

Verso Paper Corp.  
Form 10-Q  
August 07, 2008  
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2008

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 333-148201

Verso Paper Corp.  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation or organization)

75-3217389  
(I.R.S. Employer Identification Number)

6775 Lenox Center Court, Suite 400  
Memphis, Tennessee 38115-4436  
(Address of principal executive offices) (Zip Code)

(901) 369-4100  
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company

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(Do not check if a smaller  
reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  
 No

As of July 31, 2008, the registrant had 52,046,647 outstanding shares of common stock, par value \$0.01 per share.

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TABLE OF CONTENTS

		Page
Part I.	FINANCIAL INFORMATION	
	<u>Item 1.</u>	<u>3</u>
	<u>Item 2.</u>	<u>20</u>
	<u>Item 3.</u>	<u>30</u>
	<u>Item 4T.</u>	<u>31</u>
	<u>Quantitative and Qualitative Disclosures About Market Risk</u>	
	<u>Controls and Procedures</u>	
Part II.	OTHER INFORMATION	
	<u>Item 1.</u>	<u>33</u>
	<u>Item 1A.</u>	<u>33</u>
	<u>Item 2.</u>	<u>33</u>
	<u>Item 3.</u>	<u>33</u>
	<u>Item 4.</u>	<u>33</u>
	<u>Item 5.</u>	<u>33</u>
	<u>Item 6.</u>	<u>34</u>
	<u>Exhibits</u>	
	<u>SIGNATURES</u>	<u>35</u>
	<u>EXHIBIT INDEX</u>	<u>36</u>

## PART I. FINANCIAL INFORMATION

## ITEM 1. UNAUDITED FINANCIAL STATEMENTS OF VERSO PAPER CORP.

## VERSO PAPER CORP.

## UNAUDITED CONDENSED CONSOLIDATED AND COMBINED BALANCE SHEETS

(In thousands of U.S. dollars)	June 30, 2008	December 31, 2007
<b>ASSETS</b>		
Current Assets:		
Cash	\$ 48,353	\$ 58,533
Accounts receivable - net	125,492	121,190
Accounts receivable from related parties	17,024	12,318
Inventories	134,017	119,620
Prepaid expenses and other assets	2,808	3,935
<b>Total Current Assets</b>	<b>327,694</b>	<b>315,596</b>
Property, plant and equipment - net	1,140,118	1,160,239
Reforestation	12,084	11,144
Intangibles and other assets - net	106,336	97,785
Goodwill	18,695	18,695
<b>Total Assets</b>	<b>\$ 1,604,927</b>	<b>\$ 1,603,459</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current Liabilities		
Accounts payable	\$ 140,037	\$ 128,373
Accounts payable to related parties	27,733	3,872
Accrued liabilities	85,161	93,012
Short-term borrowings	-	3,125
Current maturities of long-term debt	2,850	2,850
<b>Total Current Liabilities</b>	<b>255,781</b>	<b>231,232</b>
Long-term debt	1,264,163	1,413,588
Other liabilities	34,284	33,740
<b>Total Liabilities</b>	<b>1,554,228</b>	<b>1,678,560</b>
Commitments and contingencies (Note 10)	-	-
Stockholders' Equity		
Common stock -- par value \$0.01 (250,000,000 shares authorized with 52,046,647 shares issued and outstanding on June 30, 2008; and 38,046,647 shares issued and outstanding on December 31, 2007)	520	380
Paid-in-capital	211,397	48,489

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Retained deficit	(161,927)	(114,100)
Accumulated other comprehensive income (loss)	709	(9,870)
Total Stockholders' Equity	50,699	(75,101)
Total Liabilities and Stockholders' Equity	\$ 1,604,927	\$ 1,603,459

See notes to unaudited condensed consolidated and combined financial statements.

3

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VERSO PAPER CORP.

UNAUDITED CONDENSED CONSOLIDATED AND COMBINED STATEMENTS OF OPERATIONS

	Three Months Ended June 30, 2008	Three Months Ended June 30, 2007	Six Months Ended June 30, 2008	Six Months Ended June 30, 2007
(In thousands of U.S. dollars)				

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