

Glatfelter (NYSE:GLT)

2007 Third Quarter Performance

October 30, 2007

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Forward-Looking Statements



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This document includes certain “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995. These statements are based on management’s current expectations and are subject to uncertainty and changes in circumstances. Although the Company makes such statements based on assumptions that it believes to be reasonable, there can be no assurance that actual results will not differ materially from the Company’s expectations. Actual results may differ materially from these expectations due to changes in, among others, industry conditions, demand for or pricing of its products; risks associated with integrating acquisitions; global political, economic, business, competitive and market conditions; tax legislation; growth strategies and cost reduction initiatives; circumstances surrounding the Neenah facility and former Ecusta Division; successful execution of the Timberland Strategy with acceptable market conditions; and other factors. More information about these factors is contained in Glatfelter’s filings with the U.S. Securities and Exchange Commission.

Use of non-GAAP Financial Measure



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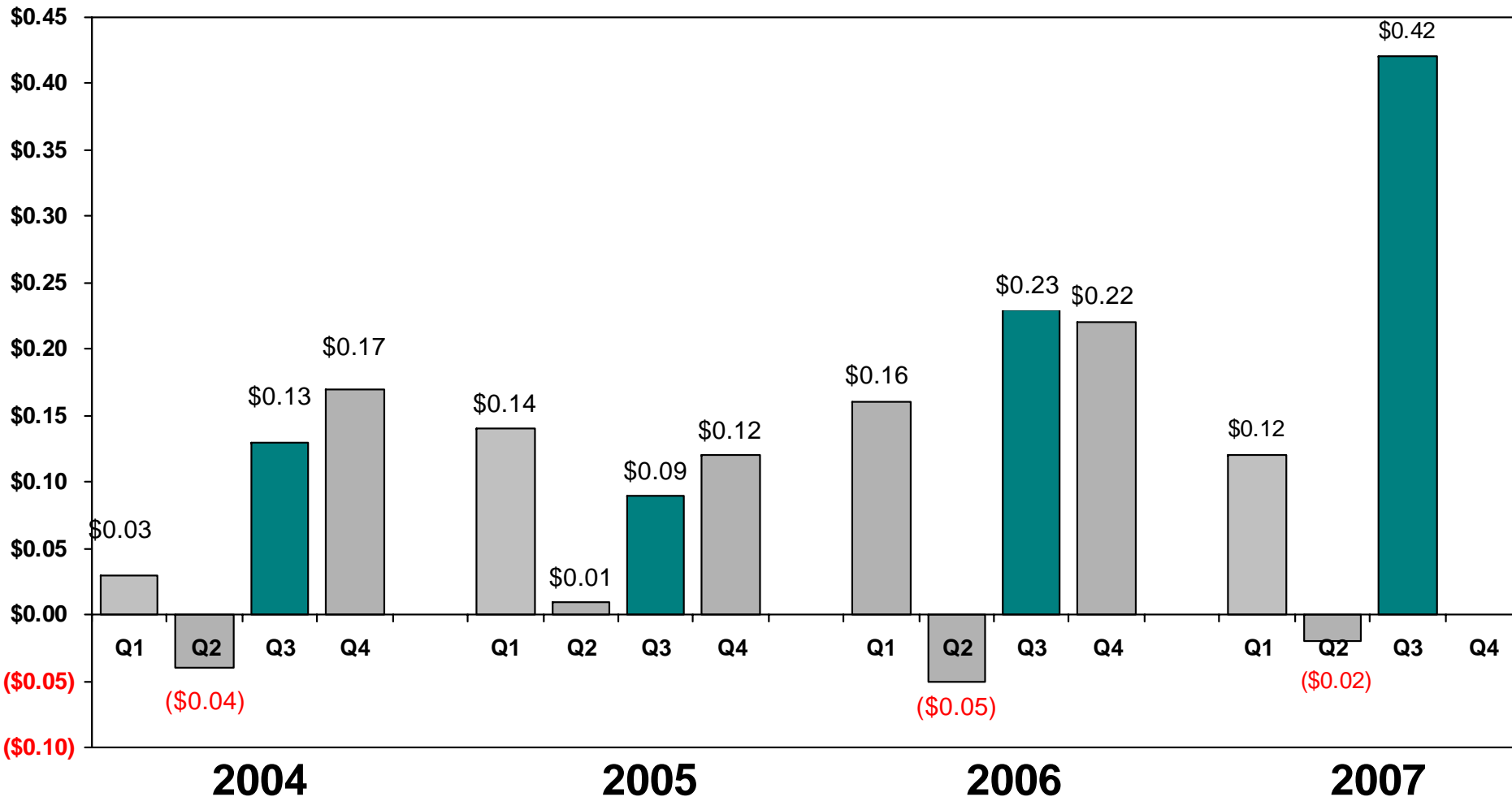
During the course of this presentation, certain non-U.S. GAAP financial measures will be presented. A reconciliation of those numbers to U.S. GAAP financial measures is attached in the appendix of this presentation.

Adjusted EPS

(EPS from Continuing Operations and Before Special Items)



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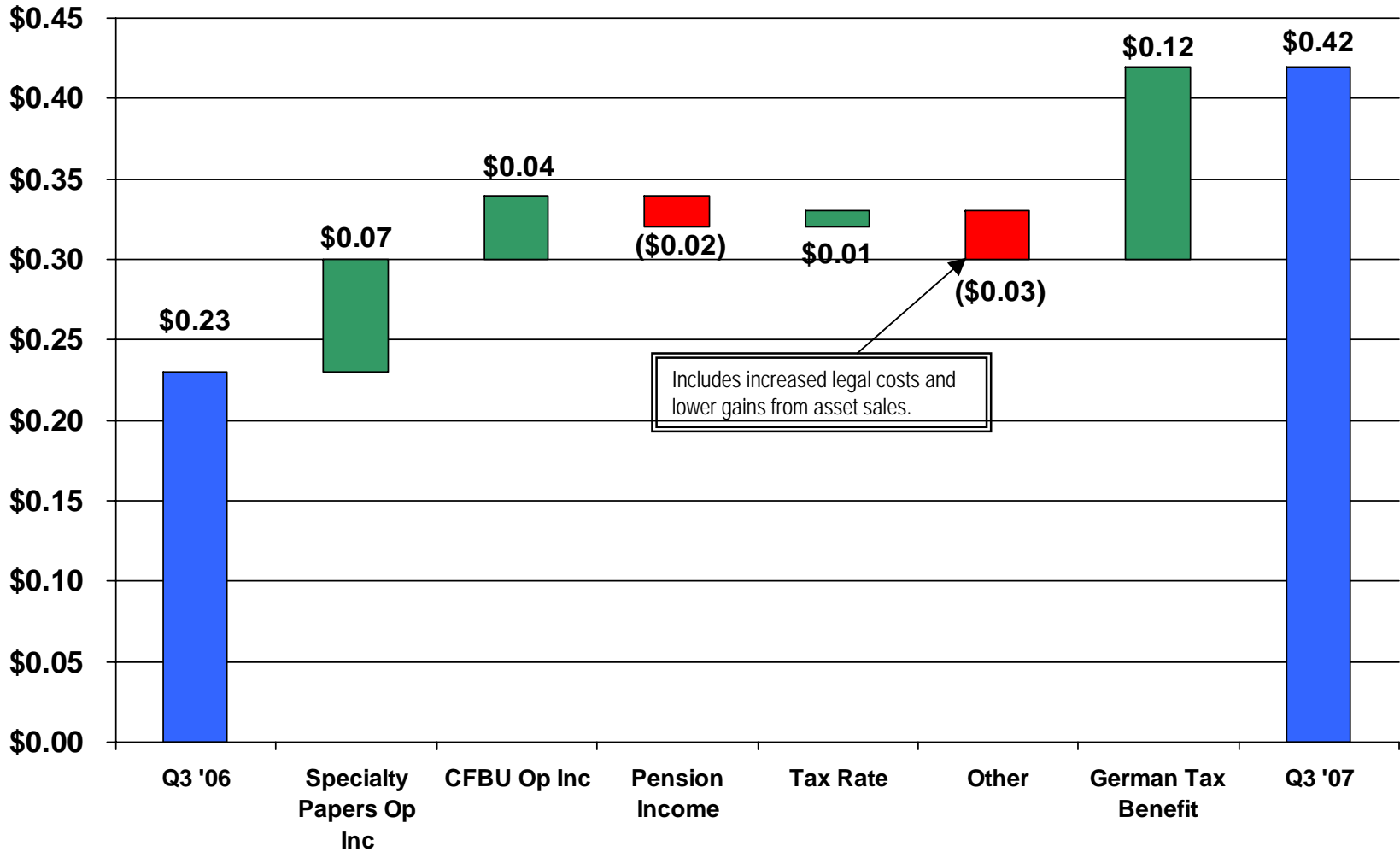


• See attached appendix of this presentation for the reconciliation of adjusted EPS to its nearest GAAP measure.

Q3'06 vs. Q3'07 (EPS from Continuing Operations and Before Special Items)



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• See attached appendix of this presentation for the reconciliation of adjusted EPS to its nearest GAAP measure.

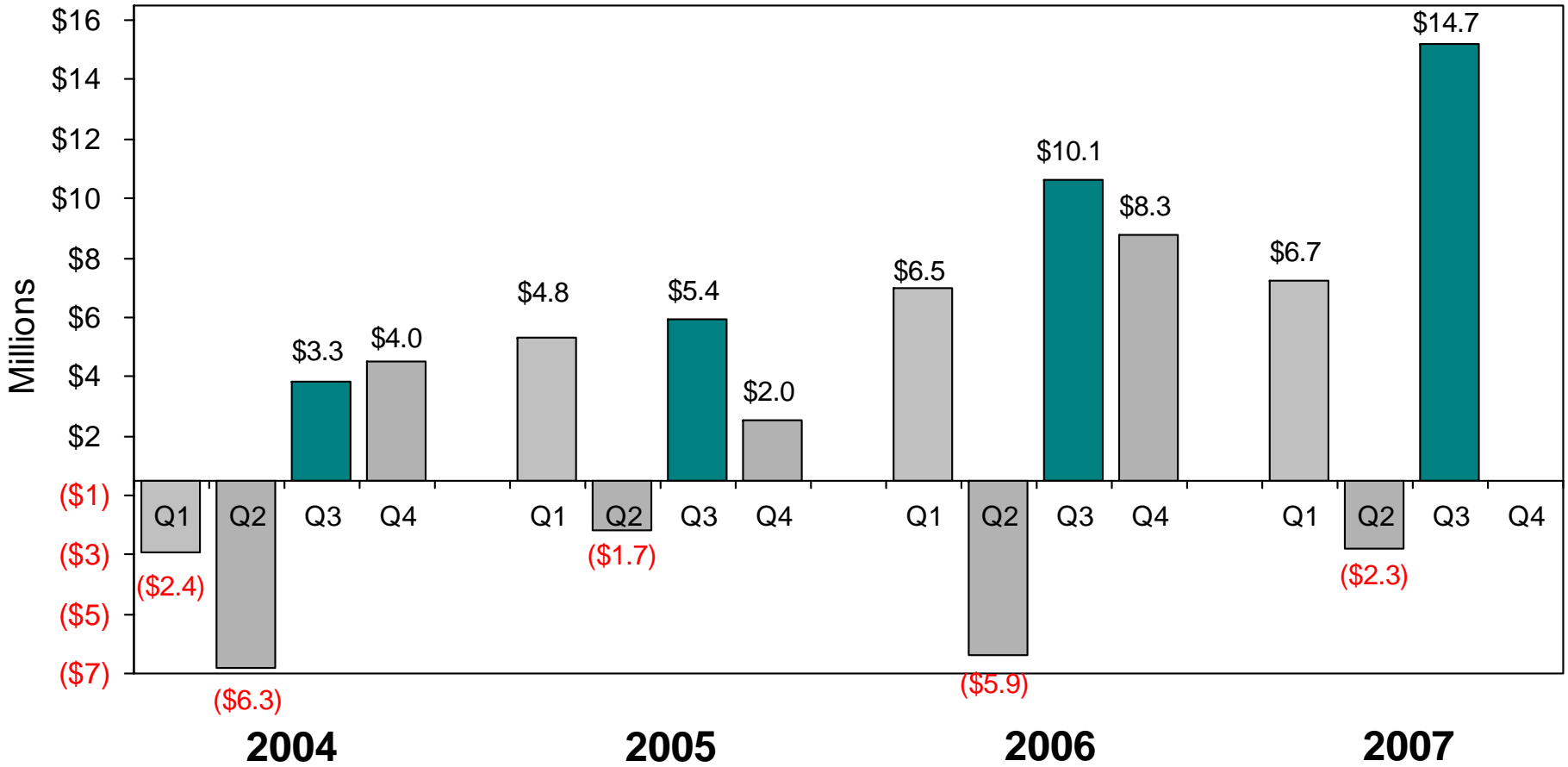
Q3'07 Financial Highlights



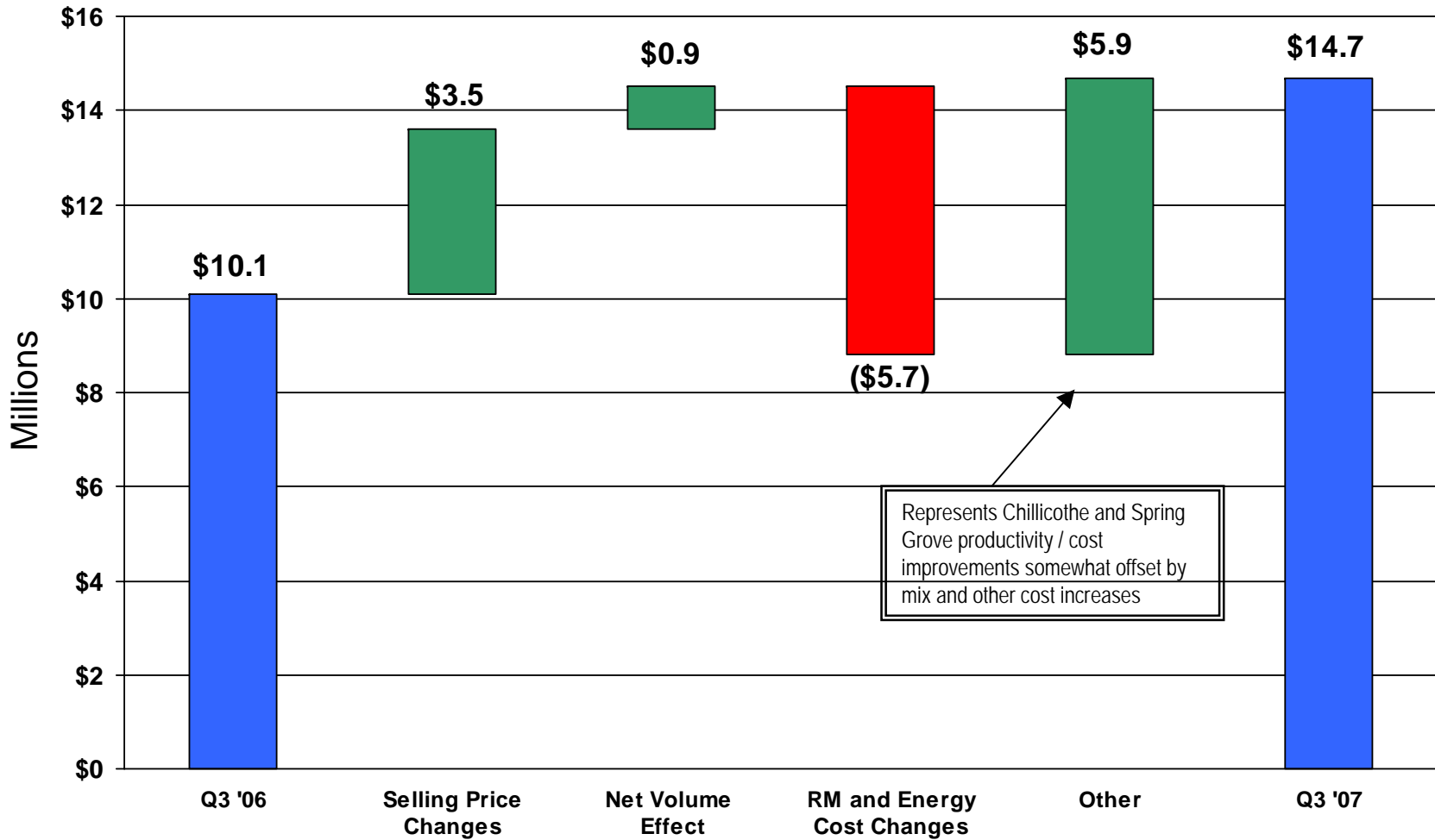
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- **Specialty Papers operating income improved 46% compared to Q3'06**
 - › Chillicothe improvement initiatives progressed during quarter
 - › Strong operating performance in Spring Grove
 - › Selling prices improved from Q3'06 (flat to Q2'07) but more than offset by rising input costs
- **Composite Fibers operating income increased 60% compared to Q3'06**
 - › Selling prices and product mix improved
 - › Continued strong shipments of Food & Beverage products
 - › Q3'07 includes \$1.4 million benefit from one-time items
- **Closed \$2.5 million of timberland sales during the quarter**
- **Net debt decreased \$34.4 million during the quarter to \$335.4 million**

Specialty Papers Operating Income



Specialty Papers Q3'07 vs. Q3'06



Specialty Papers Q3'07 Highlights



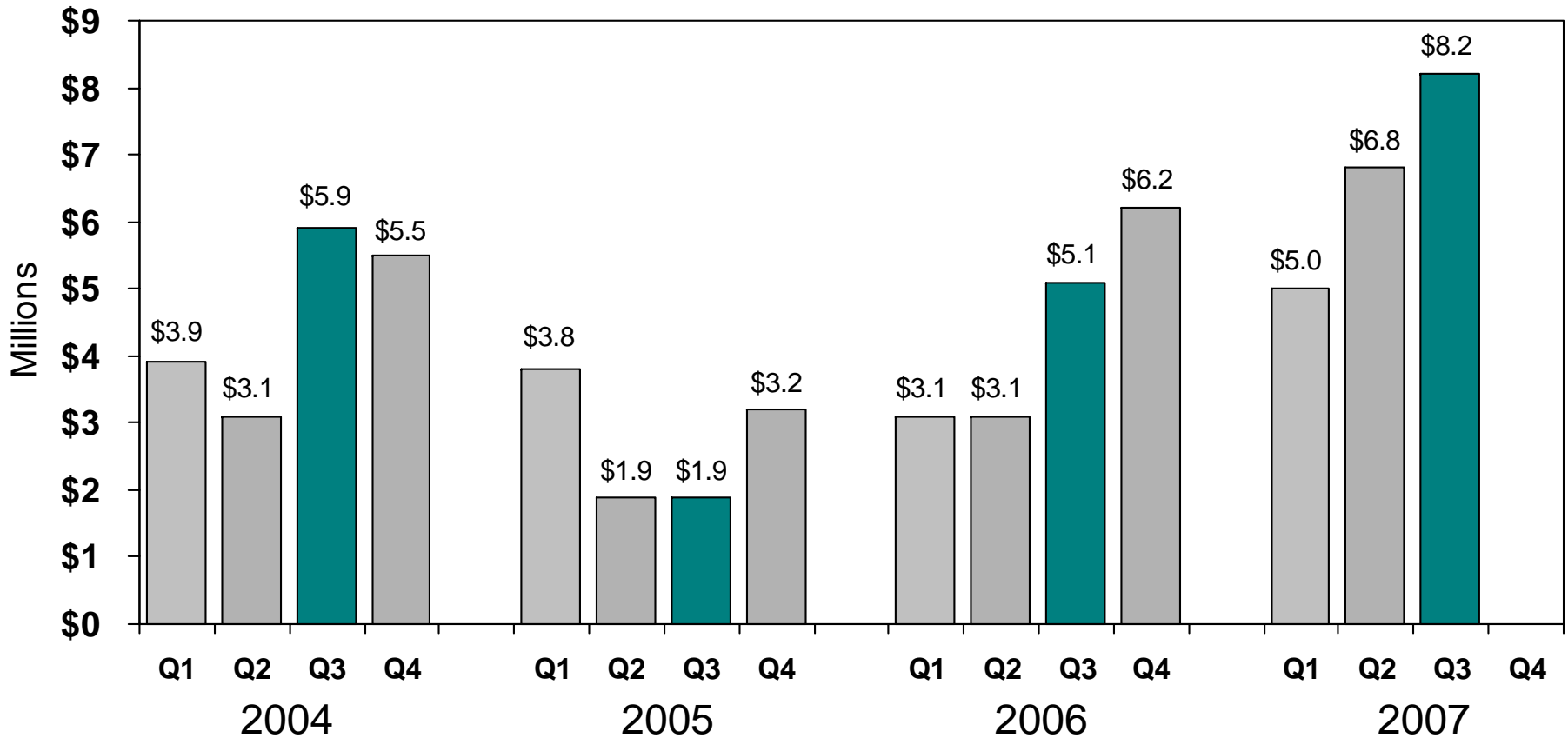
- **Solid operating performance during quarter**
 - Significant cost reduction achieved during quarter from Chillicothe improvement plan
 - Continued high productivity and cost efficiency in Spring Grove
- **Favorable pricing environment generated \$3.5 million benefit in Q3'07 vs. Q3'06**
 - Carbonless price increase generated \$2.4 million compared to Q3'06
 - Prices were also higher across most other product lines compared to Q3'06
 - Selling prices were generally flat compared to Q2'07
- **Shipping volume increased by 5.6% compared to Q3'06**
 - Driven by productivity improvements in both Spring Grove & Chillicothe
- **Raw Material costs increased in Q3'07 vs. Q3'06 driven by coal, wood and pulp price increases**

Chillicothe Integration Update

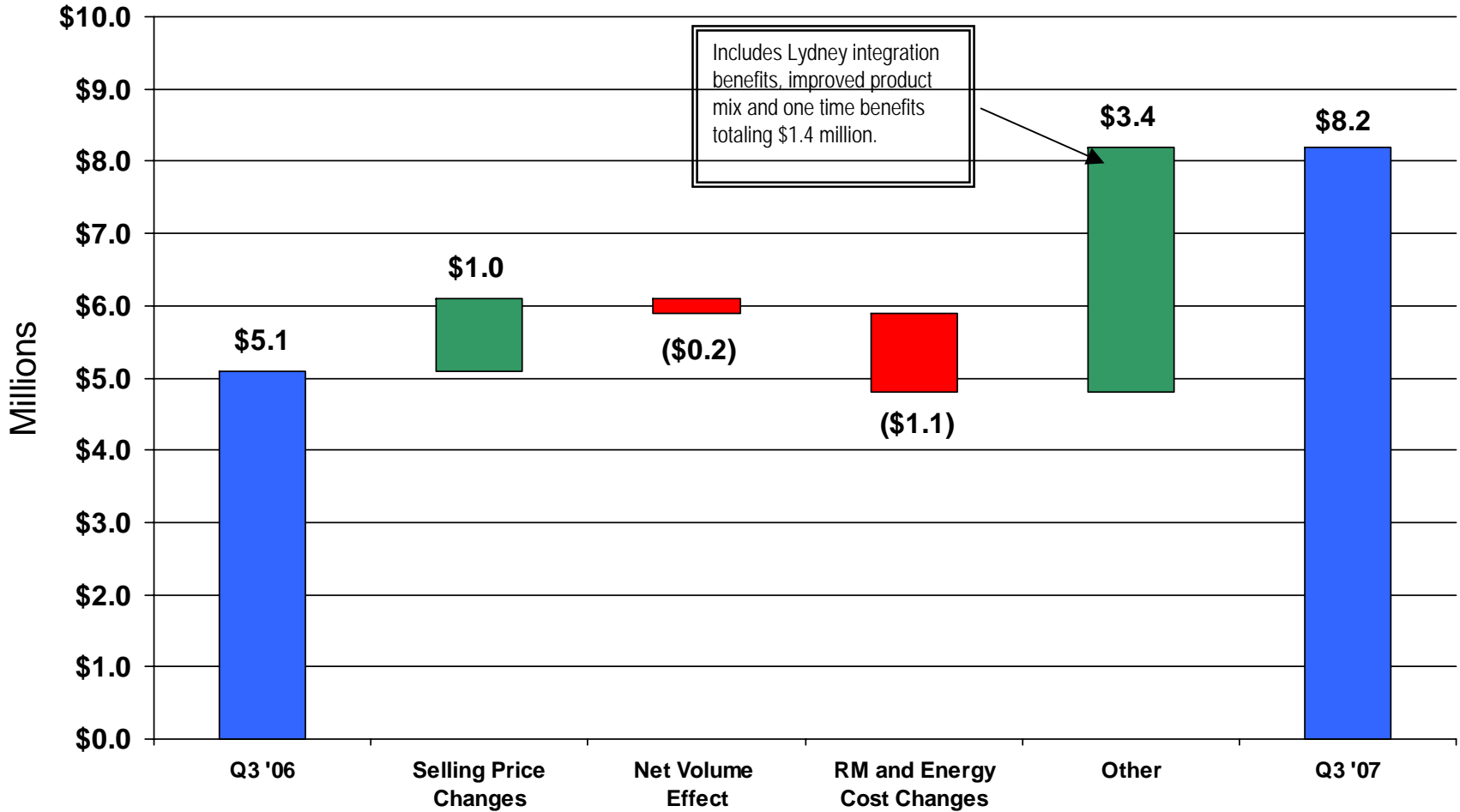


- **Chillicothe improvement plan progressing as expected**
- **Efforts continued during Q3 on improving Chillicothe's overall cost structure**
 - Completed targeted investments and process changes to improve utilization of paper machine broke (scrap)
 - Further reduced material usage from implementation of improvement projects
 - Expanded cost reduction efforts generated expected results
 - Projects to improve machine yields progressing
- **Expect continued improvement in Q4**
 - Expect to achieve accretion target of \$.45 to \$.50 EPS impact for 2008

Composite Fibers Operating Income



Composite Fibers Q3'07 vs. Q3'06



Composite Fibers Q3'07 Highlights



- **Continued strong revenue generation**
 - Food & Beverage shipments remained strong during the quarter
 - Technical Specialties shipments increased 10.4%
 - Improved product mix compared to Q3 '06
 - Selling prices improved compared to Q3 '06
- **Energy and raw material price increases offset impact of increased selling prices**

Timberland Q3'07 Update



- **Company's Timberland Strategy was initiated in early 2006**
 - Now expect to sell substantially all timberlands over next three to four years
- **Timberland sale process progressing**
 - Sold \$17 million in 2006
 - Sold \$13.0 million in first nine months of 2007
 - \$67 to \$70 million under contract to close in remainder of 2007
- **Expect to achieve \$80 million of timberland sales in 2007, significantly exceeding previously announced target**
- **Proceeds to be used to pay down debt**

Outlook

- **Expect stable to improving pricing environment in Specialty Papers and Composite Fibers over next several quarters**
- **Specialty Papers - Expect normal seasonal declines in shipping volume from Q3'07 to Q4'07**
- **Composite Fibers - Expect continued strong demand for Food & Beverage products**
- **Expect wood, pulp & energy costs to continue increasing in 2008**
- **Cap Ex estimated at \$30 million for 2007 compared to depreciation and amortization of \$58 million**
 - **Cap Ex estimated at \$50 million to \$55 million in 2008**

Appendix



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Reconciliation of Non-GAAP Financial Measures



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	2004				2005				2006				2007			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Income (loss) from continuing operations	\$0.83	(\$0.04)	\$0.05	\$0.44	\$0.14	\$0.04	\$0.08	\$0.61	(\$0.27)	(\$0.46)	\$0.12	\$0.33	\$0.07	\$0.04	\$0.17	
Gains from sales of Timberland	(0.41)		(0.02)	(0.31)			0.01	(0.26)		(0.01)	(0.01)	(0.17)	(0.04)	(0.08)	(0.03)	
Insurance recoveries	(0.35)		(0.13)			(0.03)		(0.25)								
Corporate aircraft sale	(0.04)															
Shutdown and restructuring charges			0.23	0.04				0.02	0.40	0.33	0.04	0.02				
Acquisition integration costs									0.02	0.05	0.08	0.04	0.01	0.02	0.01	
Debt redemption costs										0.04						
Fox River Reserve										0.04			0.08		0.27	
Adjusted earnings (loss)	\$0.03	(\$0.04)	\$0.13	\$0.17	\$0.14	\$0.01	\$0.09	\$0.12	\$0.16	(\$0.01)	\$0.23	\$0.22	\$0.12	(\$0.02)	\$0.42	

NOTE: The sum of individual per share amounts set forth above may not agree to adjusted income per share due to rounding.