



**West Fraser**



# **14th Annual Whistler Institutional Investor Conference**

**The Westin Resort, Whistler  
January 20, 2011**

**Gerry Miller, Executive Vice-President, Finance and CFO**

# Forward-Looking Statements and EBITDA

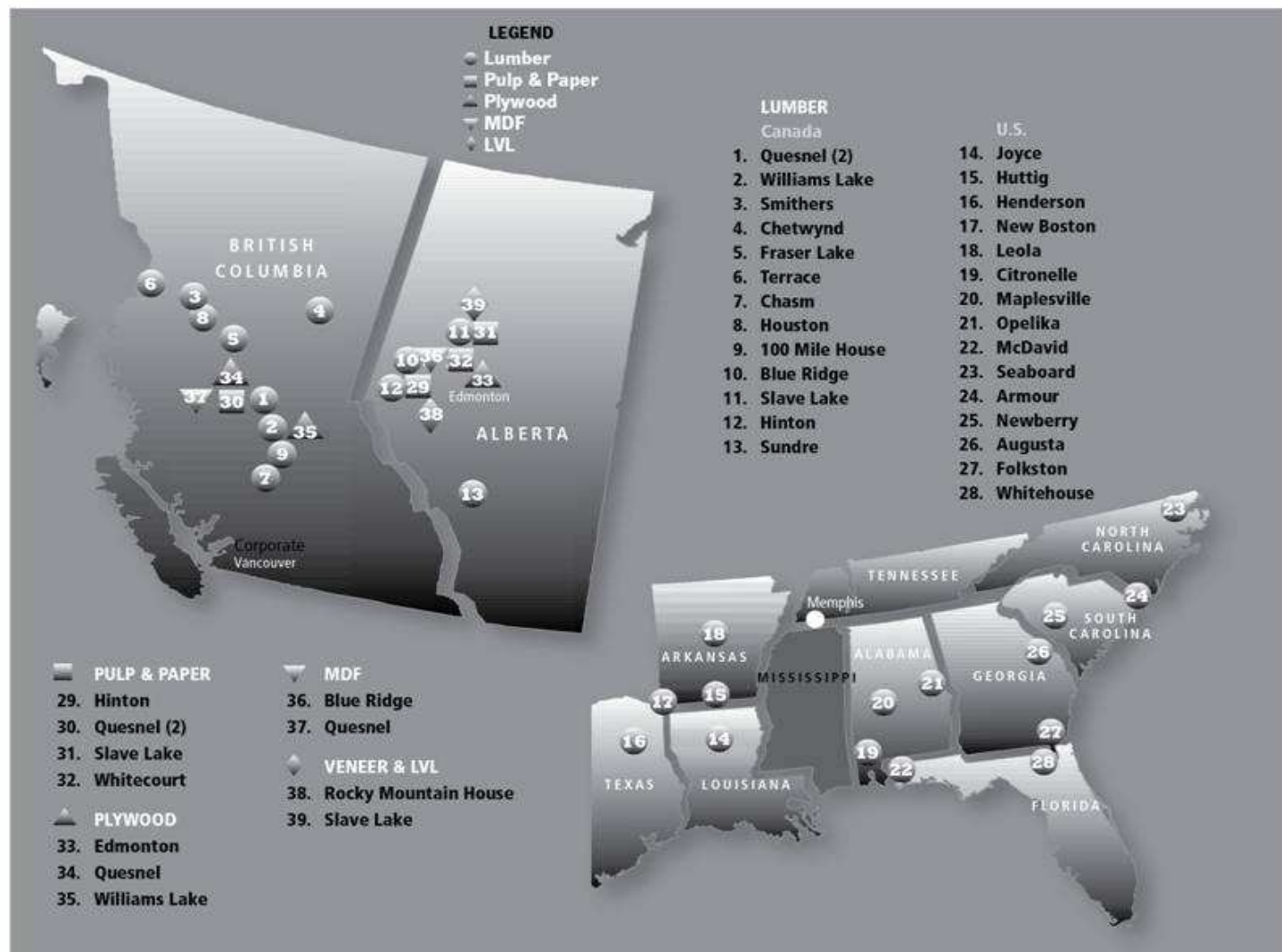
This presentation and comments associated with it contain forward-looking statements including statements relating to U.S. housing recovery, the potential for constrained lumber supply, pent up U.S. housing demand, projected SPF shipments to China, projected B.C. Interior lumber production, Alberta and U.S. South log supply, U.S. South demographics, pulp & paper outlook and significant potential strength of lumber markets. These statements are subject to the cautionary statement which introduces the Company's 2009 Management's Discussion & Analysis contained in its 2009 Annual Report.

In this presentation reference is made to EBITDA (operating earnings plus amortization and asset impairments). We believe that EBITDA is a useful performance indicator and measure of cash available prior to debt service, capital expenditures and income taxes. EBITDA is not a generally accepted earnings measure under Canadian generally accepted accounting principles ("GAAP") and does not have a standardized meaning prescribed by Canadian GAAP. Investors are cautioned that EBITDA should not be considered as an alternative to earnings or cash flow, as determined in accordance with Canadian GAAP. As there is no standardized method of calculating EBITDA, the Company's method of calculating EBITDA may differ from the methods used by other entities and, accordingly, the Company's use of that term may not be directly comparable to similarly titled measures used by other entities.



# West Fraser

## Geographic Diversification



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## Canadian Integration – Product Diversification



### Lumber

- 28 Mills

### Panels

- 6 Mills

### Pulp & Paper

- 5 Mills

SPF 3.5 billion feet  
SYP 2.0 billion feet  
Total 5.5 billion feet

Plywood: 830 million square feet (3/8")  
MDF: 300 million square feet (3/4")  
LVL: 3.2 million cubic feet

1.2 million tonnes

Largest lumber producer in the World

Largest plywood producer in Canada

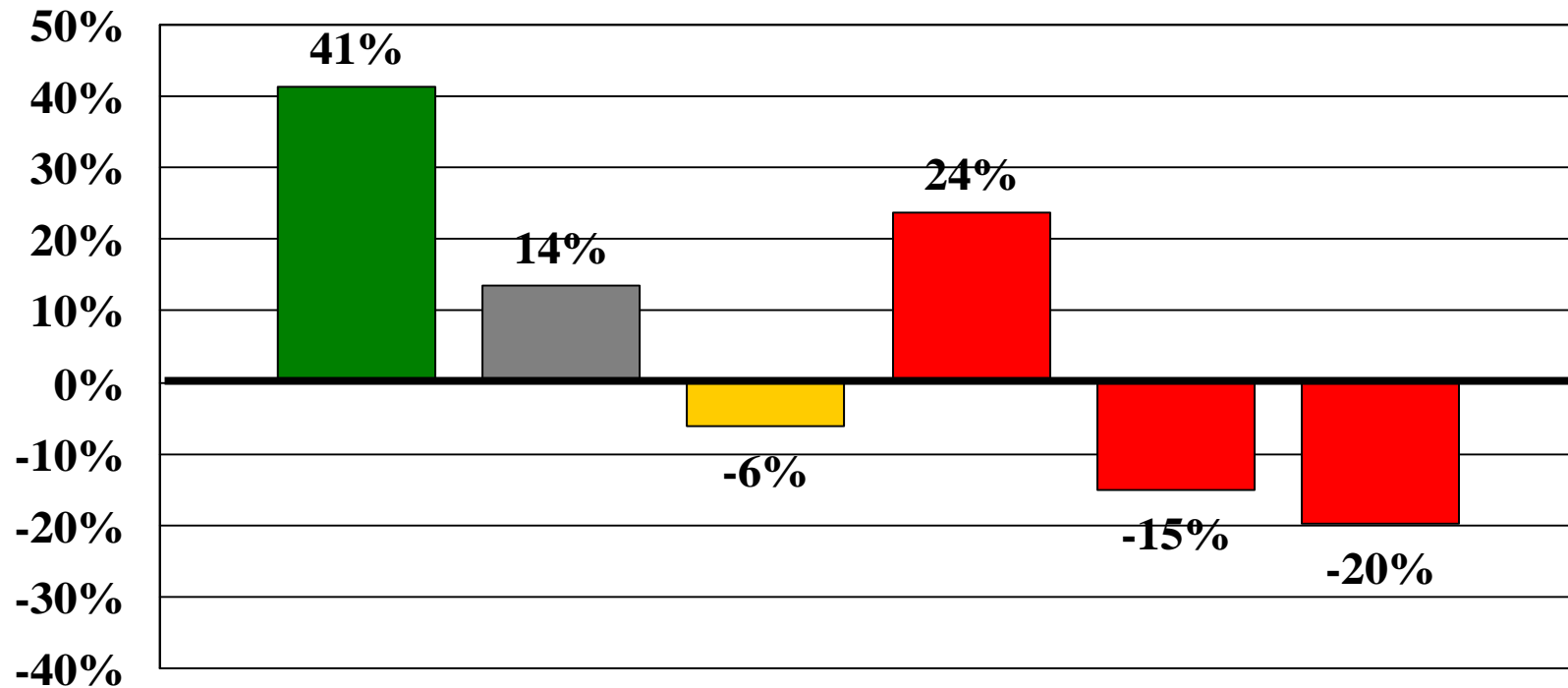
Third largest pulp producer in Canada



# West Fraser

## Total Shareholder Return (Cdn\$)

(June 2006 – January 14, 2011)



■ West Fraser ■ S&P/TSX ■ Dow ■ Competitor A ■ Competitor B ■ Competitor C

Source TD Bank



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## Financial Performance - \$ million

	<u>Ytd Q3 2010</u>	<u>2009</u>	<u>2008</u>	<u>Total</u>
<b>EBITDA</b>	<b>363</b>	<b>30</b>	<b>128</b>	<b>521</b>
<b>Net Earnings</b>	<b>128</b>	<b>(341) *</b>	<b>(137)</b>	<b>(350)</b>
<b>Cash from Operations</b>	<b>410</b>	<b>106</b>	<b>179</b>	<b>695</b>
<b>Capital Expenditures</b>	<b>44</b>	<b>19</b>	<b>47</b>	<b>110</b>
<b>Dividends</b>	<b>5</b>	<b>10</b>	<b>24</b>	<b>39</b>
<b>Debt reduction</b>				<b>585</b>

\* Includes \$260 million of asset impairment, restructuring, and a tax valuation allowance

# West Fraser

## Lumber

Inevitable U.S. housing recovery

Potential for longer-term constrained supply

West Fraser geographic diversification and low-cost, highly-efficient operations

## Pulp & Paper

Significant operational improvements

Green transformation credits

Highly competitive

## Panels

Consistent contributor to earnings

# “WFT” – Toronto Stock Exchange [www.westfraser.com](http://www.westfraser.com)

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