

LINDENMEYR CENTRAL

Consolidations and Closures in the Paper Industry 2009-1995

Consolidations/Closures	Year	Specifics	Purchase Price
Myllykoski/FutureMark Paper	2009	The Watermill Group announced today that it has acquired the Alsip manufacturing facility of the Madison Paper Company from Myllykoski Group. Watermill Group has renamed the newly acquired paper manufacturer FutureMark Paper Company in alignment with the company's intent to cater to the fast-growing, underserved North American market for environmentally friendly paper. FutureMark Paper Company has the only manufacturing facility in the United States capable of producing up to 100 percent recycled coated paper for magazines and catalogs. The Alsip mill has a coated publication papers capacity of 135 000 metric tonnes, and the mill employs 148 people.	The parties have agreed not to disclose the terms of agreement. The transaction will have an estimated negative impact of EUR 35 million on Myllykoski Corporation's fourth quarter result.
Nippon Paper	2009	Nippon Paper Group, Inc. will shut 15 paper and paperboard machines in response to the recent sharp decline in demand in the first half of 2009. The Group has been compelled to operate below capacity to meet demand decrease, however, it has decided to consolidate its production at more efficient machines to raise the operating rates. In addition, the Group will cease all paper machine operation during the regular maintenance period of boilers and pulp machines. This will also help curtail production capacity. As a result of these actions, the Nippon Paper Group expects to reduce its annual total paper and paperboard production capacity by around 880,000 metric tons, of which 687,000 is printing papers.	Not Applicable
Sappi/M-Real	2008	M-real Corporation, signed an agreement to sell its Graphic Papers Business Area to the South African Sappi Limited. The sale comprises the Kirkniemi and Kangas mills in Finland, the Stockstadt mill in Germany and the Biberist mill in Switzerland, with total capacity of 1.9 million tons. As part of the	EUR 500 million in cash and assumed debt, EUR 200 million vendor loan note from Sappi to M-real and EUR 50

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		transaction, M-real and Sappi have also entered into a long-term agreement on the supply of pulp and BCTMP and other smaller services and supplies.	million of newly issued shares in Sappi
Stora Enso	2008	Shutdown of PM3 in Kabel, Germany will pull 140,000 tons of coated groundwood from the market	Not Applicable
UPM	2008	Possible closure of Kajaani paper mill in Finland by the end of 2008, which will pull 640,000 tons of newsprint, special newsprint and uncoated SC magazine papers from the market	Not Applicable
NewPage	2008	Closure of Kimberly, WI mill pulls 200,000 tons of coated freesheet and 300,000 tons of coated groundwood from the market	Not Applicable
Oji	2008	Retirement of PM6 in Tomiokia, Japan will pull 330,000 tons of coated groundwood from the market	Not Applicable
Nippon	2008	Shutdown of 3 facilities in Ishinomaki, Japan will pull 231,000 tons of coated groundwood from the market	Not Applicable
Fraser/Katahdin	2008	Closure of Millinocket, ME mill pulls 180,000 tons of coated groundwood from the market	Not Applicable
NewPage	2008	Shutdowns of PM11 and PM95 pull 226,000 tons of coated freesheet from the market; Shutdowns of PM11, PM43 and PM44 pull 275,000 tons of coated groundwood from the market	Not Applicable
Stora Enso	2008	Conversion of PM2 to book paper at Anjala, Finland mill pulls 155,000 tons of coated groundwood from the market	Not Applicable
NewPage/Stora Enso	2007	Stora Enso has signed a definitive agreement to sell Stora Enso North America, Inc, its North American subsidiary, to NewPage Holding Corporation, owned by Cerberus Capital. The combined company will be called NewPage.	\$1.5 billion in cash, a \$200 million vendor note and a 19.9% equity interest
Fraser	2007	Decision to exit the coated market pulls 85,000 tons of coated groundwood from the market	Not Applicable
Tembec	2007	Closure of St. Francisville, LA mill pulls 310,000	Not Applicable

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		tons of coated freesheet from the market	
Myllykoski	2007	Closure of Dachau, Germany mill pulls 250,000 tons of coated groundwood from the market.	Not Applicable
Domtar	2007	Shutdown of PM14 at Gatineau, Quebec pulls 25,000 tons of coated groundwood and 100,000 tons of coated freesheet from the market	Not Applicable
UPM	2007	9-12 month shutdowns of PM1 and PM2 at Miramichi pull 495,000 tons of coated groundwood from the market; PM conversion at Jamsankoski, Finland pulls 120,000 tons of coated groundwood.	Not Applicable
Abitibi-Consolidated/Bowater	2007	Abitibi-Consolidated Inc. and Bowater Incorporated announce a definitive agreement to combine in an all-stock merger of equals. The combined company, will be called AbitibiBowater Inc.	Not Applicable
M-Real	2007	Mill Closure at Sittingbourne, UK and shutdowns of PM6 and PM7 at Gohrsmuhle, Germany pulls 340,000 tons of coated freesheet from the market	Not Applicable
Domtar/Weyerhaeuser	2006	Weyerhaeuser combines their fine paper assets with Domtar's to create North America's largest fine paper producer with anticipated \$200 million sales annually.	\$1.35 Billion cash and stocks
International Paper	2006	Sells its coated freesheet and SC paper assets, which becomes Verso Paper.	\$1.4 Billion
Domtar	2006	Closes coated freesheet mill, Big Island, in British Columbia removing 120,000 tons of coated freesheet from the market.	Not Applicable
UPM	2006	Closure of Viokka mill and PM 7 at the Kymi mill, reducing UPM 's coated paper capacity by 560,000 tons. More closures are anticipated for 2007.	Not applicable
Tembec	2006	Restructure of Coated Paper Division with Closure of Pressurized Stone Groundwood mill in St.Francisville, and closing of PM#3, removing 88,000 tons of uncoated specialty paper.	Not applicable

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Weyerhaeuser	2005	PM#1 at Dryden Ontario, removes 155,000 tons of uncoated freesheet. The Prince Albert Ontario pulp and paper mill. Removes 280,000 tons of uncoated paper and 130,000 metric tons of market pulp.	Not applicable
Cascades	2005	Closing PM at St. Jerome that produces 8,000 tpy.	Not applicable
Domtar	2005	Closing Cornwall, Ontario mill, closing PM 10 and 11 at Ottawa Ontario mill and selling Vancouver, B.C. mill. Lay-offs amount to 1,800 jobs	Not disclosed; restructuring costs of \$505 million
Stora Enso	2005	Closing 4 paper machines at three mills and a coating plant; selling four European plants; losing a total of 835,000 mtpy of paper, paperboard and market pulp. Planning to divest four others within the year.	Not disclosed; reducing net sales by Euro \$490
Weyerhaeuser	2005	Closing Cosmopolis, Washington specialty pulp mill, Prince Albert, Sask. uncoated freesheet machine.	Not applicable
Cascades	2005	Closing Thunder Bay, Ontario freesheet and specialty groundwood mill. Removing 165,000 tpy from market. Reorganizing St. Jerome.	Not applicable
Pasadena Paper	2005	Permanently shuttered due to high costs of fuel. Removed 170,000 tons of C1S from market	Not applicable
Abitibi-Consolidated	2005	Abitibi announces several mill closures: Kenora and Stephenville. One machine in Grand Falls.	\$110 million (charges and taxes)
Sappi	2005	Sappi announces the Muskegon pulp mill will be closed permanently in 9/05, and fine paper machine #4 in Muskegon will also be closed.	Not applicable
MeadWestvaco	2005	Private equity firm purchases MeadWestvaco's printing paper operations, including five mills. Becomes NewPage Inc.	Not disclosed
International Paper/Mohawk	2005	International Paper sells its Fine Paper division to Mohawk, includes all uncoated offset. "Mohawk"	Not disclosed

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		becomes Mohawk Fine Papers.	
Eastern Paper/Lincoln Paper	2004	Defunct Eastern Paper is purchased out of bankruptcy and becomes Lincoln Paper	Not disclosed
Great Northern Paper/Kell Container Corporation	2004	Purchase combines two producers of containers, packaging and point-of-purchase displays	Not Disclosed
SCA sells minority interest in Metsa Tissue to M-real	2003	SCA has chosen to sell its minority shareholding (19.3%) in Metsa Tissue to the main owner M-real	\$75 million
Weyerhaeuser/Williamette	2002	Williamette accepts offer from Weyerhaeuser after 15 month takeover bid, one of the longest-running hostile takeover battles in recent memory.	\$6.1 billion
Sappi/Potlatch	2002	Sappi acquires Potlatch's printing papers business and its pulp and paper mill in Cloquet, Minnesota.	\$480 million
Nippon Paper Industries Co/Daishowa	2002	Merger combines capacities of 19 million tons (Nippon Paper) and 3.3 million tons (Daishowa) of paper and paperboard. New company will be called Nippon Paper Industries.	Unknown
Tembec/St. Francisville Mill (Crown Paper Co.)	2001	Tembec purchases St. Francisville pulp and paper mill from Crown Paper Co., raising Tembec's annual capacity to more than 1.1 million metric tonnes per year.	\$185 million
Mead Corp./Westvaco Corp.	2001	Mead Corp and Westvaco Corp agree to merge in a stock-swap transaction that joins the two midsize paper companies. The combined company would have revenue of more than \$8 billion in four core areas of packaging, coated and specialty papers, consumer and office products, and specialty chemicals.	\$3 billion
Domtar/Four Georgia Pacific Mills	2001	Domtar signs letter of agreement to purchase four fine paper mills from Georgia Pacific, doubling	\$1.5 billion

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		Domtar's capacity for printing and copy paper.	
P.H. Glattfelter Sells Ecusta	2001	P.H. Glattfelter sells its Ecusta unit to PURICO Ltd. effectively exiting the tobacco papers business	\$39 million
UPM-Kymmene/Haindl	2001	UPM-Kymmene purchases Haindl and assumes 180mm in debt. They will also spin off two mills to Norske-Skog.	\$3.4 billion
Norske Skog/Pacifica Papers	2001	Norsk Skog purchases Pacifica Papers, creating North America's third largest newsprint producer.	\$320 million
Bowater/Alliance Forest Products	2001	Bowater purchases Alliance Forest Products outstanding shares for C\$26.00 per share	\$770 million
Nippon-Diashowa	2001	Merger creates Japan's largest papermaker, Nippon Unipac Holdings with 5.9 million tons of total paper manufacturing capacity and 2.2. million tons of paperboard manufacturing capacity and controlling 35% of the domestic paper market.	Currently Undisclosed
Abitibi-Consolidated/Donohue	2000	Abitibi-Consolidated acquires Donohue (Canada)	\$4.0 billion
Stora Enso/Consolidated Papers	2000	Stora Enso acquires Consolidated Papers (U.S.)	\$3.9 billion
Norske Skog/Fletcher Challenge	2000	Norske Skog purchases Fletcher Challenge Pulp and Paper Mills in Canada, Australia, New Zealand, Brazil, Chili and Malaysia.	\$2.47 billion
Nippon Paper/Daishowa Paper	2000	Announced the two companies will integrate their operations. Expect to generate \$467 million per year in cost savings.	
International Paper/Champion Int'l	2000	International Paper announces purchase of Champion.	\$7.3 billion
Metsä-Serla Paper Group/Modo Paper	2000	Metsä-Serla Paper Group purchases Swedish rival Modo Paper. SCA purchased Metsä-Serla corrugated box business for \$200 million euros.	\$2.1 billion
Georgia Pacific/Ft. James	2000	G.P. announces purchase of Fort James for \$7.5 billion in stock/cash w/ assumption of \$3.5 billion in debt.	\$11.0 billion

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Bowater/Newsprint South	2000	Bowater Inc. announced purchase of Newsprint South, located in Grenada Mississippi from GE Capital Structured Finance Group.	\$370 million
UPM-Kymmene/Repap	2000	UPM-Kymmene will assume approximately \$800MM in debt in addition to cash.	\$108 million
Metsa-Serla/Zanders	2000	Meta-Serla Oyj of Finland finalized negotiations to purchase a 72% share in Germany's Zanders Feinpapiere AG from International Paper Co.	\$211 million
Weyerhaeuser/Willamette	2000	Weyerhaeuser makes unsolicited offer of \$5.3 billion and the assumption of \$1.7 billion in Willamette debt. (Offer accepted January 2002 for \$6.1 billion).	\$5.3 billion
Millinocket Mill (spun off of Bowater) becomes Great Northern Paper	1999	Great Northern Paper (Inexcon) purchases Millinocket and East Millinocket Mills	\$250 million
Weyerhaeuser/MacMillan Bloedel Ltd.	1999	Weyerhaeuser acquires Canada's MacMillan Bloedel Ltd.	\$2.2 billion
Champion International/Crabar Paper & Allied Products	1999	Champion sells its Deferiet, N.Y. groundwood mill to Crabar Paper	\$34 million
Westvaco/Temple-Inland	1999	Westvaco purchases Temple-Inland's bleached paperboard mill	\$575 million
SCA AB/ MoDo	1999	Swedish companies SCA AB and MoDo merge to form MoDo Paper AB	Unavailable
Southeast Paper Mfg. Co./Smurfit-Stone Container Corp. (SSCC)	1999	Southeast Paper purchases newsprint mill from Smurfit-Stone	\$220 million
Metsa-Serla/UK Papers	1998	Metsa-Serla purchases UK Paper	\$154 million
Donohue/Sheldon & Lufkin	1998	Donohue purchases Sheldon and Lufkin mills from Champion	\$450 million
Bowater/Avenor	1998	Bowater purchases Avenor	\$2.47 billion
Bowater/Halla Pulp & Paper	1998	Bowater purchases Halla Pulp & Paper	\$175 million

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Stora/Enso	1998	Stora merges with Enso	\$11.3 billion
Domtar/EB Eddy	1998	Domtar purchased EB Eddy	\$700 million
Pacifica Papers	1998	MacMillan Bloedel sells Port Alberni and Powell River Mills to Goepel McDermid	\$480 million
Abitibi-Consolidated/Norske Skog Hansol	1998	Abitibi-Consolidated Inc., Hansol Paper Co. and Norske-Skog have approved their joint venture. Each partner will purchase a one-third stake in the venture, tentatively called Pan-Asia Paper Co., which include four mills in Korea, China and Thailand with an annual capacity of more than 1.4 million tons.	\$1.3 billion
Weyerhaeuser/Dryden, ON. Mill	1998	Weyerhaeuser purchased uncoated free sheet mill from Bowater acquired from Avenor	\$520 million
International Paper/Union Camp	1998	International Paper merges with Union Camp	\$5.9 billion
Abitibi-Consolidated	1997	Merger of Abitibi-Price and Stone Consolidated	C\$4 billion
Alliance/Coosa Pines	1997	Alliance Forest Products purchased Coosa Pines from Kimberly Clark	\$600 million
Consolidated/Kimberly	1997	Consolidated purchased Kimberly mill from Repap	\$674 million
Donohue Forest Products/Quono	1997	Donohue Forest Products merged with Donohue Quono Inc.	Unavailable
Fort James (new name)	1997	Merger of James River and Fort Howard	\$5.8 billion
Kruger/Scott Paper Ltd.	1997	Kruger purchases Scott Paper Ltd. From Kimberly-Clark	C\$451 million
Metsa-Serla/Bieberist (Switzerland)	1997	Metsa-Serla purchased Bieberist	Unavailable
Sappi/KNP	1997		NLG\$1.5 billion
UPM-Kymmene/Blandin	1997	UPM-Kymmene purchased Blandin from Fletcher Challenge	\$650 million
Wasau-Mosinee	1997	Wausau acquires Mosinee	\$477 million
AssiDorman/Stratton	1996	AssiDorman purchased 50% of Stratton	Unavailable
Irving/Scott Paper Co and Scotties US	1996	Irving purchased Scott Paper Co. and Scotties US	Unavailable

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Mead/Boise	1996	Mead purchased Boise's Rumford, ME mill	\$640 million
Appleton/Stora Papyrus, Newton Falls	1995	Appleton purchased Newton Falls	\$28 million
Consolidated/Niagara	1995	Consolidated purchased Niagara from Pentair	\$287 million
Consolidated/Lake Superior	1995	Consolidated purchased Lake Superior from Pentair	Included in Consolidated/Niagara price
Enso/Veitsoluoto	1995	Enso-Gutzeit Oy merged with Veitsoluoto Oy	\$2.2 billion
International Paper/Federal	1995	IP purchased Federal Paper Board	\$3.5 billion
Kimberly Clark/Scott	1995	Kimberly Clark purchased Scott Paper	\$6.8 billion
Metsa-Serla/Myllykoski	1995	Merger of Metsa-Serla and Myllyoski, including mutual ownership of MD and Madison	\$290 million
Noranda/Cross Pointe	1995	Noranda purchased Cross Pointe (3 mills) from Pentair	Unavailable
Norske-Skog/KNP-BY, Bruck	1995	Norske Skog purchased Bruck mill from KNP-BT	\$333 million
Sappi/SD Warren	1995	Sappi purchased SD Warren	\$1.6 billion
UPM-Kymmene	1995	Merger of United Paper Mills and Repola (Kymmene's parent company)	\$5.7 billion