 630	890	911	915	914
Other	648	2 478	639	563	629	647
Inter-segment sales	-599	-2 408	-611	-575	-616	-606
Total	**2 445**	**10 040**	**2 487**	**2 500**	**2 562**	**2 491**

OPERATIONAL EBIT BY SEGMENT

EUR million	Q1/16	2015	Q4/15	Q3/15	Q2/15	Q1/15
Consumer Board	73	290	53	80	78	79
Packaging Solutions	7	90	22	18	24	26
Biomaterials	84	313	81	100	59	73
Wood Products	16	81	21	22	23	15
Paper	51	77	41	6	12	18
Other	17	64	24	20	11	9
Operational EBIT	**248**	**915**	**242**	**246**	**207**	**220**
Fair valuations and non-operational items*	-26	378	401	-25	15	-13
Non-recurring Items	-28	-234	-250	16	-8	8
Operating Profit (IFRS)	**194**	**1 059**	**393**	**237**	**214**	**215**
Net financial items	-39	-245	-33	-93	-66	-53
Profit before Tax	**155**	**814**	**360**	**144**	**148**	**162**
Income tax expense	-41	-31	47	-20	-25	-33
Net Profit	**114**	**783**	**407**	**124**	**123**	**129**

* Fair valuations and non-operational items include equity incentive schemes and related hedges, CO_2 emission rights, valuations of biological assets, and the group's share of tax and net financial items of EAI.

NRI BY SEGMENT

EUR million	Q1/16	2015	Q4/15	Q3/15	Q2/15	Q1/15
Consumer Board	-	-2	-4	-	-	2
Packaging Solutions	-	-8	-	-	-8	-
Biomaterials	-	-17	-20	-	-	3
Wood Products	-	-	-	-	-	-
Paper	-28	-254	-262	6	-	2
Other	-	47	36	10	-	1
NRI on Operating Profit	**-28**	**-234**	**-250**	**16**	**-8**	**8**
NRI on tax	-2	57	59	-	-2	-
NRI on Net Profit	**-30**	**-177**	**-191**	**16**	**-10**	**8**
Attributable to:						
Owners of the Parent	-29	-167	-185	16	-6	8
Non-controlling interests	-1	-10	-6	-	-4	-
NRI on Net Profit	**-30**	**-177**	**-191**	**16**	**-10**	**8**

FAIR VALUATIONS AND NON-OPERATIONAL ITEMS* BY SEGMENT

EUR million	Q1/16	2015	Q4/15	Q3/15	Q2/15	Q1/15
Consumer Board	-2	-30	-36	2	2	2
Packaging Solutions	-1	-2	-	-	-1	-1
Biomaterials	-3	12	22	-2	-3	-5
Wood Products	-	-1	-	-	-	-1
Paper	-	-2	1	-1	-	-2
Other	-20	401	414	-24	17	-6
FV and Non-operational Items on Operating Profit	**-26**	**378**	**401**	**-25**	**15**	**-13**

* Fair valuations (FV) and non-operational items include equity incentive schemes and related hedges, CO_2 emission rights, valuations of biological assets, and the group's share of tax and net financial items of EAI.

OPERATING PROFIT BY SEGMENT

EUR million	Q1/16	2015	Q4/15	Q3/15	Q2/15	Q1/15
Consumer Board	71	258	13	82	80	83
Packaging Solutions	6	80	22	18	15	25
Biomaterials	81	308	83	98	56	71
Wood Products	16	80	21	22	23	14
Paper	23	-179	-220	11	12	18
Other	-3	512	474	6	28	4
Operating Profit (IFRS)	**194**	**1 059**	**393**	**237**	**214**	**215**
Net financial items	-39	-245	-33	-93	-66	-53
Profit before Tax	**155**	**814**	**360**	**144**	**148**	**162**
Income tax expense	-41	-31	47	-20	-25	-33
Net Profit	**114**	**783**	**407**	**124**	**123**	**129**

KEY EXCHANGE RATES FOR THE EURO

One Euro is	Closing Rate		Average Rate	
	31 Mar 16	31 Dec 15	31 Mar 16	31 Dec 15
SEK	9.2253	9.1895	9.3260	9.3545
USD	1.1385	1.0887	1.1017	1.1096
GBP	0.7916	0.7340	0.7701	0.7260

TRANSACTION RISK AND HEDGES IN MAIN CURRENCIES AS AT 31 MARCH 2016

EUR million	USD	SEK	GBP
Estimated annual net operating cash flow exposure	1 060	-900	370
Transaction hedges as at 31 March 2016	-500	440	-170
Hedging percentage as at 31 March 2016 for the next 12 months	**47%**	**49%**	**46%**

CHANGES IN EXCHANGE RATES ON OPERATIONAL EBIT

Operational EBIT: Currency Strengthening of + 10%	EUR million
USD	106
SEK	-90
GBP	37

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 it assumes that no changes occur other than exchange rate movement in a 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.

CARRYING AMOUNTS OF FINANCIAL ASSETS AND LIABILITIES BY MEASUREMENT AND FAIR VALUE CATEGORIES: 31 MARCH 2016

EUR million	Loans and Receivables	Financial Items at Fair Value through Income Statement	Hedging Derivatives	Available-for-Sale Investments	Carrying Amounts	Fair Value
Financial Assets						
Available-for-sale	-	-	-	162	162	162
Non-current loan receivables	68	-	-	-	68	70
Trade and other operative receivables	974	1	-	-	975	975
Interest-bearing receivables	18	10	46	-	74	74
Cash and cash equivalents	605	-	-	-	605	605
Carrying Amount by Category	**1 665**	**11**	**46**	**162**	**1 884**	**1 886**

EUR million	Financial Items at Fair Value through Income Statement	Hedging Derivatives	Measured at Amortised Cost	Carrying Amounts	Fair Value
Financial Liabilities					
Non-current debt	-	-	3 173	3 173	3 284
Current portion of non-current debt	-	-	237	237	237
Interest-bearing liabilities	10	41	494	545	545
Trade and other operative payables	21	-	1 411	1 432	1 432
Bank overdrafts	-	-	1	1	1
Carrying Amount by Category	**31**	**41**	**5 316**	**5 388**	**5 499**

EUR million	Level 1	Level 2	Level 3	Total
Derivative financial assets	-	56	-	56
Trade and other operative receivables	-	1	-	1
Available-for-sale investments	24	-	138	162
Derivative financial liabilities	-	51	-	51
Trade and other operative liabilities	-	-	21	21

CARRYING AMOUNTS OF FINANCIAL ASSETS AND LIABILITIES BY MEASUREMENT AND FAIR VALUE CATEGORIES: 31 DECEMBER 2015

EUR million	Loans and Receivables	Financial Items at Fair Value through Income Statement	Hedging Derivatives	Available- for-Sale Investments	Carrying Amounts	Fair Value
Financial Assets						
Available-for-sale	-	-	-	159	159	159
Non-current loan receivables	68	-	-	-	68	70
Trade and other operative receivables	987	-	-	-	987	987
Interest-bearing receivables	12	12	29	-	53	53
Cash and cash equivalents	808	-	-	-	808	808
Carrying Amount by Category	**1 875**	**12**	**29**	**159**	**2 075**	**2 077**

EUR million	Financial Items at Fair Value through Income Statement	Hedging Derivatives	Measured at Amortised Cost	Carrying Amounts	Fair Value
Financial Liabilities					
Non-current debt	-	-	3 342	3 342	3 445
Current portion of non-current debt	-	-	228	228	228
Interest-bearing liabilities	22	48	556	626	626
Trade and other operative payables	24	-	1 421	1 445	1 445
Bank overdrafts	-	-	1	1	1
Carrying Amount by Category	**46**	**48**	**5 548**	**5 642**	**5 745**

EUR million	Level 1	Level 2	Level 3	Total
Derivative financial assets	-	41	-	41
Available-for-sale investments	28	-	131	159
Derivative financial liabilities	-	70	-	70
Trade and other operative liabilities	-	3	21	24

RECONCILIATION OF LEVEL 3 FAIR VALUE MEASUREMENT OF FINANCIAL ASSETS: 31 MARCH 2016

EUR million	Q1/16	2015	Q1/15
Opening balance at 1 January	131	444	444
Losses recognised in income statement	-	-2	-
Gains/losses recognised in Available-for-sale investments reserve	4	-325	26
Additions	3	14	-
Disposals	-	-	-
Closing Balance	**138**	**131**	**470**

Level 3 Financial Assets

The level 3 financial assets consist mainly of 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 3.38% 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 +31 million and -31 million, respectively. A +/- 1% change in the discount rate would change the valuation by EUR -12 million and +16 million, respectively.

Stora Enso shares

TRADING VOLUME

	Helsinki		Stockholm	
	A share	**R share**	**A share**	**R share**
January	121 232	74 012 282	135 246	12 093 514
February	158 313	79 447 069	152 639	12 384 359
March	165 034	61 556 781	208 469	8 419 892
Total	**444 579**	**215 016 132**	**496 354**	**32 897 765**

CLOSING PRICE

	Helsinki, EUR		Stockholm, SEK	
	A share	**R share**	**A share**	**R share**
January	7.55	7.48	70.50	69.40
February	7.75	7.62	72.30	71.00
March	8.50	7.87	78.50	72.50

AVERAGE NUMBER OF SHARES

Million	**Q1/16**	**Q1/15**	**Q4/15**	**2015**
Periodic	788.6	788.6	788.6	788.6
Cumulative	788.6	788.6	788.6	788.6
Cumulative, diluted	790.0	789.8	789.8	789.8

CALCULATION OF KEY FIGURES

Operational return on capital employed, operational ROCE (%)	100 x	Operational EBIT / Capital employed[1) 2)]
Operational return on operating capital, operational ROOC (%)	100 x	Operational EBIT / Operating capital [2)]
Return on equity, ROE (%)	100 x	Net profit/loss for the period / Total equity[2)]
Net interest-bearing liabilities		Interest-bearing liabilities – interest-bearing assets
Debt/equity ratio		Net interest-bearing liabilities / Equity [3)]
EPS		Net profit/loss for the period[3)] / Average number of shares
Operational EBIT		Operating profit/loss excluding NRI and fair valuations of the segments and Stora Enso's share of operating profit/loss excluding NRI and fair valuations of its equity accounted investments (EAI)
Operational EBITDA		Operating profit/loss excluding fixed asset depreciation and impairment, share of results of equity accounted investments, NRI and fair valuations
Net debt to operational EBITDA ratio		Net interest-bearing liabilities / LTM operational EBITDA
Fixed costs		Maintenance, personnel and other administration type of costs, excluding NRI and fair valuations
Last 12 months (LTM)		12 months prior to the reporting date
TRI		Total recordable incident rate = number of incidents per one million hours worked
LTA		Lost-time accident rate = number of lost-time accidents 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

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Stora Enso's Q2/2016 results will be published on

21 July 2016

Stora Enso is a leading provider of renewable solutions in packaging, biomaterials, wood and paper on global markets. Our aim is to replace non-renewable materials by innovating and developing new products and services based on wood and other renewable materials. We employ some 26 000 people in more than 35 countries, and our sales in 2015 were EUR 10.0 billion. Stora Enso shares are listed on Nasdaq Helsinki (STEAV, STERV) and Nasdaq Stockholm (STE A, STE R). In addition, the shares are traded in the USA as ADRs (SEOAY) on the International OTCQX over-the-counter market. **storaenso.com**