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Q4'16 FINANCIAL FLASH

February 16, 2017

DISCLAIMER

The following information is preliminary financial information only. The Company has not yet finalized the Fresh Start accounting process. Material changes to net income may result. None of the information has been reviewed or audited by our independent certified public accountants. The information is subject to adjustment for normal period-end items as well as for other adjustments that may be required when quarterly or annual information is reported. The adjustments could be material. The Company's results can fluctuate from month to month depending on a variety of factors, some of which are beyond the Company's control or are difficult to predict, so no inference as to future results should be drawn from this information. The following information does not necessarily include all material information about the Company or its securities that an investor would consider in making a decision to purchase or sell securities, and, therefore, no person should place undue reliance on this information. The Company disclaims any duty to update the information disclosed below or to provide any information in the future.

Q4'16 NON-GAAP KPIS

		Q4				Full Year			
		2016	2015	Variance		2016	2015	Variance	
				Fav (Unfav)	%			Fav (Unfav)	%
Customer Count, Period End (000)	(a)								
Multi-Product		98	120	(22)	-18.4%	98	120	(22)	-18.4%
Digital		48	50	(2)	-3.1%	48	50	(2)	-3.1%
Print		225	265	(40)	-15.0%	225	265	(40)	-15.0%
Total Customers		372	435	(63)	-14.6%	372	435	(63)	-14.6%
Net Revenue (\$mm)									
Print		\$177.6	\$226.8	(\$49.2)	-21.7%	\$781.6	\$996.9	(\$215.3)	-21.6%
Digital		104.3	116.0	(11.7)	-10.1%	401.1	501.6	(100.5)	-20.0%
Other		2.6	0.7	1.8	NM	8.1	1.8	6.3	347.2%
Total Net Revenue	(a), (b)	\$284.5	\$343.5	(\$59.0)	-17.2%	\$1,190.9	\$1,500.3	(\$309.5)	-20.6%
Adjusted Pro Forma EBITDA (\$mm)	(a), (c)	\$100.5	\$104.5	(\$4.0)	-3.8%	\$373.0	\$528.5	(\$155.5)	-29.4%
Adjusted Pro Forma EBITDA Margin %		35.3%	30.4%	4.9%		31.3%	35.2%	-3.9%	
Free Cash Flow (\$mm)	(a), (d)	\$59.9	\$14.6	\$45.3	309.7%	\$180.0	\$207.2	(\$27.2)	-13.1%

Footnotes:

(a) All figures presented are unaudited. Material changes may result from audit procedures.

(b) Revenue for Q4 and Full Year 2016 are on a pro forma basis as a result of fresh start accounting.

(c) Adjusted EBITDA reflects operating revenues and expenses, excluding the impact of depreciation, amortization, interest expense and other non-cash/non-recurring items. These results are for periods ending July 31, 2016 and prior.

Adjusted Pro Forma EBITDA reflects operating revenues and expenses, excluding the impact of depreciation, amortization, interest expense and other non-cash/non-recurring items, plus pro forma adjustments associated with fresh start accounting and other items listed on the following page.

August through December results include these pro forma adjustments.

(d) Free Cash Flow reflects cash generated from operating activities, less capital expenditures, interest payments, and capital restructuring and reorganization costs.

ADJUSTED PRO FORMA EBITDA RECONCILIATION

	Q4				Full Year			
	2016	2015	Variance		2016	2015	Variance	
\$mm			Fav (Unfav)	%			Fav (Unfav)	%
Net Income (Loss) - GAAP	(\$101.0)	(\$93.8)	(\$7.2)	7.7%	\$1,101.1	(\$262.1)	\$1,363.2	-520.1%
Add/(subtract) non-operating items:								
Provision (benefit) for income taxes	(a) (2.0)	(13.5)	11.5	-85.2%	229.4	(32.7)	262.1	-801.6%
Interest expense, net	14.9	88.8	(73.9)	-83.2%	157.2	349.1	(191.9)	-55.0%
Gains on early extinguishment of debt	-	-	-	0.0%	(1.0)	(1.2)	0.2	-15.8%
Reorganization items	(b) -	-	-	0.0%	(1,638.3)	-	(1,638.3)	0.0%
Operating income (loss)	(\$88.1)	(\$18.5)	(\$69.6)	376.3%	(\$151.6)	\$53.1	(\$204.7)	-385.4%
Depreciation and amortization	77.4	99.9	(22.5)	-22.5%	279.4	410.4	(131.0)	-31.9%
EBITDA (non-GAAP)	(\$10.7)	\$81.4	(\$92.1)	-113.2%	\$127.8	\$463.5	(\$335.7)	-72.4%
Adjustments:								
Adjustments for fresh start accounting	(c) \$96.9	\$0.0	96.9	0.0%	179.3	-	179.3	0.0%
Pensions - settlements / mark to market	31.7	-	31.7	0.0%	35.1	-	35.1	0.0%
Stock warrants fair value adjustment	(29.7)	-	(29.7)	0.0%	(29.7)	-	(29.7)	0.0%
Long term incentive compensation	1.5	0.1	1.4	1400.0%	1.8	-	1.8	0.0%
Capital restructuring costs	-	15.5	(15.5)	-100.0%	28.9	21.2	7.7	36.3%
Business transformation costs	10.8	7.5	3.3	44.0%	29.7	43.8	(14.1)	-32.2%
Adjusted and Adj Pro Forma EBITDA (non-GAAP)	\$100.5	\$104.5	(\$4.0)	-3.8%	\$373.0	\$528.5	(\$155.5)	-29.4%
Operating Revenue - GAAP	\$152.2	\$343.5	(\$191.3)	-55.7%	\$947.8	\$1,500.3	(\$552.6)	-36.8%
Pro forma revenue excluded from GAAP revenue	132.3	-	132.3	NM	243.1	-	243.1	NM
Pro Forma and Operating Revenue (non-GAAP)	\$284.5	\$343.5	(\$59.0)	-17.2%	\$1,190.9	\$1,500.3	(\$309.5)	-20.6%
Net cash provided by operating activities - GAAP	\$68.7	\$20.4	\$48.3	236.5%	\$198.0	\$219.0	(\$21.0)	-9.6%
Less: Additions to fixed assets and capitalized software	(8.8)	(5.8)	(3.0)	51.8%	(18.0)	(11.8)	(6.3)	53.0%
Free Cash Flow, after Capital Restructuring and Reorg	\$59.9	\$14.6	\$45.3	309.7%	\$180.0	\$207.2	(\$27.2)	-13.1%

Footnotes:

- (a) An estimated non-cash tax entry was made for fresh-start accounting primarily to record a deferred tax liability associated with the write-up of intangible assets, and the write-off of deferred revenue. The company does not expect to pay income taxes in 2016 due to its net operating loss carryforward position.
- (b) Reorganization items include the write-off of debt from bankruptcy of \$1,590.4mm and other balance sheet reorganization items.
- (c) Fresh-start accounting requires that deferred revenue and costs be written off. This adjustment adds back revenue, net of costs, for what would have been recognized in EBITDA, absent fresh-start accounting.

PREDECESSOR / SUCCESSOR EBITDA

	Predecessor	Successor	Non-GAAP
	7 Months	5 Months	
\$mm	Ended July '16	Ended Dec. '16	Full Year
Net Income (Loss) - GAAP	\$1,295.3	(\$194.1)	\$1,101.1
Add/(subtract) non-operating items:			
Provision (benefit) for income taxes	230.4	(1.0)	229.4
Interest expense, net	131.8	25.4	157.2
Gains on early extinguishment of debt	-	(1.0)	(1.0)
Reorganization items	(1,638.3)	-	(1,638.3)
Operating income (loss)	\$19.2	(\$170.7)	(\$151.6)
Depreciation and amortization	150.4	129.0	279.4
EBITDA (non-GAAP)	\$169.6	(\$41.7)	\$127.8
Adjustments:			
Adjustments for fresh start accounting	\$0.0	\$179.3	\$179.3
Pensions - settlements / mark to market	1.0	34.1	35.1
Stock warrants fair value adjustment	-	(29.7)	(29.7)
Long term incentive compensation	0.3	1.5	1.8
Capital restructuring costs	28.9	-	28.9
Business transformation costs	12.3	17.4	29.7
Adjusted and Adj Pro Forma EBITDA (non-GAAP)	\$212.1	\$160.9	\$373.0
Operating Revenue - GAAP	\$715.0	\$232.8	\$947.8
Pro forma revenue excluded from GAAP revenue	-	243.1	243.1
Pro Forma and Operating Revenue (non-GAAP)	\$715.0	\$475.9	\$1,190.9
Net cash provided by operating activities - GAAP	\$66.8	\$131.2	\$198.0
Less: Additions to fixed assets and capitalized software	(3.4)	(14.6)	(18.0)
Free Cash Flow, after Capital Restructuring and Reorg	\$63.4	\$116.6	\$180.0

FREE CASH FLOW RECONCILIATION

\$mm

	Q4				Full Year			
	2016	2015	Variance		2016	2015	Variance	
			Fav (Unfav)	%			Fav (Unfav)	%
Adjusted Pro Forma EBITDA	\$100.5	\$104.5	(\$4.0)	-3.8%	\$373.0	\$528.5	(\$155.5)	-29.4%
Non-cash EBITDA Adjustments	(1.1)	2.5	(3.6)	-144.9%	(1.4)	6.5	(7.9)	-121.5%
Tax Refunds/(Payments)	1.3	6.8	(5.5)	-80.9%	(2.9)	0.1	(3.0)	-3000.0%
Late Fees	1.2	1.3	(0.1)	-7.7%	5.3	5.6	(0.3)	-5.4%
Business Transformation	(10.5)	(13.3)	2.8	21.1%	(34.7)	(72.1)	37.4	51.9%
Pension Funding	(1.4)	0.0	(1.4)	NM	(5.5)	(3.6)	(1.9)	-53.9%
Working Capital/Other	(5.4)	(11.9)	6.5	54.5%	24.8	7.3	17.5	239.3%
Cash from Operating Activities	\$84.6	\$89.9	(\$5.3)	-5.9%	\$358.5	\$472.3	(\$113.8)	-24.1%
Capital Expenditures, Net of Asset Sales	(8.8)	(5.8)	(3.0)	-51.8%	(18.0)	(11.8)	(6.3)	-53.0%
Free Cash Flow (before debt service)	\$75.8	\$84.1	(\$8.3)	-9.9%	\$340.5	\$460.5	(\$120.0)	-26.1%
Interest Payments	(15.8)	(54.5)	38.7	71.0%	(117.2)	(231.7)	114.5	49.4%
Free Cash Flow, before Capital Restructuring & Reorganization	\$60.0	\$29.6	\$30.4	102.6%	\$223.3	\$228.8	(\$5.5)	-2.4%
Capital Restructuring	0.0	(15.0)	15.0	NM	(29.4)	(21.6)	(7.8)	-36.1%
Reorganization-Pre-Emergence	0.0	0.0	0.0	NM	(7.2)	0.0	(7.2)	NM
Reorganization-Post-Emergence	(0.1)	0.0	(0.1)	NM	(6.7)	0.0	(6.7)	NM
Free Cash Flow, after Capital Restructuring & Reorganization	\$59.9	\$14.6	\$45.3	309.7%	\$180.0	\$207.2	(\$27.2)	-13.1%

Note: Free cash flow does not include any amortization or pay down of debt or debt amendment fees

NET DEBT

\$mm

		Dec. '16
Cash		\$41.4
Debt		
Term Note	(a)	\$381.3
ABL		100.0
Outstanding Debt		\$481.3
Repurchased - To Be Settled	(a)	(36.4)
Total		\$444.9
Net Debt	(b)	\$439.9

Footnotes:

(a) Open Trades at Par; Cash held to settle open trades at 98% of Par, based on trade values.

(b) Net Debt calculated as Outstanding Debt less Cash