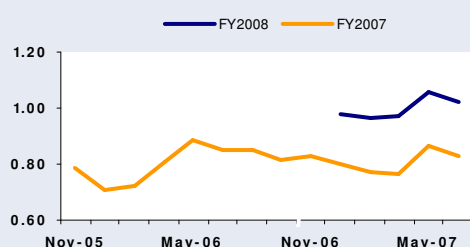


**Date:** 07/19/2007

**Consensus Rating:\* +0.50 (Hold)**

Previous rating	+0.83 (Acc.)
Stock price (in €)	13.55
High/Low (52 weeks)	14.36/10.85
Market cap (in € m)	10,685.5
ISIN	FI0009005961
Reuters	STERV.HE
Bloomberg	STERV FH
Exchange	OMX
Sector	Paper & Forest
Internet	<a href="http://www.storaenso.com">www.storaenso.com</a>
Coverage	20

**Clean EPS Estimates in Euro**

**Change in Estimates (in Euro m)**

	Q2 07E	Q2 06A	Delta
Sales	3,784	3,616	4.6%
EBIT clean	216	118	82.8%
EBIT	229	125	83.3%
EPS clean	0.16	0.05	227.0%
EPS	0.18	0.05	269.5%

**\* Consensus Rating (CR):**
**Classification:**

Buy:	1.50 ≤ CR < 2.00
Accumulate:	0.50 ≤ CR < 1.50
Hold:	-0.50 < CR < 0.50
Reduce:	-1.50 ≤ CR < -0.50
Sell:	-2.00 ≤ CR < -1.50

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# Stora Enso

## Summary

**Outlook 2007 given by the company:** Stable prices for newsprint are anticipated but in magazine paper price pressure persists in non-contractual business. The outlook for fine paper remains healthy and prices are forecast to rise. Demand for packaging boards is expected to remain firm, with prices rising in some business segments. Good stable demand for wood products should keep the outlook for prices relatively steady. Based on the 2006 track record and Q1 2007 company's goal is to stay on its year-to-year improvement path.

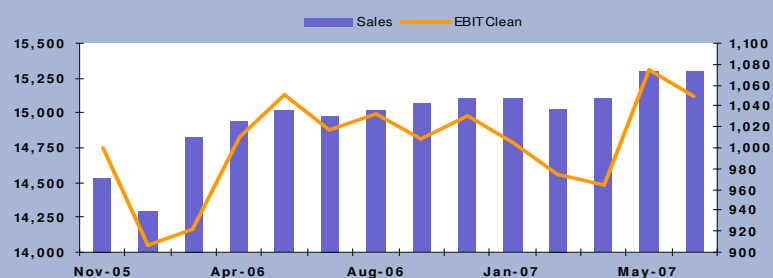
The company remains committed to achieve the 13% ROCE target over the cycle.

**Price Targets in Euro**

	Current	Previous	Change	Up-/Downside
Current price	13.55			
Highest	17.00	16.00	6.3%	25.5%
Consensus	14.42	14.37	0.3%	6.4%
Median	15.00	14.50	3.4%	10.7%
Lowest	11.00	12.00	-8.3%	-18.8%

**Consensus Valuation**

	EPS Clean	EBIT Clean	P/E	EV/Sales	EV/EBITDA	Div. Yield
2004	0.25	427	43.92	0.97	8.00	3.8%
2005	0.28	358	39.21	1.05	9.31	3.8%
2006	0.55	782	21.62	0.93	7.16	3.8%
2007e	0.83	1049	16.29	0.98	6.95	3.5%
2008e	1.02	1247	13.23	0.95	6.29	3.6%

**FY 2007 Consensus Estimates (in Euro m)**

**Quarterly Development (in Euro m)**
