

Verso Corporation

**First Quarter 2015
Earnings Conference Call**

May 19, 2015



Forward-Looking Statements

In this presentation, all statements that are not purely historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements may be identified by the words “believe,” “expect,” “anticipate,” “project,” “plan,” “estimate,” “intend” and other similar expressions. Forward-looking statements are based on currently available business, economic, financial and other information and reflect management’s current beliefs, expectations and views with respect to future developments and their potential effects on Verso. Actual results could vary materially depending on risks and uncertainties that may affect Verso and its business. For a discussion of such risks and uncertainties, please refer to Verso’s filings with the Securities and Exchange Commission. Verso assumes no obligation to update any forward-looking statement made in this presentation to reflect subsequent events or circumstances or actual outcomes.

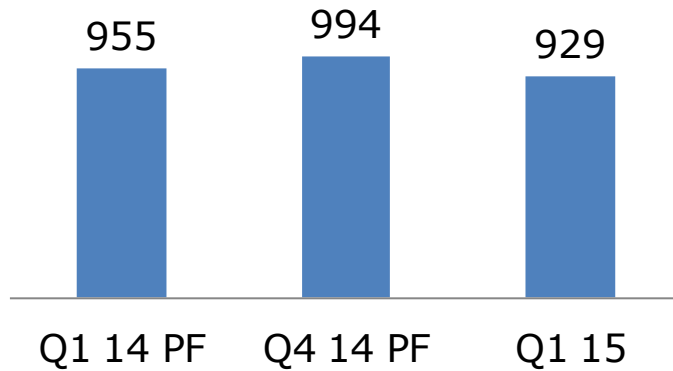
Q1 2015 Overview

- Completed the NewPage acquisition on January 7th
- Completed the sale of the Bucksport mill on January 29th (operations ceased on December 5th)
- 2015 actual results reflect performance post-close of the NewPage acquisition and does not include the first 6 days of January activity for NewPage
- Q1 15 Adjusted EBITDA of \$44MM; 26% increase versus Q1 14 Adjusted EBITDA of \$35MM on a Pro Forma ("PF") basis
- Coated volume up 2.6% from Q1 14 (PF), but down (3.6)% versus the seasonally stronger Q4 14 (PF)
- Total Paper Segment price up 2.0% vs. Q1 14 (PF) and up 1.6% vs. Q4 14 (PF)
 - CFS Web prices up 3.1% and 1.5% respectively
 - CGW Web prices down (2.8)% and up 0.6% respectively
- Operations had difficult quarter; Inventory levels in line with expectations
- Input prices increased from Q4 14 in energy and wood; compared to Q1 14 wood costs increased, energy and raw materials have declined
- Synergy achievement and organizational/headcount actions on track

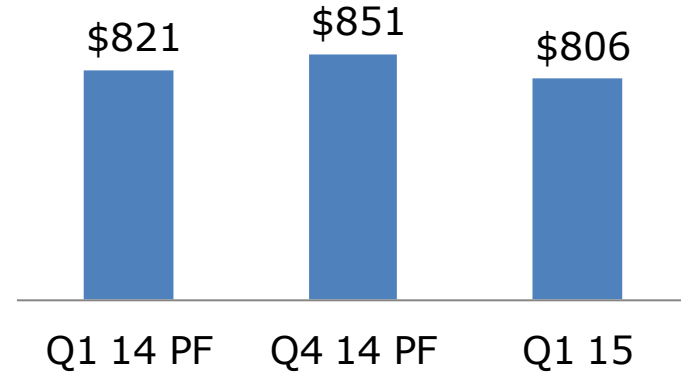
Q1 15 Actual vs. Q1 14 & Q4 14 Pro Forma*



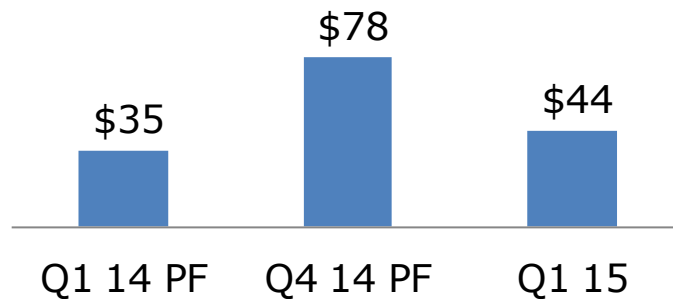
Volume (K Tons)



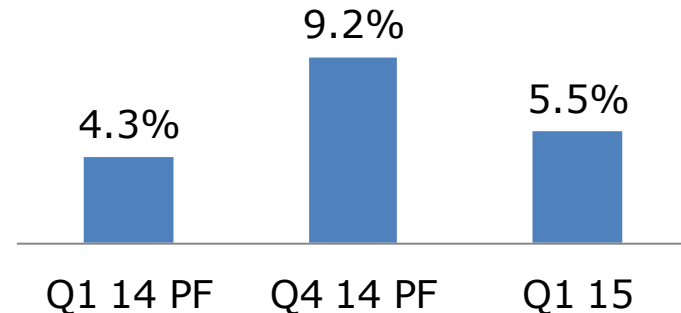
Revenue (\$'MM)



Adjusted EBITDA (\$'MM)



Adjusted EBITDA Margin %



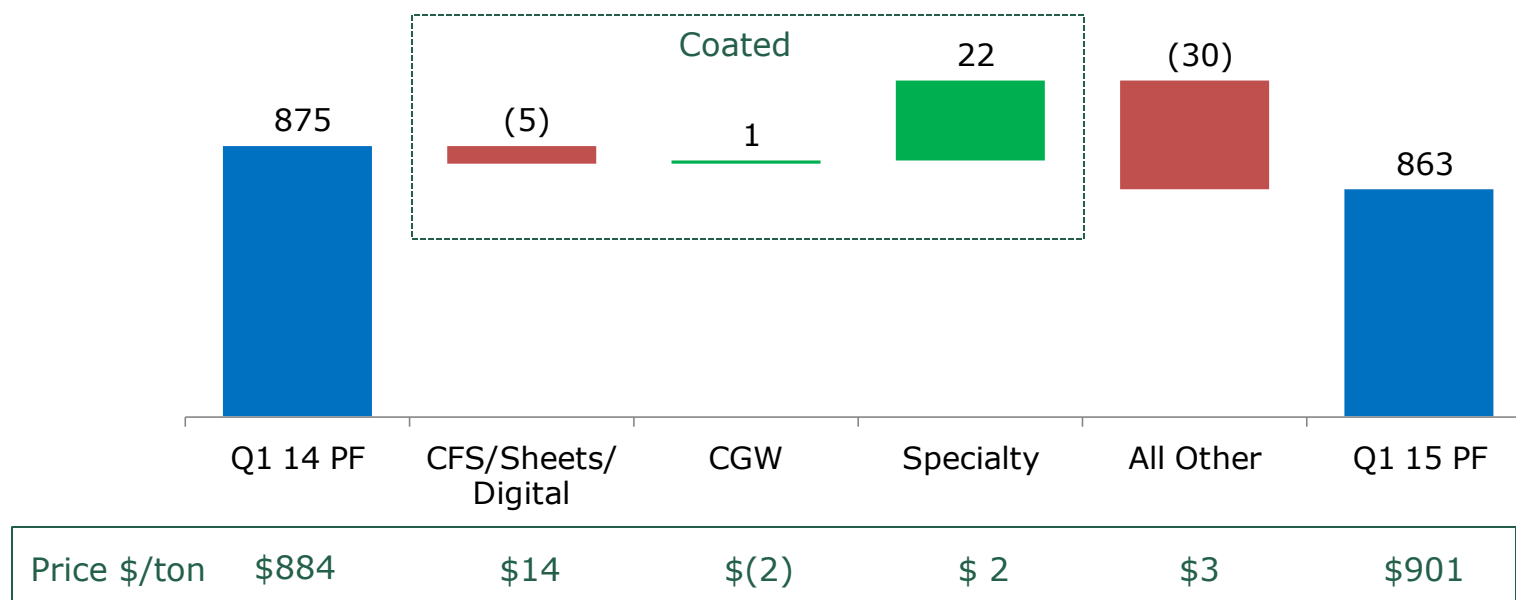
* Pro Forma 2014 excludes Biron, Bucksport & Rumford

*2015 Actual does not include the first 6 days of January activity for NewPage

Paper Segment Performance

| Q1 14 vs Q1 15 Shipment Change | | |
|--------------------------------|--------|--------|
| | PPPC | Verso |
| CFS | (5.0)% | (1.1)% |
| CGW | (3.3)% | 0.4% |

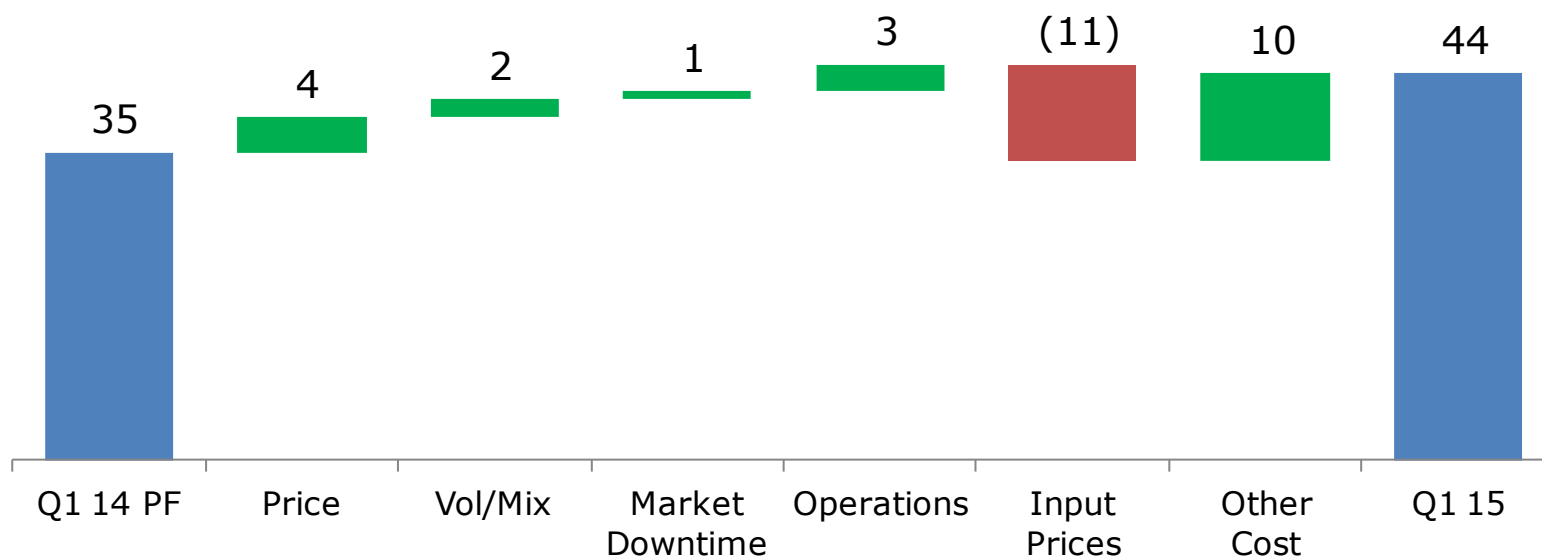
Paper Volume (K tons) and Price Q1 14 PF to Q1 15 PF*



* Q1 2015 includes the first 6 days of January
 Source - Pulp and Paper Products Council (PPPC)

Adj. EBITDA Q1 14 Pro Forma vs. Q1 15

\$'MM

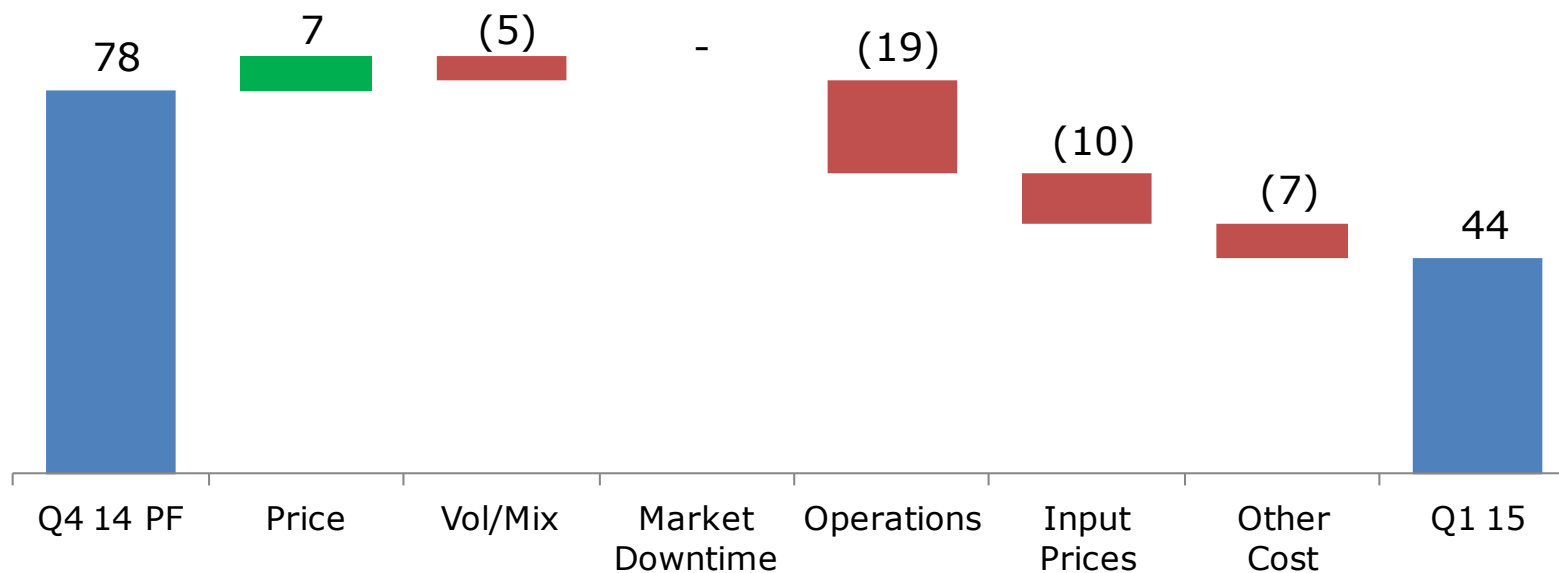


Pro Forma 2014 excludes Biron, Rumford and Bucksport

* 2015 Actual does not include the first 6 days of January activity for NewPage

Adj. EBITDA Q4 14 Pro Forma vs. Q1 15







\$'MM



Pro Forma 2014 excludes Biron, Rumford and Bucksport

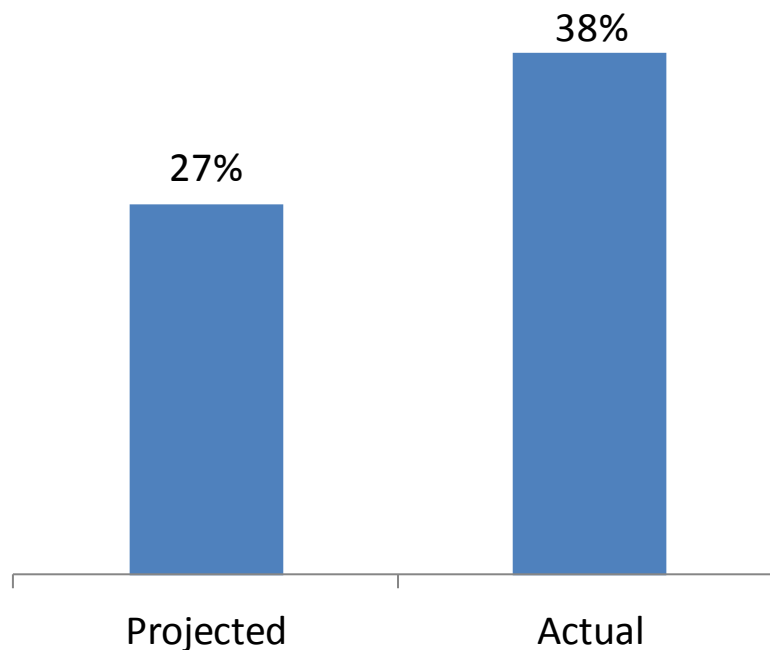
* 2015 Actual does not include the first 6 days of January activity for NewPage

Q1 15 Input Prices Movements

| Segment | Vs. Q1 14 | Vs. Q4 14 | Comments |
|------------------|---|---|---|
| Chemicals |  |  | Primary driver is Latex - lower crude oil prices impacting the styrene and butadiene indexes |
| Wood |  |  | Wood prices driven by frigid winters coupled with wet summers causing regional system inventories to erode; together with a reduction in logging capacity |
| Energy |  |  | Y-o-Y lower Natural Gas prices driven by growth in production Q-o-Q driven by higher coal, fuel oil and purchased wood waste prices |

Synergy Achievement Ahead of Target on a Run-Rate Basis by 40% through Q1 ...

Q1 15 Annual Run Rate Compared to Target



... On track to achieve \$175MM of Synergies

Liquidity & Net Debt

| Liquidity \$'MM | 12/31/14 | 3/31/15 |
|-------------------------------|-----------|------------|
| Revolving Credit Facilities * | 199 | 506 |
| - Balance Drawn | 93 | 239 |
| - Letters of Credit | 39 | 77 |
| Remaining Capacity | 67 | 190 |
| Cash | 6 | 14 |
| Total Liquidity | 73 | 204 |

*ABL availability limited; 2014 includes hydro revolving credit facility

| Net Debt \$'MM | 12/31/14 | 3/31/15 |
|---------------------------------|--------------|--------------|
| Cash | 6 | 14 |
| Revolving Credit Facilities | 93 | 239 |
| Senior Secured Term Loan | - | 734 |
| First Lien Notes (at par) | 418 | 1,063 |
| Net First Lien Debt | 505 | 2,022 |
| 1.5 Lien Notes | 272 | 272 |
| Sec Priority Sr. Notes (at par) | 396 | 275 |
| Senior Sub notes | 143 | 104 |
| Net Holdco Debt | 1,316 | 2,673 |

Outlook for Q2 2015

- Remain ahead of schedule on integration and synergy achievement
- Continuing transition of the Rumford and Biron mills to Catalyst, expected to be completed in Q3 15
- Volumes relatively flat vs. Q2 14 (PF) and Q1 15
- RISI forecasting imports to increase ~10% for CFS vs. the prior quarter
- CFS, including sheets, pricing up \$10/ton compared to prior quarter
- Inventories will increase seasonally, but down 5-10% from Q2 14 (PF)
- Improved mill operations
- Scheduled maintenance outages at Androscoggin and Escanaba
- Overall input prices relatively flat vs. Q1 15
 - Higher wood prices offset by favorable chemical and energy prices

Appendix



Net Loss to Adj. EBITDA Reconciliation

| | As Adjusted Three Months Ended | | Three Months Ended | As Adjusted Twelve Months Ended | |
|--|---|----------------------|--------------------------|--|-------------------|
| | March 31, 2014 | December 31, 2014 | | March 31, 2015 | March 31, 2015 |
| (Dollars in millions) | | | | | |
| Net loss | \$ (137) | \$ (459) | \$ (122) | \$ (444) | |
| Income tax expense (benefit) | — | (4) | — | (4) | |
| Interest expense, net | 84 | 253 | 66 | 235 | |
| Depreciation, amortization, and depletion | 65 | 248 | 57 | 240 | |
| EBITDA | 12 | 38 | 1 | 27 | |
| Adjustments to EBITDA: | | | | | |
| Restructuring charges ⁽¹⁾ | — | 141 | 22 | 163 | |
| Integration ⁽²⁾ | — | — | 5 | 5 | |
| NewPage acquisition-related costs ⁽³⁾ | 10 | 63 | 19 | 72 | |
| Hedge losses (gains) ⁽⁴⁾ | 12 | 17 | (5) | — | |
| Equity award expense ⁽⁵⁾ | (2) | 13 | 1 | 16 | |
| Trademark impairment ⁽⁶⁾ | — | 7 | — | 7 | |
| Other items, net ⁽⁷⁾ | 3 | 10 | 1 | 8 | |
| Adjusted EBITDA before pro forma effects of profitability program | 35 | 289 | 44 | 298 | |
| Pro forma effects of profitability program ⁽⁸⁾ | | | | 38 | |
| Adjusted EBITDA | | | | \$ 336 | |

- (1) Represents costs primarily attributable to the closure of the Bucksport mill and the costs associated with reorganizing the business after the NewPage acquisition.
- (2) Represents costs associated with efforts to integrate the legacy Verso and NewPage operations, generate cost savings and capture synergies across the combined company.
- (3) Represents costs incurred in connection with the NewPage acquisition, including one-time impacts of purchase accounting.
- (4) Represents unrealized losses (gains) on energy-related derivative contracts.
- (5) Represents amortization of non-cash incentive compensation.
- (6) Represents non-cash impairment charge on trademarks.
- (7) Represents miscellaneous non-cash and other earnings adjustments.
- (8) Represents cost savings expected to be realized as part of our cost savings program, exclusive of synergies.

- The following table reconciles net (loss) income to EBITDA and Adjusted EBITDA for the periods presented as adjusted to include historical operations of NewPage, excluding the Biron and Rumford mills, and excluding Bucksport.

Adjusted EBITDA Definition

Adjusted EBITDA is EBITDA further adjusted to eliminate the impact of certain items that we do not consider to be indicative of the performance of our ongoing operations and other pro forma adjustments permitted in calculating covenant compliance in the indentures governing our debt securities.

Prior periods have been adjusted to include historical operations of NewPage, excluding the Biron and Rumford mills, and excluding Bucksport. Adjusted EBITDA is modified to reflect the amount of net cost savings projected to be realized as a result of specified activities taken during the preceding 12-month period.

You are encouraged to evaluate each adjustment and to consider whether the adjustment is appropriate. In addition, in evaluating Adjusted EBITDA, you should be aware that in the future, we may incur expenses similar to the adjustments included in the presentation of Adjusted EBITDA.

We believe that the supplemental adjustments applied in calculating Adjusted EBITDA are reasonable and appropriate to provide additional information to investors.

We also believe that Adjusted EBITDA is a useful liquidity measurement tool for assessing our ability to meet our future debt service, capital expenditures, and working capital requirements.