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Stella-Jones Acquires The Burke-Parsons-Bowlby Corporation and Adds Five U.S. Production Facilities to its Wood Treating Network

MONTREAL, QUEBEC--(Marketwire - April 1, 2008) - Stella-Jones Inc. (TSX:SJ) announced today that it has completed the acquisition of The Burke-Parsons-Bowlby Corporation ("BPB"), a producer of treated wood products primarily for the railroad industry. The acquisition has been structured as a merger between a U.S.-based wholly-owned subsidiary of Stella-Jones, and BPB. This acquisition, the largest in Stella-Jones' history, includes all five of BPB's treating plants located in DuBois, Pennsylvania; Goshen, Virginia; Spencer, West Virginia; and Stanton and Fulton, Kentucky, and expands Stella-Jones' North American wood treating infrastructure to 15 facilities, seven of which are now located in the United States.

The purchase price totalled approximately US\$33.0 million, which is being paid to existing stockholders of BPB through the conversion of each outstanding share of common stock of BPB into the right to receive US\$47.78 in cash, plus an additional payment equal to BPB's audited net income for its fiscal year ending March 31, 2008, less any distributions to shareholders during that period. The parties have placed US\$3.0 million in escrow until the additional payment amount has been determined. Stella-Jones is also assuming BPB's liabilities of approximately US\$34.0 million as at December 31, 2007, making the total transaction value approximately US\$70.0 million. Financing for the transaction has been secured through existing and additional debt facilities.

Additionally, three former executive officers of BPB have entered into non-competition agreements with Stella-Jones for a six-year period following the merger, in return for an annual non-competition fee of US\$416,667 per individual.

BPB, which began operations in 1955, had sales of approximately US\$100 million for the twelve-month period ended December 31, 2007.

"This strategic acquisition will establish Stella-Jones as the second largest player in the North American railway tie market," said Brian McManus, President and Chief Executive Officer of Stella-Jones. "This transaction is in keeping with our stated objective of purchasing businesses only in our core market categories and will be immediately accretive to earnings."

ABOUT STELLA-JONES

Stella-Jones Inc. (TSX:SJ) is a leading North American producer and marketer of industrial treated wood products, specializing in the production of pressure treated railway ties, as well as wood poles supplied to electrical utilities and telecommunications companies. Other principal products include marine and foundation pilings, construction timbers, highway guardrail posts and treated wood for bridges. The Company also provides treated consumer lumber products and customized services to lumber retailers and wholesalers for outdoor applications. The Company's common shares are listed on the Toronto Stock Exchange.

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Except for historical information provided herein, this press release may contain information and statements of a forward-looking nature concerning the future performance of the Company. These statements are based on suppositions and uncertainties as well as on management's best possible evaluation of future events. Such factors may include, without excluding other considerations, fluctuations in quarterly results, evolution in customer demand for the Company's products and services, the impact of price pressures exerted by competitors, and general market trends or economic changes. As a result, readers are advised that actual results may differ from expected results.

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