

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			\$ 1,550
Operating income (loss)	48	121	135	75	379	64	40			104
Interest expense	(13)	(11)	(12)	(11)	(47)	(9)	(7)			(16)
Net income (loss) including noncontrolling interests	10	72	117	36	235	42	25			67
Net income (loss) attributable to noncontrolling interests	-	-	-	-	-	-	-			-
Net income (loss) attributable to Resolute Forest Products Inc.	10	72	117	36	235	42	25			67
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			\$ 0.71
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			93,754
Ending shares outstanding (in thousands)	90,315	90,342	90,345	90,730	90,730	91,099	90,400			90,400
Financial Position										
Cash and cash equivalents	\$ 13	\$ 6	\$ 72	\$ 304	\$ 304	\$ 69	\$ 98			\$ 98
Working capital ⁽¹⁾	626	664	749	573	573	616	596			596
Fixed assets, net	1,684	1,669	1,545	1,515	1,515	1,492	1,479			1,479
Total assets	4,122	4,025	4,145	3,935	3,935	3,802	3,752			3,752
Current portion of long-term debt	1	1	1	223	223	1	1			1
Long-term debt, net of current portion	778	674	644	422	422	422	422			422
Net debt ⁽²⁾	766	669	573	341	341	354	325			325
Liquidity ⁽³⁾	452	517	654	821	821	595	590			590
Total Resolute Forest Products Inc. shareholders' equity	1,615	1,691	1,809	1,534	1,534	1,579	1,599			1,599
Noncontrolling interests	1	1	1	1	1	1	1			1
Total equity	1,616	1,692	1,810	1,535	1,535	1,580	1,600			1,600
Cash Flow Information										
Cash flows provided by (used in) operations	\$ 62	\$ 158	\$ 131	\$ 84	\$ 435	\$ 23	\$ 72			\$ 95
Cash invested in fixed assets	(25)	(28)	(41)	(61)	(155)	(26)	(19)			(45)
Dispositions of assets	-	2	-	334	336	-	2			2
Decrease (increase) in countervailing duty cash deposits on supercalendered paper	(5)	(6)	24	35	48	1	-			1
Decrease (increase) in countervailing and anti-dumping duty cash deposits on softwood lumber	(14)	(27)	(21)	(15)	(77)	(14)	(19)			(33)
Decrease (increase) in countervailing duty cash deposits on uncoated groundwood paper	(2)	(4)	-	-	(6)	6	-			6
Cash flows provided by (used in) investing activities	(46)	(63)	(38)	293	146	(33)	(36)			(69)
Net borrowings (repayments) under revolving credit facilities	(9)	(105)	(30)	-	(144)	-	-			-
Payment of special dividend	-	-	-	(136)	(136)	-	-			-
Payments of debt	-	-	-	-	-	(225)	-			(225)
Cash flows provided by (used in) financing activities	(10)	(105)	(30)	(136)	(281)	(225)	(7)			(232)

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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			\$ 420
Tissue ⁽⁴⁾	22	35	38	35	130	39	43			82
Wood products	209	254	203	157	823	161	168			329
Newsprint	198	230	232	247	907	212	209			421
Specialty papers	188	193	213	217	811	152	146			298
Total sales	\$ 874	\$ 976	\$ 974	\$ 932	\$ 3,756	\$ 795	\$ 755			\$ 1,550
Shipments to Third Parties (thousands of units)										
Market pulp (mt)	362	353	367	342	1,424	286	257			543
Tissue (st) ⁽⁴⁾	15	23	23	23	84	24	25			49
Wood products (mbf)	455	494	445	452	1,846	428	484			912
Newsprint (mt)	355	393	371	388	1,507	335	350			685
Specialty papers (st)	279	275	289	287	1,130	199	193			392
Average Transaction Price per Unit										
Market pulp (\$/mt)	\$ 710	\$ 747	\$ 784	\$ 809	\$ 762	\$ 808	\$ 739			\$ 775
Tissue (\$/st) ⁽⁴⁾	1,480	1,551	1,585	1,562	1,551	1,664	1,695			1,680
Wood products (\$/mbf)	459	514	457	347	446	374	348			360
Newsprint (\$/mt)	558	584	629	634	602	634	597			615
Specialty papers (\$/st)	675	701	737	756	718	768	753			761

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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			\$ 69
Tissue ⁽⁴⁾	(1)	(10)	(10)	(9)	(30)	(8)	(4)			(12)
Wood products	53	79	45	(8)	169	6	(3)			3
Newsprint	(4)	18	32	28	74	28	17			45
Specialty papers	(7)	4	26	17	40	15	15			30
Corporate and other	(26)	(11)	(15)	6	(46)	(19)	(12)			(31)
Total operating income (loss)	\$ 48	\$ 121	\$ 135	\$ 75	\$ 379	\$ 64	\$ 40			\$ 104
Selling, General and Administrative Expenses										
Market pulp	\$ 9	\$ 9	\$ 8	\$ 9	\$ 35	\$ 7	\$ 7			\$ 14
Tissue ⁽⁴⁾	1	3	4	3	11	3	3			6
Wood products	7	8	6	6	27	6	6			12
Newsprint	9	9	8	9	35	9	9			18
Specialty papers	7	6	6	5	24	5	4			9
Corporate and other	10	7	8	8	33	7	7			14
Total selling, general and administrative expenses	\$ 43	\$ 42	\$ 40	\$ 40	\$ 165	\$ 37	\$ 36			\$ 73
Operating Cost per Unit										
Market pulp (\$/mt)	\$ 619	\$ 631	\$ 629	\$ 688	\$ 641	\$ 664	\$ 630			\$ 648
Tissue (\$/st) ⁽⁴⁾	1,585	1,973	2,003	1,982	1,916	1,984	1,853			1,916
Wood products (\$/mbf)	342	355	355	366	354	360	355			357
Newsprint (\$/mt)	568	538	543	562	552	550	547			549
Specialty papers (\$/st)	698	688	647	697	682	695	676			686
Operating Cost per Unit, Excluding Depreciation and Amortization										
Market pulp (\$/mt)	\$ 600	\$ 610	\$ 609	\$ 673	\$ 622	\$ 646	\$ 610			\$ 629
Tissue (\$/st) ⁽⁴⁾	1,508	1,762	1,796	1,794	1,736	1,781	1,681			1,730
Wood products (\$/mbf)	325	340	337	346	337	342	336			339
Newsprint (\$/mt)	524	496	499	518	509	528	525			527
Specialty papers (\$/st)	657	644	604	661	641	643	619			631
Product Inventory (thousands of units)										
Market pulp (mt)	91	108	116	80	80	78	110			110
Tissue (st) ⁽⁴⁾	11	8	7	5	5	7	7			7
Wood products (mbf)	140	128	162	157	157	159	122			122
Newsprint (mt)	93	85	96	101	101	135	105			105
Specialty papers (st)	68	70	78	54	54	54	55			55

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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			\$ 69
Tissue ⁽⁴⁾	(1)	(10)	(10)	(9)	(30)	(8)	(4)			(12)
Wood products	53	79	45	(8)	169	6	(3)			3
Newsprint	(4)	18	32	28	74	28	17			45
Specialty papers	(7)	4	26	17	40	15	15			30
Corporate and other	(64)	(60)	(33)	(33)	(190)	(41)	(27)			(68)
Total net income (loss) including noncontrolling interests	\$ 10	\$ 72	\$ 117	\$ 36	\$ 235	\$ 42	\$ 25			\$ 67
Interest Expense	\$ 13	\$ 11	\$ 12	\$ 11	\$ 47	\$ 9	\$ 7			\$ 16
Income Tax Provision (Benefit)	\$ 31	\$ 47	\$ 33	\$ 41	\$ 152	\$ 21	\$ 19			\$ 40
Depreciation and Amortization										
Market pulp	\$ 7	\$ 8	\$ 7	\$ 5	\$ 27	\$ 5	\$ 5			\$ 10
Tissue ⁽⁴⁾	1	5	5	4	15	5	4			9
Wood products	8	7	8	9	32	8	9			17
Newsprint	16	17	16	17	66	7	8			15
Specialty papers	12	12	12	11	47	10	11			21
Corporate and other	9	5	6	5	25	5	5			10
Total depreciation and amortization	\$ 53	\$ 54	\$ 54	\$ 51	\$ 212	\$ 40	\$ 42			\$ 82
EBITDA ⁽⁵⁾										
Market pulp	\$ 40	\$ 49	\$ 64	\$ 46	\$ 199	\$ 47	\$ 32			\$ 79
Tissue ⁽⁴⁾	-	(5)	(5)	(5)	(15)	(3)	-			(3)
Wood products	61	86	53	1	201	14	6			20
Newsprint	12	35	48	45	140	35	25			60
Specialty papers	5	16	38	28	87	25	26			51
Corporate and other	(11)	3	18	24	34	(6)	4			(2)
Total EBITDA	\$ 107	\$ 184	\$ 216	\$ 139	\$ 646	\$ 112	\$ 93			\$ 205
Special Items ⁽⁶⁾										
Foreign exchange (gain) loss	\$ 1	\$ 1	\$ -	\$ -	\$ 2	\$ 4	\$ 6			\$ 10
Closure costs, impairment and other related charges	-	1	-	120	121	-	-			-
(Reversal of) inventory write-downs related to closures	(1)	-	-	-	(1)	-	-			-
Net (gain) loss on disposition of assets	-	(4)	-	(141)	(145)	-	-			-
Non-operating pension and other postretirement benefit costs (credits)	(13)	(12)	(13)	(12)	(50)	(12)	(12)			(24)
Start-up costs	8	-	-	-	8	-	-			-
Other (income) expense, net	6	2	(14)	(1)	(7)	-	(5)			(5)
Total special items	\$ 1	\$ (12)	\$ (27)	\$ (34)	\$ (72)	\$ (8)	\$ (11)			\$ (19)
Adjusted EBITDA ⁽⁶⁾										
Market pulp	\$ 40	\$ 49	\$ 64	\$ 46	\$ 199	\$ 47	\$ 32			\$ 79
Tissue ⁽⁴⁾	-	(5)	(5)	(5)	(15)	(3)	-			(3)
Wood products	61	86	53	1	201	14	6			20
Newsprint	12	35	48	45	140	35	25			60
Specialty papers	5	16	38	28	87	25	26			51
Corporate and other	(10)	(9)	(9)	(10)	(38)	(14)	(7)			(21)
Total adjusted EBITDA	\$ 108	\$ 172	\$ 189	\$ 105	\$ 574	\$ 104	\$ 82			\$ 186

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Notes

¹ We define working capital as current assets less current liabilities excluding cash and cash equivalents, 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 foreign exchange 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 other postretirement benefit costs and credits and other charges or credits. 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.