



January 07, 2008 08:00 ET

Stella-Jones Enters Into Letter of Intent to Acquire the Burke-Parsons-Bowlby Corporation

MONTREAL, QUEBEC--(Marketwire - Jan. 7, 2008) - Stella-Jones Inc. (TSX:SJ) today announced that it has entered into a letter of intent to acquire The Burke-Parsons-Bowlby Corporation ("BPB"). The acquisition is expected to be structured as a merger between a US-based wholly-owned subsidiary of Stella-Jones, and BPB. The letter of intent contemplates a total purchase price of US \$33 Million, to be paid through the conversion of each outstanding share of common stock of BPB into a right to receive approximately US \$47.78 per share in cash, subject to adjustment in certain circumstances.

The acquisition is subject to customary conditions, including entry into a definitive merger agreement, approval of BPB shareholders and the completion of satisfactory due diligence. It is anticipated that the proposed transaction, if finalized, would close by April 1, 2008 with the right of Stella-Jones to extend the closing date by two 30-day increments. It is expected that financing for the transaction will be secured through existing and additional debt facilities as well as the issuance of additional Stella-Jones securities.

BPB began operations in 1955 and is a producer of treated wood products, primarily for the railroad industry. BPB owns and operates five treating plants located in DuBois, Pennsylvania; Goshen, Virginia; Spencer, West Virginia; and Stanton and Fulton, Kentucky. For the fiscal year ended March 31, 2007, BPB had sales of US \$85 Million. BPB securities are listed on the NASDAQ OTC Bulletin Board.

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.

CONTACT INFORMATION

- Stella-Jones Inc.
George T. Labelle, C.A.
Senior Vice-President and Chief Financial Officer
514-934-8665
514-934-5327 (FAX)
glabelle@stella-jones.com