

ARNOLD & PORTER LLP
399 Park Avenue
New York, New York 10022-4690
Telephone: (212) 715-1000
Facsimile: (212) 715-1399
Michael J. Canning
Joel M. Gross

*Counsel for the Debtors
and Debtors-in-Possession*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

Quebecor World (USA) Inc., et al.,

Debtors.

Chapter 11

Case No. 08-10152 (JMP)
Jointly Administered

Honorable James M. Peck

**DECLARATION OF JEREMY ROBERTS IN SUPPORT OF MOTION OF THE
DEBTORS FOR ENTRY OF AN ORDER PURSUANT TO 11 U.S.C. § 363
AUTHORIZING THE DEBTORS TO ENTER INTO AND PERFORM OBLIGATIONS
UNDER A NEW LEASE FOR CERTAIN REAL PROPERTY LOCATED AT 4237
CONCORDE ROAD, MEMPHIS, TENNESSEE**

I, Jeremy Roberts, declare as follows in support of the Debtors' motion (the "Motion") for the entry of an order authorizing Debtors to enter into and perform obligations under a new lease for certain real property located at 4237 Concorde Road, Memphis, Tennessee.

1. I am Senior Vice President, Corporate Finance and Treasurer of Quebecor World (USA) Inc. ("QWUSA"), a corporation organized under the laws of the State of Delaware and one of the above-captioned debtors and debtors-in-possession (collectively, the "Debtors"). In

this capacity, I am generally familiar with the Debtors' day-to-day operations, business and financial affairs, books and records.

2. Debtor Quebecor World Olive Branch, Inc. ("QW Olive Branch") operates one of the Debtors' printing facilities located in Olive Branch, Mississippi, and currently lacks sufficient available space to store all of its required paper inventory onsite at its Mississippi manufacturing plant. To meet its inventory storage needs, QW Olive Branch currently has an arrangement to store up to approximately 25 million pounds of paper inventory at a site leased by its affiliate Quebecor World Logistics Inc. ("QWL"), also a Debtor in these Chapter 11 Cases. Access to the premises leased by QWL (the "QWL Site") is advantageous for QW Olive Branch because of its proximity to rail service, which is essential for QW Olive Branch, as most paper shipments are transported by rail.

3. QWL's lease for the QWL Site will expire on June 30, 2008, and QWL has determined, based on its own needs, that it will not renew its lease for the QWL Site and will relocate its operations to another site. Accordingly, QW Olive Branch has an immediate need to enter into a new lease for inventory storage space with proximity to its Olive Branch, Mississippi facility and with access to rail service in order to replace the QWL Site. Having reviewed property available for lease in or around Olive Branch, Mississippi and in nearby Memphis and/or Shelby County Tennessee, QW Olive Branch has determined that the best available option is to enter into the Lease (defined below). In making this determination, QW Olive Branch considered a number of factors, including

- The need for a minimum of 75,000 to 100,000 square feet;

- Immediate availability in light of the impending termination of the lease for the QWL Site and QW Olive Branch's need to relocate its inventory while continuing ongoing operations;
- The requisite proximity to rail service and the need for a minimum of five (5) rail doors and eight (8) truck doors with dock levelers and canopies; and
- Restroom facilities and minimal office space.

4. QW Olive Branch has succeeded in locating premises that satisfy these requirements, and accordingly seeks approval of its entry into a Lease Agreement (the "Lease") dated May 8, 2008 between QW Olive Branch, as Lessee, and ProLogis-North Carolina Limited Partnership ("Landlord"), as Landlord, for the lease of approximately 100,000 rentable square feet located at Airport Distribution Center #5, 4237 Concorde Road, Memphis, Tennessee (the "Premises").

5. As noted above, QW Olive Branch and the Debtors will use the Premises in connection with receiving, storing, shipping and wholesale sales of materials produced or distributed by the Debtors. The term of the Lease is 24 months, ending on or about May 31, 2010. For a period of 60 days beginning on the Commencement Date (as defined in the Lease) (the "Free Rent Period"), QW Olive Branch will not be required to pay monthly Base Rent under the Lease, although it will be responsible for Operating Expenses (as defined in the Lease) during that period, which are estimated to be approximately \$6,833.33 per month. Following the expiration of the Free Rent Period and through May 31, 2010, QW Olive Branch will pay monthly Base Rent in the amount of \$16,583.33 per month, for an aggregate estimated monthly rental payment of \$23,416.66. QW Olive Branch will also provide the Landlord with a security

deposit in the form of an unconditional, irrevocable letter of credit from a nationally-rated bank in the amount of \$47,499.99.

6. The Landlord conditioned its entry into the Lease upon, among other things, the Debtors obtaining Court approval of the Lease no later than 60 days after execution of the Lease.

7. The Debtors have determined that entry into the Lease is in their best interests and is essential to their business operations. As noted above, QW Olive Branch has an immediate need to relocate its inventory storage space in light of the pending expiration of the lease for the QWL Site, and the Premises satisfy the most important factors required by QW Olive Branch for a new inventory storage facility.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on May 12, 2008.

/s/ Jeremy Roberts
Jeremy Roberts