

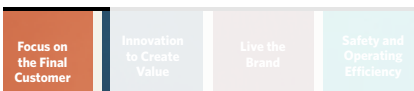
# Objectives and Corporate Strategy

**In the last few years we have focused on having a sound strategy which we are currently driving, and this will enable us to harness MASISA's maximum potential in the next five years.**

This large challenge involves a series of initiatives in different areas to have greater resources to grow in the region, enhance competitiveness and develop a high performance culture.

The aim of this is to boost the company's profitability, attain a level of engagement of excellence from our employees, be the most renowned brand in our markets and for our material stakeholders, have undisputed leadership of sustainability and be an example for our safety level at all our operations.

To successfully carry out our objectives and fulfil the vision of the company we want to be, we updated our strategic pillars that will guide our priority activities and they are underpinned by our principles and values, the essential bases of our company.

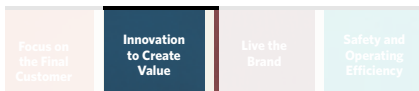


## FOCUS ON THE FINAL CUSTOMER

**We are in ongoing contact with carpenters to understand their requirements and trends that should guide our communication and development of new products and services to gain their preference for steady long-term growth. At the same time, we get a renewed and revitalized brand to the final consumer.**

MASISA has a multichannel marketing strategy, mainly comprising retail chains: MASISA's Placacentro network, distributors and large surface areas, besides furniture wholesalers and industries. MASISA mainly reaches the furniture maker in the retail channel.

To find out more about MASISA's Placacentro network, please see page 63 and page 64 for further information on our furniture maker engagement plan



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## INNOVATION TO CREATE VALUE

**We seek to be renowned as the most innovative company in our industry by generating new businesses and value-added products that anticipate our customer needs and help to increase operating income.**

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For MASISA innovation is a leadership attitude to surprise our customers with new products and services that arise due to the creativity and enterprise of our employees.

Our brand positioning now puts us in first place for innovation and to maintain that leadership we have continued to enhance our internal processes based on creativity and intra-enterprise without ceasing to act and seeking innovation outside MASISA.

We have therefore added external entrepreneurs to our ecosystem and managed to enter into top rate strategic partnerships with technology partners that provide knowledge and disruptive elements we can develop internally.

The innovation focus in 2013 to generate high impact innovation projects was on:

- Productive and lean processes: energy, fiber and resins; waste and recycling; flexible low-scale production.
- Materials - wood boards - furniture: performance attributes; new coatings; interiorism.
- Industrial experience: sales service and integration to the MASISA Components business.
- Furniture maker experience: service time and MASISA furniture maker network (Red M).
- Business models for the home: electronic commerce or do it yourself (DIY).



Moreover, MASISA LAB brings together intra-entrepreneurs to develop their projects and work together in a multidisciplinary environment. In Chile and Mexico we have managed to connect to the design and architecture world, developing tie-in projects that have led to disruptive projects for the industry in Latin America. Some examples in 2013 were MASISA Artícula, MASISA Detona and the Mexican Design Open. The highlights in Chile were the digital application (MASISA App) and the forums with design icons.

Our long-term vision is to attain and maintain an innovation rate in which 20% of our business has products and services that did not exist three years ago.

In 2013, we were close to achieving this goal (18%), for which the challenge is to carry out and develop high impact disruptive business for the market in Latin America. We also kept up an intensive renovation rate for our melamine design portfolio and we have added new products in new categories like wall coating and new melamine designs, launching 58 new products in the region.



Focus on  
the Final  
Customer

Innovation  
to Create  
Value

Live the  
Brand

Safety and  
Operating  
Efficiency

## LIVING THE BRAND

**We seek to generate brand value and preference for our products by means of unique and visible positioning of the main differentiating features.**

One of MASISA's four strategic pillars for value creation is "Living the Brand," and so in 2013 the company launched a brand project that included research with customers and key stakeholders in Latin America to renew the company's global positioning, focused on the final consumer and covering the different customers and channels.

The new positioning is targeted at people who seek to reflect their style in the decoration of their areas, for which MASISA, a benchmark in Latin America for coated wood boards, is renowned for the closeness to its customers, for offering the best design mix and its environmental care.

A key element is that MASISA is renowned by all the countries and customers where it has a presence as the innovation and design brand in its industry, and the positioning we will build will therefore be focused on people's lifestyle. We will make more visible innovation, the wide product mix and designs for furniture and interior architecture that the company offers its customers.

In this Annual Report we are anticipating the new logotype with the slogan "your world in your way" and some visual elements we will disseminate in all our markets in 2014.

Focus on  
the Final  
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ValueLive the  
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## SAFETY & OPERATING EFFICIENCY

**We will sharpen programs to improve processes, costs and the efficient supply of raw materials, which assure us the competitiveness needed for the long-term business development. Our operating efficiency is associated with the quality of our products and the search for eco-efficiency.**

In 2013, the programs related to operative efficiency (operation management system and improvement groups) continued helping to oversee and manage the continuous improvement of processes, making indicators like overall equipment effectiveness (OEE), and costs more efficient.

This year we got all the MDF lines to have an OEE of over 80%.

In line with continuous cost management of our main raw materials, in 2013 MASISA started to implement new resin injection technology, improving the dosage and thereby reducing consumption. For this, it selected the "Projet" equipment of Germany-based Dieffenbacher and purchased this for the MDF mills in Chile, Brazil and Argentina. The first equipment started to operate in Chile and by year end there were already large cost savings.

The company also worked on optimizing the melamine design portfolio, attaining large synergy with the standardization of designs for all our markets and thereby a better purchase position.

In the energy area it acquired the biomass-fired cogenerating plant at Cabre-ro in Chile and negotiated supply contracts for the Cabrero complex to attain energy supply price sustainability and stability for the operation.

Lastly, in 2013 the company started to implement the lean manufacturing project, which is based on consolidated systems, and aims to provide a new drive and proven support to operating efficiency, reducing any kinds of losses in the value chain.

In regard to the safety issues that are also part of this strategic pillar, please see the information on page 94 below.



### MASISA SE UNE AO INSTITUTO KAIZEN

To implement all operations methodology production "Lean" known as Lean Manufacturing, MASISA joined the Kaizen Institute. With the LEAN project, focused the contribution of each person and through work in team seeks to manage MASISA continuous chain value by identifying opportunities improvement in our processes to make them more safe, efficient, effective, end customer oriented, and so capture the full potential operation, putting special focus in all our actions directly related to value creation and in eliminating those that are not. The project is part of LEAN strategic initiatives MASISA and will be implemented stepwise in all operations, Chile being the country selected to start the process.