

Masisa agrees sale of assets in Mexico for US\$245 million

- *The divestment process – which includes the prior sale of operations in Argentina and Brazil – totals approximately US\$503 million, which is consistent with the Board of Director’s plan for the company.*
- *Retaining its forestry business, Masisa will focus on businesses with greater added value in the Andean Region, Central America, the United States, Canada and other export markets, maintaining its production capacity to supply the region from Chile and Venezuela.*

Santiago, December 19, 2018.- As part its industrial asset divestment process, announced on July 17, Masisa signed a contract today for the sale of its Mexican subsidiaries, which own Masisa assets in Mexico, for a value of US\$245 million to Inversiones Arauco Internacional Limitada and AraucoMex S.A. de C.V., subsidiaries of the Chilean company Celulosa Arauco y Constitución S.A.

The main Mexican assets are four industrial complexes located in Durango, Chihuahua, Zitácuaro and Lerma. Together they have three PB board production lines with total installed capacity of 519,000 m³ per year, an MDF board production line with a capacity of 220,000 m³ per year, three melamine coating lines with a total capacity of 426,000 m³ per year and two chemical plants with a total production capacity of 109,000 tons of resin per year and 82,600 tons of formaldehyde per year.

The transaction should be completed within the next six months, once the conditions contained in the contract are met. The most important condition is authorization of the sale by Mexico's Federal Economic Competition Commission (COFECE).

The sale of Masisa Mexico, in addition to prior sales of the industrial business in Masisa Argentina and Masisa Brazil, bring total divestment to approximately US\$503 million, which is consistent with the Board’s plan for the company.

It is important to note that the company is retaining its forests in Chile, Argentina and Venezuela. These have been valued at more than US\$560 million and have been a source of productive and financial stability for Masisa.

Once the process is complete, Masisa will have significantly reduced its debt, which along with the reductions underway in corporate and operating expenses, will enable the company to significantly improve profitability.

Masisa is thereby focusing on accelerating its commercial strategy and maximizing its profitability through its strengths and competitive advantages in forestry management, innovation and design, along with expanding value-added alternatives in products and services, promoting new comprehensive solutions and developing sales channels through new technologies.