

**SAPPI LIMITED**  
**UNAUDITED CONDENSED CONSOLIDATING GROUP FINANCIAL INFORMATION FOR THE ISSUER, THE PARENT GUARANTOR, THE SUBSIDIARY GUARANTORS AND THE NON-GUARANTOR SUBSIDIARIES AT SEPTEMBER 2016**

The notes were issued by Sappi Papier Holding GmbH, an Austrian limited liability company. The obligations under the Notes are guaranteed by Sappi Limited (the "Parent Guarantor"), Sappi Gratkorn GmbH, Sappi MagnoStar GmbH, Sappi Austria Produktions-GmbH & Co. KG, Sappi International S.A., SDW Holdings Corporation, Sappi Cloquet LLC, S.D. Warren Company, Sappi Lanaken NV, Sappi Deutschland GmbH, Sappi Deutschland Holding GmbH, Sappi Netherlands BV, Sappi Lanaken Press Paper NV, Sappi Pulp Asia Limited, Sappi Alfeld GmbH, Sappi Maastricht BV, Sappi Ehingen GmbH, Sappi Europe SA, Sappi Stockstadt GmbH and Sappi Finland Oy (the "Subsidiary Guarantors" and, together with the Parent Guarantor, the "Guarantors") on a full and unconditional basis, subject to any limitations required by applicable law.

For the benefit of investors in the Notes, the condensed consolidating financial information for the Issuer, the Parent Guarantor, the Subsidiary Guarantors, and all other non-guarantor subsidiaries with eliminations is presented below. All financial information has been prepared under the historical cost convention, and complies in all material respects with International Financial Reporting Standards. Financial information for the Parent Guarantor and the Issuer is presented on a standalone basis adjusted for impairment consolidation entries, while financial information for the Subsidiary Guarantors and the non-guarantor subsidiaries, is presented on a combined basis.

The condensed consolidating financial information should be read in conjunction with the financial information as of and for the year ended September 2016. This condensed consolidating financial information has not been audited and has not been prepared in accordance with Rule 3-10 of Regulation S-X of the United States Securities and Exchange Commission promulgated under the U.S. Securities Act of 1933, as amended.

**UNAUDITED CONDENSED CONSOLIDATING GROUP INCOME STATEMENT FOR THE ISSUER, THE PARENT GUARANTOR, THE SUBSIDIARY GUARANTORS AND THE NON-GUARANTOR SUBSIDIARIES FOR THE YEAR ENDED SEPTEMBER 2016**

US\$ million	Parent guarantor (Sappi Limited)	Subsidiary issuer (Sappi Papier Holding GmbH)	Subsidiary guarantors (excluding issuer)	Non-guarantor subsidiaries	Eliminations	Consolidated totals
Sales	-	1,357	4,053	1,262	(1,531)	5,141
Cost of sales	-	(1,311)	(3,643)	(826)	1,510	(4,270)
Gross profit	-	46	410	436	(21)	871
Selling, general and administration (expenses) income	(2)	(14)	(239)	(82)	1	(336)
Share of profit from joint ventures	-	-	-	8	1	9
Other operating (expenses) income	-	(3)	1	(470)	472	-
<b>Operating profit (loss)</b>	<b>(2)</b>	<b>29</b>	<b>172</b>	<b>(108)</b>	<b>453</b>	<b>544</b>
Income from subsidiaries	-	16	-	-	(16)	-
Net finance income (costs)	1	(98)	(24)	-	-	(121)
<b>Profit (loss) before taxation</b>	<b>(1)</b>	<b>(53)</b>	<b>148</b>	<b>(108)</b>	<b>437</b>	<b>423</b>
Taxation relief (charge)	-	3	(21)	(88)	2	(104)
<b>Profit (loss) for the period</b>	<b>(1)</b>	<b>(50)</b>	<b>127</b>	<b>(196)</b>	<b>439</b>	<b>319</b>

**SAPPI LIMITED**  
**UNAUDITED CONDENSED CONSOLIDATING GROUP BALANCE SHEET FOR THE ISSUER, THE PARENT GUARANTOR, THE SUBSIDIARY GUARANTORS AND THE NON-GUARANTOR SUBSIDIARIES AT SEPTEMBER 2016**

US\$ million	Parent guarantor (Sappi Limited)	Subsidiary issuer (Sappi Papier Holding GmbH)	Subsidiary guarantors (excluding issuer)	Non-guarantor subsidiaries	Eliminations	Consolidated totals
<b>ASSETS</b>						
<b>Non-current assets</b>	2,723	3,374	3,043	942	(6,911)	3,171
Property, plant and equipment	-	4	1,761	737	(1)	2,501
Plantations	-	-	-	441	-	441
Deferred tax assets	-	-	152	-	-	152
Goodwill and intangible assets	-	37	8	10	(38)	17
Equity investments	-	-	7	14	(1)	20
Other non-current assets	-	8	3	88	(60)	39
Derivative financial instruments	-	-	-	1	-	1
Amounts due from group companies	23	159	3	597	(782)	-
Investments in subsidiaries	2,700	3,166	1,109	(946)	(6,029)	-
<b>Current assets</b>	<b>3</b>	<b>906</b>	<b>4,669</b>	<b>(555)</b>	<b>(3,017)</b>	<b>2,006</b>
Inventories	-	-	466	140	-	606
Amounts due from (to) group companies	2	717	3,342	(1,049)	(3,012)	-
Trade and other receivables	1	143	450	52	(4)	642
Derivative financial instruments	-	38	4	2	-	44
Taxation receivable	-	7	6	(2)	-	11
Cash and cash equivalents	-	1	401	302	(1)	703
<b>Total assets</b>	<b>2,726</b>	<b>4,280</b>	<b>7,712</b>	<b>387</b>	<b>(9,928)</b>	<b>5,177</b>
<b>EQUITY AND LIABILITIES</b>						
<b>Shareholders' equity</b>	2,703	639	3,732	299	(5,995)	1,378
<b>Non-current liabilities</b>	16	1,304	766	1,027	(788)	2,325
Interest-bearing borrowings	(1)	1,100	(1)	436	1	1,535
Amounts due to (from) group companies	17	172	309	283	(781)	-
Deferred tax liabilities	-	-	-	276	(4)	272
Other non-current liabilities	-	32	458	32	(4)	518
<b>Current liabilities</b>	<b>7</b>	<b>2,337</b>	<b>3,214</b>	<b>(939)</b>	<b>(3,145)</b>	<b>1,474</b>
Interest-bearing borrowings	-	576	-	-	-	576
Amounts due to (from) group companies	1	1,710	2,648	(1,221)	(3,138)	-
Derivative financial instruments	-	-	1	1	-	2
Trade and other payables	6	50	548	242	(7)	839
Taxation payable	-	-	5	37	-	42
Provisions	-	1	12	2	-	15
<b>Total equity and liabilities</b>	<b>2,726</b>	<b>4,280</b>	<b>7,712</b>	<b>387</b>	<b>(9,928)</b>	<b>5,177</b>

**SAPPI LIMITED**  
**UNAUDITED CONDENSED CONSOLIDATING GROUP STATEMENT OF CASH FLOWS FOR THE ISSUER, THE PARENT GUARANTOR, THE SUBSIDIARY**  
**GUARANTORS AND THE NON-GUARANTOR SUBSIDIARIES FOR THE YEAR ENDED SEPTEMBER 2016**

US\$ million	Parent guarantor (Sappi Limited)	Subsidiary issuer (Sappi Papier Holding GmbH)	Subsidiary guarantors (excluding issuer)	Non- guarantor subsidiaries	Eliminations	Consolidated totals
	(1)	(50)	127	(196)	439	319
<b>Profit (loss) for the period</b>						
Adjustments for:						
Depreciation, fellings and amortisation	-	1	202	105	-	308
Taxation	-	(3)	21	88	(2)	104
Net finance costs	(1)	97	24	1	-	121
Defined post-employment benefits paid	-	(1)	(37)	(13)	-	(51)
Plantation price fair value adjustments	-	-	-	(120)	-	(120)
Other non-cash items	2	(3)	17	442	(446)	12
<b>Cash generated from (utilised in) operations</b>	-	41	354	307	(9)	693
Movement in working capital	-	126	32	(33)	(121)	4
Net finance income received (costs paid)	1	(54)	(13)	7	(32)	(91)
Taxation (paid) received	-	3	(7)	(52)	-	(56)
Net inter-company dividends received (paid)	-	54	(54)	(1)	1	-
<b>Cash generated from (utilised in) operating activities</b>	1	170	312	228	(161)	550
Capital expenditure	-	(3)	(142)	(96)	-	(241)
Proceeds on disposal of assets	-	-	-	44	-	44
Other movements	-	-	-	13	(7)	6
<b>Cash utilised in investing activities</b>	(118)	(164)	(142)	(21)	254	(191)
Proceeds from interest-bearing borrowings	-	380	-	-	1	381
Repayment of interest-bearing borrowings	-	(430)	-	(82)	1	(511)
(Decrease) increase in other non-current liabilities	-	-	(3)	3	-	-
Equity and capital contributions (paid) received	-	-	164	(20)	(144)	-
Movement in long-term inter-company loans	121	44	(123)	(80)	38	-
Share plan charges	(3)	-	(6)	9	-	-
<b>Cash effect of financing activities</b>	118	(6)	32	(170)	(104)	(130)
<b>Net movement in cash and cash equivalents</b>	1	-	202	37	(11)	229
Cash and cash equivalents at beginning of year	-	-	198	258	-	456
Translation effects	(1)	1	1	7	10	18
Cash and cash equivalents at end of year	-	1	401	302	(1)	703