

## Financial and Operating Statistics (Page 1 of 5)

(in millions, except per share amounts and otherwise indicated)	2016 <sup>(1)</sup>					2017 <sup>(1)</sup>				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
<b>Income Statement Data</b>										
Sales	\$ 877	\$ 891	\$ 888	\$ 889	\$ 3,545	\$ 872	\$ 858			\$ 1,730
Operating income (loss)	-	(18)	10	(18)	(26)	(6)	(47)			(53)
Interest expense	(10)	(9)	(10)	(9)	(38)	(11)	(12)			(23)
Other income (expense), net	13	-	1	(7)	7	-	5			5
Net income (loss) including noncontrolling interests	(7)	(40)	15	(44)	(76)	(46)	(73)			(119)
Net income (loss) attributable to noncontrolling interests	1	2	1	1	5	1	1			2
Net income (loss) attributable to Resolute Forest Products Inc.	(8)	(42)	14	(45)	(81)	(47)	(74)			(121)
Diluted net income (loss) per share attributable to Resolute Forest Products Inc. common shareholders	\$ (0.09)	\$ (0.47)	\$ 0.15	\$ (0.50)	\$ (0.90)	\$ (0.52)	\$ (0.82)			\$ (1.34)
Dividends declared per common share	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			\$ -
Average diluted shares outstanding (in thousands)	89,610	89,818	90,392	90,068	89,882	90,195	90,344			90,323
Ending shares outstanding (in thousands)	89,493	89,505	89,507	89,751	89,751	89,751	89,751			89,751
<b>Financial Position</b>										
Cash and cash equivalents	\$ 37	\$ 40	\$ 55	\$ 35	\$ 35	\$ 39	\$ 44			\$ 44
Working capital <sup>(2)</sup>	620	573	578	580	580	630	580			580
Fixed assets, net	1,811	1,801	1,839	1,842	1,842	1,866	1,779			1,779
Total assets	4,289	4,245	4,312	4,277	4,277	4,335	4,171			4,171
Current portion of long-term debt	1	1	1	1	1	1	1			1
Long-term debt, net of current portion	610	610	726	761	761	880	839			839
Net debt <sup>(3)</sup>	574	571	672	727	727	842	796			796
Liquidity <sup>(4)</sup>	443	452	520	468	468	380	414			414
Total Resolute Forest Products Inc. shareholders' equity	1,932	1,899	1,919	1,693	1,693	1,655	1,590			1,590
Noncontrolling interests	14	16	17	18	18	19	20			20
Total equity	1,946	1,915	1,936	1,711	1,711	1,674	1,610			1,610
<b>Cash Flow Information</b>										
Cash flows provided by (used in) operations	\$ 6	\$ 63	\$ (18)	\$ 30	\$ 81	\$ (39)	\$ 99			\$ 60
Cash invested in fixed assets	(47)	(52)	(78)	(72)	(249)	(69)	(47)			(116)
Dispositions of assets	5	-	-	-	5	-	-			-
Decrease (increase) in countervailing duty cash deposits on supercalendered paper	(6)	(6)	(5)	(6)	(23)	(5)	(7)			(12)
Decrease (increase) in countervailing duty cash deposits on softwood lumber	-	-	-	-	-	-	(4)			(4)
Cash flows provided by (used in) investing activities	(48)	(59)	(82)	(84)	(273)	(75)	(54)			(129)
Issuance of long-term debt	-	-	46	-	46	-	-			-
Net borrowings under revolving credit facilities	20	-	70	35	125	118	(41)			77
Cash flows provided by (used in) financing activities	20	(1)	115	35	169	118	(41)			77

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	2016 <sup>(1)</sup>					2017 <sup>(1)</sup>				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
<i>(in millions, except per unit items and otherwise indicated)</i>										
<b>Sales</b>										
Market pulp	\$ 211	\$ 210	\$ 198	\$ 217	\$ 836	\$ 209	\$ 213			\$ 422
Tissue	23	24	23	19	89	20	20			40
Wood products	119	145	168	164	596	177	197			374
Newsprint	257	257	242	253	1,009	226	201			427
Specialty papers	267	255	257	236	1,015	240	227			467
<b>Total sales</b>	<b>\$ 877</b>	<b>\$ 891</b>	<b>\$ 888</b>	<b>\$ 889</b>	<b>\$ 3,545</b>	<b>\$ 872</b>	<b>\$ 858</b>			<b>\$ 1,730</b>
<b>Shipments to 3rd Parties (thousands of units)</b>										
Market pulp (mt)	352	345	323	368	1,388	353	336			689
Tissue (st)	15	16	15	12	58	14	15			29
Wood products (mbf)	390	445	506	503	1,844	505	509			1,014
Newsprint (mt)	519	510	470	493	1,992	443	397			840
Specialty papers (st)	393	382	384	355	1,514	364	349			713
<b>Average Transaction Price per Unit</b>										
Market pulp (\$/mt)	\$ 601	\$ 607	\$ 610	\$ 592	\$ 602	\$ 593	\$ 632			\$ 612
Tissue (\$/st)	1,489	1,560	1,549	1,521	1,530	1,391	1,395			1,393
Wood products (\$/mbf)	306	325	331	327	323	350	386			368
Newsprint (\$/mt)	495	504	515	512	506	510	509			509
Specialty papers (\$/st)	679	668	672	665	671	659	651			655

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	2016 <sup>(1)</sup>					2017 <sup>(1)</sup>				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
<i>(in millions, except per unit items and otherwise indicated)</i>										
<b>Operating Income (Loss)</b>										
Market pulp	\$ 19	\$ 10	\$ 4	\$ 4	\$ 37	\$ 7	\$ 16			\$ 23
Tissue	(2)	(4)	(5)	1	(10)	-	(1)			(1)
Wood products	(4)	20	36	17	69	20	45			65
Newsprint	(5)	(4)	(8)	1	(16)	(4)	(7)			(11)
Specialty papers	5	15	(4)	3	19	4	(7)			(3)
Corporate and other	(13)	(55)	(13)	(44)	(125)	(33)	(93)			(126)
<b>Total operating income (loss)</b>	<b>\$ -</b>	<b>\$ (18)</b>	<b>\$ 10</b>	<b>\$ (18)</b>	<b>\$ (26)</b>	<b>\$ (6)</b>	<b>\$ (47)</b>			<b>\$ (53)</b>
<b>Selling, General and Administrative Expenses</b>										
Market pulp	\$ 7	\$ 7	\$ 8	\$ 6	\$ 28	\$ 8	\$ 8			\$ 16
Tissue	2	3	2	2	9	2	1			3
Wood products	5	7	6	4	22	6	7			13
Newsprint	10	9	10	8	37	10	8			18
Specialty papers	6	7	7	5	25	7	6			13
Corporate and other	8	7	4	9	28	10	7			17
<b>Total selling, general and administrative expenses</b>	<b>\$ 38</b>	<b>\$ 40</b>	<b>\$ 37</b>	<b>\$ 34</b>	<b>\$ 149</b>	<b>\$ 43</b>	<b>\$ 37</b>			<b>\$ 80</b>
<b>Operating Cost per Unit</b>										
Market pulp (\$/mt)	\$ 547	\$ 579	\$ 597	\$ 579	\$ 575	\$ 575	\$ 583			\$ 579
Tissue (\$/st)	1,643	1,792	1,878	1,367	1,682	1,435	1,429			1,432
Wood products (\$/mbf)	317	278	263	292	286	310	299			304
Newsprint (\$/mt)	505	512	532	513	515	519	525			522
Specialty papers (\$/st)	666	629	681	658	658	647	673			660
<b>Product Inventory (thousands of units)</b>										
Market pulp (mt)	94	83	100	91	91	92	94			94
Tissue (st)	5	3	4	5	5	8	8			8
Wood products (mbf)	126	129	121	124	124	147	125			125
Newsprint (mt)	104	96	105	105	105	107	114			114
Specialty papers (st)	78	88	75	92	92	100	93			93

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(in millions)	2016 <sup>(1)</sup>					2017 <sup>(1)</sup>				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
<b>Net Income (Loss) Including Noncontrolling Interests</b>										
Market pulp	\$ 19	\$ 10	\$ 4	\$ 4	\$ 37	\$ 7	\$ 16			\$ 23
Tissue	(2)	(4)	(5)	1	(10)	-	(1)			(1)
Wood products	(4)	20	36	17	69	20	45			65
Newsprint	(5)	(4)	(8)	1	(16)	(4)	(7)			(11)
Specialty papers	5	15	(4)	3	19	4	(7)			(3)
Corporate and other	(20)	(77)	(8)	(70)	(175)	(73)	(119)			(192)
<b>Total net income (loss) including noncontrolling interests</b>	<b>\$ (7)</b>	<b>\$ (40)</b>	<b>\$ 15</b>	<b>\$ (44)</b>	<b>\$ (76)</b>	<b>\$ (46)</b>	<b>\$ (73)</b>			<b>\$ (119)</b>
<b>Interest Expense</b>	<b>\$ 10</b>	<b>\$ 9</b>	<b>\$ 10</b>	<b>\$ 9</b>	<b>\$ 38</b>	<b>\$ 11</b>	<b>\$ 12</b>			<b>\$ 23</b>
<b>Income Tax Provision (Benefit)</b>	<b>\$ 10</b>	<b>\$ 13</b>	<b>\$ (14)</b>	<b>\$ 10</b>	<b>\$ 19</b>	<b>\$ 29</b>	<b>\$ 19</b>			<b>\$ 48</b>
<b>Depreciation and Amortization</b>										
Market pulp	\$ 7	\$ 11	\$ 10	\$ 9	\$ 37	\$ 8	\$ 8			\$ 16
Tissue	2	2	2	(1)	5	1	1			2
Wood products	7	9	7	8	31	9	7			16
Newsprint	20	19	17	18	74	16	17			33
Specialty papers	13	10	11	11	45	12	11			23
Corporate and other	3	3	4	4	14	5	6			11
<b>Total depreciation and amortization</b>	<b>\$ 52</b>	<b>\$ 54</b>	<b>\$ 51</b>	<b>\$ 49</b>	<b>\$ 206</b>	<b>\$ 51</b>	<b>\$ 50</b>			<b>\$ 101</b>
<b>EBITDA <sup>(5)</sup></b>										
Market pulp	\$ 26	\$ 21	\$ 14	\$ 13	\$ 74	\$ 15	\$ 24			\$ 39
Tissue	-	(2)	(3)	-	(5)	1	-			1
Wood products	3	29	43	25	100	29	52			81
Newsprint	15	15	9	19	58	12	10			22
Specialty papers	18	25	7	14	64	16	4			20
Corporate and other	3	(52)	(8)	(47)	(104)	(28)	(82)			(110)
<b>Total EBITDA</b>	<b>\$ 65</b>	<b>\$ 36</b>	<b>\$ 62</b>	<b>\$ 24</b>	<b>\$ 187</b>	<b>\$ 45</b>	<b>\$ 8</b>			<b>\$ 53</b>
<b>Special Items <sup>(5)</sup></b>										
Foreign currency translation (gain) loss	\$ (6)	\$ 3	\$ -	\$ 10	\$ 7	\$ -	\$ (3)			\$ (3)
Closure costs, impairment and other related charges	-	37	-	25	62	7	65			72
Inventory write-downs related to closures	-	5	-	2	7	4	9			13
Net (gain) loss on disposition of assets	(2)	-	-	-	(2)	-	-			-
Non-operating pension and OPEB costs (credits)	2	2	2	2	8	(3)	(1)			(4)
Start-up costs	3	1	1	3	8	8	7			15
Other (income) expense, net	(7)	(3)	(1)	(3)	(14)	-	(2)			(2)
<b>Total special items</b>	<b>\$ (10)</b>	<b>\$ 45</b>	<b>\$ 2</b>	<b>\$ 39</b>	<b>\$ 76</b>	<b>\$ 16</b>	<b>\$ 75</b>			<b>\$ 91</b>
<b>Adjusted EBITDA <sup>(5)</sup></b>										
Market pulp	\$ 26	\$ 21	\$ 14	\$ 13	\$ 74	\$ 15	\$ 24			\$ 39
Tissue	-	(2)	(3)	-	(5)	1	-			1
Wood products	3	29	43	25	100	29	52			81
Newsprint	15	15	9	19	58	12	10			22
Specialty papers	18	25	7	14	64	16	4			20
Corporate and other	(7)	(7)	(6)	(8)	(28)	(12)	(7)			(19)
<b>Total adjusted EBITDA</b>	<b>\$ 55</b>	<b>\$ 81</b>	<b>\$ 64</b>	<b>\$ 63</b>	<b>\$ 263</b>	<b>\$ 61</b>	<b>\$ 83</b>			<b>\$ 144</b>

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### Notes

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<sup>1</sup> In the first quarter of 2017, we changed our presentation of segment operating income to reallocate the amortization of prior service credits component of pension and other postretirement benefit (or "OPEB") costs from the reportable segments to corporate and other. Current service costs will continue to be allocated to the reportable segments. We now also treat the amortization of prior service credits component of pension and OPEB costs as a special item to be adjusted for purposes of establishing our non-GAAP performance measures, listed below, together with our non-operating pension and OPEB costs and credits. This approach is consistent with the indicators management uses internally to evaluate performance. Prior period amounts have been reclassified to conform to the 2017 presentation.

<sup>2</sup> We define working capital as current assets less current liabilities excluding cash and cash equivalents and debt.

<sup>3</sup> We define net debt as total debt less cash and cash equivalents.

<sup>4</sup> We define liquidity as cash and cash equivalents and availability under our revolving credit facilities.

<sup>5</sup> EBITDA by reportable segment is calculated as net income (loss) including noncontrolling interests from the consolidated statements of operations, allocated to each of our reportable segments (market pulp, tissue, wood products, newsprint and specialty papers) in accordance with FASB ASC 290, "Segment Reporting," adjusted for depreciation and amortization. EBITDA for corporate and other is calculated as net income (loss) including noncontrolling interests from the consolidated statements of operations, after the allocation to reportable segments, adjusted for interest expense, income taxes, and depreciation and amortization.

Adjusted EBITDA means EBITDA, excluding special items, such as foreign currency translation gains and losses, closure costs, impairment and other related charges, inventory write-downs related to closures, start-up costs, gains and losses on disposition of assets, non-operating pension and OPEB costs and credits and other charges or credits. Special items are allocated to corporate and other.

We believe that using these non-GAAP measures is useful because they are consistent with the indicators management uses internally to measure the Company's performance, and it allows the reader to more easily compare our ongoing operations and financial performance from period to period. EBITDA and adjusted EBITDA are internal measures, and therefore may not be comparable to those of other companies. These non-GAAP measures should not be viewed as substitutes to financial measures determined under GAAP in our consolidated statements of operations in our filings with the SEC.