



Boise Cascade®



Boise Cascade Company

Second Quarter 2021 Earnings Webcast

August 3, 2021

Forward-Looking Statements

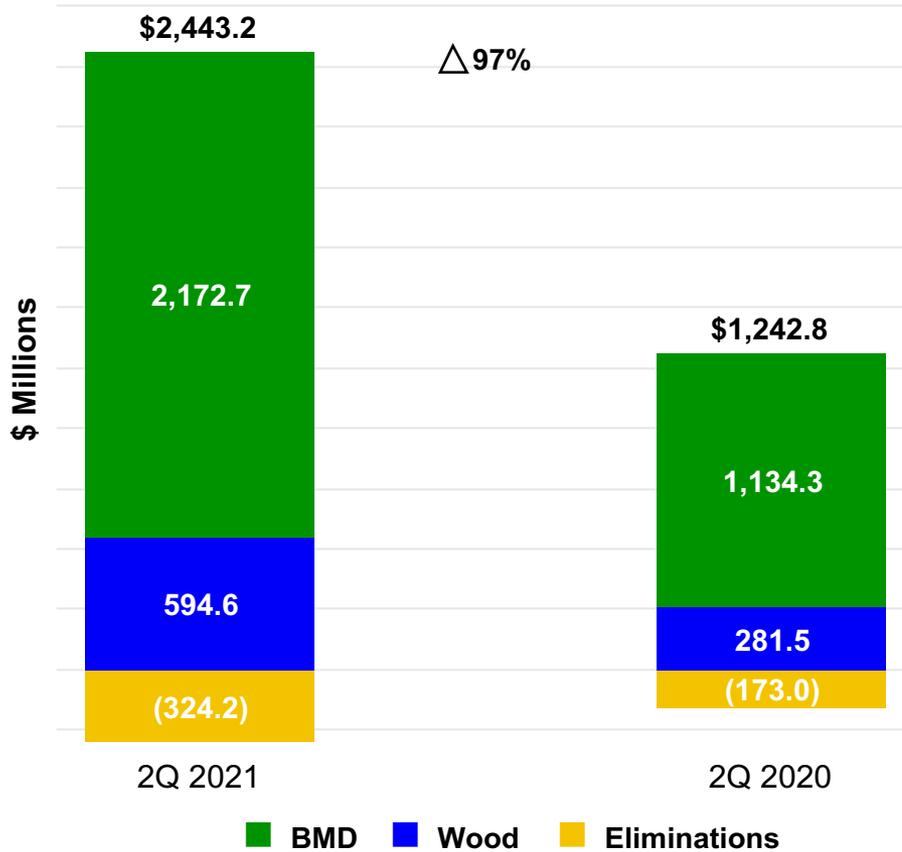
- ◆ This presentation includes statements about our expectations of future operational and financial performance that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The accuracy of such statements is subject to a number of risks, uncertainties, and assumptions that could cause our actual results to differ materially from those projected, including, but not limited to, prices for building products, changes in the competitive position of our products, commodity input costs, the effect of general economic conditions, the effect of COVID-19, 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.

- ◆ 2Q21 sales were \$2.4 billion, up 97% from 2Q20.
- ◆ 2Q21 net income was \$302.6 million, or \$7.62 per share, compared to net income of \$33.6 million, or \$0.85 per share, in 2Q20.
- ◆ Wood Products reported 2Q21 segment income of \$213.8 million, compared to \$17.1 million in 2Q20.
 - Higher plywood, EWP, and lumber sales prices, as well as higher EWP sales volumes, offset partially by higher wood fiber costs.
- ◆ BMD reported 2Q21 segment income of \$206.3 million, up from \$43.2 million in 2Q20.
 - Gross margin increase of \$187.9 million resulting from improved sales volumes and gross margins on substantially all product lines, particularly commodity products.
 - Increased selling and distribution expenses of \$25.9 million.

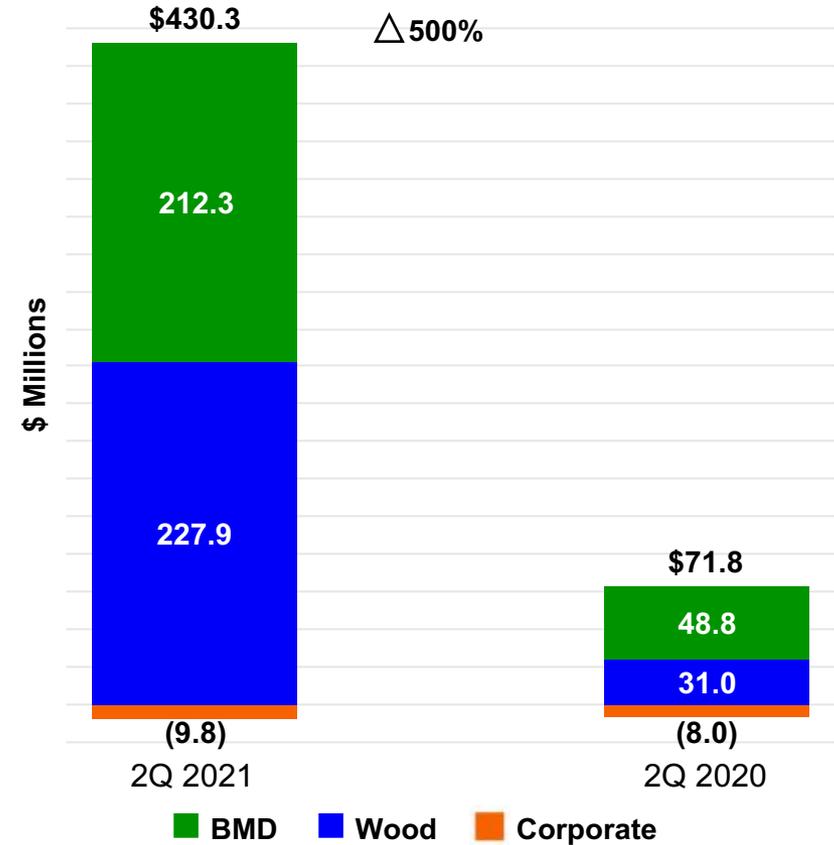
2Q 2021 Financial Highlights



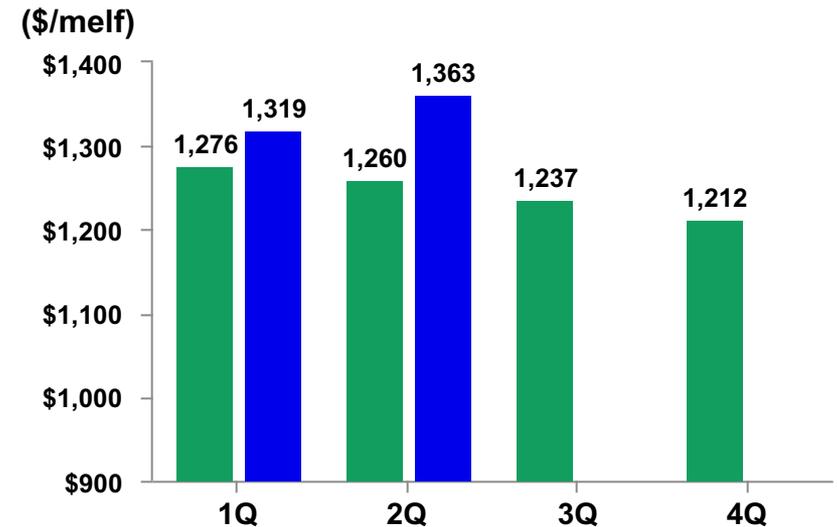
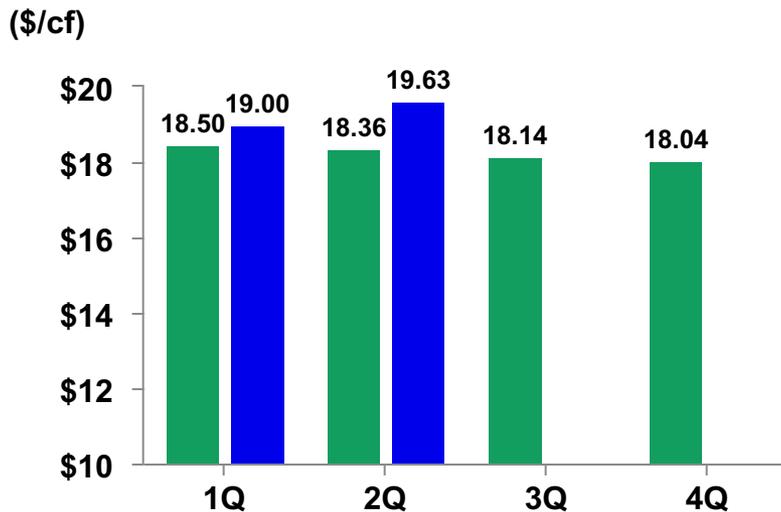
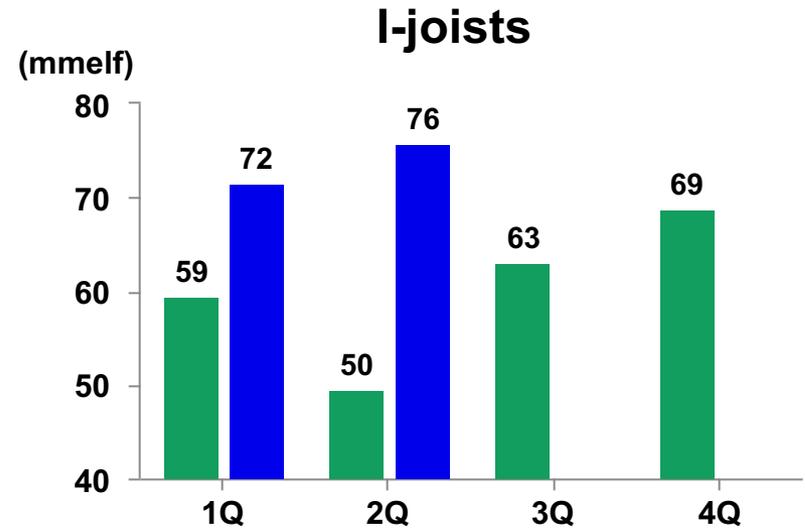
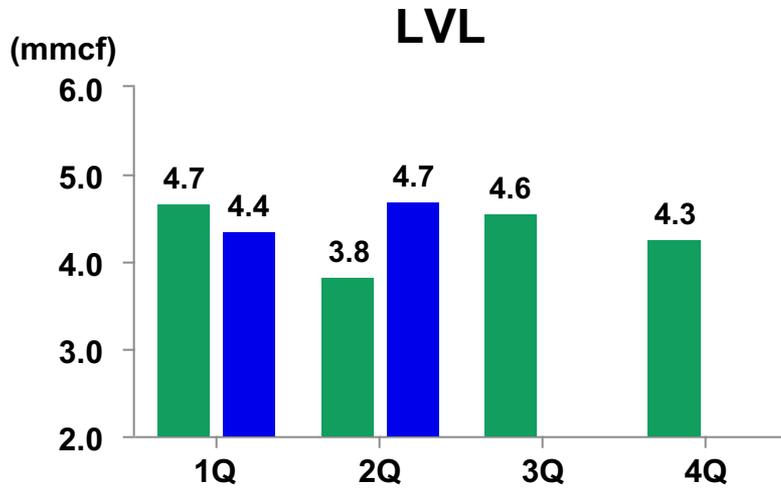
Sales



Adjusted EBITDA



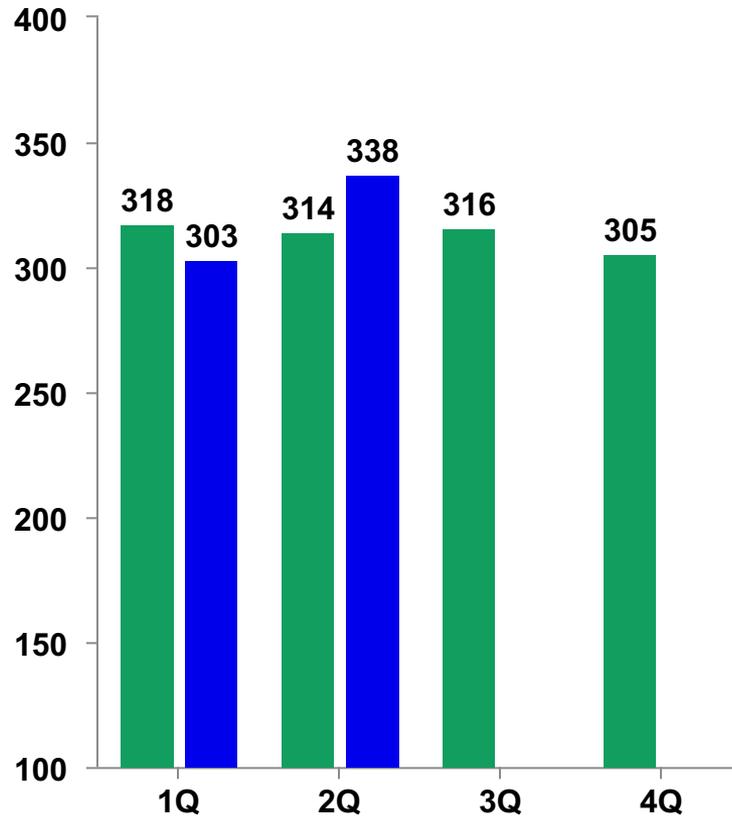
Wood Products EWP



2020 2021

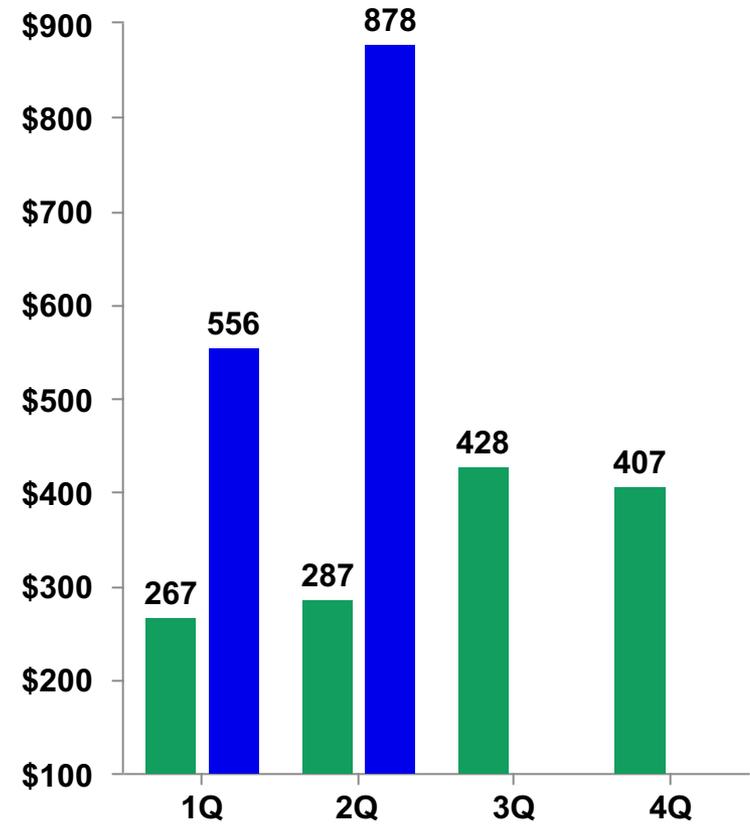
Sales Volume

(mmsf 3/8" basis)



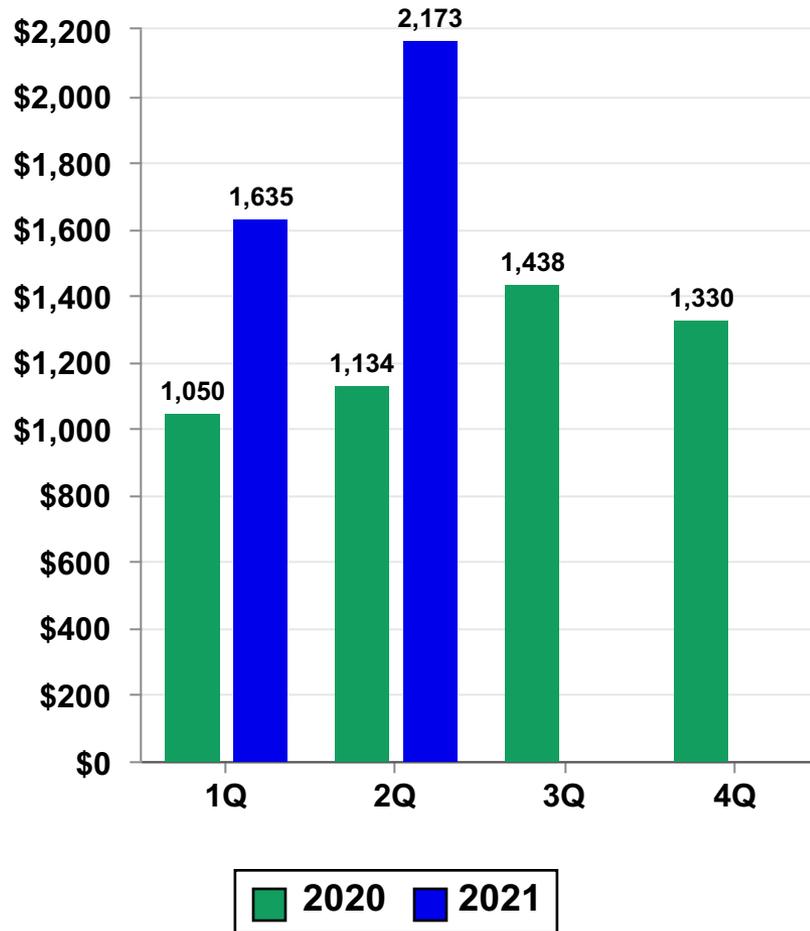
Net Sales Price

(\$/msf 3/8" basis)

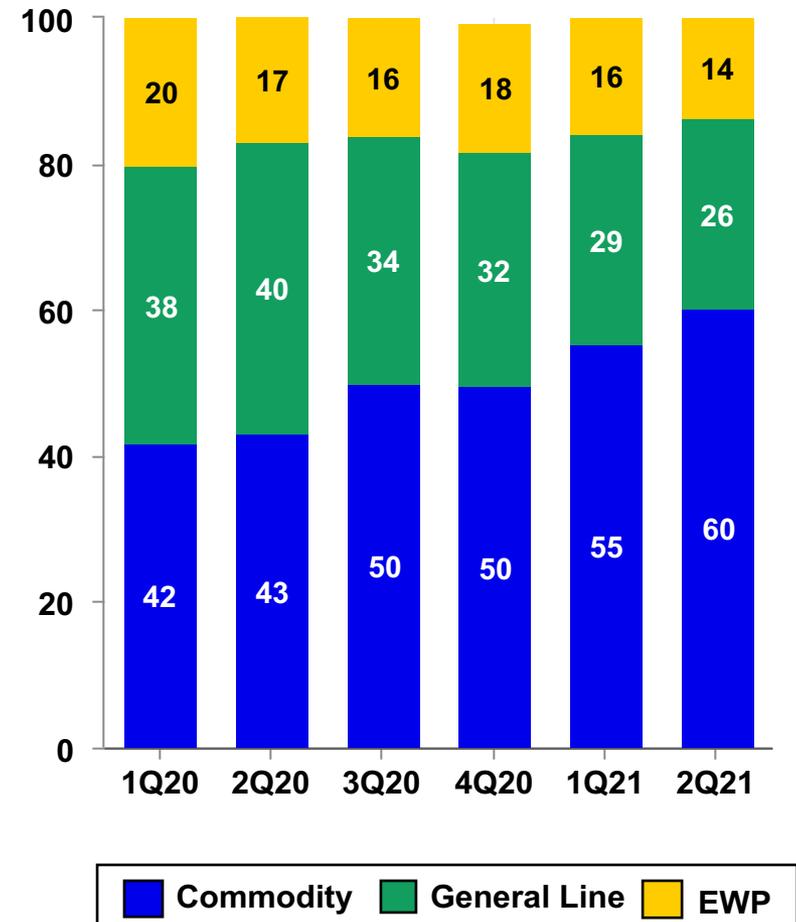


Building Materials Distribution Sales

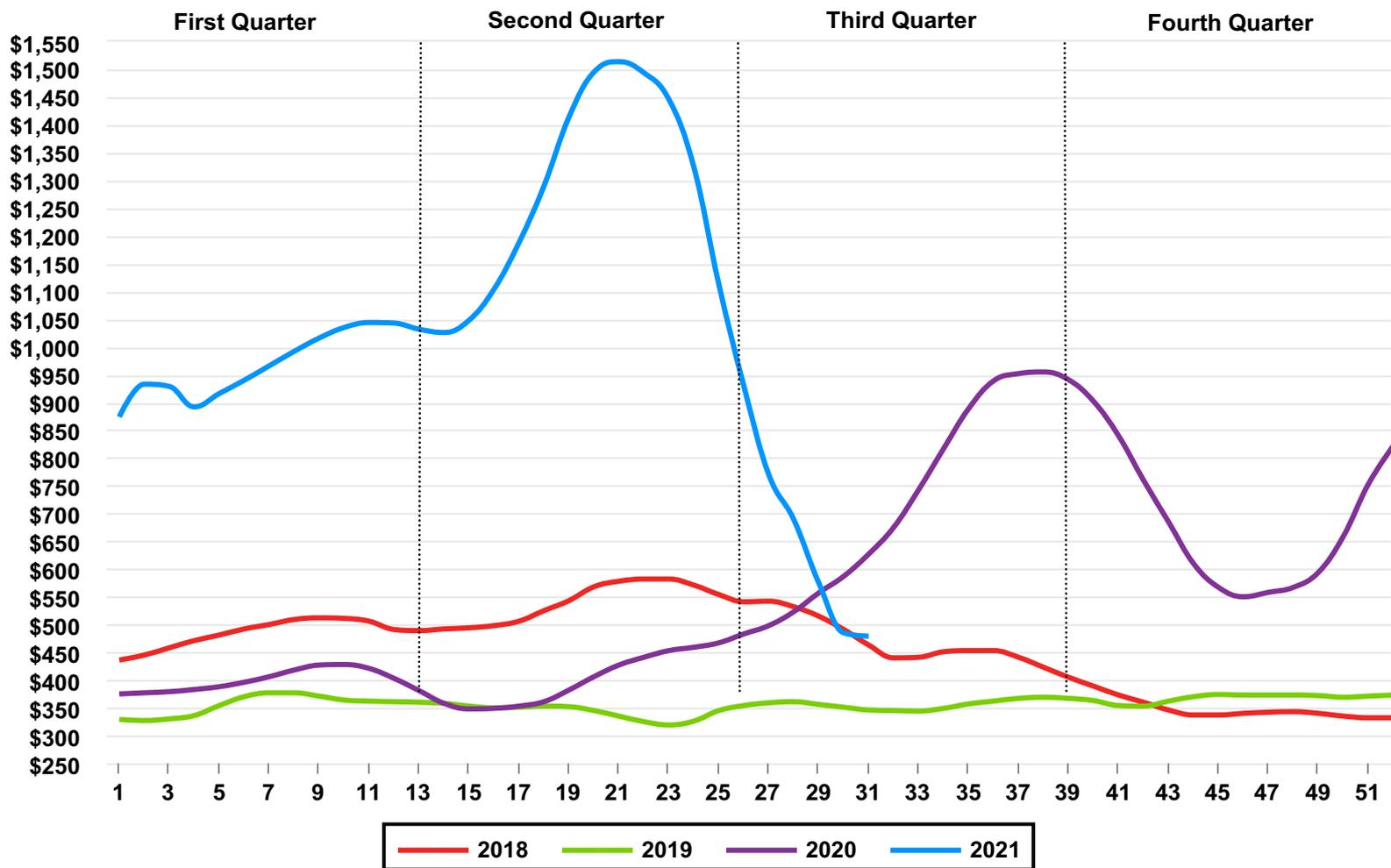
(\$ Millions)



(% of Sales)

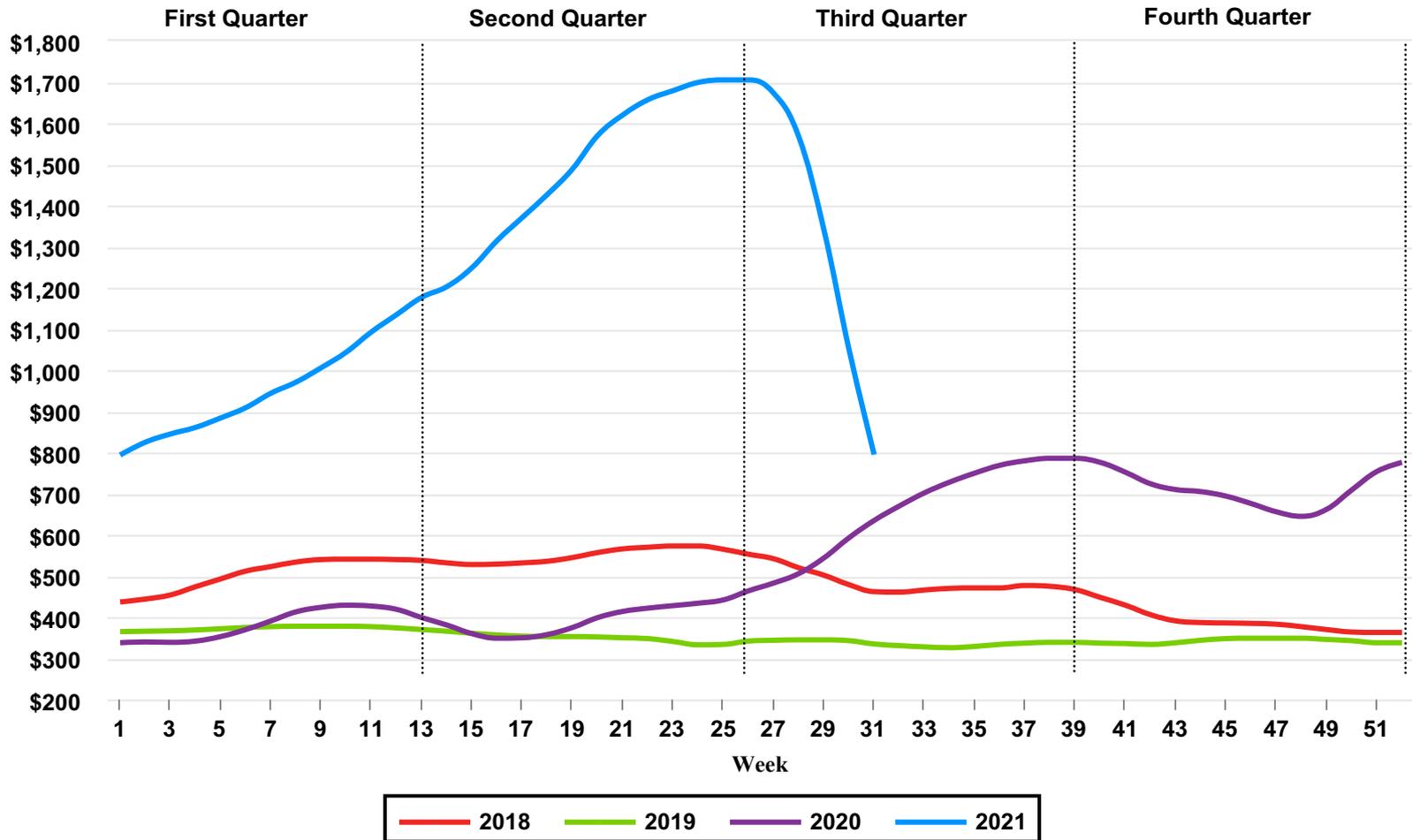


Lumber Composite Price



Source: Random Lengths

Panel Composite Price



Source: Random Lengths

Working Capital



(\$ Millions)	<u>6/30/2021</u>	<u>3/31/2021</u>	<u>Change</u>
Receivables	\$ 610.2	\$ 552.9	\$ 57.3
Inventory	727.2	611.7	115.5
Other current assets ^(a)	16.3	11.3	5.0
	<u>1,353.7</u>	<u>1,175.9</u>	<u>177.8</u>
Accounts payable	510.0	458.2	51.9
Accrued liabilities ^(b)	240.2	172.7	67.5
	<u>750.3</u>	<u>630.8</u>	<u>119.4</u>
Net working capital	<u>\$ 603.4</u>	<u>\$ 545.1</u>	<u>\$ 58.4</u>

(a) Excludes cash and tax related items.

(b) Excludes income taxes payable, interest payable, and dividends payable.

Debt and Liquidity Highlights



(\$ Millions)	<u>6/30/2021</u>	<u>3/31/2021</u>
<u>Net Debt</u>		
Total debt	\$ 444.2	\$ 444.0
Cash & cash equivalents	<u>(653.8)</u>	<u>(457.0)</u>
Net debt (cash)	<u>\$ (209.6)</u>	<u>\$ (13.0)</u>
 <u>Liquidity Position</u>		
Bank line excess availability	\$ 345.3	\$ 345.3
Cash & cash equivalents	<u>653.8</u>	<u>457.0</u>
Total liquidity	<u>\$ 999.1</u>	<u>\$ 802.3</u>

- ◆ Current consensus estimate for 2021 U.S. housing starts is 1.60, up 16% from 2020 levels. Recent decline in R&R spending expected to continue near term.
- ◆ Wood Products
 - Strong demand and extended order files for EWP.
 - Further EWP price increases to help mitigate impact of lower plywood pricing.
- ◆ BMD
 - Commitment to our model on customer service, despite falling commodity price environment.
 - Houston door assembly operation and Nashville expansion project on pace to begin operations in 2H21.
- ◆ Volatile and declining commodity product pricing during third quarter will create sales and profitability exposure.
- ◆ Our focus remains on the health and safety of our associates and continuing to provide strong support of our customers.



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Appendix

August 3, 2021

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, 2021 and 2020, and March 31, 2021:

(\$ Millions)	Three Months Ended		
	2Q21	2Q20	1Q21
Net income	\$ 302.6	\$ 33.6	\$ 149.2
Interest expense	6.3	6.6	5.9
Interest income	(0.1)	(0.2)	(0.1)
Income tax provision	101.0	11.3	51.4
Depreciation and amortization	20.4	19.9	19.5
EBITDA	\$ 430.3	\$ 71.3	\$ 226.0
Change in fair value of interest rate swaps	0.0	0.5	(1.0)
Adjusted EBITDA	\$ 430.3	\$ 71.8	\$ 224.9

The following table reconciles segment income to EBITDA for the three months ended June 30, 2021 and 2020, and March 31, 2021:

(\$ Millions)	Three Months Ended		
	2Q21	2Q20	1Q21
Wood Products			
Segment income	\$ 213.8	\$ 17.1	\$ 97.1
Depreciation and amortization	14.1	13.9	13.3
Segment EBITDA	<u>\$ 227.9</u>	<u>\$ 31.0</u>	<u>\$ 110.4</u>
Building Materials Distribution			
Segment income	\$ 206.3	\$ 43.2	\$ 120.2
Depreciation and amortization	5.9	5.6	5.8
Segment EBITDA	<u>\$ 212.3</u>	<u>\$ 48.8</u>	<u>\$ 126.0</u>