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 and repurchase 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.
- Net debt to adjusted OIBD ratio on a pro forma basis: Used to measure the Corporation's credit performance and evaluate the financial leverage on a comparable basis including significant business acquisitions and excluding significant business disposals, if any.

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 supplemental information on non-IFRS measures.
WE CARE, WE INNOVATE, WE CREATE VALUE

Focused investments and acquisitions generating sustainable growth & returns

Raising profile of our sustainability leadership to generate opportunities

Leveraging our diversification to innovate, cross-sell, support customer growth

Balanced capital allocation: strategic growth + debt repayment + shareholders

Larger-scale investments targeting modernization, optimization & profitability

Applying our 50+ years of innovation, R&D expertise to create value for customers
2018 FINANCIAL PERFORMANCE

**ADJ. EBITDA**

$489M

(10.5% margin)

- Adj. CF from operations: $361 million
- WC (% of LTM sales): 10.6%
- ROCE: 4.6%
- Net debt: $1.77 billion
- Net debt/Adj. EBITDA: 3.5x
- Annual shipments: 3.23 million s.t.
- Capacity utilization rate: 93%

Export = ~ 22% of 2018 Canadian sales

Sales % before inter-segment sales. ¹ Via our equity ownership in Reno de Medici S.p.A. (RdM) (57.95% at Dec. 31, 2018). ² Pro-forma for the 2017 and 2018 business acquisitions on a LTM basis. Please click here for supplemental information on non-IFRS measures for 2018. ³ Excluding shipments from our Specialty Products segment.
2018 - WHAT MOVED THE DIAL

CONTAINERBOARD
+ Strong market fundamentals
+ Solid operational performance
+ Low raw material prices
+ Favourable end market pricing

TISSUE
- Difficult market dynamics
- Operational/logistics challenges
- Very high raw material prices
- Little movement in end pricing

EUROPEAN BOXBOARD
+ Steady market dynamics
+ Business acquisitions
+ Favourable raw material costs & end-market pricing
- Higher energy costs

SPECIALTY PACKAGING
- Recovery segment impacted by lower OCC pricing
- Lower volumes in Packaging
+ Higher pricing in Ind. Packaging
+ End of year business acquisitions
LTM Q2 2019 FINANCIAL PERFORMANCE

SALES: $4.9 B

- Containerboard Packaging: 29%
- Boxboard Europe: 37%
- Specialty Products: 14%
- Tissue: 20%

ADJ. EBITDA\(^3\): $541 M (11.1% margin)

- Containerboard: lower raw material costs
- Tissue: price increases & lower raw material costs
- Favourable seasonal volumes in all segments

WHAT MOVED THE DIAL

- Containerboard: lower liner & medium selling prices
- Europe: lower selling prices for recycled products
- Specialty Products: recovery results impacted by lower raw material prices

Adj. CF from operations: $391 M
Net debt: $1.86 B
Net debt/Adj. EBITDA\(^2\): 3.3x
WC (% of LTM sales): 10.3%
Capacity utilization rate: 91%

Sales % before inter-segment sales. \(^1\) Via our equity ownership in Reno de Medici S.p.A. (RdM). \(^2\) Pro-forma for the 2018 business acquisitions on a LTM basis. \(^3\) Please click here for supplemental information on non-IFRS measures for 2018.
# Near-Term Outlook

- **Raw materials**: lower OCC price, positive trends in virgin pulp and SOP white recycled fibre grade
- **Tissue**: price increases announced in various products and sub-segments
- **Boxboard Europe**: year-over-year volume benefit related to acquisition of Barcelona Cartonboard
- **Specialty Products**: year-over-year contribution from U.S. acquisition in Q4 2018

### Q3 2019

<table>
<thead>
<tr>
<th>OIBD² Trend</th>
<th>Containerboard Packaging</th>
<th>Boxboard Europe¹</th>
<th>Specialty Products</th>
<th>Tissue Papers</th>
</tr>
</thead>
<tbody>
<tr>
<td>YoY</td>
<td>↑</td>
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<td>YoY</td>
<td>YoY</td>
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<td>QoQ</td>
<td>↑</td>
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<td>QoQ</td>
<td>QoQ</td>
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<td>REFLECTING:</td>
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<td>VOLUME</td>
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<td>SELLING PRICE</td>
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<td>RAW MATERIAL COST³</td>
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<td>↑</td>
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<tr>
<td>EXCHANGE RATE</td>
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<tr>
<td>ENERGY COST</td>
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</tr>
</tbody>
</table>

(1) Including the contribution of Barcelona Cartonboard as of November 1, 2018
(2) Please click [here](#) for supplemental information on non-IFRS measures.
(3) For Specialty Products Segment, raw material cost trend excludes recycled fibre pricing impact on Recovery & Recycling activities.
INVESTMENT THESIS

✓ **STRATEGIC M&A:** Orchids Paper assets, U.S. moulded pulp assets, Barcelona Cartonboard

✓ **FOCUSED INVESTMENTS:** State-of-the-art equipment & facilities; Capex targeting cost reduction, optimization and productivity gains

✓ **MARKETS:** Stable fundamental demand growth in our tissue & packaging business sectors

✓ **ATTRACTIONE PRICING:** Favourable end pricing trends in tissue, stable pricing in containerboard

✓ **ACCESSIBLE LOW COST FIBRE:** OCC accounts for ~ 68% of our raw material

✓ **VALUE-ADDED SOLUTIONS:** Innovative products & circular business approach provides compelling differentiation, drives important value for our customers

✓ **WELL ESTABLISHED PROFILE:** 55 year history of sustainable production & product expertise
CONTAINERBOARD - OUR BUSINESS

5th largest containerboard producer in NA

Q2 2019 adjusted OIBD¹ margin: 24.5%

¹ Please click here for supplemental information on non-IFRS measures.

² Including associates, JVs and Greenpac.

ANNUAL CAPACITY: 1,559 K s.t.

MANUFACTURING

CONVERTING

Sales
Operating Income
Adj. OIBD¹ & Margin

Recycled
Virgin
Linerboard
Medium

12% of 2018 sales
20% of 2018 sales
54% of 2018 sales
14% of 2018 sales

2018 INTEGRATION RATE²: 76%
CONTAINERBOARD - MARKET

- NA demand CAGR 2016 – 2023e: ~ 2%
- 2016 – 2023e CAGR capacity growth: ~ 3% annually

### North American Production

- **(’000 s.t.)**
- **Q2 2020**: 2,000
- **Q4 2020**: 2,300
- **Q2 2021**: 2,600
- **Q4 2021**: 2,900
- **Q2 2022**: 3,200
- **Q4 2022**: 3,500

### North American Capacity Additions

- **(M s.t.)**
- **2016**: 40.4
- **2017**: 41.4
- **2018**: 42.3
- **2019**: 43.6
- **2020**
- **2021**
- **2022**
- **2023**

### Source:
- RISI, RBC, BMO, Company reports and estimates. New capacity, net of capacity shutdowns.
- Based on capacity.
- Includes planned closure of 288K st by WRK as of Jan/2020. Export focused and/or lower grade.
BOXBOARD EUROPE¹ - OUR BUSINESS

2nd largest coated recycled boxboard producer in Europe
- 6 recycled mills (1,095K m.t.) & 1 virgin boxboard mill (165K m.t.)

Q2 2019 adjusted OIBD² margin: 11.1%

¹ Via our equity ownership in Reno de Medici, a public Italian company
² Please click here for supplemental information on non-IFRS measures.
BOXBOARD EUROPE¹- MARKET

Top Cartonboard Producers¹ (Total Market)
- Metsä Board
- Stora Enso
- Mayr-Melnhof
- Holmen Iggesund
- Kotkamills
- Weig Karton
- International Paper
- Buchmann
- Smurfit Kappa

Top FBB Producers¹ (Virgin)
- Metsä Board
- Stora Enso
- Kotkamills
- Mayr-Melnhof
- International Paper
- Holmen Iggesund
- Reno De Medici
- Pankaboard
- Buchmann
- BillerudKorsnäs

Top WLC Producers¹ (Recycled)
- Mayr-Melnhof
- Reno De Medici
- Smurfit Kappa
- Buchmann
- Fiskeby Board
- Barcelona Cartonboard
- KappaStar Holding - Umka
- Paprinsa
- Pak Group

Source: PÖYRY, Reno de Medici. Capacity in 1,000 t/a.

¹ SBS = Solid Bleached Sulphate (virgin); FBB = Folding Boxboard (virgin); CUK = Coated Unbleached Kraft (virgin); WLC = White Lined Chipboard (recycled).
TISSUE PAPERS - OUR BUSINESS

4th largest tissue producer in NA
• Acquired Orchids Paper for US$207 million, expect US$45 million EBITDA run-rate beginning 2021

Q2 2019 adjusted OIBD margin: 4.8%

2018 ANNUAL SALES: 28% 🇨🇦 72% 🇺🇸

- RETAIL TISSUE
- AWAY-FROM-HOME
- PARENT ROLLS

33% of 2018 sales
31% of 2018 sales
36% of 2018 sales

• Branded: 2%
• Private label: 31%
• Branded: 17%
• Private label: 14%

2018 INTEGRATION RATE: 70%

1 Please click here for supplemental information on non-IFRS measures.
TISSUE PAPERS - MARKET

• Market fundamentals reflect capacity additions, higher raw material & transport costs
• Cascades capital investments focused on reducing fixed cost base, modernizing equipment, aligning product offering and geographic footprint with customer requirements

1.6% growth represents ~190K s.t. / year

Source: RISI, company estimates
**SPECIALTY PRODUCTS**

**Diversified Packaging Player – Focused on Growth Sectors**

**CONSUMER PRODUCTS PACKAGING**
- 22% of 2018 sales

**INDUSTRIAL PACKAGING**
- 32% of 2018 sales

**RECOVERY & RECYCLING**
- 46% of 2018 sales

Largest paper collector in Canada (19 facilities)

**Q2 2019 adjusted OIBD¹ margin: 6.7%**
(11% excl. Recovery)³

¹ Please click here for supplemental information on non-IFRS measures.
² Cascades’ 19 facilities: 16 are located in Canada and 3 are located in the US.
³ Adjusted OIBD margin was 9% in 2018 and 10% in 2017 when excluding the Recovery operations.
SPECIALTY PRODUCTS RECOVERY

Largest paper collector in Canada

In 2018, we collected & purchased **3.2 MILLION S.T.** of fibre

- **71%** (2.3 million s.t.) used internally
- **29%** (0.9 million s.t.) sold to external customers

FIBRE¹ USED IN 2018: 2.3 M S.T.

- **68%** (1.6 M st)
- **18%** (0.4 M st)
- **9%** (0.2 M st)
- **5%** (0.1 M st)

1 North America only. 2018 figures. In Europe, we use approximately 1.3 M s.t. of additional recycled and virgin fibre annually in our production of boxboard.
STRATEGIC PLAN

MODERNIZE our platforms

Generate SUSTAINABLE Value

INNOVATION and CUSTOMER focus
MODERNIZE

- Replace older assets with MODERN equipment
- Invest in ORGANIC growth
- OPTIMIZE geographic footprint
- Increase INTEGRATION rate to 85%

---

1 In millions of CAN$, including capitalization of IT projects and value of capital leases.
2 Amount is subject to change depending on business and/or economic conditions.
3 Amount is under review, to be confirmed.
SUSTAINABLE VALUE

SHAREHOLDERS
- Opportunistic share buy-back (NCIB at 2%)
- Increased quarterly dividend from $0.04 to $0.08 as of Q2 2019

INVESTMENT
- Fund CAPEX with cash flow
- Modernize, reduce fixed cost base, optimize geographic footprint
- IRR target: 15%\(^1\)

BALANCE SHEET
- Leverage target: 2.5 x
- Disciplined capital allocation
- Allocate $100M of FCF towards debt

\(^1\) Cascades uses a WACC of 9%. Actual IRR may vary by project. A limited number of projects with returns below IRR target may be undertaken for strategic purposes.
INNOVATION & CUSTOMER FOCUS

275 employees provide engineering & consulting services internally, to major customers & external clients

✓ Major Projects
✓ Technical Services
✓ Operational Efficiency

37 employees dedicated to developing innovative solutions for our customers

✓ Food & Beverage
✓ Hygiene Solutions
✓ Productivity
✓ Sustainability
✓ E-commerce
OUR INNOVATIONS

• Made of 60% recycled content
• Extends and optimizes the shelf life of fresh proteins
• Barrier tray and customizable absorbent pad ensure freshness and quality
• Maintains temperature at 4°C (39°F)
• Fully recyclable and made from FSC® certified recycled materials
• Customizable according to transport conditions, delivery times and weather
Sustainability is in our DNA

6.5 x
less water

4.0 x
less water

2.7 x
less electricity

1.3 x
less electricity

Our plants recover **76%** of their manufacturing waste every year, and the recycled fibre that we collect & recycle annually could fill saves **45 million trees**…the equivalent to **180x the trees found in Central Park**

Based on Cascades’ water and energy usages as compared to the Canadian Paper Industry and the U.S. Paper Industry. Water usage is based on liters. Energy usage is based on gigajoules. Manufacturing waste recovered and recycled fibres collected are for 2017.
## CASCADES – MARKET POSITION

### North American Tissue Manufacturers

<table>
<thead>
<tr>
<th></th>
<th>CAPACITY ('000 S.T.)</th>
<th>MARKET SHARE</th>
<th>RETAIL CAPACITY&lt;sup&gt;2&lt;/sup&gt;</th>
<th>AFH CAPACITY&lt;sup&gt;2&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Georgia Pacific</td>
<td>2,570</td>
<td>29%</td>
<td>67%</td>
</tr>
<tr>
<td>2.</td>
<td>Proctor &amp; Gamble</td>
<td>1,335</td>
<td>15%</td>
<td>100%</td>
</tr>
<tr>
<td>3.</td>
<td>Kimberly-Clark</td>
<td>1,330</td>
<td>15%</td>
<td>67%</td>
</tr>
<tr>
<td>4.</td>
<td>Cascades&lt;sup&gt;1&lt;/sup&gt;</td>
<td>734</td>
<td>8%</td>
<td>56%</td>
</tr>
<tr>
<td>5.</td>
<td>Essity</td>
<td>654</td>
<td>8%</td>
<td>-</td>
</tr>
<tr>
<td>6.</td>
<td>KP Tissue</td>
<td>377</td>
<td>4%</td>
<td>90%</td>
</tr>
<tr>
<td>7.</td>
<td>Clearwater Paper</td>
<td>366</td>
<td>4%</td>
<td>77%</td>
</tr>
<tr>
<td>8.</td>
<td>First Quality Tissue</td>
<td>325</td>
<td>3%</td>
<td>100%</td>
</tr>
<tr>
<td>9.</td>
<td>Irving Tissue</td>
<td>256</td>
<td>3%</td>
<td>100%</td>
</tr>
<tr>
<td>10.</td>
<td>ST Paper &amp; Tissue</td>
<td>177</td>
<td>2%</td>
<td>-</td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td>1,070</td>
<td>10%</td>
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</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>9,124</td>
<td></td>
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<tr>
<td>TOP 5</td>
<td></td>
<td>6,843</td>
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</tbody>
</table>

### North American Containerboard Producers

<table>
<thead>
<tr>
<th></th>
<th>MARKET SHARE</th>
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<tbody>
<tr>
<td>1.</td>
<td>International Paper</td>
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<td>2.</td>
<td>WestRock</td>
</tr>
<tr>
<td>3.</td>
<td>PCA</td>
</tr>
<tr>
<td>4.</td>
<td>Georgia Pacific</td>
</tr>
<tr>
<td>5.</td>
<td>Cascades</td>
</tr>
<tr>
<td>6.</td>
<td>Pratt Paper</td>
</tr>
<tr>
<td>Others</td>
<td></td>
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<tr>
<td>TOP 4</td>
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</tr>
</tbody>
</table>

Source: RISI, company reports, company estimates, 2018 figures. ¹ Includes Orchids Paper assets. ² Approximate.
**RAW MATERIAL - INDEX PRICES**

**RECOVERED PAPER PRICES**

- **WHITE GRADES** - Basket of products (Northeast avg)\(^1\)
  - Current (Sep-19): 109 (24)%
  - Q2 2019: 156
  - Q2 vs Q2 2018: (24)%
  - Q2 vs Q1 2019: (22)%

- **BROWN GRADES** - OCC No. 11 (Northeast average)
  - Current (Sep-19): 33
  - Q2 2019: 40
  - Q2 vs Q2 2018: (44)%
  - Q2 vs Q1 2019: (34)%

**VIRGIN PULP PRICES**

- **NBSK** (Canadian sources delivered to Eastern US)
  - Current (Aug-19): 1,170
  - Q2 2019: 1,292
  - Q2 vs Q2 2018: (3)%
  - Q2 vs Q1 2019: (6)%

- **NBHK** (Canada/US sources delivered to Eastern US)
  - Current (Aug-19): 970
  - Q2 2019: 1,100
  - Q2 vs Q2 2018: (2)%
  - Q2 vs Q1 2019: (7)%

---

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.
SELLING PRICES - INDEX PRICES

CONTAINERBOARD

Current (Aug)

725
630

Linerboard
Corrugating medium

SPECIALTY PRODUCTS

Current (Aug)

730

Uncoated recycled folding

BOXBOARD EUROPE

Current (June)

1,117
672

Coated duplex
White-lined chipboard

TISSUE PAPERS

Current (July)

1,423
1,147

Virgin parent rolls
Recycled parent rolls

Sources: RISI, CEPI
## REFERENCE PRICES AND FIBRE COSTS

<table>
<thead>
<tr>
<th>Selling prices (average)</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>Q2 2019 vs Q2 2018 (%)</th>
<th>Q2 2019 vs Q1 2019 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PACKAGING PRODUCTS</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Containerboard (US$/short ton)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Linerboard 42-lb. unbleached kraft, Eastern US (open market)</td>
<td>655</td>
<td>705</td>
<td>705</td>
<td>705</td>
<td>693</td>
</tr>
<tr>
<td>Corrugating medium 26-lb. semichemical, Eastern US (open market)</td>
<td>540</td>
<td>550</td>
<td>617</td>
<td>620</td>
<td>592</td>
</tr>
<tr>
<td><strong>Boxboard Europe (euro/metric ton)</strong></td>
<td></td>
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<tr>
<td>Recycled white-lined chipboard (WLC) index¹</td>
<td>649</td>
<td>680</td>
<td>680</td>
<td>680</td>
<td>672</td>
</tr>
<tr>
<td>Virgin coated duplex boxboard (FBB) index²</td>
<td>1,031</td>
<td>1,031</td>
<td>1,031</td>
<td>1,031</td>
<td>1,031</td>
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<tr>
<td><strong>Specialty Products (US$/short ton)</strong></td>
<td></td>
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<tr>
<td>Uncoated recycled boxboard - 20-pt. bending chip (series B)</td>
<td>622</td>
<td>660</td>
<td>660</td>
<td>640</td>
<td>645</td>
</tr>
<tr>
<td><strong>TISSUE PAPERS (US$/short ton)</strong></td>
<td></td>
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</tr>
<tr>
<td>Parent rolls, recycled fibres (transaction)</td>
<td>1,023</td>
<td>1,040</td>
<td>1,053</td>
<td>1,057</td>
<td>1,043</td>
</tr>
<tr>
<td>Parent rolls, virgin fibres (transaction)</td>
<td>1,297</td>
<td>1,320</td>
<td>1,334</td>
<td>1,339</td>
<td>1,323</td>
</tr>
<tr>
<td><strong>Raw material (average)</strong></td>
<td></td>
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<tr>
<td><strong>RECYCLED PAPER</strong></td>
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<tr>
<td>North America (US$/short ton)</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sorted residential papers, No. 56 (SRP - Northeast average)</td>
<td>92</td>
<td>76</td>
<td>86</td>
<td>83</td>
<td>79</td>
</tr>
<tr>
<td>Old corrugated containers, No. 11 (OCC - Northeast average)</td>
<td>142</td>
<td>148</td>
<td>162</td>
<td>99</td>
<td>138</td>
</tr>
<tr>
<td>Sorted office papers, No. 37 (SOP - Northeast average)</td>
<td>173</td>
<td>172</td>
<td>170</td>
<td>160</td>
<td>169</td>
</tr>
<tr>
<td>Europe (euro/metric ton)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recovered paper index³</td>
<td>147</td>
<td>138</td>
<td>147</td>
<td>135</td>
<td>142</td>
</tr>
<tr>
<td><strong>Virgin pulp (US$/metric ton)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Northern bleached softwood kraft, Canada</td>
<td>1,033</td>
<td>1,059</td>
<td>1,110</td>
<td>1,183</td>
<td>1,105</td>
</tr>
<tr>
<td>Bleached hardwood kraft, mixed, Canada/US</td>
<td>853</td>
<td>942</td>
<td>985</td>
<td>1,052</td>
<td>958</td>
</tr>
</tbody>
</table>

Sources: RISI, Cascades and Reno de Medici.

(1) The index is based on publication prices and represents an approximation of Cascades’ recycled grades selling prices in Europe. It is weighted by country.

(2) The index is based on publication prices and represents an approximation of Cascades’ virgin grades selling prices in Europe. It is weighted by country.

(3) The recovered paper index is based on publication prices and represents an approximation of Cascades’ recovered paper purchase prices in Europe. It is weighted by country.
### HISTORICAL FINANCIAL PERFORMANCE

(In millions of Canadian dollars, except per share data)

<table>
<thead>
<tr>
<th></th>
<th>Q2-19</th>
<th>Q1-19</th>
<th>2018</th>
<th>Q4-18</th>
<th>Q3-18</th>
<th>Q2-18</th>
<th>Q1-18</th>
<th>2017</th>
<th>Q4-17</th>
<th>Q3-17</th>
<th>Q2-17</th>
<th>Q1-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Containerboard</td>
<td>462</td>
<td>441</td>
<td>1,840</td>
<td>472</td>
<td>472</td>
<td>475</td>
<td>421</td>
<td>1,652</td>
<td>440</td>
<td>438</td>
<td>428</td>
<td>346</td>
</tr>
<tr>
<td>Boxboard Europe²</td>
<td>270</td>
<td>279</td>
<td>933</td>
<td>245</td>
<td>210</td>
<td>232</td>
<td>246</td>
<td>838</td>
<td>212</td>
<td>202</td>
<td>213</td>
<td>211</td>
</tr>
<tr>
<td>Specialty Products</td>
<td>193</td>
<td>196</td>
<td>659</td>
<td>172</td>
<td>164</td>
<td>164</td>
<td>159</td>
<td>703</td>
<td>161</td>
<td>181</td>
<td>188</td>
<td>173</td>
</tr>
<tr>
<td>Tissue Papers</td>
<td>377</td>
<td>348</td>
<td>1,352</td>
<td>340</td>
<td>364</td>
<td>343</td>
<td>305</td>
<td>1,268</td>
<td>301</td>
<td>323</td>
<td>338</td>
<td>306</td>
</tr>
<tr>
<td>Inter-segment sales and corporate activities</td>
<td>(27)</td>
<td>(34)</td>
<td>(135)</td>
<td>(33)</td>
<td>(35)</td>
<td>(34)</td>
<td>(33)</td>
<td>(140)</td>
<td>(32)</td>
<td>(41)</td>
<td>(37)</td>
<td>(30)</td>
</tr>
<tr>
<td>Total</td>
<td>1,275</td>
<td>1,230</td>
<td>4,649</td>
<td>1,196</td>
<td>1,175</td>
<td>1,180</td>
<td>1,098</td>
<td>4,321</td>
<td>1,082</td>
<td>1,103</td>
<td>1,130</td>
<td>1,006</td>
</tr>
<tr>
<td>Adjusted OIBD¹</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Containerboard</td>
<td>113</td>
<td>104</td>
<td>410</td>
<td>111</td>
<td>117</td>
<td>105</td>
<td>77</td>
<td>247</td>
<td>74</td>
<td>72</td>
<td>56</td>
<td>45</td>
</tr>
<tr>
<td>Boxboard Europe²</td>
<td>30</td>
<td>29</td>
<td>97</td>
<td>20</td>
<td>19</td>
<td>30</td>
<td>28</td>
<td>68</td>
<td>19</td>
<td>14</td>
<td>21</td>
<td>14</td>
</tr>
<tr>
<td>Specialty Products</td>
<td>13</td>
<td>12</td>
<td>40</td>
<td>10</td>
<td>14</td>
<td>9</td>
<td>7</td>
<td>67</td>
<td>14</td>
<td>15</td>
<td>20</td>
<td>18</td>
</tr>
<tr>
<td>Tissue Papers</td>
<td>18</td>
<td>9</td>
<td>17</td>
<td>(8)</td>
<td>5</td>
<td>7</td>
<td>13</td>
<td>94</td>
<td>12</td>
<td>24</td>
<td>35</td>
<td>23</td>
</tr>
<tr>
<td>Total</td>
<td>156</td>
<td>135</td>
<td>489</td>
<td>113</td>
<td>137</td>
<td>134</td>
<td>105</td>
<td>393</td>
<td>105</td>
<td>106</td>
<td>107</td>
<td>75</td>
</tr>
<tr>
<td>Adjusted OIBD¹ Margin</td>
<td>12.2%</td>
<td>11.0%</td>
<td>10.5%</td>
<td>9.4%</td>
<td>11.7%</td>
<td>11.4%</td>
<td>9.6%</td>
<td>9.1%</td>
<td>9.7%</td>
<td>9.6%</td>
<td>9.5%</td>
<td>7.5%</td>
</tr>
<tr>
<td>Net earnings (loss)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>per share</td>
<td>$0.33</td>
<td>$0.26</td>
<td>$0.59</td>
<td>(0.72)</td>
<td>$0.38</td>
<td>$0.28</td>
<td>$0.65</td>
<td>$5.35</td>
<td>$0.60</td>
<td>$0.35</td>
<td>$2.70</td>
<td>$1.70</td>
</tr>
<tr>
<td>Adjusted Net earnings</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>per share</td>
<td>$0.28</td>
<td>$0.14</td>
<td>$0.83</td>
<td>-</td>
<td>$0.40</td>
<td>$0.30</td>
<td>$0.13</td>
<td>$0.72</td>
<td>$0.14</td>
<td>$0.20</td>
<td>$0.25</td>
<td>$0.13</td>
</tr>
<tr>
<td>Adjusted Free Cash Flow / Share</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$0.57</td>
<td>$0.56</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1 Please click [here](#) for supplemental information on non-IFRS measures.

2 Via our equity ownership in Reno de Medici, a public Italian company.
FINANCIAL RATIOS & DEBT MATURITIES

Long-Term Debt Maturities (As at June 30, 2019)

Net Debt / LTM Adjusted OIBD¹

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Ratio</td>
<td>5.0x</td>
<td>4.6x</td>
<td>4.7x</td>
<td>4.0x</td>
<td>3.8x</td>
<td>3.6x</td>
<td>3.5x</td>
<td>3.3x</td>
</tr>
</tbody>
</table>

Net Debt / Net Debt + Total Equity

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Ratio</td>
<td>58%</td>
<td>57%</td>
<td>62%</td>
<td>64%</td>
<td>59%</td>
<td>49%</td>
<td>51%</td>
<td>52%</td>
</tr>
</tbody>
</table>

Interest Coverage Ratio²

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Ratio</td>
<td>3.0x</td>
<td>3.4x</td>
<td>3.4x</td>
<td>4.7x</td>
<td>4.6x</td>
<td>4.3x</td>
<td>5.7x</td>
<td>5.8x</td>
</tr>
</tbody>
</table>

Bank debt financial covenant ratios: Net funded debt to capitalization < 65% (currently at 48.67%), interest coverage ratio > 2.25x (currently at 4.27x). (1) Please click here for supplemental information on non-IFRS measures. (2) Last twelve months adjusted OIBD to financing expense. (3) Pro-forma to include 2018 business acquisitions on a LTM basis as well as IFRS 16 annualized impact for 2019.
## SENSITIVITIES¹ – SELLING PRICE, RAW MATERIAL COSTS, FX

<table>
<thead>
<tr>
<th>Shipment/Consumption</th>
<th>Increase</th>
<th>OIBD Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>(’000 s.t., ’000 mmBtu for Natural Gas)</td>
<td>(in CAN$ M)</td>
<td></td>
</tr>
</tbody>
</table>

### SELLING PRICE² (Manufacturing & Converting)

<table>
<thead>
<tr>
<th>Region</th>
<th>Product</th>
<th>Units</th>
<th>Increase</th>
<th>OIBD Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Corrugated medium, Eastern US</td>
<td>370</td>
<td>US$25/s.t.</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Converted products</td>
<td>740</td>
<td>US$25/s.t.</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>Tissue Papers</td>
<td>630</td>
<td>US$25/s.t.</td>
<td>21</td>
</tr>
<tr>
<td>Europe</td>
<td>Boxboard</td>
<td>1,370</td>
<td>€25/s.t.</td>
<td>54</td>
</tr>
</tbody>
</table>

### RAW MATERIALS² (Recycled Papers, Pulp, Gas)

<table>
<thead>
<tr>
<th>Region</th>
<th>Grade</th>
<th>Units</th>
<th>Cost</th>
<th>OIBD Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>Brown grades (OCC &amp; others)</td>
<td>1,570</td>
<td>US$15/s.t.</td>
<td>(32)</td>
</tr>
<tr>
<td></td>
<td>Groundwood grades (SRP &amp; others)</td>
<td>120</td>
<td>US$15/s.t.</td>
<td>(2)</td>
</tr>
<tr>
<td></td>
<td>White grades (SOP &amp; others)</td>
<td>470</td>
<td>US$15/s.t.</td>
<td>(10)</td>
</tr>
<tr>
<td></td>
<td>Virgin pulp</td>
<td>160</td>
<td>US$30/s.t.</td>
<td>(7)</td>
</tr>
<tr>
<td></td>
<td>Natural gas</td>
<td>8,600</td>
<td>US$1.00/mmBtu</td>
<td>(12)</td>
</tr>
<tr>
<td>Europe</td>
<td>Brown grades (OCC &amp; others)</td>
<td>970</td>
<td>€15/s.t.</td>
<td>(23)</td>
</tr>
<tr>
<td></td>
<td>Groundwood grades (SRP &amp; others)</td>
<td>170</td>
<td>€15/s.t.</td>
<td>(4)</td>
</tr>
<tr>
<td></td>
<td>White grades (SOP &amp; others)</td>
<td>130</td>
<td>€15/s.t.</td>
<td>(3)</td>
</tr>
<tr>
<td></td>
<td>Virgin pulp</td>
<td>80</td>
<td>€30/s.t.</td>
<td>(4)</td>
</tr>
<tr>
<td></td>
<td>Natural gas</td>
<td>5,400</td>
<td>€1.00/mmBtu</td>
<td>(8)</td>
</tr>
</tbody>
</table>

### Exchange Rate³

<table>
<thead>
<tr>
<th>Event</th>
<th>Effect</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales less purchases in US$ from Canadian operations</td>
<td>CAN$/US$ 0.01 change</td>
<td>1</td>
</tr>
<tr>
<td>Translation – U.S. subsidiaries</td>
<td>CAN$/US$ 0.01 change</td>
<td>2</td>
</tr>
<tr>
<td>Translation – European subsidiaries</td>
<td>CAN$/€ 0.01 change</td>
<td>1</td>
</tr>
</tbody>
</table>

---

¹ Sensitivity calculated according to 2018 volumes or consumption with year-end closing exchange rate of CAN$/US$ 1.36 and CAN$/€ 1.56, excluding hedging programs and the impact of related expenses such as discounts, commissions on sales and profit-sharing.
² Based on 2018 external manufacturing & converting shipments, and fibre and pulp consumption. Including purchases sourced internally from our recovery and recycling operations. Adjusted to reflect acquisitions, disposals and closures, if needed.
³ As an example, based on CAN$/US$ 1.36 to CAN$/US$ 1.37, and from CAN$/€ 1.56 to CAN$/€ 1.57.
CASCADES WORLDWIDE

NORTH AMERICA

ONTARIO

ONTARIO

NORTHEASTERN U.S.

QUEBEC

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
R Recovery facility

1 Including main associates and joint ventures. Tissue including Orchids Paper assets.
2 Via our equity ownership in Reno de Medici, a public Italian company.
CASCADERS

RECOVERY + PAPER + PACKAGING

investors@cascades.com