



Boise Cascade Company

Third Quarter 2021 Earnings Webcast

November 2, 2021

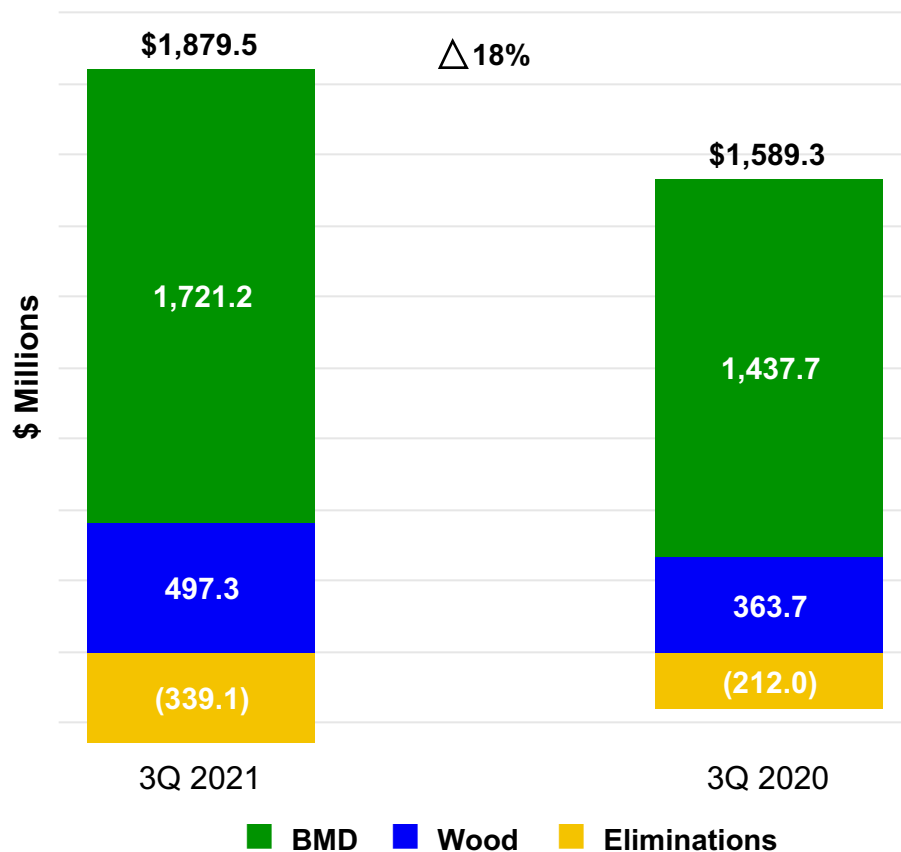
Forward-Looking Statements

- ◆ 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 and related state or federal vaccine mandates, 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.

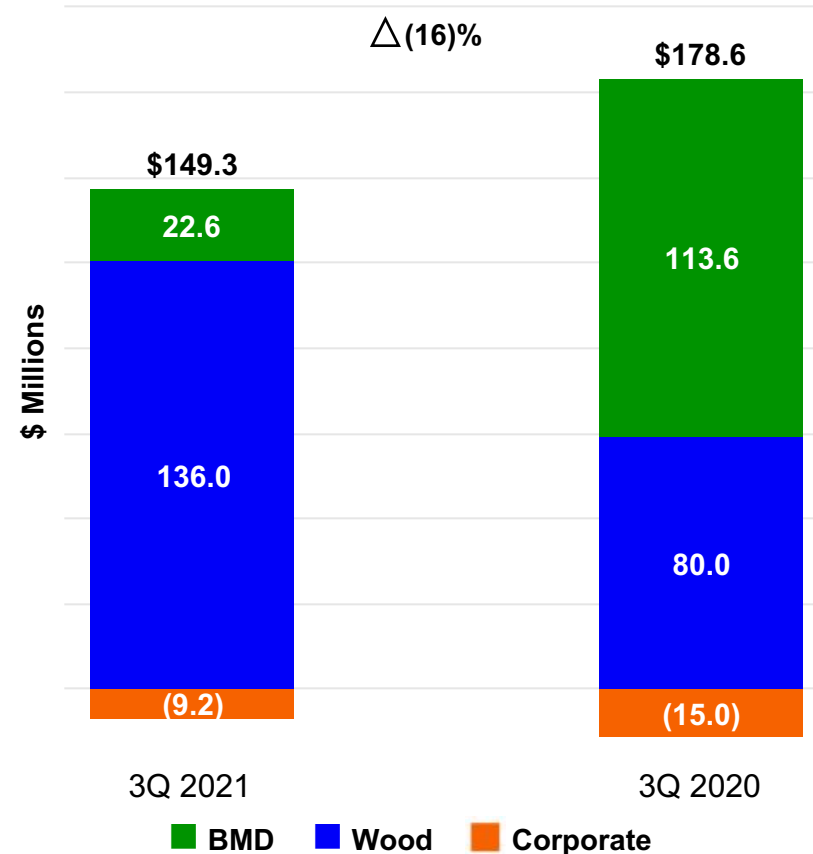
- ◆ 3Q21 sales were \$1.9 billion, up 18% from 3Q20.
- ◆ 3Q21 net income was \$91.7 million, or \$2.31 per share, compared to net income of \$103.2 million, or \$2.61 per share, in 3Q20.
 - Prior year results include \$10.5 million of net after-tax losses, or \$0.27 per share, on the extinguishment of debt.
- ◆ Wood Products reported 3Q21 segment income of \$122.1 million, compared to \$66.0 million in 3Q20.
 - Higher EWP, plywood, and lumber sales prices, as well as higher EWP sales volumes, offset partially by higher wood fiber costs and lower margins on inventory purchased for resale in support of customer programs.
- ◆ BMD reported 3Q21 segment income of \$16.6 million, down from \$107.9 million in 3Q20.
 - Gross margin decrease of \$100.5 million resulting from a sharp decline in commodity prices during the quarter, offset partially by higher sales volumes and gross margin percentages for EWP and general line products.
 - Decreased selling and distribution expenses of \$7.8 million.

3Q 2021 Financial Highlights

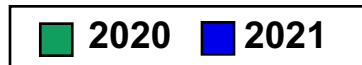
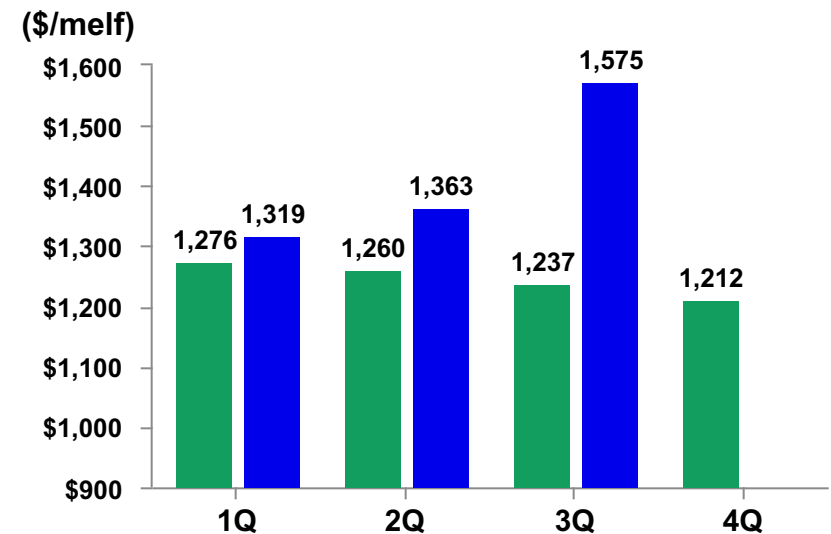
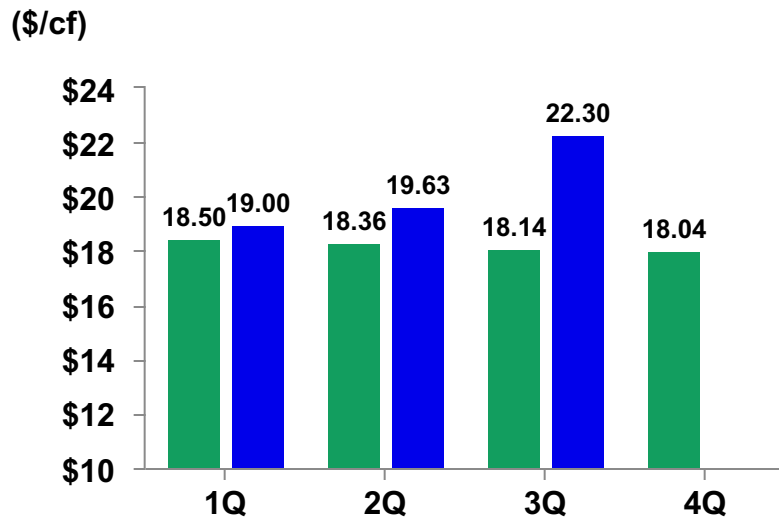
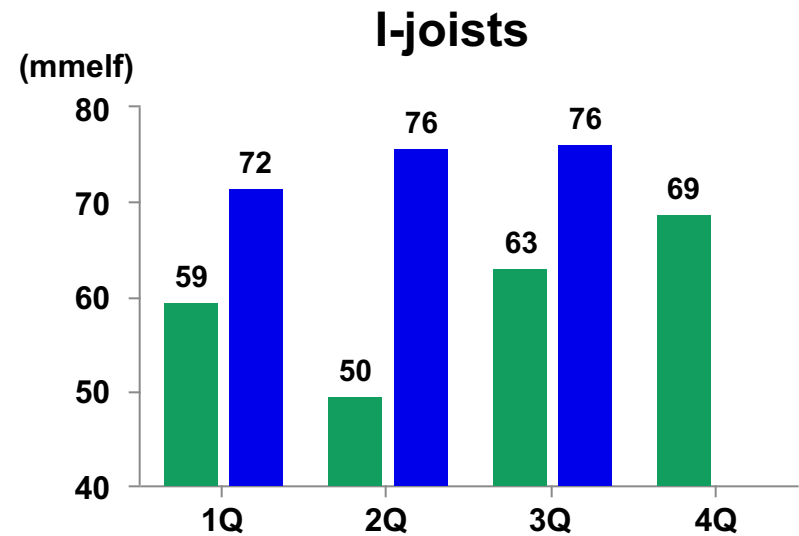
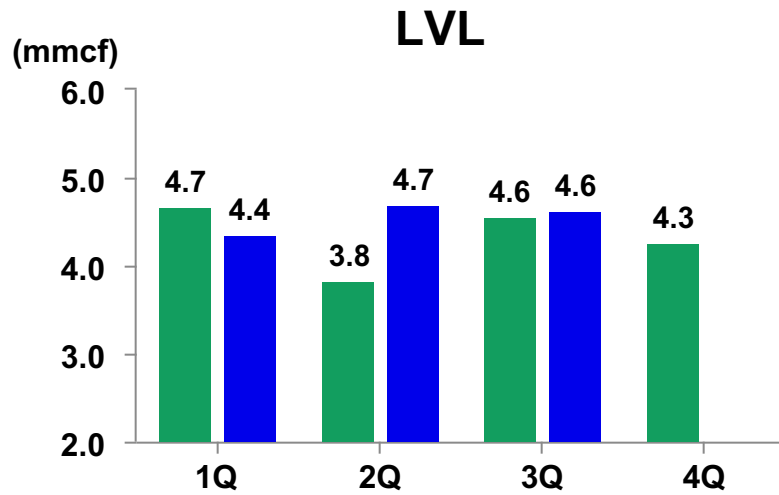
Sales



Adjusted EBITDA



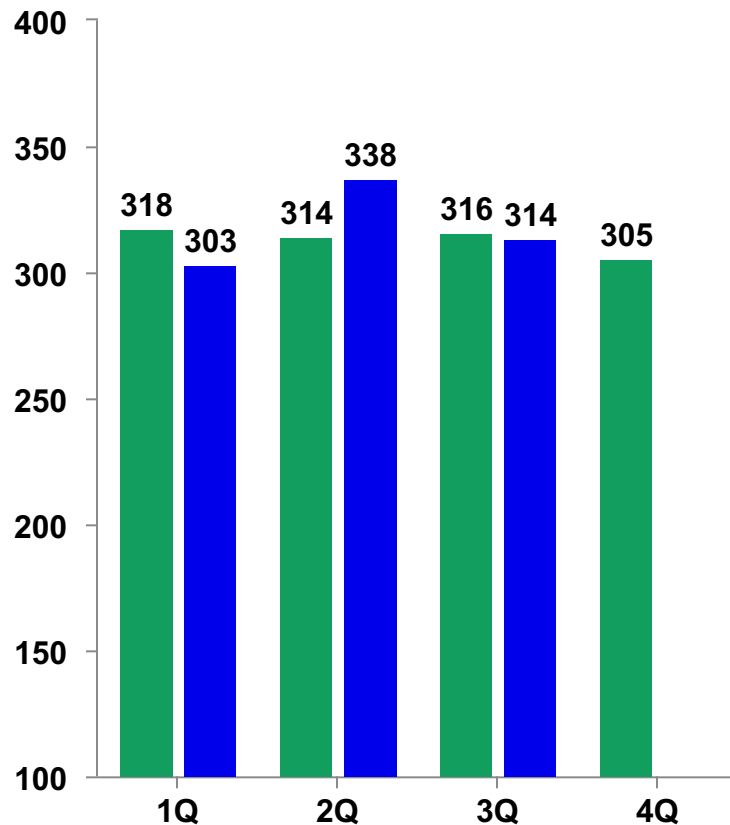
Wood Products EWP



Wood Products Plywood

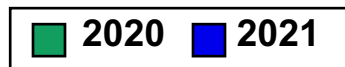
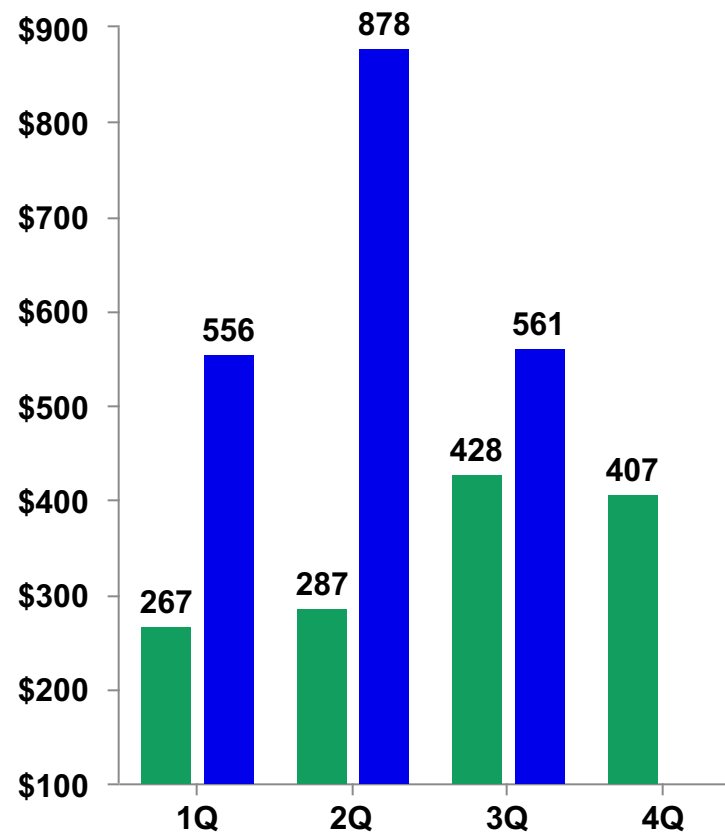
Sales Volume

(mmsf 3/8" basis)



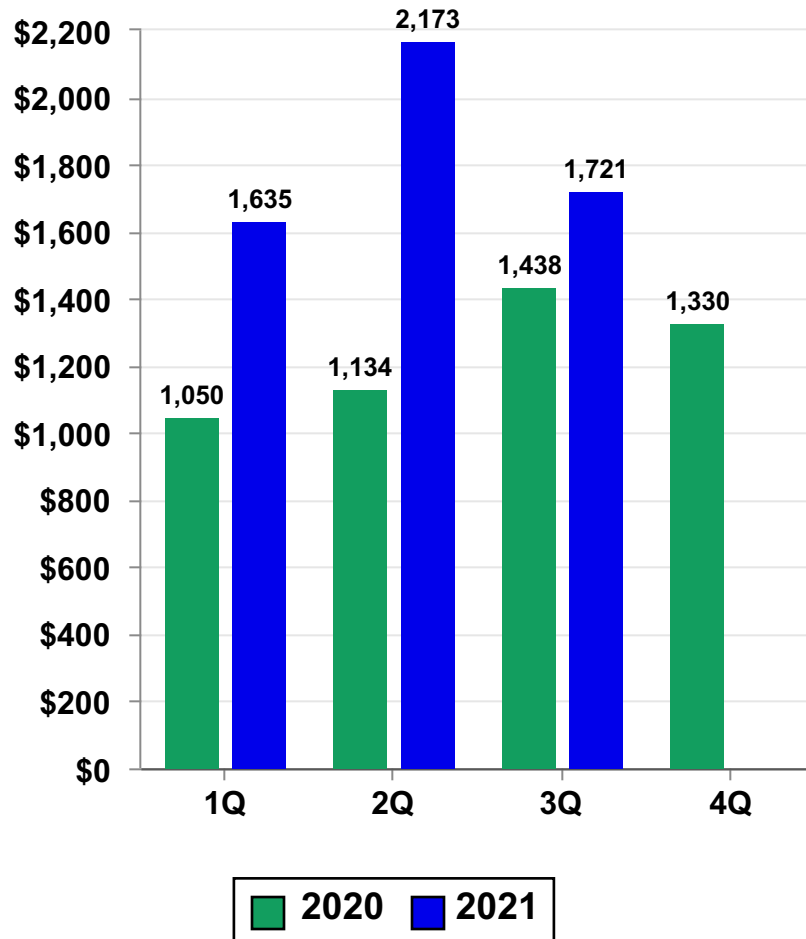
Net Sales Price

(\$/msf 3/8" basis)

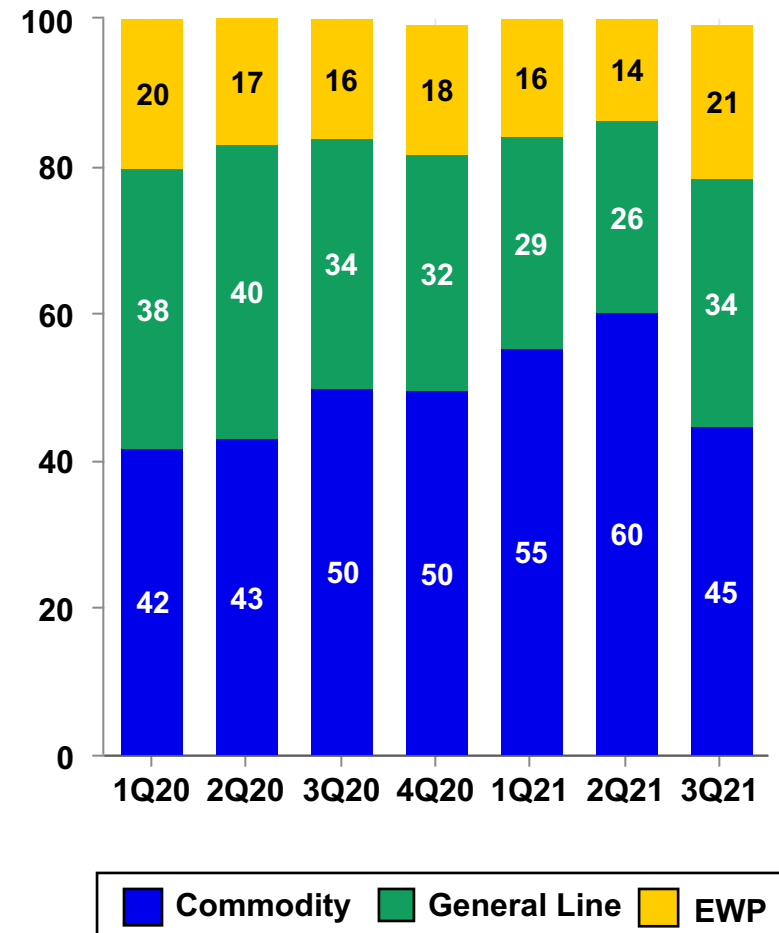


Building Materials Distribution Sales

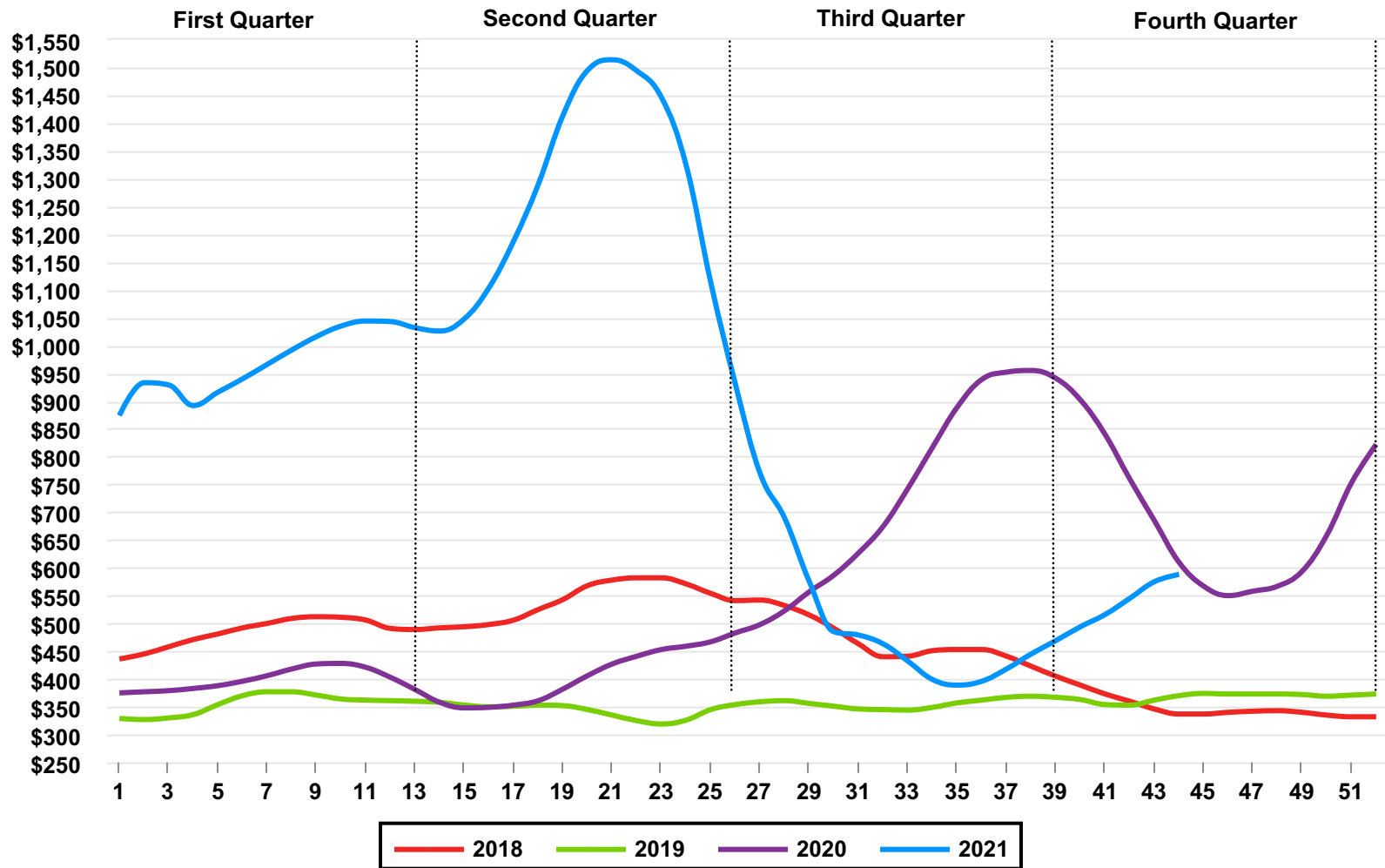
(\$ Millions)



(% of Sales)



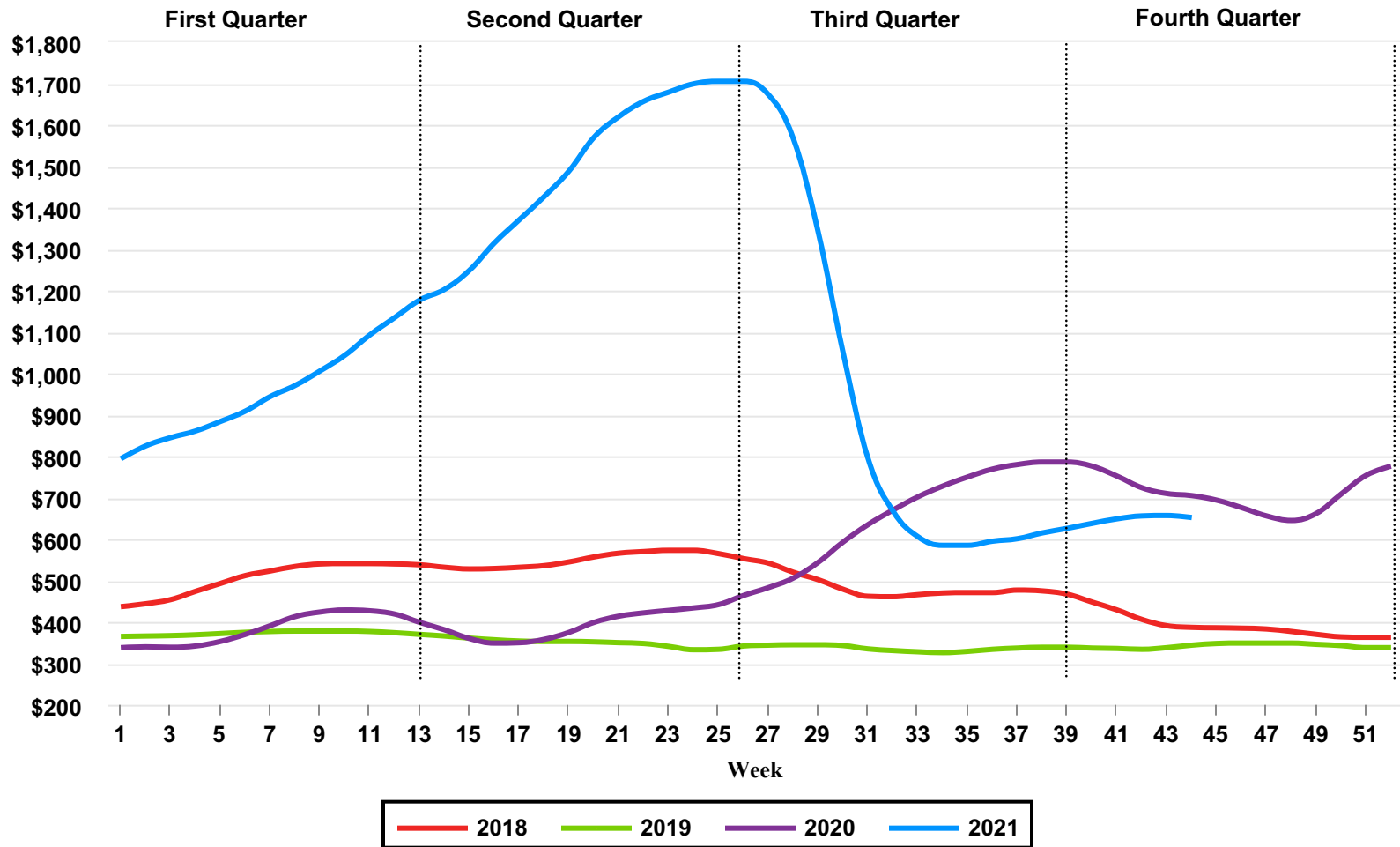
Lumber Composite Price



Source: Random Lengths

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Panel Composite Price



Source: Random Lengths

Working Capital

(\$ Millions)	<u>9/30/2021</u>	<u>6/30/2021</u>	<u>Change</u>
Receivables	\$ 490.9	\$ 610.2	\$ (119.2)
Inventory	644.4	727.2	(82.8)
Other current assets ^(a)	<u>15.8</u>	<u>16.3</u>	<u>(0.5)</u>
	1,151.1	1,353.7	(202.6)
Accounts payable	413.3	510.0	(96.8)
Accrued liabilities ^(b)	<u>281.9</u>	<u>240.2</u>	<u>41.7</u>
	695.2	750.3	(55.1)
Net working capital	<u>\$ 455.9</u>	<u>\$ 603.4</u>	<u>\$ (147.5)</u>

(a) Excludes cash and tax related items.

(b) Excludes income taxes payable, interest payable, and dividends payable.

Debt and Liquidity Highlights



(\$ Millions)

Net Debt

	9/30/2021	6/30/2021
Total debt	\$ 444.4	\$ 444.2
Cash & cash equivalents	(786.9)	(653.8)
Net debt (cash)	<u>\$ (342.5)</u>	<u>\$ (209.6)</u>

Liquidity Position

Bank line excess availability	\$ 345.3	\$ 345.3
Cash & cash equivalents	786.9	653.8
Total liquidity	<u>\$ 1,132.2</u>	<u>\$ 999.1</u>

- ◆ Current consensus estimate for 2021 U.S. housing starts is 1.59 million, up 15% from 2020 levels. Consensus forecast for 2022 housing starts is 1.57 million.
- ◆ Wood Products
 - Solid demand and order files for EWP.
 - EWP price increases helping to mitigate impact of lower plywood pricing.
- ◆ BMD
 - Strong demand across customer base and inventory well positioned.
 - Houston door assembly operation and Nashville expansion project operational.
- ◆ Continued organizational mindset of patience and flexibility as supply chain, labor, and pandemic-related issues create challenges and uncertainties.
- ◆ Our focus remains on the health and safety of our associates and continuing to provide strong support of our customers.



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Appendix

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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 and loss on extinguishment of debt. The following table reconciles net income to EBITDA and Adjusted EBITDA for the three months ended September 30, 2021 and 2020, and June 30, 2021:

(\$ Millions)	Three Months Ended		
	3Q21	3Q20	2Q21
Net income	\$ 91.7	\$ 103.2	\$ 302.6
Interest expense	6.3	7.0	6.3
Interest income	(0.1)	(0.1)	(0.1)
Income tax provision	31.2	34.6	101.0
Depreciation and amortization	20.3	20.0	20.4
EBITDA	\$ 149.4	\$ 164.7	\$ 430.3
Change in fair value of interest rate swaps	(0.1)	(0.1)	0.0
Loss on extinguishment of debt	—	14.0	—
Adjusted EBITDA	\$ 149.3	\$ 178.6	\$ 430.3

The following table reconciles segment income to EBITDA for the three months ended September 30, 2021 and 2020, and June 30, 2021:

(\$ Millions)	Three Months Ended		
	3Q21	3Q20	2Q21
Wood Products			
Segment income	\$ 122.1	\$ 66.0	\$ 213.8
Depreciation and amortization	13.9	13.9	14.1
Segment EBITDA	<u>\$ 136.0</u>	<u>\$ 80.0</u>	<u>\$ 227.9</u>
Building Materials Distribution			
Segment income	\$ 16.6	\$ 107.9	\$ 206.3
Depreciation and amortization	6.0	5.7	5.9
Segment EBITDA	<u>\$ 22.6</u>	<u>\$ 113.6</u>	<u>\$ 212.3</u>