Building Value

Duncan Davies,
President and CEO

John Horning
Senior Vice President and CFO

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Forward-Looking Statements

Information contained herein constitutes forward-looking statements. Forward-looking statements, which include all statements that are not historical facts, are subject to certain risks and uncertainties that could cause actual results to differ materially from those anticipated in or suggested by the forward-looking statements, see additional risks described in the Company's MD&A under "Risks and Uncertainties" in the Company's 2005 Annual Statutory Information, which is incorporated by reference. All forward-looking statements made are qualified by these cautionary statements.

Participants should not place undue reliance on the forward-looking statements, which reflect Management's plans, estimates, projections and views only as of the date hereof. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances.

Interfor's Goal

Interfor's goal is to become one of the world's pre-eminent lumber and building products companies and, in doing so, to provide superior returns for shareholders

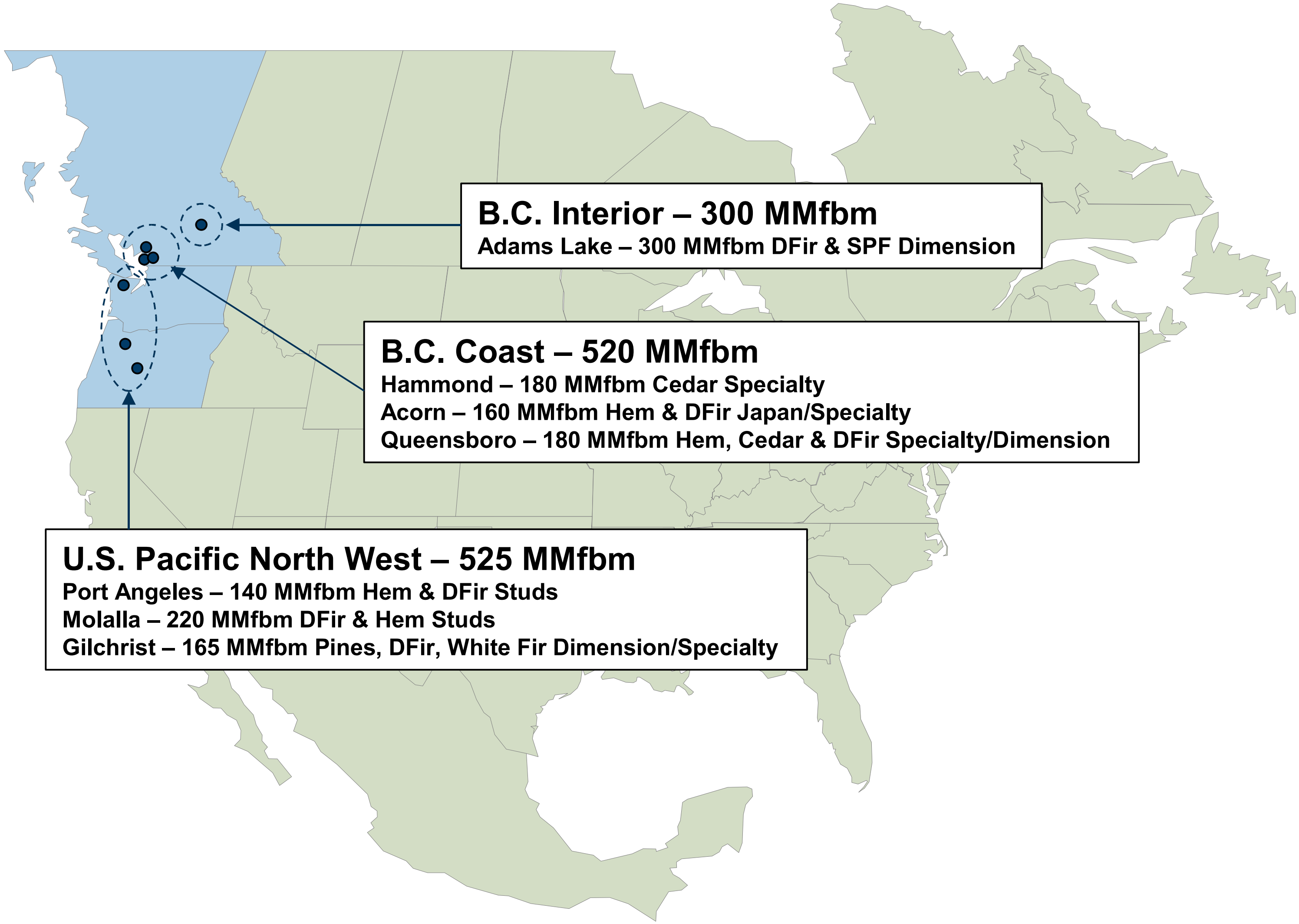
Interfor's Transformation

- ***Over the last 6 years Interfor has undergone significant restructuring. Non-core and non-performing assets have been sold and cash redeployed to fund growth in the B.C. Interior and the U.S. PNW***

- ***The Company's product line, market exposure and geographic base of operations have been diversified***

- ***Interfor's balance sheet is very strong and provides a base for value-creating strategic initiatives including internal projects and acquisitions***

Map of Operations - North America

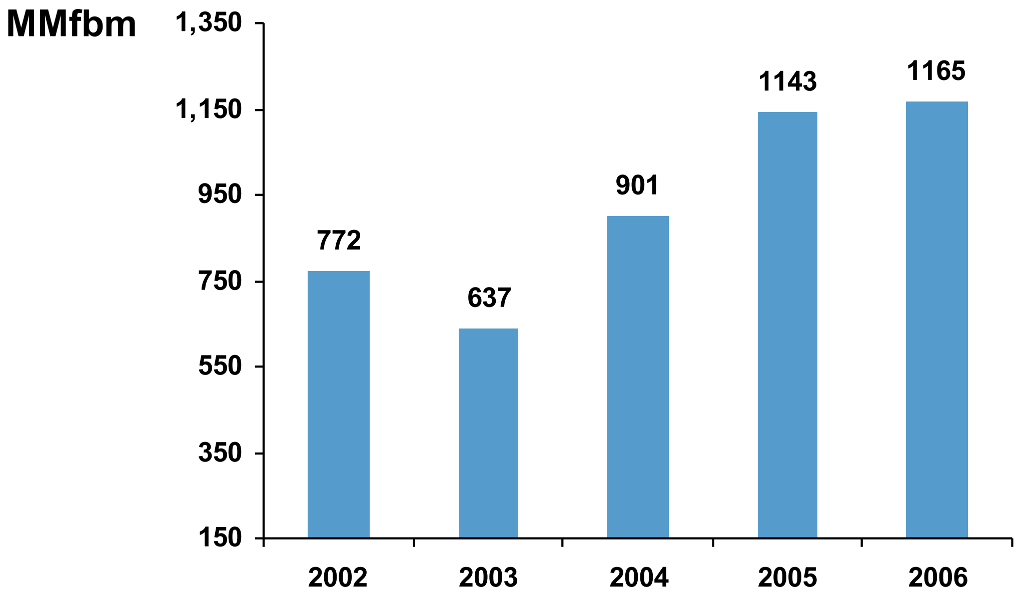


Results - Increasing Scale Of Operations

- ***Lumber production reached a new record in 2006 at 1.16 billion board feet***
- ***2007 production is expected to exceed 2006 levels***

Interfor Lumber Production

2002 – 2006 Annual

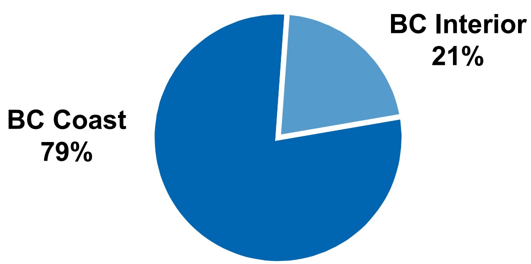


Provide Superior Returns For Shareholders

Results – Diversified Operating Platform & Markets

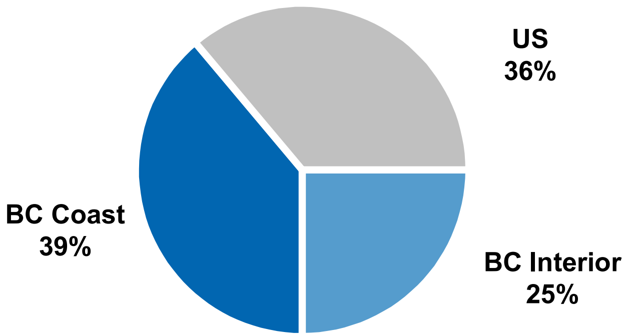
- *Operating platform has been diversified*

2002



Production 772 MMfbm

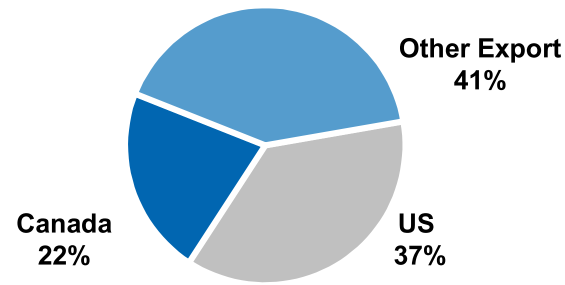
2006



Production 1,165 MMfbm

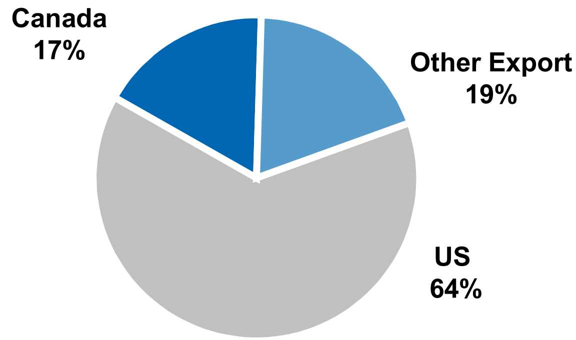
- *Market exposure has changed significantly*

2002



Lumber Sales $590 million

2006

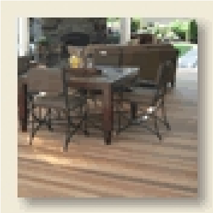


Lumber Sales $611 million

Results – Balanced Species and Product Mix

- *Interfor's product mix is unlike other companies*

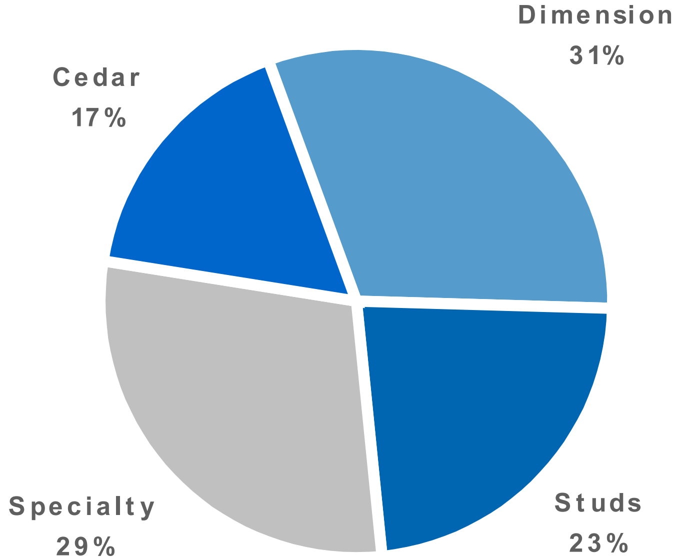
Cedar siding

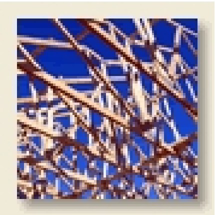


Cedar decking

Japan structural

Millwork





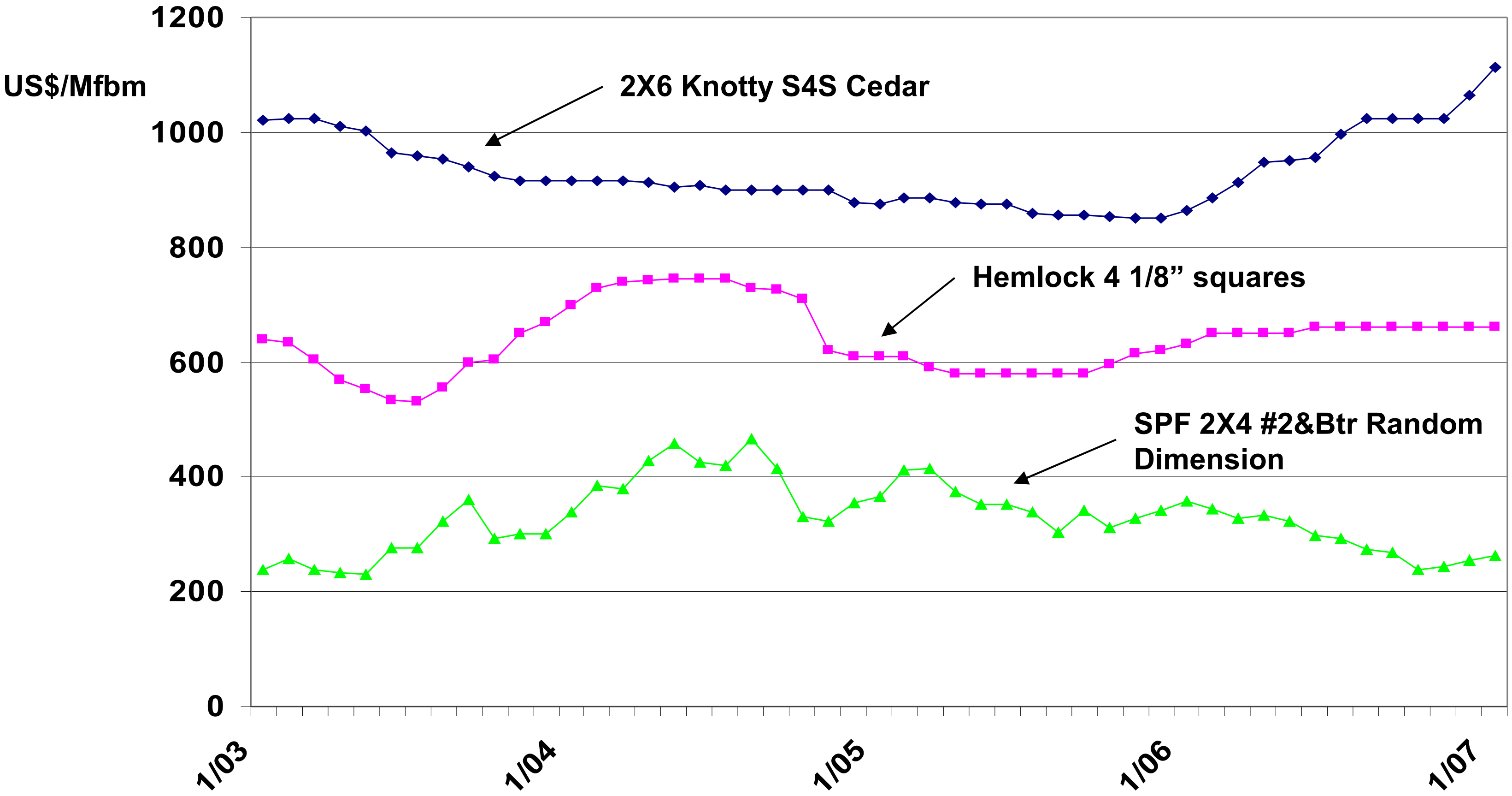
Structural dimension

Studs

- *Higher % of specialty items ⇨ greater stability of prices/profitability*

Benchmark Price Movements (Jan. 2003 – Jan. 2007)

- *Cedar and Japan have been strong vs. N.A. commodity prices*

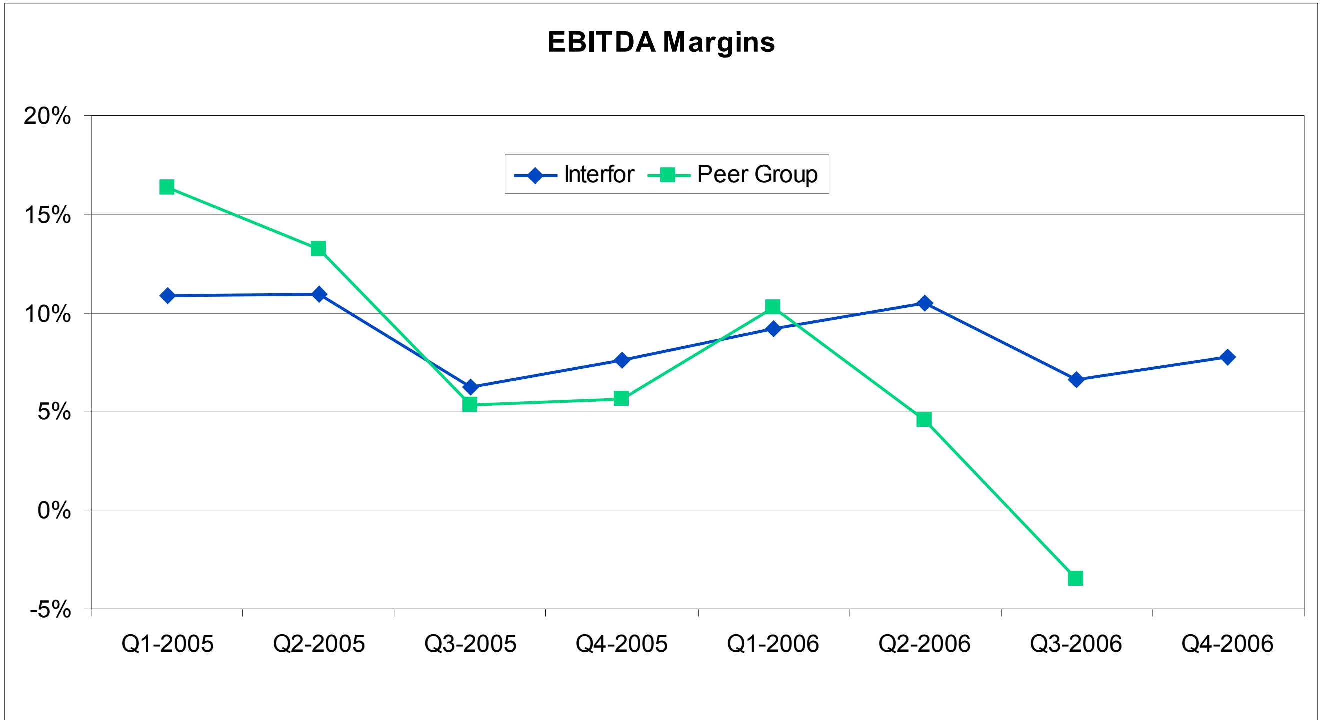


Source: Random Lengths Publications Inc.

Provide Superior Returns For Shareholders

Results – Strong Relative Performance

- ***Interfor's EBITDA margin has improved relative to its peers, and currently ranks No. 1 in the industry***



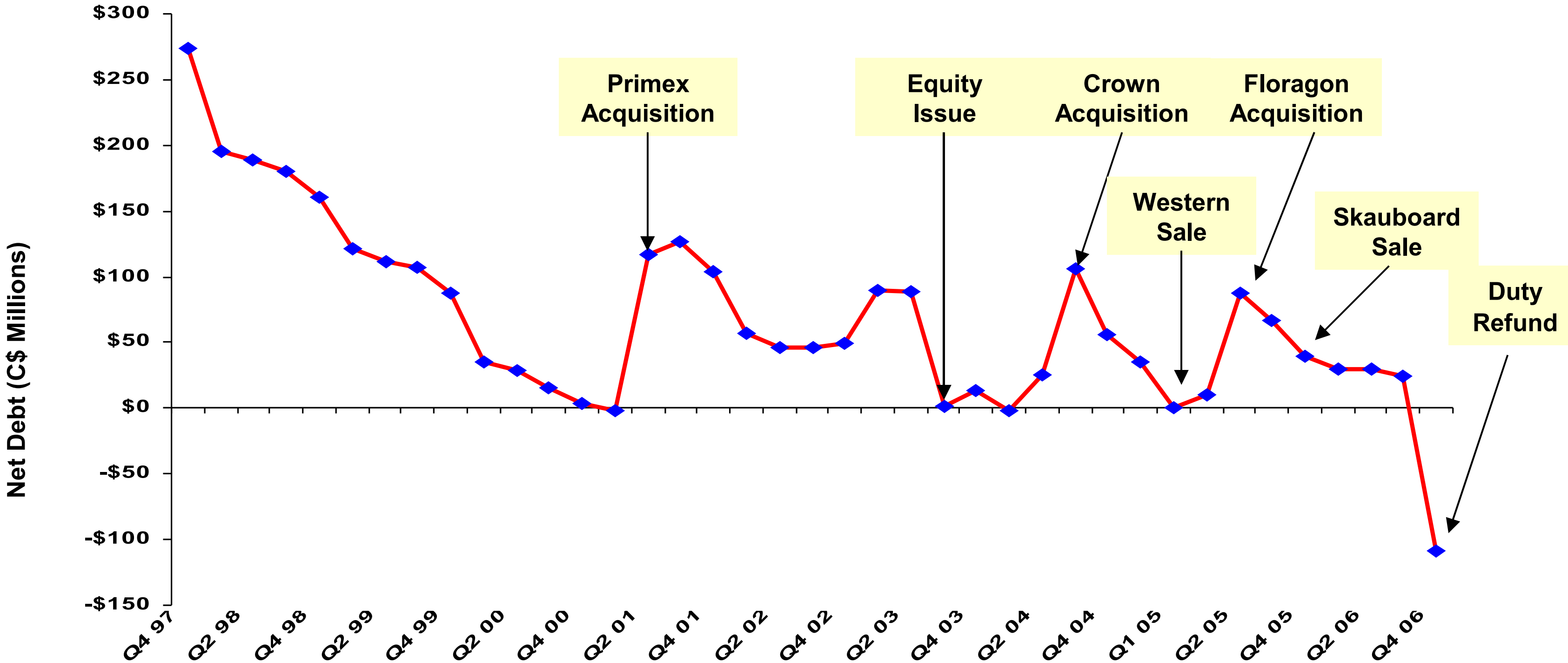
Interfor rank	**3**	**3**	**2**	**2**	**2**	**1**	**1**	**na**

Peer group: Canfor, West Fraser, Western Forest, Pope & Talbot (lumber or solid wood segments only)

- ***Interfor's relative performance reflects the Company's restructuring efforts and higher percentage of specialty items***

Results – Strong Financial Position

- ***The duty deposit refund resulted in a significant surplus cash position at December 2006***



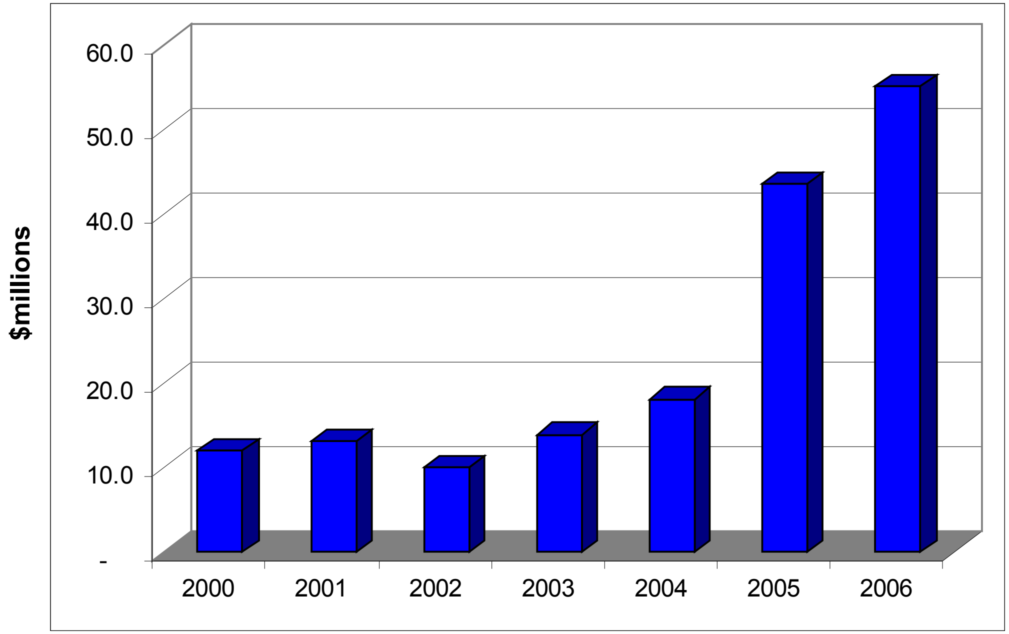
- ***At December 31, 2006, Interfor had $310 million in incremental financial capacity (based on 35% debt/invested capital ratio, net of 18% special charge and income taxes to be paid in 2007)***

Current Focus

- *Invest in core assets ⇨ bring to top decile status*
- *Grow in regions and products with attractive fundamentals*
- *Maintain a strong balance sheet*

Current Focus - Capital Investments in Core Assets

- ***Interfor has accelerated its discretionary capex program in recent years to ensure core operations incorporate state-of-the-art technology, and achieve top quartile (decile) performance***



- ***The benefits of the 2006 discretionary capex will impact results beginning in 2007***
- ***Interfor's 2007 discretionary capex program will be similar to 2006, subject to a decision regarding the Adams Lake "master plan"***

Current Focus - Disciplined Growth Through Acquisitions

- ***Interfor is well positioned to pursue opportunities for value-creating growth***

	2004 - 2005	
	Purchase Price[1] (MM's)	Capacity (MMfbm)
Crown Pacific	US$57	275
Floragon	US$50	220

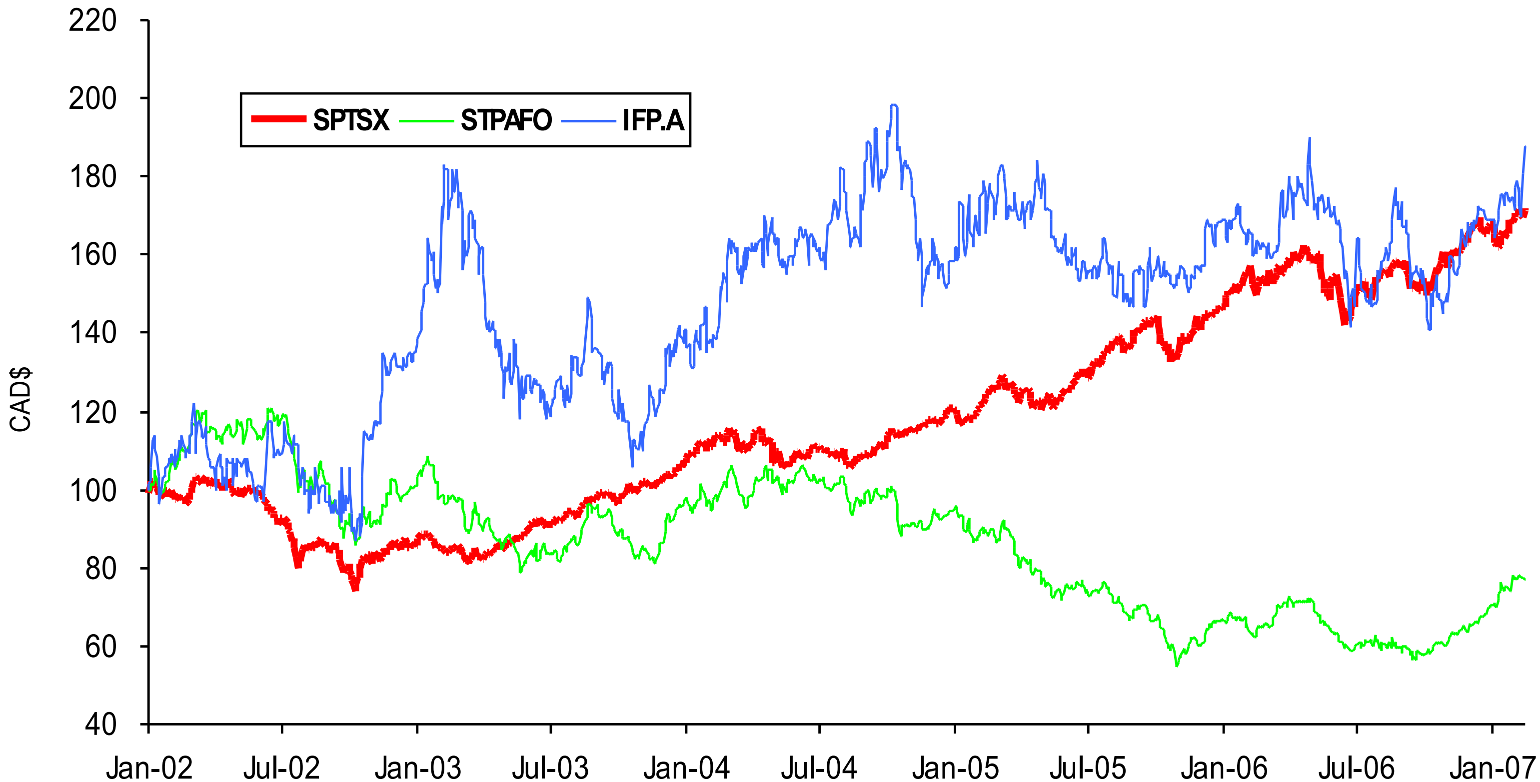
(1) Net of Working Capital

2007
Opportunities for Growth

- Wood products with attractive fundamentals:
  - SPF, D-fir and hemlock lumber
  - SYP
  - Engineered wood products
- Geographic regions with favourable operating parameters:
  - B.C. Southern Interior
  - U.S. Pacific Northwest
  - U.S. South

Total Shareholder Return

- ***Interfor has delivered a CAGR of 13% since January 2002, equaling the TSX Composite and exceeding the TSX Paper and Forest Products Index***



Listed on the Toronto Stock Exchange, Symbol: IFP.A; Value of $100 invested January 1, 2002 at February 14, 2007

Provide Superior Returns For Shareholders

Summary

- ***Interfor has a clear goal and action-based strategy that has demonstrated positive results for shareholders***
- ***The Company has a strong balance sheet and significant financial capacity***
- ***Short-term market weakness creates opportunities for growth***

Building Value

The journey of "Building Value" continues

APPENDIX 1

Financial Statements

Income Statement – Last 12 Months

Restructuring and Other Income after-tax

($millions except per share amounts)	Q4 06	Q3 06	Q2 06	Q1 06	LTM
Net Earnings	77.2	1.6	8.0	8.7	95.5
Earnings per share	$1.60	$0.03	$0.17	$0.18	$1.97
Add: Restructuring	-	-	5.9	(0.3)	5.6
Less: U.S. Duty Refund & Other Income	(76.7)	(0.1)	(8.0)	(1.8)	(86.6)
Net Earnings (loss) – continuing operations	0.5	1.5	5.9	6.6	14.5
EPS – continuing operations	$0.01	$0.03	$0.12	$0.13	$0.30
Adjusted EBITDA *	13.6	13.9	23.6	19.7	70.9

* *Adjusted EBITDA represents EBITDA adjusted for U.S. duty refunds and other income*

Balance Sheet

($millions except ratios)

	Dec 06	Dec 05
Total Debt	$40.7	$48.8
Less Cash	$(148.5)	$(19.1)
Net Debt	$(107.8)	$29.7
Equity	$478.0	$386.5
Net Debt / IC	(29.1)%	7.1%
Book Value / Share	$9.93	$7.94

Dec 2006 net debt reflects $25 million retirement of A/R securitization