Certain statements in this presentation, including statements regarding future results and performance, are forward-looking statements within the meaning of securities legislation based on current expectations. The accuracy of such statements is subject to a number of risks, uncertainties and assumptions that may cause actual results to differ materially from those projected, including, but not limited to, the effect of general economic conditions, decreases in demand for the Corporation’s products, the prices and availability of raw materials, changes in the relative values of certain currencies, fluctuations in selling prices and adverse changes in general market and industry conditions. This presentation may also include price indices as well as variance and sensitivity analyses that are intended to provide the reader with a better understanding of the trends related to our business activities. These items are based on the best estimates available to the Corporation.

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

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

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

Where we come from
• Unique culture – green visionaries, turnarounds, entrepreneurial philosophy
• Business model challenged with dollar near parity + 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 potential for a weaker CAD$
• Productivity and profitability improving ➔ more to come
• 2011 left us with an over-levered balance sheet but no immediate maturity

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

<table>
<thead>
<tr>
<th>Packaging Products</th>
<th>Tissue Papers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Containerboard</td>
<td>1st tissue paper producer in Canada</td>
</tr>
<tr>
<td>Boxboard Europe</td>
<td>6th in North America</td>
</tr>
<tr>
<td>Specialty Products</td>
<td>2nd producer in Europe</td>
</tr>
<tr>
<td></td>
<td>1st paper collector in Canada</td>
</tr>
<tr>
<td></td>
<td>4th in North America</td>
</tr>
</tbody>
</table>

Leading NA packaging and tissue manufacturer with substantial recycling capabilities
OVERVIEW OF OUR OPERATIONS
Closed-loop business model

100+ business units

RECOVERY
23 units

FINISHED PRODUCTS
Trims and rejects sent to recycling centers

MANUFACTURING
33 units²

CONVERTING
57 units²

NA integration rate (YTD 2013):
• Containerboard Group¹: 53%
• Tissue Papers Group: 69%

77% recycled fibre
(2.9M tons)

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

Upstream and downstream integration in North America

1 Combined integration rate for our containerboard and boxboard activities in North America.
2 Including Reno De Medici’s units. Also including seven manufacturing/converting tissue papers units which are counted in both Converting and Manufacturing.
OVERVIEW OF OUR OPERATIONS
Balanced play in less cyclical sectors

Cascades
LTM Sales: $3,795M
LTM EBITDA: $317M
EBITDA Margin: 8%

Packaging Products
74% of Sales
62% of EBITDA

Containerboard
33% of Sales
36% of EBITDA
EBITDA Margin: 10%

Boxboard Europe
21% of Sales
12% of EBITDA
EBITDA Margin: 5%

Specialty Products
20% of Sales
14% of EBITDA
EBITDA Margin: 7%

Tissue Papers
26% of Sales
38% of EBITDA
EBITDA Margin: 13%

Exposure to two healthiest sectors in the Pulp and Paper industry

LTM figures as at 09/30/2013. EBITDA excluding specific items. Breakdown of sales and EBITDA before eliminations & corporate activities.
OUR FINANCIAL PERFORMANCE
Historical performance

Results progressing as productivity, FX and pricing environment improve

EBITDA excluding specific items.
Note 1 – Elimination of joint venture consolidation
Note 2 – Impact of Dopaco divestiture and elimination of joint venture consolidation
OUR FINANCIAL PERFORMANCE
Historical segmented EBITDA

Containerboard

<table>
<thead>
<tr>
<th>(M CAN$)</th>
<th>(%) of sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 2011</td>
<td>27</td>
</tr>
<tr>
<td>Q4 2011</td>
<td>19</td>
</tr>
<tr>
<td>Q1 2012</td>
<td>21</td>
</tr>
<tr>
<td>Q2 2012</td>
<td>23</td>
</tr>
<tr>
<td>Q3 2012</td>
<td>26</td>
</tr>
<tr>
<td>Q4 2012</td>
<td>25</td>
</tr>
<tr>
<td>Q1 2013</td>
<td>25</td>
</tr>
<tr>
<td>Q2 2013</td>
<td>33</td>
</tr>
<tr>
<td>Q3 2013</td>
<td>42</td>
</tr>
<tr>
<td>Q4 2013</td>
<td>42</td>
</tr>
</tbody>
</table>

Boxboard Europe

<table>
<thead>
<tr>
<th>(M CAN$)</th>
<th>(%) of sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 2011</td>
<td>10</td>
</tr>
<tr>
<td>Q4 2011</td>
<td>10</td>
</tr>
<tr>
<td>Q1 2012</td>
<td>13</td>
</tr>
<tr>
<td>Q2 2012</td>
<td>11</td>
</tr>
<tr>
<td>Q3 2012</td>
<td>11</td>
</tr>
<tr>
<td>Q4 2012</td>
<td>7</td>
</tr>
<tr>
<td>Q1 2013</td>
<td>11</td>
</tr>
<tr>
<td>Q2 2013</td>
<td>11</td>
</tr>
<tr>
<td>Q3 2013</td>
<td>10</td>
</tr>
<tr>
<td>Q4 2013</td>
<td>9</td>
</tr>
</tbody>
</table>

Specialty Products

<table>
<thead>
<tr>
<th>(M CAN$)</th>
<th>(%) of sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 2011</td>
<td>13</td>
</tr>
<tr>
<td>Q4 2011</td>
<td>11</td>
</tr>
<tr>
<td>Q1 2012</td>
<td>15</td>
</tr>
<tr>
<td>Q2 2012</td>
<td>15</td>
</tr>
<tr>
<td>Q3 2012</td>
<td>8</td>
</tr>
<tr>
<td>Q4 2012</td>
<td>11</td>
</tr>
<tr>
<td>Q1 2013</td>
<td>16</td>
</tr>
<tr>
<td>Q2 2013</td>
<td>15</td>
</tr>
</tbody>
</table>

Tissue Papers

<table>
<thead>
<tr>
<th>(M CAN$)</th>
<th>(%) of sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 2011</td>
<td>18</td>
</tr>
<tr>
<td>Q4 2011</td>
<td>28</td>
</tr>
<tr>
<td>Q1 2012</td>
<td>33</td>
</tr>
<tr>
<td>Q2 2012</td>
<td>39</td>
</tr>
<tr>
<td>Q3 2012</td>
<td>35</td>
</tr>
<tr>
<td>Q4 2012</td>
<td>31</td>
</tr>
<tr>
<td>Q1 2013</td>
<td>29</td>
</tr>
<tr>
<td>Q2 2013</td>
<td>33</td>
</tr>
<tr>
<td>Q3 2013</td>
<td>39</td>
</tr>
</tbody>
</table>

Our 2 core sectors performed in sync resulting in our best quarter since 2010

EBITDA excluding specific items.
OUR BUSINESS DRIVERS – PRICES

- Two price increases in 2013 after 28 months of flat pricing
- Additional capacity coming to market and ample supply of recovered papers having an impact on the price of recycled parent rolls

Price increases in containerboard have been beneficial
OUR BUSINESS DRIVERS – ENERGY AND FX

Energy costs higher than last year

A weaker CAN$ would be a game changer

- US$/CAN$ forecasts by top Canadian banks
  - Range 2014 → 0.89 to 0.95 (average 0.92)
  - Range 2015 → 0.92 to 0.98 (average 0.95)

Source: Bloomberg
1 EBITDA sensitivity of $7M to every change of C$0.01 vs US; balance sheet impact on US debt conversion
No significant short term increase expected in recovered paper prices

Sources: RISI
OUR BUSINESS DRIVERS – RAW MATERIAL STRATEGY

Our North American Recycled Fibre Supply

2012

- **Cascades Recovery and Internal**: 33%
- **Spot Purchases**: 27%
- **Contractual Agreement**: 40%

Currently control over 70% of our fibre supply despite greater concentration on the supply side.

Our Strategy

**Short term:**
- constant review of our inventory strategy
- prepare for Greenpac project to minimize market disruption

**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
OUR STRATEGIC ACTION PLAN

Four 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
Modernize core operations through focused investments

Initiatives undertaken since the beginning of our Action Plan

- Construction of the Greenpac linerboard mill in Niagara Falls, NY
- Consolidation of our platform in Ontario
- Consolidation of our folding carton platform in Canada
- Installation in 2010 of an ATMOS machine in Candiac
- Installation of a new paper machine in Oregon (Q4-2014)
- Additional converting capacity in Arizona early in 2014
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 Q3: 532 tons/day
• Production peaks > 1,300 tons/day
• Positive EBITDA in September

Modernize core operations through focused investments
GREENPAC has the potential to contribute significantly to Cascades EPS

**ILLUSTRATIVE GREENPAC CONTRIBUTION TO EPS**

**Cascades’ EPS**
(excluding specific items)

<table>
<thead>
<tr>
<th>Year</th>
<th>EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$0.83</td>
</tr>
<tr>
<td>2011</td>
<td>($0.14)</td>
</tr>
<tr>
<td>2012</td>
<td>$0.17</td>
</tr>
<tr>
<td>09/2013 LTM</td>
<td>$0.12</td>
</tr>
</tbody>
</table>

**Greenpac Depreciation Income Net CAS’ CAS’ share of Impact on Value per share EBITDA & Interest tax (39%) income interest income interest income**

<table>
<thead>
<tr>
<th>EBITDA (M$)</th>
<th>Depreciation &amp; Interest (M$)</th>
<th>Income tax (39%) (M$)</th>
<th>Net income (M$)</th>
<th>CAS’ share of income (M$)</th>
<th>Impact on Cascades EPS (M$)</th>
<th>Value per share using 7x EBITDA multiple</th>
</tr>
</thead>
<tbody>
<tr>
<td>60</td>
<td>40</td>
<td>8</td>
<td>12</td>
<td>59.7%</td>
<td>7</td>
<td>$0.08</td>
</tr>
<tr>
<td>80</td>
<td>40</td>
<td>16</td>
<td>24</td>
<td>59.7%</td>
<td>15</td>
<td>$0.16</td>
</tr>
<tr>
<td>100</td>
<td>40</td>
<td>23</td>
<td>37</td>
<td>59.7%</td>
<td>22</td>
<td>$0.23</td>
</tr>
</tbody>
</table>

**Sensitivity**

| 10 |

**Value per share using 7x EBITDA multiple**

$0.45
## THE CONTAINERBOARD MARKET

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

<table>
<thead>
<tr>
<th>2007 Industry Participants</th>
<th>2013 Industry Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>① Smurfit Stone</td>
<td>① IP</td>
</tr>
<tr>
<td>② Weyerhaeuser</td>
<td>② Rock Tenn</td>
</tr>
<tr>
<td>③ IP</td>
<td>③ Koch/GP</td>
</tr>
<tr>
<td>④ Georgia Pacific</td>
<td>④ PCA (incl. Boise)</td>
</tr>
<tr>
<td>⑤ Temple Inland</td>
<td>⑤ Kapstone (incl. Longview)</td>
</tr>
<tr>
<td>⑥ PCA</td>
<td>⑥ Cascades</td>
</tr>
<tr>
<td>⑦ Cascades</td>
<td>⑦ Pratt</td>
</tr>
<tr>
<td>Others</td>
<td>Others</td>
</tr>
<tr>
<td></td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td>16%</td>
</tr>
<tr>
<td></td>
<td>11%</td>
</tr>
<tr>
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<td>11%</td>
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<tr>
<td></td>
<td>9%</td>
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<tr>
<td></td>
<td>6%</td>
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<tr>
<td></td>
<td>3%</td>
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<tr>
<td></td>
<td>24%</td>
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<tr>
<td></td>
<td>32%</td>
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<td>19%</td>
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<td>10%</td>
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<td>9%</td>
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<tr>
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<td>4%</td>
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<tr>
<td></td>
<td>3%</td>
</tr>
<tr>
<td></td>
<td>3%</td>
</tr>
<tr>
<td></td>
<td>20%</td>
</tr>
</tbody>
</table>

**Top-5 2007: 67%**

**Top-5 2013: 74%**

---

**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
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**

![LTM Working Capital (% of LTM Sales)](chart).

- Q3 2011: 14.7%
- Q4 2011: 14.8%
- Q1 2012: 14.8%
- Q2 2012: 15.0%
- Q3 2012: 14.8%
- Q4 2012: 14.4%
- Q1 2013: 14.0%
- Q2 2013: 13.5%
- Q3 2013: 13.1%
THE TISSUE PAPERS MARKET

Capacity additions CAGR of 1.6% in the tissue sector, close to annual consumption growth

\[
\begin{array}{cccccc}
\text{Year} & \text{New capacity} & \text{New capacity} & \text{New capacity} & \text{New capacity} & \text{New capacity} \\
2009 & 8,365 & 149 & 157 & 474 & 9,145 \\
2011 & 8,514 & 157 & 8,671 & 9,145 & 9,249 \\
2013 & 8,671 & 9,145 & 9,249 & 9,249 & 9,249 \\
\end{array}
\]

Top 5 – North American Tissue Producers

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company</th>
<th>% of total capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Koch/GP</td>
<td>29%</td>
</tr>
<tr>
<td>2</td>
<td>P&amp;G</td>
<td>16%</td>
</tr>
<tr>
<td>3</td>
<td>Kimberly-Clark</td>
<td>15%</td>
</tr>
<tr>
<td>4</td>
<td>Cascades</td>
<td>7%</td>
</tr>
<tr>
<td>5</td>
<td>SCA</td>
<td>6%</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>27%</td>
</tr>
</tbody>
</table>

Total - 2013: 8,671

Sources: RISI, Company reports and estimates

New capacity to have more impact on brands but potential trickle-down to AfH
Optimize capital allocation and reduce working capital
OUR EQUITY INVESTMENT IN BORALEX

- No capital allocated to Boralex; valuation does not fully reflect growth potential
- Current BLX share price: ~$12.10 - represents ±$1.70/share for CAS

### Boralex has three projects which are about to be commissioned

<table>
<thead>
<tr>
<th>FRANCE</th>
<th>CANADA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fortel-Bonnères</td>
<td>St-François</td>
</tr>
<tr>
<td>24 MW</td>
<td>24 MW</td>
</tr>
<tr>
<td>WIND</td>
<td>WIND</td>
</tr>
</tbody>
</table>

Total project investment (millions $)¹⁰
- $60 - $65
- $65 - $70

Boralex’s ownership
- 75%
- 75%
- 100%
- 50%
- 51%
- 51%
- 100%

More than $200 million EBITDA⁹ in 2016

+/- 930 MW⁹ Pro Forma attributable to Boralex

+$99 million LTM EBITDA
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
  • 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
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
- >90 M€ of capex to modernize asset base
- €12M of fixed cost saving program achieved

Restructure underperforming units – now 2\textsuperscript{nd} producer of boxboard in Europe
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

LTM sales of $962M in four main sectors of activities (including joint ventures)

**Recycling and Recovery (23 units)**
- 28% of sales
- Largest recycled paper collector in Canada

**Specialty Papers (6 units)**
- 30% of sales
- Eco-friendly fine and security papers

**Industrial Packaging (11 units)**
- 30% of sales
- Leading producer of papermill packaging
- $10-15M EBITDA under equity method

**Consumer Packaging (7 units)**
- 12% of sales
- Largest producer of honeycomb in Canada

Stable source of revenues and platform for innovation
**OUR FINANCIAL SITUATION**

**Investment program**

- Capital expenditures for 2013 will stand at around $150M
- Currently budgeting for 2014 requirements
  - Likely to revolve around same amount as in 2013
  - 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 9-month period as at 09/30/2013 - $107M**

- Containerboard 24%
- Tissue Papers 24%
- Specialty Products 13%
- Boxboard Europe 18%
- Corporate 7%
- ERP & IT 14%

---

Gradual capex program to improve asset base
DIVESTITURE TO FINANCE OTHER GROWTH INITIATIVES

Increase in debt since 2010 essentially related to accounting consolidation of Reno ($149M)

Divestitures and FCF have funded acquisitions and capex
OUR FINANCIAL SITUATION
Consolidated Financial Ratios

Net debt / LTM EBITDA

- 2008: 5.9x
- 2009: 3.3x
- 2010: 4.5x
- 2011: 5.8x
- 2012: 5.0x
- LTM: 5.0x

Interest Coverage Ratio

- 2008: 3.0x
- 2009: 4.6x
- 2010: 2.9x
- 2011: 2.5x
- 2012: 3.0x
- LTM: 3.1x

Q2 and Q3 have been more reflective of earning power; S2 annualized would give 4.5x

Leverage ratio almost at 2012 level while pursuing modernization plan
### WHY INVEST IN CASCADES

Potential Benefits Stemming From Our Recent Initiatives

<table>
<thead>
<tr>
<th>Modernizing our operating platform to increase profitability</th>
</tr>
</thead>
<tbody>
<tr>
<td>• ±$150M capex program per year, including ERP upgrade</td>
</tr>
<tr>
<td>• Divestitures and closures of underperforming units</td>
</tr>
<tr>
<td>• Containerboard: great fundamentals and improved platform</td>
</tr>
<tr>
<td>• Modernized converting platform and manufacturing productivity improvement</td>
</tr>
<tr>
<td>• Greenpac has the potential to contribute to EPS in 2014</td>
</tr>
<tr>
<td>• Tissue Papers: strong and growing position</td>
</tr>
<tr>
<td>• Increasing presence in the US and recent expansion announcement in the West</td>
</tr>
<tr>
<td>• Better performance from ATMOS tissue paper machine</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other sources of growth and incremental value</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Culture of innovation</td>
</tr>
<tr>
<td>• European platform and Boralex</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Potential tailwinds</th>
</tr>
</thead>
<tbody>
<tr>
<td>• CAD$ weakness</td>
</tr>
<tr>
<td>• Chinese’s economy weakness and impact on recovered paper prices</td>
</tr>
</tbody>
</table>

Taking the right steps to position Cascades for the future