

PRESS RELEASE



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Cascades Reports Results for the First Quarter of 2022 ***Lower results reflect significant inflationary pressure on costs;*** ***Selling price initiatives to contribute positively to results for the remainder of 2022***

Kingsey Falls, Québec, May 12, 2022 - Cascades Inc. (TSX: CAS) reports its unaudited financial results for the three-month period ended March 31, 2022.

Q1 2022 Highlights (comparative figures have been restated to reflect discontinued operations¹)

- Sales of \$1,038 million (compared with \$1,028 million in Q4 2021 and \$942 million in Q1 2021)
- As reported (including specific items)
 - Operating income (loss) of \$(4) million (compared with \$(90) million in Q4 2021 and \$44 million in Q1 2021)
 - Operating income (loss) before depreciation and amortization (OIBD) of \$56 million (compared with \$(30) million in Q4 2021 and \$109 million in Q1 2021)
 - Net loss per common share of \$(0.15) (compared with net earnings per common share of \$1.04 in Q4 2021 and net earnings per common share of \$0.22 in Q1 2021)
- Adjusted (excluding specific items²)
 - Operating income (loss) of \$(2) million (compared with \$2 million in Q4 2021 and \$57 million in Q1 2021)
 - OIBD of \$58 million (compared with \$62 million in Q4 2021 and \$122 million in Q1 2021)
 - Net loss per common share of \$(0.15) (compared with net loss per common share of \$(0.09) in Q4 2021 and net earnings per common share of \$0.29 in Q1 2021)
- Net debt² of \$1,549 million as of March 31, 2022 (compared with \$1,351 million as of December 31, 2021). Net debt to adjusted OIBD ratio² of 4.8x, up from 3.5x as of December 31, 2021.
- Total capital expenditures, net of disposals, of \$96 million in Q1 2022, compared to \$93 million in Q4 2021 and to \$71 million in Q1 2021¹. Forecasted 2022 net capital expenditures of \$415 million, encompassing \$275 million for the Bear Island containerboard conversion project in Virginia, USA.

¹ 2021 first quarter consolidated results and consolidated cash flows have been adjusted to reflect retrospective adjustments of discontinued operations.

² Some information represents Non-IFRS financial measures, other financial measures or Non-IFRS ratios which are not standardized under IFRS and therefore might not be comparable to similar financial measures disclosed by other corporations. Please refer to the "Supplemental Information on Non-IFRS Measures and Other Financial Measures" section for a complete reconciliation.

Mario Plourde, President and CEO, commented: "Our first quarter performance was disappointing and lower than our expectations. While demand levels were stable for our packaging segments and continued to show positive underlying momentum in tissue, two main factors caused results to come in below our outlook. The first was the important escalation in production and operational costs, the effects of which were further compounded for our Tissue segment by persistently higher raw material prices. The second was logistics from both a cost and availability standpoint. Inflation driven fuel surcharges increased already elevated cost levels. The ongoing transportation constraints slowed order inflow levels from some customers experiencing shipping challenges while also delaying delivery of our products to some customers. Production was therefore temporarily adjusted in several of our operations, which impacted sales levels.

In the context of this high cost environment our Specialty Products segment performed well, as strong demand drove higher volumes and sales price increases were implemented. In our Tissue business, significant cost headwinds for fibre and logistics combined with planned revenue management actions being implemented to transition to an optimized customer and product portfolio resulted in a difficult quarter for this segment prior to benefits from profitability initiatives underway being realized. Finally, below expected results in our Containerboard segment reflect the immediate impact of higher input costs and a challenging transportation environment prior to the realization of benefits from the roll-out of recently announced price increases."

Discussing near-term outlook, Mr. Plourde commented, "Looking ahead, we are implementing price increases in our packaging segments that will help to offset input cost headwinds. These, combined with good demand for our packaging products as we enter the summer season, will progressively improve profitability levels in the coming months. Our Bear Island project is advancing as planned with project costs and the December 2022 start-up date in line with our stated objectives. The elevated capital investments for this project combined with our lower consolidated financial results in the first quarter led to a notable increase in leverage. This course is expected to reverse with improved business performance in the coming months and future positive contribution from the Bear Island project following the facility's start-up. In Tissue, we are encouraged with the progress of the profitability plan underway notwithstanding this segment's first quarter results. As expected, benefits from these initiatives did not contribute materially to first quarter performance. Despite significant cost headwinds, we remain confident that we will be in the range of the 2022 target disclosed in our February strategic update, as benefits from previously announced price increases will begin to support this segment's results in the second quarter, and will be further supplemented by additional price increases for Away-from-Home products announced for July 1 as well as continued revenue and cost optimization initiatives."

Financial Summary

Selected consolidated information

(in millions of Canadian dollars, except amounts per common share) (unaudited)	Q1 2022	Q4 2021	Q1 2021 ¹
Sales	1,038	1,028	942
As Reported			
Operating income (loss) before depreciation and amortization (OIBD)	56	(30)	109
Operating income (loss)	(4)	(90)	44
Net earnings (loss)	(15)	105	22
per common share	(\$0.15)	\$1.04	\$0.22
Margin (OIBD)	5.4%	(2.9%)	11.6%
Adjusted²			
Operating income before depreciation and amortization (OIBD)	58	62	122
Operating income (loss)	(2)	2	57
Net earnings (loss)	(15)	(9)	29
per common share	(\$0.15)	(\$0.09)	\$0.29
Margin (OIBD)	5.6%	6.0%	13.0%

Segmented OIBD as reported

(in millions of Canadian dollars) (unaudited)	Q1 2022	Q4 2021	Q1 2021 ¹
Packaging Products			
Containerboard	72	71	96
Specialty Products	28	21	18
Tissue Papers	(18)	(98)	18
Corporate Activities	(26)	(24)	(23)
OIBD as reported	56	(30)	109

Segmented adjusted OIBD²

(in millions of Canadian dollars) (unaudited)	Q1 2022	Q4 2021	Q1 2021 ¹
Packaging Products			
Containerboard	80	70	108
Specialty Products	22	21	18
Tissue Papers	(17)	(6)	20
Corporate Activities	(27)	(23)	(24)
Adjusted OIBD²	58	62	122

¹ 2021 first quarter consolidated results and consolidated cash flows have been adjusted to reflect retrospective adjustments of discontinued operations.
² Please refer to the "Supplemental Information on Non-IFRS Measures and Other Financial Measures" section for a complete reconciliation.

Analysis of results for the three-month period ended March 31, 2022 (compared to the same period last year)

Sales of \$1,038 million increased by \$96 million compared with the same period last year¹. This reflects an \$84 million benefit from improvements in selling prices and sales mix, and higher volumes in the Tissue and Specialty Products segments. These were partially offset by lower Containerboard volumes that were largely due to challenges in supply chain and logistics, and difficult year-over-year comparison following very strong industry demand in the first quarter of last year.

The Corporation generated an operating income before depreciation and amortization (OIBD) of \$56 million in the first quarter of 2022, down from \$109 million in the first quarter of 2021¹. On an adjusted basis², first quarter OIBD totaled \$58 million, a decrease of \$64 million, or 52% from the \$122 million generated in the same period last year¹. This decrease is largely attributable to higher raw material costs in all segments, important increases in production and logistics costs, and lower volume in the Containerboard segment.

The main specific items, before income taxes, that impacted our first quarter 2022 OIBD and/or net earnings were:

- \$6 million of gain from the sale of land and a building related to a closed plant in Canada in Specialty Products segment (OIBD and net earnings);
- \$1 million of additional costs related to asset relocation and severances in Tissue Papers segment (OIBD and net earnings);
- \$7 million unrealized loss on financial instruments (OIBD and net earnings);
- \$1 million foreign exchange gain on long-term debt and financial instruments (net earnings).

For the 3-month period ended March 31, 2022, the Corporation posted a net loss of \$(15) million, or \$(0.15) per common share, compared to net earnings of \$22 million, or \$0.22 per common share, in the same period of 2021. On an adjusted basis², the Corporation generated a net loss of \$(15) million in the first quarter of 2022, or \$(0.15) per common share, compared to net earnings of \$29 million, or \$0.29 per common share, in the same period of 2021.

¹ 2021 first quarter consolidated results and consolidated cash flows have been adjusted to reflect retrospective adjustments of discontinued operations.

² Please refer to the "Supplemental Information on Non-IFRS Measures and Other Financial Measures" section for a complete reconciliation.

Dividend on common shares and normal course issuer bid

The Board of Directors of Cascades declared a quarterly dividend of \$0.12 per common share to be paid on June 9, 2022 to shareholders of record at the close of business on May 26, 2022. This dividend is an "eligible dividend" as per the Income Tax Act (R.C.S. (1985), Canada). During the first quarter of 2022, Cascades purchased 394,021 common shares for cancellation at a weighted average price of \$13.04.

2022 First Quarter Results Conference Call Details

Management will discuss the 2022 first quarter financial results during a conference call today at 9:00 a.m. EDT. The call can be accessed by dialing 1-888-390-0620 (international 1-416-764-8651). The conference call, including the investor presentation, will be broadcast live on the Cascades website (www.cascades.com) under the "Investors" section. A replay of the call will be available on the Cascades website and may also be accessed by phone until June 12, 2022 by dialing 1-888-390-0541 (international 1-416-764-8677), access code 870132.

Founded in 1964, Cascades offers sustainable, innovative and value-added packaging, hygiene and recovery solutions. The company employs approximately 10,000 women and men across a network of close to 80 facilities in North America. Driven by its participative management, half a century of experience in recycling, and continuous research and development efforts, Cascades continues to provide innovative products that customers have come to rely on, while contributing to the well-being of people, communities and the entire planet. Cascades' shares trade on the Toronto Stock Exchange under the ticker symbol CAS. Certain statements in this release, including statements regarding future results and performance, are forward-looking statements based on current expectations. The accuracy of such statements is subject to a number of risks, uncertainties and assumptions that may cause actual results to differ materially from those projected, including, but not limited to, the effect of general economic conditions, decreases in demand for the Corporation's products, increases in raw material costs, fluctuations in selling prices and adverse changes in general market and industry conditions and other factors.

CONSOLIDATED BALANCE SHEETS

(in millions of Canadian dollars) (unaudited)	March 31, 2022	December 31, 2021
Assets		
Current assets		
Cash and cash equivalents	37	174
Accounts receivable	551	510
Current income tax assets	10	19
Inventories	536	494
Current portion of financial assets	5	1
	1,139	1,198
Long-term assets		
Investments in associates and joint ventures	90	87
Property, plant and equipment	2,551	2,522
Intangible assets with finite useful life	83	88
Financial assets	10	6
Other assets	57	54
Deferred income tax assets	132	138
Goodwill and other intangible assets with indefinite useful life	471	473
	4,533	4,566
Liabilities and Equity		
Current liabilities		
Bank loans and advances	7	1
Trade and other payables	663	707
Current income tax liabilities	4	12
Current portion of long-term debt	69	74
Current portion of provisions for contingencies and charges	7	12
Current portion of financial liabilities and other liabilities	18	16
	768	822
Long-term liabilities		
Long-term debt	1,510	1,450
Provisions for contingencies and charges	47	47
Financial liabilities	13	6
Other liabilities	105	122
Deferred income tax liabilities	185	192
	2,628	2,639
Equity		
Capital stock	612	614
Contributed surplus	14	14
Retained earnings	1,258	1,274
Accumulated other comprehensive loss	(27)	(23)
Equity attributable to Shareholders	1,857	1,879
Non-controlling interests	48	48
Total equity	1,905	1,927
	4,533	4,566

CONSOLIDATED STATEMENTS OF EARNINGS

For the 3-month periods ended
March 31,

(in millions of Canadian dollars, except per common share amounts and number of common shares) (unaudited)	2022	2021
Sales	1,038	942
Cost of sales and expenses		
Cost of sales (including depreciation and amortization of \$60 million (2021 — \$65 million))	951	797
Selling and administrative expenses	88	87
Gain on acquisitions, disposals and others	(6)	—
Restructuring costs	1	5
Foreign exchange loss	1	1
Loss on derivative financial instruments	7	8
	1,042	898
Operating income (loss)	(4)	44
Financing expense	15	22
Interest expense on employee future benefits and other liabilities	1	1
Foreign exchange gain on long-term debt and financial instruments	(1)	(3)
Share of results of associates and joint ventures	(4)	(2)
Earnings (loss) before income taxes	(15)	26
Provision for (recovery of) income taxes	(4)	6
Net earnings (loss) from continuing operations including non-controlling interests for the period	(11)	20
Results from discontinued operations	—	8
Net earnings (loss) including non-controlling interests for the period	(11)	28
Net earnings attributable to non-controlling interests	4	6
Net earnings (loss) attributable to Shareholders for the period	(15)	22
Net earnings (loss) from continuing operations per common share		
Basic	(\$0.15)	\$0.17
Diluted	(\$0.15)	\$0.17
Net earnings (loss) per common share		
Basic	(\$0.15)	\$0.22
Diluted	(\$0.15)	\$0.22
Weighted average basic number of common shares outstanding	100,822,921	102,279,404
Weighted average number of diluted common shares	101,608,760	103,437,340
Net earnings (loss) attributable to Shareholders:		
Continuing operations	(15)	17
Discontinued operations	—	5
Net earnings (loss)	(15)	22

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

For the 3-month periods ended
March 31,

(in millions of Canadian dollars) (unaudited)	2022	2021
Net earnings (loss) including non-controlling interests for the period	(11)	28
Other comprehensive income (loss)		
Items that may be reclassified subsequently to earnings		
Translation adjustments		
Change in foreign currency translation of foreign subsidiaries	(11)	(15)
Change in foreign currency translation of foreign subsidiaries from discontinued operations	—	(19)
Change in foreign currency translation related to net investment hedging activities	3	9
Change in foreign currency translation related to net investment hedging activities from discontinued operations	—	12
Cash flow hedges		
Change in fair value of commodity derivative financial instruments	6	1
Provision for income taxes	(2)	(1)
Provision for income taxes from discontinued operations	—	(2)
	(4)	(15)
Items that are not released to earnings		
Actuarial gain on employee future benefits	19	17
Provision for income taxes	(5)	(5)
	14	12
Other comprehensive income (loss)	10	(3)
Comprehensive income (loss) including non-controlling interests for the period	(1)	25
Comprehensive income (loss) attributable to non-controlling interests for the period	4	(3)
Comprehensive income (loss) attributable to Shareholders for the period	(5)	28
Comprehensive income (loss) attributable to Shareholders:		
Continuing operations	(5)	24
Discontinued operations	—	4
Comprehensive income (loss)	(5)	28

CONSOLIDATED STATEMENTS OF EQUITY

For the 3-month period ended March 31, 2022

(in millions of Canadian dollars) (unaudited)	CAPITAL STOCK	CONTRIBUTED SURPLUS	RETAINED EARNINGS	ACCUMULATED OTHER COMPREHENSIVE LOSS	TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS	NON- CONTROLLING INTERESTS	TOTAL EQUITY
Balance - Beginning of period	614	14	1,274	(23)	1,879	48	1,927
Comprehensive income (loss)							
Net earnings (loss)	—	—	(15)	—	(15)	4	(11)
Other comprehensive income (loss)	—	—	14	(4)	10	—	10
Dividends	—	—	(1)	(4)	(5)	4	(1)
Redemption of common shares	(2)	—	(3)	—	(5)	(4)	(16)
Balance - End of period	612	14	1,258	(27)	1,857	48	1,905

For the 3-month period ended March 31, 2021

(in millions of Canadian dollars) (unaudited)	CAPITAL STOCK	CONTRIBUTED SURPLUS	RETAINED EARNINGS	ACCUMULATED OTHER COMPREHENSIVE LOSS	TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS	NON- CONTROLLING INTERESTS	TOTAL EQUITY
Balance - Beginning of period	622	13	1,146	(28)	1,753	204	1,957
Comprehensive income (loss)							
Net earnings	—	—	22	—	22	6	28
Other comprehensive income (loss)	—	—	12	(6)	6	(9)	(3)
Dividends	—	—	34	(6)	28	(3)	25
Redemption of common shares	—	—	(8)	—	(8)	(4)	(12)
Balance - End of period	622	13	1,172	(34)	1,773	197	1,970

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the 3-month periods ended
March 31,

(in millions of Canadian dollars) (unaudited)	2022	2021
Operating activities from continuing operations		
Net earnings (loss) attributable to Shareholders for the period	(15)	22
Results from discontinued operations	—	(8)
Results from discontinued operations attributable to non-controlling interests	—	3
Net earnings (loss) from continuing operations	(15)	17
Adjustments for:		
Financing expense and interest expense on employee future benefits and other liabilities	16	23
Depreciation and amortization	60	65
Gain on acquisitions, disposals and others	(6)	—
Restructuring costs	1	5
Unrealized loss on derivative financial instruments	7	8
Foreign exchange gain on long-term debt and financial instruments	(1)	(3)
Provision for (recovery of) income taxes	(4)	6
Share of results of associates and joint ventures	(4)	(2)
Net earnings attributable to non-controlling interests	4	3
Net financing expense paid	(30)	(40)
Net income taxes received (paid)	(1)	2
Provisions for contingencies and charges and other liabilities	(6)	(2)
Changes in non-cash working capital components	(94)	(25)
	(73)	57
Investing activities from continuing operations		
Payments for property, plant and equipment	(102)	(71)
Proceeds from disposals of property, plant and equipment	6	—
Change in intangible and other assets	(1)	(4)
	(97)	(75)
Financing activities from continuing operations		
Bank loans and advances	6	(6)
Change in credit facilities	57	—
Payments of other long-term debt, including lease obligations	(9)	(24)
Redemption of common shares	(5)	—
Dividends paid to non-controlling interests	(4)	(4)
Dividends paid to the Corporation's Shareholders	(12)	(8)
	33	(42)
Change in cash and cash equivalents during the period from continuing operations	(137)	(60)
Change in cash and cash equivalents from discontinued operations	—	5
Net change in cash and cash equivalents during the period	(137)	(55)
Currency translation on cash and cash equivalents	—	(1)
Cash and cash equivalents - Beginning of the period	174	384
Cash and cash equivalents - End of the period	37	328

SEGMENTED INFORMATION

The Corporation analyzes the performance of its operating segments based on their operating income before depreciation and amortization, which is not a measure of performance under International Financial Reporting Standards (IFRS). However, the chief operating decision-maker (CODM) uses this performance measure to assess the operating performance of each reportable segment. Earnings for each segment are prepared on the same basis as those of the Corporation. Intersegment operations are recorded on the same basis as sales to third parties, which are at fair market value. The accounting policies of the reportable segments are the same as the Corporation's accounting policies described in its most recent audited consolidated financial statements for the year ended December 31, 2021.

The Corporation's operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The Chief Executive Officer has authority for resource allocation and management of the Corporation's performance and is therefore the CODM.

The Corporation's operations are managed in three segments: Containerboard and Specialty Products (which constitutes the Corporation's Packaging Products) and Tissue Papers.

	SALES TO					
	For the 3-month periods ended March 31,					
	Canada		United States		Total	
(in millions of Canadian dollars) (unaudited)	2022	2021	2022	2021	2022	2021
Packaging Products						
Containerboard	328	305	206	198	534	503
Specialty Products	57	47	100	75	157	122
Inter-segment sales	(4)	(4)	(4)	(3)	(8)	(7)
	381	348	302	270	683	618
Tissue Papers	65	57	249	235	314	292
Inter-segment sales and Corporate Activities	37	31	4	1	41	32
	483	436	555	506	1,038	942

	OPERATING INCOME BEFORE DEPRECIATION AND AMORTIZATION	
	For the 3-month periods ended March 31,	
	2022	2021
(in millions of Canadian dollars) (unaudited)		
Packaging Products		
Containerboard	72	96
Specialty Products	28	18
	100	114
Tissue Papers	(18)	18
Corporate Activities	(26)	(23)
Operating income (loss) before depreciation and amortization	56	109
Depreciation and amortization	(60)	(65)
Financing expense and interest expense on employee future benefits and other liabilities	(16)	(23)
Foreign exchange gain on long-term debt and financial instruments	1	3
Share of results of associates and joint ventures	4	2
Earnings (loss) before income taxes	(15)	26

PAYMENTS FOR PROPERTY, PLANT
AND EQUIPMENT

For the 3-month periods ended
March 31,

(in millions of Canadian dollars) (unaudited)

	2022	2021
Packaging Products		
Containerboard	66	54
Specialty Products	11	8
	77	62
Tissue Papers	5	8
Corporate Activities	17	4
Total acquisitions	99	74
Right-of-use assets acquisitions and of property, plant and equipment included in other debts	(21)	—
	78	74
Acquisitions for property, plant and equipment included in "Trade and other payables"		
Beginning of the period	75	31
End of the period	(51)	(34)
Payments for property, plant and equipment	102	71
Proceeds from disposals of property, plant and equipment	(6)	—
Payments for property, plant and equipment net of proceeds from disposals	96	71

SUPPLEMENTAL INFORMATION ON NON-IFRS MEASURES AND OTHER FINANCIAL MEASURES

SPECIFIC ITEMS

The Corporation incurs some specific items that adversely or positively affect its operating results. We believe it is useful for readers to be aware of these items as they provide additional information to measure performance, compare the Corporation's results between periods, and assess operating results and liquidity, notwithstanding these specific items. Management believes these specific items are not necessarily reflective of the Corporation's underlying business operations in measuring and comparing its performance and analyzing future trends. Our definition of specific items may differ from that of other corporations and some of these items may arise in the future and may reduce the Corporation's available cash.

They include, but are not limited to, charges for (reversals of) impairment of assets, restructuring gains or costs, loss on refinancing and repurchase of long-term debt, some deferred tax asset provisions or reversals, premiums paid on repurchase of long-term debt, gains or losses on the acquisition or sale of a business unit, gains or losses on the share of results of associates and joint ventures, unrealized gains or losses on derivative financial instruments that do not qualify for hedge accounting, unrealized gains or losses on interest rate swaps and option fair value revaluation, foreign exchange gains or losses on long-term debt and financial instruments, fair value revaluation gains or losses on investments, specific items of discontinued operations and other significant items of an unusual, non-cash or non-recurring nature.

RECONCILIATION AND USES OF NON-IFRS AND OTHER FINANCIAL MEASURES

To provide more information for evaluating the Corporation's performance, the financial information included in this analysis contains certain data that are not performance measures under IFRS ("non-IFRS measures"), which are also calculated on an adjusted basis to exclude specific items. We believe that providing certain key performance and capital measures as well as non-IFRS measures is useful to both Management and investors, as they provide additional information to measure the performance and financial position of the Corporation. This also increases the transparency and clarity of the financial information. The following non-IFRS measures and other financial measures are used in our financial disclosures:

Non-IFRS measures

- Adjusted OIBD: Used to assess operating performance and the contribution of each segment on a comparable basis.
- Adjusted operating income: Used to assess operating performance of each segment on a comparable basis.
- Adjusted net earnings: Used to assess the Corporation's consolidated financial performance on a comparable basis.
- Adjusted free cash flow: Used to assess the Corporation's capacity to generate cash flows to meet financial obligations and/or discretionary items such as share repurchase, dividend increase and strategic investments.
- Working capital: Used to assess the short-term liquidity of the Corporation.

Other financial measures

- Total debt: Used to calculate all the Corporation's debt, including long-term debt and bank loans. Often put in relation to equity to calculate the debt-to-equity ratio.
- Net debt: Used to calculate the Corporation's total debt less cash and cash equivalents. Often put in relation to adjusted OIBD to calculate net debt to adjusted OIBD ratio.

Non-IFRS ratios

- Net debt to adjusted OIBD ratio: Used to assess the Corporation's ability to pay its debt and evaluate financial leverage.
- Net debt to adjusted OIBD ratio on a pro-forma basis: Used to measure the Corporation's credit performance and evaluate the financial leverage on a comparable basis, including significant business acquisitions and excluding significant business disposals, if any.
- Adjusted OIBD margin : Used to assess operating performance and the contribution of each segment on a comparable basis.
- Adjusted net earnings per common share: Used to assess the Corporation's consolidated financial performance on a comparable basis.
- Net debt / Net debt + Shareholders' equity: Used to evaluate the Corporation's financial leverage and thus the risk to Shareholders.
- Working capital as a percentage of sales: Used to assess the Corporation's operating liquidity performance.
- Adjusted free cash flow per common share: Used to assess the Corporation's financial flexibility.

Non-IFRS and other financial measures are mainly derived from the consolidated financial statements, but do not have meanings prescribed by IFRS. These measures have limitations as an analytical tool and should not be considered on their own or as a substitute for an analysis of our results as reported under IFRS. In addition, our definitions of non-IFRS and other financial measures may differ from those of other corporations. Any such modification or reformulation may be significant.

The reconciliation of operating income (loss) to OIBD, to adjusted operating income (loss)¹ and to adjusted OIBD¹ by business segment is as follows:

	Q1 2022				
(in millions of Canadian dollars) (unaudited)	Containerboard	Specialty Products	Tissue Papers	Corporate Activities	Consolidated
Operating income (loss)	44	24	(35)	(37)	(4)
Depreciation and amortization	28	4	17	11	60
Operating income (loss) before depreciation and amortization	72	28	(18)	(26)	56
Specific items:					
Gain on acquisitions, disposals and others	—	(6)	—	—	(6)
Restructuring costs	—	—	1	—	1
Unrealized loss (gain) on derivative financial instruments	8	—	—	(1)	7
	8	(6)	1	(1)	2
Adjusted operating income (loss) before depreciation and amortization¹	80	22	(17)	(27)	58
Adjusted operating income (loss)¹	52	18	(34)	(38)	(2)

	Q4 2021				
(in millions of Canadian dollars) (unaudited)	Containerboard	Specialty Products	Tissue Papers	Corporate Activities	Consolidated
Operating income (loss)	43	17	(115)	(35)	(90)
Depreciation and amortization	28	4	17	11	60
Operating income (loss) before depreciation and amortization	71	21	(98)	(24)	(30)
Specific items :					
Gain on acquisitions, disposals and others	—	—	(1)	—	(1)
Impairment charges	1	—	87	—	88
Restructuring costs	—	—	6	—	6
Unrealized loss (gain) on derivative financial instruments	(2)	—	—	1	(1)
	(1)	—	92	1	92
Adjusted operating income (loss) before depreciation and amortization¹	70	21	(6)	(23)	62
Operating income (loss) adjusted¹	42	17	(23)	(34)	2

	Q1 2021 ²				
(in millions of Canadian dollars) (unaudited)	Containerboard	Specialty Products	Tissue Papers	Corporate Activities	Consolidated
Operating income (loss)	65	15	—	(36)	44
Depreciation and amortization	31	3	18	13	65
Operating income (loss) before depreciation and amortization	96	18	18	(23)	109
Specific items:					
Restructuring costs	3	—	2	—	5
Unrealized loss (gain) on derivative financial instruments	9	—	—	(1)	8
	12	—	2	(1)	13
Adjusted operating income (loss) before depreciation and amortization¹	108	18	20	(24)	122
Adjusted operating income (loss)¹	77	15	2	(37)	57

¹ Please refer to the "Supplemental Information on Non-IFRS Measures and Other Financial Measures" section for a complete reconciliation.
² 2021 first quarter consolidated results and consolidated cash flows have been adjusted to reflect retrospective adjustments of discontinued operations.

Net earnings (loss), as per IFRS, are reconciled below with operating income (loss), adjusted operating income (loss)¹ and adjusted operating income before depreciation and amortization¹:

(in millions of Canadian dollars) (unaudited)	Q1 2022	Q4 2021	Q1 2021 ²
Net earnings (loss) attributable to Shareholders for the period	(15)	105	22
Net earnings attributable to non-controlling interests	4	3	6
Results from discontinued operations	—	(204)	(8)
Provision for (recovery of) income taxes	(4)	(29)	6
Share of results of associates and joint ventures	(4)	(7)	(2)
Foreign exchange gain on long-term debt and financial instruments	(1)	—	(3)
Financing expense and interest expense on employee future benefits and other liabilities and loss on repurchase of long-term debt	16	42	23
Operating income (loss)	(4)	(90)	44
Specific items:			
Gain on acquisitions, disposals and others	(6)	(1)	—
Impairment charges	—	88	—
Restructuring costs	1	6	5
Unrealized loss (gain) on derivative financial instruments	7	(1)	8
	2	92	13
Adjusted operating income (loss)¹	(2)	2	57
Depreciation and amortization	60	60	65
Adjusted operating income before depreciation and amortization¹	58	62	122

¹ Please refer to the "Supplemental Information on Non-IFRS Measures and Other Financial Measures" section for a complete reconciliation.

² 2021 first quarter consolidated results and consolidated cash flows have been adjusted to reflect retrospective adjustments of discontinued operations.

The following table reconciles net earnings (loss) and net earnings (loss) per common share, as per IFRS, with adjusted net earnings (loss)¹ and adjusted net earnings (loss)¹ per common share:

(in millions of Canadian dollars, except per common share amounts and number of common shares) (unaudited)	NET EARNINGS (LOSS)			NET EARNINGS (LOSS) PER COMMON SHARE ²		
	Q1 2022	Q4 2021	Q1 2021	Q1 2022	Q4 2021	Q1 2021
As per IFRS	(15)	105	22	(\$0.15)	\$1.04	\$0.22
Specific items:						
Gain on acquisitions, disposals and others	(6)	(1)	—	(\$0.05)	(\$0.01)	—
Impairment charges	—	88	—	—	\$0.74	—
Restructuring costs	1	6	5	\$0.01	\$0.04	\$0.03
Unrealized loss (gain) on derivative financial instruments	7	(1)	8	\$0.05	(\$0.01)	\$0.06
Loss on repurchase of long-term debt	—	20	—	—	\$0.13	—
Unrealized loss on interest rate swaps and option fair value	—	1	—	—	—	—
Foreign exchange gain on long-term debt and financial instruments	(1)	—	(3)	(\$0.01)	—	(\$0.02)
Included in discontinued operations, net of tax	—	(204)	—	—	(\$2.02)	—
Tax effect on specific items, other tax adjustments and attributable to non-controlling interest ²	(1)	(23)	(3)	—	—	—
	—	(114)	7	—	(\$1.13)	\$0.07
Adjusted¹	(15)	(9)	29	(\$0.15)	(\$0.09)	\$0.29
Weighted average basic number of common shares outstanding				100,822,921	100,858,870	102,279,404

¹ Please refer to the "Supplemental Information on Non-IFRS Measures and Other Financial Measures" section for a complete reconciliation.

² Specific amounts per common share are calculated on an after-tax basis and are net of the portion attributable to non-controlling interests. Per share amounts in line item "Tax effect on specific items, other tax adjustments and attributable to non-controlling interests" only include the effect of tax adjustments.

The following table reconciles cash flow from (used by) operating activities from continuing operations with operating income (loss) and operating income (loss) before depreciation and amortization:

(in millions of Canadian dollars) (unaudited)	Q1 2022	Q4 2021	Q1 2021 ¹
Cash flow from (used by) operating activities from continuing operations	(73)	69	57
Changes in non-cash working capital components	94	(49)	25
Depreciation and amortization	(60)	(60)	(65)
Net income taxes paid (received)	1	—	(2)
Net financing expense paid	30	11	40
Premium and transaction fees paid on long-term debt redemption	—	24	—
Gain on acquisitions, disposals and others	6	1	—
Impairment charges and restructuring costs	(1)	(94)	(5)
Unrealized loss (gain) on derivative financial instruments	(7)	1	(8)
Provisions for contingencies and charges and other liabilities, net of dividends received	6	7	2
Operating income (loss)	(4)	(90)	44
Depreciation and amortization	60	60	65
Operating income (loss) before depreciation and amortization	56	(30)	109

The following table reconciles cash flow from (used by) operating activities from continuing operations with cash flow from operating activities from continuing operations (excluding changes in non-cash working capital components) and adjusted cash flow from operating activities from continuing operations². It also reconciles adjusted cash flow from operating activities from continuing operations² to adjusted free cash flow used², which is also calculated on a per common share basis:

(in millions of Canadian dollars, except per common share amounts or otherwise noted) (unaudited)	Q1 2022	Q4 2021	Q1 2021 ¹
Cash flow from (used by) operating activities from continuing operations	(73)	69	57
Changes in non-cash working capital components	94	(49)	25
Cash flow from operating activities from continuing operations (excluding changes in non-cash working capital components)	21	20	82
Restructuring costs paid	7	7	4
Premium and transaction fees paid on long-term debt redemption	—	24	—
Specific items paid	7	31	4
Adjusted cash flow from operating activities from continuing operations²	28	51	86
Capex expenditures	(102)	(95)	(71)
Change in intangible and other assets	(1)	(1)	(4)
Lease obligation payments	(13)	(12)	(12)
Proceeds from disposals of property, plant and equipment	6	2	—
Dividends paid to the Corporation's Shareholders and to non-controlling interests	(82)	(55)	(1)
Adjusted free cash flow used²	(98)	(71)	(13)
Adjusted free cash flow generated² per common share (in Canadian dollars)	(\$0.97)	(\$0.70)	(\$0.13)
Weighted average basic number of common shares outstanding	100,822,921	100,858,870	102,279,404

¹ 2021 first quarter consolidated results and consolidated cash flows have been adjusted to reflect retrospective adjustments of discontinued operations.
² Please refer to the "Supplemental Information on Non-IFRS Measures and Other Financial Measures" section for a complete reconciliation.

The following table reconciles total debt¹ and net debt¹ with the ratio of net debt¹ to adjusted operating income before depreciation and amortization (adjusted OIBD¹):

(in millions of Canadian dollars) (unaudited)	March 31, 2022	December 31, 2021	March 31, 2021
Long-term debt	1,510	1,450	1,889
Current portion of long-term debt	69	74	87
Bank loans and advances	7	1	6
Total debt¹	1,586	1,525	1,982
Less: Cash and cash equivalents	37	174	328
Net debt¹ as reported	1,549	1,351	1,654
Net debt ¹ of discontinued operations classified as held for sale	—	—	11
Net debt ¹ - before reclassification as held for sale	1,549	1,351	1,665
Adjusted OIBD ¹ as reported on a last twelve months basis (before discontinued operations for the period ended March 31, 2021)	325	389	659
Net debt / Adjusted OIBD ratio^{1, 2}	4.8x	3.5x	2.5x

¹ Please refer to the "Supplemental Information on Non-IFRS Measures and Other Financial Measures" section for a complete reconciliation.

² Net debt / Adjusted OIBD¹ before discontinued operations in the Boxboard Europe segment as of March 31, 2021.

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