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Operator: *Welcome to Cascades, Inc. Conference Call for the third quarter results. At this time, all participants are in a listen-only mode. Following today's presentation, there will be a formal question-and-answer session at which time you can select star then one on your touch-tone phone to ask a question. Please note that this conference is being recorded.*

I will now turn the call over to Riko Gaudreault, Director of Investor Relations. Mr. Gaudreault, you may begin.

Riko Gaudreault: Thank you, operator; and good morning everyone. Welcome to our conference call for the third quarter of 2014. Members of our management team are joining me today, and you will hear from Mario Plourde, our President and CEO; Allan Hogg, our CFO; Marc-Andre Depin, President of our Containerboard group; Luc Langevin, President of our Specialty Products group; and the new President of our Tissue group, Jean Jobin. Mario will begin with his comments followed by Allan and the group's representatives. The review of our operations in Europe will be covered by Mario, and our CEO will also be back for the conclusion following the question period.

During this call, certain statements will discuss historical and forward-looking matters. Please note that the accuracy of these statements is subject to a number of risk factors. These factors, which are listed in our public filings, can have a material impact on our actual results. Also, these statements as well as the investor presentation and press release, which are posted on our website, include data that are not measures of performance under IFRS. You should also note that the quarterly results of Reno De Medici were released November 4th and can be reviewed on Reno's website.

I would like to remind the media and Internet users that they can only listen to the call. If you have any questions, please feel free to call us after the session.

I will now turn the call over to Mario Plourde.

Mario Plourde: Thank you, Riko; and good morning, everyone. This morning we posted encouraging results for the third quarter of 2014. If you followed us recently, you probably heard about the major fire that affected our two mills in Niagara Falls in September. Despite this event, downtime related to the machine rebuild by (inaudible) and difficult market conditions in the tissue market, our EBITDA excluding specific items for the quarter reached 97 million and represent a sequential and year-over-year improvement. Cash flow from operations almost doubled sequentially when you exclude the premium totalling 11 million, or 11 cents per share, paid in the connection to the refinancing of some of our senior note in Q2. We continue to work at optimizing our capital structure during the quarter and our EPS number of 4 cents per share reflects the impact of the withholding tax of 14 million dollars, or 15 cents per share. Allan will discuss this item more in details later.

When you look at our quarterly performance by sector, all of our North American groups showed higher result. The performance of the Containerboard group at 50 million is noteworthy given the difficult circumstances they faced during the quarter. The Specialty Products group continued to be a steady contributor, and the Tissue group improved its result compared to the previous quarter. In Europe, the boxboard activity were negatively impacted by seasonality and the machine rebuild in Italy. Finally, Greenpac was impacted by the bale yard fire, but continues to generate improved cash flow and in line with expectation.

As for fiber, the market of brand grades was very soft following the closure of a few mills in the northeast. Prices decreased by 8% on average during the quarter. We do not foresee major changes in the short-term for OCC as the seasonal demand pick up from Asia buyers is behind is. Prices for wide grades remained stable as we approached a slow generation period. For pulp, NBHK prices were down 3% compared to Q2. Looking at our KPIs, we continued to improve on our return on asset and working capital ratio and shipments were down only because the machine rebuild by (inaudible).

I will now let my colleagues give you more specific information starting with Allan, and I will be back later to cover Europe and our outlook. Allan.

Allan Hogg: Thank you, Mario, and good morning. Once again I would like to remind everyone that all of our numbers have been restated for the reclassification of this continued operations of our fine papers business and our boxboard mill in Sweden. In addition, we also included our East Angus Kraft paper mill as a discontinued operation in this quarter following its permanent closure at the end of September. Prior per your numbers have been restated.

Compared to last year, sales were up 3% at 964 million due to favorable exchange rates and price increases in our containerboard activities, which were offset in part by lower average selling prices in Europe and in our tissue segments. Sequentially sales remained stable despite unfavorable exchange rate and lower volume from our European business, which was offset by higher average selling prices in our containerboard operations and higher tissue volume. EBITDA for the second quarter is up 2%, or 2 million, compared to last year. A lower Canadian dollar, higher selling prices in containerboard, and lower production expenses more than offset the higher raw material landed costs in the Specialty Products and Tissue segments. Sequentially our EBITDA is up 7 million or - - 7%, or 6 million. Volume was up 9% in our Tissue business, which combined with a strong performance by our containerboard activities more than offset the extended shutdown for the machinery build at Reno De Medici's Santa Giustina mill in Italy. Our operating results for the third quarter were also impacted by fire incidence in our containerboard operations. The impact of these incidents on our Q3 EBITDA is estimated at 5 million; and our net results were reduced by approximately 7 million, or 8 cents per share.

Slide 13 and 14 illustrates the impact specific items that affected our results during the quarter. The main item is a 24 million effects loss on our U.S. denominated debt and related financial instruments. As Mario highlighted in his opening comments, without these we would have achieved higher net earnings excluding specific items. An internal reorganization was carried out during the quarter to optimize the capital structure of our U.S. and Canadian subsidiaries resulting in a onetime withholding tax provision of 14 million, or 15 cents per share, which will be recovered through improved cash flows going forward.

On page 15. excluding the 11 million premium paid in connection with the refinancing of our senior notes, cash flow from operations amounted to 98 million in the third quarter. It is worth mentioning that we received a net tax refund of 21 million during the period. We also started to see the impact of our latest debt refinancing as our interest expense in the quarter is down 4 million compared to the second quarter. Net debt decreased by 5 million despite an increase of 37 million due to the exchange rate. Capital investments for the first 9 months were mainly done in our tissue segment for the new paper machine in Oregon and the new converting plant in North Carolina. In terms of financial ratios, considering the reclassification of discontinued operations, our net debt to EBITDA ratio remains stable at 4.5 times at the end of the quarter.

I thank you for attention and will ask Marc-Andre to discuss the results of our Containerboard group.

Marc-Andre Depin: Good morning, everyone. Thank you, Allan. During the quarter of 2014, the Containerboard group shipments remained stable at 337,000 short tons. In our manufacturing activities, external shipments sequentially decreased by 6% for a negative impact of 10,000 short tons. The shortfall in volume is a consequence of a 4% increase in the integration rate between the mills and the converting plants over the last three months compared to Q2. Also, the operating rate of our containerboard manufacturing activities averaged 94% during the quarter compared to 93% in Q2 despite the fire at our Niagara Falls, New York, mill at the end of September which resulted in a loss of production of 7,000 short ton. At our boxboard mill in Jonquière, Quebec, we took 16 days of downtime representing 7,000 short ton, which is similar to the previous quarter. Despite a shortfall of 1,000 short ton shipments, the Jonquière Mill had a positive contribution to our EBITDA in the quarter.

Moving to our converting activities, shipments have sequentially increased by 5%. Meanwhile the Canadian corrugated product industry experienced a 5% increase while shipment in the U.S. rose by 2%. On the pricing front, average selling prices increased by 12 Canadian dollar for short ton as a result of a change in product mix of our corrugated product subsegment. Our performance continued to improve during the third quarter despite two distinct fire incidents at our Niagara Falls (inaudible) mill and our Etobicoke, Ontario corrugated product plant. This quarter's result represent our best performance in terms of profitability since the third quarter of 2010.

Please note that in the containerboard sector result you see on page 6 and 19, only a portion of the impact related to the fire incidence are included. Direct losses related to these fires are presented in the corporate activities. In addition we also estimate that these incidents affected the Containerboard group's result by 2 million related to margin loss and 1 million of accelerated depreciation of equipment and buildings affected by the fire. Consequentially our third quarter EBITDA increased by 7 million compared to the previous quarter to reach 50 million despite the impact of the fires. This represent a margin of 14% on sales. If we look at the margin of our containerboard activities separately, it reach 15% for the quarter. This improvement in profitability is mainly the result of 6 million positive impact on average selling price related to product mix. While energy costs and foreign exchange respectively improve result by 2 million and 1 million, it was partially offset by higher production costs and raw material costs for 2 million.

With regard to the short-term outlook, we should continue to benefit from the stable economical environment in the containerboard and the boxboard segments. While we should have additional costs related to the fires in Q4, they should not materially affect our result. Also, production is back to normal at both facilities since early October. On the volume front, the month of December represent our lowest month in terms of shipments. Accordingly our results should be lower in Q4 but in line with normal seasonal trend.

Finally a word on the Greenpac mill. At the end of September Greenpac was also affected by fire in our OCC bale yard in Niagara Fall, New York. It is important to note that the building and the equipment were not damaged by the fire. However, we have lost 12,000 short tons in short-term of OCC,and production was interrupted for 92 hours. representing a loss of production of 5,000 short ton. Consequently the result of Greenpac were impacted by 4 million of direct costs and loss of volume. Also, as I mentioned on a previous conference call, a fire system malfunction in August resulted in a 36 hour shutdown, and we lost 4,000 ton of finished product affecting the result of Greenpac by 2 million. As a consequence of those two events, in Q3 Greenpac produced 99,000 short ton of linerboard, and we achieved breaking the net earnings included - - excluding specific items. The machine is now running as expected, and in October we produce 40,000 short ton, which is the expected output at this point of the ramp-up. Our team now focuses on the roll out of value added product.

I thank you for your attention, and I will now ask Mario to give you the overview of boxboard operation in Europe.

Mario Plourde: Thank you Marc-Andre. During the third quarter of 2014, Reno De Medici carried out a machinery build at the Santa Giustina mill in Italy to improve productivity and product quality. This extended shutdown combined with normal seasonal downtimes in August explain why shipments in our European operation were 9% lower than in Q2. In fact, the Santa Giustina shut down resulted in a shortfall of 6,000 short ton compared to the regular August maintenance downtime. Sequentially average selling prices were stable. However, the strengthening of the Canadian dollar resulted in a decrease of 4% in Canadian dollar terms. As a result of these lower shipments and the unfavorable exchange rate, sales for the quarter reached 193 million dollars down 12% compared to Q2. EBITDA for Q3 stood at 14 million or 7% of sales. While Reno benefitted from 2 million of white certificates, these were not enough to compensate for lower revenues. In addition, raw material costs were higher during the quarter as Reno used more white recycled paper grades and TMP pulp. Finally, seasonal maintenance costs always negatively impact the results of the boxboard activity in Europe.

Looking ahead, the flow of orders for the next quarter is expected to be good, and the backlog at the end of October is better than last year. We do not expect significant change in business driver in the short terms. On the energy front, Reno may continue to receive wide credit in 2014 and 2015.

I thank you and I will ask Luc to follow with an overview of the performance of this Specialty Product group.

Luc Langevin: Thank you, Mario. Following our July announcement, we proceeded with the closing of our kraft paper operation in East Angus during the quarter. The closure was carried out as planned, and the machines were shut down on the last week of September. We're glad to say that close to 60% of our employees have already found new employment. We're now proceeding with the sale of equipment, building, and land. For this quarter, our financial figures exclude the fine paper activities sold in Q2 and the kraft paper operations. Our resources are now totally dedicated to growing the (inaudible) segments of the Specialty Products group.

Moving on to our Q3 financial performance, sales for the Specialty Products group remain fairly stable reaching 145 million dollars compared to 146 in Q2. Lower volumes in our recovery segment and the less favorable average exchange rate explain this slight variation. EBITDA for this quarter increased from 10 million to 12 million, representing a 20% sequential increase. We benefitted from improved spreads in most of our sectors. The significant exchange rate variation at the end of the quarter also contributed to improved results.

Looking more specifically at our segments, our industrial packaging segment improved its EBITDA by a million dollars essentially due to improved spreads. Our consumer product packaging segment delivered stable results during the quarter. The EBITDA generated by our dinked pulp and vinyl packing activities remain unchanged from the previous quarter.

For our recovery segment, it increased its profitability by approximately 2 million. We benefitted from reduced fixed costs and a favorable exchange rate variation at the end of September. Looking forward to the next quarter, the seasonality (inaudible) to the fourth quarter will likely impact our consumer product and industrial packaging activities. Finally, we expect no significant change in the market conditions for our recovery divisions.

Thank you for you attention. I will now turn the conference to Jean for the results of the Tissue group, Jean.

Jean Jobin: Thank you, Luc. Good morning, everyone. Looking at our third quarter result, the Tissue group delivered a solid performance and sequentially improved its profitability level. EBITDA increased by 39% compared to the second quarter to stand at 32 million. This good performance was mainly driven by a sequential increase of 9% in shipment. More specifically, shipment of converted product went up by 11%, mainly driven by the consumer product segment where the volume increased significantly in Canada. In the U.S., the consumer product segment sales increased by 4%, which is notable since this segment is challenged with additional capacity and a competitive market. In the away-from-home segment, shipment were 6% higher than during the second quarter. More specifically, shipment increased respectively by 10% in Canada and 4% in the U.S., mainly due to market seasonality. This segment continued to benefit from a good economic environment and will continue to grow in both Canada and the U.S. Our product (inaudible) shipment were higher - - were 8% higher. However, the additional tissue capacity in the market is still a challenge as the inventory remains high. Average selling price remains stable sequentially. A higher proportion of our products sold in Canada at the slightly lower prices and a higher share of away-from-home product were upset by a favorable integration rate compared to the previous quarter.

As for profitability, our EBITDA reached 32 million, an 11% margin on sales compared to 22 million and a 9% margin on sales for the previous quarter. The sequential EBITDA increase was mainly driven by additional volume, lower energy, and subcontracting costs as well as a favorable exchange rate. These factors slightly offset high material costs - - higher material costs, higher purchase of external virgin parent roll and bulk, as well as higher administration expenses.

To conclude, giving the competitive environment and seasonality, the upcoming quarter should be impacted by lower sales compared to Q3. Last year we announced plans to increase the paper production capacity at our St. Helens plant in Oregon. This project, which will increase our manufacturing capacity by 55,000 tons, started its production on October 25th, and we will see some benefit related to this project gradually in 2015. Also, in August, we announced the strategic optimization and expansion of the Tissue group activity in the Southeastern United States with a new tissue converting facility in Wagram, North Carolina. The new equipment will be progressively installed in 2014 and throughout the first half of 2015. Production is expected to start on the first line at the end of 2014 and will gradually ramp-up in 2015.

Thank you. I will now turn the call back to the operator, operator.

Operator: *Thank you. We will now begin the question-and-answer session. If you have a question, please press star then one on your touch-tone phone. If you wish to be removed from the queue, please press the pound sign or the hash key. There will be a delay before the first question is announced. If you are using a speakerphone, you may need to pick up the handset first before pressing the numbers. Once again, if you have a question, please press star then one on your touch-tone phone.*

And our first question comes from Amir Patel, RBC Capital Markets. You may go ahead.

Amir Patel: Hi, good morning. **Mario, you mentioned in your outlook the potential for lower OCC prices in Q4, just wondering how are you feeling about pricing trends in 2015?**

Mario Plourde: Well considering the price just went down yesterday, we feel that the pricing going forward should be stable going forward. We don't see that much activity right now in the market. The generation is good. You know the level of inventory is good everywhere and we don't see a huge increase in export markets, so our evaluation for Q4 will be single pricing.

Amir Patel: Thanks that's helpful, and I guess a question for Marc-Andre. **Just wondering if you could comment on how your box shipments fared in October and if there are any sort of end markets that stand out as being particularly strong or weak?**

Marc-Andre Depin: October has been good compared to what we see usually for that period of the year, so the demand was great in the summertime and it keeps on - - it kept on being good also. Our produce sector was good also. That's why we have a mix - - favorable mix at the end of Q3, but it's slowing down now and we're going to our lower period of time when we're going to get mid-November to December it's going to get lower, but nothing to - - nothing different than any past years.

Amir Patel: Thanks, and just a final question I had for Jean. **On the tissue side, we've heard some of your competitors comment that the away-from-home prices at least on the lower end have seen some erosion. I'm just wondering if you've experienced that at all and if you could comment on how the July price hike is progressing?**

Jean Jobin: Well we've seen some specific place where it was more challenging on the low end, but in general our price increased as we push in June - - in July, sorry. It's still taking us time as usual. And the away-from-home its very often six to nine months before you can put it in place, so contract after contract we're working with it.

Amir Patel: Thanks, I'll get back in the queue. Thanks.

Operator: *Our next question comes from Sean Stewart from TD Securities.*

Sean Stewart: Thanks, good morning. **Question regarding the European operations. The white credits, you mentioned you expect them to continue potentially over the next couple of years. Is there anyway you can quantify your expectations for that item?**

Mario: No, not really. It's really related to investment we make and how much this improve our efficiency in terms of energy, so then we have to make the investment, have an evaluation done by the authority, and then we realize our you know they tell us how much is accepted or not, so it's pretty difficult for us to quantify how much is accepted or not at this point, so I cannot tell you how much is remaining.

Sean Stewart: Okay. **And, Mario, just on following on from that, even absent the 2 million dollars this quarter, the cost trends in Europe on a unit basis were better than we expected. You mentioned a few items. I guess I'm just a bit surprised that costs trended as favorably as they did given the maintenance and higher inputs. Can you speak to anything else that was happening on the cost side in Europe that might've explained the relative trend this quarter?**

Mario Plourde: Yeah, we did rationalize through the last two three years you know our portfolio of assets, and what we have right now is we have a portfolio of larger machine, more efficient, and we as well reduce our fixed cost at the head office. So all these actions are paying right now and this is mostly what you see on the fixed cost side is we're really challenging every cost we see, and we're benefitting from it right now.

Sean Stewart: Okay, and then last question for me. **On the tissue side, the Canadian retail gains you saw this quarter, can you speak to whether that was Company-specific initiatives versus broader industry trends for that specific segment?**

Jean Jobin: No, I think it's not that you don't have a large increase like that in the entire industry, it's really specific to customer.

Sean Stewart: Okay, that's all I had. Thanks very much, everyone.

Jean Jobin: Thank you.

Operator: *Our next question comes from Stephen Atkinson from Dundee Capital Markets.*

Stephen Atkinson: Good morning. **In terms of Oregon, the project in Oregon of course, the 55,000 tons, and you're starting up October 25th, can you tell me what your accounting treatment will be, like I assume you're capitalizing?**

Allan Hogg:: Yes, we do.

Stephen Atkinson: And I guess when you reach a break even or a certain operating weight, then we'll see the benefit?

Allan Hogg: Well see the benefit, yeah. Now we're in the start-up mode, so we're trying to do to have a more uptime as possible and ship as much good product as possible. So, yeah, I think that in this quarter we're going to probably suffer a little bit of like any start up, but we're expecting very great thing from that machine in 2015.

Stephen Atkinson: Okay. **So something like midyear I guess we'll start to see the benefit?**

Allan Hogg: I would say probably, yeah, somewhere like Q2 we should already see some good momentum around that.

Stephen Atkinson: Oh, great. **In terms of the tissue converting plant where I understand you're starting up line one in the first quarter next year, how many lines are there?**

Allan Hogg: We're going to have six line over there. The first one is actually installed since a week now, so we have a building, we have - - so we're in the process. So we plan our first production to be at the end of December this year, and we install one line after the other, so that's why the ramp-up will be for until the end of Q2, probably beginning of Q2.

Stephen Atkinson: Okay. **And I guess the benefit of course is that you'll be selling less jumbo rolls?**

Allan Hogg: It's one reason for the south, but mainly it's production transfer from the north to the south. Most of those cases that are going to produce there will produce in the north in the past with logistic saving.

Stephen Atkinson: Oh, good, okay. **I was a bit confused on the accounting treatment of the fire, the way I understand it is the last tonnage shows up in the division and the actual 5 million cost shows up at corporate, am I understanding that right?**

Mario Plourde: There's a - - the 5 million EBITDA impact, there's 3 million of direct cost, of cleaning costs and everything that it's showing under corporate, and the 2 million of loss of tonnage, it's not a direct cost, but it's a opportunity cost that's expressed at the business level. So we have not recorded any revenue from insurance if we would get any . So once the claim and all the process will be completed and the agreements, we might have a revenue in the future, but it's still to be determined.

Stephen Atkinson: Okay. **And in terms of your overall maintenance for the fourth quarter versus the third, are you able to give us any guidance?**

Mario Plourde: You mean…

Stephen Atkinson: Report for Cascade, yeah, yeah, like in terms of maintenance cost like without asking specifics of where it is, would you see Q4 maintenance similar to Q3?

Mario Plourde: No nothing different than the past years. I don't know, there's nothing - - there's no major…

Marc-Andre Depin: We don't have any specific huge shutdown being planned at this moment, so it should be equal as last year.

Stephen Atkinson: Okay, that's great. Thanks a lot.

Operator: *Once again if you have a question, please press star then one on your touch-tone phone.*

Oh, our next question comes from Amir Patel, RBC Capital Markets.

Amir Patel: Thanks, Marc-Andre. **Just a follow-up question on containerboards, so you know the trade reports 40 to 50 dollar per ton discounts between virgin and recycled grades for linerboard,**

I'm just wondering if you start to see more demand from customers switching to using more recycled products?

Marc-Andre Depin: I'm maybe not the right guy to answer because when Greenpac starting up, we have a lot of demands for this product, so, yes, internally we feel there's huge amount of demand for recycle more than before. But like I said with Greenpac and the new product, high performance product, we have a great demand for this now. So am I the right barometer for the rest of the industry? I don't want to judge. But on our side, the demand is good.

Amir Patel: Yeah, fair enough. And just a final question I guess for Allan. **Could you comment on Ca[Ex budget for 2015?**

Allan Hogg: Well we are in the process of a budget review, and we have not pinpoint all the project that are going to be approved, and so it's still to be decided. We're not really to comment on next year yet.

Amir Patel: Fair enough. That's all I had. Thanks, and good luck in the quarter.

Operator: *Our next question comes from Renoir Laprade, Scotiabank.*

Renoir Laprade: Good morning, gentlemen. Quick one for you: **What should we expect in terms of CapEx for the fourth quarter and do you have your plans for 2015 at this point?**

Mario Plourde: The plan for 2015, as Allan just mentioned, is not finalized yet, so we cannot comment on that. The plan for the year right now, we're expecting to close the year at the 180 million CapEx. Beginning we had an envelope of 160, so we're exceeding the envelope. A portion of that is related to the effects. You know most of the CapEx we have done in the U.S. were impacted by that and we also spend a little more in our Oregon and Santa Giustina investment, so that's the CapEx for this year. We should not expect anything else in Q4.

Renoir Laprade: Thank you.

Operator: *We have no further questions at this time.*

I will now turn the call over to Mr. Mario Plourde for closing remarks. Mr. Plourde.

Mario Plourde: Thank you. And in the fourth quarter of 2013, we realized 100 million dollars of EBITDA if you exclude specific items and the result from discontinued operation. In all likelihood, we will not repeat this performance this year as we benefitted from higher shipments than usual in December 2013 and favorable adjustment. In Europe, we expect a sequential improvement following the weaker third quarter as shipments should be higher, and we should also continue to benefit from the weakness of the Canadian dollar, which is expected to prevail until the end of the year. However, the Tissue group will be impacted by a competitive market, the start up of the new machine Oregon, and the reorganization of the production logistic related to the new converting plant in North Carolina. The Containerboard group should continue to benefit from relatively low OCC costs, but Q4 shipments will likely be impacted by the inherent seasonality associated with the month of December following a strong Q3. The same situation can be said about the Specialty Product group. All that being said, we feel positive about the near future. We are currently budgeting for the next year, and we have already identified initiative to improve our efficiencies and focus our portfolio of asset on more profitable businesses.

We thank you for your support, and we'll be talking again in March. Have a good day.

Operator: *Thank you, ladies and gentlemen. This concludes today's conference. Thank you for participating. You may now disconnect.*

Please Note: * Proper names/organizations spelling not verified.
[sic] Verbatim, might need confirmation.
- - Indicates hesitation, faltering speech, or stammering.