DISCLAIMER

FORWARD-LOOKING STATEMENT
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 Cascades Inc.’s (“Cascades,” “CAS,” the “Company,” the “Corporation,” “us” or “we”) 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.

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

They include, but are not limited to, charges for (reversals of) impairment of assets, restructuring gains or costs, loss on refinancing of long-term debt, some deferred tax assets provisions or reversals, premiums paid on long-term debt refinancing, 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, foreign exchange gains or losses on long-term debt, specific items of discontinued operations and other significant items of an unusual, non-cash or non-recurring nature.

RECONCILIATION OF NON-IFRS 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 measures and 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. It also increases the transparency and clarity of the financial information. The following non-IFRS measures are used in our financial disclosures:

- Operating income before depreciation and amortization (OIBD): Used to assess operating performance and contribution of each segment when excluding depreciation & amortization. OIBD is widely used by investors as a measure of a corporation ability to incur and service debt and as an evaluation metric.
- Adjusted OIBD: Used to assess operating performance and 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 obligation and/or discretionary items such as share repurchase, dividend increase and strategic investments.
- Net debt to adjusted OIBD ratio: Used to measure the Corporation’s credit performance and evaluate the financial leverage.

Non-IFRS 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 measures may differ from those of other corporations. Any such modification or reformulation may be significant.

All amounts in this presentation are in Canadian dollars unless otherwise indicated.

Please click here for the 2017 supplemental information on non-IFRS measures.
INVESTMENT THESIS

- **Founded in 1964** by the Lemaire brothers in Kingsey Falls, Quebec, Canada
- 92 facilities\(^1\), 11,000 employees, operations in Canada, US and Europe\(^2\)
- **80%** of Cascades’ products are made with **recycled fibres**
- Long-term circular economy advocates, practitioners & pioneers:
  - ✓ **“Closed-Loop” business model**: Recovery & Recycling → Manufacturing → Converting → Customers

- 95.2 M common shares (~32% held by founders, Board of Directors & employees)
- Market cap\(^3\): CAN$1.41 B
- TSX avg. daily trading volume\(^3\): 259,685 shares
- Member of: S&P/TSX Composite Index and S&P/TSX Dividend Index (added June 19/17), S&P/TSX Clean Technology Index, S&P/TSX Small Cap Index, BMO Small Cap Index
- Corporate credit ratings: Moody’s: Ba2 (Stable), S&P: BB- (Stable)

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\(^1\) Including joint ventures.  \(^2\) Via our 57.8% equity ownership in Reno de Medici S.p.A. (RdM).  \(^3\) As of March 9, 2018.
INVESTMENT THESIS

Diversified Player, Strong Competitive Positioning

**Leading market positions** in growing North American packaging and tissue business segments, well-positioned in Europe

- # 6 containerboard producer in North America
- # 5 tissue producer in North America
- # 2 coated recycled boxboard producer in Europe
- # 1 paper collector in Canada, top 10 worldwide

Focused on Value Creation and Strategic Growth

Repositioned, invested & restructured over 2011 – 2016:

- Invested more than $400M in modern equipment
- Decreased working capital on sales to ~10% from 15% in 2011
- **Refocused NA platform** on growing packaging & tissue segments

2017 – 2022 focus:

- **Organic growth**, increasing **integration**, optimizing our geographic footprint, investing in **state of the art equipment**
- **Monetize benefits** from significant IT & internal processes optimizations
- **Differentiate** via innovation, customer focus, our **sustainable product offerings**

---

1 Via our 57.8% equity ownership in Reno de Medici S.p.A. (RdM).
INVESTMENT THESIS

Financial Metrics 2017

- Revenues: $4.3 B (+6.6% 5-yr CAGR)
- Adj. EBITDA: $393 M (+6.6% 5-yr CAGR)
- Adj. CF Ops.: $277 M (+11.7% 5-yr CAGR)
- Net debt stable at $1.5 B
- Net debt/Adjusted EBITDA: 3.6x

Sales by Geography

- 2017 SALES FROM (SOURCE)
  - Europe: 21%
  - U.S.: 30%
  - Canada: 49%
- 2017 SALES TO (DESTINATION)
  - Europe: 21%
  - U.S.: 40%
  - Canada: 39%

Sales by Segment

- Containerboard: 37%
- Boxboard Europe: 28%
- Specialty Products: 19%
- Tissue Papers: 16%

KPIs

- Shipments: 3,114 ('000 s.t.)
- Adjusted OIBD margin: 9.6%
- ROCE: 3.7%
- Working capital (% of sales): 10.1%
- Capacity utilization rate: 91%

1 Via 57.8% equity ownership in Reno de Medici S.p.A. (RdM).
2 Pro-forma for the 2017 business acquisitions on a LTM basis. Supplemental information on non-IFRS measures for 2017.
INVESTMENT THESIS
Near-Term Business Drivers

Tailwinds

✓ Implementation of linerboard/medium price increases in containerboard; lower OCC costs
✓ Benefits from business process modernization and implementation of ERP platform
✓ Increasing sale volume at new tissue converting facility in Oregon
✓ New containerboard facility in NJ start-up in Q2/18 (positive contribution beginning 2019)
✓ Announced price increases in European Boxboard division
✓ Segment specific price increases announced in Tissue

Headwinds

✓ Potential fluctuations in raw material pricing – OCC, SOP, pulp
✓ Increased competitiveness and capacity additions in tissue segment
✓ Rumored and announced plant conversions in containerboard
✓ Canadian dollar exchange rate – USD and euro
OPERATING PERFORMANCE AND FINANCIAL SITUATION

Strong Financial Profile

Sales (CAN$ M)

CAGR: + 6.6%

2012: 3,141
2013: 3,370
2014: 3,561
2015: 3,861
2016: 4,001
2017: 4,321

Operating Income & Margin (CAN$ M and %)

CAGR: + 19.4%

2012: 72
2013: 5,2%
2014: 3,8%
2015: 4,0%
2016: 5,5%
2017: 4,0%

Adjusted OIBD¹ & Margin (CAN$ M and %)

CAGR: + 6.6%

2012: 285
2013: 342
2014: 340
2015: 426
2016: 403
2017: 393

Adjusted Free Cash Flow per Share¹ (CAN$)

2012: ($0,28)
2013: $0,78
2014: $0,86
2015: $1,53
2016: $1,18
2017: $0,55

¹ Supplemental information on non-IFRS measures for 2017.
OPERATING PERFORMANCE AND FINANCIAL SITUATION
Consolidated Financial Ratios & Debt Maturities

Net Debt / LTM Adjusted OIBD\(^1\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>5.0x</td>
</tr>
<tr>
<td>2013</td>
<td>4.6x</td>
</tr>
<tr>
<td>2014</td>
<td>4.7x</td>
</tr>
<tr>
<td>2015</td>
<td>4.0x</td>
</tr>
<tr>
<td>2016</td>
<td>3.8x</td>
</tr>
<tr>
<td>2017</td>
<td>3.6x (^3)</td>
</tr>
</tbody>
</table>

Interest Coverage Ratio\(^2\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>3.0x</td>
</tr>
<tr>
<td>2013</td>
<td>3.4x</td>
</tr>
<tr>
<td>2014</td>
<td>3.4x</td>
</tr>
<tr>
<td>2015</td>
<td>4.7x</td>
</tr>
<tr>
<td>2016</td>
<td>4.6x</td>
</tr>
<tr>
<td>2017</td>
<td>4.2x</td>
</tr>
</tbody>
</table>

Net Debt\(^1\) / Net Debt + Total Equity

<table>
<thead>
<tr>
<th>Year</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>58%</td>
</tr>
<tr>
<td>2013</td>
<td>57%</td>
</tr>
<tr>
<td>2014</td>
<td>62%</td>
</tr>
<tr>
<td>2015</td>
<td>64%</td>
</tr>
<tr>
<td>2016</td>
<td>59%</td>
</tr>
<tr>
<td>2017</td>
<td>49%</td>
</tr>
</tbody>
</table>

Long-Term Debt Maturities (as at December 31, 2017)

<table>
<thead>
<tr>
<th>Year</th>
<th>Maturity</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>1 year</td>
<td>59</td>
<td>669</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>&gt;1 year</td>
<td>103</td>
<td>503</td>
<td>252</td>
</tr>
</tbody>
</table>

Weighted Average Interest Rate of 4.96% in 2017

Now targeting long-term leverage ratio of 2.5x

Bank debt financial covenant ratios: Net funded debt to capitalization < 65% (currently at 44.01%), interest coverage ratio > 2.25x (currently at 3.88x).

\(^{1}\) Supplemental information on non-IFRS measures for 2017.  
\(^{2}\) Adjusted OIBD to financing expense.  
\(^{3}\) Pro-forma for the 2017 business acquisitions on a LTM basis.
$288 M of proceeds from the sale of equity stake in Boralex brought us closer to our targeted leverage ratio.

1 Pro-forma for the 2017 business acquisitions on a LTM basis.
## RAW MATERIAL COSTS – INDEX LIST PRICES

### Recycled Fibre Prices

- **White grades (Basket of products)**
  - Q4-2016: 178
  - Q3-2017: 179
  - Q4-2017: 171
  - Actual: 184
  - Q4/Q4: -4%
  - Q4/Q3: -5%
  - 2017/2016: +10%

- **Brown grades (OCC)**
  - Q4-2016: 102
  - Q3-2017: 162
  - Q4-2017: 99
  - Actual: 83
  - Q4/Q4: -2%
  - Q4/Q3: -39%
  - 2017/2016: +48%

### Virgin Pulp Prices

- **NBSK (Canadian sources delivered to Eastern US)**
  - Q4-2016: 992
  - Q3-2017: 1,110
  - Q4-2017: 1,183
  - Actual: 1,230
  - Q4/Q4: +19%
  - Q4/Q3: +7%
  - 2017/2016: +13%

- **NBHK (Canada/US sources delivered to Eastern US)**
  - Q4-2016: 825
  - Q3-2017: 985
  - Q4-2017: 1,052
  - Actual: 1,075
  - Q4/Q4: +27%
  - Q4/Q3: +7%
  - 2017/2016: +13%

---

**OCC prices down sharply in Q4 due to China’s restriction on recovered paper import permits; Strong demand for pulp pushed NBSK & NBHK prices 7% higher in Q4**

Source: RISI. 1 Basket of white recycled paper, including grades such as SOP, Hard White Envelope and Coated Book Stock; Northeast average. Weighted average based on Cascades’ consumption of each grade.
CONTAINERBOARD PACKAGING
A Leading Canadian and Major North American Player

- Largest corrugated box producer in Canada with ~31% market share
- 64%\(^1\) integration rate, targeting 85%\(^1\) in the mid-term
- Strong platform in Canada and growing presence in U.S. Northeast
- Annual capacity of 1,531K s.t.:
  - 84% recycled vs. 16% virgin
  - 53% linerboard vs. 47% medium
- 2013-2017 sales CAGR: +10.8%

2017 adjusted OIBD\(^2\) margin of **15%**

---

1 Including associates and JVs and Greenpac. 2 Supplemental information on non-IFRS measures for 2017. 3 OIBD margin including Greenpac on a pro-forma basis:
15.6% in 2014, 21.3% in 2015, 18.5% in 2016 and 15.1% in 2017.
CONTAINERBOARD PACKAGING
Thriving on Market Trends & Technologies

New Conversion Plant in Piscataway, NJ

• New state of the art conversion facility housing 1st quartile equipment
• US$80 M project largely funded by sale of the building and land of NYC plant for US$72 M; the transaction closed on January 31, 2018
• Corrugator capacity: 2.4 billion ft²
• Q2/18 start-up planned, with focus in 1st year of operation to ramp up 1.5 billion ft² to accommodate business transferred from Cascades’ other northeastern US plants, as well as new customers
• When fully ramped-up, operation will increase integration rate by ±5%

The E-Commerce opportunity

• Growth in e-commerce is shifting the balance of power from brands/retailers to consumers.
• A number of large brand owners in the US are launching their own e-commerce websites and using Amazon as a new selling platform.
• By 2021, e-commerce is expected to account for¹:
  • 9.5% of retail in Canada, from 3.5% in 2016
  • 12.6% of retail in the U.S., from 8.2% in 2016
• Cascades is targeting e-commerce business via:
  • Multi-disciplined team strategy & approach
  • Innovation and product development

¹ Source: Global Corrugated Forecast and the Impact of Downstream Prospects on demand – by NOA-PRISM for the ICCA.
# Containerboard Packaging
## Consolidated North American Competitive Landscape

<table>
<thead>
<tr>
<th>2007</th>
<th>2013</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image" alt="Containerboard Packaging" /></td>
<td><img src="image" alt="Containerboard Packaging" /></td>
<td><img src="image" alt="Containerboard Packaging" /></td>
</tr>
<tr>
<td><strong>1.</strong> Smurfit Stone</td>
<td><strong>1.</strong> IP</td>
<td><strong>1.</strong> IP</td>
</tr>
<tr>
<td><strong>2.</strong> Weyerhaeuser</td>
<td><strong>2.</strong> Rock Tenn</td>
<td><strong>2.</strong> WestRock</td>
</tr>
<tr>
<td><strong>3.</strong> IP</td>
<td><strong>3.</strong> Koch/GP</td>
<td><strong>3.</strong> Koch/GP</td>
</tr>
<tr>
<td><strong>4.</strong> GP</td>
<td><strong>4.</strong> PCA</td>
<td><strong>4.</strong> PCA</td>
</tr>
<tr>
<td><strong>5.</strong> Temple Inland</td>
<td><strong>5.</strong> Cascades</td>
<td><strong>5.</strong> Kapstone</td>
</tr>
<tr>
<td><strong>6.</strong> PCA</td>
<td><strong>6.</strong> Pratt</td>
<td><strong>6.</strong> Pratt</td>
</tr>
<tr>
<td><strong>7.</strong> Cascades</td>
<td><strong>7.</strong> Kapstone</td>
<td><strong>7.</strong> Cascades</td>
</tr>
<tr>
<td>Others</td>
<td>Others</td>
<td>Others</td>
</tr>
<tr>
<td><strong>Top-5</strong></td>
<td><strong>Top-5</strong></td>
<td><strong>Top-5</strong></td>
</tr>
<tr>
<td><strong>67%</strong></td>
<td><strong>77%</strong></td>
<td><strong>78%</strong></td>
</tr>
</tbody>
</table>

Source: RISI, Deutsche Bank, Company reports and estimates, Fibre Box Association, Paper Packaging Canada.

2. WestRock signed a definitive agreement to acquire all outstanding shares of KapStone on January 29, 2018. The transaction is expected to close in Q3-2018.
CONTAINERBOARD PACKAGING

Sound Environment

- Capacity growth of ±1.8% annually over 2015 - 2020 period
- Strong industry fundamentals (Dec/17):
  - YTD capacity utilization: 97.6% (98.9% in Dec.)
  - Inventories: 2% above 10 year avg.
  - 3.6 weeks of supply below 10 year avg. of 3.9
- US$50/st linerboard, US$60/st corrugating medium and 8% boxes price increases announced for March 5, 2018

Industry Operating Rates¹

Cascades adjusted OIBD increases ~$3.75M with every 1% increase in our utilization rate

Industry Expected Capacity¹ (M s.t.)

1 Source: RISI, RBC, Company reports and estimates. New capacity, net of capacity shutdowns.
CONTAINERBOARD PACKAGING

Business Drivers

Containerboard Benchmark Market Prices

Brown Grades Recycled Fibre Prices

Linerboard and corrugating medium 2017 average prices increased by US$68/st and US$72/st, respectively, compared to 2016.

Chinese recovered paper import restrictions has led to OCC prices decreasing to US$100/st since October 2017.

Source: RISI
CONTAINERBOARD INDUSTRY STATISTICS

U.S. Corrugated Boxes Shipments (BSF)

2009 – 2022 CAGR: + 1.9%

<table>
<thead>
<tr>
<th>Year</th>
<th>Shipments</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>345</td>
</tr>
<tr>
<td>2010</td>
<td>357</td>
</tr>
<tr>
<td>2011</td>
<td>359</td>
</tr>
<tr>
<td>2012</td>
<td>360</td>
</tr>
<tr>
<td>2013</td>
<td>360</td>
</tr>
<tr>
<td>2014</td>
<td>364</td>
</tr>
<tr>
<td>2015</td>
<td>369</td>
</tr>
<tr>
<td>2016</td>
<td>376</td>
</tr>
<tr>
<td>2017</td>
<td>386</td>
</tr>
<tr>
<td>2018F</td>
<td>395</td>
</tr>
<tr>
<td>2019F</td>
<td>405</td>
</tr>
<tr>
<td>2020F</td>
<td>411</td>
</tr>
<tr>
<td>2021F</td>
<td>420</td>
</tr>
<tr>
<td>2022F</td>
<td>425</td>
</tr>
</tbody>
</table>

RISI Forecast

U.S Containerboard Production & Utilization Capacity Rate (‘000 tons & %)

2009 – 2022 CAGR: + 2.3%

<table>
<thead>
<tr>
<th>Year</th>
<th>Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>31,517</td>
</tr>
<tr>
<td>2010</td>
<td>33,766</td>
</tr>
<tr>
<td>2011</td>
<td>34,024</td>
</tr>
<tr>
<td>2012</td>
<td>34,371</td>
</tr>
<tr>
<td>2013</td>
<td>34,823</td>
</tr>
<tr>
<td>2014</td>
<td>35,354</td>
</tr>
<tr>
<td>2015</td>
<td>35,822</td>
</tr>
<tr>
<td>2016</td>
<td>36,316</td>
</tr>
<tr>
<td>2017</td>
<td>37,442</td>
</tr>
<tr>
<td>2018F</td>
<td>38,420</td>
</tr>
<tr>
<td>2019F</td>
<td>39,530</td>
</tr>
<tr>
<td>2020F</td>
<td>40,440</td>
</tr>
<tr>
<td>2021F</td>
<td>41,500</td>
</tr>
<tr>
<td>2022F</td>
<td>41,920</td>
</tr>
</tbody>
</table>

RISI Forecast

Source: FBA, RISI
BOXBOARD EUROPE
Second Largest Coated Recycled Boxboard Producer in Europe

- 57.8% equity ownership of Reno de Medici, a public Italian company; 5 recycled (885K m.t.) & 1 virgin boxboard (165K m.t.) mills
- Simplified structure with focus on spreading one-company culture within the company
- PanEuropean asset base (Italy, France and Germany) and sales network
- Strong position within the European market
- Ongoing equipment modernization program to improve efficiency

2017 adjusted OIBD\(^1\) margin of 8%

Steady Contributor to Results

\(^1\) Supplemental information on non-IFRS measures for 2017.
\(^2\) Including $9 million of energy credits.
BOXBOARD EUROPE
Leading European Producer of Coated Board

Top Cartonboard Producers
- Mayr-Melnhof
- Metsä Board
- Stora Enso
- Reno De Medici
- Holmen Iggesund
- Kotkamills
- Weig Karton
- International Paper
- Buchmann
- Smurfit Kappa

Capacity, 1,000 t/a

Top FBB Producers
- Metsä Board
- Stora Enso
- Kotkamills
- Mayr-Melnhof
- International Paper
- Holmen Iggesund
- Reno De Medici
- Pankaboard
- Buchmann
- BillerudKorsnäs

Capacity, 1,000 t/a

Top WLC Producers
- Mayr-Melnhof
- Reno De Medici
- Weig Karton
- Smurfit Kappa
- Buchmann
- Fiskeby Board
- Barcelona Cartonboard
- KappaStar Holding - Umka
- Paprinsa
- Pak Group

Capacity, 1,000 t/a

1 Source: PÖYRY, Sept. 2017, Reno de Medici. Capacity in 1,000 t/a. SBS = Solid Bleached Sulphate (virgin); FBB = Folding Boxboard (virgin); CUK = Coated Unbleached Kraft (virgin); WLC = White Lined Chipboard (recycled).
After trending downward for the last two years, WLC prices increased €30/m.t. in Q2-2017; more price increases announced for recycled products.

Chinese recovered paper import restrictions explain recent decreased in recycled fibre prices in Europe.

Boxboard Benchmark Market Prices

Recycled Fibre Prices

Source: RISI

1 For each product, we use an average of PPI Europe prices, weighted by the amount of sales by country.

2 For each grade, we use an average of PPI Europe prices for recovered papers, weighted by the amount of purchases by country.
SPECIALTY PRODUCTS GROUP
A Diversified Packaging Player

- Largest paper collector in Canada with 19 facilities and 1.4 million s.t. of material processed in 2017
- A leading position in industrial packaging with Cascades Sonoco JV
- Strong growth potential in consumer packaging
- 2017 sales (IFRS) of $703M, vs. $902M (Non-IFRS) with JVs at 100%
- 2013-2017 sales CAGR: +6.4%

2017 adjusted OIBD\(^1\) margin of **10%**

---

1. Supplemental information on non-IFRS measures for [2017](#).
2. Cascades’ 19 facilities: 16 are located in Canada and 3 are located in the US.
SPECIALTY PRODUCTS GROUP
Cascades Recovery+ Sub-Segment

- Business unit created via the merger of recovery operations & recycled fibre buying group
- Manages procurement of all raw material fibre for Cascades’ North American operations

CIRCULAR ECONOMY APPROACH

- We use 30% of the 1.4M st of recycled fibre that we collect via our Recovery operations
- Out of the 2.9M st of recycled fibre that we collect & purchase externally, we use 66% internally, and sell the remaining 34% to external customers

NA Recycled Fibre\(^1\) (2.9M st)

- Brown recycled purchased
- White recycled purchased
- Recycled groundwood purchased
- Recycled fibre collected & USED by CAS
- Recycled fibre collected & SOLD by CAS

\(^1\) North America only. 2017 figures.
TISSUE PAPERS GROUP
A Canadian Leader and Important North American Player

- 5th largest tissue producer in NA based on capacity (650K s.t.)
- Growing footprint in Western U.S.
- 67% integration rate, targeting 85% in the mid-term
- Repositioned and rebranded AfH product lines under Cascades PRO brand to simplify product offering
- Launched new Cascades consumer tissue paper lines in Canada: Fluff™ and Tuff™ brands
- 2013-2017 sales CAGR: +5.3%

2017 adjusted OIBD¹ margin of 7%

Challenging Market Fundamentals

1 Supplemental information on non-IFRS measures for 2017.
TISSUE PAPERS GROUP
Strong Position Across the North American Tissue Market

CAS Sales by Country (2017)

Canada (26%)
- Branded: 41%
  - Private Label: 59%
  - Away-from-Home: 43%
- At-Home: 57%

US (74%)
- Branded: 25%
  - Private Label: 75%
  - Away-from-Home: 50%
- At-Home: 50%

CAS North American Sales by End Markets (2017)

- Retail - branded: 41%
- Retail - private label: 19%
- Afh - branded: 22%
- AfH - private label: 15%
- Parent rolls: 3%

NA Tissue sales: ~ 75% recycled and ~ 25% virgin

Tissue Market Demand\(^1\)

- Indexed U.S. Tissue Demand
- Historical CAGR 1.8%
- 1.8% represents ~175K s.t. / year

North American Tissue Capacity Additions\(^1\)

- CAGR 1.6%

Source: RISI, company estimates
### 2017 NORTH AMERICAN TISSUE MANUFACTURERS

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company Name</th>
<th>Capacity ('000 s.t.)</th>
<th>Market Share</th>
<th>Capacity Retail</th>
<th>Capacity AfH</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Georgia-Pacific</td>
<td>2,849</td>
<td>29%</td>
<td>67%</td>
<td>33%</td>
</tr>
<tr>
<td>2</td>
<td>Procter &amp; Gamble</td>
<td>1,494</td>
<td>15%</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>3</td>
<td>Kimberly-Clark</td>
<td>1,466</td>
<td>15%</td>
<td>67%</td>
<td>33%</td>
</tr>
<tr>
<td>4</td>
<td>Essity (ex-SCA)</td>
<td>721</td>
<td>7%</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>5</td>
<td>Cascades Tissue</td>
<td>650</td>
<td>7%</td>
<td>62%</td>
<td>38%</td>
</tr>
<tr>
<td>6</td>
<td>Clearwater Paper</td>
<td>435</td>
<td>4%</td>
<td>90%</td>
<td>10%</td>
</tr>
<tr>
<td>7</td>
<td>KP Tissue</td>
<td>422</td>
<td>4%</td>
<td>77%</td>
<td>23%</td>
</tr>
<tr>
<td>8</td>
<td>First Quality Tissue</td>
<td>319</td>
<td>3%</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>9</td>
<td>Irving Tissue</td>
<td>282</td>
<td>3%</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>10</td>
<td>ST Paper &amp; Tissue</td>
<td>160</td>
<td>2%</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>1,125</td>
<td>11%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>9,923</strong></td>
<td><strong>100%</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: RISI, company estimates.
## TISSUE PAPERS GROUP

### Business Drivers

**Tissue Papers Benchmark Market Prices**

- Virgin parent rolls
- Recycled parent rolls

- Parent roll prices have been increasing steadily since 2015; input costs have also been trending upward over the same timeframe

**Virgin & Recycled Fibre Prices**

- Virgin pulp prices increased notably in 2017, driven by strong global demand; small uptick in white recycled grades in Q1-2018

Source: RISI
2017-2022
STRATEGIC PLAN
POSITIONING FOR GROWTH
Building on the Past, Positioning for the Future

2011 - 2016

WE MODERNIZED
- Invested more than $400M in modern equipment

WE OPTIMIZED
- Decreased working capital on sales to ~10% from 15% in 2011

WE RESTRUCTURED
- Closed 16 non-performing assets, completed 6 asset sales, exited industries and consolidated operational platforms in NA representing $1B in sales, 2% EBITDA margin

WE INNOVATED
- Launched many new products

Acquisition of Papersource
Start-up of the Greenpac Mill
Consolidation of Reno De Medici
Sale of Dopaco
New tissue paper machine in Oregon
Start-up of the Wagram tissue plant
Consolidation of Recovery ownership
Sale of Fine Papers
Sale NA Boxboard activities
Acquisition of a corrugated box plant in Connecticut

POSITIONING FOR GROWTH
Building on the Past, Positioning for the Future

Capital Expenditures

- Strong free cash flow has funded Capex
- Impacted by strong US$
- Approximately $400M invested in strategic projects since 2012
- Since 2012, an additional ~$200M has been invested in M&A transactions
- Significant IT & administrative process modernization largely completed
POSITIONING FOR GROWTH
Building on the Past, Positioning for the Future

1. UPGRADE OUR PLATFORMS
   - Invest in organic growth
   - Increase integration rate to 85%
   - Grow US platform
   - Optimize geographic footprint

2. VALUE CREATION
   - Increase profitability margin from 10% to 15%
     - Disciplined capital allocation
     - Sustainable free cash flow generation
     - Continued focus on debt reduction

3. INNOVATION & CUSTOMER FOCUS
   - 2020: 20% of sales from innovative products
   - Leverage our diversified portfolio to cross-sell
   - Reinforce positioning as THE provider of sustainable packaging and tissue products

2017 – 2022
STRATEGY
1 UPGRADE OUR PLATFORMS

Accelerate Modernization

- Replace older equipment
- Invest in organic growth

Increase Integration

- Increase our integration rate by investing in conversion capacity

Optimize Footprint

- Improve geographic footprint to better serve our customers, increase penetration of national accounts

Scappoose, OR

Drummondville, QC

Containerboard

64%¹ → 85%²

Tissue

67%¹ → 85%²

¹Q4 2017 integration rate including associates, joint ventures and Greenpac. ² Including associates, joint ventures.
1 UPGRADE OUR PLATFORMS

Disciplined Capital Allocation

Cash Flow from Operations

INVEST IN OUR ASSET BASE
• Modernize equipment
• Opportunistic M&A
• Increase integration, optimize footprint
• IRR target of 15%¹

DEBT REDUCTION
• Objective = allocate at least $100M of FCF toward debt reduction annually
• Now targeting leverage ratio of 2.5 x

DIVIDENDS & SHARE REPURCHASES
• Maintain current strategy

¹ Cascades uses a WACC of 9%. Actual IRR may vary by project.
### UPGRADE OUR PLATFORMS

**2018 CAPEX – Important Investments to Consolidate Position**

<table>
<thead>
<tr>
<th>Category</th>
<th>Budget Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Containerboard</td>
<td>$135M - $145M</td>
</tr>
<tr>
<td>Boxboard Europe</td>
<td>$30M - $35M</td>
</tr>
<tr>
<td>Specialty Products</td>
<td>$40M - $50M</td>
</tr>
<tr>
<td>Tissue Papers</td>
<td>$115M - $135M</td>
</tr>
<tr>
<td>Corporate &amp; IT</td>
<td>$15M - $20M</td>
</tr>
<tr>
<td>Sale of NY facility</td>
<td>$(85)M</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$250M - $300M</strong></td>
</tr>
</tbody>
</table>

*Includes a total of ~ $70M of maintenance.*

- Strong fundamentals in Containerboard and in Europe
- Solid cash flow from operations will fund 2018 CAPEX program
- Good market positioning in Tissue
- Leverage ratio improvement remains a priority in 2018
### Segment MAJOR PROJECTS INVESTMENT ($M CAN) IMPACT BUSINESS CASE

<table>
<thead>
<tr>
<th>Containerboard</th>
<th>Piscataway, NJ conversion plant</th>
<th>$80 - $85</th>
<th>H2 2018</th>
<th>✓ Integration ±5% ✓ Improve footprint and asset quality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>Paper machine upgrade</td>
<td>±$15</td>
<td>Q4 2018</td>
<td>✓ Efficiencies &amp; quality</td>
</tr>
<tr>
<td>Specialty Products</td>
<td>New business development Recovery activities</td>
<td>±$15</td>
<td>TBD</td>
<td>✓ Secure/add volume of recycled fiber in Canada</td>
</tr>
<tr>
<td>Tissue Papers</td>
<td>New lines Tissue retail</td>
<td>$25 - $30</td>
<td>H2 2019</td>
<td>✓ Integration ±5% ✓ New retail volume in US and Canada</td>
</tr>
</tbody>
</table>

Projects have an IRR of 12% or higher
2 CREATE VALUE
Increase Profitability Margin to 15%

1. Complete
   - Consolidate Greenpac results (Q2/17)
   - Open new Oregon tissue conversion facility
   - Sale of equity interest in Boralex (Q3/17)

2. In Progress
   - Monetize the benefits of our optimization, modernization and restructuring efforts

3. In Progress
   - Transformation program benefits & reduction of implementation costs ±$50 M ANNUALLY

4. In Progress
   - Growth associated with targeted investments and potential strategic acquisitions
FOCUS ON CUSTOMERS AND INNOVATION

Cascades’ new Innovation Centre is focused on:

- Coordinating multigroup programs
- Developing new expertise (ex. A.I.)
- Gathering market intelligence
- Providing shared expertise
- Leading new ventures

37 people dedicated to innovation

Supported by:
- Containerboard
- Specialty Products
- Tissue Papers

Multi-disciplinary, innovative approach focused on key strategic areas:

- **Food & Beverage**
  - ex. preparation, preservation, presentation

- **Hygiene Solutions**
  - ex. retail, industrial, offices, education

- **Productivity**
  - ex. retail, industrial, offices, education

- **Sustainability**
  - ex. packaging, hygiene, circular economy

- **E-commerce**
  - ex. packaging & logistics solutions
FOCUS ON CUSTOMERS AND INNOVATION

**OBJECTIVE:**
20% of sales from innovative products in 2020

- **Polystyrene foam packaging containing 25% recycled material**
- **Hand towel dispenser with new, patented dispenser technology**
- **Low-density PETE containing 80% post-consumer material**
- **Water-based coating that acts as a barrier against grease and humidity for takeout containers**
- **Recyclable insulated container, made with FSC® certified recycled materials**
- **Produces innovative, lightweight recycled linerboard – XP grades**
Q4 2017 PERFORMANCE – FINANCIAL RESULTS

All metrics in Q4-2017 improved YoY with the exception of adjusted net earnings

---

**Operating Income**  ■ **Adjusted OIBD**

Figures above in millions of CAN$

<table>
<thead>
<tr>
<th></th>
<th>Q4 2017</th>
<th>Q1 2017</th>
<th>Q2 2017</th>
<th>Q3 2017</th>
<th>Q4 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figures above in millions of CAN$</td>
<td>105</td>
<td>106</td>
<td>48</td>
<td>51</td>
<td>33</td>
</tr>
</tbody>
</table>

**Net Earnings**  ■ **Adjusted Net Earnings**

Figures above in millions of CAN$

<table>
<thead>
<tr>
<th></th>
<th>Q4 2016</th>
<th>Q1 2017</th>
<th>Q2 2017</th>
<th>Q3 2017</th>
<th>Q4 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figures above in millions of CAN$</td>
<td>161</td>
<td>15</td>
<td>256</td>
<td>19</td>
<td>57</td>
</tr>
</tbody>
</table>

---

<table>
<thead>
<tr>
<th>(In millions of CAN$, except amount per share)</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial results</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sales</strong></td>
<td>1,003</td>
<td>1,006</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>73</td>
<td>31</td>
</tr>
<tr>
<td><strong>Adjusted OIBD</strong></td>
<td>106</td>
<td>75</td>
</tr>
<tr>
<td><strong>Net earnings</strong></td>
<td>75</td>
<td>161</td>
</tr>
<tr>
<td><strong>Adjusted net earnings</strong></td>
<td>34</td>
<td>12</td>
</tr>
<tr>
<td><strong>Net earnings per share</strong></td>
<td>$0.79</td>
<td>$1.70</td>
</tr>
<tr>
<td><strong>Adjusted net earnings per share</strong></td>
<td>$0.35</td>
<td>$0.13</td>
</tr>
</tbody>
</table>

1 Supplemental information on non-IFRS measures for 2017.
BUSINESS SEGMENTS
Historical Segmented Operating Income and Margin

Containerboard (CAN$ M and %)

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>(CAN$ M)</td>
<td>104</td>
<td>108</td>
<td>170</td>
<td>158</td>
<td>164</td>
<td></td>
</tr>
<tr>
<td>(%)</td>
<td>9%</td>
<td>9%</td>
<td>13%</td>
<td>12%</td>
<td>10%</td>
<td></td>
</tr>
</tbody>
</table>

Boxboard Europe\(^1\) (CAN$ M and %)

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>(CAN$ M)</td>
<td>3</td>
<td>11</td>
<td>29</td>
<td>19</td>
<td>34</td>
<td></td>
</tr>
<tr>
<td>(%)</td>
<td>0%</td>
<td>1%</td>
<td>3%</td>
<td>(3%)</td>
<td>2%</td>
<td>4%</td>
</tr>
</tbody>
</table>

Specialty Products (CAN$ M and %)

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>(CAN$ M)</td>
<td>19</td>
<td>16</td>
<td>6</td>
<td>51</td>
<td>46</td>
<td></td>
</tr>
<tr>
<td>(%)</td>
<td>3%</td>
<td>3%</td>
<td>1%</td>
<td>8%</td>
<td>7%</td>
<td></td>
</tr>
</tbody>
</table>

Tissue Papers (CAN$ M and %)

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>(CAN$ M)</td>
<td>92</td>
<td>106</td>
<td>48</td>
<td>64</td>
<td>75</td>
<td>28</td>
</tr>
<tr>
<td>(%)</td>
<td>9%</td>
<td>10%</td>
<td>5%</td>
<td>5%</td>
<td>6%</td>
<td>2%</td>
</tr>
</tbody>
</table>

\(^1\) Including $9 million of energy credits

\(^2\) Via our 57.8% equity ownership in Reno de Medici S.p.A. (RdM)
**BUSINESS SEGMENTS**
Historical Segmented Adjusted OIBD³ and Margin

**Containerboard** *(CAN$ M and %)*

<table>
<thead>
<tr>
<th>Year</th>
<th>CAN$ M</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>90</td>
<td>10%</td>
</tr>
<tr>
<td>2013</td>
<td>150</td>
<td>14%</td>
</tr>
<tr>
<td>2014</td>
<td>164</td>
<td>14%</td>
</tr>
<tr>
<td>2015</td>
<td>231</td>
<td>18%</td>
</tr>
<tr>
<td>2016</td>
<td>216</td>
<td>16%</td>
</tr>
<tr>
<td>2017</td>
<td>247</td>
<td>15%</td>
</tr>
</tbody>
</table>

**Boxboard Europe²** *(CAN$ M and %)*

<table>
<thead>
<tr>
<th>Year</th>
<th>CAN$ M</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>43</td>
<td>6%</td>
</tr>
<tr>
<td>2013</td>
<td>57</td>
<td>7%</td>
</tr>
<tr>
<td>2014</td>
<td>72</td>
<td>9%</td>
</tr>
<tr>
<td>2014¹</td>
<td>63</td>
<td>8%</td>
</tr>
<tr>
<td>2015</td>
<td>53</td>
<td>7%</td>
</tr>
<tr>
<td>2016</td>
<td>68</td>
<td>8%</td>
</tr>
</tbody>
</table>

**Specialty Products** *(CAN$ M and %)*

<table>
<thead>
<tr>
<th>Year</th>
<th>CAN$ M</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>37</td>
<td>7%</td>
</tr>
<tr>
<td>2013</td>
<td>41</td>
<td>7%</td>
</tr>
<tr>
<td>2014</td>
<td>40</td>
<td>7%</td>
</tr>
<tr>
<td>2015</td>
<td>58</td>
<td>10%</td>
</tr>
<tr>
<td>2016</td>
<td>65</td>
<td>10%</td>
</tr>
<tr>
<td>2017</td>
<td>67</td>
<td>10%</td>
</tr>
</tbody>
</table>

**Tissue Papers** *(CAN$ M and %)*

<table>
<thead>
<tr>
<th>Year</th>
<th>CAN$ M</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>138</td>
<td>14%</td>
</tr>
<tr>
<td>2013</td>
<td>133</td>
<td>13%</td>
</tr>
<tr>
<td>2014</td>
<td>96</td>
<td>9%</td>
</tr>
<tr>
<td>2014¹</td>
<td>119</td>
<td>10%</td>
</tr>
<tr>
<td>2015</td>
<td>150</td>
<td>11%</td>
</tr>
<tr>
<td>2016</td>
<td>94</td>
<td>7%</td>
</tr>
</tbody>
</table>

¹ Including $9 million of energy credits
² Via our 57.8% equity ownership in Reno de Medici S.p.A. (RdM)
³ Supplemental information on non-IFRS measures for 2017.
## HISTORICAL RESULTS

(In million of Canadian dollars)

### Sales

<table>
<thead>
<tr>
<th></th>
<th>2017 Q4-17</th>
<th>Q3-17</th>
<th>Q2-17</th>
<th>Q1-17</th>
<th>2016 Q4-16</th>
<th>Q3-16</th>
<th>Q2-16</th>
<th>Q1-16</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Containerboard</td>
<td>1,652</td>
<td>440</td>
<td>438</td>
<td>428</td>
<td>1,370</td>
<td>336</td>
<td>356</td>
<td>342</td>
<td>336</td>
<td>1,181</td>
</tr>
<tr>
<td>Boxboard Europe</td>
<td>838</td>
<td>212</td>
<td>202</td>
<td>213</td>
<td>796</td>
<td>191</td>
<td>189</td>
<td>197</td>
<td>219</td>
<td>825</td>
</tr>
<tr>
<td>Specialty Products</td>
<td>703</td>
<td>161</td>
<td>181</td>
<td>188</td>
<td>620</td>
<td>156</td>
<td>158</td>
<td>157</td>
<td>149</td>
<td>579</td>
</tr>
<tr>
<td>Tissue Papers</td>
<td>1,268</td>
<td>301</td>
<td>323</td>
<td>338</td>
<td>1,305</td>
<td>319</td>
<td>342</td>
<td>324</td>
<td>320</td>
<td>1,054</td>
</tr>
<tr>
<td>Inter-segment sales and corporate activities</td>
<td>(140)</td>
<td>(32)</td>
<td>(41)</td>
<td>(37)</td>
<td>(90)</td>
<td>(23)</td>
<td>(24)</td>
<td>(22)</td>
<td>(21)</td>
<td>(80)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,321</td>
<td>1,082</td>
<td>1,103</td>
<td>1,130</td>
<td>4,001</td>
<td>979</td>
<td>1,021</td>
<td>998</td>
<td>1,003</td>
<td>3,861</td>
</tr>
</tbody>
</table>

### Operating Income

<table>
<thead>
<tr>
<th></th>
<th>2017 Q4-17</th>
<th>Q3-17</th>
<th>Q2-17</th>
<th>Q1-17</th>
<th>2016 Q4-16</th>
<th>Q3-16</th>
<th>Q2-16</th>
<th>Q1-16</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Containerboard</td>
<td>164</td>
<td>51</td>
<td>50</td>
<td>30</td>
<td>158</td>
<td>28</td>
<td>44</td>
<td>46</td>
<td>40</td>
<td>108</td>
</tr>
<tr>
<td>Boxboard Europe</td>
<td>34</td>
<td>11</td>
<td>5</td>
<td>13</td>
<td>19</td>
<td>3</td>
<td>1</td>
<td>7</td>
<td>8</td>
<td>(28)</td>
</tr>
<tr>
<td>Specialty Products</td>
<td>46</td>
<td>9</td>
<td>10</td>
<td>14</td>
<td>51</td>
<td>14</td>
<td>12</td>
<td>16</td>
<td>9</td>
<td>31</td>
</tr>
<tr>
<td>Tissue Papers</td>
<td>28</td>
<td>(6)</td>
<td>9</td>
<td>17</td>
<td>75</td>
<td>12</td>
<td>26</td>
<td>18</td>
<td>19</td>
<td>64</td>
</tr>
<tr>
<td>Corporate activities</td>
<td>(97)</td>
<td>(20)</td>
<td>(23)</td>
<td>(26)</td>
<td>(82)</td>
<td>(24)</td>
<td>(33)</td>
<td>(22)</td>
<td>(3)</td>
<td>(84)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>175</td>
<td>45</td>
<td>51</td>
<td>48</td>
<td>221</td>
<td>33</td>
<td>50</td>
<td>65</td>
<td>73</td>
<td>153</td>
</tr>
</tbody>
</table>

### Adjusted OIBD\(^1\)

<table>
<thead>
<tr>
<th></th>
<th>2017 Q4-17</th>
<th>Q3-17</th>
<th>Q2-17</th>
<th>Q1-17</th>
<th>2016 Q4-16</th>
<th>Q3-16</th>
<th>Q2-16</th>
<th>Q1-16</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Containerboard</td>
<td>247</td>
<td>74</td>
<td>72</td>
<td>56</td>
<td>216</td>
<td>43</td>
<td>58</td>
<td>60</td>
<td>55</td>
<td>231</td>
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<tr>
<td>Boxboard Europe</td>
<td>68</td>
<td>19</td>
<td>14</td>
<td>21</td>
<td>53</td>
<td>11</td>
<td>9</td>
<td>17</td>
<td>16</td>
<td>63</td>
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<tr>
<td>Specialty Products</td>
<td>67</td>
<td>14</td>
<td>15</td>
<td>20</td>
<td>65</td>
<td>17</td>
<td>18</td>
<td>16</td>
<td>14</td>
<td>58</td>
</tr>
<tr>
<td>Tissue Papers</td>
<td>94</td>
<td>12</td>
<td>24</td>
<td>35</td>
<td>150</td>
<td>30</td>
<td>47</td>
<td>39</td>
<td>34</td>
<td>119</td>
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<tr>
<td>Corporate activities</td>
<td>(83)</td>
<td>(14)</td>
<td>(19)</td>
<td>(25)</td>
<td>(81)</td>
<td>(19)</td>
<td>(29)</td>
<td>(20)</td>
<td>(13)</td>
<td>(45)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>393</td>
<td>105</td>
<td>106</td>
<td>107</td>
<td>75</td>
<td>403</td>
<td>82</td>
<td>103</td>
<td>112</td>
<td>426</td>
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</table>

### Adjusted OIBD\(^1\) Margin

<table>
<thead>
<tr>
<th></th>
<th>2017 Q4-17</th>
<th>Q3-17</th>
<th>Q2-17</th>
<th>Q1-17</th>
<th>2016 Q4-16</th>
<th>Q3-16</th>
<th>Q2-16</th>
<th>Q1-16</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Containerboard</td>
<td>9.1%</td>
<td>9.7%</td>
<td>9.6%</td>
<td>9.5%</td>
<td>7.5%</td>
<td>10.1%</td>
<td>8.4%</td>
<td>10.1%</td>
<td>11.2%</td>
<td>10.6%</td>
</tr>
<tr>
<td>Boxboard Europe</td>
<td>11.0%</td>
<td>9.5%</td>
<td>9.5%</td>
<td>9.5%</td>
<td>9.5%</td>
<td>11.0%</td>
<td>9.5%</td>
<td>11.0%</td>
<td>9.5%</td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) Supplemental information on non-IFRS measures for 2017.
NEAR TERM OUTLOOK – Q1 2018

- Announced US$50/s.t. linerboard, US$60/s.t. medium and box price increases scheduled for March 5, 2018
- Good economic environment in Europe
- Price increase announced for some boxboard recycled grades in Europe
- Announced URB price increase
- OCC prices at ~US$100 / s.t.

- Challenging market conditions for our Tissue Papers segment, especially in the hand towel parent roll market
- Higher NBSK and NBHK pulp prices

<table>
<thead>
<tr>
<th>Q1 2018</th>
<th>Containerboard Packaging</th>
<th>Boxboard Europe</th>
<th>Specialty Products</th>
<th>Tissue Papers</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPERATING INCOME FORECAST</td>
<td>YoY ↑</td>
<td>QoQ ↑</td>
<td>YoY ↑</td>
<td>QoQ ↑</td>
</tr>
<tr>
<td>REFLECTING:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VOLUME</td>
<td>↑</td>
<td>↔</td>
<td>↔</td>
<td>↑</td>
</tr>
<tr>
<td>SELLING PRICE</td>
<td>↑</td>
<td>↑</td>
<td>↑</td>
<td>↔</td>
</tr>
<tr>
<td>RAW MATERIAL COST</td>
<td>↓</td>
<td>↓</td>
<td>↓</td>
<td>↓</td>
</tr>
<tr>
<td>EXCHANGE RATE</td>
<td>↓</td>
<td>↔</td>
<td>↑</td>
<td>↔</td>
</tr>
<tr>
<td>ENERGY COST</td>
<td>↔</td>
<td>↔</td>
<td>↓</td>
<td>↔</td>
</tr>
</tbody>
</table>
## 5-YEAR SHAREHOLDER RETURN
### CAS vs. Indices

<table>
<thead>
<tr>
<th></th>
<th>CAS</th>
<th>TSX Composite</th>
<th>TSX Small Cap</th>
<th>Containerboard Index</th>
<th>Tissue Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Year</td>
<td>113%</td>
<td>100%</td>
<td>94%</td>
<td>131%</td>
<td>68%</td>
</tr>
<tr>
<td>3 Year</td>
<td>209%</td>
<td>106%</td>
<td>109%</td>
<td>120%</td>
<td>68%</td>
</tr>
<tr>
<td>5 Year</td>
<td>354%</td>
<td>122%</td>
<td>106%</td>
<td>193%</td>
<td>77%</td>
</tr>
</tbody>
</table>

Note: Shareholder return excludes dividend yield. As of market close March 9, 2018. Source: Bloomberg

1 Containerboard Index includes the following companies: International Paper, WestRock (starting June 24, 2015), Packaging Corp of America and KapStone.

2 Tissue Index includes the following companies: Kimberly-Clark, Clearwater Paper, KP Tissue and Orchids Paper.

CAS added to the TSX Composite Index June 19, 2017
### SHAREHOLDERS & ANALYST COVERAGE

#### Major Shareholders

<table>
<thead>
<tr>
<th>Shareholder</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lemaire Brothers, BoD &amp; employees</td>
<td>32.3%</td>
</tr>
<tr>
<td>Letko Brosseau</td>
<td>14.1%</td>
</tr>
<tr>
<td>Caisse de Dépôt et Placement du QC (Government of QC)</td>
<td>5.0%</td>
</tr>
<tr>
<td>Dimensional Fund Advisors</td>
<td>4.0%</td>
</tr>
<tr>
<td>Norges Bank (Government of Norway)</td>
<td>2.5%</td>
</tr>
<tr>
<td>Vanguard Group</td>
<td>1.5%</td>
</tr>
<tr>
<td>IA Financial Group</td>
<td>1.4%</td>
</tr>
<tr>
<td>Royal Bank of Canada</td>
<td>1.3%</td>
</tr>
<tr>
<td>Connor Clark &amp; Lunn</td>
<td>1.1%</td>
</tr>
<tr>
<td>IG Investments</td>
<td>0.8%</td>
</tr>
<tr>
<td>British Columbia Investment</td>
<td>0.7%</td>
</tr>
<tr>
<td>Power Corporation</td>
<td>0.6%</td>
</tr>
</tbody>
</table>

#### Analyst

<table>
<thead>
<tr>
<th>Analyst</th>
<th>City</th>
<th>Bank</th>
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</thead>
<tbody>
<tr>
<td>Leon Aghazarian</td>
<td>Montréal</td>
<td>National Bank</td>
</tr>
<tr>
<td>Keith Howlett</td>
<td>Toronto</td>
<td>Desjardins</td>
</tr>
<tr>
<td>Benoît Laprade</td>
<td>Montréal</td>
<td>Scotiabank</td>
</tr>
<tr>
<td>Hamir Patel</td>
<td>Vancouver</td>
<td>CIBC</td>
</tr>
<tr>
<td>Paul Quinn</td>
<td>Vancouver</td>
<td>Royal Bank of Canada</td>
</tr>
<tr>
<td>Sean Stuart</td>
<td>Toronto</td>
<td>TD Bank</td>
</tr>
</tbody>
</table>

#### Ownership Breakdown

- 30.0% Lemaire brothers, BoD & CAS employees
- 32.3% Top-22 Institutional
- 37.7% Other Institutional & Retail

#### Analyst Recommendations

- 83.0% Sector Outperform
- 17.0% Sector Perform

---

1 As of March 9, 2017. Source: Bloomberg, InfoSuite
GEOGRAPHICALLY DIVERSIFIED
GREEN BY NATURE™

For more information:
www.cascades.com/investors
Jennifer Aitken, MBA
Director, Investor Relations
514-282-2697 or jennifer_aitken@cascades.com