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VERSO PAPER CO-INVESTMENT OPPORTUNITY – OCTOBER 2015

GC Synexus Advisors, LLC

Executive Summary:

Verso Paper ("Verso" or the "Company") is a US-based coated paper producer with seven active mills in the Midwest and East Coast. The Company was purchased by Apollo from International Paper in August 2006 and IPO'd in April 2008. Verso announced a merger with its largest competitor, NewPage Corporation ("NewPage") in January 2014; the merger was completed in January 2015. Apollo owns 44% of the common equity of Verso, and the Company has $2.7bn of debt outstanding as of 6/30/15. The Company has navigated the secularly challenged coated paper markets better than its major competitors, which have nearly all filed for bankruptcy (e.g. NewPage, Abitibi, Bowater, Catalyst Paper). Verso's industry-leading EBITDA margins have helped offset its over-levered capital structure (net leverage of 8.6x LTM EBITDA), but it is free cash flow negative because of substantial interest expense and we believe that it will need to restructure in 2016. Verso appears to be a textbook example of a "good company with a bad balance sheet," one of our preferred types of investments.

Investor sentiment towards Verso seems to be at an all-time low, and current trading prices imply that the market believes the worst case scenario is the base case. We believe that this perception has created a compelling investment opportunity in Verso's First Lien Notes, which strongly exhibits our three key criteria for investments: Principal Protection, Asymmetric Risk/Reward and Multiple Ways to Win. Assuming a purchase price of $30 (higher than current trading prices), we expect that an investment in the Verso First Lien Notes, equally split between Old Notes and New Notes (as highlighted in the capital structure table below), will generate an IRR of 94% in our probability-weighted outcome thru 12/31/16, with a corresponding total return of 110%. In addition to the compelling returns, we believe that we have a greater chance of achieving a good outcome on this investment by holding a larger position than GC Synexus position limits allow. We would like to purchase an additional $100-120mm face value of the Verso First Lien Notes ($30-36mm market value at a purchase price of 30) to increase our influence on a potential restructuring process.

Capital Structure (Balances as of 6/30/15; Prices as of 10/14/15):

			BV Lev							MV Lev			PF
	Avail.	Par O/S	LTM	C.A. LTM	Rate	Maturity	Bid Px	Ask Px	MV O/S	2016E	CY	YTM	Cash Int
			$ 313	$ 338						$ 375	*<-- Est $170mm in Synergies*		
$150mm ABL Facility	76	65			L + 225	5/4/17	$ 70.00	$ 75.00	49		3.4%	23.7%	2
$50mm Cash Flow Facility	50	5			L + 475	5/4/17	20.00	25.00	1		20.3%	128.4%	0
$350mm NewPage RC	283	166			L + 200	2/11/21	70.00	75.00	125		3.1%	9.3%	5
NewPage TL	733	733			L + 825	2/11/21	51.50	53.50	392		16.0%	26.2%	70
11.75% New 1st Pty Sec Nts	**650**	**650**			**11.750%**	**1/15/19**	**18.00**	**20.00**	**130**		**58.8%**	**91.8%**	**76**
11.75% Old 1st Pty Sec Nts	**418**	**418**			**11.750%**	**1/15/19**	**20.00**	**22.00**	**92**		**53.4%**	**85.5%**	**49**
Capital Leases	-	-							-				-
First Lien Debt	**2,210**	**2,037**	**6.5x**	**6.0x**					**789**	**2.1x**			**202**
11.75% 1.5 Pty Sec'd Notes	272	272			11.750%	1/15/19	9.25	11.25	31		104.4%	137.1%	32
First and Half Lien Debt	**2,481**	**2,308**	**7.4x**	**6.8x**					**2,067**	**5.5x**			**234**
New 2nd Notes	178	178			13.000%	8/1/20	7.00	9.00	16		144.4%	145.5%	18
8.75% 2nd Notes (Non-T)	97	97			8.750%	2/1/19	7.00	9.00	9		97.2%	138.1%	8
Secured Debt	**2,756**	**2,583**	**8.3x**	**7.6x**					**2,333**	**6.2x**			**261**
New Sub Notes	63	63			16.000%	8/1/20	5.00	7.50	5		213.3%	199.4%	7
11.375% Sub Notes (Non-T)	41	41			11.375%	8/1/16	5.00	25.00	10		45.5%	306.3%	5
VRS Paper Holding Debt	**2,860**	**2,687**	**8.6x**	**7.9x**					**2,598**	**6.9x**			**272**
Less: Cash	(5)	(5)							(5)				
Net Debt	**2,855**	**2,682**	**8.6x**	**7.9x**					**2,593**	**6.9x**			
Non-Guarantor Hydro RC	*60*	*29*						*$ 100.0*	*29*				
VRS LTM EBITDA		*115*											
NP LTM EBITDA (ex. Biron & Rumsford)		*198*											

Recent Troubles:
Before discussing the merits of the investment, we'd like to enumerate the key factors that have contributed to the recent material decline in the trading price of Verso's securities:

Company-Specific Pressures

- The Department of Justice ("DoJ") held up consummation of the merger until the Company reached an agreement with the DoJ to sell two mills to Catalyst Paper to resolve antitrust concerns. This delay pushed back the start date for synergy realization by approximately six months, which has led to more near-term liquidity pressure than would have occurred had the consummation not been delayed (because synergies of $175mm ramp up over 18 months).
- Negotiations on a debt exchange that was announced concurrently with the merger were contentious and contributed to significant trading price volatility of the Company's securities in 2014; the resulting agreements led to a less-than-optimal capital structure, which is currently impacting security prices.
- In June 2015, as security prices were beginning to stabilize and trade up, Verso announced that its CFO, Bob Mundy, was resigning to become the CFO of Packaging Corporation of America (NYSE: PKG). While we understand that Mr. Mundy received a substantial increase in compensation to move to PKG, the timing of the departure caused security prices to decline.
- Market participants are increasingly concerned about the Company's liquidity and the Company's ability to remain in compliance with the covenants in the term loan secured by the NewPage assets. This has led to investors speculating on tail-risk scenarios, including "unwinding" the merger. As an example, the First Lien Notes issued in 2015 (the "New Notes") to NewPage shareholders as a consideration for the merger went from trading at a 0.5 point premium to the First Lien Notes issued in 2012 (the "Old Notes" or together with the New Notes, the "First Lien Notes") to trading at a 3-5 point discount as market participants weighed the risk that investors might allege Verso was insolvent at the time of the merger and thus the liens granted to the New Notes were invalid, thus the notes should be equitably subordinated.

Industry/Macro Pressures

- The strength of the US dollar against other currencies has led to a reduction in exports of coated paper from the US to other countries. Most notably, Verso's largest North American competitor, Sappi, has materially reduced the amount of tons that it exports, forcing those tons to find a buyer in the US. In order to meet this goal, Sappi refused to follow along with a Verso price increase attempt earlier this year, and this decision eventually led to a ~2% price decrease at the beginning of Q3.
  Comment: The coated paper industry has been successful in filing trade cases to reduce the impact of imports (CVD determination dated 10/14/15 on trade case against SC paper from Canada attached in Appendix); additionally, producers in Europe have increased coated paper prices in Europe in 2H 2015 (see chart of FOEXCTD in Appendix)

- Industry demand has been disappointing this year. According to PPPC data as of 6/30/15, coated freesheet ("CFS") shipments are down 5.9% Y/Y and coated groundwood ("CGW") shipments are down 9.5% Y/Y. Verso's shipments are down 5.2% Y/Y and 5.4% Y/Y for CFS and CGW, respectively. These decline rates are in excess of industry expectations of 3-5% decline per annum.
  Comment: Verso has responded to the softening in demand by announcing that it will close/indefinitely idle 5-7% of industry capacity in Q4 2015; this should help markets come into balance in 2016 and allow for price increases as mill utilization rates exceed 90%

Trading Technical Pressures

- Dodd-Frank regulation has reduced the risk tolerance of sell side credit trading desks, which has led to "weaker hands" holding Verso securities. As an example, we are aware of a desk that had a long bias on Verso's securities, but after the Company's notes traded down 10 points, they were instructed to sell immediately (at a fire sale price).
- We believe that some Verso noteholders have been forced to reduce their holdings because of redemption pressure.

Opportunity:

We believe that the combination of the factors listed above has brought Verso investor sentiment to all-time lows. There are several reasons why we do not share this negative sentiment:

- Verso is generating substantial amounts of cash before paying interest expense. Year-to-date, the Company has produced $99mm of EBITDA less capital expenditures (during its seasonally slow quarters), and we project that the Company will generate $257mm for the full year 2015 and $314mm in 2016.
- Verso has the best regarded management team in the industry; they have backed up this reputation by producing industry-leading margins.
- Verso is well positioned to balance industry capacity after the NewPage merger. The two largest US producers (Verso and Sappi) now control ~80% of capacity, which makes them the largest beneficiaries of any capacity reductions. Industries that are in secular decline, like the coated paper industry, need to be highly consolidated, or they are unable to balance supply and demand, which leads to a decline in product prices. For example, in a much more fragmented industry where 10 illustrative companies each control 10% of an industry's capacity, an individual company would not be incentivized to close 5% of market capacity to balance a 5% decline in demand because that would mean closing 50% of their capacity, and the beneficiaries of that closure would be all of its competitors. Fragmented industries typically see "races to the bottom" on pricing as producers try to force each other out of business. The current decline of oil prices is a decent analogy because the fragmentation of the industry prevents one or two participants from balancing supply and demand. We view Verso and Sappi as being in a position like OPEC in prior decades, with the ability to manage capacity to achieve optimal pricing.

Verso's strong underlying cash flow, top tier management and consolidated industry structure are overshadowed by a bad capital structure – something that can be remedied.

Investment Criteria:

Principal Protection

- *The First Lien Notes are trading at 2.4x Verso's LTM EBITDA and 3.8x Verso's "Standalone" LTM EBITDA (i.e. EBITDA that the two mills securing the First Lien Notes have produced with no synergies and no contribution from other mills).* Given that companies in the sector have historically traded in the 3.5-5.5x EBITDA range, it appears to us that the market is pricing the bonds as if it is a near certainty that the merger will be unwound – a scenario that we view as quite unlikely. If the market were to trade the First Lien Notes at 3.5x LTM EBITDA (i.e. EBITDA including synergies), the bonds would be trading in the low 30's – 10+ points above current levels. We would consider a trading price in the low 30's to still be cheap given that it implies a low-end multiple on EBITDA that is growing rapidly as synergies ramp.

- *The Quinnesec Mill that secures the First Lien Notes is among the lowest cost CFS mills in the world.* The mill is highly likely to continue to produce steady EBITDA for many years to come as higher-cost mills are closed to keep supply and demand in balance. Given its position on the cost curve, we believe that the Quinnesec Mill could be easily sold in an organized sale process. While we are less confident about the prospects of the Androscoggin Mill, we expect that it will run for at least the next 3-5 years.

Asymmetric Risk / Reward

- *We believe that, using conservative assumptions, the First Lien Notes are worth 67 points in a restructuring (explained in more detail under "Restructuring"), a substantial premium to current asking prices of 19.75 and 23.50 for the New Notes and Old Notes, respectively.* Verso is a good business, producing a substantial amount of unlevered free cash flow, but it is over-levered. A balance sheet restructuring will unlock substantial value in the First Lien Notes, as it will eliminate the worst-case scenarios and reduce other investor concerns. We believe that the ~$650mm of debt junior (the "Junior Debt") to the First Lien should be discharged through a restructuring. Eliminating the Junior Debt would reduce cash interest expense by $70mm – enough to flip Verso from burning cash to building cash. We also expect to advocate for a partial to full equitization of the First Lien Notes, so that the Company has a balance sheet that is appropriate for a cyclical industry.

- *We believe that the Company is substantially more likely than not to pay the 1/15/16 interest payment due to the First Lien Notes.* We believe that Verso will have sufficient liquidity to make the payment and that they are incentivized to do so to reduce the risk of a fraudulent conveyance argument for unwinding the merger, given that there is typically a one year lookback period and the one year anniversary of the merger is 1/7/16. This coupon payment of 5.875 points is substantial given the low dollar price of the First Lien Notes.

Multiple Ways to Win

Scenario 1 (Base Case), 45% Probability

- *Assumptions:*
  - The Company makes the coupon payments due to creditors on 1/15/16 and 2/1/16, but the Verso entities files for Chapter 11 prior to the 7/15/16 coupon payments.
  - The merger is challenged in court and is not found to have constituted a fraudulent conveyance, so the merger stays intact and the New Notes maintain their liens.
  - The First Lien Notes are converted to equity, the ABL's are reinstated, the NewPage TL receives cash and debt worth par and Junior Debt is extinguished.
- *Rationale:*
  - We believe that there is a reasonable chance that we can resolve the NewPage TL at a discount to par (currently trading in low 50's), but we have assumed a par refinancing/reinstatement to be conservative in our base case. Our analysis shows that in almost any imaginable scenario, it makes sense for the First Lien Notes to do what is necessary to keep Verso and NewPage together, so that First Lien noteholders can benefit from the substantial synergies which would otherwise be lost.
- *Expected return on an investment in the First Lien Notes at 12/31/16:*
  - Purchase price of 20 – IRR of 230% (total return of 266%)
  - Purchase price of 25 – IRR of 166% (total return of 192%)
  - Purchase price of 30 – IRR of 124% (total return of 144%)

Scenario 2 (Downside Case), 20% Probability

- *Assumptions:*
  - The Company makes the coupon payments due to creditors on 1/15/16 and 2/1/16, but the Verso entities files for Chapter 11 prior to the 7/15/16 coupon payments.
  - The merger is challenged in court and found to have constituted a fraudulent conveyance, so the merger is unwound and the New Notes are equitably subordinated.
  - The First Lien Notes are converted to equity, the ABL's are reinstated, the NewPage TL receives the NewPage assets and Junior Debt is extinguished.
- *Rationale:*
  - We believe that this is a very negative outcome, and thus a conservative downside case, because it includes an unwinding of the merger with a loss of all synergies. We are recommending a 50/50 position in the Old Notes and New Notes, which because the Old Note tranche is smaller than the New Note tranche, means that we would slightly benefit from an equitable subordination of the New Notes. We believe that the return on an investment in the First Lien Notes at 12/31/16 would be:
- *Expected return on an investment in the First Lien Notes at 12/31/16:*
  - Purchase price of 20 – IRR of 53% (total return of 54%)
  - Purchase price of 25 – IRR of 22% (total return of 23%)
  - Purchase price of 30 – IRR of 2% (total return of 2%)

Scenario 3 (Upside Case), 20% Probability

- *Assumptions:*
  - The Company makes the coupon payments due to creditors on 1/15/16 and 2/1/16, but the Verso entities files for Chapter 11 prior to the 7/15/16 coupon payments.
  - The merger is challenged in court and is not found to have constituted a fraudulent conveyance, so the merger stays intact and the New Notes maintain their liens.
  - The First Lien Notes are converted to equity, the ABL's are reinstated, the NewPage TL receives cash and debt worth 85% of par and Junior Debt is extinguished.

- *Rationale:*
  - This scenario incorporates the same assumptions as our Base Case, but assumes that we are able to resolve the NewPage TL at a 15% discount to par value.
- *Expected return on an investment in the First Lien Notes at 12/31/16:*
  - Purchase price of 20 – IRR of 267% (total return of 315%)
  - Purchase price of 25 – IRR of 196% (total return of 232%)
  - Purchase price of 30 – IRR of 149% (total return of 177%)

Scenario 4 (Crash Case), 10% Probability
- *Assumptions:*
  - The Company does not make the coupon payments due to creditors on 1/15/16 and 2/1/16, and files for Chapter 11.
  - The merger is challenged in court and found to have constituted a fraudulent conveyance, so the merger is unwound and the New Notes are equitably subordinated.
  - The First Lien Notes are converted to equity, the ABL's are reinstated, the NewPage TL receives the NewPage assets and Junior Debt is extinguished.
- *Rationale:*
  - We believe that this is the worst outcome reasonably imaginable because we do not receive any investment basis reduction from the coupon payment, and we are left with only the Verso mills and no synergies.
- *Expected return on an investment in the First Lien Notes at 12/31/16:*
  - Purchase price of 20 – IRR of 19% (total return of 24%)
  - Purchase price of 25 – IRR of 0% (total return of -1%)
  - Purchase price of 30 – IRR of -14% (total return of -17%)

Scenario 5 (Home Run Case), 5% Probability
- *Assumptions:*
  - The Company is able to continue operating as a going concern because of a substantial improvement in end markets
  - First Lien Notes trade based on their "simple" recovery value (4.0x Verso EBITDA, including all synergies)
- *Rationale:*
  - We view this as an unlikely outcome given tightening liquidity. If paper markets were to improve substantially, perhaps because of a large capacity closure from a peer or a change in the FX headwinds, the business could continue as a going concern. In this scenario, we assume that the notes would trade based on a recovery value for Verso EBITDA including all synergies from the merger
- *Expected return on an investment in the First Lien Notes at 12/31/16:*
  - Purchase price of 20 – IRR of 339% (total return of 386%)
  - Purchase price of 25 – IRR of 251% (total return of 289%)
  - Purchase price of 30 – IRR of 194% (total return of 224%)

Probability-Weighted IRR at 12/31/16, Assuming Purchase Price of 30

Scenario	Probability [A]	IRR [B]	Prob. Wt. IRR [A x B]
Base Case	45%	124%	55.6%
Downside Case	20%	2%	0.5%
Upside Case	20%	149%	29.8%
Crash Case	10%	-14%	-1.4%
Home Run Case	5%	194%	9.7%
Probability-Weighted Total			**94.2%**

Merits of the Transaction:

- Attractive Risk-Adjusted Return – Total return has the potential to exceed 200% in our base case, while at current prices we see extremely limited downside.
- Significant Cash Interest – We believe it is highly likely that the Company will pay the coupon due to the First Lien Notes on 1/15/16, which is approximately ~24% of the trading price (including accrued interest) of the blended 50% Old Note/50% New Note position that we are recommending.
- Increased Position Size will Increase GC Synexus Influence on Restructuring – A larger stake would allow us to have a strong influence on guiding the restructuring of the Company; we have good relationships with other noteholders as well as many of the advisors that the Company has engaged in the past.

Risk Factors:

- Litigation Risk – The parties that will benefit from an unwinding of the merger (and, primarily, an equitable subordination of the New Notes) are highly likely to initiate litigation proceedings should the Company file for bankruptcy; while we believe that this litigation is unlikely to be successful, we are recommending a 50% position in the Old Notes and New Notes to avoid taking a view on the outcome of this litigation.
- Redemption Pressure – Many funds that have held Verso in 2015 have underperformed peers, which may lead to investor redemptions and forced selling of securities.
- Secular Trends in Paper – We expect paper demand in North America to decline at 3-5% p.a. (in-line with industry forecasts).
- Seasonality – Business is seasonal, peaking in Q3/Q4, leading to significant working capital swings.

History of the NewPage Merger/Debt Exchange:

On January 6, 2014, Verso announced a definitive agreement to acquire NewPage, its largest competitor, in a transaction valued at $1.4 billion. Securities in Verso's capital structure traded up significantly on the announcement; the share price increased from $0.65 to a peak price of $5.55. The companies expect synergies in excess of $175mm, a significant amount in the context of stand-alone LTM EBITDA (as of merger announcement) of $135mm for Verso and $270mm for NewPage. We believe the synergy target is realistic based on past paper producer mergers. The financial community has wanted these companies to merge for some time because of the industry's secular headwinds, which require production capacity to be removed to keep supply and demand in balance, and the strong industrial logic (i.e. significant cost synergies). Verso first sought to merge with NewPage in the summer of 2012 when NewPage was in Chapter 11 proceedings, but Verso was rebuffed by NewPage's First Lien creditors, which believed that the merger proposal significantly undervalued NewPage.

Concurrently with the merger announcement, the Company announced a de-leveraging exchange offer for its Second Lien Notes due 2020 (indicated in low-30's pre-announcement) and Subordinates Notes due 2016 (indicated in high-40's pre-announcement) (collectively, the "Junior Creditors"). The Second Lien Notes were offered 47% of their current face value in a new security that we believed would trade in the low-80's (imputed market value of 39% of face value). The Subordinated Notes were offered 57% of their current face value in a new security that we believed would trade in the low-80's (imputed market value of 47% of face value). The merger agreement had a condition precedent, which required the de-leveraging exchange offer be completed so that a defined minimum level of debt reduction was achieved before the merger could be consummated. Junior Creditors resisted the exchange offer proposal, with 2% of each tranche accepting initial terms. After months of negotiations, exchange terms were revised for both tranches (inclusion of warrants and increase in exchange principal), leading to a 75.6% acceptance rate for the Second Lien Notes and a 71.6% acceptance rate for the Subordinates Notes. The acceptance rates met the requirements under the merger agreement.

The DoJ conducted an extended review on the merger, making a "Second Request" for information under the HSR Act to Verso and NewPage on 4/3/14. The government's primary concern was that the combination would create a company with a market share in CFS and CGW in excess of 50% of North American capacity. After extensive negotiations, the Company and the DoJ announced that they had reached a settlement on 12/31/14. The DoJ filed a lawsuit alleging that the merger violated antitrust laws, but concurrently filed a settlement that required NewPage to divest its Biron and

Rumford mills. Verso had already agreed to sell the mills to Catalyst Paper, but sought DoJ approval that the sale would be sufficient to resolver concerns prior to closing the sale.

APPENDIX

INVESTMENT SUMMMARY	**Analyst: Ginnings**
BUY 1st Lien Notes	

CAPITAL STRUCTURE as of 6/30/15 — **Price as of: 10/14/15**

			BV Lev							MV Lev			PF
	Avail.	**Par O/S**	**LTM**	**C.A. LTM**	**Rate**	**Maturity**	**Bid Px**	**Ask Px**	**MV O/S**	**2016E**	**CY**	**YTM**	**Cash Int**
			$ 313	**$ 338**						**$ 375**	***<-- Est $170mm in Synergies***		
$150mm ABL Facility	76	65			L + 225	5/4/17	$ 70.00	$ 75.00	49		3.4%	23.7%	2
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VRS LTM EBITDA		*115*											
NP LTM EBITDA (ex. Biron & Rumsford)		*198*											

CAPITAL STRUCTURE NOTES	
ABL Facility	In place May 2012; in conjunction w/ First Pty RC, used to refi prior $200mm First Pty RC (set to mature in Aug. 2012); Springing maturity; 1L on AR/Inv, 2L on all other assests
Cash Flow Facility	In place May 2012; in conjunction w/ ABL RC, used to refi prior $200mm First Pty RC (set to mature in Aug. 2012); pari with First Priority Notes; Springing Mty; 1L on rest; 2L on AR/Inv
ABL & CF Springing Maturity	RC's come due 91 days prior to earliest maturity of any of the L+375 Seconds, Sub Notes and Unsecured TL if more than $100mm outstanding at the test date
NewPage TL	Secured by all NewPage assets; not guaranteed by VRS; 4.0x leverage test, stepping down quarterly; contains several RP limitations which could limit ability to dividend cash to VRS; NP receives NO benefit from VRS/NP synergies
Old 1st Priority Notes	Issued March 2012 to refi 11.5% First Pty Notes maturing in 2014; notes taken out thru tender (~$270mm) at 105.5; and expect remaining (~$45mm) to be called at 105.0 plus accrued; pari with Cash Flow Facility; 1L on rest; 2L on AR/Inv; Add'l $72.9mm issued to exchange for $85.8mm of Unsecured PIK TL at its maturity on 2/1/13 (85.0% exchange rate); Notes have springing maturity if more than $100mm of sub notes outstanding 45 days prior to maturity (6/15/16)
New 1st Priority Notes	Issued 1/7/15 to NewPage shareholders in consideration for merger; same collateral as old notes
1.5 Priority Notes	Created by par exchange of 2L FRN's and 66.5 exchange of Sub Notes in May 2012; Callable on 1/15/15 at 108.8, 1/15/16 at 105.9, 1/15/17 at 102.9, 1/15/18 at par **Key Covenant: Max 1st Lien debt of 3.0x Adj. LTM EBITDA (incl. PF effects of Profitability Program)**
Old 2L Notes	Issued on 1/26/11 to refinance $310.5mm of O/S 9% Second Lien notes due 2014, originally issued $360mm, issued $36mm more on 2/10/11 to repurchase $35mm of First Lien notes; callable at 2/1/15 at 104.375%, 2/1/16 at 102.188%, 2/1/17 at 100 **Key Covenant: Max secured debt of the greater of $770mm or 3.25x**
Old Sub Notes	Exchanged $157.5mm for 11 pts cash and 66.5 pts of 1.5 Lien Notes in May 2012

VERSO PAPER CORP

Ticker: VRS

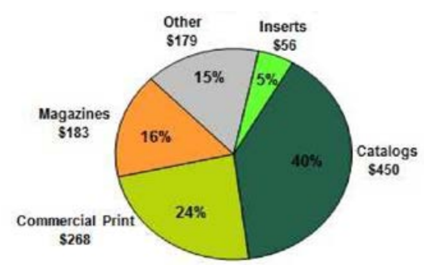
RELEVANT CREDIT STATISTICS

	FY12 12/31/12	FY13 12/31/13	FY14 12/31/14	LTM PF 6/30/15	FY15E 12/31/15	FY16E 12/31/16	1Q15 3/31/15	2Q15 6/30/15	3Q15E 9/30/15	4Q15E 12/31/15	1Q16E 3/31/16	2Q16E 6/30/16	3Q16E 9/30/16	4Q16E 12/31/16
Revenue	1,475	1,389	1,297	3,309	3,149	3,042	806	778	812	754	741	753	780	768
% change yoy	*-14.4%*	*-5.8%*	*-6.6%*		*377.5%*	*-3.4%*	*169.5%*	*142.4%*	*131.7%*	*131.0%*	*-8.1%*	*-3.2%*	*-3.9%*	*1.9%*
Gross Profit	202	210	121		468	513	78	121	143	126	91	126	157	139
% gross margin	*13.7%*	*15.1%*	*9.3%*		*14.9%*		*9.7%*	*15.6%*	*17.6%*	*16.7%*	*12.3%*	*16.7%*	*20.2%*	*18.0%*
SG&A	74	74	70		190	166	55	46	45	44	42	41	42	41
Adj. EBITDA	**140**	**129**	**84**	**313**	**314**	**375**	**44**	**80**	**104**	**86**	**56**	**91**	**122**	**105**
% margin	*9.5%*	*9.3%*	*6.5%*	*9.5%*	*10.0%*	*12.3%*	*5.5%*	*10.3%*	*12.8%*	*11.4%*	*7.6%*	*12.1%*	*15.7%*	*13.7%*
Capex	56	54	42		56	61	9	16	16	15	15	15	16	15
EBITDA - Capex	**85**	**75**	**42**		**257**	**314**	**35**	**64**	**87**	**71**	**41**	**76**	**107**	**90**
Change in WC	24	(28)	111		(179)	(38)	(359)	55	5	121	(115)	2	(31)	105
Unlevered FCF	108	47	153		79	275	(324)	119	92	192	(73)	78	76	194
Cash Interest	113	129	117		240	271	85	20	116	19	116	19	116	19
Cash Taxes	-	-	-		-	-	-	-	-	-	-	-	-	-
FCF	(5)	(82)	36		(162)	5	(409)	99	(24)	173	(190)	60	(40)	175
Inventory	131	138	111		419	420	536	559	483	419	462	481	443	420
% change yoy	*-21.2%*	*4.7%*	*-19.6%*		*278.3%*	*0.2%*	*246.1%*	*287.4%*	*274.0%*	*278.3%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Days	38	43	34		60	60	66	77	65	60	64	69	64	60
Payables	92	88	63		175	175	206	192	186	175	180	174	173	175
Days	26	27	19		25	25	25	26	25	25	25	25	25	25

PRICE AND VOLUME

	3/31/14	6/30/14	9/30/14	12/31/14	3/31/15	6/30/15	9/30/15
Core Paper Volume	265	296	318	287	699	672	706
Pulp Volume	46	38	53	52	125	125	124
Uncoated/Specialty	61	67	62	74	105	100	105
Total Volume (Core, Pulp, UC)	372	401	433	413	929	902	934
Change in Core Paper Volume Y/Y	-8.7%	0.0%	-6.9%	-12.8%	163.9%	126.8%	122.2%
				Asset Sales/Merger			
Verso Core Paper Price	$824	$810	$823	$814	$877	$885	$881
Memo: Coated Freesheet List Price	$875	$865	$880	$883	$907	$918	$915
Change in Coated Freesheet List Px Y/Y	-9.5%	-8.5%	-7.3%	-3.3%	3.7%	6.1%	4.0%

2014 VRS Sales by End-User (excl. Pulp), mm's



EBITDA / TON PER GRADE

	3/31/14	6/30/14	9/30/14	12/31/14	3/31/15	6/30/15	9/30/15
Coated	(95.3)	44.1	76.3	81.1	10.0	107.6	151.1
Pulp	137.3	184.8	128.5	76.3	(57.3)	20.0	50.0
Specialty	(84.9)	55.6	101.9	NM	NM	NM	NM

HISTORICAL N.A. MARKET SHARE - VRS

	12/31/13	12/31/14	12/31/15E
Coated GW	23.0%	20.9%	20.7%
Coated FS	15.4%	15.1%	60.9%

CONSOLIDATING FINANCIALS

	3/31/14	6/30/14	9/30/14	12/31/14	3/31/15	6/30/15	9/30/15	12/31/15	3/31/16	6/30/16	9/30/16	12/31/16
Verso EBITDA	(8.0)	27.7	40.6	23.7	(7.0)	16.0	19.2	9.5	2.9	15.1	14.4	22.6
NewPage EBITDA	25.0	43.0	83.0	56.0	37.0	37.0	45.0	40.0	30.0	35.0	50.0	35.0
Synergy EBITDA	-	-	-	-	14.0	27.0	39.3	36.6	23.3	41.3	57.8	47.3
Total EBITDA	**17.0**	**70.7**	**123.6**	**79.7**	**44.0**	**80.0**	**103.5**	**86.1**	**56.1**	**91.4**	**122.1**	**104.9**
Chg. Y/Y	*-79.0%*	*-2.1%*	*-8.9%*	*-27.2%*	*158.2%*	*13.2%*	*-16.2%*	*8.0%*	*27.6%*	*14.2%*	*18.0%*	*21.8%*
LTM Consolidated EBITDA	**334.4**	**332.9**	**320.8**	**291.0**	**317.9**	**327.2**	**307.2**	**313.6**	**325.7**	**337.1**	**355.7**	**374.5**
Chg. Q/Q		*-0.4%*	*-3.6%*	*-9.3%*	*9.3%*	*2.9%*	*-6.1%*	*2.1%*	*3.9%*	*3.5%*	*5.5%*	*5.3%*
Verso Summary BS												
Accounts Receivable	94.0	93.9	96.2	87.7	86.0	73.0	75.0	75.0	70.0	75.0	80.0	75.0
Inventory	154.8	144.3	129.1	110.7	121.0	119.0	100.0	90.0	100.0	110.0	100.0	90.0
Other Current Assets	12.6	12.7	18.4	10.8	8.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Total Current Assets (ex. Cash)	**261.4**	**250.9**	**243.6**	**209.3**	**215.0**	**197.0**	**180.0**	**170.0**	**175.0**	**190.0**	**185.0**	**170.0**
Total Current Liabilities	168.7	196.6	206.1	268.2	164.0	192.0	180.0	200.0	190.0	200.0	180.0	200.0
Working Capital	92.7	54.3	37.6	(58.9)	51.0	5.0	-	(30.0)	(15.0)	(10.0)	5.0	(30.0)
Verso Summary FCF												
Verso EBITDA + Synergy EBITDA	(8.0)	27.7	40.6	23.7	7.0	43.0	58.5	46.1	26.1	56.4	72.1	69.9
Verso Cash Interest	(66.3)	(0.8)	(48.5)	(1.1)	(98.1)	(0.5)	(98.1)	(0.5)	(98.1)	(0.5)	(98.1)	(0.5)
Verso Capex	(16.5)	(10.5)	(6.7)	(8.2)	(3.0)	(5.0)	(5.4)	(5.0)	(4.9)	(5.0)	(5.1)	(5.1)
Verso Change in NWC	(46.3)	42.9	(52.3)	138.7	(109.9)	46.0	5.0	30.0	(15.0)	(5.0)	(15.0)	35.0
Verso FCF	**(137.0)**	**59.2**	**(67.0)**	**153.0**	**(204.0)**	**83.5**	**(39.9)**	**70.6**	**(91.8)**	**45.9**	**(46.1)**	**99.3**
Verso Liquidity (note: assumptions about changes in borrowing base may impact liquidity)												
Cash	4.0	7.0	11.8	5.5	5.0	6.0	(33.9)	36.7	(55.1)	(9.2)	(55.3)	44.1
RC Availability (excl. Androscoggin RC)	45.0	55.0	18.0	26.9	35.0	56.0	50.0	50.0	50.0	50.0	50.0	50.0
InterCo RC (Hydro Assets)	-	-	-	-	-	31.0	31.0	31.0	31.0	31.0	31.0	31.0
Total Liquidity	**49.0**	**62.0**	**29.8**	**32.4**	**40.0**	**93.0**	**47.1**	**117.7**	**25.9**	**71.8**	**25.7**	**125.1**

VERSO PAPER CORP

Ticker: VRS

CONSOLIDATING FINANCIALS (CONTINUED)

	3/31/14	6/30/14	9/30/14	12/31/14	3/31/15	6/30/15	9/30/15	12/31/15	3/31/16	6/30/16	9/30/16	12/31/16
NewPage Summary BS												
Accounts Receivable					194.0	174.0	177.5	151.2	185.3	201.0	206.1	189.6
Inventory					415.0	440.0	382.7	328.9	362.0	370.7	343.0	329.8
Other Current Assets					22.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0
Total Current Assets (ex. Cash)					**631.0**	**627.0**	**573.2**	**493.1**	**560.3**	**584.8**	**562.0**	**532.4**
Total Current Liabilities					285.0	290.0	235.9	246.8	214.3	245.9	207.6	247.8
Working Capital					346.0	337.0	337.3	246.2	346.0	338.9	354.4	284.6
NewPage Summary FCF												
NewPage EBITDA					37.0	37.0	45.0	40.0	30.0	35.0	50.0	35.0
NewPage Cash Interest					(18.4)	(18.4)	(18.4)	(18.4)	(18.4)	(18.4)	(18.4)	(18.4)
NewPage Capex					(6.0)	(11.0)	(10.9)	(10.1)	(9.9)	(10.1)	(10.5)	(10.3)
NewPage Change in NWC					(50.0)	9.0	(0.3)	91.1	(99.8)	7.1	(15.6)	69.8
NewPage FCF					**(37.4)**	**16.6**	**15.4**	**102.6**	**(98.1)**	**13.7**	**5.6**	**76.1**
NewPage Liquidity (note: assumptions about changes in borrowing base may impact liquidity)												
Cash					9.0	8.0	23.4	126.0	28.0	41.6	47.3	123.4
RC Availability					155.0	117.0	117.0	117.0	117.0	117.0	117.0	117.0
Total Liquidity					**164.0**	**125.0**	**140.4**	**243.0**	**145.0**	**158.6**	**164.3**	**240.4**
NewPage Leverage												
TL Outstanding					733.0	733.0	733.0	730.3	720.9	711.5	702.1	692.8
RC Outstanding					145.0	166.0	183.0	183.0	183.0	183.0	183.0	183.0
Less: Cash					(9.0)	(8.0)	(23.4)	(123.3)	(18.6)	(32.3)	(37.9)	(114.0)
Net Debt					869.0	891.0	892.6	790.0	885.3	862.2	847.2	761.8
LTM EBITDA					219.0	213.0	175.0	159.0	152.0	150.0	155.0	150.0
Net Leverage					3.97x	4.18x	5.10x	4.97x	5.82x	5.75x	5.47x	5.08x

SIMPLE RECOVERY ANALYSIS - 6/30/15

	Case 1	Case 2	Case 3	Case 4
NewPage NTM EBITDA	150	150	150	150
Multiple	4.0x	4.5x	5.0x	5.5x
EV	600	675	750	825
Plus: Cash/(RC Borrow) on NewPage BS	8	8	8	8
Less: NewPage First Lien Debt	(899)	(899)	(899)	(899)
NP Value to Verso	-	-	-	-
Verso + Synergy NTM EBITDA	187	187	187	187
Multiple	4.0x	4.5x	5.0x	5.5x
EV	748	842	936	1,029
Plus: Cash on Verso BS	6	6	6	6
Plus: NP Value to Verso	-	-	-	-
Less: Verso First Lien Debt	(1,167)	(1,167)	(1,167)	(1,167)
Value to 1.5 Lien	-	-	-	-
Less: First and a Half Lien Debt	(272)	(272)	(272)	(272)
Value to 2nd Lien	-	-	-	-
Less: Second Lien Debt	(274)	(274)	(274)	(274)
Value to Sub Debt	-	-	-	-
Less: Sub Debt	(104)	(104)	(104)	(104)
Value to Equity	-	-	-	-
Recovery Waterfall				
NewPage First Lien	68%	76%	84%	93%
Verso First Lien	65%	73%	81%	89%
Verso First and a Half Lien	0%	0%	0%	0%
Verso Second Lien	0%	0%	0%	0%
Verso Sub Debt	0%	0%	0%	0%

SIMPLE RECOVERY ANALYSIS - 12/31/15

	Case 1	Case 2	Case 3	Case 4
NewPage NTM EBITDA	150	150	150	150
Multiple	4.0x	4.5x	5.0x	5.5x
EV	600	675	750	825
Plus: Cash/(RC Borrow) on NewPage BS	126	126	126	126
Less: NewPage First Lien Debt	(899)	(899)	(899)	(899)
NP Value to Verso	-	-	-	52
Verso + Synergy NTM EBITDA	225	225	225	225
Multiple	4.0x	4.5x	5.0x	5.5x
EV	898	1,010	1,123	1,235
Plus: Cash on Verso BS	37	37	37	37
Plus: NP Value to Verso	-	-	-	52
Less: Verso First Lien Debt	(1,167)	(1,167)	(1,167)	(1,167)
Value to 1.5 Lien	-	-	-	157
Less: First and a Half Lien Debt	(272)	(272)	(272)	(272)
Value to 2nd Lien	-	-	-	-
Less: Second Lien Debt	(274)	(274)	(274)	(274)
Value to Sub Debt	-	-	-	-
Less: Sub Debt	(104)	(104)	(104)	(104)
Value to Equity	-	-	-	-
Recovery Waterfall				
NewPage First Lien	81%	89%	97%	100%
Verso First Lien	80%	90%	99%	100%
Verso First and a Half Lien	0%	0%	0%	58%
Verso Second Lien	0%	0%	0%	0%
Verso Sub Debt	0%	0%	0%	0%

VERSO PAPER CORP

Ticker: VRS

VERSO RESTRUCTURING ANALYSIS - 6/30/15			VERSO RESTRUCTURING ANALYSIS - 12/31/15		
Assumptions			**Assumptions**		
1) Verso entities file for Chapter 11			1) All same as analysis on left, but calendar rolled forward		
2) All Verso debt is forgiven; Verso 1L receives all of the equity initially					
3) Verso 1L gives lesser of $50mm MV or 10% of market cap to mgmt & juniors					
4) NewPage entities DO NOT file for Chapter 11					
5) NewPage Term Loan is tendered for/called					
6) NewPage and Verso RC's are consolidated					
7) NTM statistics are based on four quarters following date in header					
8) Old & New 1L Pari assumes R/O split pro rata between old & new					
9) New 1L to Unsec assumes R/O only done by old					
	Old & New 1L Pari	**New 1L to Unsec**		**Old & New 1L Pari**	**New 1L to Unsec**
Sources of Cash			**Sources of Cash**		
New Debt Issued (Assumes 2.00x leverage)	674	674	New Debt Issued (Assumes 2.00x leverage)	749	749
New Consolidated ABL RC	265	265	New Consolidated ABL RC	148	148
Cash to NP TL Holders	217	217	Cash to NP TL Holders	24	24
Sources of Cash	1,156	1,156	Sources of Cash	921	921
Uses of Cash			**Uses of Cash**		
NewPage 1L Net Debt (Assumes 100% reco)	891	891	NewPage 1L Net Debt (Assumes 100% reco)	773	773
Verso ABL RC	65	65	Verso ABL RC	65	65
Verso CF RC	5	5	Verso CF RC	5	5
Verso Hydro RC	29	29	Verso Hydro RC	29	29
NewPage ABL RC	166	166	NewPage ABL RC	49	49
Uses of Cash	1,156	1,156	Uses of Cash	921	921
Memo: Pts of Cash Needed Per 1L Bond	20	52	Memo: Pts of Cash Needed Per 1L Bond	2	6
Pro Forma FCF			**Pro Forma FCF**		
Consolidated NTM EBITDA (incl. Synergies)	337	337	Consolidated NTM EBITDA (incl. Synergies)	375	375
Less: Run-Rate Capex	(85)	(85)	Less: Run-Rate Capex	(85)	(85)
Less: Cash Interest on New Debt at 10.0%	(67)	(67)	Less: Cash Interest on New Debt at 10.0%	(75)	(75)
Pre-Working Capital FCF	185	185	Pre-Working Capital FCF	215	215
Assume FCF Yield of Equity	25%	25%	Assume FCF Yield of Equity	25%	25%
Value of Equity	739	739	Value of Equity	859	859
Less: Equity to Mgmt and Jr VRS	(50)	(50)	Less: Equity to Mgmt and Jr VRS	(50)	(50)
Value of Equity to 1L	689	689	Value of Equity to 1L	809	809
Less: Cash to NP TL	(217)	(217)	Less: Cash to NP TL	(24)	(24)
Intrinsic Value of Verso 1L	472	472	Intrinsic Value of Verso 1L	785	785
Verso First Lien - Old (AP7)	**40%**	**113%**	**Verso First Lien - Old (AP7)**	**67%**	**188%**
Verso First Lien - New (BB7)	**40%**	**0%**	**Verso First Lien - New (BB7)**	**67%**	**0%**
Verso First Lien - 50/50 Old & New	**40%**	**56%**	**Verso First Lien - 50/50 Old & New**	**67%**	**94%**
New Capital Structure			**New Capital Structure**		
New Consolidated ABL RC	265	265	New Consolidated ABL RC	148	148
New First Lien Debt	674	674	New First Lien Debt	749	749
Total First Lien Debt	939	939	Total First Lien Debt	897	897
Consolidated NTM EBITDA (incl. Synergies)	337	337	Consolidated NTM EBITDA (incl. Synergies)	375	375
Total Leverage	**2.8x**	**2.8x**	**Total Leverage**	**2.4x**	**2.4x**
Net Debt	939	939	Net Debt	897	897
Equity Value	739	739	Equity Value	859	859
Implied EV	1,678	1,678	Implied EV	1,756	1,756
EV / NTM EBITDA	**5.0x**	**5.0x**	**EV / NTM EBITDA**	**4.7x**	**4.7x**

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VERSO CRASH CASE ANALYSIS - 6/30/15

Assumptions

1) Verso and NewPage entities file for Chapter 11
2) Merger is dissolved and synergy EBITDA goes away
3) Verso 1L receives Verso equity; NewPage TL receives NewPage equity

	Old & New 1L Pari	New 1L to Unsec
NewPage NTM EBITDA	152	152
Multiple	4.0x	4.0x
EV	608	608
Plus: Cash/(RC Borrow) on NewPage BS	8	8
Less: NewPage First Lien Debt	(899)	(899)
NP Value to Verso	-	-
Verso NTM EBITDA	47	47
Multiple	4.0x	4.0x
EV	187	187
Plus: Cash/(RC Borrow) on NewPage BS	5	5
Plus: NP Value to Verso	-	-
Less: Verso First Lien Debt	(1,167)	(517)
Value to 1.5 Lien	-	-
Less: First and a Half Lien Debt	(272)	(272)
Value to 2nd Lien	-	-
Less: Second Lien Debt	(274)	(274)
Value to New 1L that was Equit. Sub'd	-	-
Less: New 1st Lien Debt Moved to Unsecured	-	(650)
Value to Sub Debt	-	-
Less: Sub Debt	(104)	(104)
Value to Equity	-	-
Recovery Waterfall		
NewPage First Lien	69%	69%
Verso First Lien - Old (AP7)	16%	37%
Verso First Lien - New (BB7)	16%	0%
Verso First Lien - Synexus Blended	16%	19%
Verso First and a Half Lien	0%	0%
Verso Second Lien	0%	0%
Verso Sub Debt	0%	0%

VERSO CRASH CASE ANALYSIS - 12/31/15

Assumptions

1) All same as analysis on left, but calendar rolled forward

	Old & New 1L Pari	New 1L to Unsec
NewPage NTM EBITDA	150	150
Multiple	4.0x	4.0x
EV	600	600
Plus: Cash/(RC Borrow) on NewPage BS	126	126
Less: NewPage First Lien Debt	(899)	(899)
NP Value to Verso	-	-
Verso NTM EBITDA	55	55
Multiple	4.0x	4.0x
EV	220	220
Plus: Cash/(RC Borrow) on NewPage BS	37	37
Plus: NP Value to Verso	-	-
Less: Verso First Lien Debt	(1,167)	(517)
Value to 1.5 Lien	-	-
Less: First and a Half Lien Debt	(272)	(272)
Value to 2nd Lien	-	-
Less: Second Lien Debt	(274)	(274)
Value to New 1L that was Equit. Sub'd	-	-
Less: New 1st Lien Debt Moved to Unsecured	(104)	(650)
Value to Sub Debt	-	-
Less: Sub Debt	(104)	(104)
Value to Equity	-	-
Recovery Waterfall		
NewPage First Lien	81%	81%
Verso First Lien - Old (AP7)	22%	50%
Verso First Lien - New (BB7)	22%	0%
Verso First Lien - Synexus Blended	22%	25%
Verso First and a Half Lien	0%	0%
Verso Second Lien	0%	0%
Verso Sub Debt	0%	0%

INTERNATIONAL TRADE ADMINISTRATION

FACT SHEET

Commerce Finds Countervailable Subsidization of Imports of Supercalendered Paper from Canada

- On October 14, 2015, the Department of Commerce (Commerce) announced its affirmative final determination in the countervailing duty (CVD) investigation of imports of supercalendered paper from Canada.

- The CVD law provides U.S. business and workers with a transparent and internationally accepted mechanism to seek relief from the market distorting effects caused by injurious subsidization of imports into the United States, establishing an opportunity to compete on a level playing field.

- For the purpose of CVD investigations, countervailable subsidies are financial assistance from foreign governments that benefit the production of goods from foreign companies and are limited to specific enterprises or industries, or are contingent either upon export performance or upon the use of domestic goods over imported goods.

- Commerce determined that imports of supercalendered paper from Canada have received countervailable subsidies ranging from 17.87 percent to 20.18 percent.

- In the CVD investigation, mandatory respondents Port Hawkesbury Paper LP and Resolute FP Canada Inc. received final subsidy rates of 20.18 percent and 17.87 percent (based on adverse facts available), respectively. All other producers/exporters in Canada have been assigned a final subsidy rate of 18.85 percent.

- The rate for Resolute FP Canada Inc., was based, in part, on the application of adverse facts available, because Commerce found that this company did not fully cooperate with the investigation.

- As a result of the affirmative final CVD determination, Commerce will order the continuation of the suspension of liquidation and require a cash deposit for CVD duties equal to the final subsidy rates for the mandatory respondents and all other producers and exporters not selected for investigation. If the U.S. International Trade Commission (ITC) issues a negative injury determination, the investigations will be terminated and no producers or exporters will be subject to future cash deposits for CVD duties. In such an event, all cash deposits already collected will be refunded.

- The petitioner for this investigation is The Coalition for Fair Paper Imports, which is an ad hoc association of U.S. manufacturers of supercalendered paper consisting of Madison Paper Industries (ME) and Verso Corporation (OH).

- The petition is also supported by the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, which represents workers at Madison Paper Industries mill in Madison, Maine.

- The merchandise covered by this investigation is supercalendered paper (SC paper). SC paper is uncoated paper that has undergone a calendering process in which the base sheet, made of pulp and filler (typically, but not limited to, clay, talc, or other mineral additive), is processed through a set of supercalenders, a supercalender, or a soft nip calender operation.[1]

- The scope of this investigation covers all SC paper regardless of basis weight, brightness, opacity, smoothness, or grade, and whether in rolls or in sheets. Further, the scope covers all SCpaper that meets the scope definition regardless of the type of pulp fiber or filler material used to produce the paper.

- Specifically excluded from the scope are imports of paper printed with final content of printed text or graphics.

- Subject imports primarily enter under Harmonized Tariff Schedule of the United States (HTSUS) subheading 4802.61.3035. Subject imports could also enter under subheadings 4802.61.3010, 4802.62.3000, 4802.62.6020, and 4802.69.3000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the investigation is dispositive.

- In 2014, imports of supercalendered paper from Canada were valued at an estimated $868.4 million.

NEXT STEPS

- The ITC is scheduled to make its final injury determination on or about December 4, 2015.

- If the ITC makes an affirmative final determination that imports of supercalendered paper from Canada materially injure, or threaten material injury to, the domestic industry, Commerce will issue a CVD order. If the ITC makes a negative determination of injury, the investigation will be terminated.

FINAL SUBSIDY RATES:

COUNTRY	EXPORTER/PRODUCER	SUBSIDY RATES
Canada	Port Hawkesbury Paper LP	20.18%
	Resolute FP Canada Inc.	17.87%*
	All Others	18.85%

* Rate based on adverse facts available.

[1] Supercalendering and soft nip calendering processing, in conjunction with the mineral filler contained in the base paper, are performed to enhance the surface characteristics of the paper by imparting a smooth and glossy printing surface. Supercalendering and soft nip calendering also increase the density of the base paper.

CASE CALENDAR:

EVENT	DATE
Petition Filed	**February 26, 2015**
DOC Initiation Date	**March 18, 2015**
ITC Preliminary Determination	**April 13, 2015†**
DOC Preliminary Determination	**July 27, 2015**
DOC Final Determination	**October 13, 2015†**
ITC Final Determination (estimated)	**December 4, 2015**
Issuance of Order	**November 30, 2015*** **

NOTE: Commerce preliminary and final determination deadlines are governed by statute. For CVD investigations, the deadlines are set forth in sections 703(b) and 705(a)(1) of the Tariff Act of 1930, as amended.
†Where the deadline falls on a weekend/holiday, the appropriate date is the next business day.
**This will take place only in the event of final affirmative determinations from Commerce and the ITC.

IMPORT STATISTICS:

CANADA	2012	2013	2014
Volume (metric tons)	**1,486,000**	**1,656,000**	**1,099,000**
Value (USD)	**1,197,795,000**	**1,316,713,000**	**868,424,000**

Source: U.S. Census Bureau, accessed through Global Trade Atlas. (HTSUS 4802.61.3035 and 4802.61.3090). Prior to July 2014, imports of supercalendered paper were entered under HTSUS 4802.61.3090, which is a basket category covering both subject and non-subject merchandise. Imports of supercalendered paper may also enter under HTSUS 4802.61.3010, 4802.62.3000, 4802.62.6020, and 4802.69.3000. However, these HTSUS subheadings may cover significant amounts of non-subject merchandise. Therefore, these HTSUS subheadings have not been used for purposes of reporting import statistics.

FOEX PIX Paper Coated Woodfree Price (EUR/Metric Tonne)