

**SAPPI GROUP
(Sappi Limited)
UNAUDITED CONDENSED CONSOLIDATING GROUP FINANCIAL
INFORMATION FOR THE PARENT GUARANTOR, THE SUBSIDIARY
GUARANTORS AND THE NON-GUARANTOR SUBSIDIARIES FOR THE
THREE MONTHS ENDED DECEMBER 28, 2014 AND FOR THE YEARS ENDED
SEPTEMBER 28, 2014 AND SEPTEMBER 29, 2013**

This report is being furnished to The Bank of New York Mellon as trustee of the Senior Secured Notes due 2018 and 2021 dated as of April 14, 2011 and the Senior Secured notes due 2017 and 2019 dated as of June 20, 2012 of Sappi Papier Holding GmbH pursuant to Section 4.03 of the indenture governing these Senior Secured Notes.

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 report 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 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 Alfeld GmbH, Sappi Maastricht BV, Sappi Ehingen GmbH, Sappi Europe SA, Sappi Stockstadt GmbH and Sappi Finland I 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, 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 interim financial statements as of and for the three months ended December 2014 and the consolidated financial statements as of and for the fiscal years ended September 2014 and September 2013 of the Sappi Group. The September 2013 consolidated financial statements has been restated for the adoption of new and revised accounting standards in fiscal 2014 and the comparable information is disclosed as the comparative information in the consolidated financial statements as of and for the fiscal year ended September 2014. 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 QUARTER ENDED DECEMBER 2014

| | Parent Guarantor Sappi Limited | Subsidiary Issuer Sappi Papier Holding GmbH | Subsidiary Guarantors (Excluding Issuer) | Non-guarantor Subsidiaries | Eliminations | Consolidated totals |
|-------------------------------------------------------|-----------------------------------------|------------------------------------------------------|---------------------------------------------------|-------------------------------|--------------|------------------------|
| | US\$ million | | | | | |
| Sales | — | 365 | 1,057 | 356 | (401) | 1,377 |
| Cost of sales | — | (353) | (1,001) | (273) | 403 | (1,224) |
| Gross profit | — | 12 | 56 | 83 | 2 | 153 |
| Selling, general and administration expenses | — | — | (56) | (23) | (5) | (84) |
| Share of profit from joint ventures | — | — | — | 2 | — | 2 |
| Other operating (expenses) income ... | — | (3) | 2 | (4) | 3 | (2) |
| Operating profit | — | 9 | 2 | 58 | — | 69 |
| Net finance (costs) income | — | (23) | (8) | 1 | (7) | (37) |
| (Loss) profit before taxation | — | (14) | (6) | 59 | (7) | 32 |
| Taxation benefit (charge) | — | — | 4 | (11) | (1) | (8) |
| (Loss) profit for the period | — | (14) | (2) | 48 | (8) | 24 |

SAPPI LIMITED

**UNAUDITED CONDENSED CONSOLIDATING GROUP BALANCE SHEET
FOR THE ISSUER, THE PARENT GUARANTOR, THE SUBSIDIARY GUARANTORS
AND THE NON-GUARANTOR SUBSIDIARIES AS AT DECEMBER 2014**

| | 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 | 2,753 | 3,562 | 3,644 | 1,740 | (8,289) | 3,410 |
| Property, plant and equipment.... | — | 2 | 1,943 | 816 | (3) | 2,758 |
| Plantations..... | — | — | — | 419 | — | 419 |
| Deferred tax assets | — | — | 141 | — | — | 141 |
| Goodwill and intangible assets... | — | 57 | 6 | 6 | (50) | 19 |
| Joint ventures | — | — | 24 | 14 | (23) | 15 |
| Other non-current assets..... | — | 9 | 4 | 98 | (64) | 47 |
| Derivative financial instruments. Amounts due from group companies..... | — 175 | 8 455 | — 420 | 3 175 | — (1,225) | 11 — |
| Investments in subsidiaries..... | 2,578 | 3,031 | 1,106 | 209 | (6,924) | — |
| Current assets | 7 | 760 | 4,081 | (306) | (2,807) | 1,735 |
| Inventories..... | — | — | 540 | 168 | — | 708 |
| Amounts due from (to) group companies..... | 7 | 582 | 2,892 | (674) | (2,807) | — |
| Trade and other receivables..... | — | 170 | 480 | 38 | — | 688 |
| Taxation receivable | — | 8 | 2 | — | — | 10 |
| Cash and cash equivalents..... | — | — | 167 | 162 | — | 329 |
| Total assets | <u>2,760</u> | <u>4,322</u> | <u>7,725</u> | <u>1,434</u> | <u>(11,096)</u> | <u>5,145</u> |
| EQUITY AND LIABILITIES | | | | | | |
| Shareholders' equity | 2,745 | 561 | 3,665 | 1,151 | (7,063) | 1,059 |
| Non-current liabilities | 11 | 1,958 | 1,459 | 864 | (1,223) | 3,069 |
| Interest-bearing borrowings..... | — | 1,680 | 1 | 557 | — | 2,238 |
| Amounts due to (from) group companies..... | 11 | 231 | 1,001 | (17) | (1,226) | — |
| Deferred tax liabilities..... | — | — | — | 272 | (2) | 270 |
| Derivative financial instruments. | — | 15 | — | (10) | 10 | 15 |
| Other non-current liabilities | — | 32 | 457 | 62 | (5) | 546 |
| Current liabilities | 4 | 1,803 | 2,601 | (581) | (2,810) | 1,017 |
| Interest-bearing borrowings..... | — | 92 | — | 39 | — | 131 |
| Amounts due to (from) group companies..... | — | 1,645 | 2,033 | (871) | (2,807) | — |
| Derivative financial instruments. | — | — | 2 | 2 | — | 4 |
| Trade and other payables..... | 4 | 66 | 539 | 226 | (3) | 832 |
| Taxation payable | — | — | 1 | 20 | — | 21 |
| Provisions..... | — | — | 26 | 3 | — | 29 |
| Total equity and liabilities | <u>2,760</u> | <u>4,322</u> | <u>7,725</u> | <u>1,434</u> | <u>(11,096)</u> | <u>5,145</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 QUARTER ENDED DECEMBER 2014**

| | Parent Guarantor Sappi Limited | Subsidiary Issuer Sappi Papier Holding Gmb H | Subsidiary Guarantors (Excluding issuer) | Non- guarantor Subsidiaries | Eliminations | Consolidated totals |
|--------------------------------------------------------------------------------------------------------------|-----------------------------------------|----------------------------------------------------------|---------------------------------------------------|-----------------------------------|--------------|------------------------|
| | US\$ million | | | | | |
| (Loss) profit for the period | — | (14) | (2) | 48 | (8) | 24 |
| Adjustments for: | | | | | | |
| Depreciation, fellings and amortisation..... | — | — | 55 | 30 | — | 85 |
| Taxation | — | — | (4) | 11 | 1 | 8 |
| Net finance costs (income) | — | 23 | 8 | (1) | 7 | 37 |
| Defined post-employment benefits paid | — | — | (10) | (4) | — | (14) |
| Plantation fair value adjustments..... | — | — | — | (18) | — | (18) |
| Other non-cash items..... | — | 3 | 12 | (4) | 4 | 15 |
| Cash generated from operations | — | 12 | 59 | 62 | 4 | 137 |
| Movement in working capital..... | — | (37) | (58) | (45) | 4 | (136) |
| Net finance costs paid | — | (38) | (1) | (5) | (8) | (52) |
| Taxation (paid) received..... | (1) | — | 5 | (7) | — | (3) |
| Cash (utilised in) generated from operating activities | (1) | (63) | 5 | 5 | — | 54 |
| Capital expenditure | — | — | (55) | (13) | — | (68) |
| Other movements | — | — | (2) | 3 | — | 1 |
| Cash utilised in investing activities | — | — | (57) | (10) | — | (67) |
| Repayment of interest-bearing borrowings.... (Decrease) increase in other non-current liabilities..... | — | (22) | — | (39) | — | (61) |
| Movement in long-term inter-company loans | 1 | 84 | (97) | 12 | — | — |
| Share plan charges | (2) | — | — | — | 2 | — |
| Cash effect of financing activities | (1) | 62 | (98) | (26) | 2 | (61) |
| Net movement in cash and cash equivalents | (2) | (1) | (150) | (31) | 2 | (182) |
| Cash and cash equivalents at beginning of year | 2 | 1 | 328 | 197 | — | 528 |
| Translation effects..... | — | — | (11) | (4) | (2) | (17) |
| Cash and cash equivalents at end of year .. | — | — | 167 | 162 | — | 329 |

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 Alfeld GmbH, Sappi Maastricht BV, Sappi Ehingen GmbH, Sappi Europe SA, Sappi Stockstadt GmbH and Sappi Finland I 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.

Condensed consolidating financial information for the Issuer, the Parent Guarantor, the Subsidiary Guarantors, and all other non-guarantor subsidiaries with eliminations is presented below. The results and cash flows for the year include all operations until the date of disposal. 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 2014 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 YEAR ENDED SEPTEMBER 2014

| | Parent Guarantor Sappi Limited | Subsidiary Issuer Sappi Papier Holding GmbH | Subsidiary Guarantors (Excluding Issuer) | Non-guarantor Subsidiaries | Eliminations | Consolidated totals |
|-------------------------------------------------------|-----------------------------------------|------------------------------------------------------|---------------------------------------------------|-------------------------------|--------------|------------------------|
| | US\$ million | | | | | |
| Sales | — | 1,608 | 4,705 | 1,487 | (1,739) | 6,061 |
| Cost of sales | — | (1,556) | (4,386) | (1,155) | 1,727 | (5,370) |
| Gross profit | — | 52 | 319 | 332 | (12) | 691 |
| Selling, general and administration expenses | (1) | (3) | (254) | (76) | (18) | (352) |
| Share of profit from joint ventures | — | — | — | 8 | — | 8 |
| Other operating (expenses) income ... | — | (12) | (109) | 80 | 8 | (33) |
| Operating (loss) profit | (1) | 37 | (44) | 344 | (22) | 314 |
| Income from subsidiaries | 2 | 41 | 71 | 17 | (131) | — |
| Net finance costs | — | (121) | (31) | (38) | 13 | (177) |
| Profit (loss) before taxation | 1 | (43) | (4) | 323 | (140) | 137 |
| Taxation benefit (charge) | — | 3 | 52 | (57) | — | (2) |
| Profit (loss) for the period | 1 | (40) | 48 | 266 | (140) | 135 |

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 2014**

| | 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 | 2,763 | 3,576 | 3,710 | 1,724 | (8,268) | 3,505 |
| Property, plant and equipment.... | - | 2 | 1,996 | 845 | (2) | 2,841 |
| Plantations..... | - | - | - | 430 | - | 430 |
| Deferred tax assets | - | - | 138 | - | - | 138 |
| Goodwill and intangible assets... | - | 60 | 3 | 7 | (53) | 17 |
| Joint ventures | - | - | 24 | 14 | (22) | 16 |
| Other non-current assets..... | - | 10 | 5 | 107 | (72) | 50 |
| Derivative financial instruments. Amounts due from group companies | - | 9 | - | 4 | - | 13 |
| | 185 | 484 | 438 | 172 | (1,279) | - |
| Investments in subsidiaries..... | 2,578 | 3,011 | 1,106 | 145 | (6,840) | - |
| Current assets | 10 | 875 | 4,605 | (405) | (3,125) | 1,960 |
| Inventories..... | - | - | 530 | 157 | - | 687 |
| Amounts due from (to) group companies..... | 8 | 689 | 3,225 | (803) | (3,119) | - |
| Trade and other receivables..... | - | 178 | 515 | 44 | (6) | 731 |
| Derivative financial instruments. | - | - | - | - | - | - |
| Taxation receivable | - | 7 | 7 | - | - | 14 |
| Cash and cash equivalents..... | 2 | 1 | 328 | 197 | - | 528 |
| Total assets | <u>2,773</u> | <u>4,451</u> | <u>8,315</u> | <u>1,319</u> | <u>(11,393)</u> | <u>5,465</u> |
| EQUITY AND LIABILITIES | | | | | | |
| Shareholders' equity | 2,749 | 454 | 3,737 | 1,087 | (6,983) | 1,044 |
| Non-current liabilities | 17 | 2,053 | 1,527 | 882 | (1,281) | 3,198 |
| Interest-bearing borrowings..... | (1) | 1,720 | - | 592 | - | 2,311 |
| Amounts due to (from) group companies..... | 18 | 249 | 1,057 | (44) | (1,280) | - |
| Deferred tax liabilities | - | - | - | 273 | (1) | 272 |
| Derivative financial instruments. | - | 52 | - | (3) | 3 | 52 |
| Other non-current liabilities | - | 32 | 470 | 64 | (3) | 563 |
| Current liabilities | 7 | 1,944 | 3,051 | (650) | (3,129) | 1,223 |
| Interest-bearing borrowings..... | - | 96 | - | 67 | - | 163 |
| Amounts due to (from) group companies..... | - | 1,760 | 2,389 | (1,030) | (3,119) | - |
| Derivative financial instruments. | - | - | 4 | 3 | - | 7 |
| Trade and other payables..... | 6 | 88 | 629 | 283 | (10) | 996 |
| Taxation payable | 1 | - | 1 | 23 | — | 25 |
| Provisions..... | - | — | 28 | 4 | — | 32 |
| Total equity and liabilities | <u>2,773</u> | <u>4,451</u> | <u>8,315</u> | <u>1,319</u> | <u>(11,393)</u> | <u>5,465</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 YEAR ENDED SEPTEMBER 2014**

| | Parent Guarantor Sappi Limited | Subsidiary Issuer Sappi Papier Holding Gmb H | Subsidiary Guarantors (Excluding issuer) | Non- guarantor Subsidiaries | Eliminations | Consolidated totals |
|--------------------------------------------------------------------------------------------------------------|-----------------------------------------|----------------------------------------------------------|---------------------------------------------------|-----------------------------------|--------------|------------------------|
| | US\$ million | | | | | |
| Profit (loss) for the period | 1 | (40) | 48 | 266 | (140) | 135 |
| Adjustments for: | | | | | | |
| Depreciation, fellings and amortisation..... | — | 1 | 247 | 123 | — | 371 |
| Taxation | — | (3) | (52) | 57 | — | 2 |
| Net finance costs | — | 121 | 31 | 38 | (13) | 177 |
| Defined post-employment benefits paid..... | — | (3) | (53) | (14) | — | (70) |
| Plantation fair value adjustments..... | — | — | — | (86) | — | (86) |
| Other non-cash items..... | (1) | (27) | 29 | (110) | 146 | 37 |
| Cash generated from operations | — | 49 | 250 | 274 | (7) | 566 |
| Movement in working capital..... | (4) | 11 | (12) | 10 | 29 | 34 |
| Net finance income received (costs paid)..... | 1 | (111) | (11) | (12) | (29) | (162) |
| Taxation received (paid)..... | — | 3 | — | (4) | — | (1) |
| Intercompany dividends received (paid) | 2 | 41 | (52) | (5) | 14 | — |
| Cash (utilised in) generated from operating activities | (1) | (7) | 175 | 263 | 7 | 437 |
| Capital expenditure | — | (1) | (218) | (76) | — | (295) |
| (Cash outflows) proceeds on disposal of non- current assets..... | — | — | (20) | 107 | — | 87 |
| Other movements | — | — | — | 14 | — | 14 |
| (Investment in) divestment from subsidiaries..... | (86) | (2) | 49 | (48) | 87 | — |
| Cash utilised in investing activities | (86) | (3) | (189) | (3) | 87 | (194) |
| Repayment of interest-bearing borrowings.... (Decrease) increase in other non-current liabilities..... | — | — | (1) | 1 | — | (35) |
| Equity and capital contributions received..... | — | 87 | — | — | (87) | — |
| Movement in long-term inter-company loans..... | 89 | (76) | 82 | (88) | (7) | — |
| Share plan charges | — | — | (3) | 5 | (2) | — |
| Movement in overdrafts | — | — | (1) | — | — | (1) |
| Cash effect of financing activities | 89 | 11 | 77 | (117) | (96) | (36) |
| Net movement in cash and cash equivalents | 2 | 1 | 63 | 143 | (2) | 207 |
| Cash and cash equivalents at beginning of year | — | — | 285 | 67 | — | 352 |
| Translation effects..... | — | — | (20) | (13) | 2 | (31) |
| Cash and cash equivalents at end of year .. | 2 | 1 | 328 | 197 | — | 528 |

SAPPI LIMITED

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

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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 2013 and, where restated for the adoption of the new accounting standards applicable from the 2014 fiscal year, the comparable information included in the consolidated financial statements as of and for the fiscal year ended September 2014 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 YEAR ENDED SEPTEMBER 2013

| | Parent Guarantor Sappi Limited | Subsidiary Issuer Sappi Papier Holding GmbH | Restated Subsidiary Guarantors (Excluding Issuer) | Restated Non-guarantor Subsidiaries | Eliminations | Restated Consolidated totals |
|-------------------------------------------------------|-----------------------------------------|------------------------------------------------------|---------------------------------------------------------------|-------------------------------------------|--------------|------------------------------------|
| | US\$ million | | | | | |
| Sales | — | 1,067 | 4,816 | 1,483 | (1,441) | 5,925 |
| Cost of sales | — | (1,032) | (4,495) | (1,173) | 1,415 | (5,285) |
| Gross profit | — | 35 | 321 | 310 | (26) | 640 |
| Selling, general and administration expenses | (2) | (1) | (282) | (124) | 25 | (384) |
| Share of profit from joint ventures | — | — | 1 | 5 | 1 | 7 |
| Other operating expenses | (263) | (279) | (132) | (100) | 530 | (244) |
| Operating (loss) profit | (265) | (245) | (92) | 91 | 530 | 19 |
| Income from subsidiaries | 101 | 304 | 145 | 106 | (656) | — |
| Net finance costs | — | (119) | (35) | (32) | — | (186) |
| (Loss) profit before taxation | (164) | (60) | 18 | 165 | (126) | (167) |
| Taxation benefit (charge) | — | 21 | (44) | 7 | 1 | (15) |
| (Loss) profit for the period | (164) | (39) | (26) | 172 | (125) | (182) |

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 2013**

| | <u>Parent Guarantor Sappi Limited</u> | <u>Subsidiary Issuer Sappi Papier Holding GmbH</u> | <u>Subsidiary Guarantors (Excluding Issuer)</u> | <u>Non- guarantor Subsidiaries</u> | <u>Eliminations</u> | <u>Consolidated totals</u> |
|--------------------------------------------------------------------------------|---------------------------------------------------|----------------------------------------------------------------|-------------------------------------------------------------|--------------------------------------------|---------------------|--------------------------------|
| | US\$ million | | | | | |
| ASSETS | | | | | | |
| Non-current assets | 2,753 | 4,930 | 3,506 | 2,448 | (9,850) | 3,787 |
| Property, plant and equipment.... | — | 3 | 2,155 | 923 | (3) | 3,078 |
| Plantations..... | — | — | — | 464 | — | 464 |
| Deferred tax assets | — | — | 63 | 29 | — | 92 |
| Goodwill and intangible assets... | — | 72 | 3 | 12 | (67) | 20 |
| Joint ventures | — | — | 24 | 17 | (23) | 18 |
| Other non-current assets..... | — | 9 | 5 | 139 | (58) | 95 |
| Derivative financial instruments. Amounts due from group companies | — 349 | 15 855 | — 6 | 5 313 | — (1,523) | 20 — |
| Investments in subsidiaries..... | 2,404 | 3,976 | 1,250 | 546 | (8,176) | — |
| Current assets | 4 | 1,008 | 5,411 | (1,293) | (3,284) | 1,846 |
| Inventories..... | — | — | 578 | 150 | — | 728 |
| Amounts due from (to) group companies..... | 4 | 826 | 4,001 | (1,552) | (3,279) | — |
| Trade and other receivables..... | — | 174 | 536 | 42 | (5) | 747 |
| Derivative financial instruments..... | — | — | 1 | — | — | 1 |
| Taxation receivable | — | 8 | 10 | — | — | 18 |
| Cash and cash equivalents..... | — | — | 285 | 67 | — | 352 |
| Assets held for sale | — | — | — | 94 | — | 94 |
| Total assets | <u>2,757</u> | <u>5,938</u> | <u>8,917</u> | <u>1,249</u> | <u>(13,134)</u> | <u>5,727</u> |
| EQUITY AND LIABILITIES | | | | | | |
| Shareholders' equity | 2,741 | 1,237 | 4,144 | 1,332 | (8,310) | 1,144 |
| Non-current liabilities | 9 | 2,261 | 1,281 | 1,352 | (1,532) | 3,371 |
| Interest-bearing borrowings..... | — | 1,773 | — | 725 | 1 | 2,499 |
| Amounts due to group companies..... | 9 | 357 | 919 | 256 | (1,541) | — |
| Deferred tax liabilities..... | — | — | (28) | 297 | (2) | 267 |
| Derivative financial instruments. | — | 99 | — | (15) | 15 | 99 |
| Other non-current liabilities | — | 32 | 390 | 89 | (5) | 506 |
| Current liabilities | 7 | 2,440 | 3,492 | (1,441) | (3,292) | 1,206 |
| Interest-bearing borrowings..... | — | 78 | (1) | 23 | (1) | 99 |
| Amounts due to (from) group companies..... | 2 | 2,286 | 2,836 | (1,846) | (3,278) | — |
| Overdrafts | — | — | 1 | — | — | 1 |
| Derivative financial instruments. | — | — | 2 | — | — | 2 |
| Trade and other payables..... | 4 | 74 | 628 | 322 | (13) | 1,015 |
| Taxation payable | — | — | 1 | 11 | — | 12 |
| Provisions..... | 1 | 2 | 25 | 49 | — | 77 |
| Liabilities associated with assets held for sale | — | — | — | 6 | — | 6 |
| Total equity and liabilities | <u>2,757</u> | <u>5,938</u> | <u>8,917</u> | <u>1,249</u> | <u>(13,134)</u> | <u>5,727</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 YEAR ENDED SEPTEMBER 2013**

| | Parent Guarantor Sappi Limited | Subsidiary Issuer Sappi Papier Holding Gmb H | Restated Subsidiary Guarantors (Excluding issuer) | Restated Non- guarantor Subsidiaries | Eliminations | Restated Consolidated totals |
|---------------------------------------------------------------------|-----------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|-----------------------------------------------|--------------|------------------------------------|
| | US\$ million | | | | | |
| (Loss) profit for the period | (164) | (39) | (26) | 172 | (125) | (182) |
| Adjustments for: | | | | | | |
| Depreciation, fellings and amortisation..... | — | 4 | 259 | 150 | 1 | 414 |
| Taxation | — | (21) | 44 | (7) | (1) | 15 |
| Net finance (income) costs..... | (1) | 119 | 35 | 33 | — | 186 |
| Defined post-employment benefits paid..... | — | (2) | (56) | (16) | — | (74) |
| Plantation fair value adjustments..... | — | — | — | (166) | — | (166) |
| Other non-cash items..... | 163 | (20) | 19 | (17) | 109 | 254 |
| Cash (utilised in) generated from operations..... | (2) | 41 | 275 | 149 | (16) | 447 |
| Movement in working capital..... | 2 | 7 | 38 | (90) | 23 | (20) |
| Net finance income received (costs paid)..... | 1 | (107) | (23) | (11) | (24) | (164) |
| Taxation received (paid)..... | — | 20 | (36) | (2) | 1 | (17) |
| Intercompany dividends received (paid) | 97 | 205 | (271) | (34) | 3 | — |
| Cash generated from (utilised in) operating activities | 98 | 166 | (17) | 12 | (13) | 246 |
| Capital expenditure | — | (1) | (277) | (274) | — | (552) |
| Proceeds on disposal of non-current assets.... | — | — | 8 | 46 | (1) | 53 |
| Other movements | — | (32) | 3 | 35 | — | 6 |
| Investment in (divestment from) subsidiaries..... | — | 283 | 721 | (21) | (983) | — |
| Cash generated from (utilised in) investing activities | — | 250 | 455 | (214) | (984) | (493) |
| Proceeds from interest-bearing borrowings... | — | — | — | 388 | — | 388 |
| Repayment of interest-bearing borrowings.... | — | (43) | (8) | (340) | (1) | (392) |
| (Decrease) increase in other non-current liabilities..... | — | (1) | (2) | 3 | — | — |
| Equity and capital contributions (reductions) | — | — | (984) | — | 984 | — |
| Movement in long-term inter-company loans..... | (96) | (371) | 365 | 87 | 15 | — |
| Share plan charges | (2) | — | (4) | 7 | (1) | — |
| Movement in overdrafts | — | — | (4) | — | — | (4) |
| Cash effect of financing activities..... | (98) | (415) | (637) | 145 | 997 | (8) |
| Net movement in cash and cash equivalents..... | — | 1 | (199) | (57) | — | (255) |
| Cash and cash equivalents at beginning of year | — | — | 468 | 136 | — | 604 |
| Translation effects..... | — | (1) | 16 | (12) | — | 3 |
| Cash and cash equivalents at end of year .. | — | — | 285 | 67 | — | 352 |