

NEWPAGE CORPORATION  
Case No. 11-12804  
DEBTOR IN POSSESSION  
INDEX TO MONTHLY OPERATING REPORT

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE

Case No. 11-12804  
Chapter 11

**NEWPAGE CORPORATION**

Monthly Operating Report for  
the period from November 1, 2011 through November 30, 2011

Debtors' Address:  
8540 Gander Creek Drive  
Miamisburg, OH 45342

**Dewey & LeBoeuf LLP**

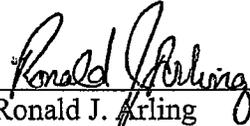
(Debtors' Attorneys)

Monthly Operating Income (Loss): (\$24,021,282)

Report Preparer:

The undersigned, having reviewed the attached report and being familiar with the Debtors' financial affairs, verifies under the penalty of perjury that the information contained therein is complete, accurate and truthful to the best of my knowledge.

Date: December 22, 2011

  
\_\_\_\_\_  
Ronald J. Arling  
Controller & Chief Accounting Officer



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## Global Notes

### 1. Introduction.

On September 7, 2011 (the “Commencement Date”), NewPage Corporation (“NewPage”) and certain of its subsidiaries and affiliates, as debtors and debtors in possession (collectively with NewPage, the “Debtors”)<sup>1</sup>, each filed a voluntary petition for relief commencing cases (the “Chapter 11 Cases”) under chapter 11 of title 11 of the United States Bankruptcy Code (the “Bankruptcy Code”). The Debtors continue to operate their businesses and manage their property as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. Additionally, on September 21, 2011, the United States Trustee for the District of Delaware appointed a statutory committee of creditors pursuant to section 1102(a)(1) of the Bankruptcy Code. Information contained herein may differ from the Debtors’ filings on the Commencement Date due to more accurate information becoming available.

### 2. GAAP.

The financial statements and supplemental information contained herein are preliminary and unaudited, and may not comply with generally accepted accounting principles in the United States of America (“GAAP”) in all material respects. In addition, the financial statements and supplemental information contained herein represent information for the Debtors only and exclude all non-Debtor affiliates.

The unaudited financial statements have been derived from the Debtors’ books and records. This information, however, has not been subject to certain procedures that would typically be applied to financial information in accordance with GAAP. Upon application of such procedures, the Debtors believe that the financial information could be subject to change, which could be material. The information furnished in this report includes primarily normal recurring adjustments but does not include all adjustments that would typically be made for financial statements in accordance with GAAP.

### 3. General Methodology.

The Debtors prepared this Monthly Operating Report (“MOR”) relying primarily upon the information set forth in their books and records. Consequently, certain transactions that are not identified in the normal course of business in the Debtors’ books and records may not be included in this MOR. Nevertheless, in preparing this MOR, the

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Chillicothe Paper Inc. (6154), Escanaba Paper Company (5598), Luke Paper Company (6265), NewPage Canadian Sales LLC (5384), NewPage Consolidated Papers Inc. (8330), NewPage Corporation (6156), NewPage Energy Services LLC (1838), NewPage Group Inc. (2465), NewPage Holding Corporation (6158), NewPage Port Hawkesbury Holding LLC (8330), NewPage Wisconsin System Inc. (3332), Rumford Paper Company (0427), Upland Resources, Inc. (2996), and Wickliffe Paper Company LLC (8293). The Debtors’ corporate headquarters is located at 8540 Gander Creek Drive, Miamisburg, OH 45342.

Debtors made reasonable efforts to supplement the information set forth in its books and records with additional information concerning transactions that may not have been identified therein.

#### **4. Past Performance.**

The results of operations contained herein are not necessarily indicative of results which may be expected for any other period or for the full year and may not necessarily reflect the consolidated results of operations and financial position of the Debtors in the future.

#### **5. Prepetition vs. Postpetition Liabilities.**

The Debtors allocated liabilities between prepetition and postpetition periods based upon the information available at the time of, and research conducted in connection with, the preparation of this MOR. As additional information becomes available and further research is conducted, the Debtors' allocation of liabilities between the prepetition and postpetition periods may change. The liability information, except as otherwise noted, is listed as of the close of business as of the end of the month. Accordingly, the Debtors reserve all rights to amend, supplement or otherwise modify this MOR as necessary and appropriate.

#### **6. Accounts Payable and Accrued Expenses.**

To the best of the Debtors' knowledge, all unaudited postpetition trade payables are current and all premiums for insurance policies that were due as of the date of the filing have been fully paid.

#### **7. Book Value of Assets.**

Unless otherwise indicated, the values for assets contained in this MOR are book values as of the end of the month. Amounts ultimately realized from the disposition of the Debtors' assets may materially vary from the stated book value. Thus, unless otherwise noted, this MOR reflects the carrying values of the assets as recorded on the Debtors' books and records as of the end of the month and are not based upon any estimate of their current market value. The Debtors reserve their rights to amend or adjust the value of each asset set forth herein.

#### **8. Intercompany Receivables/Payables.**

In accordance with the *Amended Order (I) Authorizing Debtors to Continue Using Their Cash Management System, Including the Movement of Funds Between Debtors and Non-Debtor Affiliates, and Maintain Existing Bank Accounts and Business Forms, and (II) Waiving Compliance with the Deposit and Investment Requirements of Section 345 of The Bankruptcy Code*, dated October 7, 2011 [Docket No. 320], NewPage

Corporation (“NPC”) maintains intercompany (“I/C”) receivables/payables with its operating subsidiaries. NPC records I/C receivables for payments made on behalf of its operating subsidiaries, who in turn record corresponding I/C payables. NPC records I/C payables for purchases of finished goods inventory from its operating subsidiaries, who in turn record I/C receivables.

In applying the purchase accounting method for business combinations under U.S. GAAP, NPC recorded large I/C receivables in connection with its acquisition from MeadWestvaco of the Escanaba, Rumford, Luke and Wickliffe mills. Since the acquisition, the amount of the I/C receivables have decreased, because the value of paper sold by those operating subsidiaries to NPC exceeds the operating costs NPC pays on their behalf.

Conversely, when applying purchase accounting for the acquisition of the NewPage Wisconsin System (which includes the Wisconsin Rapids, Biron, Duluth and Stevens Point Mills) the allocation of purchase price was held in an “Investment in Subsidiary” account rather than an I/C account. NPC maintains an I/C payable in favor of the NewPage Wisconsin System, as those mills have maintained a net positive cash to NPC over the years.

#### **9. Liabilities Subject to Compromise.**

As a result of commencing the Chapter 11 Cases, the payment of prepetition indebtedness is subject to compromise or other treatment under a chapter 11 reorganization plan. Generally, actions to enforce or otherwise effect payment of prepetition liabilities are stayed.

The filing of the Chapter 11 Cases constituted an event of default under, or otherwise triggered repayment obligations with respect to, a number of debt instruments and agreements relating to direct and indirect financial obligations of the Debtors (collectively, the “Prepetition Debt”). As a result, obligations under the Prepetition Debt became automatically and immediately due and payable. The Debtors believe that any efforts to enforce the payment obligations under the Prepetition Debt have been stayed as a result of the filing of the Chapter 11 Cases.

#### **10. Liabilities Not Subject to Compromise.**

Although payment of prepetition claims is generally not permitted, the Bankruptcy Court has authorized the Debtors to pay certain prepetition claims in designated categories and subject to certain terms and conditions. This relief generally was designed to preserve the value of the Debtors’ business and assets. To the extent such claims have been categorized as “Liabilities Not Subject to Compromise,” the Debtors reserve their right to dispute their obligation to make such payments.

The Debtors have been paying and intend to continue to pay undisputed postpetition claims in the ordinary course of business.

## **11. Reservation of Rights.**

Given the complexity of the Debtors' business, inadvertent errors, omissions or the overinclusion of contracts or leases may have occurred in the preparation of this MOR. Accordingly, the Debtors hereby reserve all of their rights to dispute the validity, status, enforceability or the executory nature of any claim amounts, representation or other statement in this MOR and reserve the right to amend or supplement this MOR, if necessary.

Nothing contained in this MOR shall constitute a waiver of the Debtors' rights or an admission with respect to the Chapter 11 Cases, including with respect to any issues involving the Debtors' ownership interests, substantive consolidation, equitable subordination, defenses and/or causes of action arising under the provisions of chapter 5 of the Bankruptcy Code and any other relevant non-bankruptcy laws.

**NewPage Group Inc. & Subsidiaries**  
**Debtor-in-Possession**  
**MOR-1**

**Consolidating Schedule of Receipts and Disbursements <sup>(1)(5)</sup>**  
**for November 1 to 30, 2011**

|   | NewPage Corporation | Escanaba Paper Company | Rumford Paper Company | Luke Paper Company | Wickliffe Paper Company | NewPage Wisconsin System Inc. | Total - NewPage Group Inc. and Subs |
|---|---------------------|------------------------|-----------------------|--------------------|-------------------------|-------------------------------|-------------------------------------|
| (\$ in Thousands)   |                     |                        |                       |                    |                         |                               |                                     |
| Beginning Cash Balance  | \$ 124,933          | \$ -                   | \$ -                  | \$ -               | \$ -                    | \$ -                          | \$ 124,933                          |
| Cash Receipts:  |                     |                        |                       |                    |                         |                               |                                     |
| Trade Receipts  | 290,167             | -                      | -                     | -                  | -                       | -                             | 290,167                             |
| Other Receipts  | 943                 | -                      | -                     | -                  | -                       | -                             | 943                                 |
| Loans & Advances  | -                   | -                      | -                     | -                  | -                       | -                             | -                                   |
| Sale of Assets  | -                   | -                      | -                     | -                  | -                       | -                             | -                                   |
| Proceeds from Liquidation of Canadian Receipts                                  | 10,922              | -                      | -                     | -                  | -                       | -                             | 10,922                              |
| Total Cash Receipts   | \$ 302,032          | \$ -                   | \$ -                  | \$ -               | \$ -                    | \$ -                          | \$ 302,032                          |
| Disbursements:  |                     |                        |                       |                    |                         |                               |                                     |
| Employee Costs (Payroll & Payroll Taxes, Benefits, Pension/OPEB) <sup>(2)</sup> | (7,684)             | (8,687)                | (7,935)               | (7,916)            | (4,177)                 | (15,417)                      | (51,816)                            |
| Production Related Disbursements  | (1,994)             | (27,263)               | (27,465)              | (21,499)           | (14,037)                | (61,813)                      | (154,071)                           |
| Freight & Warehousing <sup>(3)</sup>  | (31,061)            | (1)                    | (142)                 | (172)              | (135)                   | (203)                         | (31,714)                            |
| Taxes & Insurance   | (2,293)             | -                      | -                     | (1)                | (1)                     | -                             | (2,295)                             |
| Capex & Maintenance   | (103)               | (2,517)                | (2,756)               | (4,470)            | (1,439)                 | (5,977)                       | (17,262)                            |
| SG&A  | (3,184)             | (1)                    | -                     | -                  | (86)                    | (87)                          | (3,358)                             |
| Rent/leases   | -                   | (80)                   | (60)                  | (39)               | (145)                   | (210)                         | (534)                               |
| Interest & Fees   | -                   | -                      | -                     | -                  | -                       | -                             | -                                   |
| Bankruptcy Related Professional Fees  | (936)               | -                      | -                     | -                  | -                       | -                             | (936)                               |
| DIP/Revolver Paydowns   | -                   | -                      | -                     | -                  | -                       | -                             | -                                   |
| Other   | (4,858)             | (20)                   | (30)                  | (40)               | (11)                    | (78)                          | (5,037)                             |
| Total Cash Disbursements  | \$ (52,113)         | \$ (38,569)            | \$ (38,388)           | \$ (34,137)        | \$ (20,031)             | \$ (83,785)                   | \$ (267,023)                        |
| Ending Cash Balance <sup>(4)</sup>  | \$ 374,852          | \$ (38,569)            | \$ (38,388)           | \$ (34,137)        | \$ (20,031)             | \$ (83,785)                   | \$ 159,942                          |

<sup>(1)</sup> NewPage will report a rolling cash balance on a consolidated basis. All receipts are collected through NewPage Corporation (9001) and substantially all cash is held at NewPage Corporation as well. Disbursements can be separated by legal entity and will be illustrated accordingly, however majority of the legal entities will not show a beginning or ending cash balance.

<sup>(2)</sup> The Debtors have allocated Employee Benefits & Pension/OPEB on a pro-rata basis on headcount for each legal entity. Payroll and Payroll Taxes are reflected on a legal entity basis.

<sup>(3)</sup> The majority of Freight & Warehousing costs are for outbound shipping of paper to customers and warehouses. The operating Debtors sell the paper they produce to NewPage Corporation which in turn, sells the paper to customers. Freight & Warehousing is the responsibility of NewPage Corporation thus all related costs are shown under that Debtor.

<sup>(4)</sup> Ending cash balance excludes the deposit and float accounts ending in : 2304, 2432, 8012 and 10363 (see MOR-1a). In addition, ending cash balance excludes float for account 857 and 443. Ending cash is reported in USD using an exchange rate of 0.98087 USD/CAD.

<sup>(5)</sup> There was no activity in the reported period for the following debtors: Chillicothe Paper Company, NewPage Energy Services LLC, NewPage Consolidated Papers Inc., NewPage Canadian Sales LLC, NewPage Port Hawkesbury Holding LLC, NewPage Holding Corporation, Upland Resources, Inc., NewPage Group Inc.

**NewPage Group Inc. & Subsidiaries**  
**Debtor-in-Possession**  
**MOR-1**

**Consolidating Cumulative Schedule of Receipts and Disbursements <sup>(1)(8)</sup>**  
**through year to date November 30, 2011**

|   | NewPage Corporation | Escaonaba Paper Company | Rumford Paper Company | Luke Paper Company | Wickliffe Paper Company | NewPage Wisconsin System Inc. | Total - NewPage Group Inc. and Subs |
|---|---------------------|-------------------------|-----------------------|--------------------|-------------------------|-------------------------------|-------------------------------------|
| (\$ in Thousands)   |                     |                         |                       |                    |                         |                               |                                     |
| Beginning Cash Balance, September 7, 2011                                       | \$ 10,732           | \$ 3                    | \$ -                  | \$ -               | \$ -                    | \$ -                          | \$ 10,735                           |
| Cash Receipts:  |                     |                         |                       |                    |                         |                               |                                     |
| Trade Receipts  | 781,710             | -                       | -                     | -                  | -                       | -                             | 781,710                             |
| Other Receipts <sup>(2)</sup>   | 7,177               | -                       | -                     | -                  | -                       | -                             | 7,177                               |
| Loans & Advances <sup>(3)</sup>   | 285,000             | -                       | -                     | -                  | -                       | -                             | 285,000                             |
| Sale of Assets  | -                   | -                       | -                     | -                  | -                       | -                             | -                                   |
| Proceeds from Liquidation of Canadian Receipts                                  | 49,511              | -                       | -                     | -                  | -                       | -                             | 49,511                              |
| Total Cash Receipts   | \$ 1,123,398        | \$ -                    | \$ -                  | \$ -               | \$ -                    | \$ -                          | \$ 1,123,398                        |
| Disbursements:  |                     |                         |                       |                    |                         |                               |                                     |
| Employee Costs (Payroll & Payroll Taxes, Benefits, Pension/OPEB) <sup>(4)</sup> | (22,347)            | (25,945)                | (20,817)              | (21,029)           | (11,197)                | (45,705)                      | (147,040)                           |
| Production Related Disbursements  | (45,287)            | (59,901)                | (62,052)              | (46,943)           | (29,962)                | (128,247)                     | (372,392)                           |
| Freight & Warehousing <sup>(5)</sup>  | (69,206)            | (1)                     | (142)                 | (268)              | (252)                   | (256)                         | (70,125)                            |
| Taxes & Insurance   | (7,666)             | -                       | -                     | (1)                | (1)                     | -                             | (7,668)                             |
| Capex & Maintenance   | (6,272)             | (4,975)                 | (4,487)               | (6,944)            | (2,253)                 | (10,798)                      | (35,729)                            |
| SG&A  | (10,533)            | (1)                     | -                     | -                  | (151)                   | (188)                         | (10,873)                            |
| Rent/leases   | (1)                 | (190)                   | (106)                 | (90)               | (235)                   | (381)                         | (1,003)                             |
| Interest & Fees   | (29,736)            | -                       | -                     | -                  | -                       | -                             | (29,736)                            |
| Bankruptcy Related Professional Fees  | (1,256)             | -                       | -                     | -                  | -                       | -                             | (1,256)                             |
| DIP/Revolver Paydowns   | (273,877)           | -                       | -                     | -                  | -                       | -                             | (273,877)                           |
| Other <sup>(6)</sup>  | (24,073)            | (97)                    | (68)                  | (76)               | (20)                    | (158)                         | (24,492)                            |
| Total Cash Disbursements  | \$ (490,254)        | \$ (91,110)             | \$ (87,672)           | \$ (75,351)        | \$ (44,071)             | \$ (185,733)                  | \$ (974,191)                        |
| Ending Cash Balance <sup>(7)</sup>  | \$ 643,876          | \$ (91,107)             | \$ (87,672)           | \$ (75,351)        | \$ (44,071)             | \$ (185,733)                  | \$ 159,942                          |

<sup>(1)</sup> NewPage will report a rolling cash balance on a consolidated basis. All receipts are collected through NewPage Corporation (9001) and substantially all cash is held at NewPage Corporation as well.

Disbursements can be separated by legal entity and will be illustrated accordingly, however the majority of the legal entities will not show a beginning or ending cash balance.

<sup>(2)</sup> Includes \$3,350 refund of DIP upfront fees and OID.

<sup>(3)</sup> Loans & Advances comprises of the \$250 million DIP term loan and \$35 million of initial borrowings under the DIP revolving facility.

<sup>(4)</sup> The Debtors have allocated Employee Benefits & Pension/OPEB on a pro-rata basis on headcount for each legal entity. Payroll and Payroll Taxes are reflected on a legal entity basis.

<sup>(5)</sup> The majority of Freight & Warehousing costs are for outbound shipping of paper to customers and warehouses. The operating Debtors sell the paper they produce to NewPage Corporation which in turn, sells the paper to customers. Freight & Warehousing is the responsibility of NewPage Corporation thus all related costs are shown under that Debtor.

<sup>(6)</sup> Includes \$12,159 of pre-petition Letter of Credit draws.

<sup>(7)</sup> Ending cash balance excludes the deposit and float accounts ending in: 2304, 2432, 8012 and 10363 (see MOR-1a). In addition, ending cash balance excludes float for account 857 and 443.

Ending cash is reported in USD using an exchange rate of 0.98087 USD/CAD.

<sup>(8)</sup> There was no activity in the reported period for the following debtors: Chillicothe Paper Company, NewPage Energy Services LLC, NewPage Consolidated Papers Inc., NewPage Canadian Sales LLC, NewPage Port Hawkesbury Holding LLC, NewPage Holding Corporation, Upland Resources, Inc., NewPage Group Inc.

**NewPage Group Inc. & Subsidiaries**  
**Debtor-in-Possession**  
**MOR-1a**  
**Schedule of Bank Account Balances**  
**as of November 30, 2011**

| Case #  | Entity                         | Bank Name   | Bank Account Ending In: | Currency | Balance        | Balance in USD        |
|---------|--------------------------------|---|-------------------------|----------|----------------|-----------------------|
| 1112804 | NewPage Corp                   | JP Morgan Chase Bank                                | 443                     | USD      | \$ 77,481,005  | \$ 77,481,005         |
| 1112804 | NewPage Corp                   | JP Morgan Chase Bank(offshore acct) CLOSED 11/30/11 | 443                     | USD      | \$ -           | \$ -                  |
| 1112804 | NewPage Corp                   | JP Morgan Chase Bank                                | 1101                    | CAD      | \$ 4,583,239   | \$ 4,495,562 (1)      |
| 1112804 | NewPage Corp                   | JP Morgan Chase Bank                                | 8589                    | USD      | \$ -           | \$ -                  |
| 1112804 | NewPage Corp                   | Wells Fargo Bank                                    | 857                     | USD      | \$ 65,712,078  | \$ 65,712,078         |
| 1112804 | NewPage Corp                   | Wells Fargo Bank                                    | 7945                    | CAD      | \$ 11,487,990  | \$ 11,268,225 (1)     |
| 1112804 | NewPage Corp                   | Wells Fargo Bank                                    | 2304                    | USD      | \$ 5,000,000   | \$ 5,000,000 (2)      |
| 1112804 | NewPage Corp                   | Wells Fargo Bank                                    | 7929                    | CAD      | \$ 1,004,817   | \$ 985,595 (1)        |
| 1112804 | NewPage Corp (Sedgwick)        | Wachovia  | 2432                    | USD      | \$ 512,737     | \$ 512,737 (2)        |
| 1112804 | NewPage Corp (Sedgwick-Zurich) | Wachovia  | 8012                    | USD      | \$ 417,833     | \$ 417,833 (2)        |
| 1112807 | NewPage Wisconsin System Inc   | JP Morgan Chase Bank                                | 6999                    | USD      | \$ -           | \$ -                  |
| 1112808 | NewPage Holding                | JP Morgan Chase Bank                                | 1166                    | USD      | \$ -           | \$ -                  |
| 1112813 | Escanaba Paper Co              | Peninsula Federal Credit Union                      | 10363                   | USD      | \$ 3,844       | \$ 3,844 (2)          |
|         |                                |   | Total Cash              |          | \$ 166,203,543 | \$ 165,876,879        |
|         |                                |   |                         |          | In-transit     | \$ (24,140,583)       |
|         |                                |   |                         |          | Other items    | \$ (274,242)          |
|         |                                |   |                         |          |                | <u>\$ 141,462,054</u> |

(1) USD/CAD exchange rate at 0.98087 as of month end.

(2) Ending cash balance in MOR-1 excludes the deposit and float accounts ending in: 2304, 2432, 8012 and 10363.

**NewPage Group & Subsidiaries**  
**Debtor-in-Possession**  
**MOR-1b**  
**Schedule of Professional Fees and Expenses Paid**  
**for November 1 to 30, 2011**

| Payee                                    | Period Covered | Amount Approved | Payor               | Check         |          | Amount Paid |            | Year-to-Date |            |
|--|----------------|-----------------|---------------------|---------------|----------|-------------|------------|--------------|------------|
|  |                |                 |                     | Number        | Date     | Fees        | Expenses   | Fees         | Expenses   |
| FTI                                      |                | \$ -            |                     |               |          | \$ -        | \$ -       | \$ -         | \$ -       |
| Dewey & LeBoeuf LLP                      |                | \$ -            |                     |               |          | \$ -        | \$ -       | \$ -         | \$ -       |
| Pachulski Stang Ziehl & Jones LLP        |                | \$ -            |                     |               |          | \$ -        | \$ -       | \$ -         | \$ -       |
| Lazard Freres & Co LLC                   |                | \$ -            |                     |               |          | \$ -        | \$ -       | \$ -         | \$ -       |
| Akin Gumb Strauss Hauer & Feld LLP       |                | \$ -            |                     |               |          | \$ -        | \$ -       | \$ 312,273   | \$ 7,725   |
| Millbank, Tweed, Hadley & McCloy LLP     |                | \$ -            |                     |               |          | \$ -        | \$ -       | \$ -         | \$ -       |
| Blackstone Advisory Partners LP          | 9/8-11/7       | \$ 310,731      | NewPage Corporation | bank transfer | 11/30/11 | \$ 300,000  | \$ 10,731  | \$ 300,000   | \$ 10,731  |
| Houlihan Lokey Capital                   | 10/16-12/15    | \$ 310,141      | NewPage Corporation | bank transfer | 11/29/11 | \$ 300,000  | \$ 10,141  | \$ 300,000   | \$ 10,141  |
| Kurtzman Carson Consultants              | 9/7-10/31      | \$ 315,434      | NewPage Corporation | bank transfer | 11/30/11 | \$ 156,903  | \$ 158,531 | \$ 156,903   | \$ 158,531 |
| JP Morgan Chase Bank, NA                 |                | \$ -            |                     |               |          | \$ -        | \$ -       | \$ -         | \$ -       |
| Paul Hastings LLP                        |                | \$ -            |                     |               |          | \$ -        | \$ -       | \$ -         | \$ -       |
| Young Conway Stargatt & Taylor, LLP      |                | \$ -            |                     |               |          | \$ -        | \$ -       | \$ -         | \$ -       |
| Deloitte Financial Advisory Services LLP |                | \$ -            |                     |               |          | \$ -        | \$ -       | \$ -         | \$ -       |
| Deloitte Tax LLP                         |                | \$ -            |                     |               |          | \$ -        | \$ -       | \$ -         | \$ -       |
| Morris Nichols                           |                | \$ -            |                     |               |          | \$ -        | \$ -       | \$ -         | \$ -       |
| Alvarez & Marsal                         |                | \$ -            |                     |               |          | \$ -        | \$ -       | \$ -         | \$ -       |
| Moelis & Co.                             |                | \$ -            |                     |               |          | \$ -        | \$ -       | \$ -         | \$ -       |

**NewPage Group Inc. & Subsidiaries**  
**Debtor-in-Possession**  
**MOR-2**

**Consolidating Statement of Operations <sup>(1)</sup>**  
**for November 1 to 30, 2011**

|   | NewPage Corporation | Escanaba Paper Company | Rumford Paper Company | Luke Paper Company | Wickliffe Paper Company | Chillicothe Paper Company | NewPage Wisconsin System Inc. <sup>(2)</sup> | NewPage Holding Corporation | NewPage Group Inc | Total - NewPage Group Inc. and Subs |
|---|---------------------|------------------------|-----------------------|--------------------|-------------------------|---------------------------|--|-----------------------------|-------------------|-------------------------------------|
| Net sales <sup>(2)</sup>                                    | \$254,467,973       | \$ 23,840              | \$ (10)               | \$ 93,480          | \$ 10,474               | \$ -                      | \$ 230,993                                   | \$ -                        | \$ -              | \$ 254,826,750                      |
| Cost of sales   | 57,056,678          | 37,533,502             | 33,058,650            | 29,307,307         | 14,486,343              | -                         | 76,091,552                                   | -                           | -                 | 247,534,032                         |
| Selling, general and administrative expenses                | 4,664,730           | -                      | -                     | -                  | -                       | -                         | 4,021  | -                           | -                 | 4,668,751                           |
| Interest expense including non-cash interest expense        | 21,049,167          | -                      | -                     | -                  | -                       | -                         | 826,948                                      | -                           | -                 | 21,876,115                          |
| Other (income) expense, net                                 | 245,885             | -                      | (315)                 | 8,149              | 13,780                  | -                         | 24,157                                       | -                           | -                 | 291,656                             |
| Income (loss) before reorg items and income taxes (benefit) | \$171,451,513       | \$ (37,509,662)        | \$ (33,058,345)       | \$ (29,221,976)    | \$ (14,489,649)         | \$ -                      | \$ (76,715,685)                              | \$ -                        | \$ -              | \$ (19,543,804)                     |
| Reorganization items, net                                   | 4,401,221           | -                      | -                     | -                  | -                       | -                         | -  | -                           | -                 | 4,401,221                           |
| Income tax expense (benefit)                                | 76,257              | -                      | -                     | -                  | -                       | -                         | -  | -                           | -                 | 76,257                              |
| Income (loss) from continuing operations                    | \$166,974,035       | \$ (37,509,662)        | \$ (33,058,345)       | \$ (29,221,976)    | \$ (14,489,649)         | \$ -                      | \$ (76,715,685)                              | \$ -                        | \$ -              | \$ (24,021,282)                     |
| Net income (loss)   | \$166,974,035       | \$ (37,509,662)        | \$ (33,058,345)       | \$ (29,221,976)    | \$ (14,489,649)         | \$ -                      | \$ (76,715,685)                              | \$ -                        | \$ -              | \$ (24,021,282)                     |

<sup>(1)</sup> There was no activity in the reported period for the following debtors:

- NewPage Energy Services LLC
- NewPage Consolidated Papers Inc.
- NewPage Canadian Sales LLC
- NewPage Port Hawkesbury Holding LLC
- Upland Resources, Inc.

(2) Subsidiaries have wood product sales.

(3) Interest on a capital lease for NewPage Wisconsin System Inc. Paper Machine 35.

**NewPage Group Inc. & Subsidiaries**  
**Debtor-in-Possession**  
**MOR-3**  
**Consolidating Balance Sheet <sup>(1)</sup>**  
**as of November 30, 2011**

|  | NewPage Corporation     | Escanaba Paper Company | Rumford Paper Company | Lute Paper Company   | Wickliffe Paper Company | Chillicothe Paper Company | NewPage Consolidated Papers Inc | NewPage Wisconsin System Inc. | NewPage Canadian Sales LLC | NewPage Holding Corporation | NewPage Group Inc     | Total - NewPage Group Inc. and Subs |
|--|-------------------------|------------------------|-----------------------|----------------------|-------------------------|---------------------------|---------------------------------|-------------------------------|----------------------------|-----------------------------|-----------------------|-------------------------------------|
| Cash and cash equivalents <sup>(2)</sup>     | \$ 141,458,210          | \$ 3,844               | \$ -                  | \$ -                 | \$ -                    | \$ -                      | \$ -                            | \$ -                          | \$ -                       | \$ -                        | \$ -                  | \$ 141,462,054                      |
| Accounts receivable, net                     | 663,206,058             | (264,616,258)          | (118,695,887)         | (203,393,251)        | (170,099,316)           | 12,058,428                | (88,295,093)                    | 487,805,945                   | (82,624,602)               | -                           | -                     | 235,346,024                         |
| Inventories                                  | 211,241,498             | 36,670,920             | 32,108,050            | 37,880,849           | 27,999,708              | -                         | -                               | 119,016,502                   | -                          | -                           | -                     | 464,917,527                         |
| Other current assets <sup>(3)(7)</sup>       | 40,740,873              | 848,375                | 255,695               | 1,314,148            | 1,460,295               | -                         | -                               | 2,423,796                     | -                          | -                           | -                     | 47,043,182                          |
| Total current assets                         | \$ 1,056,646,639        | \$ (227,093,119)       | \$ (86,332,142)       | \$ (164,198,254)     | \$ (140,639,313)        | \$ 12,058,428             | \$ (88,295,093)                 | \$ 609,246,243                | \$ (82,624,602)            | \$ -                        | \$ -                  | \$ 888,768,787                      |
| Investment in subsidiaries <sup>(4)</sup>    | (1,880,905,072)         | -                      | -                     | -                    | -                       | -                         | 3,876,680,204                   | (35,381,486)                  | -                          | 822,525,027                 | 712,229,527           | 3,495,148,200                       |
| Property, plant and equipment, net           | 24,352,500              | 355,121,322            | 193,507,815           | 248,851,499          | 205,607,204             | -                         | -                               | 1,269,579,442                 | -                          | -                           | -                     | 2,297,019,782                       |
| Intangibles and other assets                 | 35,130,177              | 16,050                 | 889,866               | -                    | -                       | -                         | -                               | 531,936                       | -                          | -                           | -                     | 36,568,029                          |
| <b>TOTAL ASSETS</b>                          | <b>\$ (764,775,756)</b> | <b>\$ 128,044,253</b>  | <b>\$ 108,065,539</b> | <b>\$ 84,653,245</b> | <b>\$ 64,967,891</b>    | <b>\$ 12,058,428</b>      | <b>\$ 3,788,385,111</b>         | <b>\$ 1,843,976,135</b>       | <b>\$ (82,624,602)</b>     | <b>\$ 822,525,027</b>       | <b>\$ 712,229,527</b> | <b>\$ 6,717,504,798</b>             |
| <i>Liabilities not subject to compromise</i> |                         |                        |                       |                      |                         |                           |                                 |                               |                            |                             |                       |                                     |
| Accounts Payable <sup>(7)</sup>              | 10,412,404              | 15,638,348             | 16,578,621            | 14,990,317           | 5,807,245               | -                         | -                               | 36,042,453                    | -                          | -                           | -                     | 99,469,387                          |
| Accrued expenses <sup>(5)</sup>              | 49,282,939              | 13,733,984             | 13,002,500            | 9,151,696            | 8,600,672               | -                         | -                               | 27,862,431                    | -                          | -                           | -                     | 121,634,222                         |
| Current maturities of long-term debt         | -                       | -                      | -                     | -                    | -                       | -                         | -                               | -                             | -                          | -                           | -                     | -                                   |
| Total current liabilities                    | 59,695,343              | 29,372,332             | 29,581,121            | 24,142,013           | 14,407,917              | -                         | -                               | 63,904,884                    | -                          | -                           | -                     | 221,103,609                         |
| Long-term debt                               | 247,916,667             | -                      | -                     | -                    | -                       | -                         | -                               | -                             | -                          | -                           | -                     | 247,916,667                         |
| Other long-term obligations <sup>(6)</sup>   | 44,263,284              | 4,645,558              | 2,966,643             | -                    | 1,107,045               | -                         | -                               | 6,066,684                     | -                          | -                           | -                     | 59,049,214                          |
| Total liabilities not subject to compromise  | \$ 351,875,294          | \$ 34,017,890          | \$ 32,547,764         | \$ 24,142,013        | \$ 15,514,962           | \$ -                      | \$ -                            | \$ 69,971,568                 | \$ -                       | \$ -                        | \$ -                  | \$ 528,069,490                      |
| Liabilities subject to compromise            | 3,422,575,361           | 22,018,746             | 17,807,392            | 18,075,767           | 16,533,505              | 23,966                    | -                               | 221,456,320                   | -                          | 235,140,230                 | 276,370,477           | 4,230,001,764                       |
| Total liabilities                            | \$ 3,774,450,655        | \$ 56,036,636          | \$ 50,355,156         | \$ 42,217,780        | \$ 32,048,467           | \$ 23,966                 | \$ -                            | \$ 291,427,888                | \$ -                       | \$ 235,140,230              | \$ 276,370,477        | \$ 4,758,071,254                    |
| Common stock                                 | -                       | -                      | -                     | -                    | -                       | -                         | -                               | -                             | -                          | -                           | 558,161               | 558,161                             |
| Additional paid-in capital <sup>(4)</sup>    | (2,975,883,528)         | -                      | -                     | -                    | -                       | -                         | 3,788,385,111                   | 1,932,518,076                 | (82,570,639)               | 716,531,276                 | 509,150,589           | 3,888,130,885                       |
| Accumulated deficit                          | (1,282,545,773)         | 62,810,382             | 47,960,154            | 33,619,350           | 29,504,064              | 12,034,462                | -                               | (401,167,140)                 | (53,963)                   | (118,832,269)               | (73,849,700)          | (1,690,520,433)                     |
| Accumulated other comprehensive income       | (228,420,859)           | -                      | -                     | -                    | -                       | -                         | -                               | -                             | -                          | (10,314,210)                | -                     | (238,735,069)                       |
| Total equity                                 | \$ (4,486,850,160)      | \$ 62,810,382          | \$ 47,960,154         | \$ 33,619,350        | \$ 29,504,064           | \$ 12,034,462             | \$ 3,788,385,111                | \$ 1,531,350,936              | \$ (82,624,602)            | \$ 587,384,797              | \$ 435,859,050        | \$ 1,959,433,544                    |
| <b>TOTAL LIABILITIES AND EQUITY</b>          | <b>\$ (712,399,505)</b> | <b>\$ 118,847,018</b>  | <b>\$ 98,315,310</b>  | <b>\$ 75,837,130</b> | <b>\$ 61,552,531</b>    | <b>\$ 12,058,428</b>      | <b>\$ 3,788,385,111</b>         | <b>\$ 1,822,778,824</b>       | <b>\$ (82,624,602)</b>     | <b>\$ 822,525,027</b>       | <b>\$ 712,229,527</b> | <b>\$ 6,717,504,798</b>             |

<sup>(1)</sup> There was no activity in the reported period for the following debtors:

- NewPage Energy Services LLC
- NewPage Port Hawkesbury Holding LLC
- Upland Resources, Inc.

<sup>(2)</sup> Includes in-transit and other minor reconciling items of (\$24,414,825).

<sup>(3)</sup> Includes vendor prepayments of approximately \$80 million.

<sup>(4)</sup> Investment in NewPage Consolidated Papers Inc. less NewPage Port Hawkesbury Corp and Consolidated Water Power Company. Does not include eliminating or consolidating entries.

<sup>(5)</sup> Includes payroll and employee benefit costs of \$62,053,029, accrued rebates and allowances of \$13,702,011 accrued freight \$7,112,750, accrued tax \$5,856,816, post-petition (backed by letters of credit) accrued energy \$7,232,340, workers compensation \$13,983,984 and other \$11,693,292.

<sup>(6)</sup> Includes reserves for uncertain tax positions related to the SENA acquisition, \$17,308,003 asset retirement obligation (landfill/lagoon), \$14,661,265; workers compensation reserve, \$34,236,652 million; incentive plans, \$1,906,345; deferred tax (\$9,831,102); other, \$768,051.

<sup>(7)</sup> Prior to and since the bankruptcy filing, the Debtors made and continue to make prepayments to vendors for goods, materials and supplies which are subsequently delivered to the Debtors. In these instances, the prepayments are recorded as "Other Current Assets" under Debtor NewPage Corporation. Invoices received for the delivered prepaid goods, materials and supplies are recorded as "Accounts Payable" under the appropriate Debtor receiving the goods. The Debtors have appropriately matched prepayments with invoices as of November 30th in aggregate, however, they continue to work through the identification of which legal entity these invoices applied to as of the date of this report. Therefore, the matching of prepayments and invoices has been allocated pro rata to the operating Debtors.

**NewPage Group Inc. & Subsidiaries**  
**Debtor-in-Possession**  
**MOR-4**

**Consolidated Status of Postpetition Taxes<sup>(1)</sup>**  
**for November 1 to 30, 2011**

|                            | Beginning Tax Liability   | Amount Withheld or<br>Accrued | Amount Paid             | Date Paid | Check No. or EFT | Ending Tax Liability      |
|----------------------------|---------------------------|-------------------------------|-------------------------|-----------|------------------|---------------------------|
| <b>Federal</b>             |                           |                               |                         |           |                  |                           |
| Withholding                | \$ (8,568)                | \$ (5,133,981)                | \$ 5,126,910            | various   | various          | \$ (15,639)               |
| FICA                       | 12,135                    | (4,688,117)                   | 4,662,930               | various   | various          | (13,052)                  |
| Unemployment               | 131                       | (1,240)                       | 1,109                   | various   | various          | -                         |
| Income <sup>(2)</sup>      | 11,367,247                | -                             | -                       | various   | various          | 11,367,247                |
| Other:                     | -                         | -                             | -                       |           |                  | -                         |
| Total Federal Taxes        | 11,370,945                | (9,823,338)                   | 9,790,949               |           |                  | 11,338,556                |
| <b>State and Local</b>     |                           |                               |                         |           |                  |                           |
| Withholding                | (11,328)                  | (2,021,173)                   | 2,028,715               | various   | various          | (3,786)                   |
| Sales & Use <sup>(3)</sup> | (588,103)                 | (502,465)                     | 369,887                 | various   | various          | (720,681)                 |
| Income <sup>(4)</sup>      | (17,579,407)              | (40,000)                      | -                       | various   | various          | (17,619,407)              |
| Franchise                  | (503,837)                 | (92,750)                      | 48,152                  | various   | various          | (548,435)                 |
| Unemployment               | -                         | (8,047)                       | 8,047                   | various   | various          | -                         |
| Property <sup>(5)</sup>    | (4,701,777)               | (1,040,833)                   | (125,713)               | various   | various          | (5,868,323)               |
| Other                      | -                         | -                             | -                       |           |                  | -                         |
| Total State and Local      | (23,384,452)              | (3,705,268)                   | 2,329,088               |           |                  | (24,760,632)              |
| <b>Total Taxes</b>         | <b>\$ (12,013,507.00)</b> | <b>\$ (13,528,606.00)</b>     | <b>\$ 12,120,037.00</b> |           |                  | <b>\$ (13,422,076.00)</b> |

<sup>(1)</sup> Taxes contain both pre- and post-petition amounts. Authority to pay taxes granted in first day order (See Docket No. 334).

<sup>(2)</sup> Federal Income - This balance offsets against the balance for CWPCO. CWPCO and NPPH are not included in this analysis.

<sup>(3)</sup> Sales & Use Taxes - This balance contains \$444K of MN refundable Use Tax that is recorded in SAP as a receivable.

<sup>(4)</sup> State Income - This balance includes (\$17.3M) of FIN 48 liability recorded in SAP as an Other Liability outside the sequence of tax liabilities.

<sup>(5)</sup> Property Tax payments of \$30K are netted against the Michigan refund of \$156K.

**NewPage Group Inc. & Subsidiaries**  
**Debtor-in-Possession**  
**MOR-4a**  
**Consolidated Summary of Unpaid Postpetition Debts**  
**as of November 30, 2011**

|  | Number of Days Outstanding |                   |                  |             |             | Total                |
|--|----------------------------|-------------------|------------------|-------------|-------------|----------------------|
|  | 0-30                       | 31-60             | 61-90            | 91-120      | Over 120    |                      |
| Trade Accounts Payable <sup>(3)</sup>  | \$ 115,956,330             | \$ 182,956        | \$ 16,761        | \$ -        | \$ -        | \$ 116,156,047       |
| Pre-payments to vendors <sup>(1)</sup> |                            |                   | -                | -           | -           | (27,449,451)         |
| Other Accounts Payable <sup>(2)</sup>  | -                          | -                 | -                | -           | -           | 10,762,791           |
| <b>Total Accounts Payable</b>          | <b>\$ 115,956,330</b>      | <b>\$ 182,956</b> | <b>\$ 16,761</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ 99,469,387</b> |

<sup>(1)</sup> Vendors with a pre-payment net balances are not aged.

<sup>(2)</sup> NewPage does not age other accounts payable. Amount represents accruals for bankruptcy advisory fees.

<sup>(3)</sup> Prior to and since the bankruptcy filing, the Debtors made and continue to make prepayments to vendors for goods, materials and supplies which are subsequently delivered to the Debtors. In these instances, the prepayments are recorded as "Other Current Assets" under Debtor NewPage Corporation. Invoices received for the delivered prepaid goods, materials and supplies are recorded as "Accounts Payable" under the appropriate Debtor receiving the goods. The Debtors have appropriately matched prepayments with invoices as of November 30th in aggregate, however, they continue to work through the identification of which legal entity these invoices applied to as of the date of this report. Therefore, the matching of prepayments and invoices has been allocated prorata to the operating Debtors.

**NewPage Group Inc. & Subsidiaries**  
**Debtor-in-Possession**  
**MOR-5**  
**Consolidated Summary of Accounts Receivable**  
**as of November 30, 2011**

|   | Number of Days Outstanding |               |              |              |              | Total          |
|---|----------------------------|---------------|--------------|--------------|--------------|----------------|
|   | Current                    | Past 1-30     | Past 31-60   | Past 61-90   | Past 91+     |                |
| Trade receivables   | \$ 213,711,353             | \$ 10,323,630 | \$ 2,428,641 | \$ 2,759,123 | \$ 2,530,246 | \$ 231,752,994 |
| Trade allowances, revaluation, freight claim and other <sup>(1)</sup> | -                          | -             | -            | -            | -            | (1,491,774)    |
| Non-trade receivables <sup>(1)</sup>                                  | -                          | -             | -            | -            | -            | 5,523,818      |
| Total receivables, net  | \$ 213,711,353             | \$ 10,323,630 | \$ 2,428,641 | \$ 2,759,123 | \$ 2,530,246 | \$ 235,785,038 |
| Intercompany receivables <sup>(1)</sup>                               | -                          | -             | -            | -            | -            | (439,014)      |
| Total accounts receivable, net  | \$ 213,711,353             | \$ 10,323,630 | \$ 2,428,641 | \$ 2,759,123 | \$ 2,530,246 | \$ 235,346,024 |

<sup>(1)</sup> Trade allowances, non-trade and intercompany receivables are not aged.

**NewPage Group Inc. & Subsidiaries**  
**Debtor-in-Possession**  
**MOR-5a**  
**Debtors' Questionnaire**  
**for November 1 to 30, 2011**

|   | <b>Yes</b>                          | <b>No</b>                           |
|---|-------------------------------------|-------------------------------------|
| 1. Have any assets been sold or transferred outside the normal course of business this period? If yes, provide an explanation below.  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| 2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| 3. Have all post-petition tax returns been timely filed? If no, provide an explanation below.   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| 4. Are workers compensation, general liability and other necessary insurance coverage in effect? If no, provide an explanation below.   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| 5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3. | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |