

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name Mercer International Inc		<b>2</b> Issuer's employer identification number (EIN) 91-6087550	
<b>3</b> Name of contact for additional information Genevieve Stannus	<b>4</b> Telephone No. of contact 604-639-4605	<b>5</b> Email address of contact gstannus@mercerint.com	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact #282 - 14900 Interurban Ave S		<b>7</b> City, town, or post office, state, and ZIP code of contact Seattle, WA 98168	
<b>8</b> Date of action Calendar year 2018		<b>9</b> Classification and description Distribution - Common Shares	
<b>10</b> CUSIP number 588056101	<b>11</b> Serial number(s) N/A	<b>12</b> Ticker symbol MERC	<b>13</b> Account number(s) N/A

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ Date(s) of action

Record Date	Payable Date
12/27/2017	01/04/2018
03/28/2018	04/04/2018
06/27/2018	07/06/2018
09/26/2018	10/03/2018
12/13/2018	12/20/2018

On each payable date, the issuer made cash distributions of \$0.125 per share of common stock

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶

On each payable date, 100% of the cash distributions were taxable dividends. No part of the distributions were a non-taxable return of capital, and none of the distributions reduced the basis of shares

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶

