



Boise Cascade®



Boise Cascade Company

First Quarter 2021 Earnings Webcast

May 7, 2021

Forward-Looking Statements

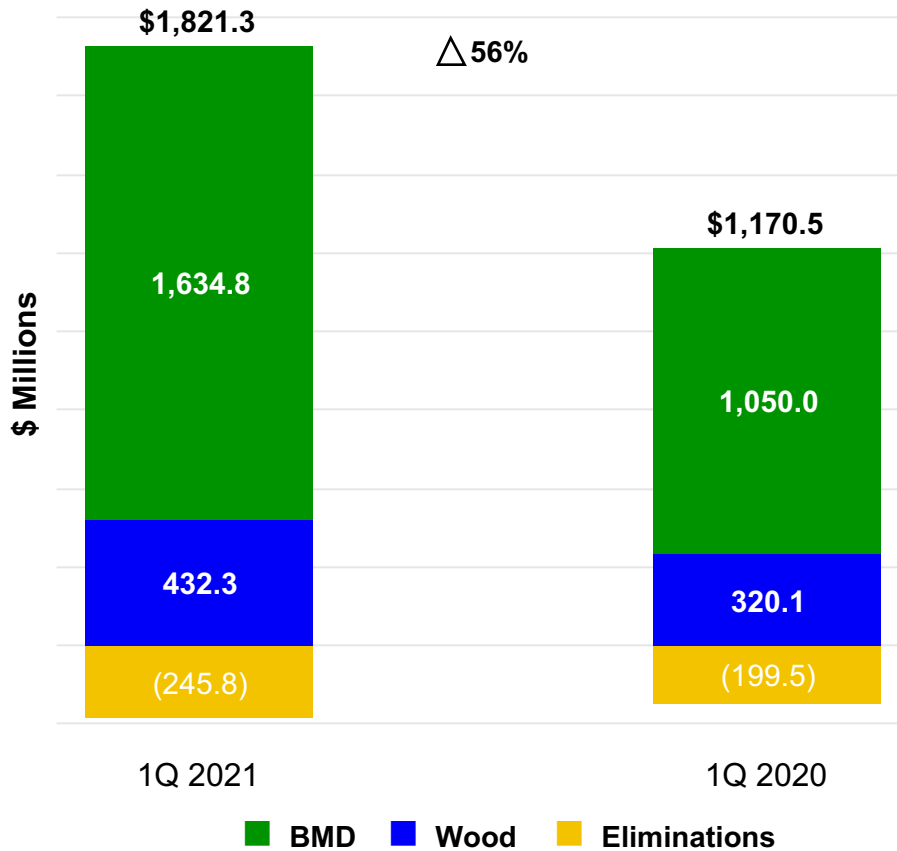
- ◆ This presentation includes statements about our expectations of future operational and financial performance that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The accuracy of such statements is subject to a number of risks, uncertainties, and assumptions that could cause our actual results to differ materially from those projected, including, but not limited to, prices for building products, changes in the competitive position of our products, commodity input costs, the effect of general economic conditions, the effect of COVID-19, mortgage rates and availability, housing demand, housing vacancy rates, governmental regulations, unforeseen production disruptions, as well as natural disasters.
- ◆ These and other factors that could cause actual results to differ materially from such forward-looking statements are discussed in greater detail in our filings with the Securities and Exchange Commission.
- ◆ Forward-looking statements speak only as of the date of this presentation. We undertake no obligation to revise them in light of new information. Finally, we undertake no obligation to review or confirm analyst expectations or estimates that might be derived from this presentation.
- ◆ This presentation includes references to EBITDA and Adjusted EBITDA, which are non-GAAP financial measures within the meaning of the Securities and Exchange Commission's Regulation G. Reconciliations of net income to EBITDA and Adjusted EBITDA and segment income to segment EBITDA are included as an appendix.

- ◆ 1Q21 sales were \$1.8 billion, up 56% from 1Q20.
- ◆ 1Q21 net income was \$149.2 million, or \$3.76 per share, compared to net income of \$12.2 million, or \$0.31 per share, in 1Q20.
 - 1Q20 included \$15.0 million and \$1.7 million of pre-tax accelerated depreciation and other closure-related costs, respectively, or \$0.32 per share after-tax, due to permanent curtailment of I-joist production at Roxboro facility.
- ◆ Wood Products reported 1Q21 segment income of \$97.1 million, compared to \$3.8 million in 1Q20.
 - Higher plywood, lumber, and EWP sales prices, as well as higher I-joists sales volumes and lower depreciation and amortization expense, offset partially by higher wood fiber costs and other manufacturing costs.
- ◆ BMD reported 1Q21 segment income of \$120.2 million, up from \$29.3 million in 1Q20.
 - Gross margin increase of \$115.3 million resulting from improved sales volumes and gross margins on substantially all product lines, particularly commodity products.
 - Increased selling and distribution expenses of \$20.5 million.

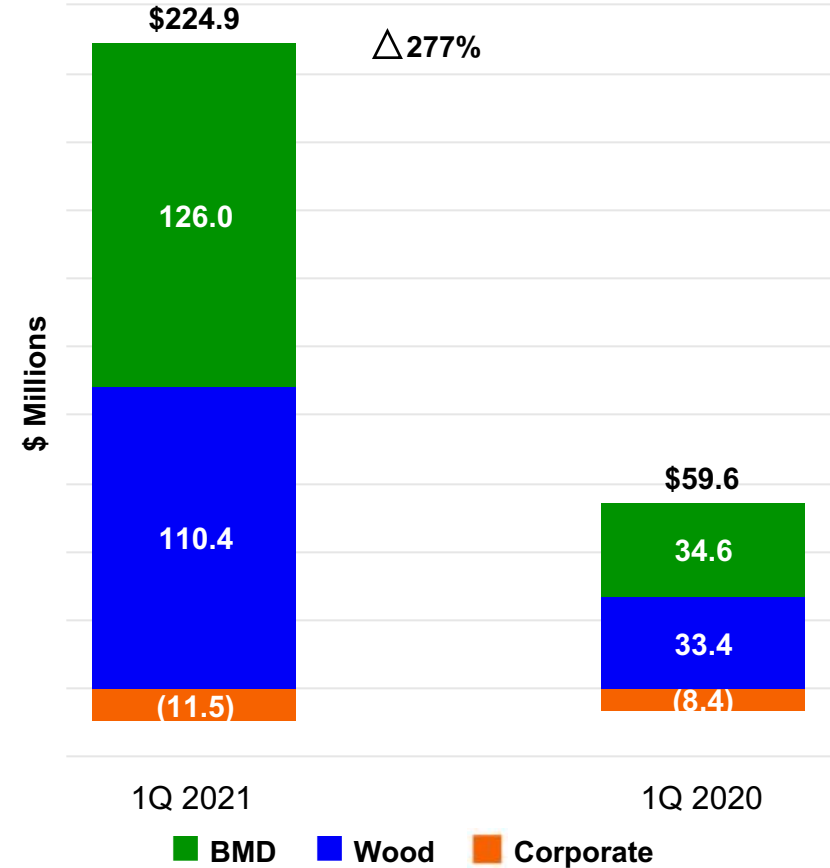
1Q 2021 Financial Highlights

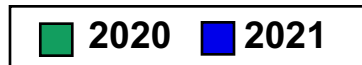
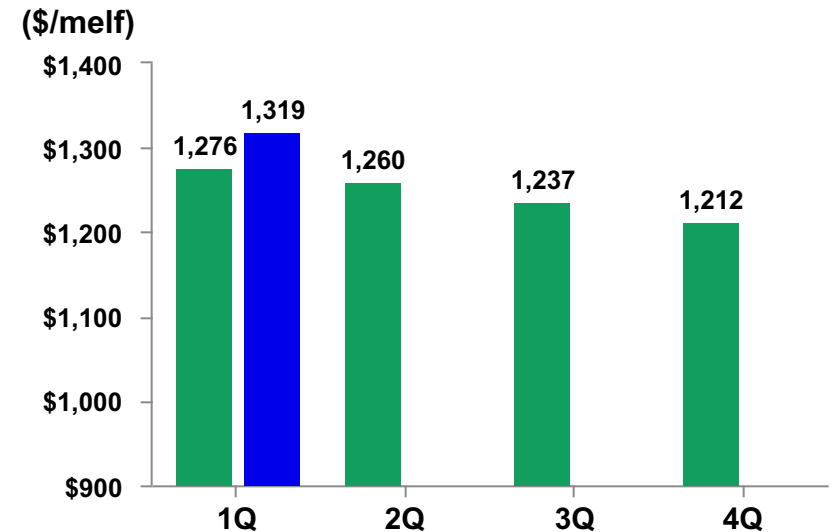
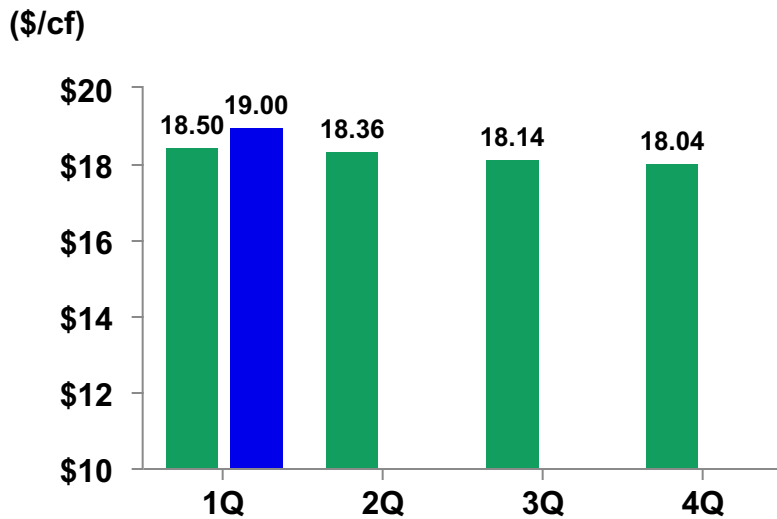
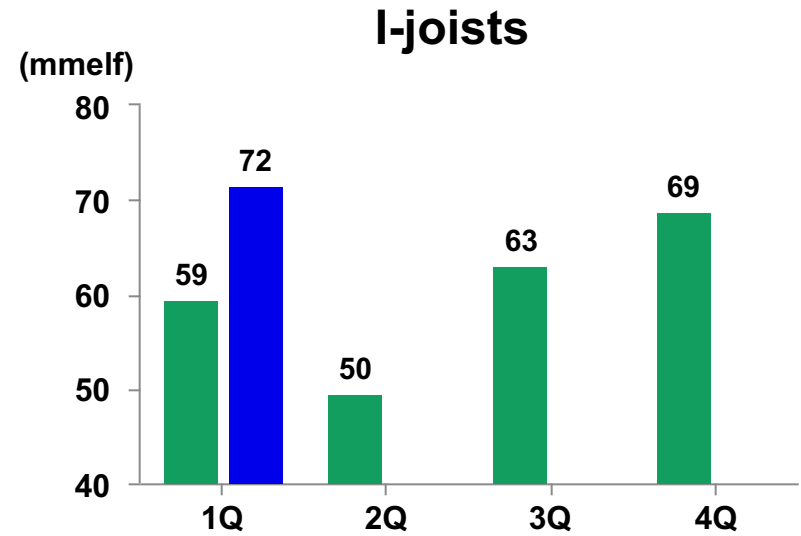
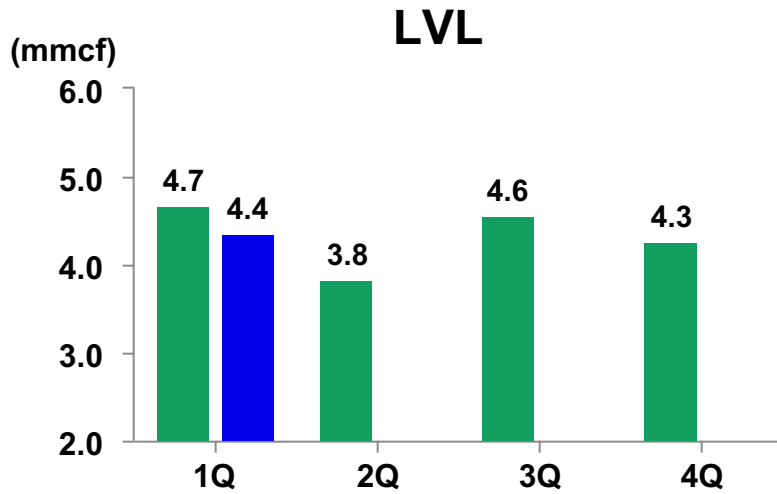


Sales



Adjusted EBITDA



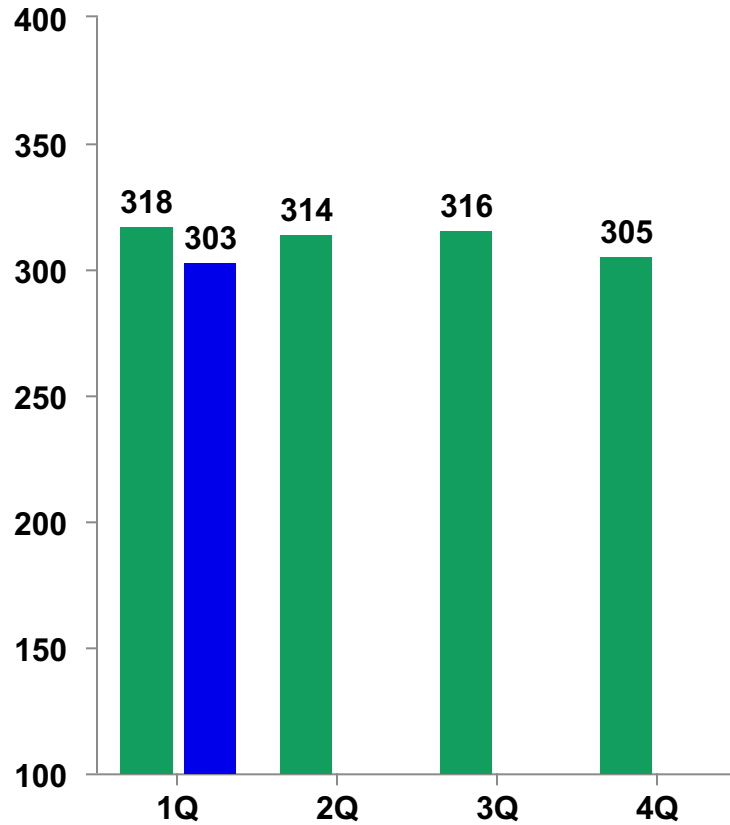


Wood Products Plywood



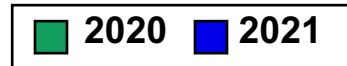
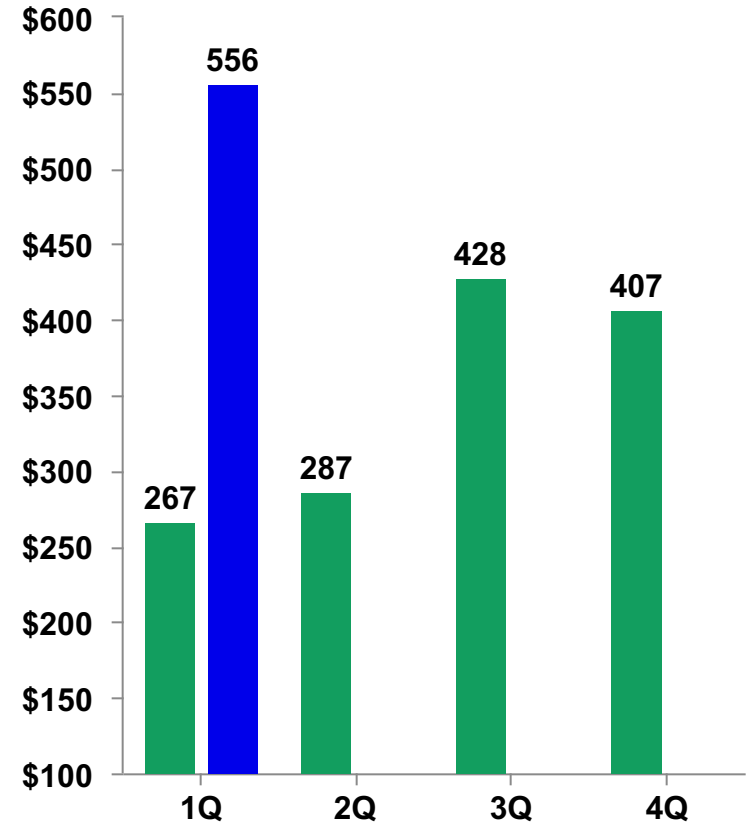
Sales Volume

(mmsf 3/8" basis)



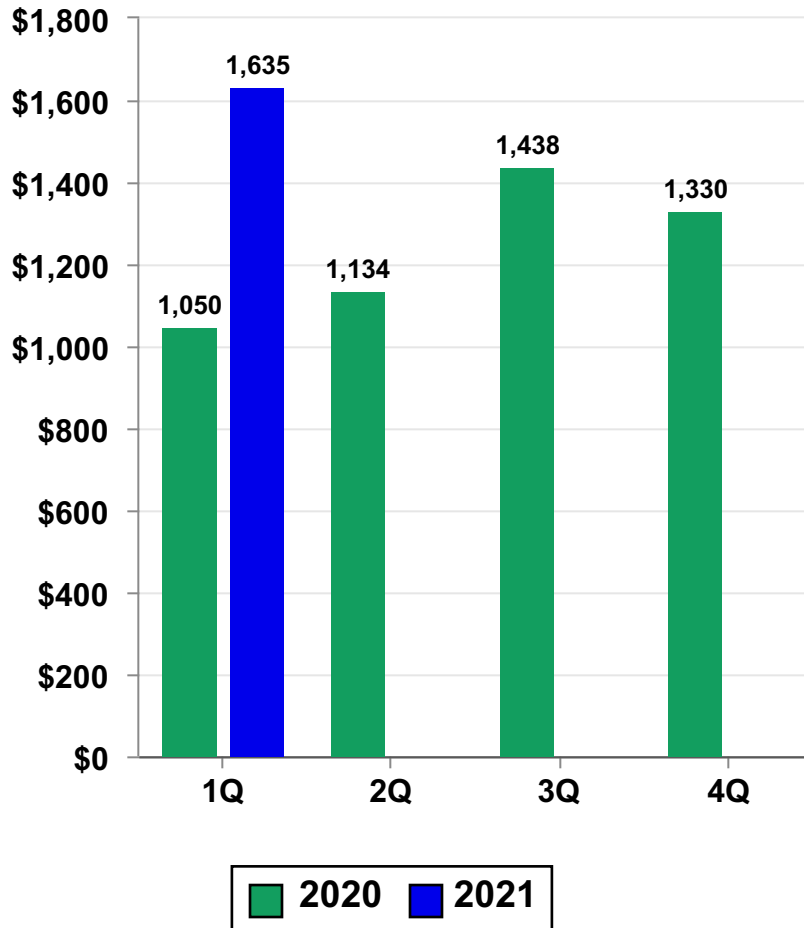
Net Sales Price

(\$/msf 3/8" basis)

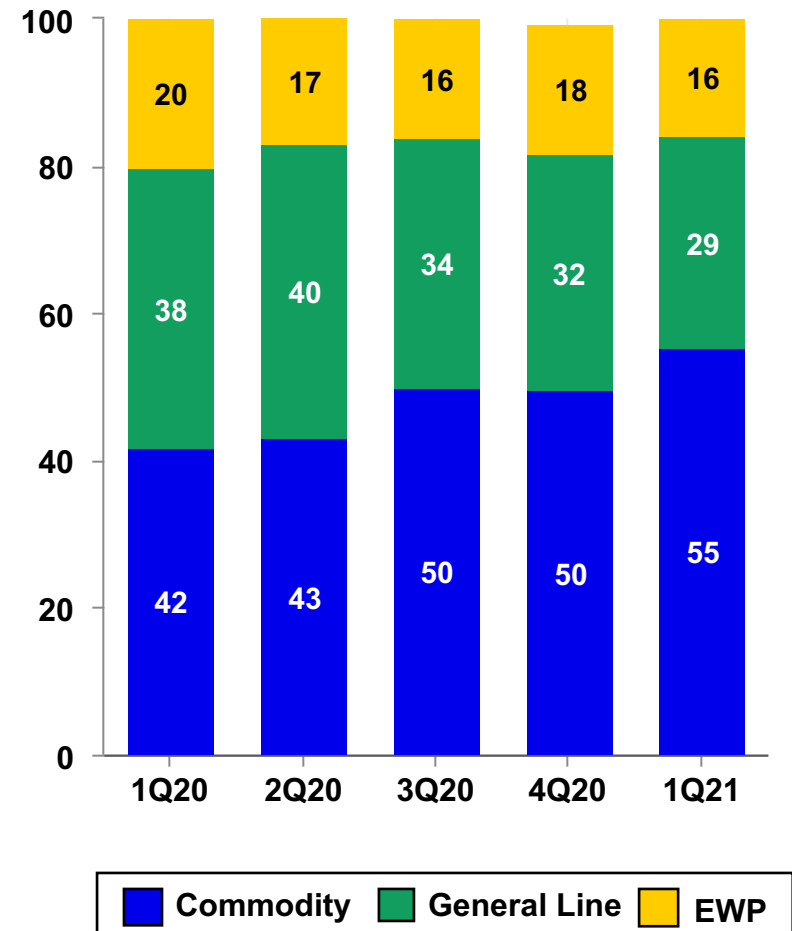


Building Materials Distribution Sales

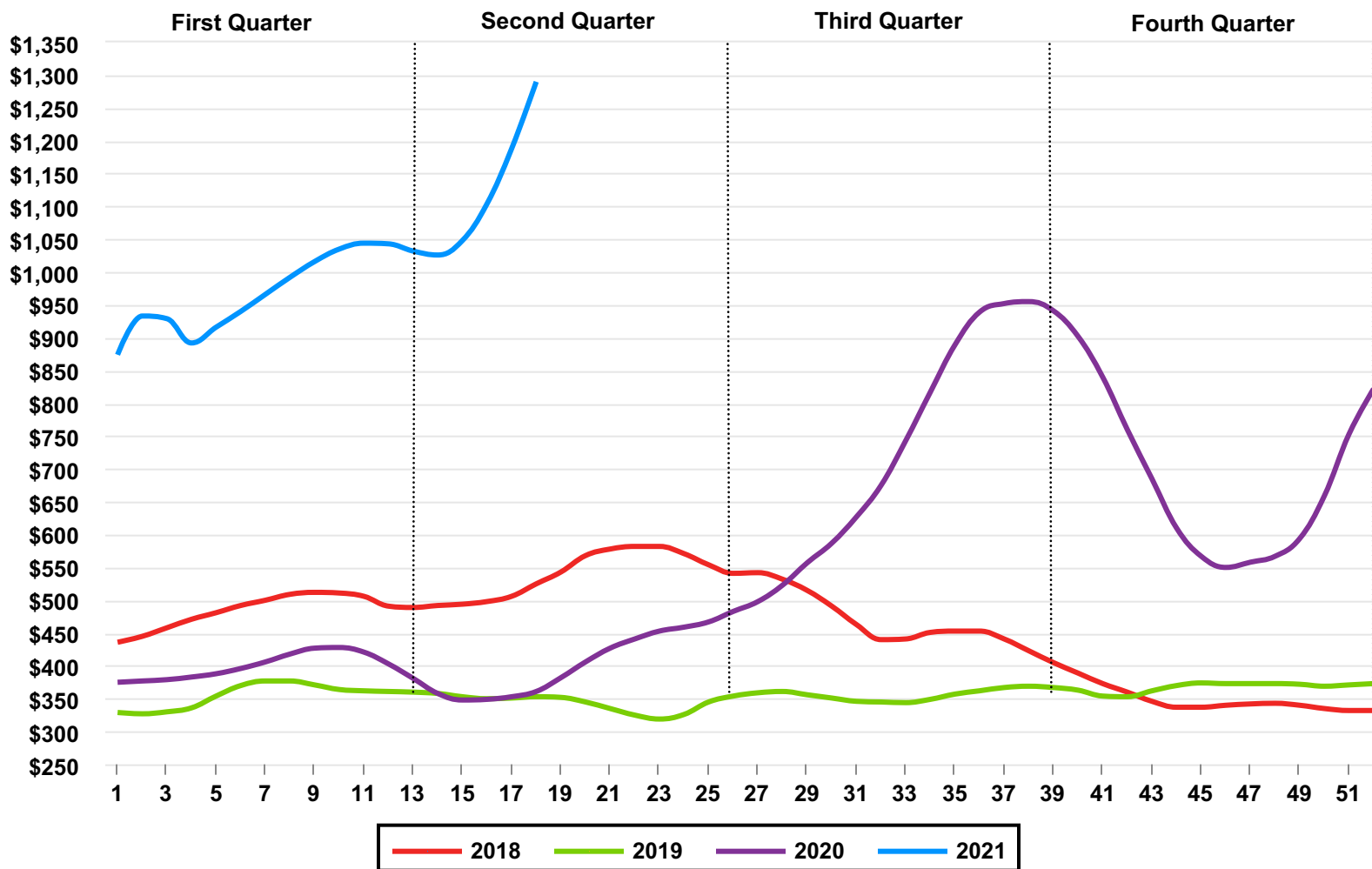
(\$ Millions)



(% of Sales)

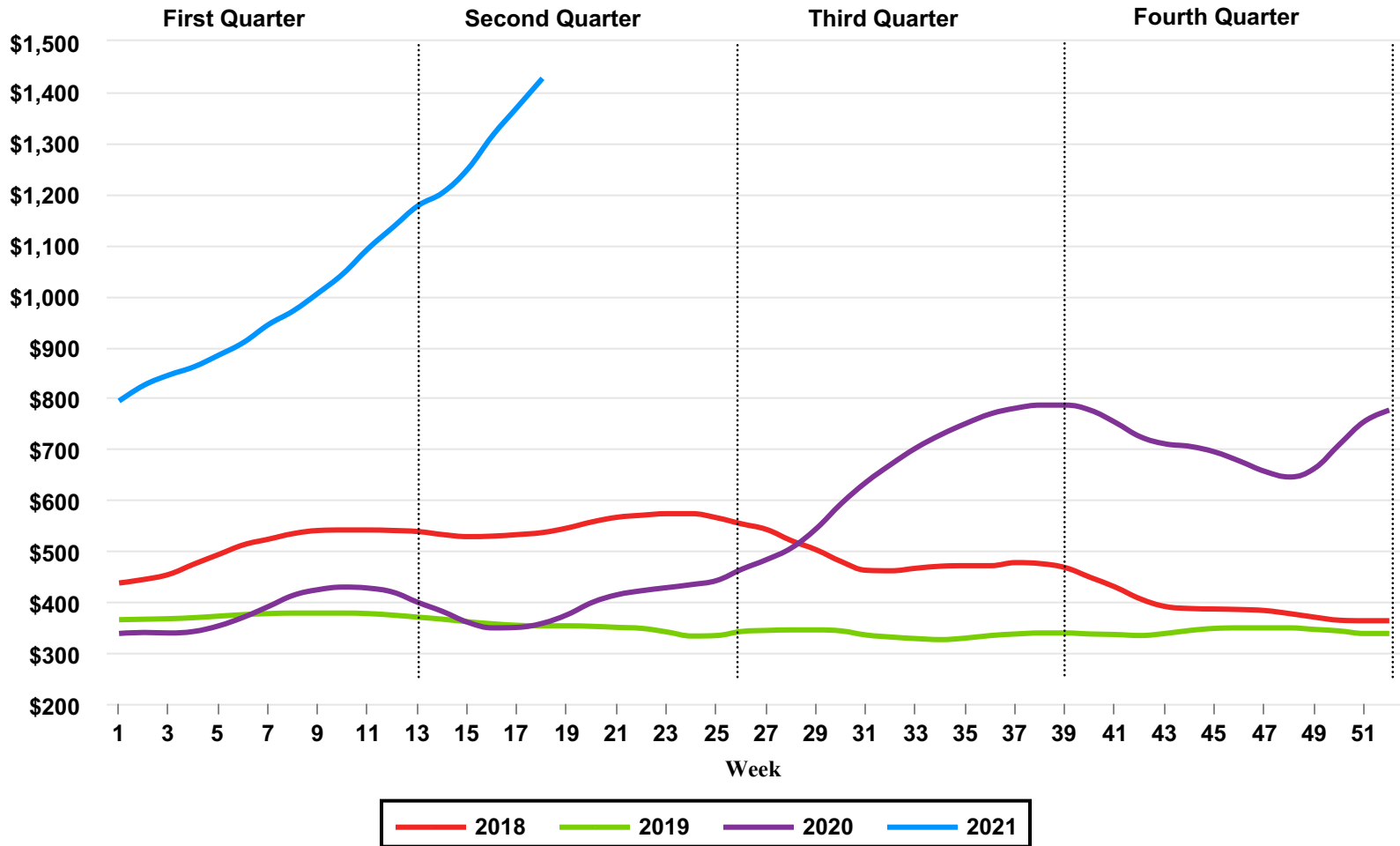


Lumber Composite Price



Source: Random Lengths

Panel Composite Price



Source: Random Lengths

Working Capital



(\$ Millions)	<u>3/31/2021</u>	<u>12/31/2020</u>	<u>Change</u>
Receivables	\$ 552.9	\$ 391.1	\$ 161.7
Inventory	611.7	503.5	108.2
Other current assets ^(a)	11.3	8.9	2.4
	<u>1,175.9</u>	<u>903.5</u>	<u>272.4</u>
Accounts payable	458.2	308.9	149.3
Accrued liabilities ^(b)	172.7	198.6	(25.9)
	<u>630.8</u>	<u>507.4</u>	<u>123.4</u>
Net working capital	<u>\$ 545.1</u>	<u>\$ 396.0</u>	<u>\$ 149.0</u>

(a) Excludes cash and tax related items.

(b) Excludes income taxes payable and interest payable.

Debt and Liquidity Highlights



(\$ Millions)	<u>3/31/2021</u>	<u>12/31/2020</u>
<u>Net Debt</u>		
Total debt	\$ 444.0	\$ 443.8
Cash & cash equivalents	<u>(457.0)</u>	<u>(405.4)</u>
Net debt (cash)	<u>\$ (13.0)</u>	<u>\$ 38.4</u>
 <u>Liquidity Position</u>		
Bank line excess availability	\$ 345.3	\$ 345.2
Cash & cash equivalents	<u>457.0</u>	<u>405.4</u>
Total liquidity	<u>\$ 802.3</u>	<u>\$ 750.6</u>

- ◆ Current consensus estimate for 2021 U.S. housing starts is 1.55, up 12% from 2020 levels. Near term demand remains favorable, however, supply induced constraints on residential construction and repair-and-remodeling activity may continue to extend build times and limit activity.
- ◆ Operational focus in Wood Products:
 - Strong demand and extended order files across product lines, particularly EWP.
 - Anticipate completion of Florien log utilization center project in 1H21.
 - Restoration of normal production levels at Elgin plywood in 2H21 contingent on log supply.
- ◆ Pursuing continued organic growth in BMD:
 - Commitment to our model on customer service, stocking levels and deliveries.
 - Increasing capacity in the Nashville market.
 - Expect to open second Texas door assembly shop in Houston by 2H21.
- ◆ Commodity pricing in first half of 2021 at historic levels. Future pricing will depend on the economic impacts of the pandemic, industry capacity restoration, and the balance of industry supply/demand in an unpredictable environment.
- ◆ Our focus remains on the health and safety of our associates and continuing to provide strong support of our customers.



Boise Cascade®



Appendix

May 7, 2021

EBITDA represents income before interest (interest expense and interest income), income taxes, and depreciation and amortization. Additionally, we disclose Adjusted EBITDA, which further adjusts EBITDA to exclude the change in fair value of interest rate swaps. The following table reconciles net income to EBITDA and Adjusted EBITDA for the three months ended March 31, 2021 and 2020, and December 31, 2020:

(\$ Millions)	Three Months Ended		
	1Q21	1Q20	4Q20
Net income	\$ 149.2	\$ 12.2	\$ 26.0
Interest expense	5.9	6.4	6.2
Interest income	(0.1)	(0.7)	—
Income tax provision	51.4	4.0	61.4
Depreciation and amortization	19.5	35.3	19.9
EBITDA	\$ 226.0	\$ 57.3	\$ 113.4
Change in fair value of interest rate swaps	(1.0)	2.3	(0.3)
Adjusted EBITDA	\$ 224.9	\$ 59.6	\$ 113.1

The following table reconciles segment income to EBITDA for the three months ended March 31, 2021 and 2020, and December 31, 2020:

(\$ Millions)	Three Months Ended		
	1Q21	1Q20	4Q20
Wood Products			
Segment income	\$ 97.1	\$ 3.8	\$ 40.8
Depreciation and amortization	13.3	29.6	13.7
Segment EBITDA	<u>\$ 110.4</u>	<u>\$ 33.4</u>	<u>\$ 54.5</u>
Building Materials Distribution			
Segment income	\$ 120.2	\$ 29.3	\$ 67.1
Depreciation and amortization	5.8	5.3	5.8
Segment EBITDA	<u>\$ 126.0</u>	<u>\$ 34.6</u>	<u>\$ 72.9</u>