

Financial and Operating Statistics ^(1,2,3) (Page 1 of 4)Under Creditor Protection Proceedings as of April 16 and 17, 2009 ⁽²⁾

Dollars in millions, except per-share amounts	2007					2008				
	First	Second	Third	Fourth ⁽¹⁾	Total	First	Second	Third	Fourth	Total
Income Statement Data										
Total sales	\$ 772	\$ 798	\$ 815	\$ 1,491	\$ 3,876	\$ 1,728	\$ 1,696	\$ 1,730	\$ 1,617	\$ 6,771
Operating income (loss)	25	15	(82)	(358)	(400)	(149)	(63)	(159)	(1,059)	(1,430)
Interest income	2	2	2	3	9	3	3	3	1	10
Interest expense, net of capitalized interest	47	47	47	108	249	129	203	187	187	706
Other income (expense), net	(6)	(16)	(18)	31	(9)	31	12	(1)	41	83
Minority interests, net of tax	(7)	2	3	3	1	(1)	(5)	(8)	(13)	(27)
Net loss before extraordinary item	(35)	(63)	(142)	(250)	(490)	(248)	(251)	(302)	(1,177)	(1,978)
Extraordinary loss on expropriation of assets, net of tax	-	-	-	-	-	-	-	-	(256)	(256)
Net loss	(35)	(63)	(142)	(250)	(490)	(248)	(251)	(302)	(1,433)	(2,234)
Diluted loss per common share ⁽¹⁾	(1.19)	(2.09)	(4.75)	(5.09)	(14.11)	(4.32)	\$ (4.36)	\$ (5.23)	\$ (38.75)	(38.79)
Dividends declared per common share ⁽¹⁾	\$ 0.38	\$ 0.38	\$ 0.38	\$ -	\$ 1.15	\$ -	\$ -	\$ -	\$ -	\$ -
Average diluted shares outstanding (in thousands) ⁽¹⁾	29,856	29,864	29,879	49,058	34,702	57,497	57,593	57,634	57,638	57,584
Ending shares outstanding (in thousands) ⁽¹⁾	29,859	29,877	29,880	57,470	57,470	57,579	57,634	57,636	57,641	57,641
Sales by Segment										
Newsprint	\$ 303	\$ 313	\$ 296	\$ 662	\$ 1,574	\$ 809	\$ 788	\$ 826	\$ 815	\$ 3,238
Coated papers	129	129	152	160	570	169	166	176	148	659
Specialty papers	141	151	142	366	800	459	449	473	448	1,829
Market pulp	133	138	160	169	600	168	169	156	133	626
Wood products	63	64	62	129	318	123	124	98	73	418
Timber / other	3	3	3	5	14	-	-	1	-	1
Total sales	\$ 772	\$ 798	\$ 815	\$ 1,491	\$ 3,876	\$ 1,728	\$ 1,696	\$ 1,730	\$ 1,617	\$ 6,771
Income (Loss) by Segment										
Newsprint	\$ (5)	\$ (11)	\$ (39)	\$ (79)	\$ (134)	\$ (69)	\$ 1	\$ 28	\$ 70	\$ 30
Coated papers	9	4	14	15	42	34	35	30	27	126
Specialty papers	(8)	(11)	(20)	(46)	(85)	(39)	(32)	7	50	(14)
Market pulp	19	18	29	30	96	31	21	6	8	66
Wood products	(14)	(7)	(11)	(59)	(91)	(35)	(13)	(10)	(11)	(69)
Net gain on disposition of assets	58	65	17	5	145	23	17	5	4	49
Corporate / other / severance / impairment ⁽⁴⁾	(34)	(43)	(72)	(224)	(373)	(94)	(92)	(225)	(1,207)	(1,618)
Total income (loss) by segment	\$ 25	\$ 15	\$ (82)	\$ (358)	\$ (400)	\$ (149)	\$ (63)	\$ (159)	\$ (1,059)	\$ (1,430)

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Under Creditor Protection Proceedings as of April 16 and 17, 2009⁽²⁾

Dollars in millions, except per ton items	2007					2008				
	First	Second	Third	Fourth ⁽¹⁾	Total	First	Second	Third	Fourth	Total
Depreciation and Amortization by Segment										
Newsprint	\$ 31	\$ 33	\$ 33	\$ 68	\$ 165	\$ 83	\$ 80	\$ 82	\$ 96	\$ 341
Coated papers	10	9	10	9	38	10	10	9	8	37
Specialty papers	19	18	18	54	109	69	69	66	35	239
Market pulp	14	13	13	14	54	14	13	13	13	53
Wood products	5	5	4	9	23	11	11	11	7	40
Corporate / other	1	2	1	3	7	4	4	3	5	16
Total depreciation	\$ 80	\$ 80	\$ 79	\$ 157	\$ 396	\$ 191	\$ 187	\$ 184	\$ 164	\$ 726
EBITDA by Segment⁽⁵⁾										
Newsprint	\$ 26	\$ 22	\$ (6)	\$ (11)	\$ 31	\$ 14	\$ 81	\$ 110	\$ 166	\$ 371
Coated papers	19	13	24	24	80	44	45	39	35	163
Specialty papers	11	7	(2)	8	24	30	37	73	85	225
Market pulp	33	31	42	44	150	45	34	19	21	119
Wood products	(9)	(2)	(7)	(50)	(68)	(24)	(2)	1	(4)	(29)
Corporate / other / severance / impairment	(33)	(41)	(71)	(221)	(366)	(90)	(88)	(222)	(1,202)	(1,602)
Total EBITDA	\$ 47	\$ 30	\$ (20)	\$ (206)	\$ (149)	\$ 19	\$ 107	\$ 20	\$ (899)	\$ (753)
Average Transaction Price per Unit										
Newsprint (mt)	\$ 618	\$ 605	\$ 586	\$ 597	\$ 601	\$ 623	\$ 672	\$ 718	\$ 725	\$ 682
Coated papers (st)	713	690	707	766	720	843	887	920	878	882
Specialty papers (st)	653	651	660	688	699	710	745	778	785	754
Market pulp (mt)	627	651	672	690	661	713	719	723	638	700
Wood products (mbf)	274	282	301	288	287	283	283	276	222	269
Operating Cost per Unit										
Newsprint (mt)	\$ 628	\$ 627	\$ 663	\$ 669	\$ 652	\$ 676	\$ 671	\$ 695	\$ 662	\$ 676
Coated papers (st)	663	668	642	694	667	673	701	764	716	713
Specialty papers (st)	690	698	753	774	741	770	799	768	698	760
Market pulp (mt)	537	566	550	567	556	583	630	698	598	626
Wood products (mbf)	335	313	354	420	368	363	312	305	256	313
Shipments to 3rd Parties (thousands of units)										
Newsprint (mt)	490	517	505	1,108	2,620	1,299	1,173	1,149	1,125	4,746
Coated papers (st)	181	187	215	209	792	201	187	191	169	748
Specialty papers (st)	216	232	215	532	1,195	646	602	607	570	2,425
Market pulp (mt)	212	212	238	245	907	236	235	215	209	895
Wood products (mbf)	230	227	206	448	1,111	435	439	354	328	1,556

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Under Creditor Protection Proceedings as of April 16 and 17, 2009⁽²⁾

Dollars in millions, except per ton items	2007					2008				
	First	Second	Third	Fourth ⁽¹⁾	Total	First	Second	Third	Fourth	Total
Product Inventory (thousands of units)										
Newsprint (mt)	94	102	104	221	221	208	191	218	129	129
Coated papers (st)	51	47	33	26	26	27	43	42	39	39
Specialty papers (st)	57	70	68	151	151	146	155	161	143	143
Market pulp (mt)	55	59	51	50	50	59	64	64	101	101
Financial Position										
Cash and cash equivalents	\$ 98	\$ 89	\$ 84	\$ 195	\$ 195	\$ 292	\$ 341	\$ 295	\$ 192	\$ 192
Working capital (excluding debt)	532	553	515	917	917	1,104	1,167	1,160	1,337	1,337
Timber and timberlands	57	58	59	58	58	54	52	51	47	47
Fixed assets, net	2,827	2,782	2,737	5,707	5,707	5,569	5,314	4,955	4,460	4,460
Total assets	4,589	4,548	4,510	10,319	10,319	10,325	10,188	9,937	8,072	8,072
Current installments of long-term debt (including short-term bank debt)	16	16	94	953	953	1,260	668	1,002	955	955
Long-term debt, net of current installments	2,246	2,243	2,244	4,695	4,695	4,697	5,441	5,190	5,015	5,015
Revaluation of debt ⁽⁶⁾	44	42	40	(571)	(571)	(553)	(714)	(693)	(671)	(671)
Total equity (deficit)	796	718	566	1,899	1,899	1,618	1,475	1,154	(476)	(476)
Total capitalization ⁽⁷⁾	3,128	3,052	2,982	7,697	7,697	7,722	7,734	7,492	5,630	5,630
Cash Flow Information										
Operating income (loss)	\$ 25	\$ 15	\$ (82)	\$ (358)	\$ (400)	\$ (149)	\$ (63)	\$ (159)	\$ (1,059)	\$ (1,430)
Depreciation, amortization and cost of timber harvested	80	80	80	156	396	191	187	184	164	726
Deferred income taxes	(3)	28	7	(108)	(76)	(8)	(1)	(31)	(185)	(225)
Cash flows used in operations	(16)	(40)	(58)	(133)	(247)	(197)	(157)	(74)	8	(420)
Cash invested in fixed assets, timber and timberlands	(26)	(25)	(22)	(55)	(128)	(35)	(47)	(45)	(59)	(186)
Disposition of assets and timber and timberlands	64	83	19	31	197	29	176	10	5	220
Cash flows provided by (used in) investing activities	29	54	(7)	101	177	(7)	64	(41)	(43)	(27)
Cash dividends, including minority interests	(11)	(11)	(12)	(15)	(49)	(2)	(5)	(7)	(11)	(25)
Cash flows (used in) provided by financing activities	(14)	(23)	60	143	166	301	142	69	(68)	444
Additional Information										
Percentage return on average common equity, annualized (ROE) ⁽⁸⁾	-14.4%	-33.1%	-88.5%	-81.1%	-35.8%	-14.1%	-16.2%	-22.9%	-657.5%	-313.6%
Percentage return on average net assets, annualized (RONA) ⁽⁹⁾	2.4%	1.4%	-8.0%	-21.8%	-6.0%	-1.6%	-2.8%	-1.8%	-13.6%	-17.9%
Current ratio ⁽¹⁰⁾	2.2	2.2	1.8	1.0	1.0	0.9	1.3	1.1	1.3	1.3
Book value - common shareholders' equity per common share ⁽¹⁾	\$ 51.27	\$ 46.24	\$ 36.44	\$ 33.04	\$ 33.04	\$ 28.10	\$ 25.59	\$ 20.03	\$ (8.26)	\$ (8.26)
Common stock price - high ⁽¹¹⁾	\$ 57.62	\$ 51.52	\$ 50.23	\$ 37.60	\$ 57.62	\$ 26.13	\$ 14.89	\$ 9.76	\$ 4.24	\$ 26.13
Common stock price - low ⁽¹¹⁾	\$ 41.29	\$ 39.10	\$ 26.87	\$ 14.13	\$ 14.13	\$ 4.70	\$ 8.65	\$ 3.75	\$ 0.24	\$ 0.24
Common stock price - quarter/annual (close) ⁽¹¹⁾	\$ 45.81	\$ 47.98	\$ 28.69	\$ 20.61	\$ 20.61	\$ 12.91	\$ 9.33	\$ 3.87	\$ 0.47	\$ 0.47

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Notes

¹ 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") combined in a merger of equals with each becoming a wholly-owned subsidiary of AbitibiBowater (the "Combination"). Bowater was deemed to be the "acquirer" of Abitibi for accounting purposes, and AbitibiBowater has been deemed to be the successor to Bowater for purposes of U.S. securities laws and 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.

² On April 16, 2009, AbitibiBowater and certain of its U.S. and Canadian subsidiaries filed voluntary petitions (collectively, the "Chapter 11 Cases") in the United States Bankruptcy Court for the District of Delaware (the "U.S. Court") for relief under the provisions of Chapter 11 of the United States Bankruptcy Code, as amended ("Chapter 11"). In addition, on April 17, 2009, AbitibiBowater and certain of its Canadian subsidiaries sought creditor protection (the "CCAA Proceedings") under the Companies' Creditors Arrangement Act with the Superior Court of Quebec in Canada. On April 17, 2009, Abitibi-Consolidated Inc. and its wholly-owned subsidiary, Abitibi-Consolidated Company of Canada, each filed a voluntary petition for provisional and final relief (the "Chapter 15 Cases") in the U.S. Court under the provisions of Chapter 15 of the United States Bankruptcy Code, as amended, to obtain recognition and enforcement in the United States of certain relief granted in the CCAA Proceedings. The Chapter 11 Cases, the Chapter 15 Cases and the CCAA Proceedings are collectively referred to as the "Creditor Protection Proceedings." Our subsidiaries which own our Bridgewater, United Kingdom and Mokpo, South Korea operations were not included in the Creditor Protection Proceedings and will continue to operate outside of such proceedings.

³ Our financial and operating statistics have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The assets and liabilities in our financial and operating statistics do not reflect any adjustments relating to the Creditor Protection Proceedings.

⁴ Included in Corporate / Other / Severance / Impairment Operating Loss - severance and termination charges of \$16 million, \$7 million, \$17 million, \$8 million, \$32 million, \$8 million, \$12 million and \$7 million in the fourth quarter of 2008, 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 of assets other than goodwill and other related charges, excluding severance and termination charges noted above, of \$282 million, \$138 million, \$8 million, \$10 million and \$100 million in the fourth quarter of 2008, third quarter of 2008, second quarter of 2008, first quarter of 2008 and fourth quarter of 2007, respectively; inventory write-downs of \$10 million and \$20 million in the third quarter of 2008 and second quarter of 2008, respectively; goodwill impairment charges of \$810 million in the fourth quarter of 2008; and an arbitration award of \$28 million in the third quarter of 2007.

⁵ The Company defines EBITDA as operating income (loss) plus depreciation, amortization, cost of timberland harvested and asset and goodwill impairment minus net gain 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 4) and net gain 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.

⁶ Included in long term debt are the revaluation (step-up or step-down to fair value) of debt balances.

⁷ Total capitalization includes total debt, minority interests in subsidiaries, redeemable preferred stock and shareholders' equity (deficit).

⁸ ROE = Net income (loss) available to common shareholders divided by average common equity (total shareholders' equity less preferred stock).

⁹ RONA = Operating income divided by average net assets (total assets less total current liabilities, excluding debt).

¹⁰ Current Ratio = Total current assets divided by total current liabilities.