



Boise Cascade®



Boise Cascade Company

Third Quarter 2022 Earnings Webcast

November 1, 2022

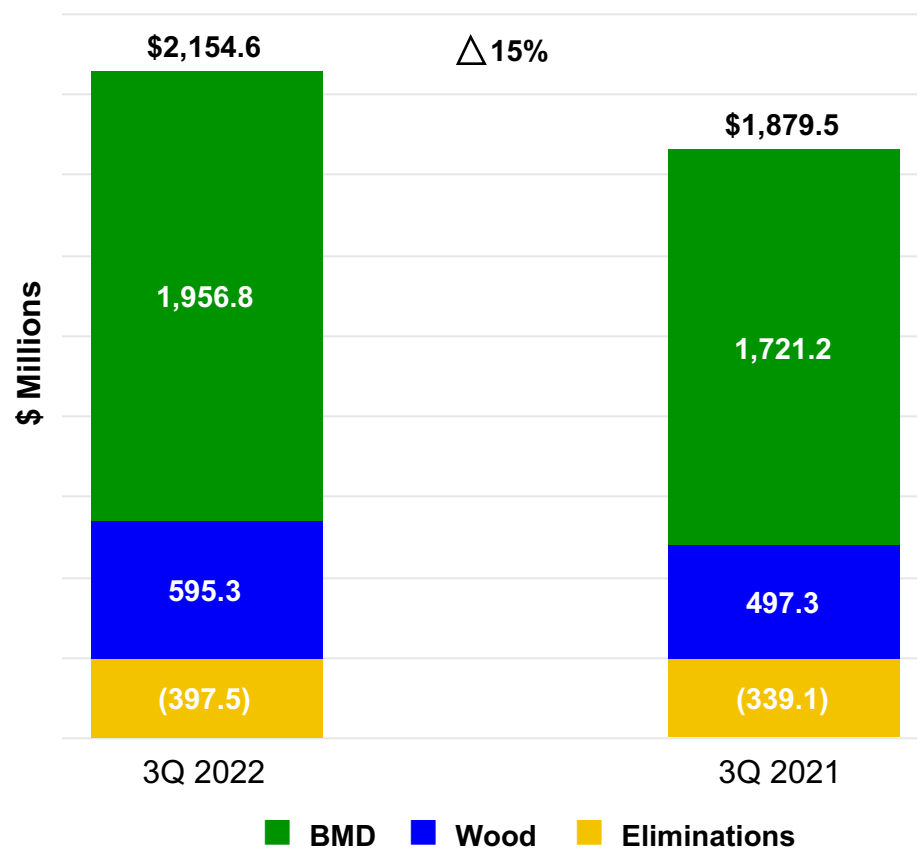
Forward-Looking Statements

- ◆ 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, our ability to efficiently and effectively integrate the Coastal Plywood acquisition, 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.

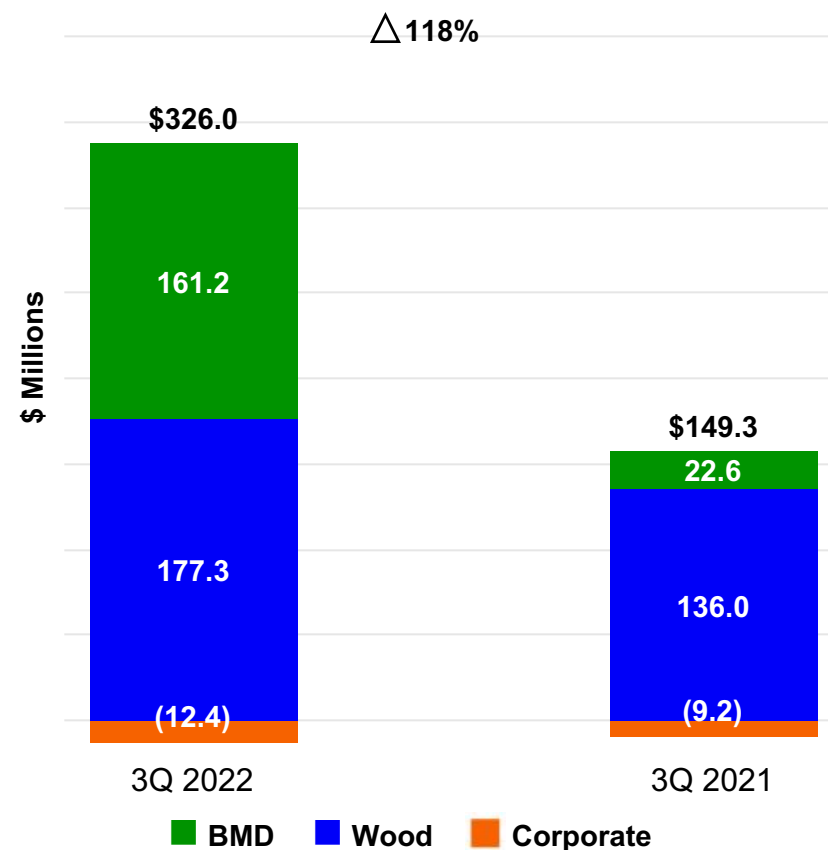
- ◆ 3Q22 sales were \$2.2 billion, up 15% from 3Q21.
- ◆ 3Q22 net income was \$219.6 million, or \$5.52 per share, compared to net income of \$91.7 million, or \$2.31 per share, in 3Q21.
- ◆ Wood Products reported 3Q22 segment EBITDA of \$177.3 million, compared to \$136.0 million in 3Q21.
 - Higher EWP sales prices, offset partially by lower plywood sales prices and higher manufacturing costs.
 - Good progress on integration of Coastal operations.
- ◆ BMD reported 3Q22 segment EBITDA of \$161.2 million on sales of \$2.0 billion, compared to \$22.6 million of segment EBITDA on sales of \$1.7 billion in 3Q21.
 - Gross margin increase of \$166.1 million, resulting primarily from margin improvements on commodity products.
- ◆ Board authorization of increase in quarterly dividend and additional special dividend.

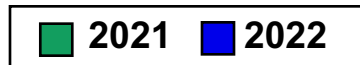
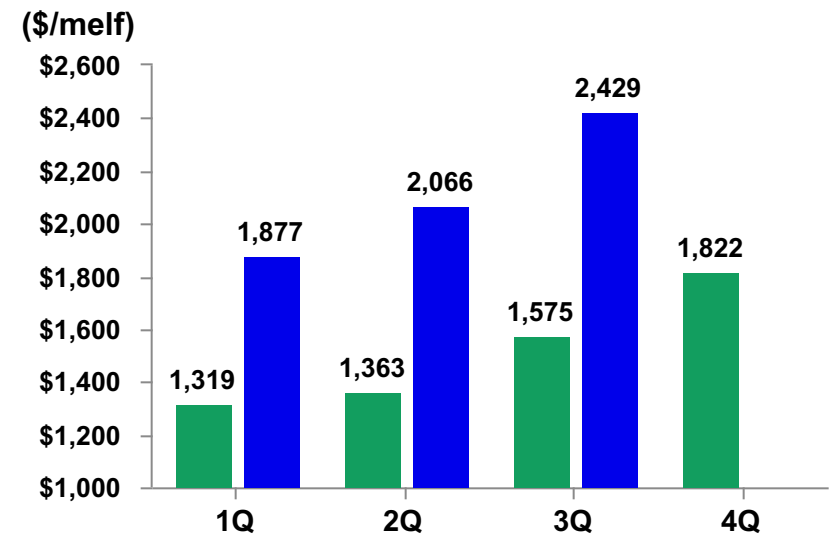
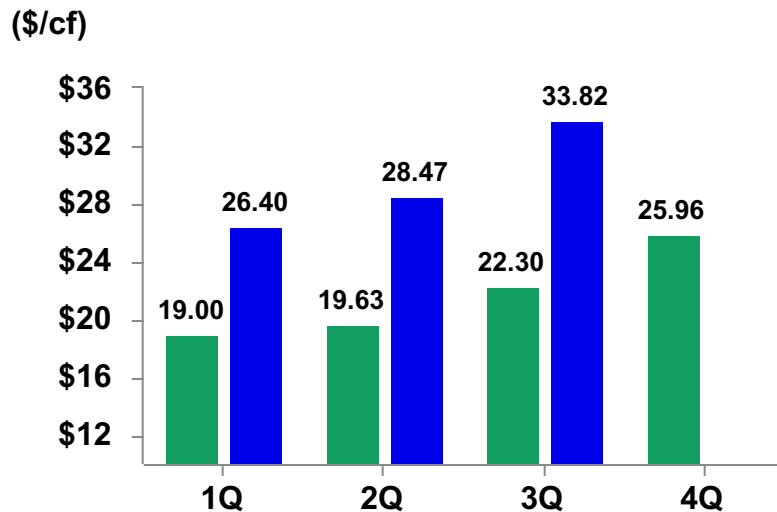
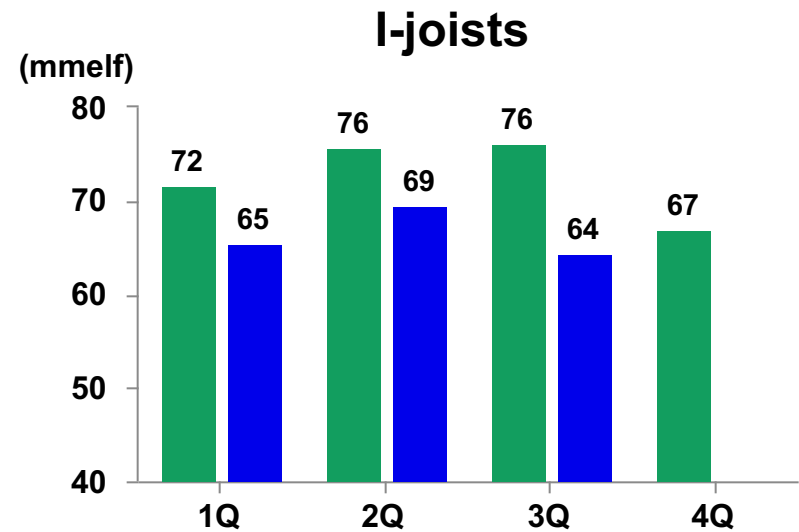
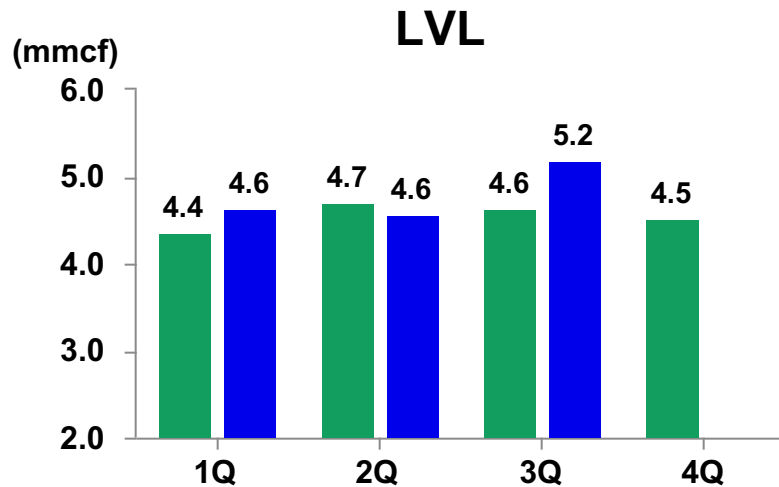
3Q 2022 Financial Highlights

Sales



Adjusted EBITDA

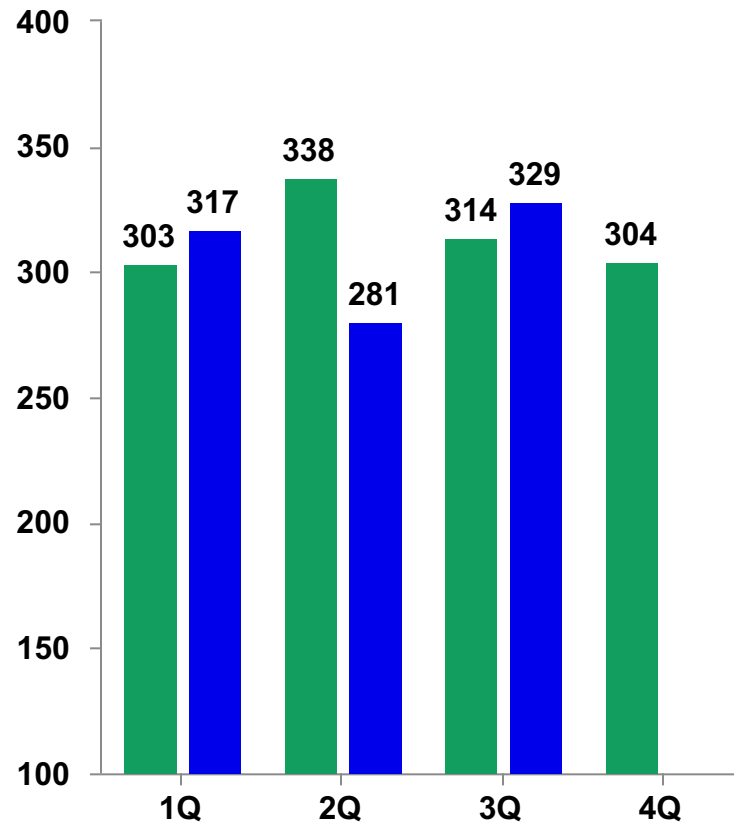




Wood Products Plywood

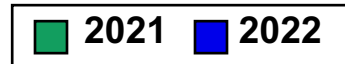
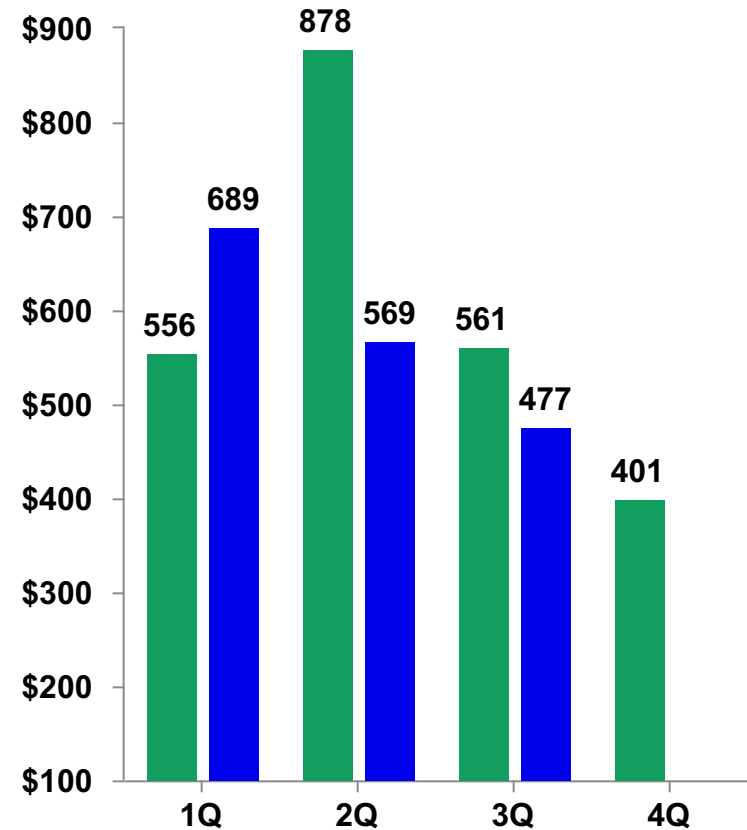
Sales Volume

(mmsf 3/8" basis)



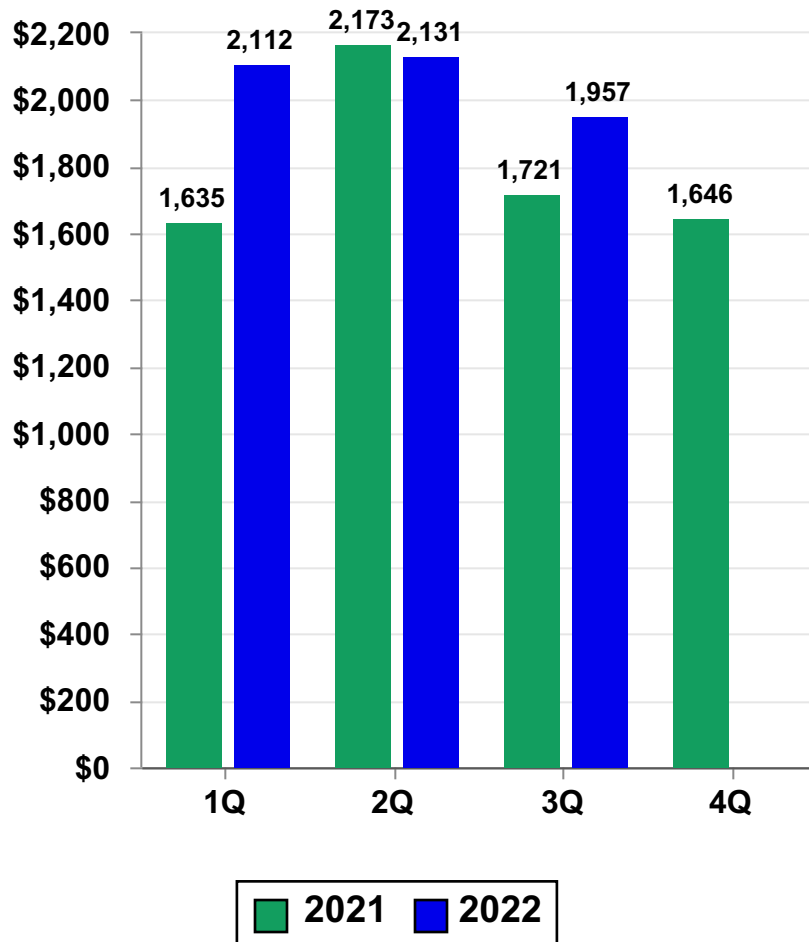
Net Sales Price

(\$/msf 3/8" basis)

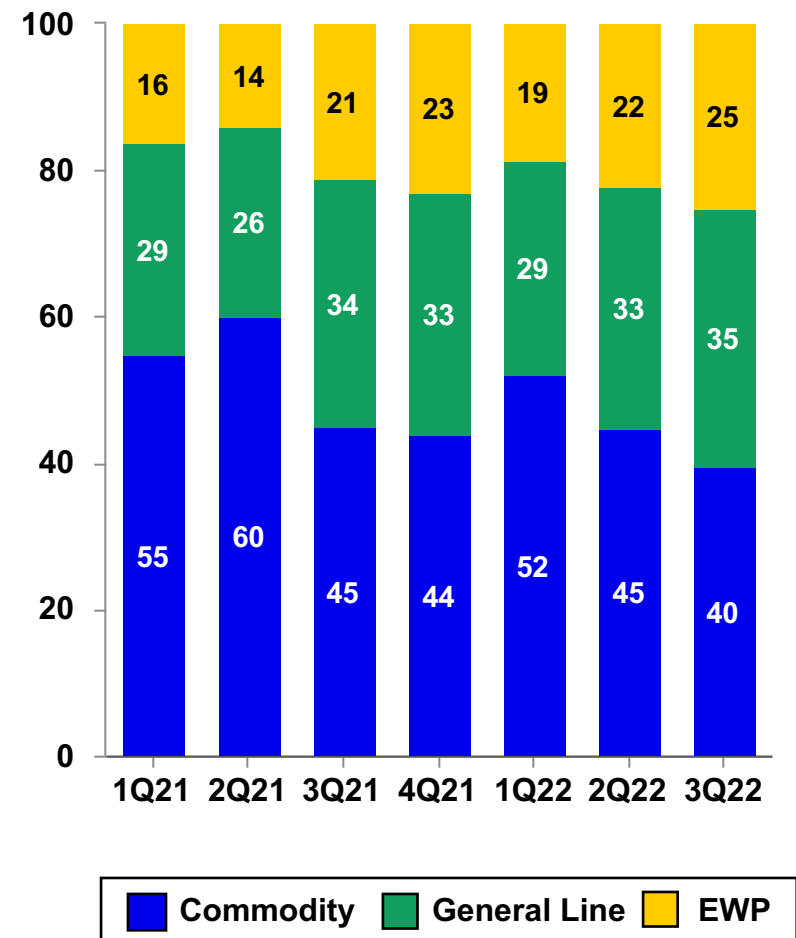


Building Materials Distribution Sales

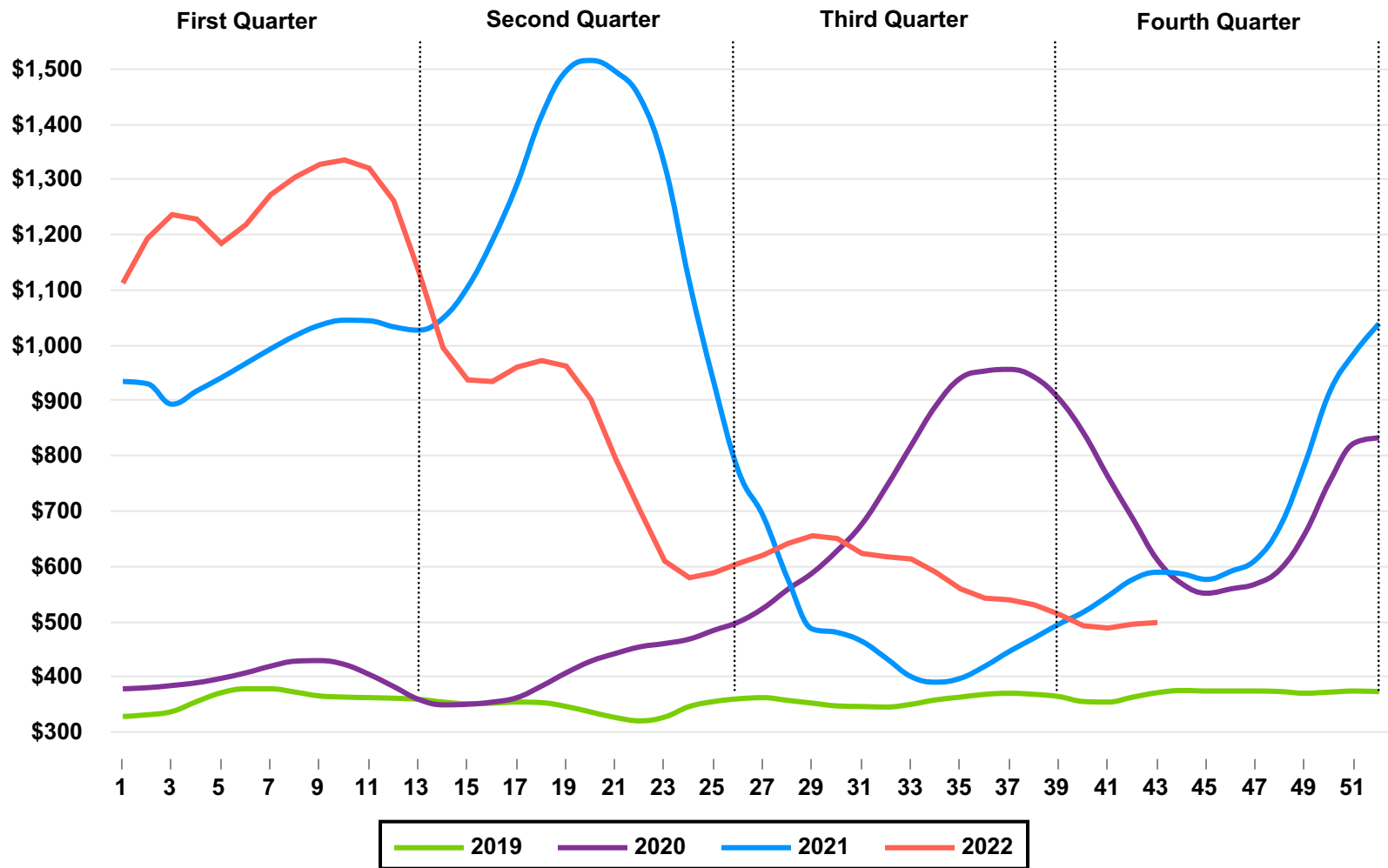
(\$ Millions)



(% of Sales)

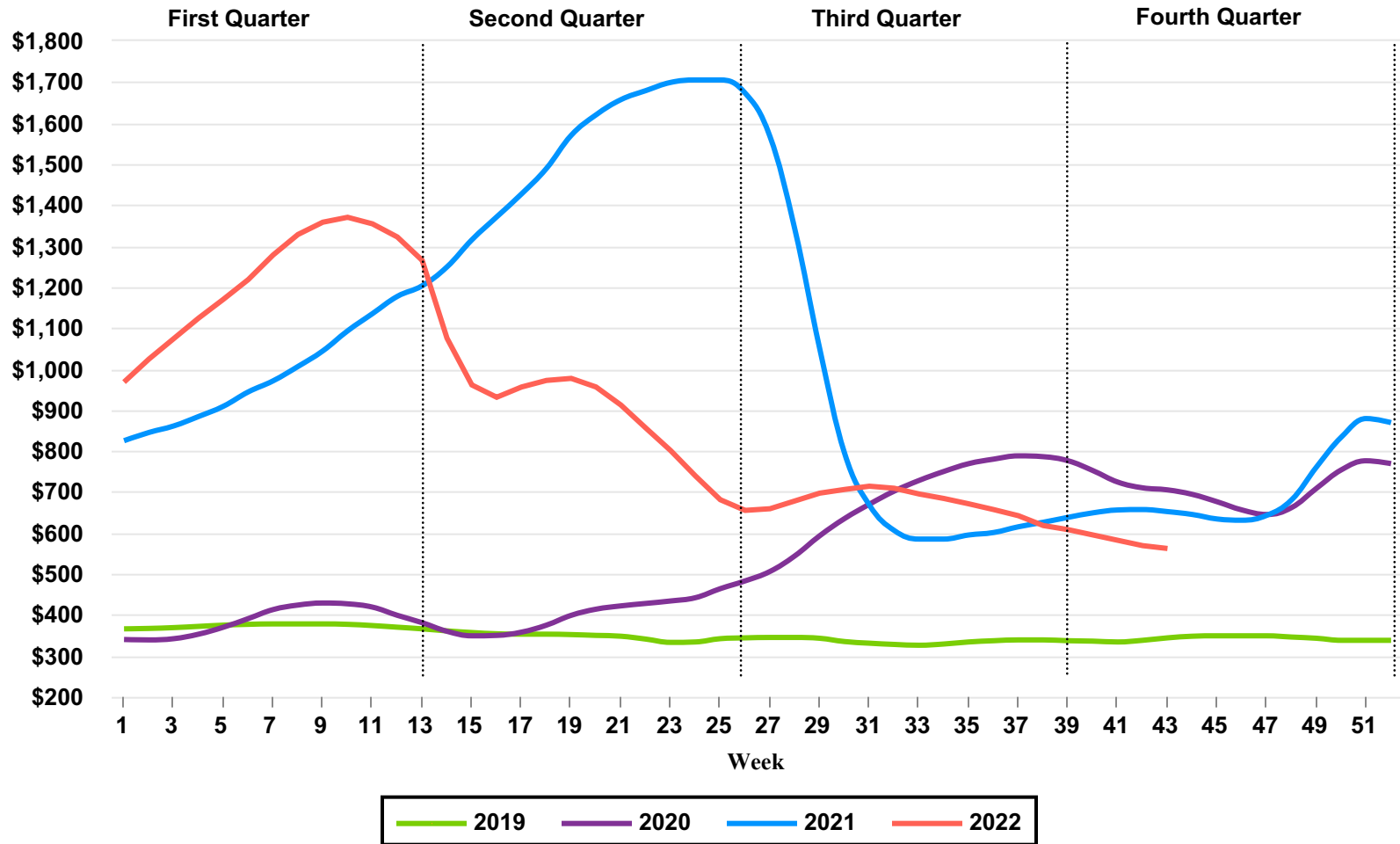


Lumber Composite Price



Source: Random Lengths

Panel Composite Price



Source: Random Lengths

Debt and Liquidity Highlights

(\$ Millions)

Net Debt

	<u>9/30/2022</u>	<u>6/30/2022</u>
Total debt	\$ 444.2	\$ 445.0
Cash & cash equivalents	<u>(867.1)</u>	<u>(1,033.0)</u>
Net debt (cash)	<u>\$ (422.9)</u>	<u>\$ (588.0)</u>

Liquidity Position

Bank line excess availability	\$ 396.2	\$ 346.0
Cash & cash equivalents	<u>867.1</u>	<u>1,033.0</u>
Total liquidity	<u>\$ 1,263.2</u>	<u>\$ 1,379.0</u>

- ◆ Current estimates for 2022 housing starts are between 1.5 million and 1.6 million, essentially flat from 2021 levels.
 - Pace of new residential construction has slowed and expected to continue to decline for the remainder of 2022 and into 2023.
 - Double digit declines in 2023 anticipated by many economists.
- ◆ Primary drivers of repair-and-remodeling activity expected to continue to be supportive of homeowners' further investment in their residences.
- ◆ Operational focus in Wood Products
 - Continued integration of Coastal Plywood operations and EWP capacity investments.
 - Monitor changing housing market landscape closely and adjust production rates as appropriate.
- ◆ Organic growth and execution focus in BMD
 - Build out and start up of recently announced organic expansion projects; pipeline of additional organic growth opportunities that we continue to evaluate.
 - Manage inventory levels and price uncertainty across product lines without sacrificing service levels to our vendor and customer partners.



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Appendix

November 1, 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 September 30, 2022 and 2021, and June 30, 2022:

(\$ Millions)	Three Months Ended		
	3Q22	3Q21	2Q22
Net income	\$ 219.6	\$ 91.7	\$ 218.1
Interest expense	6.4	6.3	6.3
Interest income	(3.2)	(0.1)	(1.4)
Income tax provision	76.0	31.2	73.9
Depreciation and amortization	28.4	20.3	20.7
EBITDA	\$ 327.2	\$ 149.4	\$ 317.6
Change in fair value of interest rate swaps	(1.1)	(0.1)	(0.4)
Adjusted EBITDA	<u>\$ 326.0</u>	<u>\$ 149.3</u>	<u>\$ 317.2</u>

The following table reconciles segment income to EBITDA for the three months ended September 30, 2022 and 2021, and June 30, 2022:

(\$ Millions)	Three Months Ended		
	3Q22	3Q21	2Q22
Wood Products			
Segment income	\$ 156.0	\$ 122.1	\$ 154.1
Depreciation and amortization	21.3	13.9	13.7
Segment EBITDA	<u>\$ 177.3</u>	<u>\$ 136.0</u>	<u>\$ 167.8</u>
Building Materials Distribution			
Segment income	\$ 154.4	\$ 16.6	\$ 154.3
Depreciation and amortization	6.8	6.0	6.7
Segment EBITDA	<u>\$ 161.2</u>	<u>\$ 22.6</u>	<u>\$ 161.0</u>