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**NEWS RELEASE**

**WEST FRASER TIMBER CO. LTD.  
 (“WFT”)**

**Thursday, February 13, 2014**

**West Fraser Announces Fourth Quarter Results**

Vancouver, B.C. – **West Fraser Timber Co. Ltd.** today reported earnings of \$118 million or \$1.37 per share on sales of \$833 million in the fourth quarter of 2013 and earnings of \$349 million or \$4.07 per share, on sales of \$3,474 million for 2013. Earnings per share figures for the current and prior periods have been adjusted to reflect a stock dividend paid January 13, 2014. The stock dividend had the same effect as a two-for-one share split.

Fourth quarter earnings include the recognition of a \$101 million benefit related to our remaining tax loss carryforwards not previously recognized. Adjusted earnings and adjusted basic EPS as described in the table below remove the effect of this benefit and reflect other adjustments described in the tables referred to in footnote 2 below.

These results compare with previous periods as follows:

(\$ millions except earnings per share (“EPS”))	2013			2012	
	Q4	Q3	YTD	YTD	Q4
Sales	833	878	3,474	3,000	773
EBITDA <sup>1</sup>	97	113	529	275	75
Operating earnings	30	73	345	123	36
Earnings	118	55	349	77	20
Basic EPS (\$)	1.37	0.64	4.07	0.90	0.23
Adjusted Earnings <sup>2</sup>	50	68	328	128	51
Adjusted basic EPS (\$) <sup>2</sup>	0.58	0.79	3.82	1.50	0.60

1. In this News Release, reference is made to EBITDA (defined as operating earnings plus amortization and restructuring charges). Our management believes that, in addition to earnings, EBITDA is a useful performance indicator and is a useful measure of cash available prior to debt service, capital expenditures and income taxes. Reference is also made to Adjusted earnings (calculated as set out in the tables described in footnote 2 and Adjusted EPS (collectively, with EBITDA, “these measures”). None of these measures is a generally accepted earnings measure under International Financial Reporting Standards (“IFRS”) and none has a standardized meaning prescribed by IFRS. Investors are cautioned that none of these measures should be considered as an alternative to earnings, earnings per share or cash flow, as determined in accordance with IFRS. As there is no standardized method of calculating any of these measures, our method of calculating each of them may differ from the methods used by other entities and, accordingly, our use of any of these measures may not be directly comparable to similarly titled measures used by other entities.

2. Refer to the tables titled “Annual Earnings Adjustments for Certain Non-Operational Items” and “Quarterly Earnings Adjustments for Certain Non-Operational Items” in Management’s Discussion and Analysis of our 2013 results for details of adjustments.

**Operational Results**

In the quarter our lumber operations generated operating earnings of \$32 million (Q3 –\$57 million) and EBITDA of \$83 million (Q3 - \$83 million). Restructuring charges of \$24 million

are included in our operating earnings in the quarter, representing costs associated with the planned closure of our Houston, B.C. sawmill. The benefit provided by higher lumber prices and a weaker Canadian dollar was offset by the effect of reduced shipments. Lumber markets weakened late in the quarter as severe weather reduced demand and also affected transportation. Despite prices strengthening for certain lumber grades and dimensions, prices for wide-width SYP lumber declined during the quarter which adversely affected our U.S. lumber results.

The panel segment, which includes plywood, LVL and MDF, generated operating earnings in the quarter of \$2 million (Q3 - \$6 million) and EBITDA of \$6 million (Q3 - \$9 million), mostly reflecting reduced plywood shipments due to a seasonal slowdown in the Canadian building industry and weather-related reduced railcar deliveries.

Pulp and paper operations generated operating earnings in the quarter of \$13 million (Q3 - \$29 million) and EBITDA of \$24 million (Q3 - \$40 million). Improved NBSK pricing and a weaker Canadian dollar were offset by operational difficulties at our NBSK mills.

## **Outlook**

“We consider that 2013 represents a year of remarkable recovery,” said Ted Seraphim, President and CEO. “We achieved our highest earnings since 2006 reflecting a continuing improvement in the U.S. housing market after a prolonged downturn. We are early in the recovery and as such, we expect some volatility, but the overall trend remains positive. We are also experiencing some of the benefits from our ongoing major capital investment program.”

## **Annual Financial Statements and Management’s Discussion & Analysis (“MD&A”)**

The Company’s consolidated financial statements for the year ended December 31, 2013 and related MD&A is available on the Company’s website: [www.westfraser.com](http://www.westfraser.com) and on the System for Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com) under the Company’s profile.

## **Dividend Declared**

The Board of Directors of the Company has declared a dividend of \$0.07 per share on the Common shares and the Class B Common shares in the capital of the Company, payable on April 4, 2014 to shareholders of record on March 21, 2014.

## **Advance Notice Policy**

Our Board has also adopted an Advance Notice Policy (the “Policy”), which includes a provision that requires advance notice to the Company in circumstances where nominations of persons for election to the board of directors are made by shareholders of the Company other than pursuant to: (i) a proposal made in accordance with the *Business Corporations Act* (British Columbia) (the “Act”); or (ii) a requisition of the shareholders made in accordance with the Act. This type of policy has become quite common for U.S. companies, is becoming more common for Canadian companies and is consistent with the Company’s goals of: (i) facilitating orderly and efficient shareholder meetings; (ii) ensuring that all shareholders receive adequate notice of

director nominations and sufficient information with respect to all nominees; and (iii) allowing shareholders to register an informed vote.

Among other things, the Policy fixes a deadline by which shareholders of the Company must submit director nominations to our corporate secretary prior to any annual or special meeting of shareholders and sets forth the specific information that a shareholder must include in such notice for an effective nomination to occur. No person will be eligible for election as a director of the Company unless nominated in accordance with the provisions of the Policy.

In the case of an annual meeting of shareholders, notice to the Company must be made not less than 30 nor more than 65 days prior to the date of the annual meeting; provided, however, that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made by the Company, notice may be made not later than the close of business on the 10<sup>th</sup> day following such public announcement. In the case of a special meeting of shareholders (which is not also an annual meeting), notice to the Company must be made not later than the close of business on the 15<sup>th</sup> day following the day on which the first public announcement of the date of the special meeting was made. The Policy is effective and in full force and effect as of the date it was approved.

At our annual and special meeting of shareholders scheduled for April 29, 2014 our shareholders will be asked to approve an amendment to our Articles which will effectively adopt the Policy. If the amendment is not approved at the meeting, the Policy will terminate and be of no further force and effect.

A copy of the Policy will be available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

## **The Company**

West Fraser is an integrated wood products company producing lumber, wood chips, LVL, MDF, plywood, pulp and newsprint. The Company has operations in western Canada and the southern United States.

## **Forward-Looking Statements**

This news release contains historical information, descriptions of current circumstances and statements about potential future developments. The latter, which are forward-looking statements and are included under the heading "Outlook", are presented to provide reasonable guidance to the reader but their accuracy depends on a number of assumptions and is subject to various risks and uncertainties. Actual outcomes and results will depend on a number of factors that could affect the ability of the Company to execute its business plans, including those matters described in the 2013 annual Management's Discussion & Analysis under "Risks and Uncertainties", and may differ materially from those anticipated or projected. Accordingly, readers should exercise caution in relying upon forward-looking statements and the Company undertakes no obligation to publicly revise them to reflect subsequent events or circumstances, except as required by applicable securities laws.

## **Conference Call**

Investors are invited to listen to the quarterly conference call on Friday, February 14, 2014 at 8:30 a.m. Pacific Time (11:30 a.m. Eastern Time) by dialing 1-800-766-6630 (toll- free North America). The call may also be accessed through West Fraser's website at [www.westfraser.com](http://www.westfraser.com).



**West Fraser Timber Co. Ltd.**

Condensed Consolidated Balance Sheets

(in millions of Canadian dollars, except where indicated - unaudited)

	<b>December 31</b>	December 31
	<b>2013</b>	2012
<b>Assets</b>		
<b>Current assets</b>		
Cash and short-term investments	\$ 162	\$ 102
Receivables	279	251
Inventories	519	459
Prepaid expenses	11	11
	<b>971</b>	823
<b>Property, plant and equipment</b>	<b>1,144</b>	959
<b>Timber licences</b>	<b>489</b>	496
<b>Goodwill and other intangibles</b>	<b>321</b>	330
<b>Other assets</b>	<b>83</b>	24
<b>Deferred income tax assets</b>	<b>96</b>	-
	<b>\$ 3,104</b>	\$ 2,632
<b>Liabilities</b>		
<b>Current liabilities</b>		
Payables and accrued liabilities	\$ 385	\$ 322
Income taxes payable	30	20
Reforestation and decommissioning obligations	39	43
Current portion of long-term debt	319	-
	<b>773</b>	385
<b>Long-term debt</b>	<b>9</b>	300
<b>Other liabilities</b>	<b>197</b>	327
<b>Deferred income tax liabilities</b>	<b>178</b>	128
	<b>1,157</b>	1,140
<b>Shareholders' Equity</b>		
Share capital (note 4)	602	602
Accumulated other comprehensive earnings	10	(9)
Retained earnings	1,335	899
	<b>1,947</b>	1,492
	<b>\$ 3,104</b>	\$ 2,632

Number of Common shares and Class B Common shares outstanding at February 13, 2014 was 85,672,068.



**West Fraser Timber Co. Ltd.**

Condensed Consolidated Statements of Changes in Shareholders' Equity  
(in millions of Canadian dollars, except where indicated - unaudited)

	October 1 to December 31		January 1 to December 31	
	2013	2012	2013	2012
<b>Share capital</b>				
Balance - beginning of period	\$ 602	\$ 602	\$ 602	\$ 601
Issuance of Common shares	-	-	1	1
Common share repurchases	-	-	(1)	-
Balance - end of period	\$ 602	\$ 602	\$ 602	\$ 602
<b>Accumulated other comprehensive earnings</b>				
Balance - beginning of period	\$ -	\$ (12)	\$ (9)	\$ (6)
Translation gain (loss) on foreign operations	10	3	19	(3)
Balance - end of period	\$ 10	\$ (9)	\$ 10	\$ (9)
<b>Retained earnings</b>				
Balance - beginning of period	\$ 1,166	\$ 836	\$ 899	\$ 888
Actuarial gain (loss) on post-retirement benefits	57	49	113	(42)
Common share repurchases	-	-	(2)	-
Earnings for the period	118	20	349	77
Dividends	(6)	(6)	(24)	(24)
Balance - end of period	\$ 1,335	\$ 899	\$ 1,335	\$ 899
<b>Shareholders' Equity</b>	<b>\$ 1,947</b>	<b>\$ 1,492</b>	<b>\$ 1,947</b>	<b>\$ 1,492</b>



**West Fraser Timber Co. Ltd.**

Condensed Consolidated Statements of Earnings and Comprehensive Earnings  
(in millions of Canadian dollars, except where indicated - unaudited)

	October 1 to December 31		January 1 to December 31	
	<b>2013</b>	2012	<b>2013</b>	2012
<b>Sales</b>	\$ <b>833</b>	\$ 773	\$ <b>3,474</b>	\$ 3,000
<b>Costs and expenses</b>				
Cost of products sold	<b>560</b>	506	<b>2,260</b>	2,024
Freight and other distribution costs	<b>122</b>	118	<b>491</b>	477
Export taxes	<b>3</b>	11	<b>9</b>	48
Amortization	<b>43</b>	39	<b>160</b>	152
Selling, general and administration	<b>36</b>	33	<b>131</b>	115
Equity-based compensation	<b>15</b>	30	<b>54</b>	61
Restructuring charges (note 5)	<b>24</b>	-	<b>24</b>	-
	<b>803</b>	737	<b>3,129</b>	2,877
<b>Operating earnings</b>	<b>30</b>	36	<b>345</b>	123
Finance expense	<b>(8)</b>	(7)	<b>(29)</b>	(28)
Exchange gain (loss) on long-term debt	<b>(10)</b>	(3)	<b>(21)</b>	7
Other income	<b>18</b>	2	<b>22</b>	-
<b>Earnings before tax</b>	<b>30</b>	28	<b>317</b>	102
Tax recovery (provision) (note 6)	<b>88</b>	(8)	<b>32</b>	(25)
<b>Earnings</b>	\$ <b>118</b>	\$ 20	\$ <b>349</b>	\$ 77
<b>Earnings per share (dollars) (note 7)</b>				
Basic and diluted	\$ <b>1.37</b>	\$ 0.23	\$ <b>4.07</b>	\$ 0.90
<b>Comprehensive earnings</b>				
Earnings	\$ <b>118</b>	\$ 20	\$ <b>349</b>	\$ 77
<b>Other comprehensive earnings</b>				
Translation gain (loss) on foreign operations	<b>10</b>	3	<b>19</b>	(3)
Actuarial gain (loss) on post-retirement benefits	<b>57</b>	49	<b>113</b>	(42)
<b>Comprehensive earnings</b>	\$ <b>185</b>	\$ 72	\$ <b>481</b>	\$ 32



**West Fraser Timber Co. Ltd.**

Condensed Consolidated Statements of Cash Flows

(in millions of Canadian dollars, except where indicated - unaudited)

	October 1 to December 31		January 1 to December 31	
	2013	2012	2013	2012
<b>Operating activities</b>				
Earnings	\$ 118	\$ 20	\$ 349	\$ 77
Adjustments				
Amortization	43	39	160	152
Finance expense	8	7	29	28
Exchange loss (gain) on long-term debt	10	3	21	(7)
Tax provision (recovery)	(88)	8	(32)	25
Income taxes received (paid)	(10)	(1)	(36)	2
Post-retirement expense	11	13	54	51
Contributions to post-retirement benefit plans	(38)	(41)	(106)	(72)
Other	7	(4)	(7)	(11)
Changes in non-cash working capital				
Receivables	14	2	(15)	(22)
Inventories	(49)	(36)	(55)	(58)
Prepaid expenses	5	2	-	(2)
Payables and accrued liabilities	2	8	57	41
<b>Cash flows from operating activities</b>	<b>33</b>	<b>20</b>	<b>419</b>	<b>204</b>
<b>Financing activities</b>				
Proceeds from long-term debt	-	-	8	-
Finance expense paid	(8)	(8)	(18)	(18)
Dividends	(6)	(6)	(24)	(24)
Common share repurchases	-	-	(3)	-
Other	(1)	(1)	(2)	-
<b>Cash flows from financing activities</b>	<b>(15)</b>	<b>(15)</b>	<b>(39)</b>	<b>(42)</b>
<b>Investing activities</b>				
Acquisition	-	(30)	-	(30)
Additions to capital assets	(119)	(43)	(338)	(159)
Government assistance	10	6	11	51
Proceeds from disposal of capital assets	-	-	2	9
Other	(2)	-	(1)	1
<b>Cash flows from investing activities</b>	<b>(111)</b>	<b>(67)</b>	<b>(326)</b>	<b>(128)</b>
<b>Change in cash</b>	<b>(93)</b>	<b>(62)</b>	<b>54</b>	<b>34</b>
<b>Foreign exchange effect on cash</b>	<b>3</b>	<b>-</b>	<b>6</b>	<b>-</b>
<b>Cash - beginning of period</b>	<b>252</b>	<b>164</b>	<b>102</b>	<b>68</b>
<b>Cash - end of period</b>	<b>\$ 162</b>	<b>\$ 102</b>	<b>\$ 162</b>	<b>\$ 102</b>



**West Fraser Timber Co. Ltd.**

Notes to Condensed Consolidated Interim Financial Statements

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

**1. Nature of operations**

West Fraser Timber Co. Ltd. (“West Fraser”, “we”, “us” or “our”) is an integrated wood products company producing lumber, wood chips, LVL, MDF, plywood, pulp and newsprint with facilities in western Canada and the southern United States. Our executive office is located at 858 Beatty Street, Suite 501, Vancouver, British Columbia. West Fraser was formed by articles of amalgamation under the *Business Corporations Act* (British Columbia) and is registered in British Columbia, Canada. Our Common shares are listed for trading on the Toronto Stock Exchange under the symbol WFT.

**2. Basis of presentation and statement of compliance**

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board (“IASB”) and using the same accounting policies and methods of their application as the December 31, 2013 annual financial statements. These condensed consolidated interim financial statements should be read in conjunction with our 2013 annual financial statements.

**3. Changes in accounting policies**

We have adopted the new and revised IASB standards that were effective January 1, 2013. For a description of the new and revised standards refer to note 4 of our 2013 annual financial statements. The application of the amendment to IAS 19 resulted in a revision of our financial statements.

*IAS 19 - Amendment, Employee Benefits*

The effect of adopting the amended standard on January 1, 2013 is as follows:

	<b>Previous standard</b>	<b>Change</b>	<b>Amended standard</b>
<b>October 1 to December 31, 2013</b>			
Post-retirement and other long-term employee benefits expense	\$ 9	\$ 1	\$ 10
Finance expense	-	2	2
Tax recovery	(3)	-	(3)
	<u>\$ 6</u>	<u>\$ 3</u>	<u>\$ 9</u>
Actuarial gain on post-retirement benefits - net of tax	\$ (54)	\$ (3)	\$ (57)
Basic and diluted earnings per share <sup>1</sup>	\$ 1.40	\$ (0.03)	\$ 1.37

1. Per share amounts have been retroactively adjusted to take into account the Stock Dividend described in note 4.

	Previous standard		Change		Amended standard
<b>October 1 to December 31, 2012</b>					
Post-retirement and other long-term employee benefits expense	\$ 10	\$	1	\$	11
Finance expense	-		2		2
Tax recovery	(3)		(1)		(4)
	\$ 7	\$	2	\$	9
Actuarial gain on post-retirement benefits - net of tax	\$ (47)	\$	(2)	\$	(49)
Basic and diluted earnings per share <sup>1</sup>	\$ 0.25	\$	(0.02)	\$	0.23
<b>January 1 to December 31, 2013</b>					
Post-retirement and other long-term employee benefits expense	\$ 35	\$	9	\$	44
Finance expense	-		10		10
Tax recovery	(9)		(4)		(13)
	\$ 26	\$	15	\$	41
Actuarial gain on post-retirement benefits - net of tax	\$ (98)	\$	(15)	\$	(113)
Basic and diluted earnings per share <sup>1</sup>	\$ 4.24	\$	(0.17)	\$	4.07
<b>January 1 to December 31, 2012</b>					
Post-retirement and other long-term employee benefits expense	\$ 39	\$	4	\$	43
Finance expense	-		9		9
Tax recovery	(10)		(3)		(13)
	\$ 29	\$	10	\$	39
Actuarial loss on post-retirement benefits - net of tax	\$ 52	\$	(10)	\$	42
Basic and diluted earnings per share <sup>1</sup>	\$ 1.01	\$	(0.11)	\$	0.90

1. Per share amounts have been retroactively adjusted to take into account the Stock Dividend described in note 4.

There is no impact on balance sheet amounts resulting from the amended standard.

#### 4. Share capital

##### Authorized

200,000,000 Common shares, without par value

20,000,000 Class B Common shares, without par value

10,000,000 Preferred shares, issuable in series, without par value

## Issued

	2013		2012	
	Number	Amount	Number	Amount
Common	40,554,274	\$ 602	40,281,242	\$ 602
Class B Common	2,281,478	-	2,581,478	-
Total Common	42,835,752	\$ 602	42,862,720	\$ 602

During 2013 300,000 (2012 - 200,000) Class B Common shares were exchanged for Common shares.

On September 12, 2013 our Board of Directors authorized the initiation of a normal course issuer bid to repurchase for cancellation up to 1,000,000 Common shares or approximately 2.5% of our issued and outstanding Common shares. The normal course issuer bid expires September 16, 2014.

In September 2013 we repurchased 32,277 Common shares at a cost of approximately \$3 million.

## Stock dividend

On December 10, 2013 the Board of Directors declared a stock dividend (the “Stock Dividend”) of one Common share for each issued and outstanding Common share and Class B Common share in the capital of the Company, which has the same effect as a two-for-one stock split. The Stock Dividend was paid on January 13, 2014 to shareholders of record on December 31, 2013. For comparative purposes the Stock Dividend has been applied retroactively to earlier periods so that the number of shares used to calculate earnings per share is doubled resulting in earnings per share for 2013 and prior years being half of the amount that would otherwise have been reported.

On January 13, 2014 we issued 42,835,752 Common shares pursuant to the Stock Dividend. Also on January 13, 2014 the number of options and units outstanding under our share option, phantom share, and directors’ deferred share unit plans were doubled and the exercise price of outstanding share options was halved to reflect the Stock Dividend.

## 5. Restructuring charges

On October 24, 2013 we announced our intention to permanently close our Houston, B.C. sawmill. The closure is expected to be complete in the second quarter of 2014 and the resulting restructuring charges are as follows:

	2013
Asset impairment	\$ 13
Severance	10
Decommissioning obligations	1
	\$ 24

## 6. Tax provision

The tax recovery (provision) differs from the amount that would have resulted from applying the Canadian statutory income tax rates to earnings before tax as follows:

	October 1 to December 31		January 1 to December 31	
	2013	2012	2013	2012
Income tax expense at statutory rate of 25.75% (2012 – 25%)	\$ (8)	\$ (7)	\$ (82)	\$ (26)
Non-taxable amounts	(4)	(5)	(12)	(9)
Rate differentials between jurisdictions and on specified activities	-	-	(10)	(1)
Recognized tax assets	101	3	140	11
Increase in statutory tax rate	-	-	(2)	-
Other	(1)	1	(2)	-
Tax recovery (provision)	\$ 88	\$ (8)	\$ 32	\$ (25)

## 7. 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 and Class B Common shares outstanding after adjusting for the Stock Dividend (note 4).

Diluted earnings per share is calculated based on earnings available to Common shareholders adjusted to remove the actual share option expense charged to earnings and after deducting a notional charge for share option expense assuming the use of the equity settled method, as set out below. The diluted weighted average number of shares is calculated using the treasury stock method. When earnings available to Common shareholders for diluted earnings per share are greater than earnings available to Common shareholders for basic earnings per share, the calculation is anti-dilutive and diluted earnings per share are deemed to be the same as basic earnings per share.

	October 1 to December 31		January 1 to December 31	
	2013	2012	2013	2012
<b>Earnings</b>				
Basic	\$ 118	\$ 20	\$ 349	\$ 77
Share option expense	13	23	44	45
Equity settled share option adjustment	(1)	(1)	(3)	(3)
Diluted	\$ 130	\$ 42	\$ 390	\$ 119

<b>Weighted average number of shares (thousands)</b>				
Basic	85,670	85,723	85,712	85,714
Share options	1,382	1,351	1,628	1,111
Diluted	87,052	87,074	87,340	86,825

<b>Earnings per share (dollars)</b>				
Basic and diluted	\$ 1.37	\$ 0.23	\$ 4.07	\$ 0.90

## 8. Segmented information

	Lumber	Panels	Pulp & paper	Corporate & other	Consolidated
<b>October 1, 2013 to December 31, 2013</b>					
Sales at market prices					
To external customers	\$ 522	\$ 108	\$ 203	\$ -	\$ 833
To other segments	19	2	-	-	-
	\$ 541	\$ 110	\$ 203	\$ -	
EBITDA <sup>1</sup>	\$ 83	\$ 6	\$ 24	\$ (16)	\$ 97
Amortization	(27)	(4)	(11)	(1)	(43)
Restructuring charges	(24)	-	-	-	(24)
Operating earnings	32	2	13	(17)	30
Finance expense	(4)	(2)	(2)	-	(8)
Exchange loss on long-term debt	-	-	-	(10)	(10)
Other income	12	1	4	1	18
Earnings before tax	\$ 40	\$ 1	\$ 15	\$ (26)	\$ 30

### 1. Non-IFRS measure:

EBITDA is defined as operating earnings plus amortization and restructuring charges.

	Lumber	Panels	Pulp & paper	Corporate & other	Consolidated
<b>October 1, 2012 to December 31, 2012</b>					
Sales at market prices					
To external customers	\$ 478	\$ 109	\$ 186	\$ -	\$ 773
To other segments	18	1	-	-	
	\$ 496	\$ 110	\$ 186	\$ -	
EBITDA <sup>1</sup>	\$ 74	\$ 11	\$ 24	\$ (34)	\$ 75
Amortization	(23)	(5)	(11)	-	(39)
Operating earnings	51	6	13	(34)	36
Finance expense	(3)	(1)	(2)	(1)	(7)
Exchange loss on long-term debt	-	-	-	(3)	(3)
Other income (expense)	(1)	-	4	(1)	2
Earnings before tax	\$ 47	\$ 5	\$ 15	\$ (39)	\$ 28

1. **Non-IFRS measure:**

EBITDA is defined as operating earnings plus amortization and restructuring charges.

	Lumber	Panels	Pulp & paper	Corporate & other	Consolidated
<b>January 1, 2013 to December 31, 2013</b>					
Sales at market prices					
To external customers	\$ 2,234	\$ 460	\$ 780	\$ -	\$ 3,474
To other segments	81	7	-	-	
	\$ 2,315	\$ 467	\$ 780	\$ -	
EBITDA <sup>1</sup>	\$ 437	\$ 43	\$ 103	\$ (54)	\$ 529
Amortization	(99)	(15)	(45)	(1)	(160)
Restructuring charges	(24)	-	-	-	(24)
Operating earnings	314	28	58	(55)	345
Finance expense	(15)	(5)	(9)	-	(29)
Exchange loss on long-term debt	-	-	-	(21)	(21)
Other income (expense)	16	1	8	(3)	22
Earnings before tax	\$ 315	\$ 24	\$ 57	\$ (79)	\$ 317

1. **Non-IFRS measure:**

EBITDA is defined as operating earnings plus amortization and restructuring charges.

	Lumber	Panels	Pulp & paper	Corporate & other	Consolidated
<b>January 1, 2012 to December 31, 2012</b>					
Sales at market prices					
To external customers	\$ 1,783	\$ 442	\$ 775	\$ -	\$ 3,000
To other segments	72	6	-	-	
	\$ 1,855	\$ 448	\$ 775	\$ -	
EBITDA <sup>1</sup>	\$ 176	\$ 54	\$ 109	\$ (64)	\$ 275
Amortization	(86)	(16)	(47)	(3)	(152)
Operating earnings	90	38	62	(67)	123
Finance expense	(13)	(4)	(9)	(2)	(28)
Exchange gain on long-term debt	-	-	-	7	7
Other income (expense)	(4)	-	1	3	-
Earnings before tax provision	\$ 73	\$ 34	\$ 54	\$ (59)	\$ 102

1. **Non-IFRS measure:**

EBITDA is defined as operating earnings plus amortization and restructuring charges.

The geographic distribution of external sales is as follows<sup>1</sup>:

	October 1 to December 31		January 1 to December 31	
	2013	2012	2013	2012
United States	\$ 436	\$ 368	\$ 1,761	\$ 1,435
Canada	184	194	821	747
China	131	139	537	513
Other Asia	59	47	263	201
Other	23	25	92	104
	\$ 833	\$ 773	\$ 3,474	\$ 3,000

1. Sales distribution is based on the location of product delivery.

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

**For more information:**

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