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	2012 ⁽¹⁾					2013 ⁽¹⁾				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
Dollars in millions, except per-share amounts										
Income Statement Data										
Total sales	\$ 1,054	\$ 1,168	\$ 1,153	\$ 1,128	\$ 4,503	\$ 1,074	\$ 1,107	\$ 1,130	\$ 1,150	\$ 4,461
Operating income (loss)	31	(32)	31	(58)	(28)	(49)	3	36	8	(2)
Interest expense	(16)	(18)	(17)	(15)	(66)	(14)	(13)	(12)	(12)	(51)
Other income (expense), net	13	(10)	19	-	22	18	(65)	5	(20)	(62)
Net income (loss) including noncontrolling interests	36	(62)	37	(44)	(33)	(5)	(44)	(588)	(2)	(639)
Net income (loss) attributable to noncontrolling interests	10	(45)	-	1	(34)	-	(1)	-	1	-
Net income (loss) attributable to Resolute Forest Products	26	(17)	37	(45)	1	(5)	(43)	(588)	(3)	(639)
Diluted net income (loss) per common share	\$ 0.27	\$ (0.17)	\$ 0.38	\$ (0.47)	\$ 0.01	\$ (0.05)	\$ (0.45)	\$ (6.22)	\$ (0.03)	\$ (6.75)
Dividends declared per common share	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Average diluted shares outstanding (in thousands)	97,097	98,906	98,076	95,688	97,545	94,754	94,762	94,625	94,519	94,665
Ending shares outstanding (in thousands)	97,097	98,804	96,698	94,754	94,754	94,755	94,763	94,487	94,536	94,536
Financial Position										
Cash and cash equivalents	\$ 410	\$ 510	\$ 343	\$ 263	\$ 263	\$ 215	\$ 248	\$ 271	\$ 322	\$ 322
Working capital ⁽²⁾	856	855	887	786	786	837	806	797	675	675
Fixed assets, net	2,484	2,500	2,487	2,440	2,440	2,386	2,354	2,330	2,289	2,289
Total assets	6,345	6,485	6,408	6,333	6,333	6,240	6,148	5,555	5,385	5,385
Current portion of long-term debt (including short-term bank debt)	-	98	87	2	2	3	2	7	2	2
Long-term debt, net of current portion	620	624	538	532	532	529	602	597	597	597
Net debt ⁽³⁾	210	212	282	271	271	317	356	333	277	277
Total Resolute Forest Products shareholders' equity	3,453	3,455	3,470	3,102	3,102	3,114	3,077	2,534	2,827	2,827
Noncontrolling interests	70	47	14	23	23	14	13	12	12	12
Total equity	3,523	3,502	3,484	3,125	3,125	3,128	3,090	2,546	2,839	2,839
Cash Flow Information										
Cash flows provided by (used in) operations	57	116	19	74	266	(20)	68	62	96	206
Cash invested in fixed assets	(39)	(19)	(44)	(67)	(169)	(40)	(46)	(38)	(37)	(161)
Disposition of our interest in Bowater Mersey Paper Company Limited, net of cash	-	-	-	14	14	-	-	-	-	-
Dispositions of assets	26	-	5	5	36	2	1	1	-	4
Acquisition of Fibrek Inc., net of cash acquired	-	(24)	-	-	(24)	-	-	-	-	-
Decrease (increase) in restricted cash	4	72	-	-	76	2	1	-	5	8
Cash flows provided by (used in) investing activities	(16)	29	(44)	(44)	(75)	(35)	(40)	(38)	(38)	(151)
Purchases of treasury stock	-	(12)	(33)	(22)	(67)	-	-	-	-	-
Acquisition of noncontrolling interest	-	(17)	(10)	-	(27)	-	-	-	-	-
Issuance of long-term debt	-	-	-	-	-	-	594	-	-	594
Premium paid on extinguishment of debt	-	-	-	-	-	-	(84)	-	-	(84)
Payments of debt	-	(15)	(97)	(86)	(198)	(1)	(496)	-	(6)	(503)
Cash flows provided by (used in) financing activities	-	(45)	(142)	(110)	(297)	7	5	(1)	(7)	4

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	2012 ⁽¹⁾					2013 ⁽¹⁾				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
<i>Dollars in millions, except per unit items</i>										
Sales										
Newsprint	\$ 416	\$ 416	\$ 404	\$ 391	\$ 1,627	\$ 356	\$ 364	\$ 376	\$ 377	\$ 1,473
Specialty papers ⁽⁴⁾	400	409	388	365	1,562	340	338	339	349	1,366
Market pulp	127	211	233	243	814	240	263	269	281	1,053
Wood products	111	132	128	129	500	138	142	146	143	569
Total sales	\$ 1,054	\$ 1,168	\$ 1,153	\$ 1,128	\$ 4,503	\$ 1,074	\$ 1,107	\$ 1,130	\$ 1,150	\$ 4,461
Shipments to 3rd Parties (thousands of units)										
Newsprint (mt)	633	639	617	602	2,491	563	596	616	617	2,392
Specialty papers (st) ⁽⁴⁾	525	540	510	479	2,054	449	459	457	472	1,837
Market pulp (mt)	199	318	355	382	1,254	374	393	399	417	1,583
Wood products (mbf)	367	384	343	348	1,442	338	345	417	380	1,480
Average Transaction Price per Unit										
Newsprint (mt)	\$ 658	\$ 651	\$ 655	\$ 649	\$ 653	\$ 632	\$ 611	\$ 610	\$ 611	\$ 616
Specialty papers (st) ⁽⁴⁾	762	757	761	762	760	757	736	742	740	744
Market pulp (mt)	636	663	658	635	649	642	669	674	674	665
Wood products (mbf)	304	343	372	372	347	408	412	350	376	384

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	2012 ⁽¹⁾					2013 ⁽¹⁾				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
Dollars in millions, except per unit items										
Operating Income (Loss)										
Newsprint	\$ 21	\$ 32	\$ 26	\$ 18	\$ 97	\$ (2)	\$ 10	\$ 13	\$ 19	\$ 40
Specialty papers ⁽⁴⁾	15	31	30	9	85	8	2	14	11	35
Market pulp	(17)	(3)	(18)	(5)	(43)	(5)	10	21	16	42
Wood products	(6)	12	6	14	26	16	16	-	9	41
Corporate / other	18	(104)	(13)	(94)	(193)	(66)	(35)	(12)	(47)	(160)
Total operating income (loss) by segment	\$ 31	\$ (32)	\$ 31	\$ (58)	\$ (28)	\$ (49)	\$ 3	\$ 36	\$ 8	\$ (2)
Selling, General And Administrative expenses										
Newsprint	\$ 15	\$ 14	\$ 14	\$ 12	\$ 55	\$ 13	\$ 14	\$ 12	\$ 11	\$ 50
Specialty papers ⁽⁴⁾	12	10	10	9	41	10	10	10	9	39
Market pulp	6	7	8	7	28	9	9	8	7	33
Wood products	5	4	5	5	19	5	5	5	5	20
Corporate / other	(6)	6	4	2	6	7	6	3	8	24
Total selling, general and administrative expenses	\$ 32	\$ 41	\$ 41	\$ 35	\$ 149	\$ 44	\$ 44	\$ 38	\$ 40	\$ 166
Operating Cost per Unit										
Newsprint (mt)	\$ 625	\$ 601	\$ 613	\$ 619	\$ 614	\$ 636	\$ 594	\$ 589	\$ 579	\$ 599
Specialty papers (st) ⁽⁴⁾	731	698	701	742	718	737	734	710	718	725
Market pulp (mt)	724	673	708	650	686	657	644	620	639	640
Wood products (mbf)	320	314	356	332	330	360	365	350	353	356
Product Inventory (thousands of units)										
Newsprint (mt)	73	82	75	90	90	110	107	109	99	99
Specialty papers (st) ⁽⁴⁾	102	108	87	82	82	93	82	95	96	96
Market pulp (mt)	54	114	99	121	121	113	98	102	81	81
Wood products (mbf)	131	116	107	101	101	122	149	107	123	123

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Dollars in millions	2012 ⁽¹⁾					2013 ⁽¹⁾				
	First	Second	Third	Fourth	Total	First	Second	Third	Fourth	Total
Net income (loss) including noncontrolling interests										
Newsprint	\$ 21	\$ 32	\$ 26	\$ 18	\$ 97	\$ (2)	\$ 10	\$ 13	\$ 19	\$ 40
Specialty papers ⁽⁴⁾	15	31	30	9	85	8	2	14	11	35
Market pulp	(17)	(3)	(18)	(5)	(43)	(5)	10	21	16	42
Wood products	(6)	12	6	14	26	16	16	-	9	41
Corporate / other	23	(134)	(7)	(80)	(198)	(22)	(82)	(636)	(57)	(797)
Total net income (loss) including noncontrolling interests	\$ 36	\$ (62)	\$ 37	\$ (44)	\$ (33)	\$ (5)	\$ (44)	\$ (588)	\$ (2)	\$ (639)
Interest expense	\$ 16	\$ 18	\$ 17	\$ 15	\$ 66	\$ 14	\$ 13	\$ 12	\$ 12	\$ 51
Income tax provision (benefit)	\$ (8)	\$ 2	\$ (4)	\$ (29)	\$ (39)	\$ (40)	\$ (31)	\$ 617	\$ (22)	\$ 524
Depreciation and Amortization										
Newsprint	\$ 18	\$ 18	\$ 18	\$ 18	\$ 72	\$ 18	\$ 18	\$ 18	\$ 19	\$ 73
Specialty papers ⁽⁴⁾	22	21	20	20	83	19	19	19	20	77
Market pulp	8	10	13	13	44	13	13	13	13	52
Wood products	9	9	8	8	34	9	9	9	9	36
Corporate / other	-	-	-	-	-	1	2	2	-	5
Total depreciation and amortization	\$ 57	\$ 58	\$ 59	\$ 59	\$ 233	\$ 60	\$ 61	\$ 61	\$ 61	\$ 243
EBITDA ⁽⁵⁾										
Newsprint	\$ 39	\$ 50	\$ 44	\$ 36	\$ 169	\$ 16	\$ 28	\$ 31	\$ 38	\$ 113
Specialty papers ⁽⁴⁾	37	52	50	29	168	27	21	33	31	112
Market pulp	(9)	7	(5)	8	1	8	23	34	29	94
Wood products	3	21	14	22	60	25	25	9	18	77
Corporate / other	31	(114)	6	(94)	(171)	(47)	(98)	(5)	(67)	(217)
Total EBITDA	\$ 101	\$ 16	\$ 109	\$ 1	\$ 227	\$ 29	\$ (1)	\$ 102	\$ 49	\$ 179
Special Items ⁽⁵⁾										
Foreign currency translation (gain) loss	\$ (12)	\$ 9	\$ (18)	\$ 4	\$ (17)	\$ 5	\$ 7	\$ (3)	\$ 15	\$ 24
Severance costs	2	1	-	2	5	-	-	-	-	-
Closure costs, impairment and other related charges	5	88	5	87	185	40	12	4	33	89
Inventory write-downs related to closures	-	7	-	5	12	4	1	-	6	11
(Gain) loss on disposition of assets	(23)	(1)	(4)	(7)	(35)	-	(2)	-	-	(2)
Net loss on extinguishment of debt	-	-	-	-	-	-	59	-	-	59
Transaction costs	4	3	-	1	8	3	2	-	1	6
Start up costs of idled mill	-	-	5	8	13	15	13	3	1	32
Other (income) expense, net	(1)	1	(1)	(4)	(5)	(23)	(1)	(2)	5	(21)
Total Special Items	\$ (25)	\$ 108	\$ (13)	\$ 96	\$ 166	\$ 44	\$ 91	\$ 2	\$ 61	\$ 198
Adjusted EBITDA ⁽⁵⁾										
Newsprint	\$ 39	\$ 50	\$ 44	\$ 36	\$ 169	\$ 16	\$ 28	\$ 31	\$ 38	\$ 113
Specialty papers ⁽⁴⁾	37	52	50	29	168	27	21	33	31	112
Market pulp	(9)	7	(5)	8	1	8	23	34	29	94
Wood products	3	21	14	22	60	25	25	9	18	77
Corporate / other	6	(6)	(7)	2	(5)	(3)	(7)	(3)	(6)	(19)
Total Adjusted EBITDA	\$ 76	\$ 124	\$ 96	\$ 97	\$ 393	\$ 73	\$ 90	\$ 104	\$ 110	\$ 377

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Notes

¹ In the second quarter of 2013, we changed our accounting policy for repairs and maintenance costs associated with planned major maintenance activities. Previously, all repairs and maintenance costs, including those associated with planned major maintenance, were expensed as incurred. We have voluntarily elected to change our accounting policy for planned major maintenance costs to the deferral method, whereby the costs of each planned major maintenance activity are amortized on a straight-line basis over the estimated period until the next planned major maintenance activity. All other routine repairs and maintenance costs continue to be expensed as incurred. In accordance with Financial Accounting Standards Board Accounting Standards Codification 250, "Accounting Changes and Error Corrections," we have applied the change in accounting policy retroactively by adjusting our comparative consolidated financial statements for the effect of this change.

² The Company defines Working capital as current assets less current liabilities excluding cash and cash equivalents and debt.

³ The Company defines Net debt as total debt less cash and cash equivalents.

⁴ In the fourth quarter of 2013, we changed the way we evaluate the results of our reportable segments and have combined our coated papers segment with our specialty papers segment. Comparative period information, including the information presented above, has been modified to conform with this revised segment presentation.

⁵ 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 translation gains and losses, net loss on extinguishment of debt, closure costs, inventory write-downs related to closures, start up costs of idled mill, impairment and other related charges, severance costs, 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.