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NEWS RELEASE

FOR IMMEDIATE RELEASE

Verso Paper Reports Fourth Quarter and Full Year 2006 Results

MEMPHIS, Tennessee – (March 27, 2007) – Verso Paper Holdings LLC ("Verso Paper") today reported its results for the fourth quarter and the combined results of the successor business, Verso Paper Holdings LLC and the predecessor business, the Coated and Supercalendered Papers Division of International Paper Company, for the year ended December 31, 2006.

Highlights for the fourth quarter of 2006 include:

- Revenues of $408.0 million in 2006 compared to $410.9 million during the prior year period.
- Operating income of $21.9 million versus operating income of $11.8 million in the prior year period.
- Net loss of ($6.0) million for the quarter versus net income of $4.7 million in the prior year period.
- Adjusted EBITDA of $55.6 million versus $56.1million during the prior year. (Note: Adjusted EBITDA is a non-GAAP measure and is defined and reconciled to Net Income later in this release).
- $25 million optional prepayment of Term Loan B made in December.

Highlights for the year ended 2006 include:

- Revenues of $1,611.3 million in 2006 compared to $1,603.8 million during the prior year.
- Operating income of $71.3 million versus operating income of $60.2 million for the prior year.
- Net income of $8.9 million compared to $27.6 million in 2005.
- Adjusted EBITDA of $221.8 million for the year ended December 31, 2006 versus $216.2 million for the prior year. (Note: Adjusted EBITDA is a non-GAAP measure and is defined and reconciled to Net Income later in this release).

"We had a solid fourth quarter and total year results for 2006 showed improvement over 2005," said Mike Jackson, President and CEO. "We have made significant progress in the few months since closing the Acquisition of the business in August 2006. Furthermore, our transition activities are on track as we move to a stand-alone company. Our core values, principles, strategies and metrics have also been developed and shared with all of our employees. Our vision is "3000 As One" and we are well on our way to becoming a very efficient, focused and responsive Company".

On August 1, 2006, Verso Paper acquired the assets and certain of the liabilities of the Coated and Supercalendered Papers Division of International Paper located at the mills in Jay, Maine, Bucksport, Maine, Quinnesec, Michigan and Sartell, Minnesota, together with related other facilities and assets and certain administrative and sales and marketing functions (collectively, the "Acquisition") pursuant to the terms of an Agreement of Purchase and Sale (the "Purchase and Sale Agreement") entered into with International Paper Company on June 4, 2006. In connection with the Acquisition, Verso Paper issued $1,185 million of debt, consisting of a $285 million term loan B facility, $600 million of second-priority senior secured notes, and $300 million of senior subordinated notes. The Company also raised a $200 million revolving credit facility, which was undrawn at the closing of the Acquisition (and remains undrawn).

Summary Results

	Three Months Ended December 31,		Fiscal Year Ended December 31,	
	Predecessor 2005	Successor 2006	Predecessor 2005	Predecessor & Successor 2006
NET SALES	$410.9	$408.0	$1,603.8	$1,611.3
COSTS AND EXPENSES:				
Cost of products sold (excluding depreciation and amortization)	$347.6	$341.4	$1,338.3	$1,360.9
Depreciation and amortization	$33.2	$29.6	$129.4	$121.0
Selling, general, and administrative expenses	$14.4	$8.7	$65.6	$48.3
Restructuring and other charges	$3.8	$6.4	$10.4	$9.8
OPERATING INCOME	$11.8	$21.9	$60.2	$71.3
Interest income	$0.0	($1.3)	$0.0	($1.8)
Interest expense	$3.4	$29.2	$14.8	$57.2
INCOME BEFORE INCOME TAXES	$8.4	($6.0)	$45.4	$15.9
INCOME TAX EXPENSE	$3.7	$0.0	$17.9	$7.0
NET INCOME	$4.7	($6.0)	$27.6	$8.9

Net sales for the three months ended December 31, 2006 were $408.0 million compared to $410.9 million for the three months ended December 31, 2005, a decrease of 0.7%. The decrease was the result of a 2.0% decrease in volume, offset by a 1.4% increase in the average sales price per ton for the three months ended December 31, 2006, compared to the average sale price per ton for the three months ended December 31, 2005.

Cost of sales for the three months ended December 31, 2006 was $371.0 million, which included a $1.3 million inventory fair value adjustment, compared to $380.8 million for the three months ended December 31, 2005, a decrease of 2.6%. Excluding the fair value of inventory adjustment, cost of sales decreased 2.9%. An increase in input prices for wood, pulp, energy and raw materials during the fourth quarter of 2006 was offset by improvements in productivity and material usages which were influenced by our focus on cost reductions and efficiency improvements. Our gross margin, excluding depreciation expense, for the three months ended December 31, 2006 was 16.3%, compared to 15.4% for the same period in 2005. Excluding the fair value of inventory adjustment, the gross margin for the three months ended December 31, 2006 was 16.6%.

Reconciliation of Net Income to Adjusted EBITDA

Certain covenants contained in the credit agreement governing our Senior Secured Credit Facilities and the indentures governing the Second-Priority Senior Secured Notes (i) require the maintenance of a senior secured debt to Adjusted EBITDA ratio and (ii) restrict our ability to take certain actions such as incurring additional debt or making acquisitions if we are unable to meet defined Adjusted EBITDA to Fixed Charges, senior secured debt to Adjusted EBITDA and consolidated debt to Adjusted EBITDA ratios. The most restrictive of these covenants, the covenants to incur additional indebtedness and the ability to make future acquisitions, require an Adjusted EBITDA to Fixed Charges ratio (measured on a trailing four-quarter basis) of 2.0 : 1.0. Failure to comply with these covenants can result in limiting our long-term growth prospects by hindering our ability to incur future indebtedness or grow through acquisitions.

EBITDA consists of earnings before interest, taxes depreciation and amortization. EBITDA is a measure commonly used in our industry and we present EBITDA to enhance your understanding of our operating performance. We use EBITDA as one criterion for evaluating our performance relative to that of our peers. We believe that EBITDA is an operating performance measure, and not a liquidity measure, that provides investors and analysts with a measure of operating results unaffected by differences in capital structures, capital investment cycles and ages of related assets among otherwise comparable companies. Adjusted EBITDA is defined as EBITDA further adjusted to exclude unusual items and other pro forma adjustments permitted in calculating covenant compliance in the indentures governing the notes to test the permissibility of certain types of transactions. We have included Adjusted EBITDA because we consider it to be an important supplemental measure of our operating performance. 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. However, EBITDA and Adjusted EBITDA are not measurements of financial performance under U.S. GAAP, and our EBITDA and Adjusted EBITDA may not be comparable to similarly titled measures of other companies. You should not consider our EBITDA or Adjusted EBITDA as an alternative to operating or net income, determined in accordance with U.S. GAAP, as an indicator of our operating performance, or as an alternative to cash flows from operating activities, determined in accordance with U.S. GAAP, as an indicator of our cash flows or as a measure of liquidity.

($ in millions)	Predecessor Year Ended December 31, 2005	Predecessor Three Months Ended December 31, 2005	Successor Three Months Ended December 31, 2006	Successor and Predecessor Combined Year Ended December 31, 2006
Net Income	$27.5	$4.7	($6.0)	$8.9
Interest expense, net	14.8	3.4	27.9	55.3
Income taxes	17.9	3.7	0.0	7.0
Depreciation and amortization	129.4	33.3	29.6	121.0
EBITDA	$189.6	$45.1	$51.5	$192.2
Adjustments to EBITDA				
Lease not assumed (1)	10.7	3.0	0.0	5.8
Change in machine use, net (2)	1.8	2.9	0.0	2.8
Restructuring, severance and other (3)	10.4	3.9	6.5	9.8
Non-cash compensation/benefits (4)	5.3	2.3	0.4	5.4
Incremental estimated standalone costs, net (5)	(3.4)	(0.1)	(4.0)	(12.0)
Inventory fair value (6)	0.0	0.0	1.3	5.9
Other items, net (7)	1.8	(1.0)	(0.1)	11.9
Adjusted EBITDA	$216.2	$56.1	$55.6	$221.8
Pro forma cash interest expense, net (8)				$102.6
Adjusted EBITDA to cash interest expense				2.2

(1) Reflects the elimination of the historical rent expense incurred on the Sartell property lease that was not assumed by us.
(2) Represents the elimination or addition of expected earnings as a result of changes in the use of two of our paper machines at the Androscoggin mill prior to the Transactions.
(3) Includes restructuring and severance as per our financial statements. Restructuring includes transition and other non-recurring costs associated with acquisition and carve out.
(4) Represents amortization of certain one-time benefit payments and non-cash benefit payments. Also includes the elimination of historical non-cash stock compensation costs previously incurred by us under International Paper's compensation plan.
(5) Represents incremental estimated costs for activities previously part of the corporate allocation (primarily information technology, human resources administration, finance, tax, treasury, sourcing and environmental, health and safety), as well as other incremental costs we anticipate incurring on a stand-alone basis subsequent to the Transactions.
(6) Represents the fair value of inventory adjustment related to purchase accounting.
(7) Represents earnings adjustments for exceptional bad debt expenses, recoveries and other miscellaneous non-recurring items,
(8) Pro forma for the Transactions. Cash interest expense represents gross interest expense related to the debt, excluding amortization of debt issuance costs.

Forward Looking Statements

Certain statements in this press release, including without limitation, statements made under the caption "Overview" 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. In addition, the management of Verso Paper Holdings, LLC (which may be referred to as "Verso," "we," "us," "our" or the "Company") may from time to time make oral forward-looking statements. Forward-looking statements may be identified by the words "believe," "expect," "anticipate," "project," "plan," "estimate," "will" or "intend" and similar expressions. The forward-looking statements contained herein reflect our current views with respect to future events and are based on our currently available financial, economic and competitive data and on current business plans. Actual results could vary materially depending on risks and uncertainties that may affect the Company's operations, markets, services, prices and other factors. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to: economic factors such as an interruption in the supply of or increased pricing of raw materials due to natural disasters, competitive factors such as pricing actions by our competitors that could affect our operating margins, and regulatory factors such as changes in governmental regulations involving our products that lead to environmental and legal matters.

About Verso Paper

Based in Memphis, Tennessee, Verso Paper is one of the leading North American suppliers of coated papers, which are used primarily in media and marketing applications, including catalogs, magazines, commercial printing applications, such as high-end advertising brochures, annual reports and direct mail advertising. Verso has the leading North American market share in coated groundwood paper, which is used primarily for catalogs and magazines and is also one of North America's largest producers of coated freesheet paper, which is used primarily for upscale catalogs and magazines, annual reports, and magazine covers. Additional information is available at www.versopaper.com.

Conference Call

Verso Paper will host a conference call on Wednesday, March 28, 2007 at 10 A.M. Eastern Time to discuss fourth quarter and full year 2006 results. This release and the fourth quarter results will be made available on the Verso Paper website (www.versopaper.com).

Analysts and investors may participate in the live conference call by dialing 800-599-9829 (toll free domestic) or 617-847-8703 (international), access code 66738385. To register, please dial in 10 minutes before the conference call begins.

A replay of the call can be accessed at 888-286-8010 (toll free domestic) or 617-801-6888 (international), access code 68733528. The replay will be available starting at 12:00 PM (EST) on March 28, 2007, and will remain available until noon (EST) on April 11, 2007.

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