

Revised Cash Flow Forecast

For the Twelve Weeks Ending July 26, 2009

(US\$ Millions) (See Accompanying Notes)

Week Ended	Notes (1)	Revised Cash Flow Forecast												Total
		May 10	May 17	May 24	May 31	Jun 07	Jun 14	Jun 21	Jun 28	Jul 05	Jul 12	Jul 19	Jul 26	
		Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	
RECEIPTS														
Accounts Receivable Collections and Other Inflows		57	58	56	56	56	56	58	57	55	55	56	55	675
Sale of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts		57	58	56	56	56	56	58	57	55	55	56	55	675
DISBURSEMENTS														
Paper and Other Purchases		(31)	(31)	(31)	(31)	(31)	(31)	(31)	(31)	(31)	(31)	(31)	(31)	(372)
Ink Purchases		(4)	(5)	(3)	(6)	(2)	(3)	(2)	(7)	(3)	(4)	(2)	(5)	(46)
Change in Outstanding Cheques		-	-	-	-	-	-	-	-	-	-	-	-	-
Customer Incentives and Rebates	(2)	-	(2)	-	-	-	(8)	-	-	-	-	-	-	(10)
Payroll, Benefits, and Payroll Taxes		(17)	(16)	(17)	(16)	(17)	(16)	(17)	(16)	(17)	(16)	(17)	(16)	(198)
Workers Compensation Premiums	(3)	-	-	-	-	-	-	-	-	-	(6)	-	-	(6)
Pension Contributions		-	-	-	-	-	-	-	-	-	-	(4)	-	(4)
Professional Fees		(2)	(1)	(1)	(1)	(2)	(2)	(2)	(2)	(1)	(1)	(1)	(1)	(17)
Capital Expenditures		(2)	(2)	(3)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(25)
Securitization Program Repayment		-	-	-	-	-	-	-	-	-	-	-	-	-
DIP Fees and Interest		-	-	-	-	(4)	-	-	-	(4)	-	-	-	(8)
Other Disbursements		(1)	-	-	(1)	(3)	(1)	(1)	(2)	(3)	(1)	(1)	-	(14)
Total Disbursements		(57)	(57)	(55)	(57)	(61)	(63)	(55)	(60)	(61)	(61)	(58)	(55)	(700)
Net Cash Flow from Operations		-	1	1	(1)	(5)	(7)	3	(3)	(6)	(6)	(2)	-	(25)
DIP Advances / (Repayments)		(5)	-	-	-	-	-	-	-	-	-	-	-	(5)
Estimated Non-Petitioners		-	-	-	-	-	-	-	-	-	-	-	-	-
Financing Requirement		-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Collateral Paid		-	-	-	-	-	-	-	-	-	-	-	-	-
NET CASH FLOW		(5)	1	1	(1)	(5)	(7)	3	(3)	(6)	(6)	(2)	-	(30)
Opening Unrestricted Cash Position		243	238	239	240	239	234	227	230	227	221	215	213	243
CLOSING UNRESTRICTED CASH POSITION		238	239	240	239	234	227	230	227	221	215	213	213	213
Cash Collateral Held by Cash Management Bank		41	41	41	41	41	41	41	41	41	41	41	41	41
Closing Cash Position		279	280	281	280	275	268	271	268	262	256	254	254	254
DIP LOAN														
<i>Continuity Roll Forward</i>														
Opening DIP Position		595	594	594	598	598	598	601	603	602	600	600	600	
Advances / (Repayments)		(5)	-	-	-	-	-	-	-	-	-	-	-	
Letters of Credit Issued	(4)	4	-	4	-	-	3	2	(1)	(2)	-	-	-	
Foreign Currency Translation		-	-	-	-	-	-	-	-	-	-	-	-	
Closing DIP Position		594	594	598	598	598	601	603	602	600	600	600	600	
<i>Outstanding Advances by Facility</i>														
Term Loan		526	526	526	526	526	526	526	526	526	526	526	526	
Revolving Loan		47	47	47	47	47	47	47	47	47	47	47	47	
Letters of Credit		21	21	25	25	25	28	30	29	27	27	27	27	
Closing DIP Position		594	594	598	598	598	601	603	602	600	600	600	600	
AVAILABLE LIQUIDITY														
Unrestricted Cash Position		238	239	240	239	234	227	230	227	221	215	213	213	
Revolving DIP Loan														
Lesser of:														
(i) Gross Borrowing Base		264	264	264	264	264	264	264	264	296	296	296	296	
(ii) Facility Limit		400	400	400	400	400	400	400	400	400	400	400	400	
Less: Outstanding Letters of Credit		(21)	(21)	(25)	(25)	(25)	(28)	(30)	(29)	(27)	(27)	(27)	(27)	
Less: Outstanding Revolver		(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	
Available from Revolving DIP Loan		196	196	192	192	192	189	187	188	222	222	222	222	
Total Available Liquidity		434	435	432	431	426	416	417	415	443	437	435	435	

Revised Cash Flow Forecast

For Twelve Weeks Ending July 26, 2009
(US\$ Millions)

Limitations

This weekly cash flow forecast for the consolidated North American operations (the “**Revised Cash Flow Forecast**”) for the twelve weeks ending July 26, 2009 was prepared by the Petitioners. The Monitor has not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of the Revised Cash Flow Forecast and, accordingly, the Monitor expresses no opinion or other form of assurance in respect to the Revised Cash Flow Forecast. An examination or review of the Revised Cash Flow Forecast, as outlined in the *Canadian Institute of Chartered Accountants Handbook*, was not performed.

The Revised Cash Flow Forecast is based upon management’s estimates and assumptions concerning future events. These estimates and assumptions may or may not prove to be ascertainable or accurate and, as such, the actual cash flow results will vary from that projected in the Revised Cash Flow Forecast. Variations from the Revised Cash Flow Forecast may be material.

Notes

(1) **Emergence from Restructuring Proceedings**

The Revised Cash Flow Forecast does incorporate the transactions planned to occur upon Petitioners’ emergence from the restructuring proceedings.

(2) **Customer Incentives and Rebates**

In accordance with the terms of the amendment to the printing agreement with Parade Publications, the Petitioners are expected to pay \$8 million to the customer during the week ended May 17, 2008 as incentive to extend the agreement to the end of 2017.

(3) **Workers Compensation Premiums**

Workers compensation premiums include charges during the week ending July 12, 2009 of \$4 million, which represents a conversion charge for claims for the years from 2000 to 2004, and approximately \$2 million for actuarial services to estimate ongoing workers compensation obligations.

(4) **Letters of Credit Issued**

As requirement under a series of purchase agreements with an equipment manufacturer, the Petitioners plan to issue letters of credit totalling \$13 million throughout the twelve week period in the favour of the manufacturer to secure the payment of instalments due under the agreements.