



Universal Forest Products Acquires Certain Assets of Banks Lumber

November 15, 2006

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GRAND RAPIDS, Mich.--(BUSINESS WIRE)--Nov. 15, 2006--Universal Forest Products, Inc. (Nasdaq:UFPI) today announced that wholly owned subsidiaries of the company have agreed to acquire certain assets of the Banks Lumber division of Banks Corporation, a major manufacturer of roof trusses and cut-to-size structural lumber for manufactured housing and recreational vehicle (RV) manufacturers nationwide. Banks Lumber had 2005 sales of approximately \$147 million and, next to Universal, is considered one of the most significant suppliers to the manufactured housing market.

The purchase price of approximately \$47 million includes certain real estate, equipment and inventory, as well as intangible assets. The purchase was approved by Universal's Board of Directors today and is expected to close on Fri., Nov. 17, 2006.

The acquisition moves Universal toward its goal of growing to \$4 billion in sales by 2010 as part of its "GO (Growth and Opportunity) 2010" growth plan announced last month, and further enhances Universal's leadership position in the truss market.

The acquisition also opens the RV market to Universal, a market in which Universal has limited sales and sees long-term opportunities for growth. Universal intends to dedicate one of its Indiana area facilities solely to the RV market in early 2007 to grow that business.

"Because the manufactured housing industry has been soft in the past several years and likely will remain that way in the short-term, it's difficult for suppliers to achieve the best operating efficiencies," said Michael B. Glenn, Universal President and CEO. "This combination ensures that this industry will have a strong, efficient supplier to support manufacturers today, and to grow with them as the market rebounds in the coming years."

"This transaction is also a strong, early move toward our growth goals and allows us to strengthen our position as the leading supplier to each of our markets," he added. "In addition, Banks is a strong fit for Universal's culture, operations, and strategic direction. Our companies have mutual respect and we look forward to adding the good people and operations of Banks to the Universal family."

Universal will operate out of Banks facilities in Elkhart, IN; Auburndale, FL; Morristown, TN, and Hillsboro, TX. Several key executives will join Universal.

Banks Corp. began in 1927 as a lumber company. In 1950, it was purchased by Glenn L. Banks, who sold to William P. Banks & John K. Banks in 1988. Banks manufactures and distributes roof trusses, dimensional lumber, and engineered wood products to the nation's leading manufactured home producers and to RV manufacturers. It also manufactures some industrial products. The company employs approximately 400 people.

"We have worked in the same arenas as Universal for decades now, and we've grown to know them as a strong competitor, manufacturer, and company," said William P. Banks, Sr., Chairman and CEO of Banks Lumber. "We're pleased to have the chance to join forces to ensure the long-term delivery of quality products and service to customers with whom we've built relationships and success since our inception."

Universal Forest Products markets, manufactures and engineers wood and wood-alternative 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. The Company also provides framing services for the site-built industry. Universal has approximately 10,000 employees who work in more than 100 locations across North America. Sales for 2005 were nearly \$2.7 billion. For information about Universal, please visit the Company's web site at www.ufpi.com, or call 888-Buy-UFPI.

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