



Source: Stella-Jones Inc.

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Stella-Jones completes the acquisition of Kisatchie

Montréal, Québec – June 3, 2016 – Stella-Jones Inc. (“Stella-Jones”) (TSX: SJ) today announced that its wholly-owned subsidiary, McFarland Cascade Holdings, Inc., has completed the acquisition of the equity interests of 440 Investments, LLC, the parent company of Kisatchie Treating, LLC, Kisatchie Pole & Piling, LLC, Kisatchie Trucking, LLC and Kisatchie Midnight Express, LLC (collectively, “Kisatchie”).

Kisatchie produces treated poles, pilings and timbers, with two wood treating facilities in Noble and Pineville, Louisiana. Kisatchie’s consolidated sales for the year ended December 31, 2015 reached approximately US\$51.8 million.

The purchase price was US\$42.5 million, including US\$10.0 million of working capital, and is subject to post-closing adjustments. Stella-Jones has financed the transaction through a combination of debt financing and a vendor note.

“The acquisition of Kisatchie allows Stella-Jones to further enhance its offerings in the North American wood treating industry. It is also consistent with our objective of steadily increasing shareholder value through selective acquisitions. 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 manufactures and distributes residential lumber and accessories to retailers 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 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, 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.

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EXCHANGE LISTINGS

The Toronto Stock Exchange
Stock Symbol: SJ

**TRANSFER AGENT
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Computershare Investor Services Inc.

INVESTOR RELATIONS

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