Universal Forest Products, Inc. Agrees to Acquire Composite Wood Manufacturing Facility

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GRAND RAPIDS, Mich., Sep 26, 2002 /PRNewswire-FirstCall via COMTEX/ -- Universal Forest Products (Nasdaq: UFPI) today announced an agreement with Quality Wood Treating Co. Inc. to acquire its facility in Prairie Du Chien, Wisconsin, which produces Everx® composite decking. In addition, Quality and UFPI have agreed to provide treated wood products from Quality's locations in the Midwest. Quality expects total sales in excess of $125 million for fiscal year 2002.

"We're excited about this expansion into composite wood manufacturing which, combined with our TechTrim™ manufacturing and vinyl products, fits perfectly with our goal of being a leader in the supply of alternative wood products in the United States," said William G. Currie, UFPI's vice chairman and chief executive officer. "While preserved wood continues to be the best selling product in the marketplace, many customers are willing to pay the premium for low maintenance alternative wood products, like Everx®.

Steve Welter, chief executive officer of Quality added, "The composite wood market for our Everx® product is expanding rapidly, and UFPI's resources will allow Everx® production to meet the demand. UFPI's national presence should allow for distribution throughout the US."

Currie described the wood preservation agreement with Quality as an opportunity for UFPI to expand its relationship with regional professional dealers and independent retailers, in addition to increasing its ability to service the major national D-I-Y chains. "We believe the treating industry will be consolidating over the next few years, and we intend to stay ahead of the curve. This agreement enables us to provide a variety of treated products and alternative wood products to our customers in an efficient and timely manner, while increasing our market share," said Currie.

Welter concurred, stating, "As an independent treater it is becoming increasingly difficult to meet the demands of our customers in a cost effective way. By teaming up with UFPI, we can focus on producing a quality product, while relying on UFPI's strengths in procurement, marketing, sales and customer service."

The transaction is expected to close following normal due diligence and Board approval.

Information on the Everx® product is available on the Internet at www.everxdeck.com .

Hi-resolution digital photographs of Everx® can be downloaded at www.ufpi.com/newsroom/imagelib.htm .

Universal Forest Products markets, manufactures, and engineers products for D-I-Y retail home centers, structural lumber products for the manufactured housing industry, engineered wood components for the site-built construction market and specialty wood packaging for various industries. For information about Universal Forest Products on the Internet, please contact the Company's web site at www.ufpi.com , or call 888-Buy-UFPI.

Included in this report are certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements are based on the beliefs of the Company's management as well as on assumptions made by and information currently available to the Company at the time such statements were made. Actual results could differ materially from those included in such forward-looking statements. Investors are cautioned that all forward-looking statements involve risks and uncertainty. Among the factors that could cause actual results to differ materially are the following: Adverse lumber market trends, competitive activity, negative economic trends, government regulations, and weather. These risk factors and additional information are included in the Company's reports on Form 10K and 10Q on file with the Securities and Exchange Commission.

SOURCE Universal Forest Products

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