

NEWS RELEASE: Via
The Canadian Custom Disclosure Network
FOR IMMEDIATE RELEASE
February 15, 2013

Attention: Business/Financial Editors

HARDWOODS DISTRIBUTION INC.

TRADING SYMBOL: **Toronto Stock Exchange – HWD**

Hardwoods Announces Amendment to US Credit Facility

Langley, B.C., February 15, 2013/ CNW/ – Hardwoods Distribution Inc. (“Hardwoods”) announced today an amendment (the “Amendment”) to the revolving credit facility available to its’ U.S. operating subsidiary, Hardwoods Speciality Products USLP (“Hardwoods USLP”). The Amendment increases the maximum borrowings available to Hardwoods USLP under the credit facility, from US\$30 million to US\$45 million.

“New residential construction and renovation markets continue to show signs of significant improvement in the United States, and Hardwoods USLP’s sales are heavily influenced by conditions in these sectors of the economy,” said Lance Blanco, President and CEO. “Based on improving results in these markets, Hardwoods USLP expects to experience higher demand for its products well into 2014. Increasing the size of Hardwoods USLP’s credit facility provides additional flexibility to finance higher working capital requirements, which would accompany increased levels of sales activity that we expect in the U.S.”

In addition to increasing the size of the credit facility, the Amendment reduces interest rates payable on borrowed funds by 50 basis points. The Amendment also updates certain financial covenant and distribution thresholds to reflect the increased size of the facility, and extends the maturity date of the facility by one year to May 26, 2016.

About Hardwoods Distribution Inc.

Hardwoods (TSX: HWD) is one of North America's largest wholesale distributors of hardwood lumber and related sheet good products, operating a network of 31 distribution centers in the U.S. and Canada.

Forward-Looking Statements

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING INFORMATION

This news release includes forward-looking statements. These involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are identified by the use of terms and phrases such as "anticipate", "believe", "estimate", "expect", "may", "plan", "will", and similar terms and phrases, including references to assumptions. Such statements may involve, but are not limited to: Hardwoods belief that new residential construction and renovation markets continue to show signs of significant improvement in the United States, that Hardwoods USLP's sales are heavily influenced by conditions in these sectors of the economy, and that based on improving results in these markets Hardwoods USLP expects to experience higher demand for its products well into 2014; and Hardwoods belief that increasing the size of Hardwoods USLP's credit facility provides additional flexibility to finance higher working capital requirements, which would accompany increased levels of sales activity that Hardwoods USLP expects in the U.S.

These forward-looking statements reflect current expectations of management regarding future events and operating performance as of the date of this news release. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not

limited to: national and local business conditions; political or economic instability in local markets; competition; consumer preferences; spending patterns and demographic trends; legislation or governmental regulation.

Although the forward-looking statements contained in this news release are based upon what management believes to be reasonable assumptions, management cannot assure investors that actual results will be consistent with these forward-looking statements. The forward-looking statements reflect management's current beliefs and are based on information currently available.

All forward-looking information in this news release is qualified in its entirety by this cautionary statement and, except as may be required by law, Hardwoods undertakes no obligation to revise or update any forward looking information as a result of new information, future events or otherwise after the date hereof. For further information:

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