

FOR IMMEDIATE RELEASE

**Contact: Tony DiLucente**  
**Executive Vice President**  
**and Chief Financial Officer**  
813-739-3000

**MASONITE INTERNATIONAL INC.**  
**ANNOUNCES UNAUDITED SUMMARY FINANCIAL INFORMATION**  
**FOR THE FIRST QUARTER OF 2009**

**MISSISSAUGA, ON, April 27, 2009** – Masonite International Inc. today announced unaudited financial information for the first quarter of 2009.

<b><u>First Quarter Highlights</u></b>	<b>Q1 2009</b>	<b>Q1 2008</b>	<b>Increase /</b>
	<b>(\$ millions)</b>	<b>(\$ millions)</b>	<b>(Decrease)</b>
Net Sales	\$334.1	\$464.4	(28.1%)
Gross profit	51.4	90.4	(43.1%)
Selling general and administrative expenses	41.9	43.7	(4.1%)
Operating EBITDA	9.6	46.7	(79.4%)
Adjusted EBITDA	12.0	53.5	(77.6%)
	<b>3/31/2009</b>	<b>12/31/2008</b>	
Cash on hand	\$163.2	\$194.3	(\$31.1)
Net debt	2,078.5	2,064.6	(13.9)
Accounts receivable	229.8	238.5	(8.7)
Inventory	222.8	233.7	(10.9)
Accounts payable and accrued liabilities (excluding accrued interest)	197.2	192.1	5.1

<b><u>2009 Cash flow recap</u></b>	<b>Q109</b>	<b>Q108</b>
<b><u>Source (Use) of cash</u></b>	<b>(\$ millions)</b>	<b>(\$ millions)</b>
Operating EBITDA	\$9.6	\$46.7
Non-cash EBITDA expenses	0.4	0.6
Change in operating working capital	5.8	(21.0)
Capital expenditure	(9.2)	(7.3)
	<hr/>	<hr/>
	6.6	19.1
Proceeds on disposal of assets	1.3	0.1
Acquisitions	-	(13.7)
Distributions to minority interests	-	(6.0)
Restructuring payments	(4.2)	(7.9)
Financial and legal advisor payments	(7.0)	-
	<hr/>	<hr/>

	(3.3)	(8.5)
Cash interest	(19.0)	(22.0)
Cash taxes	(0.5)	(1.2)
Change in Indebtedness	(19.7)	89.7
Change in sold accounts receivable	13.4	14.2
Pension funding	(0.4)	(0.3)
FX and other	(1.6)	(3.1)
Increase / (Decrease) in cash	<u>(31.1)</u>	<u>\$68.8</u>

“We continue to be impacted by weak market conditions in most of our regions, which has had a significant impact on our top line,” said Fred Lynch, President and CEO of Masonite. “Thanks to our continuing efforts to right-size the business in light of market conditions and driving cost productivity in manufacturing and business overheads, the EBITDA and Cash flow performance was better than the internal quarterly projections used in the formulation of our recently published five year projections.”

2009 sales were \$334.1 million, a decline of 28.1% compared to sales of \$464.4 million in the first quarter of 2008. Operating EBITDA decreased 79.4% to \$9.6 million from \$46.7 million in the first quarter of 2008.

Sales to external customers from facilities in North America decreased 24.3% to \$223.1 million in the first quarter of 2009 from \$294.8 million in the first quarter of 2008. Sales decreased 20.8% in North America excluding the impact of unfavorable foreign exchange movements. Sales to external customers from facilities outside of North America, primarily in Western Europe, decreased approximately to \$111.0 million in the first quarter of 2009 from \$169.6 million in the prior year period. Unfavorable foreign currency movements negatively impacted comparative consolidated sales by \$10.5 million in North America and \$25.7 million in rest of world. Excluding the unfavorable exchange impact, sales in our Europe and Other segment decreased 19.4% compared with the prior year period as we continued to see deteriorating market conditions, most significantly in Western Europe, and to a somewhat lesser degree in Eastern Europe.

Operating EBITDA in the first quarter of 2009 decreased to \$9.6 million from \$46.7 million in the prior year primarily due to lower sales volumes and carryover input cost inflation from the prior year that were not fully offset by savings from plant closures, price increases and a reduction in selling, general and administration expenses versus the prior year. In the first quarter of 2009, the Company was operating seven fewer sites than in the first quarter of 2008 due to closure and consolidation activities completed during the last twelve months.

In the first quarter of 2009, cash flow after changes in operating working capital and capital expenditure was \$6.6 million compared to \$19.1 million in the prior year. In the current year, changes in working capital were a source of \$5.8 million versus a use of \$21.0 million in the prior year. Reductions in inventory were relatively consistent in both periods, however receivables in 2009 did not increase as significantly as in the prior year due to seasonal influences being offset by economic conditions and reduction in customer payment terms. In

addition, following the announcement of the restructuring plan, the Company has experienced an improvement in vendor terms.

Payments on account of prior facility closures and headcount reductions were a use of cash of \$4.2 million, payments to legal and professional advisors engaged in the Company's restructuring were a use of \$7.0 million. The Company was also required to repay indebtedness at certain foreign subsidiaries upon maturity which combined with other scheduled debt payments resulted in a use of cash of \$19.7 million. Amounts sold under the Company's accounts receivable facility increased by approximately \$13.4 million.

## **Restructuring Plan**

As previously announced the Company reported that it continues to make good progress in implementing its "pre-negotiated" debt restructuring plan and is on track to complete its financial reorganization within the next few months. On April 14, the Company received final court authorization to continue to meet its obligations to trade suppliers on normal terms in the ordinary course of business. The Company also received final court authorization to continue to utilize its cash collateral to help meet its obligations to suppliers, employees and customers. This authorization was initially granted on an interim basis on March 17.

On April 17 the U.S. court approved the process of formally soliciting acceptances for the plan of reorganization from the requisite creditor groups. As previously announced, the Company has already entered into lock-up agreements supporting the restructuring plan with holders of more than 75 percent in principal amount of its senior secured obligations and more than 80 percent in principal amount of its senior subordinated notes due 2015. The minimum threshold required for acceptance by a class of creditors of the proposed plan of reorganization is 66 2/3 percent in value of claims of creditors who vote and more than 50 percent in number of creditors who vote.

On April 20 the Company received comparable relief from the Canadian courts.

This press release is also available within the "News & Events" section of the Company's website at [www.masonite.com](http://www.masonite.com).

## **About Masonite**

Masonite International is a leading global manufacturer of residential and commercial doors, committed to providing the highest value door products to our customers in more than 70 countries around the world.

## **Forward Looking Statements**

This press release and other written reports and oral statements made by the Company may include forward-looking statements, all of which are subject to risks and uncertainties. One can identify these forward-looking statements by their use of words such as "may", "might", "expects", "plans", "would", "estimates", "intends", "forecasts", "projects" and other words of similar meaning, or by the fact that they do not relate strictly to historical or current facts. These statements are likely to address, but may not be limited to, the Company's strategies relating to growth and cost containment, including facility closures; the Company's negotiations with lenders under its senior secured credit agreement and bond indenture, regarding a restructuring plan to support the Company's long-term strategic plan and business objectives; the ability to

have its proposed plan or reorganization confirmed, the Company's future operations; and ongoing conditions in the door manufacturing and housing industries. Readers must carefully consider any such statements and should understand that many factors could cause actual results and developments to differ materially from the Company's forward-looking statements. These factors may include inaccurate assumptions and a broad variety of other known and unknown risks and uncertainties, including: general economic, market and business conditions; levels of construction and renovation activity; competition; financing risks; ability to manage expanding operations; commitments; new services; retention of key management personnel; environmental and other government regulation; and other factors disclosed by the Company in its filings from time to time with the United States Securities and Exchange Commission. No forward-looking statement can be guaranteed and actual future results may vary materially. Therefore, we caution you not to place undue reliance on our forward-looking statements. The Company disclaims any responsibility to update these forward-looking statements, whether as a result of new information, future events or otherwise.

### **Non-GAAP Financial Measures**

This press release contains non-GAAP measures. In this press release Operating EBITDA is defined as earnings before depreciation and amortization; other expense; interest; income taxes; and non-controlling interest. Adjusted EBITDA is defined as Operating EBITDA before inventory write-down, receivables transaction charges, stock based compensation, franchise and capital taxes, foreign exchange (gains), employee future benefits, recruiting and relocation, unusual, non-recurring and other charges. Net debt is defined as the sum of long-term debt, current portion of long-term debt and bank indebtedness, less cash and cash equivalents. Cash flow from ongoing operations is defined as Operating EBITDA plus pension and stock option expense, plus or minus changes in operating working capital, less capital expenditure. Operating working capital is defined as the sum of accounts receivable, prepaids, inventory, and accounts payable, excluding prepaid and accrued advisor costs relating to the company's financial situation, accrued interest, accrued restructuring and balances outstanding on the company's AR sales programs. These terms are not presentations made under GAAP and are not measures of financial condition or profitability, should not be considered as an alternative to GAAP financial measures, and are unlikely to be comparable to similar measures used by other companies.

Certain figures have been reclassified to conform to the current period basis of presentation.

#