



APPLETON *Coated*



Media Contacts:

Ann Whalen, Appleton Coated LLC, 920-968-3809, awhalen@appletoncoated.com
Shawn Hall, NewPage Corporation, 937-242-9373, shawn.hall@newpagecorp.com
Amy Olson, Sappi Fine Paper North America, 617-423-5409, amy.olson@sappi.com
Gary Hubbard, United Steelworkers (USW), 202-256-8125, ghubbard@usw.org

FOR IMMEDIATE RELEASE

**U.S. DEPARTMENT OF COMMERCE FINDS THAT CHINA AND INDONESIA IMPROPERLY SUBSIDIZE
THEIR COATED PAPER PRODUCERS**

IMPOSES PRELIMINARY TARIFFS TO LEVEL THE PLAYING FIELD

WASHINGTON, DC – (March 2, 2010) - Appleton Coated LLC, NewPage Corporation, and Sappi Fine Paper North America – together with the United Steelworkers (USW) -- commended the U.S. Department of Commerce for its preliminary countervailing duty determinations against subsidized coated paper imports from China and Indonesia. As a result of these determinations, the Department of Commerce will impose tariffs on imports of coated paper to offset the unfair advantage provided by subsidization. The Department of Commerce found that Chinese coated paper was subsidized by an average rate of 8.38 percent. Asia Pulp & Paper (APP) producers Gold East, Gold Huasheng, Ningbo Zhonghua and Ningbo Asia Pulp and Paper received a subsidy margin of 12.83 percent, while Sun Paper received a rate of 3.92 percent. In Indonesia, APP/Sinar Mas producers Tjiwi Kimia and Indah Kiat received a subsidy margin of 17.48 percent. All other Indonesian producers/exporters will be subject to this same rate. The result of the Department's actions will be the immediate requirement that these importers of paper from the subject countries will have to post bond or cash deposits in an amount equal to the announced margins pending final resolution of the cases later this year.

The companies and the USW filed unfair trade cases on September 23, 2009 with the U.S. Department of Commerce and the U.S. International Trade Commission ("ITC") alleging that certain coated paper from China and Indonesia had been dumped and subsidized resulting in injury to the domestic industry and its employees. The paper products covered by the petitions include coated paper used in high-quality writing, printing and other graphic applications, using sheet-fed presses with a GE brightness rating of 80 or higher and weighing up to 340 grams per square meter.

The decision announced today by the Department of Commerce supports the allegations in the petitions that imports from these two countries is being subsidized. Specifically, in the China investigation the Department of Commerce found that Chinese producers benefitted from preferential lending, preferential income tax programs, tax credits for purchasing domestically-produced equipment, import duty and VAT exemptions for imported capital equipment, research and development tax credits and preferential provision of electricity. In the Indonesia investigation, the Department of Commerce found that the provision of timber for less than adequate remuneration, government debt forgiveness and the government of Indonesia's ban on the export of logs, provided countervailable subsidies to coated paper producers in Indonesia.

In addition, with respect to the China investigation, the Department of Commerce noted that it is reviewing the Petitioners' allegation that undervaluation of China's currency provides a subsidy, as well as other new subsidy allegations, which could make a difference in the rates assessed in the final determination.

Leo W. Gerard, USW international president, said, "Commerce's decision will help begin to restore fair trade in the coated paper sector. Too many paper workers have already lost their jobs and the community impact has been tragic. The subsidies used by China and Indonesia are grossly unjust and we welcome the tariff margins as a remedy."

The Department of Commerce's decision follows the preliminary determination of injury to the industry by the ITC last November. The ITC's report showed that imports from China and Indonesia jumped by more than 40 percent during the first six months of 2009 compared with a similar period of time in 2008. During the same period, shipments of paper covered by the domestic manufacturers' petitions declined by about 16 percent. Market share held by Chinese and Indonesian imports increased from 15.3 percent in the first six months of 2008 to more than 25 percent during the same period in 2009.

"The Department of Commerce's preliminary decision is welcome news to U.S. coated fine paper companies, workers and the communities in which we operate. The decision validates our allegations of subsidies that have injured the industry," said Mark Gardner, president and chief executive officer of Sappi Fine Paper North America. "All we're seeking is fair competition and protection against those companies not making investments in sustainable practices."

Tom Curley, president and chief executive officer of NewPage Corporation, said, "We have a world-class work force; highly competitive, well-managed assets; and sound environmental practices from proper forest management to efficient use of energy and raw materials to low-cost transportation and logistics. Given a balanced score card and level playing field, we believe NewPage can compete with anyone in the global marketplace."

John Cappy, president and chief executive officer of Appleton Coated LLC, said, "The Commerce Department's announcement today identifies some of the specific subsidies that have benefitted Chinese and Indonesian producers. The Commerce Department will continue its investigation and will verify the information submitted by the Indonesian and Chinese respondents. The good news is that we're making progress in identifying and responding to these unfair trade practices. The bad news is that the injury that these practices have already inflicted on the companies and their workers required us to bring this trade case in the first place."

The next step following today's announcement by the Department of Commerce comes in April when the Department of Commerce will issue its preliminary determinations in the antidumping duty investigations of coated paper from China and Indonesia. These trade cases are expected to take about a year to complete with a final resolution expected sometime this fall.

The domestic industry has experienced capacity reductions and under-utilization resulting in the loss of jobs in communities all across the country. The petitions show that unfairly traded imports from China and Indonesia are a significant contributor to that underutilization of capacity, mill closures and resultant job loss.

The three companies employ about 6,000 production workers represented by the USW at 20 paper mills operating in seven states.

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About Appleton Coated

Appleton Coated, headquartered in Kimberly, Wisconsin, provides focused market leadership in premium coated and specialty paper products. The Appleton Coated product portfolio includes a range of commercial printing and book publishing papers marketed under the Utopia® brand as well as specialty and private label products. Known for their performance, aesthetics, and environmental attributes, Appleton Coated manufactures their products in a state-of-the-art facility in Combined Locks, Wisconsin, hosting the newest paper machine in North America. For more information please visit our website at www.appletoncoated.com/.

About NewPage Corporation

Headquartered in Miamisburg, Ohio, NewPage Corporation is the largest coated paper manufacturer in North America, based on production capacity, with \$3.1 billion in net sales for the year ended December 31, 2009. The company's product portfolio is the broadest in North America and includes coated freesheet, coated groundwood, supercalendered, newsprint and specialty papers. These papers are used for corporate collateral, commercial printing, magazines, catalogs, books, coupons, inserts, newspapers, packaging applications and direct mail advertising.

NewPage owns paper mills in Kentucky, Maine, Maryland, Michigan, Minnesota, Wisconsin and Nova Scotia, Canada. These mills have a total annual production capacity of approximately 4.4 million tons of paper, including approximately 3.2 million tons of coated paper, approximately 1.0 million tons of uncoated paper and approximately 200,000 tons of specialty paper. For more information, visit www.NewPageCorp.com.

About Sappi Fine Paper North America

Sappi Fine Paper North America (SFPNA) is a leading North American producer of coated fine paper used in premium magazines, catalogues, books and high-end print advertising. Headquartered in Boston, Massachusetts, Sappi Fine Paper North America is known for innovation and quality. Its brand names, including McCoy, Opus, Somerset and Flo, are some of the industry's most widely recognized and specified. SFPNA is a division of Sappi Limited (NYSE, JSE), a global company headquartered in Johannesburg, South Africa, with manufacturing operations on four continents in 10 countries, sales offices in 50 countries, and customers in over 100 countries around the world. Learn more about Sappi Fine Paper North America at: www.sappi.com/na/. For the media kit and past press releases, visit the "About Us" section of the website.

About the United Steelworkers

The United Steelworkers (USW) is a North American union headquartered in Pittsburgh that negotiates labor agreements representing 850,000 active workers employed in metals, mining, pulp, paper, timber, rubber, chemicals, glass, auto supply, energy producing industries, plus the service and professional sectors to include healthcare, municipalities and pharmaceuticals. For more information: www.usw.org/.

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