

**Financial and Operating Statistics<sup>(1)</sup> (Page 1 of 4)**

*Results for all quarters prior to Fourth Quarter 2007 are Bowater Incorporated only. Abitibi-Consolidated Inc. results are included beginning October 29, 2007.*

Dollars in millions, except per-share amounts	2007					2008				
	First	Second	Third	Fourth <sup>(1)</sup>	Total	First	Second	Third	Fourth	Total
<b>Income Statement Data</b>										
Total sales	\$ 772	\$ 798	\$ 815	\$ 1,491	\$ 3,876	\$ 1,728	\$ 1,696	\$ 1,730		\$ 5,154
Operating income (loss)	25	15	(82)	(358)	(400)	(149)	(63)	(159)		(371)
Interest income	2	2	2	3	9	3	3	3		9
Interest expense, net of capitalized interest	47	47	47	108	249	129	203	187		519
Other income (expense), net	(6)	(16)	(18)	31	(9)	31	12	(1)		42
Minority interests, net of tax	(7)	2	3	3	1	(1)	(5)	(8)		(14)
Net loss	(35)	(63)	(142)	(250)	(490)	(248)	(251)	(302)		(801)
Net loss available to common shareholders	(35)	(63)	(142)	(250)	(490)	(248)	(251)	(302)		(801)
Diluted loss per common share <sup>(2)</sup>	(1.19)	(2.09)	(4.75)	(5.09)	(14.11)	(4.32)	\$ (4.36)	\$ (5.23)		(13.92)
Dividends declared per common share <sup>(2)</sup>	\$ 0.38	\$ 0.38	\$ 0.38	\$ -	\$ 1.15	\$ -	\$ -	\$ -		\$ -
Average diluted shares outstanding (in thousands) <sup>(2)</sup>	29,856	29,864	29,879	49,058	34,702	57,497	57,593	57,634		57,568
Ending shares outstanding (in thousands) <sup>(2)</sup>	29,859	29,877	29,880	57,470	57,470	57,579	57,634	57,636		57,636
<b>Sales by Segment</b>										
Newsprint	\$ 303	\$ 313	\$ 296	\$ 662	\$ 1,574	\$ 809	\$ 788	\$ 826		\$ 2,423
Coated papers	129	129	152	160	570	169	166	176		511
Specialty papers	141	151	142	366	800	459	449	473		1,381
Market pulp	133	138	160	169	600	168	169	156		493
Wood products	63	64	62	129	318	123	124	98		345
Timber / other	3	3	3	5	14	0	-	1		1
Total sales	\$ 772	\$ 798	\$ 815	\$ 1,491	\$ 3,876	\$ 1,728	\$ 1,696	\$ 1,730		\$ 5,154
<b>Income (Loss) by Segment</b>										
Newsprint	\$ (5)	\$ (11)	\$ (39)	\$ (79)	\$ (134)	\$ (69)	\$ 1	\$ 28		\$ (40)
Coated papers	9	4	14	15	42	34	35	30		99
Specialty papers	(8)	(11)	(20)	(46)	(85)	(39)	(32)	7		(64)
Market pulp	19	18	29	30	96	31	21	6		58
Wood products <sup>(4)</sup>	(14)	(7)	(11)	(59)	(91)	(35)	(13)	(10)		(58)
Net gain on fixed assets and land sales	58	65	17	5	145	23	17	5		45
Corporate / other / severance / impairment <sup>(3)</sup>	(34)	(43)	(72)	(224)	(373)	(94)	(92)	(225)		(411)
Total income (loss) by segment	\$ 25	\$ 15	\$ (82)	\$ (358)	\$ (400)	\$ (149)	\$ (63)	\$ (159)		\$ (371)

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	2007					2008				
	First	Second	Third	Fourth <sup>(1)</sup>	Total	First	Second	Third	Fourth	Total
Dollars in millions except per ton items										
<b>Depreciation and Amortization by Segment</b>										
Newsprint	\$ 31	\$ 33	\$ 33	\$ 68	\$ 165	\$ 83	\$ 80	\$ 82		\$ 245
Coated papers	10	9	10	9	38	10	10	9		29
Specialty papers	19	18	18	54	109	69	69	66		204
Market pulp	14	13	13	14	54	14	13	13		40
Wood products	5	5	4	9	23	11	11	11		33
Corporate / other	1	2	1	3	7	4	4	3		11
<b>Total depreciation</b>	<b>\$ 80</b>	<b>\$ 80</b>	<b>\$ 79</b>	<b>\$ 157</b>	<b>\$ 396</b>	<b>\$ 191</b>	<b>\$ 187</b>	<b>\$ 184</b>		<b>\$ 562</b>
<b>EBITDA by Segment <sup>(4)</sup></b>										
Newsprint	\$ 26	\$ 22	\$ (6)	\$ (11)	\$ 31	\$ 14	\$ 81	\$ 110		\$ 205
Coated papers	19	13	24	24	80	44	45	39		128
Specialty papers	11	7	(2)	8	24	30	37	73		140
Market pulp	33	31	42	44	150	45	34	19		98
Wood products	(9)	(2)	(7)	(50)	(68)	(24)	(2)	1		(25)
Corporate / other / severance./ impairment	(33)	(41)	(71)	(221)	(366)	(90)	(88)	(222)		(400)
<b>Total EBITDA</b>	<b>\$ 47</b>	<b>\$ 30</b>	<b>\$ (20)</b>	<b>\$ (206)</b>	<b>\$ (149)</b>	<b>\$ 19</b>	<b>\$ 107</b>	<b>\$ 20</b>		<b>\$ 146</b>
<b>Average Transaction Price per Unit</b>										
Newsprint (mt)	\$ 618	\$ 605	\$ 586	\$ 597	\$ 601	\$ 623	\$ 672	\$ 718		\$ 669
Coated papers (st)	713	690	707	766	720	843	887	920		882
Specialty papers (st)	653	651	660	688	699	710	745	778		747
Market pulp (mt)	627	651	672	690	661	713	719	723		718
Wood products (mbf)	274	282	301	288	287	274	283	276		278
<b>Operating Cost per Unit</b>										
Newsprint (mt)	\$ 628	\$ 627	\$ 663	\$ 669	\$ 652	\$ 676	\$ 671	\$ 695		\$ 680
Coated papers (st)	663	668	642	694	667	673	701	764		712
Specialty papers (st)	690	698	753	774	741	770	799	768		779
Market pulp (mt)	537	566	550	567	556	583	630	698		635
Wood products (mbf)	335	313	354	420	368	363	312	305		328
<b>Shipments to 3rd Parties (thousands of units)</b>										
Newsprint (mt)	490	517	505	1,108	2,620	1,299	1,173	1,149		3,621
Coated papers (st)	181	187	215	209	792	201	187	191		579
Specialty papers (st)	216	232	215	532	1,195	646	602	607		1,855
Market pulp (mt)	212	212	238	245	907	236	235	215		686
Wood products (mbf)	230	227	206	448	1,111	435	439	354		1,228

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Results for all quarters prior to Fourth Quarter 2007 are Bowater Incorporated only. Abitibi-Consolidated Inc. results are included beginning October 29, 2007.

Dollars in millions except per ton items	2007					2008				
	First	Second	Third	Fourth <sup>(1)</sup>	Total	First	Second	Third	Fourth	Total
<b>Product Inventory (thousands of units)</b>										
Newsprint (mt)	94	102	104	221	221	208	191	218		218
Coated papers (st)	51	47	33	26	26	27	43	42		42
Specialty papers (st)	57	70	68	151	151	146	155	161		161
Market pulp (mt)	55	59	51	50	50	59	64	64		64
<b>Financial Position</b>										
Cash and cash equivalents	\$ 98	\$ 89	\$ 84	\$ 195	\$ 195	\$ 292	\$ 341	\$ 295		\$ 295
Working capital (excluding debt)	532	553	515	917	917	1,126	1,167	1,160		1,160
Timber and timberlands	57	58	59	58	58	54	52	51		51
Fixed assets, net	2,827	2,782	2,737	5,707	5,707	5,569	5,314	4,955		4,955
Total assets	4,589	4,548	4,510	10,319	10,319	10,325	10,188	9,937		9,937
Current installments of long-term debt (including short-term bank debt)	16	16	94	953	953	1,260	668	1,002		1,002
Long-term debt, net of current installments	2,246	2,243	2,244	4,695	4,695	4,697	5,441	5,190		5,190
Revaluation of debt <sup>(5)</sup>	44	42	40	(571)	(571)	(553)	(534)	(693)		(693)
Total shareholders' equity	796	718	566	1,899	1,899	1,618	1,475	1,154		1,154
Total capitalization <sup>(6)</sup>	3,128	3,052	2,982	7,697	7,697	7,722	7,734	7,492		7,492
<b>Cash Flow Information</b>										
Operating income (loss)	\$ 25	\$ 15	\$ (82)	\$ (358)	\$ (400)	\$ (149)	\$ (63)	\$ (159)		\$ (371)
Depreciation, amortization and cost of timber harvested	80	80	80	156	396	191	187	184		562
Deferred income taxes	(3)	28	7	(108)	(76)	(8)	(1)	(63)		(72)
Cash flows from operations	(16)	(40)	(58)	(133)	(247)	(197)	(157)	(69)		(423)
Cash invested in fixed assets, timber and timberlands	(26)	(25)	(22)	(55)	(128)	(35)	(47)	(45)		(127)
Disposition of assets and timber and timberlands	64	83	19	31	197	29	176	5		210
Cash flows from (used for) investing activities	29	54	(7)	101	177	(7)	64	(46)		11
Cash dividends, including minority interest	(11)	(11)	(12)	(15)	(49)	(2)	(5)	(7)		(14)
Cash flows from (used for) financing activities	(14)	(23)	60	143	166	300	143	69		512
<b>Additional Information</b>										
Percentage return on average common equity, annualized (ROE) <sup>(7)</sup>	-14.4%	-33.1%	-88.5%	-81.1%	-35.8%	-14.1%	-16.2%	-22.9%		-69.8%
Percentage return on average net assets, annualized (RONA) <sup>(8)</sup>	2.4%	1.4%	-8.0%	-21.8%	-6.0%	-1.6%	-2.8%	-1.8%		-5.5%
Current ratio <sup>(9)</sup>	2.2	2.2	1.8	1.0	1.0	0.9	1.3	1.1		1.0
Book value - common shareholders' equity per common share <sup>(2)</sup>	\$ 51.27	\$ 46.24	\$ 36.44	\$ 33.04	\$ 33.04	\$ 28.10	\$ 25.59	\$ 20.03		\$ 20.03
Common stock price - high <sup>(2)</sup>	\$ 57.62	\$ 51.52	\$ 50.23	\$ 37.60	\$ 57.62	\$ 26.13	\$ 14.89	\$ 9.76		\$ 26.13
Common stock price - low <sup>(2)</sup>	\$ 41.29	\$ 39.10	\$ 26.87	\$ 14.13	\$ 14.13	\$ 4.70	\$ 8.65	\$ 3.75		\$ 3.75
Common stock price - quarter/annual (close) <sup>(2)</sup>	\$ 45.81	\$ 47.98	\$ 28.69	\$ 20.61	\$ 20.61	\$ 12.91	\$ 9.33	\$ 3.87		\$ 3.87

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#### Notes

<sup>1</sup> On October 29, 2007, pursuant to a Combination Agreement and Agreement and Plan of Merger, dated as of January 29, 2007, Abitibi-Consolidated Inc. ("Abitibi") and Bowater Incorporated ("Bowater") became wholly-owned subsidiaries of AbitibiBowater ("the Combination"). Bowater is deemed to be the "acquirer" of Abitibi for accounting purposes, and AbitibiBowater is deemed to be the successor to Bowater for purposes of U.S. securities laws and regulations governing financial reporting. Therefore, the financial and operating statistics herein reflect the results of operations and financial position of both Abitibi and Bowater for the periods beginning on or after October 29, 2007 and those of Bowater for the periods before October 29, 2007. This table should be used in conjunction with our Press Release and unaudited Consolidated Financial Statement Information, and related notes. Amounts may not add due to rounding.

<sup>2</sup> As a result of the Combination, each issued and outstanding share of Bowater common stock and exchangeable share of Bowater Canada Inc. (a wholly-owned subsidiary of Bowater now named AbitibiBowater Canada Inc.) was converted into 0.52 of a share of AbitibiBowater common stock and 0.52 of an exchangeable share of AbitibiBowater Canada Inc., respectively.

Each issued and outstanding share of Abitibi common stock was exchanged for either 0.06261 of a share of AbitibiBowater common stock or 0.06261 of an exchangeable share of AbitibiBowater Canada Inc. We retroactively restated all share and share-related information, including dividends declared per share, earnings per share, shares outstanding, book value per share and stock prices, for all periods preceding the Combination to reflect the Bowater exchange ratio of 0.52.

<sup>3</sup> Included in Corporate/Other/Severance/Impairment Operating Loss - severance and termination charges of \$7 million, \$ million, \$8 million, \$9 million, \$8 million, \$12 million and \$7 million in the third quarter of 2008, second quarter of 2008, first quarter of 2008, fourth quarter of 2007, third quarter of 2007, second quarter of 2007 and first quarter of 2007, respectively; merger-related costs of \$29 million, \$10 million, \$8 million and \$3 million in the fourth quarter of 2007, third quarter of 2007, second quarter of 2007 and first quarter of 2007, respectively; closure costs, impairment and other related charges of \$138 million, \$8 million, \$10 million and \$123 million (including \$100 million of asset impairment charges) in the third quarter 2008, second quarter of 2008, first quarter of 2008 and fourth quarter of 2007, respectively; and an arbitration award of \$28 million in the third quarter of 2007.

<sup>4</sup> The Company defines EBITDA as operating income (loss) plus depreciation, amortization, cost of timberland harvested and asset and goodwill impairment minus net gains on disposition of assets. Therefore, EBITDA by segment includes operating income (loss) by segment plus depreciation, amortization and cost of timber harvested by product as presented in the previous sections. In addition, asset and goodwill impairment charges (Note 3) and net gains on disposition of assets are adjusted through corporate / other / severance / impairment. Included in Newsprint is a \$7 million inventory write-down in the fourth quarter of 2007 related to a mill closure.

<sup>5</sup> Included in long term debt are the revaluation (step-up or step-down to fair value) of debt balances.

<sup>6</sup> Total capitalization includes total debt, minority interests in subsidiaries, redeemable preferred stock and shareholders' equity.

<sup>7</sup> ROE = Net income (loss) available to common shareholders divided by average common equity (total shareholders' equity less preferred stock).

<sup>8</sup> RONA = Operating income divided by average net assets (total assets less total current liabilities, excluding debt).

<sup>9</sup> Current Ratio = Total current assets divided by total current liabilities.