



NEWS RELEASE

WEST FRASER TIMBER CO. LTD. ("WFT") Friday, April 21, 2006

Attention: Business & Financial Editors
Financial Analysts

West Fraser Announces First Quarter Results

Vancouver, B.C – **West Fraser Timber Co. Ltd.** today reported first quarter earnings of \$6 million or \$0.14 per share on sales of \$902 million compared to earnings of \$9 million or \$0.20 per share on sales of \$832 million in the fourth quarter of 2005 and \$43 million or \$0.99 per share on sales of \$902 million in the first quarter of last year.

EBITDA¹ was \$115 million or 13% of sales for the quarter compared to EBITDA of \$95 million or 11% of sales in the fourth quarter of 2005 and \$142 million or 16% of sales for the comparable period last year.

First quarter 2006 earnings reflect the following after-tax items:

- An expense of \$25 million or \$0.58 per share related to a restructuring charge resulting from the announced closure of the number one pulp machine and the wood room at Hinton Pulp in Hinton, Alberta;
- An expense of \$1 million or \$0.02 per share related to share option compensation; and
- An expense of \$2 million or \$0.04 per share related to the translation of U.S. dollar denominated debt.

First quarter 2005 earnings reflect the following after-tax items:

- An expense of \$5 million or \$0.12 per share related to share option compensation; and
- An expense of \$3 million or \$0.07 per share related to the translation of U.S. dollar denominated debt.

"We are off to a solid start in 2006," says Hank Ketcham, Chairman, President & Chief Executive Officer. "We maintained profitability while initiating the restructuring of our Hinton-based kraft pulp business and dealing with continued market pressures, including the strong Canadian dollar and softwood lumber dispute."

¹Throughout this news release, reference is made to EBITDA (defined as operating earnings plus amortization of property, plant, equipment and timber, plus the pulp restructuring charge), which the Company considers to be a key performance indicator. EBITDA is not a generally accepted earnings measure and should not be considered as an alternative to earnings or cash flows as determined in accordance with Canadian generally accepted accounting principles. As there is no standardized method of calculating EBITDA, the Company's use of the term may not be directly comparable with similarly titled measures used by other companies.

OPERATIONAL RESULTS

Lumber EBITDA for the quarter was \$91 million or 17% of sales compared to \$66 million or 14% of sales in the fourth quarter of 2005. Increased EBITDA resulted primarily from higher lumber prices during the quarter. Benchmark SPF 2X4 lumber prices averaged US \$343 per Mfbm for the quarter compared to US \$327 per Mfbm in the fourth quarter of 2005. Unseasonable mild weather contributed to sustained product demand and stronger pricing during the quarter.

Softwood lumber duties continued to affect the Company's financial results. West Fraser expensed \$22 million in lumber duty payments in the first quarter compared to \$29 million in the fourth quarter of 2005². The reduction primarily reflects revised countervailing and antidumping duty rates which became effective in December 2005. The strengthening Canadian dollar was also a factor, averaging US \$0.87 in the first quarter compared to US \$0.85 in the fourth quarter of 2005.

All sawmills operated at or near capacity during the quarter. The Quesnel, B.C. sawmill rebuild remains on schedule with production to commence in the second half of this year.

While lumber shipments increased by 9% over the previous quarter, rail car availability continued to be a significant issue. West Fraser is exploring alternate methods of transportation to partially offset the continued shortage of rail cars.

Panel operations generated EBITDA for the quarter of \$16 million or 13% of sales compared to \$13 million or 10% of sales in the fourth quarter of 2005. Improved results were due to increased production at the Company's plywood operations and LVL facility.

The pulp and paper operations produced largely at expected levels generating EBITDA of \$13 million or 5% of sales compared to EBITDA of \$10 million or 4% of sales in the fourth quarter of 2005. Pulp results were adversely affected by a \$38 million (after-tax \$25 million) restructuring charge related to the announced closure of the number one pulp machine and the wood room at Hinton Pulp. These operational changes, which will be effective in the fourth quarter, combined with improvements to the remaining pulp machine in 2007, are expected to improve the efficiency of the Hinton mill. Upon completion of operational improvements and with the planned closure of the number one pulp machine, annual production of NBSK pulp will be reduced by 70,000 tonnes to approximately 350,000 tonnes.

West Fraser's two NBSK pulp mills and the Kitimat linerboard and kraft paper mill will take regularly scheduled annual maintenance shutdowns in the second quarter of 2006. These outages will reduce overall production by approximately 45,000 tonnes.

²As at March 31, 2006, the total amount on deposit related to duties is US \$390 million, excluding amounts deposited by Weldwood prior to its acquisition by West Fraser, refunds of which are for the account of the previous owner.

Stumpage Changes

On April 1, 2006, the province of British Columbia changed the way logs are graded at the scale as well as the stumpage calculation to reflect the value of logs affected by the mountain pine beetle. While designed to be revenue neutral to the province, these changes will affect the distribution of stumpage across the B.C. Interior. Generally, timber stands that are heavily damaged by mountain pine beetle will pay higher stumpage with a corresponding reduction in less severely damaged or unaffected stands.

The province of B.C. also announced on April 6, 2006 that it will introduce a new market-based timber pricing system for the B.C. Interior effective September 1, 2006. Under this new system, stumpage will be based on timber sales data derived from publicly-auctioned timber rather than from the Statistics Canada lumber and chip price indices.

West Fraser has not yet determined the financial impact of these stumpage changes.

Lumber Trade Dispute

On March 17, 2006, a North American Free Trade Agreement (NAFTA) panel issued its final ruling confirming that Canadian softwood lumber is not subsidized and that U.S. countervailing duties (CVD) on softwood lumber should never have been levied. The NAFTA panel's decision affirmed the *de minimis* subsidy finding issued by the Department of Commerce in November 2005, which should have led to a revocation of the CVD order. While NAFTA has continuously confirmed that there is no merit to U.S. allegations both with regard to injury and subsidy, the U.S. has refused to revoke the orders or refund deposits.

On April 7, 2006, the U.S. Court of International Trade ruled that the Byrd Amendment, which stipulated that duties paid by foreign producers should be distributed to domestic companies that filed the trade complaints, does not apply to Canada.

Industry continues to pursue resolution of this costly issue both through litigation and negotiation. West Fraser believes that given the series of legal decisions that have decisively favoured the Canadian position, a revocation of the orders and refund of deposits should occur.

"As we have said in the past, we expect the consistent rulings in Canada's favour to influence any bilateral discussions regarding a negotiated resolution to this issue," says Ketcham.

West Fraser is an integrated forest products company that produces lumber, LVL, MDF, plywood, pulp, linerboard, kraft paper and newsprint. The Company has manufacturing operations in British Columbia, Alberta and the southern United States. West Fraser has approximately 6,900 employees and is headquartered in Vancouver, British Columbia.

Forward-Looking Statements

Some information contained in this release is prospective and may be affected by known or unknown risks and uncertainties, which are mostly outside the control of West Fraser. The results or events mentioned in such prospective information may differ substantially from actual results or events.

Conference Call

Investors are invited to listen to the quarterly conference call on Monday, April 24 at 8:30 a.m. Pacific Daylight Time (11:30 a.m. Eastern Daylight Time) by dialing 1-888-575-8232 (toll-free North America). The call may also be accessed through West Fraser's web site at www.westfraser.com.



CONSOLIDATED BALANCE SHEETS

(in millions of Canadian dollars - unaudited)

	As at March 31, 2006	As at December 31, 2005
ASSETS		
Current assets		
Cash and short-term investments	\$ 59.9	\$ 62.2
Accounts receivable	298.6	308.5
Inventories	691.6	572.0
Prepaid expenses	21.3	14.1
Income tax receivable	10.1	-
Current assets held for sale (note 2)	48.0	30.7
	<u>1,129.5</u>	<u>987.5</u>
Property, plant, equipment & timber	2,186.4	2,230.1
Deferred charges	31.6	27.1
Goodwill	263.7	263.7
Other assets	59.8	61.6
Long-term assets held for sale (note 2)	63.3	63.7
	<u>\$ 3,734.3</u>	<u>\$ 3,633.7</u>
LIABILITIES & SHAREHOLDERS' EQUITY		
Current liabilities		
Cheques issued in excess of funds on deposit	\$ 37.7	\$ 43.9
Operating loans	240.0	165.1
Accounts payable and accrued liabilities	364.3	333.1
Income tax payable	-	4.6
Current portion of reforestation obligation	52.3	52.3
Current portion of long-term debt	4.2	4.5
Current liabilities held for sale (note 2)	14.6	13.6
	<u>713.1</u>	<u>617.1</u>
Long-term debt	625.4	623.9
Other liabilities (note 4)	151.5	133.0
Future income taxes	354.1	377.6
Long-term liabilities held for sale (note 2)	24.0	16.2
	<u>1,868.1</u>	<u>1,767.8</u>
Shareholders' equity (note 5)	<u>1,866.2</u>	<u>1,865.9</u>
	<u>\$ 3,734.3</u>	<u>\$ 3,633.7</u>

Number of Common shares outstanding at April 20, 2006 was 42,761,395



CONSOLIDATED STATEMENTS OF EARNINGS AND RETAINED EARNINGS

(in millions of Canadian dollars - unaudited)

	January 1 to March 31	
	2006	2005
Sales	\$ 902.0	\$ 902.4
Costs and expenses		
Cost of products sold	589.7	555.0
Freight and other distribution costs	145.4	126.9
Countervailing and antidumping duties	22.4	40.8
Amortization	61.8	62.7
Selling, general and administration	28.6	30.0
Share option expense	0.9	7.6
Restructuring charge - pulp (note 6)	37.6	-
	886.4	823.0
Operating earnings	15.6	79.4
Other		
Interest expense - net	(10.0)	(12.4)
Exchange loss on long-term debt	(1.5)	(3.2)
Other income	6.2	3.5
Earnings before income taxes and non-controlling interest	10.3	67.3
Income tax expense	(3.8)	(23.9)
Earnings before non-controlling interest	6.5	43.4
Non-controlling interest	(0.4)	(0.5)
Earnings	\$ 6.1	\$ 42.9
Earnings per share (note 8)		
Basic	\$ 0.14	\$ 1.00
Diluted	\$ 0.14	\$ 0.99
RETAINED EARNINGS		
Balance - beginning of period	\$ 1,268.8	\$ 1,185.1
Earnings	6.1	42.9
	1,274.9	1,228.0
Common share dividends	(6.0)	(6.0)
Balance - end of period	\$ 1,268.9	\$ 1,222.0



CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions of Canadian dollars - unaudited)

January 1 to March 31
2006 2005

Cash Flows From Operating Activities

Earnings	\$ 6.1	\$ 42.9
Items not affecting cash		
Amortization	61.8	62.7
Write down of pulp assets related to restructuring (note 6)	34.8	-
Exchange loss on long-term debt	1.5	3.2
Change in reforestation obligation	12.4	12.3
Change in other long-term liabilities	6.5	0.9
Change in deferred charges	(4.5)	2.3
Future income taxes	(15.4)	(12.1)
Gain on asset sales	(0.9)	(0.6)
Other	(0.2)	1.2
	<u>102.1</u>	<u>112.8</u>
Net change in non-cash working capital items	<u>(116.8)</u>	<u>(299.7)</u>
	<u>(14.7)</u>	<u>(186.9)</u>

Cash Flows From Financing Activities

Repayment of long-term debt	(0.3)	-
Net proceeds from (repayment of) bank operating loans	74.9	(66.0)
Common share dividends	(6.0)	(6.0)
Issuance of Common shares	0.1	0.1
	<u>68.7</u>	<u>(71.9)</u>

Cash Flows From Investing Activities

Additions to property, plant, equipment & timber	(54.7)	(35.2)
Proceeds from disposal of property, plant, equipment & timber	3.2	1.8
Decrease (increase) in other assets	1.4	(4.4)
	<u>(50.1)</u>	<u>(37.8)</u>
Increase (decrease) in net cash *	3.9	(296.6)
Net cash - beginning of period	18.3	349.6
Net cash - end of period	\$ 22.2	\$ 53.0

*Net cash consists of cash, short term investments and cheques issued in excess of funds on deposit.

Supplemental information:

Interest paid	\$ 2.7	\$ 7.3
Income taxes paid	\$ 35.5	\$ 170.6

QUARTERLY COMPARISONS

January 1 to December 31

(in millions of Canadian dollars - unaudited)

	2006	2005
Sales		
First	\$ 902.0	\$ 902.4
Second		952.8
Third		889.5
Fourth		832.0
	\$	3,576.7
Earnings		
First	\$ 6.1	\$ 42.9
Second		38.0
Third		18.1
Fourth		8.7
	\$	107.7
Diluted Earnings Per Share (in dollars)		
First	\$ 0.14	\$ 0.99
Second		\$ 0.88
Third		\$ 0.42
Fourth		\$ 0.20
Annual		\$ 2.49



FIRST QUARTER SEGMENTED INFORMATION

(in millions of Canadian dollars - unaudited)

	Lumber	Panels	Pulp & paper	Corporate & other	Consolidated
January 1, 2006 to March 31, 2006					
Sales					
To external customers	\$ 505.2	\$ 123.8	\$ 273.0	\$ -	\$ 902.0
To other segments	21.0	2.6	-	-	
	<u>\$ 526.2</u>	<u>\$ 126.4</u>	<u>\$ 273.0</u>	<u>\$ -</u>	
EBITDA¹	\$ 91.4	\$ 16.4	\$ 12.5	\$ (5.3)	\$ 115.0
Amortization	27.9	9.8	23.2	0.9	61.8
Restructuring charge - pulp	-	-	37.6	-	37.6
Operating earnings (loss)	63.5	6.6	(48.3)	(6.2)	15.6
Interest expense - net	(5.2)	(1.8)	(2.9)	(0.1)	(10.0)
Exchange loss on long-term debt	-	-	-	(1.5)	(1.5)
Other income	2.0	0.2	1.3	2.7	6.2
Earnings (loss) before income taxes and non-controlling interest	<u>\$ 60.3</u>	<u>\$ 5.0</u>	<u>\$ (49.9)</u>	<u>\$ (5.1)</u>	<u>\$ 10.3</u>

January 1, 2005 to March 31, 2005

Sales					
To external customers	\$ 497.7	\$ 130.0	\$ 274.7	\$ -	\$ 902.4
To other segments	19.2	1.0	-	-	
	<u>\$ 516.9</u>	<u>\$ 131.0</u>	<u>\$ 274.7</u>	<u>\$ -</u>	
EBITDA¹	\$ 102.7	\$ 21.5	\$ 29.5	\$ (11.6)	\$ 142.1
Amortization	28.8	9.3	23.8	0.8	62.7
Operating earnings (loss)	73.9	12.2	5.7	(12.4)	79.4
Interest (expense) income - net	(6.8)	(3.2)	(3.7)	1.3	(12.4)
Exchange loss on long-term debt	-	-	-	(3.2)	(3.2)
Other income	1.7	0.7	0.5	0.6	3.5
Earnings (loss) before income taxes and non-controlling interest	<u>\$ 68.8</u>	<u>\$ 9.7</u>	<u>\$ 2.5</u>	<u>\$ (13.7)</u>	<u>\$ 67.3</u>

1 Non GAAP measure:

EBITDA is defined as operating earnings plus amortization of property, plant, equipment and timber, plus the pulp restructuring charge.



FIRST QUARTER OPERATING HIGHLIGHTS

		January 1 to March 31	
		2006	2005
Lumber	Production (Mfbm)	1,135,555	1,058,830
	Shipments (Mfbm)	1,097,861	927,334
Panels			
MDF	Production (Msf - 3/4")	71,079	71,664
	Shipments (Msf - 3/4")	77,910	71,662
Plywood	Production (Msf - 3/8")	183,755	178,232
	Shipments (Msf - 3/8")	175,473	153,544
LVL	Production (cf)	781,247	813,989
	Shipments (cf)	750,517	821,152
Pulp & Paper (tonnes)			
Linerboard and Kraft paper	Production	120,490	119,213
	Shipments	124,208	102,613
NBSK Pulp	Production	141,278	150,863
	Shipments	144,730	147,613
BCTMP Pulp	Production	140,395	129,797
	Shipments	162,504	147,737
Newsprint	Production	32,314	33,227
	Shipments	31,866	32,688

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(figures are in millions of dollars except where indicated - unaudited)

1. BASIS OF PRESENTATION

These interim consolidated financial statements should be read in conjunction with the consolidated financial statements and notes included in the Company's annual report for the year ended December 31, 2005.

These interim consolidated financial statements follow the same accounting policies and methods of their application as the December 31, 2005 consolidated annual financial statements.

2. ASSETS HELD FOR SALE

The Company has commenced activities to sell its approximate 90% interest in two sawmills and their related timber harvesting rights. The non-controlling interest that relates to these operations is included in long-term liabilities held for sale.

In addition, the Company is selling a harvesting and road maintenance business and related equipment located in Alberta.

The sales of these operations are expected to occur in 2006. The results of operations from these assets held for sale are included in the consolidated statement of earnings. Effective January 1, 2006, amortization was discontinued on the assets held for sale.

3. BANK INDEBTEDNESS

The Company has approximately \$530.0 million revolving lines of credit available, \$ 240.0 million of which was drawn as at March 31, 2006. The Company has also issued \$14.6 million under various letters of credit. All lines of credit are unsecured except for a \$5.0 million joint-venture line of credit, and bear interest at floating rates based on prime, US base, bankers acceptances or LIBOR at the Company's option.

4. OTHER LIABILITIES

	March 31, 2006	December 31, 2005
Post-retirement obligations	\$ 50.8	\$ 44.2
Timber damage deposits	11.2	10.9
Reforestation obligation - long term	80.0	68.2
Other asset retirement obligations	9.5	9.7
	\$ 151.5	\$ 133.0

5. SHAREHOLDERS' EQUITY

	March 31, 2006		December 31, 2005	
	Number of Shares Issued	Amount	Number of Shares Issued	Amount
Common	37,875,208	\$ 597.1	37,871,786	\$ 597.0
Class B common	4,885,206	0.5	4,885,206	0.5
Total Common	42,760,414	597.6	42,756,992	597.5
Retained Earnings		1,268.9		1,268.8
Share Purchase Loans		(0.3)		(0.4)
Shareholders' Equity		\$ 1,866.2		\$ 1,865.9

Common Shares

For the three months ended March 31, 2006, the Company issued 3,422 Common shares for cash of \$0.1 million (for the three months ended March 31, 2005 the Company issued 1,955 common shares for cash of \$0.1 million).

6. RESTRUCTURING CHARGE - PULP

During the quarter, the Company expensed \$37.6 million related to the closure of the number one pulp machine and wood room at the pulp mill in Hinton, Alberta. Of this amount, \$34.8 million was for the write down of property, plant, equipment and timber with the balance for other restructuring costs.

7. EMPLOYEE FUTURE BENEFITS

The total benefit cost of the Company's defined benefit pension plans was \$5.7 million for the quarter.

8. EARNINGS PER SHARE

Basic earnings per share is calculated based on earnings available to Common shareholders, as set out below, using the weighted average number of Common shares outstanding. Diluted earnings per share assume the exercise of share options using the treasury stock method.

	January 1 to March 31	
	2006	2005
Earnings	\$6.1	\$ 42.9
Weighted average number of shares (thousands)		
Weighted average shares – basic	42,740	42,721
Share options – treasury stock method	375	611
Weighted average shares - diluted	43,115	43,332
Earnings per share (dollars)		
Basic	\$ 0.14	\$ 1.00
Diluted	\$ 0.14	\$ 0.99

9. CONTINGENCIES

a) Countervailing and Antidumping Duties

In 2002, the U.S. Department of Commerce (“USDOC”) issued its final determination in the countervailing and antidumping investigations, which resulted in a countervailing duty (“CVD”) rate of 18.79% and an antidumping duty (“ADD”) rate specific to the Company of 2.18%, both to be posted by cash deposits effective from May 22, 2002.

On April 21, 2004, the USDOC issued a response to an earlier North American Free Trade Agreement (“NAFTA”) ruling regarding specific challenges made to the ADD rate calculation. The USDOC concluded that West Fraser’s ADD rate would be reduced from 2.18% to 1.79% representing *de minimis* level, with the result that West Fraser would be exempted from the ADD order. In response to a July 11, 2005 USDOC remand determination which did not revoke the antidumping order against the Company, on July 21, 2005, a NAFTA panel affirmed its prior instruction that the anti-dumping order against West Fraser must be revoked.

On September 10, 2004, the U.S. International Trade Commission (“ITC”) issued, in response to a NAFTA remand decision, a determination finding that the U.S. lumber industry was not threatened with material injury by reason of lumber imports from Canada. On November 24, 2004, the U.S. government launched an Extraordinary Challenge of the legality of the decision of the NAFTA panel. On August 10, 2005, a NAFTA Extraordinary Challenge Committee unanimously upheld a NAFTA panel ruling that evidence relied upon by the U.S. did not support its finding that Canadian imports threatened to injure the U.S. industry and further confirmed the panel’s specific instruction that the U.S. find no threat of injury. This ruling was expected to result in the U.S. withdrawal of the CVD and ADD cases, and the refund of cash deposits with interest. The U.S. has so far refused to comply with the ruling.

Effective December 20, 2004 the Company's CVD and ADD deposit rates were reduced to 17.18% and 0.92%, respectively, as a result of the final determination in the first Administrative Review. These deposits were further reduced due to a ministerial error and recalculated to 16.37% for CVD on February 24, 2005 and to 0.91% for ADD on January 17, 2005.

Effective December 12, 2005, the Company's CVD and ADD deposit rates were reduced to 8.70% and 0.51% respectively, as a result of the final determination in the second Administrative Review.

The Company has recorded an expense for CVD and ADD equal to the amount paid as cash deposits throughout applicable periods. A refund of deposits will be recorded as income when receipt is reasonably certain. As at March 31, 2006, the total amount on deposit from May 22, 2002 related to CVD and ADD was US\$352.2 million and US\$37.6 million respectively. This amount does not include the amounts on deposit from Weldwood prior to the acquisition by the Company on December 31, 2004, as the previous owner is entitled to any refunds on these amounts.

The Company and other Canadian forest products companies, the Canadian federal and provincial governments (collectively the "Canadian Interests") categorically deny the U.S. allegations and strongly disagree with the final countervailing and dumping determinations made by the ITC and the USDOC. The Canadian Interests continue to aggressively defend the Canadian industry in this trade dispute. The final amount of CVD and ADD duties that may be assessed on Canadian softwood lumber exports to the U.S. cannot be determined at this time.

b) The Forestry Revitalization Plan ("FRP")

In 2003, the Government of B.C. ("Crown") enacted the FRP that provides for significant changes to Crown forest policy and to the existing allocation of Crown timber tenures to licensees. Licensees, including the Company, will be required to return 20% of their replaceable tenures and related assets such as roads and bridges. The effect of the timber take-back is a reduction of approximately 1,266,000 cubic meters of the Company's existing allowable annual cut on replaceable tenures. Affected licensees are eligible for compensation for both timber rights and certain other asset values. Allocation of the reduction to specific licenses has been completed but compensation has yet to be determined. The effect of the FRP on the Company's financial position and results of operations cannot be determined and will be recorded when the amounts can reasonably be determined.

West Fraser shares trade on the Toronto Stock Exchange under the symbol: "WFT".

For more information:

Mr. Martti Solin, Executive Vice-President, Finance and Chief Financial Officer
Mr. Rodger Hutchinson, Vice-President, Corporate Controller
(604) 895-2700

www.westfraser.com