CASCADES INC.

Institutional Roadshow – Toronto

April 1st, 2014

GREEN BY NATURE™

RECOVERY + PACKAGING + PAPER CASCADES.COM

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 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 or reversal of 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.

INTRODUCTION

Where we come from

- Unique culture – green visionaries, turnarounds, entrepreneurial philosophy
- Business model challenged by strong CAD$ and volatile recycled fibre costs

Our recent performance and financial situation

- Cost inflation in 2011/2012 but less volatile cost environment at the moment
- Low economic growth in Canada and Europe but favorable FX
- Productivity and profitability improving ➔ more to come
- 2011 left us with an over-levered balance sheet but improving ratios

Our action plan

- Started at the end of 2011: a lot has been done but not completed yet
- Investments reflected on balance sheet but not yet in results
- New state-of-the-art Greenpac mill ramping-up according to plan

Doing all the right things to improve a success story

OVERVIEW OF OUR OPERATIONS
Green packaging and tissue product offering

Packaging Products | **Tissue Papers**

Containerboard

1st containerboard producer of in Canada

6th in North America

Boxboard Europe

2nd producer in Europe

Specialty Products

1st paper collector in Canada

Tissue Papers

1st tissue paper producer in Canada

4th in North America

Leading NA packaging and tissue manufacturer with substantial recycling capabilities

OVERVIEW OF OUR OPERATIONS

Closed-loop business model

100+ business units

CLIENTS

RECOVERY
20 units

77% recycled fibre
(3.0M tons[2])

NA integration rate (2013):
27% (550K tons)

FINISHED PRODUCTS

Trims and rejects sent to recycling centers

MANUFACTURING
34 units[2]

CONVERTING
58 units[2]

NA integration rate (2013):
Containerboard[1]: 56%
Tissue Papers: 70%

Upstream and downstream integration in North America

1 Integration rate for our containerboard activities in North America.
2 Including Reno De Medici's units and Greenpac. Also including 7 manufacturing/converting tissue papers units which are counted in both Converting and Manufacturing.

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OVERVIEW OF OUR OPERATIONS

Balanced play in less cyclical sectors

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2013 Sales: $3,849M
2013 EBITDA: $352M
EBITDA Margin: 9%

Packaging Products
74% of Sales
66% of EBITDA

Containerboard
33% of Sales
38% of EBITDA

EBITDA Margin: 11%

Boxboard Europe
21% of Sales
13% of EBITDA

EBITDA Margin: 6%

Specialty Products
20% of Sales
15% of EBITDA

EBITDA Margin: 7%

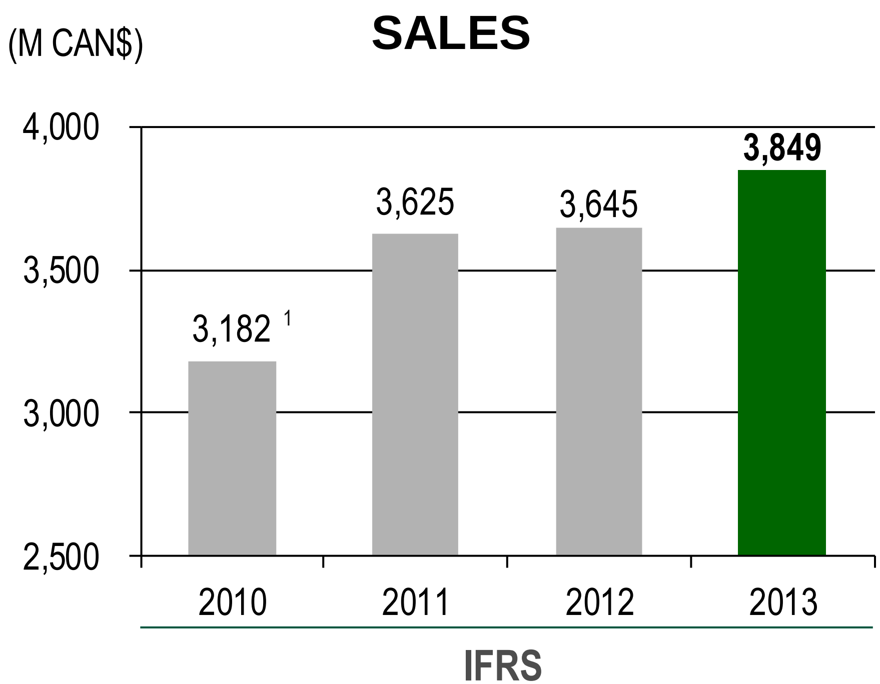
Tissue Papers
26% of Sales
34% of EBITDA

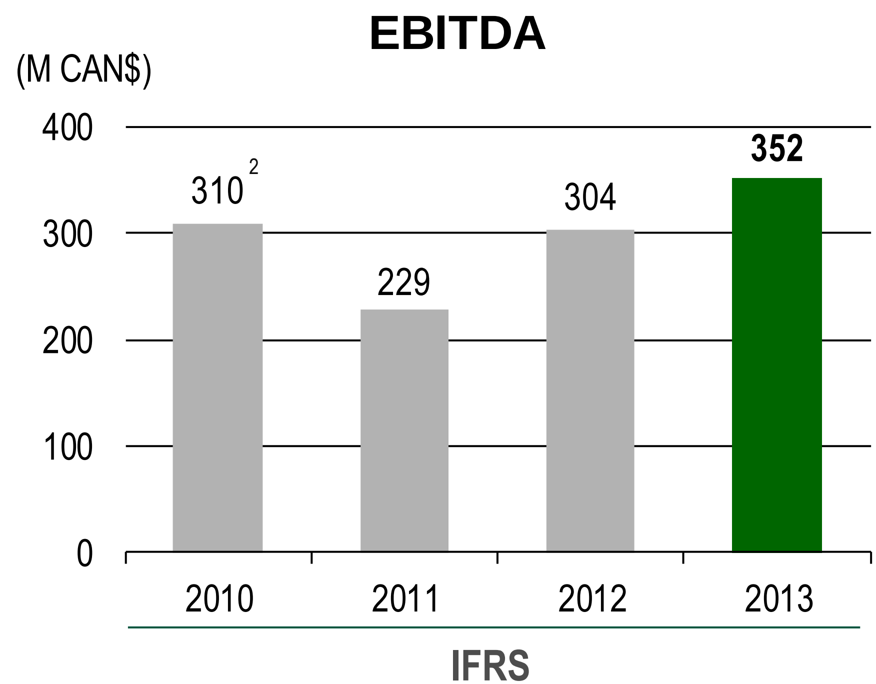
EBITDA Margin: 13%

EBITDA excluding specific items. Breakdown of sales and EBITDA before eliminations & corporate activities.

Exposure to two healthiest sectors in the Pulp and Paper industry

OUR FINANCIAL PERFORMANCE
Historical performance





EBITDA excluding specific items.
Note 1 – Elimination of joint venture consolidation
Note 2 – Impact of Dopaco divestiture and elimination of joint venture consolidation

Results progressing as productivity, FX and pricing environment improve

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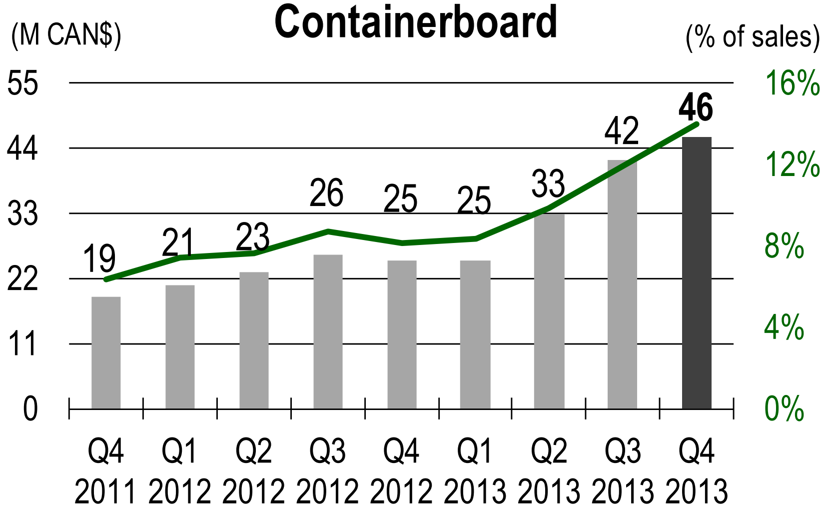
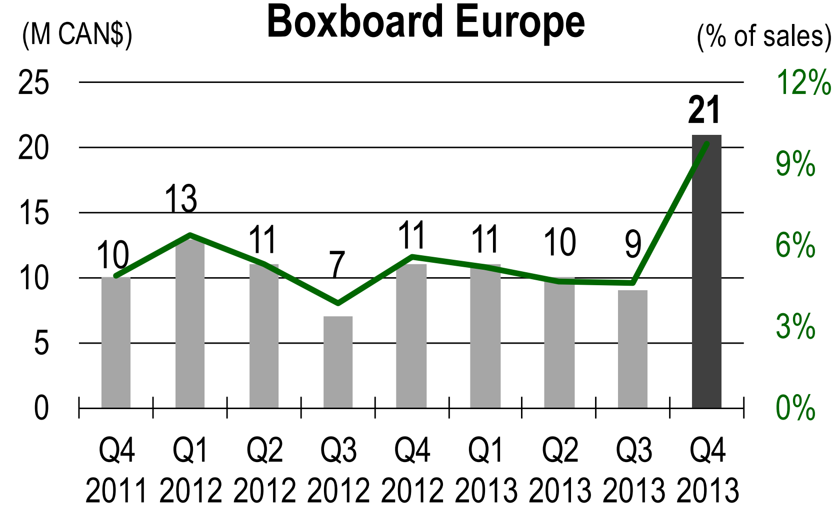
OUR FINANCIAL PERFORMANCE
Historical segmented EBITDA

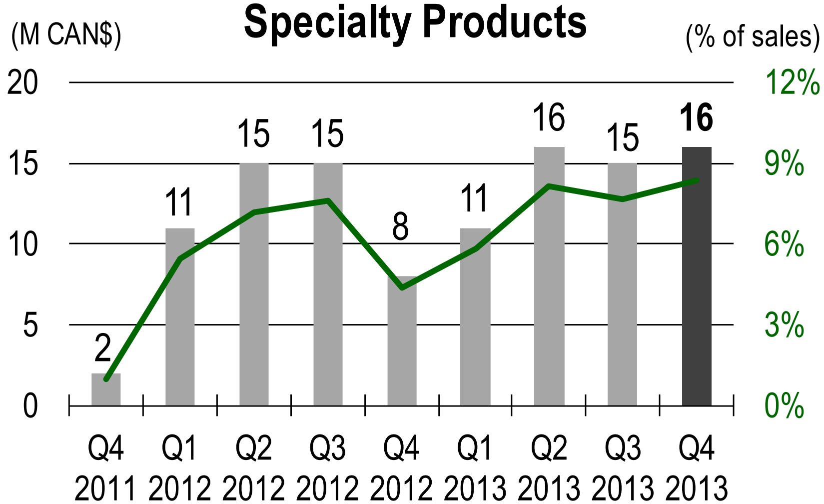
Containerboard



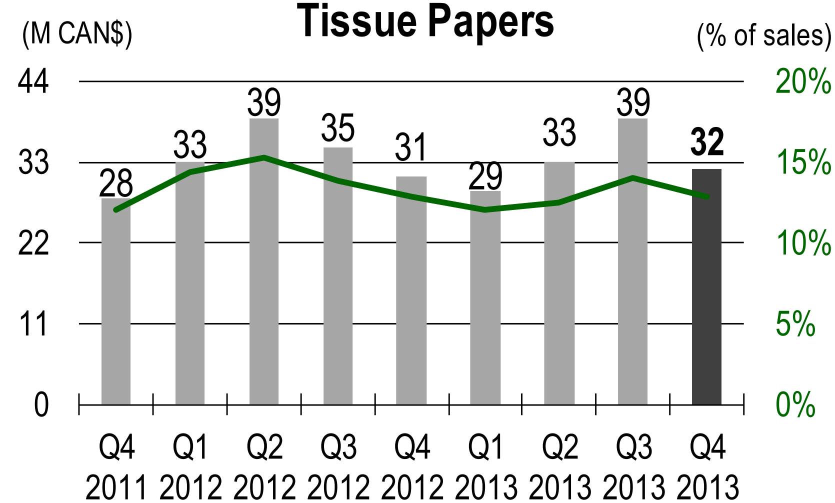
Boxboard Europe



Specialty Products



Tissue Papers



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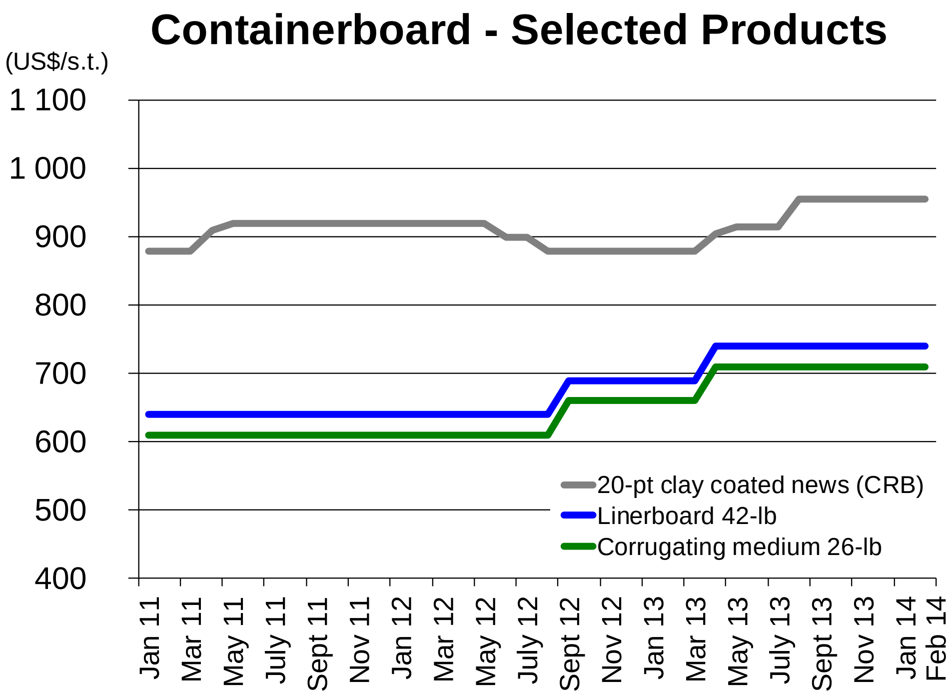
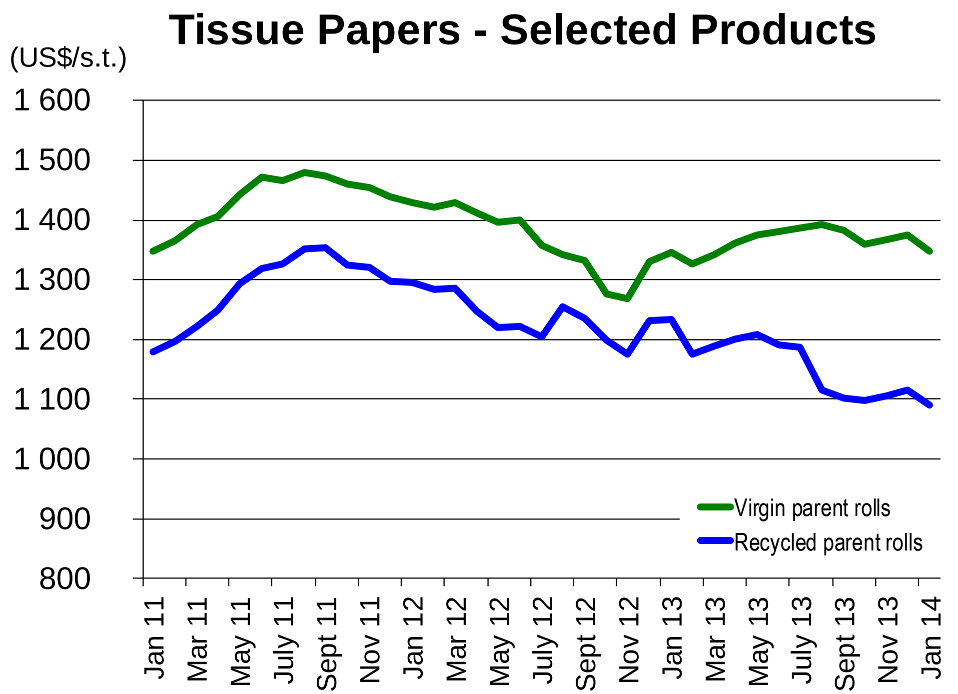
EBITDA excluding specific items.

OUR BUSINESS DRIVERS – PRICES





- Prices relatively stable throughout the year 2013

- Recycled grade prices under pressure:
  - Additional capacity coming to market
  - Reasonable recovered paper prices

Price increases in containerboard have been beneficial

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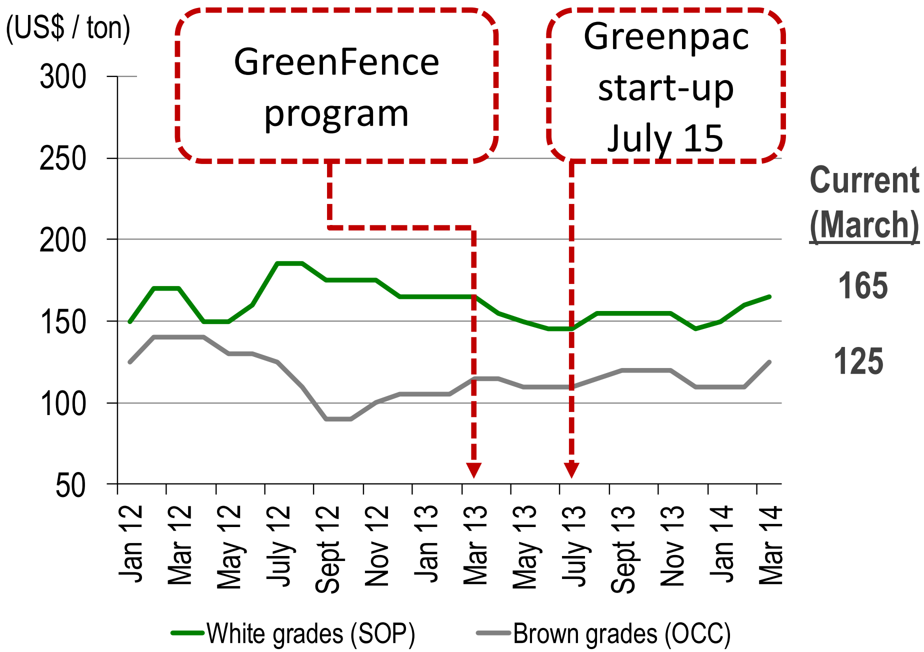
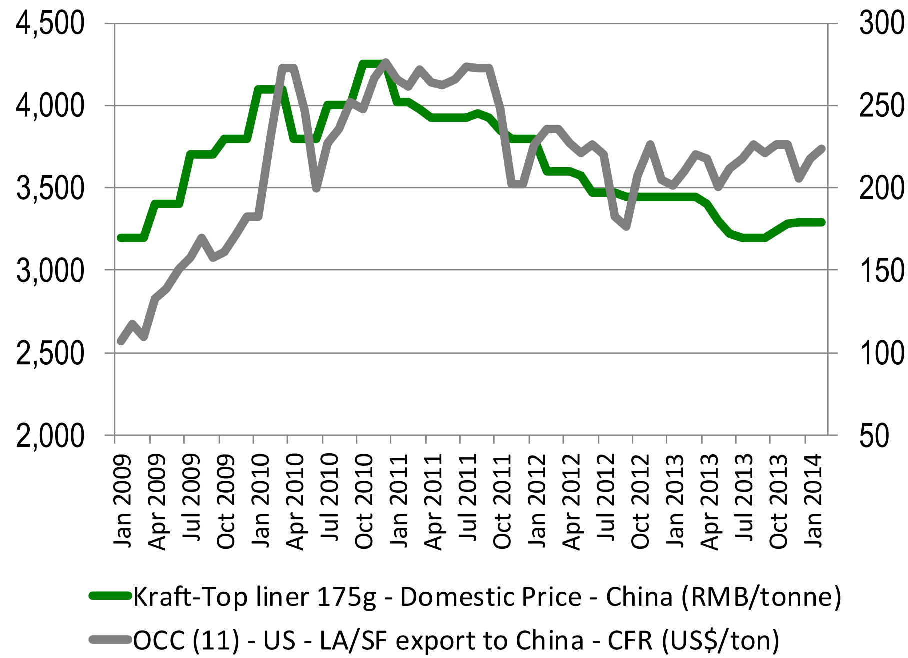
OUR BUSINESS DRIVERS – RAW MATERIAL COSTS

Recycled Fiber North American List Prices



US OCC Costs Highly Correlated with Asian Board Market



- Experts estimate Chinese collection rate at approx. 46%
- Will increase as domestic consumption increases

Partially due to harsh weather, brown grades increased by $15/s.t. in March

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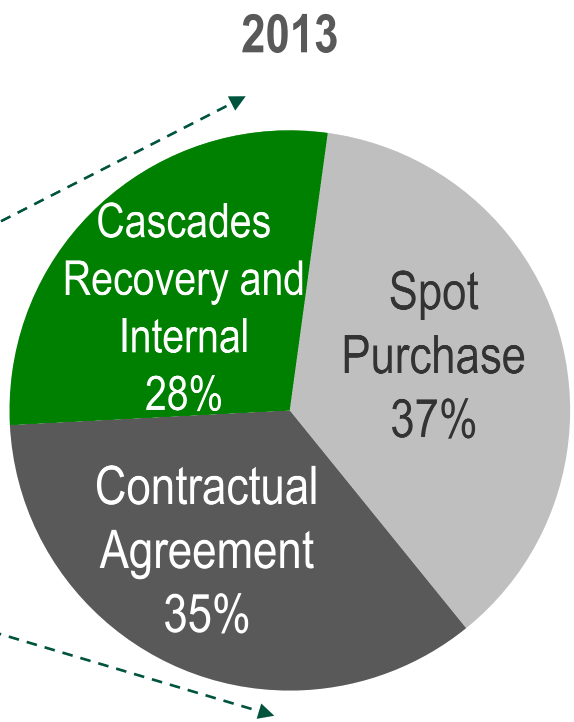
Sources: RISI

OUR BUSINESS DRIVERS – RAW MATERIAL STRATEGY

Our North American Recycled Fibre Supply

Currently control over 60% of our fibre supply despite greater concentration on the supply side



Our Strategy

- Short term:
  - constant review of our inventory strategy
- Long term:
  - ensure control over fiber supply
  - develop substitute grades
  - potential to increase virgin content in certain circumstances
  - continue to close the loop with customers retailers

Largest recycled paper collector in Canada

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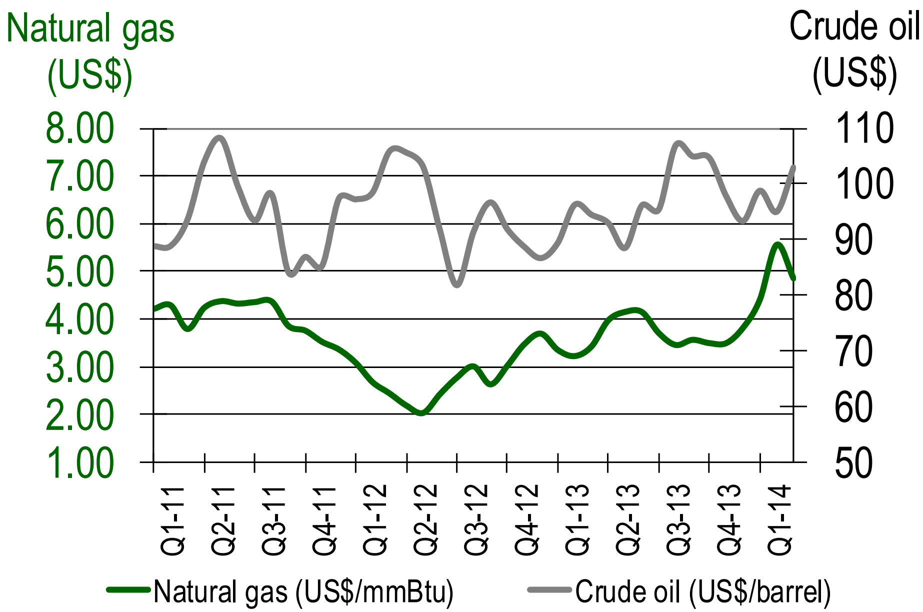
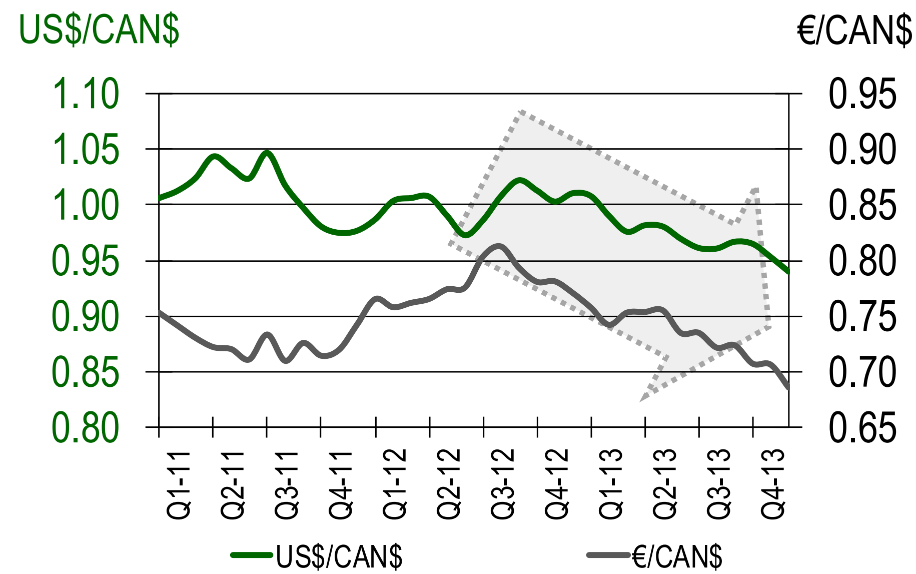
OUR BUSINESS DRIVERS – ENERGY AND FX

Energy costs higher than last year



A prolonged weakness of the CAN$ would be a game changer



- EBITDA sensitivity of $5M to every change of 0.01 CAN$ vs US$

Downward trend for CAN$; Recent price increase for natural gas

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Source: Bloomberg

OUR STRATEGIC ACTION PLAN
Four priorities

ACTION PLAN PRIORITIES

1. **Modernize** core operations through focused investments
2. **Optimize** capital allocation and reduce working capital
3. **Restructure** underperforming units
4. **Innovate** to improve and develop processes and products

MEDIUM TERM OBJECTIVES

Improve our ROCE to reach our cost of capital

Reach industry comparable leverage ratios

Improving our profitability and financial situation through our Action Plan

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1 Modernize core operations through focused investments

Initiatives undertaken since the beginning of our Action Plan

Containerboard – Manufacturing	• Construction of the Greenpac linerboard mill in Niagara Falls, NY
Containerboard – Converting	• Consolidation of our platform in Ontario
Boxboard – Converting	• Consolidation of our folding carton platform in Canada
Tissue Papers – Manufacturing	• Installation in 2010 of an ATMOS machine in Candiac • Installation of a new paper machine in Oregon (Q4-2014)
Tissue Papers – Converting	• Additional converting capacity in Arizona early in 2014

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OUR NEW GREENPAC LINERBOARD MILL

Operational Facts

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

Ramp-up Highlights

- Satisfied with productivity and board quality
- Average production during Q4: 747 tons/day
- Production peaks > 1,400 tons/day
- Positive EBITDA in Q4

1 Modernize core operations through focused investments

ILLUSTRATIVE GREENPAC CONTRIBUTION TO EPS

Cascades' EPS (excluding specific items)	
2010	$0.83
2011	($0.14)
2012	$0.17
09/2013 LTM	$0.12

	Greenpac EBITDA (M$)	Depreciation & Interest (M$)	Income tax (39%) (M$)	Net income (M$)	CAS' interest	CAS' share of income (M$)	Impact on Cascades EPS	Value per share using 7x EBITDA multiple
	60	40	8	12	59.7%	7	$0.08	$0.76
	80	40	16	24	59.7%	15	$0.16	$1.65
	100	40	23	37	59.7%	22	$0.23	$2.54
Sensitivity	10							$0.45

Greenpac has the potential to contribute significantly to Cascades EPS

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THE CONTAINERBOARD MARKET

Changing landscape: Leading 3 North American Producers representing 62% of the market

% of total capacity

2007 Industry Participants		
❶	Smurfit Stone	20%
❷	Weyerhaeuser	16%
❸	IP	11%
❹	Georgia Pacific	11%
❺	Temple Inland	9%
❻	PCA	6%
❼	Cascades	3%
	Others	24%
Top-5		**67%**

2013 Industry Participants		
❶	IP	33%
❷	Rock Tenn	19%
❸	Koch/GP	10%
❹	PCA (incl. Boise)	10%
❺	Kapstone (incl. Longview)	4%
❻	Cascades	4%
❼	Pratt	3%
	Others	17%
Top-5		**76%**

Cascades has maintained its market share in a consolidated industry

Sources: Company reports and estimates, RISI, Fiber Box Association, Paper Packaging Canada.
Cascades' capacity includes 100% of Greenpac

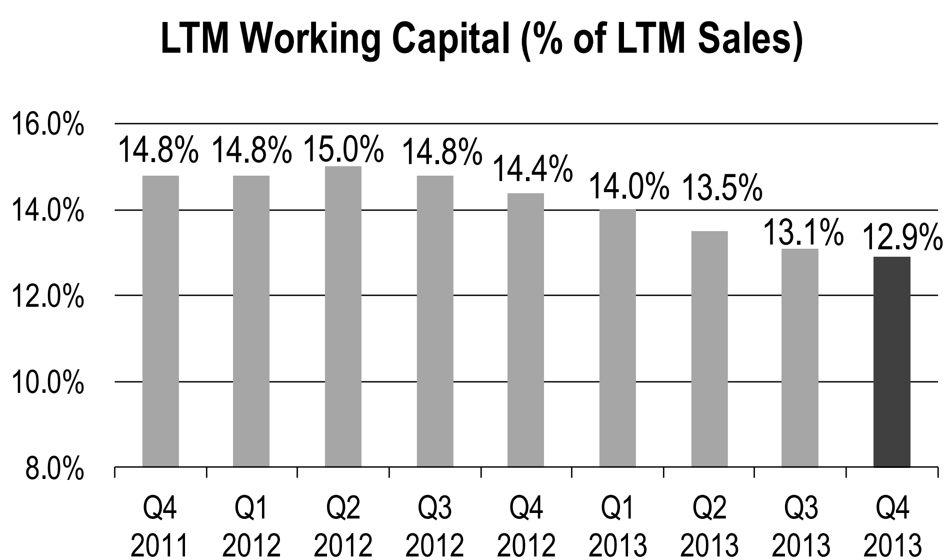
2 Optimize capital allocation and reduce working capital

Selected initiatives undertaken since the beginning of our Action Plan

Tissue Papers – Western US

- Acquisition and conversion of Boise paper machine next to our existing tissue machine to:
  - increase our capacity by 55,000 tons on a faster timeline
  - improve the overall operating efficiency of the mill
  - increase market reach at a reduced capital cost per ton
- $35M cost and with start-up in Q4-2014

Corporate – Working cap initiative



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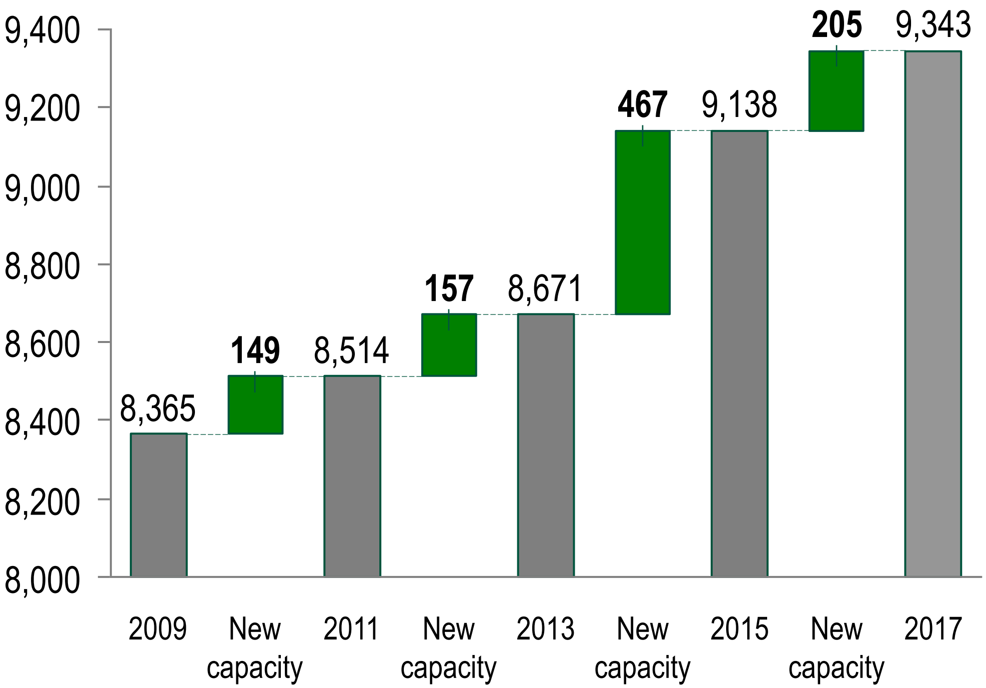
THE TISSUE PAPERS MARKET

Future capacity additions CAGR of 1.9%, not so far from annual consumption growth



Sources: RISI, Company reports and estimates

Top 5 – North American Tissue Producers

% of total capacity

❶	Koch/GP	29%
❷	P&G	16%
❸	Kimberly-Clark	15%
❹	Cascades	7%
❺	SCA	6%
	Others	27%
	Total - 2013	**8,671**

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

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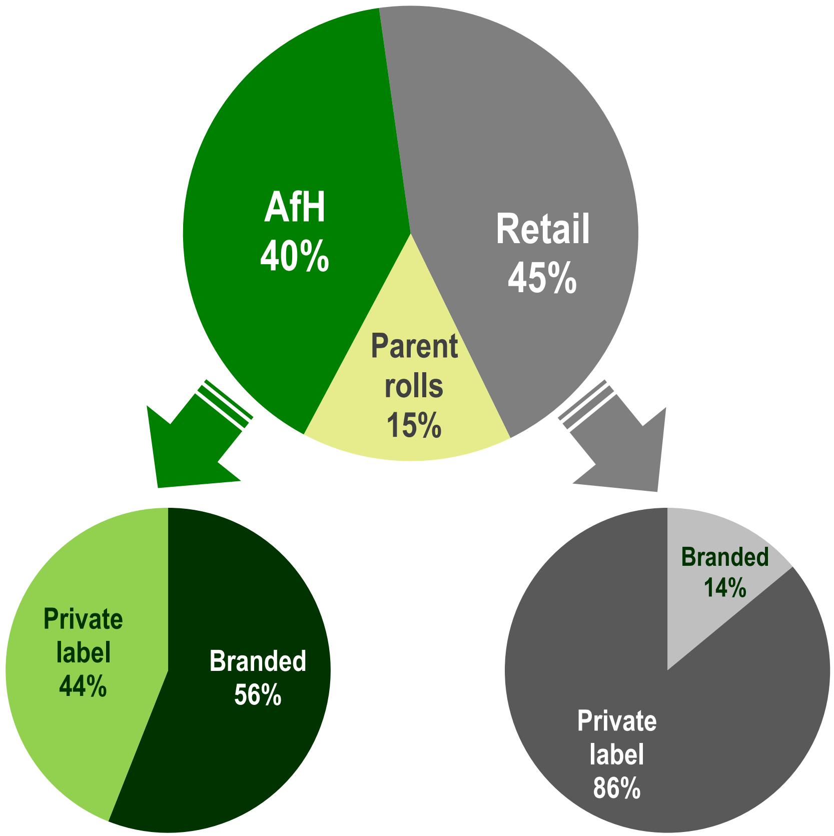
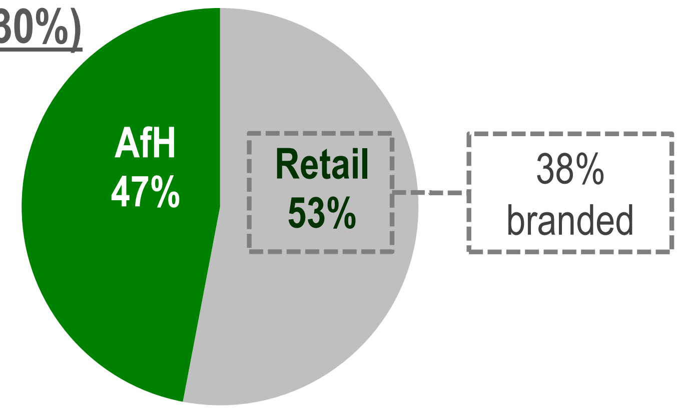
OUR POSITIONNING IN THE TISSUE PAPERS SEGMENT

Cascades' Tissue Papers 2013 Sales – End-Users

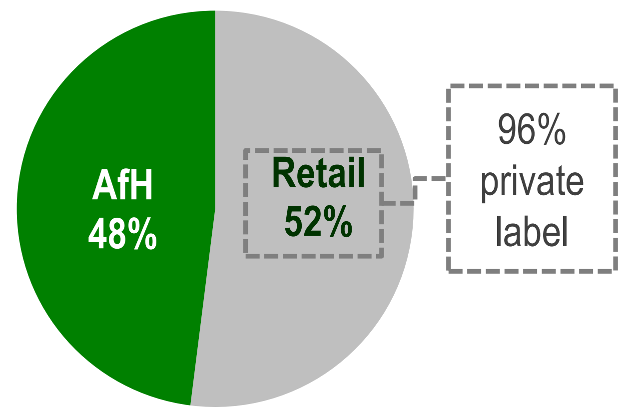


Cascades' Tissue Papers 2013 Sales – Countries

Canada (30%)



US (70%)



2 Optimize capital allocation and reduce working capital

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OUR EQUITY INVESTMENT IN BORALEX

652 MW in operation

$102 million EBITDA

+

CONTRACTED							PIPELINE
FRANCE		CANADA					Europe or Canada
2014	2015	2014	2014	2014	2015	2015	
Fortel-Bonnières	St-François	Jamie Creek	Seigneurie de Beaupré (phase II)	Témiscouata I (municipal)	Côte-de-Beaupré (municipal)	Témiscouata II	
23 MW	23 MW	22 MW	68 MW	25 MW	25 MW	50 MW	+/- 100 MW
WIND	WIND	HYDRO	WIND	WIND	WIND	WIND	WIND EQUIVALENT
2029	2030	2054	2034	2034	2035	2035	
Total project investment (millions $) [1]							
$60 - $65	$65 - $70	$55 - $60	$180 - $190	$65 - $70	$65 - $70	$150 - $160	
Boralex's ownership							
75%	75%	100%	50%	51%	51%	100%	100%

=

+/- 950 MW Pro Forma attributable to Boralex [2]

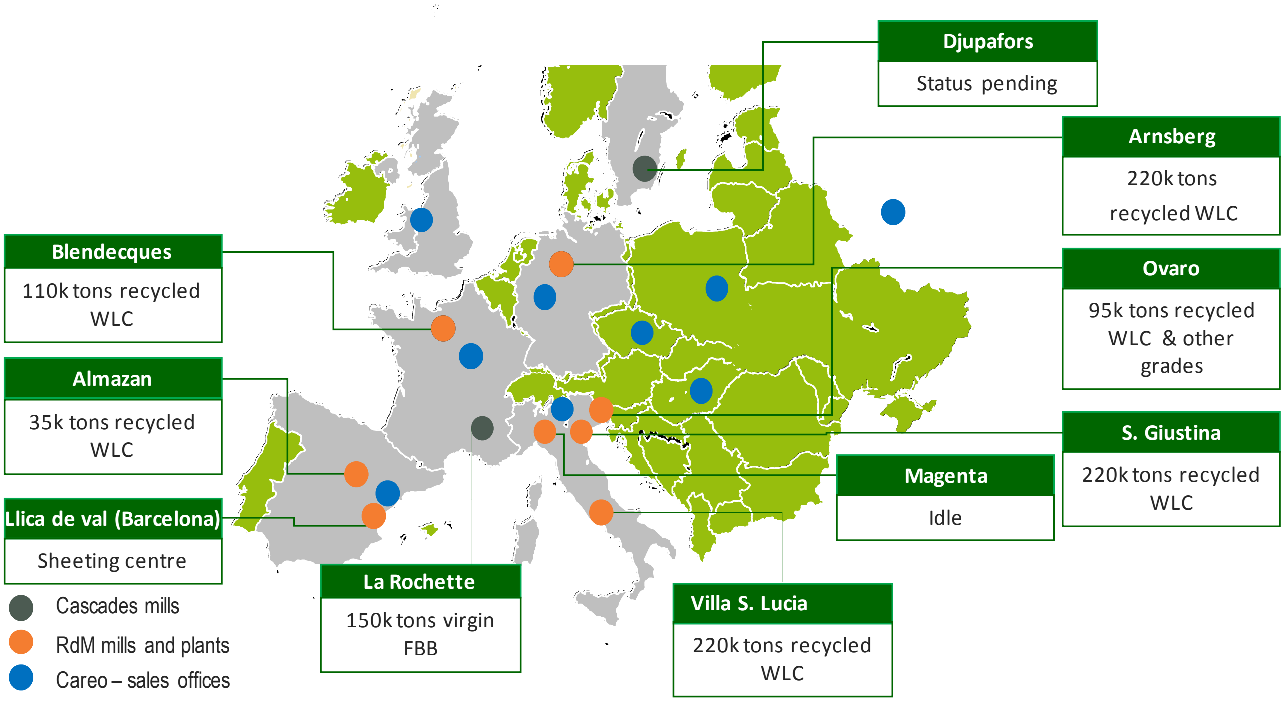
More than $200 million EBITDA in 2016 [2]

- Valuation does not fully reflect growth potential
- Current BLX share price: ~$13.00 - represents ±$1.85/share for CAS

Boralex has a tremendous pipeline of projects

OUR INTEREST IN RENO AND OUR EUROPEAN PLATFORM

- Results from 2007 transaction: we received a 31% interest in exchange for our recycled mills
- We now **own ~58%** of public Italian company (fully consolidated in our results)
- Allowed for **rationalization of production capacity** and amalgamation of sales forces



RdM achievements

- From 10 to 7 machines with same production capacity
- Implementation of Paneuropean direct sales network
- > €90M of capex to modernize asset base
- €12M of fixed cost saving program achieved

3

Restructure underperforming units – now 2nd producer of boxboard in Europe

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3 Restructure underperforming units

Difficult decisions taken since the beginning of our Action Plan

- **12 closures**
  - Containerboard: 1 manufacturing mill + 5 converting plants
  - Boxboard North America: 1 converting plant
  - Boxboard Europe: 2 mills + 1 paper machine; in discussion with union for a potential closure of our Sweden boxboard mill
  - Specialty Product: 1 pulp mill + 1 specialty packaging plant
  - Tissue: 1 napkin plant
- **4 sales**

• Containerboard – Manufacturing	Avot-Vallée mill
• Boxboard – Manufacturing	Versailles mill
• Boxboard – Converting	Dopaco business, Hebron plant

4 Innovate to improve and develop processes and products

Ultrafit –
Cup tray

Won prestigious HAVI Global Supplier of the Year and McDonald's System First Award

Antibacterial
Towel

Won prestigious Edison Award Gold Medal

Moka –
Beige bath tissue

EVOK™ – Polystyrene foam packaging using recycled material

Some of our activities aim at achieving 10% of sales from new products

OUR SPECIALTY PRODUCTS GROUP

2013 sales of $965M in four main sectors of activities (including joint ventures)

Recycling and Recovery (20 units)

- 32% of sales
- Largest recycled paper collector in Canada

Specialty Papers (6 units)

- 37% of sales
- Eco-friendly fine and security papers

Industrial Packaging (12 units)

- 16% of sales
- Leading producer of papermill packaging
- $10-15M EBITDA under equity method

Consumer Packaging (7 units)

- 15% of sales
- Largest producer of honeycomb in Canada

Stable source of revenues and platform for innovation

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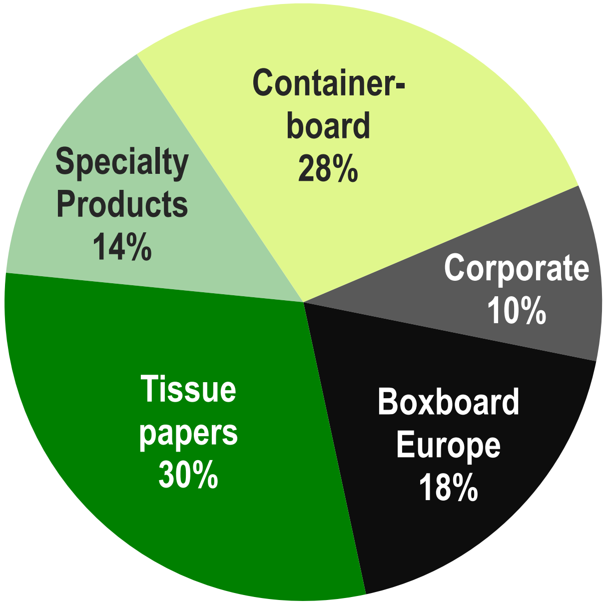
OUR FINANCIAL SITUATION
Investment program

- Capital expenditures for 2013 stood at around $160M
- 2014 level to revolve around $160M
  - Including ~$60-70M of maintenance capex
  - Amount subject to change depending on operating results and economic conditions
  - Mostly dedicated towards tissue activities

Capital Expenditures Distribution for FY2013 - $157M

By segment



Gradual capex program to improve asset base

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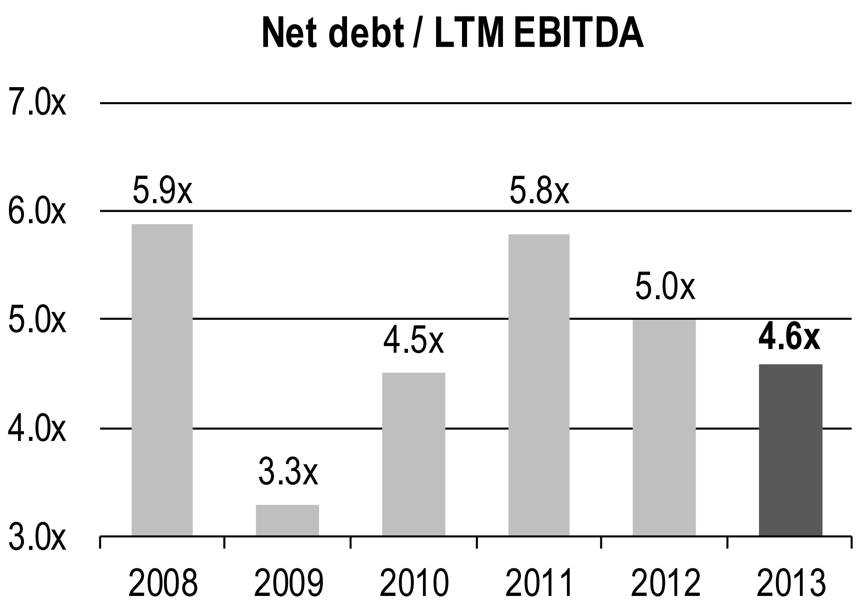
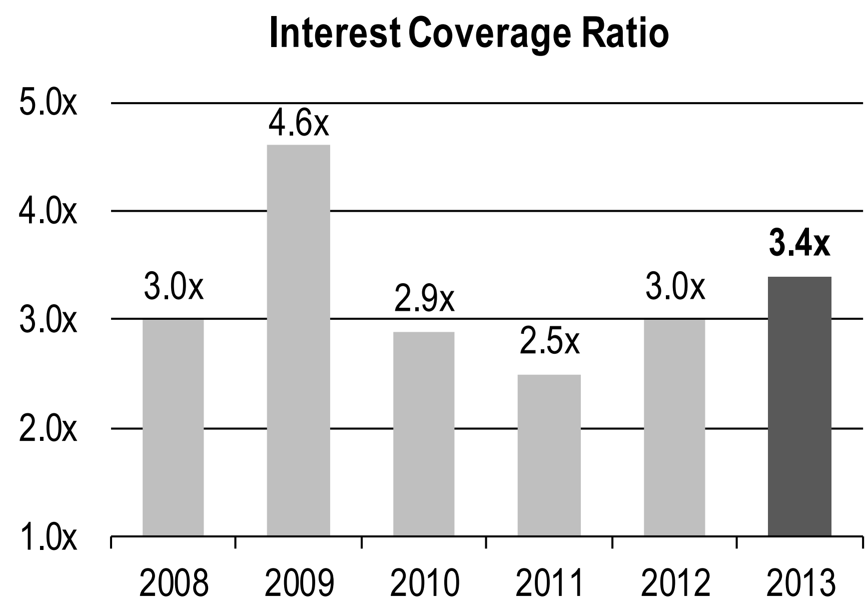
OUR FINANCIAL SITUATION
Consolidated Financial Ratios





Improvement of our financial situation since 2011

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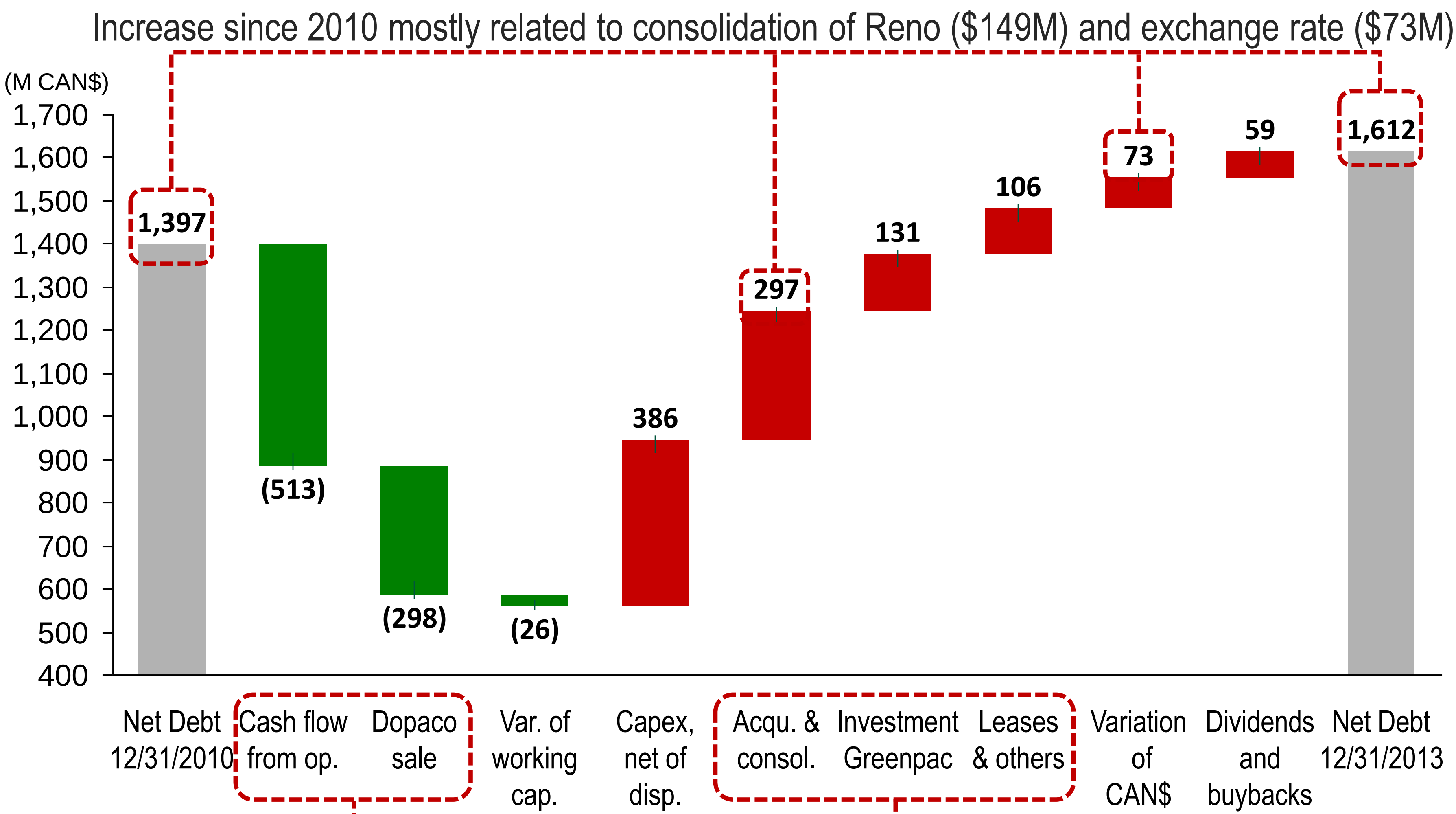
OUR FINANCIAL SITUATION

Divestiture to finance other growth initiatives



Divestitures and FCF have funded acquisitions and capex

OUR FINANCIAL SITUATION

Status of employee future benefits

	2012	2013	2014E
Balance sheet obligations			
Present value of obligations	736	668	
Fair value of assets	598	624	
Defined pension benefits	138	44	
Other post-employment benefits	120	114	
Income statement charge			
Defined pension benefits	19	20	15
Defined contribution benefits	17	19	19
Other post-employment benefits	7	7	7
	43	46	41
Contributions and premiums paid by the employer			
Defined pension benefits	26	27	11
Defined contribution benefits	17	19	19
Other post-employment benefits	8	8	8
	51	54	38

Pension plan situation improved in 2013; alleviates impacts of new rules on P&L

WHY INVEST IN CASCADES

Illustrative sum-of-the-parts valuation analysis

	Comparable Companies Trading Range TEV/LTM EBITDA	Illustrative Cascades' LTM EBITDA (M$ rounded, net corp. activities)	Selected Multiple (conservative)	Illustrative Value (M$ rounded)
• Tissue Papers	8.5x – 11.5x	133	7.5x	998
• Containerboard	7.0x - 10.0x	146	6.5x	949
• Boxboard Europe	6.5x - 9.5x	51	6.0x	306
• Specialty Products	7.5x - 10.0x	58	6.0x	348
• Corporate activities		(36)	6.0x	(216)
		352	6.1x	
Total Enterprise Value				2,385
Add:	JV contribution ($10M EBITDA @ 6.0x)			60
Subtract:	Net Debt			(1,612)
Total Equity Value – pre-adjustments				833
Add:	Boralex' stake (at market value)			174
Add:	Greenpac investment (at cost)			130
Subtract:	Minority interest (estimate at market value)			(115)
Total Equity Value – post-adjustments				1,022
Per share				*10.88$*
Current Market Capitalization				707
Current Market Price (as at March 26, 2014)				*7.53$*
Discount to Sum-of-the-Parts Equity Value (given current market price and using trailing EBITDA)				**31%**

Shares trading at discount, even using conservative multiples

For illustration purposes only. Values by segment do not necessarily reflect the Corporation's view on their respective value.

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WHY INVEST IN CASCADES

Potential Benefits Stemming From Our Recent Initiatives

Modernizing our operating platform to increase profitability

- ±$150M capex program per year, including ERP upgrade
- Divestitures and closures of under-performing units
- Containerboard: great fundamentals and improved platform
  - Modernized converting platform and manufacturing productivity improvement
  - Greenpac has the potential to contribute to EPS in 2014
- Tissue Papers: strong and growing position
  - Increasing presence in the US and recent expansion announcement in the West
  - Better performance from ATMOS tissue paper machine

Other sources of growth and incremental value

- Culture of innovation
- European platform and Boralex

Potential tailwinds

- CAD$ weakness
- Chinese's economy weakness and impact on recovered paper prices

Taking the right steps to position Cascades for the future