



Project Bratton

Discussion Materials

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- A. Detailed Trading Comps
- B. Neenah WACC Analysis
- C. Proforma Income Statement



Executive Summary

Potential Acquisition of Neenah

We recommend that Domtar Corp conduct further due diligence in consideration of a potential merger with Neenah Inc

Neenah's history, reputation, and assets make it attractive for a potential acquisition

- Domtar Corp ("UFS") is considering an acquisition of Neenah Inc ("NP")
- We have analyzed Domtar Corp, Neenah Inc, and a peer group that spans the paper and forestry products and paper packaging industries
- Neenah has a global presence in the premium paper market
 - Since its founding in 1873 in Wisconsin Neenah has been known for quality
 - After a spin off from Kimberly-Clark in 2004 Neenah concentrated on higher margin specialty markets
 - Since 2006 Neenah has invested in manufacturing facilities in North America and abroad
- Neenah products reach over 80 countries and manufactures in the United States, Europe, and United Kingdom
- Technical Products and Fine Paper and Packaging are the segments of Neenah's diverse portfolio
 - Neenah must be able to meet customer preferences at a time when increasing digitalization is strong competition



Executive Summary

Potential Acquisition of Neenah

We recommend that Domtar Corp conduct further due diligence in consideration of a potential merger with Neenah Inc

Neenah's history, reputation, and assets make it attractive for a potential acquisition

- Based on a selected set of valuation methodologies, we conclude that an implied takeover price in a change-of-control transaction be **\$80-93**
 - This represents a 14.5% - 33.4% premium to Neenah's current share price
- Prior to pursuing a deal with Neenah, further assessment of potential synergies would be necessary
- While digitalization is a strong headwind for the industry an acquisition of Neenah compliments the strategy of Domtar and offers diversity
- Neenah Inc would provide Domtar Corp with an attractive set of tangible and intangible assets
 - Paper pulp is one of Neenah's most important raw materials
 - Cost synergies could result through increasing efficiencies in manufacturing and supply chain management
 - Neenah has an established customer base that is loyal to Neenah's wealth of institutional knowledge
- Through our analysis we are confident that this transaction could create value for Domtar Corp's shareholders, while Neenah does trade higher than several peers, our valuation will validate its price and further demonstrate its value to Domtar Corp

Preliminary Valuation

Subject to Further Diligence and Valuation Analysis

Shading represents preliminary valuation range.

Acquisition price: \$80 - \$93

Premium to current price: 14.5% - 33.4%



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Neenah

Company Overview

TOP 10 OWNERSHIP

Shareholder	Share Held	% Total
BlackRock Inc.	2,508,246	14.88%
WELLS FARGO & COMPANY	1,404,991	8.33%
VANGUARD GROUP INC	1,115,068	6.61%
MACQUARIE GROUP LTD	1,070,725	6.35%
WELLINGTON MANAGEMENT GROUP LLP	1,020,437	6.05%
DIMENSIONAL FUND ADVISORS LP	770,048	4.57%
STANDARD LIFE ABERDEEN PLC	749,828	4.45%
STATE STREET CORP	530,132	3.14%
NORTHERN TRUST CORP	386,399	2.29%
JANUS HENDERSON GROUP PLC	353,859	2.10%
TOP 10 Shareholders	9,909,733	58.78%

Business Overview

- Company HQ located in Neenah, Wisconsin
- A specialty materials company organized into 2 primary businesses; a performance based technical products business and a premium fine paper and packaging business

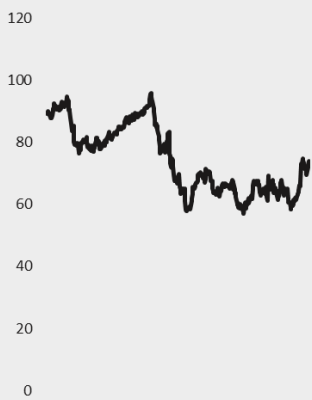
Key Financial Metrics

(\$ in millions, except per share values)			
Recent Close Price (11/22/2019)	\$		69.44
Discount to 52-Week High			-10.46%
Share Outstanding			16.97
Market Capitalization	\$		1,178.40
Plus: Debt			219.60
Less: Cash			7.40
Plus: Non-Controlling Interest			0.00
Enterprise Value	\$		1,390.60
	2018A	2019E	2020E
Revenue	1035	921	847
EBITDA	121	92	93
EV / Revenue	1.51	1.29	1.31
EV / EBITDA	12.93	12.96	11.89
P/E	16.8	21.34	19.25

Neenah is engaged in the technical products and fine paper and packaging business.

Neenah has \$744.4 MM revenue in U.S., \$216.5 MM in Germany, and \$74 MM rest of Germany Geographically.

Two-Year Price Performance



Key Executives



John O'Donnell- President and Chief Executive Officer of the Company. Prior to being CEO, Mr. O'Donnell served as Chief Operating Officer of the Company and President, Fine Paper. Mr. O'Donnell was employed by Georgia Pacific Corporation from 1985 until 2007 and held increasingly senior management positions in the Consumer Products division.



Bonnie Lind- Senior Vice President, Chief Financial Officer and Treasurer since June 2004. Ms. Lind also currently serves as a member of the Board of Directors of Hubbell Incorporated and U.S. Silica Holdings Inc



Julie Schertell- Senior Vice President of the Company and President, Technical Products. Ms. Schertell has been in this role since October 2018. Prior to this role, Ms. Schertell was the President of Fine Paper & Packaging, from January 2011 - September 2018.



Byron Racki- Senior Vice President of the Company and President, Fine Paper & Packaging. Mr. Racki has been in this role since October 2018. Prior to this role, Mr. Racki was the President, Performance Materials, and had been in that role since January 2017.

Company News

- 11/26/19: Neenah Announces 4 Percent Dividend Increase and 2020 Share Repurchase Plan
- 11/13/19: Insider Trends: 90-Day Insider Selling Trend Prolonged at Neenah
- 10/08/19: Sidoti & Company, LLC is hosting a corporate access non-NP US Equity deal roadshow for Neenah Inc.
- 09/19/19: Neenah to Present at DADCO Annual Diversified Industrials & Services Conference
- 04/10/19: Moody's affirms Neenah's Ba2 CFR, outlook remains stable. The affirmation of Neenah's ratings reflects our expectations that the company will be able to maintain strong balance sheet credit metrics despite challenging growth expectations and raw material price inflation

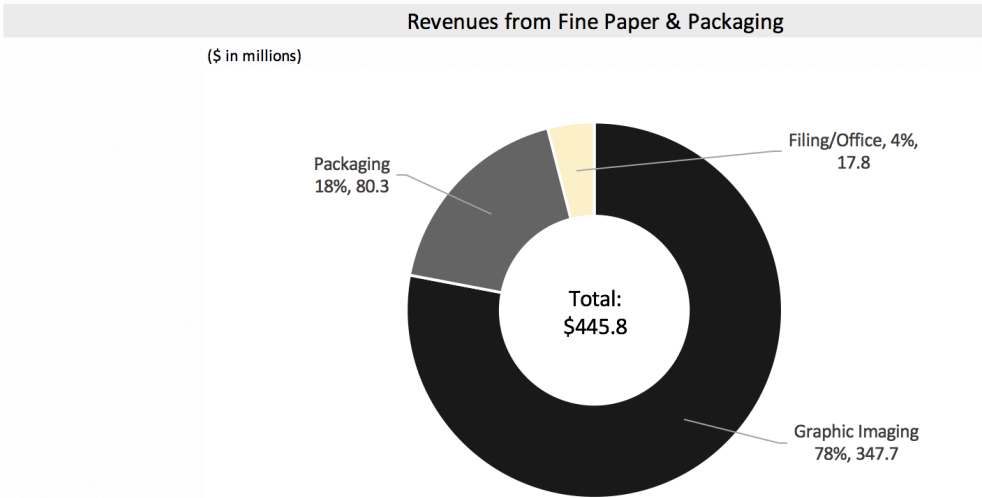
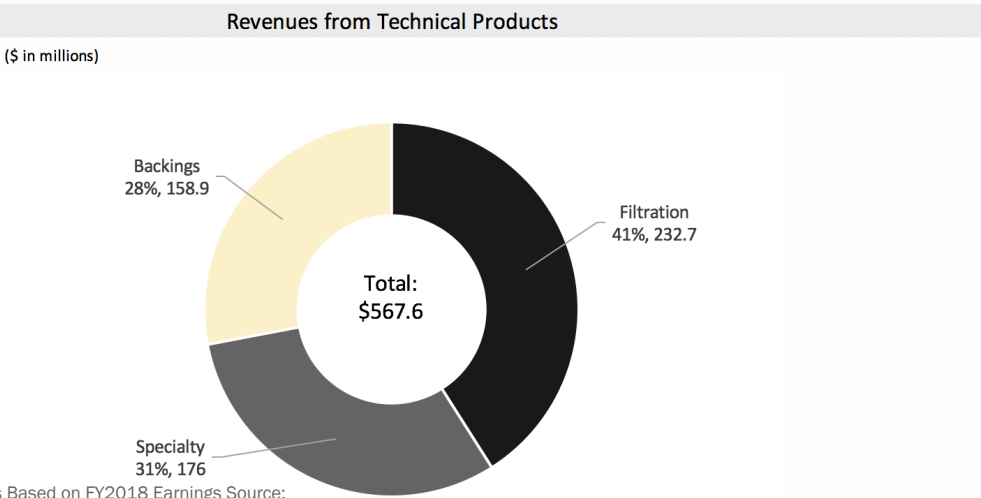
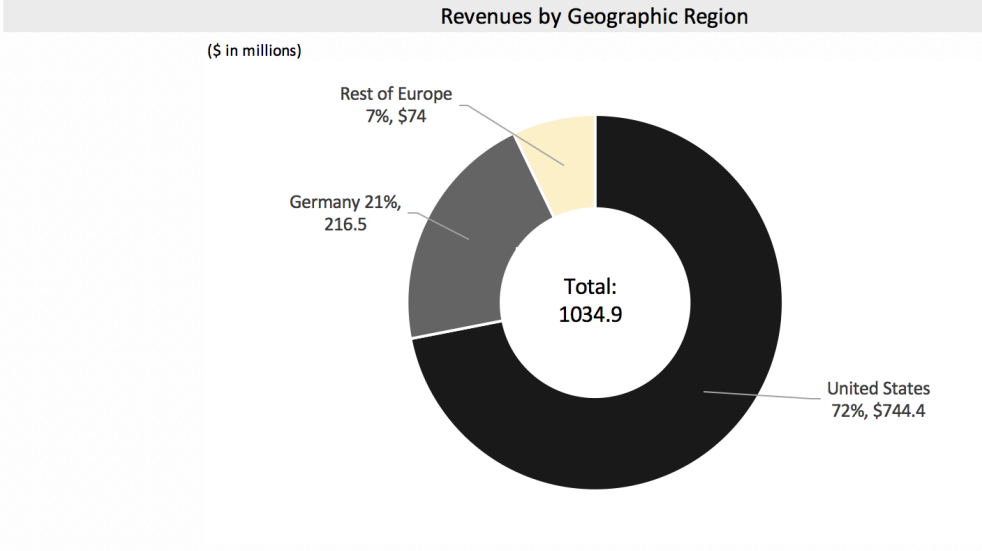
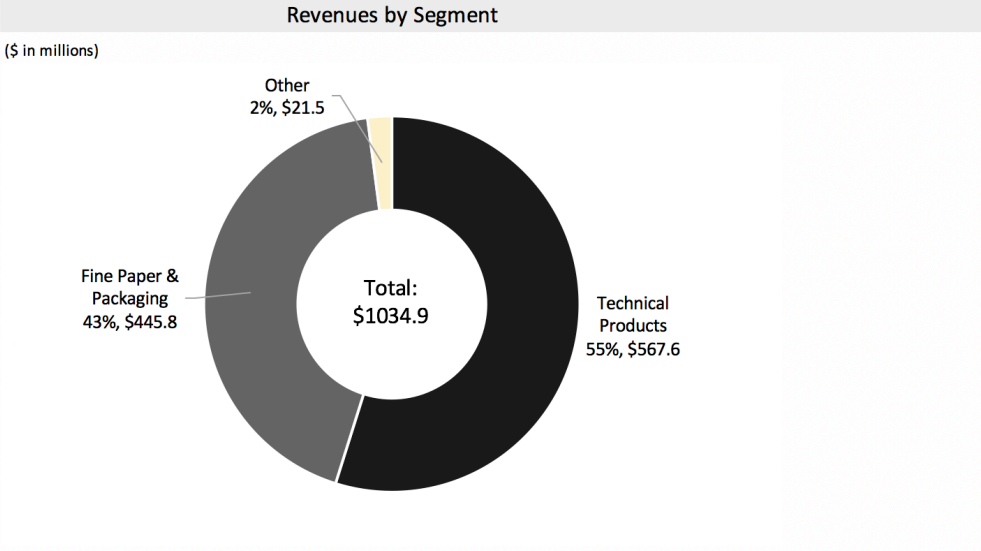
Detailed Business Overview

FY2018

Although the largest segment of revenues comes from Technical Products, the largest revenue producer comes from the Fine Paper & Packaging Segment

Sales are predominantly compiled in the United States, with only a little more than a quarter from Europe, mostly Germany

Technical products has a closely correlated group of revenue streams, while Fine Paper & Packaging predominantly gains revenues from Graphic Imaging



Note: Figures Based on FY2018 Earnings Source: Neenah 10-K

Historical and Projected Financial Performance

Summary Financials

(\$ in millions)

	Historical		Projected				
	2017A	2018A	2019E	2020E	2021E	2022E	2023E
Revenue	980	1,035	948	946	979	1,013	1,038
% Growth	4.08%	5.61%	-8%	0%	3%	3%	2%
EBITDA	136.30	120.90	94	105	119	134	148
% Margin	13.91%	11.68%	9.92%	11.10%	12.16%	13.23%	14.26%
EBIT	103	84.8	77	84	94	105	115
% Margin	10.51%	8.19%	8.12%	8.88%	9.60%	10.37%	11.08%
Net Income	80.3	36.40	42	47	54	61	68
% Margin	8.19%	3.52%	4.43%	4.97%	5.52%	6.02%	6.55%
Capital Expenditures	50.7	38.10	31.5	37.98	39.3	40.67	41.69
% of Sales	5.17%	3.68%	4.01%	4.01%	4.01%	4.01%	4.02%
FCF	41.8	84.10	61.19	51.06	55.21	64.67	75.79
% Growth		101.20%	-27.24%	-16.55%	8.13%	17.13%	17.19%

Key Balance Sheet Items – As of 2018

(\$ in millions)

Cash & Equivalents
Inventories
Accounts Receivable
Other Current Assets
Total Current Assets
PP&E (net)
Goodwill
Intangibles
Deferred Income Taxes
Other Assets
Total Assets

(\$ in millions)

10 Short Term Borrowings	0
132 Accounts Payable	63.3
115 Accrued Expenses	49
22 Other Current Liabilities	8.7
279 Total Current Liabilities	121
396 Long-Term Debt	237
84 Other Non-Current Liabilities	99
70 Deferred Taxes	14
16 Total Liabilities	471
16 Stockholder's Equity	390
Total Liabilities and Equity	861

Neenah has a stable EBITDA from historical years to projected years

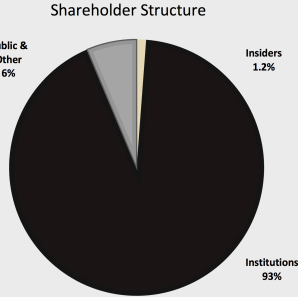
Neenah has an unstable FCF which has a large increase in 2018.

Management aims to maintain total debt around \$250 million during the project years

Ownership and Board Summary

The top 25 shareholders hold a significant amount of Neenah, Inc stock. They account for 76.48% of Neenah's outstanding shares

Neenah's Board of Directors are compiled of very diverse business leaders, whom they feel are best suited for continuous growth opportunities.



TOP 25 OWNERSHIP		
Shareholder	Share Held	% Total
BlackRock Inc.	2,508,246	14.88%
WELLS FARGO & COMPANY	1,404,991	8.33%
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JANUS HENDERSON GROUP PLC	353,859	2.10%
TOP 10 Shareholders	9,909,733	58.78%
NWQ INVESTMENT MANAGEMENT COMPANY	323,818	1.92%
INVESCO LTD.	301,780	1.79%
Bank of New York Mellon Corp	284,094	1.69%
GRANITE INVESTMENT PARTNERS, LLC	242,635	1.44%
COPELAND CAPITAL MANAGEMENT, LLC	234,741	1.39%
GEODE CAPITAL MANAGEMENT, LLC	215,484	1.28%
NEUMEIER POMA INVESTMENT COUNSEL LLC	206,926	1.23%
INVESTMENT COUNSELORS OF MARYLAND LLC	194,522	1.15%
CHARLES SCHWAB INVESTMENT MANAGEMENT	164,920	0.98%
BANK OF AMERICA CORP	153,077	0.91%
TOP 20 Shareholders	12,231,730	72.55%
KENNEDY CAPITAL MANAGEMENT, INC.	146,465	0.87%
CEREDEX VALUE ADVISORS LLC	140,364	0.83%
PRINCIPAL FINANCIAL GROUP INC	136,162	0.81%
FMR LLC	122,468	0.73%
SKYLINE ASSET MANAGEMENT LP	118,100	0.70%
TOP 25 Shareholders	12,895,289	76.48%


BOARD OF DIRECTORS		
	William M. Cook Independent Chairman (66)	<ul style="list-style-type: none"> Former Chairman, President, and CEO of Donaldson Company Also serves as a Director of IDEX Corp., and Valspar Corp.
	Margaret C. Dano Independent Director (60)	<ul style="list-style-type: none"> Chairman of the Board for Superior Industries International Former Vice President of Honeywell International
	Timothy S. Lucas Independent Director (73)	<ul style="list-style-type: none"> Served as an independent consultant on financial reporting issues practicing as Lucas Financial Reporting since 2002 Former FASB Director of Research and Technical Activities
	Philip C. Moore Independent Director (66)	<ul style="list-style-type: none"> Retired Senior Vice President, Deputy General Counsel and Corporate Secretary, TD Bank Group Former Partner at Canada's National Law Firm, McCarthy Tetrault LLP
	John P. O'Donnell CEO, President, and Director (59)	<ul style="list-style-type: none"> President and CEO of Neenah, Inc. Previously served as COO and President, Fine Paper for Neenah, Inc.
	Stephen M. Wood Independent Director (73)	<ul style="list-style-type: none"> Operating partner with Snow Phipps Group LLC, an international diversified investment company Former President, CEO, and Chairman of FiberVisions Corp.
	Tony R. Thene Independent Director (58)	<ul style="list-style-type: none"> President, CEO, and Board Director of Carpenter Technology Corporation Previously served as CFO for Carpenter Technology Corporation

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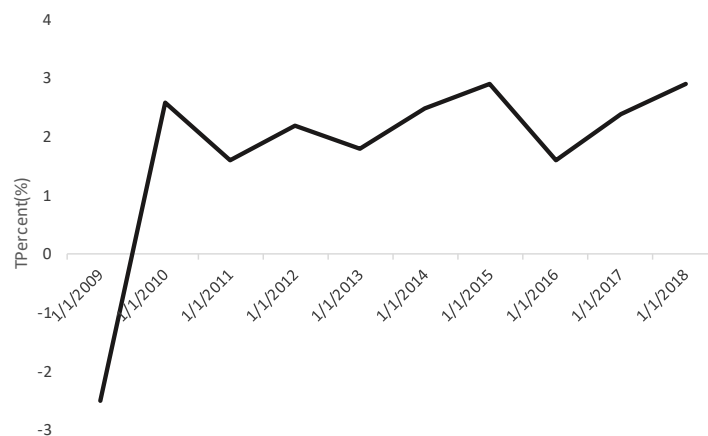
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Industry Dynamics

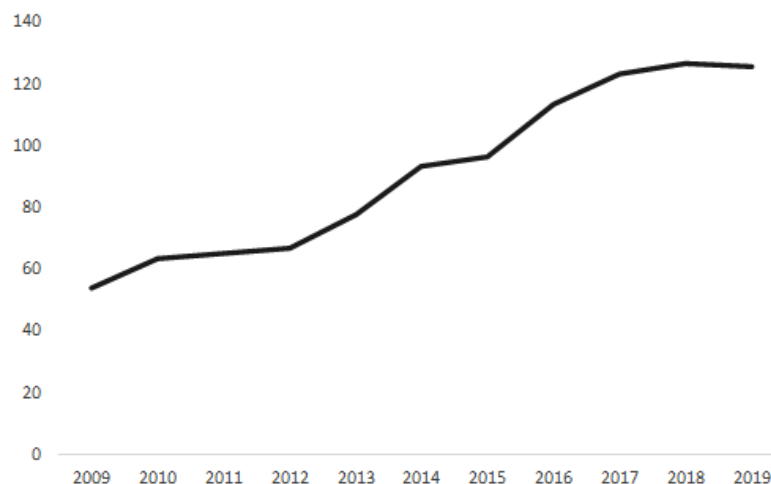
Macro Indicators

- The US economy has increased a remarkable recovery since the financial crisis
- Falling unemployment and rising consumer confidence suggest the US is returning to strength and stable economy. For producers such as Domtar and Neenah this is a good news
- On the other hand, Trade war still can reduce the speed of US economic recovery. People did not see the end of this trade war in the recent Year

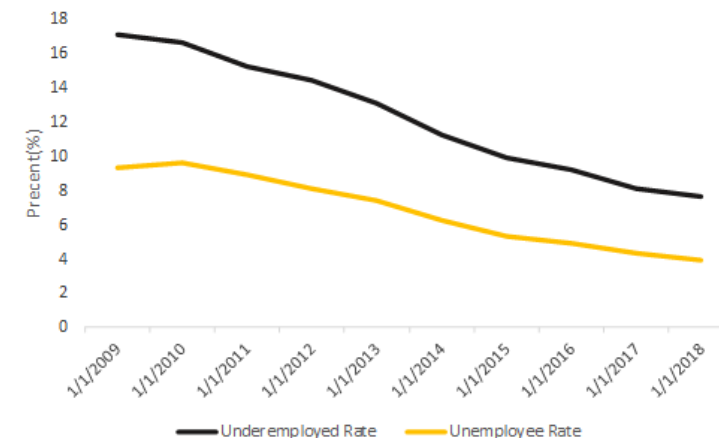
US GDP



U.S. Consumer Confidence



US Underemployed and Unemployment Rates



Risks on the Horizon?

- Foreign exchange risks from a strong dollar can create additional negative headwinds for US exporters
- Trade war with China still hurt US economy a lot. The government does not want to end this war with china in the recent year.
- The global economy keep at the low rate to develop which will increase the time of recovering US economy.

Industry Dynamics

Key industry trends

Online Shopping

- In 2015, worldwide demand for graphic paper declined for the first time ever
- Exciting new opportunities in specialized paper, sustainable packaging, and digitalization offer new avenues for growth for the paper industry
- This growth is being driven by societal changes, including our changing shopping habits.
- Online shopping means there is a growing need for paper and cardboard packaging materials.
- In order to improve product safety, paper manufacturers will design new packaging solutions

Coated Paper Market

- Global coated paper market size is forecast to be worth more than USD 57 billion by the end of 2024
- the coated paper market is led by the packaging industry which accounted for over 48% of the overall share in 2015
- Printing industry will lose its share owing to the increasing digitalization and popularization of e-books and online magazines and newspapers
- Europe coated paper market size will remain mature in terms of growth opportunities, recording a revenue over USD 14 million in 2015. Asia Pacific is likely to be the most rapidly growing region with CAGR over 6% from 2016 to 2024

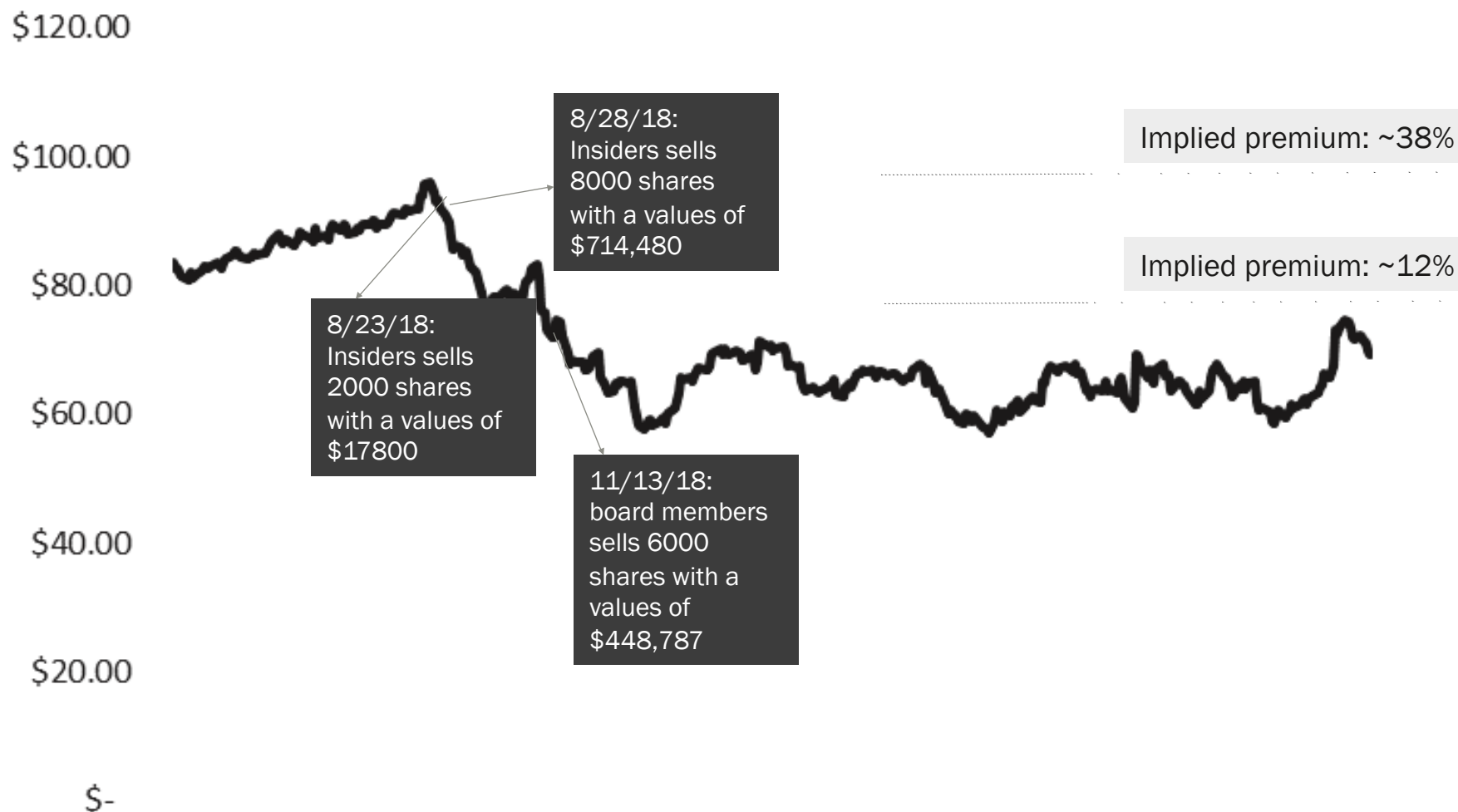
Neenah Business Trend

- Neenah wants to keep the U.S. as its primary market to produce and sell its products since Neenah bought lots of manufacturing facilities in the U.S and England which will This acquisition added specialty coating and finishing capabilities, notably in premium packaging and technical products on August ,2015 Sold the factory which produce specialty papers in German on October 2015
- Neenah spent 80 million USD to gain the market share in transportation filtration that increased sales 2017
- Further investment will increase Neenah's size, growth rate, and portfolio diversification, which will increase market penetration and customer base. Neenah has invested in high growth specialty markets such as filtration, digital image transfer, and premium packaging
- Neenah prioritizes customer satisfaction and retention

Absolute Share Price Performance

Neenah's share price has seen a gradual decline through the end of 2018, the price is stable around \$60-75.

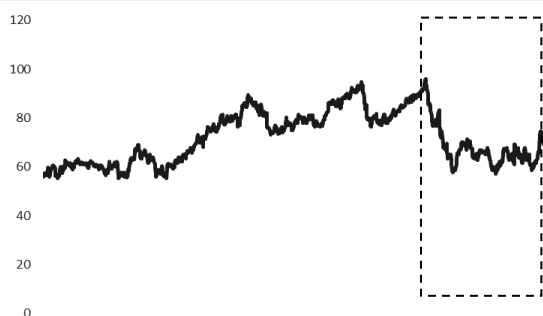
18 Month Share Price Performance



Share Price Statistics

	Price	% Premium /Discount
Current Stock Price \$	69.44	
All-time High(9/10/18)	95.6	38%
52 Week High	77.55	12%
52 Week Low	56.67	-18%
1 Month Avg.	71.71	3%
3 Month Avg.	65.1	-6%
6 Month Avg.	64.37	-7%
1 Year Avg.	64.92	-7%
3 Year Avg.	76.66	3%

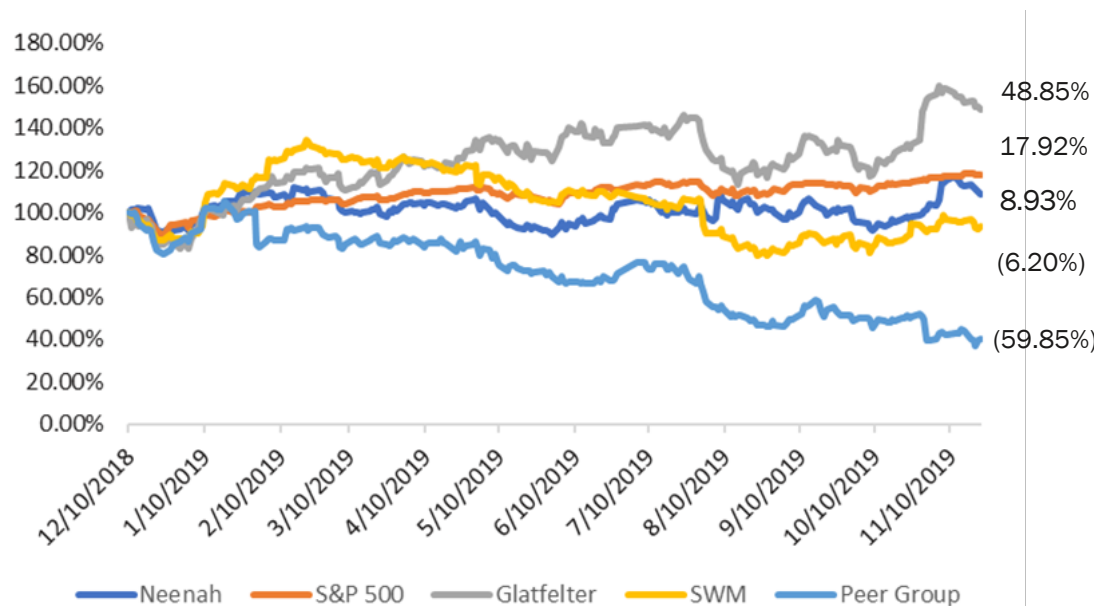
Five-Year Price Performance



Relative Share Price Performance

- Neenah has traded in line with its competitor (SWM).
- Glatfelter has had solid price performance in 2019
- S&P 500 has had the highest 3-YR return

One Year Relative Price Performance



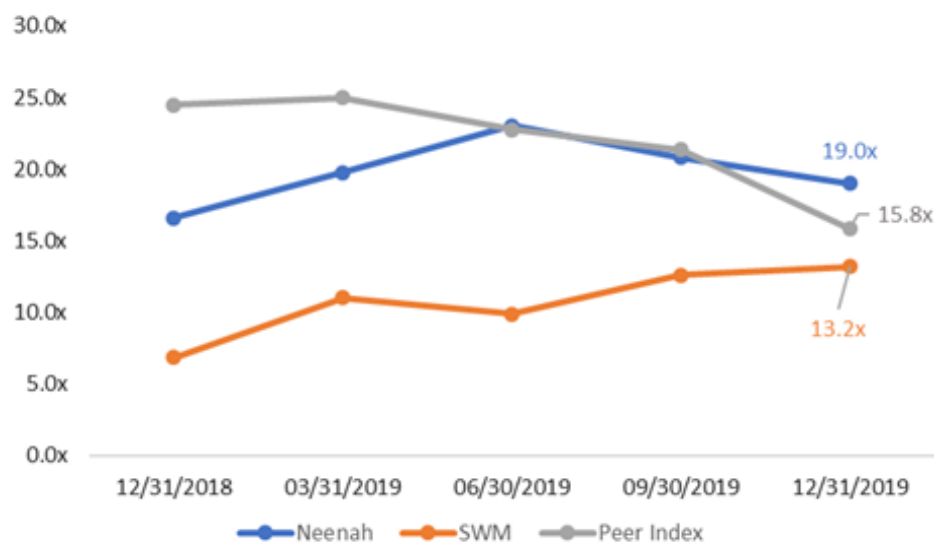
Three Year Relative Price Performance



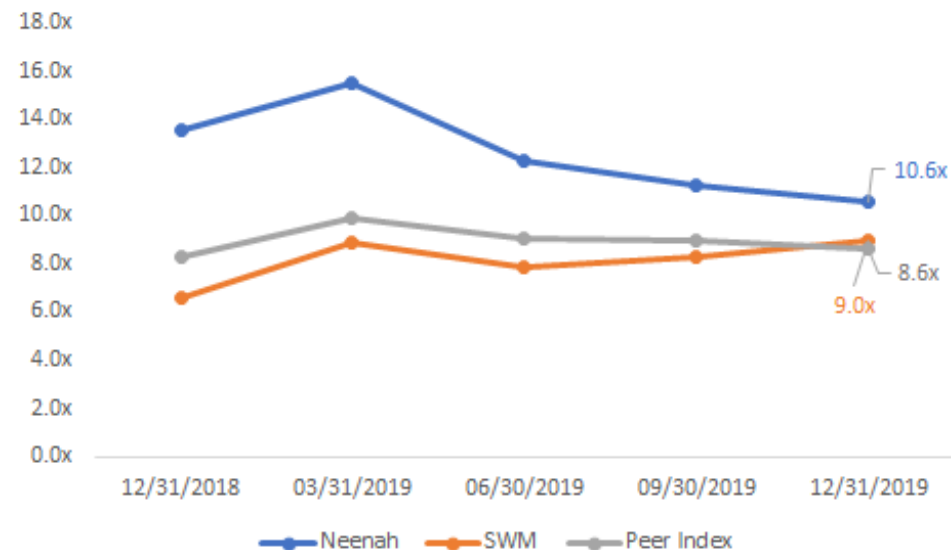
Historic Forward Looking Valuation Multiples

Neenah has historically traded at higher forward multiples than its peers in the first couple quarters prior to equaling.

Rolling One-Year Forward P/E Multiples



Rolling One-Year Forward EV / EBITDA Multiples



Multiples Statistics

P/E	Neenah	Peer Index	Schweitzer-Mauduit
Current	23.3x	49.4x	13.7x
2018	16.8x	6.7x	7.7x
2017	21.0x	13.1x	14.2x
2016	18.3x	13.6x	13.2x
2015	16.9x	10.8x	12.0x
2014	18.3x	10.6x	13.1x

EV/EBITDA	Neenah	Peer Index	Schweitzer-Mauduit
Current	12.4x	6.2x	9.3x
2018	13.6x	4.8x	6.6x
2017	12.9x	6.9x	10.5x
2016	11.3x	7.1x	11.4x
2015	9.6x	6.6x	11.6x
2014	9.9x	6.6x	9.5x

Comparable Companies Analysis

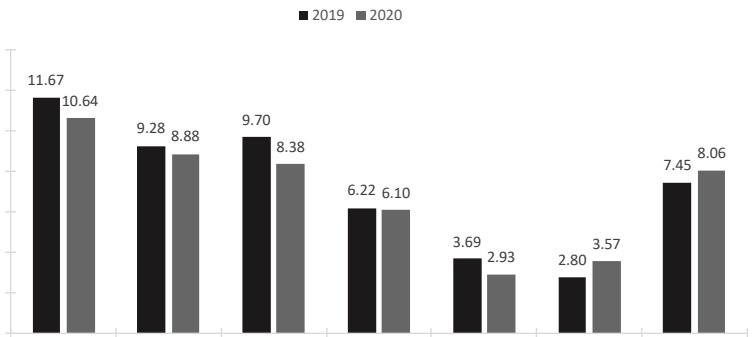
Trading Metrics

Operating Metrics

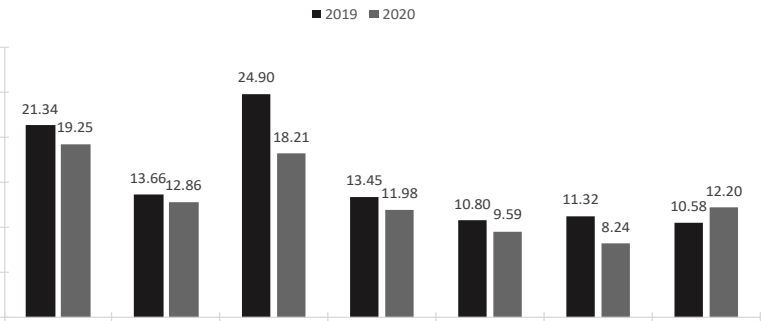
Neenah and its peer group can expect a decrease or slowed growth in 2020 revenue and margin.

EV/EBITDA and P/E multiples can be expected to decrease

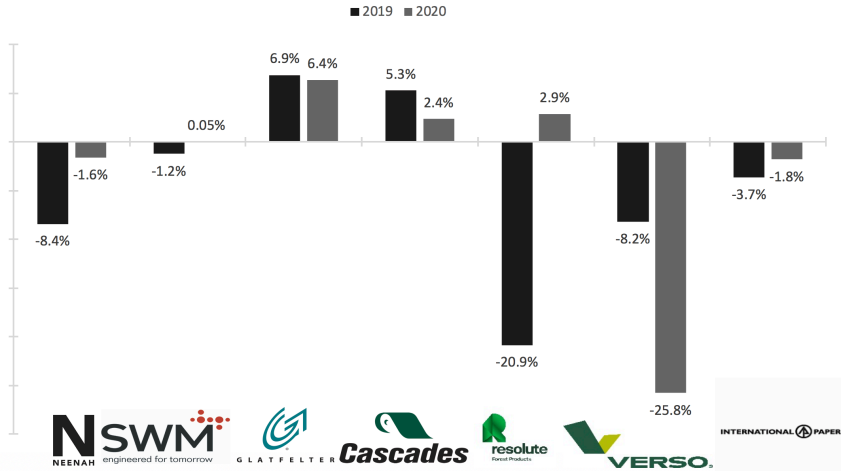
EV/EBITDA



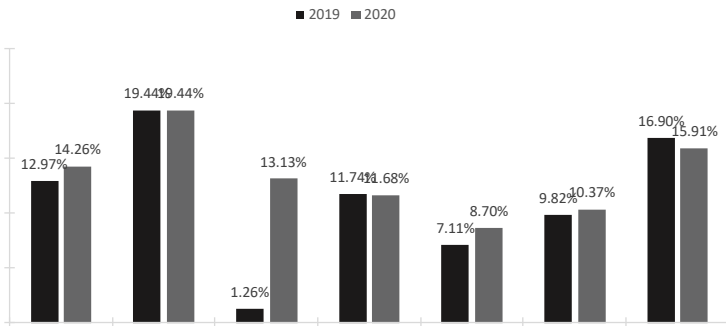
P/E



Average Revenue Growth



EBITDA Margin



Comparable Companies Analysis

Neenah trades above North American and European peers on the basis of EV/EBITDA and P/E

Neenah trades close to its most refined peer group on the basis of EV/EBITDA and P/E

Trading Statistics and Multiples															
Company	Share Price	% 52-Week High	Equity Value	Enterprise Value	Price/Earnings			EV/EBITDA			EV/Sales			Revenue Growth E2020	Earnings Growth E2020
					LTM	E2019	E2020	LTM	E2019	E2020	LTM	E2019	E2020		
Neenah Inc	\$69.44	90%	1,118	1,349	22.6x	20.0x	17.1x	12.3x	11.2x	9.8x	1.3x	1.4x	1.3x	2.8%	19.4%
Domtar Corp	\$37.50	70%	2,312	3,248	8.2x	11.8x	13.1x	5.2x	5.4x	5.8x	0.6x	0.6x	0.6x	-2.7%	-14.8%
Tier: North America															
SCHWEITZER-MAUDU	\$42.45	93%	1,238	1,781	12.0x	12.6x	11.8x	9.1x	8.7x	8.5x	1.7x	1.7x	1.7x	-0.5%	26.2%
GLATFELTER	\$17.46	92%	802	1,097	34.9x	25.3x	18.5x	11.6x	9.8x	8.5x	1.3x	1.2x	1.1x	6.4%	
CASCADES INC	\$9.31	69%	1,209	3,484	22.1x	13.1x	11.5x	9.8x	5.9x	5.8x	1.0x	0.7x	0.7x	3.2%	2.3%
Resolute Forest Products	\$3.69	37%	327	749	9.9x	122.0x	5.8x	2.2x	3.1x	2.5x	0.2x	0.2x	0.2x	3.3%	105.4%
Verso Corp - A	\$17.69	67%	515	579	5.9x	-8.1x	-3.1x	2.2x	2.6x	2.6x	0.2x	0.2x	0.2x	-5.0%	165.1%
International Paper	\$45.12	94%	17,237	27,342	8.8x	10.0x	11.6x	6.9x	7.2x	7.8x	1.2x	1.2x	1.2x	-1.6%	-15.2%
UFP TECHNOLOGIES INC	\$44.76	94%	310	326	18.4x	18.4x	14.9x	10.2x			1.7x	1.6x	1.5x	5.9%	24.3%
Mercer Inc	\$12.27	69%	835	1,570	7.5x	21.9x	12.0x	4.3x	6.2x	5.8x	1.1x	1.0x	0.9x	3.3%	-11.6%
Mean					14.9x	26.9x	10.4x	7.0x	6.2x	5.9x	1.0x	1.0x	1.0x	1.87%	42.36%
Median					10.9x	15.7x	11.7x	8.0x	6.2x	5.8x	1.1x	1.1x	1.02x	3.24%	24.26%
Tier: Eastern + Western Europe															
STORA ENSO OYJ-R	\$13.45	89%	9,629	13,364	12.6x	15.0x	14.1x	9.0x	8.7x	8.5x	1.1x	1.3x	1.3x	-1.4%	10.7%
MIQUEL Y COSTAS	\$17.64	80%	474	512	7.4x	12.2x	12.1x	6.7x	7.6x	7.4x	1.7x	1.8x	1.7x	5.8%	1.3%
AhlstromMunksjö	\$15.61	93%	1,547	2,540	197.7x	16.8x	10.4x	8.9x	8.4x	6.5x	0.9x	0.9x	0.9x	1.4%	83.8%
Mean					72.5x	14.7x	12.2x	8.2x	8.2x	7.5x	1.2x	1.3x	1.3x	1.9%	31.9%
Median					12.6x	15.0x	12.1x	8.9x	8.4x	7.4x	1.1x	1.3x	1.3x	1.4%	10.7%
Tier: Closest Comparables															
SCHWEITZER-MAUDU	\$42.45	93%	1,238	1,781	12.0x	12.6x	11.8x	9.1x	8.7x	8.5x	1.7x	1.7x	1.7x	-0.5%	26.2%
GLATFELTER	\$17.46	92%	802	1,097	34.9x	25.3x	18.5x	11.6x	9.8x	8.5x	1.3x	1.2x	1.1x	6.4%	
CASCADES INC	\$9.31	69%	1,209	3,484	22.1x	13.1x	11.5x	9.8x	5.9x	5.8x	1.0x	0.7x	0.7x	3.2%	2.3%
Mean					23.0x	17.0x	13.9x	10.2x	8.2x	7.6x	1.3x	1.2x	1.2x	0.03x	0.1x
Median					22.1x	13.1x	11.8x	9.8x	8.7x	8.5x	1.3x	1.2x	1.1x	0.03x	0.1x
High					34.9x	25.3x	18.5x	11.6x	9.8x	8.5x	1.7x	1.7x	1.7x	0.06x	0.3x
Low					12.0x	12.6x	11.5x	9.1x	5.9x	5.8x	1.0x	0.7x	0.7x	-0.01x	0.0x

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2. Neenah Business Overview
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6. Potential Interloper Analysis

Appendix - Supporting Valuation Materials

- A. Detailed Trading Comps
- B. Neenah WACC Analysis
- C. Proforma Income Statement

Valuation Approach and Methodologies

- Estimate the value of an investment based on its future cash flows
- LBO analysis seeks to determine the price which could be paid by a financial buyer for a target.
- CCA is a process used to evaluate the value of a company using the metrics of other businesses of similar size in the same industry.
- CPT is a method in which the price paid for similar companies in the past is considered an indicator of a company's value and creates an estimate of what a share of stock would be worth in the case of an acquisition.

Discounted Cash Flow Analysis (DCF Model)

- Discount future cash flows by the weighted average cost of capital to arrive at an implied enterprise and equity value
- Use the perpetual growth method to arrive at the terminal value at the end of the projection period

Leveraged Buyout Analysis (LBO Model)

- Determine the internal rate of return on a buyout of the company with financing in the current debt markets, sensitizing price for a variety of premia

Comparable Companies Analysis(CCA Model)

- Operates under the assumption that similar companies will have similar valuation multiples with Neenah, such as EV/EBITDA
- Compile a list of available statistics for the companies being reviewed and calculate the valuation multiples in order to compare them

Comparable Precedent Transactions(CPT)

- Uses the same Neenah multiples as CCA. In particular, EV/Sales, EV/EBITDA and E/EPS are the most used metrics
- Focus on the value of Neenah as of the time an acquisition of the business can be completed, rather than the current value

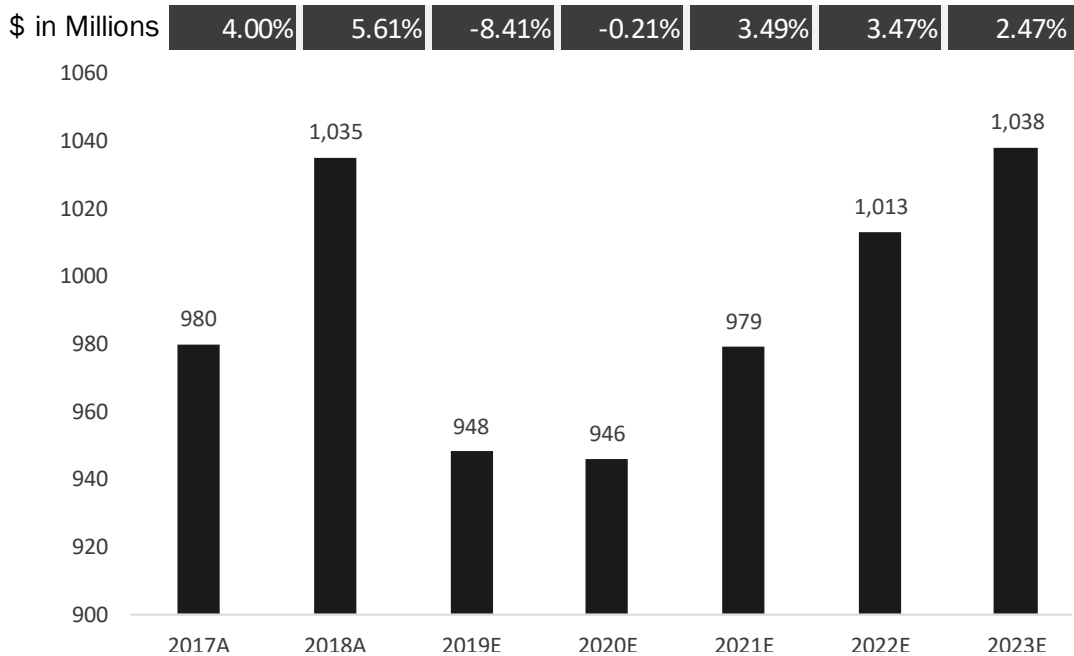


Neenah Projected Performance

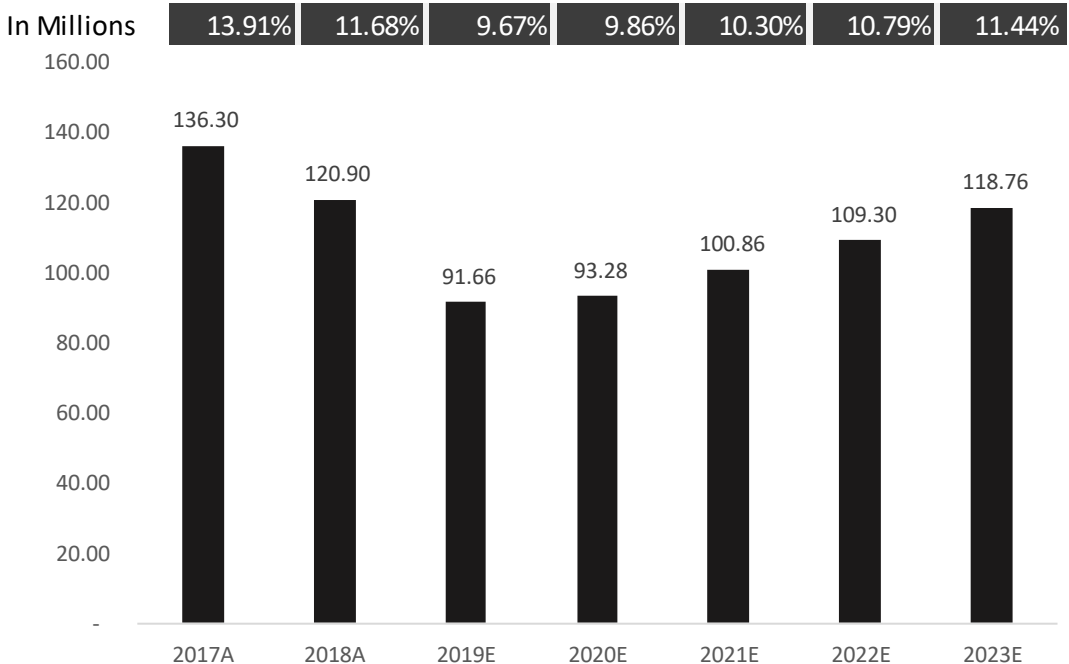
Neenah Projections

- Revenue growth is projected to have a decrease in 2020, then stay constant in the following years
- EBITDA Margins are forecast to expand slightly

Revenue Projection and Growth



EBITDA Projections and Margins





Valuation Considerations

Preliminary Valuation

Subject to Further Diligence and Valuation Analysis

Shading represents preliminary valuation range.

Acquisition price: \$80 - \$93

Premium to current price: 14.5% - 33.4%



Analysis at Various Prices

	Share Price	Premium to Current	Equity Value	Enterprise Value	EV / Revenue		EV / EBITDA		Price / Earnings	
					2019E	2020E	2019E	2020E	2019E	2020E
Statistic:					\$ 948	946	94	105	2.51	2.79
	\$ 25.69	(63%)	436	559	0.6x	0.6x	6.0x	5.3x	10.2x	9.2x
	41.66	(40%)	707	830	0.9x	0.9x	8.8x	7.9x	16.6x	14.9x
	52.08	(25%)	884	1,007	1.1x	1.1x	10.7x	9.6x	20.7x	18.7x
	55.55	(20%)	943	1,066	1.1x	1.1x	11.3x	10.2x	22.1x	19.9x
52 Week Low	56.67	(18%)	962	1,085	1.1x	1.1x	11.6x	10.4x	22.6x	20.3x
	59.02	(15%)	1,002	1,125	1.2x	1.2x	12.0x	10.8x	23.5x	21.2x
	62.50	(10%)	1,061	1,184	1.2x	1.3x	12.6x	11.3x	24.9x	22.4x
	65.97	(5%)	1,119	1,243	1.3x	1.3x	13.2x	11.9x	26.3x	23.7x
Current Stock Price	69.44	0%	1,178	1,302	1.4x	1.4x	13.9x	12.4x	27.6x	24.9x
	76.38	10%	1,296	1,420	1.5x	1.5x	15.1x	13.6x	30.4x	27.4x
52 Week High	77.55	12%	1,316	1,439	1.5x	1.5x	15.3x	13.8x	30.9x	27.8x
	83.33	20%	1,414	1,537	1.6x	1.6x	16.4x	14.7x	33.2x	29.9x
	86.80	25%	1,473	1,596	1.7x	1.7x	17.0x	15.3x	34.5x	31.1x
Deal Premium	90.27	30%	1,532	1,655	1.7x	1.7x	17.6x	15.8x	35.9x	32.4x
	93.74	35%	1,591	1,714	1.8x	1.8x	18.2x	16.4x	37.3x	33.6x
	97.22	40%	1,650	1,773	1.9x	1.9x	18.9x	16.9x	38.7x	34.9x
Precedent Transactions Range					DCF Range		Comparable Companies Range			

Comparable Companies Analysis

Neenah trades above North American and European peers on EV/EBITDA and P/E

Neenah trades close to its most refined peer group on EV/EBITDA and P/E

Trading Statistics and Multiples															
Company	Share Price	% 52-Week High	Equity Value	Enterprise Value	Price/Earnings			EV/EBITDA			EV/Sales			Revenue Growth E2020	Earnings Growth E2020
					LTM	E2019	E2020	LTM	E2019	E2020	LTM	E2019	E2020		
Neenah Inc	\$69.44	90%	1,118	1,349	22.6x	20.0x	17.1x	12.3x	11.2x	9.8x	1.3x	1.4x	1.3x	2.8%	19.4%
Domtar Corp	\$37.50	70%	2,312	3,248	8.2x	11.8x	13.1x	5.2x	5.4x	5.8x	0.6x	0.6x	0.6x	-2.7%	-14.8%
Tier: North America															
SCHWEITZER-MAUDU	\$42.45	93%	1,238	1,781	12.0x	12.6x	11.8x	9.1x	8.7x	8.5x	1.7x	1.7x	1.7x	-0.5%	26.2%
GLATFELTER	\$17.46	92%	802	1,097	34.9x	25.3x	18.5x	11.6x	9.8x	8.5x	1.3x	1.2x	1.1x	6.4%	
CASCADES INC	\$9.31	69%	1,209	3,484	22.1x	13.1x	11.5x	9.8x	5.9x	5.8x	1.0x	0.7x	0.7x	3.2%	2.3%
Resolute Forest Products	\$3.69	37%	327	749	9.9x	122.0x	5.8x	2.2x	3.1x	2.5x	0.2x	0.2x	0.2x	3.3%	105.4%
Verso Corp - A	\$17.69	67%	515	579	5.9x	-8.1x	-3.1x	2.2x	2.6x	2.6x	0.2x	0.2x	0.2x	-5.0%	165.1%
International Paper	\$45.12	94%	17,237	27,342	8.8x	10.0x	11.6x	6.9x	7.2x	7.8x	1.2x	1.2x	1.2x	-1.6%	-15.2%
UPF TECHNOLOGIES INC	\$44.76	94%	310	326	18.4x	18.4x	14.9x	10.2x			1.7x	1.6x	1.5x	5.9%	24.3%
Mercer Inc	\$12.27	69%	835	1,570	7.5x	21.9x	12.0x	4.3x	6.2x	5.8x	1.1x	1.0x	0.9x	3.3%	-11.6%
Mean					14.9x	26.9x	10.4x	7.0x	6.2x	5.9x	1.0x	1.0x	1.0x	1.87%	42.36%
Median					10.9x	15.7x	11.7x	8.0x	6.2x	5.8x	1.1x	1.1x	1.02x	3.24%	24.26%
Tier: Eastern + Western Europe															
STORA ENSO OYJ-R	\$13.45	89%	9,629	13,364	12.6x	15.0x	14.1x	9.0x	8.7x	8.5x	1.1x	1.3x	1.3x	-1.4%	10.7%
MIQUEL Y COSTAS	\$17.64	80%	474	512	7.4x	12.2x	12.1x	6.7x	7.6x	7.4x	1.7x	1.8x	1.7x	5.8%	1.3%
AhlstromMunksjö	\$15.61	93%	1,547	2,540	197.7x	16.8x	10.4x	8.9x	8.4x	6.5x	0.9x	0.9x	0.9x	1.4%	83.8%
Mean					72.5x	14.7x	12.2x	8.2x	8.2x	7.5x	1.2x	1.3x	1.3x	1.9%	31.9%
Median					12.6x	15.0x	12.1x	8.9x	8.4x	7.4x	1.1x	1.3x	1.3x	1.4%	10.7%
Tier: Closest Comparables															
SCHWEITZER-MAUDU	\$42.45	93%	1,238	1,781	12.0x	12.6x	11.8x	9.1x	8.7x	8.5x	1.7x	1.7x	1.7x	-0.5%	26.2%
GLATFELTER	\$17.46	92%	802	1,097	34.9x	25.3x	18.5x	11.6x	9.8x	8.5x	1.3x	1.2x	1.1x	6.4%	
CASCADES INC	\$9.31	69%	1,209	3,484	22.1x	13.1x	11.5x	9.8x	5.9x	5.8x	1.0x	0.7x	0.7x	3.2%	2.3%
Mean					23.0x	17.0x	13.9x	10.2x	8.2x	7.6x	1.3x	1.2x	1.2x	0.03x	0.1x
Median					22.1x	13.1x	11.8x	9.8x	8.7x	8.5x	1.3x	1.2x	1.1x	0.03x	0.1x
High					34.9x	25.3x	18.5x	11.6x	9.8x	8.5x	1.7x	1.7x	1.7x	0.06x	0.3x
Low					12.0x	12.6x	11.5x	9.1x	5.9x	5.8x	1.0x	0.7x	0.7x	-0.01x	0.0x

Comparable Companies Analysis (Cont.)

Neenah trades above North American and European peers on the basis of EV/EBITDA and P/E

Neenah trades close to its most refined peer group on the basis of EV/EBITDA and P/E

Trading Statistics and Multiples							
Valuation Methodology	Financials 2019E	Multiple Range			Implied Valuation Range		
		Low	-	High	Low	-	High
EV/EBITDA	\$92.	5.9x	-	9.8x	\$545.13	-	\$903.52
EV/Sales	\$921.	0.7x	-	1.7x	\$640.85	-	\$1,585.96
Price/Earnings	\$42.	12.6x	-	25.3x	\$530.06	-	\$1,063.18
Less: Net Debt					\$229.10		\$229.10
EV/EBITDA Implied Valuation Range					\$316.03	-	\$674.42
EV/Sales Implied Valuation Range					\$411.75	-	\$1,356.86
Price/Earnings Implied Valuation Range					\$300.96	-	\$834.08
Shares Outstanding					16.97		16.97
EV/EBITDA Implied Share Price					\$18.62	-	\$39.74
EV/Sales Implied Share Price					\$24.26	-	\$79.96
Price/Earnings Implied Share Price					\$17.73	-	\$49.15
EV/EBITDA Premium (Discount)					-73%	-	-43%
EV/Sales Premium (Discount)					-65%	-	15%
Price/Earnings Premium (Discount)					-74%	-	-29%

Precedent Paper & Packaging Transactions

Selected Transactions > 100m, NA/European, Last 10y, Relevant Industries

\$ in Millions

Date Announced	Target Name	Acquirer Name	Transaction Value	TV/EBITDA	Target Stock Premium		
					1 Day Prior	1 Week Prior	1 Month Prior
3/8/19	RPC Group PLC	Berry Global Group Inc	\$5,763.47	7.7x	-0.4%	-0.3%	-0.2%
6/4/18	Papeles y Cartones de Europa SA	DS Smith PLC	\$2,322.09	12.6x	7.8%	10.8%	10.9%
1/29/18	KapStone Paper & Packaging Corp	Westrock Co	\$4,991.31	12.9x	31.9%	35.0%	38.1%
8/25/16	AEP Industries Inc	Berry Global Group Inc	\$746.35	7.0x	42.9%	43.1%	39.4%
6/9/16	British Polythene Industries Ltd	RPC Group PLC	\$420.27	6.8x	32.5%	33.0%	30.7%
12/10/15	Powerflute Oyj	Nordic Packaging & Container Finland Holdings Oy	\$340.72	27.2x	1.6%	1.2%	2.3%
12/10/15	Powerflute Oyj	Nordic Packaging & Container Finland Holdings Oy	\$128.19	28.3x	-9.7%	-10.0%	-9.1%
1/26/15	WestRock MWV LLC	WestRock RKT LLC	\$9,712.62	10.5x	9.1%	9.7%	8.4%
9/16/13	Boise Inc	Packaging Corp of America	\$1,979.99	7.5x	26.0%	32.7%	40.8%
4/24/13	Buckeye Technologies Inc	Georgia-Pacific LLC	\$1,498.22	8.2x	25.3%	29.0%	27.2%
11/21/12	SCA Hygiene Products SE	Svenska Cellulosa AB SCA	\$150.89	5.6x	46.1%	46.3%	46.6%
2/16/12	Mondi Swiecie SA	Mondi PLC	\$380.93	5.9x	4.3%	8.6%	15.7%
11/29/11	Fibrex Inc	Resolute Forest Products Inc	\$217.67	3.9x	38.9%	41.0%	27.2%
6/6/11	Temple-Inland LLC	International Paper Co	\$4,276.47	10.1x	48.9%	42.8%	39.1%
1/23/11	Smurfit-Stone Container Corp	WestRock RKT LLC	\$3,904.77	6.7x	25.4%	26.1%	28.1%
9/16/10	Cellu Tissue Holdings Inc	Clearwater Paper Corp	\$492.23	8.1x	51.3%	50.9%	52.6%
4/19/10	DS Smith Belisce Croatia doo	Constantia Packaging AG	\$136.65	4.7x	3.9%	4.0%	0.4%
Mean			\$2,203.70	10.2x	22.7%	23.8%	23.4%
Median			\$746.35	7.7x	25.4%	29.0%	27.2%

Premium Paper and Packaging

Precedent Transactions Valuation Analysis

Since 2010, premium paper and packaging deals have been executed at multiples from as low as 6.2x to as high as 18.5x LTM EBITDA.

Date Announced	Acquirer	Target	Equity Value	Transaction Value	Key Transactions						Premiums Paid			Synergies/			
					TV/			LTM EBITDA Margin	P/E	1 Day Prior	7 Days Prior	30 Days Prior	TV	LTM Sales	LTM EBITDA	LTM EBIT	
					LTM Sales	LTM EBITDA	LTM EBIT										
8/25/16	Berry Global Group Inc	AEP Industries Inc	\$612.00	\$800.80	0.7x	7.0x	9.7x	10%	14.7x	43%	43%	39%	0.06x	0.04x	0.44x	0.61x	
1/6/14	Verso Corp	Newpage Holdings Inc	\$906.50	\$1,406.50	0.5x	6.2x	32.7x	6%	-	-	-	-	0.12x	0.06x	0.77x	4.07x	
9/16/13	Packaging Corp of America	Boise Inc	\$1,266.10	\$1,980.00	0.8x	7.5x	20.9x	11%	92.3x	26%	33%	41%	0.05x	0.04x	0.40x	1.11x	
6/6/11	International Paper Co	Temple-Inland LLC	\$3,539.50	\$4,276.50	1.1x	10.1x	18.7x	9%	18.3x	49%	43%	39%	0.07x	0.08x	0.71x	1.31x	
1/23/11	WestRock RKT LLC	Smurfit-Stone Container Corp	\$3,780.20	\$4,508.20	0.6x	6.7x	15.8x	11%	2.2x	25%	26%	28%	-	-	-	-	
7/23/18	Ahlstrom-Munksjo Oyj	Expera Specialty Solutions LLC	\$615.00	\$615.00	1.7x	18.5x	-	9%	-	-	-	-	0.03x	0.05x	0.54x		
6/22/10	Nippon Paper Group Inc	Lee & Man Paper Manufacturing	\$456.30	\$456.30	2.7x	10.7x	13.0x	-	-	-	-	-	-	-	-	-	
10/13/15	Svenska Cellulosa AB SCA	Wausau Paper Corp	\$512.83	\$682.82	1.9x	11.1x	34.8x	17%	134.1x	41%	43%	49%	0.06x	0.11x	0.65x	2.04x	
					Mean	1.3x	9.7x	20.8x	10%	11.7x	37%	38%	39%	0.07x	0.06x	0.58x	1.83x
					Median	1.0x	8.8x	18.7x	10%	14.7x	41%	43%	39%	0.06x	0.06x	0.60x	1.31x
					High	2.7x	18.5	34.8x	17%	134.1x	49%	43%	49%	0.12x	0.11x	0.77x	4.07x
					Low	0.5x	6.2	9.7x	6%	14.7x	25%	26%	28%	0.03x	0.04x	0.40x	0.61x

		Comparable Transactions Relative Valuation							
Mean - Median		Valuation Methodology	Financials 2019E	Multiple Range			Implied Valuation Range		
				Low	-	High	Low	-	High
EV/EBITDA	8.8 – 9.7x	EV/EBITDA	\$92.00	6.2x	-	18.5x	\$570.40	-	\$1,702.00
P/E	11.7 – 14.7x	EV/Sales	\$921.00	0.5x	-	2.7x	\$460.50	-	\$2,486.70
		Price/Earnings	\$42.00	14.7x	-	134.1x	\$617.40	-	\$5,632.20
Less: Net Debt							\$229.10		\$229.10
EV/EBITDA Implied Valuation Range							\$341.30	-	\$1,472.90
Ev/Sales Implied Valuation Range							\$231.40	-	\$2,257.60
Price/Earnings Implied Valuation Range							\$388.30	-	\$5,403.10
Shares Outstanding							16.97		16.97
EV/EBITDA Implied Share Price							\$20.11	-	\$86.79
Ev/Sales Implied Share Price							\$13.64	-	\$133.03
Price/Earnings Implied Share Price							\$22.88	-	\$318.39
EV/EBITDA Premium (Discount) to Current Price							-71%	-	25%
EV/Sales Premium (Discount)							-80%	-	92%
Price/Earnings Premium (Discount) to Current Price							-67%	-	359%

Discounted Cash Flow Analysis

Valuation Summary

Implied Enterprise Value	1,600.78
Intrinsic Equity Value	1,371.58
Intrinsic Equity Value / Share	\$80.82

Assumptions

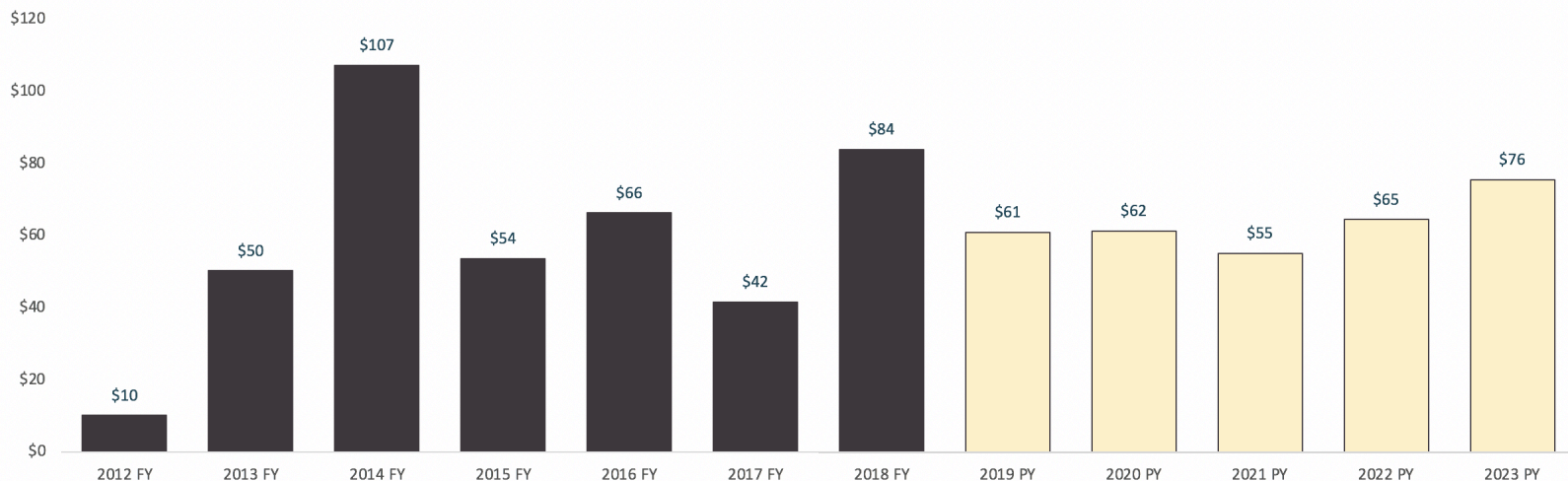
WACC	6.71%
Perpetual Growth Rate	2.25%
Diluted Shares Outstanding	16.97
Net Debt	229
Tax Rate	35%

Upside

Current Price	\$	69.44
Upside		16.4%

Year	12/1/19	12/31/11	12/31/12	12/31/13	12/31/14	12/31/15	12/31/16	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21	12/31/22	12/31/23
Sales		696	809	845	840	888	942	980	1035	948	946	979	1013	1038
Sales Growth YoY			16%	4%	-1%	6%	6%	4%	6%	-8%	0%	3%	3%	2%
Cost of Goods Sold		571	650	679	669	692	727	781	852	780	771	791	811	823
Gross Profit		125	159	166	171	195	215	199	183	168	175	188	202	215
Gross Margin		18%	20%	20%	20%	22%	23%	20%	18%	18%	18%	19%	20%	21%
Operating Expenses		66	79	81	76	88	93	96	99	91	91	94	97	100
EBIT (Operating Income)		59	80	85	94	108	122	103	85	77	84	94	105	115
Tax		12	17	23	8	29	30	11	4	23	25	29	33	36
EBIAT		47	63	62	87	79	92	92	81	54	59	65	72	79
D&A		0	31	29	29	30	32	32	33	26	30	34	38	42
CapEx		-23	-39	-34	-28	-48	-69	-51	-38	-31	-38	-39	-41	-42
CapEx / Sales		-3.3%	-4.8%	-4.0%	-3.3%	-5.4%	-7.3%	-5.2%	-3.7%	-3.3%	-4.0%	-4.0%	-4.0%	-4.0%
Ch. NWC			44.7	6.2	-18.9	6.6	-11.1	31.1	-8.0	-12.2	-0.4	4.6	4.8	3.5
Free Cash Flow			10.30	50.40	107.38	53.80	66.40	41.80	84.10	61.19	51.06	55.21	64.67	75.79
Enterprise Value at Exit														1,737.79
Present Value of Free Cash Flow										60.86	47.59	48.23	52.94	58.13
Present Value of Terminal Value														1,333.03

Free Cash Flow



Discounted Cash Flow Analysis (Sensitivity)

		Terminal Growth Rate								
2023 Free Cash Flow		1.25%	1.50%	1.75%	2.00%	2.25%	2.50%	2.75%	3.00%	3.25%
	95.79	83.48	87.54	92.01	96.96	102.46	108.61	115.54	123.41	132.41
	90.79	79.06	82.91	87.15	91.84	97.05	102.88	109.45	116.91	125.44
	85.79	74.64	78.28	82.28	86.71	91.64	97.15	103.36	110.40	118.47
	80.79	70.23	73.65	77.42	81.59	86.23	91.42	97.27	103.90	111.49
	75.79	65.81	69.02	72.56	76.47	<u>\$ 80.82</u>	85.69	91.18	97.40	104.52
	70.79	61.39	64.39	67.70	71.35	75.42	79.96	85.09	90.90	97.55
	65.79	56.97	59.76	62.83	66.23	70.01	74.23	78.99	84.40	90.58
	60.79	52.55	55.13	57.97	61.11	64.60	68.50	72.90	77.89	83.61
	55.79	48.14	50.50	53.11	55.99	59.19	62.77	66.81	71.39	76.63
WACC		1.25%	1.50%	1.75%	2.00%	2.25%	2.50%	2.75%	3.00%	3.25%
	4.71%	111.24	119.96	130.16	142.25	156.79	174.62	197.00	225.93	264.78
	5.21%	95.57	102.07	109.51	118.11	128.16	140.07	154.40	171.97	194.03
	5.71%	83.42	88.43	94.08	100.48	107.81	116.29	126.20	137.93	152.05
	6.21%	73.72	77.69	82.11	87.05	92.61	98.93	106.15	114.51	124.27
	6.71%	65.81	69.02	72.56	76.47	<u>\$ 80.82</u>	85.69	91.18	97.40	104.52
	7.21%	59.22	61.87	64.76	67.93	71.42	75.27	79.56	84.36	89.77
	7.71%	53.66	55.88	58.28	60.89	63.73	66.86	70.29	74.10	78.33
	8.21%	48.90	50.78	52.80	54.98	57.35	59.92	62.73	65.81	69.19
	8.71%	44.78	46.39	48.11	49.96	51.95	54.10	56.43	58.97	61.74

Illustrative Leveraged Buyout Analysis

Sources & Uses / Cash Flow Summary

Key Assumptions

- Transaction date 12/31/2019
- Purchase Forward EBITDA Multiple 14.8x
- 2019E EBITDA \$103
- Exit EBITDA multiple 15.8x
- Minimum PF cash 2.0
- 35% tax rate
- Transaction fee 1%
- Financing fees 1%
- All existing debt refinanced
- 8.0x LTM EBITDA

Debt Financing

Purchase Price Summary		Illustrative Balance Sheet				
Purchase Price Calculation		Sources				
Current PPS as of 11/22/2019 Market Close	\$69.44		Multiple		(\$)	
Offer Premium	33%	Senior Notes	2.0x			242
Offer PPS	\$92	Subordinated Notes	6.0x			725
Basic Shares	16.8	Sponsor Equity				862
FD Shares	16.9	Total	8.0x			\$1,829
Equity Offer Price	\$1,561	Uses				
Plus: Debt	239	Purchase Price				\$1,554
Less: Cash	9.9	Refinance Existing Debt				239
Enterprise Value	\$1,790	Transaction Fees				18
		Financing Fees				18
		Total				\$1,829

Illustrative Cash Flow Summary					
(\$ in millions)					
	Projected Fiscal Years Ending December 31				
	2019 PY	2020 PY	2021 PY	2022 PY	2023 PY
Cash Flow From Operating Activities					
Net Income	\$42.00	\$12.00	\$22.00	\$30.00	\$38.00
Add Back Non-Cash Items					
Depreciation	17	21	25	29	33
Amortization	-1093	2	2	2	2
Subtotal	-1,034	35	49	61	73
Changes in Working Capital					
Accounts Receivable	10	0	-4	-4	-3
Inventory	4	1	-4	-3	-2
Accounts Payable	-3	-4	3	3	2
Other Long Term Asset	-84	-	-	-	-
Prepaid Expenses	1	0	-1	-1	-1
Net Cash Provided by Operating Activities	-\$1,122.46	\$11.76	\$18.86	\$27.81	\$37.10
Cash Flow From Investing Activities					
Capital Expenditures - Purchase of PP&E/Maintenance Capita Expenditures	\$31.50	\$37.98	\$39.30	\$40.67	\$41.69
Cash Flow From Financing Activities					
Subordinated Debt	\$725.00	-\$242.00	-\$242.00	-\$242.00	-
Senior Debt	242.00	-	-	-	-30.00

Illustrative Buyout Analysis

Sensitivity Analysis

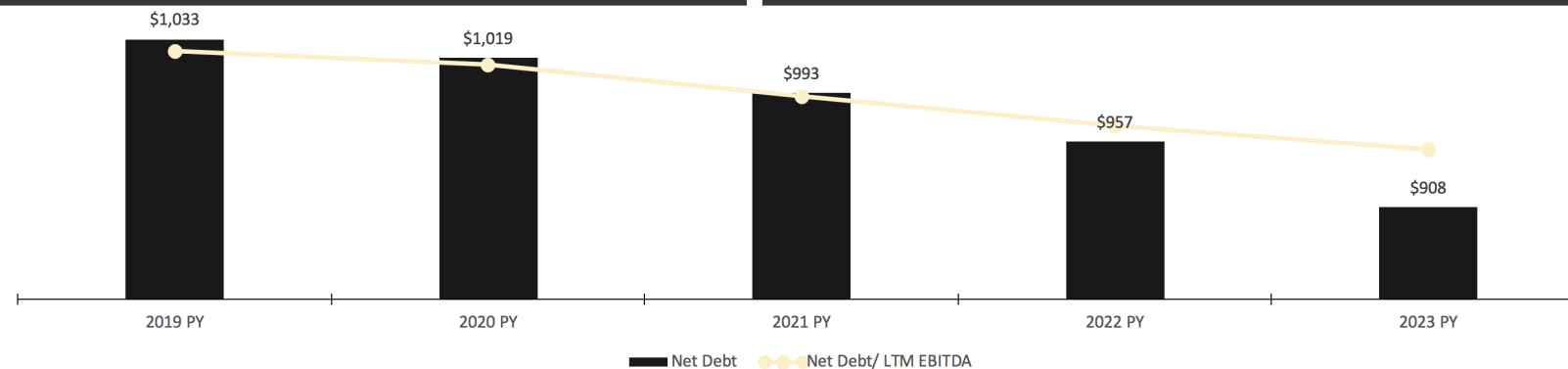
Key Assumptions

- Transaction date 12/31/2019
- Purchase Forward EBITDA Multiple 14.8x
- 2019E EBITDA \$103
- Exit EBITDA multiple 15.8x
- Minimum PF cash 2.0
- 35% tax rate
- Transaction fee 1%
- Financing fees 1%
- All existing debt refinanced

Debt Financing

- 8.0x LTM EBITDA

		EV/Ebitda @ Exit							EV/Ebitda @ Exit									
			12.8x	13.8x	14.8x	15.8x	16.8x	17.8x	18.8x	12.8x	13.8x	14.8x	15.8x	16.8x	17.8x	18.8x		
New Subordinated Debt EBITDA Multiple	9.00	40%	43%	45%	48%	50%	52%	54%	35%	37%	40%	42%	44%	46%	48%	10%		
	8.00	33%	35%	38%	40%	42%	44%	46%	31%	34%	36%	38%	41%	43%	45%	15%		
	7.00	27%	29%	32%	34%	36%	38%	40%	29%	31%	33%	35%	38%	40%	41%	20%		
	6.00	22%	25%	27%	29%	31%	33%	35%	26%	28%	30%	32%	35%	37%	39%	25%		
	5.00	18%	21%	23%	25%	27%	29%	30%	24%	26%	28%	30%	32%	34%	36%	30%		
	4.00	15%	17%	19%	21%	23%	25%	27%	22%	24%	26%	28%	30%	32%	34%	35%		
	3.00	12%	14%	16%	18%	20%	22%	23%	20%	22%	24%	26%	28%	30%	32%	40%		
		12.8x	13.8x	14.8x	15.8x	16.8x	17.8x	18.8x	EV/Ebitda @ Exit									
New Senior Debt EBITDA Multiple	3.50	30%	32%	35%	37%	39%	41%	43%	26%	28%	31%	33%	35%	37%	39%			
	3.00	27%	29%	32%	34%	36%	38%	40%	24%	26%	28%	30%	32%	34%	36%			
	2.50	25%	27%	29%	31%	33%	35%	37%	22%	24%	26%	28%	30%	32%	34%			
	2.00	22%	25%	27%	29%	31%	33%	35%	20%	22%	24%	26%	28%	30%	32%			
	1.50	20%	23%	25%	27%	29%	31%	32%	20%	22%	24%	26%	28%	30%	32%			
	1.00	18%	21%	23%	25%	27%	29%	30%	12.8x	13.8x	14.8x	15.8x	16.8x	17.8x	18.8x			
	0.50	17%	19%	21%	23%	25%	27%	28%	EV/Ebitda @ Exit									
		12.8x	13.8x	14.8x	15.8x	16.8x	17.8x	18.8x	EV/Ebitda @ Exit									



Preliminary Views on Valuation

Premiums Paid Analysis

Market Overview

Premiums paid for paper and packaging companies are slightly higher than the overall market.

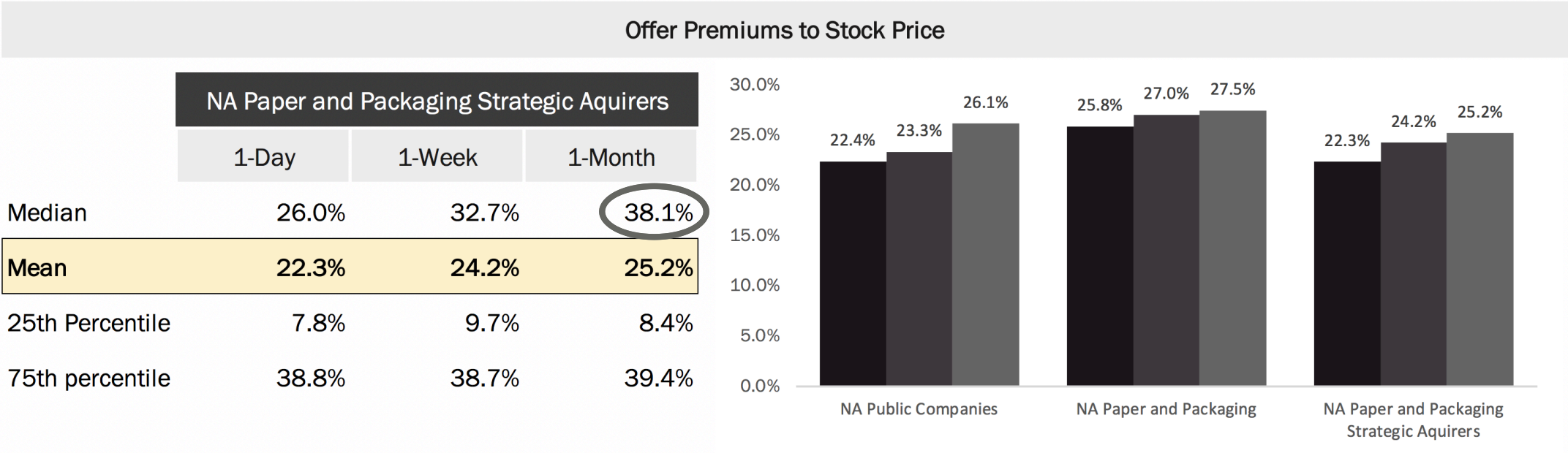
Offer Premiums to Stock Price							
	NA Public Companies				NA Paper and Packaging		
	1-Day	1-Week	1-Month		1-Day	1-Week	1-Month
Median	17.4%	18.8%	22.0%	Median	25.7%	30.9%	28.1%
Mean	22.4%	23.3%	26.1%	Mean	25.8%	27.0%	27.5%
25th Percentile	7.0%	9.2%	10.6%	25th Percentile	5.2%	8.8%	9.0%
75th percentile	32.5%	32.5%	37.2%	75th percentile	41.9%	42.4%	39.3%

Premiums Paid Valuation for Neenah								
	Stock Price	Premium Range			Valuation Per Share			
1-Monthly avg. Stock Price	\$68.43	10.0%	–	35.0%	\$ 75.27	–	\$ 92.38	
1-Week Avg. Stock Price	\$70.92	10.0%	–	35.0%	\$ 78.01	–	\$ 95.74	
Current Stock Price	\$69.44	10.0%	–	35.0%	\$ 76.38	–	\$ 93.74	

Premiums Paid Analysis (Cont.)

Strategic Acquirer Focus

Strategic Acquirers attract lower premiums in comparison to the wider market



Offer Premiums to Stock Price								
	Stock Price		Premium Range			Valuation Per Share		
1-Monthly avg. Stock Price	\$68.43		10.0%	--	25.0%	\$ 75.27	--	\$ 85.54
1-Week Avg. Stock Price	\$70.92		10.0%	--	25.0%	\$ 78.01	--	\$ 88.65
Current Stock Price	\$69.44		10.0%	--	25.0%	\$ 76.38	--	\$ 86.80

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Neenah vs Domtar

(\$ in millions except per share figures)

Market Summary

Share Price(11/22/19)
52-Week High
Discount to 52-Week High
Market Capitalization
Enterprise Value



\$ 69.44 \$ 77.55
-10.46%
1178.40
1390.60



37.50 53.89
-30.41%
2147.63
3073.4

Financial Summary

2019E Revenue
2019E EBITDA
2019E Net Income
2019E Capex
2019E Cash Flow

\$ 921.06 \$ 5,254.40
91.66418825 594.2
56.83345538 163.50
71 221.8
80.5 273.1

Valuation Statistics

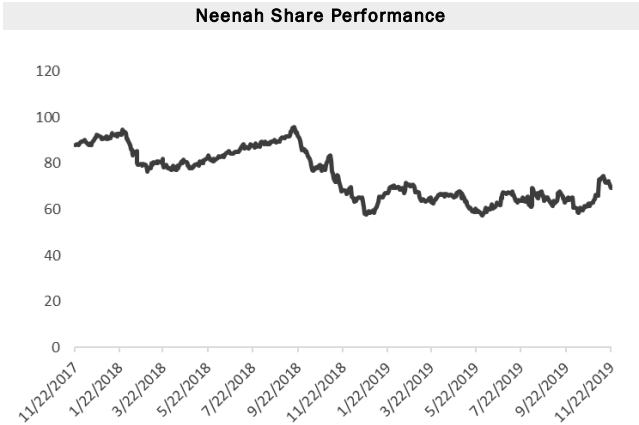
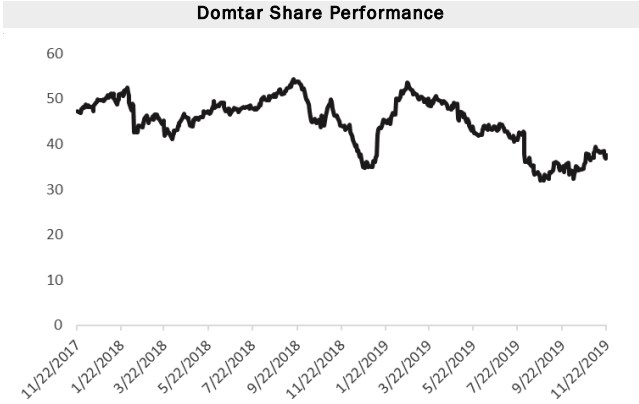
2019E EV / Revenue
2019E EV / EBITDA
2019E P / E
2019E LT Growth

1.51 0.58
12.36 5.17
21.34 11.63
11.50% 5%

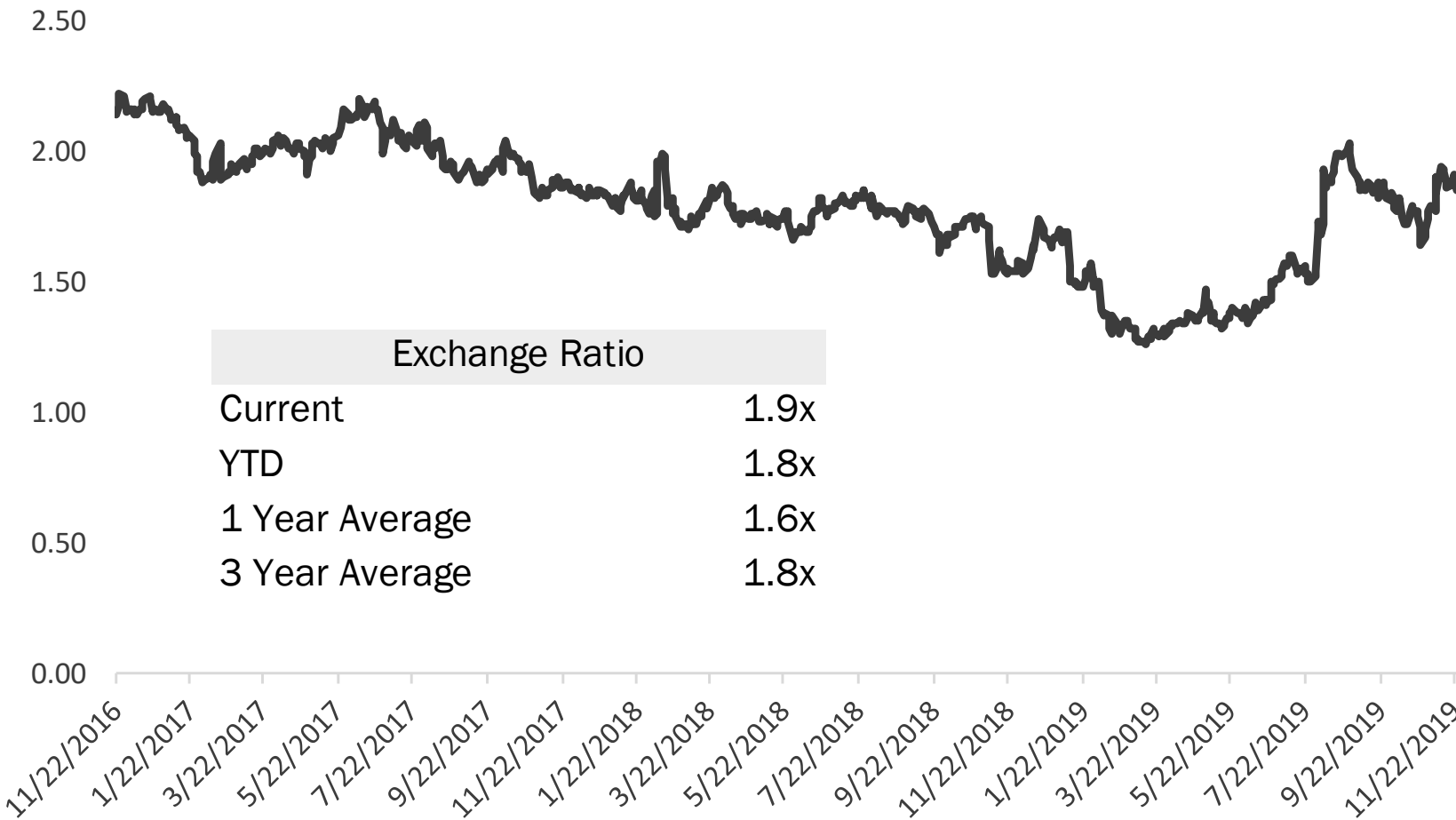


Shares of Domtar per Neenah Share

Relative Exchange Ratio



Historical Exchange Ratio



Exchange Ratio	
Current	1.9x
YTD	1.8x
1 Year Average	1.6x
3 Year Average	1.8x

Accretion / (Dilution) Analysis

	2018 FY	2019 PY	2020 PY	2021 PY	2022 PY	2023 PY
Domtar EBIT	\$ 400.00	\$ 314.20	\$ 306.97	\$ 317.88	\$ 333.00	\$ 346.83
Neenah EBIT	\$ 84.80	\$ 76.85	\$ 83.79	\$ 94.06	\$ 104.94	\$ 115.34
Synergies		0.00	41.58	41.69	42.33	43.39
Pro Forma Combined EBIT (pre-deal structure)	485	391	432	454	480	506
Depreciation from Write-Up			25.8	25.8	25.8	25.8
Pro Forma Combined EBIT			\$406.5	\$427.8	\$454.5	\$479.8
Domtar Net Interest Expense			55.7	55.5	55.3	55.2
Incremental Net Interest Expense			65.5	60.8	58.7	56.3
Earnings Before Taxes			\$285.3	\$311.6	\$340.5	\$368.3
Income Tax Expense @ 35%			99.9	109.0	119.2	128.9
Pro Forma Combined Net Income			\$185.5	\$202.5	\$221.3	\$239.4
Domtar Standalone Net Income			\$131.9	\$153.2	\$165.1	\$163.4
Domtar Fully Diluted Shares Outstanding			57.3	57.3	57.3	57.3
Converted Neenah Fully Diluted Shares			-	-	-	-
Pro Forma Fully Diluted Shares Outstanding			57.3	57.3	57.3	57.3
Pro Forma Combined Diluted EPS			\$3.24	\$3.54	\$3.86	\$4.18
BuyerCo Standalone Diluted EPS			\$2.30	\$2.67	\$2.88	\$2.85
Accretion / (Dilution) - \$			\$0.94	\$0.86	\$0.98	\$1.33
Accretion / (Dilution) - %			40.6%	32.2%	34.0%	46.5%
Accretive / Dilutive			Accretive	Accretive	Accretive	Accretive

*Synergies: Effect on EBIT, Revenue Growth +2%, COGS -4%, Op Ex -20%

Acquisition of Neenah by Domtar

100% Cash			Effect on 2020E EPS Accretion					
Synergies (\$)	Premium Paid							
	Syn/EBITDA	Syn/Sales		40%	35%	30%	20%	10%
	0.96x	0.11x	100	67%	69%	71%	74%	78%
	0.72x	0.08x	75	54%	56%	58%	62%	66%
	0.48x	0.05x	50	42%	44%	46%	50%	54%
	0.24x	0.03x	25	30%	32%	34%	37%	41%
	0.00x	0.00x	0	17%	19%	21%	25%	29%

100% Cash			Effect on 2021E EPS Accretion					
Synergies (\$)	Premium Paid							
	Syn/EBITDA	Syn/Sales		40%	35%	30%	20%	10%
	0.84x	0.10x	100	55%	56%	58%	61%	65%
	0.63x	0.08x	75	44%	46%	47%	51%	54%
	0.42x	0.05x	50	33%	35%	37%	40%	43%
	0.21x	0.03x	25	23%	25%	26%	29%	33%
	0.00x	0.00x	0	12%	14%	16%	19%	22%

Cash/Stock Mix			Effect on 2020E EPS Accretion					
Synergies (\$)	Premium Paid							
	Syn/EBITDA	Syn/Sales		40%	35%	30%	20%	10%
	0.96x	0.11x	100	53%	56%	59%	65%	72%
	0.72x	0.08x	75	42%	45%	48%	54%	61%
	0.48x	0.05x	50	32%	35%	38%	44%	50%
	0.24x	0.03x	25	21%	24%	27%	33%	39%
	0.00x	0.00x	0	11%	13%	16%	22%	28%

Cash/Stock Mix			Effect on 2021E EPS Accretion					
Synergies (\$)	Premium Paid							
	Syn/EBITDA	Syn/Sales		40%	35%	30%	20%	10%
	0.84x	0.10x	100	17%	19%	21%	26%	31%
	0.63x	0.08x	75	9%	12%	14%	18%	23%
	0.42x	0.05x	50	2%	4%	6%	11%	15%
	0.21x	0.03x	25	-5%	-3%	-1%	3%	8%
	0.00x	0.00x	0	-13%	-11%	-9%	-5%	0%

2020 Net Debt / 2020E EBITDA

Premium

33%

0% 9.7x

25% 7.9x

50% 6.1x

75% 4.3x

100% 2.5x

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Overview of Potential Interlopers

Business Description

Size (mm)

Financial Capacity (mm)

Comments



Schweitzer-Mauduit International, Inc. manufactures and sells fine papers to the tobacco industry. The Company also produces specialty paper products for use in other applications such as alkaline batteries, vacuum cleaner bags, business forms, and printing and packaging applications.

Schweitzer-Mauduit
Market Cap - \$1,333.0

PF 2020E EBITDA	
<i>Interloper</i>	209.0
<i>Neenah</i>	93.3
Combined EBITDA	302.3
<i>Synergies</i>	176.7
NEWCO EBITDA	478.9
<i>Leverage Factor</i>	5.5x
<i>Less : Net Debt</i>	499.9
Incremental Debt Capacity	2,134.2

- Schweitzer-Mauduit is entrenched in fine paper and could efficiently integrate Neenah's business



P.H. Glatfelter Co, commonly known as Glatfelter, manufactures specialty paper and engineered products. The Company's products include custom applications such as playing cards and digital imaging papers, as well as printing, converting papers, and long-fiber and overlay papers.

P.H. Glatfelter
Market Cap - \$777.4

PF 2020E EBITDA	
<i>Interloper</i>	129.3
<i>Neenah</i>	93.3
Combined EBITDA	222.6
<i>Synergies</i>	130.1
NEWCO EBITDA	352.7
<i>Leverage Factor</i>	5.5x
<i>Less : Net Debt</i>	269.1
Incremental Debt Capacity	1,670.8

- Glatfelter has limited exposure to fine paper
- This transaction would allow them to diversify their portfolio of products and expand into a premium market.



Cascades Inc. produces paper and packaging products. The Company manufactures, converts, and markets specialty products, including boxboard, fine papers, tissue paper, and containerboard. Cascades and its subsidiaries operate in Canada, the United States, France, Sweden, Germany, and Great Britain.

Cascades
Market Cap - \$1,195.5

PF 2020E EBITDA	
<i>Interloper</i>	600.0
<i>Neenah</i>	93.3
Combined EBITDA	693.3
<i>Synergies</i>	405.2
NEWCO EBITDA	1,098.4
<i>Leverage Factor</i>	5.5x
<i>Less : Net Debt</i>	2,314.0
Incremental Debt Capacity	3,727.4

- Already has segments in fine paper
- Increasing penetration in American market would make the transaction attractive

Alternative Acquirer Analysis

From this analysis Cascades appears to be the most likely potential interloper on this deal, and they would likely finance it with 100% cash. However, Schweitzer-Mauduit or Glatfelter might also be interested if they could realize larger synergies from the transaction.

It is clear Domtar has the most to gain from going through with this transaction.





				
(\$ in Millions)				
Market Cap	\$2,147.63	1,333.0	777.4	1,195.5
LTM EV / EBITDA	4.9x	9.2x	10.7x	6.8x
LTM P / E	8.2x	14.8x	34.3x	24.0x
	Accretion / (Dilution) %			
100% Cash / 0% Stock / 30% Premium / No Synergies				
2020E Acc / (Dil)	21.30%	(37.03%)	(74.16%)	3.72%
2021E Acc / (Dil)	15.56%	(47.02%)	(70.30%)	2.74%
100% Cash / 0% Stock / 30% Premium / \$50m Synergies				
2020E Acc / (Dil)	45.94%	(12.40%)	(49.53%)	28.35%
2021E Acc / (Dil)	36.78%	(25.80%)	(49.08%)	23.96%
50% Cash / 50% Stock / 30% Premium / No Synergies				
2020E Acc / (Dil)	(2.44%)	(41.76%)	(77.69%)	(45.88%)
2021E Acc / (Dil)	(8.83%)	(51.68%)	(77.47%)	(47.88%)
50% Cash / 50% Stock / 30% Premium / \$50m Synergies				
2020E Acc / (Dil)	15.04%	(23.57%)	(64.53%)	(34.73%)
2021E Acc / (Dil)	6.23%	(36.01%)	(66.13%)	(38.28%)

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Detailed Trading Comps

Comparable Companies Analysis

Trading Statistics

		General							Financial Statistics												
		Current							% of												
		Share Price	Shares Outstanding	52-wk. High	52-wk. High	Equity Value	Enterprise Value	Beta 2Y Weekly	L4Q	Revenue E2019	E2020	LTM	EBIT E2019	E2020	LTM	EBITDA E2019	E2020	LTM	Earnings E2019	E2020	
Company	Ticker	\$66.29	\$16.86	\$83.82	79%	\$1,117.70	\$1,349.30	0.91	\$1,034.90	\$981.00	\$1,008.50	\$71.50	\$77.45	\$95.35	\$109.70	\$120.00	\$137.00	\$50.40	\$55.10	\$65.80	
Neenah Inc	NP US Equity	\$36.94	\$62.58	\$53.89	69%	\$2,311.83	\$3,247.83	1.29	\$5,455.00	\$5,254.36	\$5,111.18	\$311.00	\$270.29	\$233.57	\$619.00	\$597.69	\$563.85	\$205.00	\$169.00	\$143.94	
Tier: North America																					
SCHWEITZER-MAUDU	SWM US Equity	\$40.07	\$30.90	\$41.58	96%	\$1,238.01	\$1,781.41	0.80	\$1,041.30	\$1,034.50	\$1,029.00	\$132.50			\$195.30	\$204.00	\$209.00	\$86.10	\$91.10	\$115.00	
GLATFELTER	GLT US Equity	\$18.15	\$44.17	\$18.62	97%	\$801.71	\$1,096.67	1.36	\$866.29	\$926.00	\$985.00	\$43.51	\$59.93	\$79.53	\$94.24	\$111.67	\$129.33	(\$56.75)			
CASCADES INC	CAS CN Equity	\$12.91	\$93.66	\$12.95	100%	\$1,209.09	\$3,484.09	0.55	\$3,588.28	\$5,007.20	\$5,168.20	\$150.32	\$317.00	\$304.00	\$354.27	\$588.00	\$605.00	\$19.64	\$100.75	\$103.10	
Resolute Forest Products	RFP US Equity	\$3.66	\$89.29	\$12.03	30%	\$326.82	\$748.82	1.31	\$3,756.00	\$2,995.75	\$3,095.25	\$161.00	\$82.00	\$126.00	\$348.00	\$242.75	\$295.25	\$60.00	\$41.50	\$85.23	
Packaging Corp of America	PKG US Equity	\$111.31	\$94.66	\$112.72	99%	\$10,536.37	\$12,539.97	1.20	\$7,014.60	\$6,948.18	\$6,902.18	\$1,105.30	\$1,063.89	\$962.50	\$1,543.50	\$1,447.25	\$1,344.75	\$764.80	\$721.67	\$640.20	
Verso Corp - A	VRS US Equity	\$14.85	\$34.69	\$31.96	46%	\$515.17	\$579.17	1.17	\$2,682.00	\$2,485.50	\$2,360.00	\$68.00	(\$86.00)	(\$178.00)	\$262.00	\$224.67	\$225.50	\$96.00	(\$63.37)	(\$168.00)	
International Paper	IP US Equity	\$43.96	\$392.12	\$48.24	91%	\$17,237.44	\$27,342.44	1.17	\$23,306.00	\$22,533.17	\$22,179.58	\$2,555.00	\$2,458.90	\$2,203.10	\$3,971.00	\$3,774.75	\$3,511.50	\$1,376.00	\$1,763.13	\$1,495.89	
UFP TECHNOLOGIES INC	UFTP US Equity	\$41.76	\$7.43	\$46.42	90%	\$310.20	\$325.98	0.59	\$190.46	\$202.00	\$214.00	\$23.20	\$23.60	\$28.40	\$31.89			\$16.88	\$16.90	\$21.00	
Kapstone Paper	KS US Equity		\$97.95						\$3,315.66	\$3,523.00	\$3,705.33	\$319.09	\$343.00	\$393.33	\$505.85	\$545.67	\$580.67	\$346.14	\$236.00	\$273.00	
ClearWater	CLW US Equity	\$18.51	\$16.52	\$35.27	52%	\$305.70	\$1,289.15	1.46	\$1,724.22	\$1,760.25	\$1,825.25	(\$147.49)	\$40.25	\$83.35	(\$27.87)	\$155.60	\$189.60	(\$195.33)	(\$5.00)	\$8.53	
IMPRESO INC	ZCOM US Equity	\$1.41	\$5.28	\$1.50	94%	\$7.44	\$21.56		\$77.73			(\$1.59)			(\$0.15)			(\$1.37)			
Mercer Inc	MERC US Equity	\$12.72	\$65.63	\$17.74	72%	\$834.81	\$1,570.23	1.43	\$1,457.72	\$1,650.00	\$1,704.00	\$241.11	\$133.50	\$142.50	\$365.14	\$255.00	\$270.17	\$108.09	\$40.40	\$35.70	
Fortress Global Enterprises Inc.	FGE CN Equity	\$0.04	\$14.97	\$2.14	2%	\$0.60	\$205.27	0.54	\$143.52	\$116.00	\$201.00	(\$56.41)			(\$39.93)	(\$30.00)	\$26.00	(\$70.53)			
AhlstromMunksjö	AM1 FH Equity	\$13.38	\$115.65	\$15.18	88%	\$1,547.44	\$2,539.74	0.75	\$2,879.58	\$2,930.33	\$2,971.00	\$89.57	\$155.33	\$221.67	\$285.96	\$302.67	\$387.83	\$11.39	\$77.07	\$141.67	
AMCOR PLC	AMCR US Equity	\$9.73	\$1,614.96	\$11.77	83%	\$15,713.54	\$21,280.84		\$9,458.20	\$13,170.60	\$13,461.30	\$791.70	\$1,502.80	\$1,610.20	\$1,244.70	\$2,007.90	\$2,126.60	\$430.20	\$984.10	\$1,085.40	
AVERY DENNISON CORP	AVY US Equity	\$129.40	\$83.50	\$130.61	99%	\$10,805.27	\$12,724.47	1.12	\$7,159.00	\$7,079.64	\$7,282.82	\$784.40	\$828.86	\$864.86	\$1,011.50	\$1,008.55	\$1,052.70	\$238.20	\$560.00	\$587.78	
IT TECH PACKAGING INC	ITP US Equity	\$0.59	\$22.05	\$1.30	45%	\$13.02	\$27.83	0.71	\$86.75			(\$9.29)			\$5.38			(\$8.84)			
Mean		\$ 45.6	\$ 126.4	\$ 47.8	\$ 1.0	\$ 6,019.0	\$ 8,957.8	\$ 1.0	\$ 6,993.1	\$ 7,123.3	\$ 7,089.8	\$ 775.5	\$ 784.7	\$ 715.5	\$ 1,199.0	\$ 1,480.4	\$ 1,397.6	\$ 424.1	\$ 650.6	\$ 565.0	
Median		\$ 41.8	\$ 93.7	\$ 46.4	\$ 1.0	\$ 1,209.1	\$ 3,484.1	\$ 1.2	\$ 3,588.3	\$ 5,007.2	\$ 5,168.2	\$ 150.3	\$ 317.0	\$ 304.0	\$ 354.3	\$ 1,017.6	\$ 974.9	\$ 19.6	\$ 411.2	\$ 371.7	
Tier: Eastern + Western Europe																					
STORA ENSO OYJ-R	STERV FH Equity	\$12.06	\$612.36	\$13.55	89%	\$9,629.31	\$13,364.31	1.75	\$12,385.27	\$10,088.93	\$9,945.69	\$909.21	\$954.27	\$1,032.00	\$1,487.90	\$1,542.50	\$1,568.06	\$750.15	\$579.79	\$641.93	
UPM-KYMMENE OYJ	UPM FH Equity	\$29.74	\$533.74	\$30.35	98%	\$15,873.30	\$16,117.30	1.37	\$12,381.73	\$10,315.00	\$10,066.93	\$1,972.96	\$1,345.87	\$1,285.60	\$2,500.88	\$1,810.81	\$1,719.19	\$1,566.86	\$1,086.79	\$995.67	
MIQUEL Y COSTAS	MCM SM Equity	\$15.28	\$31.00	\$19.00	80%	\$473.68	\$511.76	0.60	\$306.21	\$282.50	\$299.00	\$57.82			\$76.35	\$67.10	\$69.35	\$42.82	\$38.75	\$39.25	
ALKIM KAGIT	ALKA TI Equity	\$4.01	\$52.50	\$5.18	77%	\$210.53	\$267.60	0.87	\$75.26			\$8.60			\$9.77			\$6.02			
Mean		\$ 15.3	\$ 307.4	\$ 17.0	\$ 0.9	\$ 6,546.7	\$ 7,565.2	\$ 1.1	\$ 6,287.1	\$ 6,895.5	\$ 6,770.5	\$ 737.1	\$ 1,150.1	\$ 1,158.8	\$ 1,018.7	\$ 1,140.1	\$ 1,118.9	\$ 591.5	\$ 568.4	\$ 559.0	
Median		\$ 13.7	\$ 293.1	\$ 16.3	\$ 0.8	\$ 5,051.5	\$ 6,938.0	\$ 1.1	\$ 6,344.0	\$ 10,088.9	\$ 9,945.7	\$ 483.5	\$ 1,150.1	\$ 1,158.8	\$ 782.1	\$ 1,542.5	\$ 1,568.1	\$ 396.5	\$ 579.8	\$ 641.9	
Overall																					
Mean		\$ 32.1	\$ 206.8	\$ 34.1	\$ 0.9	\$ 6,253.5	\$ 8,338.9	\$ 1.0	\$ 6,679.3	\$ 7,037.9	\$ 6,970.1	\$ 758.4	\$ 889.1	\$ 842.2	\$ 1,118.9	\$ 1,334.6	\$ 1,278.2	\$ 498.5	\$ 615.4	\$ 562.4	
Median		\$ 18.2	\$ 93.7	\$ 19.0	\$ 0.9	\$ 1,209.1	\$ 3,484.1	\$ 1.2	\$ 3,588.3	\$ 5,977.7	\$ 6,035.2	\$ 150.3	\$ 954.3	\$ 962.5	\$ 354.3	\$ 1,447.3	\$ 1,344.8	\$ 42.8	\$ 579.8	\$ 640.2	
High		\$ 111.3	\$ 612.4	\$ 112.7	\$ 1.0	\$ 17,237.4	\$ 27,342.4	\$ 1.7	\$ 23,306.0	\$ 22,533.2	\$ 22,179.6	\$ 2,555.0	\$ 2,458.9	\$ 2,203.1	\$ 3,971.0	\$ 3,774.8	\$ 3,511.5	\$ 1,566.9	\$ 1,763.1	\$ 1,495.9	
Low		\$ 4.0	\$ 7.4	\$ 5.2	\$ 0.8	\$ 210.5	\$ 267.6	\$ 0.5	\$ 75.3	\$ 202.0	\$ 214.0	\$ 8.6	\$ 23.6	\$ 28.4	\$ 9.8	\$ 67.1	\$ 69.4	\$ (56.8)	\$ 16.9	\$ 21.0	

Detailed Trading Comps

Comparable Companies Analysis

Trading Statistics

		Key Multiples (x)									LTM Profitability Margins			Credit Ratings		Leverage Metrics						LTM Leverage Ratios					
					Price/Earnings			EV/EBITDA			EV/Sales			Net Income					LY		LTM				Debt /		
Company	Ticker	LTM	EPS E2019	E2020	LTM	E2019	E2020	LTM	E2019	E2020	LTM	E2019	E2020	EBITDA (%)	EBIT (%)	(%)	S&P Rating	Moody's Rating	Total Debt	Interest Expense	Total Cap	Net Debt	Total Cap (%)	Debt / EBITDA (x)	Net Debt / EBITDA (x)		
Neenah Inc	NP US Equity	2.9x	3.3x	3.9x	22.6x	20.0x	17.1x	12.3x	11.2x	9.8x	1.3x	1.4x	1.3x	11%	7%	5%	BB	Ba2	\$239.10	\$13.00	\$629.30	\$229.20	0.38	2.2x	2.1x		
Domtar Corp	UFS US Equity	4.5x	3.1x	2.8x	8.2x	11.8x	13.1x	5.2x	5.4x	5.8x	0.6x	0.6x	0.6x	11%	6%	4%	BBB-	Baa3	\$854.00		\$3,392.00	\$743.00	0.25	1.4x	1.2x		
Tier: North America																											
SCHWEITZER-MAUDU	SWM US Equity	3.4x	3.2x	3.4x	12.0x	12.6x	11.8x	9.1x	8.7x	8.5x	1.7x	1.7x	1.7x	19%	13%	8%	BB-	Ba3	\$622.10	\$28.20	\$38.30	\$1,180.00	\$528.30	53%	3.2x	2.7x	
GLATFELTER	GLT US Equity	0.5x	0.7x	1.0x	34.9x	25.3x	18.5x	11.6x	9.8x	8.5x	1.3x	1.2x	1.1x	11%	5%	-7%	BB+	Ba2	\$411.75	\$15.61	\$12.89	\$950.65	\$269.06	43%	4.4x	2.9x	
CASCADES INC	CAS CN Equity	0.6x	1.0x	1.1x	22.1x	13.1x	11.5x	9.8x	5.9x	5.8x	1.0x	0.7x	0.7x	10%	4%	1%	BB-	Ba2	\$1,388.73	\$62.52		\$2,627.72	\$1,298.44	53%	3.9x	3.7x	
Resolute Forest Products	RFP US Equity	0.4x	0.0x	0.6x	9.9x	122.0x	5.8x	2.2x	3.1x	2.5x	0.2x	0.2x	0.2x	9%	4%	2%	BB-	Ba3	\$645.00	\$47.00	\$35.00	\$2,180.00	\$341.00	30%	1.9x	1.0x	
Packaging Corp of America	PKG US Equity	8.3x	7.6x	6.9x	13.5x	14.6x	16.1x	8.1x	8.7x	9.3x	1.8x	1.8x	1.8x	22%	16%	11%	BBB	Baa2	\$2,502.70	\$97.20	\$5,175.10	\$2,141.20	48%	1.6x	1.4x		
Verso Corp - A	VRS US Equity	2.5x	-1.8x	-4.8x	5.9x	-8.1x	-3.1x	2.2x	2.6x	2.6x	0.2x	0.2x	0.2x	10%	3%	4%			-	\$33.00	\$18.00	\$906.00	(\$26.00)	0%	0.0x	-0.1x	
International Paper	IP US Equity	5.0x	4.4x	3.8x	8.8x	10.0x	11.6x	6.9x	7.2x	7.8x	1.2x	1.2x	1.2x	17%	11%	6%	BBB	Baa2	\$10,654.00	\$734.00	\$725.00	\$18,037.00	\$10,065.00	59%	2.7x	2.5x	
UFP TECHNOLOGIES INC	UFPT US Equity	2.3x	2.3x	2.8x	18.4x	18.4x	14.9x	10.2x			1.7x	1.6x	1.5x	17%	12%	9%			\$25.14	\$1.32	\$1.07	\$165.60	\$21.91	15%	0.8x	0.7x	
Kapstone Paper	KS US Equity	2.2x	2.2x	2.6x										15%	10%	10%			\$1,456.73			\$2,593.75	\$1,428.67	56%	2.9x	2.8x	
ClearWater	CLW US Equity	0.0x	-0.3x	0.9x	485.5x	-62.7x	19.9x	-46.3x	8.3x	6.8x	0.7x	0.7x	0.7x	-2%	-9%	-11%	BB-	Ba2	\$792.13			\$1,218.52	\$769.64	65%	-28.4x	-27.6x	
IMPRESO INC	ZCOM US Equity	-0.3x			-4.0x			-145.9x			0.3x			0%	-2%	-2%			\$15.81	\$1.24	\$1.20	\$30.95	\$15.81	51%	-107.0x	-107.0x	
Mercer Inc	MERC US Equity	1.7x	0.6x	1.1x	7.5x	21.9x	12.0x	4.3x	6.2x	5.8x	1.1x	1.0x	0.9x	25%	17%	7%	BB-	Ba2	\$1,070.97	\$51.46	\$70.60	\$1,652.40	\$830.48	65%	2.9x	2.3x	
Fortress Global Enterprises Inc.	FGE CN Equity	-3.2x	-6.2x	-0.4x	0.0x	0.0x	-0.1x	-5.1x	-6.8x	7.9x	1.4x	1.8x	1.0x	-28%	-39%	-49%			\$153.66	\$17.52	\$16.41	\$226.94	\$144.40	68%	-3.8x	-3.6x	
AhlstromMunksjö	AM1 FH Equity	0.1x	0.8x	1.3x	197.7x	16.8x	10.4x	8.9x	8.4x	6.5x	0.9x	0.9x	0.9x	10%	3%	0%			\$1,335.30	\$29.53		\$2,666.25	\$1,162.38	50%	4.7x	4.1x	
AMCOR PLC	AMCR US Equity	0.4x	0.6x	0.7x	27.0x	15.8x	14.1x	17.1x	10.6x	10.0x	2.2x	1.6x	1.6x	13%	8%	5%	BBB	Baa2	\$6,103.20	\$207.90	\$207.90	\$11,777.90	\$5,501.60	52%	4.9x	4.4x	
VERY DENNISON CORP	AVY US Equity	5.8x	6.6x	7.0x	22.3x	19.8x	18.4x	12.6x	12.6x	12.1x	1.8x	1.8x	1.7x	14%	11%	3%	BBB	Baa2	\$1,966.20	\$58.50	\$74.30	\$2,921.30	\$1,734.20	67%	1.9x	1.7x	
IT TECH PACKAGING INC	ITP US Equity	-0.3x			-2.2x			5.2x			0.3x			6%	-11%	-10%			\$24.83	\$1.49	\$1.18	\$191.38	\$16.35	13%	4.6x	3.0x	
Mean		3.3x	3.2x	3.1x	19.5x	16.3x	14.5x	9.3x	#VALUE!	#VALUE!	1.4x	1.3x	1.3x	15%	10%	4%	#DIV/0!	#DIV/0!	\$ 2,996.5	\$ 182.1	\$ 246.3	\$ 5,391.2	\$ 2,759.1	44%	2.7x	2.2x	
Median		2.3x	2.3x	2.8x	18.4x	14.6x	14.9x	9.8x	#VALUE!	#VALUE!	1.3x	1.2x	1.2x	17%	11%	6%	#NUM!	#NUM!	\$ 1,388.7	\$ 62.5	\$ 12.9	\$ 2,627.7	\$ 1,298.4	48%	2.7x	2.5x	
Tier: Eastern + Western Europe																											
STORA ENSO OYJ-R	STERV FH Equity	1.0x	0.8x	0.9x	12.6x	15.0x	14.1x	9.0x	8.7x	8.5x	1.1x	1.3x	1.3x	12%	7%	6%	NR	Baa3	\$3,750.53	\$164.18		\$11,460.02	\$2,456.45	33%	2.5x	1.7x	
UPM-KYMMENE OYJ	UPM FH Equity	2.9x	2.0x	1.9x	10.1x	14.7x	15.8x	6.4x	8.9x	9.4x	1.3x	1.6x	1.6x	20%	16%	13%	BBB	Baa2	\$887.53	\$51.97		\$12,107.05	(\$251.94)	7%	0.4x	-0.1x	
MIQUEL Y COSTAS	MCM SM Equity	2.1x	1.3x	1.3x	7.4x	12.2x	12.1x	6.7x	7.6x	7.4x	1.7x	1.8x	1.7x	25%	19%	14%			\$85.76	\$0.99		\$394.85	\$24.74	22%	1.1x	0.3x	
ALKIM KAGIT	ALKA TI Equity	0.1x			35.0x			27.4x			3.6x			13%	11%	8%			\$4.69	\$0.65		\$33.24	(\$7.46)	14%	0.5x	-0.8x	
Mean		1.5x	1.4x	1.3x	16.3x	#VALUE!	#VALUE!	12.4x	#VALUE!	#VALUE!	1.9x	#VALUE!	#VALUE!	18%	13%	10%	#DIV/0!	#DIV/0!	\$ 1,182.1	\$ 54.4	#DIV/0!	\$ 5,998.8	\$ 555.4	19%	1.1x	0.3x	
Median		1.5x	1.3x	1.3x	11.4x	#VALUE!	#VALUE!	7.8x	#VALUE!	#VALUE!	1.5x	#VALUE!	#VALUE!	17%	14%	10%	#NUM!	#NUM!	\$ 486.6	\$ 26.5	#NUM!	\$ 5,927.4	\$ 8.6	18%	0.8x	0.1x	
Overall																											
Mean		2.5x	2.5x	2.5x	18.1x	#VALUE!	#VALUE!	10.7x	#VALUE!	#VALUE!	1.6x	#VALUE!	#VALUE!	16%	11%	7%	#DIV/0!	#DIV/0!	\$ 2,190.1	\$ 125.4	\$ 246.3	\$ 5,661.2	\$ 1,779.7	33%	2.0x	1.4x	
Median		2.1x	1.6x	1.6x	13.5x	#VALUE!	#VALUE!	9.0x	#VALUE!	#VALUE!	1.3x	#VALUE!	#VALUE!	17%	11%	8%	#NUM!	#NUM!	\$ 887.5	\$ 52.0	\$ 12.9	\$ 2,627.7	\$ 269.1	33%	1.6x	1.4x	
High		8.3x	7.6x	6.9x	35.0x	#VALUE!	#VALUE!	27.4x	#VALUE!	#VALUE!	3.6x	#VALUE!	#VALUE!	25%	19%	14%	\$ -	\$ -	\$ 10,654.0	\$ 734.0	\$ 725.0	\$ 18,037.0	\$ 10,065.0	59%	4.4x	3.7x	
Low		0.1x	0.7x	0.9x	7.4x	#VALUE!	#VALUE!	6.4x	#VALUE!	#VALUE!	1.0x	#VALUE!	#VALUE!	10%	4%	-7%	\$ -	\$ -	\$ 4.7	\$ 0.6	\$ 1.1	\$ 33.2	(\$251.9)	7%	0.4x	-0.8x	

Detailed Trading Comps

Comparable Companies Analysis

Trading Statistics

Company	Ticker	LTM Coverage Ratios		Return on Investment					FCF Yield			Growth							
		EBITDA / Interest Exp (x)	EBIT / Interest Exp (x)	ROIC (%)	ROE (%)	ROA (%)	Dividend s per Share LTM	Dividend Yield LTM (%)	Free Cash Flow LTM	FCF per Share LTM	FCF Yield LTM (%)	EBITDA LTM	Growth E2020	Revenue LTM	Growth E2020	Earnings LTM	Growth E2020	Sustainable	
																		LT EPS Growth RT	LT EPS Growth RT
Neenah Inc	NP US Equity	8.4x	5.5x	8%	13%	6%	1.76	2.7%	\$62.60	\$3.71	\$0.06	5.7%	23.1%	-3.6%	2.8%	2.6%	19.4%	10%	2%
Domtar Corp	UFS US Equity			6%	8%	4%	1.77	4.8%	\$258.00	\$4.12	\$0.11	1025.5%	-13.6%	-0.6%	-2.7%		-14.8%		7%
Tier: North America																			
SCHWEITZER-MAUDU	SWM US Equity	6.9x	4.7x	9%	16%	6%	1.76	4.4%	\$22.20	\$0.72	\$0.02	-0.4%		1.1%	-0.5%	92.2%	26.2%	6%	8%
GLATFELTER	GLT US Equity	6.0x	2.8x	2%	-10%	-4%	0.52	2.9%	(\$0.75)	(\$0.02)	(\$0.00)		32.7%	9.5%	6.4%	47.3%			
CASCADES INC	CAS CN Equity	5.7x	2.4x	4%	2%	1%	0.12	0.9%	\$73.27	\$0.78	\$0.06	-7.3%	-4.1%	9.2%	3.2%	-85.4%	2.3%		3%
Resolute Forest Products	RFP US Equity	7.4x	3.4x	2%	4%	2%	0.00	0.0%	\$61.00	\$0.68	\$0.19	-38.8%	53.7%	-14.4%	3.3%	-71.7%	105.4%		15%
Packaging Corp of America	PKG US Equity	15.9x	11.4x	16%	27%	11%	3.16	2.8%	\$808.00	\$8.54	\$0.08	6.1%	-9.5%	0.6%	-0.7%	-4.7%	-11.3%	10%	19%
Verso Corp - A	VRS US Equity	7.9x	2.1x	6%	12%	6%	0.00	0.0%	\$111.00	\$3.20	\$0.22	57.8%	107.0%	3.8%	-5.0%	146.2%	165.1%		21%
International Paper	IP US Equity	5.4x	3.5x	13%	19%	4%	1.98	4.5%	\$2,304.00	\$5.88	\$0.13	12.1%	-10.4%	-1.0%	-1.6%	-56.4%	-15.2%	5%	15%
UFP TECHNOLOGIES INC	UFPT US Equity	24.2x	17.6x	11%	12%	9%	0.00	0.0%	\$20.98	\$2.82	\$0.07	63.5%	20.3%	19.6%	5.9%	65.8%	24.3%		11%
Kapstone Paper	KS US Equity			14%	31%	10%	0.40		\$181.68	\$1.85		47.0%	14.7%	7.1%	5.2%	366.9%	15.7%	5%	20%
ClearWater	CLW US Equity			-12%	-37%	-10%	0.00	0.0%	(\$215.90)	(\$13.07)	(\$0.71)		107.1%	1.3%	3.7%		-270.7%		
IMPRESO INC	ZCOM US Equity	-0.1x	-1.3x		-9%	-3%	0.00	0.0%	\$3.53	\$0.67	\$0.47	93.9%		-15.9%		47.7%			
Mercer Inc	MERC US Equity	7.1x	4.7x	11%	19%	6%	0.53	4.1%	\$154.70	\$2.36	\$0.19	8.7%	6.7%	23.3%	3.3%	-13.7%	-11.6%		17%
Fortress Global Enterprises Inc.	FGE CN Equity	-2.3x	-3.2x	-29%	-139%	-29%	0.00	0.0%	(\$10.83)	(\$0.72)	(\$18.08)	-371.3%		8.3%	73.3%	11.5%			
AhlstromMunksjö	AM1 FH Equity	9.7x	3.0x	2%	1%	0%			\$67.91	\$0.59	\$0.04	6.6%	42.7%	28.9%	1.4%	-88.0%	83.8%		-2%
AMCOR PLC	AMCR US Equity	6.0x	3.8x	8%	14%	3%	0.58	6.0%	\$485.80	\$0.30	\$0.03	-7.9%	7.1%	1.5%	2.2%	-25.2%	10.3%	7%	-8%
AVERY DENNISON CORP	AVY US Equity	17.3x	13.4x	42%	23%	5%	2.20	1.7%	\$510.30	\$6.11	\$0.05	15.7%	4.3%	-0.8%	2.9%	-23.3%	5.0%	5%	29%
IT TECH PACKAGING INC	ITP US Equity	3.6x	-6.2x	-4%	-5%	-4%	0.00	0.0%	\$3.39	\$0.15	\$0.26	-52.7%		-1.2%		-118.8%			
Mean		11.4x	7.5x	9%	10%	4%	\$ 1.2	2%	\$ 641.1	\$ 3.6	7%	#VALUE!	6%	8%	3%	-7%	#VALUE!	#VALUE!	#VALUE!
Median		6.0x	3.5x	11%	12%	4%	\$ 0.5	3%	\$ 73.3	\$ 2.8	7%	#VALUE!	-4%	9%	3%	-5%	#VALUE!	#VALUE!	#VALUE!
Tier: Eastern + Western Europe																			
STORA ENSO OYJ-R	STERV FH Equity	9.1x	5.5x	6%	10%	5%			\$518.90	\$0.85	\$0.07	-21.4%	8.1%	-0.4%	-1.4%	-24.7%	10.7%	-15%	10%
UPM-KYMMENE OYJ	UPM FH Equity	48.1x	38.0x	13%	15%	10%			\$1,372.83	\$2.57	\$0.09	18.1%	-4.5%	1.9%	-2.4%	21.2%	-8.4%	-2%	9%
MIQUEL Y COSTAS	MCM SM Equity	77.1x	58.4x	11%	14%	9%	0.41	2.7%	\$15.94	\$0.51	\$0.03	7.1%		10.7%	5.8%	0.4%	1.3%		9%
ALKIM KAGIT	ALKA TI Equity	15.1x	13.3x	17%	37%	21%			(\$1.99)	(\$0.04)	(\$0.01)	6.0%		24.5%		-35.3%			14%
Mean		37.4x	28.8x	12%	19%	11%	\$ 0.4	#VALUE!	\$ 476.4	\$ 1.0	5%	2%	#VALUE!	9%	#VALUE!	-10%	#VALUE!	#VALUE!	11%
Median		31.6x	25.6x	12%	14%	10%	\$ 0.4	#VALUE!	\$ 267.4	\$ 0.7	5%	7%	#VALUE!	6%	#VALUE!	-12%	#VALUE!	#VALUE!	10%
Overall																			
Mean		23.0x	17.0x	10%	14%	7%	\$ 1.0	#VALUE!	\$ 567.9	\$ 2.4	6%	#VALUE!	#VALUE!	8%	#VALUE!	-8%	#VALUE!	#VALUE!	#VALUE!
Median		15.1x	11.4x	11%	14%	9%	\$ 0.5	#VALUE!	\$ 73.3	\$ 0.8	7%	#VALUE!	#VALUE!	9%	#VALUE!	-5%	#VALUE!	#VALUE!	#VALUE!
High		77.1x	58.4x	17%	37%	21%	\$ 3.2	#VALUE!	\$ 2,304.0	\$ 8.5	13%	#VALUE!	#VALUE!	25%	#VALUE!	66%	#VALUE!	#VALUE!	#VALUE!
Low		5.4x	2.4x	2%	-10%	-4%	\$ -	#VALUE!	\$ (2.0)	\$ (0.0)	-1%	#VALUE!	#VALUE!	-1%	#VALUE!	-85%	#VALUE!	#VALUE!	#VALUE!

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Appendix - Supporting Valuation Materials

- A. Detailed Trading Comps
- B. Neenah WACC Analysis**
- C. Proforma Income Statement

WACC Analysis

(\$ in millions)

Beta Determination						
Company	Beta	Mkt Value of Equity	Leverage Ratios			Unlevered Adj. Beta
			Debt	D/E	D/(D+E)	
SCHWEITZER-MAUDU	0.81	\$557.90	\$622.10	1.12%	0.53%	0.47
GLATFELTER	1.36	\$538.90	\$411.75	0.76%	0.43%	0.91
CASCADES INC	0.53	\$1,238.99	\$1,388.73	1.12%	0.53%	0.31
Mean				1.00%	0.50%	0.56
Median				1.12%	0.53%	0.47
Neenah Inc	0.94	\$1,239.83	\$239.10	0.61%	16.17%	0.67
Unlevered Beta						0.47
Targeted Deb/Equity						0.61%
Levered Beta						0.657508

WACC Calculation			Key Assumptions	
Equity Risk Premium (Rm-Rf)	6.94%		Equity Risk Premium (Rm-Rf) (1)	6.94%
Assumed Levered Beta	0.657508		Risk-Free Rate of Return(Rf) (2)	1.83%
Adjusted Equity Risk Premium	4.56%		Size Premium (3)	1.02%
Risk-Free Rate (Rf)	1.83%		Assumed Cost of Debt (Kd)	4.69%
Size Premium	1.02%		Assumed Tax Rate	35.00%
Cost of Equity	7.42%		Assumed Debt/Capital	16.17%
Cost of Debt (Kd)	4.69%			
Assumed Tax Rate	35.00%			
After-Tax Cost of Debt	3.05%			
D/(D+E)	16.17%			
Cost of Debt Portion	0.5%			
WACC	6.71%			

(1) Interpolated yield on 20-year U.S. Treasury, sourced from Bloomberg
 (2) Duff and Phelps sizePremia as of 12/31/2018
 (3) Duff & Phelps Size Premia 12/31/2018
 (3) Mid-cap Decile size premium based on market capitalization, per Ibbotson

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Proforma Income Statement

	2011 FY	2012 FY	2013 FY	2014 FY	2015 FY	2016 FY	2017 FY	2018 FY	2019 PY	2020 PY	2021 PY	2022 PY	2023 PY
Revenue	696	809	845	840	888	942	980	1,035	948	946	979	1,013	1,038
<i>Sales Growth YoY</i>		16%	4%	-1%	6%	6%	4%	6%	-8%	0%	3%	3%	2%
Cost of Goods Sold	571	650	679	669	692	727	781	852	780	771	791	811	823
<i>COGS %</i>	82%	80%	80%	80%	78%	77%	80%	82%	82%	82%	81%	80%	79%
Gross Profit	125	159	166	171	195	215	199	183	168	175	188	202	215
<i>Gross Margin</i>	18%	20%	20%	20%	22%	23%	20%	18%	18%	18%	19%	20%	21%
Operating Expenses	66	79	81	76	88	93	96	99	91	91	94	97	100
EBIT (Operating Income)	59	80	85	94	108	122	103	85	77	84	94	105	115
<i>EBIT Growth YoY</i>		36%	6%	11%	14%	13%	-16%	-18%	-9%	9%	12%	12%	10%
Interest Expense, Net	15	13	11	11	12	11	13	13	12	12	11	11	11
Pretax Income (Loss), Adjusted	44	67	74	84	96	111	90	72	65	72	83	94	104
Abnormal Losses (Gains)	2	10	1	8	7	8	(1)	31	-	-	-	-	-
Pretax Income (Loss), GAAP	41	57	73	76	90	103	92	41	65	72	83	94	104
Income Tax Expense (Benefit), GAAP	12	17	23	8	29	30	11	4	23	25	29	33	36
Income (Loss) from Cont Ops, GAAP	29	40	49	68	61	73	80	37	42	47	54	61	68
Net Extraordinary Losses (Gains), GAAP	0	(4)	(3)	(1)	9	0	-	1	-	-	-	-	-
Net Income, GAAP	29	44	52	69	51	73	80	36	42	47	54	61	68
EBITDA	59	109	115	124	139	154	136	121	94	105	119	134	148
<i>EBITDA Growth YoY</i>		85%	5%	9%	12%	10%	-11%	-11%	-22%	11%	14%	13%	11%