



Clearwater Paper Corporation

Fourth Quarter 2008 Conference Call
Supplemental Information

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Forward-Looking Statements

This presentation contains certain forward-looking statements within the meaning of the Private Litigation Reform Act of 1995 as amended, including statements regarding future company and segment operating and financial performance, direction of markets, available debt capacity and liquidity, refinancing of certain of the company's debt obligations, additional expenses associated with being a stand-alone public company and efforts to minimize losses in our Wood Products segment. These forward-looking statements are based on current expectations, estimates, assumptions and projections that are subject to change, and actual results may differ materially from the forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, changes in the United States and international economies; changes in raw material availability and costs; cyclical industry conditions; loss of a large consumer products segment customer; competitive pricing pressures for the company's products; changes in freight costs and disruptions in transportation services; unanticipated manufacturing disruptions; changes in general and industry-specific environmental laws and regulations; unforeseen environmental liabilities or expenditures; labor disruptions; inability to refinance or pay indebtedness due to debt structure; inability to implement corporate strategies; and other risks and uncertainties described from time to time in the company's public filings with the Securities and Exchange Commission. The company does not undertake to update any forward-looking statements.



FOURTH QUARTER 2008 SUMMARY
(Dollars in Thousands)
(Unaudited)

	4th Quarter 2008	3rd Quarter 2008	2nd Quarter 2008	1st Quarter 2008	4th Quarter 2007	Twelve Months Ended 2008	2007
Operating Income							
Consumer Products	\$ 15,691	\$ 11,067	\$ 7,082	\$ 3,481	\$ 4,795	\$ 37,321	\$ 17,622
Pulp and Paperboard	1,685	350	6,030	10,851	15,927	18,916	45,066
Wood Products	(4,845)	(1,574)	(3,646)	(4,414)	(2,424)	(14,479)	(109)
	<u>12,531</u>	<u>9,843</u>	<u>9,466</u>	<u>9,918</u>	<u>18,298</u>	<u>41,758</u>	<u>62,579</u>
Corporate and eliminations	(6,008)	(5,422)	1,476	(3,320)	(5,771)	(13,274)	(10,172)
	<u>6,523</u>	<u>4,421</u>	<u>10,942</u>	<u>6,598</u>	<u>12,527</u>	<u>28,484</u>	<u>52,407</u>
Earnings from operations before interest and taxes							
Interest expense, net of interest income	3,397	3,250	3,250	3,250	3,250	13,147	13,000
Income tax provision	1,467	309	2,716	1,102	3,314	5,594	14,073
Net earnings	<u>\$ 1,659</u>	<u>\$ 862</u>	<u>\$ 4,976</u>	<u>\$ 2,246</u>	<u>\$ 5,963</u>	<u>\$ 9,743</u>	<u>\$ 25,334</u>
plus: Interest expense, net of interest income	3,397	3,250	3,250	3,250	3,250	13,147	13,000
Income tax provision	1,467	309	2,716	1,102	3,314	5,594	14,073
Depreciation & amortization (D&A)	11,776	11,580	11,776	11,822	12,138	46,954	51,211
	<u>\$ 18,299</u>	<u>\$ 16,001</u>	<u>\$ 22,718</u>	<u>\$ 18,420</u>	<u>\$ 24,665</u>	<u>\$ 75,438</u>	<u>\$ 103,618</u>
Earnings before interest, taxes, depreciation and amortization (EBITDA) *							
Diluted earnings per common share	<u>\$ 0.15</u>	<u>\$ 0.07</u>	<u>\$ 0.44</u>	<u>\$ 0.20</u>	<u>\$ 0.53</u>	<u>\$ 0.86</u>	<u>\$ 2.23</u>

Certain prior period amounts have been reclassified to conform to the current period presentation.

* Non-GAAP measure - See page 6 for reconciliation to GAAP and definition.



VARIANCE ANALYSES - INCREASE (DECREASE) IN EARNINGS FROM OPERATIONS BEFORE INTEREST & TAXES
(Dollars in Thousands)
(Unaudited)

	<u>4th Quarter 2008</u> vs. <u>3rd Quarter 2008</u>	<u>4th Quarter 2008</u> vs. <u>4th Quarter 2007</u>	<u>Twelve Months</u> <u>2008 vs. 2007</u>
Consumer Products	\$4,624	\$10,896	\$19,699
Volume	(8,088)	(4,085)	13,779
Price	5,481	14,128	38,725
Costs and other	7,231	853	(32,805)
Pulp and Paperboard	\$1,335	(\$14,242)	(\$26,150)
Volume	(21,048)	(18,611)	2,911
Price	5,229	16,389	52,582
Major maintenance costs	2,600	(4,200)	(3,900)
Costs and other	14,554	(7,820)	(77,743)
Wood Products	(\$3,271)	(\$2,421)	(\$14,370)
Volume	(2,022)	(6,072)	(20,645)
Price	(5,132)	(5,613)	(14,717)
Costs and other	3,883	9,264	20,992
Corporate and eliminations	(\$586)	(\$237)	(\$3,102)
Increase (decrease) in earnings from operations before interest and taxes	\$2,102	(\$6,004)	(\$23,923)

Certain prior period amounts have been reclassified to conform to the current period presentation.



VOLUMES AND SALES PRICES/UNIT
(Unaudited)

	<u>4th Quarter 2008</u>	<u>3rd Quarter 2008</u>	<u>2nd Quarter 2008</u>	<u>1st Quarter 2008</u>	<u>4th Quarter 2007</u>	<u>Twelve Months Ended 2008</u>	<u>Twelve Months Ended 2007</u>
Shipment Information							
Consumer products							
Tissue (tons)	47,252	50,371	48,974	50,980	48,947	197,577	191,731
Pulp and paperboard							
Paperboard (tons)	179,675	200,590	195,082	187,334	183,232	762,681	733,521
Pulp (tons) *	5,056	10,060	7,844	19,811	29,855	42,771	73,969
Wood products							
Lumber (m. bd. ft.)	32,073	35,615	55,506	44,042	42,435	167,236	204,235
Sales Prices/Unit							
Consumer products (\$ per ton)							
Tissue	\$2,709	\$2,593	\$2,509	\$2,412	\$2,410	\$2,553	\$2,357
Pulp and paperboard (\$ per ton)							
Paperboard	885	853	836	807	791	845	776
Pulp*	538	641	649	642	637	631	632
Wood products (\$ per m. bd. ft.)							
Lumber	411	571	448	459	586	470	558

* Excludes shipments of pulp and transfer prices of pulp used internally.

RECONCILIATION OF NON-GAAP MEASURES
(Dollars in Thousands)
(Unaudited)

	<u>4th Quarter 2008</u>	<u>3rd Quarter 2008</u>	<u>2nd Quarter 2008</u>	<u>1st Quarter 2008</u>	<u>4th Quarter 2007</u>	<u>Twelve Months Ended 2008</u>	<u>2007</u>
Earnings before interest, taxes, depreciation and amortization (EBITDA):							
GAAP net earnings	\$ 1,659	\$ 862	\$ 4,976	\$ 2,246	\$ 5,963	\$ 9,743	\$ 25,334
Interest expense, net of interest income	3,397	3,250	3,250	3,250	3,250	13,147	13,000
Income tax provision	1,467	309	2,716	1,102	3,314	5,594	14,073
Depreciation and amortization	11,776	11,580	11,776	11,822	12,138	46,954	51,211
EBITDA *	<u>\$ 18,299</u>	<u>\$ 16,001</u>	<u>\$ 22,718</u>	<u>\$ 18,420</u>	<u>\$ 24,665</u>	<u>\$ 75,438</u>	<u>\$ 103,618</u>

Certain prior period amounts have been reclassified to conform to the current period presentation.

* **EBITDA** is a non-GAAP measure that management uses to evaluate the cash generating capacity of the company. The most directly comparable GAAP measure is net earnings. EBITDA, as we define it, is net earnings adjusted for net interest expense, income tax provision, depreciation and amortization. It should not be considered as an alternative to net earnings computed under GAAP.



Thank you.