



# Boise Cascade Company

## First Quarter 2022 Earnings Webcast

May 6, 2022

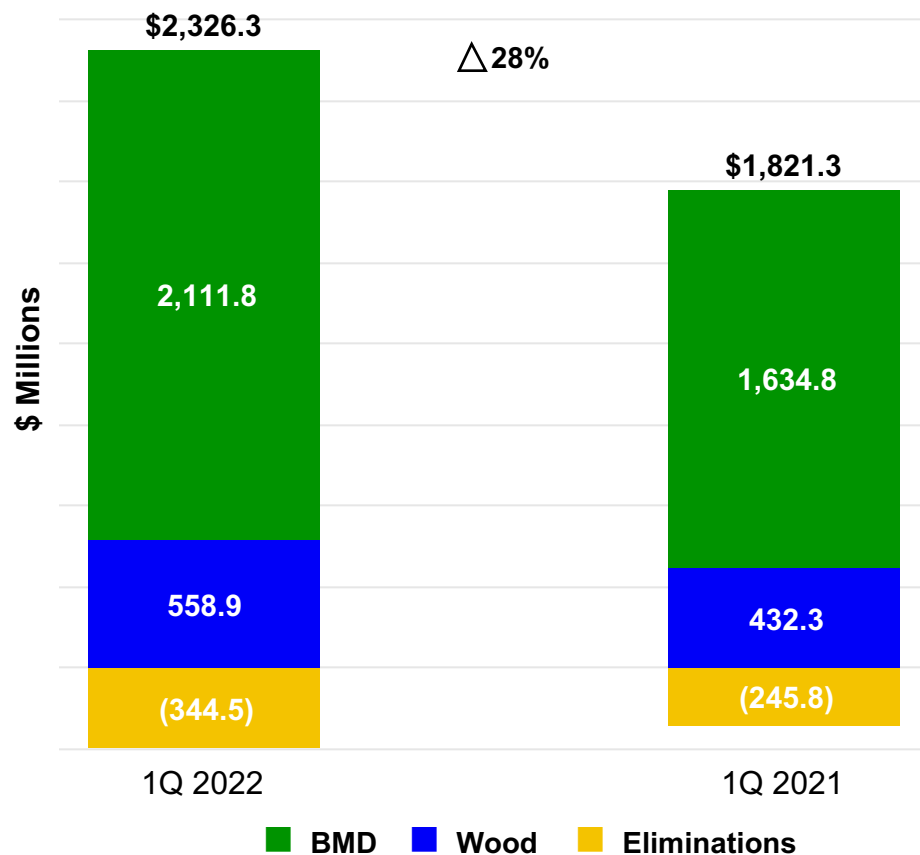
# Forward-Looking Statements

- ◆ 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, including, but not limited to, statements regarding our Outlook. 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 variants, 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.

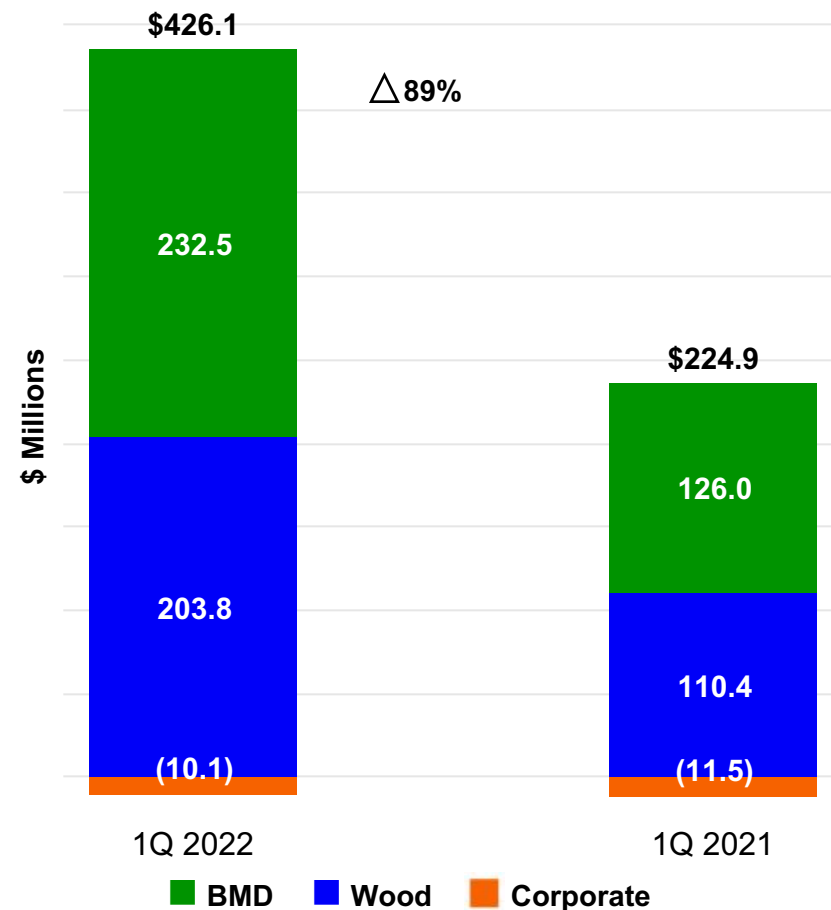
- ◆ 1Q22 sales were \$2.3 billion, up 28% from 1Q21.
- ◆ 1Q22 net income was \$302.6 million, or \$7.61 per share, compared to net income of \$149.2 million, or \$3.76 per share, in 1Q21.
- ◆ Wood Products reported 1Q22 segment EBITDA of \$203.8 million, compared to \$110.4 million in 1Q21.
  - Higher EWP and plywood sales prices, offset partially by higher wood fiber costs and other manufacturing costs.
- ◆ BMD reported 1Q22 segment EBITDA of \$232.5 million on sales of \$2.1 billion, compared to \$126.0 million of segment EBITDA on sales of \$1.6 billion in 1Q21.
  - Gross margin increase of \$133.6 million resulting from improved gross margins across substantially all product lines, offset partially by increased selling and distribution expenses of \$25.5 million.

# 1Q 2022 Financial Highlights

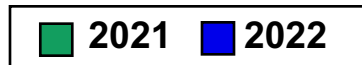
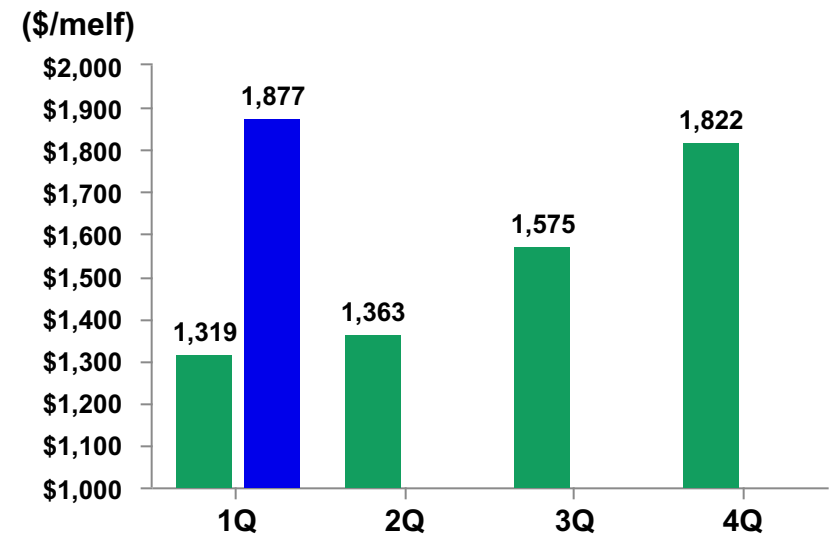
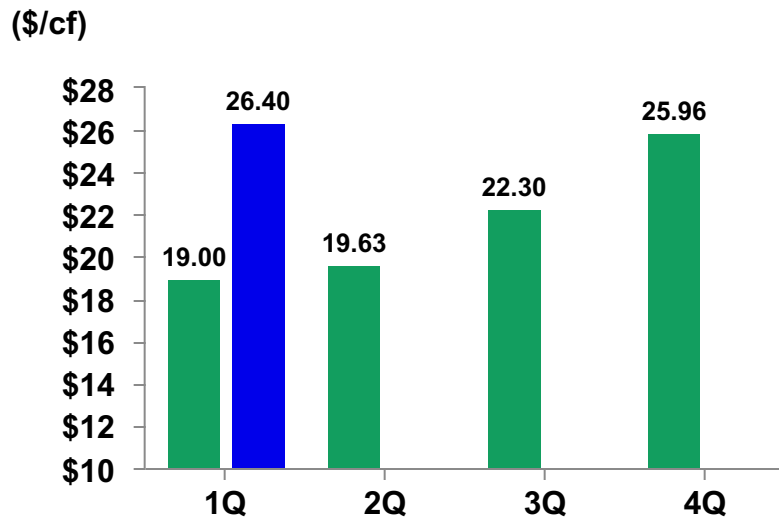
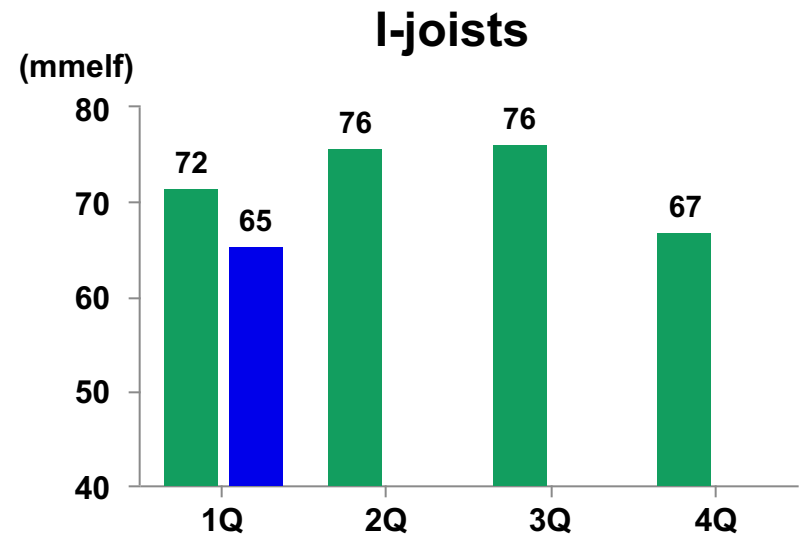
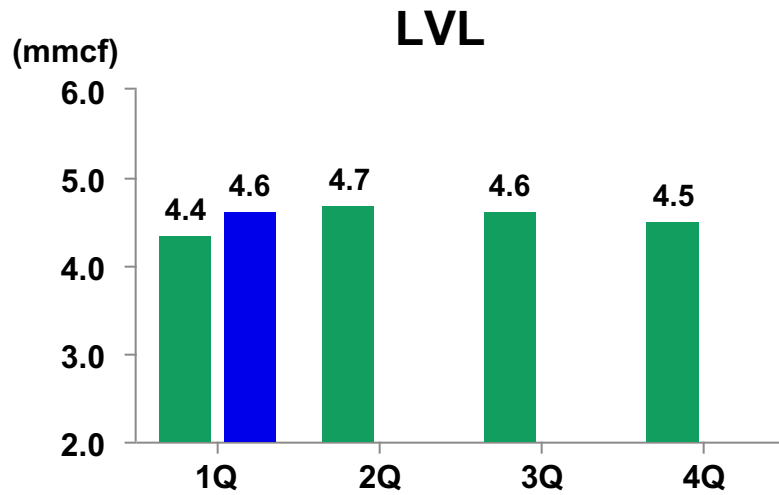
## Sales



## Adjusted EBITDA



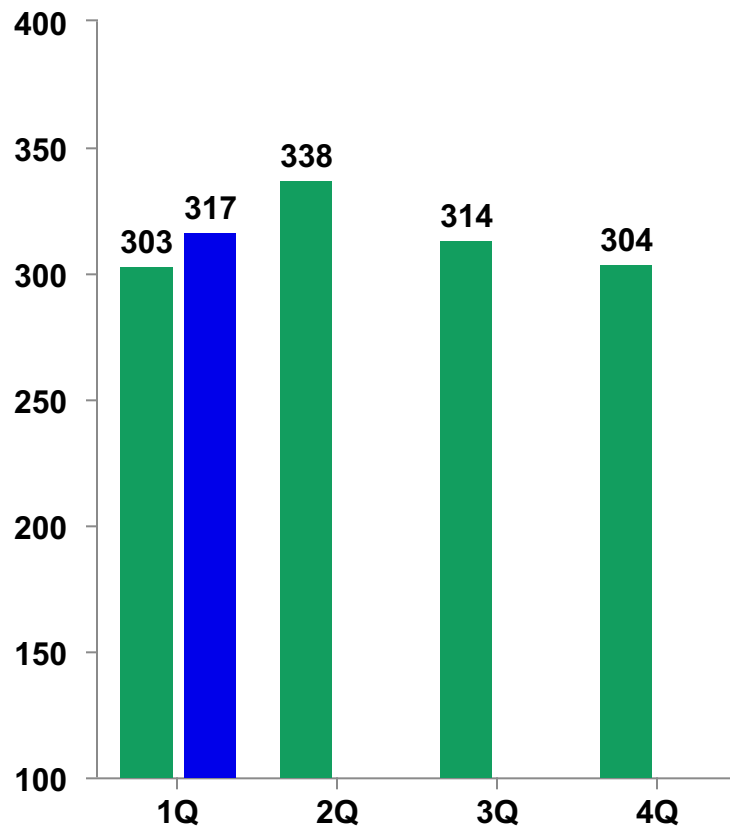
# Wood Products EWP



# Wood Products Plywood

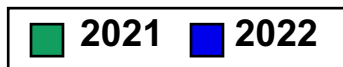
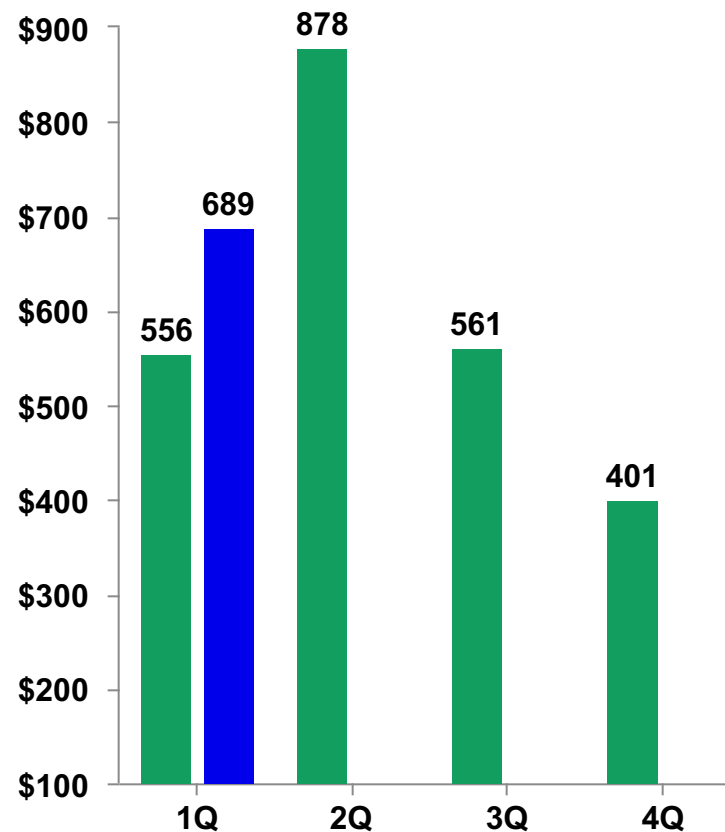
## Sales Volume

(mmsf 3/8" basis)



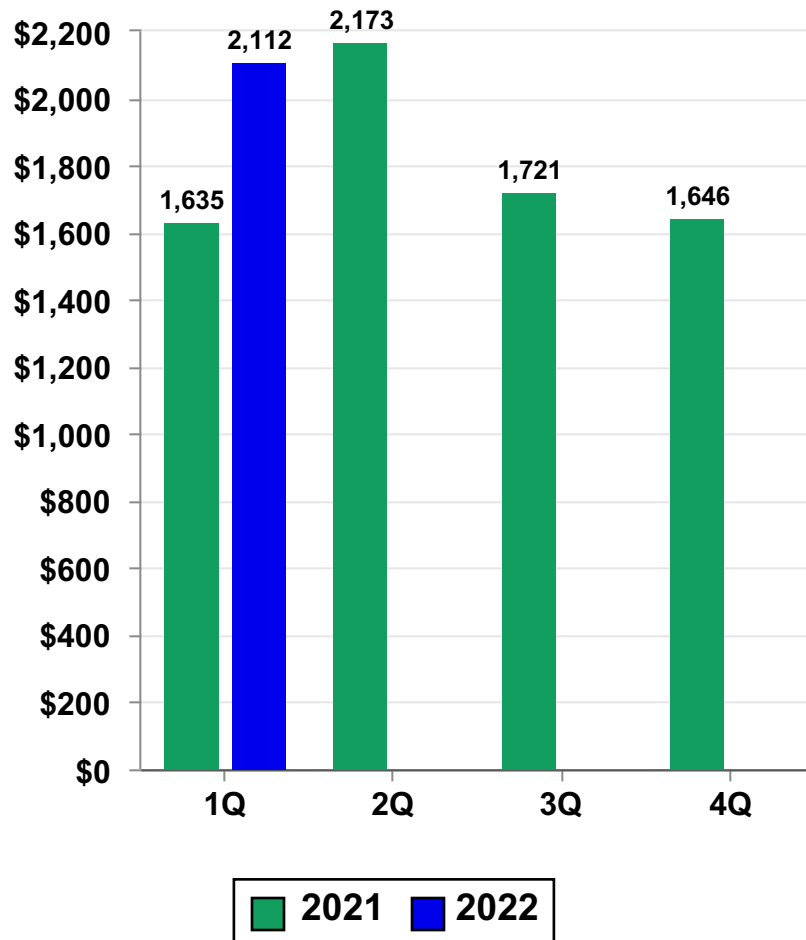
## Net Sales Price

(\$/msf 3/8" basis)

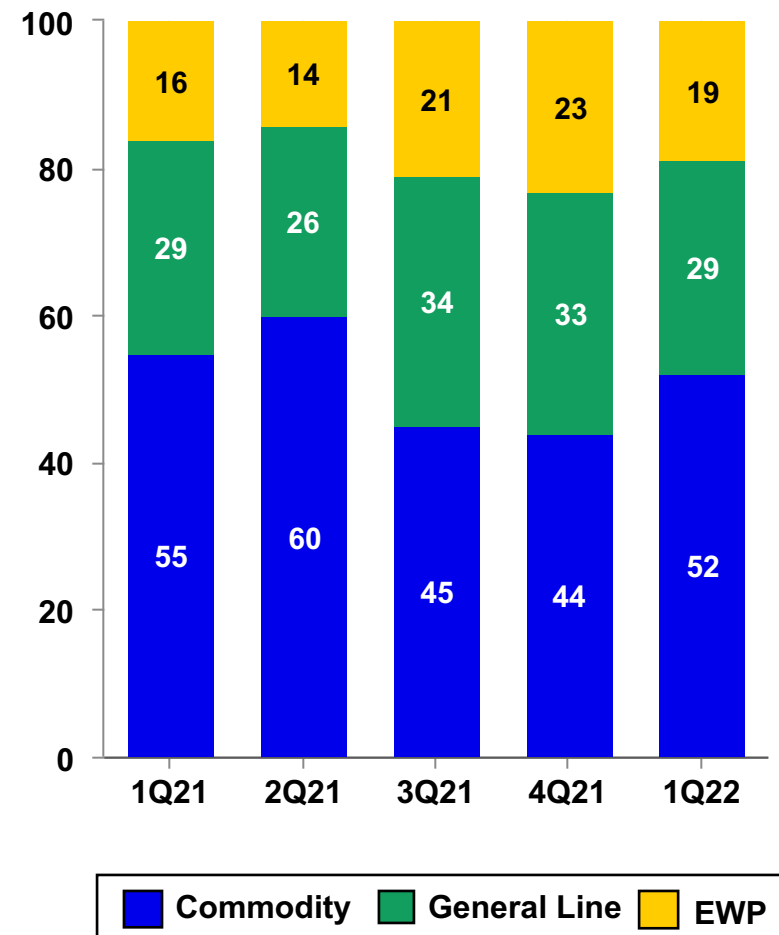


# Building Materials Distribution Sales

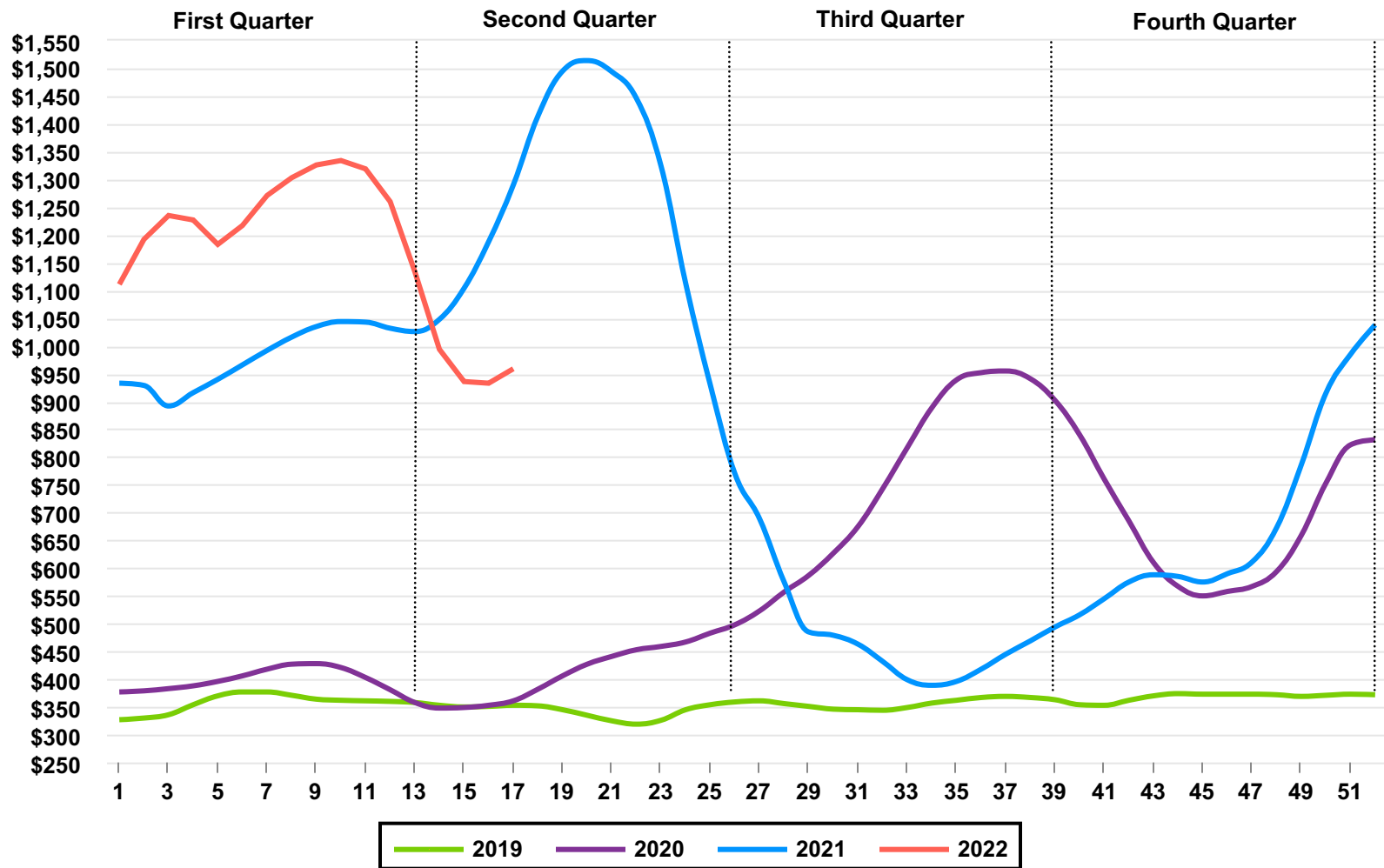
(\$ Millions)



(% of Sales)



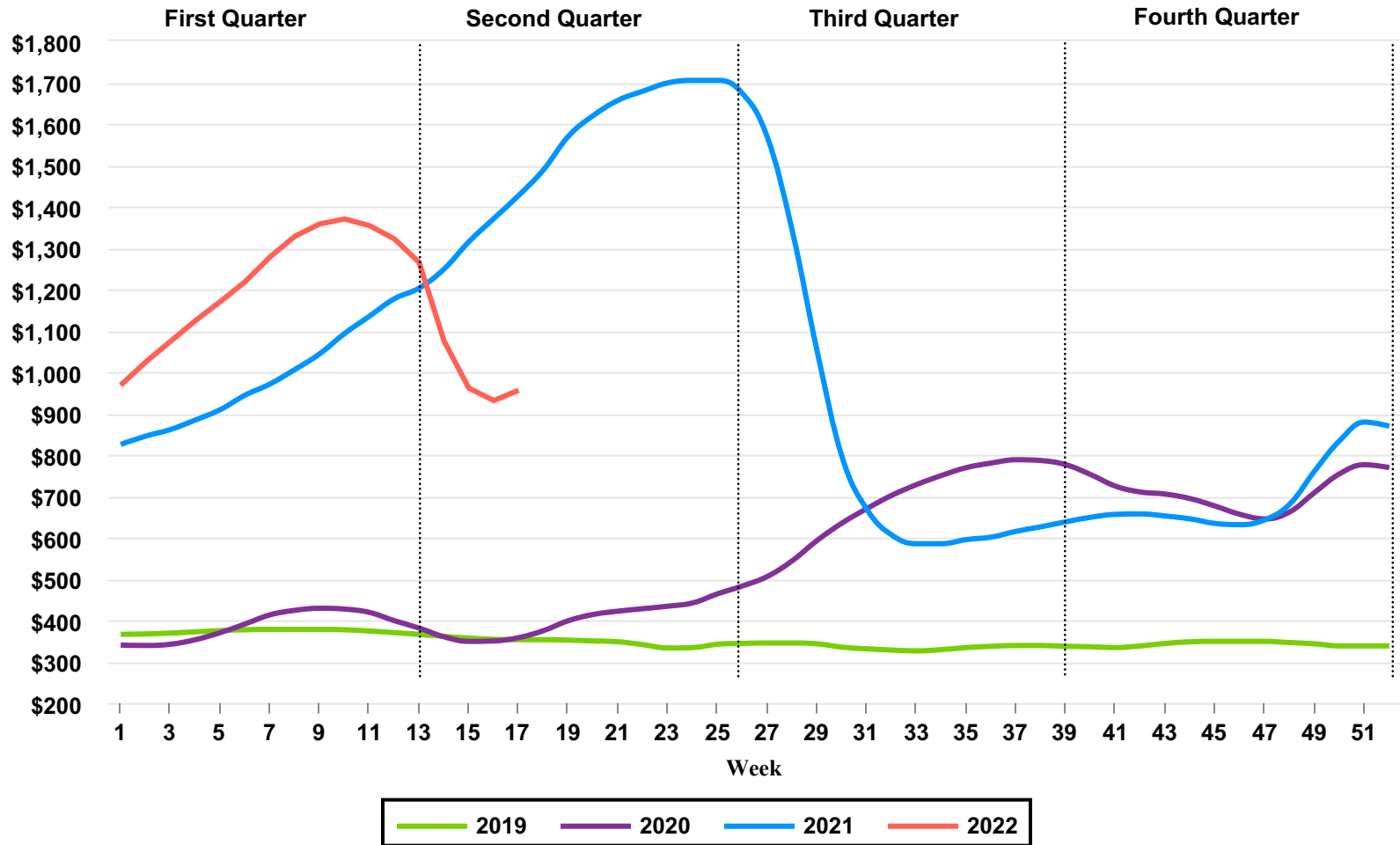
# Lumber Composite Price



Source: Random Lengths



# Panel Composite Price



Source: Random Lengths

# Working Capital

(\$ Millions)	<u>3/31/2022</u>	<u>12/31/2021</u>	<u>Change</u>
Receivables	\$ 680.2	\$ 462.2	\$ 218.0
Inventory	804.7	660.7	144.0
Other current assets <sup>(a)</sup>	<u>15.3</u>	<u>12.0</u>	<u>3.2</u>
	1,500.2	1,134.9	365.2
Accounts payable	495.3	336.5	158.8
Accrued liabilities <sup>(b)</sup>	<u>286.5</u>	<u>294.4</u>	<u>(7.9)</u>
	781.8	630.9	150.9
Net working capital	<u>\$ 718.4</u>	<u>\$ 504.1</u>	<u>\$ 214.3</u>

(a) Excludes cash and tax related items.

(b) Excludes income taxes payable and interest payable.

# Debt and Liquidity Highlights



(\$ Millions)

3/31/2022

12/31/2021

Net Debt

Total debt	\$	444.8	\$	444.6
Cash & cash equivalents		(922.7)		(748.9)
Net debt (cash)	\$	(477.9)	\$	(304.3)

Liquidity Position

Bank line excess availability	\$	346.0	\$	346.0
Cash & cash equivalents		922.7		748.9
Total liquidity	\$	1,268.7	\$	1,094.9

- ◆ Current consensus estimate for 2022 housing starts is 1.65 million, up 3% from 2021 levels. Many factors continue to provide a favorable backdrop for residential construction and repair-and-remodel spending.
  
- ◆ Operational focus in Wood Products
  - Solid demand and pricing momentum for EWP.
  
  - Anticipate completion of Chester dryer project in early third quarter.
  
- ◆ Organic growth and execution focus in BMD
  - Build out and start up of recently announced organic expansion projects; solid pipeline of additional organic growth opportunities that we expect to announce in future quarters.
  
  - EWP and general line product pricing are expected to remain firm; capture opportunities and mitigate risks from volatile commodity pricing.



Boise Cascade®



# Appendix

May 6, 2022

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, 2022 and 2021, and December 31, 2021:

(\$ Millions)	Three Months Ended		
	1Q22	1Q21	4Q21
Net income	\$ 302.6	\$ 149.2	\$ 169.1
Interest expense	6.3	5.9	6.3
Interest income	(0.1)	(0.1)	—
Income tax provision	98.9	51.4	52.7
Depreciation and amortization	20.5	19.5	20.5
EBITDA	\$ 428.2	\$ 226.0	\$ 248.6
Change in fair value of interest rate swaps	(2.1)	(1.0)	(0.7)
Adjusted EBITDA	\$ 426.1	\$ 224.9	\$ 247.9

The following table reconciles segment income to EBITDA for the three months ended March 31, 2022 and 2021, and December 31, 2021:

(\$ Millions)	Three Months Ended		
	1Q22	1Q21	4Q21
Wood Products			
Segment income	\$ 190.1	\$ 97.1	\$ 98.4
Depreciation and amortization	13.6	13.3	13.9
Segment EBITDA	<u>\$ 203.8</u>	<u>\$ 110.4</u>	<u>\$ 112.2</u>
Building Materials Distribution			
Segment income	\$ 225.9	\$ 120.2	\$ 138.0
Depreciation and amortization	6.6	5.8	6.3
Segment EBITDA	<u>\$ 232.5</u>	<u>\$ 126.0</u>	<u>\$ 144.2</u>