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Clearwater Paper to Close Thomaston, Ga., Tissue Converting Facility

Company to consolidate regional manufacturing

SPOKANE, Wash.--(BUSINESS WIRE)-- Following a comprehensive analysis, **Clearwater Paper Corporation (NYSE:CLW)** today announced the planned permanent closure of its Thomaston, Ga., tissue converting and distribution facility. The gradual shutdown of converting equipment will occur on a schedule throughout the year, with some operations running into the first quarter of 2014, affecting a total of 150 employees.

"This has been a difficult decision—one where the company reviewed many scenarios and alternatives to closing the plant," said Tom Colgrove, president of Clearwater Paper's consumer products division. "We have concluded that consolidating regional converting and permanently closing Thomaston was the solution to best serve the needs of our southeastern customers and improve the overall logistics of our national manufacturing network."

Displaced Thomaston employees will be given an opportunity to apply for open positions at other Clearwater Paper facilities. In addition, the company is offering separation and incentive pay for employees who remain at Thomaston until their established final day of work. Also, the company is working closely with West Central Georgia Private Industries Council and the Economic Development Division at the Southern Crescent Technical College to assist with career transition services where needed. Clearwater Paper will integrate most of the equipment from Thomaston in its facilities at Oklahoma City and Shelby, N.C.

"Our goal is to provide jobs where possible to our valued employees who are willing to relocate," said Colgrove. "Where the company cannot do that, Clearwater Paper wants to ensure we are doing as much as we can to help affected employees through this difficult transition."

The company expects the total impact of non-recurring exit-related costs to be approximately \$6-\$7 million of which approximately \$4-5 million will be incurred in 2013. The cost savings benefits resulting from the equipment relocation and converting facility optimization, which are part of the company's previously announced cost savings programs, are expected to be fully realized beginning in the fourth quarter of 2014.

ABOUT CLEARWATER PAPER

Clearwater Paper manufactures quality consumer tissue, away-from-home tissue, parent roll tissue, machine glazed tissue, bleached paperboard and pulp at 15 manufacturing locations in the U.S. and Canada. The company is a premier supplier of private label tissue to major retailers and wholesale distributors. This includes grocery, drug, mass merchants and discount stores. The company also produces bleached paperboard used by quality-conscious printers and packaging converters. Clearwater Paper's employees build shareholder value by developing strong customer relationships through quality and service.

FORWARD-LOOKING STATEMENTS

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 as amended, including statements regarding the schedule for the closure of the Thomaston facility, improvements to customer service, logistical improvements, the integration of equipment, the costs associated with the closure of the Thomaston facility and the cost savings benefits associated with the integration of facilities. These forward-looking statements are based on current expectations, estimates, assumptions and projections that are subject to change, and actual results may differ materially from the forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, risks and uncertainties arising from the possibility that the closure of the facility may be delayed or may not occur; difficulties with the relocation and optimization of converting lines; manufacturing or operating disruptions, including equipment malfunction and damage to the company's facilities; changes in freight costs and disruptions in transportation services; labor disruptions; difficulties with the optimization and realization of the benefits expected from the company's new through-air-dried paper machine and converting lines in Shelby, North Carolina; changes in costs for and availability of manufacturing inputs, including pulp, packaging supplies and chemicals; increased costs for and energy and maintenance and repairs; competitive pricing pressures for the company's products, including as a result of increased capacity as additional manufacturing facilities are operated by competitors; changes in customer product preferences and competitors' product offerings; general economic conditions in the regions and industries in which the company operates; changes in the United States and international economies; cyclical industry conditions; changes in general and industry-specific laws and regulations; unforeseen

environmental liabilities or expenditures; and other risks and uncertainties described from time to time in the company's public filings with the Securities and Exchange Commission. The forward-looking statements are made as of the date of this press release and the company does not undertake to update any forward-looking statements.

Clearwater Paper Corporation

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