

**Sappi Group
(Sappi Limited)**
**UNAUDITED CONDENSED CONSOLIDATING GROUP FINANCIAL
INFORMATION FOR THE PARENT GUARANTOR, THE SUBSIDIARY
GUARANTORS AND THE NON-GUARANTOR SUBSIDIARIES FOR THE
SIX MONTHS ENDED APRIL 01, 2012 AND FOR THE YEARS ENDED
OCTOBER 02, 2011 AND SEPTEMBER 26, 2010**

This report is being furnished to The Bank of New York Mellon as trustee of the Senior Secured Notes due 2014 of PE Paper Escrow GmbH and the Senior Secured Notes due 2018 and 2021 of Sappi Papier Holding GmbH pursuant to Section 4.03 of the indenture governing these Senior Secured Notes, dated as of July 29, 2009 and April 14, 2011 respectively.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Except for historical information contained herein, statements contained in this report may constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995.

The words “believe”, “anticipate”, “expect”, “intend”, “estimate”, “plan”, “assume”, “positioned”, “will”, “may”, “should”, “risk” and other similar expressions, which are predictions of or indicate future events and future trends, which do not relate to historical matters, identify forward-looking statements. In addition, this document includes forward-looking statements relating to our potential exposure to various types of market risks, such as interest rate risk, foreign exchange rate risk and commodity price risk. You should not rely on forward-looking statements because they involve known and unknown risks, uncertainties and other factors which are in some cases beyond our control and may cause our actual results, performance or achievements to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements (and from past results, performance or achievements). Certain factors that may cause such differences include but are not limited to:

- the highly cyclical nature of the pulp and paper industry (and the factors that contribute to such cyclicity, such as levels of demand, production capacity, production, input costs including raw material, energy and employee costs, and pricing);
- the impact on our business of the global economic downturn;
- unanticipated production disruptions (including as a result of planned or unexpected power outages);
- changes in environmental, tax and other laws and regulations;
- adverse changes in the markets for our products;
- the emergence of new technologies and changes in consumer trends including increased preferences for digital media;
- consequences of our leverage, including as a result of adverse changes in credit markets that affect our ability to raise capital when needed;
- adverse changes in the political situation and economy in the countries in which we operate or the effect of governmental efforts to address present or future economic or social problems;
- the impact of restructurings, investments, acquisitions, dispositions and other strategic initiatives (including related financing), any delays, unexpected costs or other problems experienced in connection with dispositions or with integrating acquisitions or implementing restructuring or other strategic initiatives, and achieving expected savings and synergies; and
- currency fluctuations.

You are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements are made as of the date of this report and are not intended to give any assurance as to future results. We undertake no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information or future events or circumstances or otherwise.

SAPPI LIMITED

UNAUDITED CONDENSED CONSOLIDATING GROUP FINANCIAL INFORMATION FOR THE ISSUER, THE PARENT GUARANTOR, THE SUBSIDIARY GUARANTORS AND THE NON-GUARANTOR SUBSIDIARIES

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 Nijmegen BV, Sappi Alfeld GmbH, Sappi Maastricht BV, Sappi Ehingen GmbH, Sappi Europe SA, Sappi Stockstadt GmbH and Sappi Finland 1 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 interim financial information as of and for the six months ended March 2012 and the consolidated financial statements as of and for the fiscal years ended September 2011 and 2010 of the Sappi Group. 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 HALF YEAR ENDED MARCH 2012

	Parent Guarantor Sappi Limited	Subsidiary Issuer Sappi Papier Holding GmbH	Subsidiary Guarantors (Excluding Issuer)	Non-guarantor Subsidiaries	Eliminations	Consolidated totals
	US\$ million					
Sales.....	—	331	2,768	844	(725)	3,218
Cost of sales.....	—	(317)	(2,505)	(681)	718	(2,785)
Gross profit.....	—	14	263	163	(7)	433
Selling, general and administration (expenses) income.....	(1)	1	(154)	(53)	(5)	(212)
Other operating (expenses) income.....	—	(7)	(2)	9	6	6
Operating (loss) profit.....	(1)	8	107	119	(6)	227
Income from subsidiaries.....	—	1	(5)	—	4	—
Net finance (costs) income.....	—	(84)	(4)	(18)	1	(105)
(Loss) profit before taxation ...	(1)	(75)	98	101	(1)	122
Taxation charge.....	—	—	—	(19)	—	(19)
(Loss) profit for the period.....	(1)	(75)	98	82	(1)	103

SAPPI LIMITED

**UNAUDITED CONDENSED CONSOLIDATING GROUP BALANCE SHEET
FOR THE ISSUER, THE PARENT GUARANTOR, THE SUBSIDIARY GUARANTORS
AND THE NON-GUARANTOR SUBSIDIARIES AT MARCH 2012**

	Parent Guarantor Sappi Limited	Subsidiary Issuer Sappi Papier Holding GmbH	Subsidiary Guarantors (Excluding Issuer)	Non-guarantor Subsidiaries	Eliminations	Consolidated totals
US\$ million						
ASSETS						
Non-current assets	3,064	5,485	4,408	3,616	(12,470)	4,103
Property, plant and equipment.....	1	11	2,119	1,094	(1)	3,224
Plantations	—	—	—	613	—	613
Deferred tax assets.....	—	—	9	35	1	45
Goodwill and intangible assets	—	53	22	38	(91)	22
Joint ventures and associates.....	—	—	24	76	(22)	78
Other non-current assets	—	9	27	136	(88)	84
Derivative financial instruments	—	37	—	—	—	37
Amounts due from group companies.....	321	722	7	342	(1,392)	—
Investments in subsidiarities	2,742	4,653	2,200	1,282	(10,877)	—
Current assets	9	739	6,056	(456)	(4,304)	2,044
Inventories	—	—	592	235	(1)	826
Amounts due from group companies.....	9	677	4,511	(912)	(4,285)	—
Trade and other receivables	—	62	661	47	(18)	752
Derivative financial instruments	—	—	1	—	—	1
Assets held for sale	—	—	—	12	—	12
Cash and cash equivalents .	—	—	291	162	—	453
Total assets	<u>3,073</u>	<u>6,224</u>	<u>10,464</u>	<u>3,160</u>	<u>(16,774)</u>	<u>6,147</u>
EQUITY AND LIABILITIES						
Shareholders' equity	3,054	1,725	5,747	2,182	(11,066)	1,642
Non-current liabilities	7	1,948	930	1,658	(1,403)	3,140
Interest-bearing liabilities ..	—	1,639	(3)	584	—	2,220
Amounts due to group companies.....	7	280	793	335	(1,415)	—
Deferred tax liabilities	—	—	(26)	389	—	363
Derivative financial instruments	—	—	—	(19)	19	—
Other non-current liabilities.....	—	29	166	369	(7)	557
Current liabilities	12	2,551	3,787	(680)	(4,305)	1,365
Interest-bearing liabilities ..	—	88	148	129	1	366
Amounts due to group companies.....	5	2,409	3,017	(1,145)	(4,286)	—
Bank overdraft	—	—	—	—	—	—
Derivative financial instruments	—	—	1	2	—	3
Trade and other payables ...	7	54	597	285	(19)	924
Taxation payable.....	—	—	6	10	(1)	15
Provisions	—	—	18	39	—	57
Total equity and liabilities	<u>3,073</u>	<u>6,224</u>	<u>10,464</u>	<u>3,160</u>	<u>(16,774)</u>	<u>6,147</u>

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 HALF YEAR ENDED MARCH 2012**

	Parent Guarantor Sappi Limited	Subsidiary Issuer Sappi Papier Holding GmbH	Subsidiary Guarantors (Excluding Issuer)	Non-guarantor Subsidiaries	Eliminations	Consolidated totals
	US\$ million					
(Loss) profit for the period	(1)	(75)	98	82	(1)	103
Adjustments						
Depreciation, fellings and amortisation.....	—	2	131	89	3	225
Taxation.....	—	—	—	19	—	19
Net finance costs.....	(1)	85	4	18	(1)	105
Post-employment benefits....	—	(1)	(17)	(5)	—	(23)
Plantation price fair value adjustment	—	—	—	4	—	4
Other non-cash items	2	6	22	(51)	(3)	(24)
Cash generated from operations.....	—	17	238	156	(2)	409
Working capital	(6)	(19)	(95)	(83)	13	(190)
Net finance (costs) income (paid) received.....	—	(87)	8	(15)	(7)	(101)
Taxation refunds (payments)	—	—	(9)	(1)	—	(10)
Inter-company dividends received	—	—	6	5	(11)	—
Cash (utilised in) generated from operating activities	(6)	(89)	148	62	(7)	108
Fixed Asset purchases.....	—	(1)	(59)	(74)	(1)	(135)
Proceeds on disposal of non- current assets	—	2	3	3	(1)	7
Movement in other non- current assets	(2)	—	(1)	3	—	—
(Investment) divestment in subsidiaries.....	—	—	7	(7)	—	—
Cash (utilised in) generated from investing activities	(2)	1	(50)	(75)	(2)	(128)
Proceeds from interest-bearing borrowings	—	—	—	—	—	—
Repayment of interest-bearing borrowings	—	(14)	(6)	(154)	1	(173)
Other non-current liabilities (decrease)/increase	—	—	(1)	1	—	—
Long-term inter-company loans movements	8	96	(129)	27	(2)	—
Decrease in bank overdrafts.	—	—	(1)	—	—	(1)
Cash effect of financing activities.....	8	82	(137)	(126)	(1)	(174)
Net movement in cash and cash equivalents	—	(6)	(39)	(139)	(10)	(194)
Cash and cash equivalents at beginning of year.....	—	—	343	296	—	639
Translation effects	—	6	(13)	5	10	8
Cash and cash equivalents at end of year.....	—	—	291	162	—	453

SAPPI LIMITED

**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 2011**

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.

This condensed consolidating financial information should be read in conjunction with the consolidated financial statements as of and for the fiscal year ended September 2011 of the Sappi Group. 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.

	Parent Guarantor Sappi Limited	Subsidiary Issuer Sappi Papier Holding GmbH	Subsidiary Guarantors (Excluding Issuer)	Non-guarantor Subsidiaries	Eliminations	Consolidated totals
	US\$ million					
Sales.....	—	754	5,946	2,268	(1,682)	7,286
Cost of sales.....	—	(722)	(5,428)	(1,969)	1,665	(6,454)
Gross profit.....	—	32	518	299	(17)	832
Selling, general and administration expenses	(3)	(4)	(306)	(193)	52	(454)
Share of profit from associates and joint ventures	—	—	—	6	—	6
Other operating (expenses) income.....	(1)	(32)	(3)	(295)	33	(298)
Operating (loss) profit	(4)	(4)	209	(183)	68	86
Income from subsidiaries.....	—	82	12	73	(167)	—
Net finance costs.....	—	(247)	(6)	(51)	(3)	(307)
(Loss) profit before taxation ...	(4)	(169)	215	(161)	(102)	(221)
Taxation (charge) benefit.....	(1)	36	(50)	4	—	(11)
(Loss) profit for the period	(5)	(133)	165	(157)	(102)	(232)

SAPPI LIMITED

**UNAUDITED CONDENSED CONSOLIDATING GROUP BALANCE SHEET
FOR THE ISSUER, THE PARENT GUARANTOR, THE SUBSIDIARY GUARANTORS
AND THE NON-GUARANTOR SUBSIDIARIES AS AT SEPTEMBER 2011**

	Parent Guarantor Sappi Limited	Subsidiary Issuer Sappi Papier Holding GmbH	Subsidiary Guarantors (Excluding Issuer)	Non-guarantor Subsidiaries	Eliminations	Consolidated totals
	US\$ million					
ASSETS						
Non-current assets	3,063	5,713	3,791	4,200	(12,682)	4,085
Property, plant and equipment...	1	13	2,195	1,026	—	3,235
Plantations.....	—	—	—	580	—	580
Deferred tax assets	—	—	9	36	—	45
Goodwill and intangible assets..	—	56	22	43	(96)	25
Joint ventures and associates.....	—	—	24	74	(22)	76
Other non-current assets.....	—	9	27	120	(73)	83
Derivative financial instruments	—	40	—	1	—	41
Amounts due from group						
companies	322	948	8	338	(1,616)	—
Investments in subsidiaries	2,740	4,647	1,506	1,982	(10,875)	—
Current assets	9	544	5,772	(326)	(3,776)	2,223
Inventories	—	—	559	191	—	750
Amounts due from group						
companies	8	467	4,136	(845)	(3,766)	—
Trade and other receivables.....	1	77	734	29	(10)	831
Derivative financial instruments	—	—	—	3	—	3
Cash and cash equivalents.....	—	—	343	296	—	639
Total assets	3,072	6,257	9,563	3,874	(16,458)	6,308
EQUITY AND LIABILITIES						
Shareholders' equity	3,038	1,790	4,950	2,759	(11,059)	1,478
Non-current liabilities	17	1,945	1,195	1,647	(1,626)	3,178
Interest-bearing liabilities.....	1	1,636	10	645	(3)	2,289
Amounts due to group						
companies	16	280	1,043	299	(1,638)	—
Deferred tax liabilities.....	—	—	(26)	362	—	336
Derivative financial instruments	—	—	—	(20)	20	—
Other non-current liabilities	—	29	168	361	(5)	553
Current liabilities	17	2,522	3,418	(532)	(3,773)	1,652
Interest-bearing liabilities.....	—	103	146	200	—	449
Amounts due to group						
companies	9	2,366	2,529	(1,138)	(3,766)	—
Bank overdraft	—	—	1	—	—	1
Derivative financial instruments	—	—	10	—	—	10
Trade and other payables.....	8	49	696	319	(7)	1,065
Taxation payable.....	—	—	14	6	—	20
Provisions	—	4	22	81	—	107
Total equity and liabilities	3,072	6,257	9,563	3,874	(16,458)	6,308

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 2011**

	Parent Guarantor Sappi Limited	Subsidiary Issuer Sappi Papier Holding GmbH	Subsidiary Guarantors (Excluding Issuer)	Non- guarantor Subsidiaries	Eliminations	Consolidated totals
	US\$ million					
(Loss) profit for the period	(5)	(133)	165	(157)	(102)	(232)
Adjustments						
Depreciation, fellings and amortisation.....	—	6	285	204	4	499
Taxation	1	(36)	50	(4)	—	11
Net finance costs	—	247	6	51	3	307
Post-employment benefits.....	—	(3)	(49)	(18)	—	(70)
Plantation price fair value adjustment	—	—	—	16	—	16
Other non-cash items.....	3	(45)	87	122	100	267
Cash (utilised in) generated from operations	(1)	36	544	214	5	798
Working capital.....	(3)	(125)	(5)	37	(2)	(98)
Net finance (costs) income (paid) received	—	(231)	(22)	(49)	46	(256)
Taxation refunds (payments).....	1	30	(67)	(2)	—	(38)
Inter-company dividends paid	—	—	(120)	(47)	167	—
Cash (utilised in) generated from operating activities	(3)	(290)	330	153	216	406
Fixed asset purchases	(2)	(2)	(160)	(98)	—	(262)
Proceeds on disposal of non-current assets.....	—	4	2	—	—	6
Movement in other non-current assets	(5)	—	6	12	—	13
(Investment) divestment in subsidiaries.....	—	(14)	7	7	—	—
Cash utilised in investing activities	(7)	(12)	(145)	(79)	—	(243)
Proceeds from interest-bearing borrowings	—	682	152	496	(1)	1,329
Repayment of interest-bearing borrowings	—	(1,036)	(472)	(113)	—	(1,621)
Other non-current liabilities (decrease)/increase	—	—	(51)	51	—	—
Equity and capital contributions	—	—	14	(14)	—	—
Long-term inter-company loans movements.....	13	574	(160)	(377)	(50)	—
Share plan charges	(3)	—	(5)	8	—	—
Decrease in bank overdrafts	—	—	(4)	—	—	(4)
Cash effect of financing activities	10	220	(526)	51	(51)	(296)
Net movement in cash and cash equivalents	—	(82)	(341)	125	165	(133)
Cash and cash equivalents at beginning of year.....	—	—	648	144	—	792
Translation effects.....	—	82	36	27	(165)	(20)
Cash and cash equivalents at end of year	—	—	343	296	—	639

SAPPI LIMITED

**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 2010**

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.

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	Parent Guarantor Sappi Limited	Subsidiary Issuer Sappi Papier Holding GmbH	Subsidiary Guarantors (Excluding Issuer)	Non-guarantor Subsidiaries	Eliminations	Consolidated totals
				US\$ million		
Sales	—	458	5,412	2,206	(1,504)	6,572
Cost of sales	—	(437)	(4,953)	(1,885)	1,489	(5,786)
Gross profit	—	21	459	321	(15)	786
Selling, general and administration expenses	(5)	(4)	(285)	(174)	20	(448)
Share of profit from associates and joint ventures	—	—	—	13	—	13
Other operating (expenses) income ...	—	(6)	(179)	(87)	262	(10)
Operating (loss) profit	(5)	11	(5)	73	267	341
Income from subsidiaries	3	1	—	—	(4)	—
Net finance income (costs)	1	(219)	(9)	(30)	2	(255)
(Loss) profit before taxation	(1)	(207)	(14)	43	265	86
Taxation benefit (charge)	—	—	1	(21)	—	(20)
(Loss) profit for the period	(1)	(207)	(13)	22	265	66

SAPPI LIMITED

**UNAUDITED CONDENSED CONSOLIDATING GROUP BALANCE SHEET
FOR THE ISSUER, THE PARENT GUARANTOR, THE SUBSIDIARY GUARANTORS
AND THE NON-GUARANTOR SUBSIDIARIES AS AT SEPTEMBER 2010**

	Parent Guarantor Sappi Limited	Subsidiary Issuer Sappi Papier Holding GmbH	Subsidiary Guarantors (Excluding Issuer)	Non-guarantor Subsidiaries	Eliminations	Consolidated totals
	US\$ million					
ASSETS						
Non-current assets	3,132	5,755	3,916	4,178	(12,328)	4,653
Property, plant and equipment....	—	21	2,325	1,309	5	3,660
Plantations.....	—	—	—	687	—	687
Deferred tax assets	—	—	16	37	—	53
Goodwill and intangible assets...	—	64	23	49	(109)	27
Joint ventures and associates.....	—	—	30	117	(22)	125
Other non-current assets.....	—	9	(5)	193	(115)	82
Derivative financial instruments.	—	19	—	—	—	19
Amounts due from group						
companies	395	972	8	(184)	(1,191)	—
Investments in subsidiaries	2,737	4,670	1,519	1,970	(10,896)	—
Current assets	15	1,136	6,355	(144)	(4,831)	2,531
Inventories	—	—	592	244	—	836
Amounts due from group						
companies	14	1,086	4,303	(594)	(4,809)	—
Trade and other receivables.....	1	50	797	62	(22)	888
Derivative financial instruments.	—	—	15	—	—	15
Cash and cash equivalents.....	—	—	648	144	—	792
Total assets	3,147	6,891	10,271	4,034	(17,159)	7,184
EQUITY AND LIABILITIES						
Shareholders' equity	3,079	1,912	4,879	3,168	(11,142)	1,896
Non-current liabilities	42	2,122	893	1,387	(1,195)	3,249
Interest-bearing liabilities.....	—	1,819	19	478	1	2,317
Amounts due to group						
companies	42	272	699	204	(1,217)	—
Deferred tax liabilities.....	—	—	(26)	412	—	386
Derivative financial instruments.	—	—	—	(21)	21	—
Other non-current liabilities	—	31	201	314	—	546
Current liabilities	26	2,857	4,499	(521)	(4,822)	2,039
Interest-bearing liabilities.....	—	176	450	65	—	691
Amounts due to group						
companies	20	2,627	3,218	(1,056)	(4,809)	—
Bank overdraft	—	—	5	—	—	5
Derivative financial instruments.	—	—	2	1	—	3
Trade and other payables.....	7	54	780	443	(13)	1,271
Taxation payable.....	(1)	—	29	8	—	36
Provisions	—	—	15	18	—	33
Total equity and liabilities	3,147	6,891	10,271	4,034	(17,159)	7,184

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 2010**

	Parent Guarantor Sappi Limited	Subsidiary Issuer Sappi Papier Holding GmbH	Subsidiary Guarantors (Excluding issuer)	Non- guarantor Subsidiaries	Eliminations	Consolidated totals
	US\$ million					
(Loss) profit for the period	(1)	(207)	(13)	22	265	66
Adjustments						
Depreciation, fellings and amortisation.....	—	6	292	186	—	484
Taxation	—	—	(1)	21	—	20
Net finance (income) costs	(1)	218	9	29	—	255
Post employment benefits	—	(2)	(57)	(14)	—	(73)
Plantation price fair value adjustment.....	—	—	—	(31)	—	(31)
Other non-cash items.....	1	12	290	(31)	(256)	16
Cash (utilised in) generated from operations	(1)	27	520	182	9	737
Working capital.....	13	185	(43)	(152)	(8)	(5)
Net finance income (costs) received (paid)	1	(190)	3	(25)	17	(194)
Taxation (payments) refunds	(3)	(5)	(3)	2	—	(9)
Intercompany dividends (paid) received.....	—	—	(17)	13	4	—
Cash generated from operating activities	10	17	460	20	22	529
Fixed asset purchases	—	(11)	(122)	(78)	—	(211)
Proceeds on disposal of non-current assets.....	—	—	21	—	—	21
Movement in other non-current assets.....	—	(66)	(2)	70	—	2
Investment in subsidiaries	—	(199)	2	197	—	—
Cash (utilised in) generated from investing activities	—	(276)	(101)	189	—	(188)
Proceeds from interest-bearing borrowings	—	59	129	16	—	204
Repayment of interest-bearing borrowings	—	(199)	(187)	(58)	—	(444)
Other non-current liabilities (decrease) increase	—	—	(30)	30	—	—
Equity and capital contributions received	(3)	—	137	(137)	—	(3)
Long-term inter-company loans movements.....	(10)	398	(333)	(37)	(18)	—
Share plan charges	—	—	(7)	6	1	—
Decrease in bank overdrafts	—	—	(13)	—	—	(13)
Cash effect of financing activities	(13)	258	(304)	(180)	(17)	(256)
Net movement in cash and cash equivalents	(3)	(1)	55	29	5	85
Cash and cash equivalents at beginning of year.....	—	6	663	101	—	770
Translation effects.....	3	(5)	(70)	14	(5)	(63)
Cash and cash equivalents at end of year	—	—	648	144	—	792