



FINE BAMBOO FLOORING, PANELS & VENEER

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TERAGREN SECURES SEVEN NEW AGREEMENTS TO DISTRIBUTE FINE BAMBOO FLOORING, PANELS & VENEER

Teragren's Rapidly Growing Distribution Network Expands Throughout North America and Into Several New International Markets

Revenue Increases 40 Percent and Company is Named to Inc. Magazine's Fastest Growing Private Companies List as Teragren Completes Another Phenomenal Year

BAINBRIDGE ISLAND, Wash. – January 8, 2008 – Teragren (www.teragren.com), the nation's leading manufacturer of environmentally-friendly bamboo flooring, panels and veneer, today announced that it has secured seven new distribution agreements in the United States, Canada and the Republic of South Africa.

The new agreements are anticipated to significantly expand and increase the efficiency of the company's existing broad distribution network, demonstrating the rapidly growing demand for Teragren's products as the market for green homes is expected to rise from \$2 billion to \$20 billion over the next five years.

The announcement arrives on the heels of yet another phenomenal year for the company, whose revenues increased by 40 percent in 2007. The company was also named to *Inc. Magazine's* "5000 Fastest Growing Private Companies" and the *Puget Sound Business Journal's* "100 Fastest Growing Private Companies" lists.

New Agreements

Under the terms of the new agreements, U.S. flooring distributors **The R.A. Siegel Company, Longust Distributing** and South Africa-based **HFF Architectural Finishes** will provide Teragren bamboo flooring and coordinating flooring accessories through their respective networks of floor covering retailers.

In addition, U.S. distributors **BlueLinx Holdings Inc., MacBeath Hardwoods, Timber Mountain Hardwoods** and Canadian-based **McFadden's Hardwood & Hardware Inc.** will

distribute Teragren bamboo panels and veneer to furniture manufacturers, architectural millwork houses and cabinet shops.

“We’re extremely excited about our continued growth year over year and the increasing demand for environmentally friendly bamboo products,” said Teragren President and CEO, David Knight. “It’s very rewarding to achieve what has always been our goal: to create a company that is not only environmentally, but also economically and socially responsible.”

New Flooring Agreements

Distributors cited several reasons for partnering with Teragren, including the company’s outstanding reputation as an industry leader; its unique position as a manufacturer, not just an importer; the high quality of its products; the environmental friendliness of sustainably harvested bamboo; and how its products contribute to certification under the U.S. Green Building Council’s LEED® program.

“We’ve deliberately pursued partnerships with these specific distributors, who represent the best in the industry,” continued Knight. “We look forward to long-standing relationships with all of them.”

Under the terms of the new agreements, Atlanta, Georgia-based **The R.A. Siegel Company**, a family-owned wholesale flooring distributor, is offering Teragren flooring and coordinating accessories to its market of approximately 2,800 retailers in Georgia and Northern Florida markets.

“Our customers are demanding more green products these days, which has allowed us to look outside of the traditional product lines,” said Rick Horne, R.A. Siegel’s president and CEO. “Teragren’s vast product line and proprietary products such as *Synergy Strand Bamboo Flooring* allows us to provide our customers with a very attractive and exclusive offering.”

Mesa, Arizona-based **Longust Distributing** will distribute Teragren flooring through six distribution centers located in Arizona, New Mexico, Southwestern Colorado, Southern Nevada and Southern California.

“We were struck by the quality of the company’s product, their commitment to environmental stewardship and the caliber of the leadership,” said Drew Mittelstaedt, Longust’s President.

South Africa-based flooring distributor **HFF Architectural Finishes** (HFF) will distribute Teragren bamboo flooring, panels and veneer through flooring retailers and directly to architects and designers in the Republic of South Africa, Namibia, Botswana and Mozambique. The agreement represents Teragren’s first expansion into the African continent.

“We were extremely impressed with Teragren’s industry leadership position, along with the beauty and quality of their products,” said Sean Howell, owner and managing director of HFF. “Their bamboo is highly durable—which is of utmost importance—and it also meets a growing demand for green building materials in South Africa.”

New Panel & Veneer Agreements

In addition to flooring distribution agreements, the company’s rapidly growing panel and veneer division has also experienced significant growth.

Atlanta, Georgia-based **BlueLinx Holdings Inc. (NYSE:BXC)**, a leading distributor of building products in North America, will distribute Teragren’s bamboo panels and veneer in markets in Iowa, Eastern Kansas, Minnesota, Missouri, Eastern Nebraska, North and South Dakota, Oklahoma, Northern Wisconsin and Texas.

San Francisco, California-based **MacBeath Hardwood Company** will exclusively offer Teragren’s bamboo panels and veneer throughout Utah and across 33 counties in Idaho from their branch in Salt Lake City.

Denver, Colorado-based **Timber Mountain Hardwoods** will distribute Teragren’s bamboo panels and veneer in markets in Colorado, western Kansas, western Nebraska and northern New Mexico.

In addition, effective January 2008, Oakville, Ontario-based industrial distributor **McFadden’s Hardwood & Hardware Inc.** will be offering Teragren’s panel and veneer products to all customers throughout eastern Canada. McFadden’s currently has six full service branches with immediate plans to develop and service the rapidly growing green market with innovative products such as Teragren’s bamboo panels and veneer.

Continued Growth and Momentum

Teragren revenues increased 40 percent in 2007 due to the growing demand for the company’s beautiful, durable and renewable® bamboo flooring, panels and veneer.

The company kicked off the year by announcing several new distribution agreements and has continued to demonstrate a commitment to product innovation by announcing a new strategic partnership with Sweden-based company Vålinge to license their patented Glue-less Floor Locking Strip Technology for use in the company’s popular *Studio* Wide Plank Floating Floor and other Teragren flooring products. Studio is now made with 100 percent bamboo fiber cross-ply construction. The engineered bamboo flooring plank is U.S. and International patents-pending.

The company received well-deserved recognition in 2007, as well—being named to *Inc. Magazine's* "5000 Fastest Growing Private Companies" list in August and to the *Puget Sound Business Journal's* "100 Fastest Growing Private Companies" list in October.

Teragren anticipates continued double digit growth in 2008 due to same-store increased sales, an expanded distribution network, and the growing green building market which is projected to continue its momentum. According to the *Green Building Materials in the U.S.* report recently issued by market researcher SBI, the green building market is expected to more than double in size in the next four years—and green flooring is set to leapfrog from the slowest-growing segment of the green building market to the fastest growing segment by 2011.

Teragren manufactures complete lines of traditional bamboo flooring for residential and commercial installations, including *Signature Naturals* (Natural & Caramelized), *Signature Colors* (Espresso, Walnut, Cherry & Charcoal) Solid Strip Bamboo Flooring, *Studio Wide Plank Floating Floor* with Valinge-patented glueless self-locking system, *Craftsman Bamboo Wide Plank Flooring* and *Synergy Strand Bamboo Flooring*, as well as coordinating Bamboo Stair Components and Flooring Accessories. In addition, the company also manufactures the popular Teragren Bamboo Parquet Butcher Block and many styles of bamboo Panels and Veneer for the furniture and cabinet industries.

The company is showcasing select products this month at Surfaces 2008 in Las Vegas, NV on January 30—February 1, 2008 (Booth #7142).

About Teragren

In 1994, Teragren (www.teragren.com) pioneered the bamboo flooring, panel and veneer industry in the United States. The company is recognized as a category leader by the architectural and design communities as well as major floor covering distributors and retailers, and panel and veneer distributors. Teragren is also considered a leader within the broader sustainable business movement—it was named by *Inc. Magazine* as one of "The Green 50" companies that are setting the standard for environmentally friendly business, and one of the "Top Ten Greentrepreneurs" by *Seattle Metropolitan Magazine*. All Teragren bamboo products contribute to certification under the U.S. Green Building Council's LEED® (Leadership in Energy & Environmental Design) rating system in one or more categories. The company owns exclusive rights to two strand bamboo patents in the U.S. (*Patent # 5,543,197*) and Mexico (*Patent # 204281*).

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