



Boise Cascade



Boise Cascade Company

Third Quarter 2014

Earnings Webcast

October 23, 2014



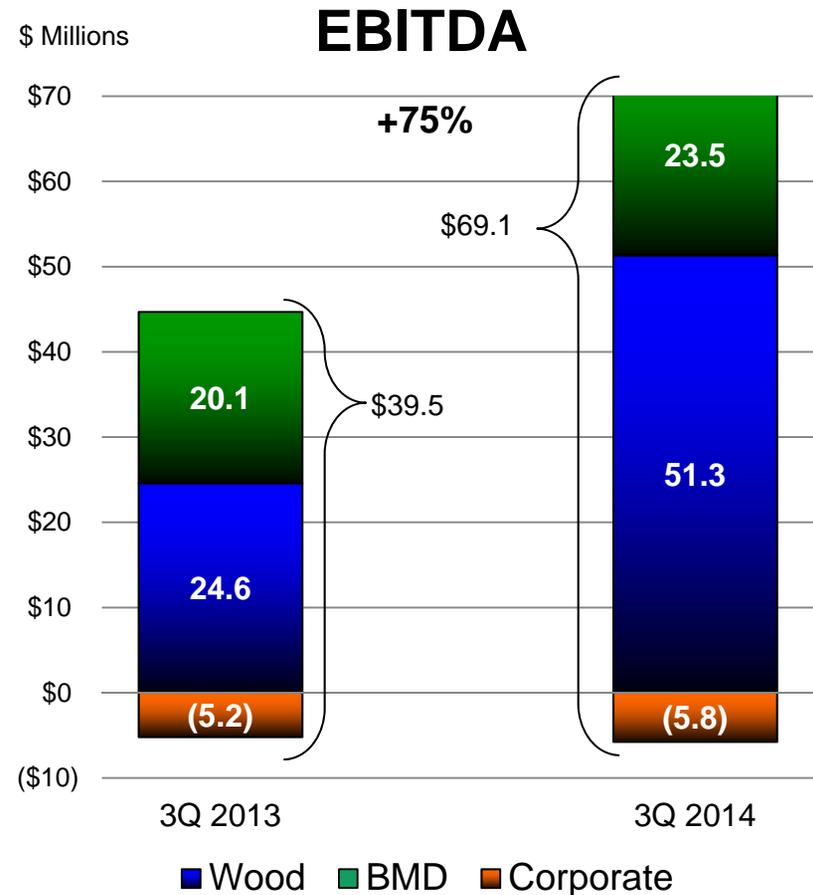
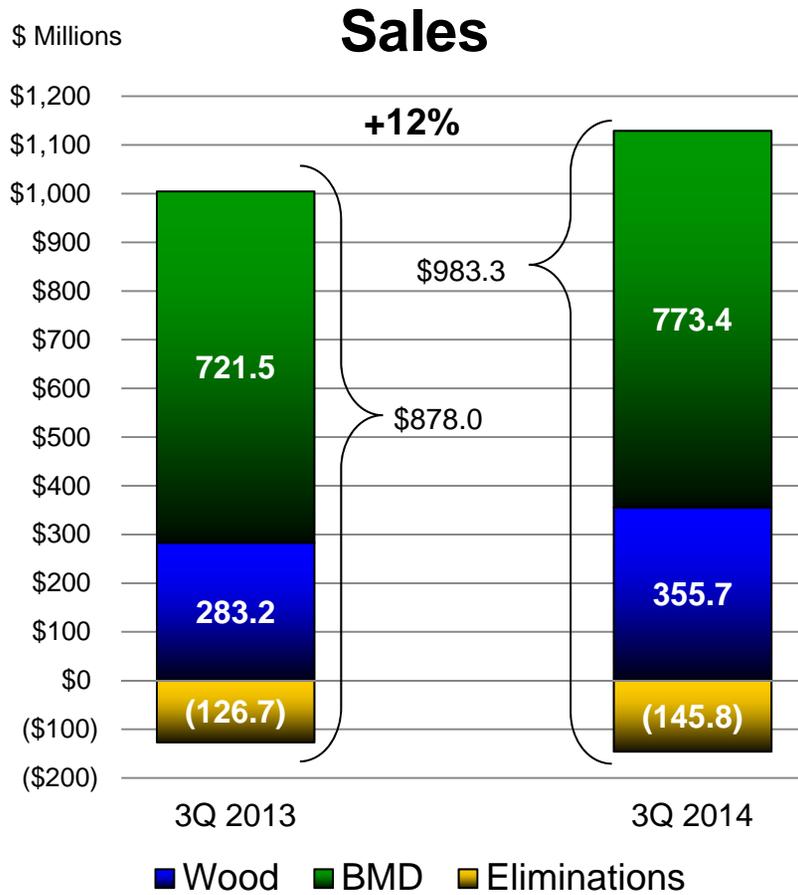
Forward-Looking Statements

- ◆ 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 \$983.3 million, up 12% from the prior year quarter.
- ◆ Third quarter net income was \$32.3 million, or \$0.82 per share.
- ◆ Third quarter plywood pricing remained strong, with our mills operating near capacity.
- ◆ EWP prices moved up again in third quarter and shipments continued to be robust compared to 2013 levels.
- ◆ Sales in Building Materials Distribution grew 7% with earnings leverage coming from gross margin expansion.
- ◆ Tone of business remains good as we move into fourth quarter.
- ◆ Total and single-family U.S. housing starts increased 15% and 7% from the same period last year.
- ◆ Consensus U.S. housing starts estimate for 2014 is 1.01 million units. Expect recovery to continue in 2015 with consensus at 1.19 million units.



3Q 2014 Financial Highlights

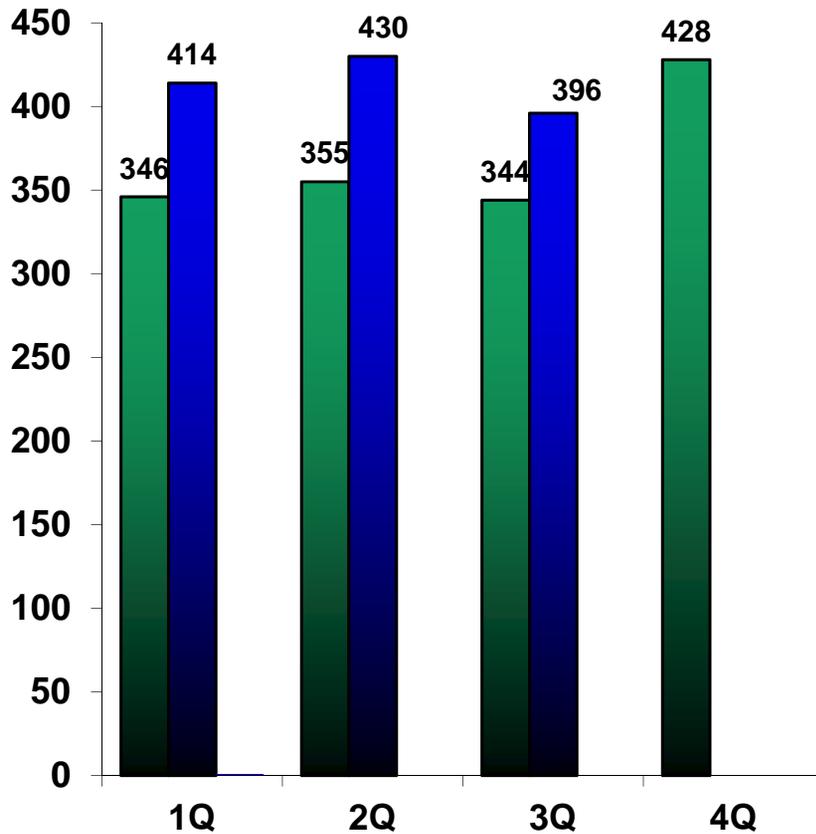




Wood Products Plywood

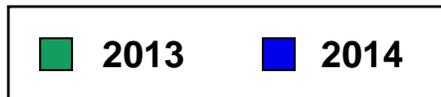
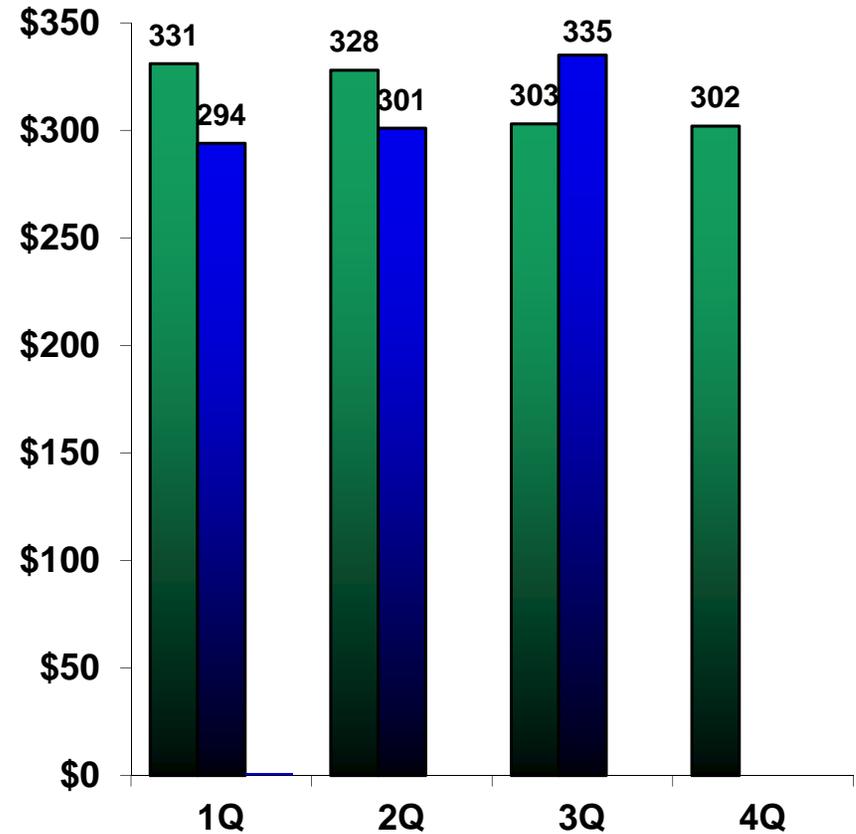
Sales Volume

(mmsf 3/8" basis)



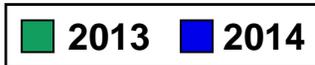
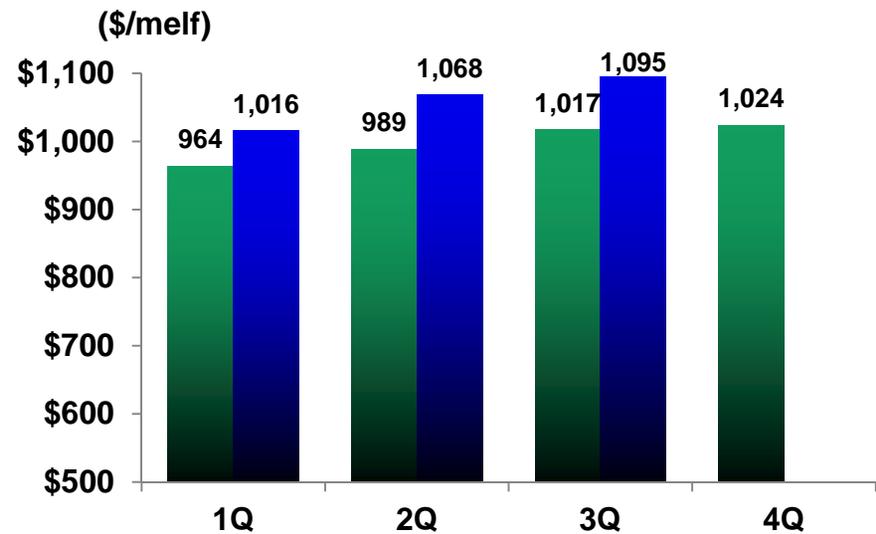
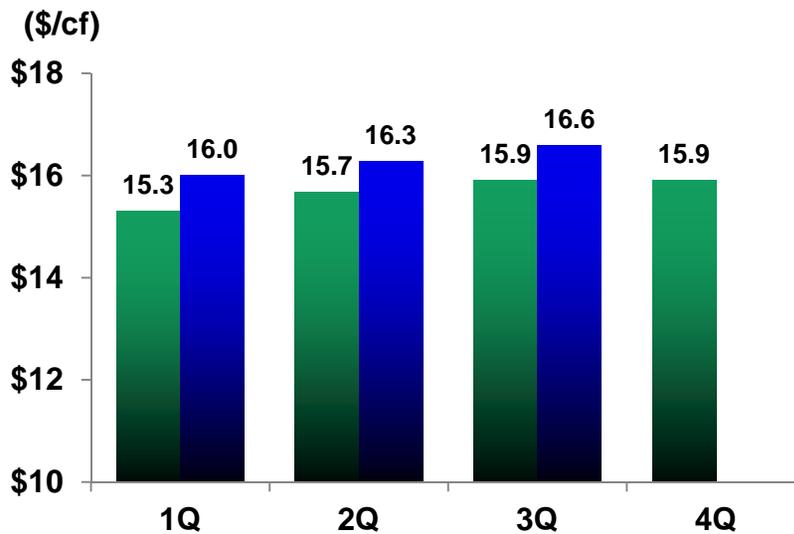
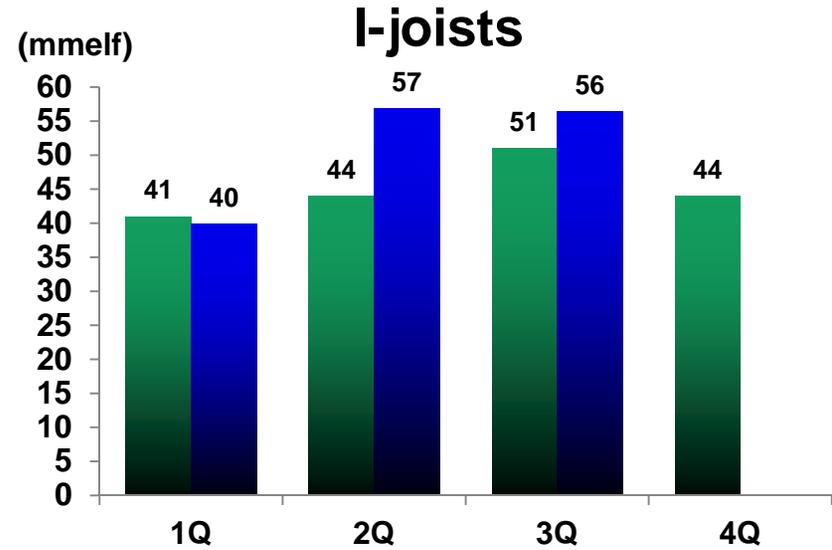
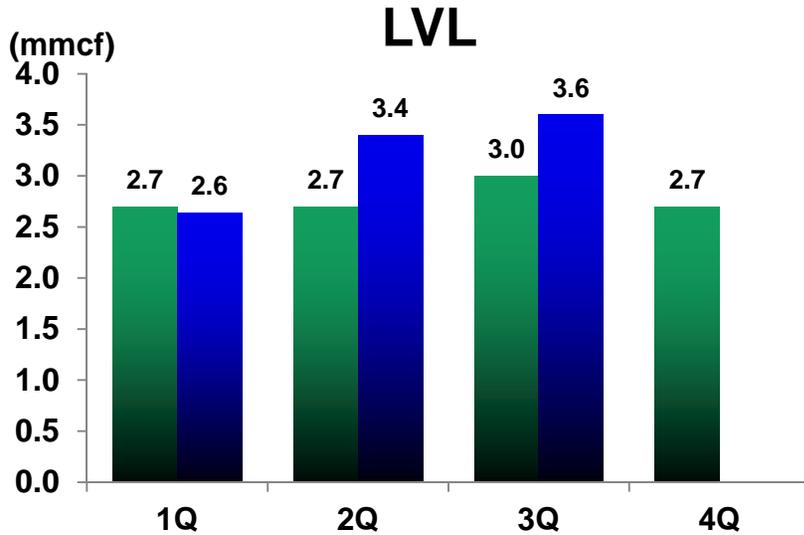
Net Sales Price

(\$/msf 3/8" basis)





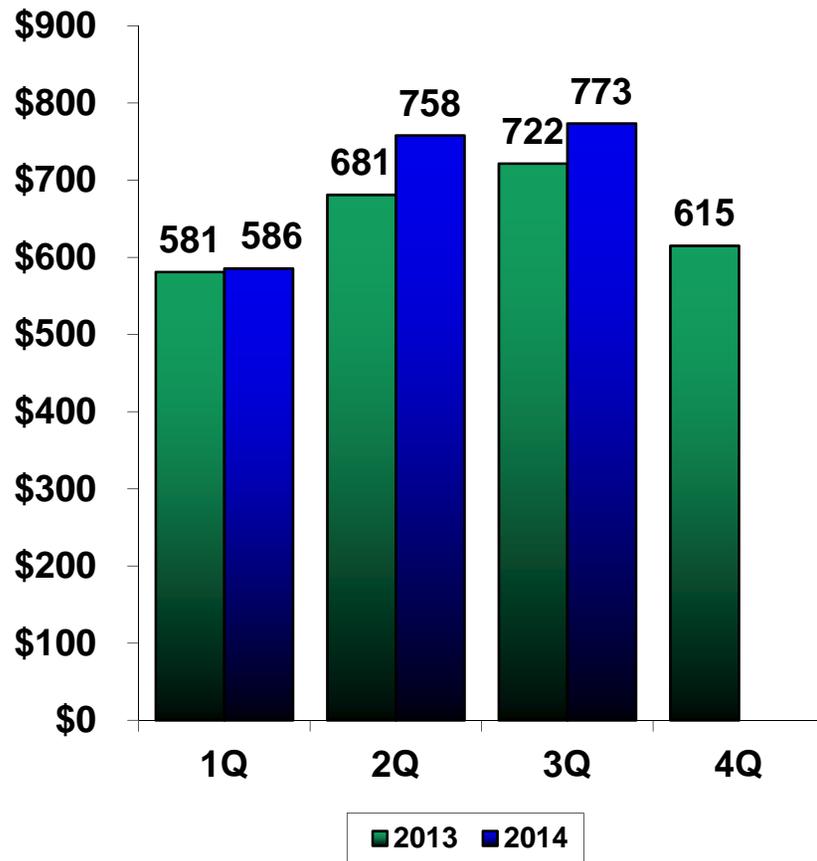
Wood Products EWP



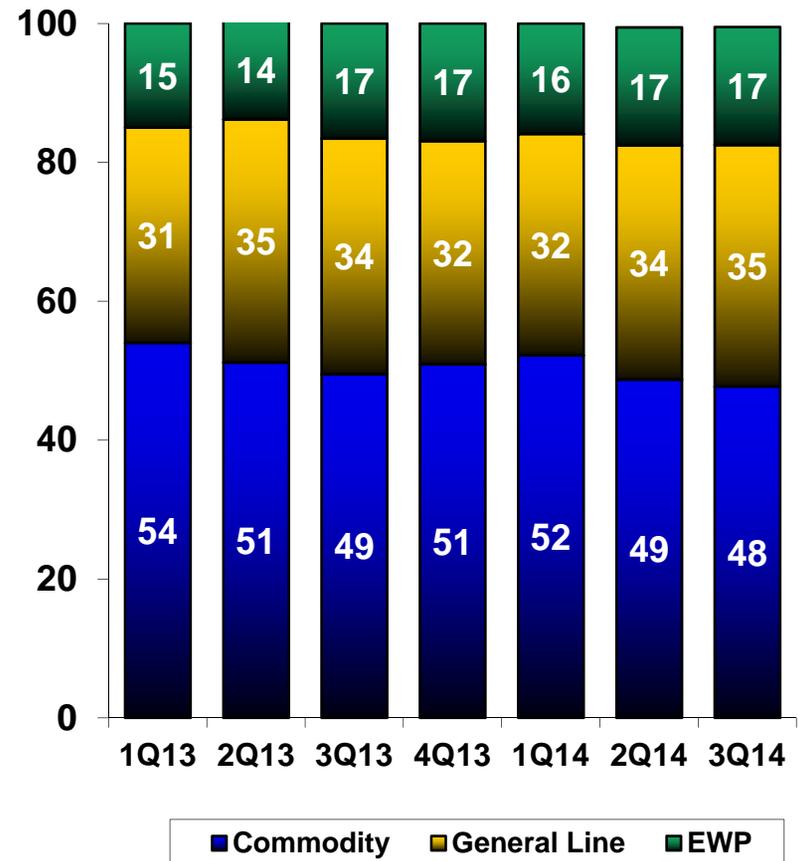


Building Materials Distribution Sales

(\$ Millions)



(% of Sales)





Balance Sheet Items

(\$ Millions)	<u>9/30/2014</u>	<u>6/30/2014</u>	<u>Change</u>
Receivables	\$ 221.1	\$ 226.0	\$ (5.0)
Inventory	398.9	410.6	(11.7)
Other current assets ^(a)	8.9	8.7	0.1
	<u>628.8</u>	<u>645.3</u>	<u>(16.5)</u>
Accounts payable	188.4	206.7	(18.3)
Accrued liabilities ^(b)	109.7	87.4	22.3
	<u>298.1</u>	<u>294.1</u>	<u>4.0</u>
Net working capital	<u>\$ 330.7</u>	<u>\$ 351.2</u>	<u>\$ (20.5)</u>

(a) Excludes cash and deferred taxes

(b) Excludes income taxes payable and interest payable

Debt and Liquidity Highlights

(\$ Millions)	<u>9/30/2014</u>	<u>6/30/2014</u>
<u>Net Debt</u>		
Long-term debt	\$ 301.5	\$ 301.5
Cash & cash equivalents	(170.0)	(129.9)
Net debt	<u>\$ 131.5</u>	<u>\$ 171.6</u>
 <u>Liquidity Position</u>		
ABL excess availability	\$ 328.2	\$ 342.0
Cash & cash equivalents	170.0	129.9
Total liquidity	<u>\$ 498.2</u>	<u>\$ 471.9</u>



- ◆ The current consensus estimate for 2014 U.S. housing starts is 1.01 million, up about 9% from 925,000 in 2013.
- ◆ We believe the long-term demand fundamentals for housing are still sound based on demographics in the U.S. and expect housing starts to return to 1.4 to 1.5 million starts over the next few years.
- ◆ We are focused on meeting our customers' needs as demand continues to strengthen.
- ◆ We expect our business to continue to improve as housing further recovers in 2015:
 - 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 23, 2014



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, 2014 and 2013:

(\$ Millions)	3Q14	3Q13
Net income	\$ 32.3	\$ 15.9
Interest expense	5.5	5.2
Interest income	(0.1)	(0.1)
Income tax provision	18.1	9.6
Depreciation and amortization	13.2	9.0
EBITDA	<u>\$ 69.1</u>	<u>\$ 39.5</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, 2014 and 2013:

(\$ Millions)	<u>3Q14</u>	<u>3Q13</u>
Wood Products		
Segment income	\$ 40.6	\$ 17.9
Depreciation and amortization	<u>10.7</u>	<u>6.7</u>
Segment EBITDA	<u>\$51.3</u>	<u>\$24.6</u>
Building Materials Distribution		
Segment income	\$ 21.1	\$ 17.9
Depreciation and amortization	<u>2.4</u>	<u>2.2</u>
Segment EBITDA	<u>\$23.5</u>	<u>\$20.1</u>