



Boise Cascade



Boise Cascade Company

Third Quarter 2015

Earnings Webcast

October 22, 2015



Forward-Looking Statements

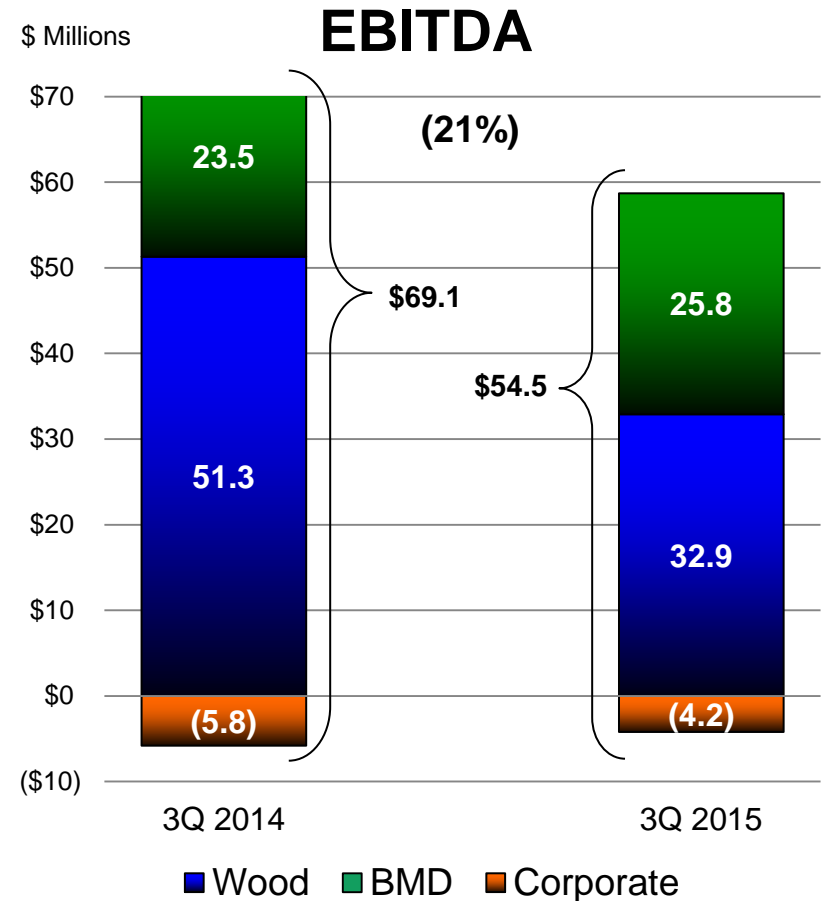
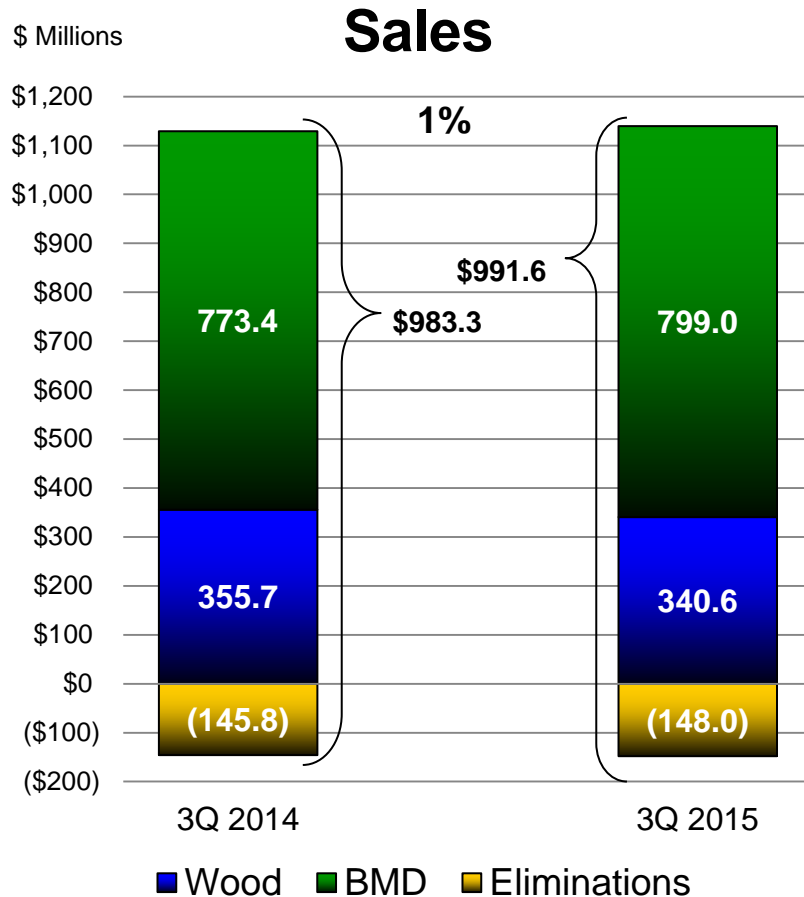
- ◆ This presentation includes statements about our expectations of future operational and financial performance that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The accuracy of such statements is subject to a number of risks, uncertainties, and assumptions that could cause our actual results to differ materially from those projected, including, but not limited to, prices for building products, 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, which is a non-GAAP financial measure within the meaning of the Securities and Exchange Commission's Regulation G. Reconciliations of net income to EBITDA and segment income to segment EBITDA are included as an appendix.



- ◆ Third quarter sales were \$991.6 million, up 1% from 3Q14.
- ◆ Third quarter net income was \$22.0 million, or \$0.56 per share, down 32% from 3Q14 net income of \$32.3 million, or \$0.82 per share.
- ◆ Wood Products reported EBITDA of \$32.9 million.
- ◆ BMD reported EBITDA of \$25.8 million.
- ◆ Positive steps on capital allocation:
 - Accelerated strategic capital program
 - Additional share repurchases
 - Improving acquisition environment



3Q 2015 Financial Highlights

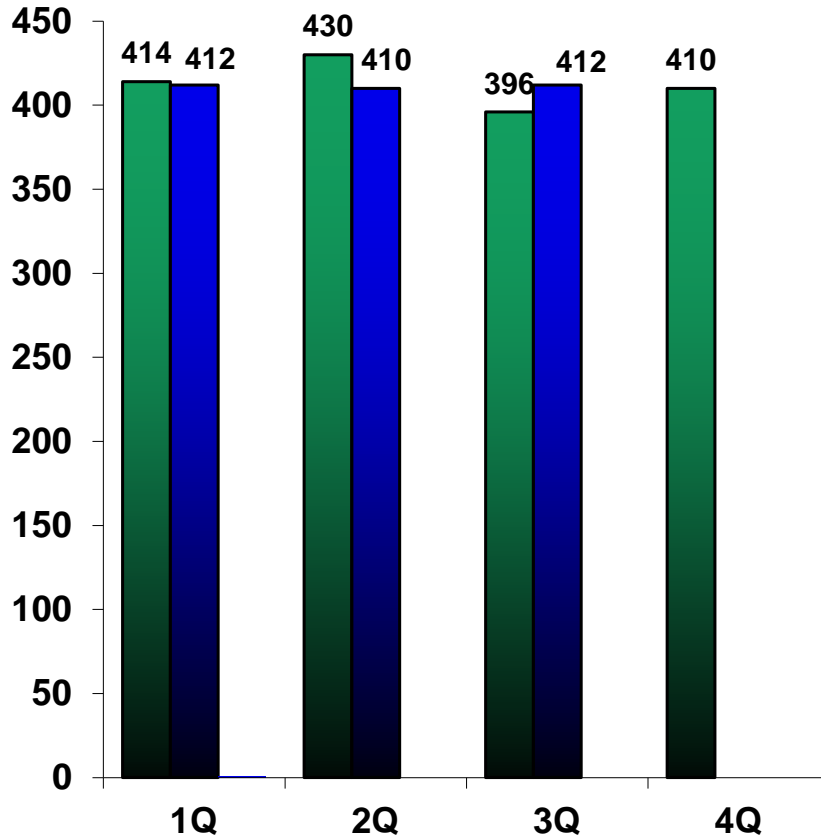




Wood Products Plywood

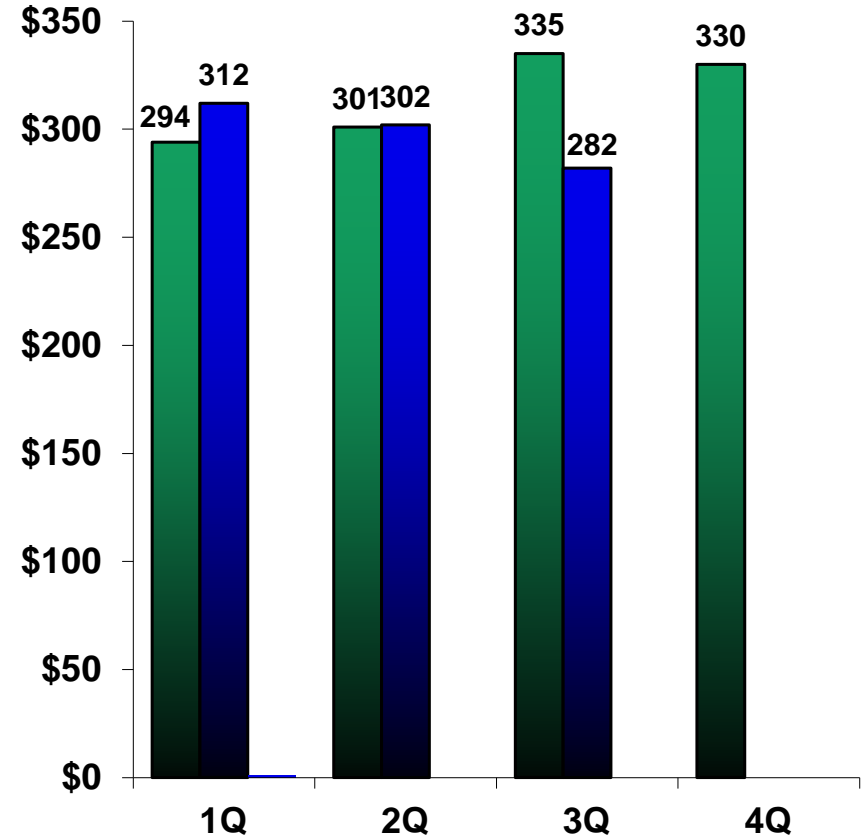
Sales Volume

(mmsf 3/8" basis)



Net Sales Price

(\$/msf 3/8" basis)

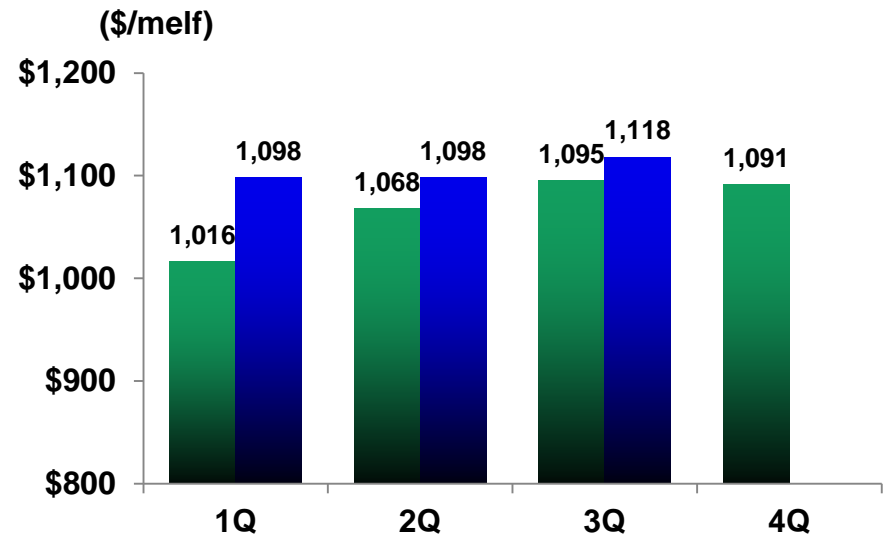
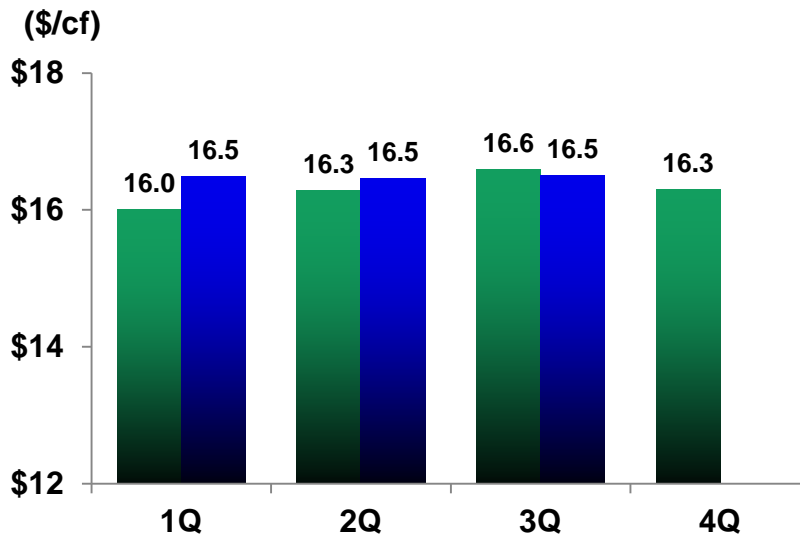
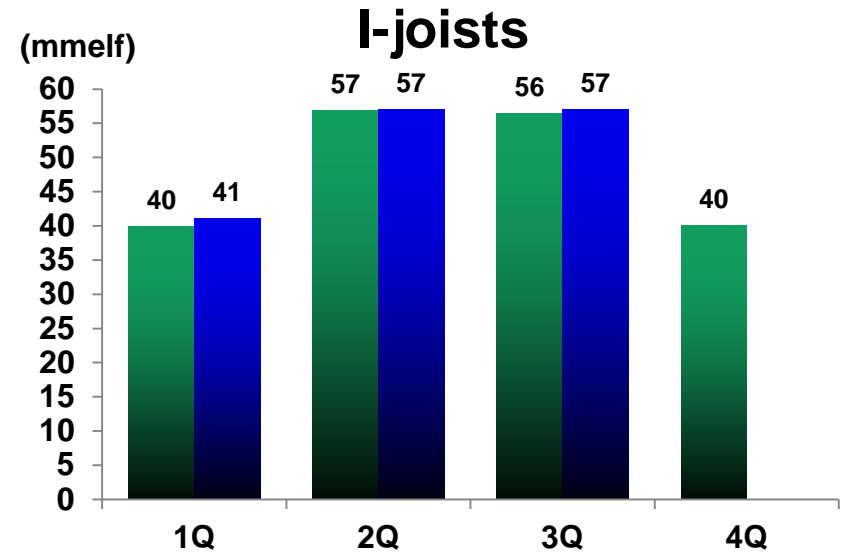
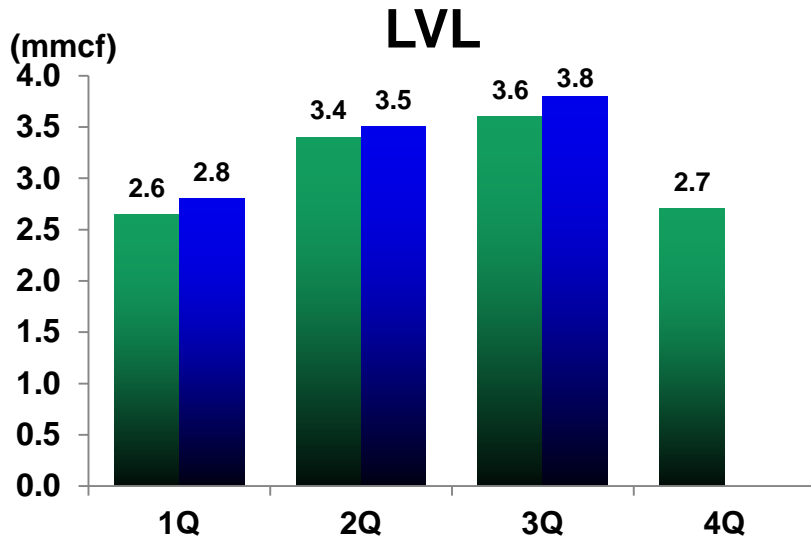


2014

2015



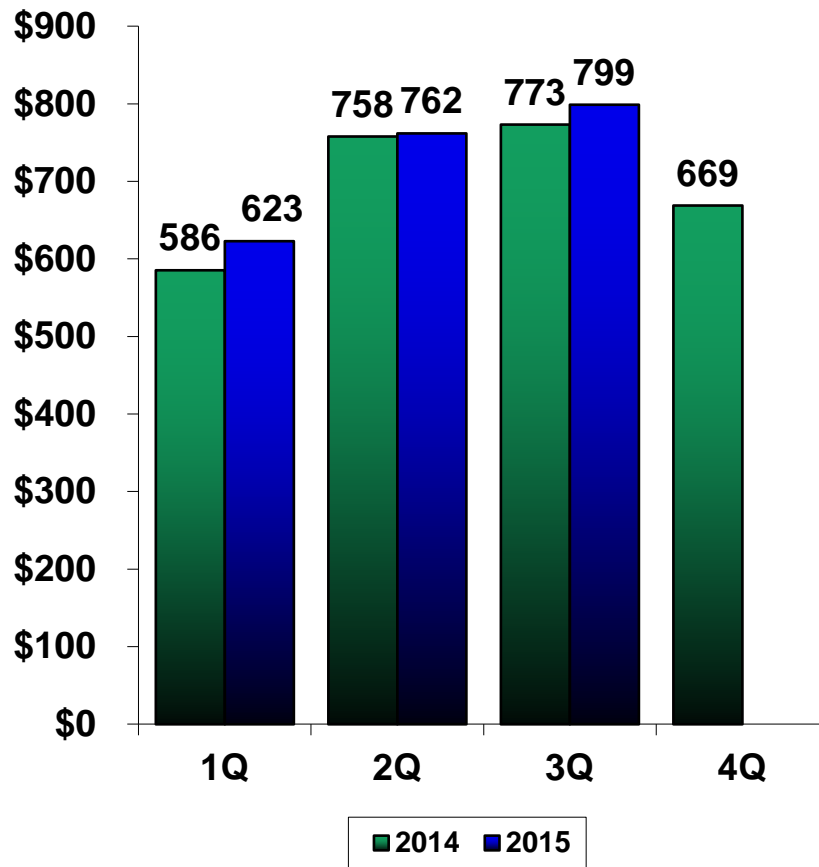
Wood Products EWP



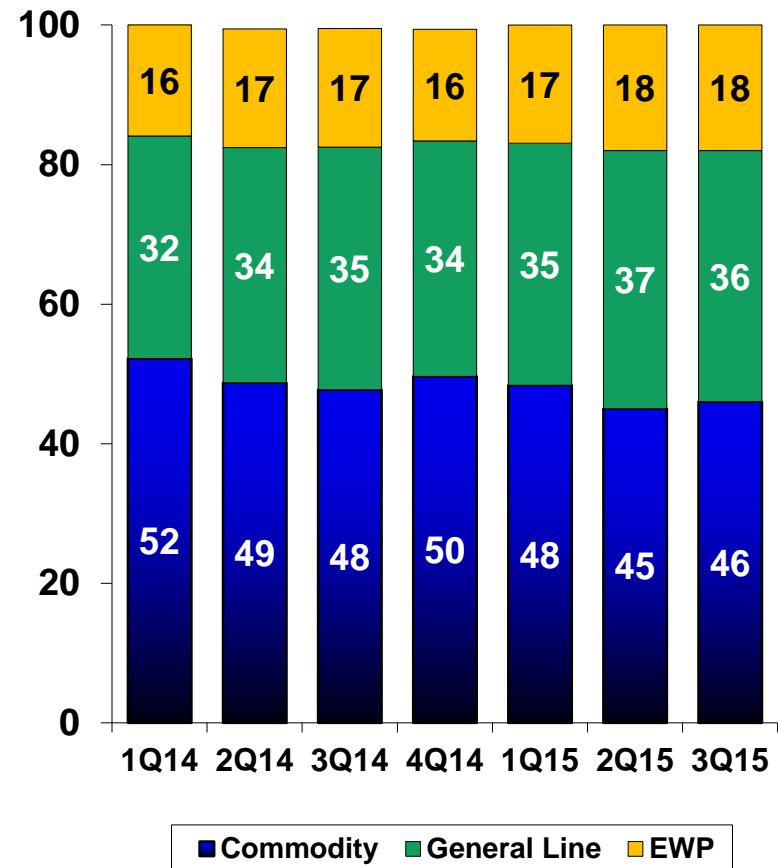


Building Materials Distribution Sales

(\$ Millions)



(% of Sales)





Balance Sheet Items

(\$ Millions)	<u>9/30/2015</u>	<u>6/30/2015</u>	<u>Change</u>
Receivables	\$ 240.3	\$ 242.3	\$ (2.1)
Inventory	404.6	415.1	(10.5)
Other current assets ^(a)	<u>7.1</u>	<u>10.2</u>	<u>(3.0)</u>
	652.0	667.6	(15.6)
Accounts payable	222.3	241.8	(19.5)
Accrued liabilities ^(b)	<u>98.6</u>	<u>86.6</u>	<u>12.0</u>
	320.8	328.3	(7.5)
Net working capital	<u><u>\$ 331.2</u></u>	<u><u>\$ 339.3</u></u>	<u><u>\$ (8.1)</u></u>

(a) Excludes cash and tax related items

(b) Excludes income taxes payable and interest payable



Debt and Liquidity Highlights

(\$ Millions)	<u>9/30/2015</u>	<u>6/30/2015</u>
<u>Net Debt</u>		
Long-term debt	\$ 351.3	\$ 351.3
Cash & cash equivalents	<u>(212.8)</u>	<u>(194.9)</u>
Net debt	<u>\$ 138.5</u>	<u>\$ 156.4</u>
 <u>Liquidity Position</u>		
ABL excess availability	\$ 292.7	\$ 314.7
Cash & cash equivalents	<u>212.8</u>	<u>194.9</u>
Total liquidity	<u>\$ 505.5</u>	<u>\$ 509.6</u>



- ◆ Current consensus estimate for 2015 U.S. housing starts is currently 1.13 million, up about 13% from 1.00 million in 2014.
- ◆ Long-term demand fundamentals expected to support recovery in U.S. housing to 1.4 to 1.5 million starts over next few years.
- ◆ Optimistic that we can continue to grow revenue and earnings with improvement in the general economy and new residential construction:
 - Continued improvements in manufacturing operations from our BIC management process
 - Growth in EWP sales as single-family new residential construction activity increases
 - Growth in BMD's revenues and earnings with increased new construction and repair-and-remodel activity



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Appendix

October 22, 2015



EBITDA represents income before interest (interest expense and interest income), income taxes, and depreciation and amortization. The following table reconciles net income to EBITDA for the three months ended September 30, 2015 and 2014, and June 30, 2015:

(\$ Millions)	<u>3Q15</u>	<u>3Q14</u>	<u>2Q15</u>
Net income	\$ 22.0	\$ 32.3	\$ 20.2
Interest expense	5.7	5.5	5.6
Interest income	(0.1)	(0.1)	(0.1)
Income tax provision	12.6	18.1	11.6
Depreciation and amortization	14.2	13.2	13.3
EBITDA	<u>\$ 54.5</u>	<u>\$ 69.1</u>	<u>\$ 50.7</u>



Segment EBITDA represents segment income before depreciation and amortization. The following table reconciles segment income to EBITDA for the three months ended September 30, 2015 and 2014, and June 30, 2015 :

(\$ Millions)	Three Months Ended		
	3Q15	3Q14	2Q15
Wood Products			
Segment income	\$ 21.9	\$ 40.6	\$ 23.7
Depreciation and amortization	<u>11.0</u>	<u>10.7</u>	<u>10.3</u>
Segment EBITDA	<u><u>\$ 32.9</u></u>	<u><u>\$ 51.3</u></u>	<u><u>\$ 34.1</u></u>
Building Materials Distribution			
Segment income	\$ 22.7	\$ 21.1	\$ 19.6
Depreciation and amortization	<u>3.1</u>	<u>2.4</u>	<u>2.9</u>
Segment EBITDA	<u><u>\$ 25.8</u></u>	<u><u>\$ 23.5</u></u>	<u><u>\$ 22.5</u></u>