

Financial and Operating Statistics (Page 1 of 5)

Dollars in millions, except per-share amounts

	2014					2015				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
Income Statement Data										
Total sales	\$ 1,016	\$ 1,091	\$ 1,096	\$ 1,055	\$ 4,258	\$ 920				\$ 920
Operating income (loss)	(33)	(8)	(40)	(93)	(174)	(15)				(15)
Interest expense	(12)	(11)	(12)	(12)	(47)	(12)				(12)
Other income (expense), net	(13)	20	(65)	(25)	(83)	5				5
Net income (loss) including noncontrolling interests	(50)	-	(116)	(108)	(274)	(32)				(32)
Net income (loss) attributable to noncontrolling interests	-	2	-	1	3	1				1
Net income (loss) attributable to Resolute Forest Products Inc.	(50)	(2)	(116)	(109)	(277)	(33)				(33)
Diluted net income (loss) per common share	\$ (0.53)	\$ (0.02)	\$ (1.23)	\$ (1.15)	\$ (2.93)	\$ (0.35)				\$ (0.35)
Dividends declared per common share	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -
Average diluted shares outstanding (in thousands)	94,562	94,576	94,590	94,683	94,606	94,883				94,883
Ending shares outstanding (in thousands)	94,589	94,590	94,590	94,786	94,786	94,801				94,801
Financial Position										
Cash and cash equivalents	\$ 240	\$ 263	\$ 265	\$ 337	\$ 337	\$ 324				\$ 324
Working capital ⁽¹⁾	705	695	704	679	679	693				693
Fixed assets, net	2,256	2,184	2,098	1,985	1,985	1,956				1,956
Total assets	5,257	5,247	5,036	4,921	4,921	4,746				4,746
Current portion of long-term debt	1	1	1	1	1	1				1
Long-term debt, net of current portion	597	597	597	596	596	596				596
Net debt ⁽²⁾	358	335	333	260	260	273				273
Total Resolute Forest Products Inc. shareholders' equity	2,801	2,828	2,680	2,106	2,106	2,088				2,088
Noncontrolling interests	12	14	14	11	11	12				12
Total equity	2,813	2,842	2,694	2,117	2,117	2,100				2,100
Cash Flow Information										
Cash flows provided by (used in) operations	\$ (41)	\$ 63	\$ 58	\$ 106	\$ 186	\$ 29				\$ 29
Cash invested in fixed assets	(36)	(46)	(60)	(51)	(193)	(40)				(40)
Dispositions of assets	-	2	4	4	10	-				-
Cash flows provided by (used in) investing activities	(34)	(46)	(53)	(28)	(161)	(40)				(40)
Payments of debt	(1)	-	-	(1)	(2)	-				-
Cash flows provided by (used in) financing activities	(1)	(1)	-	(5)	(7)	-				-

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Dollars in millions, except per unit items

	2014					2015				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
Sales										
Newsprint	\$ 346	\$ 364	\$ 346	\$ 346	\$ 1,402	\$ 291				\$ 291
Specialty papers	301	325	329	317	1,272	272				272
Market pulp	234	241	255	244	974	218				218
Wood products	135	161	166	148	610	139				139
Total sales	\$ 1,016	\$ 1,091	\$ 1,096	\$ 1,055	\$ 4,258	\$ 920				\$ 920
Shipments to 3rd Parties (thousands of units)										
Newsprint (mt)	579	611	584	597	2,371	534				534
Specialty papers (st)	420	452	463	443	1,778	382				382
Market pulp (mt)	335	334	363	351	1,383	328				328
Wood products (mbf)	353	420	422	390	1,585	393				393
Average Transaction Price per Unit										
Newsprint (mt)	\$ 598	\$ 596	\$ 591	\$ 579	\$ 591	\$ 545				\$ 545
Specialty papers (st)	716	718	712	715	715	711				711
Market pulp (mt)	696	725	701	695	704	666				666
Wood products (mbf)	382	384	394	378	385	353				353

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Dollars in millions, except per unit items

	2014					2015				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
Operating Income (Loss)										
Newsprint	\$ (15)	\$ 18	\$ 5	\$ 15	\$ 23	\$ (6)				\$ (6)
Specialty papers	(24)	(3)	6	4	(17)	1				1
Market pulp	8	24	21	13	66	10				10
Wood products	12	15	24	18	69	5				5
Corporate / other	(14)	(62)	(96)	(143)	(315)	(25)				(25)
Total operating income (loss)	\$ (33)	\$ (8)	\$ (40)	\$ (93)	\$ (174)	\$ (15)				\$ (15)
Selling, General And Administrative expenses										
Newsprint	\$ 12	\$ 14	\$ 14	\$ 13	\$ 53	\$ 11				\$ 11
Specialty papers	9	9	10	9	37	8				8
Market pulp	8	9	9	9	35	8				8
Wood products	5	6	6	6	23	6				6
Corporate / other	2	3	2	-	7	8				8
Total selling, general and administrative expenses	\$ 36	\$ 41	\$ 41	\$ 37	\$ 155	\$ 41				\$ 41
Operating Cost per Unit										
Newsprint (mt)	\$ 623	\$ 568	\$ 582	\$ 555	\$ 582	\$ 557				\$ 557
Specialty papers (st)	774	723	700	706	725	709				709
Market pulp (mt)	674	652	645	655	656	634				634
Wood products (mbf)	347	350	337	332	341	342				342
Product Inventory (thousands of units)										
Newsprint (mt)	125	142	123	115	115	105				105
Specialty papers (st)	99	114	122	83	83	92				92
Market pulp (mt)	100	115	94	93	93	102				102
Wood products (mbf)	176	154	124	117	117	133				133

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Dollars in millions

Net income (loss) including noncontrolling interests

	2014					2015				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
Newsprint	\$ (15)	\$ 18	\$ 5	\$ 15	\$ 23	\$ (6)				\$ (6)
Specialty papers	(24)	(3)	6	4	(17)	1				1
Market pulp	8	24	21	13	66	10				10
Wood products	12	15	24	18	69	5				5
Corporate / other	(31)	(54)	(172)	(158)	(415)	(42)				(42)
Total net income (loss) including noncontrolling interests	\$ (50)	\$ -	\$ (116)	\$ (108)	\$ (274)	\$ (32)				\$ (32)

Interest expense

	\$ 12	\$ 11	\$ 12	\$ 12	\$ 47	\$ 12				\$ 12
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Income tax provision (benefit)

	\$ (8)	\$ 1	\$ (1)	\$ (22)	\$ (30)	\$ 10				\$ 10
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Depreciation and Amortization

Newsprint	\$ 18	\$ 17	\$ 17	\$ 17	\$ 69	\$ 16				\$ 16
Specialty papers	22	22	20	18	82	17				17
Market pulp	13	13	13	14	53	14				14
Wood products	8	8	8	9	33	8				8
Corporate / other	1	2	2	1	6	2				2
Total depreciation and amortization	\$ 62	\$ 62	\$ 60	\$ 59	\$ 243	\$ 57				\$ 57

EBITDA ⁽³⁾

Newsprint	\$ 3	\$ 35	\$ 22	\$ 32	\$ 92	\$ 10				\$ 10
Specialty papers	(2)	19	26	22	65	18				18
Market pulp	21	37	34	27	119	24				24
Wood products	20	23	32	27	102	13				13
Corporate / other	(26)	(40)	(159)	(167)	(392)	(18)				(18)
Total EBITDA	\$ 16	\$ 74	\$ (45)	\$ (59)	\$ (14)	\$ 47				\$ 47

Special Items ⁽³⁾

Foreign currency translation (gain) loss	\$ 14	\$ (17)	\$ 17	\$ 18	\$ 32	\$ (2)				\$ (2)
Closure costs, impairment and other related charges	10	52	85	131	278	6				6
Inventory write-downs related to closures	1	3	6	7	17	1				1
Net (gain) loss on disposition of assets	-	(2)	-	-	(2)	-				-
Write-down of equity method investment	-	-	50	11	61	-				-
Start-up costs	-	1	1	2	4	1				1
Other (income) expense, net	(1)	(3)	(2)	(4)	(10)	(3)				(3)
Total Special Items	\$ 24	\$ 34	\$ 157	\$ 165	\$ 380	\$ 3				\$ 3

Adjusted EBITDA ⁽³⁾

Newsprint	\$ 3	\$ 35	\$ 22	\$ 32	\$ 92	\$ 10				\$ 10
Specialty papers	(2)	19	26	22	65	18				18
Market pulp	21	37	34	27	119	24				24
Wood products	20	23	32	27	102	13				13
Corporate / other	(2)	(6)	(2)	(2)	(12)	(15)				(15)
Total Adjusted EBITDA	\$ 40	\$ 108	\$ 112	\$ 106	\$ 366	\$ 50				\$ 50

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Notes

¹ We define Working capital as current assets less current liabilities excluding cash and cash equivalents and debt.

² We define Net debt as total debt less cash and cash equivalents.

³ We define 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, closure costs, impairment and other related charges, inventory write-downs related to closures, gains and losses on disposition of assets, write-down of equity method investment, start-up 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.