



**Source:** Stella-Jones Inc.

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## **Stella-Jones completes acquisition of the wood treating facilities of Boatright Railroad Products**

**Montréal, Québec – May 22, 2014** – Stella-Jones Inc. (TSX: SJ) today announced that it has completed the acquisition of the wood treating facilities of Boatright Railroad Products, Inc. located in Montevallo and Clanton, Alabama. These facilities manufacture, sell and distribute creosote and borate-treated cross-ties as well as switch ties, tie plugs and bridge timbers to railroads and railroad contractors. Sales for the 12-month period ended December 31, 2013 reached US\$73.5 million.

The purchase price was approximately US\$60.0 million, plus the sellers' inventory at closing, estimated at US\$9.0 million, subject to post-closing adjustments. Stella-Jones has financed the transaction through a combination of its existing committed revolving credit facility, which has been increased to \$450.0 million, and a five-year unsecured promissory note of US\$15.0 million. An amount of US\$20.0 million is being held in escrow pending the formal title transfer of the Montevallo assets, which shall occur concurrently with the issue to Stella-Jones, of certain governmental permits relating to the facility.

“The acquisition of these facilities further enhances our range of treated wood products and services to the North American railroad industry. We expect this transaction to yield synergies and to be immediately accretive to earnings, as we continue to optimize the overall efficiency of our continental network,” said Brian McManus, President and Chief Executive Officer of Stella-Jones.

### **ABOUT STELLA-JONES**

Stella-Jones Inc. (TSX: SJ) is a leading producer and marketer of pressure treated wood products. The Company supplies North America's railroad operators with railway ties and timbers, and the continent's electrical utilities and telecommunication companies with utility poles. Stella-Jones also provides residential lumber to retailers and wholesalers for outdoor applications, as well as industrial products for construction and marine applications. The Company's common shares are listed on the Toronto Stock Exchange.

Except for historical information provided herein, this press release contains information and statements of a forward-looking nature, including information relating to the Company's future earnings and to potential synergies resulting from the acquisition of Boatright Railroad Products, Inc. These statements are based on suppositions, risks and uncertainties as well as on management's best possible evaluation of future events. Such risks and uncertainties include, without excluding other considerations, failure to obtain permits from the relevant governmental authorities, fluctuations in quarterly results, evolution in customer demand for the Company's products and services, the impact of price pressures exerted by competitors, the ability of the Company to raise the capital required for acquisitions, and general market trends or economic changes. As a result, readers are advised that actual results may differ from expected results and should not place undue reliance on forward-looking information.

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**EXCHANGE LISTINGS**

The Toronto Stock Exchange  
Stock Symbol: SJ

**TRANSFER AGENT  
AND REGISTRAR**

Computershare Investor Services Inc.

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