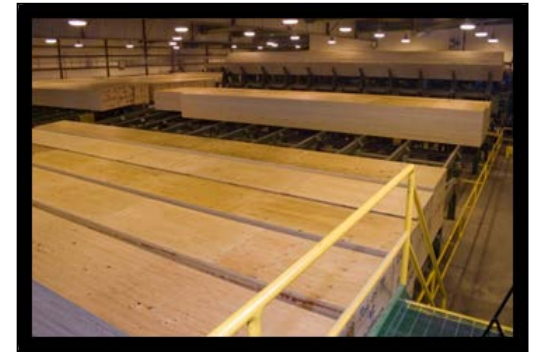
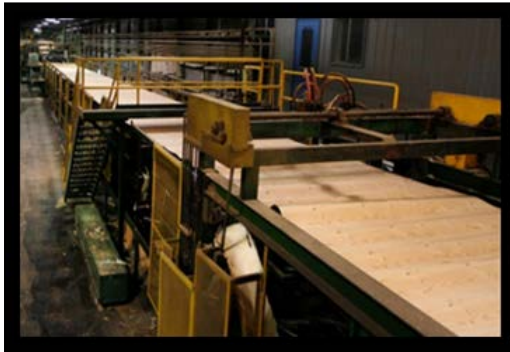




Boise Cascade



Boise Cascade Company

Fourth Quarter 2017

Earnings Webcast

February 26, 2018



Forward-Looking Statements

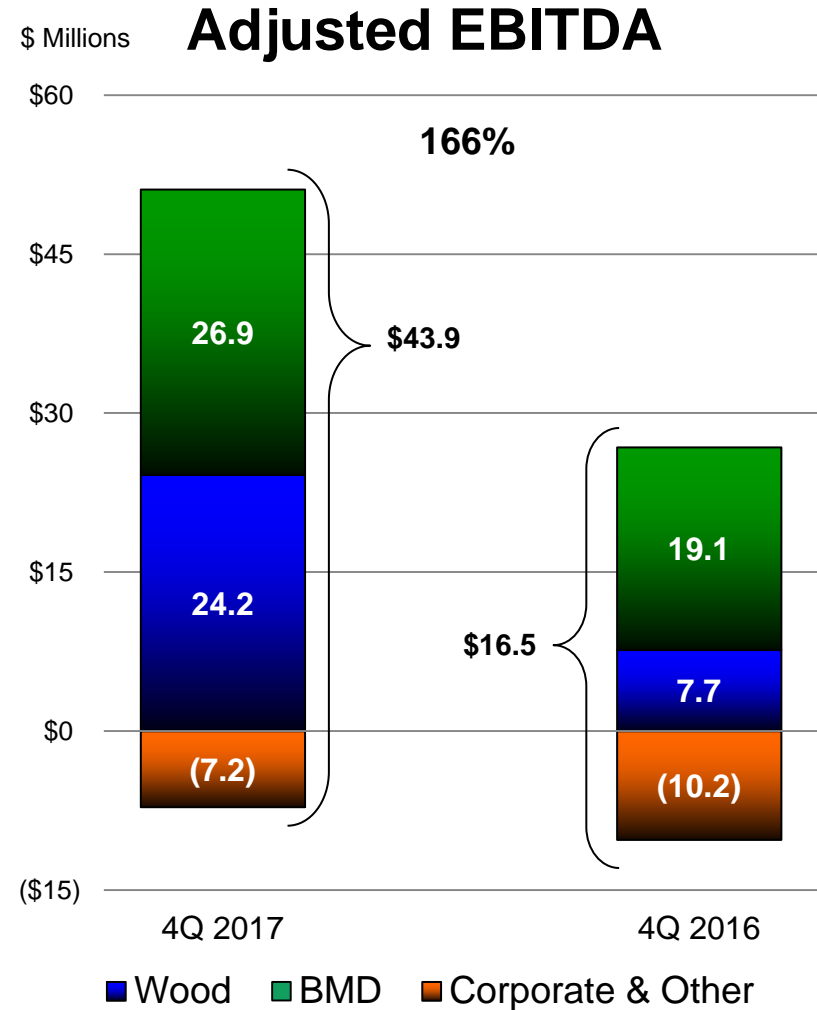
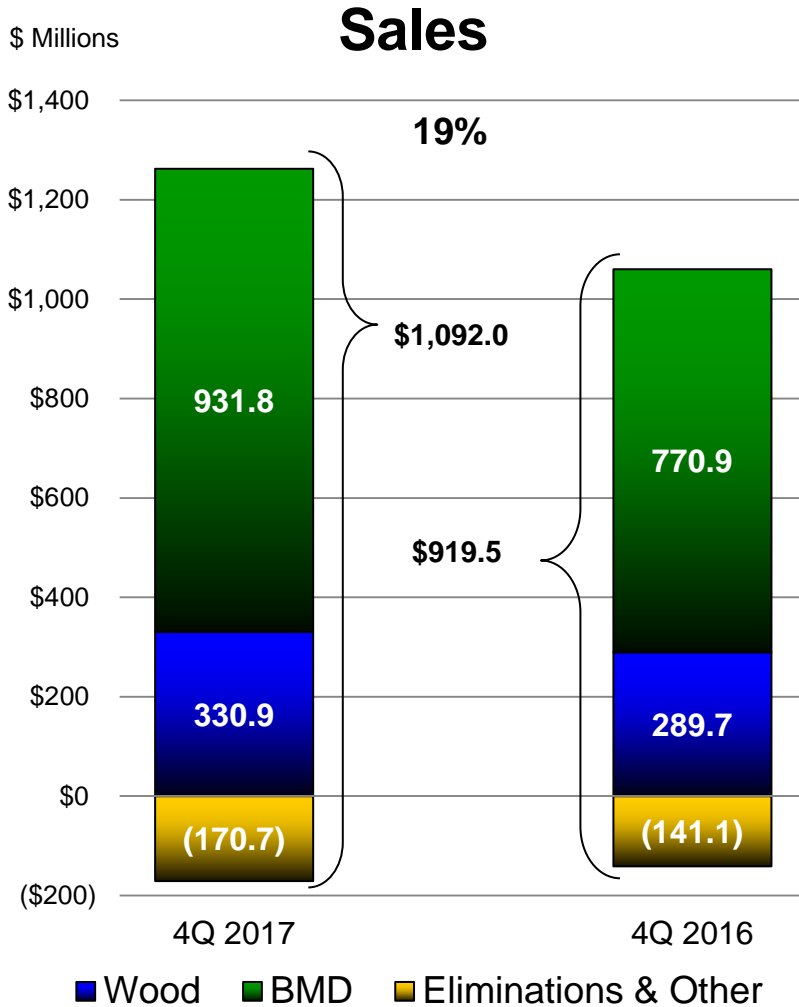
- ◆ This presentation includes statements about our expectations of future operational and financial performance that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The accuracy of such statements is subject to a number of risks, uncertainties, and assumptions that could cause our actual results to differ materially from those projected, including, but not limited to, prices for building products, commodity input costs, the effect of general economic conditions, 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.



- ◆ 4Q17 sales were \$1.09 billion, up 19% from 4Q16.
- ◆ 4Q17 net income was \$19.1 million, or \$0.49 per share, up from \$0.11 per share in 4Q16. 4Q17 included \$8.1 million, or \$0.21 per share, income tax benefit from new tax law. 4Q16 included \$3.1 million, or \$0.08 per share, net after-tax gain from a combination of items described in our press release.
- ◆ Wood Products reported 4Q17 segment income of \$6.8 million, compared to \$7.8 million loss in 4Q16:
 - Higher sales prices for plywood, EWP and lumber, partially offset by higher OSB input costs and higher per-unit conversion costs.
- ◆ BMD reported 4Q17 segment income of \$22.9 million, up from \$15.5 million in 4Q16:
 - Revenue growth drove increased gross margin dollars and operating expense leverage.

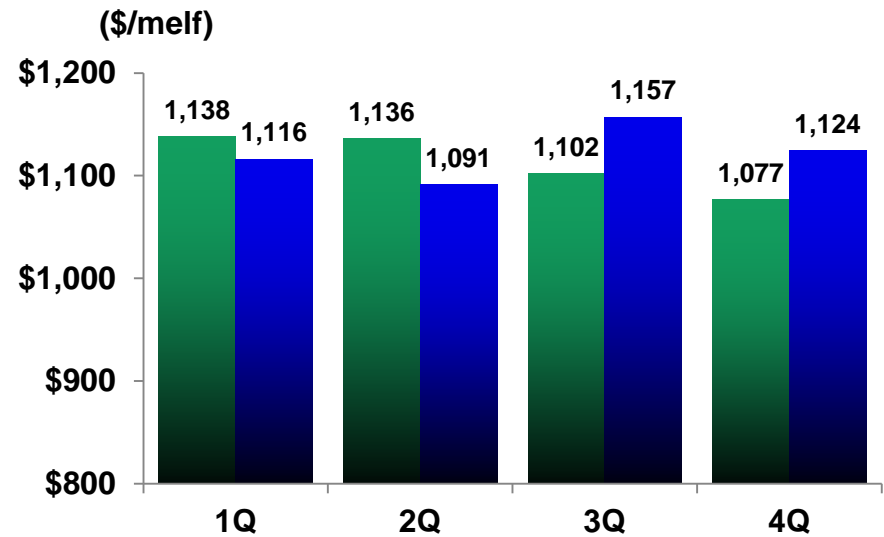
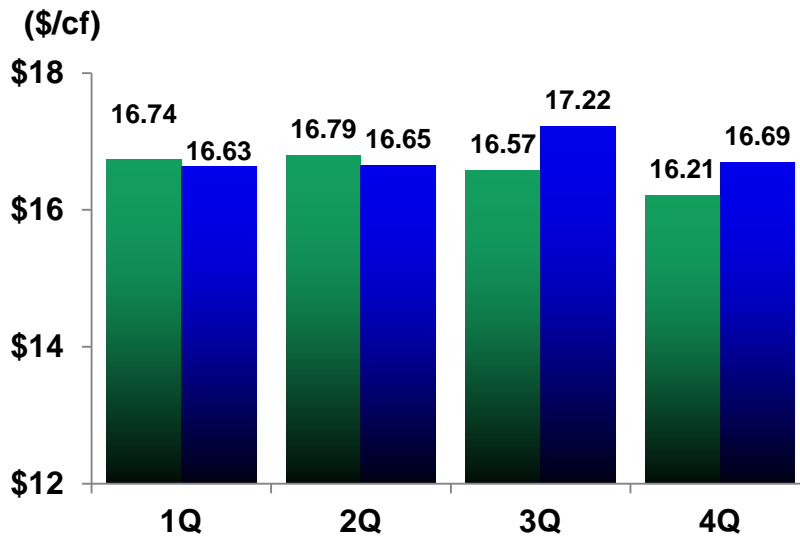
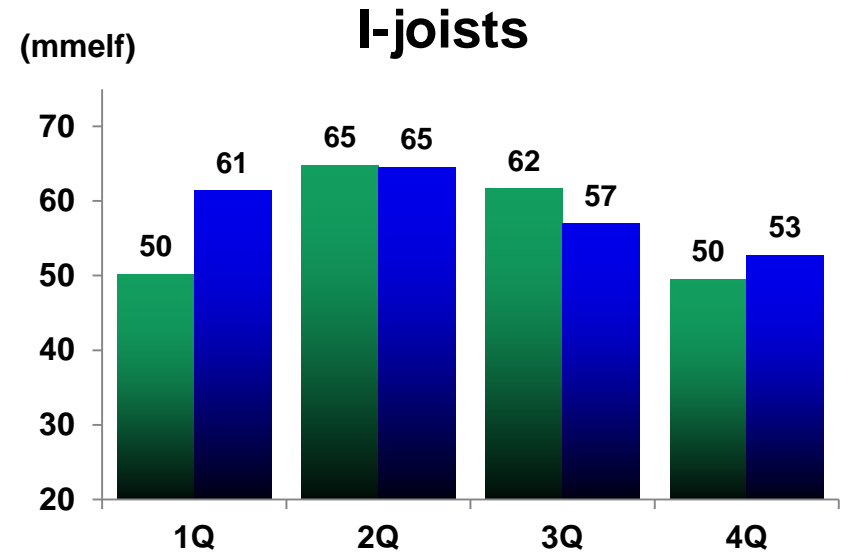
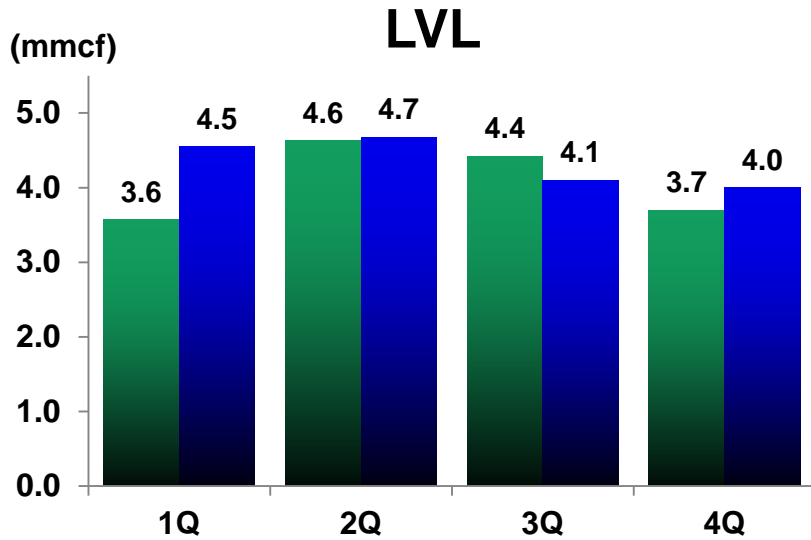


4Q 2017 Financial Highlights





Wood Products EWP

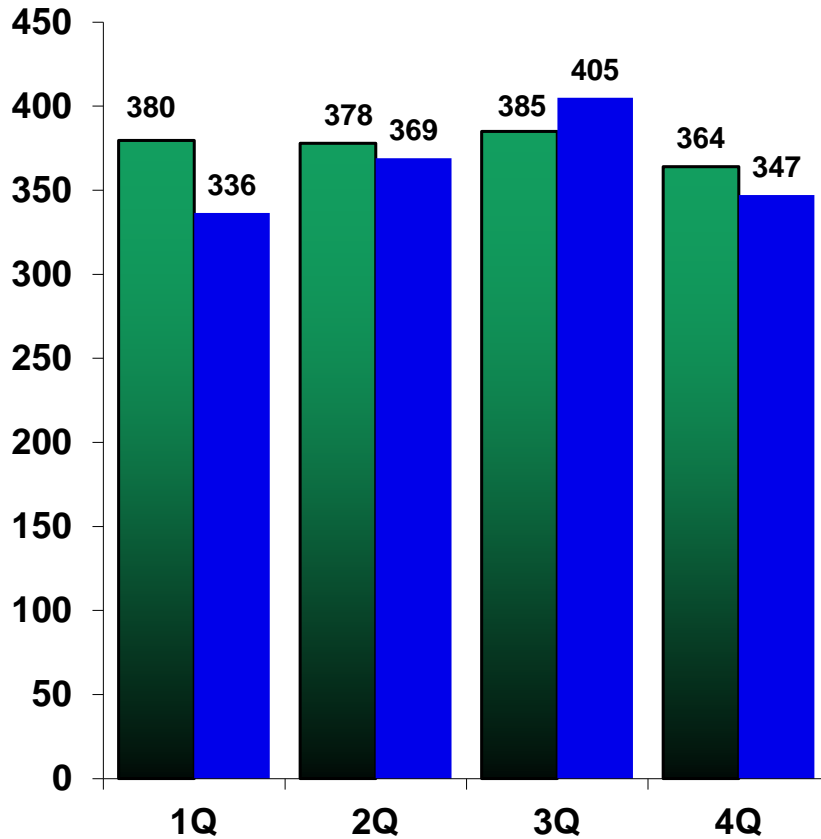




Wood Products Plywood

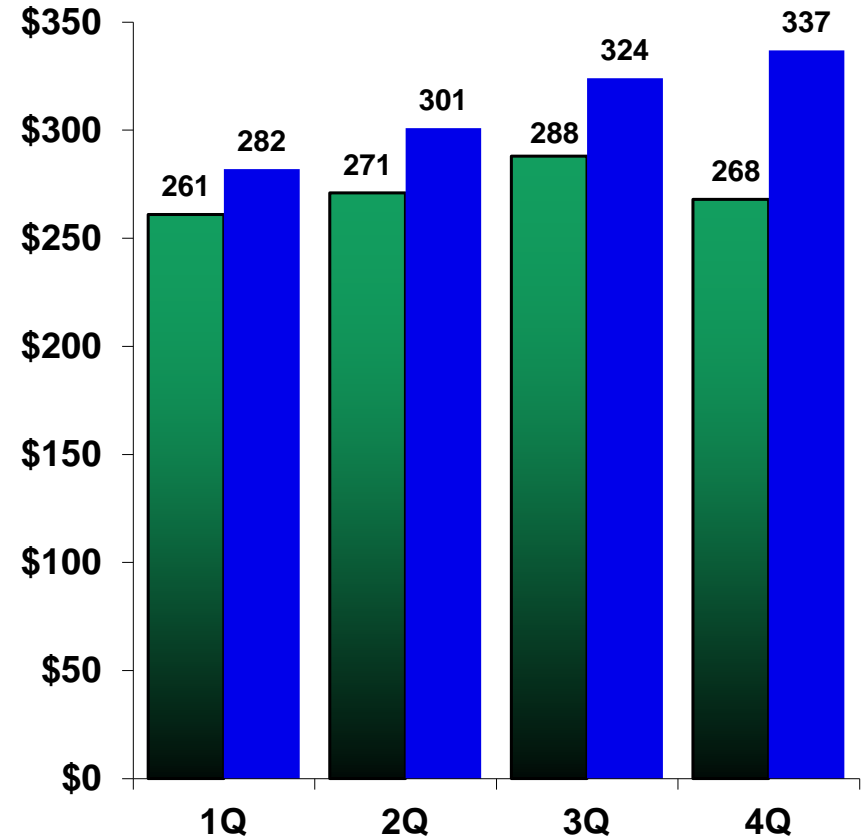
Sales Volume

(mmsf 3/8" basis)



Net Sales Price

(\$/msf 3/8" basis)



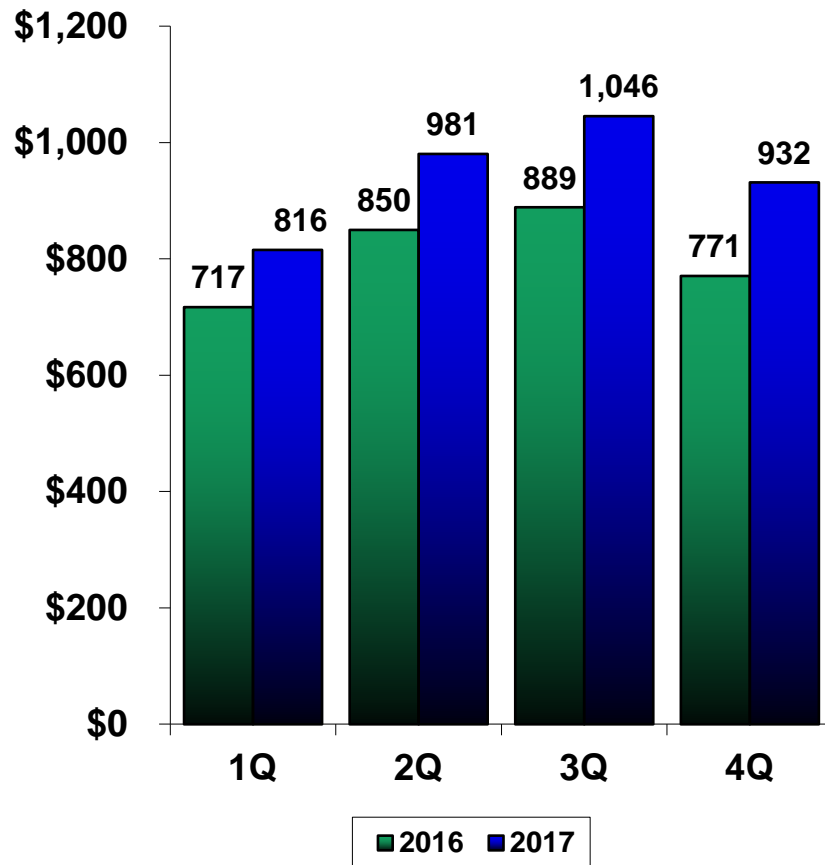
2016

2017

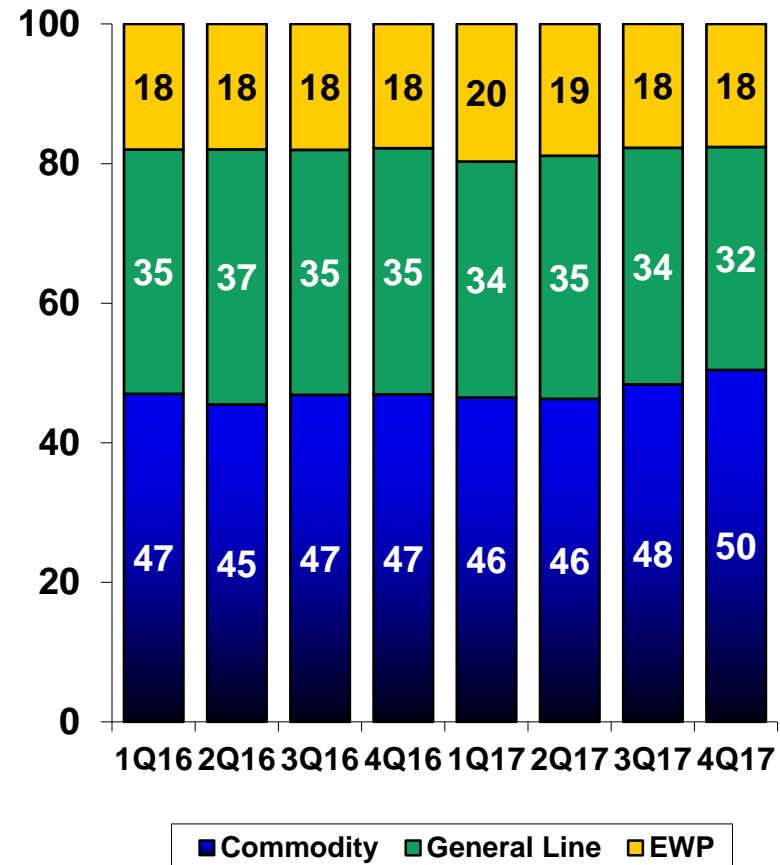


Building Materials Distribution Sales

(\$ Millions)



(% of Sales)





Balance Sheet Items

(\$ Millions)	<u>12/31/2017</u>	<u>9/30/2017</u>	<u>Change</u>
Receivables	\$ 256.2	\$ 325.0	\$ (68.9)
Inventory	476.7	459.9	16.8
Other current assets ^(a)	6.8	10.2	(3.4)
	<u>739.6</u>	<u>795.1</u>	<u>(55.5)</u>
Accounts payable	234.8	285.3	(50.5)
Accrued liabilities ^(b)	140.0	131.0	9.0
	<u>374.8</u>	<u>416.3</u>	<u>(41.5)</u>
Net working capital	<u>\$ 364.8</u>	<u>\$ 378.8</u>	<u>\$ (14.0)</u>

(a) Excludes cash and tax related items.

(b) Excludes income taxes payable and interest payable.



Debt and Liquidity Highlights

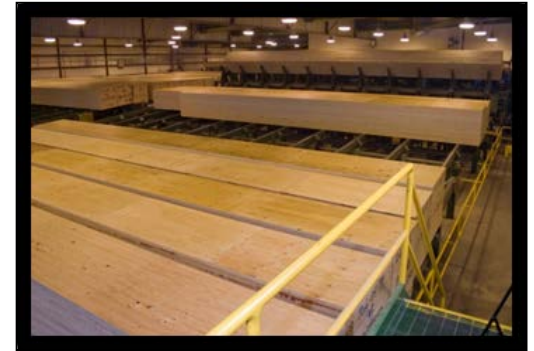
(\$ Millions)	<u>12/31/2017</u>	<u>9/30/2017</u>
<u>Net Debt</u>		
Total debt	\$ 438.3	\$ 438.0
Cash & cash equivalents	(177.1)	(172.2)
Net debt	<u>\$ 261.2</u>	<u>\$ 265.8</u>
 <u>Liquidity Position</u>		
Bank lines excess availability	\$ 379.8	\$ 393.6
Cash & cash equivalents	177.1	172.2
Total liquidity	<u>\$ 556.9</u>	<u>\$ 565.8</u>



- ◆ Current consensus estimate for 2018 U.S. housing starts is 1.28 million, up about 7% from 1.20 million in 2017.
- ◆ Long-term demand fundamentals expected to support recovery in U.S. housing to 1.4 to 1.5 million starts over next few years.
- ◆ Operational focus in Wood Products:
 - Improve EWP net sales realizations.
 - Higher proportion of internal veneer into EWP.
 - Drive operational changes to increase returns on invested capital.
- ◆ BMD continues to execute well and pursue growth opportunities.
- ◆ Commodity wood products pricing strong early this year, with industry capacity additions expected to add to available supply.



Boise Cascade



Appendix

February 26, 2018



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 December 31, 2017 and 2016, and September 30, 2017, and the years ended December 31, 2017 and 2016:

(\$ Millions)	Three Months Ended			Year Ended	
	4Q17	4Q16	3Q17	2017	2016
Net income	\$ 19.1	\$ 4.1	\$ 31.7	\$ 83.0	\$ 38.3
Interest expense	6.2	7.3	6.3	25.4	26.7
Interest income	(0.3)	(0.2)	(0.2)	(0.5)	(0.4)
Income tax provision (benefit)	(1.9)	(14.1)	18.3	34.6	5.0
Depreciation and amortization	21.7	19.6	19.7	80.4	72.8
EBITDA	<u>\$ 44.9</u>	<u>\$ 16.7</u>	<u>\$ 75.8</u>	<u>\$ 222.8</u>	<u>\$ 142.5</u>
Change in fair value of interest rate swaps	(1.0)	(5.0)	0.0	(0.5)	(4.2)
Loss on extinguishment of debt	-	4.8	-	-	14.3
Adjusted EBITDA	<u>\$ 43.9</u>	<u>\$ 16.5</u>	<u>\$ 75.8</u>	<u>\$ 222.3</u>	<u>\$ 152.5</u>



The following table reconciles segment income to EBITDA for the three months ended December 31, 2017 and 2016, and September 30, 2017:

(\$ Millions)	Three Months Ended		
	4Q17	4Q16	3Q17
Wood Products			
Segment income (loss)	\$ 6.8	\$ (7.8)	\$ 24.0
Depreciation and amortization	<u>17.4</u>	<u>15.5</u>	<u>15.3</u>
Segment EBITDA	<u><u>\$ 24.2</u></u>	<u><u>\$ 7.7</u></u>	<u><u>\$ 39.4</u></u>
Building Materials Distribution			
Segment income	\$ 22.9	\$ 15.5	\$ 39.4
Depreciation and amortization	<u>4.0</u>	<u>3.7</u>	<u>3.9</u>
Segment EBITDA	<u><u>\$ 26.9</u></u>	<u><u>\$ 19.1</u></u>	<u><u>\$ 43.3</u></u>