

Financial and Operating Statistics (Page 1 of 5)

(In millions of U.S. dollars, except per share amounts and otherwise indicated)

	2018					2019				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
Income Statement Data										
Sales	\$ 874	\$ 976	\$ 974	\$ 932	\$ 3,756	\$ 795	\$ 755	\$ 705	\$ 668	\$ 2,923
Operating income (loss)	48	121	135	75	379	64	40	(18)	(69)	17
Interest expense	(13)	(11)	(12)	(11)	(47)	(9)	(7)	(8)	(7)	(31)
Net income (loss) attributable to Resolute Forest Products Inc.	10	72	117	36	235	42	25	(43)	(71)	(47)
Diluted net income (loss) per share attributable to Resolute Forest Products Inc. common shareholders	\$ 0.11	\$ 0.77	\$ 1.25	\$ 0.38	\$ 2.52	\$ 0.45	\$ 0.27	\$ (0.47)	\$ (0.79)	\$ (0.51)
Special dividend declared per common share	\$ -	\$ -	\$ -	\$ 1.50	\$ 1.50	\$ -	\$ -	\$ -	\$ -	\$ -
Average diluted shares outstanding (in thousands)	92,999	93,197	93,393	94,442	93,257	93,868	93,633	90,869	89,780	91,356
Ending shares outstanding (in thousands)	90,315	90,342	90,345	90,730	90,730	91,099	90,400	89,294	86,694	86,694
Financial Position										
Cash and cash equivalents	\$ 13	\$ 6	\$ 72	\$ 304	\$ 304	\$ 69	\$ 98	\$ 69	\$ 3	\$ 3
Working capital ⁽¹⁾	626	664	749	573	573	616	596	543	562	562
Fixed assets, net	1,684	1,669	1,545	1,515	1,515	1,492	1,479	1,477	1,459	1,459
Total assets	4,122	4,025	4,145	3,935	3,935	3,802	3,752	3,671	3,626	3,626
Current portion of long-term debt	1	1	1	223	223	1	1	1	1	1
Long-term debt, net of current portion	778	674	644	422	422	422	422	423	448	448
Net debt ⁽²⁾	766	669	573	341	341	354	325	355	446	446
Liquidity ⁽³⁾	452	517	654	821	821	595	590	566	583	583
Total Resolute Forest Products Inc. shareholders' equity	1,615	1,691	1,809	1,534	1,534	1,579	1,599	1,551	1,234	1,234
Noncontrolling interests	1	1	1	1	1	1	1	1	1	1
Total equity	1,616	1,692	1,810	1,535	1,535	1,580	1,600	1,552	1,235	1,235
Cash Flow Information										
Cash flows provided by (used in) operating activities	\$ 62	\$ 158	\$ 131	\$ 84	\$ 435	\$ 23	\$ 72	\$ 25	\$ (35)	\$ 85
Cash invested in fixed assets	(25)	(28)	(41)	(61)	(155)	(26)	(19)	(37)	(31)	(113)
Dispositions of assets	-	2	-	334	336	-	2	-	1	3
(Increase) decrease in countervailing duty cash deposits on supercalendered paper, net	(5)	(6)	24	35	48	1	-	-	-	1
Increase in countervailing and anti-dumping duty cash deposits on softwood lumber	(14)	(27)	(21)	(15)	(77)	(14)	(19)	(13)	(13)	(59)
(Increase) decrease in countervailing duty cash deposits on uncoated groundwood paper	(2)	(4)	-	-	(6)	6	-	-	-	6
Cash flows (used in) provided by investing activities	(46)	(63)	(38)	293	146	(33)	(36)	(50)	(43)	(162)
Purchases of treasury stock	-	-	-	-	-	-	(5)	(7)	(12)	(24)
Net (repayments) borrowings under revolving credit facilities	(9)	(105)	(30)	-	(144)	-	-	-	71	71
Payment of special dividend	-	-	-	(136)	(136)	-	-	-	-	-
Payments of debt	-	-	-	-	-	(225)	-	-	(46)	(271)
Cash flows (used in) provided by financing activities	(10)	(105)	(30)	(136)	(281)	(225)	(7)	(7)	11	(228)

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(In millions of U.S. dollars, except per unit items and otherwise indicated)

	2018					2019				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
Sales										
Market pulp	\$ 257	\$ 264	\$ 288	\$ 276	\$ 1,085	\$ 231	\$ 189	\$ 201	\$ 176	\$ 797
Tissue ⁽⁴⁾	22	35	38	35	130	39	43	43	40	165
Wood products	209	254	203	157	823	161	168	146	141	616
Newsprint	198	230	232	247	907	212	209	180	172	773
Specialty papers	188	193	213	217	811	152	146	135	139	572
Total sales	\$ 874	\$ 976	\$ 974	\$ 932	\$ 3,756	\$ 795	\$ 755	\$ 705	\$ 668	\$ 2,923
Shipments to Third Parties (thousands of units)										
Market pulp (mt)	362	353	367	342	1,424	286	257	320	293	1,156
Tissue (st) ⁽⁴⁾	15	23	23	23	84	24	25	25	23	97
Wood products (mbf)	455	494	445	452	1,846	428	484	429	390	1,731
Newsprint (mt)	355	393	371	388	1,507	335	350	314	316	1,315
Specialty papers (st)	279	275	289	287	1,130	199	193	185	197	774
Average Transaction Price per Unit										
Market pulp (\$/mt)	\$ 710	\$ 747	\$ 784	\$ 809	\$ 762	\$ 808	\$ 739	\$ 625	\$ 601	\$ 690
Tissue (\$/st) ⁽⁴⁾	1,480	1,551	1,585	1,562	1,551	1,664	1,695	1,741	1,743	1,711
Wood products (\$/mbf)	459	514	457	347	446	374	348	341	363	356
Newsprint (\$/mt)	558	584	629	634	602	634	597	573	543	588
Specialty papers (\$/st)	675	701	737	756	718	768	753	732	702	739

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(In millions of U.S. dollars, except per unit items and otherwise indicated)

	2018					2019				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
Operating Income (Loss)										
Market pulp	\$ 33	\$ 41	\$ 57	\$ 41	\$ 172	\$ 42	\$ 27	\$ (12)	\$ (18)	\$ 39
Tissue ⁽⁴⁾	(1)	(10)	(10)	(9)	(30)	(8)	(4)	(3)	(1)	(16)
Wood products	53	79	45	(8)	169	6	(3)	(4)	(5)	(6)
Newsprint	(4)	18	32	28	74	28	17	4	-	49
Specialty papers	(7)	4	26	17	40	15	15	4	(1)	33
Corporate and other	(26)	(11)	(15)	6	(46)	(19)	(12)	(7)	(44)	(82)
Total operating income (loss)	\$ 48	\$ 121	\$ 135	\$ 75	\$ 379	\$ 64	\$ 40	\$ (18)	\$ (69)	\$ 17
Selling, General and Administrative Expenses										
Market pulp	\$ 9	\$ 9	\$ 8	\$ 9	\$ 35	\$ 7	\$ 7	\$ 7	\$ 6	\$ 27
Tissue ⁽⁴⁾	1	3	4	3	11	3	3	2	2	10
Wood products	7	8	6	6	27	6	6	5	6	23
Newsprint	9	9	8	9	35	9	9	9	8	35
Specialty papers	7	6	6	5	24	5	4	4	5	18
Corporate and other	10	7	8	8	33	7	7	3	6	23
Total selling, general and administrative expenses	\$ 43	\$ 42	\$ 40	\$ 40	\$ 165	\$ 37	\$ 36	\$ 30	\$ 33	\$ 136
Operating Cost per Unit										
Market pulp (\$/mt)	\$ 619	\$ 631	\$ 629	\$ 688	\$ 641	\$ 664	\$ 630	\$ 664	\$ 663	\$ 656
Tissue (\$/st) ⁽⁴⁾	1,585	1,973	2,003	1,982	1,916	1,984	1,853	1,885	1,769	1,873
Wood products (\$/mbf)	342	355	355	366	354	360	355	351	377	360
Newsprint (\$/mt)	568	538	543	562	552	550	547	560	545	550
Specialty papers (\$/st)	698	688	647	697	682	695	676	705	708	696
Operating Cost per Unit, Excluding Depreciation and Amortization										
Market pulp (\$/mt)	\$ 600	\$ 610	\$ 609	\$ 673	\$ 622	\$ 646	\$ 610	\$ 643	\$ 642	\$ 636
Tissue (\$/st) ⁽⁴⁾	1,508	1,762	1,796	1,794	1,736	1,781	1,681	1,710	1,578	1,688
Wood products (\$/mbf)	325	340	337	346	337	342	336	331	354	340
Newsprint (\$/mt)	524	496	499	518	509	528	525	537	522	528
Specialty papers (\$/st)	657	644	604	661	641	643	619	647	652	640
Product Inventory (thousands of units)										
Market pulp (mt)	91	108	116	80	80	78	110	74	68	68
Tissue (st) ⁽⁴⁾	11	8	7	5	5	7	7	6	8	8
Wood products (mbf)	140	128	162	157	157	159	122	122	133	133
Newsprint (mt)	93	85	96	101	101	135	105	104	105	105
Specialty papers (st)	68	70	78	54	54	54	55	49	40	40

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(In millions of U.S. dollars)

	2018					2019				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
Net Income (Loss) Including Noncontrolling Interests										
Market pulp	\$ 33	\$ 41	\$ 57	\$ 41	\$ 172	\$ 42	\$ 27	\$ (12)	\$ (18)	\$ 39
Tissue ⁽⁴⁾	(1)	(10)	(10)	(9)	(30)	(8)	(4)	(3)	(1)	(16)
Wood products	53	79	45	(8)	169	6	(3)	(4)	(5)	(6)
Newsprint	(4)	18	32	28	74	28	17	4	-	49
Specialty papers	(7)	4	26	17	40	15	15	4	(1)	33
Corporate and other	(64)	(60)	(33)	(33)	(190)	(41)	(27)	(32)	(46)	(146)
Total net income (loss) including noncontrolling interests	\$ 10	\$ 72	\$ 117	\$ 36	\$ 235	\$ 42	\$ 25	\$ (43)	\$ (71)	\$ (47)
Interest Expense	\$ 13	\$ 11	\$ 12	\$ 11	\$ 47	\$ 9	\$ 7	\$ 8	\$ 7	\$ 31
Income Tax Provision	\$ 31	\$ 47	\$ 33	\$ 41	\$ 152	\$ 21	\$ 19	\$ 12	\$ 6	\$ 58
Depreciation and Amortization										
Market pulp	\$ 7	\$ 8	\$ 7	\$ 5	\$ 27	\$ 5	\$ 5	\$ 7	\$ 6	\$ 23
Tissue ⁽⁴⁾	1	5	5	4	15	5	4	4	5	18
Wood products	8	7	8	9	32	8	9	8	9	34
Newsprint	16	17	16	17	66	7	8	7	7	29
Specialty papers	12	12	12	11	47	10	11	11	11	43
Corporate and other	9	5	6	5	25	5	5	5	5	20
Total depreciation and amortization	\$ 53	\$ 54	\$ 54	\$ 51	\$ 212	\$ 40	\$ 42	\$ 42	\$ 43	\$ 167
EBITDA ⁽⁵⁾										
Market pulp	\$ 40	\$ 49	\$ 64	\$ 46	\$ 199	\$ 47	\$ 32	\$ (5)	\$ (12)	\$ 62
Tissue ⁽⁴⁾	-	(5)	(5)	(5)	(15)	(3)	-	1	4	2
Wood products	61	86	53	1	201	14	6	4	4	28
Newsprint	12	35	48	45	140	35	25	11	7	78
Specialty papers	5	16	38	28	87	25	26	15	10	76
Corporate and other	(11)	3	18	24	34	(6)	4	(7)	(28)	(37)
Total EBITDA	\$ 107	\$ 184	\$ 216	\$ 139	\$ 646	\$ 112	\$ 93	\$ 19	\$ (15)	\$ 209
Special Items ⁽⁶⁾										
Closure costs, impairment and other related charges	\$ -	\$ 1	\$ -	\$ 120	\$ 121	\$ -	\$ -	\$ -	\$ 18	\$ 18
Inventory write-downs related to closures	(1)	-	-	-	(1)	-	-	-	13	13
Net gain on disposition of assets	-	(4)	-	(141)	(145)	-	-	(1)	(1)	(2)
Non-operating pension and other postretirement benefit credits	(13)	(12)	(13)	(12)	(50)	(12)	(12)	(12)	(11)	(47)
Start-up costs	8	-	-	-	8	-	-	-	-	-
Other expense (income), net	7	3	(14)	(1)	(5)	4	1	17	-	22
Total special items	\$ 1	\$ (12)	\$ (27)	\$ (34)	\$ (72)	\$ (8)	\$ (11)	\$ 4	\$ 19	\$ 4
Adjusted EBITDA ⁽⁶⁾										
Market pulp	\$ 40	\$ 49	\$ 64	\$ 46	\$ 199	\$ 47	\$ 32	\$ (5)	\$ (12)	\$ 62
Tissue ⁽⁴⁾	-	(5)	(5)	(5)	(15)	(3)	-	1	4	2
Wood products	61	86	53	1	201	14	6	4	4	28
Newsprint	12	35	48	45	140	35	25	11	7	78
Specialty papers	5	16	38	28	87	25	26	15	10	76
Corporate and other	(10)	(9)	(9)	(10)	(38)	(14)	(7)	(3)	(9)	(33)
Total adjusted EBITDA	\$ 108	\$ 172	\$ 189	\$ 105	\$ 574	\$ 104	\$ 82	\$ 23	\$ 4	\$ 213

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Notes

¹ We define working capital as current assets less current liabilities excluding cash and cash equivalents, restricted cash, debt, and operating lease liabilities.

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

³ We define liquidity as cash and cash equivalents and availability under our credit facilities.

⁴ The operating results of our Calhoun (Tennessee) tissue operations, previously recorded under corporate and other, have been recorded in our tissue segment since April 1, 2018.

⁵ Earnings before interest expense, income taxes, and depreciation and amortization (or "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 Financial Accounting Standards Board Accounting Standards Codification 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 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 other postretirement benefit costs and credits and other income and expense, net. Special items are allocated to corporate and other.

EBITDA and adjusted EBITDA are not financial measures recognized under U.S. generally accepted accounting principles (or "GAAP"). 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 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 U.S. Securities and Exchange Commission.