



Kruger

Forest and Wood
Products

PRESS RELEASE - For immediate release

KRUGER INC. ACQUIRES ALL THE SHARES OF GÉRARD CRÊTE & FILS

Montréal (Québec) December 5, 2006, Kruger Inc., a 50% shareholder of Gérard Crête & Fils since 1992, has announced today that it has acquired all of the company's shares.

Gérard Crête & Fils, established in 1949, has two active sawmills in the Mauricie region of Québec, in St-Séverin-de-Proulxville and St-Roch-de-Mékinac. The company also owns a plant that specializes in high-quality bedframe stock, the Saint-Charles-sur-Richelieu Division, located in the Montérégie region. The group also owns 75% of Les Lattes NG, located in St-Adalbert, county of L'Islet. Gérard Crête & Fils employs 500 in its mills and the forest operations.

"We are convinced that in the long term, this transaction will strengthen and complement our lumber business as a whole and especially our current operation in the Mauricie region", said Mr. Eric Bisson, Senior Vice President, Forest and Wood Products for Kruger Inc.

Founded in 1904, Kruger Inc. is a major producer of publication papers, tissue, lumber and other wood products, corrugated cartons from recycled fibers, and green and renewable energy. The Company is also a leader in paper and paperboard recycling in North America. It recently continued its expansion in the retail sector with the acquisition of the Maison des Futailles, a leading winemaker, bottler and marketer of wines and spirits. Kruger operates facilities in Quebec, Ontario, Alberta, British Columbia, Newfoundland and Labrador, in the United States and the United Kingdom and has 10, 500 employees.

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INFORMATION

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