



PRESS RELEASE

Timber Mart - South

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Conference Highlights Global Investment Potential for Timberland

World forestry investment leaders met in Munich, Germany, today to discuss the changing global conditions that make forest investment more attractive.

Recent transactions, like this week's US\$1.7 billion TimberStar to Hancock Timber Resource Group deal, indicate strength in the underlying forestland market in spite of weak housing and standing-timber markets, according to Dr. Mike Clutter, Dean, University of Georgia Warnell School of Forestry and Natural Resources and Hargreaves Distinguished Professor of Forest Finance.

He also cited the recent unprecedented transfer of US timberland from forest industry ownership to institutional and high net wealth investors. The fragmentation and sale of vertically integrated forest products companies' forestland in the United States has created investment opportunities for institutional and individual investors, the Dean said. The weak US dollar and the globalization of timberland markets emphasize the need for professional forestry and financial expertise around the world, he noted

Globalization of forest commerce has tightened wood supplies and shifted demand to emerging markets such as China, according to Thomas Harris, Professor at the University of Georgia Center for Forest Business and Director of Timber Mart-South. Oil above US\$100 per barrel is drawing attention to current and future bioenergy markets for wood, he noted.

Carbon trading is already here and carbon prices are likely to increase, said Dr. Jacek P. Siry, University of Georgia. The challenge ahead for global forestry is to develop rules that allow well-functioning free markets while ensuring the forests are well managed. The Georgia Carbon Registry has established a protocol to allow verification and trading of carbon on an investment scale. Forestry,

with its ability to monitor, manage and value sequestered carbon has great potential to serve bioenergy as well as carbon markets.

The University of Georgia's Center for Forest Business integrates pioneering academic research and sound financial methods to develop global, market-based solutions to forest resource issues and opportunities. This conference is the latest in a series of the world's leading forestland investment conferences hosted by the Center.

Timber Mart-South provides Southeastern US timber prices and timber industry news for forest products companies, consultants, landowners, and analysts. Historical price series and archived reports span 1976 to present and archived Timber Market News since 1995.

For a list of presentations or copies of some of the papers, visit our website at

www.ugatimberlandinvestment.com,

or contact Tommy Tye at +1.706.542.5079 or ttye@warnell.uga.edu.

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