

BOISE CASCADE Co
Form S-1
October 28, 2013

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As filed with the Securities and Exchange Commission on October 25, 2013

Registration No. 333-

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-1

**REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

Boise Cascade Company

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

5030
(Primary Standard Industrial
Classification Code Number)
1111 West Jefferson Street, Suite 300
Boise, Idaho 83702-5389
(208) 384-6161

20-1496201
(I.R.S. Employer
Identification No.)

(Address, including zip code and telephone number, including area code, of registrant's principal executive offices)

John T. Sahlberg
Senior Vice President, Human Resources and General Counsel
Boise Cascade Company
1111 West Jefferson Street, Suite 300
Boise, Idaho 83702-5389
(208) 384-6161

(Name, address, including zip code and telephone number, including area code, of agent for service)

Copies of all communications, including communications sent to agent for service, should be sent to:

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**Approximate date of commencement of proposed sale to the public:
As soon as practicable after this Registration Statement becomes effective.**

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

CALCULATION OF REGISTRATION FEE

| Title of Each Class of Securities to be Registered | Amount to be Registered(1) | Proposed Maximum Offering Price Per Share(2) | Proposed Maximum Offering Price(2) | Amount of Registration Fee(3) |
|---|-----------------------------------|---|---|--------------------------------------|
| Common Stock, \$0.01 par value per share | 9,200,000 | \$27.095 | \$249,274,000 | \$32,107 |

- (1) Includes shares of common stock that may be sold if the option to purchase additional shares granted by the selling stockholder to the underwriters is exercised in full.
- (2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c) under the Securities Act of 1933, as amended, on the basis of the average high and low prices of the registrant's common stock on October 23, 2013, as reported by the New York Stock Exchange.
- (3) Calculated by multiplying 0.0001288 by the proposed maximum offering price.
-

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The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities nor a solicitation of an offer to buy these securities in any jurisdiction where the offer and sale is not permitted.

Subject to Completion
Preliminary Prospectus dated October 25, 2013

PROSPECTUS

8,000,000 Shares

Common Stock

The selling stockholder named in this prospectus is selling 8,000,000 shares of our common stock. We will not receive any of the proceeds from the sale of the shares of common stock being sold in this offering.

Our common stock is traded on the New York Stock Exchange under the symbol "BCC." On October 24, 2013, the last reported sale price of our common stock on the New York Stock Exchange was \$27.53 per share.

Investing in our common stock involves risks that are described in the "Risk Factors" section beginning on page 16 of this prospectus.

| | Per Share | Total |
|---|-----------|-------|
| Public offering price | \$ | \$ |
| Underwriting discounts(1) | \$ | \$ |
| Proceeds, before expenses, to the selling stockholder | \$ | \$ |

(1) See "Underwriting."

The underwriters may also exercise their option to purchase up to 1,200,000 additional shares from the selling stockholder at the public offering price, less the underwriting discount, for a period of 30 days after the date of this prospectus. We will not receive any of the proceeds from the sale of shares by the selling stockholder if the underwriters exercise their option to purchase additional shares of common stock.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The shares will be ready for delivery on or about _____, 2013.

BofA Merrill Lynch

Goldman, Sachs & Co.

**Deutsche Bank Securities
D.A. Davidson & Co.**

J.P. Morgan

**Wells Fargo Securities
Moelis & Company**

The date of this prospectus is _____, 2013.

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Neither we, the selling stockholder nor the underwriters have authorized anyone to provide you with any information other than that contained in this prospectus or in any free writing prospectus prepared by or on behalf of us or to which we have referred you. The selling stockholder is offering to sell, and seeking offers to buy, shares of our common stock only in jurisdictions where such offers and sales are permitted. The information in this prospectus or any free writing prospectus is accurate only as of its date, regardless of its time of delivery or the time of any sale of shares of our common stock. Our business, financial condition, results of operations and prospects may have changed since that date.

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PROSPECTUS SUMMARY

The following is a summary of material information discussed in this prospectus or in the documents incorporated by reference herein. This summary may not contain all the details concerning our business, our common stock or other information that may be important to you. You should carefully review this entire prospectus, including the "Risk Factors" section and our consolidated financial statements and the notes thereto incorporated by reference in this prospectus, before making an investment decision. Unless the context requires otherwise, references herein to "Boise Cascade," "we," "us" or "our" refer to Boise Cascade Company and its predecessor, Boise Cascade, L.L.C., together with its subsidiaries. For a definition of EBITDA, see Note 6 to " Summary Historical Consolidated Financial Data." In addition, for a definition of segment income (loss) and a reconciliation of segment income (loss) to EBITDA for the twelve months ended June 30, 2013 ("LTM" or the "LTM period"), see "Business Wood Products" and " Building Material Distribution," as applicable.

Our Company

We are a large, vertically-integrated wood products manufacturer and building materials distributor with widespread operations throughout the United States and Canada. We believe we are one of the largest stocking wholesale distributors of building products in the United States. We are the second largest manufacturer of plywood in North America, according to Resource Information Systems Inc.'s ("RISI") Capacity Report ("RISI's Capacity Report"). We also believe we are the second largest manufacturer of laminated veneer lumber ("LVL") and I-joists (together "engineered wood products" or "EWP") in North America. Our broad line of products is used primarily in new residential construction, residential repair and remodeling projects, light commercial construction and industrial applications. We have a broad base of more than 4,500 customers, which includes a diverse mix of retail lumberyards, home improvement centers, leading wholesalers and industrial converters. We believe our large, vertically-integrated operations provide us with significant advantages over less integrated competitors and position us to optimally serve our customers. For the LTM period, we generated sales of \$3,056.3 million, net income of \$116.0 million, adjusted net income of \$47.4 million and EBITDA of \$117.6 million.

We currently supply our customers through 51 strategically located facilities (consisting of 20 manufacturing facilities and 31 distribution facilities). In addition to the vertical integration between our manufacturing and distribution operations, our EWP manufacturing facilities are closely integrated with our nearby plywood operations, which allows us to optimize both production processes. Throughout the housing downturn, we have continued to make strategic capital investments to increase our manufacturing capacity and expand our building materials distribution network. We believe that our scale, closely integrated businesses and significant capital investments throughout the downturn provide us with substantial operating leverage to benefit from a recovery in the U.S. housing market.

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We operate our company through two primary segments: our Wood Products segment and our Building Materials Distribution segment. The charts below summarize the breakdown of our business for the LTM period.

LTM SALES BY SEGMENT(1)(2)

LTM EBITDA BY SEGMENT(1)(3)

-
- (1) Financial data for the LTM period presented in this prospectus is derived by adding financial data for the year ended December 31, 2012 to financial data for the six months ended June 30, 2013 and subtracting financial data for the six months ended June 30, 2012.
- (2) Segment percentages are calculated before intersegment eliminations.
- (3) Segment percentages exclude Corporate and Other segment expenses.

Wood Products (\$98.5 million, or 73%, of LTM EBITDA). Our Wood Products segment is the second largest manufacturer of plywood in North America, according to RISI's Capacity Report. We also believe we are the second largest manufacturer of EWP in North America. We currently operate a highly integrated national network of 19 manufacturing facilities. Our wood products are used primarily in new residential construction, residential repair and remodeling projects and light commercial construction. We manufacture LVL, I-joists and laminated beams, which are high-grade, value-added structural products used in applications where additional strength and consistent quality are required. We also produce plywood, studs, particleboard and ponderosa pine lumber, a premium lumber grade sold primarily to manufacturers of specialty wood windows, moldings and doors. Our EWP manufacturing facilities are closely integrated with our nearby plywood operations to optimize our veneer utilization by enabling us to dedicate higher quality veneers to higher margin applications and lower quality veneers to plywood products, giving us an advantage over our less integrated competitors. For the LTM period, EWP, plywood and lumber accounted for 35%, 45% and 9%, respectively, of our Wood Products sales. Most of our wood products are sold to leading wholesalers (including our Building Materials Distribution segment), home improvement centers, retail lumberyards and industrial converters. For the LTM period, approximately 39% of our Wood Products sales, including approximately 73% of our EWP sales, were to our Building Materials Distribution segment. For the LTM period, our Wood Products segment generated sales, income before interest and taxes and EBITDA of \$1,039.9 million, \$73.3 million and \$98.5 million, respectively.

Building Materials Distribution (\$36.3 million, or 27%, of LTM EBITDA). We believe we are one of the largest national stocking wholesale distributors of building materials in the United States. Our nationwide network of 31 strategically-located distribution facilities sells a broad line of building materials, including EWP, oriented strand board ("OSB"), plywood, lumber and general line items such as framing accessories, composite decking, roofing, siding and insulation. We also operate a truss manufacturing plant located in Maine. Our products are used in the construction of new residential housing, including single-family, multi-family and manufactured homes, repair and remodeling projects and the construction of light industrial and commercial buildings. Except for EWP, we purchase most of

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these building materials from more than 1,000 third-party suppliers ranging from large manufacturers, such as James Hardie Building Products, Trex Company, Louisiana-Pacific and Georgia-Pacific, to smaller regional producers.

We market our products primarily to retail lumberyards and home improvement centers that then sell the products to end customers, who are typically professional builders, independent contractors and homeowners engaged in residential construction projects. We also market our products to industrial converters, which use our products to assemble windows, doors, agricultural bins and other value-added products used in industrial and repair and remodel applications. Unlike many of our competitors who focus primarily on a narrow range of products, we are a one-stop resource for our customers' building materials needs, which allows for more cost-efficient ordering, delivery and receiving. For the LTM period, our Building Materials Distribution segment generated sales, income before interest and taxes and EBITDA of \$2,420.9 million, \$27.4 million and \$36.3 million, respectively.

Our Industry

The building products manufacturing and distribution industry in North America is highly competitive, with a number of producers manufacturing and selling a broad range of products. Demand for our products is principally influenced by new residential construction, light commercial construction and repair and remodeling activity in the United States. Drivers of new residential construction, light commercial construction and repair and remodeling activity include new household formation, the age of the housing stock, availability of credit and other macroeconomic factors, such as GDP growth, population growth and migration, interest rates, employment and consumer sentiment. Purchasing decisions made by the customers who buy our wood products are generally based on price, quality and, particularly with respect to EWP, customer service and product support.

From 2005 to 2011, total housing starts in the United States declined by more than 70%. According to the U.S. Census Bureau, total housing starts in the United States were 0.59 million in 2010, 0.61 million in 2011 and 0.78 million in 2012. While 2012 housing starts increased from 2011 levels, they remained significantly less than the 50-year average rate of 1.5 million. Prior to 2008, the housing market had not experienced a year with total housing starts below 1.0 million since the U.S. Census Bureau began its annual recordkeeping in 1959.

As of October 2013, the Blue Chip Economic Indicators median consensus forecast of single- and multi-family housing starts in the U.S. was approximately 0.93 million units for 2013 and approximately 1.15 million units for 2014, which represent annual increases of 19% and 24%, respectively. We believe that over the long-term, there is considerable growth potential in the U.S. housing sector. As of October 2013, IHS Global Insight estimates that total U.S. single- and multi-family housing starts will average 1.47 million units per year from 2013 through 2022, levels that are in-line with the 50-year historical average. The mix of housing starts in recent years has included a lower proportion of single-family detached units, which typically have higher building product utilization per start than multi-family units.

Our products are not only used in new residential construction, but also in residential repair and remodeling projects. Residential repair and remodeling spending increased significantly over the past 15 years. According to the Home Improvement Research Institute ("HIRI"), total U.S. home improvement product sales increased 81.5% from \$165 billion in 1996 to a peak of \$300 billion in 2006. U.S. Repair and remodeling spending declined between 2006 and 2010 but posted modest growth thereafter, with total spending in 2012 equaling \$278 billion. The overall age of the U.S. housing stock, increased focus on making homes more energy efficient, rising home prices and availability of consumer capital at low interest rates are expected to drive long-term growth in repair and remodeling expenditures. HIRI estimates that total U.S. sales of home maintenance, repair and improvement products will grow at a compounded annual rate of 5.8% from 2012 through 2017.

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Our Competitive Strengths

We believe the following key competitive strengths have contributed to our success and will enable us to execute our growth strategy:

Leadership Positions in Wood Products Manufacturing and Building Materials Distribution on a National Scale

We believe we are one of the leading manufacturers in the North American wood products industry. According to RISI's Capacity Report, we are the second largest producer of plywood in North America and we are the largest producer of plywood in the Western United States. We also believe we are the second largest manufacturer of EWP in North America. From 2005 to 2012, we increased our sales of LVL and I-joists per North American housing start by 69% and 37%, respectively. We have positioned ourselves to take advantage of improving demand in our core markets by expanding our EWP and plywood capacity through capital investments in low-cost, internal veneer manufacturing.

We believe we are one of the largest national stocking wholesale distributors of building materials in the United States and we believe we offer one of the broadest product lines in the industry. Measured on a sales-per-housing start basis, our Building Materials Distribution business has grown significantly from 2005 to 2012, with penetration increasing from \$1,476 to \$2,806, or approximately 90%, per U.S. housing start. Our national platform of 31 strategically-located distribution facilities supplies products to all major markets in the United States and provides us with significant scale and capacity relative to most of our competitors; however, certain of our competitors are larger than we are and may have greater scale and capacity than we do.

Strongly Situated to Serve our Customers with Vertically-Integrated Manufacturing and Distribution Operations

We believe that we are the only large-scale manufacturer of plywood and EWP in North America that is vertically-integrated from log procurement through distribution. The integration of our manufacturing and distribution operations allows us to make procurement, manufacturing, veneer merchandising and marketing decisions that reduce our manufacturing and supply chain costs and allow us to more effectively control quality and working capital. Furthermore, our vertically-integrated operations combined with our national distribution network significantly enhance our ability to assure product supply for our end customers. We believe our vertical integration was an important factor in our ability to increase market share during the recent housing downturn.

Low-Cost Manufacturing and Distribution Footprint

We believe that we have a highly competitive asset base across both of our operating segments, in part because we continued to strategically invest throughout the housing downturn. Our large-scale EWP production facilities are integrated with our nearby plywood operations to optimize our veneer utilization, which we believe helps position us as a competitive manufacturer in the growing EWP business. In the past three years, we completed a number of initiatives in our Wood Products segment that strengthened our asset base, substantially reduced our costs and enhanced our operating performance.

We believe that our plywood facilities in Kettle Falls, Washington and Elgin, Oregon are among the lowest cost Douglas fir plywood facilities in North America. Additionally, in the active timberland markets in which we operate, our manufacturing facilities are clustered to enable us to efficiently utilize fiber resources and to shift production depending on demand. We believe we are the only manufacturer in the inland Pacific Northwest with the integrated primary and secondary facilities necessary to process all softwood species.

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Significant Capital Invested to Position us for Growth as the Housing Market Recovers

Our operations are well-positioned to serve our customers and take advantage of the recovery that we believe is underway in the U.S. housing market. From 2005 to 2012, we invested approximately \$300 million (excluding acquisitions) to upgrade and maintain our Wood Products facilities and opportunistically expand our Building Materials Distribution facilities. Since 2005, we have increased our covered warehouse space by over 65% and have more than doubled our outdoor storage acreage. We expect to make further capital investments in cost and operational improvements, primarily related to internal veneer production, which will further enhance our competitive position and allow us to capture growth opportunities. For the year ended December 31, 2012, we operated our EWP facilities at approximately 52% of LVL press capacity, providing us with substantial unused capacity. Additionally, we believe that our Building Materials Distribution facilities can support a considerable ramp-up in housing starts with no significant requirement for new capacity and will allow us to double our sales without increasing our existing footprint.

Experienced Management Team

Our senior management team has an average of approximately 30 years of experience in forest products manufacturing and building materials distribution with a track record of financial and operational excellence in both favorable and challenging market conditions.

Our Business Strategy

We intend to capitalize on our strong market position in wood products manufacturing and building materials distribution to increase revenues and profits and maximize cash flow as the U.S. housing market recovers. We seek to achieve this objective by executing on the following strategies:

Grow our Wood Products Segment Operations with a Focus on Expanding our Market Position in EWP

We will continue to expand our market position in EWP by focusing on our large-scale manufacturing position, comprehensive customer service, design support capabilities and efficient distribution network. We have positioned ourselves to take advantage of expected increases in the demand for EWP per housing start by expanding our capacity through capital investments in low-cost, internal veneer manufacturing. We have also developed strategic relationships with third-party veneer suppliers to support additional EWP production as needed. Additionally, we have grown and intend to continue to grow our Wood Products business through strategic acquisitions, including the recently completed acquisition of the Southeast operations of Wood Resources LLC, as described in "Recent Developments Acquisition of Chester Wood Products and Moncure Plywood."

Grow Market Share in our Building Materials Distribution Segment

We intend to grow our Building Materials Distribution business in existing markets by adding products and services to better serve our customers. We also plan to opportunistically expand our Building Materials Distribution business into nearby geographies that we currently serve using off-site storage arrangements or longer truck routes. We will continue to grow our Building Materials Distribution business by opportunistically acquiring facilities, adding new products, opening new locations, relocating and expanding capacity at existing facilities and capturing local market share through our superior supply chain capabilities and customer service.

Further Differentiate our Products and Services to Capture Market Share

We seek to continue to differentiate ourselves from our competitors by providing a broad line of high-quality products and superior customer service. Our highly efficient logistics system allows us to deliver superior customer service and assist our customers in optimizing their working capital. Our

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national distribution platform, coupled with the manufacturing capabilities of our Wood Products segment, differentiates us from most of our competitors and is critical to servicing retail lumberyards, home improvement centers and industrial converters. Additionally, this system allows us to procure product more efficiently and to develop and maintain stronger relationships with our vendors. Because of these relationships and our national presence, many of our vendors have offered us favorable pricing and provide us with enhanced product introductions and ongoing marketing support.

Continue to Improve our Competitiveness through Operational Excellence

We use a disciplined cost management approach to maximize our competitiveness without sacrificing our ability to react to future growth opportunities. Additionally, we have made capital investments and process improvements in certain facilities, which have decreased our production costs and allowed us to produce lower-cost, higher-quality veneers. Beginning in 2009, we adopted a data-driven process improvement program to further strengthen our manufacturing operations. Because of the significant gains we continue to see from this program, we believe there are opportunities to apply similar techniques and methods to different functional areas (including sales and marketing) to realize efficiencies in those areas.

Recent Developments

Financial Results for the Three and Nine Months Ended September 30, 2013

On October 21, 2013, we announced our unaudited financial results as of and for the three and nine months ended September 30, 2013, as set forth below.

These financial results should not be viewed as a substitute for full financial statements prepared in accordance with generally accepted accounting principles ("GAAP"). In addition, these financial results as of and for the three and nine months ended September 30, 2013 are not necessarily indicative of the results to be achieved in any future period. Our consolidated financial statements and related notes as of and for the three and nine months ended September 30, 2013 are not expected to be filed with the Securities and Exchange Commission ("SEC") until after this offering is completed.

As reflected below, we reported improvements in total sales and EBITDA but a decrease in net income for the three months ended September 30, 2013 as compared to the comparable prior period. For the nine months ended September 30, 2013, we reported improvements in total sales, EBITDA, and net income, but a decrease in adjusted net income as compared to the comparable prior period. Adjusted net income is defined as net income less the \$68.7 million income tax benefit recorded in the first quarter of 2013 associated with recording net deferred tax assets upon our conversion from a limited liability company to a corporation. Note 1 to the table below reconciles net income to adjusted net income for the nine months ended September 30, 2013 and September 30, 2012.

We reported total sales of \$878.0 million for the three months ended September 30, 2013 and \$2,475.2 million for the nine months ended September 30, 2013 as compared with \$764.6 million for the three months ended September 30, 2012 and \$2,084.5 million for the nine months ended September 30, 2012. The increase in total sales for the three month comparative periods was due primarily to increases in sales volumes and prices in our Building Materials Distribution segment and increased EWP volumes and prices in our Wood Products segment. The increase in total sales for the nine month comparative periods was due primarily to increases in sales volumes and prices in our Building Materials Distribution segment and increased EWP and plywood volumes and prices in our Wood Products segment. Housing starts, which are a primary driver of our sales, increased for the three and nine months ended September 30, 2013 compared to the same periods in 2012.

We reported net income of \$15.9 million for the three months ended September 30, 2013 and net income of \$107.1 million and adjusted net income of \$38.4 million for the nine

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months ended September 30, 2013 as compared with net income of \$23.5 million for the three months ended September 30, 2012 and \$40.2 million of net income and adjusted net income for the nine months ended September 30, 2012. The decrease in net income for the three months ended September 30, 2013, and in adjusted net income for the nine months ended September 30, 2013, as compared with the prior comparable periods was driven by the recording of entity-level federal and state income taxes upon our conversion from a limited liability company to a corporation in 2013.

We reported total company EBITDA of \$39.5 million for the three months ended September 30, 2013 and \$103.2 million for the nine months ended September 30, 2013 as compared with \$36.8 million for the three months ended September 30, 2012 and \$79.6 million for the nine months ended September 30, 2012.

In our Wood Products segment, we reported EBITDA of \$24.6 million for the three months ended September 30, 2013 and \$81.2 million for the nine months ended September 30, 2013 as compared with \$28.6 million for the three months ended September 30, 2012 and \$67.0 million for the nine months ended September 30, 2012. The decrease in EBITDA for the three month comparative periods was due primarily to higher wood fiber costs and lower plywood prices, offset partially by higher EWP and lumber sales prices. The increase in EBITDA for the comparative nine month periods was driven primarily by higher plywood, EWP and lumber prices, as well as higher EWP and plywood sales volumes, offset partially by higher wood fiber costs.

In our Building Materials Distribution segment, we reported EBITDA of \$20.1 million for the three months ended September 30, 2013 and \$35.8 million for the nine months ended September 30, 2013 as compared to \$12.6 million for the three months ended September 30, 2012 and \$24.8 million for the nine months ended September 30, 2012. The EBITDA improvement for both comparative periods was driven primarily by higher gross margin dollars and positive expense leverage from higher sales.

At September 30, 2013, we had \$25.0 million of borrowings outstanding on our \$350.0 million revolving credit facility and our unused borrowing capacity on the facility, net of \$10.2 million of letters of credit, was \$274.7 million.

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| | Three Months Ended September 30 | | Nine Months Ended September 30 | |
|--|---------------------------------------|-----------------|--------------------------------------|-------------------|
| | 2012 | 2013 | 2012 | 2013 |
| (in millions) | | | | |
| Segment sales | | | | |
| Wood Products | \$ 259.8 | \$ 283.2 | \$ 712.7 | \$ 832.8 |
| Building Materials Distribution | 605.2 | 721.5 | 1,637.2 | 1,984.1 |
| Intersegment eliminations | (100.4) | (126.7) | (265.4) | (341.8) |
| Total sales | \$ 764.6 | \$ 878.0 | \$ 2,084.5 | \$ 2,475.2 |
| Net income | \$ 23.5 | \$ 15.9 | \$ 40.2 | \$ 107.1 |
| Adjusted net income(1) | \$ 23.5 | \$ 15.9 | \$ 40.2 | \$ 38.4 |
| Segment EBITDA(2) | | | | |
| Wood Products | \$ 28.6 | \$ 24.6 | \$ 67.0 | \$ 81.2 |
| Building Materials Distribution | 12.6 | 20.1 | 24.8 | 35.8 |
| Corporate and Other | (4.4) | (5.2) | (12.3) | (13.8) |
| Total EBITDA(3) | \$ 36.8 | \$ 39.5 | \$ 79.6 | \$ 103.2 |
| Total cash and cash equivalents | \$ 224.4 | \$ 157.0 | \$ 224.4 | \$ 157.0 |
| Total debt | \$ 219.6 | \$ 326.7 | \$ 219.6 | \$ 326.7 |

(1)

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 net income to adjusted net income for the nine months ended September 30, 2013 and 2012. We believe adjusted net income is useful to investors because it presents a more transparent view of our recurring operating performance without the impact of this one-time deferred tax benefit.

| | Nine Months Ended September 30 | |
|---|--------------------------------------|----------------|
| | 2012 | 2013 |
| (in millions) | | |
| Net income (GAAP basis) | \$ 40.2 | \$ 107.1 |
| Impact of deferred tax benefit | | (68.7) |
| Adjusted net income (non-GAAP basis) | \$ 40.2 | \$ 38.4 |

(2)

EBITDA is defined as income (loss) before interest (interest expense and interest income), income taxes and depreciation and amortization. EBITDA is the primary measure used by our chief operating decision maker to evaluate segment operating performance and to decide how to allocate resources to segments. We believe EBITDA is useful to investors because it provides a means to evaluate the operating performance of our segments and our company on an ongoing basis using criteria that are used by our internal decision makers and because it is frequently used by investors and other interested parties when comparing companies in our industry that have different financing and capital structures and/or tax rates. We believe EBITDA is a meaningful measure because it presents a transparent view of our recurring operating performance and allows management to readily view operating trends, perform analytical comparisons and identify strategies to improve operating performance. EBITDA, however, is not a measure of our liquidity or financial performance under GAAP and should not be considered as an alternative to net income (loss), income (loss) from operations, or any other performance measure

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derived in accordance with GAAP or as an alternative to cash flow from operating activities as a measure of our liquidity. The use of EBITDA instead of net income (loss) or segment income (loss) has limitations as an analytical tool, including the inability to determine profitability; the exclusion of interest expense, interest income and associated significant cash requirements; and the exclusion of depreciation and amortization, which represent unavoidable operating costs. Management compensates for the limitations of EBITDA by relying on our GAAP results. Our measure of EBITDA is not necessarily comparable to other similarly titled captions of other companies due to potential inconsistencies in the methods of calculation.

Adjusted EBITDA is not shown for the periods presented in this " Financial Results for the Three and Nine Months Ended September 30, 2013" because there were no unusual items applicable to such periods.

(3)

The following is a reconciliation of net income to EBITDA:

| | Three Months Ended September 30 | | Nine Months Ended September 30 | |
|--------------------------------|---------------------------------------|----------------|--------------------------------------|-----------------|
| | 2012 | 2013 | 2012 | 2013 |
| | (in millions) | | | |
| Net income | \$ 23.5 | \$ 15.9 | \$ 40.2 | \$ 107.1 |
| Interest, net | 4.8 | 5.1 | 14.2 | 14.6 |
| Income tax provision (benefit) | 0.1 | 9.6 | 0.2 | (44.7) |
| Depreciation and amortization | 8.5 | 9.0 | 24.9 | 26.2 |
| EBITDA | \$ 36.8 | \$ 39.5 | \$ 79.6 | \$ 103.2 |

On a pro forma basis giving effect to the issuance of \$50.0 million aggregate principal amount of additional senior notes and the acquisition of Chester Wood Products LLC and Moncure Plywood LLC, each as described below, our pro forma total sales were \$911.5 million for the three months ended September 30, 2013 and \$2,581.8 million for the nine months ended September 30, 2013 and our pro forma net income was \$17.6 million for the three months ended September 30, 2013 and \$114.3 million for the nine months ended September 30, 2013. The foregoing pro forma results for the three and nine months ended September 30, 2013 are calculated in a manner consistent with the pro forma financial statements incorporated by reference into this prospectus from our Form 8-K filed on October 2, 2013.

Acquisition of Chester Wood Products and Moncure Plywood

On September 30, 2013, we completed the acquisition of the Southeast operations of Wood Resources LLC for an aggregate purchase price of \$102.0 million paid in cash (subject to a working capital adjustment). These operations consist of two plywood manufacturing facilities located in North Carolina and South Carolina. We acquired these operations through the acquisition of 100% of the equity interests of Chester Wood Products LLC and Moncure Plywood LLC. The acquired companies generated approximately \$141 million of sales and approximately \$24 million of EBITDA (calculated as LTM net income of approximately \$21 million plus LTM depreciation of approximately \$3 million) for the LTM period on a stand-alone, combined basis. For the twelve months ended September 29, 2013, we believe that the acquired companies generated approximately \$145 million of sales and approximately \$24 million of EBITDA (calculated as approximately \$21 million of net income plus approximately \$3 million of depreciation).

Chester Wood Products, based in Chester, South Carolina, produces softwood plywood panels and veneer for a variety of end-use markets. The approximate annual plywood production capacity at the Chester facility is 320 million square feet. Moncure Plywood, based in Moncure, North Carolina, is

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a flexible specialty plywood mill that produces both hardwood and softwood panels. The approximate annual plywood production capacity at the Moncure facility is 150 million square feet. We believe the acquisition of these plywood facilities will significantly expand our access to plywood and veneer in the Southeastern U.S. to support increases in our EWP production as needed. These plywood manufacturing facilities benefit from close geographic proximity to good timber resources, which we believe will allow us to cost efficiently produce and sell plywood and veneer in this region. We financed the acquisition with \$77.0 million of cash on hand and a \$25.0 million draw under our revolving credit facility. There can be no assurance that the acquisition will produce the anticipated benefits. See "Risk Factors Risks Relating to Our Business Our growth strategy includes pursuing strategic acquisitions. We may be unable to integrate efficiently acquired operations or complete successfully potential acquisitions." For further information regarding the acquisition and the financial results of Chester Wood Products LLC and Moncure Plywood LLC, see the audited combined financial statements as of December 31, 2011 and December 30, 2012, and for the year ended December 30, 2012, and the unaudited combined financial statements as of June 30, 2013 and for the six months ended June 30, 2013 and July 1, 2012, filed with our Form 8-K on October 2, 2013, which is incorporated by reference herein.

Share Repurchase and Secondary Offering

On July 30, 2013, we repurchased 3,864,062 shares of Boise Cascade common stock from Boise Cascade Holdings, L.L.C., the selling stockholder in this offering and our principal stockholder ("BC Holdings"), for \$100.0 million. The share repurchase closed concurrently with the closing of an underwritten public secondary offering in which BC Holdings sold 10,000,000 shares of our common stock. The per share price we paid in the share repurchase equaled the net per share price paid by the underwriters in the secondary offering. We did not receive any proceeds from the sale by BC Holdings of common stock in the secondary offering. We funded the share repurchase from cash on hand. See "Certain Relationships and Related Party Transactions Share Repurchase and Secondary Offering."

Issuance of Additional Notes

On August 15, 2013, we issued \$50.0 million aggregate principal amount of our 6³/₈% senior notes due 2020 in a private offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), and to persons outside of the United States pursuant to Regulation S under the Securities Act. The notes were priced at 103.5% of their principal amount plus accrued interest from May 1, 2013 and were issued as additional notes under the indenture dated as of October 22, 2012.

Amendment to Revolving Credit Facility

On August 15, 2013, we entered into an amendment to the credit agreement governing our revolving credit facility to, among other things, increase the aggregate commitments under the revolving credit facility to \$350.0 million from \$300.0 million, extend the maturity date of the revolving credit facility to July 31, 2018, reduce the spread for calculating interest rates payable on outstanding borrowings, and gain additional flexibility under certain covenants contained within the revolving credit facility. See "Description of Certain Indebtedness Asset-Based Revolving Credit Facility."

Principal Stockholder

Our principal stockholder and the selling stockholder in this offering, BC Holdings, is controlled by Forest Products Holdings, L.L.C. ("FPH"), an entity controlled by an investment fund managed by Madison Dearborn. Madison Dearborn, based in Chicago, is an experienced private equity investment firm that has raised over \$18 billion of capital. Since its formation in 1992, Madison Dearborn's investment funds have invested in approximately 125 companies across a broad spectrum of industries, including basic industries; business and government services; consumer; financial services;

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healthcare; and telecom, media and technology services. Madison Dearborn's objective is to invest in companies with strong competitive characteristics that it believes have the potential for significant long-term equity appreciation. To achieve this objective, Madison Dearborn seeks to partner with outstanding management teams that have a solid understanding of their businesses as well as track records of building stockholder value. After the consummation of this offering, BC Holdings will beneficially own approximately 19.9% of our outstanding common stock, assuming the underwriters do not exercise their option to purchase additional shares. If the underwriters exercise in full their option to purchase additional shares, BC Holdings will beneficially own approximately 16.9% of our outstanding common stock.

Corporate Information

We were formed under the name Boise Cascade, L.L.C., a Delaware limited liability company, in October 2004 in connection with our acquisition of OfficeMax's forest products and paper assets. On February 4, 2013, we converted from a limited liability company into a Delaware corporation and became Boise Cascade Company. We completed our initial public offering on February 11, 2013 and our common stock is traded on the NYSE under the symbol "BCC."

Our principal executive offices are located at 1111 West Jefferson Street, Suite 300, Boise, Idaho 83702. Our telephone number at that location is (208) 384-6161. Our website address is *www.bc.com*. The reference to our website is a textual reference only. We do not incorporate the information on our website into this prospectus and you should not consider any information on, or that can be accessed through, our website as part of this prospectus.

Our key registered trademarks include BOISE CASCADE® and the TREE-IN-A-CIRCLE® logo. This prospectus also refers to the products or services of other companies by the trademarks and trade names used and owned by those companies.

Risk Factors

In considering our competitive strengths, our business strategies and an investment in our common stock generally, you should carefully consider the information described under "Risk Factors" in this prospectus. Certain risks that may affect the successful execution of our business strategies include the following:

the commodity nature of our products and their price movements, which are driven largely by capacity utilization rates and industry cycles that affect supply and demand;

general economic conditions, including but not limited to housing starts, repair and remodel activity and light commercial construction, inventory levels of new and existing homes for sale, foreclosure rates, interest rates, unemployment rates, relative currency values and mortgage availability and pricing, as well as other consumer financing mechanisms, that ultimately affect demand for our products;

the timing and extent of any recovery in the housing market and our ability to grow our business and offset the fixed costs relating to our recent capital investments;

the risk of material disruption at our manufacturing facilities, which would also impact our Building Materials Distribution business due to our vertical integration;

the fact that certain of our competitors have greater financial resources than we do, which may afford those competitors greater purchasing power, increased financial flexibility and more capital resources for expansion and improvement;

availability and affordability of raw materials, including wood fiber, glues and resins and energy;

the impact of actuarial assumptions and regulatory activity on pension costs and pension funding requirements; and

the need to successfully implement succession plans for certain members of our senior management team.

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The Offering

| | |
|---|--|
| Common stock offered by the selling stockholder | 8,000,000 shares |
| Common stock to be outstanding after this offering | 39,365,350 shares |
| Selling stockholder | Boise Cascade Holdings, L.L.C. |
| Option to purchase additional shares | The selling stockholder has agreed to allow the underwriters to purchase up to an additional 1,200,000 shares from the selling stockholder, at the public offering price, less the underwriting discount, within 30 days of the date of this prospectus. |
| Use of proceeds | We will not receive any of the proceeds from the sale of the shares sold in this offering. See "Use of Proceeds." |
| New York Stock Exchange symbol | "BCC." |

Unless otherwise indicated, all information in this prospectus relating to the number of shares of common stock to be outstanding immediately after this offering is based on the number of shares of common stock outstanding as of October 25, 2013 and excludes:

161,257 shares of common stock issuable upon vesting and exercise of stock options outstanding as of October 25, 2013 at an exercise price of \$27.19 per share;

an aggregate of 104,285 shares of common stock issuable upon vesting of restricted stock units and performance stock units outstanding as of October 25, 2013; and

3,100,000 shares of common stock reserved for future issuance under the Boise Cascade Company 2013 Incentive Plan (the "2013 Incentive Plan").

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The following tables set forth our summary consolidated historical financial data. You should read the information set forth below in conjunction with "Capitalization," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated historical financial statements and notes thereto and the pro forma condensed combined financial statements incorporated by reference in this prospectus. The statements of operations data for each of the years ended December 31, 2010, 2011 and 2012 and the balance sheet data as of December 31, 2012 set forth below are derived from our audited consolidated financial statements incorporated by reference herein. The statements of operations data for each of the six month periods ended June 30, 2012 and 2013 and the balance sheet data as of June 30, 2013 set forth below are derived from our unaudited quarterly consolidated financial statements incorporated by reference in this prospectus and contain all adjustments, consisting of normal recurring adjustments, that management considers necessary for a fair presentation of our financial position and results of operations for the periods presented. Operating results for the six-month periods are not necessarily indicative of results for a full financial year, or any other periods.

| | Year Ended December 31 | | | Six Months Ended June 30 | |
|---|------------------------|--------------|--------------|--------------------------|--------------|
| | 2010 | 2011 | 2012 | 2012 | 2013 |
| (in thousands, except per share data) | | | | | |
| Statements of Operations Data | | | | | |
| Sales | \$ 2,240,591 | \$ 2,248,088 | \$ 2,779,062 | \$ 1,319,886 | \$ 1,597,173 |
| Costs and expenses(1) | 2,253,753 | 2,275,134 | 2,715,931 | 1,293,492 | 1,550,316 |
| Income (loss) from operations | (13,162) | (27,046) | 63,131 | 26,394 | 46,857 |
| Foreign exchange gain (loss) | 352 | (497) | 37 | (103) | (371) |
| Gain on repurchase of long-term debt(2) | 28 | | | | |
| Interest expense | (21,005) | (18,987) | (21,757) | (9,631) | (9,672) |
| Interest income | 790 | 407 | 392 | 194 | 124 |
| | (19,835) | (19,077) | (21,328) | (9,540) | (9,919) |
| Income (loss) before income taxes | (32,997) | (46,123) | 41,803 | 16,854 | 36,938 |
| Income tax (provision) benefit(3) | (300) | (240) | (307) | (139) | 54,310 |
| Net income (loss) | \$ (33,297) | \$ (46,363) | \$ 41,496 | \$ 16,715 | \$ 91,248 |
| Net income (loss) per common share: | | | | | |
| Basic and diluted(4) | \$ (1.12) | \$ (1.56) | \$ 1.40 | \$ 0.56 | \$ 2.26 |
| Weighted average shares outstanding: | | | | | |
| Basic(4) | 29,700 | 29,700 | 29,700 | 29,700 | 40,415 |
| Diluted(4) | 29,700 | 29,700 | 29,700 | 29,700 | 40,417 |
| Other Financial Data | | | | | |
| Depreciation and amortization | \$ 34,899 | \$ 37,022 | \$ 33,407 | \$ 16,457 | \$ 17,243 |
| Capital expenditures(5) | 35,751 | 39,319 | 29,741 | 13,307 | 14,042 |
| EBITDA(6) | 22,117 | 9,479 | 96,575 | 42,748 | 63,729 |
| Adjusted EBITDA(6) | 17,476 | 9,479 | 96,575 | 42,748 | 63,729 |
| Adjusted net income (loss)(7) | (37,938) | (46,363) | 41,496 | 16,715 | 22,582 |
| Adjusted net income (loss) per common share: Basic and diluted(7) | (1.28) | (1.56) | 1.40 | 0.56 | 0.56 |

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| | June 30, 2013 | |
|-----------------------------|----------------|--------------|
| | Actual | Pro Forma(8) |
| | (in thousands) | |
| Balance Sheet Data | | |
| Cash and cash equivalents | \$ 232,667 | \$ 106,392 |
| Total current assets | 845,385 | 733,006 |
| Property and equipment, net | 261,309 | 346,270 |
| Total assets | 1,194,615 | 1,178,444 |
| Total long-term debt | 250,000 | 326,750 |
| Total stockholders' equity | 461,962 | 361,962 |

- (1) In 2010, costs and expenses include \$4.6 million of income associated with receiving proceeds from a litigation settlement related to vendor product pricing. In 2011, costs and expenses include \$3.8 million of expense related to the closure of a laminated beam plant and noncash asset write-downs.
- (2) Represents gain on the repurchase of \$8.6 million of our senior subordinated notes in 2010.
- (3) The six months ended June 30, 2013 includes a \$68.7 million income tax benefit associated with the recording of net deferred tax assets upon our conversion to a corporation.
- (4) We have adjusted our historical financial statements to retroactively reflect the common stock authorized and outstanding following our conversion from a limited liability company to a corporation, resulting in a retroactive adjustment to weighted average shares outstanding.
- (5) 2011 includes \$5.8 million of cash paid for the acquisition of a laminated beam and decking manufacturing plant in Homedale, Idaho. The year ended December 31, 2012 and the six months ended June 30, 2012 include \$2.4 million for the acquisition of a sawmill in Arden, Washington.
- (6) EBITDA is defined as income (loss) before interest (interest expense and interest income), income taxes and depreciation and amortization. EBITDA is the primary measure used by our chief operating decision maker to evaluate segment operating performance and to decide how to allocate resources to segments. We believe EBITDA is useful to investors because it provides a means to evaluate the operating performance of our segments and our company on an ongoing basis using criteria that are used by our internal decision makers and because it is frequently used by investors and other interested parties when comparing companies in our industry that have different financing and capital structures and/or tax rates. We believe EBITDA is a meaningful measure because it presents a transparent view of our recurring operating performance and allows management to readily view operating trends, perform analytical comparisons and identify strategies to improve operating performance. EBITDA, however, is not a measure of our liquidity or financial performance under GAAP and should not be considered as an alternative to net income (loss), income (loss) from operations, or any other performance measure derived in accordance with GAAP or as an alternative to cash flow from operating activities as a measure of our liquidity. The use of EBITDA instead of net income (loss) or segment income (loss) has limitations as an analytical tool, including the inability to determine profitability; the exclusion of interest expense, interest income and associated significant cash requirements; and the exclusion of depreciation and amortization, which represent unavoidable operating costs. Management compensates for the limitations of EBITDA by relying on our GAAP results. Our measure of EBITDA is not necessarily comparable to other similarly titled captions of other companies due to potential inconsistencies in the methods of calculation.

Adjusted EBITDA is defined as EBITDA before certain other unusual items, including gain on the repurchase of long-term debt and a litigation gain.

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The following is a reconciliation of net income (loss) to EBITDA and Adjusted EBITDA:

| | Year Ended December 31 | | | Six Months Ended June 30 | |
|---|------------------------|-----------|---------|-----------------------------|---------|
| | 2010 | 2011 | 2012 | 2012 | 2013 |
| | (in millions) | | | | |
| Net income (loss) | \$ (33.3) | \$ (46.4) | \$ 41.5 | \$ 16.7 | \$ 91.2 |
| Interest expense | 21.0 | 19.0 | 21.8 | 9.6 | 9.7 |
| Interest income | (0.8) | (0.4) | (0.4) | (0.2) | (0.1) |
| Income tax provision (benefit)(a) | 0.3 | 0.2 | 0.3 | 0.1 | (54.3) |
| Depreciation and amortization | 34.9 | 37.0 | 33.4 | 16.5 | 17.2 |
| | | | | | |
| EBITDA | \$ 22.1 | \$ 9.5 | \$ 96.6 | \$ 42.7 | \$ 63.7 |
| Gain on repurchase of long-term debt(b) | (0.0) | | | | |
| Litigation gain(c) | (4.6) | | | | |
| | | | | | |
| Adjusted EBITDA | \$ 17.5 | \$ 9.5 | \$ 96.6 | \$ 42.7 | \$ 63.7 |

(a) See Note (3) above.

(b) See Note (2) above.

(c) See Note (1) above.

(7) Adjusted net income (loss) is defined as net income (loss) before certain unusual items. We believe adjusted net income (loss) is useful to investors because it provides a more meaningful means to evaluate our operating performance. Adjusted net income (loss), however, is not a measure of our financial performance under GAAP and should not be considered as an alternative to net income (loss), income (loss) from operations, or any other performance measure derived in accordance with GAAP. Our measure of adjusted net income (loss) is not necessarily comparable to other similarly titled captions of other companies due to potential inconsistencies in the methods of calculation.

The following is a reconciliation of net income (loss) to adjusted net income (loss):

| | Year Ended December 31 | | | Six Months Ended June 30 | |
|---|------------------------|-----------|---------|-----------------------------|---------|
| | 2010 | 2011 | 2012 | 2012 | 2013 |
| | (in millions) | | | | |
| Net income (loss) | \$ (33.3) | \$ (46.4) | \$ 41.5 | \$ 16.7 | \$ 91.2 |
| Impact of deferred tax benefit(a) | | | | | (68.7) |
| Gain on repurchase of long-term debt(b) | (0.0) | | | | |
| Litigation gain(c) | (4.6) | | | | |
| | | | | | |
| Adjusted net income (loss) | \$ (37.9) | \$ (46.4) | \$ 41.5 | \$ 16.7 | \$ 22.6 |

(a) See Note (3) above.

(b)

See Note (2) above.

(c)

See Note (1) above.

(8)

The pro forma balance sheet data as of June 30, 2013 gives effect to the repurchase for cash of shares of our common stock from BC Holdings on July 30, 2013 for \$100.0 million, the issuance of \$50.0 million aggregate principal amount of additional senior notes (including the debt issue premium but excluding the receipt of accrued interest on such notes from May 1, 2013), and the acquisition of Chester Wood Products LLC and Moncure Plywood LLC, each as described in "Recent Developments," as if such transactions were completed on June 30, 2013. See the pro forma condensed combined financial statements incorporated by reference to this prospectus for further information.

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RISK FACTORS

Investing in our common stock involves a high degree of risk. You should carefully consider the risk factors set forth below as well as the other information contained in this prospectus before investing in our common stock. Any of the following risks could materially and adversely affect our business, financial condition and results of operations. In such case, you may lose all or part of your original investment.

Risks Relating to Our Business

Many of the products we manufacture or purchase and resell are commodities whose price is determined by the market's supply and demand for such products, and the markets in which we operate are cyclical and competitive. The depressed state of the housing, construction and home improvement markets could continue to adversely affect demand and pricing for our products.

Many of the building products we produce or distribute, including OSB, plywood, lumber and particleboard, are commodities that are widely available from other manufacturers or distributors with prices and volumes determined frequently in an auction market, based on participants' perceptions of short-term supply and demand factors. At times, the price for any one or more of the products we produce may fall below our cash production costs, requiring us to either incur short-term losses on product sales or cease production at one or more of our manufacturing facilities. Therefore, our profitability with respect to these commodity products depends, in significant part, on managing our cost structure, particularly raw materials and labor, which represent the largest components of our operating costs. Commodity wood product prices could be volatile in response to operating rates and inventory levels in various distribution channels. Commodity price volatility affects our distribution business, with falling price environments generally causing reduced revenues and margins, resulting in substantial declines in profitability and possible net losses.

Historically, demand for the products we manufacture, as well as the products we purchase and distribute, has been closely correlated with new residential construction in the United States and, to a lesser extent, light commercial construction and residential repair and remodeling activity. New residential construction activity remained substantially below average historical levels during 2012 and so did demand for many of the products we manufacture and distribute. There is significant uncertainty regarding the timing and extent of any recovery in such construction activity and resulting product demand levels. Demand for new residential construction is influenced by seasonal weather factors, mortgage availability and rates, unemployment levels, household formation rates, domestic population growth, immigration rates, residential vacancy and foreclosure rates, demand for second homes, existing home prices, consumer confidence and other general economic factors.

Wood products industry supply is influenced primarily by price-induced changes in the operating rates of existing facilities but is also influenced over time by the introduction of new product technologies, capacity additions and closures, restart of idled capacity and log availability. The balance of wood products supply and demand in the United States is also heavily influenced by imported products, principally from Canada.

We have very limited control of the foregoing, and as a result, our profitability and cash flow may fluctuate materially in response to changes in the supply and demand balance for our primary products.

Our industry is highly competitive. If we are unable to compete effectively, our sales, operating results and growth strategies could be negatively affected.

The markets for the products we manufacture in our Wood Products segment are highly competitive. Our competitors range from very large, fully integrated forest and building products firms to smaller firms that may manufacture only one or a few types of products. We also compete less

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directly with firms that manufacture substitutes for wood building products. Certain mills operated by our competitors may be lower-cost manufacturers than the mills operated by us.

The building products distribution industry that our Building Materials Distribution segment competes in is highly fragmented and competitive, and the barriers to entry for local competitors are relatively low. Competitive factors in our industry include pricing and availability of product, service and delivery capabilities, ability to assist customers with problem solving, customer relationships, geographic coverage and breadth of product offerings. Also, financial stability is important to suppliers and customers in choosing distributors and allows for more favorable terms on which to obtain products from suppliers and sell products to customers. If our financial condition deteriorates in the future, our support from suppliers may be negatively affected.

Some of our competitors are larger companies and, therefore, have access to greater financial and other resources than we do. These resources may afford those competitors greater purchasing power, increased financial flexibility and more capital resources for expansion and improvement, which may enable those competitors to compete more effectively than we can.

Our manufacturing businesses may have difficulty obtaining wood fiber at favorable prices or at all.

Wood fiber is our principal raw material, which accounted for approximately 43% of the aggregate amount of materials, labor and other operating expenses (excluding depreciation), for our Wood Products segment in 2012. Wood fiber is a commodity and prices have been cyclical historically in response to changes in domestic and foreign demand and supply. Foreign demand for timber exports, particularly from China, increased timber costs in the western U.S. in 2010 and 2011 and negatively affected wood products manufacturers in the region. In 2012, China's demand for timber exports from the western U.S. declined from 2011 levels, but in the future we expect that the level of foreign demand for timber exports from the western U.S. will continue to fluctuate based on the economic activity in China and other Pacific Rim countries, currency exchange rates and the availability of timber supplies from other countries such as Canada, Russia and New Zealand. Sustained periods of high timber costs may impair the cost competitiveness of our manufacturing facilities.

We currently enjoy the benefit of supply agreements put in place in 2005 following the sale of our timberlands (or successor arrangements), under which we purchase timber at market based prices. For 2012, approximately 33% of our timber was supplied pursuant to agreements assumed by (or replacement master supply agreements with) Hancock Natural Resource Group, Inc. ("Hancock"), The Molpus Woodlands Group LLC ("Molpus") and Rayonier Louisiana Timberlands, LLC, a timberland real estate investment trust ("Rayonier"). The supply agreements with these parties terminate on December 31, 2014, subject to additional one-year extensions unless notice is provided to the other party at least six months prior to expiration of the applicable agreement. If a counterparty to these agreements elects not to continue these agreements or we are unable to renegotiate these agreements on terms that are acceptable to us, we would need to locate a replacement supplier for our timber requirements, which could include private purchases with other suppliers, open-market purchases and purchases from governmental sources. If we are unable to locate a replacement supplier in a particular region to satisfy our timber needs at satisfactory prices, it could have an adverse effect on our results of operations.

In 2012, we purchased approximately 21% of our timber from federal, state and local governments. In certain regions in which we operate, a substantial portion of our timber is purchased from governmental authorities. As a result, existing and future governmental regulation can affect our access to, and the cost of, such timber. Future domestic or foreign legislation and litigation concerning the use of timberlands, timber harvest methodologies, forest road construction and maintenance, the protection of endangered species, forest-based carbon sequestration, the promotion of forest health and the response to and prevention of catastrophic wildfires can affect timber and fiber supply from both