



Universal Forest Products®



WE ARE UNIVERSAL

Universal Forest Products, Inc.

A national supplier to four key markets:

D-I-Y / Retail



Site-Built Construction



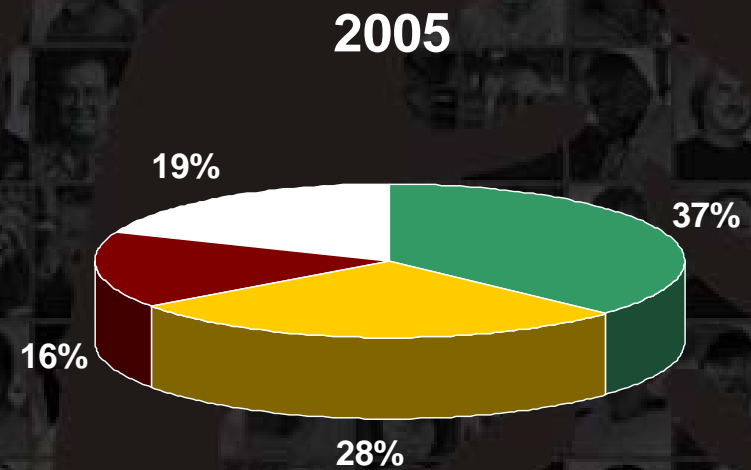
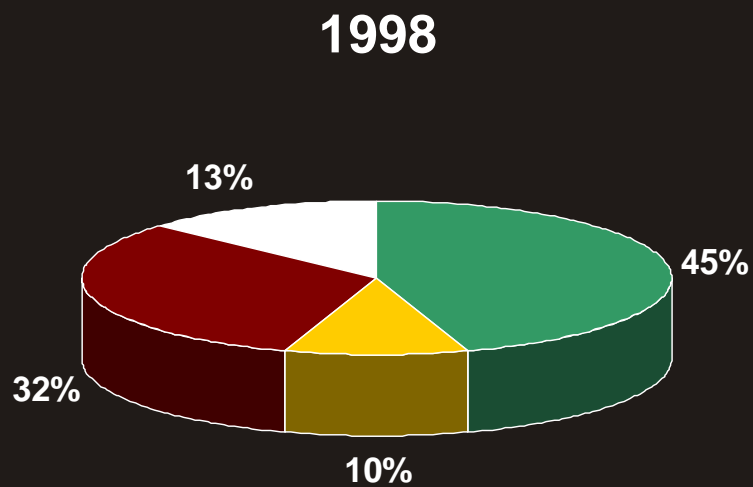
Industrial



Manufactured Housing



Balanced Business Model



■ D-I-Y / Retail ■ Site-Built Construction ■ Industrial ■ Manufactured Housing

These cyclical, non-cyclical and counter cyclical markets allow Universal to achieve balance

UFPI's Whole Log Purchasing Model

We use:

- Appearance grade for exterior applications (D-I-Y/Retail)
- Stronger tensile grades for engineered components (Site-Built Construction)
- Standard grades for trusses and framing lumber (MH and Site-Built Construction)
- Lower grades and our own downfall for industrial products (Industrial)



Universal is:

- A Midwest company with a strong work ethic.
- An employer of choice that challenges and nurtures employees, treats them fairly, and demands – and gets – excellence.
- 51 years old and 9,500 people strong.
- A company that values hard work, loyalty, integrity, and an entrepreneurial spirit.



Universal's Management Team

Operations Committee	Title	Years of Service
William G. Currie	CEO & Vice Chairman	35
Michael B. Glenn	President & COO	32
C. Scott Greene	President, Eastern Division	15
Robert K. Hill	President, Western Division	20
Matthew J. Missad	Executive Vice President and Secretary	20
Michael R. Cole	Chief Financial Officer and Treasurer	12
Robert D. Coleman	Executive VP Manufacturing	27

Universal's Management Team

Officers	Title	Years of Service
Kent A. Bathurst	Vice President Installed Sales	9
Scott W. Conklin	Vice President Wood Preservation	12
Richard E. Gauthier	Vice President Marketing	21
Robert A. Hendricks	Vice President Legal Services	10
Douglas P. Honholt	Vice President Industrial Sales	34
Ronald G. Klyn	Chief Information Officer	12
Eric S. Maxey	Vice President Business Development	24
Scott T. Bravata	Vice President Accounting	18
James A. Overbeek	Vice President Corporate Services	21
David H. Phelps	Exec. VP Purchasing UFP Eastern Div.	16
Michael F. Mordell	Exec. VP Purchasing UFP Western Div.	12
Joseph F. Granger	Vice President Southeast Region	18
Peter R. Boven	Vice President Operations, Southeast region	26

Universal's Management Team

	Title	Years of Service
Robert W. Lees	Vice President Northeast Region	28
Richard L. McBride	Vice Pres. Great Lakes Region (core plants)	21
Brian K. Ellenberger	Vice Pres. Great Lakes Region (site-built)	8
Darren J. Bennett	Vice Pres. Operations Western Great Lakes	12
C. Lee Denham	Vice Pres. Operations Southeast Region	26
Kevin J. O'Neill	Vice President Home Depot Business Development Unit	27
Claude J. Parent	Vice President Purchasing Eastern Div.	26
Lee W. Currie	Vice President West Central	28
Donald L. James	Vice President Atlantic Region	8
Michael R. Dube	Vice President Operations Southwest Region	13
Eric M. James	Vice President Operations Southwest Region	20
Richard M. Frazier	Vice President Southwest Region	21
Patrick M. Webster	Vice President Far West Region	20

Universal's Culture

Stock Ownership

- Minimum ownership guidelines for managers and above
- Stock note financing for non-Section 16 officers
- Deferred compensation and employee stock purchase plans

Management Structure

- Plants operate as individual profit centers
- Develops strong people
- Extremely low senior management turnover

Compensation

- Compensation structure heavily weighted to bonus tied to profits and ROI hurdle for all salaried personnel

**Result: Managers act
as owners**

WE ARE UNIVERSAL

Strategically Located Facilities

Universal Forest Products
has facilities throughout
North America.

UFPI and Do-It-Yourself/Retail

- Universal supplies to big-box as well as independent and small retailers.



UFPI and The Home Depot

Long-standing relationship with Depot is difficult to duplicate.



- UFPI delivered Depot its first truckload of treated lumber in 1979
- Scale of business (we supply them with 50% of their needs of the SKUs we produce)
- UFPI Home Depot Business Unit
- UMPS (on-site staff; customer clinics)
- E-business partnership
- Extensive marketing support
- J-I-T delivery

Universal Consumer Products, Inc.

Universal Consumer Products, Inc.

- Wholly owned subsidiary introduced in October 2005.
- Created to develop new distribution networks for the company's growing portfolio of consumer products and to identify and develop additional products to offer to consumers worldwide.
- Will include all the following retail products:

D-I-Y/Retail



Latitudes® Decking and Railing

- Premier decking product
- Low-maintenance
- Offers the beauty of wood without the drawbacks
- Marketing focuses on independent retailers and the consumer

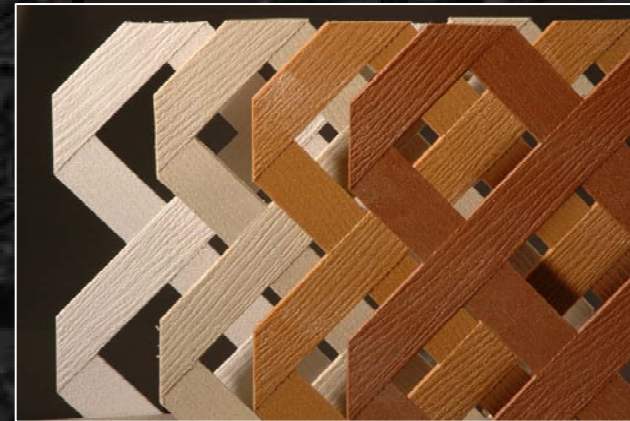


D-I-Y/Retail



Enduring Products. Enduring Beauty.

- Universal manufactures Home Depot's composite product line, Veranda™. It includes:
 - Veranda™ Decking and Railing
 - Veranda™ Plastic Lattice



D-I-Y/Retail

TechTrim™

- A polymer trim board that looks, feels, cuts, nails, and screws like real wood.

TechTrim™



D-I-Y/Retail

eon® plastic decking and railing products

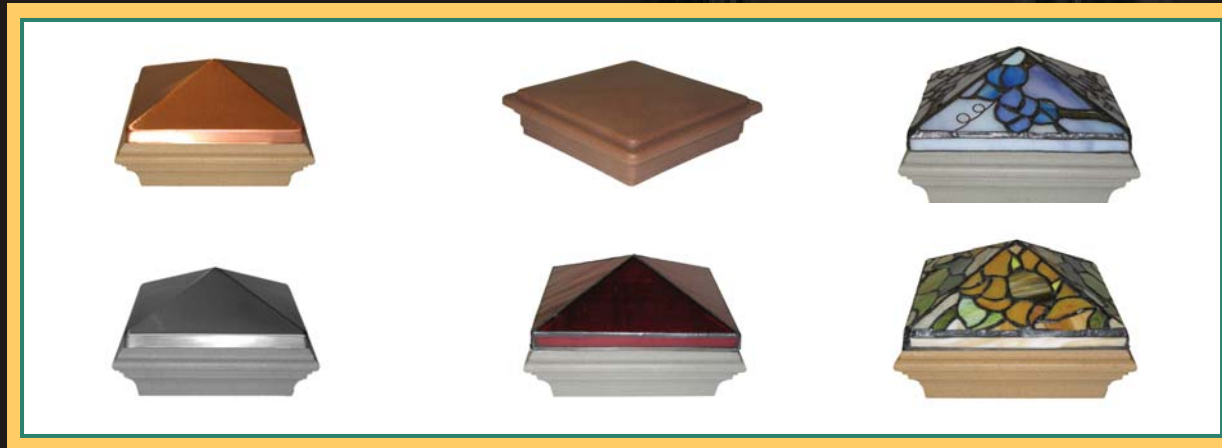
- 100% plastic product that includes deck boards, cladding, a wing clip fastening system, and a fast and easy-to-install railing system.

The logo for eON, featuring the lowercase letter 'e' followed by 'ON' in a bold, sans-serif font, with a registered trademark symbol (®) to the upper right.

D-I-Y/Retail

Maine Ornamental Decorative Post Caps

- An extensive variety of decorative caps used on decking and fencing posts in copper, brass, glass and wood



D-I-Y/Retail

DecKorators™ Decorative Balusters

- Aluminum balusters of various designs:
 - scenic tempered safety glass balusters
 - connecting products
 - accessories like caps and finials for deck posts



D-I-Y Growth Opportunities

Growth Drivers

- There are approximately 123 million housing units in the USA. 83% of these are 25+ years old and need remodeling and improvements
- Consolidation: desire for national supplier
- Mature industry looking for new products (like Latitudes[®] and TechTrim[™])
- Spending on home improvement products is expected to increase to \$304.8 billion in 2006 (4.6% increase over 2005)

83% of housing units
need remodeling



Sources: Harvard University's Joint Center for Housing Studies and the Home Improvement Research Institute, U.S. Census Bureau

UFPI and Site-Built Construction



- Entered the site-built market in 1997. Today, we're the leading national supplier to the industry's largest, most respected homebuilders.



UFPI and Site-Built Construction

Roof and Floor Trusses

A supplier of value-added products to the site-built market:

Roof Trusses

- Reduce the “variables” of building
- Designed according to your specifications
- Save valuable time

Plated Floor Trusses

- Capable of carrying heavy loads and spanning long distances
- Open-web design



UFPI and Site-Built Construction

Wall Panels

- Wall Panels
 - Get the job done faster
 - Reduce labor needs and costs
 - Less waste
 - Less chance of theft
 - Enhance flexibility
 - Allow for accurate budgeting



UFPI and Site-Built Construction

I-Joists

- I-joists
 - Several brands, profiles, and depths
 - Strong, straight, and better quality than dimensional lumber
 - Lightweight
 - Less waste during installation
 - Accepted by all major building codes
 - Manufactured to exact specifications



UFPI and Site-Built Construction

Open Joist 2000®

- Open Joist 2000®
 - Open-web
 - Long-span capabilities
 - Superior strength
 - Trim-able
 - Finger joinery assembly and waterproof structural glue
 - Individually tested
 - Lifetime guarantee



Site Built Growth Opportunities

Growth Drivers

- More engineered wood components being used to save cost, reduce waste and on-site job theft, improve quality, and to answer shortage of skilled labor
- Consolidation of large multi-tract builders
- Desire for national supplier

Site Built Growth Opportunities

Large national builders looking for framing partners



- UFPI has framing operations in several markets
- Vertically integrated to supply our components to our framing operations

UFPI and Industrial



- Leading national supplier in this fragmented industry
- Strong utilization opportunity for the company's TechTrim™ and composite materials
- Supply to growing list of customers (added 1,000 industrial customers in 2005)

UFPI and Industrial

70% packaging; 30% industrial products such as:

- Crates and Boxes
- Pallets and Skids



UFPI and Industrial

70% packaging; 30% industrial products such as:

- Door Components
- Cut and Grooved Stock
- Agricultural Boxes



Industrial Growth Opportunities

Growth Drivers

- Integrated, highly motivated sales organization (ISAT)
- Use of by-product lumber drives margins
 - Creative use of waste (although not all industrial products are created from low-grade material)
- Fragmented competition
- Cost advantage through purchasing strategy and manufacturing expertise

Industrial Growth Opportunities

- Minimal infrastructure required
 - Growth through existing facilities (organic)
 - Low investment/high return
- UFPI provides engineering and production expertise in a field that's not accustomed to either and is asking for both.

UFPI and Manufactured Housing

Universal was incorporated in 1955 as a supplier to this market. Today we're the key supplier to the nation's leading manufacturers.



UFPI and Manufactured Housing

Universal has developed new products that are providing opportunities for manufacturers to improve and customize their homes.



Manufactured Housing

Universal has developed new products that are providing opportunities for manufacturers to improve and customize their homes, such as:

Pop-Up Dormers

- Allows manufacturers to “pop up” pre-assembled dormers on the job site.



UFPI and Manufactured Housing

Double Hinge Plate

- Allows a manufacturer to finish the peak of a roof in the plant instead of on-site (the roof peak unfolds with the DHP plate). It also can allow for a larger overhang, giving the home a more customized look

DHPTM
Double Hinge Plate



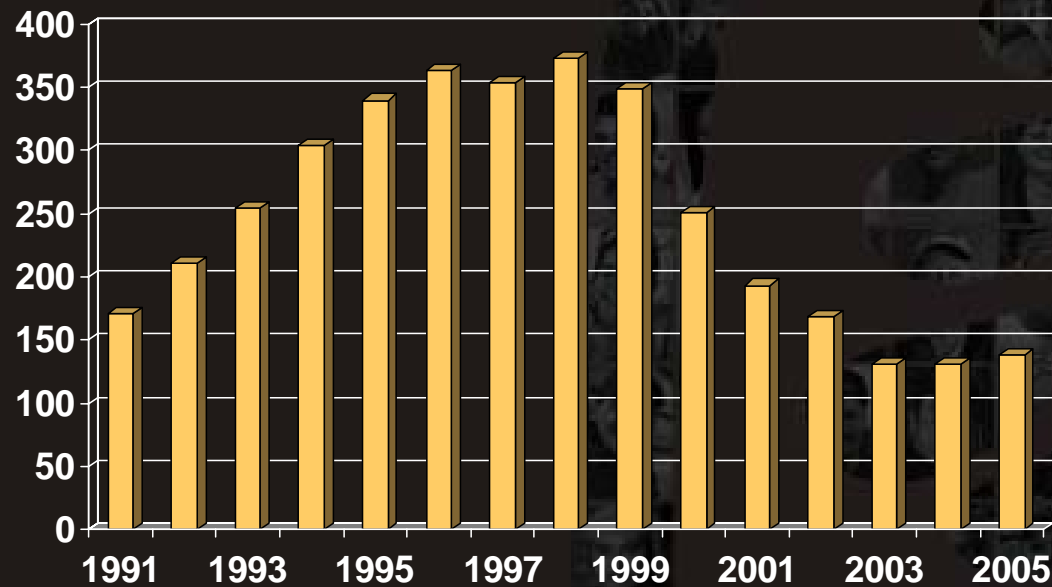
UFPI and Manufactured Housing

- We also offer cut-to-order structural lumber components



MH Growth Opportunities

- UFPI has increased its focus on the modular market.
- UFPI has proprietary products that are gaining demand.
- The industry's rate of decline has leveled off; UFPI is well-positioned to serve strengthening market.



MH shipments in thousands of units.

Universal Performance

- UFPI hit goals in its five-year plan two years early. The plan called for the company to hit these targets by 2007:
 - Grow sales by more than \$1 billion
 - Increase working capital efficiency by 10%
 - Increase pre-bonus ROI by 33%
 - UFPI achieved its sales and pre-bonus ROI goals two years early and is on pace to achieve its working capital goal.

Acquisitions

- Our growth is generally planned to be 50% organic and 50% acquisition.
- Acquisition criteria include:
 - Strategic business and geographic fit
 - Strong management team that will stay to operate business
 - Target purchase price of 4.0 to 6.0 x average trailing EBIT
 - Targets: Treating consolidation, new products/ services, engineered wood components, framing, and specialty packaging



Universal Forest Products, Inc.



Financial Strength

2005 Results

In thousands, except per share data.

Financial Highlights	Twelve Months		
	2005	2004	% Change
YTD Net Sales	\$2,691.5 m	\$2,453.3 m	+ 9.7
YTD Net Earnings	\$67,373	\$48,603	+ 38.6
YTD Diluted Earnings	\$3.53	\$2.59	+ 36.3

Sales by Market – 2005



Market	% Change
Do-it-Yourself / Retail	+1.3%
Site-Built Construction	+17.9%
Manufactured Housing	+13.6%
Industrial	+13.3%
Total	+9.7%

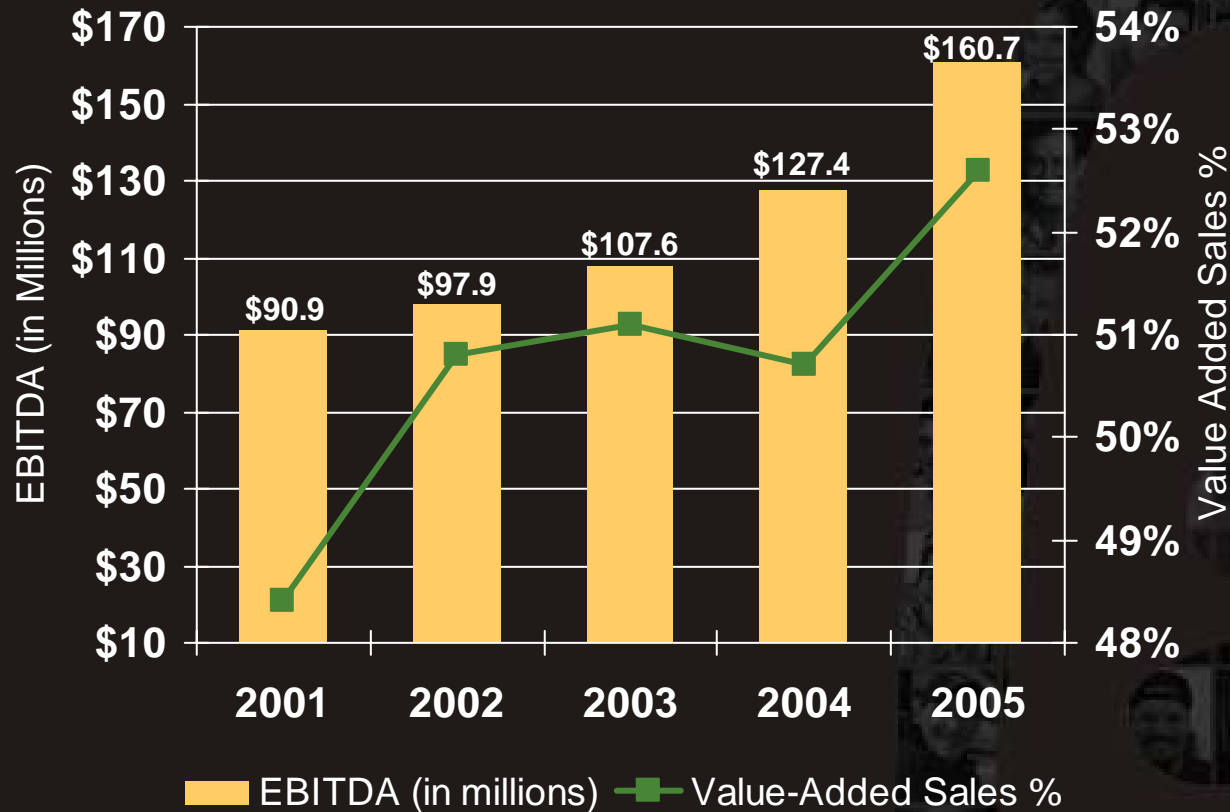
Sales Growth

Unit Sales CAGR

1 yr.	8%
5 yr.	11%



EBITDA Growth

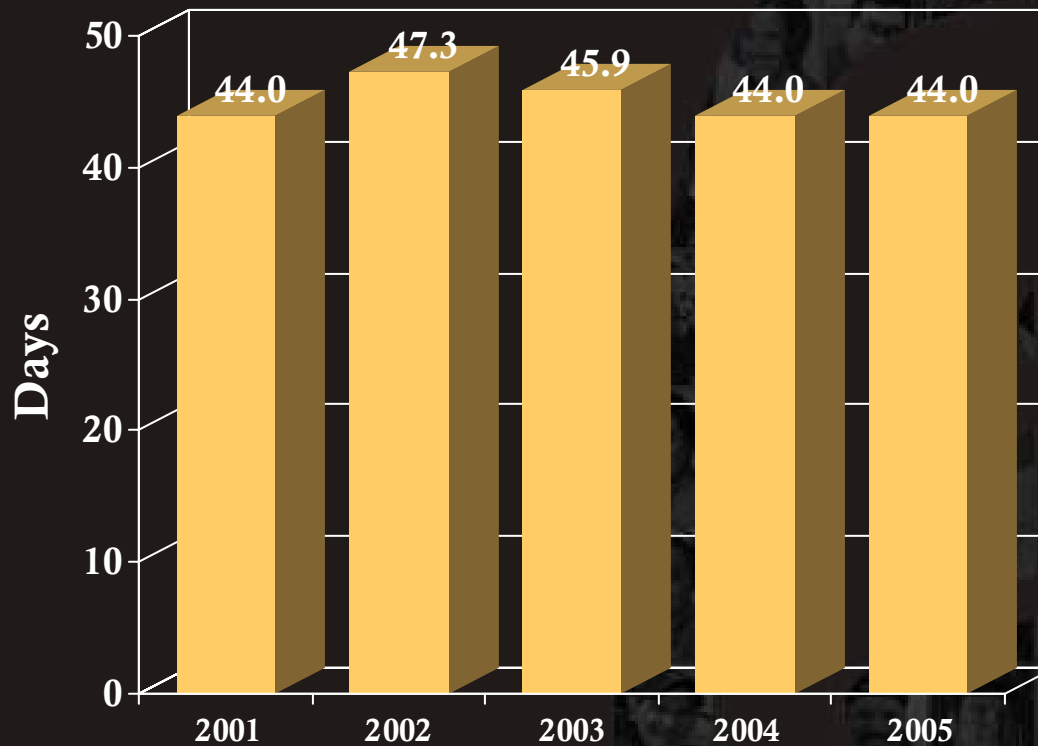


EBITDA CAGR

1 yr.	26.2%
5 yr.	13.7%

Note: Please see the company's website at www.ufpi.com for reconciliation to related GAAP measurement.

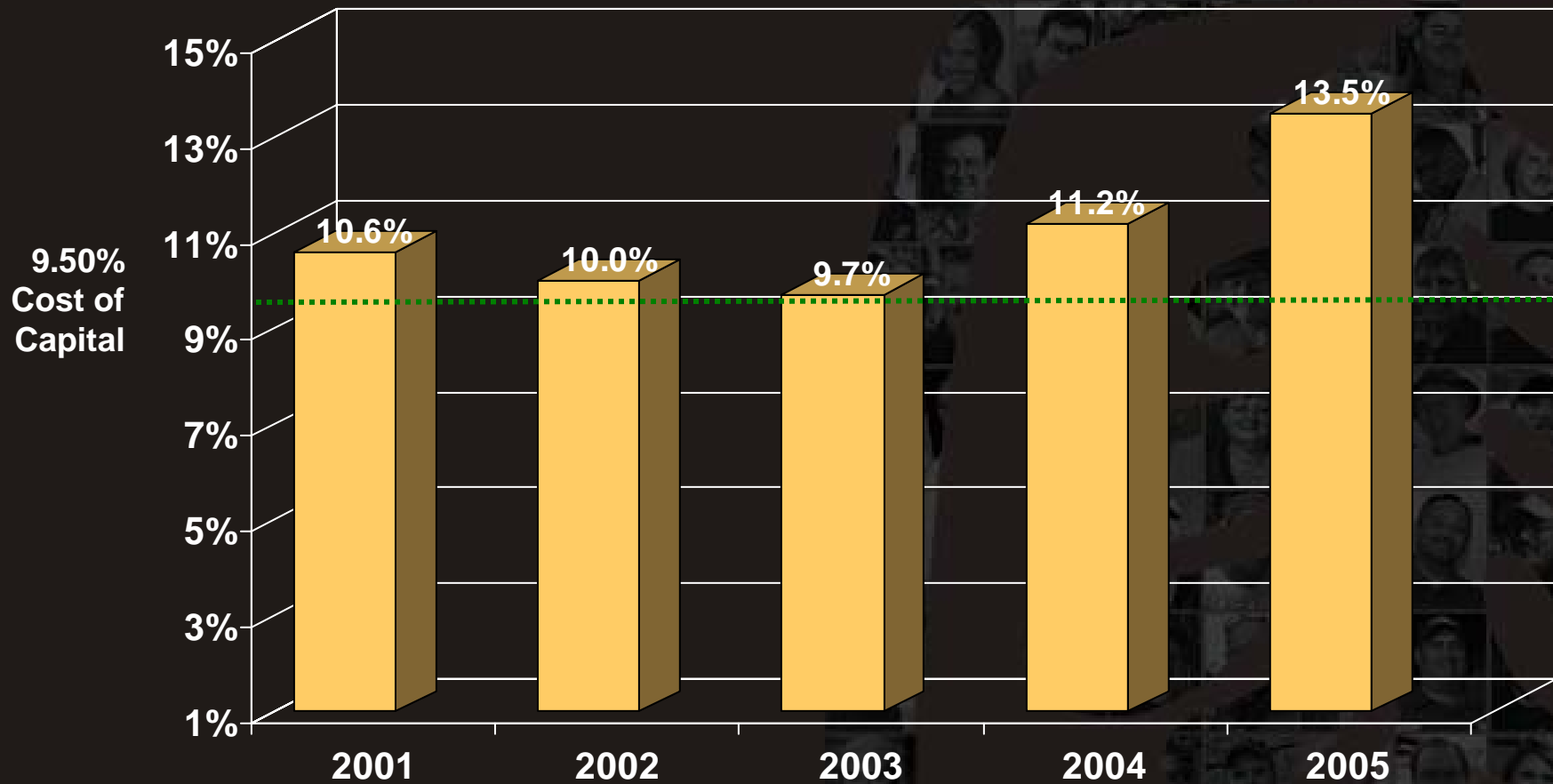
Cash Cycle



NOTE: Cash cycle = Days Receivables Outstanding (including the effect of our sale of receivables program) + Days Supply of Inventory - Days Payables Outstanding

Return on Capital

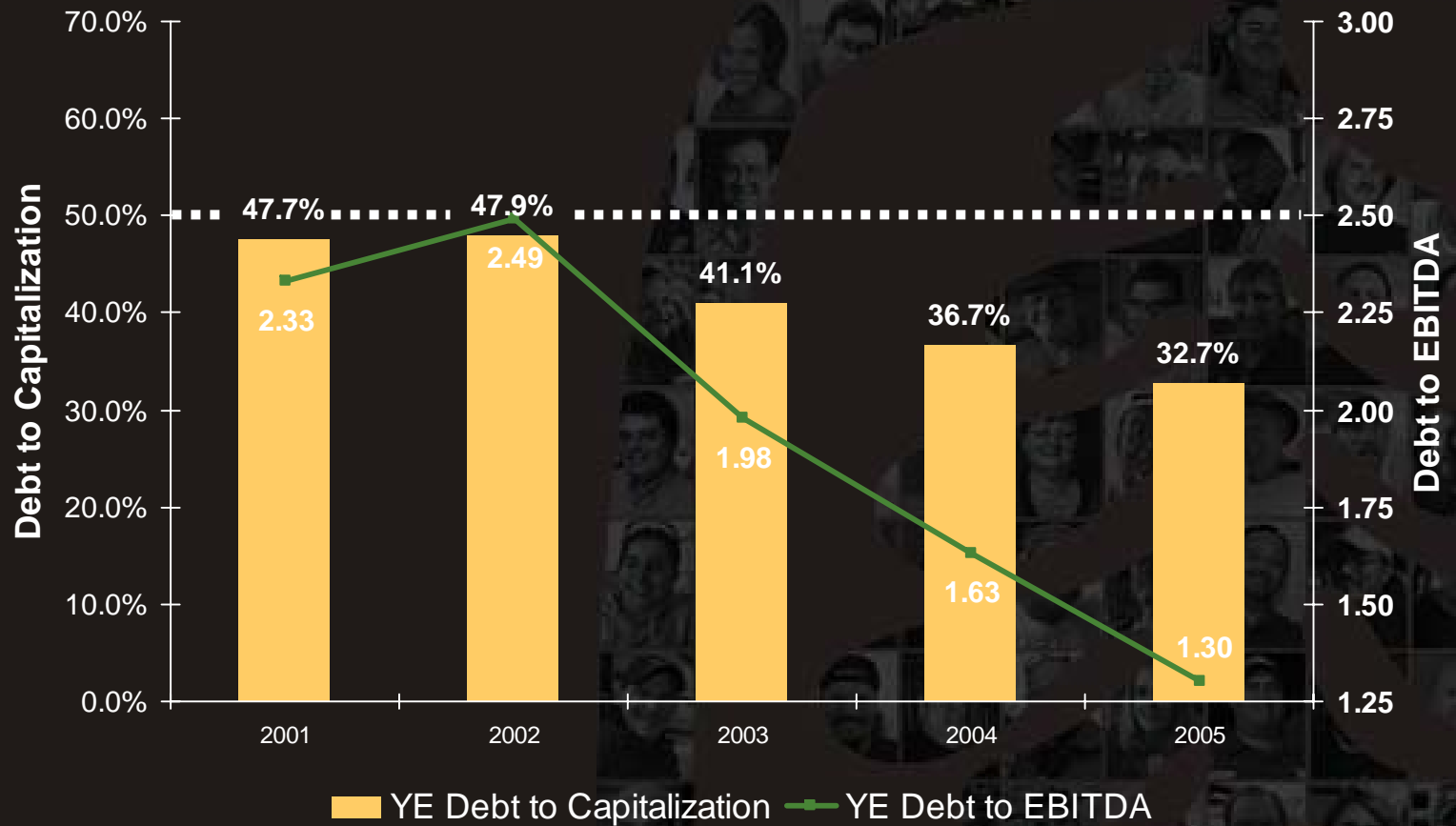
Hurdle Rate = 12%



Note: Please see the company's website at www.ufpi.com for reconciliation to related GAAP measurement.

Capital Structure

Maximum
= 50%



UFPI spells opportunity

Summary

- Universal achieves strategic balance through cyclical, counter-cyclical, and non-cyclical markets
- Consolidation among customers has created a need for national suppliers and producers: UFPI's competitive advantage



UFPI spells opportunity

Summary

- Growing demand for value-added products and EWP enhances profitability because of higher margins generated by these products
- UFPI is flexible; can shift production and sales focus to high demand markets
- UFPI has tremendous purchasing power



UFPI spells opportunity

Summary

- Track record of setting and achieving goals
- Strong and growing market share
- Strong culture
- Well-trained workforce and strong management team

