

# Financial Performance of the Global Forest and Paper Industry

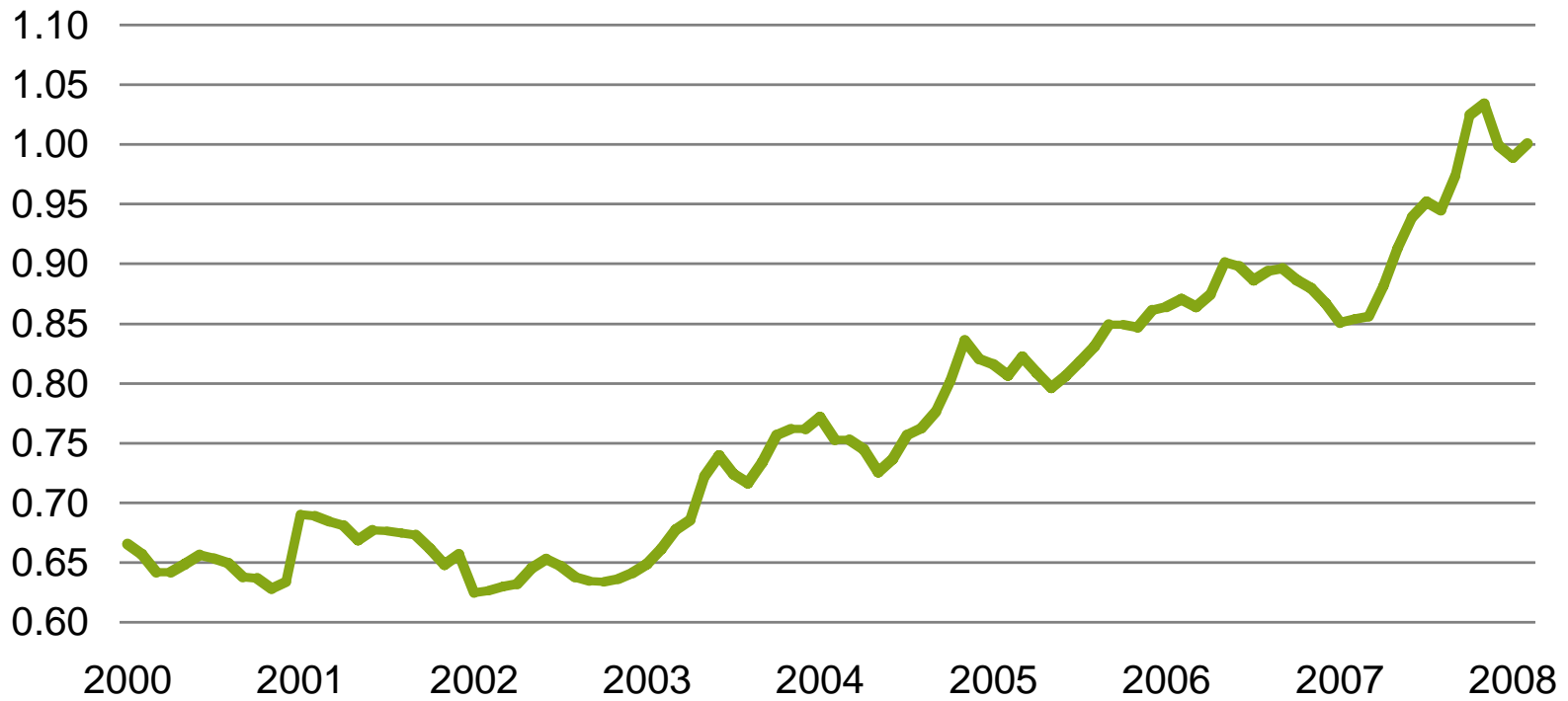
Craig Campbell

Leader, Performance Improvement  
Global Forest, Paper and Packaging Practice  
PricewaterhouseCoopers

May 8, 2008

# Exchange Rates

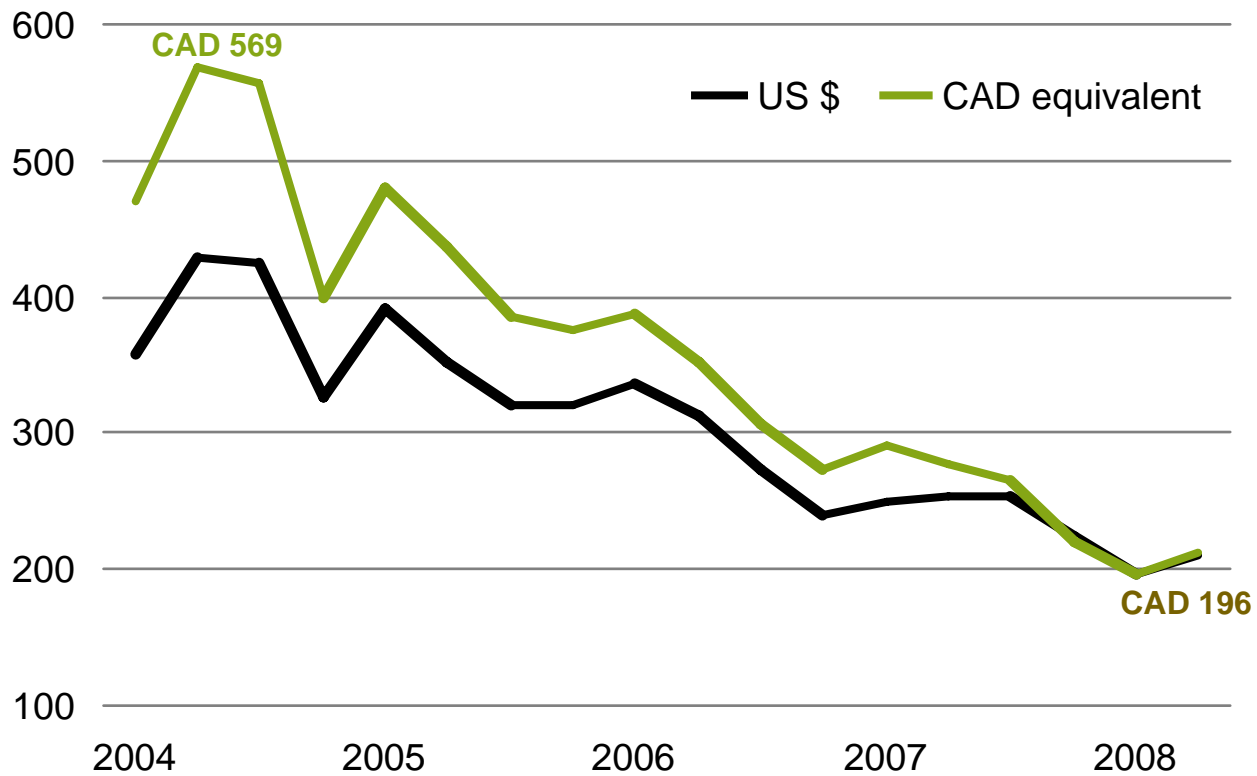
(USD per CAD)



Source: Factiva (average monthly noon rates)

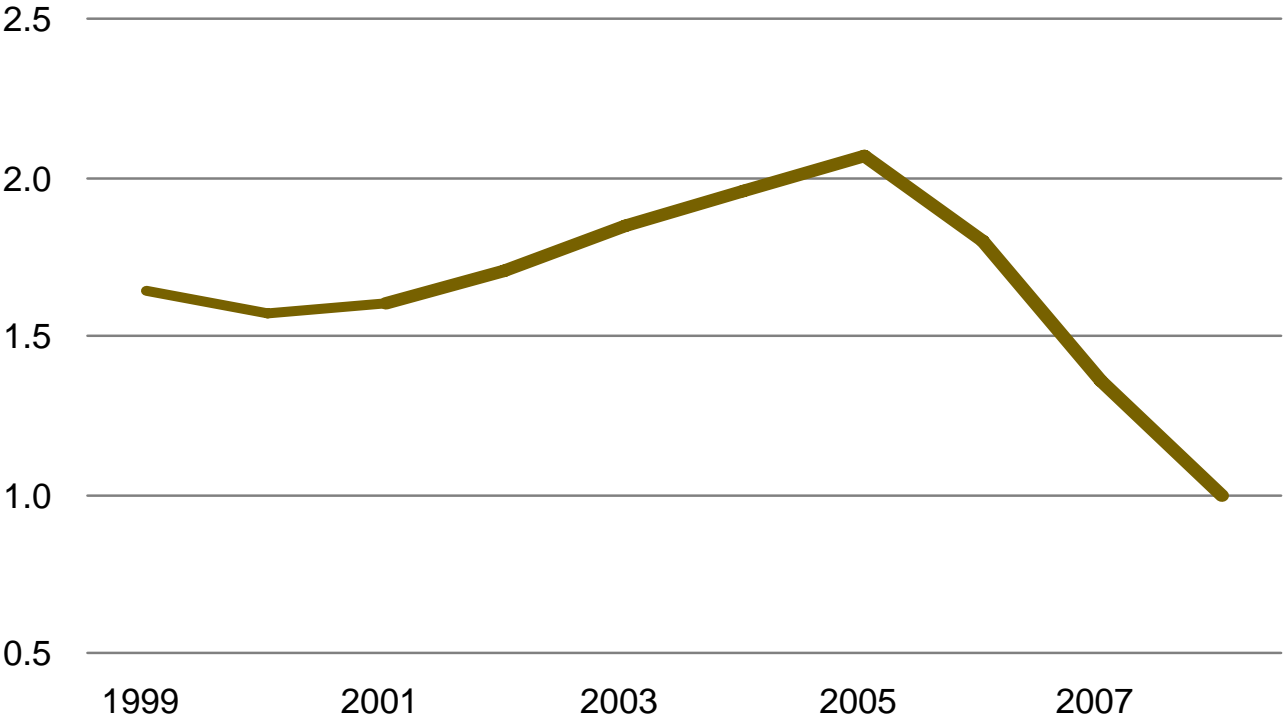
# Lumber Prices

(per mfbm)



Source: Random Lengths (SPF, Western, 2x4, KD, Std & Btr, Random, FOB mill)

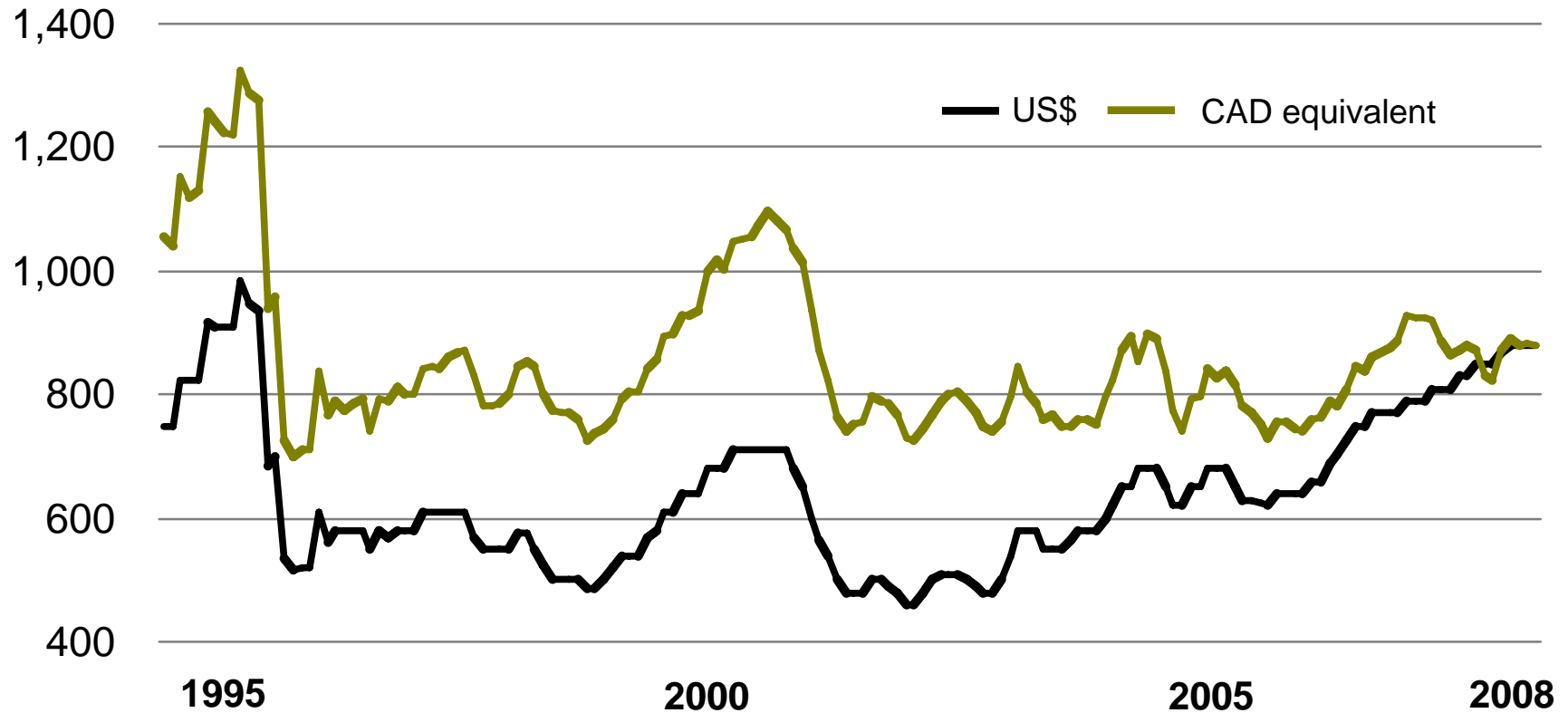
# US Housing Starts



Source: US Census Bureau (millions of new privately owned housing units started)

# Pulp Prices

(\$ per tonne)



Source: Pulp & Paper Week (NBSK list)

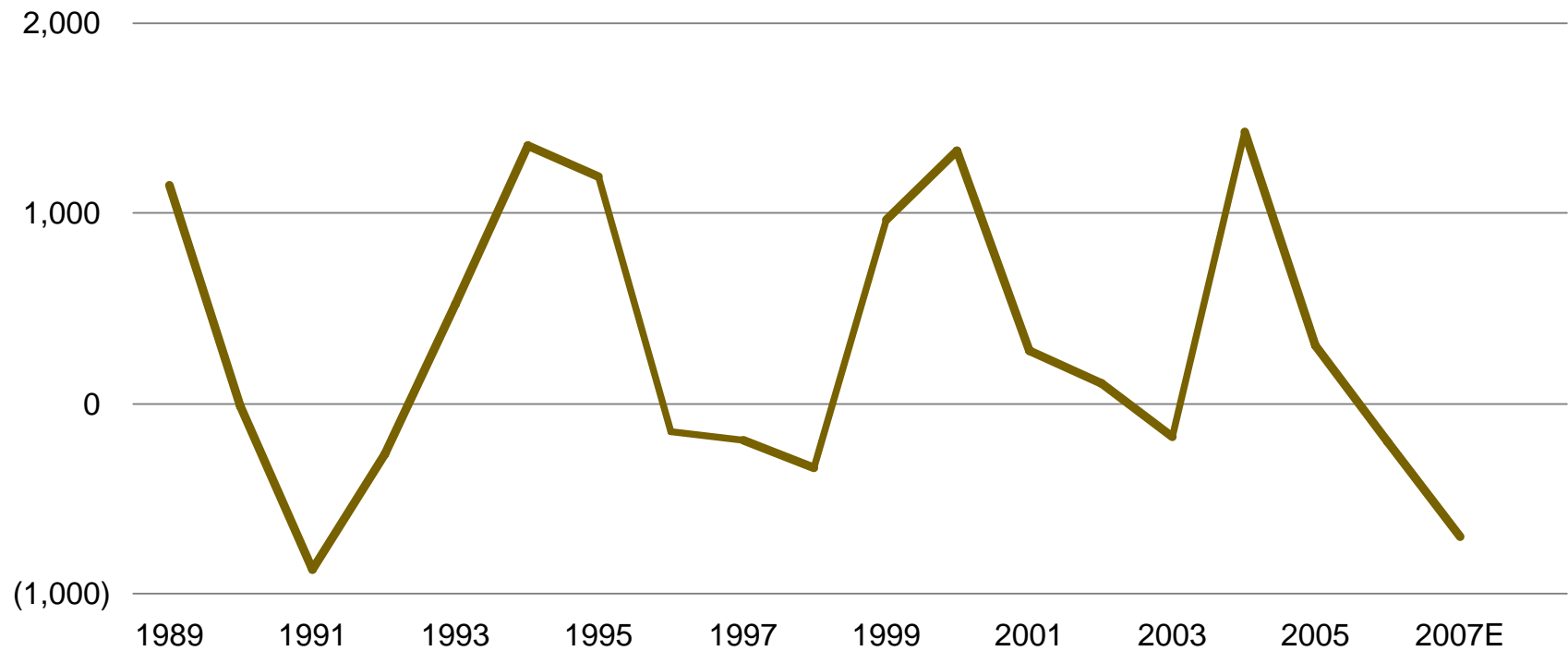


# Comparative Forest Yield

Country	Species	Rotation Year	Yield (M <sup>3</sup> /ha/year)	Trees/m <sup>3</sup>	Year
Brazil	<i>E. grandis</i>	7	50	3.0	2002
			33	4.8	1995
			28	5.0	1987
			20	8.0	1970
Argentina	Pine ( <i>elliotti / taeda</i> )	7 - 12	25		
Chile	<i>E. globulus</i>	10 - 12	20		
Chile	<i>Radiata pine</i>	25	22		
Indonesia	<i>Acacia mangium</i>	7	20 - 25		
Iberia	<i>E. globulus</i>	12 - 15	10 - 12		
Sweden	Birch	35 - 40	5.5		
Sweden	<i>Picea abis</i>	70 - 80	4		
Finland	Birch	35 - 40	4		
USA	Pine ( <i>elliotti / taeda</i> )	25	10		
Canada	<i>Douglas fir</i>	45	7		
Canada	<i>Picea glauca</i>	55	2.5		
Canada	<i>Picea mariana</i>	90	2		

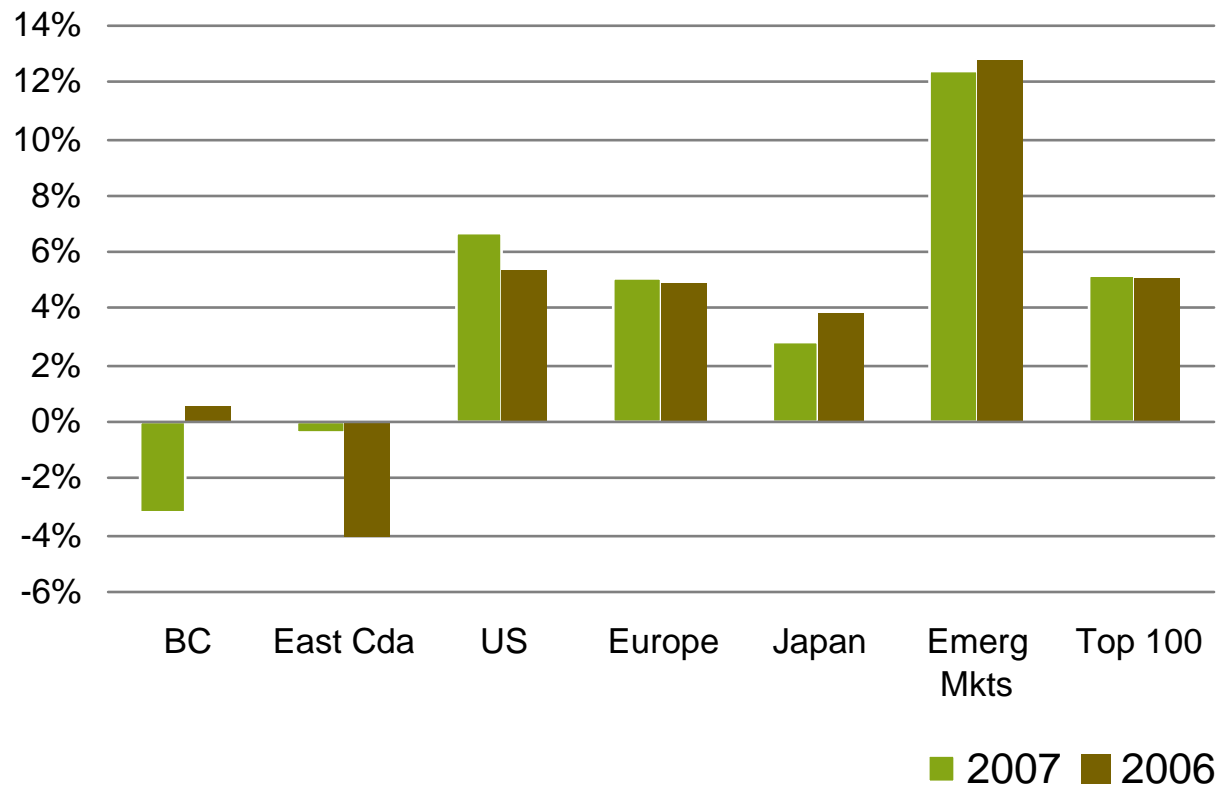
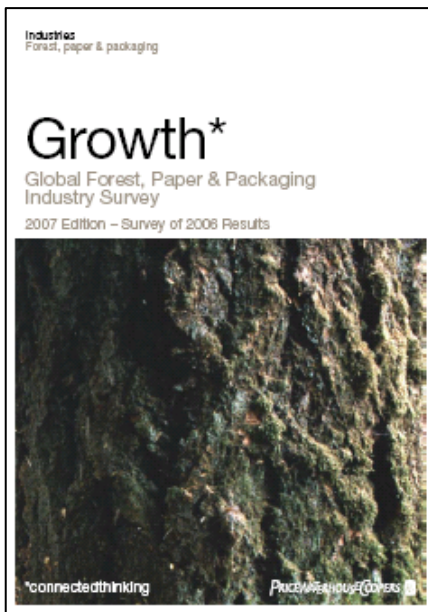
Source: Votorantim

# BC Operations—Operating Earnings (Loss) (CAD millions)



<sup>1</sup> Excluding non-operating items

# Return on Capital Employed by Region<sup>1</sup>



<sup>1</sup> Excluding unusual items

Source: PricewaterhouseCoopers

A close-up, artistic photograph of a metal shaving head, likely from a safety razor. The image shows the intricate, curved blades and the metal housing, with a focus on the sharp edges and the texture of the metal. The background is blurred, emphasizing the mechanical details of the shaving head.

# Craig Campbell

Leader, Performance Improvement  
Global Forest, Paper and Packaging Practice  
PricewaterhouseCoopers