



Boise Cascade®



Boise Cascade Company

Second Quarter 2023 Earnings Webcast

August 1, 2023

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, 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.

- ◆ Strong financial performance
 - Good execution in both businesses
 - Market demand more resilient than anticipated

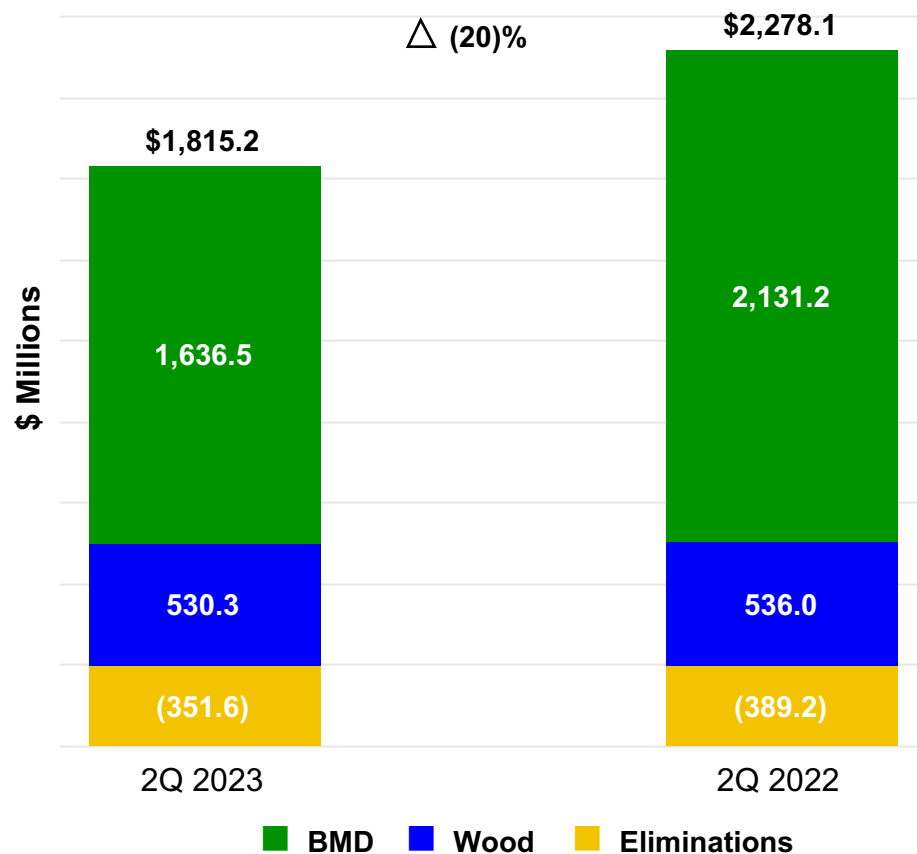
- ◆ Consolidated Results
 - 2Q23 sales were \$1.8 billion, down 20% from 2Q22.
 - 2Q23 net income was \$146.3 million, or \$3.67 per share, compared to net income of \$218.1 million, or \$5.49 per share, in 2Q22.

- ◆ Wood Products reported 2Q23 segment EBITDA of \$127.0 million, compared to \$167.8 million in 2Q22.

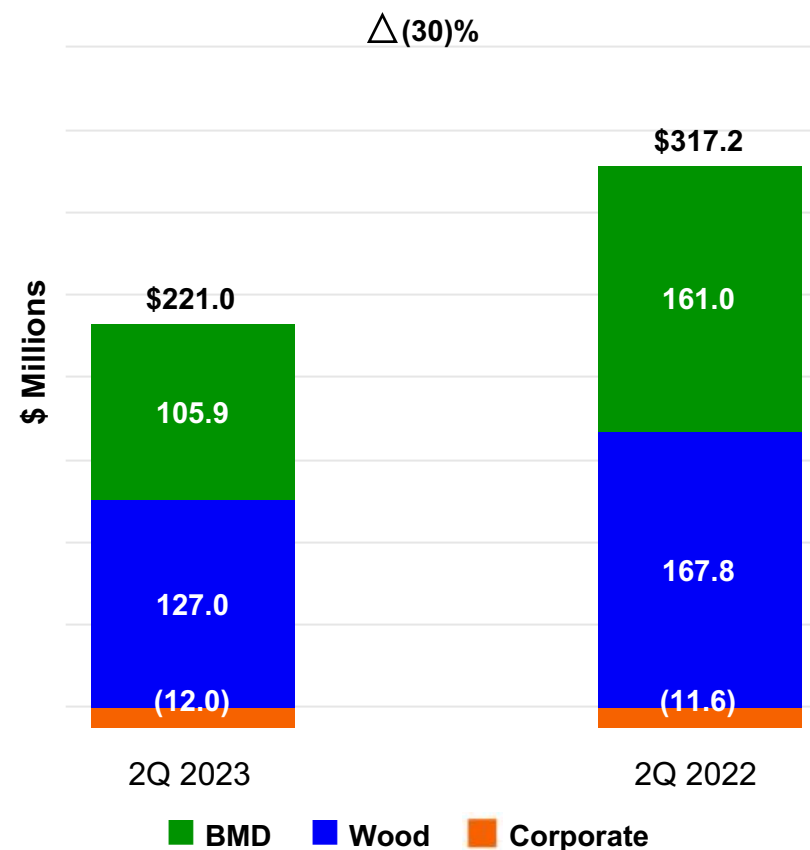
- ◆ BMD reported 2Q23 segment EBITDA of \$105.9 million on sales of \$1.6 billion, compared to \$161.0 million of segment EBITDA on sales of \$2.1 billion in 2Q22.

2Q 2023 Financial Highlights

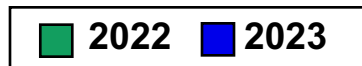
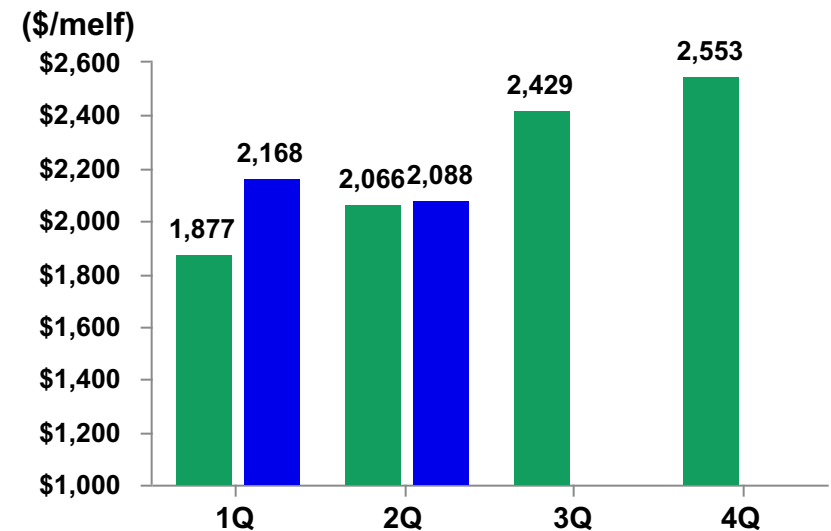
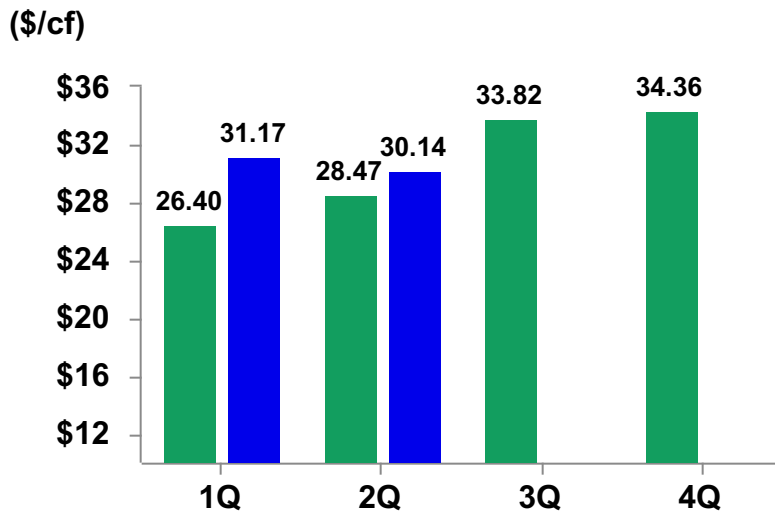
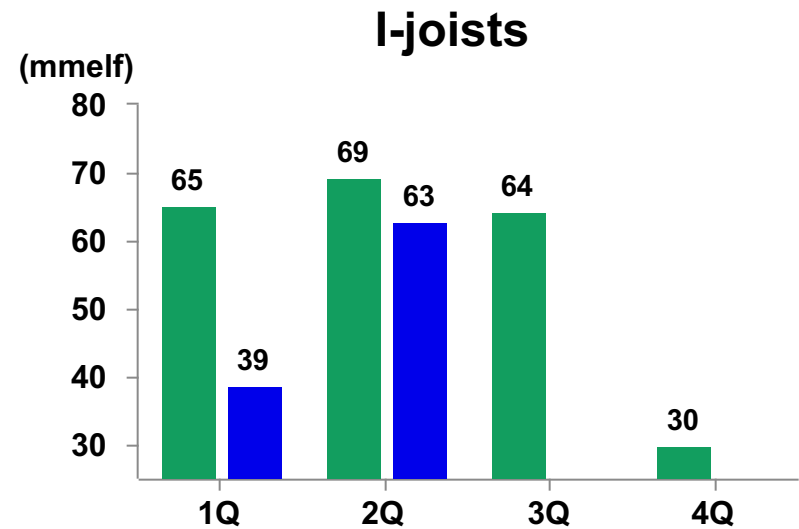
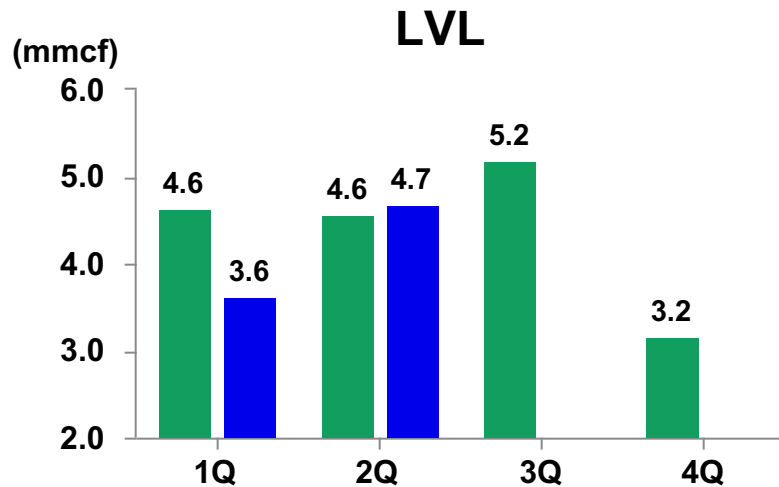
Sales



Adjusted EBITDA



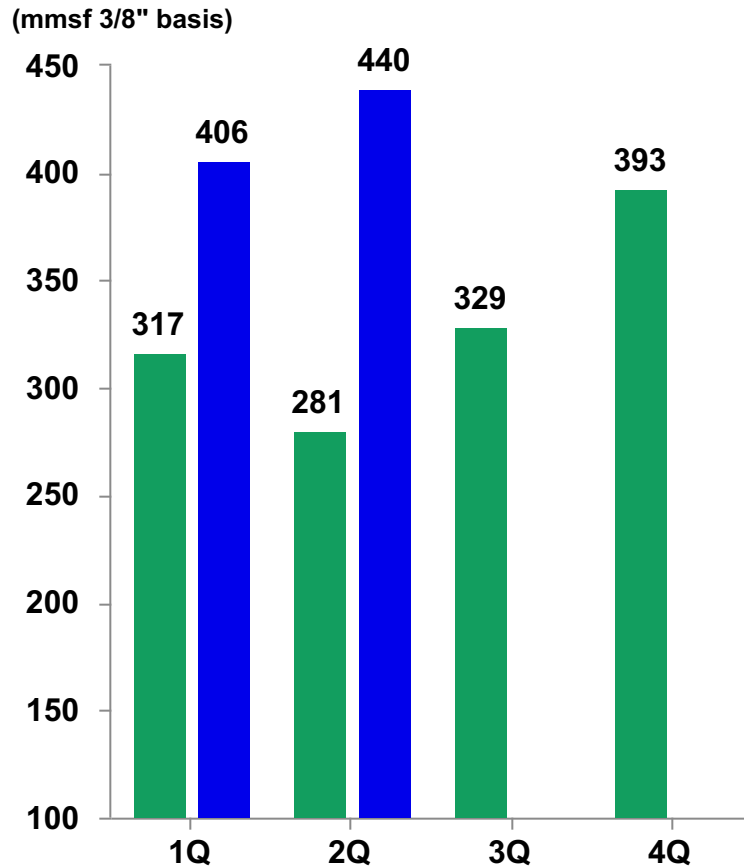
Wood Products EWP



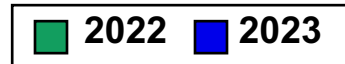
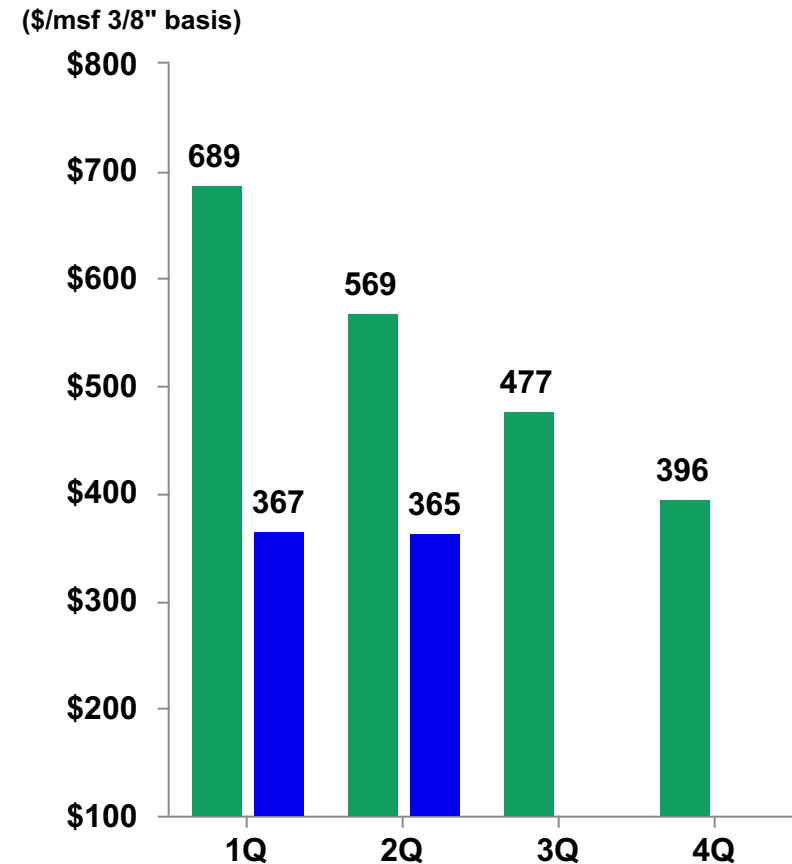
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Wood Products Plywood

Sales Volume

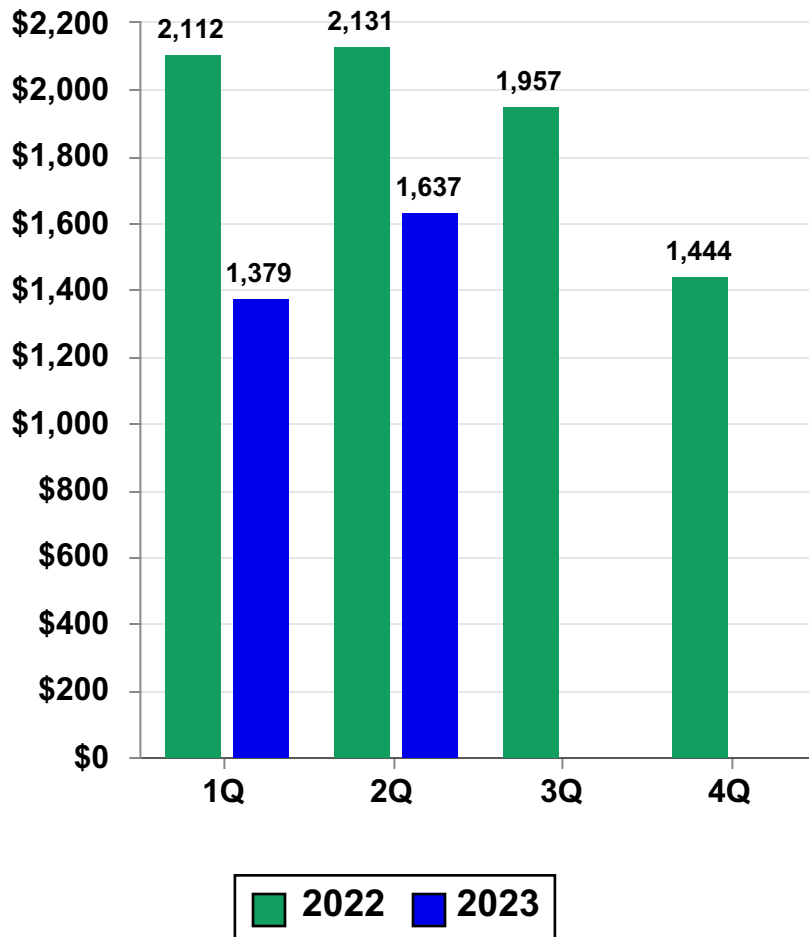


Net Sales Price

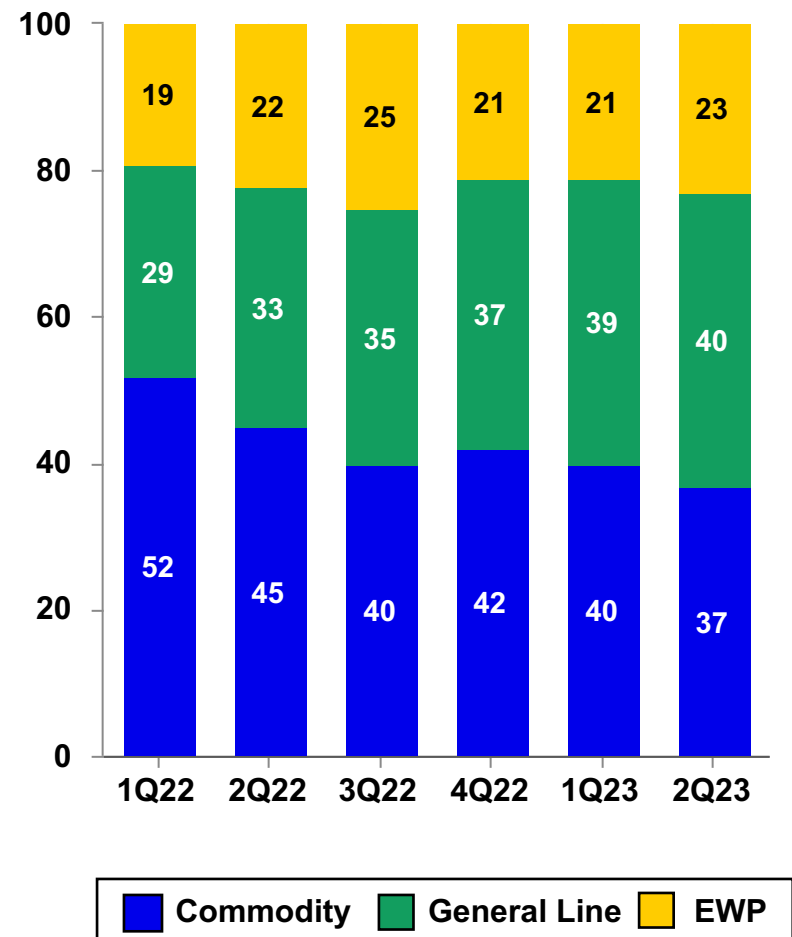


Building Materials Distribution Sales

(\$ Millions)

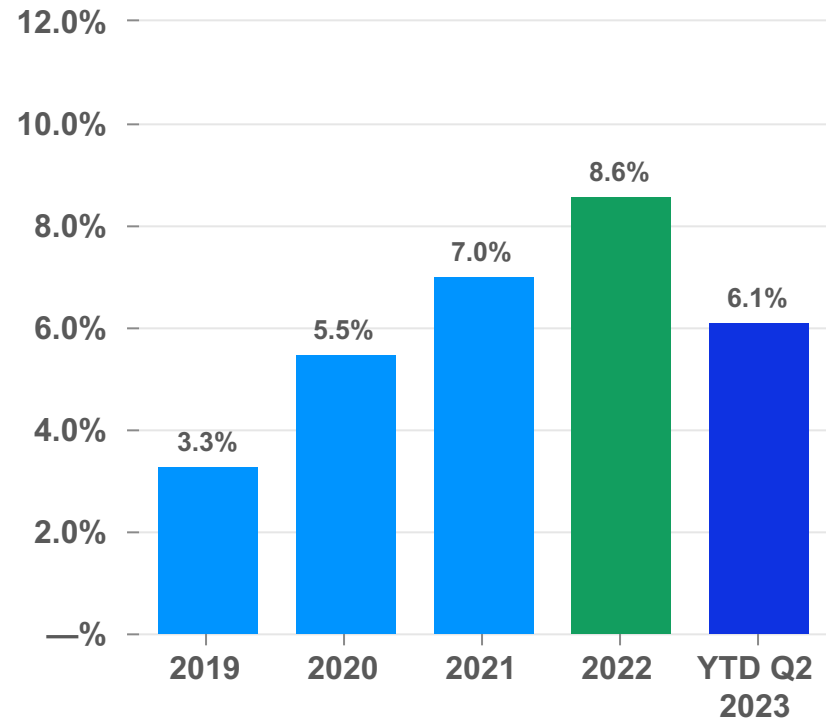
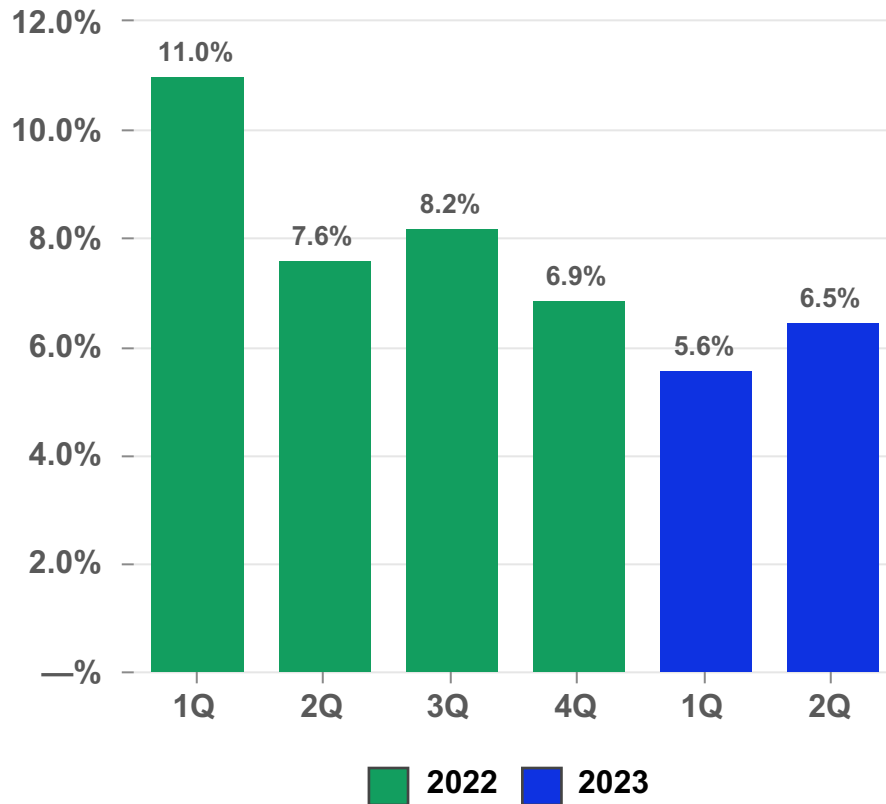


(% of Sales)

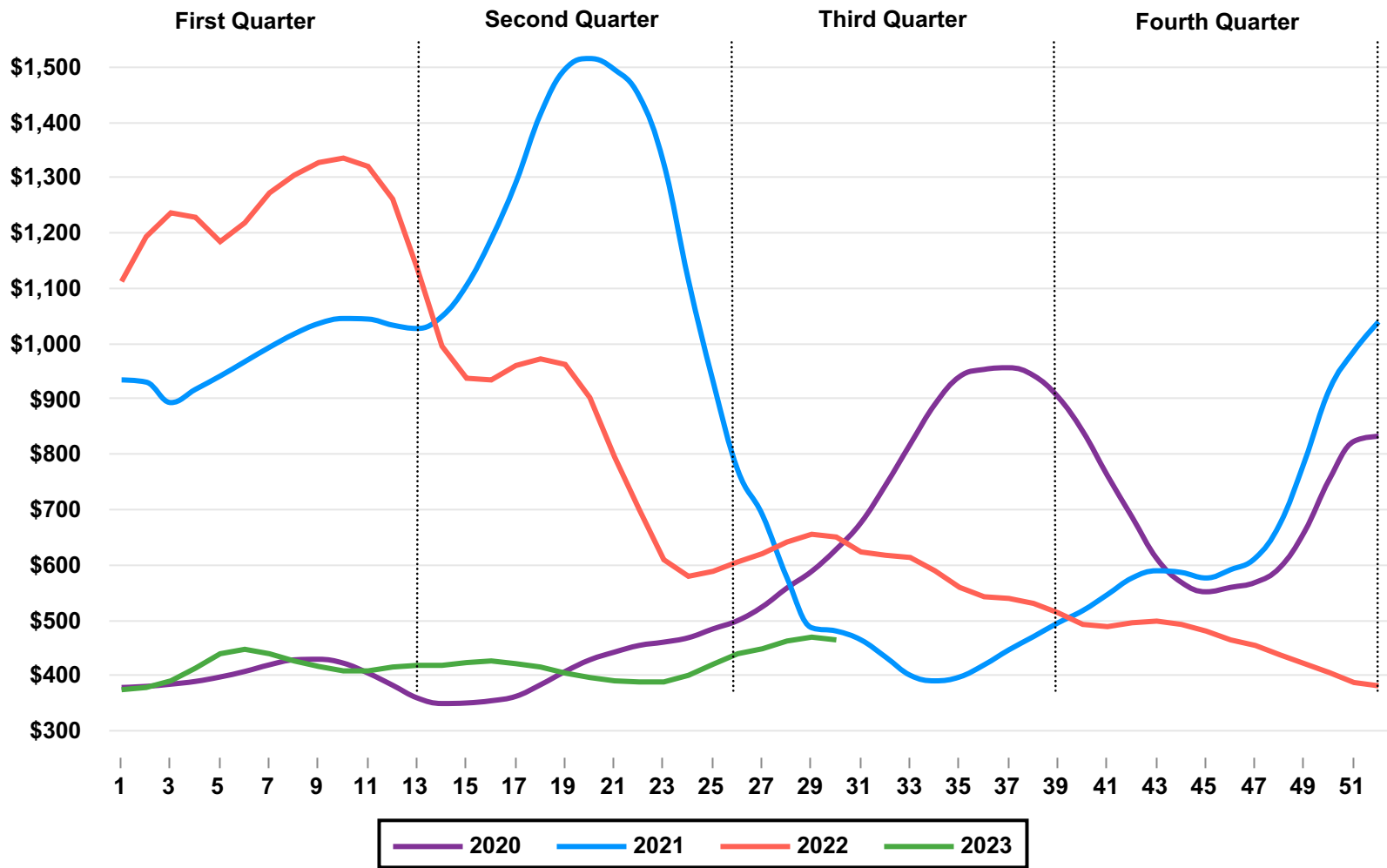


Building Materials Distribution EBITDA

(EBITDA % of sales)



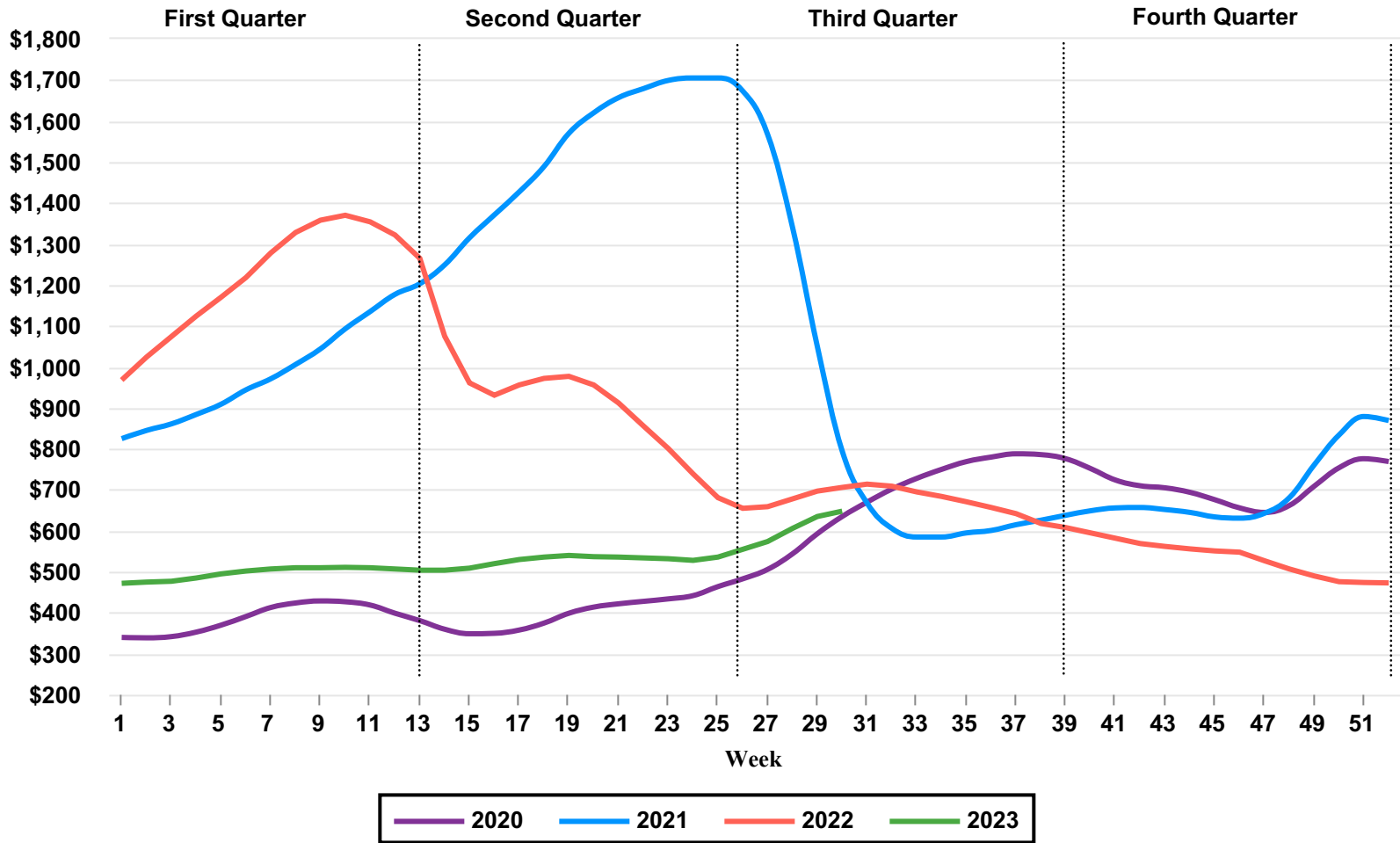
Lumber Composite Price



Source: Random Lengths

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Panel Composite Price



Source: Random Lengths

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◆ Capital expenditures

- \$68 million in 2023
 - Wood - \$19 million
 - BMD - \$49 million
- \$120 million - \$140 million planned for 2023
 - Wood - \$55 million - \$65 million
 - BMD - \$65 million - \$75 million
- Robust pipeline of additional projects in both businesses that we expect to announce in coming quarters

◆ Growth

- EWP capacity expansion
- BMD organic growth initiatives
- M&A growth that aligns with our strategy

◆ Return of cash

- \$133 million in dividends paid in 2023
- Board authorization of 3Q quarterly dividend of \$0.20 per share, an increase of \$0.05 per share or 33%

- ◆ Outlook for back half of 2023 carries uncertainty; various industry forecasts for full year 2023 housing starts generally range from 1.3 million to 1.4 million, compared with actual starts of 1.55 million in 2022.
- ◆ Moderation of year-over-year growth in renovation spending.
- ◆ Focus on strategy and execution on growth initiatives.
- ◆ Expect to deliver solid financial results again in third quarter 2023.



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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. The following table reconciles net income to EBITDA and Adjusted EBITDA for the three months ended June 30, 2023 and 2022, and March 31, 2023:

(\$ Millions)	Three Months Ended		
	2Q23	2Q22	1Q23
Net income	\$ 146.3	\$ 218.1	\$ 96.7
Interest expense	6.3	6.3	6.4
Interest income	(11.5)	(1.4)	(9.7)
Income tax provision	49.4	73.9	33.3
Depreciation and amortization	30.7	20.7	31.2
EBITDA	\$ 221.3	\$ 317.6	\$ 157.9
Change in fair value of interest rate swaps	(0.3)	(0.4)	0.8
Adjusted EBITDA	<u>\$ 221.0</u>	<u>\$ 317.2</u>	<u>\$ 158.7</u>

The following table reconciles segment income to EBITDA for the three months ended June 30, 2023 and 2022, and March 31, 2023:

(\$ Millions)	Three Months Ended		
	2Q23	2Q22	1Q23
Wood Products			
Segment income	\$ 104.0	\$ 154.1	\$ 69.4
Depreciation and amortization	23.0	13.7	23.8
Segment EBITDA	<u>\$ 127.0</u>	<u>\$ 167.8</u>	<u>\$ 93.2</u>
Building Materials Distribution			
Segment income	\$ 98.6	\$ 154.3	\$ 69.7
Depreciation and amortization	7.4	6.7	7.1
Segment EBITDA	<u>\$ 105.9</u>	<u>\$ 161.0</u>	<u>\$ 76.8</u>