CASCADES INC.
NBF Québec Conference - Toronto

June 3, 2015
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.
COMPANY OVERVIEW
Balance Play in Healthier Sectors of the Paper Industry

- Founded in 1964 by the Lemaire family and headquartered in Kingsey Falls, QC
- Produces, converts and markets packaging and tissue products principally composed of recycled fiber
- 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
- Approximately 10,700 employees worldwide

LTM 3/31/15 Net Sales $3,608 million

LTM 3/31/15 EBITDA $350 million

1 Before inter-segment sales and corporate activities
Note: 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>
<th>Tissue Papers</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Leading containerboard producer in Canada</td>
<td>- # 2 producer in Europe</td>
<td>- Largest paper collector in Canada</td>
<td>- Leading tissue paper producer in Canada</td>
</tr>
<tr>
<td>- # 6 containerboard producer in North America</td>
<td></td>
<td></td>
<td>- # 4 tissue paper producer in North America</td>
</tr>
</tbody>
</table>

### Market Position

<table>
<thead>
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<th>Containerboard</th>
<th>Boxboard Europe</th>
<th>Specialty Products</th>
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<tbody>
<tr>
<td>• 33% of Sales(^1)</td>
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<td>• 30% of Sales(^1)</td>
</tr>
<tr>
<td>• 48% of EBITDA(^1,2)</td>
<td>• 17% of EBITDA(^1,2)</td>
<td>• 11% of EBITDA(^1,2)</td>
<td>• 24% of EBITDA(^1,2)</td>
</tr>
<tr>
<td>• EBITDA Margin: 15%</td>
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<td>• EBITDA Margin: 8%</td>
</tr>
</tbody>
</table>

### LTM 3/31/15 Financials

<table>
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</tr>
</tbody>
</table>

\(^1\) Before inter-segment sales and corporate activities
\(^2\) Excluding specific items
COMPANY OVERVIEW
Closed-loop Business Model

Recovery
- 18 units

80% recycled fibre (2.7M tons)
NA integration rate (2014):
30% (0.41M tons)

Manufacturing
- Containerboard
- Boxboard Europe:
- Specialty Products:
- Tissue Papers:

CLIENTS

Converting
- Containerboard:
- Specialty Products:
- Tissue Papers:

Finished Products
- Trims and rejects sent to recycling centers

Upstream and downstream integration in North America

1 Integration rate for our containerboard activities in North America (excluding boxboard activities and considering 100% of Greenpac’s production as internal capacity)
2 Including Reno De Medici’s units and Greenpac. Also including four manufacturing/converting tissue papers units which are counted in both Converting and Manufacturing.
**BUSINESS DRIVERS**

**Price Dynamics**

**Containerboard - Selected Benchmarks**

- Linerboard 42-lb
- Corrugating medium 26-lb

**Tissue Papers - Selected Benchmarks**

- Virgin parent rolls
- Recycled parent rolls

- Prices relatively stable since early 2013
  - Recent decrease in medium prices

- Market still under pressure:
  - Additional capacity coming to market
  - Reasonable recovered paper prices

Source: RISI
BUSINESS DRIVERS
Shipments

- Increase in shipments due to the ramp-up of Oregon and Santa Giustina paper machines
- An increase in total shipments has led to utilization rates hovering around 97%
  - Containerboard – 91%
  - Boxboard Europe – 101%
  - Tissue Papers – 98%

---

1 Excludes Specialty Products segment
BUSINESS DRIVERS
Foreign Exchange Rates

Foreign exchange – Historical

Foreign exchange – Forecasts

<table>
<thead>
<tr>
<th></th>
<th>Average 1</th>
<th>Q2 15</th>
<th>Q3 15</th>
<th>Q4 15</th>
<th>Q1 16</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>US$/CAN$</td>
<td>1.00</td>
<td>0.79</td>
<td>0.79</td>
<td>0.79</td>
<td>0.79</td>
<td>0.81</td>
</tr>
<tr>
<td>EURO/CAN$</td>
<td>0.75</td>
<td>0.74</td>
<td>0.75</td>
<td>0.74</td>
<td>0.76</td>
<td></td>
</tr>
</tbody>
</table>

• Sensitivity to a change of $0.01 CAN vs. $US
  • EBITDA = ~$4M
  • Debt = ~$7M

A weak Canadian dollar will help our cash flow generation

Source: Bloomberg
1 Average of six largest Canadian banks
**BUSINESS DRIVERS**

**Costs**

Costs of sales by nature (LTM 3/31/2015)

North American Fiber List Prices

- White Grades (SOP)
- Brown Grades (OCC)

Raw materials account for nearly half of COGS

Sources: RISI
RAW MATERIALS
Asian Demand for Recovered Papers

US OCC exports to China – Historical

China OCC imports – Historical

Represents ~ 50% of all recovered paper exports to China

~ 40% of China imports of OCC comes from the U.S.

Source: RISI
RAW MATERIALS
Reliable Sourcing Strategy

Cascades’ North American Recycled Fiber Supply

2014
Cascades currently controls close to 60% of its fiber supply

Cascades Recovery and Internal 26%
Contractual Agreement 33%
Spot Purchase 41%

Top Recovered Paper Suppliers in the World

Our Strategy

• Short term: • constant review of our inventory strategy

• Long term: • ensure control over fiber supply with potential increase of tons under control
• develop substitute grades
• potential to increase virgin content in certain circumstances
• continue to close the loop with customers retailers

Source: RISI
CONTAINERBOARD
Environment Still Positive

North American Containerboard Producers

2014 Industry Participants

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company</th>
<th>Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>IP</td>
<td>33%</td>
</tr>
<tr>
<td>2</td>
<td>Rock Tenn</td>
<td>20%</td>
</tr>
<tr>
<td>3</td>
<td>Koch/GP</td>
<td>10%</td>
</tr>
<tr>
<td>4</td>
<td>PCA</td>
<td>9%</td>
</tr>
<tr>
<td>5</td>
<td>Kapstone</td>
<td>4%</td>
</tr>
<tr>
<td>6</td>
<td>Cascades¹</td>
<td>4%</td>
</tr>
<tr>
<td>7</td>
<td>Pratt</td>
<td>3%</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>17%</td>
</tr>
<tr>
<td></td>
<td>Top-5 Producers</td>
<td>76%</td>
</tr>
</tbody>
</table>

Operating Rates

<table>
<thead>
<tr>
<th>Year</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td></td>
<td></td>
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<tr>
<td>2010</td>
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<td>2011</td>
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<td>2013</td>
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</tr>
<tr>
<td>2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Fundamentals strong despite added capacity

Top-5 Producers

Source: RISI, Deutsche Bank, Company reports and estimates

¹ Including 59.7% of Greenpac’s total capacity
CONTAINERBOARD
Our Strategic Move: Greenpac

• Largest recycled linerboard mill in NA: 1,500 s.t./day of lightweight recycled linerboard (26 pounds)
  • Q1-2015 average daily production: 1,260 s.t.
• Product differentiation
• State-of-the-art equipment
• Take-or-pay agreement for 81% of the mill’s output
• Significant ownership at 59.7%1:
  • Partners include a pension fund and two independent converters

<table>
<thead>
<tr>
<th>Greenpac EBITDA (M$)</th>
<th>Impact on Cascades EPS</th>
<th>Value per share using 7x EBITDA multiple</th>
</tr>
</thead>
<tbody>
<tr>
<td>LTM Q1-15 EPS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>60</td>
<td>$0.08</td>
<td>$1.00</td>
</tr>
<tr>
<td>80</td>
<td>$0.15</td>
<td>$1.88</td>
</tr>
<tr>
<td>100</td>
<td>$0.23</td>
<td>$2.77</td>
</tr>
</tbody>
</table>

1 Greenpac is not consolidated in the results and balance sheet since Cascades does not have effective control under IFRS
2 For illustration purposes only. Value by segment do not necessarily reflect the Corporation’s view on their respective value
CONTAINERBOARD
Our Strategic Move: Greenpac

- New breed of maximum strength performance linerboard
- One of the best sustainable option for fiber reduction
- Through a fiber segregation process, longer and stronger fibers directed to the top layer to increase the resistance to tearing and cracking while retaining outstanding printing surface
- A thin film of starch is then applied to both fiber plies with a size press, dried and calendared
- The process enhances the cross-directional compression strength of the linerboard and improves the smoothness of the sheet
- Currently offered in five strength categories (from 26lbs to 35lbs); capacity to go as low as 20lbs

Starch layer
Top ply: 100% long and strong recycled fibers
Bottom ply: 100% recycled fibers
Starch layer

XP Product increasing compression strength by ~12% % over regular high performance grades in North America
BOXBOARD EUROPE
Stronger and Leaner Production Platform

- ~58% ownership of RdM, a public Italian company, and 100% of the La Rochette mill in France
- Rationalization of production capacity (from 10 machines to 7 and closure of Djupafors mill) and consolidation of sales forces have resulted in improved performance
- Structure simplification and modernization investments are improving the position on the cost curve
- Almazan mill is no longer a strategic asset and is available for sale

#2 Producer of Boxboard in Europe

Boxboard Europe Group's Performance

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>LTM Q1-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>(M CAN$)</td>
<td>41</td>
<td>43</td>
<td>57</td>
<td>72</td>
<td>65</td>
</tr>
<tr>
<td>%</td>
<td>6%</td>
<td>6%</td>
<td>7%</td>
<td>9%</td>
<td>8%</td>
</tr>
</tbody>
</table>

: Energy credits totaling $5M in 2013, $9M in 2014 and $4M in LTM Q1-15
SPECIALTY PRODUCTS GROUP
Stable Source of Revenue and Unique Platform for Innovation

- Diverse and stable revenue stream with leading market positions
- Recent initiatives have included
  - Sale of Fine Papers division (3 units)
  - Exit from the kraft paper market (1 unit)
  - Disposal of a smaller unit (1 unit)

<table>
<thead>
<tr>
<th>Industrial Packaging Products (~40% of sales(^1))</th>
<th>Consumer Packaging Products (~15% of sales(^1))</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Leading producer of papermill packaging</td>
<td>• Largest producer of honeycomb in Canada</td>
</tr>
<tr>
<td>• 12 units</td>
<td>• 6 units</td>
</tr>
<tr>
<td>• JV Share of EBITDA $10-$15M</td>
<td>•</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Recycling and Recovery (~35% of sales(^1))</th>
<th>Other Products (~10% of sales(^1))</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Largest recycled paper collector in Canada through 73% interest in Cascades Recovery</td>
<td>• 2 units</td>
</tr>
<tr>
<td>• 18 units</td>
<td>• Vinyl backing</td>
</tr>
<tr>
<td></td>
<td>• Deinked pulp</td>
</tr>
</tbody>
</table>

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\(^1\) Including 100% of joint ventures
TISSUE PAPERS
Strong Position Across the North American Tissue Market

Sales by Geography

Canada (27%)
- Away-from-Home: 46%
- At-Home: 54%

U.S. (73%)
- Away-from-Home: 53%
- At-Home: 47%

Sales by End Markets

Private Label: 48%
Branded: 52%

At-Home: 42%
Away-from-Home: 43%
Parent Rolls: 15%

North American Tissue Capacity Additions

Historical CAGR 1.8%
Indexed U.S. Tissue Demand

CAGR 2.1%

Source: RISI

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TISSUE PAPERS
Extended Geographical Reach

- Eau Claire, WI - Manufacturing and Conversion
- St-Helens, OR - Manufacturing
- Kingman, AZ - Conversion
- Brownsville, TN - Conversion
- Memphis, TN - Manufacturing
- Rockingham, NC - Manufacturing
- Wagram, NC (New Site) - Conversion
- Kinston, NC - Conversion
- Whitby, ON - Manufacturing and Conversion
- Scarborough, ON - Manufacturing
- Toronto, ON - Conversion
- Whitby, ON - Conversion
- Kingsley Falls, QC - Manufacturing and Conversion
- Lachute, QC - Manufacturing and Conversion
- Laval, QC - Conversion
- Candiac, QC - Manufacturing and Conversion
- Granby, QC - Conversion
- Waterford, NY - Conversion
- Mechanicville, NY - Manufacturing
- Waterford, NY - Conversion
- Ransom, PA - Manufacturing
- Pittston, PA - Conversion
- Ransom, PA - Manufacturing
- Pittston, PA - Conversion

- New 55k tons machine
- New 10M cases facility

Retail
Away-from-Home
OTHER INVESTMENTS
Boralex Inc.

- Publicly traded independent power producer
- Legacy ownership
  - Following the recent transaction, ownership of ~27%
  - A smaller portion of a bigger pie
- Enterprise value: $1,990M
- Market capitalization: $671M
- Strong potential of growth
  - Solid pipeline of projects
  - Sizeable footprint in Europe

EBITDA ($M) - Boralex\(^1\)

\(^1\) Results presented on a proportional consolidation basis; refer to Boralex website for more details.
OUR STRATEGIC ACTION PLAN

1. Modernize
   - core operations through focused investments

2. Optimize
   - capital allocation and reduce working capital

Focus on operations to drive increased profitability and operating cash flows

3. Restructure
   - underperforming units

4. Innovate
   - to improve and develop processes and products

EBITDA excluding specific items
1 MODERNIZE

Containerboard – Manufacturing
- Construction of the Greenpac linerboard mill in Niagara Falls, NY

Containerboard – Converting
- Consolidation of the platform in Ontario
- Recent investments in Québec

Tissue Papers – Manufacturing
- Installation of a new paper machine in Oregon (Q4-2014)

Tissue Papers – Converting
- Additional converting capacity in Arizona and North Carolina
- $25M upgrade at Candiac and Kingsey Falls facilities

Boxboard Europe – Manufacturing
- Rebuild of a paper machine at Santa Giustina mill

Corporate
- ERP platform
- On-going initiatives to improve our business processes
Corporate initiative – Improving working capital management

Allocate capital towards core sectors – Tissue papers example

- Acquisition and conversion of Boise paper machine adjacent to our existing tissue machine
  - Increase capacity by 55,000 tons on a faster timeline and a lower cost per ton
  - Improve overall operating efficiency of the mill and market reach
  - US$40M cost and start-up in Q4-2014
- Installation of a new tissue converting facility in Wagram, NC
  - Increase presence in the fast growing Southeastern US area
  - US$45M cost with start-up in Q4-2014

Working capital includes accounts receivable (excluding the short term portion of other assets) plus inventories less accounts payable.
3 RESTRUCTURE

15 closures
• Containerboard:
  • 1 manufacturing mill + 5 converting plants
• Boxboard North America:
  • 1 converting plant
• Boxboard Europe:
  • 3 mills + 1 paper machine
• Specialty Products:
  • 1 pulp mill, 1 industrial packaging plant and 1 specialty paper mill
• Tissue:
  • 1 napkin plant

7 asset sales
• Containerboard – Manufacturing
  • Avot-Vallée mill
• Boxboard
  • Manufacturing - Versailles mill
  • Converting - Dopaco business, Hebron plant
  • 5 units in Canada
• Specialty Products
  • Fine papers division
  • Other small unit
• Europe
  • Announced intention to sell mill in Spain

Third priority of our strategic plan – restructure – mostly behind us
Cascades® Antibacterial Towels

Made from 100% recycled fibre. Special agent activated by water. Kills over 99.99% of harmful bacteria\textsuperscript{1}.

Ultratill\textsuperscript{TM}

Low-density PETE containing 80% of post-consumer material.

EVOK\textsuperscript{TM}

Polystyrene foam packaging using recycled material.

\textsuperscript{1} Based on third party laboratory testing.
FINANCIAL PERFORMANCE AND SITUATION
Q1 2015 Performance Update

- Sales driven by:
  - volume increases in the Containerboard and Tissue Papers segments, and
  - favorable foreign exchange rates
- Offset by lower average selling prices (except Containerboard)

Q1 2015 Snapshot

<table>
<thead>
<tr>
<th></th>
<th>Q1 ‘15</th>
<th>Q1 ‘14</th>
<th>Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>$910</td>
<td>$863</td>
<td>$47</td>
</tr>
<tr>
<td>Growth</td>
<td>5%</td>
<td>9%</td>
<td></td>
</tr>
<tr>
<td>Operating Income</td>
<td>$28</td>
<td>$36</td>
<td>($8)</td>
</tr>
<tr>
<td>Margin</td>
<td>3%</td>
<td>4%</td>
<td></td>
</tr>
<tr>
<td>EBITDA(^1)</td>
<td>$85</td>
<td>$75</td>
<td>$10</td>
</tr>
<tr>
<td>Margin</td>
<td>9%</td>
<td>9%</td>
<td></td>
</tr>
</tbody>
</table>

Focus remains on managing balance sheet and enhancing core operations

\(^1\) EBITDA excluding specific items
FINANCIAL PERFORMANCE AND SITUATION
Strong Financial Momentum

Results progressed as productivity, FX and pricing environment improved
FINANCIAL PERFORMANCE AND SITUATION
Historical Segmented EBITDA

Containerboard

<table>
<thead>
<tr>
<th>Year</th>
<th>EBITDA (M CAN$)</th>
<th>EBITDA as % of Total Company EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>90</td>
<td>30%</td>
</tr>
<tr>
<td>2013</td>
<td>150</td>
<td>45%</td>
</tr>
<tr>
<td>2014</td>
<td>164</td>
<td>50%</td>
</tr>
<tr>
<td>LTM 3/31/15</td>
<td>185</td>
<td>55%</td>
</tr>
</tbody>
</table>

Boxboard Europe

<table>
<thead>
<tr>
<th>Year</th>
<th>EBITDA (M CAN$)</th>
<th>EBITDA as % of Total Company EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>43</td>
<td>30%</td>
</tr>
<tr>
<td>2013</td>
<td>57</td>
<td>40%</td>
</tr>
<tr>
<td>2014</td>
<td>72</td>
<td>50%</td>
</tr>
<tr>
<td>LTM 3/31/15</td>
<td>65</td>
<td>55%</td>
</tr>
</tbody>
</table>

Specialty Products

<table>
<thead>
<tr>
<th>Year</th>
<th>EBITDA (M CAN$)</th>
<th>EBITDA as % of Total Company EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>37</td>
<td>15%</td>
</tr>
<tr>
<td>2013</td>
<td>41</td>
<td>20%</td>
</tr>
<tr>
<td>2014</td>
<td>40</td>
<td>25%</td>
</tr>
<tr>
<td>LTM 3/31/15</td>
<td>42</td>
<td>30%</td>
</tr>
</tbody>
</table>

Tissue Papers

<table>
<thead>
<tr>
<th>Year</th>
<th>EBITDA (M CAN$)</th>
<th>EBITDA as % of Total Company EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>138</td>
<td>45%</td>
</tr>
<tr>
<td>2013</td>
<td>133</td>
<td>40%</td>
</tr>
<tr>
<td>2014</td>
<td>96</td>
<td>30%</td>
</tr>
<tr>
<td>LTM 3/31/15</td>
<td>91</td>
<td>25%</td>
</tr>
</tbody>
</table>

Note: Green line represents segment EBITDA as percent of total Company EBITDA
Note: EBITDA excluding specific items
FINANCIAL PERFORMANCE AND SITUATION
Historical Cash Flow

• Cash flows have grown at a 8% CAGR since 2012
• Improving cash flows driven by Strategic Action Plan

• Capital expenditures for LTM 3/31/15 stood at $166 million
• Divestitures and free cash flow have funded capital expenditures
### Financial Performance and Situation

**Managing our Debt During our Modernization Phase**

<table>
<thead>
<tr>
<th></th>
<th>12/31/2012</th>
<th>03/31/2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Debt</td>
<td>1,535</td>
<td>1,691</td>
</tr>
<tr>
<td>Cash flow from operations</td>
<td>(511)</td>
<td>228</td>
</tr>
<tr>
<td>Discontinued operations</td>
<td>(89)</td>
<td></td>
</tr>
<tr>
<td>Var. in non-cash cap. components</td>
<td>32</td>
<td></td>
</tr>
<tr>
<td>Dividends, shares buyback &amp; others</td>
<td>54</td>
<td></td>
</tr>
<tr>
<td>Capital investments &amp; others</td>
<td>442</td>
<td></td>
</tr>
<tr>
<td>Net debt after continuing operations</td>
<td>1,463</td>
<td></td>
</tr>
<tr>
<td>FX</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Net Debt 12/31/2012:** 1,535

**Net Debt 03/31/2015:** 1,691

**Change:** +16%
FINANCIAL PERFORMANCE AND SITUATION

Financial Ratios and Maturities

Net debt to EBITDA ratio should continue to improve in 2015

Cascades' bank debt financial covenant ratios: Net funded debt to capitalization < 65% (currently at 60.7%), interest coverage ratio > 2.25x (currently at 3.53x)
## FINANCIAL PERFORMANCE AND SITUATION

### Proportionate Consolidation

<table>
<thead>
<tr>
<th>(in millions of Canadian dollars)</th>
<th>As reported (IFRS)</th>
<th>Proportionate consolidation¹</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Q1-2015 Selected financial data</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>910</td>
<td>878</td>
</tr>
<tr>
<td>EBITDA excluding specific items</td>
<td>85</td>
<td>95</td>
</tr>
<tr>
<td>EBITDA excluding specific items - margin (%)</td>
<td>9.3%</td>
<td>10.8%</td>
</tr>
<tr>
<td>Total assets</td>
<td>3,719</td>
<td>3,741</td>
</tr>
<tr>
<td>Net debt²</td>
<td>1,691</td>
<td>1,842</td>
</tr>
<tr>
<td>Net debt/EBITDA excl. specific items ratio (x)³</td>
<td>4.8x</td>
<td>4.8x</td>
</tr>
</tbody>
</table>

Note 1 – Mainly Greenpac at 59.7%, Sonoco JVs at 50%, Reno de Medici at 57.6% and Recovery at 73%.
Note 2 – Proportionate net debt includes a subordinated loan of Greenpac to be repaid upon receipt of U.S. tax credits amounting to approximately $34 million on a proportionate basis.
Note 3 – Ratio as reported based on LTM EBITDA excluding specific items; ratio under proportionate consolidation based on run rate EBITDA of $380 million.
**POTENTIAL BENEFITS STEMMING FROM OUR 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 to positively contribute to EPS in 2015
- Tissue Papers: strong and growing position in North America
  - Increasing presence in the US with recent expansion initiatives

**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
- Economic recovery in Canada, the US and Europe
- Chinese’s economy weakness and impact on recovered paper prices
- Lower oil and gas costs

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**Taking the right steps to position Cascades for the future**