Company to a price of $12.50 per share, consisting of up to 50% of stock of Party K, at the election of the Company stockholders, with the balance in cash.

On September 8, 2013, representatives of Parent began confirmatory due diligence work with representatives of the Company. The next day, the Company received a draft of a revised confidentiality agreement with Party K requiring that Party K be able to share the Company's confidential information with Party C and its affiliate in order to permit Party K to make either a "joint bid" or a subsequent separation of the paper and packaging businesses of the Company. J.P. Morgan attempted to clarify with Party K's financial advisor whether the requirement to be able to share information with Party C reflected that Party C's participation would be required for Party K to commit to a transaction. Party K's financial advisor maintained that it was Party K's position that Party C and its affiliate should be allowed to participate in the due diligence process. On that day, Party J's financial advisor contacted J.P. Morgan and reiterated Party J's interest in purchasing the Company's packaging business, but not the entire Company.

From September 9, 2013 through September 12, 2013, representatives of Parent toured the Company's mills and other facilities.

On the evening of September 9, 2013, Mr. Stecko called Mr. Albert to inform Mr. Albert that the confirmatory due diligence process was proceeding well and that he believed Parent would be ready to sign a definitive agreement by the following weekend. Mr. Stecko requested that the Company continue to work with Parent in accordance with its proposed timeline.

On September 10, 2013, representatives of J.P. Morgan and representatives of the Company each communicated the position that in order for the Company to proceed as proposed by Parent, it would likely be necessary for Parent to increase its price above $12.10. J.P. Morgan also expressed to Party H's financial advisor that it was important that Party H provide a valuation as soon as possible. Also on that day, Skadden sent to Mayer Brown LLP ("**Mayer Brown**"), Parent's outside legal counsel, a draft acquisition agreement contemplating a tender offer followed by a back-end merger that would be consummated in accordance with Section 251(h) of the DGCL.

On September 11, 2013, International Paper Company announced plans to permanently close its mill in Courtland, Alabama, with full closure expected to be completed by the end of the first quarter in 2014 (the "**IP Announcement**"). Following the IP Announcement, J.P. Morgan again contacted Party B to determine whether Party B would be willing to increase the price at which it would be prepared to purchase the Company's paper business. Party B responded to J.P. Morgan that it continued to be interested in purchasing the Company's paper business only at a valuation at or near $500 million. None of the parties previously contacted by J.P. Morgan to assess their interest in the purchase of the Company's paper business or of the entire Company expressed any renewed interest as a result of the IP Announcement.

Over the next few days, J.P. Morgan continued to discuss the structure of Party K's bid with Party K's financial advisor. Party K was unable to provide assurance that it was prepared to execute on a whole Company, stand-alone transaction at $12.50 per share that was not contingent on the involvement of a third party, and none of the other former participants in the process provided any increased proposals. On the evening of September 12, 2013, Mayer Brown sent a mark-up of the draft merger agreement to Skadden.

On September 14, 2013, Party H submitted a written indication of interest to the Company at a valuation of $11.50 per share in cash or a combination of cash and up to 50% Party H stock. J.P. Morgan contacted Party H's financial advisor to explore whether Party H would raise its price, but no indication of a higher price was forthcoming. In a telephonic conversation that afternoon, Mr. Stecko reported to Mr. Albert that Parent would increase its proposal to $12.55 per share, but that it would require a termination fee equal to 4% of the equity value of the Company. The Company's management and Mr. Albert, in consultation with J.P. Morgan and Skadden, determined to strongly resist Parent's demand for a 4% termination fee, but determined that it would be beneficial for the Company's in-house counsel and Skadden to begin negotiating the other terms of the draft merger agreement, which negotiations began telephonically that evening. During the evening, at a special meeting of the Company Board, Mr. Albert briefed the Company Board on the status of the respective indications of interest that the Company had received and asked Company Board members to be prepared for an in-person board meeting the following day to review those alternatives and the status of negotiations with Parent.

On September 15, 2013, negotiations on the draft merger agreement continued. That night the Company convened a special in-person meeting of the Company Board. The meeting was delayed and interrupted multiple times as the parties negotiated the remaining terms of the merger agreement, including the termination fee. Early in the morning on September 16, 2013, the parties agreed to a resolution of remaining open issues, including a termination fee of 3.5% of equity value, and the Company Board meeting continued. At the Company Board meeting, J.P. Morgan reviewed the strategic alternatives and competitive bid process that had been conducted. The Company Board again reviewed issues associated with various alternatives, including~~ the tax, separation costs and execution risks associated with~~, with respect to a spin-off or sale of the Company's paper business~~ or~~, estimated one-time separation costs of approximately $100 million and, with respect to a sale of the Company's packaging business, potential tax costs of an even greater amount. The Company Board also considered the execution risks associated with various alternatives. Among the further issues that the Company Board discussed with respect to a spin-off or sale of either the Company's paper business or packaging business were concerns (i) that a spin-off of the Company's paper business or a sale of the Company's packaging business would leave the resulting paper business thinly capitalized with a highly concentrated customer base, (ii) as to the significant dis-synergies entailed in a splitting of corporate services and (iii) as to costs related to a spin-off of the Company's paper business or sale of the Company's packaging business, including potential additional payments to the Company's debt holders. The Company Board also considered the potential impact on the Company's paper business and on the paper market generally of the IP Announcement, including the Company Board's assessment of the markets affected and the timing of such impact. The Company Board additionally took into account that the highest indication of interest that the Company received for its packaging business was approximately $1.3 billion on a debt-free basis, which did not reflect completed diligence, and that the highest indication of interest that the Company received for the Company's paper business was approximately $500 million on a debt-free basis (which had been reduced from an initial $775 million indication following diligence by the potential acquiror), which valuation was reconfirmed after the IP Announcement. The Company Board noted that these two highest indications of interest would imply a value of $1.8 billion on a debt-free basis for the Company's businesses, which, after adjusting for the Company's outstanding debt, would imply a value per share of approximately $10.90 before taking into account separation and tax costs. The Company Board also noted that the expected separation and tax costs were sufficiently material that the implied aggregate value to Company stockholders from the separate sales of the Company's paper and packaging businesses was expected to be significantly lower than the Offer Price of $12.55. Following a review of the Company Board's fiduciary duties by a representative of Skadden, a review of the terms of the proposed merger agreement, a valuation analysis from J.P. Morgan, the rendering of an opinion by J.P. Morgan to the effect that, as of the date of such opinion, and subject to and based on the factors, assumptions, limitations and qualifications set forth therein, the $12.55 per share consideration to be received in the Offer and Merger by holders of Shares was fair, from a financial point of view, to such holders and a discussion of the proposed merger agreement and potential alternatives, the Company Board unanimously (i) determined that the Merger Agreement and the transactions contemplated thereby, including the Offer and the Merger, are advisable, fair to, and in the best interests of the Company and its stockholders, (ii) adopted and approved the Merger Agreement and the transactions contemplated thereby, including that the Merger will be governed by Section 251(h) of the General Corporation Law of the State of Delaware and that the Merger will be consummated as soon as practicable following the consummation of the Offer, and (iii) resolved to recommend that the holders of Shares accept the Offer and tender their Shares in the Offer. Immediately following the meeting of the Company Board, the compensation committee of the Company Board reviewed the terms of, and approved, certain Company employment compensation and employee benefit arrangements with respect to the employees of the Company, as more fully described above in "*Item 3. Past Contacts, Transactions, Negotiations and Agreements — Interests of Certain Persons; Agreements and Arrangements with Current Executive Officers and Directors of the Company*."

On the morning of September 16, 2013, the Company, Parent and Purchaser executed the Merger Agreement.

Prior to the opening of the markets on September 16, 2013, the Company and Parent issued a joint press release announcing the proposed transaction. The press release is filed as Exhibit (a)(1)(G) to this Schedule 14D-9, and is hereby incorporated herein by reference.

Reasons for the Recommendation.

In evaluating the Merger Agreement and the transactions contemplated thereby, including the Offer and the Merger, and recommending that the holders of Shares accept the Offer and tender their Shares in the Offer, the Company Board considered numerous factors in consultation with the Company's senior management, outside legal counsel and financial advisors, including the following material factors, each of which the Company Board believes supported its determinations:

- *Cash Tender Offer; Certainty of Value.* The Company Board noted that the form of consideration to be paid to holders of Shares in the Offer and the Merger was all cash and considered the certainty of value and liquidity of such cash consideration.
- *Transaction Financial Terms; Premium to Market Price.* The Company Board considered:
    - the fact that the Offer Price represents an approximately 26% premium to the trading price at which the Shares closed on September 13, 2013, the last trading day before the announcement of the Offer;

- the fact that the Offer Price represents premiums of approximately 39%, 39% and 41.9% over the average trading prices for the Shares for the one-month, two-month and three-month periods ending immediately before the date of announcement of the Offer, respectively;
- the fact that the Offer Price is approximately 17% higher than the price included in the initial proposal received from Parent on April 8, 2013 of $10.75 per Share;
- the fact that no other potential bidder submitted an offer to acquire the Company on terms as favorable as those contained in the Offer and the Merger, with several potential bidders indicating that they could not support a valuation at the level of the Offer Price; ~~and~~
- the fact that the highest current indication of interest for the Company's paper business of approximately $500 million, and for the Company's packaging business of approximately $1.3 billion, each on a debt-free basis, would have yielded significantly less aggregate value to Company stockholders than the consideration to be received in the Offer and the Merger, even before taking into account separation and tax costs associated therewith; and
- the Company Board's belief that, based on the history of the Company's negotiations with Parent, it had obtained Parent's and Purchaser's best offer, and that, as of the date of the Merger Agreement, the Offer Price represented the highest per-Share consideration reasonably obtainable.

- *J.P. Morgan Fairness Opinion.* The Company Board considered the financial presentation and opinion, dated September 15, 2013, of J.P. Morgan to the Company Board as to the fairness, from a financial point of view and as of the date of the opinion, of the $12.55 per Share consideration to be received in the Offer and the Merger by holders of Shares (other than Parent and Purchaser and any other direct and indirect wholly-owned subsidiaries of Parent), which opinion was based on and subject to the procedures followed, assumptions made, matters considered and limitations on the scope of review undertaken as more fully described below in "— *Opinion of the Company's Financial Advisor*" and as set forth in its entirety as Annex A hereto and incorporated herein by reference.
- *Financial Condition and Prospects of the Company.* The Company Board considered the current and historical financial condition, results of operations, competitive position in its industry, business strategy, strategic options and prospects of the Company, as well as the Company's financial prospects if it were to remain as an independent public company. The Company Board considered the prospective risks to the Company as a stand-alone entity, including the financial condition and prospects of the Company and execution risk associated with management's business plan for the Company. The Company Board also discussed the benefit to the Company's stockholders of an acquisition at a significant premium to the unaffected market price without being subject to the risks referred to above.
- *Strategic Alternatives.* The Company Board considered its belief that the value offered to holders of Shares in the Offer and the Merger was more favorable to holders of Shares than the potential value of: remaining an independent public company and implementing certain changes to the Company's operations and financing structure; spinning off the paper business into a stand-alone entity held by Company stockholders; or selling substantially all of the assets primarily related to either the paper business segment or the packaging business segment with the intention of operating the remaining business for the benefit of Company stockholders or pursuing the subsequent sale thereof. The Company actively sought proposals starting in early 2013 from multiple potential acquirers with the financial capacity to acquire either the Company as a whole or its paper business or packaging business (as more fully described above in "— *Background of the Offer*").
- *Negotiations of Merger Agreement.* The Company Board considered the fact that the Merger Agreement was negotiated in the context of a competitive process, at arm's-length between the Company and Parent with the assistance of their respective legal and financial advisors.
- *Tender Offer Structure.* The Company Board considered the fact that the Offer followed by the second-step Merger for the same cash consideration, utilizing Section 251(h) of the DGCL, would likely enable holders of Shares the opportunity to obtain the benefits of the transaction more quickly than in a one-step merger transaction.
- *Terms of the Merger Agreement.* The Company Board believed that, taken as a whole, the provisions of the Merger Agreement were favorable to the Company's stockholders. In particular:
    - *Ability to Consider Alternative Transactions and to Terminate the Merger Agreement.* The Company Board considered the provisions of the Merger Agreement that prohibit the Company from soliciting an alternate acquisition proposal from a third party, other than in accordance with the terms and subject to the conditions of the Merger Agreement. In that regard, the Company Board noted that it would be permitted to furnish non-public information to, and engage in discussions or negotiations with, any third party that submits to the

Company an unsolicited proposal, provided that, among other conditions, the Company Board determines in good faith (after consultation with its financial and outside legal advisors) that such proposal constitutes or could reasonably be expected to lead to a superior proposal. The Company Board also considered that it would be able to terminate the Merger Agreement to enter into an acquisition agreement with respect to a superior proposal and noted that the exercise of this right would require the Company to pay Parent a termination fee of approximately 3.5% of the equity value of the Offer and the Merger, taken as a whole, which was in the reasonable range of termination fees in similar acquisition transactions.

  - *Ability to Change Recommendation to Stockholders.* The Company Board considered that it retained the ability to withhold, withdraw, modify or qualify its recommendation to the Company's stockholders, if it concludes in good faith (after consultation with its outside legal counsel) that a failure to do so would be inconsistent with the Company Board's fiduciary duties, including (with certain limitations) in connection with the receipt of a superior proposal. The Company Board also noted that the exercise of this right would give Parent the right to terminate the Merger Agreement and could require the Company to pay Parent the termination fee.

  - *Specific Performance and Monetary Damages.* The Company Board considered that the Company would be entitled to seek specific performance or monetary damages in the event that Parent breaches the Merger Agreement or fails to complete the Offer when required to do so. The Company Board also considered that, in the event the transactions are not consummated in certain circumstances, Parent would be required to pay the Company a reverse termination fee of $30,000,000. The Company Board considered further that, in the event the Merger Agreement is terminated for any reason other than a breach by the Company of its representations, warranties or covenants to Parent and Purchaser under the Agreement, Parent would be required to pay the Company expense reimbursement in the amount of $10,000,000.

- *Likelihood of Consummation.* The Company Board considered the likelihood that the Merger will be consummated. In particular, the Board took into account:

  - the absence of any financing condition to consummation of the Offer or the Merger;

  - the reputation and financial condition of Parent, and Parent's ability to complete the transactions contemplated by the Merger Agreement;

  - Parent's stated desire to close the transaction quickly;

  - that consummation of the Offer is conditioned on a majority of the then-outstanding Shares (on a fully diluted basis, after giving effect to the cancellation of certain equity awards) being validly tendered in the Offer and that such minimum tender condition could not be waived by Parent;

  - that Parent, subject to its limited rights to terminate the Offer, would be required to extend the Offer, at the Company's request, for up to ten business days beyond the initial expiration date of the Offer if the Minimum Condition were not satisfied as of such date;

  - that there are relatively few conditions to the Offer and the Merger and the only material regulatory filing that will be required to consummate the Offer and the Merger is the filing of a pre-merger notification form pursuant to the HSR Act;

  - the outside date of January 31, 2014 for consummating the Merger, which provides for approximately four and one-half months to complete the transactions contemplated by the Merger Agreement;

  - the Company's ability to request the Delaware Court of Chancery to specifically enforce the Merger Agreement, including the consummation of the Offer and the Merger; and

  - the Company's ability under the Merger Agreement to pursue damages.

The Company Board also considered potential risks or negative factors relating to the Offer and the Merger, including the following:

- *Risk of Non-Consummation.* The Company Board considered the risk that the proposed Offer and Merger might not be consummated and the effect of the resulting termination of the Merger Agreement on:

  - the market price of the Shares;

  - the Company's operating results, particularly in light of the costs incurred in connection with the transaction, including the potential requirement to make a termination fee payment; and

- the Company’s ability to attract and retain key personnel.

- *Restrictions on Soliciting Proposals.* The Company Board considered that the Merger Agreement imposes restrictions on soliciting Acquisition Proposals from third parties, including the absence of an explicit “go-shop” provision. However, based upon the robust process to identify strategic alternatives and the broad outreach to potential acquirers of the Company or its businesses as described above in “— *Background of the Offer,*” the Company Board believed it had a strong basis for determining that the Offer and the Merger were the best transactions reasonably available to the Company.

- *Future Growth.* The Company Board considered the fact that if the proposed Merger is consummated, the Company will no longer exist as an independent company, and the Company’s stockholders will no longer participate in the future growth and profits of the Company or benefit from any increases in the value of Company Common Stock. The Company Board concluded that providing the Company’s stockholders the opportunity to sell their Shares at an attractive price currently was preferable to remaining as an independent public company in which the holders of such Shares would have a speculative potential for future gain.

- *Transaction and Opportunity Costs.* The Company Board considered that the Company would incur significant transaction and opportunity costs attempting to consummate the transactions contemplated by the Merger Agreement.

- *Possible Disruption of Business.* The Company Board considered the possible disruption to the Company’s business that may result from the announcement of the transaction and the resulting distraction of the attention of the Company’s management and employees. The Company Board also considered the fact that the Merger Agreement contains limitations regarding the operation of the Company during the period between the signing of the Merger Agreement and the consummation of the proposed Merger. The Company Board believed that it was likely that these risks would be minimized as a result of the transaction being structured as a tender offer, which could result in the prompt consummation of the transactions contemplated by the Merger Agreement.

- *Offer and Merger Consideration Taxable.* The Company Board considered that the cash consideration to be received by the Company’s stockholders in the Offer and the Merger would be taxable to the stockholders. The Company Board believed that this was mitigated by the fact that the entire consideration payable in the transaction would be cash, providing adequate liquidity for the payment of any taxes due.

- *Termination Fee.* The Company Board considered the termination fee of $44,835,000 that could become payable pursuant to the Merger Agreement under certain circumstances, including if the Company terminates the Merger Agreement to accept a superior proposal. The Company Board did not believe that the termination fee would likely deter third parties from making a competing proposal for the Company. The Company Board was also apprised by its legal and financial advisors of the nature and amount of the termination fee in relation to those in other similar transactions.

J.P. Morgan calculated and analyzed the ratios of each selected company's firm value ("**Firm Value**") to consensus equity research analysts' estimates for calendar year 2013 and calendar year 2014 earnings before interest, taxes, depreciation and amortization ("**EBITDA**") and EBITDA minus capital expenditures, which are referred to as Firm Value/EBITDA 2013E and Firm Value/EBITDA 2014E and Firm Value/EBITDA-CAPEX 2013E and Firm Value/EBITDA-CAPEX 2014E, respectively. For purposes of this analysis, the Firm Value of each company was obtained by adding its debt and minority interest (if any) to, and subtracting its most recent publicly disclosed cash balance from, the fully diluted market value of its common equity as of September 13, 2013. In all instances, the Company's EBITDA for 2013 excludes cold outage expense at the DeRidder, Louisiana mill and other non-recurring items. The following presents the results of this analysis:

Category	Firm Value/EBITDA 2013E	Firm Value/EBITDA 2014E	Firm Value/EBITDA-CAPEX 2013E	Firm Value/EBITDA-CAPEX 2014E
Graphic Paper:				
Median	4.8x	4.1x	8.0x	6.1x
Mean	4.8x	4.1x	8.0x	6.1x
Containerboard:				
Median	7.6x	6.6x	11.0x	9.4x
Mean	7.7x	6.8x	11.7x	9.5x
Specialty Paper:				
Median	8.0x	7.0x	12.8x	9.9x
Mean	8.0x	7.0x	12.8x	9.9x
Other:				
Median	4.8x	4.7x	11.7x	11.3x
Mean	4.8x	4.7x	11.7x	11.3x

J.P. Morgan also analyzed trading multiples based on Firm Value to estimated next twelve months (or "**NTM**") EBITDA for the Company and the selected companies as of September 13, 2013 and also calculated on a rolling basis beginning in September 2012 and September 2010 an average for the 1-year and 3-year periods. Results of the analysis were presented for the selected companies, as indicated in the following table:

Selected Companies	Current	1-year	3-year
Boise	5.0x	4.5x	4.2x
Kapstone Paper and Packaging Corp(1).	7.8x	6.8x	5.7x
Packaging Corporation of America	8.0x	7.4x	6.8x
Domtar Corporation	4.4x	4.1x	4.0x
International Paper Company	6.6x	6.3x	5.6x

Note: 2013 Boise EBITDA excludes cold outage expense at the DeRidder, Louisiana mill and other non-recurring items.

(1) Pro forma for acquisition of Longview Fibre Paper and Packaging, Inc. as of June 10, 2013.

Based on the results of these analyses and other factors which it considered appropriate, J.P. Morgan applied (i) a Firm Value/EBITDA 2013E multiple range of 5.75x to 6.75x to the Company management's projected 2013E EBITDA, (ii) a Firm Value/EBITDA 2014E multiple range of 5.00x to 6.00x to the Company management's projected 2014E EBITDA, (iii) a Firm Value/EBITDA-CAPEX 2013E multiple range of 9.00x to 11.00x to the Company management's projected 2013E EBITDA minus 2013E capital expenditures and (iv) a Firm Value/EBITDA-CAPEX 2014E multiple range of 7.00x to 9.00x to the Company management's projected 2014E EBITDA minus 2014E capital expenditures. ~~This~~ These multiple ranges reflect a sum-of-the-parts methodology. The resulting valuation range is illustrative and does not take into account various costs that would be incurred in a separation of the businesses, does not reflect the price at which either of the Company's divisions could be sold and does not reflect an assessment of the values at which either division could be expected to trade on a stand-alone public company basis.

To estimate a sum-of-the-parts trading value, J.P. Morgan considered the public trading multiples of companies considered similar to each of the Company's paper and packaging segments. The FV/EBITDA trading multiple range incorporated an assumed multiple range for the Company's paper division informed by the multiple of Domtar Corporation and a trading multiple range for the Company's packaging division informed by the containerboard peer median. J.P. Morgan also considered differences in financial performance and growth prospects of the Company's businesses and such other factors that J.P. Morgan deemed appropriate.

The percentage of EBITDA from each of the Company's paper and packaging divisions was applied to the paper and packaging trading multiples, respectively, to generate the weighted average trading multiple ranges assumed in the analysis.

J.P. Morgan's analysis resulted in the following implied per Share price ranges, rounded to the nearest ten cents, as compared to the per Share consideration of $12.55:

Valuation Basis	Applicable Amount	Implied per Share Price Range
2013 Firm Value/ EBITDA	$ 325 million	$ 11.60 $ 14.70
2014 Firm Value/ EBITDA	$ 379 million	$ 11.80 $ 15.50
2013 Firm Value/ EBITDA-CAPEX	$ 180 million(1)	$ 9.20 $ 12.70
2014 Firm Value/ EBITDA-CAPEX	$ 229 million(1)	$ 9.00 $ 13.40

Note: Valuation as of September 30, 2013, assumes $678 million of net debt as of September 30, 2013, rounded to the nearest ten cents; 2013 EBITDA excludes cold outage expense at the DeRidder, Louisiana mill and other non-recurring items.

(1) Adjusted for $37 million and $77 million of DeRidder conversion capital expenditures in 2013E and 2014E, respectively, as projected by management.

Selected Transaction Analysis

Using publicly available information, J.P. Morgan examined selected transactions involving businesses which~~, for purposes of~~ J.P. Morgan~~'s analysis, may generally be considered similar~~ judged to be sufficiently analogous to the Company's business or aspects thereof. For each of the selected transactions, J.P. Morgan calculated, to the extent information was publicly available, the transaction value divided by the EBITDA of the target or the target business for the twelve-month period immediately preceding the announcement of the respective transaction (the "**TV/LTM EBITDA**"). The transactions considered, the month and year each transaction was announced, and the resulting TV/LTM EBITDA are as follows:

Transaction	TV/LTM EBITDA
Domtar Corporation's acquisition of four Georgia-Pacific paper mills announced in April 2001	6.0x
Apollo Management LP's acquisition of International Paper Company's coated paper unit announced in June 2006	6.8x
Domtar Corporation's acquisition of Weyerhaeuser's fine paper business announced in August 2006	8.7x(1)
NewPage Corporation's acquisition of Stora Enso Oyj's paper manufacturing operations in North America announced in September 2007	8.5x(2)
Aldabra 2 Acquisition Corp.'s acquisition of Boise White Paper, L.L.C., Boise	7.0x

Transaction	TV/LTM EBITDA
Packaging & Newsprint, L.L.C. and Boise Cascade Transportation Holdings Corp. announced in September 2007	
Rock-Tenn Company's acquisition of Southern Container Corp announced in February 2008.	7.2x
International Paper Company's acquisition of Weyerhaeuser's packaging business announced in March 2008	6.9x(3)
Kapstone Paper and Packaging Corp's acquisition of MeadWestvaco Corporation's Charleston Kraft Division announced in April 2008	6.0x
Rock-Tenn Company's acquisition of Smurfit-Stone Container Corp announced in January 2011.	8.4x(4)
Smurfit Kappa Group's acquisition of Orange County Container Group announced in September 2012	6.4x
Kapstone Paper and Packaging Corp's acquisition of Longview Fibre Paper and Packaging, Inc. announced in June 2013	7.5x

(1) EBITDA does not include $200 million of estimated synergies; transaction multiple of 5.7x with synergies.
(2) EBITDA does not include $265 million of estimated synergies; transaction multiple of 4.5x with synergies.
(3) Excludes $1.4 billion net present value of tax attributes.
(4) Transaction value includes $0.7 billion after-tax pension liability; transaction multiple of 7.2x excluding pension liability.

None of the selected transactions reviewed was identical to the Transaction, and the transaction multiples associated with prior transactions do not purport to be reflective of the price at which the Company could be sold. Transactions involving diversified forest products companies were excluded because these companies were not judged by J.P. Morgan to be sufficiently similar to the Company's business. Based on the results of this analysis and taking into account differences in the Company's business and such other factors that J.P. Morgan considered appropriate, J.P. Morgan applied a TV/LTM EBITDA multiple range of 6.00x to 7.00x to the Company management's estimate for EBITDA for the twelve months ended September 30, 2013 ("**LTM EBITDA**"). The analysis resulted in the following implied per Share price range, rounded to the nearest ten cents, as compared to the per Share consideration of $12.55:

Valuation Basis	Applicable Amount	Implied per Share Price Range	
LTM EBITDA	$ 310 million	$ 11.50	$ 14.50

Note: Valuation as of September 30, 2013, assumes $678 million of net debt as of September 30, 2013, rounded to the nearest ten cents; 2013 EBITDA excludes cold outage expense at the DeRidder, Louisiana mill and other non-recurring items.

Discounted Cash Flow Analysis

J.P. Morgan conducted a discounted cash flow analysis for the purpose of determining an implied fully diluted equity value per Share. J.P. Morgan calculated the unlevered free cash flows that the Company is expected to generate during fiscal years 2013 through 2022 based upon financial projections prepared by management of the Company for the fiscal years 2013 through 2015, and extrapolations of such estimates for the fiscal years 2016 through 2022. J.P. Morgan was advised by Company management that the forecasts took into account the expected effects of the Company's strategic initiatives, both at the DeRidder, Louisiana mill and in the Company's paper business. The extrapolations were developed by J.P. Morgan and were reviewed and approved by management of the Company. These extrapolations were based on the Company's historical performance and on the financial performance implied by the projections from the Company's management. J.P. Morgan also calculated a range of terminal values of the Company at the end of the ten year period ending 2022 by applying a perpetual growth rate ranging from (0.25)% to 0.25% to the unlevered free cash flow of the Company during the terminal period of the projections. J.P. Morgan chose a range of perpetual growth rates ranging from (0.25%) to 0.25% to reflect the expected growth of the Company's free cash flow in a steady state after the year 2022. This range was established following a review of the expected long-term growth of each of the Company's operating segments and consideration of forecasts from industry sources including RISI, Inc. J.P. Morgan estimated that the long-range growth rate for the Company's packaging division would be approximately 1.5% and for the Company's paper division would be approximately (3.0%). The unlevered free cash flows and the range of terminal values were discounted to present values using a range of discount rates from 8.5% to 10.5%, which were chosen by J.P. Morgan based upon an analysis of the capital structures and costs of equity and debt of the Company and its publicly traded comparable companies. In calculating the implied fully diluted equity value per Share, J.P. Morgan adjusted the implied Firm Value for the Company's net debt and divided by the fully diluted Shares outstanding. Based on the foregoing, the analysis resulted in an implied per Share range between $9.40 and $13.80, rounded to the nearest ten cents, as compared to the per Share consideration of $12.55.

Historical Stock Price Analysis

J.P. Morgan reviewed the 52-week trading range of the Company's stock price, which was adjusted for a special dividend of $0.72 per Share paid December 12, 2012. Specifically, the reference range, rounded to the nearest ten cents, was $6.90 to $10.00 for the 52-week trading range ended September 13, 2013. J.P. Morgan noted that this review of the 52 week trading range of the Company's stock price was not a valuation methodology or a component of its fairness analysis but was presented merely for informational and reference purposes.

J.P. Morgan reviewed the per Share consideration of $12.55 to be paid to holders of Shares pursuant to the Merger Agreement in relation to the closing price of Shares on September 13, 2013. J.P. Morgan also reviewed the per Share consideration of $12.55 to be paid to holders of Shares pursuant to the Merger Agreement in relation to the volume-weighted average market prices ("**VWAP**") of Shares during the one-month, two-month and three-month periods ended September 13, 2013. The results of this review were as follows:

Premium Analysis	Value	Premium
Premium to 9/13/2013 close	$ 9.96	26.0 %
Premium to one-month VWAP	$ 9.03	39.0 %
Premium to two-month VWAP	$ 9.03	39.0 %
Premium to three-month VWAP	$ 8.85	41.9 %

Analyst Price Targets

J.P. Morgan reviewed the price targets for Shares by certain equity research analysts, and noted that such price targets ranged from $10.50 per Share to $12.00 per Share. These targets were based on estimates published from May 5, 2013 to September 13, 2013. J.P. Morgan noted that this review of analyst price targets was not a valuation methodology or a component of its fairness analysis but was presented merely for informational and reference purposes.

General

The foregoing summary of certain material financial analyses does not purport to be a complete description of the analyses or data presented by J.P. Morgan. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. J.P. Morgan believes that the foregoing summary and its analyses must be considered as a whole and that selecting portions of the foregoing summary and these analyses, without considering all of its analyses as a whole, could create an incomplete view of the processes underlying the analyses and its opinion. As a result, the ranges of valuations resulting from any particular analysis or combination of analyses described above were merely utilized to create points of reference for analytical purposes and should not be taken to be the view of J.P. Morgan with respect to the actual value of the Company. In arriving at its opinion, J.P. Morgan reviewed various financial and operational metrics for the Company, including forecasts with respect to the Company, which were made available to J.P. Morgan by or on behalf of the Company. In arriving at its opinion, J.P. Morgan did not attribute any particular weight to any analyses or factors considered by it, except as noted above, and did not form an opinion as to whether any individual analysis or factor (positive or negative), considered in isolation, supported or failed to support its opinion. Rather, J.P. Morgan considered the totality of the factors and analyses performed in determining its opinion. Analyses based upon forecasts of future results are inherently uncertain, as they are subject to numerous factors or events beyond the control of the parties and their advisors. Accordingly, forecasts and analyses used or made by J.P. Morgan are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by those analyses. Moreover, J.P. Morgan's analyses are not and do not purport to be appraisals or otherwise reflective of the prices at which businesses actually could be bought or sold. None of the selected companies reviewed is identical to the Company and none of the selected transactions reviewed was identical to the Transaction. However, the companies selected were chosen because they are publicly traded companies with operations and businesses that, for purposes of J.P. Morgan's analysis, may be considered similar to those of the Company based on business sector participation, financial metrics and operating characteristics and products. The analyses necessarily involve complex considerations and judgments concerning differences in financial and operational characteristics of the companies involved and other factors that could affect the companies compared to the Company.

As a part of its investment banking business, J.P. Morgan and its affiliates are continually engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, investments for passive and control purposes, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements, and valuations for estate, corporate and other purposes. J.P. Morgan was selected to advise the Company with respect to the Transactions on the basis of such experience and its familiarity with the Company.

During the two years preceding the date of J.P. Morgan's opinion, J.P. Morgan and its affiliates have had commercial or investment banking relationships with the Company and the Parent, for which J.P. Morgan and such affiliates have received customary compensation. Such services during such period have included acting as lead arranger on two of the Company's credit facilities in November of 2011, and acting as joint lead arranger on two of the Parent's credit facilities in October of 2011. In addition, J.P. Morgan's commercial banking affiliate is an agent bank and a lender under outstanding credit facilities of the Company and the Parent, for which it receives customary compensation or other financial benefits. In the ordinary course of J.P. Morgan's businesses, J.P. Morgan and its affiliates may actively trade the debt and equity securities of the Company or the Parent for J.P. Morgan's own account or for the accounts of customers and, accordingly, J.P. Morgan may at any time hold long or short positions in such securities.

For a description of the terms of J.P. Morgan's engagement as the Company's financial advisor, see the discussion set forth in Item 5 below.

Intent to Tender.

To the knowledge of the Company, after reasonable inquiry, to the extent permitted by applicable securities laws, rules or regulations, including Section 16(b) of the Exchange Act, each executive officer and director of the Company currently intends to tender into the Offer all Shares which are held of record or beneficially by such executive officer or director.

ITEM 5. PERSON/ASSETS, RETAINED, EMPLOYED, COMPENSATED OR USED.

The Company has retained J.P. Morgan as its financial advisors to advise the Company Board in connection with the Transaction. Additional information pertaining to the retention of J.P. Morgan is set forth in "*Item 4. The Solicitation or Recommendation — Background and Reasons for the Company Board's Recommendation — Opinion of the Company's Financial Advisor*" and "*— Background of the Offer*" above and is incorporated by reference herein.

Pursuant to an engagement letter dated February 28, 2013, the Company has agreed to pay J.P. Morgan a fee of approximately $13 million upon the closing of the Transaction, including (i) a fee of $250,000, per quarter, payable in arrears for four quarters commencing on the date of the engagement letter to be credited (only once) against the $13 million fee and (ii) a fee of $1 million, which was payable upon delivery of J.P. Morgan's opinion, to be credited against the $13 million fee. In addition, the Company has agreed to reimburse J.P. Morgan for its reasonable expenses incurred in connection with its services, including the fees and disbursements of counsel, not to exceed $75,000 (increased in June 2013, by oral agreement, to $150,000) without the consent of the Company (such consent not to be unreasonably withheld), and indemnify J.P. Morgan for certain liabilities relating to or arising out of the engagement.

Except as set forth above, neither the Company nor any person acting on its behalf has employed, retained or agreed to compensate any person to make solicitations or recommendations to stockholders of the Company concerning the Offer or the Merger.

ITEM 6. INTEREST IN SECURITIES OF THE SUBJECT COMPANY.

To the Company's knowledge after reasonable inquiry, no transactions in the Common Stock have been effected during the 60 days prior to the date of this Schedule 14D-9 by the Company or by any executive officer, director, affiliate or subsidiary of the Company.

ITEM 7. PURPOSES OF THE TRANSACTION AND PLANS OR PROPOSALS.

Except as set forth in this Statement, the Company is not undertaking or engaged in any negotiations in response to the Offer which relate to:

- a tender offer or other acquisition of the Company's securities by the Company, any subsidiary of the Company or any other person;
- any extraordinary transaction, such as a merger, reorganization or liquidation, involving the Company or any subsidiary of the Company;
- any purchase, sale or transfer of a material amount of assets of the Company or any subsidiary of the Company; or
- any material change in the present dividend rate or policy, or indebtedness or capitalization of the Company.

Except as set forth in this Statement, there are no transactions, resolutions of the Company Board, agreements in principle or signed contracts entered into in response to the Offer that relate to one or more of the events referred to in the preceding paragraph.

ITEM 8. ADDITIONAL INFORMATION.

Certain Company Projections.

The Company's management does not as a matter of course make public projections as to future performance or earnings. Given the cyclical, commodity nature of its businesses, projections for extended periods become highly speculative and unreliable. However, the Company provided, among other information, certain non-public forward-looking information concerning the Company's anticipated operating performance ~~for fiscal years ended December 31, 2013, 2014 and 2015~~ (detailed in the "Summary Management Forecast" table

below) prepared by the Company's management to the Company Board in connection with its consideration of the Offer and the Merger, and to J.P. Morgan. The projections include the expected impact of strategic initiatives approved by the Company's Board, including the DeRidder and International Falls initiatives announced in May 2013. The projections reflect the anticipated improvements to future financial performance as well as the required investment in capital expenditures and working capital to achieve such initiatives. Financial projections for the fiscal years 2013 through 2015 were prepared by management of the Company and financial projections for the fiscal years 2016 through 2022 (detailed in the "Summary Extrapolated Projections" table below) were extrapolated from the fiscal year 2013 through 2015 projections. These extrapolations for fiscal years 2016 through 2022, which were developed by J.P. Morgan and were reviewed and approved by management of the Company, were based on the Company's historical performance and on the financial performance implied by the projections for fiscal years 2013 through 2015 prepared by the Company's management. Certain of these financial projections were also provided to Parent, Purchaser and Parent's financial advisor.

The financial projections reflect numerous estimates and assumptions with respect to industry performance, general business, economic, regulatory, market and financial conditions and other future events, as well as matters specific to the Company's business, all of which are difficult to predict and many of which are beyond the Company's control. As a result, there can be no assurance that the projected results will be realized or that actual results will not be significantly higher or lower than projected. Since the projections cover multiple years, such information by its nature becomes less reliable with each successive year. These financial projections are subjective in many respects and thus are susceptible to multiple interpretations and periodic revisions based on actual experience and business developments. All projections are forward-looking statements. These and other forward-looking statements are expressly qualified in their entirety by the risks and uncertainties identified above and the cautionary statements contained in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2012 and Quarterly Report on Form 10-Q for the quarters ended March 31, 2013 and June 30, 2013. Any provisions of the Private Securities Litigation Reform Act of 1995 that may be referenced in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2012 and Quarterly Report on Form 10-Q for the quarters ended March 31, 2013 and June 30, 2013 are not applicable to any forward looking statements made in connection with the Offer. The Company's filings with the SEC are available at www.sec.gov.

The financial projections were prepared solely based on the Company's internal plans and used in support of strategic planning and not with a view toward public disclosure or toward complying with generally accepted accounting principles, the published guidelines of the SEC regarding projections or the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information. The financial projections included below were prepared by the Company's management. Neither the Company's independent registered public accounting firm nor any other independent accountants have compiled, examined or performed any procedures with respect to the financial projections included below, nor have they expressed any opinion or any other form of assurance with respect to such information or its achievability. Furthermore, the financial projections may differ from publicized analyst estimates and forecasts and do not take into account any circumstances or events occurring after the date they were prepared, including the announcement of the Offer and the Merger. In addition, as the financial projections for the fiscal years 2016 through 2022 were extrapolated from the fiscal year 2013 through 2015 projections, they are inherently even more speculative than the projections for fiscal years 2013, 2014 and 2015.

It is expected that there will be differences between actual and projected results, and actual results may be materially greater or less than those contained in the projections due to numerous risks and uncertainties, including, but not limited to, risks and uncertainties described in reports filed by the Company with the SEC under the Exchange Act, including, without limitation, under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2012.

Readers of this Schedule 14D-9 are strongly cautioned not to place undue reliance on the financial projections set forth below. The inclusion of the projections in this Schedule 14D-9 should not be regarded as an indication that any of the Company, Purchaser, Parent or their affiliates, advisors or representatives considered or consider the projections to be predictive of actual future events, and the projections should not be relied upon as such. None of the Company, Purchaser, Parent or their respective affiliates, advisors, officers, directors or representatives can give any assurance that actual results will not differ from the projections and none of them undertakes any obligation to update or otherwise revise or reconcile the projections to reflect circumstances existing after the date such projections were generated or to reflect the occurrence of future events even in the event that any or all of the assumptions underlying the projections are shown to be in error. None of the Company, Purchaser or Parent intends to make publicly available any update or other revisions to the projections, except as required by law. None of the Company, Purchaser, Parent or their respective affiliates, advisors, officers, directors or representatives has made or makes any representation to any of the Company's stockholders or any other person regarding the ultimate performance of the Company compared to the information contained in the projections or that forecasted results will be achieved. None of the Company, Purchaser, Parent or any of their respective affiliates or representatives makes any representation to any other person regarding the projections. The projections are not being included in this Schedule 14D-9 to influence a shareholder's decision whether to tender his or her Shares in the Offer, but because the projections were provided to the Company Board and to J.P. Morgan.

SUMMARY MANAGEMENT FORECAST
(Amounts in Millions)

	FY 2013F(1)	FY 2014P	FY 2015P
Sales	$ 2,453	$ 2,457	$ 2,522
EBITDA	$ 325	$ 379	$ 415
Capex	$ 181	$ 227	$ 148
Free Cash Flow	$ 95	$ 58	$ 172

(1) 2013 numbers exclude one-time items and the cold outage costs at the Company's mill in DeRidder, Louisiana

SUMMARY EXTRAPOLATED PROJECTIONS
(Amounts in Millions)

	FY 2016P	FY 2017P	FY 2018P	FY 2019P	FY 2020P	FY 2021P	FY 2022P
Sales	$ 2,538	$ 2,545	$ 2,531	$ 2,519	$ 2,507	$ 2,498	$ 2,489
EBITDA	$ 427	$ 429	$ 419	$ 418	$ 417	$ 416	$ 416
Capex	$ 122	$ 125	$ 124	$ 123	$ 123	$ 122	$ 122
Free Cash Flow	$ 190	$ 189	$ 185	$ 184	$ 182	$ 181	$ 179

Information Regarding Executive Compensation.

This section sets forth the information required by Item 402(t) of Regulation S-K regarding the compensation of our chief executive officer, chief financial officer and three other most highly compensated executive officers for 2012 (our "**Named Executive Officers**") that is based on or otherwise relates to the Offer and the Merger. This compensation is referred to as "golden parachute" compensation by the applicable SEC disclosure rules, and in this section we use such term to describe the merger-related compensation that may become payable to our Named Executive Officers.

The Company's Named Executive Officers will be entitled to cash payments in respect of outstanding and unvested Company Options, Company RSUs, Company Performance Unit Awards and Company Restricted Stock, as more fully described under " — *Interests of Certain Persons; Agreements and Arrangements with Current Executive Officers and Directors of the Company*."

The Company's Named Executive Officers are each a party to a severance agreement with Boise Paper Holdings, L.L.C. that provide severance benefits upon termination of the Named Executive Officer's employment under certain circumstances, subject to the execution of a valid release of employment-related claims. The severance agreements also impose confidentiality