

Our Business industrial-business-unit

Masisa's core business is the manufacturing and commercialization of particle and fiber wood boards.

Forestry and Placacentro Network strategy's units, are keys to guarantee the success of the core business.

The Industrial Business Unit's strategy is to generate value in the production and marketing of wood boards for furniture and interior architecture in Latin America, while seeking brand differentiation and sound customer trust.

Its main products are: medium density fiberboard (MDF), medium density particleboard (MDP), particleboard (PB) and melamine boards. It also markets other complementary products like sawn lumber, solid wood doors and moldings.

We have 12 industrial board complexes in Chile, Argentina, Brazil, Venezuela and Mexico, and all of them have ISO 9.001, ISO 14.001 and OHSAS 18.001 certification. Moreover, all Masisa's wood boards are produced in accordance with the European E-1 standard, guaranteeing the lowest formaldehyde emissions.

The Industrial Business Unit has an installed production capacity of 3,253,000 m³ of wood boards a year, and a capacity of 1,274,050 m³ of melamine- and film-coated boards a year. It also has a total sawn lumber capacity of 487,000 m³ a year, 198,000 m³ of pre-painted MDF moldings and solid wood doors.

The Industrial Business Unit also has a specialized distribution channel of Placacentro Masisa, with 316 retail stores in Latin America as of 2010.

Product Mix

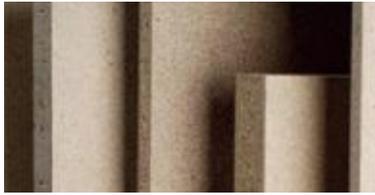
We have a broad product mix for the furniture and interior architecture industries, which is manufactured according to stringent quality controls and high environmental and social standards.

MDP (Medium Density Particleboard)



These are wood boards that are ideal for the production of quality furniture, straight lines or organic shapes. Their advantages are their homogeneousness, resistance, dimensional stability and density, and they are ideal for new uses in printing, painting and coating processes. This product is sold raw or coated.

PB (Particleboard)



These are boards manufactured with chips, wood shavings and sawdust, and they are resistant and light. They are used in furniture making, mainly in those applications where a flat finish is required. Masisa produces particleboards of different characteristics, formats and thicknesses, which are marketed as raw, or film- or melamine-coated boards.

MDF (Medium Density Fiberboard)



These are wood fiber boards. Their main features are the excellent finishes that are achieved, lower wear and tear of tools and large savings on paint compared to other types of wood boards. Masisa manufactures MDF of different characteristics, formats and thicknesses, which are marketed as raw or coated boards.

Melamine Boards



These are PB, MDP or MDF coated on both sides with decorated sheets impregnated with melamine resins, which gives them a totally closed pore-free surface, which is hard and resistant to surface wear and tear. These boards have a wide range of colors and textures and offer the market the best variety of designs, wood and colors.

Moldings



MDF moldings are sold in different profiles and thicknesses. They are mainly used for finishes in wall-floor, wall-ceiling combinations, and in frames.

Sawn Lumber



We produce dry sawn lumber, which is marketed in various thicknesses and lengths. It is mainly used to make packaging and pallets for furniture making and construction.

Solid Wood Doors



These are pine doors made in different designs, formats and sizes, which are used as main entrance doors, in interior hallways and for closets.

Investment projects in 2011

The investment projects approved by Masisa's Board of Directors aim to make the Company more profitable, adapting capacity to expected demand and raising production efficiency, and in turn assuring the most effective control of the operating impacts on health, safety and the environment.

MDP Mill - Cabrero, Chile

In the second half of 2011, an MDP mill was inaugurated at Cabrero with a production capacity of 280,000 m³ of MDP a year, which in late 2011 was in the final testing and start-up stages.

The Company invested about US\$59 million in this mill, which was completed with an excellent construction and safety rate performance, with virtually one million man-hours without any work accidents.

This investment will provide a top quality product and production cost savings.

Co-Generation plant - Cabrero, Chile

Masisa Ecoenergía started up on January 9, 2011 at an own investment of US\$3.7 million.

This plant will generate up to 68,000 MWh a year, partly offsetting the sharp energy price fluctuations in Chile. The investment made by Dalkia under a building, operation and transfer (BOT) contract signed with Masisa amounted to US\$22 million. The plant's peak net power rating is 10 MW. The co-generation plant also provides the steam needed for the drying process of the sawn lumber business. It is estimated that 200,000 tons of steam a year are needed for the drying process.

Impregnation Line - Ponta Grossa, Brazil

This was built in 2011 with start-up scheduled for the first quarter of 2012. At an investment of about US\$7.5 million, this line will generate 50 million m² of impregnated paper a year. It will provide major cost savings as the Company will no longer have to buy impregnated paper from third parties.

Barking line and energy plant - Ponta Grossa, Brazil

These projects were carried out in 2011 and started up in August of that same year. At an investment of US\$10 million, the aim of the barking line is to reduce fiber supply costs and the energy plant will replace gas with the biomass and thereby reduce energy costs.

Wesp - Montenegro, Brazil

A wet electrostatic precipitator (WESP) was installed in 2011 to reduce the emission of particulate matter and blue gases from the MDP mill. This device will be operative by the end of the first quarter of 2012 and entailed an investment of US\$4 million.

Melamine Line - Ponta Grossa, Brazil

The melamine line project for Ponta Grossa was approved in late 2011. At an investment of US\$11.2 million, this will boost the melamine coating capacity by 140,000 m³. This project should be completed by late 2012.