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**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 MARIO R. D'ARIENZO IN SUPPORT OF THE DEBTORS'
SECOND OMNIBUS MOTION FOR AN ORDER PURSUANT TO SECTION 365 OF
THE BANKRUPTCY CODE AND BANKRUPTCY RULE 6006 AUTHORIZING THE
DEBTORS TO ASSUME CERTAIN UNEXPIRED NONRESIDENTIAL
REAL PROPERTY LEASES, AS AMENDED**

I, Mario R. D'Arienzo, declare under penalty of perjury as follows:

1. I am Vice President of Real Estate of Quebecor World, Inc. ("QWI"), the parent company of the above-captioned debtors and debtors-in-possession (collectively, the "Debtors").
2. In this capacity, I am generally familiar with the Debtors' real estate holdings and acquisitions, and real estate leases.
3. In connection with the conduct of their businesses, certain of the Debtors are lessees or sublessees under approximately 44 unexpired leases and subleases of nonresidential

real property (collectively, the “Leases”). The Leases primarily relate to the Debtors’ plants, warehouse and storage facilities, and distribution facilities.

4. Since the Petition Date, the Debtors have initiated a comprehensive review of the Leases in order to determine which Leases, in the Debtors’ business judgment, are necessary to their ongoing business operations and restructuring efforts, and which Leases should be rejected as unnecessary or burdensome.

5. To assist in this process, on April 1, 2008, the Debtors sought, and were granted by this Court, authority to retain and employ Prime Locations, LLC, George Comfort & Sons, Inc. and the CORE Network (collectively, the “Real Estate Consultants”) to provide real estate consulting services in support of the Debtors’ determination of which Leases should be assumed or rejected.

6. As part of their real estate consulting services, the Real Estate Consultants prepared an analysis of each of the Debtors’ Leases, which analyses allowed the Debtors to: (i) thoroughly review all of the Leases; (ii) engage in discussions with certain lessors, as appropriate, regarding the possible renegotiation of the terms and conditions of their respective Leases; and (iii) fully consider the assumption or rejection of the Leases consistent with their reorganization objectives.

7. As a result of these efforts, the Debtors determined, in the exercise of their business judgment and to the extent possible at this early juncture of their Chapter 11 Cases, to pursue one of the following four options with respect to each of the Leases: (i) assume such Lease in its current form; (ii) amend such Lease on terms more advantageous to the Debtors and otherwise acceptable to the applicable lessor, and assume such Lease as so amended, (iii) reject such Lease as not necessary to the Debtors’ reorganization; or (iv) enter into agreements with

specific lessors to extend the deadline by which the Debtors must elect whether to assume or reject the Leases with such lessors.

8. There are approximately seven leases (the “Extended Deadline Leases”), for which the deadline for assumption or rejection is currently September 19, 2008 or October 17, 2008, depending on the agreement with the applicable lessor.

9. The Debtors seek entry of an order authorizing the assumption of two of the Extended Deadline Leases, each as amended by agreement among the Debtors and the applicable lessors during the pendency of these Chapter 11 Cases (collectively, the “Assumed Leases”).

10. The Debtors have determined, in the exercise of their best business judgment at this juncture of their reorganization process, and based on the information currently available in this regard, that the assumption of the Assumed Leases is appropriate.

11. Moreover, the Debtors have reached agreement with the applicable lessors to modify and amend such Leases in a manner more favorable to the Debtors (generally by means of an extension of the term of such Lease or a reduction in the rent payable thereunder), and are seeking authority to assume such Leases as amended.

12. The Debtors utilized their best efforts to negotiate amendments to the Assumed Leases in order to ensure that the assumption of such Assumed Leases would be in the best interests of their creditors and the reorganization process.

13. The Debtors believe that the premises subject to the Assumed Leases are, and will be, necessary to the Debtors’ ongoing business operations, and, based on the information available at this stage of these Chapter 11 Cases, are important to the Debtors’ restructuring efforts.

14. Further, with respect to each of the Assumed Leases, the Debtors have assessed both the relevant markets and their business operations, and, recognizing that their business plan has not yet been completed, have determined nevertheless that the assumption of the Assumed Leases is an appropriate exercise of the Debtors' business judgment based upon the information available to the Debtors at this juncture in these Chapter 11 Cases.

15. Moreover, the Debtors have determined, to the best of their ability, that the Assumed Leases are valuable and necessary to their future restructuring efforts, and that rejection of the Assumed Leases would not be in the best interest of the Debtors and their bankruptcy estates.

16. The nature of the Debtors' businesses requires that they maintain facilities that are uniquely suited to the Debtors' needs, and an unlimited market for these types of properties simply does not exist. In particular, the Debtors' printing operations utilize large presses and other equipment, some of which require thousands of square feet of space, and, in conjunction therewith, the Debtors also require significant storage space for the substantial inventory of raw materials necessary to properly conduct such printing operations. Further, in light of the Debtors' shipping and distribution operations ancillary to their printing business, many of the Debtors' facilities must be located near railways and/or major highways.

17. Accordingly, in determining which Leases to assume, the Debtors considered multiple factors in addition to any possible cost savings realizable from rent reductions at alternative locations, including specifically: (1) the feasibility of relocating; (2) the disruption any relocation would have with respect to shipments, deliveries, vendors, customers, and the Debtors' business operations generally; and (3) the incremental cost and business risks associated with any shutdown and relocation of their business operations. With respect to the

Assumed Leases, the Debtors have determined, in their business judgment, that the inherent costs and potential disruptions attendant to any relocation would far outweigh any potential benefits of such relocation.

18. With respect to the Debtors' obligation to provide adequate assurance of future performance under the Assumed Leases, the Debtors believe that the Debtors' continued performance under the Assumed Leases following the Petition Date, together with the liquidity and resources provided by their billion dollar debtor-in-possession financing previously approved by the Court, constitutes adequate assurance of their ability to continue to perform under each of the Assumed Leases.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge, information and belief.

Dated: September 8, 2008

/s/ Mario R. D'Arienzo
Mario R. D'Arienzo