CASCADES INC.
Institutional Investor Roadshow – Boston & NYC
September 19-20, 2016
DISCLAIMER

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 Company.

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 Company uses operating income before depreciation and amortization (“OIBD” which, for purposes of this presentation, we call “EBITDA”) and operating income before depreciation and amortization (excluding specific items) (“OIBD (excluding specific items)” which, for purposes of this presentation, we call “EBITDA (excluding specific items)” because such measures are used by management to assess the operating and financial performance of the Company’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 or reversal of impairment of assets, for facility or machine closures, accelerated depreciation of assets due to restructuring measures, premiums paid on long-term debt refinancing, loss on refinancing of long-term debt, gains or losses on sales of business units, 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, other significant items of an unusual or non-recurring nature, and all such items included in discontinued operations or in the share of results of our associates and joint ventures.

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

- Founded in 1964 by the Lemaire family; headquartered in Kingsey Falls, QC
- Produces, converts and markets packaging & tissue products composed principally of recycled fibre
  - Balanced play in less cyclical sectors
  - Heavy exposure to two of the strongest paper segments: Tissue and Containerboard
  - Market leader across many of its primary product offerings
- Unique culture – green visionaries, turnarounds, entrepreneurial philosophy
- ~ 90 facilities in Canada, US & Europe
- ~ 11,000 employees worldwide

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1. Before inter-segment sales and corporate activities
2. EBITDA excluding specific items
# COMPANY OVERVIEW
Leading Packaging and Tissue Paper Manufacturer

## Packaging Products

<table>
<thead>
<tr>
<th>Containerboard</th>
<th>Boxboard Europe</th>
<th>Specialty Products</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1" alt="Containerboard" /></td>
<td><img src="image2" alt="Boxboard Europe" /></td>
<td><img src="image3" alt="Specialty Products" /></td>
</tr>
</tbody>
</table>

### Market Position
- One of the Canadian leaders
- #6 in North America

### LTM 6/30/16 Financials
- 33% of Sales
- 46% of EBITDA
- EBITDA Margin: 18%

### Boxboard Europe
- #2 in coated recycled boxboard in Europe
- 20% of Sales
- 12% of EBITDA
- EBITDA Margin: 7%

### Specialty Products
- Largest paper collector in Canada
- 15% of Sales
- 12% of EBITDA
- EBITDA Margin: 11%

### Tissue Papers
- #1 in Canada
- #5 in North America
- 32% of Sales
- 30% of EBITDA
- EBITDA Margin: 12%

---

1 Before inter-segment sales and corporate activities
2 Excluding specific items
3 Including 100% of Greenpac’s capacity
COMPANY OVERVIEW
Sales and Operations Across North America and Europe

Sales from (in %)
- Europe: 23%
- Canada: 50%
- US: 27%

Sales to (in %)
- Europe: 23%
- Canada: 37%
- US: 40%

Operating Facilities (in %)
- Europe: 9%
- Canada: 60%
- US: 31%

PP&E by Geographic Segment (in %)
- Europe: 19%
- Canada: 52%
- US: 29%
OPERATING PERFORMANCE AND FINANCIAL SITUATION

Strong Financial Momentum

**Sales**

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales (M CAN$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>3,141</td>
</tr>
<tr>
<td>2013</td>
<td>3,370</td>
</tr>
<tr>
<td>2014</td>
<td>3,561</td>
</tr>
<tr>
<td>2015</td>
<td>3,861</td>
</tr>
<tr>
<td>LTM 6/30/16</td>
<td>4,002</td>
</tr>
</tbody>
</table>

**EBITDA (excl. specific items)**

<table>
<thead>
<tr>
<th>Year</th>
<th>EBITDA (M CAN$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>285</td>
</tr>
<tr>
<td>2013</td>
<td>342</td>
</tr>
<tr>
<td>2014</td>
<td>340</td>
</tr>
<tr>
<td>2015</td>
<td>426</td>
</tr>
<tr>
<td>LTM 6/30/16</td>
<td>456</td>
</tr>
</tbody>
</table>

- $3 million EBITDA sensitivity to every CAN$0.01 change vs US$

Positive momentum in results reflect improved productivity and favourable FX & energy costs
OPERATING PERFORMANCE AND FINANCIAL SITUATION

Historical Segmented EBITDA

**Containerboard**

- **2012 – LTM6/30/16 CAGR: 32%**

**Boxboard Europe**

- **2012 – LTM6/30/16 CAGR: 10%**

**Specialty Products**

- **2012 – LTM6/30/16 CAGR: 17%**

**Tissue Papers**

- **2012 – LTM6/30/16 CAGR: 3%**

Green line represents segment EBITDA margin; EBITDA excluding specific items

1 Including $9 million of energy credits
OPERATING PERFORMANCE AND FINANCIAL SITUATION
Cash Flow and Free Cash Flow per Share

Cash Flow From Operating Activities\(^1\)

Free Cash Flow per Share\(^{1,2}\)

- Cash flows have grown at a 30% CAGR since 2012
- Improving cash flows driven by Strategic Action Plan

Objective: Direct ~$100M of free cash flow annually toward debt reduction

\(^1\) Excluding specific items
\(^2\) Excluding increase in investments
OPERATING PERFORMANCE AND FINANCIAL SITUATION

Debt Maturities

- Over last 24 months, $1 billion+ of senior notes refinanced
  - Extended maturities to 2021, 2022 and 2023
  - $750 million revolving facility extended to 2019
- Average interest rate down 112 bps to 4.93% in 2015 from 6.05% in 2013
  - Results in annual interest savings of ~ $23 million
Based on Street’s EBITDA estimates $436 million for 2016 and $432 million for 2017. Assuming stable EBITDA for 2018 ($432 million), FX US$/CAN$ at 1.30 and only $100 million of free cash flows dedicated to debt annually.

1 Based on Street's EBITDA estimates $436 million for 2016 and $432 million for 2017. Assuming stable EBITDA for 2018 ($432 million), FX US$/CAN$ at 1.30 and only $100 million of free cash flows dedicated to debt annually.
CONTAINERBOARD PACKAGING GROUP
Environment Still Sound

North American Containerboard Producers

<table>
<thead>
<tr>
<th>2015 Industry Participants</th>
<th>% of total capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>IP</td>
<td>33%</td>
</tr>
<tr>
<td>WestRock</td>
<td>19%</td>
</tr>
<tr>
<td>GP</td>
<td>10%</td>
</tr>
<tr>
<td>PCA</td>
<td>10%</td>
</tr>
<tr>
<td>Kapstone</td>
<td>4%</td>
</tr>
<tr>
<td>Cascades¹</td>
<td>4%</td>
</tr>
<tr>
<td>Pratt</td>
<td>4%</td>
</tr>
<tr>
<td>Others</td>
<td>16%</td>
</tr>
<tr>
<td>Top-5 Producers</td>
<td>76%</td>
</tr>
</tbody>
</table>

Fundamentals Sound Despite Added Capacity

Industry Operating Rates and Expected Capacity²

<table>
<thead>
<tr>
<th>(Operating rate)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 2009-Q2 2016</td>
</tr>
</tbody>
</table>

Cascades EBITDA increases ~$2.5M with every 1% increase in our utilization rate

Source: RISI, Deutsche Bank, Company reports and estimates

¹ Including 59.7% of Greenpac’s total capacity
² New capacity, net of capacity shutdowns
Largest recycled linerboard mill in NA: 1,500 st/day of recycled linerboard (26 pounds)

State-of-the-art equipment

Product differentiation: Greenpac XP grades represent 82% of total production in Q2/16

Take-or-pay agreement for 81% of the mill’s output

59.7% ownership:
  - Partners include a pension fund and two independent converters

Note: Greenpac is not consolidated in results, Cascades does not have effective control under IFRS.
TISSUE PAPERS GROUP
Strong Position Across the North American Tissue Market

CAS Sales by Geography (2015)

Canada (25%)
- Away-from-Home 42%
- At-Home 58%

US (75%)
- Away-from-Home 49%
- At-Home 51%

CAS Sales by End Markets (2015)

Private Label 44%
- Branded 56%
- Parent Rolls 17%
- Away-from-Home 39%
- At-Home 44%

Branded 11%
- Private Label 89%

Tissue Market Demand

Indexed U.S. Tissue Demand


Historical CAGR 1.7%

North American Tissue Capacity Additions

(M s.t.)

2012 9,258
New capacity (+5.0%)
2014 9,720
New capacity (+2.3%)
2016e 9,943
New capacity (+3.5%)
2018e 10,290

CAGR 1.8%

Source: RISI
TISSUE PAPERS GROUP
Market vs Cascades

Away-from-Home
Market
Cascades
Retail
Market
Cascades
Retail
Market
Cascades

Good  Better  Best
Source: RISI
### TISSUE PAPERS GROUP

#### Diversified Capacity

<table>
<thead>
<tr>
<th>2015 NORTH AMERICAN TISSUE MANUFACTURERS</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 Georgia-Pacific</td>
<td>2,849</td>
<td>29%</td>
<td>67%</td>
<td>33%</td>
</tr>
<tr>
<td>2 Procter &amp; Gamble</td>
<td>1,494</td>
<td>15%</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>3 Kimberly-Clark</td>
<td>1,466</td>
<td>15%</td>
<td>67%</td>
<td>33%</td>
</tr>
<tr>
<td>4 SCA Tissue NA</td>
<td>772</td>
<td>8%</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>5 Cascades Tissue</strong></td>
<td><strong>657</strong></td>
<td><strong>7%</strong></td>
<td><strong>62%</strong></td>
<td><strong>38%</strong></td>
</tr>
<tr>
<td>6 Clearwater Paper</td>
<td>435</td>
<td>4%</td>
<td>90%</td>
<td>10%</td>
</tr>
<tr>
<td>7 KP Tissue</td>
<td>399</td>
<td>4%</td>
<td>77%</td>
<td>23%</td>
</tr>
<tr>
<td>8 First Quality Tissue</td>
<td>290</td>
<td>3%</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>9 Irving Tissue</td>
<td>282</td>
<td>3%</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>10 Soundview Paper</td>
<td>161</td>
<td>2%</td>
<td>67%</td>
<td>33%</td>
</tr>
<tr>
<td>Others</td>
<td>936</td>
<td>10%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>9,742</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: RISI
SPECIALTY PRODUCTS GROUP
Stable Source of Revenue and Unique Platform for Innovation

• Diversified product offerings and stable revenue stream with leading market positions
• Recent initiatives have included Cascades Recovery minority (27%) acquisition completed in December 2015, and restructuring and minority acquisition of Norcan
• Q2/16 LTM sales (IFRS) of $604M, vs. $814M (Non-IFRS) with JVs at 100%

Industrials Packaging Products (~50% of sales\(^1\))
- Stable contributor to CAS results
- Leading producer of papermill packaging
- 13 facilities
- JV Share of EBITDA $10-$15M

Consumer Packaging Products (~20% of sales\(^1\))
- Largest producer of honeycomb in Canada
- Good growth potential
- 6 facilities

Recycling and Recovery (~30% of sales\(^1\))
- Largest recycled paper collector in Canada
- Major supplier of material for CAS
- 19 facilities
- 1.3 million tons processed in 2015

\(^1\) Including 100% of joint ventures
BOXBOARD EUROPE GROUP
Extensive European Platform

• ~58% ownership of RdM, a public Italian company; 5 recycled mills & 1 virgin boxboard mill
• Rationalization of production capacity, consolidation of sales forces, structure simplification and modernization investments have resulted in improved performance
• Completed legal transfer of Cascades’ virgin mill in France to RdM in Q2-2016

#2 Producer of Coated Recycled Boxboard in Europe with Capacity of 885,000 M.T.

EBITDA & EBITDA Margin

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>LTM Q2-2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>(M€)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>33</td>
<td>40</td>
<td>48</td>
<td>45</td>
<td>41</td>
<td></td>
</tr>
<tr>
<td>6%</td>
<td>7%</td>
<td>9%</td>
<td>8%</td>
<td>7%</td>
<td></td>
</tr>
</tbody>
</table>

Energy credits totaling €4M in 2013, €6M in 2014
OUR FOUR STRATEGIC PRIORITIES

1. MODERNIZE
   core operations through focused investments
   Status: Ongoing

2. OPTIMIZE
   capital allocation and reduce working capital
   Status: Ongoing

3. RESTRUCTURE
   underperforming units
   Status: Well-advanced

4. INNOVATE
   to improve and develop processes and products
   Status: Continuous
STRATEGIC PRIORITY: MODERNIZE
± $300M Invested in Modern Equipment

- Divestitures and free cash flow have funded Capex
- 2016 Capex ~ $185M
  - Mainly growth Capex
  - Mostly in the US
- Impacted by strong US$
- 2012-2013: investment in containerboard – now starting to bear fruit
- 2013-2015: investment in tissue papers – not yet reflected in results
Now the controlling shareholder of a converting plant in Texas

Building a brand new converting facility to increase footprint in Western US and increase integration rate (Q1-17)
2 STRATEGIC PRIORITY: OPTIMIZE
Strategic Initiatives Generating Results

% of sales

Working Capital

16%

14.4%
14%
13.5%
12.9%
12.7%
12.3%
11.6%
11.3%
11.4%

Q4 2012
Q2 2013
Q4 2013
Q2 2014
Q4 2014
Q2 2015
Q4 2015
Q2 2016

ONE Cascades, delivering results

Capturing savings through:
- Shared Services
- Supply Chain
- Logistics
- Operational Efficiency
- Human Resources

• Working Capital reduced by 3.5% = $125M+
From 2011 to Q2 2016:

- **16 closures**
- **6 asset sales**

**Data on Asset Sales and Closures**

- Workforce reduction: $2,350
- Sales: $1,020M
- EBITDA: $26M
- EBITDA Margin: 3%

- Dopaco division also divested in 2011 to finance Greenpac, Reno and Papersource investments
STRATEGIC PRIORITY: INNOVATE

Objective: 20% of Sales from Innovative Products
FOCUSED ON GROWTH AND PRODUCTIVITY

<table>
<thead>
<tr>
<th>GROWTH AREAS</th>
<th>Containerboard Packaging Group</th>
<th>Tissue Papers Group</th>
<th>Specialty Products Group</th>
<th>Boxboard Europe Group</th>
</tr>
</thead>
</table>
| • Improve processes  
• Grow US converting footprint  
• Product innovation and differentiation including ‘lightweighting’ | • Increase US Away-from-Home segment  
• Expand footprint in Western & Southern US  
• Grow market presence in value-added products (Better, Best) | • Consumer packaging provides strong growth potential (i.e. food protein packaging) | • Strengthen presence in growing markets (i.e. Eastern Europe)  
• Continue to reduce leverage to provide flexibility |

<table>
<thead>
<tr>
<th>PRODUCTIVITY INITIATIVES</th>
<th>Containerboard Packaging Group</th>
<th>Tissue Papers Group</th>
<th>Specialty Products Group</th>
<th>Boxboard Europe Group</th>
</tr>
</thead>
</table>
| • Leverage modernized Canadian asset base  
• Improve utilization rates  
• Continue to improve performance of Greenpac Mill | • Lower costs to improve competitiveness: continue to modernize asset base & optimize logistics (trim & freight)  
• Invest in innovation | • Continue to secure strategic sources of recovered material  
• Optimize logistics and increase integration | • Strategic investments to reduce costs and improve quality & margins (such as in energy, automation, capacity creep)  
• IT upgrades |

<table>
<thead>
<tr>
<th>OBJECTIVES</th>
<th>Containerboard Packaging Group</th>
<th>Tissue Papers Group</th>
<th>Specialty Products Group</th>
<th>Boxboard Europe Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>In top 3 in the sector in terms of EBITDA margin</td>
<td>EBITDA margin of 13%</td>
<td>Grow topline by 10%+ over next 3 years, improve margins</td>
<td>Maintain/grow solid EBITDA contribution</td>
<td></td>
</tr>
</tbody>
</table>
**NEAR TERM OUTLOOK**

- Higher volume in Q3
- FX rate still favourable
- Energy cost still favourable
- Containerboard price increases

- Raw material cost & volume headwinds in Europe
- Higher prices for recovered papers in North America

### 2016 – Q3 vs Q2

<table>
<thead>
<tr>
<th></th>
<th>Boxboard Europe</th>
<th>EBITDA Impact</th>
<th>Containerboard</th>
<th>EBITDA Impact</th>
<th>Specialty Products</th>
<th>EBITDA Impact</th>
<th>Tissue Papers</th>
<th>EBITDA Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Volume</strong></td>
<td>Slight increase</td>
<td>Slight increase</td>
<td>Slight increase</td>
<td>Slight increase</td>
<td>Increase</td>
<td>Slight increase</td>
<td>Increase</td>
<td>Slight increase</td>
</tr>
<tr>
<td><strong>Average selling prices</strong></td>
<td>Stable</td>
<td>Slight increase</td>
<td>Stable</td>
<td>Slight increase</td>
<td>Stable</td>
<td>Slight increase</td>
<td>Stable</td>
<td>Slight increase</td>
</tr>
<tr>
<td><strong>Raw material costs</strong></td>
<td>Slight increase</td>
<td>Slight increase</td>
<td>Slight increase</td>
<td>Slight increase</td>
<td>Slight increase</td>
<td>Slight increase</td>
<td>Stable</td>
<td>Slight increase</td>
</tr>
<tr>
<td><strong>CAN$ vs other currencies</strong></td>
<td>Stable</td>
<td>Stable</td>
<td>Stable</td>
<td>Stable</td>
<td>Stable</td>
<td>Stable</td>
<td>Slight increase</td>
<td>Slight increase</td>
</tr>
<tr>
<td><strong>Energy costs</strong></td>
<td>Slight decrease</td>
<td>Stable</td>
<td>Stable</td>
<td>Stable</td>
<td>Stable</td>
<td>Stable</td>
<td>Stable</td>
<td>Slight decrease</td>
</tr>
</tbody>
</table>
POTENTIAL BENEFITS STEMMING FROM OUR INITIATIVES

Modernizing our operating platform to increase profitability
- $185M Capex program in 2016
- Divestitures and closures of under-performing units
- Containerboard: sound fundamentals and improved platform
  - Modernized converting platform and improved manufacturing productivity
  - Greenpac to positively contribute to EPS for a second full year in 2016
- Tissue Papers: strong and growing position in North America
  - Increasing presence in the US with recent expansion initiatives
- Ramp-up and resulting benefits from recent Capex projects

Other sources of growth and incremental value
- Culture of innovation
- Good performance from European platform and hidden value of Boralex investment
- On-going initiatives to improve our business processes

Potential tailwinds
- CAD$ weakness
- More stable economic reality in Canada, the US and Europe
- China’s economic weakness and favourable impact on recovered paper prices
- Lower oil and gas costs
- Benefits of recent price increases (2015-2016)

Taking the right steps to position Cascades for the future
APPENDIX
BUSINESS DRIVERS – PRICE DYNAMICS

Containerboard - Selected Benchmarks

Tissue Papers - Selected Benchmarks

Source: RISI
BUSINESS DRIVERS – SHIPMENTS

- Shipments were 2% higher in Q2-2016 compared to the previous quarter
- Manufacturing utilization rates\(^2\) hovering around 91% in Q2-2016
  - Containerboard – 93%
  - Boxboard Europe – 92%
  - Tissue Papers – 89%

CAS Total Shipments (‘000 s.t.)

<table>
<thead>
<tr>
<th>Year</th>
<th>CAS Total Shipments</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>2,765</td>
</tr>
<tr>
<td>2013</td>
<td>2,899</td>
</tr>
<tr>
<td>2014</td>
<td>2,924</td>
</tr>
<tr>
<td>2015</td>
<td>2,993</td>
</tr>
<tr>
<td>LTM</td>
<td>2,986</td>
</tr>
</tbody>
</table>

CAS Manufacturing Utilization Rate\(^1,2\)

<table>
<thead>
<tr>
<th>Year</th>
<th>CAS Manufacturing Utilization Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>92%</td>
</tr>
<tr>
<td>2013</td>
<td>93%</td>
</tr>
<tr>
<td>2014</td>
<td>93%</td>
</tr>
<tr>
<td>2015</td>
<td>92%</td>
</tr>
<tr>
<td>2016</td>
<td>92%</td>
</tr>
</tbody>
</table>

\(^1\) Excludes Specialty Products segment
\(^2\) Defined as: Manufacturing internal and external shipments/practical capacity
Raw materials (including chemicals and supplies) = nearly half of COGS
RAW MATERIALS – FIBRE COSTS

Recycled Fibre Prices

Current (Sept.)

(US$/ton)

<table>
<thead>
<tr>
<th>Month</th>
<th>White grades (Basket of products)</th>
<th>Brown grades (OCC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 13</td>
<td>100</td>
<td>50</td>
</tr>
<tr>
<td>Sept 13</td>
<td>166</td>
<td>100</td>
</tr>
<tr>
<td>Dec 13</td>
<td>140</td>
<td>150</td>
</tr>
<tr>
<td>Mar 14</td>
<td>100</td>
<td>150</td>
</tr>
<tr>
<td>June 14</td>
<td>166</td>
<td>100</td>
</tr>
<tr>
<td>Sept 14</td>
<td>140</td>
<td>150</td>
</tr>
<tr>
<td>Dec 14</td>
<td>120</td>
<td>150</td>
</tr>
<tr>
<td>Mar 15</td>
<td>100</td>
<td>150</td>
</tr>
<tr>
<td>June 15</td>
<td>166</td>
<td>100</td>
</tr>
<tr>
<td>Sept 15</td>
<td>120</td>
<td>150</td>
</tr>
<tr>
<td>Dec 15</td>
<td>100</td>
<td>150</td>
</tr>
<tr>
<td>Mar 16</td>
<td>100</td>
<td>150</td>
</tr>
<tr>
<td>June 16</td>
<td>166</td>
<td>100</td>
</tr>
<tr>
<td>Sept 16</td>
<td>120</td>
<td>150</td>
</tr>
</tbody>
</table>

Virgin Pulp Prices

Current (August)

(US$/ton)

<table>
<thead>
<tr>
<th>Month</th>
<th>NBSK</th>
<th>NBHK</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 13</td>
<td>980</td>
<td>873</td>
</tr>
<tr>
<td>Aug 13</td>
<td>943</td>
<td>873</td>
</tr>
<tr>
<td>Nov 13</td>
<td>980</td>
<td>847</td>
</tr>
<tr>
<td>Feb 14</td>
<td>980</td>
<td>847</td>
</tr>
<tr>
<td>May 14</td>
<td>943</td>
<td>847</td>
</tr>
<tr>
<td>Aug 14</td>
<td>980</td>
<td>847</td>
</tr>
<tr>
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</tbody>
</table>

OBM Average Quarterly List Prices

Q2-2015 | Q1-2016 | Q2-2016 | Q2/Q2 | Q2/Q1
White grades - Basket of products | 170 | 151 | 154 | -9% | +2%
Brown grades - OCC No. 11 (Northeast) | 80 | 85 | 90 | +13% | +6%

Virgin Pulp Prices

NBSK (Canadian sources delivered to Eastern US) | 980 | 943 | 980 | +0% | +4%
NBHK (Canada/US sources delivered to Eastern US) | 873 | 873 | 847 | -3% | -3%

Source: RISI
1 Basket of white recycled paper, including grades such as SOP, Hard White Envelope and Coated Book Stock
RAW MATERIALS – SOURCING STRATEGY

Cascades’ NA Recycled Fibre Supply

<table>
<thead>
<tr>
<th>Source Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recovery &amp; Internal</td>
<td>25%</td>
</tr>
<tr>
<td>Regular &amp; Steady Volume (Noncontractual)</td>
<td>27%</td>
</tr>
<tr>
<td>Contractual Agreements</td>
<td>23%</td>
</tr>
<tr>
<td>Spot</td>
<td>25%</td>
</tr>
</tbody>
</table>

Most of the fibre supply comes from internal sources, contracts and regular streams.

2015¹

World Top Recovered Paper Suppliers

<table>
<thead>
<tr>
<th>Supplier</th>
<th>(M Tonnes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>WM</td>
<td>5</td>
</tr>
<tr>
<td>DS Smith</td>
<td>4.5</td>
</tr>
<tr>
<td>Veolia</td>
<td>4</td>
</tr>
<tr>
<td>SKG</td>
<td>3.5</td>
</tr>
<tr>
<td>Republic</td>
<td>3</td>
</tr>
<tr>
<td>SITA</td>
<td>2.5</td>
</tr>
<tr>
<td>SAICA</td>
<td>2</td>
</tr>
<tr>
<td>Remondis</td>
<td>1.5</td>
</tr>
<tr>
<td>Paprec</td>
<td>1</td>
</tr>
<tr>
<td>WestRock</td>
<td>0.5</td>
</tr>
<tr>
<td>Sonoco</td>
<td>0.5</td>
</tr>
<tr>
<td>Cascades</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: RISI

Strategy

- Constant review of our inventory strategy
- Ensure control over fibre supply with potential to increase tons under control
- Develop substitute grades
- Continue to increase integration rate within CAS
- Potential to increase virgin content in certain circumstances
- Continue to close the loop with customers & retailers

¹ Including volume processed for Greenpac
FINANCIAL INFORMATION ON GREENPAC

(in millions of US dollars)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>LTM Q2-2016</th>
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<tr>
<td>Sales</td>
<td>210-230</td>
<td>235-250</td>
<td>240-255</td>
</tr>
<tr>
<td>Adjusted EBITDA excluding specific items</td>
<td>38-45</td>
<td>65-72</td>
<td>63-70</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted EBITDA excluding specific items - margin</td>
<td>16%-20%</td>
<td>26%-30%</td>
<td>25%-28%</td>
</tr>
<tr>
<td>Net debt</td>
<td>270</td>
<td>185</td>
<td>180</td>
</tr>
<tr>
<td>Net debt/Adjusted EBITDA excl. specific items ratio</td>
<td>7.1x-6.0x</td>
<td>2.8x-2.6x</td>
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Greenpac - Selected financial data

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Greenpac - Project cost to net debt reconciliation

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1 Selected financial data is derived from the internal consolidated financials statements of Greenpac Holding LLC.
2 Selected financial data at the end of the period.
3 Net debt includes term and ECA loans, revolving credit facility, bridge loan and promissory notes from members, net of cash position. Long-term debt was refinanced on May 6th, 2016.
GREENPAC IMPACT ON EPS

• Assuming a conservative multiple, Greenpac adds significant value to the Cascades story

<table>
<thead>
<tr>
<th>Greenpac Illustrative EBITDA (US$M)</th>
<th>Impact on Cascades’ EPS (CAN$)</th>
<th>Illustrative Value per Share (^1) (CAN$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>60</td>
<td>$0.08</td>
<td>$1.70</td>
</tr>
<tr>
<td>80</td>
<td>$0.17</td>
<td>$2.80</td>
</tr>
<tr>
<td>100</td>
<td>$0.27</td>
<td>$3.90</td>
</tr>
</tbody>
</table>

\(^1\) For illustrative purposes only. Using conservative Total Enterprise Value to EBITDA multiple of 7x. Reflecting expected receipt of tax credit. Does not reflect the views of the Corporation on valuation. Assuming a foreign exchange rate of $1.25 Canadian dollar per US dollar.
### ILLUSTRATIVE SUM OF THE PARTS

**CAS LTM EBITDA** *(M$ CAN, unless otherwise noted)*

<table>
<thead>
<tr>
<th></th>
<th>Current industry multiples</th>
<th>CAS valuation using current analyst multiples</th>
<th>CAS valuation using 2017e average industry multiples</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Low</strong></td>
<td><strong>High</strong></td>
<td><strong>Average</strong></td>
<td><strong>Multiple</strong></td>
</tr>
<tr>
<td><strong>Containerboard Group</strong></td>
<td>8.5x</td>
<td>12.1x</td>
<td>10.1x</td>
</tr>
<tr>
<td><strong>Boxboard Europe</strong></td>
<td>6.5x</td>
<td>15.4x</td>
<td>10.3x</td>
</tr>
<tr>
<td><strong>Specialty Products Group</strong></td>
<td>10.7x</td>
<td>13.8x</td>
<td>11.5x</td>
</tr>
<tr>
<td><strong>Tissue Papers Group</strong></td>
<td>6.7x</td>
<td>13.6x</td>
<td>10.1x</td>
</tr>
<tr>
<td><strong>Corporate Activities</strong></td>
<td>(61)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total Enterprise Value (and implied multiple)**

| Add: JV contribution ($10M EBITDA @ 6.0x) | 60 | 60 |
| Subtract: Net Debt @ June 30, 2016        | (1,664) | (1,664) |

**Implied Equity Value - before adjustments**

| Add: Boralex stake (market value @ August 31,2016) | 242 | $2.56 |
| Add: Greenpac investment (market value @ 8.0x)    | 259 | $2.75 |
| Subtract: Minority interest (Reno only, market value @ 4.5x) | (78) | ($0.82) |

**Implied Equity Value - after adjustments**

| Share Price @ September 15, 2016 | $11.89 |

**Implied share price upside potential**

1 LTM EBITDA as 06/30/2016; EBITDA excluding specific items.
2 Source: Bloomberg; Comparable companies include: IP, KapStone, Packaging Corp. and WestRock for Containerboard; Holmen, Mayr Melnhof, Metsä Board and Stora Enso for Boxboard Europe; Bemis, Berry Plastics, Greif, Sealed Air, Sonoco and Winpak for Specialty Products; Clearwater, K-C, KP Tissue and Orchids Paper for Tissue Papers.
3 Current multiple average of analysts covering Cascades.
4 2017e average industry multiples applied for Containerboard Group and Tissue Papers Group only. Source: Bloomberg.
SUSTAINABLE DEVELOPMENT –2013-2015 PLAN RESULTS

Planet
- ENERGY
  Result: -12%
  Target: -3%
- RESIDUAL MATERIAL USAGE
  Result: +13%
  Target: +6%
- WATER
  Result: -12%
  Target: -6%

Prosperity
- SUSTAINABLE PROCUREMENT
  Result: 43%
  Target: 40%
- INNOVATION
  Result: 12.7%
  Target: 6%
- FINANCIAL PERFORMANCE (ROCE)
  Result: 5.6%
  Target: 6%

Partners
- HEALTH AND SAFETY (OSHA)
  Result: 2.6
  Target: 2.5
- EMPLOYEE ENGAGEMENT
  Result: 56%
  Target: 65%
- COMMUNITY INVOLVEMENT
  Result: 97%
  Target: 85%

Result vs. Target for PLANET, PROSPERITY, and PARTNERS.
SUSTAINABLE DEVELOPMENT – 2016-2020 OBJECTIVES

**Planet**

- **Energy:** -7%
- **Greenhouse gas:** -7%
- **Residual material usage:** +5%
- **Water:** -10%

**Prosperity**

- **Sustainable procurement:** +40%
- **Innovation:** +57%
- **Financial performance (ROCE):** +43%

**Partners**

- **Health and safety (OSHA):** -38%
- **Employee engagement:** +16%
- **Community involvement:** 10,000 hours in 2020
GEOGRAPHICALLY DIVERSIFIED

NORTH AMERICA

ONTARIO

QUEBEC

NORTHEASTERN UNITED STATES

EUROPE

LEGEND
- Head Office
- Containerboard Group
- Boxboard Europe Group
- Specialty Products Group
- Tissue Papers Group

M Manufacturing facility
C Converting facility
CM Converting and manufacturing facility
P Deinked pulp facility
R Recovery facility

GREEN BY NATURE™

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