

Financial and Operating Statistics (Page 1 of 5)

	2013					2014				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
Dollars in millions, except per-share amounts										
Income Statement Data										
Total sales	\$ 1,074	\$ 1,107	\$ 1,130	\$ 1,150	\$ 4,461	\$ 1,016				\$ 1,016
Operating income (loss)	(49)	3	36	8	(2)	(33)				(33)
Interest expense	(14)	(13)	(12)	(12)	(51)	(12)				(12)
Other income (expense), net	18	(65)	5	(20)	(62)	(13)				(13)
Net income (loss) including noncontrolling interests	(5)	(44)	(588)	(2)	(639)	(50)				(50)
Net income (loss) attributable to noncontrolling interests	-	(1)	-	1	-	-				-
Net income (loss) attributable to Resolute Forest Products	(5)	(43)	(588)	(3)	(639)	(50)				(50)
Diluted net income (loss) per common share	\$ (0.05)	\$ (0.45)	\$ (6.22)	\$ (0.03)	\$ (6.75)	\$ (0.53)				\$ (0.53)
Dividends declared per common share	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -
Average diluted shares outstanding (in thousands)	94,754	94,762	94,625	94,519	94,665	94,562				94,562
Ending shares outstanding (in thousands)	94,755	94,763	94,487	94,536	94,536	94,589				94,589
Financial Position										
Cash and cash equivalents	\$ 215	\$ 248	\$ 271	\$ 322	\$ 322	\$ 240				\$ 240
Working capital ⁽¹⁾	837	806	797	675	675	705				705
Fixed assets, net	2,386	2,354	2,330	2,289	2,289	2,256				2,256
Total assets	6,240	6,148	5,555	5,385	5,385	5,257				5,257
Current portion of long-term debt (including short-term bank debt)	3	2	7	2	2	1				1
Long-term debt, net of current portion	529	602	597	597	597	597				597
Net debt ⁽²⁾	317	356	333	277	277	358				358
Total Resolute Forest Products shareholders' equity	3,114	3,077	2,534	2,827	2,827	2,801				2,801
Noncontrolling interests	14	13	12	12	12	12				12
Total equity	3,128	3,090	2,546	2,839	2,839	2,813				2,813
Cash Flow Information										
Cash flows provided by (used in) operations	\$ (20)	\$ 68	\$ 62	\$ 96	\$ 206	\$ (41)				\$ (41)
Cash invested in fixed assets	(40)	(46)	(38)	(37)	(161)	(36)				(36)
Dispositions of assets	2	1	1	-	4	-				-
Decrease (increase) in restricted cash	2	1	-	5	8	1				1
Cash flows provided by (used in) investing activities	(35)	(40)	(38)	(38)	(151)	(34)				(34)
Issuance of long-term debt	-	594	-	-	594	-				-
Premium paid on extinguishment of debt	-	(84)	-	-	(84)	-				-
Payments of debt	(1)	(496)	-	(6)	(503)	(1)				(1)
Cash flows provided by (used in) financing activities	7	5	(1)	(7)	4	(1)				(1)

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	2013					2014				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
<i>Dollars in millions, except per unit items</i>										
Sales										
Newsprint	\$ 356	\$ 364	\$ 376	\$ 377	\$ 1,473	\$ 346				\$ 346
Specialty papers	340	338	339	349	1,366	301				301
Market pulp	240	263	269	281	1,053	234				234
Wood products	138	142	146	143	569	135				135
Total sales	\$ 1,074	\$ 1,107	\$ 1,130	\$ 1,150	\$ 4,461	\$ 1,016	\$ -	\$ -	\$ -	\$ 1,016
Shipments to 3rd Parties (thousands of units)										
Newsprint (mt)	563	596	616	617	2,392	579				579
Specialty papers (st)	449	459	457	472	1,837	420				420
Market pulp (mt)	374	393	399	417	1,583	335				335
Wood products (mbf)	338	345	417	380	1,480	353				353
Average Transaction Price per Unit										
Newsprint (mt)	\$ 632	\$ 611	\$ 610	\$ 611	\$ 616	\$ 598				\$ 598
Specialty papers (st)	757	736	742	740	744	716				716
Market pulp (mt)	642	669	674	674	665	696				696
Wood products (mbf)	408	412	350	376	384	382				382

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	2013					2014				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
<i>Dollars in millions, except per unit items</i>										
Operating Income (Loss)										
Newsprint	\$ (2)	\$ 10	\$ 13	\$ 19	\$ 40	\$ (15)				\$ (15)
Specialty papers	8	2	14	11	35	(24)				(24)
Market pulp	(5)	10	21	16	42	8				8
Wood products	16	16	-	9	41	12				12
Corporate / other	(66)	(35)	(12)	(47)	(160)	(14)				(14)
Total operating income (loss) by segment	\$ (49)	\$ 3	\$ 36	\$ 8	\$ (2)	\$ (33)	\$ -	\$ -	\$ -	\$ (33)
Selling, General And Administrative expenses										
Newsprint	\$ 13	\$ 14	\$ 12	\$ 11	\$ 50	\$ 12				\$ 12
Specialty papers	10	10	10	9	39	9				9
Market pulp	9	9	8	7	33	8				8
Wood products	5	5	5	5	20	5				5
Corporate / other	7	6	3	8	24	2				2
Total selling, general and administrative expenses	\$ 44	\$ 44	\$ 38	\$ 40	\$ 166	\$ 36	\$ -	\$ -	\$ -	\$ 36
Operating Cost per Unit										
Newsprint (mt)	\$ 636	\$ 594	\$ 589	\$ 579	\$ 599	\$ 623				\$ 623
Specialty papers (st)	737	734	710	718	725	774				774
Market pulp (mt)	657	644	620	639	640	674				674
Wood products (mbf)	360	365	350	353	356	347				347
Product Inventory (thousands of units)										
Newsprint (mt)	110	107	109	99	99	125				125
Specialty papers (st)	93	82	95	96	96	99				99
Market pulp (mt)	113	98	102	81	81	100				100
Wood products (mbf)	122	149	107	123	123	176				176

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Dollars in millions	2013					2014				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
Net income (loss) including noncontrolling interests										
Newsprint	\$ (2)	\$ 10	\$ 13	\$ 19	\$ 40	\$ (15)				\$ (15)
Specialty papers	8	2	14	11	35	(24)				(24)
Market pulp	(5)	10	21	16	42	8				8
Wood products	16	16	-	9	41	12				12
Corporate / other	(22)	(82)	(636)	(57)	(797)	(31)				(31)
Total net income (loss) including noncontrolling interests	\$ (5)	\$ (44)	\$ (588)	\$ (2)	\$ (639)	\$ (50)	\$ -	\$ -	\$ -	\$ (50)
Interest expense	\$ 14	\$ 13	\$ 12	\$ 12	\$ 51	\$ 12				\$ 12
Income tax provision (benefit)	\$ (40)	\$ (31)	\$ 617	\$ (22)	\$ 524	\$ (8)				\$ (8)
Depreciation and Amortization										
Newsprint	\$ 18	\$ 18	\$ 18	\$ 19	\$ 73	\$ 18				\$ 18
Specialty papers	19	19	19	20	77	22				22
Market pulp	13	13	13	13	52	13				13
Wood products	9	9	9	9	36	8				8
Corporate / other	1	2	2	-	5	1				1
Total depreciation and amortization	\$ 60	\$ 61	\$ 61	\$ 61	\$ 243	\$ 62	\$ -	\$ -	\$ -	\$ 62
EBITDA ⁽³⁾										
Newsprint	\$ 16	\$ 28	\$ 31	\$ 38	\$ 113	\$ 3				\$ 3
Specialty papers	27	21	33	31	112	(2)				(2)
Market pulp	8	23	34	29	94	21				21
Wood products	25	25	9	18	77	20				20
Corporate / other	(47)	(98)	(5)	(67)	(217)	(26)				(26)
Total EBITDA	\$ 29	\$ (1)	\$ 102	\$ 49	\$ 179	\$ 16	\$ -	\$ -	\$ -	\$ 16
Special Items ⁽³⁾										
Foreign currency translation (gain) loss	\$ 5	\$ 7	\$ (3)	\$ 15	\$ 24	\$ 14				\$ 14
Closure costs, impairment and other related charges	40	12	4	33	89	10				10
Inventory write-downs related to closures	4	1	-	6	11	1				1
(Gain) loss on disposition of assets	-	(2)	-	-	(2)	-				-
Net loss on extinguishment of debt	-	59	-	-	59	-				-
Transaction costs	3	2	-	1	6	-				-
Start up costs of idled mill	15	13	3	1	32	-				-
Other (income) expense, net	(23)	(1)	(2)	5	(21)	(1)				(1)
Total Special Items	\$ 44	\$ 91	\$ 2	\$ 61	\$ 198	\$ 24	\$ -	\$ -	\$ -	\$ 24
Adjusted EBITDA ⁽³⁾										
Newsprint	\$ 16	\$ 28	\$ 31	\$ 38	\$ 113	\$ 3				\$ 3
Specialty papers	27	21	33	31	112	(2)				(2)
Market pulp	8	23	34	29	94	21				21
Wood products	25	25	9	18	77	20				20
Corporate / other	(3)	(7)	(3)	(6)	(19)	(2)				(2)
Total Adjusted EBITDA	\$ 73	\$ 90	\$ 104	\$ 110	\$ 377	\$ 40	\$ -	\$ -	\$ -	\$ 40

Notes

¹ The Company defines Working capital as current assets less current liabilities excluding cash and cash equivalents and debt.

² The Company defines Net debt as total debt less cash and cash equivalents.

³ The Company defines EBITDA by reportable segment as net income (loss) including non-controlling interests from our Consolidated Statements of Operations, allocated to our reportable segments (newsprint, specialty papers, market pulp and wood products) in accordance with FASB ASC 290, "Segment Reporting," adjusted for depreciation and amortization. In addition, EBITDA for the Corporate and Other segment is defined as net income (loss) including non-controlling interests from our Consolidated Statements of Operations after allocation to our reportable segments, adjusted for interest expense, income taxes and depreciation and amortization.

We define Adjusted EBITDA as EBITDA excluding special items. Special items include foreign currency translation gains and losses, net loss on extinguishment of debt, closure costs, impairment and other related charges, inventory write-downs related to closures, start up costs of idled mills, gains and losses on disposition of assets, transaction costs and other charges or credits. Special items are allocated to the Corporate and Other segment.

Internally, we use Adjusted EBITDA as an indicator of our reportable segments and the Company's performance. Therefore, this non-GAAP measure is consistent with our internal presentation. We believe that this measure is useful because it allows the reader to more easily compare our ongoing financial performance from period to period. This non-GAAP measure should be considered in addition to and not a substitute for operating income (loss) by reportable segment and consolidated operating income (loss) provided in the notes to our Consolidated Financial Statements in our filings with the Securities and Exchange Commission.