



**Boise Cascade**



# **Boise Cascade Company**

## **First Quarter 2013 Earnings Webcast**

**April 22, 2013**



## Forward-Looking Statements

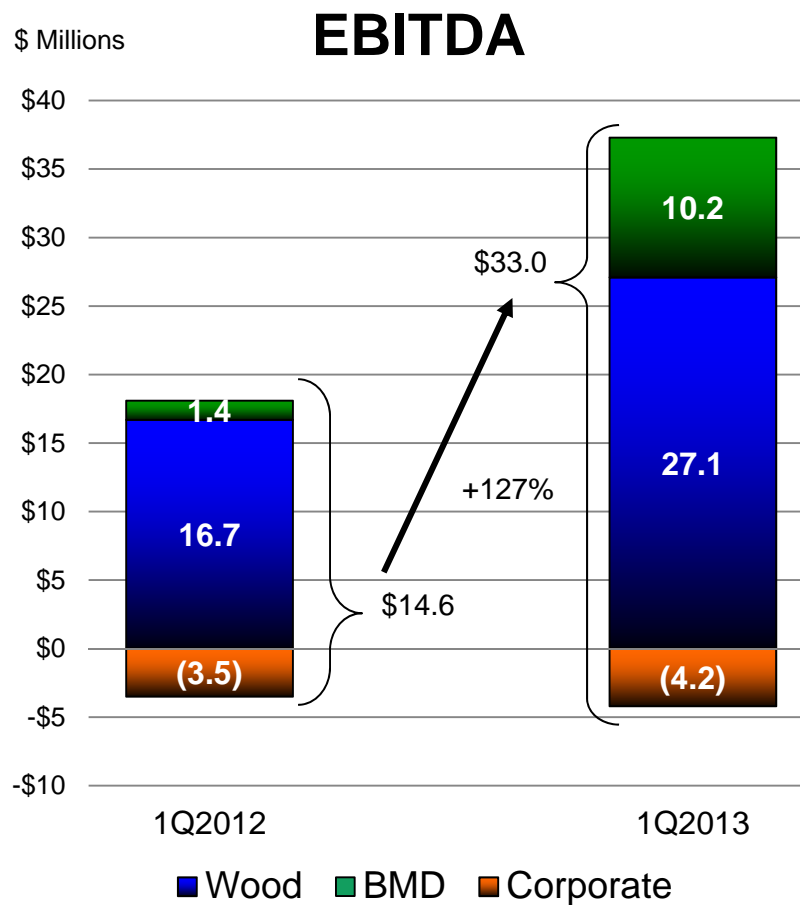
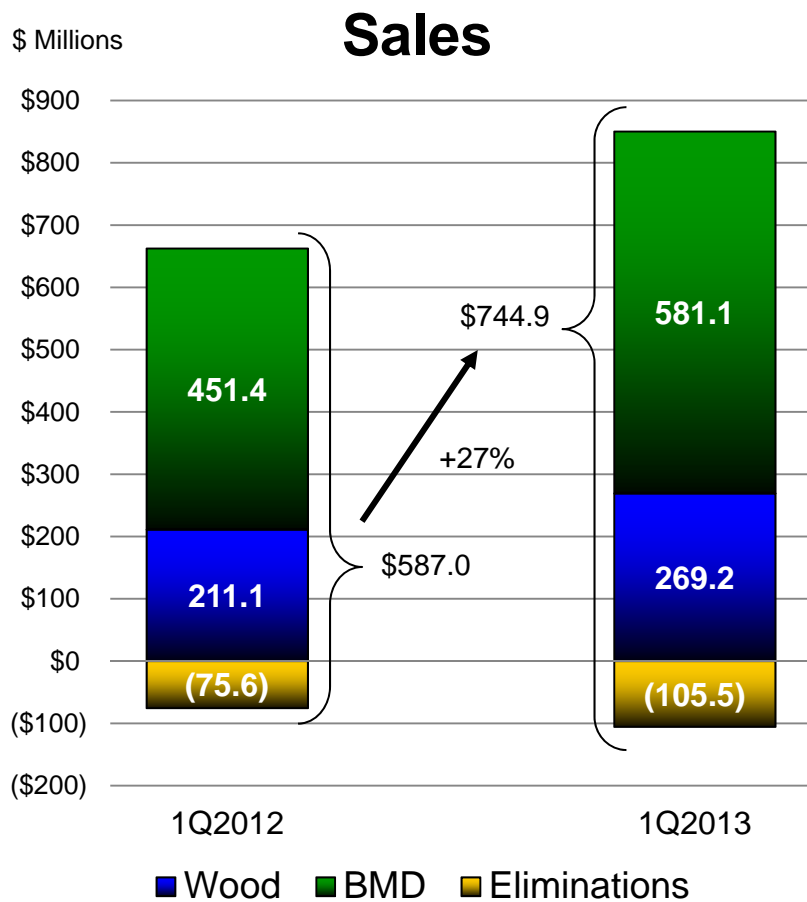
- ◆ This presentation includes statements about our expectations of future operational and financial performance that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The accuracy of such statements is subject to a number of risks, uncertainties, 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 and adjusted net income, which are non-GAAP financial measures within the meaning of the Securities and Exchange Commission's Regulation G. Reconciliations of net income to EBITDA, segment income (loss) to segment EBITDA, and net income to adjusted net income are included as an appendix and are posted on the company's website at [www.bc.com](http://www.bc.com).



- ◆ Total U.S. housing starts increased approximately 36% compared with 1Q12. Single-family starts increased approximately 28%.
  
- ◆ First quarter sales were \$744.9 million, up 27% from 1Q12:
  - Continued strong plywood average net sales realization
  - Robust EWP volume growth versus prior year quarter
  - Price increases on many products purchased and sold by Building Materials Distribution (BMD)
  
- ◆ First quarter adjusted net income was \$12.2 million, or \$0.32 per share:
  - Wood Products reported segment EBITDA of \$27.1, up 62% from 1Q12
  - BMD reported segment EBITDA of \$10.2 million, up 647% from 1Q12



# 1Q 2013 Financial Highlights

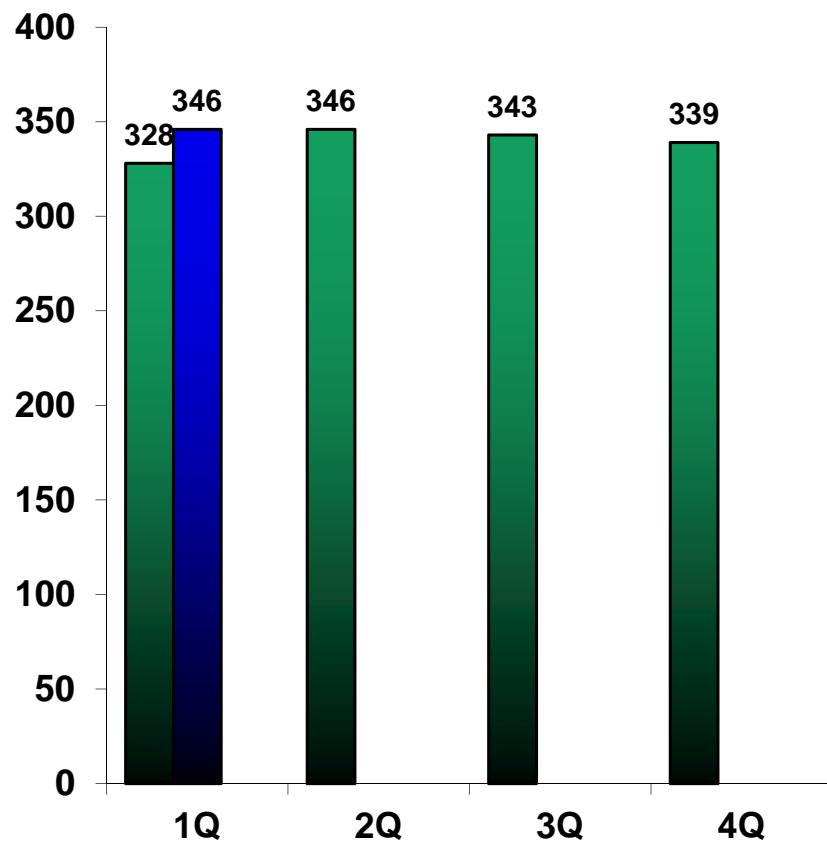




# Wood Products Plywood

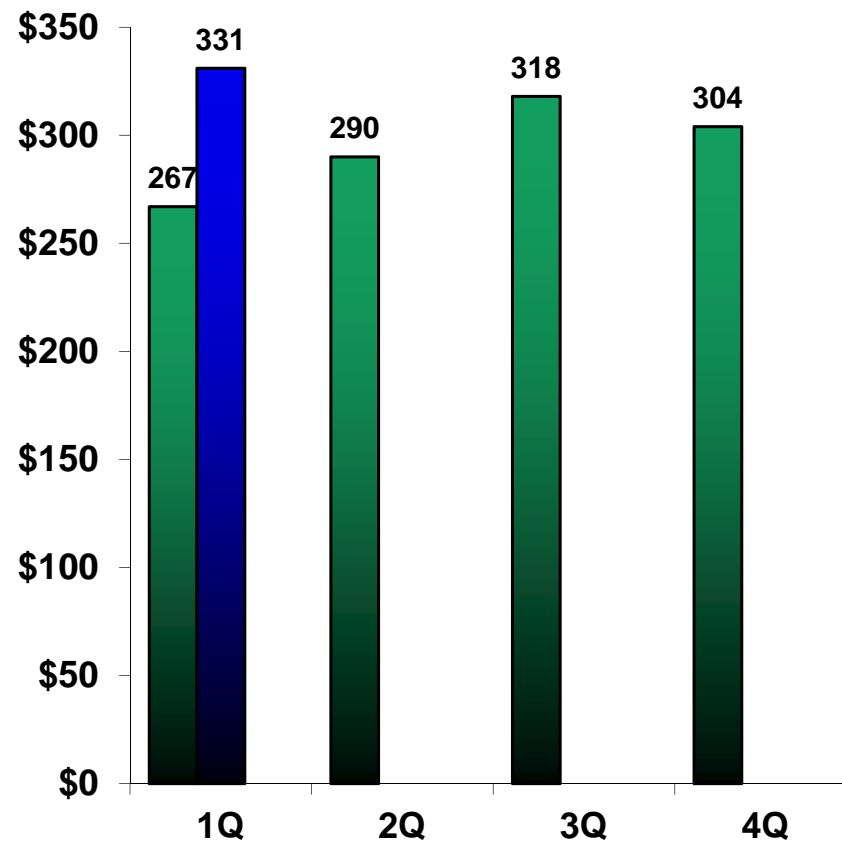
## Sales Volume

(mmsf 3/8" basis)



## Net Sales Price

(\$/msf 3/8" basis)

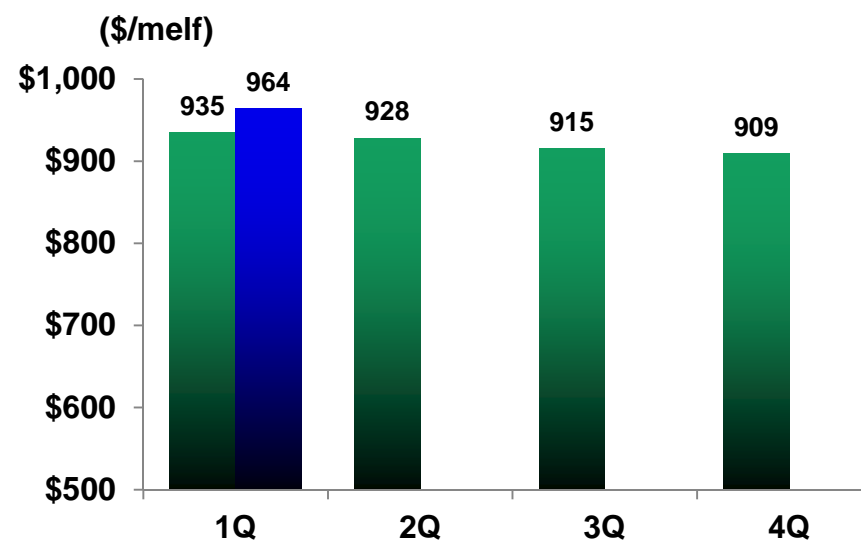
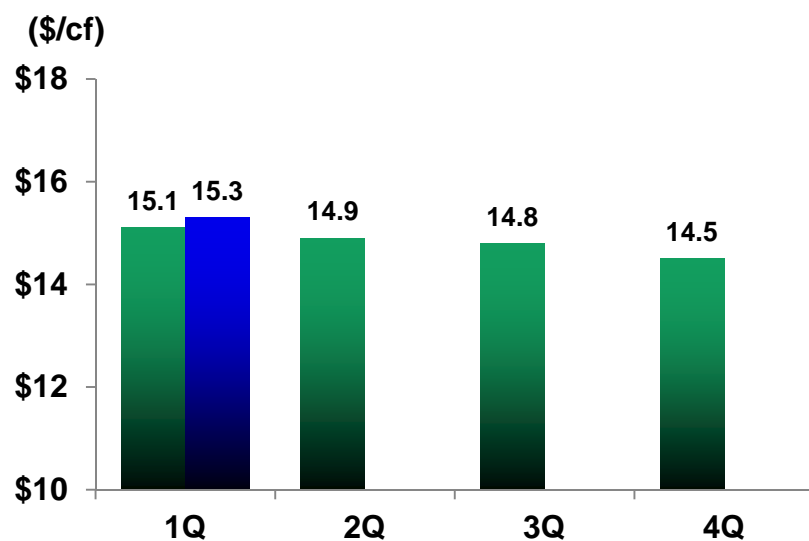
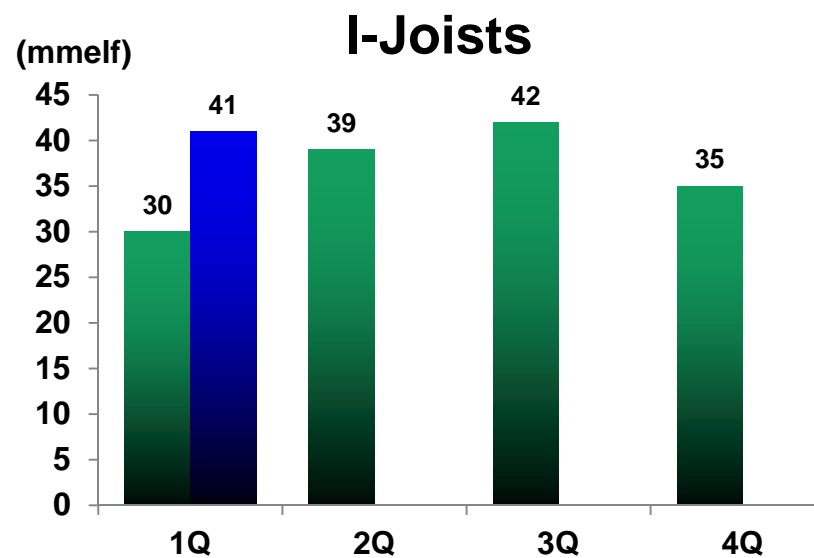
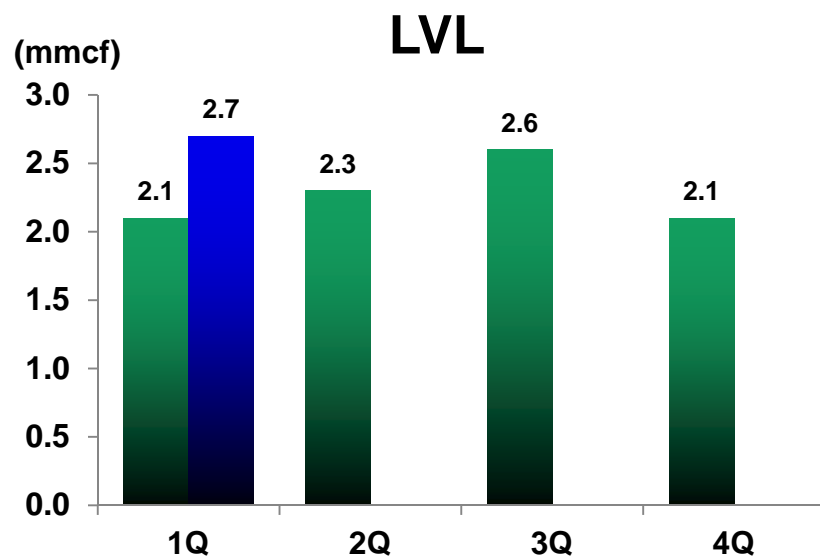


2012 2013



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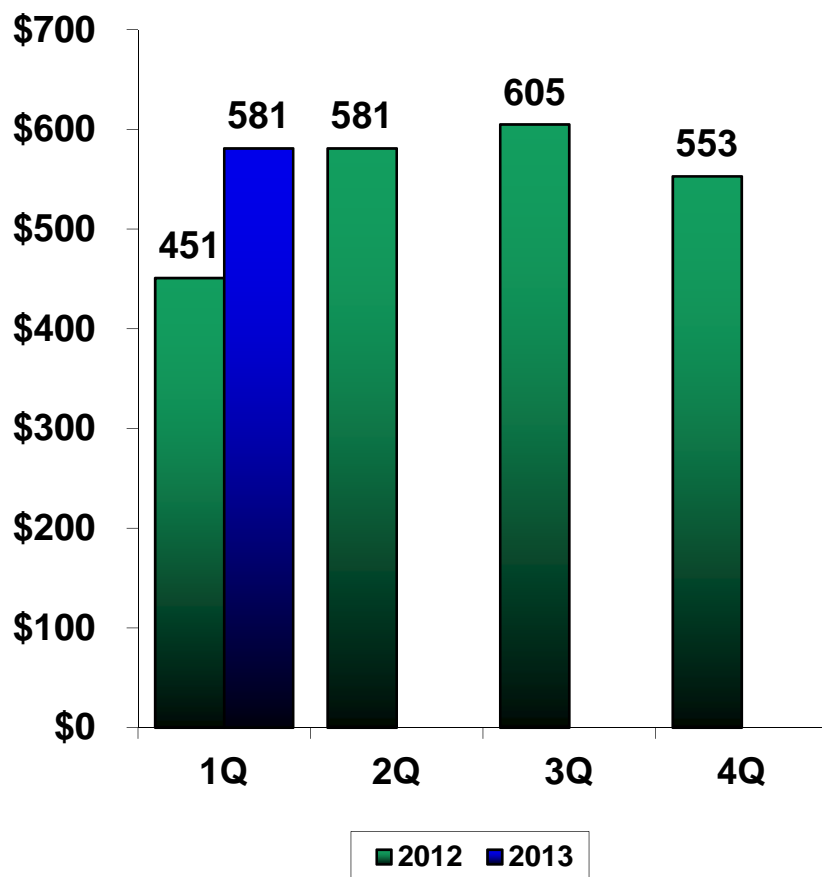
## Wood Products EWP



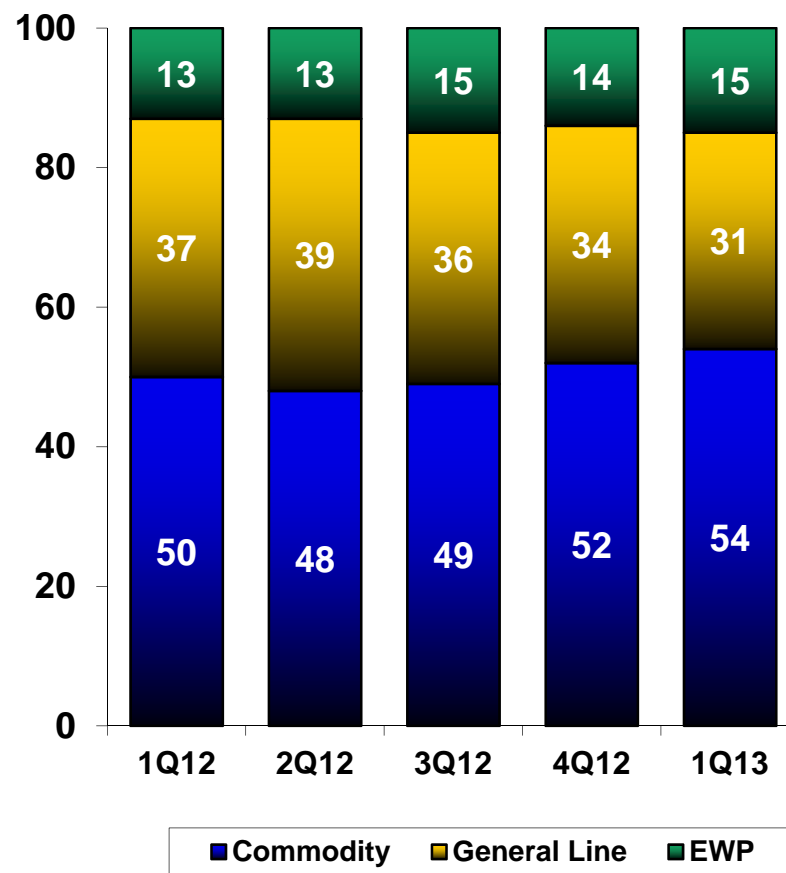


# Building Materials Distribution Sales

(\$ Millions)



(% of Sales)



## Working Capital

(\$ Millions)	<u>3/31/2013</u>	<u>12/31/2012</u>	<u>Change</u>
Receivables	\$ 209.9	\$ 141.6	\$ 68.3
Inventory	387.1	325.8	61.3
Other current assets (excluding cash and deferred taxes)	<u>8.3</u>	<u>5.5</u>	<u>2.8</u>
	605.3	473.0	132.3
Accounts payable	218.5	142.1	76.3
Accrued liabilities	<u>82.6</u>	<u>94.0</u>	<u>(11.4)</u>
	301.1	236.2	64.9
Net working capital (excluding cash and deferred taxes)	<u>\$ 304.2</u>	<u>\$ 236.8</u>	<u>\$ 67.4</u>





## Debt and Liquidity Highlights

(\$ Millions)	<u>3/31/2013</u>	<u>12/31/2012</u>
<u>Net Debt</u>		
Long-term debt	\$ 250.0	\$ 275.0
Cash & cash equivalents	<u>(233.5)</u>	<u>(54.5)</u>
Net debt	<u>\$ 16.5</u>	<u>\$ 220.5</u>
 <u>Liquidity Position</u>		
ABL excess availability	\$ 290.2	\$ 195.6
Cash & cash equivalents	<u>233.5</u>	<u>54.5</u>
Total liquidity	<u>\$ 523.8</u>	<u>\$ 250.1</u>



- ◆ The current consensus estimate for 2013 U.S. housing starts is 1,000,000 vs. 780,000 in 2012.
- ◆ We believe the long-term demand fundamentals for housing are still sound based on demographics in the U.S.
- ◆ We are focused on meeting our customers' needs as demand continues to strengthen.
- ◆ Pricing for the commodity wood products we manufacture and/or distribute (e.g., plywood, OSB, dimension lumber) continues to be favorable as a result of improved demand. Capacity restarts have been announced by a number of industry participants.
- ◆ Pricing for our engineered wood products is improving in response to higher demand and higher operating rates, as well as producer input cost pressures.
- ◆ We are well positioned for revenue and earnings leverage in 2013 and beyond.



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# Appendix

**April 22, 2013**

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 March 31, 2013 and 2012, and December 31, 2012:

(\$ Millions)	1Q13	1Q12	4Q12
Net income	\$ 80.8	\$ 1.7	\$ 1.3
Interest expense	4.9	4.8	7.3
Interest income	(0.1)	(0.1)	(0.1)
Income tax provision (benefit)	(61.1)	0.1	0.1
Depreciation and amortization	8.5	8.1	8.5
EBITDA	<u>\$ 33.0</u>	<u>\$ 14.6</u>	<u>\$ 17.0</u>

Segment EBITDA represents segment income (loss) before depreciation and amortization. The following table reconciles segment income (loss) to segment EBITDA for the three months ended March 31, 2013 and 2012, and December 31, 2012:

<b>(\$ Millions)</b>	<b><u>1Q13</u></b>	<b><u>1Q12</u></b>	<b><u>4Q12</u></b>
Wood Products			
Segment income	\$ 20.8	\$ 10.8	\$ 7.0
Depreciation and amortization	<u>6.3</u>	<u>5.9</u>	<u>6.3</u>
Segment EBITDA	<u><u>\$ 27.1</u></u>	<u><u>\$ 16.7</u></u>	<u><u>\$ 13.2</u></u>
Building Materials Distribution			
Segment income (loss)	\$ 8.0	\$ (0.8)	\$ 5.9
Depreciation and amortization	<u>2.2</u>	<u>2.2</u>	<u>2.2</u>
Segment EBITDA	<u><u>\$ 10.2</u></u>	<u><u>\$ 1.4</u></u>	<u><u>\$ 8.1</u></u>



First quarter 2013 includes \$68.7 million of income tax benefit associated with recording net deferred tax assets upon our conversion from a limited liability company to a corporation. The following table reconciles GAAP net income to adjusted non-GAAP net income for the three months ended March 31, 2013 and 2012, and December 31, 2012:

<b>(\$ Millions, except per-share amounts)</b>	<b><u>1Q13</u></b>	<b><u>1Q12</u></b>	<b><u>4Q12</u></b>
Net income (GAAP basis)	\$ 80.8	\$ 1.7	\$ 1.3
Impact of deferred tax benefit	(68.7)	-	-
Adjusted net income (non-GAAP basis)	<u>\$ 12.2</u>	<u>\$ 1.7</u>	<u>\$ 1.3</u>
Adjusted net income (non-GAAP basis), per share:			
Basic	\$ 0.32	\$ 0.06	\$ 0.04
Diluted	\$ 0.32	\$ 0.06	\$ 0.04