



Interfor Corporation

Burnaby, B.C.

February 8, 2024

Interfor Reports Q4'23 Results Adjusted EBITDA loss of \$51 million and Net Loss of \$169 million

INTERFOR CORPORATION ("Interfor" or the "Company") (TSX: IFP) recorded a Net loss in Q4'23 of \$169.0 million, or \$3.29 per share, compared to a Net loss of \$42.4 million, or \$0.82 per share in Q3'23 and a Net loss of \$72.2 million, or \$1.40 per share in Q4'22.

Adjusted EBITDA was a loss of \$51.4 million on sales of \$785.9 million in Q4'23 versus Adjusted EBITDA of \$31.9 million on sales of \$828.1 million in Q3'23 and an Adjusted EBITDA loss of \$68.7 million on sales of \$810.3 million in Q4'22.

Notable items:

- Weak Lumber Market
 - Lumber prices continued to reflect an imbalance of lumber supply and demand, with demand continuing to be impacted by the elevated interest rate environment and ongoing economic uncertainty. Lumber prices weakened during Q4'23 as reflected in Interfor's average selling price of \$601 per mfbm, down \$60 per mfbm versus Q3'23.
 - Lumber production totalled 1.1 billion board feet, representing a 105 million board feet increase over Q3'23, which was impacted by temporary wildfire-based downtime in B.C. Lumber shipments were 1.0 billion board feet, or 38 million board feet higher than Q3'23.
- Strategic Capital Investments
 - Capital spending was \$39.6 million, including \$17.2 million of discretionary investment focused on multi-year projects in the U.S. South region.
 - Planned capital expenditures for 2024 have been reduced to approximately \$90.0 million from the preliminary estimate of \$140.0 million in response to ongoing lumber market weakness and a review of expected project returns considering ongoing cost inflation.
- Ongoing Monetization of Coastal B.C. Operations
 - In November 2023, the Company sold Coastal B.C. forest tenures totalling approximately 181,000 cubic metres of allowable annual cut ("AAC") and related liabilities for net proceeds of \$23.5 million and a gain of \$23.6 million. This contributed to a reduction of the provision recorded in Q4'23 for a contract settlement to facilitate tenure sales, from \$85.0 million to a balance of \$62.0 million at December 31, 2023. Interfor expects sales over the next 12-24 months of the remaining 1,392,000 cubic metres of AAC, subject to approvals from the Ministry of Forests, to generate proceeds in excess of the remaining provision balance.
- Asset Impairment
 - During Q4'23, the Company recorded an impairment charge of \$55.8 million on plant, equipment and other assets related to its operations in the U.S. Northwest. The impairment was deemed appropriate based on a combination of elevated log costs and ongoing weak lumber markets.

- Financial Position
 - Net debt at quarter-end was \$842.7 million, or 32.8% of invested capital, with available liquidity of \$339.7 million.
 - On January 26, 2024, the Company priced US\$33.3 million in long-term debt financing with Prudential Private Capital. The financing is expected to close in late March 2024 with the proceeds used to settle US\$33.3 million of principal under the Company's existing Series C Senior Secured Notes due on March 26, 2024. The Senior Secured Notes will carry an annual fixed interest rate of 6.37% and have a final maturity in 2030. All other terms remain consistent with Interfor's existing Senior Secured Notes. Following completion of the financing, Interfor's Senior Secured Notes will have a weighted average interest rate of 5.46% with laddered maturities spanning 2025-2033.
 - Liquidity is expected to benefit over the course of 2024 from the collection of income taxes receivable totalling \$68.4 million and the ongoing monetization of Coastal B.C. operations.
- Softwood Lumber Duties
 - Interfor expensed \$18.0 million of duties in the quarter, representing the full amount of countervailing ("CV") and anti-dumping ("AD") duties incurred on shipments of softwood lumber from its Canadian operations to the U.S. at a combined rate of 8.05%.
 - On February 1, 2024, the U.S. Department of Commerce ("DoC") issued its preliminary combined all other rate of 13.86% for 2022. The rate is the result of the DoC's fifth administrative review and is subject to change until its final rate determinations which are expected in mid-2024. At such time, the final rates will be applied to new lumber shipments. No adjustments have been recorded in the financial statements as of December 31, 2023 to reflect the preliminary all other duty rate announced.
 - Interfor has cumulative duties of US\$549.6 million, or approximately \$10.32 per share on an after-tax basis, held in trust by U.S. Customs and Border Protection as at December 31, 2023. Except for US\$161.8 million recorded as a receivable in respect of overpayments arising from duty rate adjustments and the fair value of rights to duties acquired, Interfor has recorded the duty deposits as an expense.

Outlook

North American lumber markets over the near term are expected to remain depressed as the economy continues to adjust to inflationary pressures, elevated interest rates, labour shortages and geo-political uncertainty.

Interfor expects that over the mid-term, lumber markets will continue to benefit from favourable underlying supply and demand fundamentals. Positive demand factors include the advanced age of the U.S. housing stock, a shortage of available housing and various demographic factors, while growth in lumber supply is expected to be limited by extended capital project completion and ramp-up timelines, labour availability and constrained global fibre availability.

Interfor's strategy of maintaining a diversified portfolio of operations in multiple regions allows the Company to both reduce risk and maximize returns on capital over the business cycle. In the event of a sustained lumber market downturn, Interfor maintains flexibility to significantly reduce capital expenditures and working capital levels, and to proactively adjust its lumber production to match demand.

Financial and Operating Highlights¹

Unit	For the three months ended			For the year ended Dec. 31			
	Dec. 31	Dec. 31	Sep. 30	2023	2022	2021	
	2023	2022	2023	2023	2022	2021	
Financial Highlights²							
Total sales	\$MM	785.9	810.3	828.1	3,315.7	4,584.0	3,289.1
Lumber	\$MM	628.5	656.3	667.1	2,661.3	3,897.4	2,926.3
Logs, residual products and other	\$MM	157.4	154.0	161.0	654.4	686.6	362.8
Operating earnings (loss)	\$MM	(174.2)	(114.8)	(21.1)	(252.4)	859.6	1,077.9
Net earnings (loss)	\$MM	(169.0)	(72.2)	(42.4)	(266.8)	598.2	819.0
Net earnings (loss) per share, basic	\$/share	(3.29)	(1.40)	(0.82)	(5.19)	10.89	12.88
Operating cash flow per share (before working capital changes) ³	\$/share	(0.38)	(1.75)	1.78	2.54	9.45	16.79
Adjusted EBITDA ³	\$MM	(51.4)	(68.7)	31.9	48.4	1,059.4	1,246.8
Adjusted EBITDA margin ³	%	(6.5%)	(8.5%)	3.9%	1.5%	23.1%	37.9%
Total assets	\$MM	3,400.3	3,619.8	3,577.8	3,400.3	3,619.8	2,603.5
Total debt	\$MM	897.7	797.9	877.1	897.7	797.9	375.7
Net debt ³	\$MM	842.7	720.3	777.7	842.7	720.3	(162.9)
Net debt to invested capital ³	%	32.8%	26.2%	28.7%	32.8%	26.2%	(11.1%)
Annualized return on capital employed ³	%	(28.0%)	(13.8%)	(4.5%)	(9.7%)	29.6%	55.7%
Operating Highlights							
Lumber production	million fbm	1,102	874	997	4,152	3,792	2,891
U.S. South	million fbm	485	404	470	1,897	1,792	1,545
U.S. Northwest	million fbm	157	135	162	626	631	600
Eastern Canada	million fbm	275	212	247	1,020	718	-
B.C.	million fbm	185	123	118	609	651	746
Lumber sales	million fbm	1,046	939	1,008	4,174	3,928	2,852
Lumber - average selling price ⁴	\$/thousand fbm	601	699	661	638	992	1,026
Key Statistics							
Benchmark lumber prices ⁵							
SYP Composite	US\$ per mfbm	373	461	429	423	704	764
KD H-F Stud 2x4 9'	US\$ per mfbm	423	461	474	444	818	1,016
Eastern SPF Composite	US\$ per mfbm	461	498	510	480	836	947
Western SPF Composite	US\$ per mfbm	374	420	412	389	742	847
USD/CAD exchange rate ⁶							
Average	1 USD in CAD	1.3624	1.3578	1.3414	1.3497	1.3013	1.2535
Closing	1 USD in CAD	1.3226	1.3544	1.3520	1.3226	1.3544	1.2678

Notes:

- Figures in this table may not equal or sum to figures presented elsewhere due to rounding.
- Financial information presented for interim periods in this release is prepared in accordance with IFRS and is unaudited.
- Refer to the Non-GAAP Measures section of this release for definitions and reconciliations of these measures to figures reported in the Company's consolidated financial statements.
- Gross sales including duties and freight.
- Based on Random Lengths Benchmark Lumber Pricing.
- Based on Bank of Canada foreign exchange rates.

Liquidity

Balance Sheet

Interfor's Net debt at December 31, 2023 was \$842.7 million, or 32.8% of invested capital, representing an increase of \$122.4 million from the level of Net debt at December 31, 2022.

As at December 31, 2023 the Company had net working capital of \$337.7 million and available liquidity of \$339.7 million, based on the available borrowing capacity under its \$600.0 million Revolving Term Line ("Term Line").

The Term Line and Senior Secured Notes are subject to financial covenants, including a net debt to total capitalization ratio and an EBITDA interest coverage ratio.

Management believes, based on circumstances known today, that Interfor has sufficient working capital and liquidity to fund operating and capital requirements for the foreseeable future.

Millions of Dollars	For the three months ended			For the year ended	
	Dec. 31, 2023	Dec. 31, 2022	Sept. 30, 2023	Dec. 31, 2023	Dec. 31, 2022
Net debt					
Net debt (cash), period opening	\$777.7	\$249.7	\$815.7	\$720.3	\$(162.9)
Net issuance (repayment) of Senior Secured Notes	-	270.2	-	(7.1)	263.2
Term Line net drawings (repayments)	39.9	133.5	(61.2)	128.2	129.6
Decrease in cash and cash equivalents	43.9	73.8	5.6	20.3	480.3
Foreign currency translation impact on U.S. Dollar denominated cash and cash equivalents and debt	(18.8)	(6.9)	17.6	(19.0)	10.1
Net debt, period ending	\$842.7	\$720.3	\$777.7	\$842.7	\$720.3

On January 26, 2024, the Company priced US\$33.3 million in long-term debt financing with Prudential Private Capital. The financing is expected to close in late March 2024 with the proceeds used to settle US\$33.3 million of principal under the Company's existing Series C Senior Secured Notes due on March 26, 2024. The Senior Secured Notes will carry an annual fixed interest rate of 6.37% and have a final maturity in 2030. All other terms remain consistent with Interfor's existing Senior Secured Notes. Following completion of the financing, Interfor's Senior Secured Notes will have a weighted average interest rate of 5.46% with laddered maturities spanning 2025-2033.

On December 16, 2022, the Company completed an expansion of its Term Line. The commitment under the Term Line was increased by \$100.0 million to a total of \$600.0 million.

On December 1, 2022, the Company issued US\$200 million of Series H Senior Secured Notes, bearing interest at 7.06% with principal payments of US\$66.7 million due on December 26, 2031, 2032 and on final maturity in 2033.

Capital Resources

The following table summarizes Interfor's credit facilities and availability as of December 31, 2023:

Millions of Canadian Dollars	Revolving Term Line	Senior Secured Notes	Total
Available line of credit and maximum borrowing available	\$600.0	\$639.8	\$1,239.8
Less:			
Drawings	257.9	639.8	897.7
Outstanding letters of credit included in line utilization	57.4	-	57.4
Unused portion of facility	\$284.7	\$ -	284.7
Add:			
Cash and cash equivalents			55.0
Available liquidity at December 31, 2023			\$339.7

Interfor's Term Line matures in December 2026 and its Senior Secured Notes have maturities in the years 2024-2033.

As of December 31, 2023, the Company had commitments for capital expenditures totaling \$64.6 million for both maintenance and discretionary capital projects.

Non-GAAP Measures

This release makes reference to the following non-GAAP measures: EBITDA, Adjusted EBITDA, Adjusted EBITDA margin, Net debt to invested capital, Operating cash flow per share (before working capital changes), and Annualized return on capital employed which are used by the Company and certain investors to evaluate operating performance and financial position.

These non-GAAP measures do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers.

The following table provides a reconciliation of these non-GAAP measures to figures as reported in the Company's audited consolidated financial statements (unaudited for interim periods) prepared in accordance with IFRS:

Millions of Canadian Dollars except number of shares and per share amounts	For the three months ended			For the year ended Dec. 31		
	Dec. 31 2023	Dec. 31 2022	Sept. 30 2023	2023	2022	2021
Adjusted EBITDA						
Net earnings (loss)	\$(169.0)	\$(72.2)	\$(42.4)	\$(266.8)	\$598.2	\$819.0
Add:						
Depreciation of plant and equipment	48.9	39.6	46.7	187.4	154.9	97.1
Depletion and amortization of timber, roads and other	11.4	11.7	7.6	41.1	39.7	29.4
Finance costs	10.6	4.7	10.2	45.0	15.6	17.8
Income tax expense (recovery)	(66.4)	(40.7)	(5.1)	(91.1)	216.7	270.1
EBITDA	(164.5)	(56.9)	17.0	(84.4)	1,025.1	1,233.4
Add:						
Long-term incentive compensation expense (recovery)	4.6	(4.2)	(1.3)	8.7	(8.4)	31.7
Other foreign exchange loss (gain)	(15.0)	(11.3)	14.0	(14.7)	43.1	2.3
Other expense (income) excluding business interruption insurance	65.6	4.7	2.2	79.2	(4.4)	(31.3)
Asset write-downs and restructuring costs (recoveries)	57.9	(1.0)	-	59.6	4.0	10.2
Post closure wind-down costs	-	-	-	-	-	0.5
Adjusted EBITDA	\$(51.4)	\$(68.7)	\$31.9	\$48.4	\$1,059.4	\$1,246.8
Sales	\$785.9	\$810.3	\$828.1	\$3,315.7	\$4,584.0	\$3,289.1
Adjusted EBITDA margin	(6.5%)	(8.5%)	3.9%	1.5%	23.1%	37.9%
Net debt to invested capital						
Net debt						
Total debt	\$897.7	\$797.9	\$877.1	\$897.7	\$797.9	\$375.7
Cash and cash equivalents	(55.0)	(77.6)	(99.4)	(55.0)	(77.6)	(538.6)
Total net debt	\$842.7	\$720.3	\$777.7	\$842.7	\$720.3	\$(162.9)
Invested capital						
Net debt	\$842.7	\$720.3	\$777.7	\$842.7	\$720.3	\$(162.9)
Shareholders' equity	1,730.4	2,027.1	1,927.9	1,730.4	2,027.1	1,636.0
Total invested capital	\$2,573.1	\$2,747.4	\$2,705.6	\$2,573.1	\$2,747.4	\$1,473.1
Net debt to invested capital ⁽¹⁾	32.8%	26.2%	28.7%	32.8%	26.2%	(11.1%)
Operating cash flow per share (before working capital changes)						
Cash provided by operating activities	\$(25.9)	\$10.3	\$107.2	\$119.8	\$732.4	\$1,052.4
Cash used in (generated from) operating working capital	6.1	(100.2)	(15.7)	10.9	(213.5)	15.1
Operating cash flow (before working capital changes)	\$(19.8)	\$(89.9)	\$91.5	\$130.7	\$518.9	\$1,067.5
Weighted average number of shares - basic (millions)	51.4	51.4	51.4	51.4	54.9	63.6
Operating cash flow per share (before working capital changes)	\$(0.38)	\$(1.75)	\$1.78	\$2.54	\$9.45	\$16.79
Annualized return on capital employed						
Net earnings (loss)	\$(169.0)	\$(72.2)	\$(42.4)	\$(266.8)	\$598.2	\$819.0
Add:						
Finance costs	10.6	4.7	10.2	45.0	15.6	17.8
Income tax expense (recovery)	(66.4)	(40.7)	(5.1)	(91.1)	216.7	270.1
Earnings (loss) before income taxes and finance costs	\$(224.8)	\$(108.2)	\$(37.3)	\$(312.9)	\$830.5	\$1,106.9
Capital employed						
Total assets	\$3,400.3	\$3,619.8	\$3,577.8	\$3,400.3	\$3,619.8	\$2,603.5
Current liabilities	(336.2)	(325.9)	(345.4)	(336.2)	(325.9)	(321.6)
Less:						
Bank indebtedness	-	-	-	-	-	2.2
Current portion of long-term debt	44.1	7.3	45.1	44.1	7.3	6.9
Current portion of lease liabilities	17.2	14.8	16.0	17.2	14.8	12.2
Capital employed, end of period	\$3,125.4	\$3,316.0	\$3,293.5	\$3,125.4	\$3,316.0	\$2,303.2
Capital employed, beginning of period	3,293.5	2,938.8	3,344.9	3,316.0	2,303.2	1,672.1
Average capital employed	\$3,209.5	\$3,127.4	\$3,319.2	\$3,220.7	\$2,809.6	\$1,987.6
Earnings (loss) before income taxes and finance costs divided by average capital employed	(7.0%)	(3.5%)	(1.1%)	(9.7%)	29.6%	55.7%
Annualization factor	4.0	4.0	4.0	1.0	1.0	1.0
Annualized return on capital employed	(28.0%)	(13.8%)	(4.5%)	(9.7%)	29.6%	55.7%

Note 1: Net debt to invested capital as of the period end.



CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
For the three months and years ended December 31, 2023 and 2022 (unaudited)

(millions of Canadian Dollars except per share amounts)

	Three Months Dec. 31, 2023	Three Months Dec. 31, 2022	Year Ended Dec. 31, 2023	Year Ended Dec. 31, 2022
Sales	\$785.9	\$810.3	\$3,315.7	\$4,584.0
Costs and expenses:				
Production	805.5	846.1	3,158.9	3,382.1
Selling and administration	13.8	17.8	65.8	67.2
Long-term incentive compensation expense (recovery)	4.6	(4.2)	8.7	(8.4)
U.S. countervailing and anti-dumping duty deposits	18.0	15.1	46.6	84.9
Depreciation of plant and equipment	48.9	39.6	187.4	154.9
Depletion and amortization of timber, roads and other	11.4	11.7	41.1	39.7
	902.2	926.1	3,508.5	3,720.4
Operating earnings (loss) before asset write-downs and restructuring costs	(116.3)	(115.8)	(192.8)	863.6
Asset write-downs and restructuring costs (recoveries)	(57.9)	1.0	(59.6)	(4.0)
Operating earnings (loss)	(174.2)	(114.8)	(252.4)	859.6
Finance costs	(10.6)	(4.7)	(45.0)	(15.6)
Other foreign exchange gain (loss)	15.0	11.3	14.7	(43.1)
Other income (expense)	(65.6)	(4.7)	(75.2)	14.0
	(61.2)	1.9	(105.5)	(44.7)
Earnings (loss) before income taxes	(235.4)	(112.9)	(357.9)	814.9
Income tax expense (recovery):				
Current	(39.5)	(58.3)	(63.5)	184.6
Deferred	(26.9)	17.6	(27.6)	32.1
	(66.4)	(40.7)	(91.1)	216.7
Net earnings (loss)	\$(169.0)	\$(72.2)	\$(266.8)	\$598.2
Net earnings (loss) per share				
Basic	\$(3.29)	\$(1.40)	\$(5.19)	\$10.89
Diluted	\$(3.29)	\$(1.40)	\$(5.19)	\$10.86

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the three months and years ended December 31, 2023 and 2022 (unaudited)

(millions of Canadian Dollars)

	Three Months Dec. 31, 2023	Three Months Dec. 31, 2022	Year Ended Dec. 31, 2023	Year Ended Dec. 31, 2022
Net earnings (loss)	\$(169.0)	\$(72.2)	\$(266.8)	\$598.2
Other comprehensive income (loss):				
Items that will not be recycled to Net earnings (loss):				
Defined benefit plan actuarial gain (loss), net of tax	(1.1)	1.2	(0.4)	1.9
Items that may be recycled to Net earnings (loss):				
Foreign currency translation differences for foreign operations, net of tax	(27.6)	(25.4)	(30.4)	117.5
Total other comprehensive income (loss), net of tax	(28.7)	(24.2)	(30.8)	119.4
Comprehensive income (loss)	\$(197.7)	\$(96.4)	\$(297.6)	\$717.6



CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the three months and years ended December 31, 2023 and 2022 (unaudited)

(millions of Canadian Dollars)

	Three Months Dec. 31, 2023	Three Months Dec. 31, 2022	Year Ended Dec. 31, 2023	Year Ended Dec. 31, 2022
Cash provided by (used in):				
Operating activities:				
Net earnings (loss)	\$(169.0)	\$(72.2)	\$(266.8)	\$598.2
Items not involving cash:				
Depreciation of plant and equipment	48.9	39.6	187.4	154.9
Depletion and amortization of timber, roads and other	11.4	11.7	41.1	39.7
Income tax expense (recovery)	(66.4)	(40.7)	(91.1)	216.7
Finance costs	10.6	4.7	45.0	15.6
Other assets	0.1	(0.2)	(6.0)	(30.2)
Reforestation liability	0.5	1.5	-	(1.3)
Provisions and other liabilities	1.8	(2.7)	(2.0)	(30.3)
Stock options vesting	0.2	0.3	0.8	1.0
Write-down of plant and equipment, intangibles and other	55.8	-	57.3	3.2
Unrealized foreign exchange loss (gain)	(9.7)	(13.5)	(9.3)	37.4
Other income (expense)	65.6	4.7	75.2	(14.0)
Income taxes refunded (paid)	30.4	(23.1)	99.1	(472.0)
	(19.8)	(89.9)	130.7	518.9
Cash generated from (used in) operating working capital:				
Trade accounts receivable and other	31.8	100.3	(7.5)	135.4
Inventories	(2.5)	65.5	55.1	141.0
Prepayments	3.6	6.5	(0.6)	0.7
Trade accounts payable and provisions	(39.0)	(72.1)	(57.9)	(63.6)
	(25.9)	10.3	119.8	732.4
Investing activities:				
Additions to property, plant and equipment	(33.9)	(94.1)	(186.1)	(288.6)
Additions to roads and bridges	(5.7)	(9.2)	(13.3)	(16.9)
Acquisitions, net of cash acquired	-	(375.3)	0.5	(911.4)
Proceeds on disposal of property, plant and equipment and other	0.9	-	5.8	32.0
Investment in GreenFirst Forest Products Inc.	-	-	-	(55.6)
Net proceeds from (additions to) deposits and other assets	1.2	-	3.3	(3.2)
	(37.5)	(478.6)	(189.8)	(1,243.7)
Financing activities:				
Issuance of share capital, net of expenses	-	-	0.1	0.4
Share repurchases, net of expenses	-	(0.2)	-	(327.8)
Interest payments	(15.4)	(4.0)	(52.9)	(17.1)
Lease liability payments	(5.0)	(4.5)	(18.4)	(16.5)
Debt refinancing costs	-	(0.5)	(0.2)	(0.8)
Term line net drawings	39.9	133.5	128.2	129.6
Additions to Senior Secured Notes	-	270.2	-	270.2
Repayments of Senior Secured Notes	-	-	(7.1)	(7.0)
	19.5	394.5	49.7	31.0
Foreign exchange gain (loss) on cash and cash equivalents held in a foreign currency	(0.5)	4.8	(2.3)	19.3
Decrease in cash	(44.4)	(69.0)	(22.6)	(461.0)
Cash and cash equivalents, beginning of period	99.4	146.6	77.6	538.6
Cash and cash equivalents, end of period	\$55.0	\$77.6	\$55.0	\$77.6



CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
December 31, 2023 and December 31, 2022 (unaudited)

(millions of Canadian Dollars)	Dec. 31, 2023	Dec. 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	\$55.0	\$77.6
Trade accounts receivable and other	184.4	174.1
Income tax receivable	68.4	104.1
Inventories	339.2	396.9
Prepayments	26.9	25.9
	673.9	778.6
Employee future benefits	15.5	18.4
Deposits and other assets	274.6	281.6
Right of use assets	37.1	34.0
Property, plant and equipment	1,612.9	1,701.2
Roads and bridges	35.9	38.1
Timber licences	170.4	178.4
Goodwill and other intangible assets	574.7	588.1
Deferred income taxes	5.3	1.4
	\$3,400.3	\$3,619.8
Liabilities and Shareholders' Equity		
Current liabilities:		
Trade accounts payable and provisions	\$258.9	\$285.6
Current portion of long-term debt	44.1	7.3
Reforestation liability	15.8	17.9
Lease liabilities	17.2	14.8
Income taxes payable	0.2	0.3
	336.2	325.9
Reforestation liability	28.4	28.7
Lease liabilities	23.1	20.4
Long-term debt	853.6	790.6
Employee future benefits	11.3	9.9
Provisions and other liabilities	54.6	24.2
Deferred income taxes	362.7	393.0
Equity:		
Share capital	408.9	408.7
Contributed surplus	6.2	5.5
Translation reserve	145.5	175.9
Retained earnings	1,169.8	1,437.0
	1,730.4	2,027.1
	\$3,400.3	\$3,619.8

Approved on behalf of the Board of Directors:

"L. Sauder"
 Director

"T.V. Milroy"
 Director

FORWARD-LOOKING STATEMENTS

This release contains forward-looking information about the Company's business outlook, objectives, plans, strategic priorities and other information that is not historical fact. A statement contains forward-looking information when the Company uses what it knows and expects today, to make a statement about the future. Statements containing forward-looking information may include words such as: will, could, should, believe, expect, anticipate, intend, forecast, projection, target, outlook, opportunity, risk or strategy. Readers are cautioned that actual results may vary from the forward-looking information in this release, and undue reliance should not be placed on such forward-looking information. Risk factors that could cause actual results to differ materially from the forward-looking information in this release are described in Interfor's annual Management's Discussion and Analysis under the heading "Risks and Uncertainties", which is available on www.interfor.com and under Interfor's profile on www.sedarplus.ca. Material factors and assumptions used to develop the forward-looking information in this release include the timing and value of proceeds received from the disposition of Coast B.C. forest tenures; availability and cost of logs; competition; currency exchange sensitivity; environment; government regulation; health and safety; Indigenous reconciliation; information technology and cyber security; labour availability; logistics availability and cost; natural and man-made disasters and climate change; price volatility; residual fibre revenue; softwood lumber trade; and tax exposures. Unless otherwise indicated, the forward-looking statements in this release are based on the Company's expectations at the date of this release. Interfor undertakes no obligation to update such forward-looking information or statements, except as required by law.

ABOUT INTERFOR

Interfor is a growth-oriented forest products company with operations in Canada and the United States. The Company has annual lumber production capacity of approximately 5.2 billion board feet and offers a diverse line of lumber products to customers around the world. For more information about Interfor, visit our website at www.interfor.com.

The Company's 2023 audited consolidated financial statements and Management's Discussion and Analysis are available at www.sedarplus.ca and www.interfor.com.

There will be a conference call on Friday, February 9, 2024 at 8:00 a.m. (Pacific Time) hosted by **INTERFOR CORPORATION** for the purpose of reviewing the Company's release of its fourth quarter and fiscal 2023 financial results.

The dial-in number is **1-888-390-0546** or webcast URL: <https://app.webinar.net/LJ4AxwWxPRw>. The conference call will also be recorded for those unable to join in for the live discussion and will be available until March 9, 2024. The number to call is **1-888-390-0541, Passcode 857111#**.

For further information:

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