



FINE BAMBOO FLOORING, PANELS & VENEER

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TERAGREN EXPERIENCES PHENOMENAL GROWTH AS DEMAND FOR GREEN BUILDING MATERIALS CONTINUES TO RISE

Revenues Increase 25 Percent in Q1 & Q2 2008 and Company Expands Distribution Network of Environmentally Friendly Fine Bamboo Flooring

Company Leadership, Products Recognized as Teragren CEO Named Finalist for Ernst & Young Entrepreneur of the Year Awards; Teragren Fine Bamboo Flooring Featured in Renowned Chicago Museum of Science and Industry's Smart Home Exhibit

Teragren Continues to Educate Industry Audiences about Company, Products' Green Attributes through Release of Teragren Material & Sustainability Report

BAINBRIDGE ISLAND, Wash. – July 22, 2008 – Teragren (www.teragren.com), the nation's leading manufacturer of fine bamboo flooring, panels and veneer, today announced that demand for its environmentally friendly products continues to rise—revenues increased 25 percent in the first two quarters of 2008.

The company anticipates continued double digit growth through the remainder of the year due to same store growth and as its growing distribution network is set to expand further through the addition of two new agreements.

In addition to continued growth, Teragren has also received well-deserved industry recognition: CEO and President David Knight was recently named a finalist for the Ernst & Young Entrepreneur of the Year Awards, designed to honor pioneers and innovators who excel at growing market leading businesses.

Teragren's *Synergy*[™] strand bamboo flooring also recently received recognition, having been specially chosen for the groundbreaking green housing exhibit, *Smart Home: Green + Wired, Powered by ComEd and Warmed by Peoples* at the renowned Chicago Museum of Science and Industry.

"We're extremely pleased to see the increasing 'eco-consciousness' of today's consumer and experience the growing demand for our products, despite the current economic

downturn. It's very rewarding to see that our innovations in the green building category are being so well received by our customers," said Knight.

Teragren has also furthered its efforts to educate the architect and design communities about the company and its products' green attributes. It recently unveiled the new *Teragren Material & Sustainability* report and Architect/Designer Sample Binders with CSI codes designed for resource libraries.

Phenomenal Growth

Teragren's strong revenue growth is a result of the beauty, durability and renewability of its products—and also the increasing demand for green building materials. According to business research and consulting firm Frost & Sullivan, the green building industry saw an estimated \$12 billion in revenues in 2007—which could top \$42 billion by 2015.

The growth is particularly meaningful as other consumer products and sectors of the floor covering industry have experienced decline—floor covering sales in 2007 dropped 7.5 percent versus the prior year, according to *Floor Covering Weekly's* annual statistical report.

"The building industry is definitely going greener—and we're pleased that consumers are increasingly drawn to the sustainable and environmentally friendly design solutions that Teragren bamboo products can provide," said Knight.

New Flooring Agreements

Teragren's most recent flooring distribution agreements are anticipated to continue increasing the efficiency of the company's existing network, which spans the U.S., Canada, Bermuda, New Zealand and the Republic of South Africa.

New distribution agreements include **Dealers Supply Company** and expanded distribution through **Longust Distributing**.

Durham, North Carolina-based **Dealers Supply Company**, a family-owned wholesale flooring distributor since 1949, is offering Teragren flooring and coordinating accessories to its market of approximately 2,500+ retailers in the North Carolina, South Carolina, Tennessee and Kentucky markets.

"At Dealers Supply, we only work with the best companies in the floor covering industry," said Stephen Barringer, Dealers Supply's executive vice president. "From industry leadership to product quality and environmental friendliness, Teragren is truly 'head and shoulders' above the competition."

Mesa, Arizona-based **Longust Distributing** will expand its exclusive distribution of Teragren flooring products in southern California into northern California and Nevada. Longust services its customers through six distribution centers located in California, Arizona, New Mexico and Nevada.

“We’re looking forward to working with Dealers Supply in the Carolinas, Tennessee and Kentucky and Longust Distributing exclusively in the entire State of California,” continued Knight. “With these two new agreements, our flooring products are now available in 48 states through the top tier floor covering distributors in the U.S., and we also service the two remaining states directly.”

Industry Recognition

Teragren also received well-deserved industry recognition during the first half of 2008, as Knight was named one of twenty-five finalists for Ernst & Young’s Pacific Northwest Entrepreneur of the Year Award in June 2008. As one of the most prestigious business awards for entrepreneurs, Ernst & Young has been celebrating and recognizing entrepreneurs and the businesses they grow through their awards for more than two decades.

Additionally, Teragren’s *Synergy Strand Bamboo Flooring* was handpicked by renowned green architect, Michelle Kaufmann to be placed within the *groundbreaking Smart Home: Green + Wired* exhibit, open through Jan. 4, 2009 at the Chicago Museum of Science and Industry in Chicago.

Touted the “greenest home in Chicago,” the home showcases environmentally friendly building methods and reusable materials visitors can use to start living green right now. Teragren partnered with its Chicago-based distributor, All Tile Inc., to contribute more than 1,500 square feet of flooring to the home.

Continuing to Educate Industry Audiences

Teragren also recently unveiled their new *Teragren Material & Sustainability* report and Architect/Designer Sample Binders with CSI codes designed for resource libraries.

The report includes information that addresses frequent material survey requests and sustainability questions from the architecture and design industry. Comprehensive responses to sophisticated questions about the products’ eco-friendliness such as carbon sequestration, sustainability of transportation, indoor air quality, biodegradability and reusability are answered.

Significant data in the report underscores how bamboo contributes to efforts to reduce global warming: its leafy canopy releases 35 percent more oxygen than a comparable hardwood

forest and rapid re-growth produces multiple canopies in a plant's lifespan. In addition, harvesting bamboo plants and manufacturing high quality bamboo products takes carbon out of circulation in the environment for generations.

The report also underscores a core component of the Teragren mission: to measure, mitigate and ultimately neutralize the company's environmental footprint and to be carbon negative. Currently, Teragren's main headquarters is carbon neutral and carbon measurement is underway at their factories in China and throughout their product transport system.

In addition, the Architect/Designer Sample Binders, featuring 4" samples of all Teragren products, are designed to take the guesswork out of specifications. Made with recycled cardboard and soy inks, they showcase Teragren's complete lines of traditional bamboo flooring for residential and commercial installations. The product line includes *Synergy Strand Bamboo Flooring*, *Signature Naturals*, *Signature Colors*, *Studio Wide Plank Floating Floor* with the Valinge-patented glueless self-locking system, and *Craftsman Bamboo Wide Plank Flooring*. The Sample Binders may be ordered from Teragren or through Teragren's distribution network and are listed under the Construction Specification Institute's Flooring Division#096223 and Panel/Veneer Division#064200.

In addition to flooring, the company also manufactures the popular Teragren Bamboo Parquet Butcher Block and many styles of furniture-grade bamboo Panels and Veneer for the furniture and cabinet industries.

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 four strand bamboo patents: U.S. (*Patent # 5,543,197*), U.K. (*Patent # EP 0 907 503 B1*), Mexico (*Patent # 204281*) and Brazil (*Patent # PI 9612688-4 A*)

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