

Quebecor World has filed for bankruptcy protection...
let's see how CreditRiskMonitor tracked this trend!

Quebecor World Inc.

Phone: (514) 954-0101

612 Saint-Jacques ST
Montreal, QC H3C 4M8 Canada

Ticker: [IQW](#)

On 1/21/2008, Quebecor World Inc. filed for creditor protection under the Companies' Creditors Arrangement Act (CCAA) in Canada

Latest Financial Statements as of 9/30/2007

Business Summary

Quebecor World Inc. (Quebecor World), incorporated on February 23, 1989, provides market solutions, including marketing and advertising activities, as well as print solutions to retailers, branded goods companies, catalogers and to publishers of magazines, books and other printed media. The Company has around 100 printing and related facilities located in North America, Latin America and Asia. In the United States, it has 82 facilities in 30 states, and is engaged in the printing of books, magazines, directories, catalogs and direct mail. In Canada it has 17 facilities in five provinces, through which it offers a mix of printed products and related value-added services to the Canadian market and internationally. The Company's primary print services categories are Magazines, Retail Inserts, Catalogs, Books, Directories, Direct Mail, Pre-Media, Logistics and Other Related Value-Added Services. In November 2007, Roto Smeets De Boer NV acquired Quebecor World's European printing division.

Employees: 27,000 (as of 12/31/2005)

Credit Scores

FRISK2 Score	1	1/23/2008
Probability of default range: 21.0% - 50.0%		
Z" Score	-0.08 (Fiscal danger)	9/30/2007

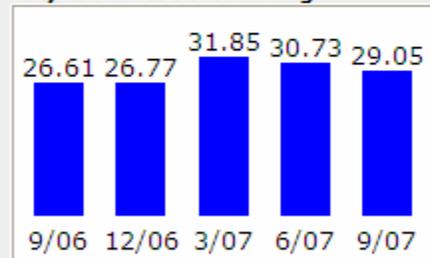
Auditor Information

Last Audit: 12/31/2006
Auditors: KPMG LLP
Opinion: **Unqualified**

Agency Credit Ratings

Rating Agency	Long Term Rating	Outlook	Short Term Rating	Watch
Moody's	Ca	Stable	SGL-4	OFF
S&P	D	NM	NR	NM

Days Sales Outstanding



Third Quarter and Year-to-Date Results

Sales for the 3 months ended 9/30/2007 decreased 8.51% to \$1.41 billion from last year's comparable period amount of \$1.55 billion. Sales for the 9 months ended 9/30/2007 decreased 6.67% to \$4.17 billion from \$4.47 billion for the same period last year.

Gross profit margin decreased 3.08% for the period to \$242.60 million (17.15% of revenues) from \$250.30 million (16.19% of revenues) for the same period last year. Gross profit margin decreased 4.27% for the year-to-date period to \$678.60 million (16.28% of revenues) from \$708.90 million (15.87% of revenues) for the comparable 9 month period last year.

Selling, general and administrative expenses for the period increased 13.91% to \$112.20 million compared with \$98.50 million for the same period last year. Selling, general and administrative expenses for the 9 months ended 9/30/2007 increased 12.17% to \$329.10 million from \$293.40 million for the same period last year.

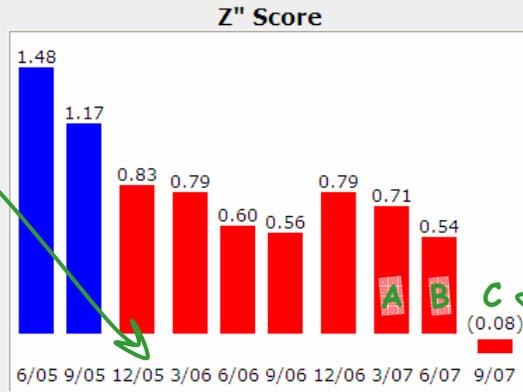
Operating income for the period decreased 558.71% to (\$255.50) million compared with operating income of

CreditRiskMonitor

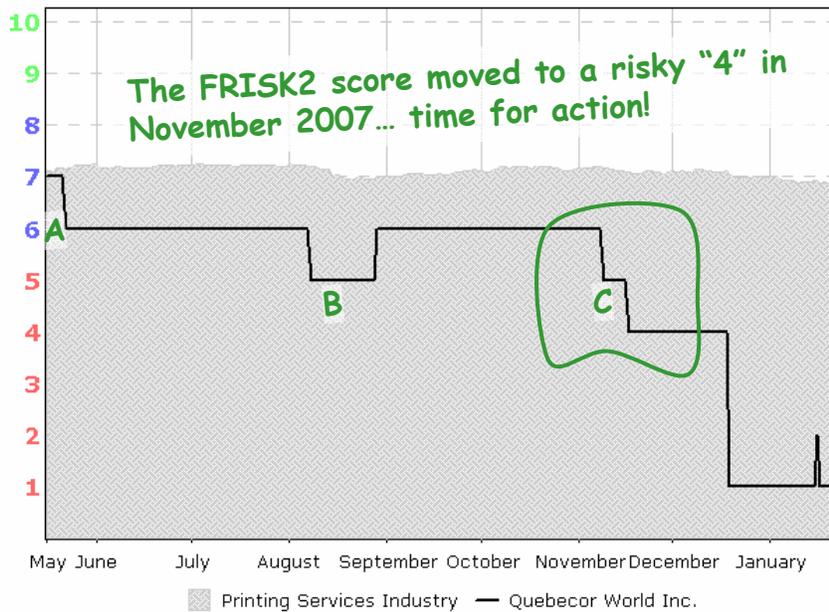
(845) 230-3000
info@crmz.com

The Altman Z" was a signaling trouble back in 2005...

LEGEND:
 Financially sound: 2.60 or higher
 Neutral: 1.10 to 2.60
 Fiscal danger: less than 1.10



The current FRISK2 score is 1 (probability of default* 21.0% - 50.0%), below its 9-month average and below its industry average.



Financial reports are filed periodically, but the FRISK2 is daily

FRISK2 Score - A score indicating the probability of default for a company over a 12 month horizon, based on new daily information in the CRMZ database, as calculated by a proprietary statistical model created by Dr. Camilo Gomez, and back-tested on 10,000 companies. (see **Financial Risk (FRISK2) Score**).

The FRISK2 score is reported on a 1 to 10 scale:

	FRISK2	Probability of default within 12 months	
		From	To
Best	10	0%	0.3%
	9	0.3%	0.4%
	8	0.4%	0.9%
	7	0.9%	1.9%
	6	1.9%	3.7%
	5	3.7%	7.4%
	4	7.4%	10.1%
	3	10.1%	14.1%
	2	14.1%	21.0%
Worst	1	21.0%	50.0%

Want an automatic alert when this is happening?

Try our Credit Limit Service.

CreditRiskMonitor

(845) 230-3000
 info@crmz.com

... plus, look at the news alerts you would have seen...

#	Date	Source	Headline
2	1/23/2008	CRM News Service	Printer Quebecor To Seek Bankruptcy Shelter In Canada, U.S.
3	1/22/2008	Moody's Investors Service	Moody's downgrades Quebecor World's CFR and bond ratings to Caa2
4	1/22/2008	Canada NewsWire	TSX Delisting Review - Quebecor World Inc. (Symbols: IQW, IQW.PR.C, IQW.PR.D)
5	1/21/2008	CCNMatthews	Quebecor World Obtains Court Order for Creditor Protection
6	1/21/2008	CCNMatthews	Quebecor World to File for Creditor Protection
7	1/16/2008	CCNMatthews	Quebecor World Extends Deadline for Conditions Precedent to the CDN\$400 Million Rescue Financing From Quebecor Inc. and Tricap Partners Ltd.
8	1/16/2008	Canada NewsWire	TSX Delisting Review - Quebecor World Inc. (Symbols: IQW, IQW.PR.C; IQW.PR.D)
9	1/16/2008	CRM News Service	Quebecor World Inc. -- updated S&P ratings available
10	1/15/2008	CCNMatthews	Quebecor World Makes Announcement With Respect to Bank and Securitization Waivers
11	1/14/2008	CCNMatthews	Quebecor World Accepts CDN\$400 Million Rescue Financing Proposal from Quebecor Inc. and Tricap Partners Ltd.
12	1/14/2008	CCNMatthews	Quebecor World Acknowledges Receipt of CDN\$400 Million Rescue Financing Proposal From Quebecor Inc. and Tricap Partners Ltd.
13	12/31/2007	CCNMatthews	Quebecor World Continues to Pursue Financing Options
14	12/28/2007	Market Wire	Quebecor World Receives Conversion Notices in Respect of 3,975,663 Series 5 Preferred Shares
15	12/20/2007	CRM News Service	Quebecor World Inc. -- updated Moody's rating available
16	12/19/2007	CRM News Service	Quebecor World Inc. -- updated S&P ratings available
17	12/19/2007	Moody's Investors Service	Moody's downgrades Quebecor World's CFR to Caa2
18	12/17/2007	CCNMatthews	Quebecor World Appoints Jacques Mallette President and CEO
19	12/14/2007	CRM News Service	Quebecor World could breach covenants, face insolvency
20	12/13/2007	CCNMatthews	Quebecor World Will not Proceed With the Sale of its European Assets
21	11/26/2007	CCNMatthews	Quebecor World to Suspend Dividends on Preferred Shares
22	11/24/2007	CRM News Service	Quebecor World Inc. -- updated Moody's rating available
23	11/23/2007	Moody's Investors Service	Moody's places Quebecor World's LT ratings on review
24	11/20/2007	CRM News Service	Quebecor World Inc. -- updated S&P ratings available
25	11/20/2007	CCNMatthews	Quebecor World Withdraws Refinancing Plan
26	11/19/2007	CCNMatthews	Quebecor World to Convert no Series 3 Preferred Shares Into Series 2 Preferred Shares
27	11/14/2007	CRM News Service	Quebecor World Inc. -- updated Moody's rating available
28	11/13/2007	Moody's Investors Service	Moody's rates Quebecor World's new notes Caa1; outlook stable
29	11/13/2007	CCNMatthews	Quebecor World Announces Refinancing Plan
31	11/7/2007	CCNMatthews	Quebecor World Announces Sale/Merger of European Business to RSDB and Releases Third Quarter Results
32	10/25/2007	CCNMatthews	Quebecor World Appoints Ben Schwartz Senior Vice President, People and Leadership
33	8/29/2007	CRM News Service	Quebecor World Inc. -- CreditRiskMonitor update available
34	8/28/2007	Moody's Investors Service	Moody's downgrades Quebecor World's CFR to B3
35	8/14/2007	CRM News Service	Quebecor World Inc. -- updated financials available
36	8/9/2007	CRM News Service	Quebecor World Inc. -- updated S&P ratings available
39	6/19/2007	CRM News Service	Quebecor World Inc. -- updated Moody's rating available
40	6/18/2007	Moody's Investors Service	Moody's downgrades Quebecor World's SGL to 4; B2 neg CFR remains
42	5/15/2007	CRM News Service	Quebecor World Inc. -- updated financials available
43	3/27/2007	CRM News Service	Quebecor World Inc. -- updated financials available
45	12/11/2006	Moody's Investors Service	Moody's assigns B2 rating to new Quebecor World debt issue; negative outlook
46	12/8/2006	Moody's Investors Service	Moody's - Quebecor World, Inc.
47	12/8/2006	Moody's Investors Service	Moody's downgrades Quebecor World to B2, outlook remains negative
48	12/8/2006	CRM News Service	Quebecor World Inc. -- updated S&P ratings available
49	11/9/2006	CRM News Service	Quebecor World CreditRiskMonitor
50	10/18/2006	Moody's Investors Service	Moody's Lowers Quebecor World Ratings to B1; Outlook Negative

Downgrades & low ratings

And... Bankrupt... were you part of a pre-negotiation?

Delisting review

"Could breach covenants, face insolvency"

"Will not proceed with sale of assets"

"Suspends preferred dividend"

"Withdraws Refinancing Plan"

(845) 230-3000
info@crmz.com

... need more depth? Look at the Leverage Ratios:
growing debt, shrinking equity, more and more negative
tangible net worth, rocketing liabilities-to-equity ratio...

Leverage Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	3 mos 9/30/2007	3 mos 6/30/2007	3 mos 3/31/2007	3 mos 12/31/2006	3 mos 9/30/2006
Total debt \$	\$2,460,500	\$2,269,700	\$2,113,400	\$2,282,600	\$2,138,700
% change	8.41%	7.40%	-7.41%	6.73%	3.02%
Stockholders' equity \$	\$1,414,200	\$1,770,000	\$1,982,200	\$1,882,200	\$2,034,800
% change	-20.10%	-10.71%	5.31%	-7.50%	0.18%
Total debt to equity ratio	1.74	1.28	1.07	1.21	1.05
% change	35.68%	20.27%	-12.08%	15.38%	2.84%
Tangible net worth \$	(\$761,000)	(\$563,800)	(\$342,200)	(\$442,100)	(\$282,400)
% change	-34.98%	-64.76%	22.60%	-56.55%	1.74%
Total debt to tangible net worth	(3.23)	(4.03)	(6.18)	(5.16)	(7.57)
% change	19.69%	34.82%	-19.62%	31.83%	-4.84%
Total assets \$	\$5,554,900	\$5,742,100	\$5,823,000	\$5,823,400	\$5,924,600
% change	-3.26%	-1.39%	-0.01%	-1.71%	2.02%
Total debt to assets ratio	0.44	0.40	0.36	0.39	0.36
% change	12.06%	8.91%	-7.41%	8.58%	0.98%
Net tangible assets \$	\$3,379,700	\$3,408,300	\$3,498,600	\$3,499,100	\$3,607,400
% change	-0.84%	-2.58%	-0.01%	-3.00%	3.41%
Short-term debt \$	\$47,400	\$34,300	\$30,900	\$30,700	\$4,300
% change	38.19%	11.00%	0.65%	613.95%	-17.31%
Short-term debt % of total debt	1.93%	1.51%	1.46%	1.34%	0.20%
% change	27.48%	3.36%	8.71%	568.94%	-19.73%
Short-term debt % of working capital	-64.84%	-19.83%	-28.51%	-40.39%	-3.26%
% change	-227.05%	30.45%	29.43%	-1140.02%	10.42%
Total liabilities \$	\$4,140,700	\$3,972,100	\$3,840,800	\$3,941,200	\$3,889,800
% change	4.24%	3.42%	-2.55%	1.32%	3.01%
Total liabilities to equity ratio	2.93	2.24	1.94	2.09	1.91
% change	30.47%	15.82%	-7.46%	9.54%	2.83%
Total liabilities to tangible net worth ratio	(5.44)	(7.05)	(11.22)	(8.91)	(13.77)
% change	22.77%	37.23%	-25.90%	35.28%	-4.84%
Source:	Interim Report 11/7/2007	Interim Report 8/8/2007	Interim Report 5/9/2007	ARS 3/21/2007	Interim Report 11/7/2006

NOTE: This is a Canadian company whose reported financial statements are denominated in U.S. Dollars and whose current financial statements are reported under Canadian Accounting Standards.

CreditRiskMonitor

(845) 230-3000
info@crmz.com