



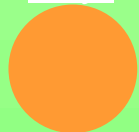
US Forest Products Sector Overview

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“Forest” area (>20 million hectare)



Key:



This shape represents 100 million hectares. Area of shapes is directly proportional to forest area.

Source: FAO

Production industrial round wood

(>15 million cu.m.)



Consumption timber, pulp & paper (>20mi cu.m. RWE)



Key:

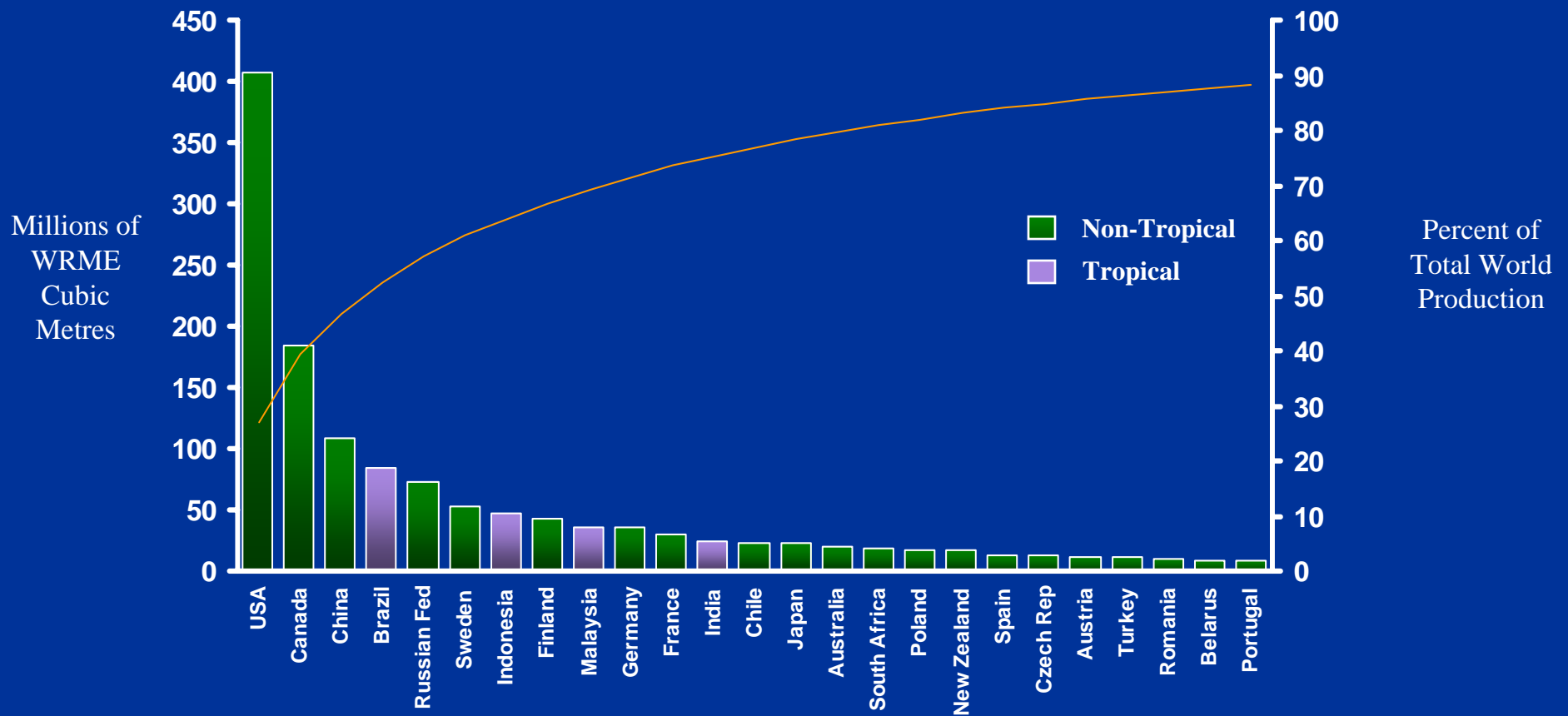


This shape represents 100 million cubic metres Round Wood Equivalent volume. Areas shown are directly proportional to volume.

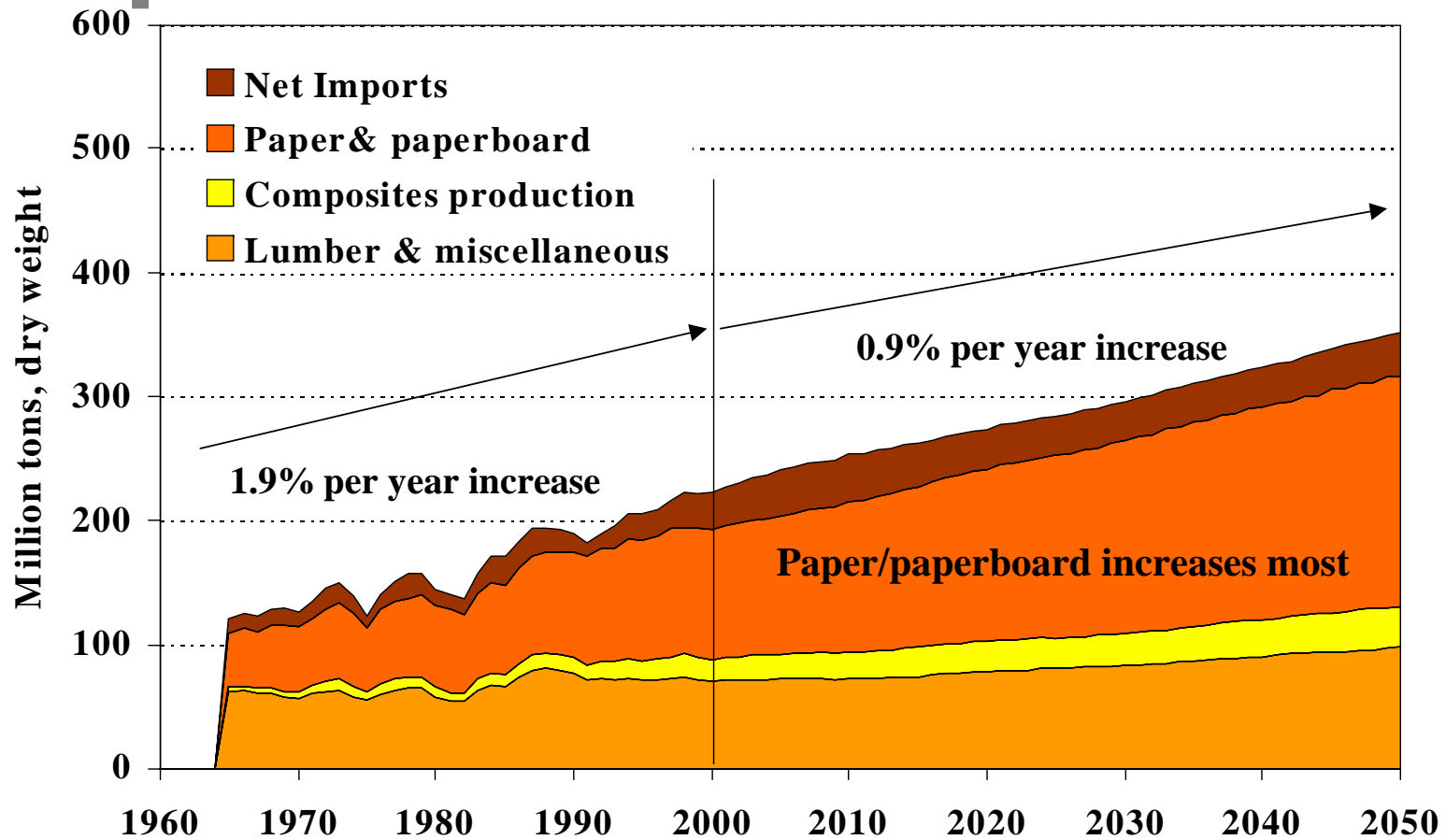
Source: 1997 import data from Eurostat, World Trade Atlas, & national yearbooks of statistics - by commodity by country; 1997 log production data from FAO Yearbook of Forest Product Statistics

90% of industrial wood is produced in 25 countries

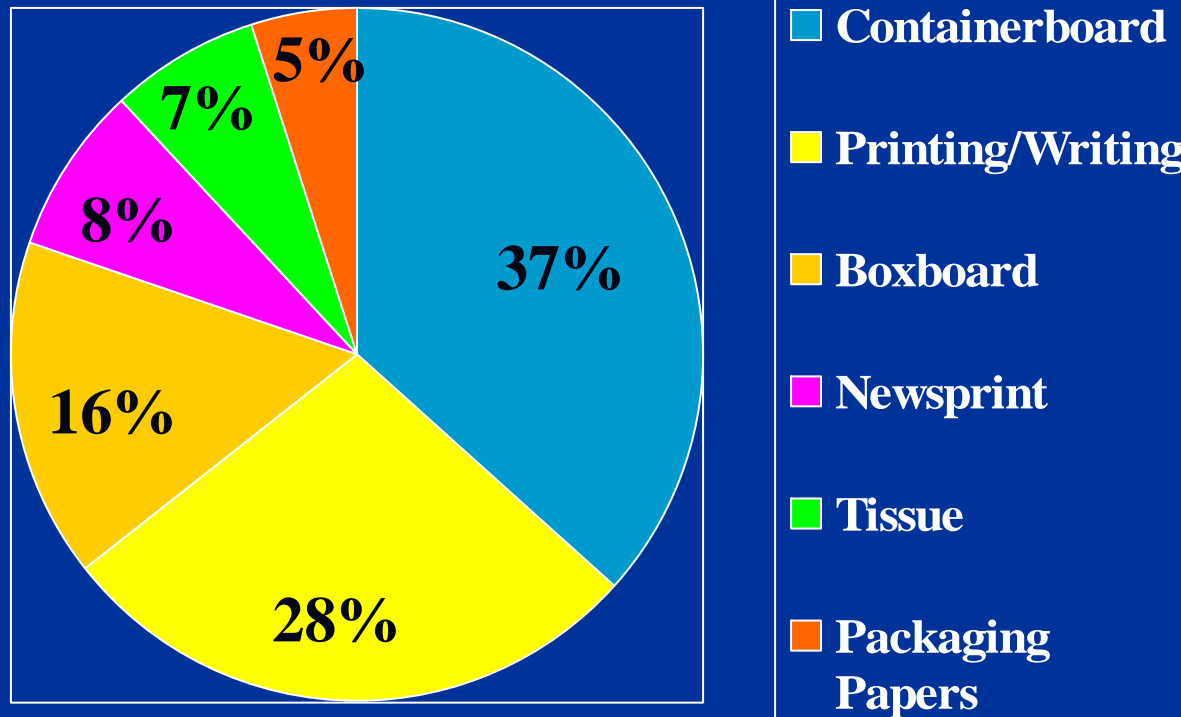
Source : FAO, SOFO 97, LEK analysis



U.S. Forest Products Consumption (production plus net imports)

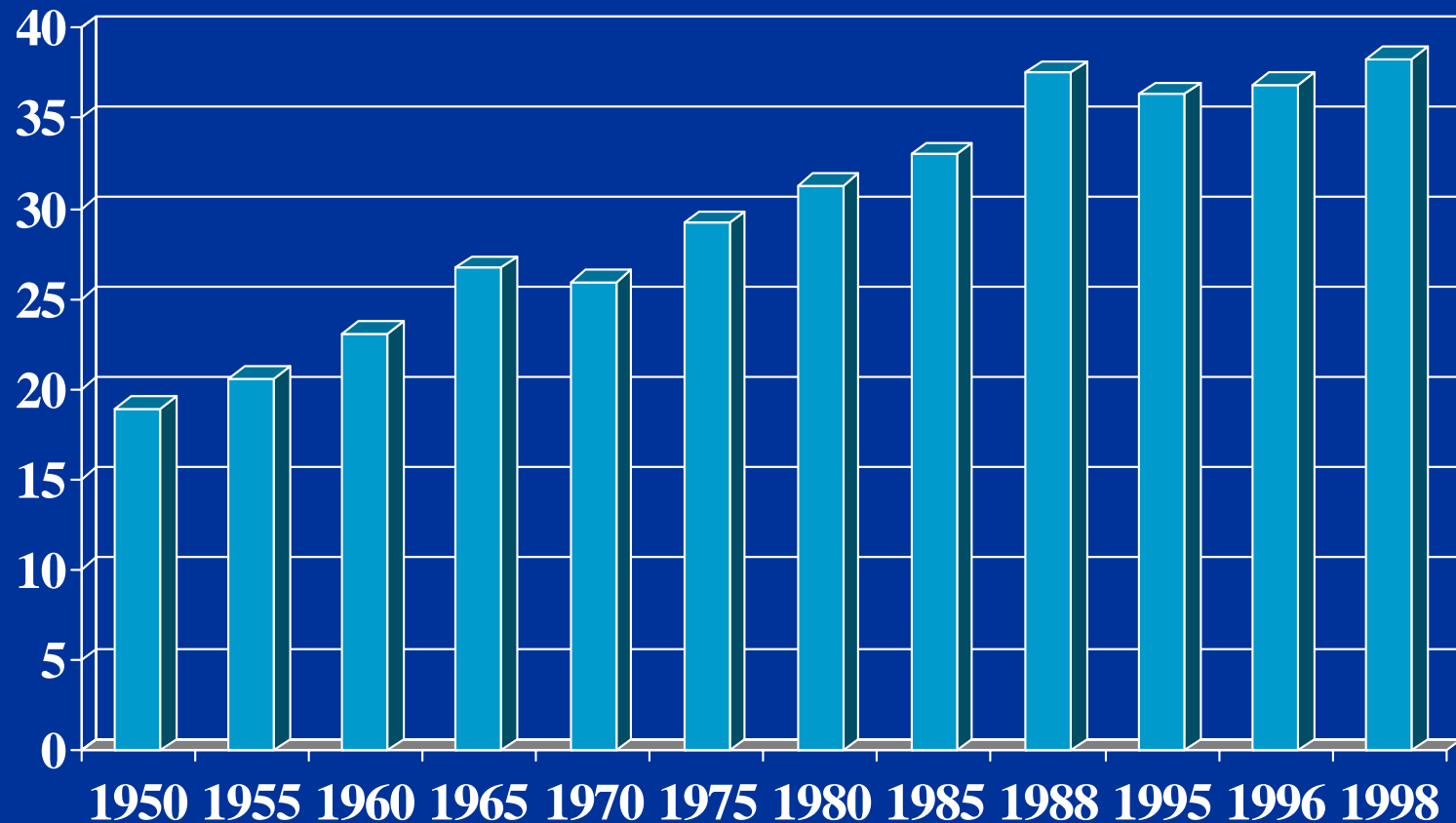


Paper and Paperboard Percentages



US Consumption – 100 million tons/yr

Wood use per single family house (cubic meters)



Source: D. McKeever, USDA Forest Products Lab

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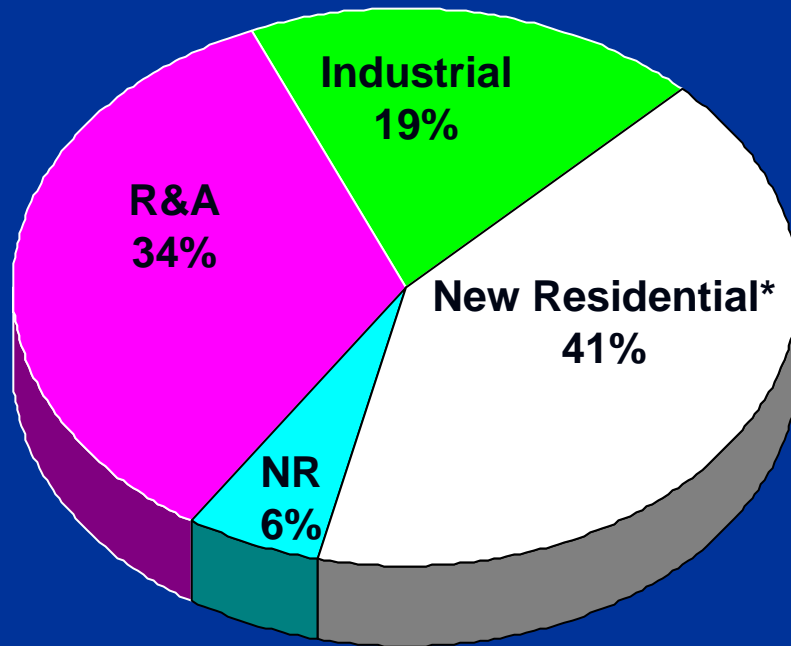
U.S. Wood Products Consumption

75% goes to residential markets

Housing market is still primary outlet!

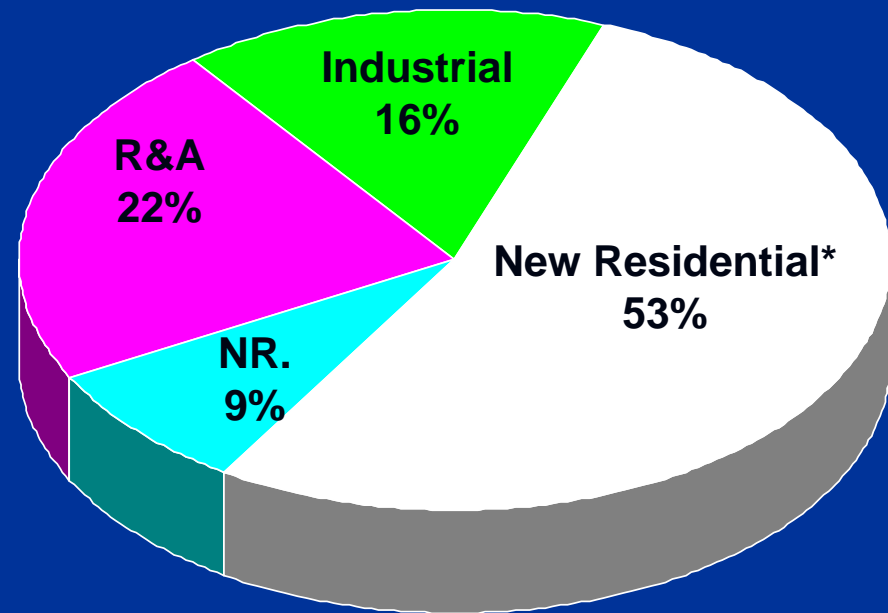
2002 Softwood Lumber

52.6 BBF (128 million cubic meters)



2002 Structural Panels

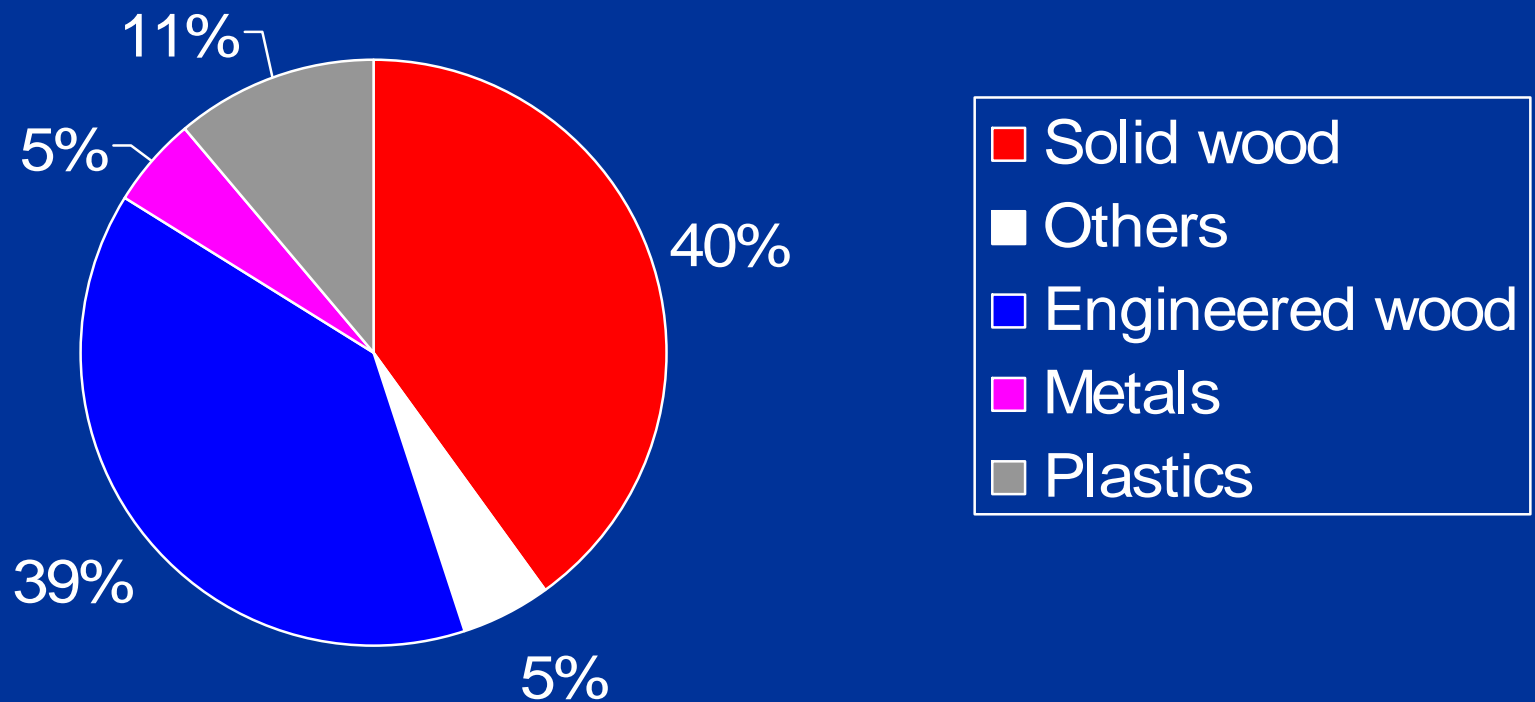
37.1 BSF(3/8) (33 million cubic meters)



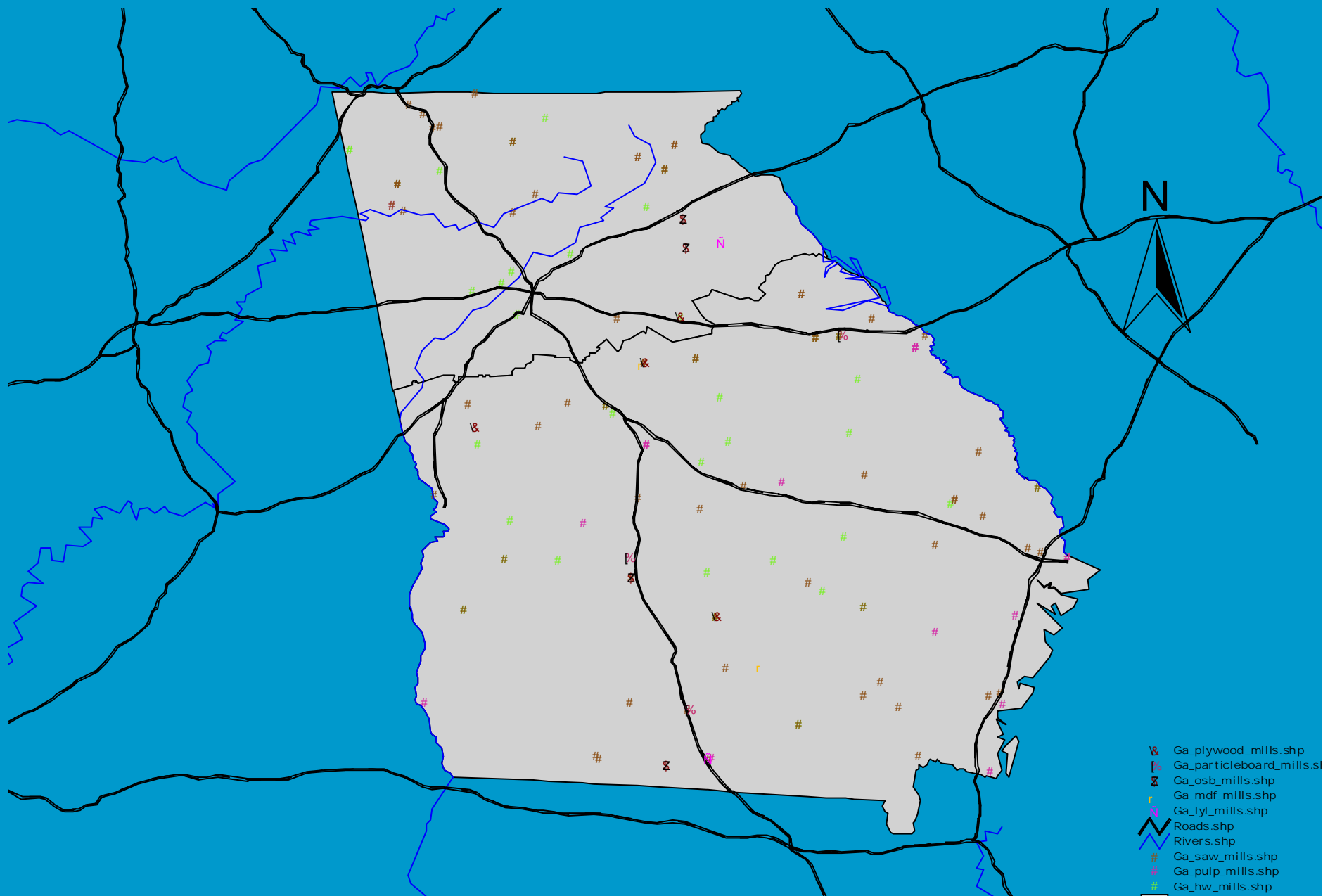
*New residential includes single-family, multi-family, and mobile homes

Wood & Competitive Materials in Residential Buildings

Volume Basis, 2003

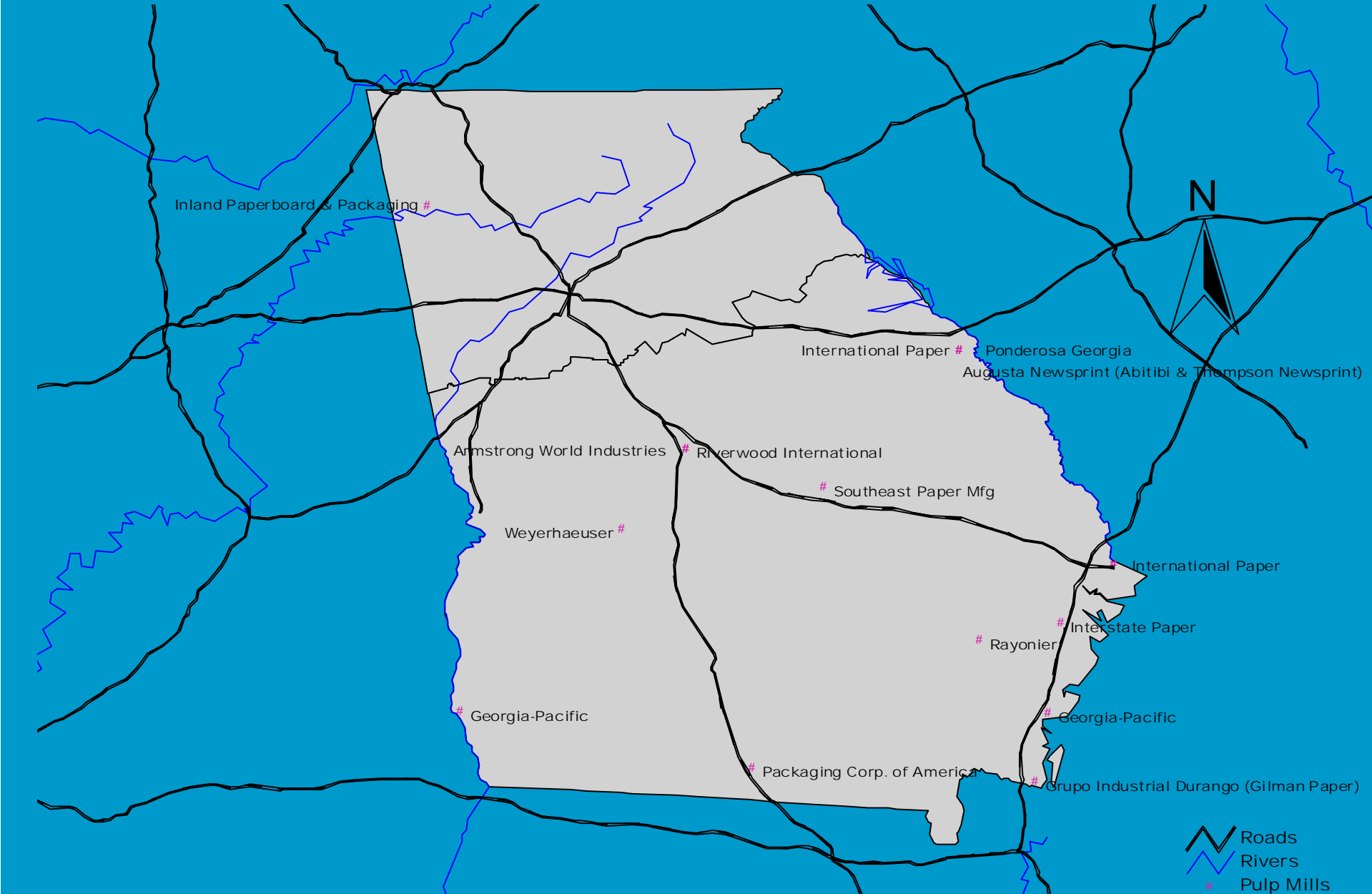


Georgia Mills

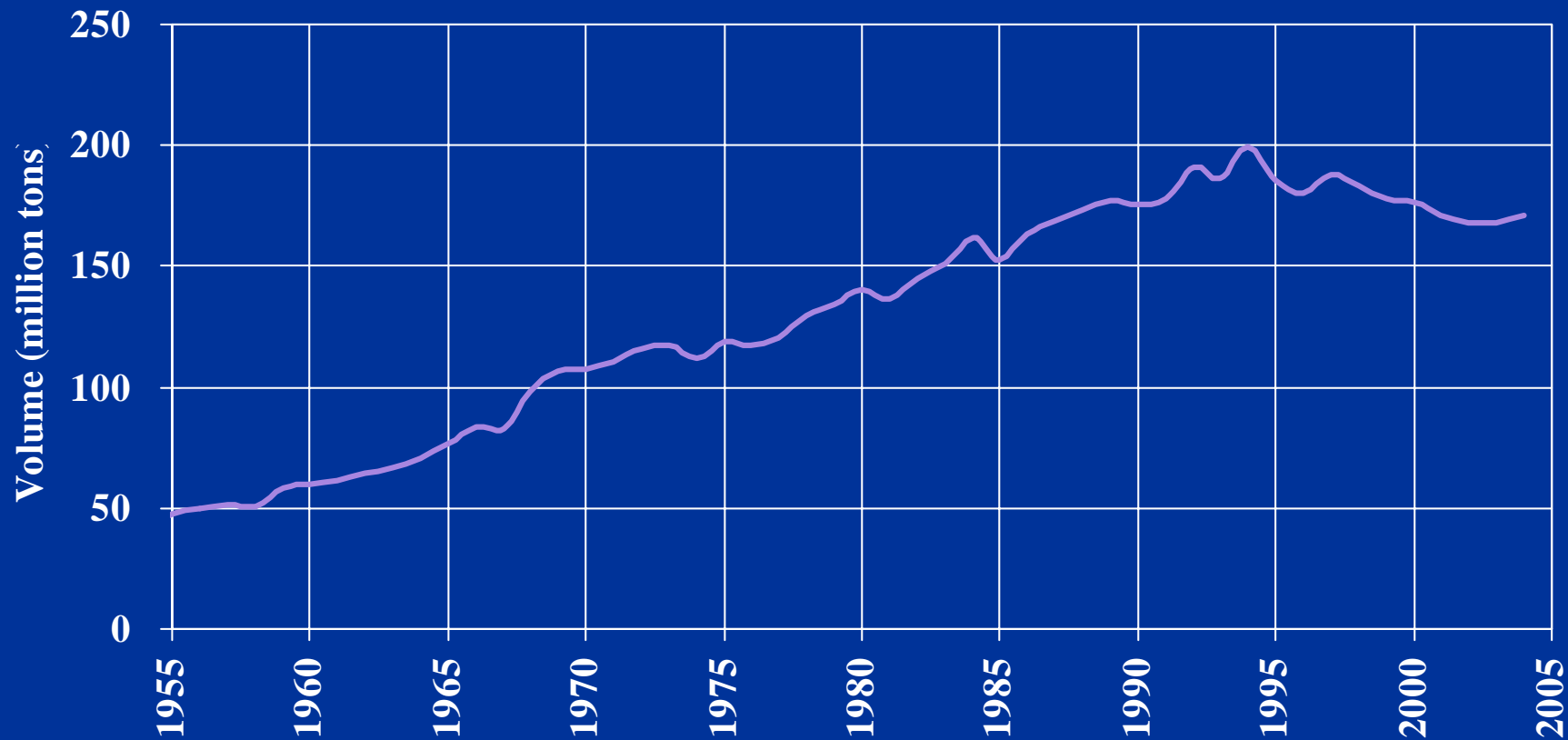


- & Ga_plywood_mills.shp
- [] Ga_particleboard_mills.shp
- Σ Ga_osb_mills.shp
- r Ga_mdf_mills.shp
- ~ Ga_lyl_mills.shp
- Roads.shp
- Rivers.shp
- # Ga_saw_mills.shp
- * Ga_pulp_mills.shp
- Ga_hw_mills.shp

Georgia Pulp Mills



U. S. South Total Pulpwood Consumption

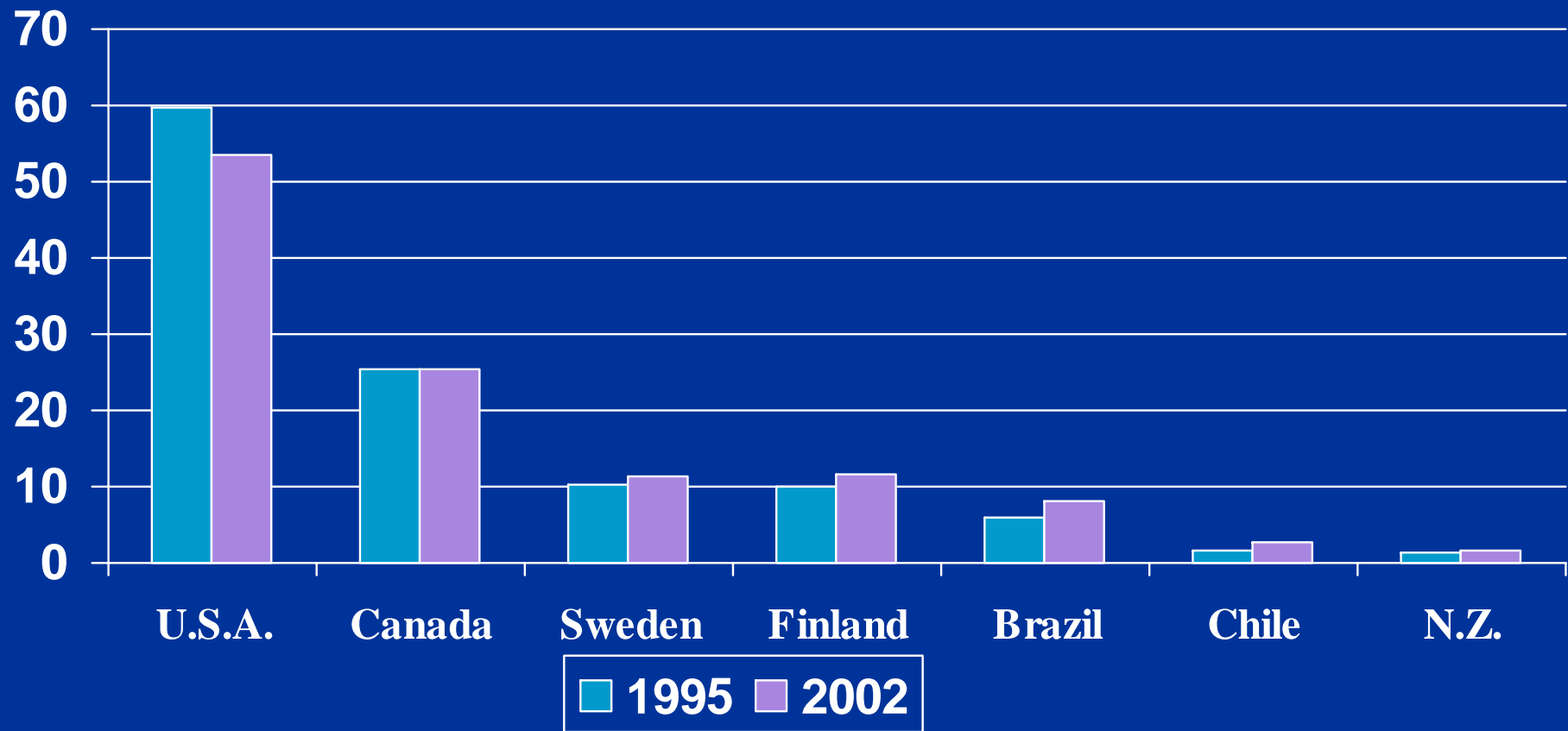


Source: Forest Resources Association (formerly American Pulpwood Assoc.)

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World Pulp Production

Million metric tons

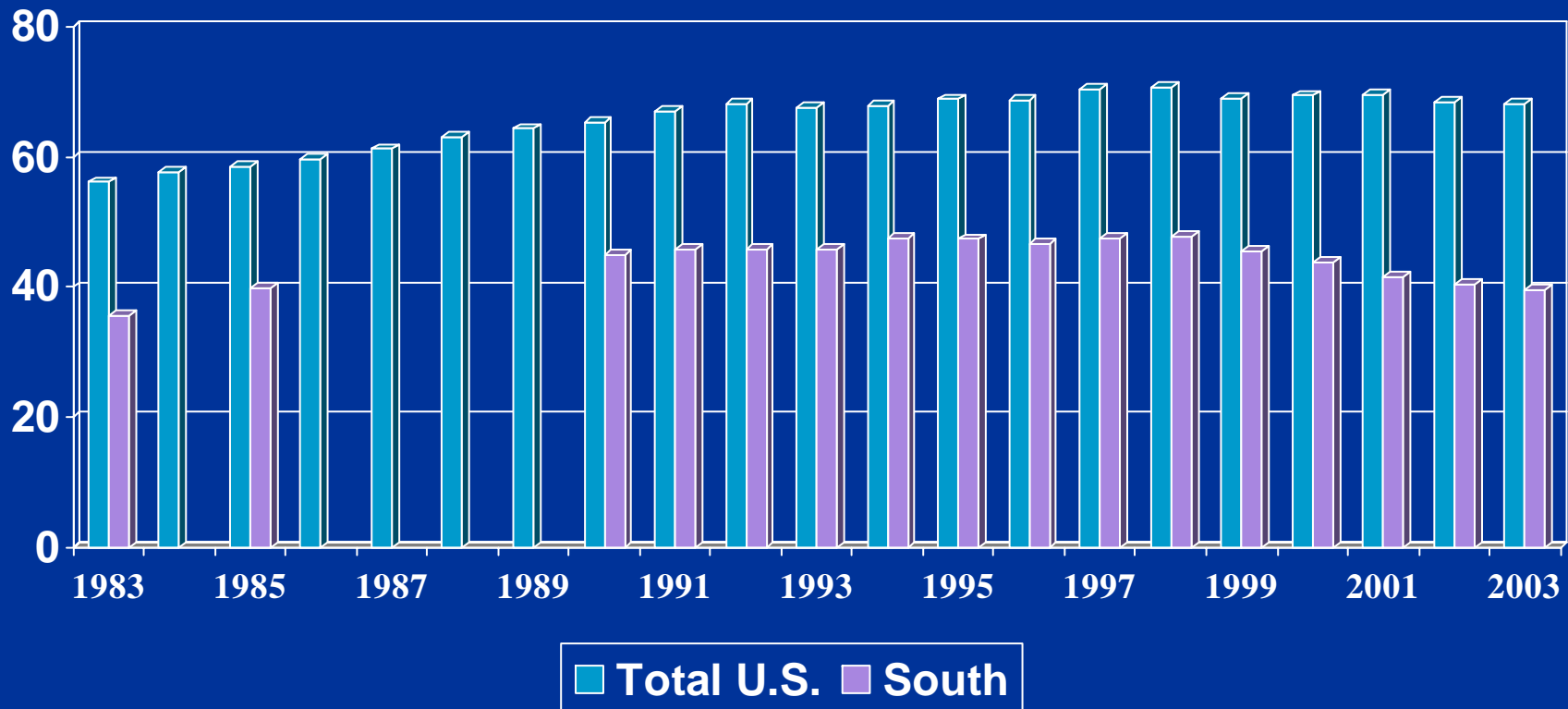


Source: Pulp & Paper International,
Paperloop.com

ragauskas@hotmail.com

Trends in Wood Pulp Capacity

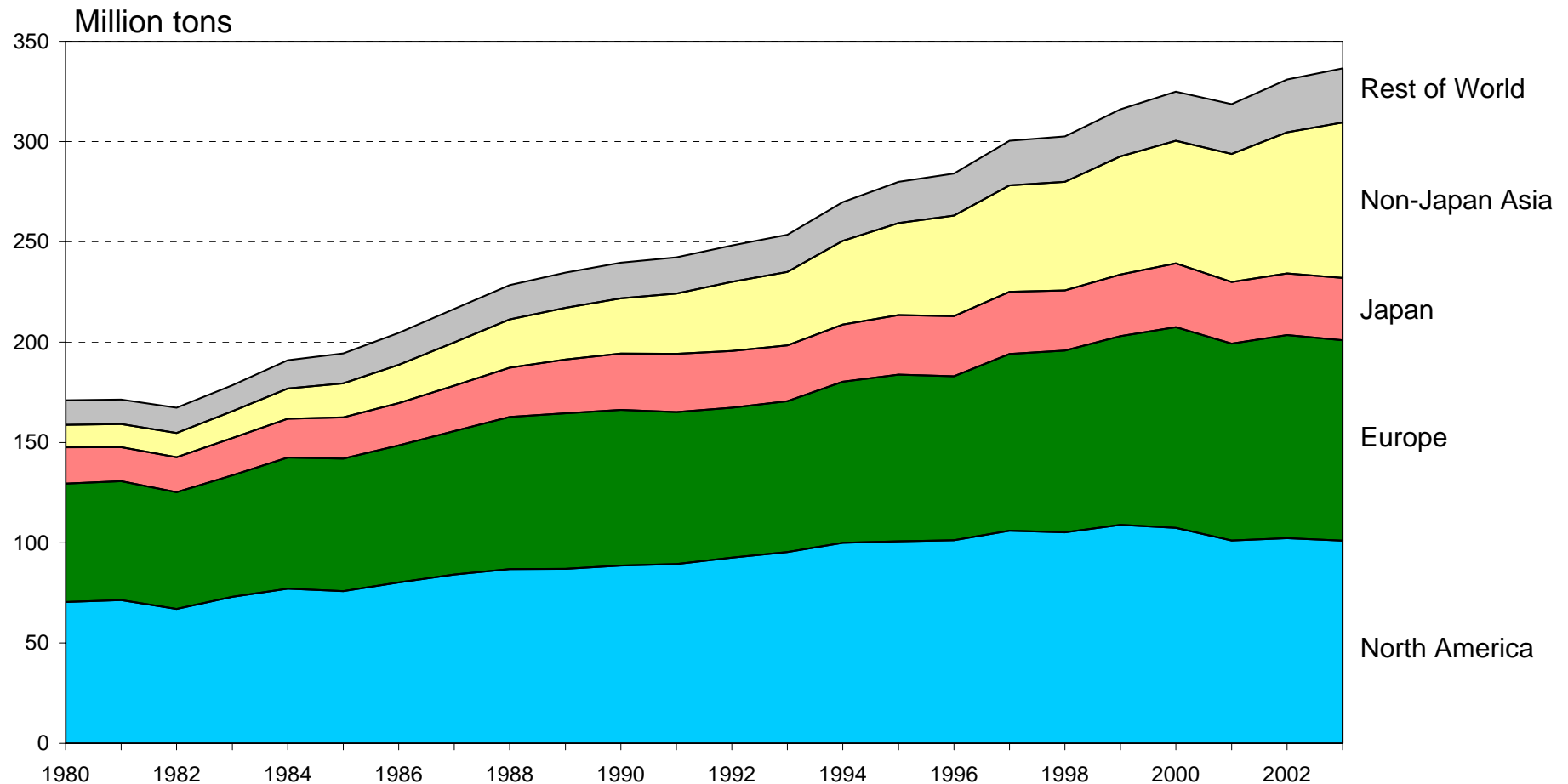
Million tons



Source: FRA (APA), USDA Southern
Research Station, and Pulp & Paper NA Fact
Book, TimberMart-South

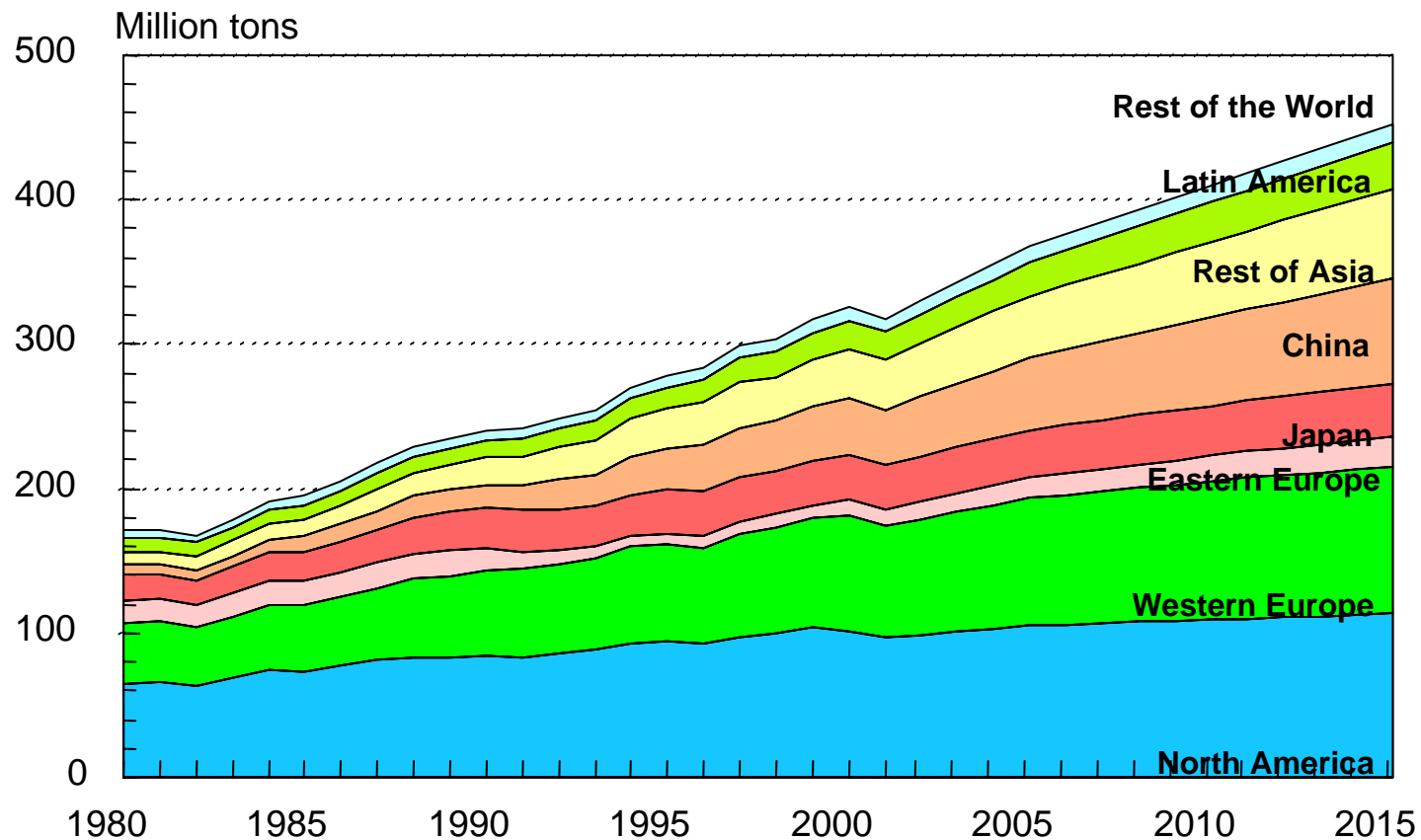
Global Paper and Board Consumption

Over the past 23 years global paper and paperboard consumption has grown 3.0% a year on average



Global Demand for Paper and Paperboard

World demand for paper and paperboard continues to grow by a growth rate of 2.2 percents a year to 450 million tons by the year 2015



Global Consumption of Papermaking Fibre

World consumption of papermaking fibre forecast to grow to 460 million tons by the year 2015, or 2.3%/a on average.

