



FOR: PW Eagle, Inc.
1550 Valley River Drive
Eugene, OR 97440
(Nasdaq-NMS: "PWEI")

CONTACT: Scott Long
Chief Financial Officer, PW Eagle, Inc.
541-343-0200

PW EAGLE DECLARES FIRST DIVIDEND

Eugene, Oregon – December 14, 2005 -- PW Eagle, Inc. (Nasdaq:PWEI) announced today that its Board of Directors has adopted a dividend policy and intends to start a regular quarterly cash dividend. With the exception of approximately \$19 million of the real estate capital leases, the Company expects to be debt free by the end of the year. The Company does expect that in the future it will borrow on its master revolving credit facility from time to time to meet working capital needs.

William Spell, co-chairman of the Board, said, "I am very pleased to announce that the Board has decided to start paying a dividend. As a result of the Company's recent performance and initiatives, our balance sheet is very strong, and we believe that we are now in a position to achieve acceptable performance even during cyclical downturns in our industry. The Board believes it is appropriate to begin to provide our shareholders with a return on their investment in the form of a regular quarterly cash dividend."

The Board has declared a quarterly dividend of 7.5 cent per share, payable January 13, 2006 to all common stockholders of record on December 30, 2005. PW Eagle intends to pay a 7.5 cent per share dividend each quarter for an annual payment of 30 cents per share. Future declarations of quarterly dividends, and the establishment of future record and payment dates, are subject to the final determination of the Company's Board of Directors.

PW Eagle, Inc. is a leading extruder of PVC pipe products and its wholly owned subsidiary, USPoly Company, LLC, is a leading manufacturer of PE pipe and fittings. Together they operate fourteen manufacturing facilities across the United States. PW Eagle's common stock is traded on the Nasdaq Market under the symbol "PWEI".

Forward-Looking Statements

THIS PRESS RELEASE CONTAINS FORWARD-LOOKING INFORMATION AND ACTUAL RESULTS MAY DIFFER

Statements that PW Eagle, Inc. may publish, including those in this announcement that are not strictly historical are "forward-looking" statements made under the safe harbor

provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements made in this press release, which relate to the payment of future cash dividends, the Company's expected debt level, its anticipated working capital needs and future results of operations, involve known and unknown risks and uncertainties that may cause the actual results to differ materially from those expected and stated in this announcement. Actual results could differ if the economy, and particularly the segments of the economy that impact the Company's business, does not grow and perform at least as well as forecast. In addition, actual results could differ as a result of: (i) a slowdown in the United States economy; (ii) the failure of the Gross Domestic Product to improve during the next fiscal year and thereafter; (iii) an increase in interest rates; (iv) a decline in the construction of commercial and residential building; (v) a fluctuation in raw material prices; (vi) our ability to pass through any raw material price increases to our customers and (vii) a greater supply of PVC and PE pipe than market demand for such products caused by cyclical fluctuations in the supply and demand for pipe. It is not possible to foresee or identify all factors that could cause actual results to differ from expected or historical results. As such, you should not consider any list of such factors to be an exhaustive statement of all risks, uncertainties or potential inaccurate assumptions. We undertake no obligation to update "forward-looking" statements.

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