



Universal Forest Products, Inc.: UFPI announces successful issuance of long-term debt and new acquisition agreement

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News release

-----AT THE COMPANY-----

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Universal Forest Products

FOR IMMEDIATE RELEASE

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UFPI announces successful issuance of long-term debt and new acquisition agreement

--Loan proceeds totaling \$75 million to be used to refinance existing notes; provide expansionary and general business capital--

--Purchase of Minn.-based Custom Caseworks expands industrial capabilities--

GRAND RAPIDS, Mich., Dec. 17, 2012 - Universal Forest Products, Inc. (NASDAQ: UFPI) today announced that it has successfully negotiated loan agreements with Prudential Investment Management, Inc. totaling \$75 million, which will be used to refinance \$40 million of existing notes and for expansionary capital, including the acquisition of Custom Caseworks, Inc., a manufacturer of commercial casework, fixtures and related products.

"These are exciting times for the companies of Universal. With these successful transactions, we've added yet another thriving company to our business portfolio, and we're armed with the capital necessary to continue to grow our company and our opportunity," said CEO Matthew J. Missad.

The notes negotiated with Prudential include unsecured ten-year Series A Senior Notes at 3.89 percent interest totaling \$35 million, and unsecured 12-year Series B Senior Notes at 3.98 percent interest totaling \$40 million. Proceeds from the issuance of the notes will be used by the Company to refinance its existing Series 2002-A Senior Notes totaling \$40 million, which carried a 6.16 percent interest rate, and for general corporate purposes.

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The notes allow the Company to, among other things, pay down its revolving credit line used for the November 2012 purchase of Washington-based Nepa Pallet and Container Co., and provide capital for the pending purchase of Custom Caseworks, Inc., which is expected to close no later than December 31, 2012.

"Our Chief Financial Officer Mike Cole and our finance team did a great job putting this credit facility together," Missad said. "Thanks to their efforts we have locked in long-term debt at very favorable rates."

Founded in 1994 and located in Sauk Rapids, Minn., Custom Caseworks is a manufacturer of point-of-purchase and commercial store fixtures, commercial casework and office furniture, laminated and painted wood panels, and OEM-manufactured and private label products. Its products and processes are strong complements to Universal's growing industrial products and customer base. Custom Caseworks has annual sales of nearly \$7 million, and recently added capacity for future growth.

The addition of Custom Caseworks furthers Universal's strategic objective to expand into new, value-added product lines for the industrial market, and adds capabilities to Universal's offerings.

"We are excited to have the opportunity to add Custom Caseworks to the Universal family of companies," Missad said. "John Lindholm (Custom Caseworks President and CEO) has grown an impressive company and team, and we're honored to bring them into the Universal fold and to work together to create new opportunities and achieve great success based on our synergies."

UNIVERSAL FOREST PRODUCTS, INC.

Universal Forest Products, Inc. is a holding company that provides capital, management and administrative resources to subsidiaries that design, manufacture and market wood and wood-alternative products for DIY/retail home centers and other retailers, structural lumber products for the manufactured housing industry, engineered wood components for residential and commercial construction, specialty wood packaging and components for various industries, and forming products for concrete

construction. The Company's consumer products subsidiary offers a large portfolio of outdoor living products, including wood composite decking, decorative balusters, post caps and plastic lattice. Its lawn and garden group offers an array of products, such as trellises and arches, to retailers nationwide. Universal's subsidiaries also provide framing services for the site-built construction market. Founded in 1955, Universal Forest Products is headquartered in Grand Rapids, Mich., with operations throughout North America. For more about Universal Forest Products, go to www.ufpi.com.

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This press release contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act, as amended, that are based on management's beliefs, assumptions, current expectations, estimates and projections about the markets we serve, the economy and the Company itself. Words like "anticipates," "believes," "confident," "estimates," "expects," "forecasts," "likely," "plans," "projects," "should," variations of such words, and similar expressions identify such forward-looking statements. These statements do not guarantee future performance and involve certain risks, uncertainties and assumptions that are difficult to predict with regard to timing, extent, likelihood and degree of occurrence. The Company does not undertake to update forward-looking statements to reflect facts, circumstances, events, or assumptions that occur after the date the forward-looking statements are 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 from forward-looking statements are the following: fluctuations in the price of lumber; adverse or unusual weather conditions; adverse conditions in the markets we serve; government regulations, particularly involving environmental and safety regulations; and our ability to make successful business acquisitions. Certain of these risk factors as well as other risk factors and additional information are included in the Company's reports on Form 10-K and 10-Q on file with the Securities and Exchange Commission.

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