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BIENVENUE AU CANADA WELCOME TO CANADA



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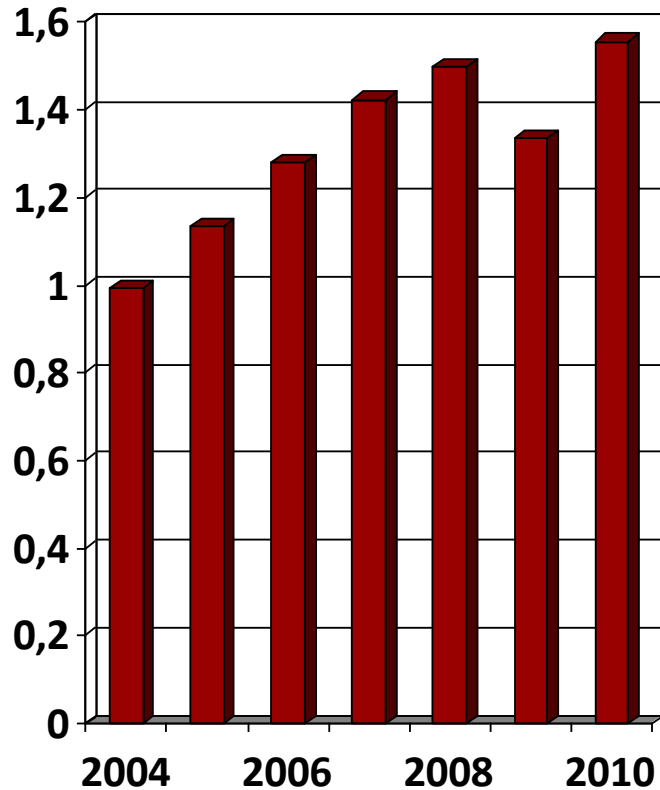


Macro Economical Development

- GDP
- GDP per capita
- Population
- Trade Balance
- Natural Resources
- Currency



Canadian GDP



- GDP 1.556 trillion USD
- 11th in the World
- (2005-2010) + 37.2% vs World at + 35.8%
- 3rd for GDP per capita in the G20

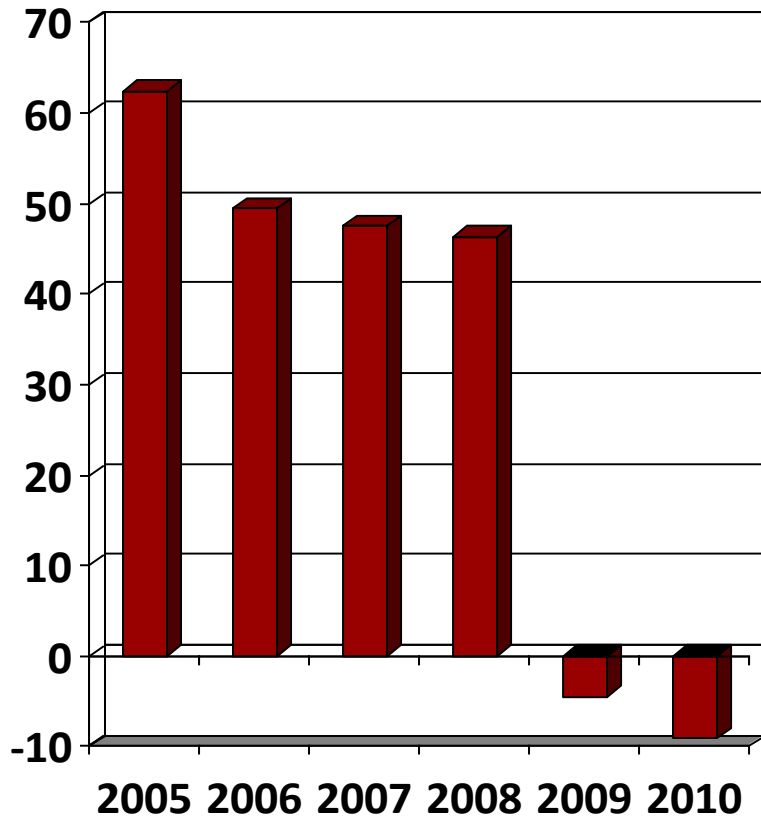


Population

- Population of 34.9 million
- 0.5% of the World
- 2.3% of the World GDP
- Last 10 years + 10.6% vs World + 12.8%
- 3.42 People/ km² vs World 45 People/Km²



Trade Balance



- Negative trade balance of \$9 billion in 2010
- Positive trade balance of \$62 billion in 2005
- Still positive with USA at \$36 billion in 2010



Our Forests

- In 2010 Canadian Forest is 1.57% of GDP
- In 1996 Canadian Forest was 3% of GDP
- Forests are 45% of Canada's surface
- 417.6 million hectares of forest

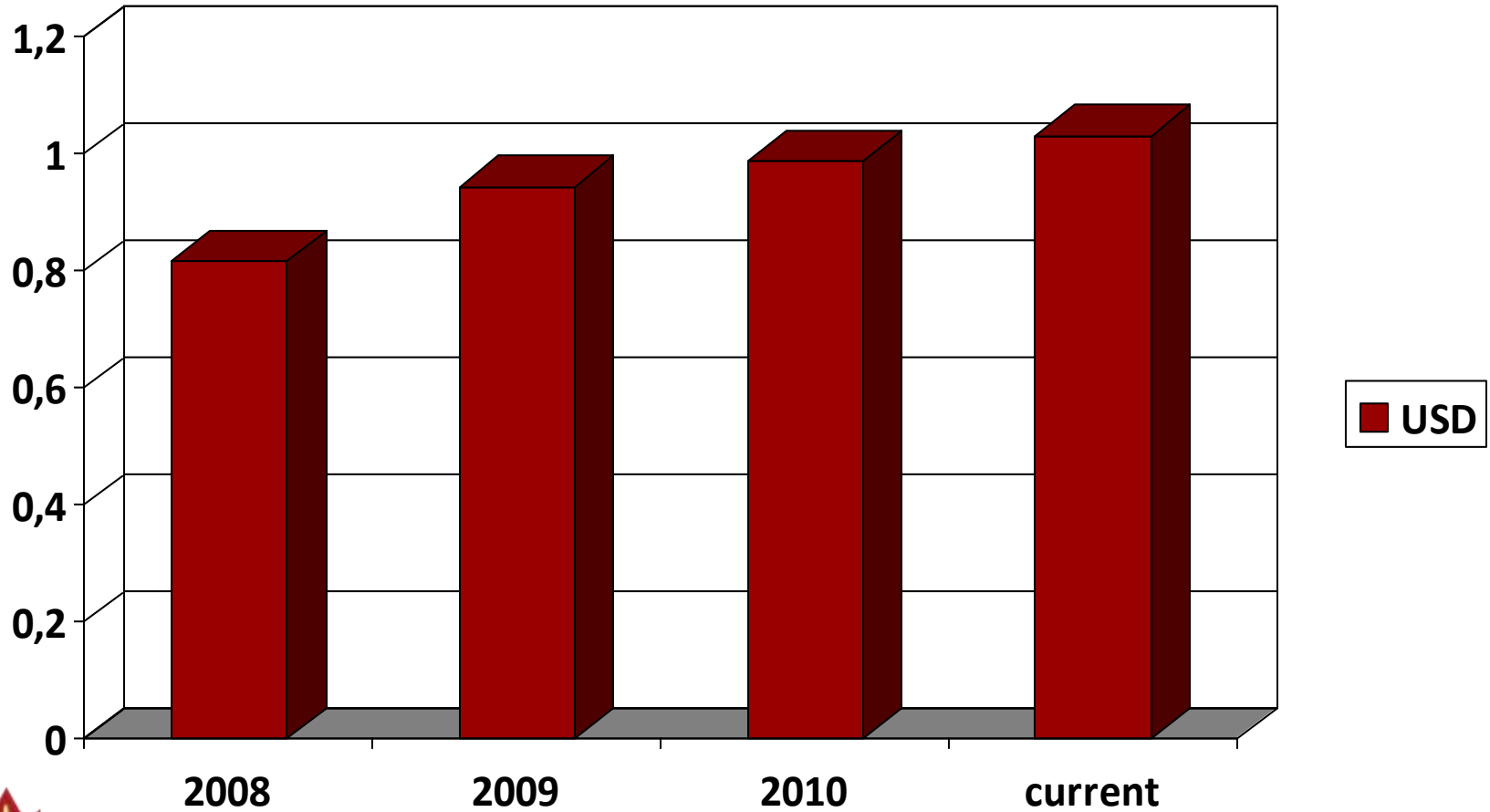


Natural Resources

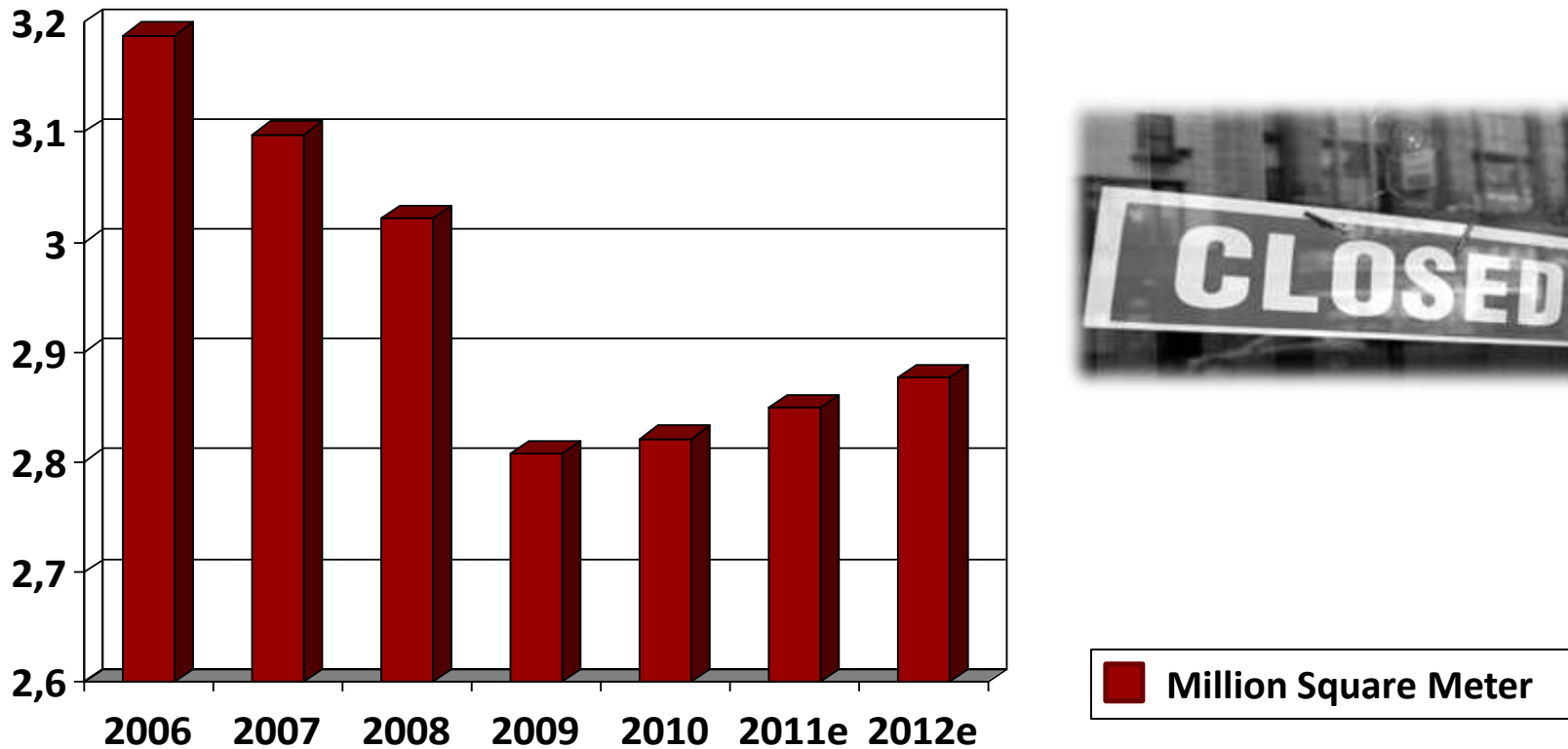
- Canada is 3rd in the World for forest
- Canada is 3rd in the World for water
- Canada is 2nd in the World for oil
- Canada is 1st in the World for Uranium



CAD Currency



Canadian Box Shipments



Canadian Box Market

- Canadian box shipments (2005-2010)
 - - 11.5%
- World box shipments (2005-2010)
 - + 12.45%
- Increased box shipments from USA due to high Canadian dollar
- Closures of 4 corrugators in the last 24 months
- RockTenn purchases Smurfit-Stone



Containerboard Mills in Canada

- 7 Companies
- 13 mills with capacity of 2.164 million tons per year
- 13 machines with average trim of 171 inches
- 8 recycled machines
- 4 semi-chem medium machines
- 1 Virgin Kraft white top machine



Containerboard Market Evolution

2003

- 5 Integrated companies
- 85% integration
- 53 corrugators
- 12 Independents
- 20 containerboard machines
- 3.274 million tons

2011

- 6 Integrated companies
- 113% integration
- 45 corrugators
- 10 independents
- 13 containerboard machines
- 2.172 million tons



Containerboard Industry Changes

- Eurocan shutdown the last virgin Kraft linerboard machine in Canada in 2010
- Catalyst shutdown its white top linerboard machine in 2009
- Norampac shutdown its last virgin Kraft linerboard machine in Red Rock in 2006
- New Forest started up a new containerboard machine in 2006



Recovered Paper

- OCC recovery in industrial, commercial and institutional sector is evaluated at 85%
- OCC recovery for residential is at 75%
- Price of OCC is very high with no sign of weakness
- N.A. Softwood Pulp pricing is at all time record high



Conclusion

- Canada is a natural resources country
- Manufacturing keeps going down
- Negative effects on corrugated boxes
- Containerboard margins affected by currency and high cost of OCC
- Very little expansion in the last 5 years and nothing major expected



People

THE GREATEST CHARACTERISTIC OF THE LEADERS OF
THE CANADIAN CONTAINERBOARD INDUSTRY IS:

ENTREPRENEURSHIP





The End



Serge Desgagnés

