CLEARWATER PAPER CORPORATION

THIRD QUARTER 2015 SUPPLEMENTAL INFORMATION

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FORWARD-LOOKING STATEMENTS

This supplemental information contains, in addition to historical information, certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding, the effects of new Consumer Products business; U.S. and global paperboard industry conditions; segment, corporate and consolidated outlook for Q4 2015 and fiscal year 2015; production; product volumes shipped; product pricing and sales mix; pulp and wood fiber costs and supply; chemical costs; operational and packaging supply costs; transportation costs; energy costs; cost and timing of major maintenance and repairs; cost of wages and benefits; selling, general, and administrative expenses; corporate expenses; consolidated sales and operating margins; EBITDA sensitivities; and estimated Q4 2015 adjusted EBITDA. These forward-looking statements are based on management's current expectations, estimates, assumptions and projections that are subject to change. Our actual results of operations may differ materially from those expressed or implied by the forward-looking statements contained in this presentation. Important factors that could cause or contribute to such differences include the risks and uncertainties described from time to time in the company's public filings with the Securities and Exchange Commission, as well as the following:

- competitive pricing pressures for our products, including as a result of increased capacity as additional manufacturing facilities are operated by our competitors;
- customer acceptance, timing and quantity of purchases of our new through-air-dried, or TAD products, or other tissue products;
- changes in the U.S. and international economies and in general economic conditions in the regions and industries in which we operate;
- the loss of or changes in prices in regards to a significant customer;
- announced price increases for our products may not be accepted in whole or part;
- changes in transportation costs and disruptions in transportation services;
- manufacturing or operating disruptions, including IT system and IT system implementation failures, equipment malfunction and damage to our manufacturing facilities caused by fire or weather-related events;
- changes in the cost and availability of wood fiber and wood pulp;
- labor disruptions;
- changes in costs for and availability of packaging supplies, chemicals, energy and maintenance and repairs;
- cyclical industry conditions;
- changes in customer product preferences and competitors' product offerings;
- changes in expenses and required contributions associated with our pension plans;
- reliance on a limited number of third-party suppliers for raw materials;
- environmental liabilities or expenditures;
- inability to successfully implement our operational efficiencies and expansion strategies;
- inability to fund our debt obligations;
- restrictions on our business from debt covenants and terms; and
- changes in laws, regulations or industry standards affecting our business.

Forward-looking statements contained in this presentation present management's views only as of the date of this presentation. We undertake no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise.

THIRD QUARTER FINANCIAL HIGHLIGHTS

$442 MILLION NET SALES, DOWN 0.5% VS. Q2‘15

$63 MILLION ADJUSTED EBITDA[1], UP 25% VS. Q2‘15

A 290 BASIS POINTS ADJUSTED EBITDA MARGIN[1,2] IMPROVEMENT VS. Q2’15

HIGHEST ADJUSTED EBITDA MARGIN[1,2] SINCE Q4’10

RETURNED $57 MILLION TO SHAREHOLDERS AS PART OF $100 MILLION SHARE BUYBACK PROGRAM AT AVERAGE PRICE OF $49.23 PER SHARE

ADJUSTED EPS OF $1.28 EQUALED RECORD HIGH FOR THE COMPANY

[1] Non-GAAP measure – See Appendix for the definition and reconciliation to the most comparable GAAP measure.
[2] Adjusted EBITDA margin is defined as Adjusted EBITDA divided by Net sales.

FINANCIAL SUMMARY
(UNAUDITED)

(Dollars in thousands - except per-share amounts)	RESULTS INCLUDE SPECIALTY MILLS[6] Q1'14	Q2'14	Q3'14	Q4'14	RESULTS WITHOUT SPECIALTY MILLS Q1'15	Q2'15	Q3'15	Q4'15 Outlook[5]
Net sales	$ 484,920	$ 498,759	$ 511,142	$ 472,318	$ 434,026	$ 444,558	$ 442,222	3%-5% lower
Adjusted gross profit[1]	$ 62,982	$ 66,865	$ 80,604	$ 62,537	$ 46,478	$ 60,946	$ 69,170	
Adjusted gross profit margin[1,2]	13.0%	13.4%	15.8%	13.2%	10.7%	13.7%	15.6%	
Adjusted selling, general and administrative expenses[1]	($30,465)	($31,601)	($30,936)	($31,620)	($29,558)	($30,926)	($27,153)	
Adjusted operating income (loss)[1]	$ 32,517	$ 35,264	$ 49,668	$ 30,917	$ 16,920	$ 30,020	$ 42,017	
Consumer Products	8,659	14,922	17,923	13,339	13,632	16,436	16,743	
Pulp and Paperboard	36,776	33,635	45,602	31,236	17,110	27,754	37,685	
Corporate	(12,918)	(13,293)	(13,857)	(13,658)	(13,822)	(14,170)	(12,411)	
Adjusted operating margin[1,3]	6.7%	7.1%	9.7%	6.5%	3.9%	6.8%	9.5%	8.0%-9.5%
Interest expense, net	($10,734)	($10,688)	($9,570)	($8,158)	($7,782)	($7,774)	($7,882)	
Adjusted income tax provision[1]	($7,881)	($9,323)	($14,403)	($7,782)	($2,217)	($8,055)	($9,726)	
Adjusted net earnings[1]	$ 13,902	$ 15,253	$ 25,695	$ 14,977	$ 6,921	$ 14,191	$ 24,409	
Depreciation and amortization expense	$ 22,231	$ 22,015	$ 22,293	$ 23,606	$ 21,008	$ 20,632	$ 21,204	
Adjusted EBITDA[1]	$ 54,748	$ 57,279	$ 71,961	$ 54,523	$ 37,928	$ 50,652	$ 63,221	$54,000-$62,000
Consumer Products	24,149	29,993	33,407	28,798	26,609	29,874	30,791	
Pulp and Paperboard	43,046	39,654	51,541	38,460	24,421	34,491	44,220	
Corporate	(12,447)	(12,368)	(12,987)	(12,735)	(13,102)	(13,713)	(11,790)	
Adjusted EBITDA margin[1,4]	11.3%	11.5%	14.1%	11.5%	8.7%	11.4%	14.3%	
Adjusted net earnings per diluted common share[1]	$ 0.66	$ 0.74	$ 1.28	$ 0.77	$ 0.36	$ 0.74	$ 1.28	
Debt to rolling four quarter total Adjusted EBITDA[1]	3.0	2.9	2.5	2.4	2.6	2.7	2.8	
Capital Expenditures	$ 14,751	$ 16,949	$ 26,161	$ 41,739	$ 20,809	$ 29,542	$ 33,275	

[1] Non-GAAP measure – See Appendix for the definition and reconciliation to the most comparable GAAP measure.
[2] Adjusted gross profit margin is defined as Adjusted gross profit divided by Net sales.
[3] Adjusted operating margin is defined as Adjusted operating income divided by Net sales.
[4] Adjusted EBITDA margin is defined as Adjusted EBITDA divided by Net sales.
[5] This information is based upon management's current expectations and estimates, which are in part based on market and industry data. Many factors are outside the control of management, including particularly input costs for commodity products, and actual results may differ materially from the information set forth above. See "Forward-Looking Statements" on page 1.
[6] Results include specialty tissue business which was sold at the end of Q4'14.

THIRD QUARTER BUSINESS SUMMARY

CLEARWATER PAPER®

CONSUMER PRODUCTS

- Secured new business to cover volume lost in Q1’15 due to merger related distractions at a top customer
- New business ramped up faster than expected in Q3’15, leading to temporary increase in transportation costs
- Volume mix of new business is improving profitability

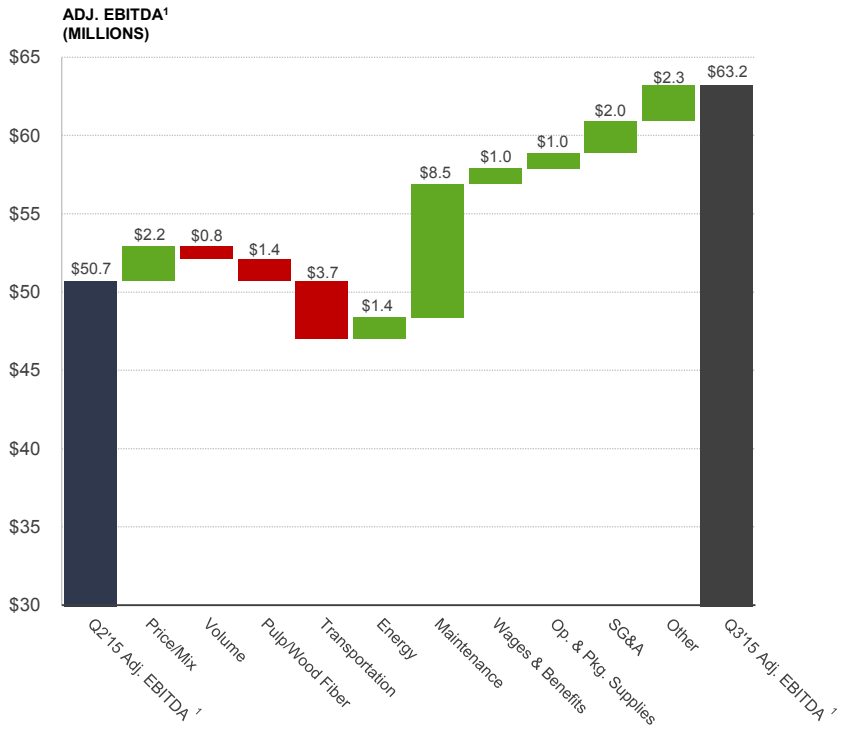
PAPERBOARD

- Strong U.S. dollar is attracting European manufacturers and pressuring U.S. exports
- Industry backlogs remained below seasonal averages, impacting demand and pricing in commodity grades
- Production remained strong after successful completion of major maintenance outages in Q1’15 and Q2’15

[1] Non-GAAP measure – See Appendix for the definition and reconciliation to the most comparable GAAP measure.
[2] Adjusted EBITDA margin is defined as Adjusted EBITDA divided by Net sales.

Q3'15 VS. Q2'15 CONSOLIDATED ADJUSTED EBITDA[1] BRIDGE

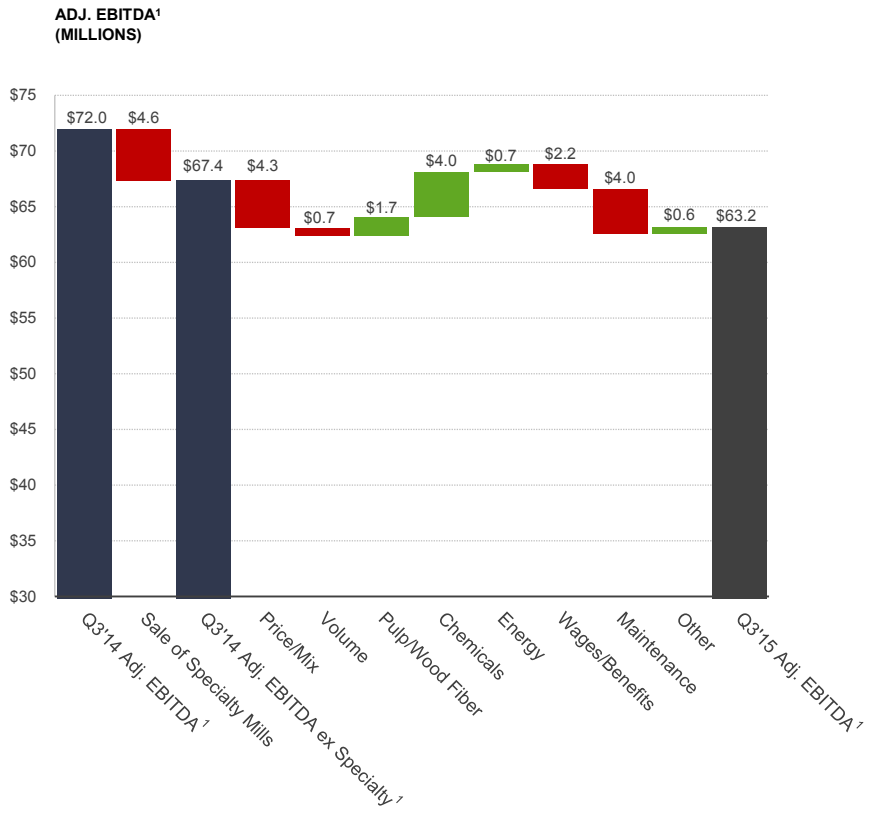
PRICE/MIX	Higher mix of retail TAD cases, offset by lower paperboard pricing in commodity grades
VOLUME	Higher retail sales volume offset by lower tissue parent roll sales and lower paperboard demand
PULP/WOOD FIBER	Higher wood prices due to increased regional demand, partly offset by increased internal pulp usage
TRANSPORTATION	Higher internal freight costs due to short-term constrained towel capacity, higher customer freight due to product and customer mix changes
ENERGY	Lower usage due to warmer weather partly offset by higher seasonal electrical rates
MAINTENANCE	Arkansas planned major outage completed in Q2, lower additional maintenance expense
WAGES & BENEFITS	Lower workers' compensation costs
OP. & PKG. SUPPLIES	Lower supply usage in paperboard driven by machine scheduling
SG&A	Lower corporate overhead spending



[1] Non-GAAP measure – See Appendix for the definition and reconciliation to the most comparable GAAP measure.

Q3'15 VS. Q3'14 CONSOLIDATED ADJUSTED EBITDA[1] BRIDGE

SALE OF SPECIALTY MILLS	Divested 5 specialty mills in Q4'14
PRICE/MIX	Lower paperboard pricing in commodity grades offset by tissue price increase
VOLUME	Lower paperboard shipments partly offset by higher tissue parent roll sales
PULP/WOOD FIBER	Lower wood prices and improved yield in paperboard, lower softwood prices
CHEMICALS	Lower polyethylene prices and reduced usage due to capital improvements in Arkansas
ENERGY	Lower natural gas prices
WAGES/BENEFITS	Contractual wage increases, higher benefits expenses incurred
MAINTENANCE	Higher maintenance costs at Arkansas and Idaho



[1] Non-GAAP measure – See Appendix for the definition and reconciliation to the most comparable GAAP measure.

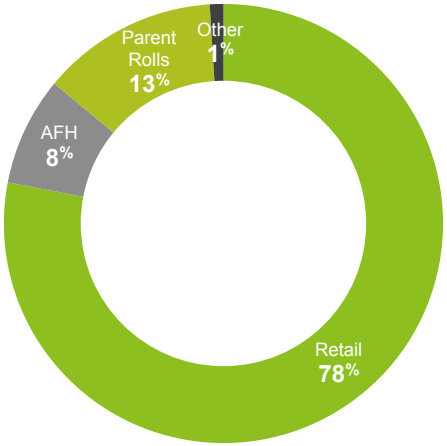
KEY SEGMENT RESULTS – CONSUMER PRODUCTS (UNAUDITED)

	RESULTS INCLUDE SPECIALTY MILLS[5]				RESULTS WITHOUT SPECIALTY MILLS			CONSUMER PRODUCTS CROSS-CYCLE FINANCIAL MODEL
	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15	
Shipments								
Non-Retail (short tons)[1]	56,839	59,832	59,703	57,765	21,107	24,744	21,250	
Retail (short tons)	70,919	75,009	75,363	72,420	71,102	71,476	76,856	
Total Tissue Tons	127,758	134,841	135,066	130,185	92,209	96,220	98,106	
Converted Products (cases in thousands)[2]	13,437	14,101	14,360	13,603	13,025	13,125	13,375	
Sales Price								
Non-Retail ($/short ton)[1]	$1,489	$1,492	$1,531	$1,506	$1,475	$1,430	$1,530	
Retail ($/short ton)	$2,841	$2,795	$2,836	$2,820	$2,864	$2,846	$2,787	
Total Tissue ($/short ton)	$2,239	$2,217	$2,259	$2,237	$2,546	$2,482	$2,515	
Segment net sales ($ in thousands)	$286,508	$299,130	$306,104	$291,643	$235,176	$239,391	$247,039	
Segment Adjusted EBITDA[3] ($ in thousands)	$24,149	$29,993	$33,407	$28,798	$26,609	$29,874	$30,791	
Segment Adjusted EBITDA margin[3,4]	8.4%	10.0%	10.9%	9.9%	11.3%	12.5%	12.5%	17.0%

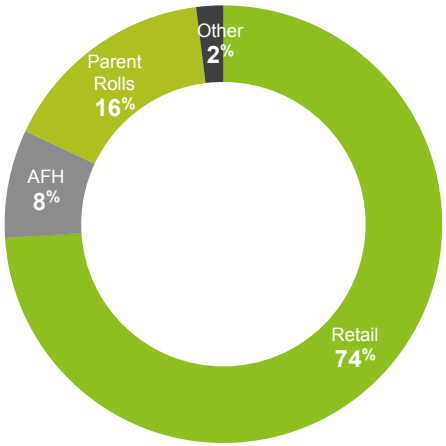
[1] Includes away-from-home (AFH), contract, machine-glazed (MG) and parent roll tissue products. [2] Includes retail, AFH, and contract tissue case products.
[3] Non-GAAP measure – See Appendix for the definition and reconciliation to the most comparable GAAP measure. [4] Segment Adjusted EBITDA margin is defined as Segment Adjusted EBITDA divided by Segment net sales.
[5] Results include specialty tissue business which was sold at the end of Q4'14.

CLEARWATER PAPER TISSUE SHIPMENTS AND U.S. RETAIL TISSUE MARKET

CLW Q3'15 by Market Segment
(% of Tons)



CLW Q2'15 by Market Segment
(% of Tons)



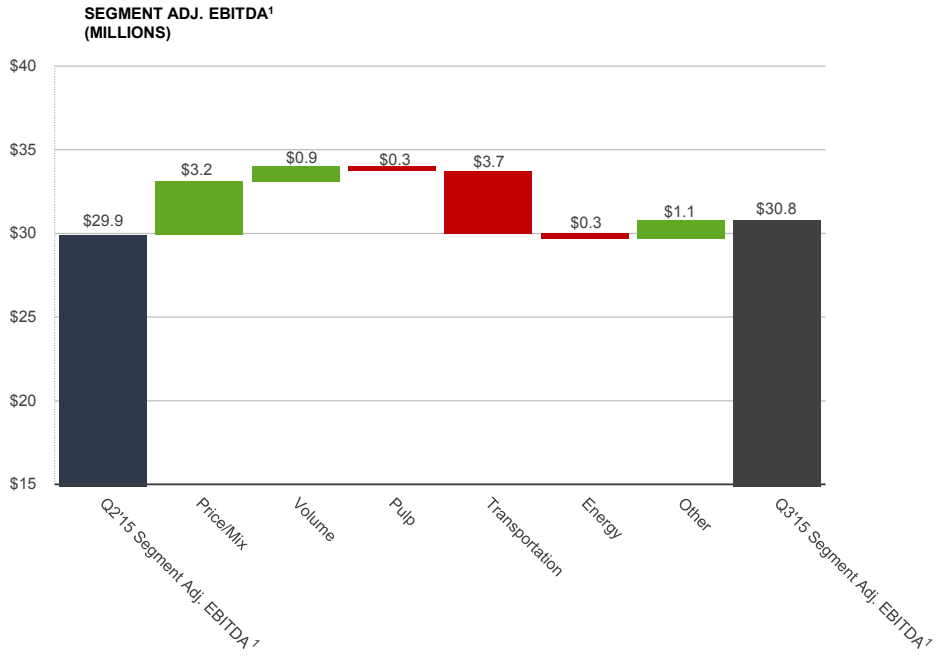
U.S. Retail Tissue Market
(MultiOutlet)[1]

CATEGORY	PRIVATE LABEL	BRANDS	TOTAL
Total Retail Tissue Share	27%	73%	100%
% Change Q3'15 vs. Q2'15	(1.0)%	1.0%	-%

[1] Data Source: IRI Worldwide data through September 13, 2015.

Q3'15 VS. Q2'15 CONSUMER PRODUCTS ADJUSTED EBITDA[1] BRIDGE

PRICE/MIX	Higher mix of retail case sales, higher mix of TAD products, price increase implementation, partly offset by change in net promotional spending
VOLUME	Higher retail sales volume partly offset by lower parent roll sales
PULP	Slightly higher external pulp prices mostly offset by higher internal pulp usage
TRANSPORTATION	Higher internal freight costs due to short-term towel capacity constraints, higher customer freight due to product and customer mix
ENERGY	Higher summer electrical rates at Las Vegas



Previous Outlook vs. Segment Actual

	PRICE/MIX	SHIPMENT VOLUMES	EXTERNAL PULP	CHEMICAL COSTS	OP. & PKG. SUPPLIES	TRANSPORTATION COSTS	ENERGY COSTS	MAINTENANCE	SG&A
SEPTEMBER '15 Q3'15 OUTLOOK VERSUS Q2'15	0-2% higher ▲	2-4% higher ▲	Cost / shipped ton: stable ▶	Cost / shipped ton: stable ▶	Cost / shipped ton: stable ▶	Cost / shipped ton: higher ▲	Cost / shipped ton: stable ▶	stable ▶	stable ▶
Q3'15 ACTUAL VERSUS Q2'15	1% higher ▲	2% higher ▲	Cost / shipped ton: higher ▲	Cost / shipped ton: stable ▶	Cost / shipped ton: stable ▶	Cost / shipped ton: higher ▲	Cost / shipped ton: higher ▲	stable ▶	lower ▼

[1] Non-GAAP measure – See Appendix for the definition and reconciliation to the most comparable GAAP measure.

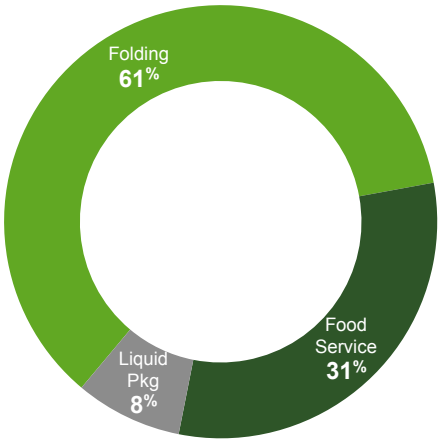
KEY SEGMENT RESULTS – PULP AND PAPERBOARD
(UNAUDITED)

	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15	PULP AND PAPERBOARD CROSS-CYCLE FINANCIAL MODEL
Shipments								
Paperboard (short tons)	200,665	195,924	201,609	176,467	191,635	204,983	198,535	
Sales Price								
Paperboard ($/short ton)	$988	$1,017	$1,016	$1,017	$1,031	$997	$979	
Segment net sales ($ in thousands)	$198,412	$199,629	$205,038	$180,675	$198,850	$205,167	$195,183	
Segment Adjusted EBITDA[1] ($ in thousands)	$43,046	$39,654	$51,541	$38,460	$24,421	$34,491	$44,220	
Segment Adjusted EBITDA margin[1,2]	21.7%	19.9%	25.1%	21.3%	12.3%	16.8%	22.7%	19.0%

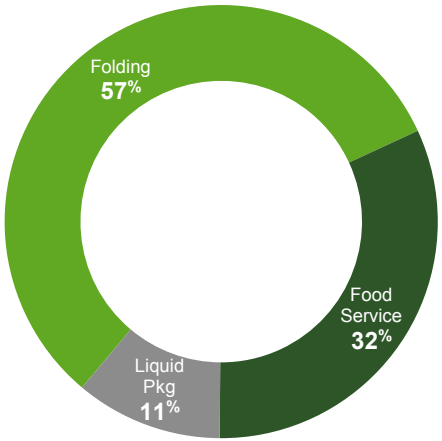
[1] Non-GAAP measure – See Appendix for the definition and reconciliation to the most comparable GAAP measure.
[2] Segment Adjusted EBITDA margin is defined as Segment Adjusted EBITDA divided by Segment net sales.

CLEARWATER PAPER PAPERBOARD SHIPMENTS AND U.S. PAPERBOARD MARKET

CLW Q3'15 by Market Segment
(% of Tons)



CLW Q2'15 by Market Segment
(% of Tons)



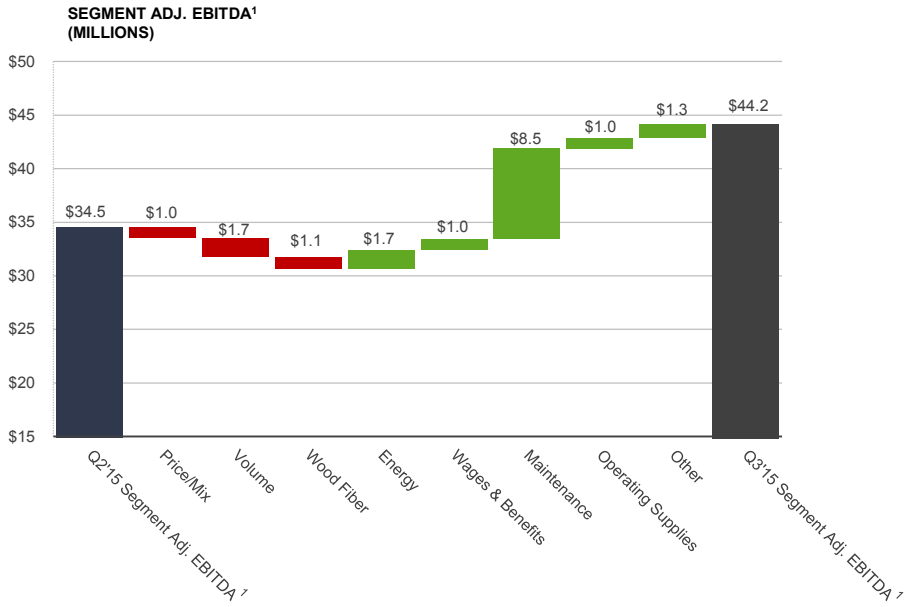
U.S. Paperboard Production[3]

CATEGORY	CLEARWATER PAPER	OTHER
Total Domestic SBS[1] Market Share	14%	86%
Folding	18%	82%
Food Service[2]	14%	86%
Liquid Packaging	6%	94%

[1] Solid Bleached Sulfate.
[2] Food Service includes cup, plate, dish and tray products.
[3] Data Source: American Forest and Paper Association Solid Bleached Domestic Production – September YTD 2015.

Q3'15 VS. Q2'15 PULP AND PAPERBOARD ADJUSTED EBITDA[1] BRIDGE

PRICE/MIX	Lower pricing in commodity grades offset by a decrease in quality related rebates
VOLUME	Lower demand in commodity grades
WOOD FIBER	Higher wood prices in Idaho and Arkansas due to increased regional demand, partly offset by lower purchased pulp
ENERGY	Lower usage due to warmer weather
WAGES/BENEFITS	Lower workers' compensation costs
MAINTENANCE	Arkansas planned major outage completed in Q2, lower additional maintenance expense
OPERATING SUPPLIES	Lower felts, wires, and wrappers usage driven by machine scheduling



Previous Outlook vs. Segment Actual

	PRICE/MIX	SHIPMENT VOLUMES	WOOD FIBER	CHEMICAL COSTS	OP. & PKG. SUPPLIES	TRANSPORTATION COSTS	ENERGY COSTS	MAINTENANCE	SG&A
SEPTEMBER '15 Q3'15 OUTLOOK VERSUS Q2'15	0-1% lower	3-4% lower	Cost / shipped ton: stable	Cost / shipped ton: lower	Cost / shipped ton: stable	Cost / shipped ton: stable	Cost / shipped ton: lower	$7-$9M lower	Stable
Q3'15 ACTUAL VERSUS Q2'15	2% lower	3% lower	Cost / shipped ton: higher	Cost / shipped ton: lower	Cost / shipped ton: lower	Cost / shipped ton: stable	Cost / shipped ton: lower	$8.5M lower	Stable

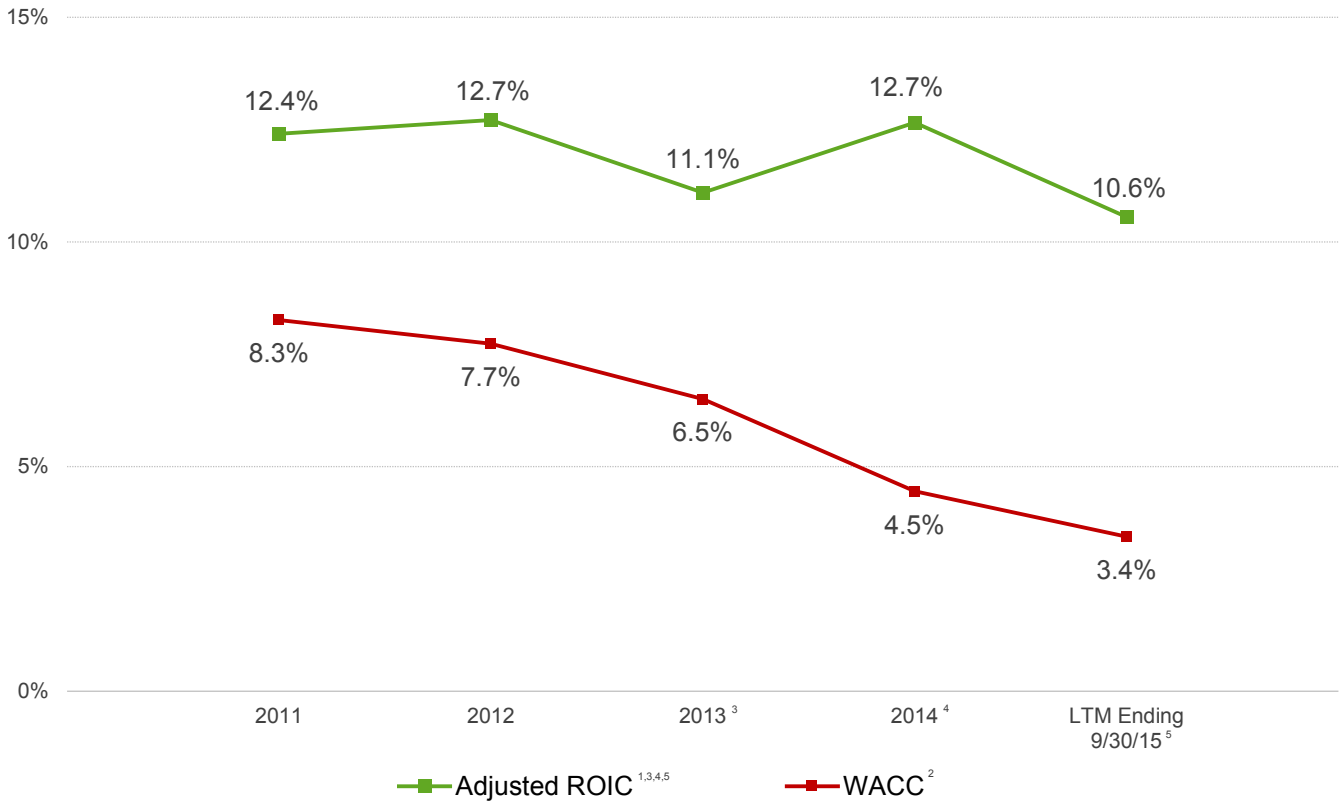
[1] Non-GAAP measure – See Appendix for the definition and reconciliation to the most comparable GAAP measure.

CLEARWATER PAPER CROSS-CYCLE FINANCIAL MODEL

(Dollars in thousands)	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15	CLEARWATER PAPER CROSS-CYCLE FINANCIAL MODEL
Net sales	100%	100%	100%	100%	100%	100%	100%	100%
Adjusted gross profit margin[1]	13.0%	13.4%	15.8%	13.2%	10.7%	13.7%	15.6%	17.0%
Adjusted SG&A expenses[1] as % of net sales	(6.3%)	(6.3%)	(6.1%)	(6.7%)	(6.8%)	(7.0%)	(6.1%)	(6.0%)
Adjusted operating margin[1]	6.7%	7.1%	9.7%	6.5%	3.9%	6.8%	9.5%	11.0%
Adjusted net earnings[1] as % of net sales	2.9%	3.1%	5.0%	3.2%	1.6%	3.2%	5.0%	5.0%
Adjusted EBITDA margin[1]	11.3%	11.5%	14.1%	11.5%	8.7%	11.4%	14.3%	15.0%

[1] Non-GAAP measure – See Appendix for the definition and reconciliation to the most comparable GAAP measure.

ADJUSTED RETURN ON INVESTED CAPITAL [1,6]
(UNAUDITED)



[1] Adjusted Return on Invested Capital (Adjusted ROIC) is defined as [Net Earnings + Interest Expense] / [Tangible Stockholders' Equity[6] + Debt – Excess (Deficit) Cash[6]] adjusted for non-recurring discrete items.
[2] Weighted Average Cost of Capital (WACC) is defined as [(Debt x Cost of Debt x {1-Marginal Tax Rate})/(Debt + Stockholders' Equity)]+ [(Stockholders' Equity x Cost of Equity)/(Debt + Stockholders' Equity)].
[3] 2013 Adjusted ROIC Net Earnings was adjusted to remove a benefit of $67.5 million from discrete tax items relating to release of uncertain tax positions.
2013 Adjusted ROIC Interest Expense includes debt retirement costs of $17.1 million.
[4] 2014 Adjusted ROIC Net Earnings was adjusted to remove costs/loss associated with optimization and sale of the specialty mills totaling $37.0 million after-tax.
2014 Adjusted ROIC Interest Expense includes debt retirement costs of $24.4 million.
[5] LTM Ending 9/30/15 Adjusted ROIC Net Earnings was adjusted to remove costs/loss associated with optimization and sale of the specialty mills totaling $35.3 million after-tax.
[6] Non-GAAP measure – See Appendix for the definition and reconciliation to the most comparable GAAP measure.

FOURTH QUARTER 2015 OUTLOOK

(COMPARED TO Q3'15)[1]

ARROWS REPRESENT ADJUSTED EBITDA IMPACT

	CONSUMER PRODUCTS	PULP AND PAPERBOARD	CORPORATE
SHIPMENT VOLUMES	• Slightly lower: 0–1% lower ▼	• Lower 4-6% lower ▼	
PRICE/MIX	• Stable ▶	• Slightly lower 0-2% lower ▼	
PULP/WOOD FIBER COSTS	• Cost/shipped ton: stable ▶	• Cost/shipped ton: stable ▶	
CHEMICAL COSTS	• Cost/shipped ton: stable ▶	• Cost/shipped ton: lower ▼	
OP. & PKG. SUPPLIES	• Cost/shipped ton: stable ▶	• Cost/shipped ton: higher ▲	
TRANSPORTATION COSTS	• Cost/shipped ton: higher ▲	• Cost/shipped ton: stable ▶	
ENERGY COSTS	• Cost/shipped ton: lower ▼	• Cost/shipped ton: stable ▶	
MAINTENANCE & REPAIRS	• Stable ▶	• Lower due to less planned maintenance ▼	
SG&A	• Stable ▶	• Stable ▶	• Stable ▶

Outlook: consolidated net sales 3-5% lower; adjusted operating margin 8.0-9.5%

[1] This information is based upon management's current expectations and estimates, which are in part based on market and industry data. Many factors are outside the control of management, including particularly input costs for commodity products, and actual results may differ materially from the information set forth above. See "Forward-Looking Statements" on page 1.

BRIDGE TO Q4'15 ADJUSTED EBITDA OUTLOOK[1,2]



[1] This information is based upon management's current expectations and estimates, which are in part based on market and industry data. Many factors are outside the control of management, including particularly input costs for commodity products, and actual results may differ materially from the information set forth above. See "Forward-Looking Statements on page 1.
[2] Non-GAAP measure – See Appendix for the definition and reconciliation to the most comparable GAAP measure.

EBITDA SENSITIVITIES

COGS INPUT	UNIT OF MEASURE	2014 UNITS (APPROXIMATION)	$ CHANGE PER UNIT +/-	APPROXIMATE ANNUAL EBITDA IMPACT +/- (DOLLARS IN MILLIONS)
Purchased Pulp	Ton	250,000	$25	$6.3
Chips/Sawdust	Ton	2,300,000	$3	$6.9
Diesel	Gallon of Diesel	10,000,000	$0.50	$5.0
Linehaul Rate	Mile	65,000,000	$0.10	$6.5
Chemicals	Paper Ton Produced	1,200,000	$5	$6.0
Electricity	MWh	1,200,000	$5	$6.0
Natural Gas	MBTU	10,200,000	$0.50	$5.1

**Excluding specialty mills*

APPENDIX

ADJUSTED GROSS PROFIT & ADJUSTED SG&A RECONCILIATION OF NON-GAAP FINANCIAL MEASURES (UNAUDITED)

(Dollars in thousands)	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15
Gross profit[1]	$ 58,291	$ 64,648	$ 76,685	$ 58,675	$ 44,194	$ 60,211	$ 68,330
Costs associated with Thomaston facility closure	750	374	42	91	-	-	-
Costs associated with Long Island facility closure	3,941	1,843	3,877	3,771	554	735	728
Costs associated with labor agreement	-	-	-	-	1,730	-	-
Reorganization related expenses	-	-	-	-	-	-	112
Adjusted gross profit[2]	$ 62,982	$ 66,865	$ 80,604	$ 62,537	$ 46,478	$ 60,946	$ 69,170
Selling, general and administrative expenses (SG&A)	($33,514)	($31,565)	($31,817)	($33,206)	($28,957)	($28,138)	($28,284)
Costs associated with Long Island facility closure	232	-	-	-	-	-	-
Directors' equity-based compensation expense (benefit)	2,817	(36)	(185)	2,010	(470)	(1,457)	(1,914)
Costs/loss associated with optimization and sale of the specialty mills	-	-	1,066	(424)	(131)	(1,331)	-
Legal expenses and settlement costs	-	-	-	-	-	-	1,972
Reorganization related expenses	-	-	-	-	-	-	1,073
Adjusted selling, general and administrative expenses[2]	($30,465)	($31,601)	($30,936)	($31,620)	($29,558)	($30,926)	($27,153)

[1] Gross profit is defined as net sales minus cost of sales.
[2] Adjusted gross profit and Adjusted selling, general and administrative expenses exclude the impact of the items listed that we do not believe are indicative of our core operating performance.

SEGMENT ADJUSTED OPERATING INCOME (LOSS) RECONCILIATION OF NON-GAAP FINANCIAL MEASURES (UNAUDITED)

(Dollars in thousands)	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15
Consumer Products							
Operating (loss) income	($523)	$ 12,705	$ 12,535	($30,745)	$ 12,395	$ 17,032	$ 15,521
Costs associated with Thomaston facility closure	750	374	42	91	-	-	-
Costs associated with Long Island facility closure	8,432	1,843	4,767	3,771	554	735	728
Costs/loss associated with optimization and sale of the specialty mills	-	-	579	40,222	(131)	(1,331)	-
Costs associated with labor agreement	-	-	-	-	814	-	-
Reorganization related expenses	-	-	-	-	-	-	494
Adjusted Consumer Products operating income[1]	$ 8,659	$ 14,922	$ 17,923	$ 13,339	$ 13,632	$ 16,436	$ 16,743
Pulp and Paperboard							
Operating Income	$ 36,776	$ 33,635	$ 45,602	$ 28,158	$ 16,194	$ 27,754	$ 37,446
Loss on impairment of Clearwater Fiber intangible asset	-	-	-	3,078	-	-	-
Costs associated with labor agreement	-	-	-	-	916	-	-
Reorganization related expenses	-	-	-	-	-	-	239
Adjusted Pulp and Paperboard operating income[1]	$ 36,776	$ 33,635	$ 45,602	$ 31,236	$ 17,110	$ 27,754	$ 37,685
Corporate							
Operating loss	($15,735)	($13,257)	($14,159)	($15,181)	($13,352)	($12,713)	($12,921)
Directors' equity-based compensation expense (benefit)	2,817	(36)	(185)	2,010	(470)	(1,457)	(1,914)
Costs/loss associated with optimization and sale of the specialty mills	-	-	487	(487)	-	-	-
Legal expenses and settlement costs	-	-	-	-	-	-	1,972
Reorganization related expenses	-	-	-	-	-	-	452
Adjusted Corporate operating loss[1]	($12,918)	($13,293)	($13,857)	($13,658)	($13,822)	($14,170)	($12,411)

[1] Adjusted operating income (loss) excludes the impact of the items listed that we do not believe are indicative of our core operating performance.

ADJUSTED NET EARNINGS & ADJUSTED NET EARNINGS PER DILUTED COMMON SHARE RECONCILIATION OF NON-GAAP FINANCIAL MEASURES (UNAUDITED)

(Dollars in thousands - except per-share amounts)	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15
GAAP net earnings (loss)	$ 6,226	$ 12,453	$ 6,253	($27,247)	$ 5,757	$ 15,597	$ 23,064
Special items, after tax:[1]							
Debt retirement costs	-	-	15,777	-	-	-	-
Directors' equity-based compensation expense (benefit)	1,802	(23)	(120)	1,322	(325)	(998)	(1,307)
Costs associated with Thomaston facility closure	480	242	27	60	-	-	-
Costs associated with Long Island facility closure	5,394	1,193	3,069	2,480	383	504	497
Costs/loss associated with optimization and sale of the specialty mills	-	-	689	36,338	(91)	(912)	-
Discrete tax item related to state tax rate changes	-	1,388	-	-	-	-	-
Loss on impairment of Clearwater Fiber intangible asset	-	-	-	2,024	-	-	-
Costs associated with labor agreement	-	-	-	-	1,197	-	-
Legal expenses and settlement costs	-	-	-	-	-	-	1,346
Reorganization related expenses	-	-	-	-	-	-	809
Adjusted net earnings[2]	$ 13,902	$ 15,253	$ 25,695	$ 14,977	$ 6,921	$ 14,191	$ 24,409
Net earnings (loss) per diluted common share	$ 0.29	$ 0.61	$ 0.31	($1.39)	$ 0.30	$ 0.81	$ 1.21
Special items, after tax:[1]							
Debt retirement costs	-	-	0.78	-	-	-	-
Directors' equity-based compensation expense (benefit)	0.08	-	(0.01)	0.07	(0.02)	(0.05)	(0.07)
Costs associated with Thomaston facility closure	0.02	0.01	-	-	-	-	-
Costs associated with Long Island facility closure	0.25	0.06	0.15	0.13	0.02	0.03	0.03
Costs/loss associated with optimization and sale of the specialty mills	-	-	0.03	1.86	-	(0.05)	-
Discrete tax item related to state tax rate changes	-	0.07	-	-	-	-	-
Loss on impairment of Clearwater Fiber intangible asset	-	-	-	0.10	-	-	-
Costs associated with labor agreement	-	-	-	-	0.06	-	-
Legal expenses and settlement costs	-	-	-	-	-	-	0.07
Reorganization related expenses	-	-	-	-	-	-	0.04
Adjusted net earnings per diluted common share[2]	$ 0.66	$ 0.74	$ 1.28	$ 0.77	$ 0.36	$ 0.74	$ 1.28

[1] All non-tax items are tax effected at the expected annual rate for that period.
[2] Adjusted net earnings and Adjusted net earnings per diluted common share exclude the impact of the items listed that we do not believe are indicative of our core operating performance.

ADJUSTED INCOME TAX PROVISION RECONCILIATION OF NON-GAAP FINANCIAL MEASURE (UNAUDITED)

(Dollars in thousands)	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15
GAAP income tax provision	($3,558)	($9,942)	($3,735)	($1,321)	($1,698)	($8,702)	($9,100)
Special items, tax impact:							
Debt retirement costs	-	-	(8,643)	-	-	-	-
Directors' equity-based compensation (expense) benefit	(1,015)	13	65	(688)	145	459	607
Costs associated with Thomaston facility closure	(270)	(132)	(15)	(31)	-	-	-
Costs associated with Long Island facility closure	(3,038)	(650)	(1,698)	(1,291)	(171)	(231)	(231)
Costs/loss associated with optimization and sale of the specialty mills	-	-	(377)	(3,397)	40	419	-
Discrete tax item related to state tax rate changes	-	1,388	-	-	-	-	-
Loss on impairment of Clearwater Fiber intangible asset	-	-	-	(1,054)	-	-	-
Costs associated with labor agreement	-	-	-	-	(533)	-	-
Legal expenses and settlement costs	-	-	-	-	-	-	(626)
Reorganization related expenses	-	-	-	-	-	-	(376)
Adjusted income tax provision[1]	($7,881)	($9,323)	($14,403)	($7,782)	($2,217)	($8,055)	($9,726)

[1] Adjusted income tax provision excludes the impact of the items listed that we do not believe are indicative of our core operating performance.

EBITDA & ADJUSTED EBITDA RECONCILIATION OF NON-GAAP FINANCIAL MEASURES (UNAUDITED)

(Dollars in thousands)	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15
Earnings before interest, income taxes, and depreciation & amortization (EBITDA)[1]							
GAAP net earnings (loss)	$ 6,226	$ 12,453	$ 6,253	($27,247)	$ 5,757	$ 15,597	$ 23,064
Interest expense, net[2]	10,734	10,688	33,990	8,158	7,782	7,774	7,882
Income tax provision	3,558	9,942	3,735	1,321	1,698	8,702	9,100
Depreciation and amortization expense	22,231	22,015	22,293	23,606	21,008	20,632	21,204
EBITDA[1]	$ 42,749	$ 55,098	$ 66,271	$ 5,838	$ 36,245	$ 52,705	$ 61,250
Directors' equity-based compensation expense (benefit)	2,817	(36)	(185)	2,010	(470)	(1,457)	(1,914)
Costs associated with Thomaston facility closure	750	374	42	91	-	-	-
Costs associated with Long Island facility closure	8,432	1,843	4,767	3,771	554	735	728
Costs/loss associated with optimization and sale of the specialty mills	-	-	1,066	39,735	(131)	(1,331)	-
Loss on impairment of Clearwater Fiber intangible asset	-	-	-	3,078	-	-	-
Costs associated with labor agreement	-	-	-	-	1,730	-	-
Legal expenses and settlement costs	-	-	-	-	-	-	1,972
Reorganization related expenses	-	-	-	-	-	-	1,185
Adjusted EBITDA[3]	$ 54,748	$ 57,279	$ 71,961	$ 54,523	$ 37,928	$ 50,652	$ 63,221

[1] EBITDA is a non-GAAP measure that management uses as a supplemental performance measure. The most directly comparable GAAP measure is net earnings (loss). EBITDA is net earnings (loss) adjusted for net interest expense (including debt retirement costs), income taxes, and depreciation and amortization. It should not be considered as an alternative to net earnings (loss) computed under GAAP.
[2] Interest expense, net for the third quarter of 2014 includes debt retirement costs of $24.4 million.
[3] Adjusted EBITDA excludes the impact of the items listed that we do not believe are indicative of our core operating performance.

SEGMENT EBITDA & ADJUSTED EBITDA RECONCILIATION OF NON-GAAP FINANCIAL MEASURES (UNAUDITED)

(Dollars in thousands)	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15
Consumer Products							
Operating (loss) income	($523)	$ 12,705	$ 12,535	$ (30,745)	$ 12,395	$ 17,032	$ 15,521
Depreciation and amortization expense	15,490	15,071	15,484	15,459	12,977	13,438	14,048
Segment EBITDA[1]	$ 14,967	$ 27,776	$ 28,019	($15,286)	$ 25,372	$ 30,470	$ 29,569
Costs associated with Thomaston facility closure	750	374	42	91	-	-	-
Costs associated with Long Island facility closure	8,432	1,843	4,767	3,771	554	735	728
Costs/loss associated with optimization and sale of the specialty mills	-	-	579	40,222	(131)	(1,331)	-
Costs associated with labor agreement	-	-	-	-	814	-	-
Reorganization related expenses	-	-	-	-	-	-	494
Segment Adjusted EBITDA[2]	$ 24,149	$ 29,993	$ 33,407	$ 28,798	$ 26,609	$ 29,874	$ 30,791
Pulp and Paperboard							
Operating income	$ 36,776	$ 33,635	$ 45,602	$ 28,158	$ 16,194	$ 27,754	$ 37,446
Depreciation and amortization expense	6,270	6,019	5,939	7,224	7,311	6,737	6,535
Segment EBITDA[1]	$ 43,046	$ 39,654	$ 51,541	$ 35,382	$ 23,505	$ 34,491	$ 43,981
Loss on impairment of Clearwater Fiber intangible asset	-	-	-	3,078	-	-	-
Costs associated with labor agreement	-	-	-	-	916	-	-
Reorganization related expenses	-	-	-	-	-	-	239
Segment Adjusted EBITDA[2]	$ 43,046	$ 39,654	$ 51,541	$ 38,460	$ 24,421	$ 34,491	$ 44,220
Corporate							
Operating loss	($15,735)	($13,257)	($14,159)	($15,181)	($13,352)	($12,713)	($12,921)
Depreciation and amortization expense	471	925	870	923	720	457	621
Corporate EBITDA[1]	($15,264)	($12,332)	($13,289)	($14,258)	($12,632)	($12,256)	($12,300)
Directors' equity-based compensation expense (benefit)	2,817	(36)	(185)	2,010	(470)	(1,457)	(1,914)
Costs/loss associated with optimization and sale of the specialty mills	-	-	487	(487)	-	-	-
Legal expenses and settlement costs	-	-	-	-	-	-	1,972
Reorganization related expenses	-	-	-	-	-	-	452
Corporate Adjusted EBITDA[2]	($12,447)	($12,368)	($12,987)	($12,735)	($13,102)	($13,713)	($11,790)

[1] Segment EBITDA is a non-GAAP measure that management uses as a supplemental performance measure. The most directly comparable GAAP measure is segment operating income (loss). Segment EBITDA is segment operating income (loss) adjusted for depreciation and amortization. It should not be considered as an alternative to segment operating income (loss) computed under GAAP.

[2] Segment Adjusted EBITDA excludes the impact of the items listed that we do not believe are indicative of our core operating performance.

RETURN ON INVESTED CAPITAL, TANGIBLE STOCKHOLDERS' EQUITY & EXCESS CASH RECONCILIATION OF NON-GAAP FINANCIAL MEASURES (UNAUDITED)

(Dollars in thousands)	2011	2012	2013	2014	Twelve Months Ending September 30, 2015
Net earnings (loss)	$ 39,674	$ 64,131	$ 106,955	($2,315)	$ 17,171
Interest expense, net	44,809	33,796	44,036	39,150	31,596
Net earnings before interest[1]	$ 84,483	$ 97,927	$ 150,991	$ 36,835	$ 48,767
Tangible stockholders' equity[2]	$ 205,623	$ 263,608	$ 334,783	$ 263,494	$ 229,663
Debt	523,694	523,933	650,000	575,000	575,000
Less excess cash[3]	(48,440)	(17,579)	(78,675)	(62,331)	(8,417)
Invested capital	$ 680,877	$ 769,962	$ 906,108	$ 776,163	$ 796,246
Return on Invested Capital (ROIC)	12.4%	12.7%	16.7%	4.7%	6.1%
Stockholders' equity	$ 484,904	$ 540,894	$ 605,094	$ 497,537	$ 459,981
Goodwill	(229,533)	(229,533)	(229,533)	(209,087)	(209,087)
Intangible assets, net	(49,748)	(47,753)	(40,778)	(24,956)	(21,231)
Tangible stockholders' equity[2]	$ 205,623	$ 263,608	$ 334,783	$ 263,494	$ 229,663
Cash	$ 8,439	$ 12,579	$ 23,675	$ 27,331	$ 13,417
Short-term investments	55,001	20,000	70,000	50,000	10,000
Operating cash[4]	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
Excess cash[3]	$ 48,440	$ 17,579	$ 78,675	$ 62,331	$ 8,417

[1] Non-GAAP measure.
[2] Tangible stockholders' equity is defined as stockholders' equity less Goodwill and Intangible assets, net.
[3] Excess cash is defined as the sum of Cash and Short-term investments less Operating cash[1].
[4] Operating cash is defined as a minimum amount of available cash deemed by management to be sufficient to avoid operating disruptions due to a mismatch of cash inflows and outflows during an accounting period.
Note: Balance sheet items are as of the end of each period presented.

PRO FORMA IMPACT OF SALE OF SPECIALTY MILLS
(UNAUDITED)

(Dollars in millions)	CONSUMER PRODUCTS INCLUDING SPECIALTY MILLS TWELVE MONTHS ENDED DECEMBER 31, 2014	SPECIALTY MILLS PRO FORMA TWELVE MONTHS ENDED NOVEMBER 30, 2014	CONSUMER PRODUCTS EXCLUDING SPECIALTY MILLS PRO FORMA
Net sales	$1,183.4	$217.7	$965.7
Adjusted operating income[1]	$54.8	$8.8	$46.0
Depreciation and amortization expense	$61.5	$9.6	$51.9
Adjusted EBITDA[1]	$116.3	$18.4	$97.9

[1] Non-GAAP measure – See definition and reconciliation to most comparable GAAP measure.

Q4'15 OUTLOOK[1] RECONCILIATION OF NON-GAAP FINANCIAL MEASURES (UNAUDITED)

	OUTLOOK THREE MONTHS ENDING DECEMBER 31, 2015 RANGE OF ESTIMATE	
(Dollars in thousands)	FROM	TO
Earnings before interest, income taxes, and depreciation & amortization (EBITDA)[2]		
GAAP net earnings	$16,000	$21,000
Interest expense, net	$8,000	$8,000
Income tax provision	$8,000	$11,000
Depreciation and amortization expense	$21,000	$21,000
EBITDA[2]	$53,000	$61,000
Directors' equity-based compensation expense	$700	$700
Costs associated with Long Island facility closure	$300	$300
Adjusted EBITDA[3]	$54,000	$62,000

[1] This information is based upon management's current expectations and estimates, which are in part based on market and industry data. Many factors are outside the control of management, including particularly input costs for commodity products, and actual results may differ materially from the information set forth above. See "Forward-Looking Statements" on page 1.
[2] EBITDA is a non-GAAP measure that management uses as a supplemental performance measure. The most directly comparable GAAP measure is net earnings (loss). EBITDA is net earnings adjusted for net interest expense (including debt retirement costs), income taxes, and depreciation and amortization. It should not be considered as an alternative to net earnings computed under GAAP.
[3] Adjusted EBITDA excludes the impact of the items listed that we do not believe are indicative of our core operating performance.

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