



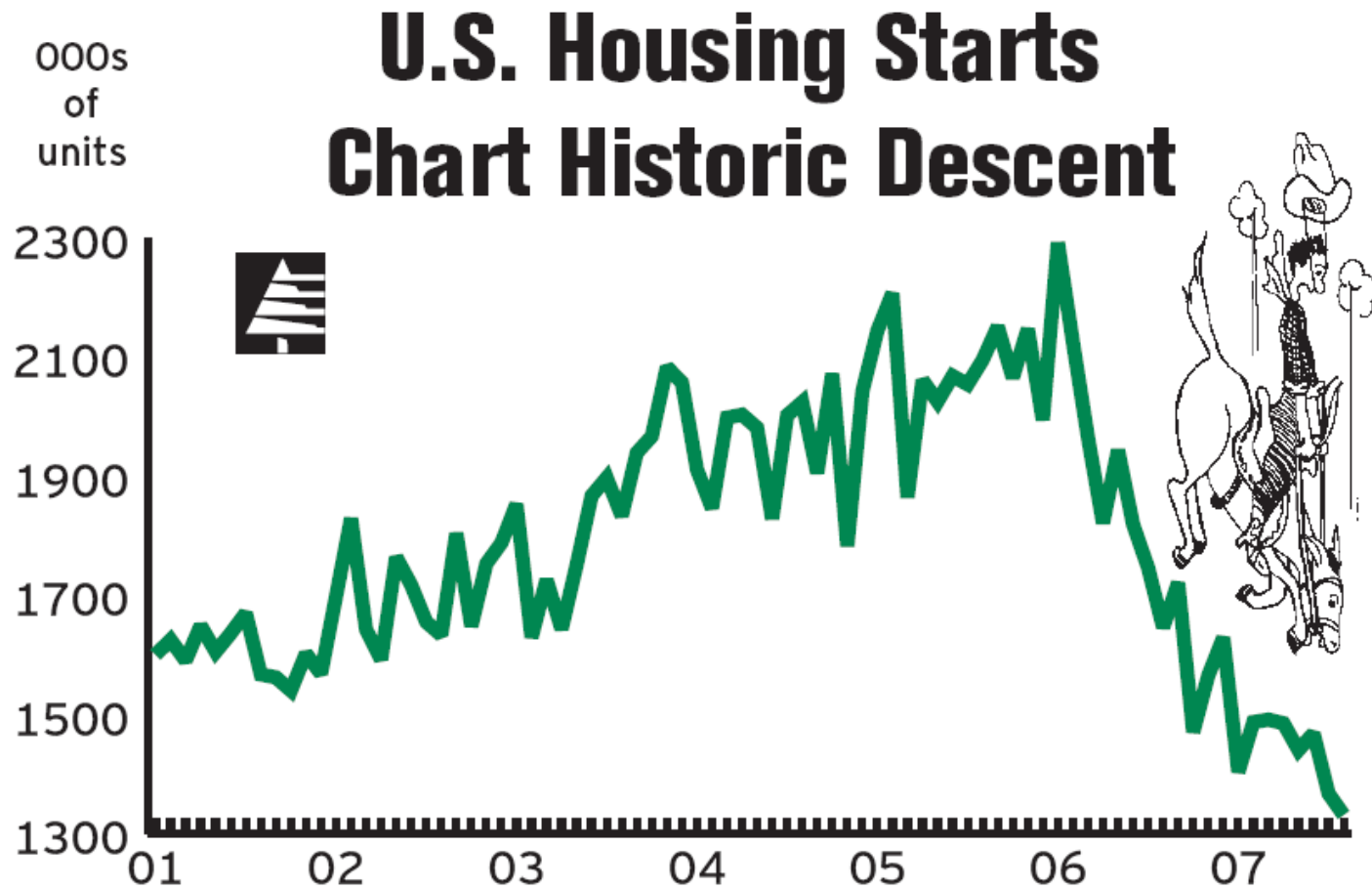
***PwC Global Forest & Paper Industry Conference***  
***Executive Perspectives Panel***

**May 8, 2008**

**Duncan Davies,  
President and CEO**

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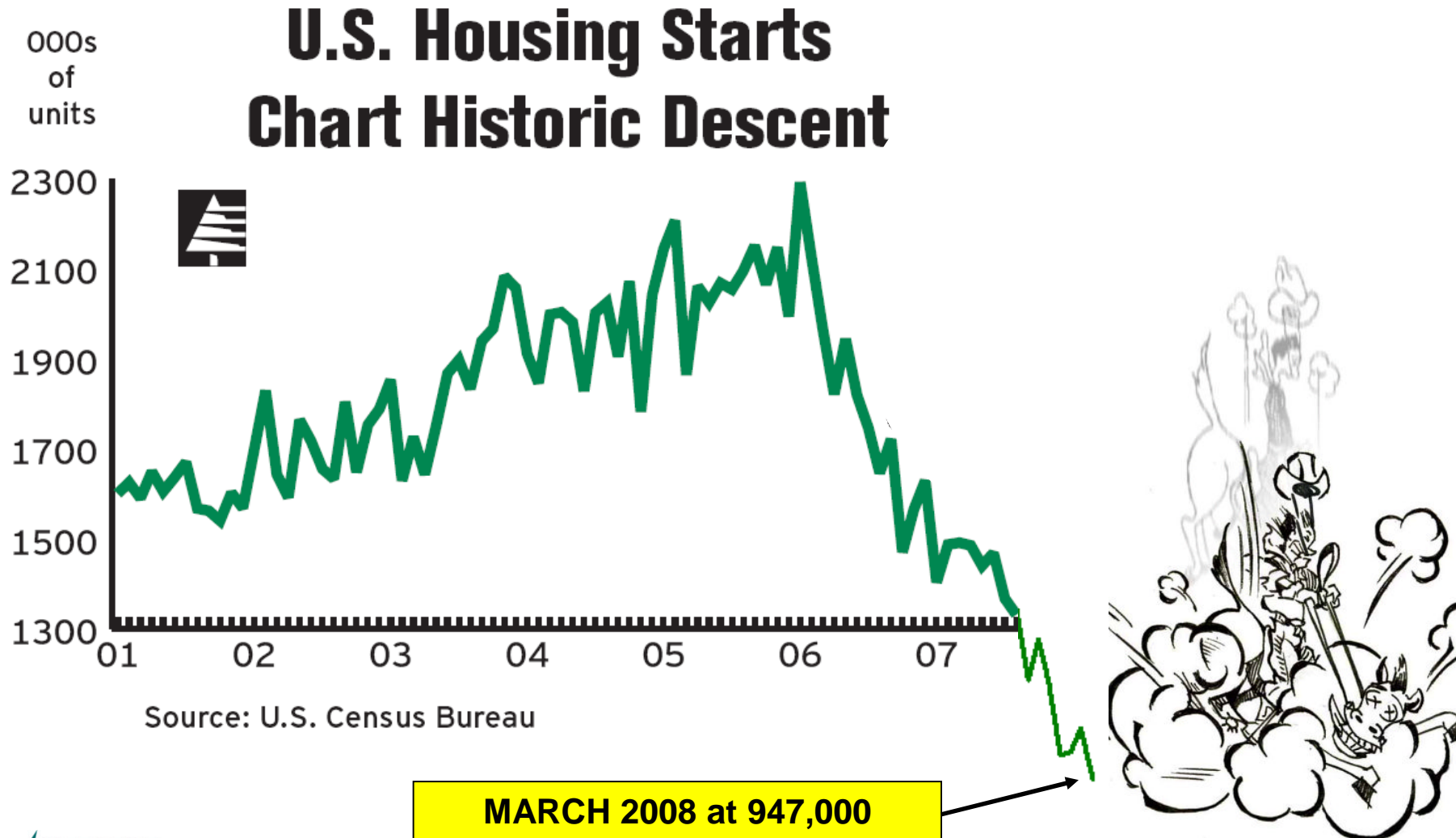
# The U.S. Housing Start Bust



Source: U.S. Census Bureau

Random Lengths: November 2, 2008; Starts to August, 2007

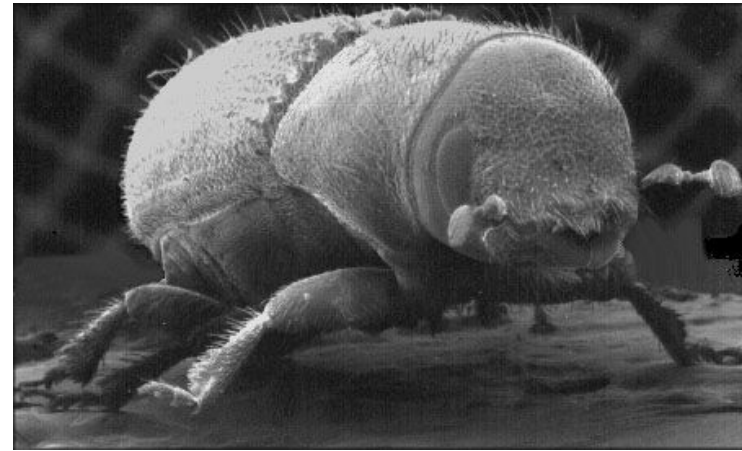
# Have We Hit Bottom? .....For How Long?



# Canadian Producers Have Other Challenges

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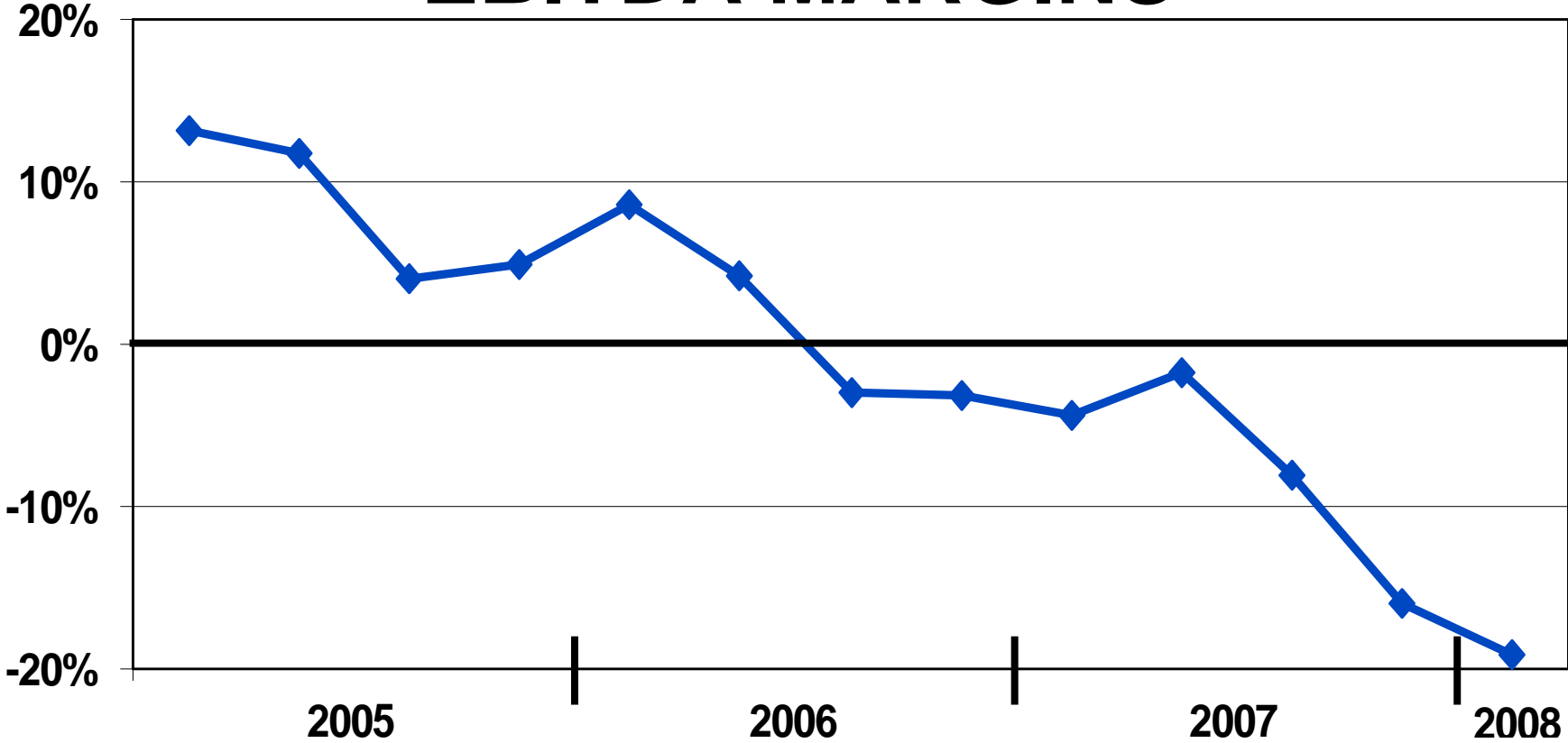
**C\$ ↑**



**15% DUTY**

# Losses in Uncharted Waters

## EBITDA MARGINS \*



\* Source: Cdn. public company reports plus P&T (lumber / solid wood segments)



# This Time ... It's Different

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## Past Downturns

- *Economic factors drove housing downturns*

## This Time

- *The collapse of the housing sector is driving the economic downturn*

# **Interfor's Approach**

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**Diversified product mix and geography**

**Focus on Cash**

**Invest in assets and growth**

**Position for the long-term**

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**INTERFOR**

