



MASISA

SANTANDER INVESTMENT

Small Caps Conference

NEW YORK – LONDON

OCTOBER 2007

Disclaimer



This presentation may contain projections or other forward-looking statements related to Masisa that involve risks and uncertainties. Readers are cautioned that these statements are only projections and may differ materially from actual future results or events. There is no assurance that the expected events, trends or results will effectively occur. These declarations are made on the basis of numerous assumptions and factors, including general economic and market conditions, industry conditions and operating factors. Any change to these assumptions or factors could cause the present results of Masisa and Masisa's planned actions to differ substantially from the present expectations.

All forward-looking statements are based on information available to Masisa on the date of its posting and Masisa assumes no obligation to update such statements unless otherwise required by applicable law.

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Investment Highlights

Leading producer of wood boards for furniture in Latin America (#1 in MDF & PB)

Competitive Strategy – Differentiation (Innovation & Customer intimacy)

Diversified manufacturing base and end markets (Latin America, US)

Established and expanding associated distribution network (Placacentros)

Sound financial profile

Favorable growth prospects (Product penetration & housing deficit)

241Th. hectares of planted forests (pine & eucalyptus - Strategic asset)

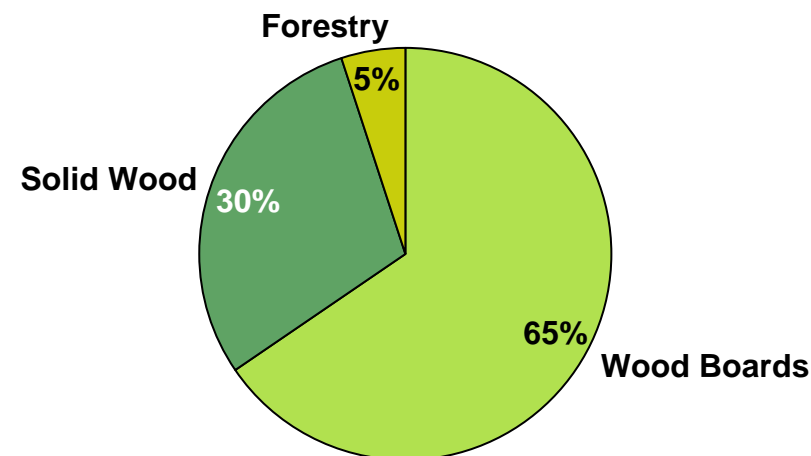
Commitment to sustainable development

Masisa in brief

- Based in Santiago, Chile
- Listed on NYSE (ADR) and on the Santiago Stock Exchange
- 49% of our sales are in Investment Grade countries

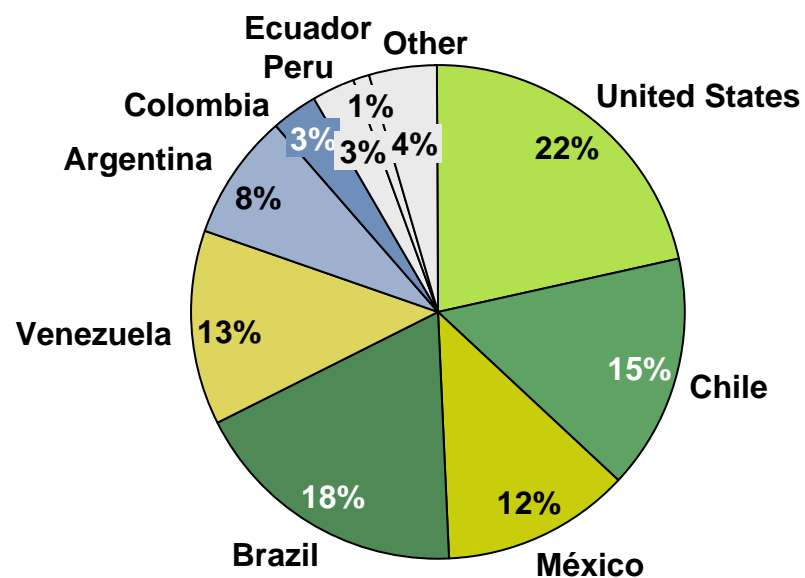


Sales by Business Unit US\$ (TTM'07)

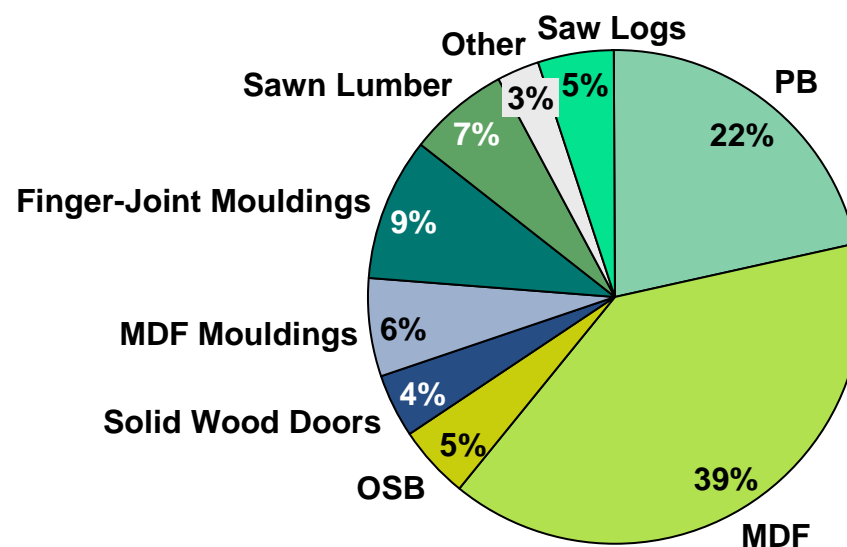


Note: Please note that Wood Boards include Retail sales, which totaled approx. US\$ 152MM in 2006.

Sales by country US\$ (TTM'07)

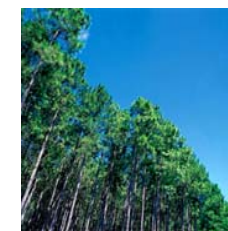


Sales by product US\$ (TTM'07)



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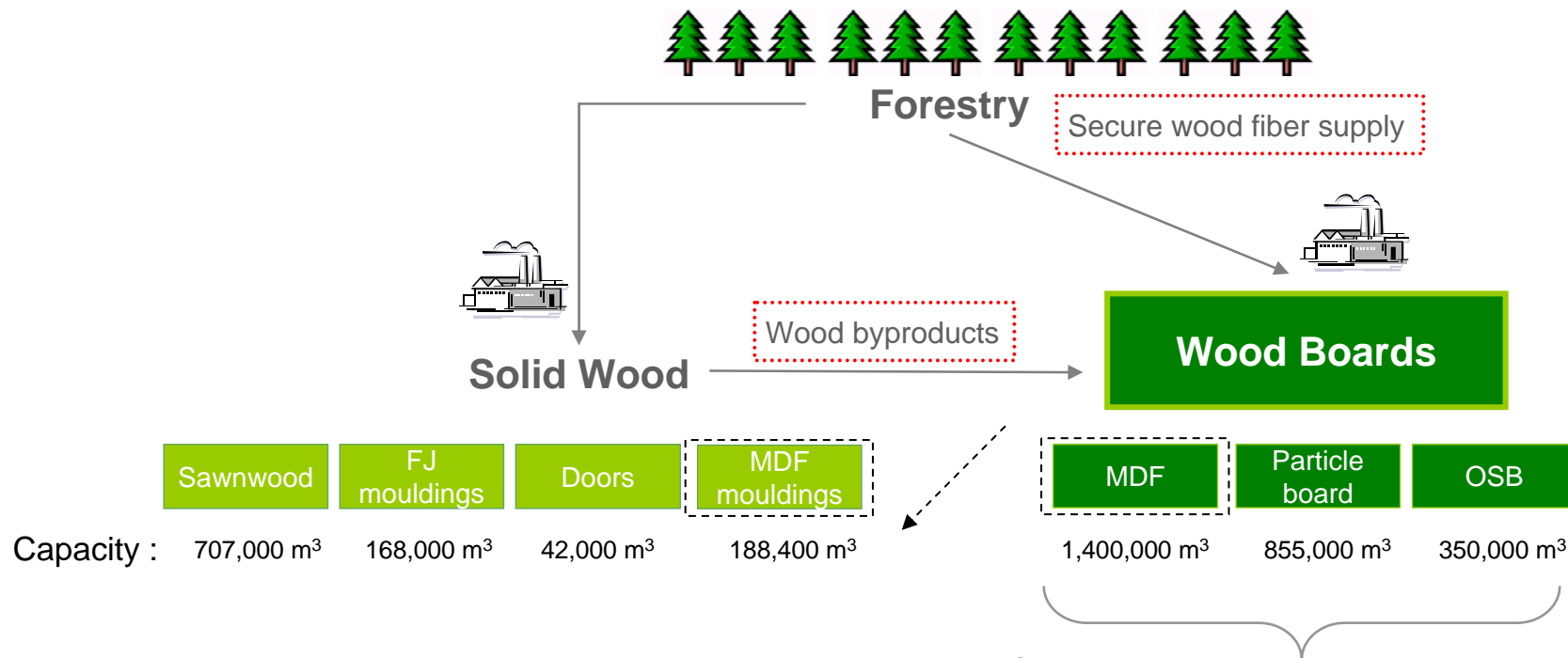
Masisa in brief – Location of Forests, Mills and Placacentros



Corporate Strategy



- **Core Business** : Production and commercialization of **wood boards** for furniture (MDF & PB) in Latin America.
- Other business units are considered synergic to the Wood Board business



Competitive Strategy :

- Innovation & Customer intimacy
- Take advantage of attractive growth opportunities in Latin America
- Expand & Strengthen retail distribution network
- Commitment to Sustainable Development

Retail

- Positions Masisa® brand
- Segmentation & Pricing
- Demand generator



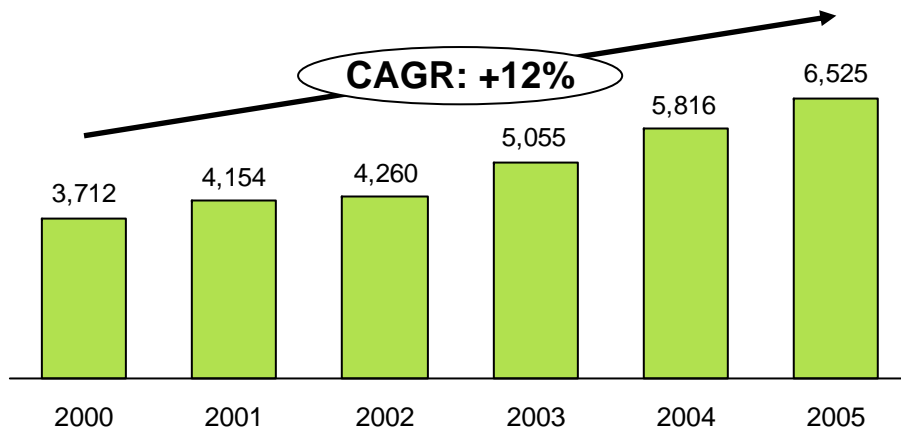
WOOD BOARDS BUSINESS UNIT

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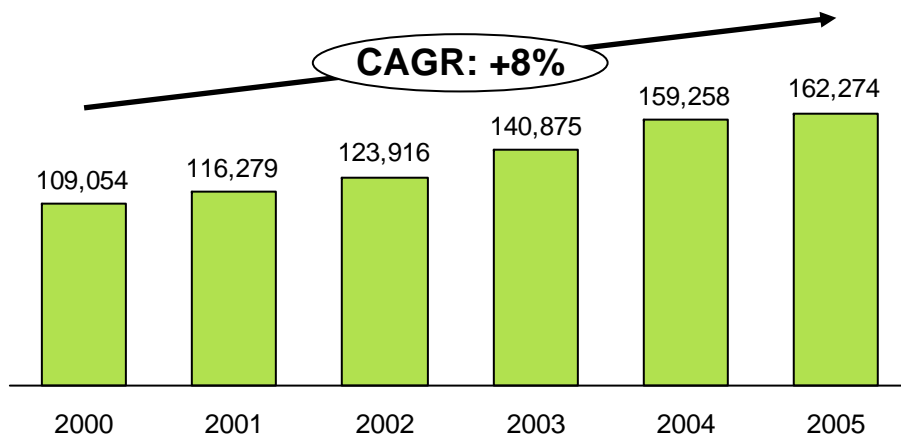
Market Growth

PB & MDF Consumption – LATAM (2000-2005) '000 of m³



Source: FAOSTAT.

PB & MDF Consumption – World (2000-2005) '000 of m³

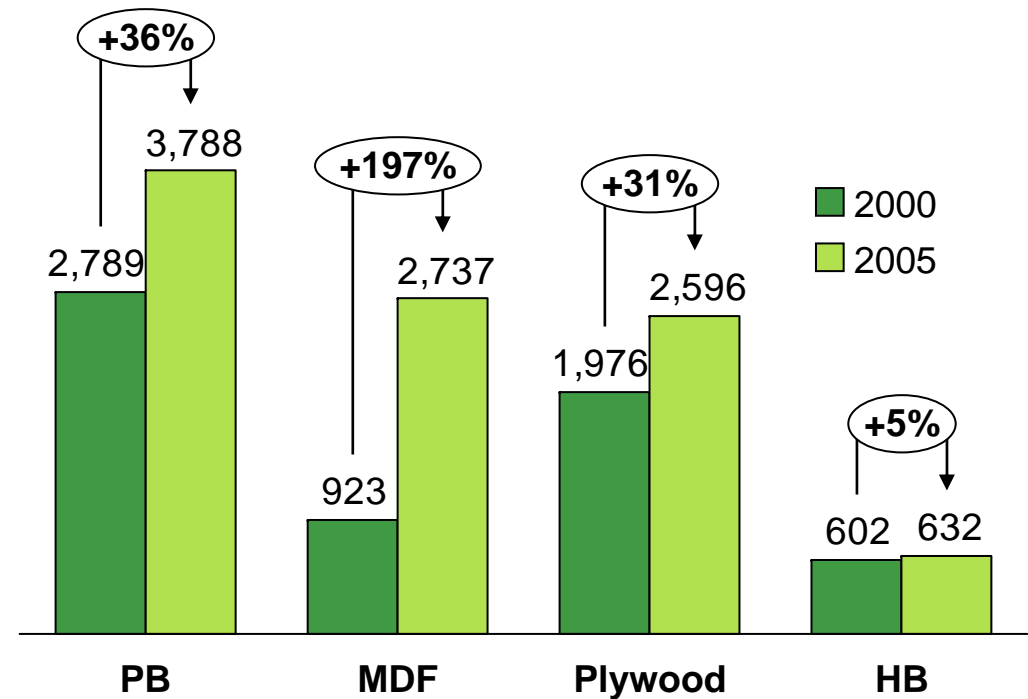


Source: FAOSTAT.

- Strong demand growth for wood boards for furniture.

- PB and MDF exhibit the highest demand growth in Latin America.

Wood Boards Demand in Latin America (2000-2005) '000 of m³



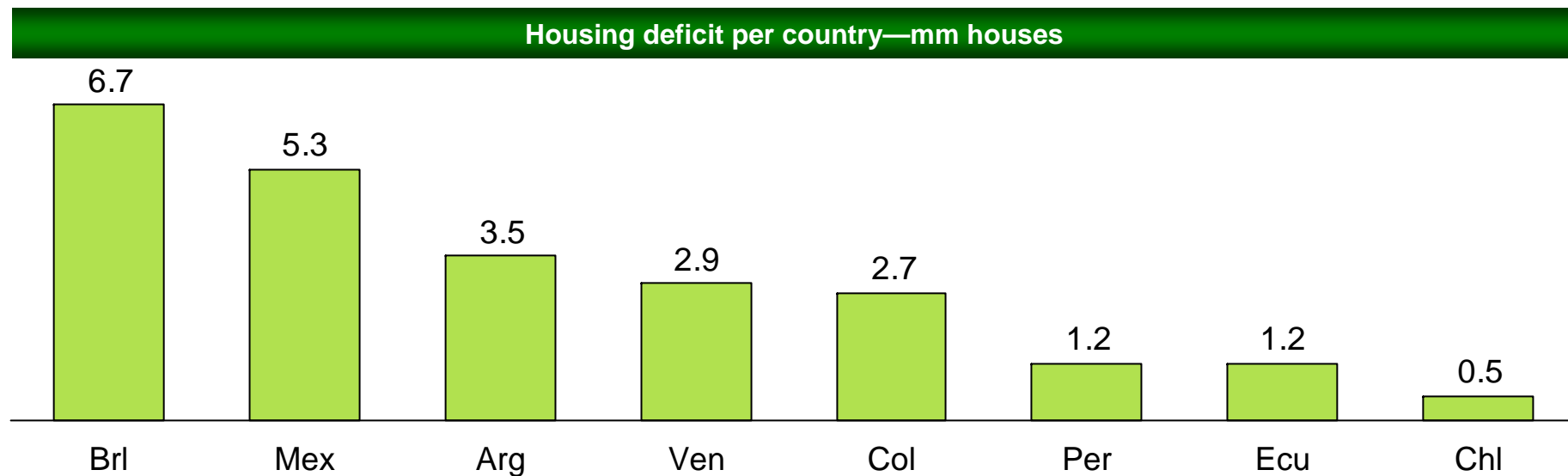
Source: FAOSTAT.

Wood Board Business Unit

Latin American Market Outlook - Demand



- **MDF/PB have significant advantages vs. solid wood for furniture manufacturing**
 - Better cost/quality relation (6 to 7 times cheaper)
 - Better milling and transformation attributes
 - Strong demand growth (historical and expected)
- **Long term demand growth for Masisa's products:**
 - Housing & Mortgage Loan Deficits



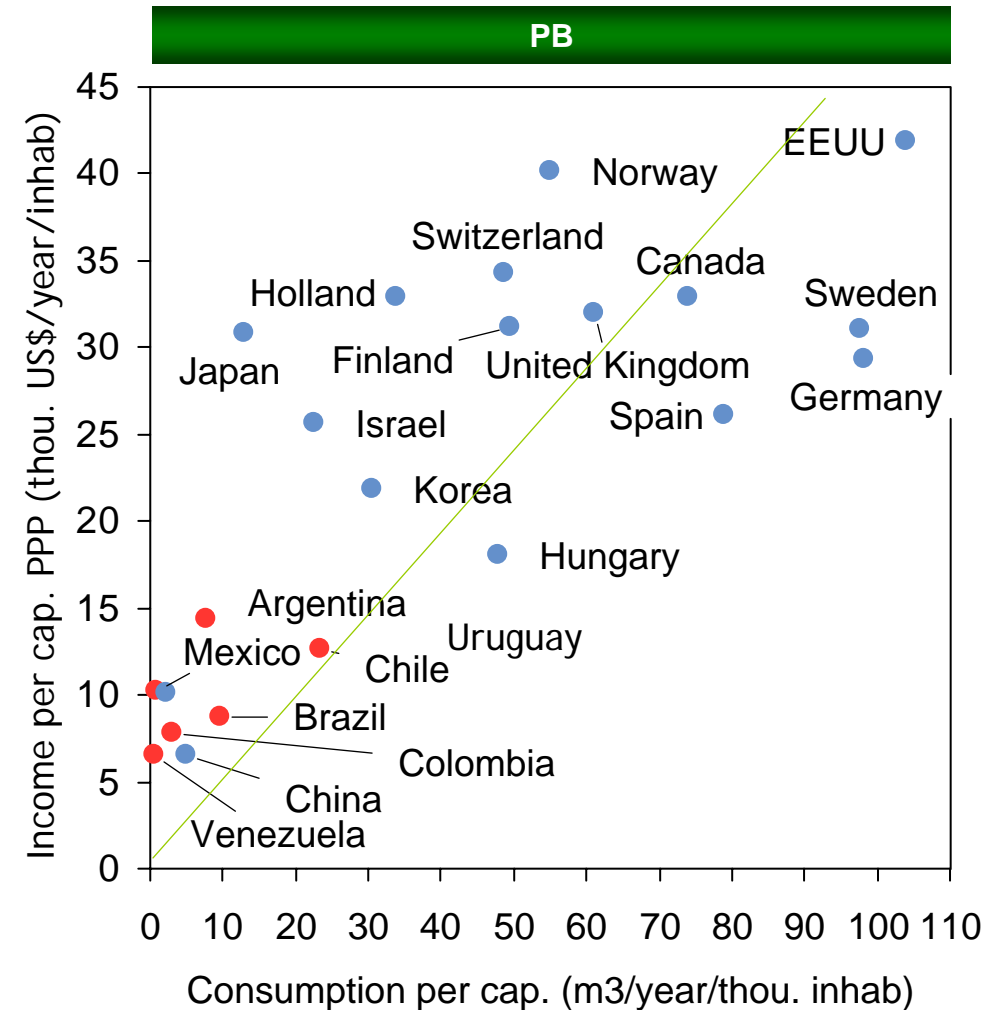
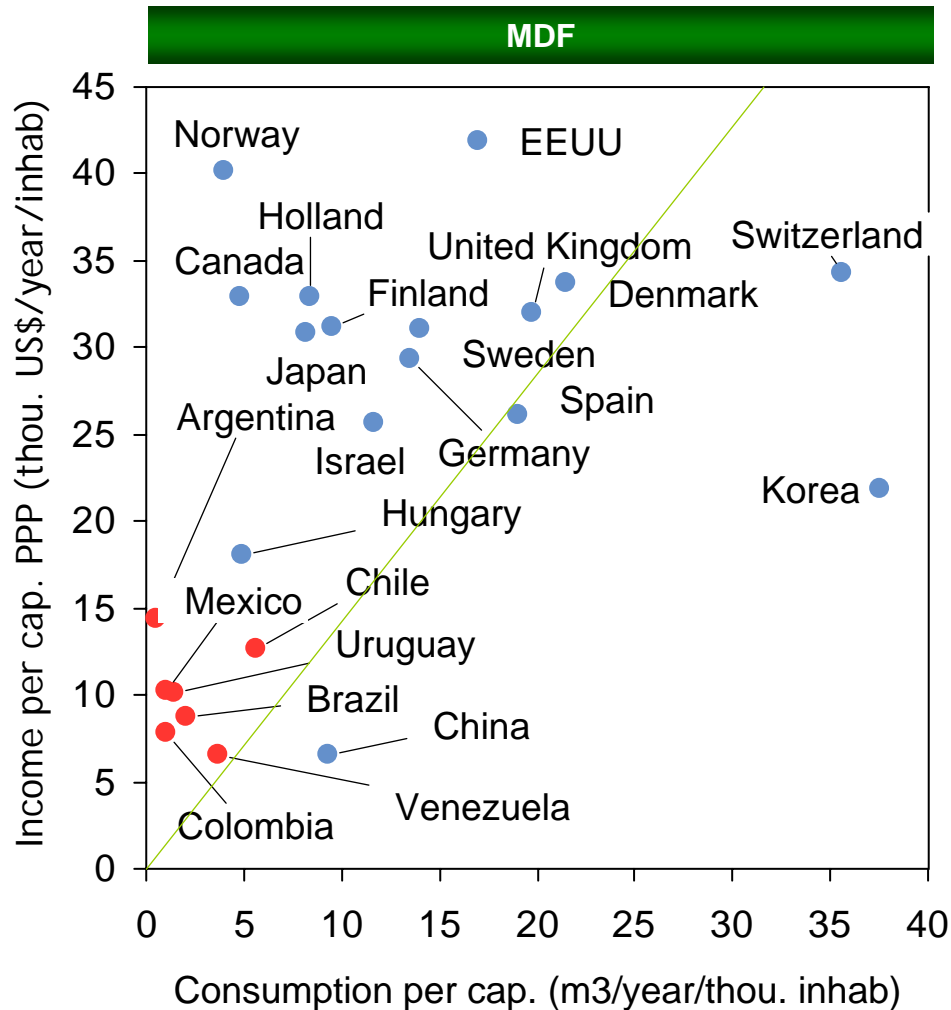
Source: Various sources, including central banks, government ministries and third party research sources as compiled by Titularizadora Colombiana as of June 2005

Wood Board Business Unit

Latin American Market Outlook - Demand



- Relatively low MDF & PB penetration in Latin America



Main Products

Coated MDF & PB
(Furniture)



Raw PB
(Construction and Furniture)



**Wood Veneered
MDF & PB**
(Furniture)



OSB
(Construction and Packaging)



Raw MDF
(Furniture)



Wood Board Business Unit

MDF, PB & OSB

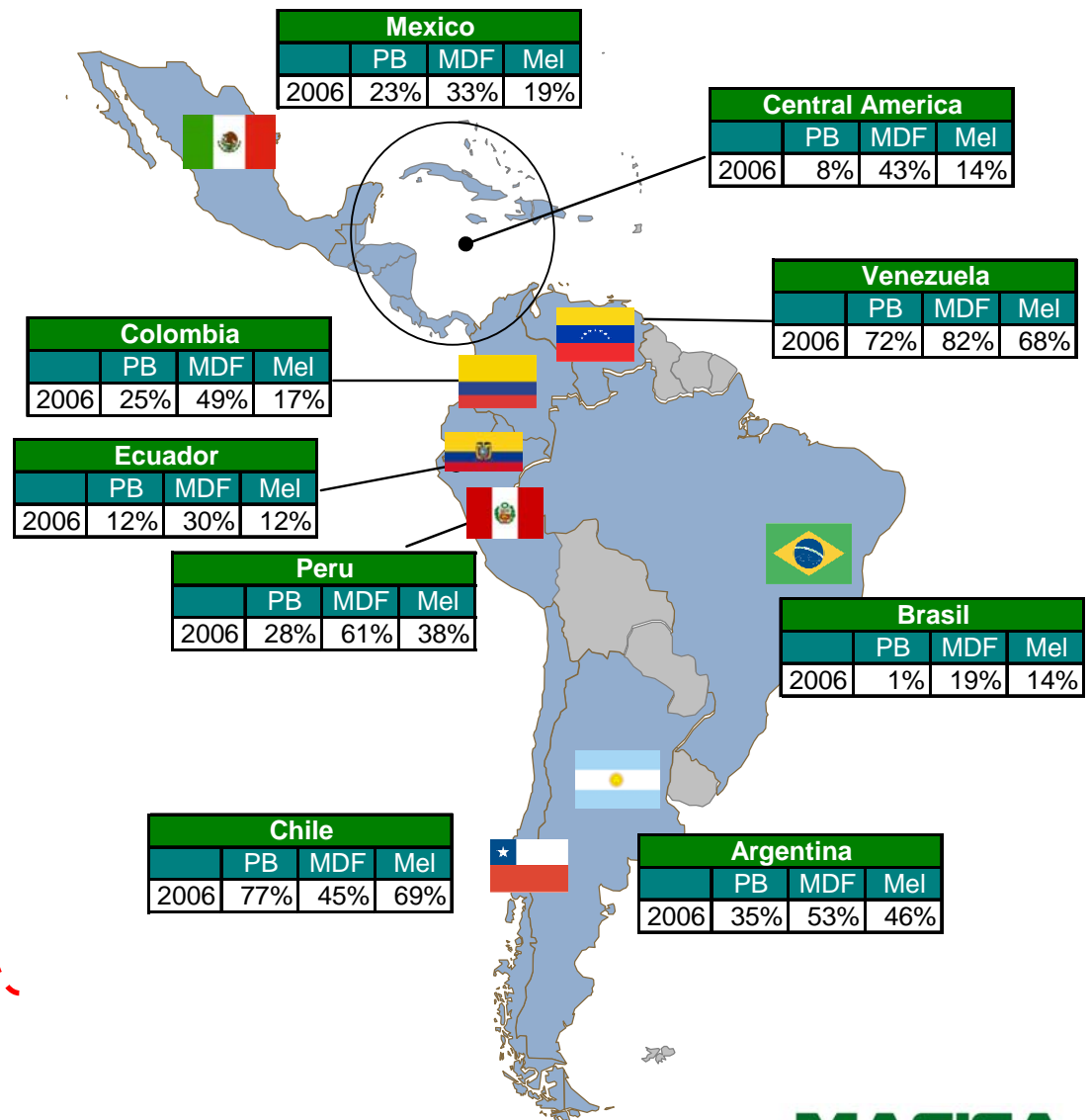


- Masisa's Core Business (MDF & PB)
- 63% of Total Sales, US\$ 555MM in 2006
- Annual growth during 2006, +19.7%
- 70% of Consolidated EBITDA in 2006
- 45% of Total Assets in 2006
- New 340,000m³ MDF plant in Cabrero, Chile started operations in Sept 2007
- Market Leader in Latin America (#1 or #2 in all markets, except Brazil #3)

Total Market Share in Latin America			
	PB	MDF	Mel
2006	19%	30%	24%

- All operations scheduled to have ISO 14001 and OHSAS 18001 certification by the end of 2007.

Masisa's Market Share in Latin America



Source: Masisa's estimate as of Dec 2006.

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New PB plant in Rio Grande do Sul, Brazil



Description

- 500,000 annual cubic meters PB plant and a 220,000 annual cubic meters melamine line.
- Capex: US\$119 million.
- Start operations: 4Q'09.
- Production oriented towards the Brazilian market.

Opportunity

- Take advantage of the Brazilian market growth.
- Strengthen Masisa's market position.
- Competitors focused in MDF.
- Wood fiber supply availability at competitive prices.
- Free production capacity in Argentina.





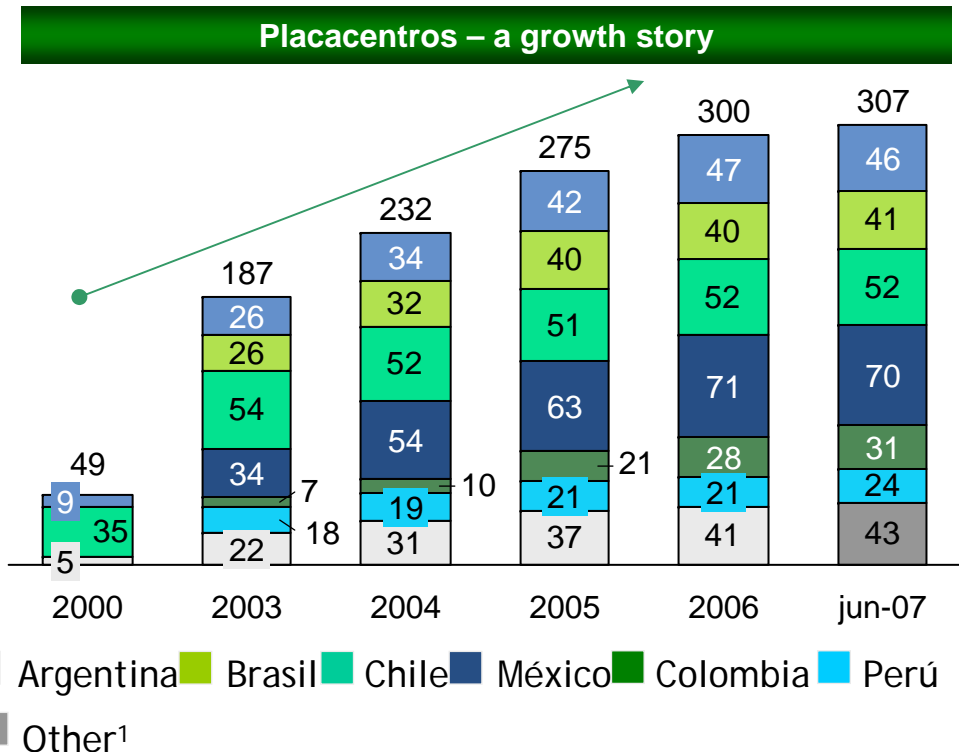
RETAIL BUSINESS UNIT

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Retail Business Unit

Placacentros

- Placacentro is a licensed retail chain, tailored to improve productivity of carpenters and small contractors.
- US\$ 152MM in sales in 2006: (approx. 27% of total wood board's sales).
- 307 Placacentros as of June 2007.
- Focus will be in transforming the retail chain into a solid and effective commercial network:
 - Migration from brand license level agreements, to franchise contracts. Migration started Dec. 2006 (60 Placacentros migrated as of June'07)
 - Improvements in product mix, market intelligence, store layout and quality service.
 - Creation of Procurement Units.
 - Strong growth perspectives (market demand & penetration of Masisa's sales).



¹ Includes: Ecuador, Venezuela, Paraguay, and Uruguay
Info as of June. 2007



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SOLID WOOD BUSINESS UNIT



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Solid Wood Business Unit

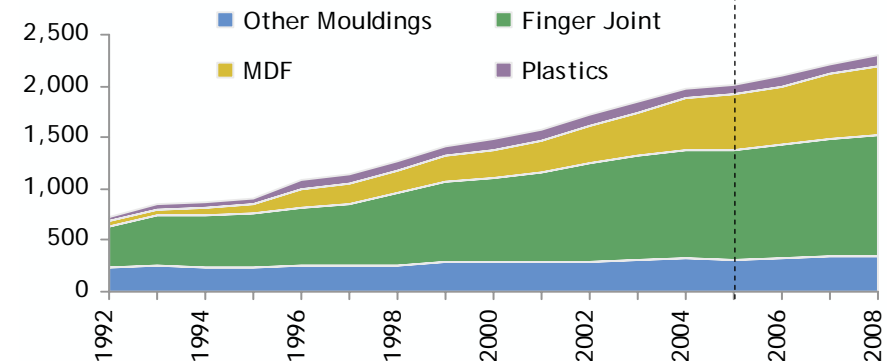
Mouldings, Doors & Sawn Lumber



- 33% of Total Sales, US\$ 288MM in 2006
- Sales growth during 2006, +18%. Good performance in terms of sales, in spite of U.S. housing market downturn.
- 4% of Consolidated EBITDA in 2006
- 15% of Total Assets in 2006
- Natural hedge for operations in LATAM (U.S. export business).
- Guarantees sawing capacity in areas of influence.
- Focus in 2007- 2008, optimization of the operation.
- All operations scheduled to have ISO 14001 and OHSAS 18001 certification by the end of 2007.

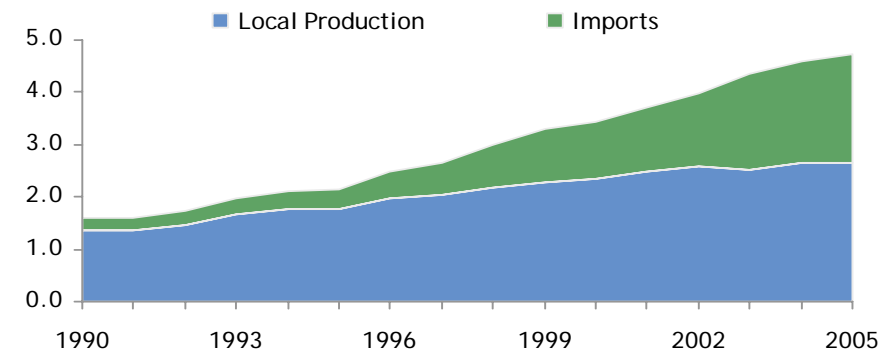


Expected growth - US mouldings market – mm bF



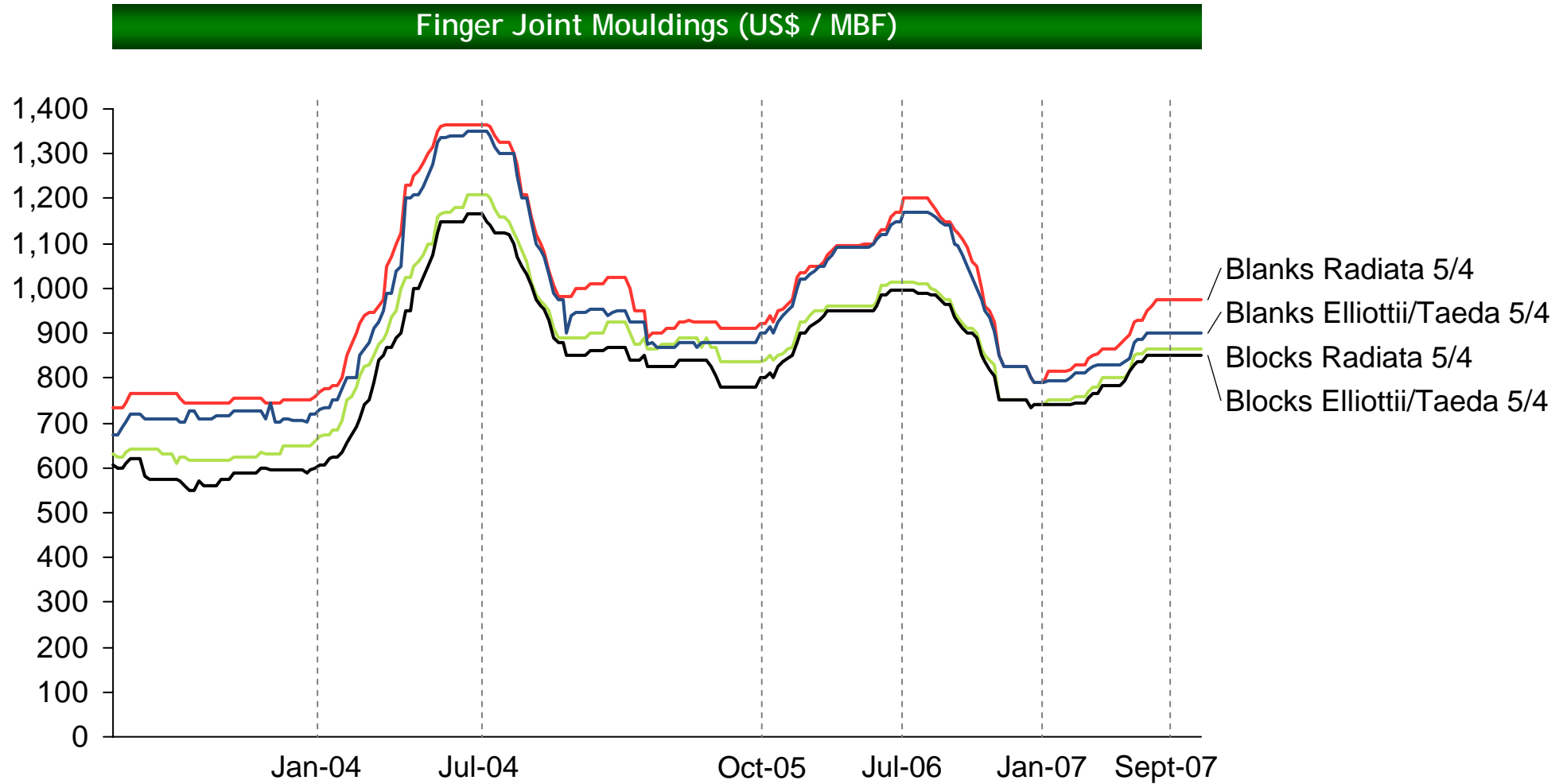
Source: RE Taylor. Dec 2005

Breakdown of US moulding market (m³ million)



Source: RE Taylor. Dec 2005

Finger Joint Mouldings – very low, but not worsening



Source: Crows.



FORESTRY BUSINESS UNIT

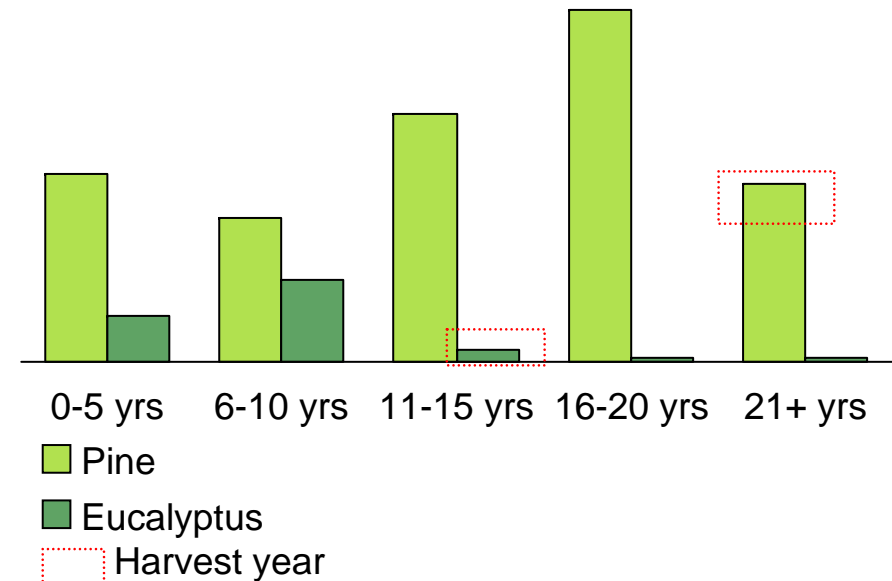
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Forestry Business Unit

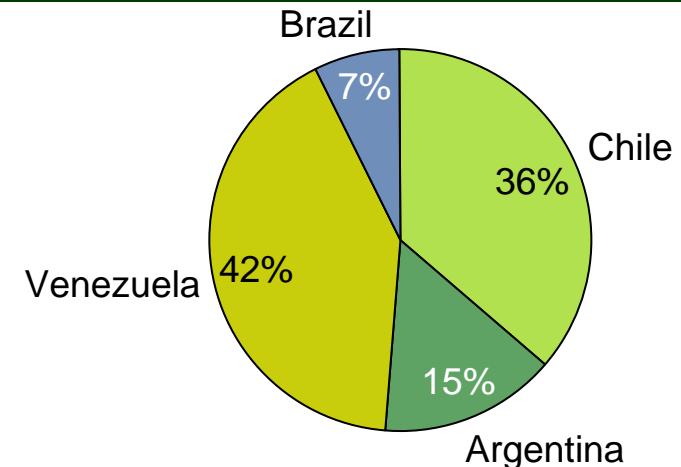
- **Strategic Asset**
 - Secure fiber supply for industrial operations
- **241Th hectares planted of pines and eucalyptus**
- **5% of Total Sales in 2006**
- **26% of Consolidated EBITDA in 2006**
- **40% of Total Assets in 2006**
- **Young age profile in Chile and Argentina ensures increasing harvesting volumes**
- **Development of Greenfield projects**
- **All operations under Forest Stewardship Certification (FSC), ISO 14001 and OHSAS 18001 certification**



Age Profile as of Dec. 2006

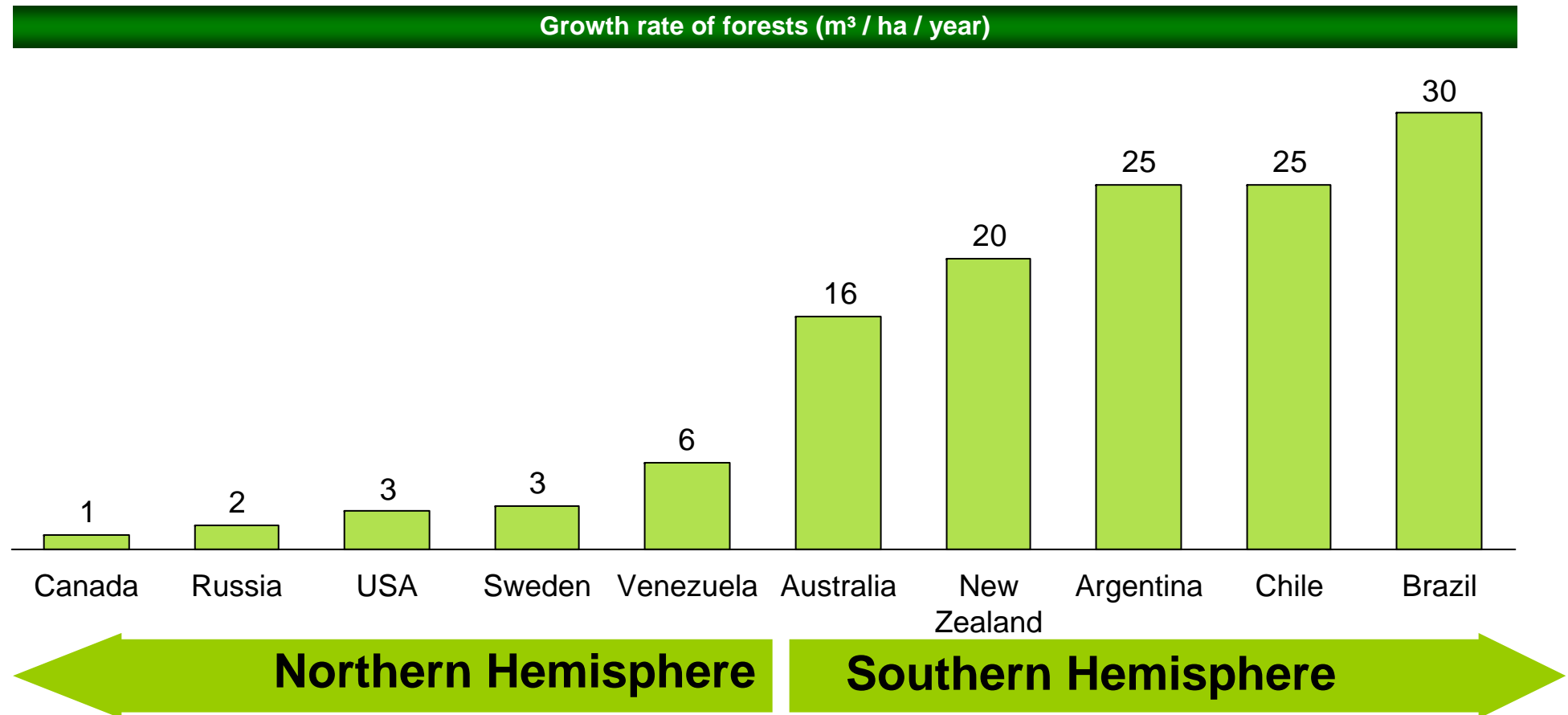


Location of Masisa's Forests as of Dec. 2006



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Southern hemisphere competitive advantages



Source: Forestry Insights and Masisa S.A.



COMMITMENT TO SUSTAINABLE DEVELOPMENT

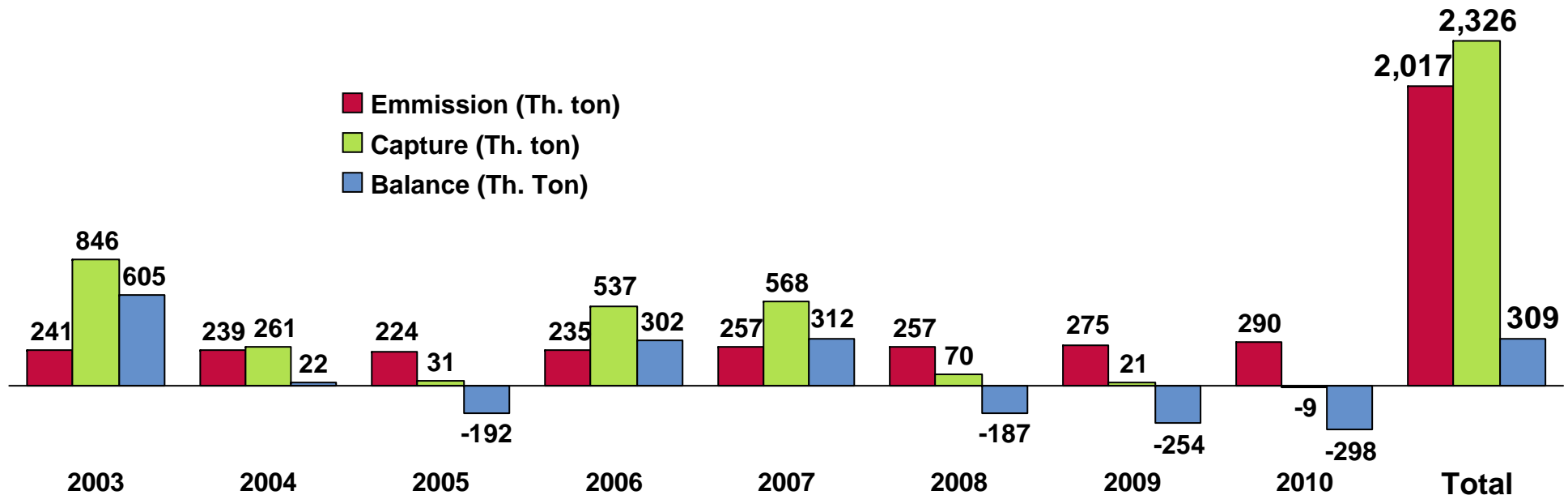
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Commitment to Sustainable Development

- Masisa S.A. joined the Chicago Climate Exchange (“CCX”) – Mar. 2007.
- Masisa: Positive CO₂ e balance.
- Commitment to reduce CO₂ e emissions by 6% during 2003-2010 period (compared to base line period 1998-2001).
- Value creation opportunity.
 - Energy cost reduction culture. Energy is the third most important element in Masisa’s cost structure (approx. 12% of total consolidated production costs).
 - Brand positioning (reputation).
 - Carbon surplus to be commercialized as carbon bonds.
 - Anticipate market trends/regulations.
- In line with Masisa’s business plan and forest expansion strategy (Greenfield projects – high level of CO₂ capture).

Masisa’s CO₂ emission and capture estimates (2003-2010)



Note: Data to be confirmed and audited by CCX during 2007.

Corporate Governance



- Corporate Governance Model -

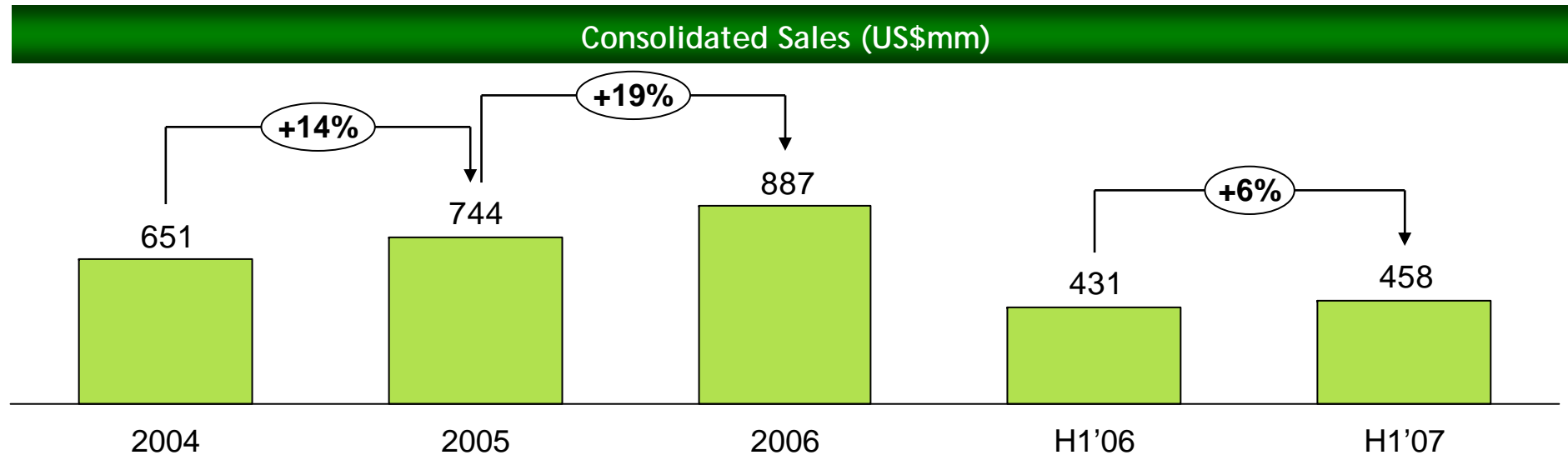
- Masisa's Business Principles contain the company commitments on subjects such as compliance with applicable law, ethical behavior, employees rights and sustainable business practices.
- Masisa's Board of Directors represents the interests of all the shareholders. The board also monitors the effectiveness of the elements of Corporate Governance Strategy.
- The Audit Committee is responsible for ensuring a cost effective control environment.
- The Administration has the primary responsibility for designing, raising awareness and accountability for risk and controls among the business processes owners and employees.
- The Risk Management considers a strategic, complete and integrated view with the purpose to prevent threats and identify opportunities.
- Masisa has established a communication process for anonymous or straightforward grievance related to the compliance of its Business Principles, Ethical Behavior Standards and Conflicts of Interest (whistleblowing)

In the frame of the " IR Global Ranking" 2007 version (Global Ranking of Relationships with Investors) of the NYSE, Masisa was acknowledged as the company that has one of the best trade union framework of corporate governance in Latin America, based on the ranking of MZ Consult, a US financial consulting company and of relationships with investors

MASISA'S FINANCIAL PERFORMANCE



Constantly Growing Sales



Price / m ³ Main Products (US\$)						
	2005	2006	Growth	6 months 2006	6 months 2007	Growth
MDF	284	327	+15.1%	306	383	+25.1%
PB	220	246	+11.8%	236	278	+17.8%
OSB	229	220	-3.9%	228	232	+1.8%
FJ Mouldings	462	494	+6.9%	467	403	-13.7%
MDF Mouldings	416	413	-0.7%	390	405	+3.8%

Sales Volume Main Products (000 m ³)						
	2005	2006	Growth	6 months 2006	6 months 2007	Growth
MDF	881	978	+11.0%	477	480	+0.6%
PB	700	764	+9.1%	381	363	-4.7%
OSB	261	220	-15.7%	128	99	-22.7%
FJ Mouldings	180	190	+5.6%	97	93	-4.1%
MDF Mouldings	114	158	+38.6%	83	59	-28.9%



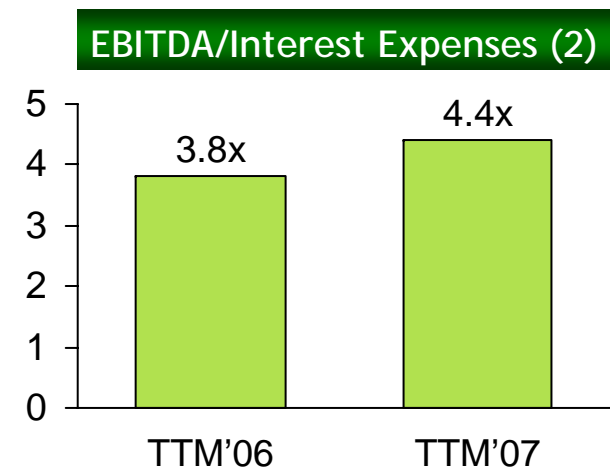
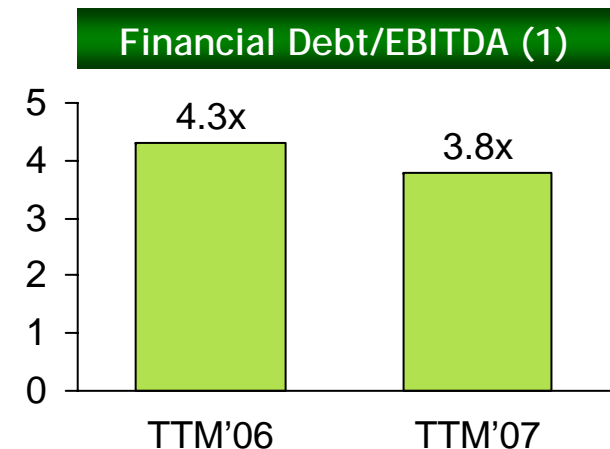
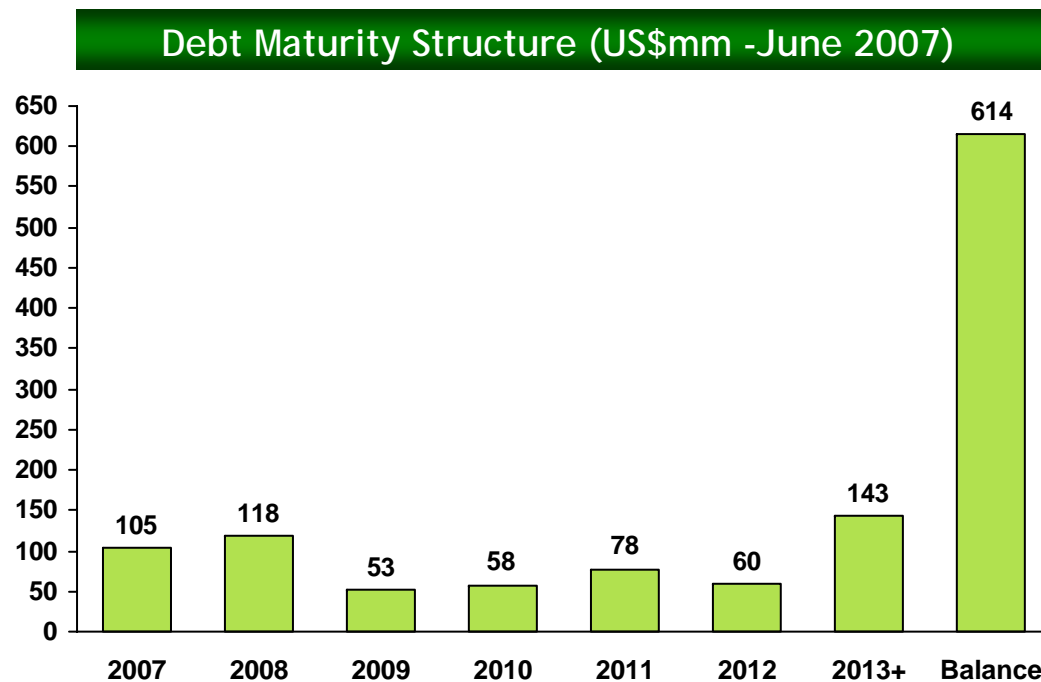
Income Statement (highlights)

Income Statement				
(US\$mm)	FY 2005	FY 2006	6 months 2006	6 months 2007
Sales	744	887	431	458
Gross Profit	192	208	96	111
Operational Result	79	84	37	48
Non Op. Result	-48	-41	-25	-27
Taxes	-13	-23	-15	-9
Net Income	24	29	5	19
EBITDA	158	154	74	83
EBITDA margin	21%	17%	17%	18%



Our Finances

- Continuous growth while maintaining a sound financial profile.
- Proven access to financial and capital markets in adequate terms.
 - In June 2007 the Company successfully placed bonds in the local market for UF2.5MM (equivalent to US\$88.8MM).
- Responsible financial management.

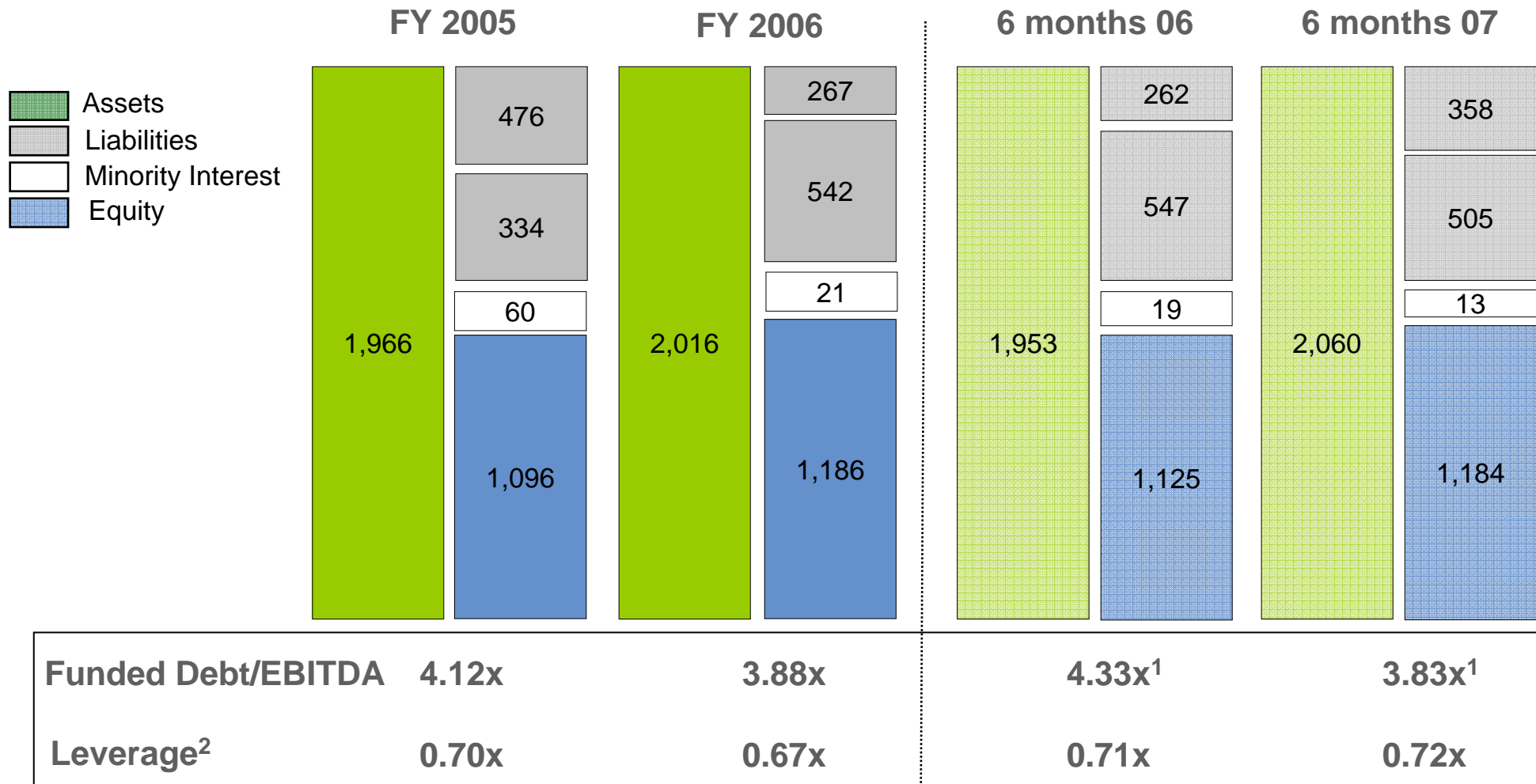


(1) Considers EBITDA of the last trailing 12 months periods ended on June 30 of each year.

(2) Considers EBITDA and Financial Expenses of the last trailing 12 months periods ended on June 30 of each year.



Sound Financial Profile



Masisa holds an A- Negative Outlook (local scale) and BBB- Negative Outlook (international scale) risk ratings by Fitch.

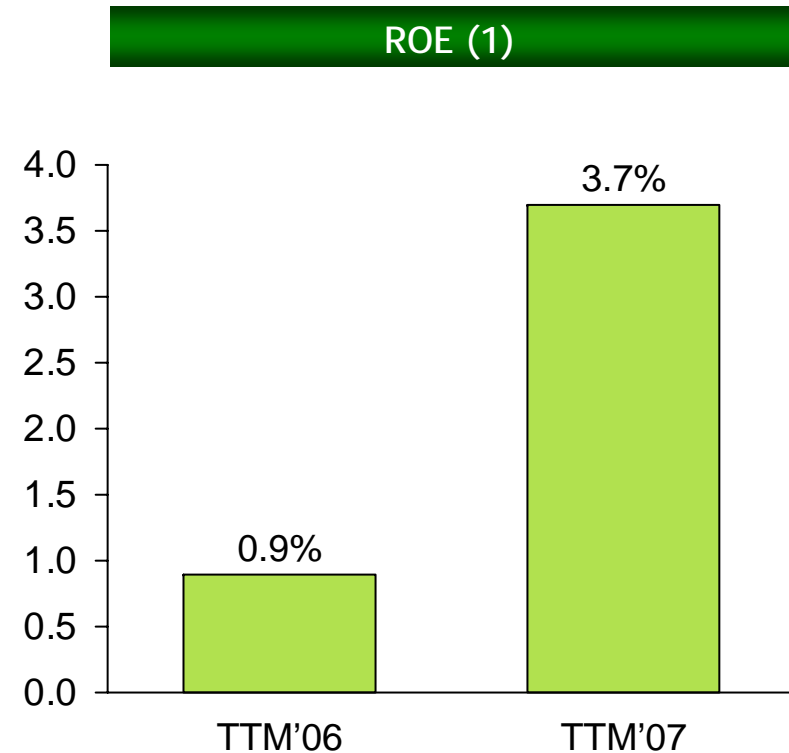
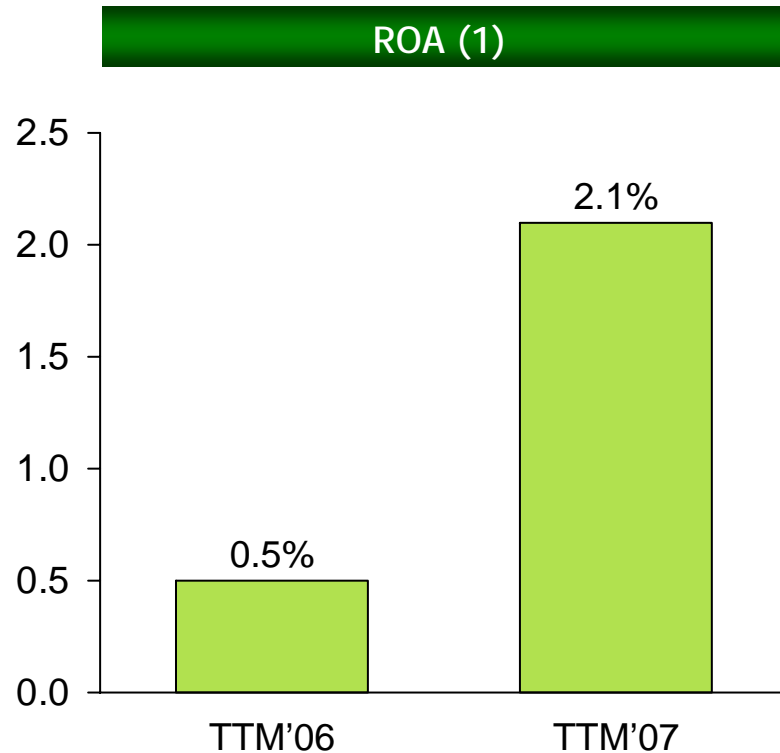
¹ EBITDA of the last 12 months period ended on June 30 of each year.

² Leverage = Total Liabilities / Equity



Improvements on Performance

- Consistent growth in net income reflected in ROA and ROE improvements.



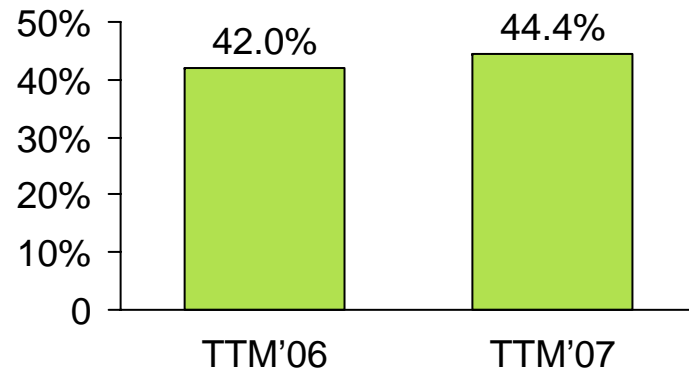
(1) Considers Net Income of the trailing 12 months periods ended on June 30 of each year.



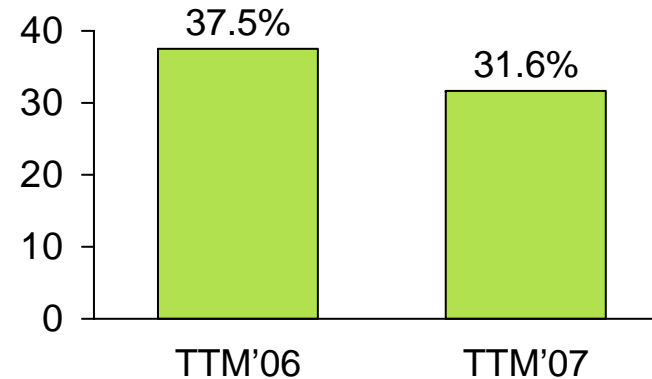
Improvements on Performance

- Steady sales' growth, while increasing efficiency in assets' utilization.

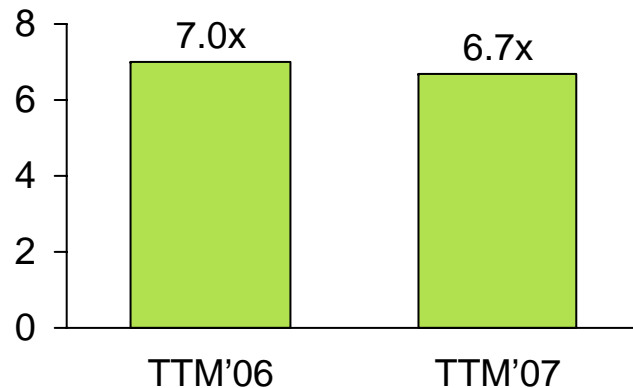
Sales/Total Assets(1)



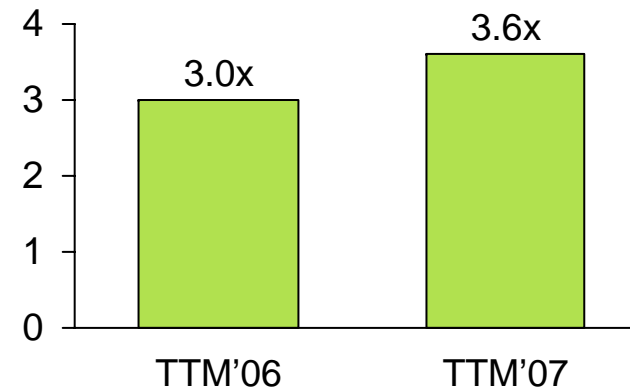
Oper. Working Capital / Sales(2)



Accounts Rec. Turnover (3)



Inventory Turnover (4)

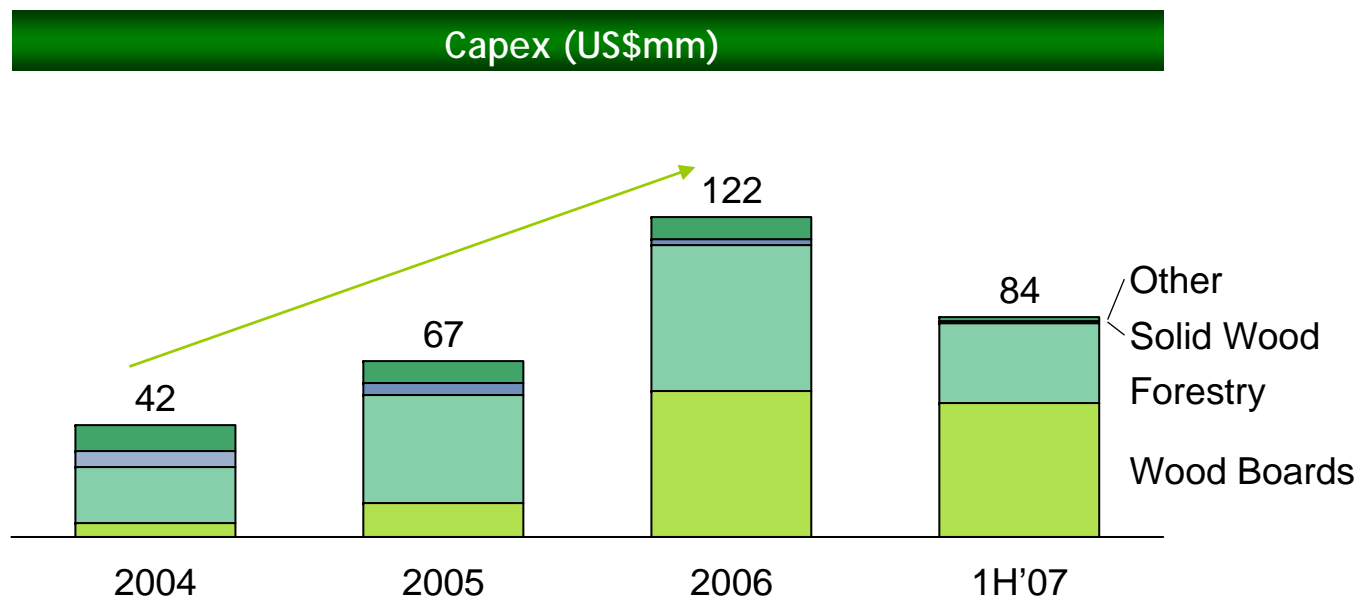


- (1) Considers Sales of the trailing 12 months periods ended on June 30 of each year.
- (2) Considers Sales of the trailing 12 months periods ended on June 30 of each year.
- (3) Considers Sales and average Accounts Receivable of the trailing 12 months periods ended on June 30 of each year.
- (4) Considers Sales and average Inventories of the trailing 12 months periods ended on June 30 of each year.



Improvements on Performance

- Growing Capex in Boards and in securing wood supply (Forestry).
- Capex for 2007: US\$ 140MM approx.
- Upcoming Projects:
 - New PB line. Rio Grande do Sul, Brazil. Capacity: 550,000m³. Capex: US\$ 119MM. Start Operations: 4Q'09.
 - New melamine line. Capacity: 150,000m³. Capex: US\$15MM. Start Operations: 1H'09.
 - Land acquisitions for greenfield forestry projects.





Excellent Equity Market Response

- New competitive strategy since Oct. 2006.
- Increased price.
- Increased liquidity (4x in ADR's and 2x in the Santiago Stock Exchange).
- Increased analyst coverage.

Masisa's ADR price and volume



Conclusion:

Masisa is a value oriented organization



- Every business unit will be managed by EVA® ⁽¹⁾ (Economic Value Added) in 2007
- Management's compensation (bonus) linked to EVA ®
- Competitive Strategy – Differentiation (Innovation, Customer intimacy, Commitment to sustainable development)
 - Placacentros (key commercial differentiator)
- Focus on taking advantage of favorable market perspectives (consolidate competitive position)

(1) EVA ® is a registered trademark from Stern Stewart & Co.