Certain statements in this presentation, including statements regarding future results and performance, are forward-looking statements within the meaning of securities legislation 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, the prices and availability of raw materials, changes in the relative values of certain currencies, fluctuations in selling prices and adverse changes in general market and industry conditions. This presentation may also include price indices as well as variance and sensitivity analyses that are intended to provide the reader with a better understanding of the trends related to our business activities. These items are based on the best estimates available to the Corporation.

The financial information included in this presentation also contains certain data that are not measures of performance under IFRS (“non-IFRS measures”). For example, the Corporation uses earnings before interest, taxes, depreciation and amortization (EBITDA) because it is the measure used by management to assess the operating and financial performance of the Corporation’s operating segments. Such information is reconciled to the most directly comparable financial measures, as set forth in the “Supplemental Information on Non-IFRS Measures” section of our most recent quarterly report or annual report.

Specific items are defined as items such as charges for impairment of assets, for facility or machine closures, accelerated depreciation of assets due to restructuring measures, debt restructuring charges, gains or losses on sales of business units, unrealized gains or losses on derivative financial instruments that do not qualify for hedge accounting, foreign exchange gains or losses on long-term debt and other significant items of an unusual or non-recurring nature.

All amounts in this presentation are in Canadian dollars unless otherwise indicated.
### GREEN PACKAGING AND TISSUE PRODUCT OFFERING

<table>
<thead>
<tr>
<th>Packaging</th>
<th>Tissue Papers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boxboard Europe</td>
<td>Containerboard</td>
</tr>
<tr>
<td>Specialty Products</td>
<td>Tissue Papers</td>
</tr>
</tbody>
</table>

Leading NA packaging and tissue manufacturer with substantial recycling capabilities
BALANCED PACKAGING AND TISSUE PLAY

Cascades
2012 Sales: $3,645M
2012 EBITDA\(^1\): $304M

Packaging Products
74% of Sales
57% of EBITDA

Tissue Papers
26% of Sales
43% of EBITDA

Boxboard Europe
21% of Sales
13% of EBITDA

Containerboard
32% of Sales
29% of EBITDA

Specialty Products
21% of Sales
15% of EBITDA

Exposure to less cyclical end-markets

\(^1\) EBITDA excluding specific items. Breakdown of sales and EBITDA before eliminations & corporate activities.
CLOSED-LOOP BUSINESS MODEL

100+ business units

RECOVERY
23 units

FINISHED PRODUCTS
May be sent to recycling centers

MANUFACTURING
32 units

CONVERTING
58 units

Upstream and downstream integration

77% recycled fibre (2.9M tons)

NA integration rate (2012):
34% (520K tons)

NA integration rate (2012):
51%

Including seven manufacturing/converting tissue papers units and Reno De Medici’s units.
MARKET DYNAMICS – CONTAINERBOARD

North American Box Shipments

<table>
<thead>
<tr>
<th>Year</th>
<th>Shipments (billions ft²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>428</td>
</tr>
<tr>
<td>2007</td>
<td>421</td>
</tr>
<tr>
<td>2008</td>
<td>405</td>
</tr>
<tr>
<td>2009</td>
<td>374</td>
</tr>
<tr>
<td>2010</td>
<td>386</td>
</tr>
<tr>
<td>2011</td>
<td>387</td>
</tr>
<tr>
<td>2012</td>
<td>389</td>
</tr>
</tbody>
</table>

Containerboard Price Increases

- 20-pt clay coated news (CRB)
- Linerboard 42-lb
- Corrugating medium 26-lb

Second $US50/s.t. price increase announced for April 1st

Containerboard industry fundamentals are positive

Sources: RISI, Fiber Box Association, Paper Packaging Canada.
MARKET DYNAMICS – CONTAINERBOARD

**Containerboard Utilization Rate**

- **2008:** 93%
- **2009:** 85%
- **2010:** 95%
- **2011:** 96%
- **2012:** 96%
- **NRP:** 86%

**Major Producers: Top 3 = 65%**

- **IP:** 35%
- **Rock-Tenn:** 19%
- **Graphic Pack.:** 11%
- **PCA:** 7%
- **Pratt:** 3%
- **Cascades:** 3%
- **Others:** 22%

Balanced supply/demand equation with industry utilization rates exceeding 95%

Sources: Company estimates, RISI, Fiber Box Association, Paper Packaging Canada.
MARKET DYNAMICS – TISSUE PAPERS

Capacity additions in the tissue sector

US tissue consumption

New capacity to have more impact on national brands but potential trickle-down to AfH

Sources: RISI, Fiber Box Association, Paper Packaging Canada.
MARKET DYNAMICS – TISSUE PAPERS

Cascades’ Tissue Papers 2012 Sales – End-Users

- Private label 16%
- Parent rolls 84%
- Branded 43%
- AfH 57%
- Retail 45%

Cascades’ Tissue Papers 2012 Sales – Countries

- Canada (28%)
  - AfH 46%
  - Retail 54%
- US (72%)
  - AfH 47%
  - Retail 53%

Exposure to relatively stable / growing demand

Source: RISI and Company estimates; sales by countries exclude parent roll sales
MARKET DYNAMICS – RAW MATERIAL COSTS

Recent price increases but costs not expected to average significantly more in 2013

Sources: RISI, Bloomberg.
MARKET DYNAMICS – RAW MATERIAL COSTS

Cascades’ North American Fibre Supply

Control over 70% of our fibre supply despite greater concentration on the supply side
Financial results impacted negatively by stronger CAD$ and variable cost inflation

Source: Bloomberg
OUR STRATEGIC ACTION PLAN

MEDIUM TERM
OBJECTIVES

1. Focused investing for modernization of core operations (and IT)
2. Optimizing capital allocation & reducing working capital
3. Restructuring of under-performing units
4. Innovation

Improve our ROCE to reach our cost of capital
Reach industry comparable leverage ratios

Improving our profitability and financial situation through our Action Plan
ACTING ON OUR STRATEGIC PRIORITIES

1. Focused investing for modernization of core operations and IT

IMPROVED PACKAGING PLATFORM

- Consolidation of our corrugated products sector in Ontario with the acquisition of Bird and concurrent investments totaling $30M
- Consolidation of our folding carton and microlithography operations with investments totaling $20M

ERP

- Important investment program
- Blueprint and programming: 2011-2012

Challenging Market Evolution ⇒ Proactive measures ⇒ Improved profitability
TOWARDS MODERNIZATION : GREENPAC

Operational Facts
- Largest recycled linerboard mill in NA:
  - 328 inches
  - 1,500 s.t./day of lightweight recycled linerboard (26 pounds)
- Most technologically advanced equipment

Financial Structure
- $99M total investment
  - Represents ± $1.05/share
  - Debt non-recourse to Cascades

Partners Ownership
Cascades 59.7%
CDPQ 20.2%
Two industry converters 20.1%

Manufacturing capacity breakdown

<table>
<thead>
<tr>
<th></th>
<th>Before Greenpac</th>
<th>After Greenpac</th>
</tr>
</thead>
<tbody>
<tr>
<td>Linerboard</td>
<td>28%</td>
<td>51%</td>
</tr>
<tr>
<td>Medium</td>
<td>72%</td>
<td>49%</td>
</tr>
<tr>
<td>Canada</td>
<td>72%</td>
<td>49%</td>
</tr>
<tr>
<td>USA</td>
<td>18%</td>
<td>51%</td>
</tr>
</tbody>
</table>

Will position us amongst leaders in terms of offering, productivity and profitability
Challenging Market Evolution ⇒ Proactive measures ⇒ Improve profitability

- Acquired one of the most modern converting plants in NA
- Integration level increased to 70% +
- Reinforces positioning in away-from-home sector
- 10 converting lines

Papersource Acquisition

W/C Reduction

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Working Capital (% of Sales)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2011</td>
<td>14.5%</td>
</tr>
<tr>
<td>Q2 2011</td>
<td>14.4%</td>
</tr>
<tr>
<td>Q3 2011</td>
<td>14.5%</td>
</tr>
<tr>
<td>Q4 2011</td>
<td>13.2%</td>
</tr>
<tr>
<td>Q1 2012</td>
<td>14.2%</td>
</tr>
<tr>
<td>Q2 2012</td>
<td>14.7%</td>
</tr>
<tr>
<td>Q3 2012</td>
<td>14.3%</td>
</tr>
<tr>
<td>Q4 2012</td>
<td>12.4%</td>
</tr>
</tbody>
</table>
### Restructuring of under-performing units

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strategic measures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Packaging</td>
<td>5 acquisitions, 2 sales</td>
<td>2 mergers, 4 sales, 2 acquisitions</td>
<td>2 closures, 2 acquisitions</td>
<td>4 sales, 1 investment, 10 closures</td>
</tr>
<tr>
<td>Tissue</td>
<td>1 sale, 1 closure, 1 acquisition</td>
<td>1 investment, 1 acquisition</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Challenging Market Evolution ⇒ Proactive measures ⇒ Improved profitability**
ACTING ON OUR STRATEGIC PRIORITIES

4 Improvement and development of processes and products through innovation

- Two-finger drink carrier
- Closing system reducing air exchange
- Moka – Beige bath tissue

Challenging Market Evolution ⇒ Proactive measures ⇒ Improve profitability
HISTORICAL FINANCIAL PERFORMANCE

Results impacted by challenging market conditions, lower shipments and higher cost input

EBITDA excluding specific items but including discontinued operations. Canadian GAAP (not adjusted for IFRS).

2010 and 2011 figures presented under IFRS and exclude discontinued operations of Dopaco.
KEY PERFORMANCE INDICATORS (KPIs)

The capacity utilization rate is defined as: Shipments/Practical capacity. Paper manufacturing only.

Need for improvement in productivity
Return on assets progressing; major improvement in working capital management

Return on assets is defined as: LTM EBITDA excluding specific items/ LTM Average of total quarterly assets. It includes discontinued operations. Working capital includes accounts receivable plus inventories less accounts payable.
HISTORICAL SEGMENTED EBITDA

Boxboard Europe

(M CAN$)  (% of sales)


0 5 10 15 20
0.0% 3.0% 6.0% 9.0% 12.0%

Containerboard

(M CAN$)  (% of sales)


0 10 20 30
0.0% 3.0% 6.0% 9.0% 12.0%

Specialty Products

(M CAN$)  (% of sales)


0 5 10 15 20
0.0% 3.0% 6.0% 9.0% 12.0%

Tissue Papers

(M CAN$)  (% of sales)


0 10 20 30 40
0.0% 5.0% 10.0% 15.0% 20.0%

EBITDA excluding specific items.
PERFORMANCE OF OUR EQUITY INVESTMENTS - BORALEX

476 MW in operation

$99 million EBITDA (LTM)

Analyst Recommendations

Average target
1 top pick 13.00$
4 buys or outperforms ~12.00$
1 sector outperform 11.25$
2 market or sector perform ~10.50$

Comparative Valuation Matrix
(based on 2013 figures)

<table>
<thead>
<tr>
<th>BLX</th>
<th>INE</th>
<th>NPI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price/Book</td>
<td>1.2x</td>
<td>1.6x</td>
</tr>
<tr>
<td>Price/Cash flow</td>
<td>8.4x</td>
<td>12.9x</td>
</tr>
<tr>
<td>EV/EBITDA</td>
<td>10.5x</td>
<td>17.3x</td>
</tr>
</tbody>
</table>

BLX growth not fully reflected in its valuation; still represents ±$1.35/share for CAS

Source: Bloomberg and Boralex’ website; refer to October 2012 Investor Presentation for footnotes.
Cascades’ Ownership in Reno de Medici

- 30.6% interest received in 2007 in exchange for our CRB mills
- RDM is a public company
  - Market cap: 57M €
  - TEV/EBITDA: 5.5x (LTM); 3.5x (2013E)
  - P/BV: 0.4x
- Current ownership: 48.5%
- Put option requiring us to buy additional 9%
- Fully consolidated in our results

Competitive Positioning

- 2nd supplier of boxboard in Europe
- Excellent geographical coverage of Western Europe with production facilities in main markets
- Wide range of packaging products – virgin and recycled
- Competitive cost structure will allow to compete against Asian supply
- Three WLC units seen as European class facilities
- Capital structure in good position

PERFORMANCE OF OUR EQUITY INVESTMENTS - RDM

Reno de Medici’s EBITDA

Reno is a turnaround story in a tough economic environment
DEBT PROFILE

Leverage ratio improvement due to increased profitability

Note: EBITDA excluding specific items. Starting in Q2 2011, LTM EBITDA / Interest includes 100% of RDM. Starting in Q4 2011, also includes 100% of Papersource. Cascades’ bank debt financial covenant ratios: Net funded debt to capitalization < 65% (currently at 55%), interest coverage ratio > 2.25x (currently at 3.01x).
## CREDIT AGREEMENT TERMS

<table>
<thead>
<tr>
<th></th>
<th>February 2011</th>
<th>February 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Structure</strong></td>
<td>$750 M revolving credit facility</td>
<td>$750 M revolving credit facility</td>
</tr>
<tr>
<td><strong>Maturity</strong></td>
<td>February 2015</td>
<td>February 2016</td>
</tr>
<tr>
<td><strong>Interest rate</strong></td>
<td>LIBOR + 212.5 bps</td>
<td>LIBOR + 175 bps</td>
</tr>
<tr>
<td><strong>Standby fees</strong></td>
<td>48 bps</td>
<td>35 bps</td>
</tr>
<tr>
<td><strong>Covenants(^1)</strong></td>
<td>Funded Debt to Capitalization Ratio ≤ 65%</td>
<td>Funded Debt to Capitalization Ratio ≤ 65%</td>
</tr>
<tr>
<td></td>
<td>Interest Coverage Ratio ≥ 2.25x</td>
<td>Interest Coverage Ratio ≥ 2.25x</td>
</tr>
</tbody>
</table>

- Current Debt / Cap Ratio : 51%
- Current Interest Coverage Ratio : 3.3x

\(^1\) On an adjusted consolidated basis

Advantageous credit terms providing flexibility
**Important capital allocation decisions since FY2010**

1. EBITDA excluding specific items. Starting in Q4 2011, ratios include 100% of Papersource. 2012E and 2013E ratios are based on forecasts by analysts and debt remaining at Q2 2012 level.
CAPEX PROGRAM

- Capex requests for 2013 initially approved at approximately $175M
  - First allocation of $150M
  - Amount subject to change depending on operating results and economic conditions

Capital Expenditures Distribution in 2012 - $198M

By segment
- Corporate 24%
- Boxboard Europe 15%
- Tissue papers 17%
- Specialty products 8%
- Container board 36%

By project category
- Cost Reduction, Productivity & Maintenance 67%
- Others 25%
- Health & Safety 3%
- Energy 5%

Gradual capex program to improve asset base while maintaining financial flexibility
POTENTIAL BENEFITS STEMMING FROM OUR RECENT INITIATIVES

- Modernization initiatives (±$150M capex program per year)
  - Papersource integration
  - Bird Packaging integration
  - Announced price increases in the containerboard sector
  - Containerboard productivity rate to revert to historical levels
  - Streamlining of converting operations in New England, Ontario and Québec
  - 18 divestitures/closures since 2008, some of which unprofitable units
  - Greenpac contribution and valuation
  - Complete turnaround and modernization of European platform
  - Complete ramp-up of Atmos tissue paper machine
  - Boralex project pipeline
  - Benefits from ERP upgrade

Improvement in the economic environment in North America and Europe

Taking the steps to be ready for tailwinds