
International Forest Products Limited



2007 Annual General Meeting

April 26, 2007

2006 In Review

- *Goal is to build one of the world's leading lumber and building products companies*
- *Significant progress was achieved in 2006*
- *Balance sheet is in great shape*

2006 In Review - Financials

- *Settlement of softwood dispute dominated events in 2006*
 - *Greater certainty for producers*
 - *Returned 82% of duty deposits*
- *Earned \$95.5 million (\$1.97 per share)*
- *\$72.2 million due to duty refund; \$8.8 million due to restructuring activity*
- *Excluding refunds and one-time items, earnings were \$14.5 million (\$0.30 per share)*

2006 In Review - Financials

- *Generated \$186 million in cash from operations (after working capital change)*
- *Generated \$49 million from the sale of surplus property and equipment*
- *Spent \$91 million on capital projects*
- *Net cash balance of \$108 million*
- *More than \$300 million in financial capacity*

2006 In Review – Capital Projects

- *Major projects undertaken at:*
 - *Gilchrist – kilns and grade reader*
 - *Molalla – log yard, kilns and planer*
 - *Port Angeles – primary breakdown line*
 - *Adams Lake – energy system and site improvements*
- *Installations are 1st class*
- *Financial benefits not reflected in 2006*

Gilchrist – Kilns & Grade Reader



Kiln Projects



Grade Reader

Molalla – Log Yard, Kilns and New Planer

Paved Log Yard



New Kilns



New Planer



Planer Outfeed



Adams Lake – Wood Waste Energy System & Site Improvements

Thermal Plant



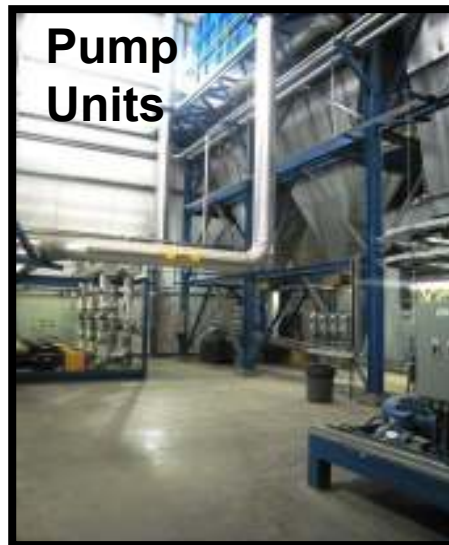
Site Improvements



**Dry / Wet
Fuel Bin**



**Pump
Units**



Heat Dump



Port Angeles - Primary Breakdown Line

New Line Building



**Wave Log Feeders
and Full Line**

**Double Length Infeed
(DLI) Canter Line**



Q1 2007 Highlights

- *Earned \$0.6 million (\$0.01 per share)*
- *One-time items added \$1.3 million or \$0.02 per share*
- *Generated \$17.9 million in cash from operations; another \$3.8 million from asset sales*
- *Spent \$16.4 million on capital projects*
- *\$65 million in net cash at quarter-end*

Adams Lake Project

- *New sawmill authorized today; capital cost \$100 million*
- *Final stage of “Master Plan” which began in 2003/4*
- *Will incorporate proven state-of-the-art technology*
- *Construction begins this summer; completion in late 2008*
- *Financing comes from cash resources and existing credit lines*

Adams Lake Operation – New Sawmill Outline



Board Renewal

- *Three directors retiring today:*
 - *John Milroy*
 - *Claude Laval*
 - *Bob Kadlec*

- *Four new directors elected today:*
 - *Peter Lynch*
 - *Gord MacDougall*
 - *Eddie McMillan*
 - *Doug Whitehead*

Closing

- *Interfor has clear goals and clear strategies*
- *Interfor has drive and discipline*
- *Significant progress was made in 2006*
- *More progress will be achieved in 2007*

Closing

Thank you for your support

Closing

QUESTIONS?

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