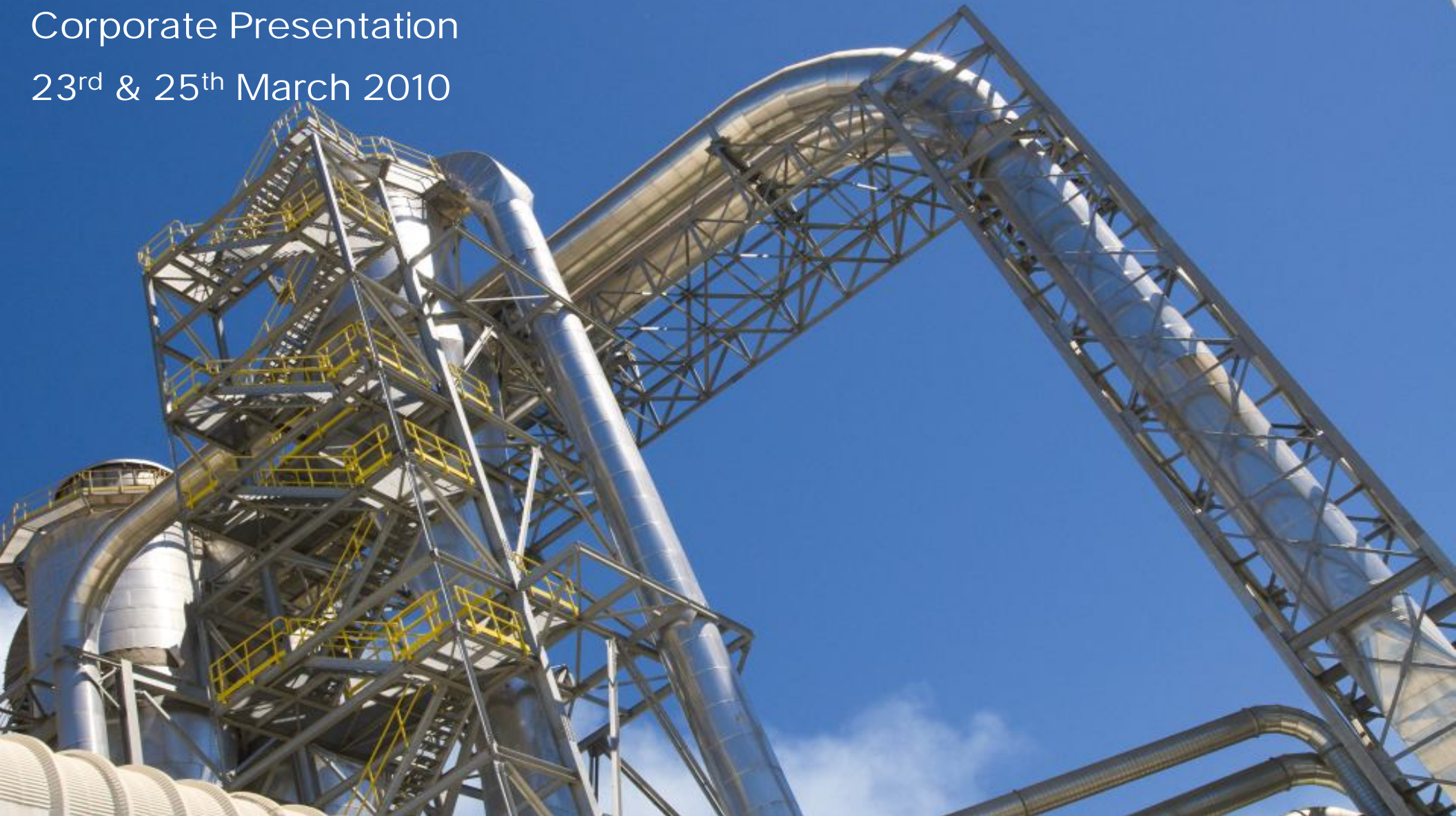


MASISA S.A.

Corporate Presentation

23<sup>rd</sup> & 25<sup>th</sup> March 2010



**MASISA**  
more reliable



# Contents

## ■ **Masisa**

- Business Highlights
- Sustainable Development
- Financial information & 3Q'09 Results
- Chile Earthquake Update



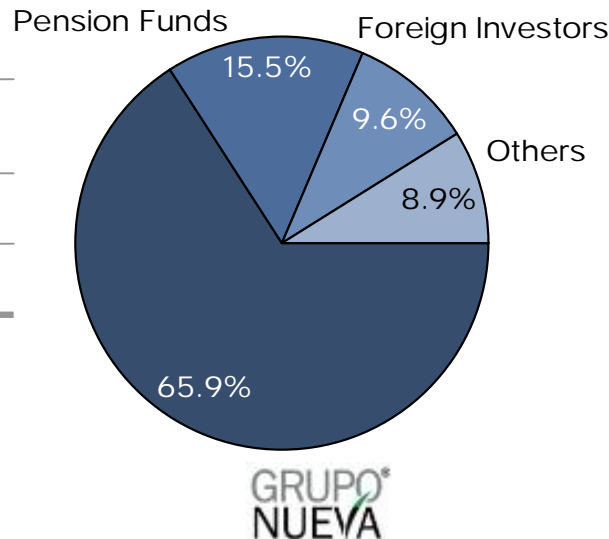
# Masisa S.A.

- Masisa is one of the leaders in the production and commercialization of wood boards for furniture and interior architecture in Latin America → Masisa's Core Business
- Forestry holdings: More than 240,000 has. of planted pines and eucalyptus
- Industrial Operations in Chile, Argentina, Brazil, Venezuela and Mexico
- US\$ 1,053 million in sales, in more than 50 countries and US\$ 176 million EBITDA during 2008

## KEY FIGURES (As of September 30, 2009)

Equity	US\$ 1,328 million
Outstanding shares	6,965,103,488
Market CAP (Dec'09)	US\$ 1,032 million
EBITDA (LTM Sep'09)	US\$ 141,8 million
Assets	US\$ 2,331 million

## Ownership structure as of December 2009



## CREDIT RATINGS

	Local	International
Feller Rate	A-	
Fitch Ratings	A-	BB+

## CAPACITY SUMMARY (As of December 2009)

Planted Forest	242,889 has.
Industrial Plants	12
Wood boards	3,133 Th. m <sup>3</sup>
Sawmills	487 Th. m <sup>3</sup>
Moldings and Doors	198 Th. m <sup>3</sup>
Placacentros	314



# Business units

## Industrial

- Masisa's Core Business is the production and commercialization of wood boards for furniture and interior architecture in Latin America
- The wood boards business unit includes business lines of sawn wood, MDF moldings and doors

## Forestry

- The forestry business unit secures access to fiber at competitive cost, with forestry assets located in 4 different countries in Latin America near our industrial facilities
- Represents 30% of Company's assets and provides a stable value in the long term

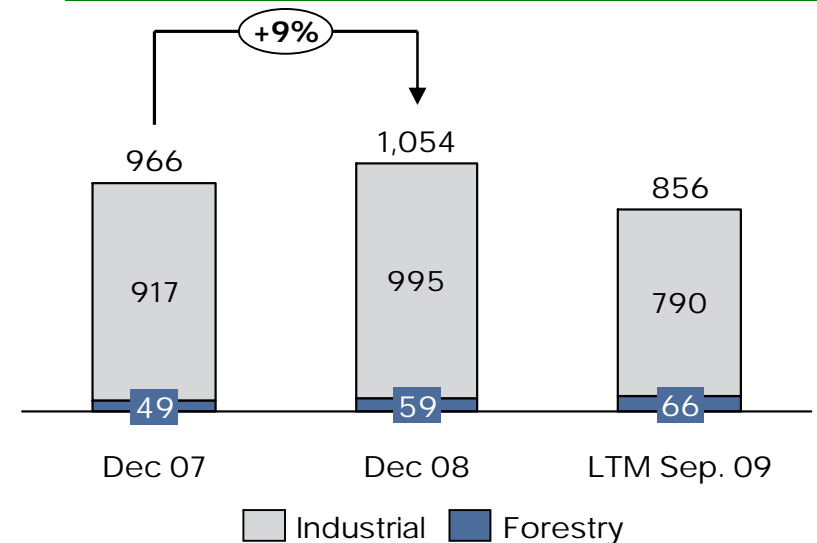
### Forestry Unit



### Industrial Unit



### Sales (US\$ Millions)



LTM: Last twelve months.

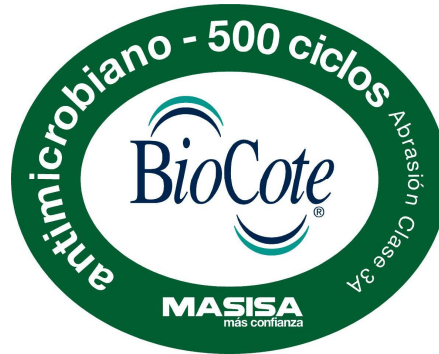




# Products

## Competitive Strategy:

Differentiation through Customer Intimacy & Innovation → High value melamine designs



Main products: PB / MDP & MDF wood boards

Other products: Sawn Wood / MDF Moldings / Doors





# Contents

- Masisa

- **Business Highlights**

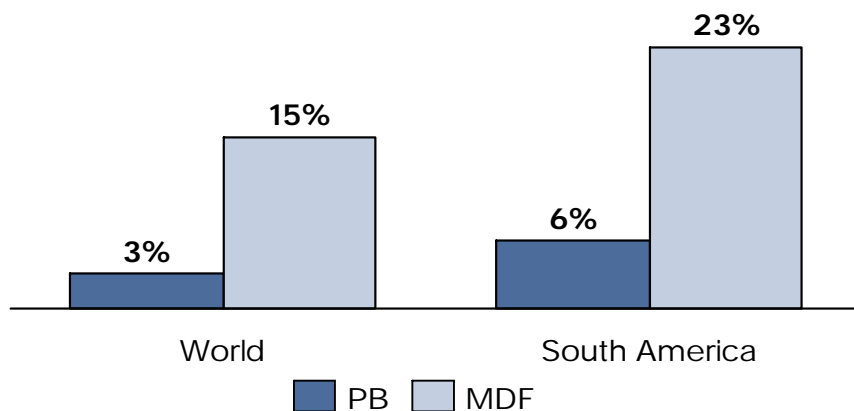
- Sustainable Development
    - Financial information & 3Q'09 Results
    - Chile Earthquake Update



# Long term growth of wood boards market

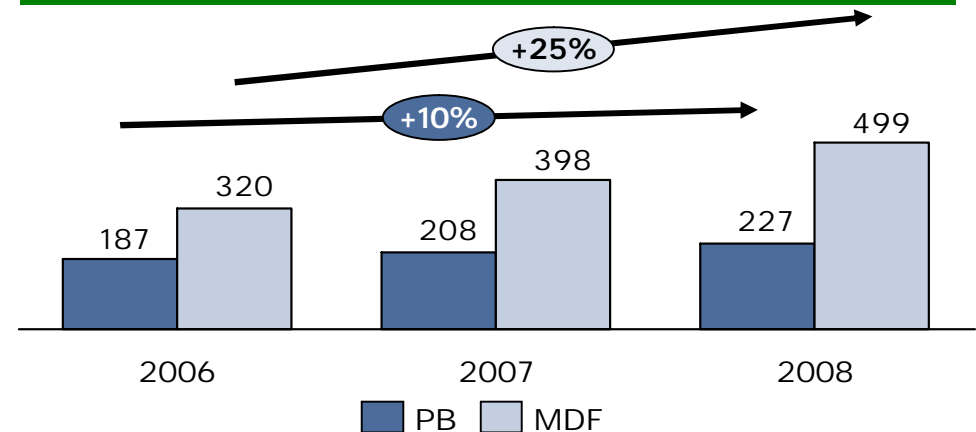
- Masisa reached US\$ 622 million in wood boards sales (LTM sales to Sept'09)
- 70% of Masisa's sales are in Latin America
- Regional demand grows significantly more than world demand:
  - Latam housing deficit along with expected development of mortgage industry
  - Low product penetration in the region
  - Lower transformation costs vs a solid wood furniture

Wood boards 2000 – 2007 CAGR Demand



Source: FAO Statistics, January 2009.

Masisa's Wood boards sales (PB & MDF)  
US\$ millions



## Recent Investments & Announcements

- 340,000 m<sup>3</sup> MDF line in Cabrero, Chile. Started operations Oct. 2007
- 150,000 m<sup>3</sup> melamine line in Coronel, Chile. Started operations Oct. 2008
- 750,000 m<sup>3</sup> MDP plant in Montenegro, Brazil. Started operations June 2009
- 300,000 m<sup>3</sup> melamine line in Montenegro, Brazil. Started operations Sep. 2009
- New 280,000 m<sup>3</sup> MDP line in Cabrero, Chile, under construction. Expected start of operations 1S'11

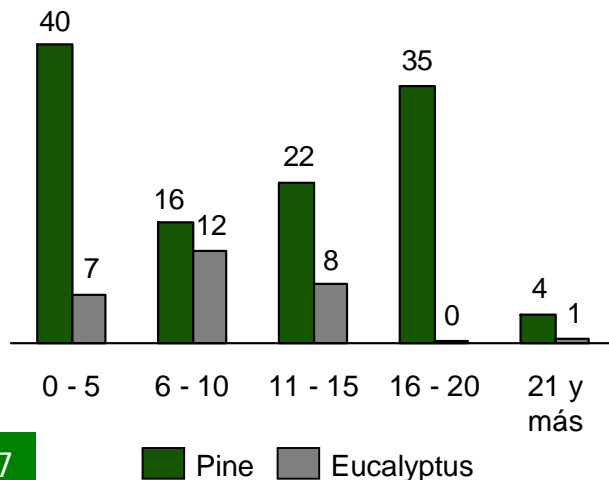


# Forestry Assets

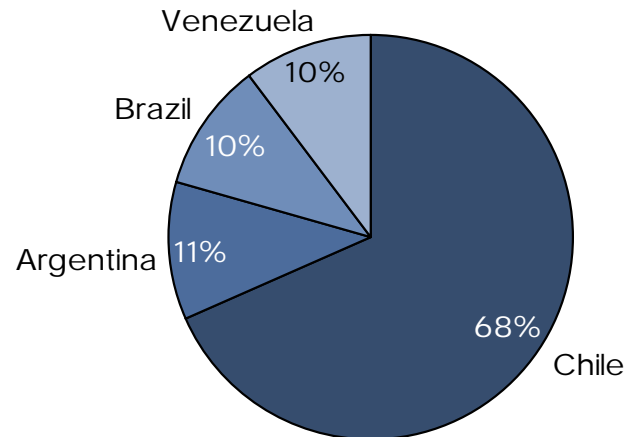
- Stable value and permanent cash flows in the long run
- 242,000 hectares of planted land located strategically in areas with the high growth rates and close to our facilities
- Forestry assets secure long-term access to fiber at competitive cost
- Growth strategy focused in “Greenfield” projects
- Young age profile in Chile and Argentina secures increasing volumes of timber in the medium term
- Masisa signed a Joint Investment Agreement with “Hancock Timber” (top US TIMO). First joint investment in Brazil (40,000 hectares)



Age profile as of December 2009  
(Th. of has.)

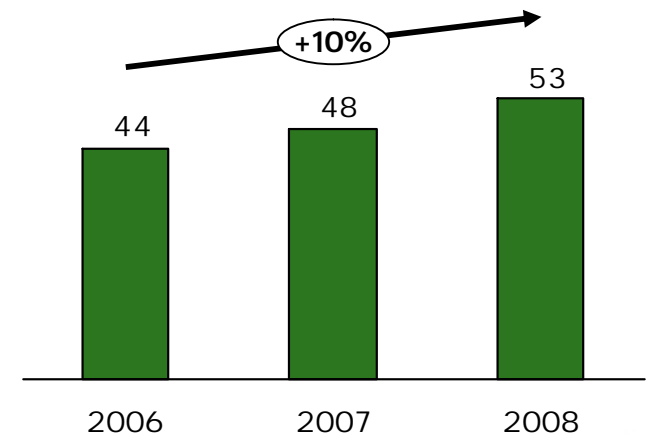


Forestry Book Value as of  
December 2009\*



\*Forestry book value is determined by periodic appraisals. Includes land book value

Forestry Business Unit EBITDA  
US\$ millions



**MASISA**  
more reliable

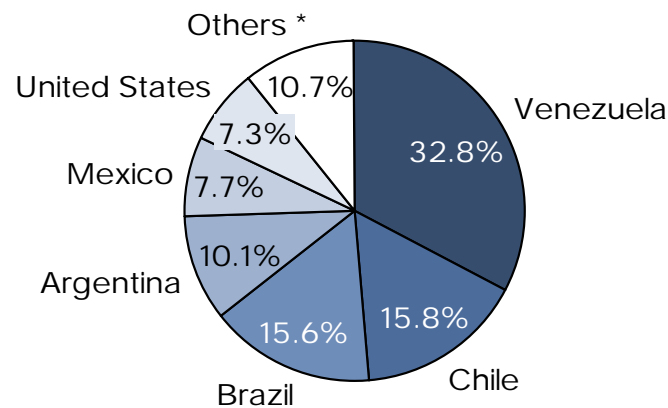




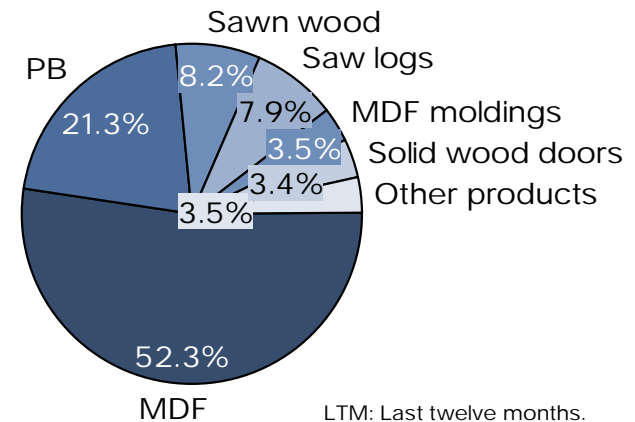
# Sales and production diversification

- Sales diversified all over Latin America.
- Masisa's industrial complexes provide operational flexibility to supply regional demand in Latin America.

**Sales per Country (LTM Sep. 09)**



**Sales per Product (LTM Sep. 09)**



## INDUSTRIAL CAPACITY (Th. of cubic meters per year)

	PB	MDF	MDP	Coating	Saw Mill	MDF Moldings	Solid wood doors
Chile	423	650**	0 **	350	337	52	42
Brazil	0	280	750	520	0	0	0
Argentina	165	280	0	248	0	104	0
Venezuela	120	310	0	60	150	0	0
Mexico	155	0	0	73	0	0	0
<b>Total</b>	<b>863</b>	<b>1,520</b>	<b>750</b>	<b>1,251</b>	<b>487</b>	<b>156</b>	<b>42</b>

\* Others include: Peru, Colombia, Ecuador and export markets.

\*\* A new MDP line in Cabrero, Chile is under construction (Capacity: 280 Th. m<sup>3</sup>) which will replace a 160 Th. m<sup>3</sup> MDF line.

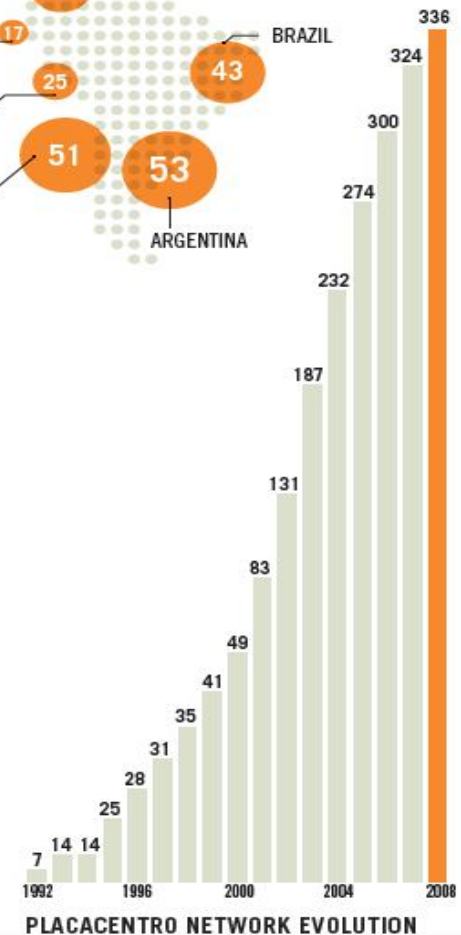


# Placacentro strong retail network

- Unique retail network with more than 300 stores in Latin America
- 30% of wood boards sales through this retail channel
- Unique attributes and increase MASISA brand value:
  - Better product mix, with higher margins
  - Demand generator
  - In-store services: Cut-to-size, design centers.
  - Customer loyalty
  - Other commercial efforts → Training programs for carpenters.
  - Procurement units: Supply of accessories and other construction materials.



2008 PLACACENTRO GEOGRAPHICAL DISTRIBUTION





# Contents

- Masisa
- Business Highlights
- **Sustainable Development**
  - Financial information & 3Q'09 Results
  - Chile Earthquake Update



# Sustainable Development

## ■ Adding value to Masisa through Sustainable Development

Masisa is committed to managing its business incorporating social and environmental variables as an integral part of its business strategy. The Company's strong commitment to sustainable development has led to its market differentiation due to its responsible management of social and environmental issues. As part of this issue, Masisa has committed to:



As part of the **Chicago Climate Exchange (CCX)**, Masisa agrees to reduce greenhouse gas emissions by 6% by 2010. By 2009, Masisa has reduced its greenhouse gas emissions by 5%.

CARBON DISCLOSURE PROJECT



La marca de manejo responsable  
SGS-FM/COC-0667  
145300 Ha

© 1996 Forest Stewardship Council A.C.

The **Carbon Disclosure Project (CDP)** in 2009 published data for more than 3,000 of the world's largest companies and investors with a combined \$55 trillion under management. Masisa has been the first Chilean company to subscribe voluntarily this organization.

All Masisa's forests have **Forest Stewardship Council (FSC)** certification, deemed to be the highest standard, with significant difference compared with other certification systems.



Masisa promotes **green building** incorporating energy & resources efficiency, gas emissions controls and environmental protection into its industrial processes.

**MASISA**  
more reliable



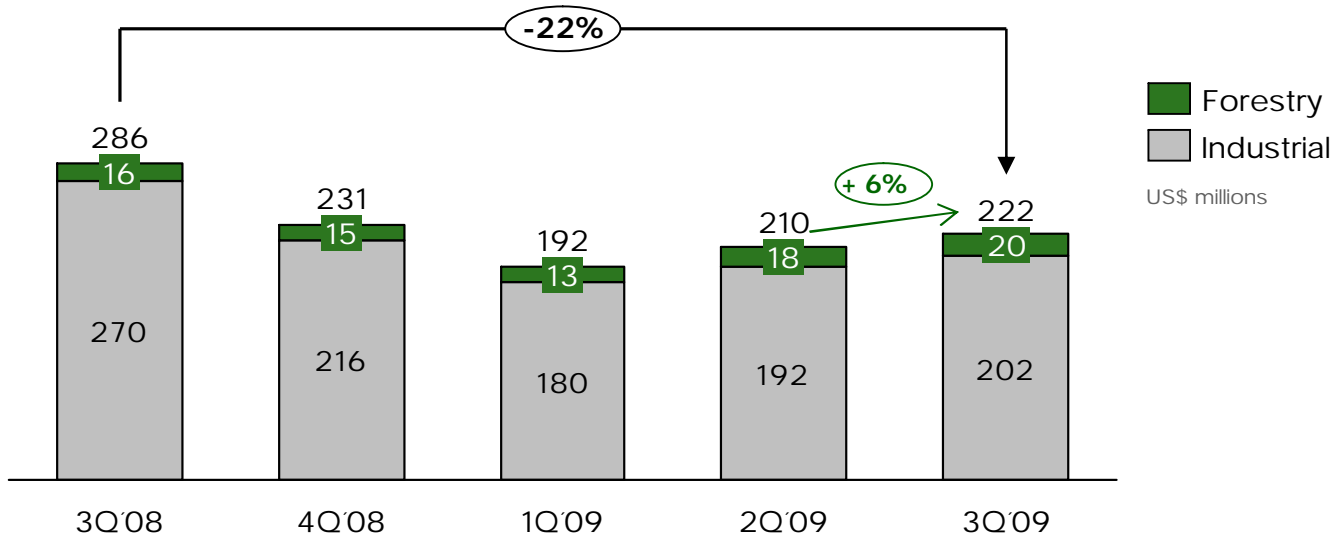


# Contents

- Masisa
- Business Highlights
- Sustainable Development
- **Financial information & 3Q'09 Results**
- Chile Earthquake Update

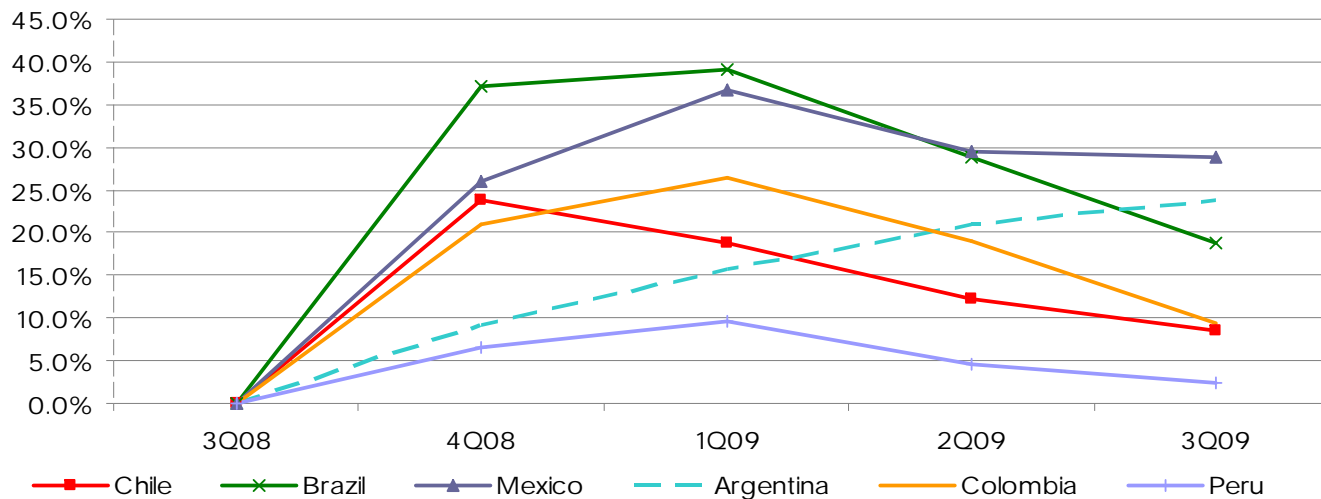


# Sales Evolution



- Sales decreased by -22% (-US\$ 64 million) with respect to 3Q'08 on account of lower demand and the exiting of FJ molding businesses.
- Sales increased +6% (+US\$ 12 million) with respect to 2Q'09.

**Latam currencies exchange evolution on the \$ USD**  
Index, quarterly means



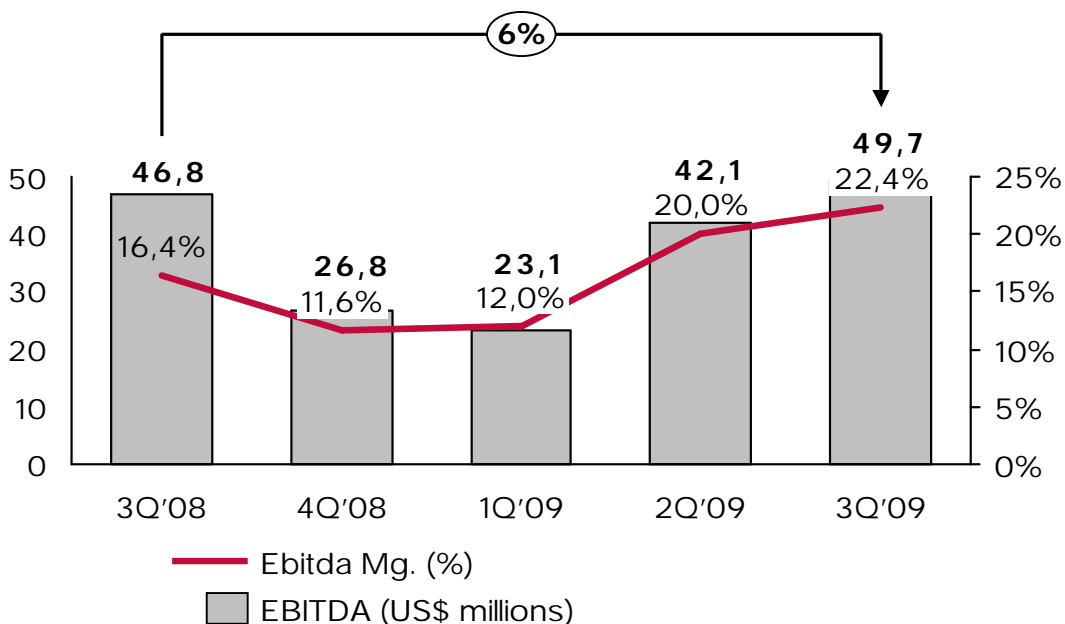
- Sales were hit by local currencies devaluations.
- PB and MDF prices show an increase of 3.4% and 2.5% respectively, on account of better product mix and selective price increase.
- Revaluation trend of local currencies softening price pressures.

● Industrial sales include MDF, PB, Sawn wood, Solid wood doors, MDF moldings, FJ moldings and OSB sales.  
● Forestry sales correspond to third party saw log sales.



# Financial information and 3Q 2009 Results

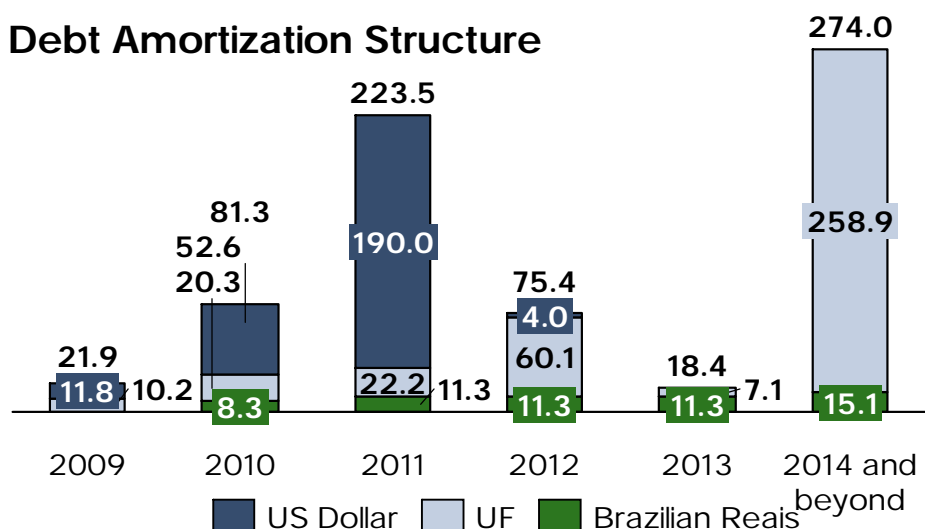
## EBITDA



**US\$ 2.9 (+ 6%) million EBITDA increase and significant improvement in the EBITDA margin on sales:**

1. Exiting of poor performing businesses (FJ moldings).
2. Improvement in operational efficiency on account of productive footprint optimization and lower operational costs.
3. Reduction of overhead and other expenses at all levels of the Company.
4. Focus on customer loyalty and capturing profitable clients.
5. Product mix enhancement.

## Debt Amortization Structure



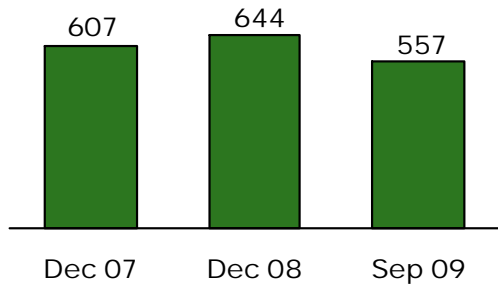
**Sound liquidity standing and amortization structure:**

1. Total maturities between 4Q'09 – 1Q '11:  
US\$ 136 million.  
- Cash level as of 3Q'09: US\$ 149.2 million. Covers refinancing needs up to Q1'11.
2. Total 2011 maturities: US\$ 223.5 million.  
- 4Q'11: US\$ 145.5 million.

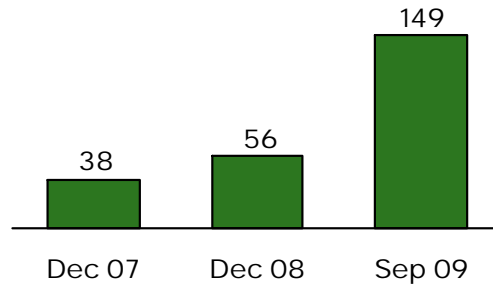


# Financial Ratios

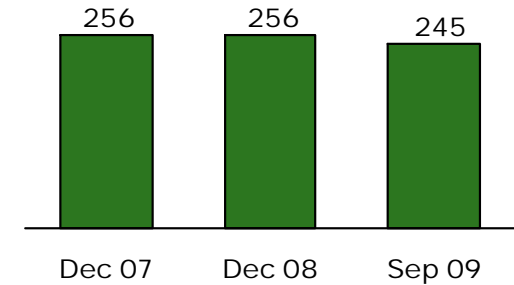
**Net Debt**  
US\$ million



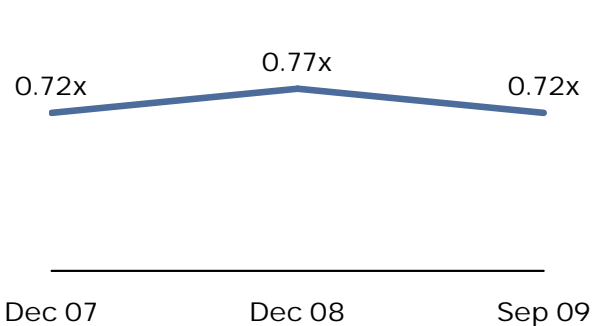
**Cash and equivalents**  
US\$ million



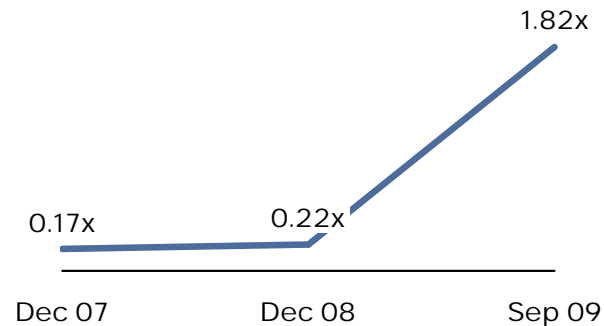
**Working Capital\***  
US\$ million



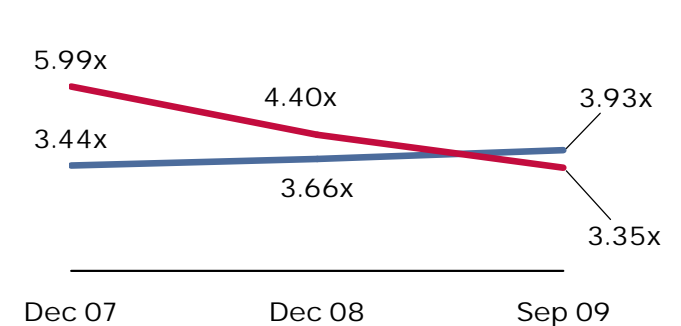
**Total Liabilities / Equity**  
Times



**Cash / Short Term Debt**  
Times



**Net Debt / EBITDA**  
**EBITDA / Net. Fin. Expenses**  
Times



— Net Debt / EBITDA (times)  
— EBITDA / Net. Fin. Expenses (times)

**Cash and Cash equivalents** include cash, cash equivalents, marketable securities and covenants.

**Working Capital** = (Current Assets – Cash and Cash Equivalents) – (Current Liabilities - Short Term Financial Debt) – (Standing Timber).

**Liabilities / Equity:** (Current Liabilities + long term liabilities) / (Equity + Minority Interest).

\* Dec.08 Excludes account receivable related to the sale of Rio Negrinho's assets (US\$71 million).





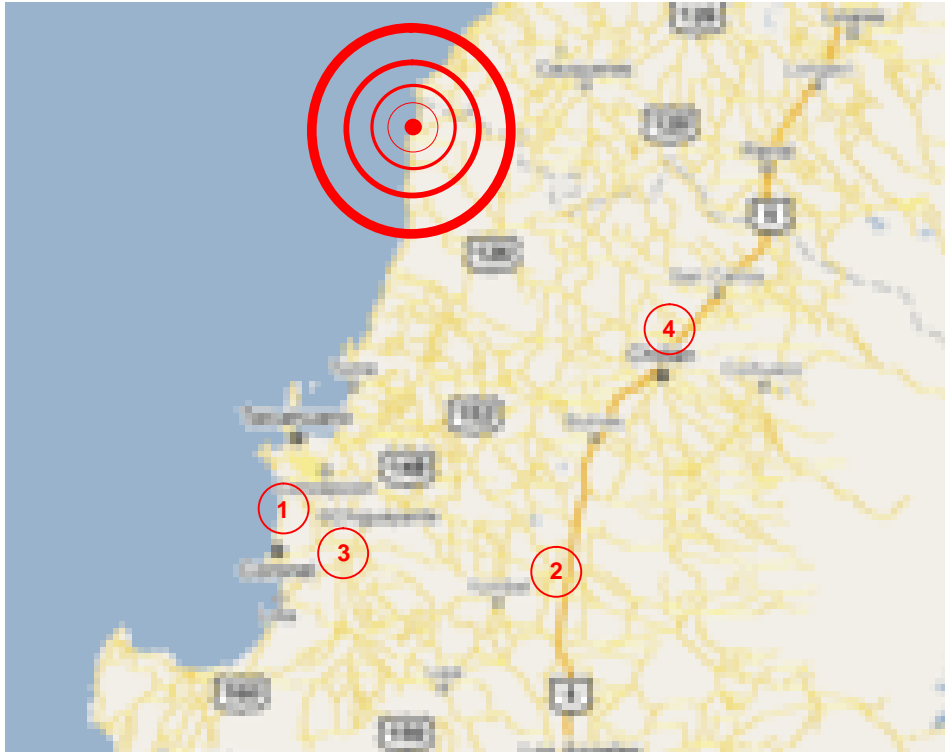
# Contents

- Masisa
- Business Highlights
- Sustainable Development
- Financial information & 3Q'09 Results

## ■ Chile Earthquake Update



## Masisa Chile Plants affected by the Earthquake – Feb. 2010



- Epicentre on Cobquecura, 130 kms. north of Concepción
- All plants are covered by insurances
  - Business Interruption
  - Inventories
  - Assets
- The PB Valdivia and Puschmann plants (located south), the Chillán plant (doors) and the MDF molding line (Cabrero) are operating normally.
- The Valdivia and Puschmann plants are increasing their labor shifts from 3 to 4 shifts as to replace the temporary shut down of the plants in the affected area.
- All plants in the area suffered minor damages, except the MDF line at the Coronel plant, which had a fire affecting its thermal plant.
- No plant was affected by the *tsunami*

### Coronel (1)

Line	Annual Capacity (Th. m <sup>3</sup> )
PB I	92
PB II	60
MDF	150
Melamine	250
Fire in thermal plant that supplied the MDF line	

### Cabrero (2)

Line	Annual Capacity (Th. m <sup>3</sup> )
MDF I	Under reconversion
MDF II	340
MDF Moldings	52
Minor damages	

### Chiguayante (3)

Line	Annual Capacity (Th. m <sup>3</sup> )
PB	89
Melamine	45
Minor damages	

### Chillán (4)

Line	Annual Capacity (Th. m <sup>3</sup> )
Doors	42
Minor damages	



## Looking at the future full of trust

Masisa has gained leadership in the wood board industry in Latin America; consequently, we plan the future based on a management approach oriented to generate economic value, carefully and responsibly safeguarding social and environmental management, and developing transparent internal processes that will allow us to ensure good performance. Masisa is more reliable.

**MASISA**  
more reliable

[www.masisa.com](http://www.masisa.com)

