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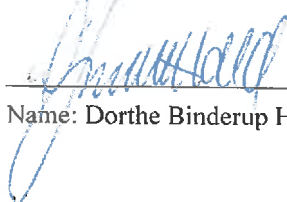
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Stora Enso Danmark A/S
Central Business Registration No
51517210
Skalhuse 5
9240 Nibe

Annual report 2015

The Annual General Meeting adopted the annual report on 20.06.2016

Chairman of the General Meeting



Name: Dorte Binderup Hald

Member of Deloitte Touche Tohmatsu Limited

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Entity details

Entity

Stora Enso Danmark A/S

Skalhuse 5

9240 Nibe

Central Business Registration No: 51517210

Registered in: Nibe

Financial year: 01.01.2015 - 31.12.2015

Board of Directors

Lars Erik Gerhard Ericson, Chairman

Christer Nylander

Dorthe Binderup Hald

Executive Board

Dorthe Binderup Hald

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

Postboks 1600

0900 København C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Stora Enso Danmark A/S for the financial year 01.01.2015 - 31.12.2015.

The annual report is presented in accordance with the Danish Financial Statements Act.

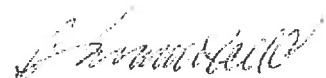
In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Nibe, 20.06.2016

Executive Board



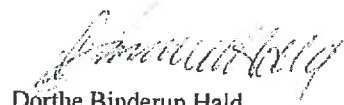
Dorthe Binderup Hald

Board of Directors

Lars Erik Gerhard Ericson
Chairman



Christer Nylander



Dorthe Binderup Hald

Independent auditor's reports

To the owner of Stora Enso Danmark A/S

Report on the financial statements

We have audited the financial statements of Stora Enso Danmark A/S for the financial year 01.01.2015 - 31.12.2015, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

Independent auditor's reports

Statement on the management commentary

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the financial statements.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the financial statements.

Copenhagen, 20.06.2016

Deloitte

Statsautoriseret Revisionspartnerselskab



Jens Rudkjær

State Authorised Public Accountant

Management commentary

Primary activities

The Company's main activity is the provision of Stora Enso's products: cardboard, publication paper (magazine paper, newsprint), fine paper, packaging and wood products in Denmark.

The Danish company is part of a Nordic sales team divided into paper, cardboard, packaging and wood products.

Development in activities and finances

Revenue, expenses and profit for the year are in line with expectations. The financial year 2015 saw a profit after tax of DKK 445 thousand. (2014: DKK 515 thousand).

Events after the balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied for these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

With reference to the financial statement act section 32, the Company has made an aggregation of revenue, cost of sales and other external expenses into one line Gross profit or loss.

Accounting policies

Revenue

Revenue primarily comprises cost-plus charges corresponding to costs paid the financial year.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including rental income and gains from the sale of intangible assets and property, plant and equipment.

Cost of sales

Cost of sales comprises costs of sales for the financial year, including freight charges.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses relating to property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of property, plant and equipment.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital gains on payables and transactions in foreign currencies as well as amortisation of financial assets.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on payables and foreign currency transactions, amortisation of financial liabilities.

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Accounting policies

The Entity is jointly taxed with all Danish group subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and Equipment	3-5 years
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Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Cash

Cash comprises cash in hand and bank deposits.

Accounting policies

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Income statement for 2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK'000</u>
Gross profit		5.104.698	6.314
Staff costs	1	(4.452.375)	(5.566)
Depreciation, amortisation and impairment losses		<u>(37.000)</u>	<u>(41)</u>
Operating profit/loss		615.323	707
Other financial income	2	11.855	16
Other financial expenses		<u>(4.054)</u>	<u>(12)</u>
Profit/loss from ordinary activities before tax		623.124	711
Tax on profit/loss from ordinary activities	3	<u>(178.149)</u>	<u>(196)</u>
Profit/loss for the year		<u>444.975</u>	<u>515</u>
 Proposed distribution of profit/loss			
Retained earnings		<u>444.975</u>	<u>515</u>
		<u>444.975</u>	<u>515</u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK'000</u>
Other fixtures and fittings, tools and equipment		148.000	0
Property, plant and equipment	4	<u>148.000</u>	<u>0</u>
Other receivables		9.458	9
Deferred tax		90.306	129
Fixed asset investments		<u>99.764</u>	<u>138</u>
Fixed assets		<u>247.764</u>	<u>138</u>
Receivables from group enterprises		6.534.627	6.173
Other short-term receivables		68.679	205
Income tax receivable		49.748	0
Receivables		<u>6.653.054</u>	<u>6.378</u>
Cash		<u>239</u>	<u>8</u>
Current assets		<u>6.653.293</u>	<u>6.386</u>
Assets		<u>6.901.057</u>	<u>6.524</u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK'000</u>
Contributed capital	5	4.050.000	4.050
Retained earnings		<u>1.276.843</u>	<u>832</u>
Equity		<u>5.326.843</u>	<u>4.882</u>
Trade payables		38.343	69
Debt to group enterprises		37.649	0
Income tax payable		0	38
Other payables		<u>1.498.222</u>	<u>1.535</u>
Current liabilities other than provisions		<u>1.574.214</u>	<u>1.642</u>
Liabilities other than provisions		<u>1.574.214</u>	<u>1.642</u>
Equity and liabilities		<u><u>6.901.057</u></u>	<u><u>6.524</u></u>
Contingent liabilities	6		
Ownership	7		
Consolidation	8		

Statement of changes in equity for 2015

	Contributed capital DKK	Retained ear- nings DKK	Total DKK
Equity beginning of year	4.050.000	831.868	4.881.868
Profit/loss for the year	0	444.975	444.975
Equity end of year	4.050.000	1.276.843	5.326.843

Notes

	2015	2014
	DKK	DKK'000
1. Staff costs		
Wages and salaries	3.937.949	4.927
Pension costs	446.146	579
Other social security costs	68.280	60
	4.452.375	5.566
	2015	2014
	DKK	DKK'000
2. Other financial income		
Financial income arising from group enterprises	3.986	9
Other financial income	7.869	7
	11.855	16
	2015	2014
	DKK	DKK'000
3. Tax on ordinary profit/loss for the year		
Current tax	139.901	160
Change in deferred tax for the year	38.248	36
	178.149	196
		Other fixtures and fittings, tools and equipment DKK
4. Property, plant and equipment		
Cost beginning of year		413.870
Additions		185.000
Cost end of year		598.870
Depreciation and impairment losses beginning of the year		(413.870)
Depreciation for the year		(37.000)
Depreciation and impairment losses end of the year		(450.870)
Carrying amount end of year		148.000

Notes

	<u>Number</u>	<u>Par value DKK</u>	<u>Nominal value DKK</u>
5. Contributed capital			
Ordinary shares	4.050	1.000,00	4.050.000
	<u>4.050</u>		<u>4.050.000</u>

There have not been changes in share capital in the past 5 years.

6. Contingent liabilities

The Company has entered into one lease agreements. The lease commitment amounts to DKK 93 thousand as of 31 December 2015.

The Company has entered into a lease with a monthly rent of DKK 5 thousand. The lease has a period of irrevocability of 12 months.

The Company is party to a national Danish joint taxation scheme with Danfiber A/S. For this reason, from the financial year 2015 onwards, the Company is liable to pay any income taxes etc. for the jointly taxed companies pursuant to applicable Danish tax legislation, and from 1 July 2012, the Company has secondary liability for any liabilities as well as for tax at source regarding interest, royalties and dividend for the jointly taxed companies. The liability cannot account for more than an amount equal to the share capital in the Company which is directly or indirectly owned by the ultimate Parent.

7. Ownership

The Company has registered the following shareholder to hold more than 5% of the voting share capital or of the nominal value of the share capital:

Store Enso AB, Klarabergsviadukten 70, C4, P.O. Box 70395, SE-107 24 Stockholm, Sweden.

8. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Stora Enso Oyj, Finland