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FOR IMMEDIATE RELEASE **TSX: WEF**

Strong Operational Performance Allows Western to Deliver $27.6 Million of Adjusted EBITDA in the Third Quarter of 2013

October 31, 2013 – Vancouver, British Columbia. Western Forest Products Inc. (TSX: WEF) ("Western" or "the Company") today announced results for the third quarter of 2013. The Company reported adjusted EBITDA of $27.6 million for the third quarter of 2013 compared to adjusted EBITDA of $44.9 million for the second quarter of 2013 and $8.5 million for the third quarter of 2012.

Q3 2013 HIGHLIGHTS

- Adjusted EBITDA of $27.6 million, an increase of $19.1 million over the third quarter 2012
- Capitalized on improved markets by focusing production on higher margin segments
- Completed a $100 million share repurchase of 76.9 million shares
- Paid first quarterly dividend of $0.02 per share in September
- New equipment at our Saltair sawmill was installed and began operating on schedule
- Maintained our strong liquidity and a conservative net debt-to-capitalization ratio of 19%

"Another quarter of strong operating performance allowed us to capitalize on improved markets and deliver $27.6 million of adjusted EBITDA. We continued to implement our balanced approach to capital allocation by paying the first dividend in company history and completing a $100.0 million share buy-back, while continuing the implementation of our strategic capital plan. Company safety improved by 40% from a year ago and our timberlands operations were incident free for two of the three months. These financial, operational and safety achievements were accomplished during a challenging period, when harvesting activity was restricted due to an extremely dry summer and key markets began their seasonal decline" said Don Demens, Chief Executive Officer.

Net income for the third quarter of 2013 was $17.2 million ($0.04 per share), on sales of $239.4 million, which compared to a net income reported in the third quarter of 2012 of $1.8 million ($nil per share) and a net income reported for the second quarter of 2013 of $35.5 million ($0.08 per share).

Financial Summary

(millions of dollars except where noted)	Three months ended September 30, 2013	Three months ended September 30, 2012 Restated[(1)]	Nine months ended September 30, 2013	Nine months ended September 30, 2012 Restated[(1)]
Sales	$ 239.4	$ 219.4	$ 735.5	$ 694.2
Adjusted EBITDA	27.6	8.5	104.4	36.7
Adjusted EBITDA as % of revenues	11.5%	3.9%	14.2%	5.3%
Operating income before restructuring items and other income	19.8	2.7	80.6	16.7
Net income from continuing operations	17.2	2.1	76.0	14.8
Net income for the period	17.2	1.8	75.5	13.9
Basic earnings per share (in dollars)	$ 0.04	$ -	$ 0.17	$ 0.03
Diluted earnings per share (in dollars)	$ 0.04	$ -	$ 0.16	$ 0.03
Net Debt at September 30,			79.1	19.7
Liquidity at September 30,			132.1	178.0

(1) Restated to reflect implementation of revised IAS 19 *Employee Benefits* as described below in Adoption of New Accounting Policy.

Overview

Third quarter 2013

Our third quarter 2013 adjusted EBITDA of $27.6 million is a $19.1 million improvement over the same period last year, and represents our best third quarter result ever. Adjusted EBITDA margins improved to 11.5% this quarter from 3.9% a year ago. Results were driven by higher lumber shipments and operational improvements that were made possible by stronger lumber and log markets.

Markets for our lumber and logs were driven by increased housing starts in both Japan and the United States ("US") and a more balanced inventory situation in China. Our average realized prices for lumber and logs were higher by 11% and 28%, respectively, over the third quarter of 2012. Housing starts in the US were 14% higher than the same period in 2012, which supported stronger lumber demand. Benchmark Kiln Dried WSPF 2x4 prices were on average 9% higher during the third quarter 2013 compared to the same period last year. Western red cedar, whitewood specialty lumber and commodity lumber prices were all significantly higher this quarter compared to a year ago. Log markets continued to reflect strong demand with prices for domestic sawlogs and export logs stronger than in the third quarter of 2012.

Total revenue for the third quarter of 2013 was $239.4 million, an increase of $20.0 million, or 9%, from the third quarter of 2012. Our lumber revenue was 17% higher than a year ago while log revenue was lower on reduced volume. Net income for the third quarter of 2013 was $17.2 million, an increase of $15.4 million from the net income of $1.8 million a year earlier, and a decrease of $18.3 million from the net income in the previous quarter.

Year to date, September 30, 2013

Net income for the first nine months of 2013 was $75.5 million, which compares to net income for the first nine months of 2012 of $13.9 million. The improved net income for the first nine months of 2013 reflects improved market conditions and the resulting higher prices for our products. Adjusted EBITDA of $104.4 million for the nine months to September 30, 2013 is $67.7 million more than for the first nine months of 2012.

We completed the first phase of our Saltair sawmill project in the third quarter of 2013. The new sorter, trimmer and edgers were installed safely and on budget and are performing well. The next phase of this project, which will complete the rebuild of the Saltair sawmill, will involve the installation of a new log in-feed. This work has a target installation date during the second quarter of 2014. We also expect our Cowichan Bay planer upgrade to be complete in December 2013, and the log auto-rotation project will be installed in the late second or early third quarter of 2014. The Alberni Pacific sawmill autograder installation will now occur in late November due to equipment delays.

On August 13, 2013, the Company closed its previously announced substantial issuer bid, repurchasing a total of 76,923,076 shares for a purchase price of $1.30 per share, for gross aggregate consideration of $100.0 million excluding transaction costs, paid in cash from funds previously drawn on its revolving term loan facility. These shares represent approximately 16% of the total number of shares issued and outstanding as of August 13, 2013. 76,914,830 of the shares were repurchased from Brookfield Special Situations Management Limited ("BSSML") for consideration of approximately $100.0 million. Immediately following the repurchase, the Company converted 36,800,000 Non-Voting Shares held by BSSML, on a one-for-one basis, into Common Shares of the Company.

On October 9, 2013, on closing of a secondary offering of the Company's shares by BSSML, 46,000,000 Non-Voting Shares of the Company were converted, on a one-for-one basis, into Common Shares of the Company. Immediately following completion of the secondary offering, 45,119,820 of the remaining Non-Voting Shares held by BSSML were converted into Common Shares on a one-for-one basis. This resulted in BSSML holding 172,506,977 Common Shares, representing 49% of the current issued and outstanding Common Shares, and 100% of the remaining 39,050,597 Non-Voting Shares of Western.

We view both the substantial issuer bid and the BSSML secondary offering as positive developments that should increase the value of our common equity on a per share basis, and the public float of our Common Shares.

As discussed above, we used a portion of our liquidity to finance the $100.3 million share repurchase. As a result, our liquidity position at September 30, 2013 reduced to $132.1 million from $231.7 million at the end of the previous quarter.

Operating results

Third quarter 2013

Our adjusted EBITDA for the third quarter of 2013 of $27.6 million compares to adjusted EBITDA in the same quarter last year of $8.5 million and to $44.9 million in the second quarter of 2013. The improved adjusted EBITDA result primarily reflects improved market conditions and the resulting higher prices for our products, higher lumber shipments, combined with a favourable mix of our products sold and the beneficial impact of a weakening Canadian dollar against the US dollar. Partially offsetting these positive improvements to adjusted EBITDA were lower shipment volumes of logs, higher per unit log costs, and the negative impact of a weakening Japanese yen against the Canadian dollar.

Lumber sales revenues in the third quarter of 2013 were 17% higher than in the third quarter of 2012. This increase was driven by increased prices combined with a 5% increase in shipment volumes. We shipped 228 million board feet in the current quarter compared to 218 million board feet in the same quarter of 2012, while successfully managing our lumber inventory volume levels down at September 30, 2013. The average price realized on the volume sold was 11% higher in the third quarter of 2013 compared to the third quarter of 2012. Western red cedar, Douglas fir and hemlock specialty lumber, and commodity lumber prices were all significantly higher in the third quarter of 2013 compared to the third quarter of 2012.

Log sales revenues in the third quarter of 2013 were lower than the third quarter of 2012 by 8%. This reduction was driven by lower sales volumes, partially offset by higher pricing. Log sales volumes were lower by 30%, or 261,000 cubic metres, in the third quarter of 2013 compared to the same quarter last year. This reduction is partially due to the fact that we harvested fewer logs in the current period, and were able to process more logs at higher margins through our own mills rather than selling them. Export and domestic log market prices were higher for the majority of the logs available to sell external to our needs. Markets and demand were both better in the current quarter compared to the third quarter of 2012, and, combined with a continued tight log supply on the coast, prices were driven higher. Our average price per cubic metre sold in the current quarter increased by $18, or 28%, over the third quarter of 2012. In addition to the increases in log prices, our overall average price realized increased because of a favourable change in the mix of our sales. As markets have improved we have successfully diversified our log markets, directing lower valued sorts into higher valued end uses which have enhanced our adjusted EBITDA.

By-product revenues in the current quarter were $13.8 million, which is slightly higher than the $13.6 million reported in the same quarter in 2012. Our mills produced more chips in the current quarter compared to the third quarter of 2012, but we purchased fewer units from outside sources for re-sale in order to meet commitments with our pulp mill customers. Chip prices were approximately 8% per unit higher this year due to improving pulp markets.

Total log production in the third quarter of 2013 was 1,233,000 cubic metres, which was 181,000 cubic metres, or 13% less than in the same quarter a year ago, and 18% less than in the second quarter of 2013. The decline in production in the third quarter 2013 compared to the same quarter last year reflects accelerated harvesting undertaken in 2012 in order to catch up on the previous year's undercut volumes. Cash harvesting costs were higher by approximately $4 per cubic metre harvested in the current quarter compared to the third quarter of 2012. Costs per unit were higher due to lower harvest volumes, and increased costs on road construction, equipment maintenance and repairs, and fixed costs.

Primary lumber mill production was 192 million board feet in the third quarter of 2013, which was 2% more than the production in the third quarter of 2012, despite the fact that the Saltair mill took downtime to install the new equipment. We continue to face the challenge of a very tight log supply situation on the coast and, as in the first and second quarters of 2013, we addressed it by running a broadened mix of species and quality of logs through our primary mills. Productivity, as measured on a production volume per shift basis, was lower than the same quarter last year primarily due to the limited operating schedule at our Saltair sawmill. However, excluding the Saltair production, overall productivity was the same as the third quarter of

2012, even though in the current quarter mills processed a more varied log mix. Overall lumber recoveries were lower than those in the third quarter last year, also a function of a more varied log mix.

Our operating results for the third quarter of 2013 were positively impacted by an approximate 4% weakening in the average value of the Canadian dollar relative to the US dollar from the third quarter of 2012. At the end of the current quarter, the Canadian dollar had weakened to a rate of 1.03 Canadian dollars to a US dollar, approximately 5% lower than at September 30, 2012. However, we were negatively impacted as the Japanese yen weakened significantly against the Canadian dollar in the current quarter, falling by almost 21% compared to the third quarter of 2012. Western mitigates its foreign exchange risk associated with sales transactions denominated in US dollars and Japanese yen by utilizing forward currency transactions to match future expected receipts in these currencies.

Export taxes of $0.5 million were incurred in the third quarter of 2013 compared to export taxes of $1.0 million expensed in the same quarter in 2012. This change is a reflection of the respective lumber prices this year compared to last year. Under the Softwood Lumber Agreement with the US, the export tax rate is zero when the Random Lengths Framing Lumber Composite Index exceeds US$355 per thousand board feet. Applicable rates for July, August and September 2013 were 0%, 10% and 5% respectively, compared to 5%, 10% and 10% for the same months in 2012.

Total freight costs were $20.5 million in the third quarter of 2013, compared to third quarter 2012 costs of $19.0 million. The increase is because of a 5% higher shipment volume and a higher log freight component in the current quarter compared to the third quarter of 2012.

Selling and administration costs in the current quarter were $8.2 million, which is reasonably consistent with the first two quarters of the year, but is $1.4 million higher than in the third quarter of 2012. This increase is primarily the result of increases in employee compensation costs associated with our improved financial performance.

Year to date, September 30, 2013

Adjusted EBITDA for the first nine months of 2013 was $104.4 million, ahead of the $36.7 million we reported for the nine months to September 30, 2012. The associated margins for these periods were 14.2% and 5.3%, respectively, the improvement being driven by strong operational performance and supported by increased demand for both lumber and log products. Management has capitalized on market opportunities by continuing to focus on higher product margin segments, while at the same time continuing to deliver results under our margin improvement program.

Also contributing to the increased adjusted EBITDA in the first nine months of 2013 over 2012 were lower freight costs and export taxes incurred in 2013. Freight costs were $5.6 million lower for the first nine months of this year, primarily because of shipping proportionately less product directly overseas compared to 2012. Export taxes were $4.5 million lower this year because higher lumber prices in 2013 exceeded the threshold for triggering export taxes more often than in the same period in 2012.

Total revenues for the nine months to September 30, 2013 were $735.5 million, which was 6% higher than the same period in 2012. Revenues for lumber were up 9% while those for logs and by-products were relatively flat. Shipment volumes for lumber were the same for the first nine months of 2013 compared to 2012 but log shipments were down by 20% over the respective periods, as a result of lower harvest levels in the current year. However, revenues were higher primarily due to stronger prices this year compared to the first nine months of 2012. Average prices realized for lumber and logs for the nine months ended September 30, 2013 were higher than the first nine months of 2012 by 8% and 24%, respectively. The improved revenue results reflect improved markets for our products, combined with continued efforts by management to maximize margins by channeling some of our products into higher priced markets.

To the end of the third quarter of 2013, our non-capital margin improvement program has contributed $17.4 million in annualized margin enhancements since the inception of the program at the beginning of 2012. We are targeting a total of $25.0 million in such enhancements over a three year period. The majority of the benefits derived to date relate to manufacturing throughput improvements, and also timberlands, logistics and procurement initiatives.

Non-operating Income and Costs

Finance costs increased from $1.4 million in the third quarter of 2012 to $1.7 million in the current quarter. This increase is primarily attributable to the higher average debt balance in the current quarter following the drawing of $100.0 million on the revolving term loan facility in June 2013. However, the increase was tempered by the fact that the interest rates were lower in the current quarter compared to third quarter of 2012 by 0.8%. For the first nine months of 2013, finance costs were $3.7 million compared to $4.9 million for the same period in 2012. The lower finance charges in the nine months to September 2013 is because the average overall debt outstanding in the current period was lower than the same period a year ago, combined with lower interest rates in the current period.

Other expenses of $0.4 million for the third quarter of 2013 compares to income of $1.1 million in the third quarter of 2012. The current quarter expense primarily relates to building demolition costs, whereas in the same quarter last year other income mainly comprised proceeds received from the Province of British Columbia as final compensation resulting from the creation of new protective areas in our former Haida Gwaii and Central Coast operating areas.

Markets and Outlook

We continue to make progress on our margin focus business strategy and deliver solid financial results. Our strong balance sheet and projected free cash flow allowed us to complete a one-time $100.0 million share repurchase program in the third quarter, and also distribute our first quarterly dividend of $0.02 per share. With a balanced capital allocation approach, we also expect to continue our strategic capital investment plan and invest in upgrading our manufacturing facilities. Our business strategy continues to be maximizing margin and increasing our volumes in an improving global market for our products.

Demand for our Western red cedar product line continues to increase with an improving US home construction market, especially in the repair and renovation sector. Sales volumes of Western red cedar typically decline in the fourth quarter and we are focused on shifting our product mix to reflect this anticipated change in market demand. Export taxes on US shipments were 10% in August, 5% in September and October, and are expected to be 0% in November.

Home construction in Japan has increased year over year and in August 2013 the seasonally adjusted figure was 9% higher than in August 2012. Looking forward however, we expect that fourth quarter demand in Japan will soften due to high lumber inventory levels, and constrained home building capacity. We also expect this surplus inventory to be absorbed by year end and forecast the market to be steady through the first two quarters of 2014. After significant decline in the value of the Japanese yen from a year ago, the currency appears to be stabilizing which should have a moderating impact on our selling prices.

Sales volumes in our Niche lumber market segment have been steady in 2013 due to tight Douglas fir and hemlock log markets on the coast. We have used our constrained supply to choose the markets and products that return the highest margins available, and have undertaken less custom cut milling of our logs with third parties. We continue to see increased demand for industrial products such as specialty timbers and remanufacturing blanks for millwork, which should translate into higher pricing for these products.

After the North American benchmark WSPF 2x4 commodity price declined $116/mfbm during the second quarter of 2013, prices rebounded $67/mfbm through the third quarter. For the third quarter of 2013, the average benchmark price was 2% lower than in the second quarter, but the rising trend in pricing throughout the third quarter has meant we are being successful in increasing our Commodity pricing as we move into the fourth quarter. However the normal seasonal decline in the North American business will result in our product mix shifting towards China, leading to marginally lower pricing in the fourth quarter.

Strong demand in both export and domestic log markets is expected to continue through the fourth quarter, but we consider further price improvement to be unlikely at this time. Volumes of export and domestic log sales will start to increase as we move our harvest from higher elevations of timber. Market fundamentals for pulp logs have improved marginally, and we will continue to maximize sawlog production from pulp log sorts to increase our margins.

We completed the first phase of our Saltair sawmill project in the third quarter of 2013. The new sorter, trimmer and edgers were installed safely and on budget and are performing well. The next phase of this project, which will complete the rebuild of the Saltair sawmill, will involve the installation of a new log in-feed. This work has a target installation date during the second quarter of 2014. We also expect our Cowichan Bay planer upgrade to be complete in December 2013, and the log auto-rotation project will be installed in the late second or early third quarter of 2014. Installation of the Alberni Pacific sawmill autograder will now take place in the last week of November, completing phase one of this project. Phase two will incorporate a new lumber trimmer with completion targeted for the fourth quarter of 2014.

Pursuant to the conditional agreement for sale of our former Woodfibre Pulp Mill site located near Squamish, British Columbia, a preliminary detailed assessment for the remediation costs associated with the site has been completed by our environmental engineers, and discussions are in progress with the purchasers over the remediation plan. We will continue to pursue the sale of additional non-core assets as appropriate.

The Company's Third Quarter 2013 news release, management's discussion and analysis, unaudited condensed interim financial statements and notes to the financial statements have been filed on SEDAR and are also available on the Company's website at www.westernforest.com.

Forward Looking Statements and Information

This press release contains statements which constitute forward-looking statements and forward-looking information within the meaning of applicable securities laws. Those statements and information appear in a number of places in this document and include statements and information regarding our current intent, belief or expectations primarily with respect to market and general economic conditions, future costs, expenditures, available harvest levels and our future operating performance, objectives and strategies. Such statements and information may be indicated by words such as "estimate", "expect", "anticipate", "plan", "intend", "believe", "should", "may" and similar words and phrases. Readers are cautioned that it would be unreasonable to rely on any such forward-looking statements and information as creating any legal rights, and that the statements and information are not guarantees and may involve known and unknown risks and uncertainties, and that actual results and objectives and strategies may differ or change from those expressed or implied in the forward-looking statements or information as a result of various factors. Such risks and uncertainties include, among others: general economic conditions, competition and selling prices, changes in foreign currency exchange rates, labour disruptions, natural disasters, relations with First Nations groups, changes in laws, regulations or public policy, misjudgements in the course of preparing forward-looking statements or information, changes in opportunities and other factors referenced under the "Risks and Uncertainties" section of our MD&A in our 2012 Annual Report dated February 21, 2013. All written and oral forward-looking statements or information attributable to us or persons acting on our behalf are expressly qualified in their entirety by the foregoing cautionary statements. Except as required by law, Western does not expect to update forward-looking statements or information as conditions change.

Reference is made in this report to adjusted EBITDA which is defined as operating income prior to operating restructuring items and other income, plus amortization of property, plant, equipment, and intangible assets, impairment adjustments, and changes in fair value of biological assets. Western uses adjusted EBITDA as a benchmark measurement of our own operating results and as a benchmark relative to our competitors. We consider adjusted EBITDA to be a meaningful supplement to operating income as a performance measure primarily because amortization expense, impairment adjustments and changes in the fair value of biological assets are non-cash costs, and vary widely from company to company in a manner that we consider largely independent of the underlying cost efficiency of their operating facilities. Further, the inclusion of operating restructuring items which are unpredictable in nature and timing may make comparisons of our operating results between periods more difficult. We also believe adjusted EBITDA is commonly used by securities analysts, investors and other interested parties to evaluate our financial performance.

Adjusted EBITDA does not represent cash generated from operations as defined by IFRSs and it is not necessarily indicative of cash available to fund cash needs. Furthermore, adjusted EBITDA does not reflect the impact of a number of items that affect our net income. Adjusted EBITDA is not a measure of financial performance under IFRSs, and should not be considered as an alternative to measures of performance under IFRSs. Moreover, because all companies do not calculate adjusted EBITDA in the same manner, adjusted EBITDA as calculated by Western may differ from adjusted EBITDA as calculated by other companies. A reconciliation between the Company's net income as reported in accordance with IFRSs and adjusted EBITDA is included in Appendix A to the Company's Management's Discussion & Analysis for the third quarter ended June 30, 2013, which is available under the Company's profile on SEDAR at www.sedar.com.

Western is an integrated Canadian forest products company and the largest coastal British Columbia woodland operator and lumber producer with an annual available harvest of approximately 6.4 million cubic metres of timber of which approximately 6.2 million cubic metres is from Crown lands and lumber capacity in excess of 1.1 billion board feet from eight sawmills and three remanufacturing plants. Principal activities conducted by the Company include timber harvesting, reforestation, sawmilling logs into lumber and wood chips and value-added remanufacturing. Substantially all of Western's operations, employees and corporate facilities are located in the coastal region of British Columbia while its products are sold in over 25 countries worldwide.

TELECONFERENCE CALL NOTIFICATION:
Friday, November 1, 2013 at 8:00 a.m. PST/11:00 a.m. EST

Western Forest Products Inc. will host a teleconference call on **Friday, November 1, 2013 at 8:00 a.m. PST/11:00 a.m. EST**.

The dial-in phone number is 1-866-223-7781 from inside the USA or Canada and 1-416-340-2216 from outside of the USA and Canada. To access the instant replay of the call dial 1-800-408-3053 or 1-905-694-9451 – passcode: 4087332. The replay will be available until November 9, 2013

Contacts:
For further information, please contact:

Don Demens (604) 899-3754
CEO

Brian Cairo (250) 734-4710
CFO and Corporate Secretary

October 31, 2013

Letter to Shareholders

Dear Shareholders,

Strong operational performance allows Western to deliver $27.6 million in adjusted EBITDA in the third quarter of 2013.

Another quarter of strong operating performance allowed us to capitalize on improved markets and deliver $27.6 million in adjusted EBITDA. We continued to implement our balanced approach to capital allocation, by paying out the first dividend in company history and completing a $100 million share buy-back, while continuing the implementation of our strategic capital plan.

Company safety improved 40% from a year ago and our timberlands operations were incident free for two of the three months in the third quarter. These financial, operational and safety achievements were accomplished during a challenging period, when harvesting activity was restricted due to extremely dry summer weather conditions and when key markets began their seasonal decline.

Third quarter 2013 financial highlights:

- Adjusted EBITDA of $27.6 million, an increase of $19.1 million over the third quarter of 2012.
- Completed a $100 million share buy-back for 76.9 million shares.
- Initiated and paid a regular quarterly dividend of $0.02 per share on September 20, 2013, yielding more than 5.5% at the current share price.
- Maintained strong liquidity and a conservative net debt-to-capitalization ratio of 19%.
- Completed a $66.7 million bought deal secondary offering by Brookfield Special Situations.

Operational successes:

- Realized a medical incident rate of 1.25 in our company operations.
- Continued directing logs to the highest margin alternatives under our margin focused fibre utilization strategy.
- Increased mill productivity levels by 2% over the third quarter of 2012.
- Delivered an additional $1.1 million in the quarter through our margin improvement program.
- Completed the first phase of the capital project at our Saltair sawmill, with phase two scheduled for completion in the second quarter of 2014.

Lumber and log pricing was strong. Western Red Cedar pricing remained strong, as limited coastal log supply offset the usual seasonal decline in demand. Japanese demand for lumber, spurred by increased home construction, increased pricing in our key product lines. Our third quarter commodity pricing was influenced by the $116/mfbm second quarter decline in Benchmark KD SPF. Log inventory in China came into balance in the quarter, which allowed us to increase export pricing. Domestic log markets remained positive, supported by lower than expected coastal logging and strong end markets.

Looking forward to the fourth quarter of 2013, a seasonal decline in lumber demand will put pressure on pricing. We anticipate price erosion in the Japanese market as a result of the increased competition. By contrast, Western Red Cedar pricing should remain at third quarter 2013 levels, although volumes will decline in keeping with our customers' normal buying cycle. In China, commodity markets are expected to remain strong. In North America, the seasonal decline in home construction will slow the demand for higher value specialty commodity products. On a positive note, niche pricing is expected to remain firm.

Log markets will remain steady. Strong demand in both the domestic and export markets is expected to continue into the fourth quarter of 2013, with the exception of pulp log markets, which we believe will remain flat. Log harvesting activities will experience a seasonal decline, limiting our ability to build inventory.

We continue to invest in our manufacturing base. Implementation of our strategic capital plan is progressing and, to date, we have invested $27 million of the projected $38 million for the Saltair mill upgrade in Ladysmith. At our Alberni Pacific sawmill, our first auto-grader will be installed in late November. Notably, Western will be the first company to utilize this technology for coastal species.

We have once again improved our year-over-year financial results and delivered on our corporate priority to improve safety. We also continue to implement our capital allocation strategy, which is designed to maximize returns for our shareholders.

I would like to thank the team at Western and our contract partners for their commitment to continuous improvement and dedication to operating safely, while sustainably producing high quality products for our customers worldwide.

Don Demens
President and CEO