Cautionary Note Regarding Forward-Looking Statements

• To the extent any statements made in this investor presentation contain information that is not historical, these statements are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements relate to, among other things, our current expectations about the Company’s future results, financial condition, revenue, earnings, free cash flow, margins, objectives, goals, strategies, beliefs, intentions, plans, estimates, prospects, projections and outlook of Quad/Graphics, Inc. (the “Company” or “Quad/Graphics”), and can generally be identified by the use of words such as “may,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “plan,” “foresee,” “project,” “believe,” “continue” or the negatives of these terms, variations on them and other similar expressions. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements.

• These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond the control of Quad/Graphics. These risks, uncertainties, and other factors could cause actual results to differ materially from those expressed or implied by those forward-looking statements. Among risks, uncertainties and other factors that may impact Quad/Graphics are: the impact of significant overcapacity in the highly competitive commercial printing industry, which creates downward pricing pressure and fluctuating demand for printing services; the inability of the Company to reduce costs and improve operating efficiency rapidly enough to meet market conditions; the impact of electronic media and similar technological changes including digital substitution by consumers; the impact of changes in postal rates, service levels or regulations; the impact of changing future economic conditions; the failure to renew long-term contracts with clients on favorable terms or at all; the failure of clients to perform under long-term contracts due to financial or other reasons or due to client consolidation; the failure to successfully identify, manage, complete and integrate acquisitions and investments; the impact of increased business complexity as a result of the Company’s entry into additional markets; the impact of fluctuations in costs (including labor-related costs, energy costs, freight rates and raw materials) and the impact of fluctuations in the availability of raw materials; the impact of regulatory matters and legislative developments or changes in laws, including changes in privacy and environmental laws; the impact on the holders of Quad/Graphics class A common stock of a limited active market for such shares and the inability to independently elect directors or control decisions due to the voting power of the class B common stock; the impact of risks associated with the operations outside of the United States; significant capital expenditures may be needed to maintain the Company’s platform and processes and to remain technologically and economically competitive; and the other risk factors identified in the Company's most recent Annual Report on Form 10-K, as such may be amended or supplemented by subsequent Quarterly Reports on Form 10-Q or other reports filed with the Securities and Exchange Commission.

• Quad/Graphics cautions that the foregoing list of risks, uncertainties and other factors is not exhaustive and you should carefully consider the other factors detailed from time to time in Quad/Graphics’ filings with the United States Securities and Exchange Commission and other uncertainties and potential events when reviewing Quad/Graphics' forward-looking statements.

• Because forward-looking statements are subject to assumptions and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. You are cautioned not to place undue reliance on such statements, which speak only as of the date of this investor presentation. Except to the extent required by the federal securities laws, Quad/Graphics undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.
Quad/Graphics, Inc. Overview
Quad/Graphics Overview

• Global provider of print and related multichannel solutions
• Diverse customer base of more than 8,000 clients (including many in the Fortune 500)
• $4.8 billion in 2013 Net Sales
• 2nd largest printer in Western Hemisphere
• Latin America’s largest printer
• Approximately 25,000 employees
• 70 printing plants in 8 countries
• Headquartered in Sussex, WI
Our Global Platform

Printing Plant Locations

North America
- 58 facilities
- 20,000 employees
- 90% of revenue

Europe
- 2 facilities
- 1,450 employees
- 4% of revenue

Latin America
- 10 facilities
- 2,850 employees
- 6% of revenue

Asia
- Strategic Partnership with India’s ManipalTech

Innovative People Redefining Print™
Continuing to Grow and Diversify Our Offering

2009

- Catalogs: 34%
- Magazine: 23%
- Retail Inserts: 12%
- Europe: 6%
- Logistics: 7%
- Direct Mail: 6%
- Media Solutions: 5%
- Commercial & Specialty: 3%
- Latin America: 2%

$1.8 billion Net Sales

CAGR: 28%

2013

- Catalogs: 17%
- Magazines: 16%
- Direct Mail: 8%
- Logistics: 9%
- Media Solutions: 3%
- Commercial & Specialty: 3%
- Directory: 3%
- Europe: 4%
- Books: 4%
- Latin America: 6%
- Other: 1%

$4.8 billion Net Sales
## Our Expanding Vertical Markets

<table>
<thead>
<tr>
<th>Publishing</th>
<th>Retail</th>
<th>Financial Services</th>
<th>Telecom</th>
<th>Healthcare</th>
<th>Non-Profit</th>
<th>Automotive</th>
</tr>
</thead>
<tbody>
<tr>
<td>HEARST</td>
<td>L.L.Bean</td>
<td>Bank of America</td>
<td>Charter</td>
<td>HealthAlliance</td>
<td>SCAdirect</td>
<td>GMC</td>
</tr>
<tr>
<td>Condé Nast</td>
<td>Target</td>
<td>Chase</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TimeInc</td>
<td>WeightWatchers’</td>
<td>DISCOVER</td>
<td>AT&amp;T</td>
<td>Acurian Health</td>
<td>Amnesty International</td>
<td>Chrysler</td>
</tr>
<tr>
<td>Bonnier</td>
<td>Bonton</td>
<td>Citifinancial</td>
<td></td>
<td></td>
<td></td>
<td>NISSAN</td>
</tr>
<tr>
<td>Meredith</td>
<td>Macy’s</td>
<td>American Express</td>
<td></td>
<td>McKesson</td>
<td>AARP</td>
<td>Ford</td>
</tr>
<tr>
<td>National Geographic</td>
<td>Staples</td>
<td>Mutual of Omaha</td>
<td></td>
<td>McKesson</td>
<td></td>
<td>AARP</td>
</tr>
<tr>
<td>Source Interlink Media</td>
<td>Lowe’s</td>
<td>New York Life</td>
<td></td>
<td>Comcast</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Source Interlink Media</td>
<td>Netflix</td>
<td>Ameriprise Financial</td>
<td></td>
<td>BlueCross BlueShield</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Source Interlink Media</td>
<td>Sears</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Source Interlink Media</td>
<td>L.L.Bean</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
# Industry Dynamics

## Overview

- Quad/Graphics operates primarily in the commercial print portion of the printing industry:
  - Total US print advertising spending will approximate $41 billion in 2013\(^1\)
  - Print represents 24% of total U.S. advertising spending\(^1\)
- Highly fragmented and competitive:
  - Largest 400 printers represent approximately 55% of the overall U.S. and Canadian market\(^2\)
  - Excess manufacturing capacity remains but overall industry utilization increased in 2013 to 68% from a low point of 61% in 2009\(^3\)

## Pressures

- **Cyclical**
  - Economy
  - Consumer Confidence
  - Retail Environment
  - Disposable Income
- **Structural**
  - Online Content
  - Mobile Devices
  - E-marketing
  - Changing Business Needs

---

\(^1\) Source: ZenithOptimedia Advertising Expenditure Forecast, Dec 2013  
\(^2\) Source: PIA/GATF 2012 Print Market Atlas; 2013 PI 400  
\(^3\) Source: Federal Reserve Feb 2014 G17 Report showing 2013 info. Includes printing of newspapers, magazines, books, labels, stationary, etc., as well as data imaging, platemaking and bookbinding.
How We Create Client Value
Quad/Graphics’ Value Proposition

How we help clients achieve objectives

- Efficient, flexible and modern manufacturing platform reducing time and cost per job.
- Leading mailing and distribution capabilities allowing clients to develop targeted campaigns.
- Client-centric approach, creating customized solutions to meet clients’ business objectives.
- Commitment to ongoing innovation, rapid adoption of technology and integration of new media.
Media Continues to Evolve

<1990
- TV
- Radio
- Display
- Print
- Direct Mail
- Telephone

1990s
- IM
- eMail
- Website
- Search
- Online Display

Early 1990s
- Paid Search
- Landing Pages
- Microsites
- Online Video
- Webinars
- Affiliate Marketing

Late 1990s
- IM
- eMail
- Website
- Search
- Online Display

2000s
- Mobile eMail
- SMS Text
- PURLs
- Blogs
- RSS Feeds
- Podcasts
- Wikis
- Social Networks
- Mobile Web
- Paid Search
- Landing Pages
- Microsites
- Online Video
- Webinars
- Affiliate Marketing

2010+
- Addressable Voice
- IR, NFC
- Virtual Worlds
- Widgets
- Twitter
- Facebook
- Mobile eMail
- SMS Text
- PURLs
- Blogs
- RSS Feeds
- Podcasts
- Wikis
- Social Networks
- Mobile Web
- Paid Search
- Landing Pages
- Microsites
- Online Video
- Webinars
- Affiliate Marketing

Innovative People Redefining Print™
Media Channel Integration in an Omni-Channel World
Understand Client’s Pain Points

Cost Drivers

• Postal rate increases
• Economic conditions
• Paper and ink price fluctuations
• Fierce competition
• Do more with less resources

Client Cost Profile

- Manufacturing: 50%
- Paper: 30%
- Mailing/Distribution: 20%

Our Client’s Challenges Create an Opportunity to Create Value
Our Strategic Goals

- Strengthen the Core
- Grow Our Business
- Walk in the Shoes of Our Customers
- Engage Employees
- Enhance Financial Strength
Strategic Acquisitions and Integration
Acquisition Strategy

**Acquisition Criteria**

- Our disciplined approach ensures the following criteria are met:
  
  - Good Strategic Fit
  - Economics Make Sense
  - The Integration Plan Is Executable
  - Balance Sheet Integrity Is Maintained

**Integration Priorities**

- The key elements in our formula for how we measure integration success include:
  
  > Financial metrics
  > Employee integration
  > Customer retention
  > IT & platform integration
  > Plant consolidation
  > Procurement
  > Logistics
  > SG&A
Our Journey

Annual Net Sales
(in billions)

2009  2010  2011  2012  2013  2014

$1.8  $3.2  $4.3  $4.1  $4.8  $4.7

(1) Represents the mid-point of our annual guidance range of $4.6 billion to $4.8 billion. Note that the pending acquisition of Brown Printing is not included in our 2014 guidance.
Recent Acquisitions

- **Novia CareClinics, LLC** – Acquired on November 7, 2013
  > Specializes in onsite and shared primary clinics for small to medium-sized companies and the public sector.
  > Headquartered in Indianapolis.
  > With acquisition, QuadMed now has more than 90 clinics in 18 states.

- **Proteus Packaging** – Acquired on December 18, 2013
  > Designer and manufacturer of high-end paperboard packaging.
  > Headquartered in Franklin, Wis.; 90 employees.

- **Transpak Corporation** – Acquired on December 18, 2013
  > Specializes in industrial packaging.
  > Headquartered in Franklin, Wis.; 35 employees.

- **UniGraphic, Inc.** – Acquired on February 5, 2014
  > East Coast commercial and in-store printer.
  > Headquartered in Woburn, Mass., with a second facility in New York City.
  > 190 employees between the two facilities.
Pending Acquisition of Brown Printing

- Printer of magazines and catalogs
  - Cleared Hart-Scott-Rodino antitrust approval on May 19, 2014, expect to close transaction shortly
  - Purchase price of $100 million
  - Post synergy purchase price multiple of less than 4x Adjusted EBITDA\(^{(1)}\)

- Three plants with approximately 1,800 employees
  - Waseca, MN; Woodstock, IL; East Greenville, PA
  - Non-union labor force

- No defined benefit pension obligations or debt assumed

- Shares similar culture and values

\(^{(1)}\) See slide 35 for the definition of Adjusted EBITDA as a non-GAAP measure.
Financial Overview
Financial Strength

- Maximize Free Cash Flow
- Disciplined Capital Deployment
- Strong Earnings Margin
- Strong Balance Sheet
Our Strategic Financial Objectives

• Stabilize core revenues and EBITDA(1) in our mature industry
• Maximize Free Cash Flow(1) to provide capital allocation flexibility
• Maintain a strong Balance Sheet to confidently address economic and industry challenges and provide flexibility to act on opportunities
• Execute on consolidating acquisitions that are strategically and financially compelling
• Invest in growth markets to create future revenue and EBITDA(1) growth
• Create long-term value to be our own best investment

(1) See slide 35 for the definition of EBITDA and Free Cash Flow as non-GAAP measures.
## Financial Overview

<table>
<thead>
<tr>
<th>US Millions $</th>
<th>2013</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>$ 4,796</td>
<td>$ 4,094</td>
<td>$ 4,325</td>
</tr>
<tr>
<td>Cost of Sales</td>
<td>3,802</td>
<td>3,184</td>
<td>3,302</td>
</tr>
<tr>
<td>SG&amp;A</td>
<td>416</td>
<td>347</td>
<td>407</td>
</tr>
<tr>
<td>Depreciation and Amortization</td>
<td>341</td>
<td>339</td>
<td>345</td>
</tr>
<tr>
<td>Restructuring, Impairment and Transaction-Related Charges</td>
<td>95</td>
<td>118</td>
<td>114</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>86</td>
<td>84</td>
<td>108</td>
</tr>
<tr>
<td>Adjusted EBITDA(1)</td>
<td>577</td>
<td>566</td>
<td>618</td>
</tr>
<tr>
<td>Adjusted EBITDA Margin(1)</td>
<td>12.0%</td>
<td>13.8%</td>
<td>14.3%</td>
</tr>
</tbody>
</table>

(1) See slide 35 for the definition of Adjusted EBITDA and Adjusted EBITDA Margin as non-GAAP measures.
Strong and Stable Cash Profile

Adjusted EBITDA\(^{(1)}\)

- 2011: $618
- 2012: $566
- 2013: $577

Free Cash Flow\(^{(1)}\)

- 2011: $203
- 2012: $251
- 2013: $202\(^{(2)}\)

Capital Expenditures

- 2011: $168
- 2012: $104
- 2013: $149

Depreciation and Amortization

- 2011: $345
- 2012: $339
- 2013: $341

---

\(^{(1)}\) See slide 35 for the definition of Adjusted EBITDA and Free Cash Flow as non-GAAP measures.

\(^{(2)}\) Excludes an estimated $90 million benefit realized in 2013 from the restoration of normalized working capital levels following the January 2013 acquisition of Vertis, which was acquired without normalized levels of accounts payable and accrued liabilities.
Credit Profile

Total Debt\(^{(1)}\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Debt</th>
<th>Underfunded Pension Liability(^{(2)})</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>$1,471</td>
<td>$407</td>
</tr>
<tr>
<td>2012</td>
<td>$1,351</td>
<td>$378</td>
</tr>
<tr>
<td>2013</td>
<td>$1,407</td>
<td>$187</td>
</tr>
</tbody>
</table>

Adjusted EBITDA\(^{(3)}\) / Interest Expense

<table>
<thead>
<tr>
<th>Year</th>
<th>Adjusted EBITDA / Interest Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>5.7x</td>
</tr>
<tr>
<td>2012</td>
<td>6.7x</td>
</tr>
<tr>
<td>2013</td>
<td>6.7x</td>
</tr>
</tbody>
</table>

Debt Leverage Ratio\(^{(3)}\)

- 2011: 2.38x
- 2012: 2.39x
- 2013: 2.44x

Gross Interest Expense

<table>
<thead>
<tr>
<th>Year</th>
<th>Gross Interest Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>$108</td>
</tr>
<tr>
<td>2012</td>
<td>$84</td>
</tr>
<tr>
<td>2013</td>
<td>$86</td>
</tr>
</tbody>
</table>

---

(1) Calculation includes long-term debt, short-term debt and current portion of long-term debt, capital lease obligations and current portion of long-term capital lease obligations.

(2) 2013 reduction in pension underfunding included $55 million of contributions, $54 million of excess asset return, and $75 million of improved underfunding due to an increase in interest discount rate. Total 2011, 2012 & 2013 figure includes both single and multiple employer pension plans.

(3) See slide 35 for the definition of Adjusted EBITDA and Debt Leverage Ratio as non-GAAP measures.
Q1 2014 Financial Results Highlights

• First quarter 2014 results in line with expectations
  > Net Sales of $1.1 billion
  > Adjusted EBITDA\(^{(1)}\) of $107 million, with an Adjusted EBITDA Margin\(^{(1)}\) of 9.7%
  > Free Cash Flow\(^{(1)}\) of negative $13 million
  > Debt Leverage Ratio\(^{(1)}\) of 2.55x

• Announced agreement to acquire Brown Printing Company on April 7, 2014
• Completed new $1.9 billion debt financing on April 28, 2014

Results were in line with expectations, consistent with annual guidance

---

\(^{(1)}\) See slide 35 for the definitions of Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow and Debt Leverage Ratio as non-GAAP measures.
$1.9 Billion Debt Financing Arrangements

- New $1.9 billion debt financing enhances the Company’s financial flexibility by:
  > Extending and staggering our debt maturity profile;
  > Further diversifying our debt capital structure; and
  > Providing more borrowing capacity to better position the Company to execute on its strategic goals.

- Amended and extended $1.6 billion senior secured credit facility
  > $850 million revolving credit facility with a five-year term maturing on April 27, 2019\(^1\)
  > $450 million Term Loan A with a five-year term maturing on April 27, 2019\(^1\)
  > $300 million Term Loan B with a seven-year term maturing on April 27, 2021\(^2\)

- Inaugural high-yield bond offering of $300 million of unsecured senior notes
  > Priced at a fixed interest rate of 7.0%
  > Eight-year term maturing on May 1, 2022

---

\(^1\) Borrowings under the revolving credit facility and Term Loan A will initially bear interest at reserve adjusted London Interbank Offered Rate ("LIBOR") plus 2.00%.

\(^2\) Borrowings under the Term Loan B will bear interest at reserve adjusted LIBOR plus 3.25%, with a LIBOR floor of 1.00%.
$1.9 Billion Refinancing Outcome

Previous Debt Structure
March 31, 2014 – Actual

- 4.3 year weighted average duration
- $545 million revolver availability
- 4.5% blended interest rate
  - Fixed – Weighted interest rate of 7.2%
  - Floating – Weighted interest rate of 3.0%

New Debt Structure
March 31, 2014 – Pro Forma

- 6.3 year weighted average duration
- $806 million revolver availability
- 5.2% blended interest rate
  - Fixed – Weighted interest rate of 7.2%
  - Floating – Weighted interest rate of 3.1%

We extended and expanded our debt structure while maintaining a low blended interest rate
## 2014 Guidance

<table>
<thead>
<tr>
<th>US $</th>
<th>2014(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>$4.6 billion to $4.8 billion</td>
</tr>
<tr>
<td>Adjusted EBITDA(2)</td>
<td>$520 million to $550 million</td>
</tr>
<tr>
<td>Free Cash Flow(2)</td>
<td>$155 million to $165 million</td>
</tr>
<tr>
<td>Depreciation and Amortization</td>
<td>$330 million to $340 million</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>$90 million to $95 million</td>
</tr>
<tr>
<td>Restructuring and Transaction-Related Cash Expenses</td>
<td>$35 million to $55 million</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>$150 million to $175 million</td>
</tr>
<tr>
<td>Cash Taxes</td>
<td>$30 million to $35 million</td>
</tr>
<tr>
<td>Pension Cash Contributions(3)</td>
<td>Approximately $60 million</td>
</tr>
</tbody>
</table>

(1) Note that the pending acquisition of Brown Printing is not included in our 2014 guidance.

(2) See slide 35 for definitions of our non-GAAP measures.

(3) Includes single employer pension and postretirement plans and MEPPs.
Our Financial Strength Fuels Strategic Initiatives

**Transformational Acquisitions**

- Worldcolor
- Transcontinental
- Unigraphic
- Proteus
- Vertis
- Transpak
- The Manifold Group
- Communications
- Proteus Packaging
- Novia Careclinics

**Capital Deployment**

- Listed on NYSE in 2010
- Issued first dividend in 2011 and consistently paid a dividend since

**Balance Sheet Strengthening**

- $345 million\(^1\) reduction in debt
- $377 million\(^1\) reduction in pension, postretirement and MEPP underfunded liabilities
- $806 million\(^2\) of revolving credit availability for future investment
- No significant debt maturities until 2019
- Consistently operated with leverage ratio range target of 2.0x – 2.5x (2.55x as of March 31, 2014)

Our financial strength helps us weather tough times and take advantage of strategic opportunities

---

\(^1\) For the period from July 2, 2010 Worldcolor acquisition through March 31, 2014.

\(^2\) Proforma for the new debt structure as of March 31, 2014.
Continued, Consistent Financial Policies

- Maintain normalized leverage of 2.0-2.5x granted may operate above or below this range given timing of investments and growth opportunities
- Reduce leverage with generated free cash flow
- De-risk underfunded pensions and MEPPs
- Maintain strong relationships with a diversified group of Lenders
- Continue to maintain a staggered maturity profile to minimize refinancing risk
- Have a healthy balance of fixed vs. floating rate debt
- Always have adequate dry powder to pursue opportunities that are accretive to earnings, as well as to maintain a healthy access to liquidity during difficult economic times
- Return capital to shareholders as part of a balanced capital allocation strategy and maintenance of financial policies
Why Invest in Quad/Graphics?

- Market leader in commercial print industry
- Strong balance sheet and Free Cash Flow\(^{(1)}\) generation
- Consistent dividend
- Diversified client base across channels
- Proven ability to execute and integrate acquisitions
- Leading mailing and distribution capabilities
- Strategy to transform the industry to create client value in an omni-channel World
- Consistent, conservative financial policies

\(^{(1)}\) See slide 35 for the definition of Free Cash Flow as a non-GAAP measure.
Innovative People *Redefining* Print

For questions contact:
Kelly Vanderboom – kelly.vanderboom@qg.com
Use of Non-GAAP Financial Measures

- In addition to financial measures prepared in accordance with generally accepted accounting principles (GAAP), this presentation also contains non-GAAP financial measures, specifically EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow and Debt Leverage Ratio. They are presented to provide additional information regarding Quad/Graphics’ performance and because they are important measures by which Quad/Graphics assesses the profitability and liquidity of its business. These measures should not be considered alternatives to net earnings as a measure of operating performance or to cash flows provided by operating activities as a measure of liquidity.

- EBITDA is defined as net earnings (loss) plus interest expense, income tax expense (if applicable), and depreciation and amortization, and less income tax benefit (if applicable).

- EBITDA Margin is defined as EBITDA divided by net sales.

- Adjusted EBITDA is defined as EBITDA plus restructuring, impairment and transaction-related charges.

- Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by net sales.

- Free Cash Flow is defined as net cash provided by operating activities less purchases of property, plant and equipment.

- Debt Leverage Ratio is defined as total debt and capital lease obligations divided by the last twelve months of Adjusted EBITDA.
## Adjusted EBITDA Reconciliation to GAAP

### Quarter-To-Date (US $ Millions)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net loss attributable to Quad/Graphics common shareholders</td>
<td>$(8.8)</td>
<td>$(14.0)</td>
</tr>
<tr>
<td>Interest expense</td>
<td>20.9</td>
<td>21.9</td>
</tr>
<tr>
<td>Income tax benefit</td>
<td>(1.2)</td>
<td>(8.5)</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>83.8</td>
<td>88.8</td>
</tr>
<tr>
<td>EBITDA (Non-GAAP)</td>
<td>$ 94.7</td>
<td>$ 88.2</td>
</tr>
<tr>
<td>EBITDA Margin (Non-GAAP)</td>
<td>8.6%</td>
<td>7.8%</td>
</tr>
<tr>
<td>Restructuring, impairment and transaction-related charges</td>
<td>11.9</td>
<td>25.9</td>
</tr>
<tr>
<td>Adjusted EBITDA (Non-GAAP)</td>
<td>$ 106.6</td>
<td>$ 114.1</td>
</tr>
<tr>
<td>Adjusted EBITDA Margin (Non-GAAP)</td>
<td>9.7%</td>
<td>10.1%</td>
</tr>
</tbody>
</table>
# Free Cash Flow Reconciliation to GAAP

(US $ Millions)

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended March 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
</tr>
<tr>
<td><strong>Net cash provided by operating activities</strong></td>
<td>$ 33.0</td>
</tr>
<tr>
<td><strong>Less: purchases of property, plant and equipment</strong></td>
<td>(45.8)</td>
</tr>
<tr>
<td><strong>Free Cash Flow (Non-GAAP)</strong></td>
<td>$ (12.8)</td>
</tr>
</tbody>
</table>
Debt Leverage Ratio
(US $ Millions Except Ratio)

<table>
<thead>
<tr>
<th></th>
<th>March 31, 2014</th>
<th>December 31, 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total debt and capital lease obligations on the balance sheets</td>
<td>$ 1,449.9</td>
<td>$ 1,406.8</td>
</tr>
<tr>
<td>Divided by: trailing twelve months Adjusted EBITDA (Non-GAAP)</td>
<td>$ 569.6</td>
<td>$ 577.1</td>
</tr>
<tr>
<td>Debt Leverage Ratio (Non-GAAP)</td>
<td>2.55x</td>
<td>2.44x</td>
</tr>
</tbody>
</table>

(1) The calculation of Adjusted EBITDA for the trailing twelve months ended March 31, 2014 and December 31, 2013, was as follows:

<table>
<thead>
<tr>
<th></th>
<th>Year Ended</th>
<th>Add</th>
<th>Subtract</th>
<th>Trailing Twelve Months Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net earnings (loss) attributable to Quad/Graphics common shareholders</td>
<td>$ 32.5</td>
<td>$ (8.8)</td>
<td>$(14.0)</td>
<td>$ 37.7</td>
</tr>
<tr>
<td>Interest expense</td>
<td>85.5</td>
<td>20.9</td>
<td>21.9</td>
<td>84.5</td>
</tr>
<tr>
<td>Income tax expense (benefit)</td>
<td>23.3</td>
<td>(1.2)</td>
<td>(8.5)</td>
<td>30.6</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>340.5</td>
<td>83.8</td>
<td>88.8</td>
<td>335.5</td>
</tr>
<tr>
<td>EBITDA (Non-GAAP)</td>
<td>$ 481.8</td>
<td>$ 94.7</td>
<td>$ 88.2</td>
<td>$ 488.3</td>
</tr>
<tr>
<td>Restructuring, impairment and transaction-related charges</td>
<td>95.3</td>
<td>11.9</td>
<td>25.9</td>
<td>81.3</td>
</tr>
<tr>
<td>Adjusted EBITDA (Non-GAAP)</td>
<td>$ 577.1</td>
<td>$ 106.6</td>
<td>$ 114.1</td>
<td>$ 569.6</td>
</tr>
</tbody>
</table>
## Balance Sheet
(US $ Millions)

<table>
<thead>
<tr>
<th>Assets</th>
<th>March 31, 2014</th>
<th>December 31, 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 13.1</td>
<td>$ 13.1</td>
</tr>
<tr>
<td>Receivables</td>
<td>628.9</td>
<td>698.9</td>
</tr>
<tr>
<td>Inventories</td>
<td>270.2</td>
<td>272.5</td>
</tr>
<tr>
<td>Other current assets</td>
<td>103.0</td>
<td>89.8</td>
</tr>
<tr>
<td>Property, plant and equipment—net</td>
<td>1,914.5</td>
<td>1,925.5</td>
</tr>
<tr>
<td>Goodwill and other intangible assets</td>
<td>984.2</td>
<td>994.9</td>
</tr>
<tr>
<td>Other long-term assets</td>
<td>171.0</td>
<td>171.0</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$ 4,084.9</strong></td>
<td><strong>$ 4,165.7</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities and Shareholders’ Equity</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$ 352.9</td>
<td>$ 401.0</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>298.3</td>
<td>334.0</td>
</tr>
<tr>
<td>Current debt and capital leases</td>
<td>138.8</td>
<td>134.6</td>
</tr>
<tr>
<td>Long-term debt and capital leases</td>
<td>1,311.1</td>
<td>1,272.2</td>
</tr>
<tr>
<td>Deferred income taxes</td>
<td>395.9</td>
<td>395.2</td>
</tr>
<tr>
<td>Pension, MEPPs and other postretirement benefits</td>
<td>170.5</td>
<td>187.0</td>
</tr>
<tr>
<td>Other long-term liabilities</td>
<td>151.7</td>
<td>154.1</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>$ 2,819.2</strong></td>
<td><strong>$ 2,878.1</strong></td>
</tr>
<tr>
<td>Shareholders’ equity</td>
<td><strong>$ 1,265.7</strong></td>
<td><strong>$ 1,287.6</strong></td>
</tr>
<tr>
<td><strong>Total liabilities and shareholders’ equity</strong></td>
<td><strong>$ 4,084.9</strong></td>
<td><strong>$ 4,165.7</strong></td>
</tr>
</tbody>
</table>
Sunday and Daily Print Circulation
North American Circulation of Printed Newspapers

Source: Editor & Publisher, AAM, RISI
Paid Subscriber Copies fairly steady between +1% to -2%

Magazine Paid Subscriber Copies
Includes Digital

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<tbody>
<tr>
<td></td>
<td>-1.1%</td>
<td>-2.0%</td>
<td>-1.2%</td>
<td>-0.3%</td>
<td>0.7%</td>
<td>1.1%</td>
<td>0.7%</td>
<td>-0.1%</td>
<td>-1.2%</td>
</tr>
</tbody>
</table>

Note: in 2013, Digital Copies represent 3.5% of overall paid publication subscriptions (from 2.3% in 2012)

Source: Alliance for Audited Media Snapshot Report
Date Range: July 2009 – December 2013
Q1 2014 Ad Pages Declined 4% Which Was Somewhat Less Than the Q1 2013 Ad Page Decline of 4.8%.

Home furnishing titles were up: Arch Digest (14%), Veranda (10%), This Old House (5%) and Dwell (2%).

Women's domestic and Health/fitness titles were down: Martha Stewart Living (-35%), Family Circle (-28%), Flex (-22%) and Fitness (-12%).

*PIB = Ad pages for 204 magazine titles (monthlies and weeklies) representing roughly 85 percent of U.S. consumer magazine advertising volume.*
The Q1 2014 Catalogs Mailed Forecast Was -3.6% Which Is Greater Than the Q1 2013 Figure of -1.3%.

RISI Catalogs Mailed

![Chart showing the trend of RISI YOY and Cat Mail RISI from Q1 2010 to Q1 2014]

- RISI YOY: -5.6%, -2.2%, -1.4%, 2.5%, -1.1%, -6.3%, -5.7%, -8.5%, -7.9%, -2.7%, -4.1%, -4.0%, -1.3%, -2.8%, -4.8%, -3.0%, -3.6%

Full Year:
- RISI YOY: -1.8%, -5.5%, -4.7%, -3.0%

Note: there are some changes from previously reported 2012 and 2013 quarterly data due to recent updates to USPS household diary survey data from which Catalogs Mailed is derived.

Source: RISI

Date Range: 2009 – 2014