BOISE CASCADE Co
Form 10-Q
April 29, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2015

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number: 001-35805
Boise Cascade Company
(Exact name of registrant as specified in its charter)

Delaware	20-1496201
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1111 West Jefferson Street
Suite 300
Boise, Idaho 83702-5389
(Address of principal executive offices) (Zip Code)

(208) 384-6161
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No o

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.

Large accelerated filer x   Accelerated filer o   Non-accelerated filer o   Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes o   No x

There were 39,531,933 shares of the registrant's $0.01 par value common stock outstanding on April 24, 2015.

Table of Contents

Table of Contents

PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Boise Cascade Company
Consolidated Statements of Operations
(unaudited)

	Three Months Ended March 31	
	2015	2014
	(thousands, except per-share data)	
Sales	$809,903	$767,180
Costs and expenses		
Materials, labor, and other operating expenses (excluding depreciation)	705,039	672,608
Depreciation and amortization	13,587	12,320
Selling and distribution expenses	61,880	58,930
General and administrative expenses	12,008	10,665
Other (income) expense, net	(299)	(1,900)
	792,215	752,623
Income from operations	17,688	14,557
Foreign currency exchange loss	(107)	(89)
Interest expense	(5,481)	(5,512)
Interest income	90	70
	(5,498)	(5,531)
Income before income taxes	12,190	9,026
Income tax provision	(4,573)	(3,461)
Net income	$7,617	$5,565
Weighted average common shares outstanding:		
Basic	39,498	39,372
Diluted	39,622	39,452
Net income per common share:		
Basic	$0.19	$0.14
Diluted	$0.19	$0.14

See accompanying condensed notes to unaudited quarterly consolidated financial statements.

Table of Contents

Boise Cascade Company
Consolidated Statements of Comprehensive Income
(unaudited)

	Three Months Ended March 31	
	2015	2014
	(thousands)	
Net income	$7,617	$5,565
Other comprehensive income (loss), net of tax		
Defined benefit pension plans		
Amortization of actuarial (gain) loss, net of tax of $613 and ($2), respectively	985	(4)
Effect of settlements, net of tax of $192 and $-, respectively	309	—
Other comprehensive income (loss), net of tax	1,294	(4)
Comprehensive income	$8,911	$5,561

See accompanying condensed notes to unaudited quarterly consolidated financial statements.

Table of Contents

Boise Cascade Company
Consolidated Balance Sheets
(unaudited)

	March 31, 2015	December 31, 2014
	(thousands)	
ASSETS		
Current		
Cash and cash equivalents	$134,516	$163,549
Receivables		
Trade, less allowances of $2,293 and $2,062	213,702	172,314
Related parties	573	821
Other	5,361	7,311
Inventories	432,467	394,461
Deferred income taxes	19,749	20,311
Prepaid expenses and other	7,602	14,857
Total current assets	813,970	773,624
Property and equipment, net	364,280	368,128
Timber deposits	13,810	13,819
Deferred financing costs	6,843	7,149
Goodwill	21,823	21,823
Intangible assets, net	10,160	10,183
Deferred income taxes	16,033	16,684
Other assets	9,873	9,075
Total assets	$1,256,792	$1,220,485

See accompanying condensed notes to unaudited quarterly consolidated financial statements.

Table of Contents

Boise Cascade Company
Consolidated Balance Sheets (continued)
(unaudited)

	March 31, 2015	December 31, 2014
	(thousands, except per-share data)	
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current		
Accounts payable		
Trade	$207,945	$150,693
Related parties	3,591	1,743
Accrued liabilities		
Compensation and benefits	46,914	66,170
Interest payable	8,079	3,298
Other	27,800	33,286
Total current liabilities	294,329	255,190
Debt		
Long-term debt	301,364	301,415
Other		
Compensation and benefits	144,386	156,218
Other long-term liabilities	14,770	15,274
	159,156	171,492
Commitments and contingent liabilities		
Stockholders' equity		
Preferred stock, $0.01 par value per share; 50,000 shares authorized, no shares issued and outstanding	—	—
Common stock, $0.01 par value per share; 300,000 shares authorized, 43,395 and 43,282 shares issued, respectively	434	433
Treasury stock, 3,864 shares at cost	(100,000)	(100,000)
Additional paid-in capital	503,382	502,739
Accumulated other comprehensive loss	(100,204)	(101,498)
Retained earnings	198,331	190,714
Total stockholders' equity	501,943	492,388
Total liabilities and stockholders' equity	$1,256,792	$1,220,485

See accompanying condensed notes to unaudited quarterly consolidated financial statements.

Table of Contents

Boise Cascade Company
Consolidated Statements of Cash Flows
(unaudited)

	Three Months Ended March 31	
	2015	2014
	(thousands)	
Cash provided by (used for) operations		
Net income	$7,617	$5,565
Items in net income not using (providing) cash		
Depreciation and amortization, including deferred financing costs and other	13,966	12,729
Stock-based compensation	1,205	842
Pension expense	2,082	278
Deferred income taxes	408	643
Other	(517)	(1,908)
Decrease (increase) in working capital		
Receivables	(39,190)	(46,707)
Inventories	(38,006)	(37,700)
Prepaid expenses and other	(1,248)	(4,880)
Accounts payable and accrued liabilities	41,599	48,315
Pension contributions	(12,919)	(390)
Income taxes payable	11,358	2,314
Other	(2,339)	(3,051)
Net cash used for operations	(15,984)	(23,950)
Cash provided by (used for) investment		
Expenditures for property and equipment	(12,618)	(12,539)
Proceeds from sales of assets	100	4,520
Other	(1)	61
Net cash used for investment	(12,519)	(7,958)
Cash provided by (used for) financing		
Borrowings on revolving credit facility	—	13,000
Payments on revolving credit facility	—	(13,000)
Financing costs	—	(11)
Other	(530)	(345)
Net cash used for financing	(530)	(356)
Net decrease in cash and cash equivalents	(29,033)	(32,264)
Balance at beginning of the period	163,549	118,249
Balance at end of the period	$134,516	$85,985

See accompanying condensed notes to unaudited quarterly consolidated financial statements.

Table of Contents

Condensed Notes to Unaudited Quarterly Consolidated Financial Statements

1. Nature of Operations and Consolidation

Nature of Operations

Boise Cascade Company is a building products company headquartered in Boise, Idaho. As used in this Form 10-Q, the terms "Boise Cascade," "we," and "our" refer to Boise Cascade Company (formerly known as Boise Cascade, L.L.C.) and its consolidated subsidiaries. We are one of the largest producers of plywood and engineered wood products (EWP) in North America and a leading U.S. wholesale distributor of building products.

We operate our business using three reportable segments: (1) Wood Products, which manufactures plywood, EWP, studs, particleboard, and ponderosa pine lumber; (2) Building Materials Distribution, which is a wholesale distributor of building materials; and (3) Corporate and Other, which includes corporate support staff services and pension plan activity, related assets and liabilities, and foreign currency exchange gains and losses. For more information, see Note 11, Segment Information.

Consolidation

The accompanying quarterly consolidated financial statements have not been audited by an independent registered public accounting firm but, in the opinion of management, include all adjustments necessary to present fairly the financial position, results of operations, and cash flows for the interim periods presented. Except as disclosed within these condensed notes to unaudited quarterly consolidated financial statements, the adjustments made were of a normal, recurring nature. Certain information and footnote disclosures normally included in our annual consolidated financial statements have been condensed or omitted. The quarterly consolidated financial statements include the accounts of Boise Cascade and its subsidiaries after elimination of intercompany balances and transactions. Quarterly results are not necessarily indicative of results that may be expected for the full year. These condensed notes to unaudited quarterly consolidated financial statements should be read in conjunction with our 2014 Form 10-K and the other reports we file with the Securities and Exchange Commission (SEC).

2. Summary of Significant Accounting Policies

Accounting Policies

The complete summary of significant accounting policies is included in Note 2, Summary of Significant Accounting Policies, of the Notes to Consolidated Financial Statements in "Item 8. Financial Statements and Supplementary Data" in our 2014 Form 10-K.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions about future events. These estimates and the underlying assumptions affect the amounts of assets and liabilities reported, disclosures about contingent assets and liabilities, and reported amounts of revenues and expenses. Such estimates include the valuation of accounts receivable, inventories, goodwill, intangible assets, and other long-lived assets; legal contingencies; guarantee obligations; indemnifications; assumptions used in retirement, medical, and workers' compensation benefits; stock-based compensation; income taxes; and vendor and customer rebates, among others. These estimates and assumptions are based on management's best estimates and judgment. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, which management believes to be reasonable under the circumstances. We adjust such estimates and assumptions when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates. Changes in these estimates resulting from continuing changes in the economic environment will be reflected in the consolidated financial statements in future periods.

Vendor and Customer Rebates and Allowances

We receive rebates and allowances from our vendors under a number of different programs, including vendor marketing programs. At March 31, 2015, and December 31, 2014, we had $2.8 million and $6.1 million, respectively, of vendor

Table of Contents

rebates and allowances recorded in "Receivables, Other" on our Consolidated Balance Sheets. Rebates and allowances received from our vendors are recognized as a reduction of "Materials, labor, and other operating expenses (excluding depreciation)" when the product is sold, unless the rebates and allowances are linked to a specific incremental cost to sell a vendor's product. Amounts received from vendors that are linked to specific selling and distribution expenses are recognized as a reduction of "Selling and distribution expenses" in the period the expense is incurred.

We also provide rebates to our customers and our customers' customers based on the volume of their purchases. We provide the rebates to increase the sell-through of our products. The rebates are recorded as a decrease in "Sales." At March 31, 2015, and December 31, 2014, we had $18.4 million and $24.7 million, respectively, of rebates payable to our customers recorded in "Accrued liabilities, Other" on our Consolidated Balance Sheets.

Leases

We lease a portion of our distribution centers as well as other property and equipment under operating leases. For purposes of determining straight-line rent expense, the lease term is calculated from the date we first take possession of the facility, including any periods of free rent and any renewal option periods we are reasonably assured of exercising. Rental expense for operating leases was $4.5 million and $3.9 million for the three months ended March 31, 2015 and 2014, respectively. Sublease rental income was not material in any of the periods presented.

Inventories

Inventories include the following (work in process is not material):

	March 31, 2015	December 31, 2014
	(thousands)	
Finished goods and work in process	$354,523	$308,359
Logs	47,679	57,065
Other raw materials and supplies	30,265	29,037
	$432,467	$394,461

Property and Equipment

Property and equipment consisted of the following asset classes:

	March 31, 2015	December 31, 2014
	(thousands)	
Land	$36,819	$36,819
Buildings	97,504	96,804
Improvements	42,830	42,699
Office equipment and vehicles	96,719	93,620
Machinery and equipment	410,621	410,633
Construction in progress	15,285	11,118
	699,778	691,693
Less accumulated depreciation	(335,498)	(323,565)
	$364,280	$368,128

7

Table of Contents

Fair Value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy under U.S. generally accepted accounting principles (GAAP) gives the highest priority to quoted market prices (Level 1) and the lowest priority to unobservable inputs (Level 3). In general, and where applicable, we use quoted prices in active markets for identical assets or liabilities to determine fair value (Level 1). If quoted prices in active markets for identical assets or liabilities are not available to determine fair value, we use quoted prices for similar assets and liabilities or inputs that are observable either directly or indirectly (Level 2). If quoted prices for identical or similar assets are not available or are unobservable, we may use internally developed valuation models, whose inputs include bid prices, and third-party valuations utilizing underlying asset assumptions (Level 3).

Financial Instruments

Our financial instruments are cash and cash equivalents, accounts receivable, accounts payable, and long-term debt. Our cash is recorded at cost, which approximates fair value, and our cash equivalents are money market funds measured at fair value. As of March 31, 2015, and December 31, 2014, we held $107.3 million and $137.6 million, respectively, in money market funds that are measured at fair value on a recurring basis using Level 1 inputs. The recorded values of accounts receivable and accounts payable approximate fair values based on their short-term nature. At March 31, 2015, the book value of our fixed-rate debt was $300.0 million, and the fair value was estimated to be $315.0 million. The difference between the book value and the fair value is derived from the difference between the period-end market interest rate and the stated rate of our fixed-rate, long-term debt. We estimated the fair value based on quoted market prices for similar traded debt (Level 2 measurement).

Concentration of Credit Risk

We are exposed to credit risk related to customer accounts receivable. In order to manage credit risk, we consider customer concentrations and current economic trends and monitor the creditworthiness of significant customers based on ongoing credit evaluations. At both March 31, 2015, and December 31, 2014, the receivables from a single customer accounted for approximately 11% of total receivables. No other customer accounted for 10% or more of total receivables.

New and Recently Adopted Accounting Standards

In April 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2015-03, Simplifying the Presentation of Debt Issuance Costs. This ASU requires an entity to present debt issuance costs in the balance sheet as a direct deduction from the related debt liability rather than as an asset. The new standard is effective for annual and interim reporting periods beginning after December 15, 2015. The adoption of this standard will affect our balance sheet presentation only, and will have no impact on our results of operations or cash flows.

In February 2015, the FASB issued ASU 2015-02, Amendments to the Consolidation Analysis. This ASU makes targeted amendments to the current consolidation guidance and affects both the variable interest entity and voting interest entity consolidation models. The guidance is effective for annual and interim reporting periods beginning after December 15, 2015. We do not expect the adoption of this guidance to have a material effect on our financial statements

In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers. This ASU requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The ASU will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective. The new standard is effective for annual and interim reporting periods beginning after December 15, 2016. Early adoption is not permitted. The standard permits the use of either the retrospective or cumulative effect transition method. At its April 1, 2015, meeting, the FASB agreed to propose a one-year deferral of the revenue recognition standard’s effective date for all entities. The FASB intends to issue an exposure draft in the near term with a 30-day comment period. We are evaluating the effect that this guidance will have on our consolidated financial statements and related disclosures. We have not yet selected a transition method nor have we determined the effect of the standard on our financial statements.

There were no other accounting standards recently issued that had or are expected to have a material impact on our consolidated financial statements and associated disclosures.

Table of Contents

3. Income Taxes

Income Tax Provision

For the three months ended March 31, 2015 and 2014, we recorded $4.6 million and $3.5 million, respectively, of income tax expense and had an effective rate of 37.5% and 38.3%, respectively. During the three months ended March 31, 2015, the primary reason for the difference between the federal statutory income tax rate of 35% and the effective tax rate was the effect of state taxes, offset partially by the domestic production activities deduction. During the three months ended March 31, 2014, the primary reason for the difference between the federal statutory income tax rate of 35% and the effective tax rate was the effect of state taxes.

During the three months ended March 31, 2015, refunds received, net of cash paid for taxes, were $7.2 million, and during the three months ended March 31, 2014, cash paid for taxes, net of refunds received, was $0.5 million.

4. Net Income Per Common Share

Basic net income per common share is computed by dividing net income by the weighted average number of common shares outstanding during the period. Weighted average common shares outstanding for the basic net income per common share calculation includes vested restricted stock units (RSUs) granted to nonemployee directors as there are no conditions under which those shares will not be issued. Diluted net income per common share is computed by dividing net income by the combination of other potentially dilutive weighted average common shares and the weighted average number of common shares outstanding during the period. Other potentially dilutive weighted average common shares include the dilutive effect of stock options, RSUs, and performance stock units (PSUs) for each period using the treasury stock method. Under the treasury stock method, the exercise price of a share, the amount of compensation expense, if any, for future service that has not yet been recognized, and the amount of tax benefits that would be recorded in additional paid-in capital, if any, when the share is exercised are assumed to be used to repurchase shares in the current period.

The following table sets forth the computation of basic and diluted net income per common share:

	Three Months Ended March 31	
	2015	2014
	(thousands, except per-share data)	
Net income	$7,617	$5,565
Weighted average common shares outstanding during the period (for basic calculation)	39,498	39,372
Dilutive effect of other potential common shares	124	80
Weighted average common shares and potential common shares (for diluted calculation)	39,622	39,452
Net income per common share - Basic	$0.19	$0.14
Net income per common share - Diluted	$0.19	$0.14

The computation of the dilutive effect of other potential common shares excludes stock awards representing 0.1 million shares and 0.2 million shares of common stock, respectively, in the three months ended March 31, 2015 and 2014. Under the treasury stock method, the inclusion of these stock awards would have been antidilutive.

9

Table of Contents

5. Debt

Long-term debt consisted of the following:

	March 31, 2015	December 31, 2014
	(thousands)	
Asset-based revolving credit facility	$—	$—
6.375% senior notes	299,990	299,990
Unamortized premium on 6.375% senior notes	1,374	1,425
Long-term debt	$301,364	$301,415

Asset-Based Revolving Credit Facility

Boise Cascade and its principal operating subsidiaries, Boise Cascade Wood Products, L.L.C., and Boise Cascade Building Materials Distribution, L.L.C., are borrowers, and Boise Cascade Wood Products Holdings Corp. is guarantor under a $350 million senior secured asset-based revolving credit facility (Revolving Credit Facility). Borrowings under the Revolving Credit Facility are constrained by a borrowing base formula dependent upon levels of eligible receivables and inventory reduced by outstanding borrowings and letters of credit (Availability).

The Revolving Credit Facility is secured by a first-priority security interest in substantially all of our assets, except for property and equipment. The proceeds of borrowings under the agreement are available for working capital and other general corporate purposes.

Interest rates under the Revolving Credit Facility are based, at the company's election, on either London Interbank Offered Rate (LIBOR) or a base rate, as defined in the credit agreement, plus a spread over the index elected that ranges from 1.50% to 2.00% for loans based on LIBOR and from 0.50% to 1.00% for loans based on the base rate. The spread is determined on the basis of a pricing grid that results in a higher spread as average quarterly Availability declines. Letters of credit are subject to a fronting fee payable to the issuing bank and a fee payable to the lenders equal to the LIBOR margin rate. In addition, we are required to pay an unused commitment fee at a rate ranging from 0.25% to 0.375% per annum (based on facility utilization) of the average unused portion of the lending commitments.

The Revolving Credit Facility contains customary nonfinancial covenants, including a negative pledge covenant and restrictions on new indebtedness, investments, distributions to equityholders, asset sales, and affiliate transactions, the scope of which are dependent on the Availability existing from time to time. The Revolving Credit Facility also contains a requirement that we meet a 1:1 fixed-charge coverage ratio (FCCR), applicable only if Availability falls below 10% of the aggregate lending commitments (or $35 million). Availability exceeded the minimum threshold amounts required for testing of the FCCR at all times since entering into the Revolving Credit Facility, and Availability at March 31, 2015, was $342.0 million.

The Revolving Credit Facility generally permits dividends only if certain conditions are met, including complying with either (i) pro forma Excess Availability (as defined in the Revolving Credit Facility) equal to or exceeding 25% of the aggregate Revolver Commitments (as defined in the Revolving Credit Facility) or (ii) (x) pro forma Excess Availability equal to or exceeding 15% of the aggregate Revolver Commitment and (y) a fixed-charge coverage ratio of 1:1 on a pro forma basis.

At both March 31, 2015, and December 31, 2014, we had no borrowings outstanding under the Revolving Credit Facility and $8.0 million of letters of credit outstanding. These letters of credit and borrowings, if any, reduced our borrowing capacity under the Revolving Credit Facility by an equivalent amount.

10

Table of Contents

Senior Notes

On October 22, 2012, Boise Cascade and its wholly owned subsidiary, Boise Cascade Finance Corporation (Boise Finance and together with Boise Cascade, the Co-issuers), issued $250 million of 6.375% senior notes due November 1, 2020 (Senior Notes) through a private placement that was exempt from the registration requirements of the Securities Act of 1933, as amended (Securities Act). Interest on our Senior Notes is payable semiannually in arrears on May 1 and November 1. On March 28, 2013, Boise Finance was merged with and into Boise Cascade, with Boise Cascade as the surviving entity and sole issuer of the Senior Notes. The Senior Notes are guaranteed by each of our existing and future direct or indirect domestic subsidiaries that is a guarantor or co-borrower under our Revolving Credit Facility.

On August 15, 2013, we issued an additional $50 million in aggregate principal amount of Senior Notes in a private placement that was exempt from registration under the Securities Act. The additional $50 million of Senior Notes were priced at 103.5% of their principal amount plus accrued interest from May 1, 2013, and were issued as additional Senior Notes under the related indenture dated as of October 22, 2012.

On May 8, 2013 and November 26, 2013, we completed offers to exchange any and all of our $250 million and $50 million, respectively, outstanding Senior Notes for a like principal amount of new 6.375% Senior Notes due 2020 having substantially identical terms to those of the Senior Notes. $250 million and $49,990,000 in aggregate principal amount (or 100% and 99.98%, respectively) of the outstanding Senior Notes were tendered and accepted for exchange upon closing of the related exchange offers and have been registered under the Securities Act.

Cash Paid for Interest

For both the three months ended March 31, 2015 and 2014, cash payments for interest were $0.3 million.

6. Retirement and Benefit Plans

The following table presents the pension benefit costs:

	Three Months Ended March 31	
	2015	2014
	(thousands)	
Service cost	$475	$401
Interest cost	4,707	5,151
Expected return on plan assets	(5,200)	(5,268)
Amortization of actuarial (gain) loss	1,599	(6)
Plan settlement loss	501	—
Net periodic benefit cost	$2,082	$278

In March 2015, we contributed company-owned real property to the qualified defined benefit pension plan from one location in our Building Materials Distribution segment. The pension plan obtained an independent appraisal of the property, and based on the appraisal, the plan recorded the contribution at fair value of approximately $3 million.

We are leasing back the contributed property for an initial term of ten years with two five-year extension options and continue to use the property in our distribution operations. Rent payments are made quarterly, with first-year annual rent of $0.2 million and 2% annual escalation rates thereafter. The lease provides us a right of first refusal on any subsequent sale by the pension plan, as well as repurchase options at the end of the initial term and extension periods.

The plan engaged an independent fiduciary who negotiated the lease terms and also manages the property on behalf of the plan.

We determined that the contribution of the property does not meet the accounting definition of a plan asset within the scope of Accounting Standards Codification 715, Compensation — Retirement Benefits. Accordingly, the contributed property is not considered a contribution for accounting purposes and, as a result, is not included in plan assets and has no impact on the net pension liability recorded on our Consolidated Balance Sheets. We continue to depreciate the carrying value of the property in our financial statements, and no gain or loss was recognized at the contribution date for accounting purposes. Lease payments are recorded as pension contributions.

Table of Contents

In the first three months of 2015, we contributed $12.9 million in cash to the pension plans. For the remainder of 2015, we expect to make approximately $1.5 million in additional cash contributions to the pension plans.

7. Stock-Based Compensation

In February 2015 and 2014, we granted two types of stock-based awards under the 2013 Incentive Compensation Plan (2013 Incentive Plan): performance stock units (PSUs) and restricted stock units (RSUs).

PSU and RSU Awards

During the three months ended March 31, 2015, we granted 116,325 PSUs to our officers and other employees, subject to performance and service conditions. The number of shares actually awarded will range from 0% to 200% of the target amount, depending upon Boise Cascade’s 2015 EBITDA, defined as income before interest (interest expense and interest income), income taxes, and depreciation and amortization, determined in accordance with the related grant agreement. Because the EBITDA component contains a performance condition, we record compensation expense, net of estimated forfeitures, over the requisite service period based on the most probable number of shares expected to vest.

During the three months ended March 31, 2014, we granted 100,692 PSUs to our officers and other employees, subject to performance and service conditions. During the 2014 performance period, participants earned 129% of the target based on Boise Cascade’s 2014 EBITDA, determined by our Compensation Committee in accordance with the related grant agreement.

During the three months ended March 31, 2015 and 2014, we granted an aggregate of 137,614 and 121,804 RSUs, respectively, to our officers, other employees, and nonemployee directors with only service conditions.

The PSUs, if earned, vest in three equal tranches of each year after the grant date, subject to final determination of meeting the performance condition by the Compensation Committee of our board of directors. The RSUs granted to officers and other employees vest in three equal tranches of each year after the grant date. However, 100% of PSUs and RSUs granted to retirement-eligible employees (age 62 or older with 15 years of service, or age 65 or older) vest on the later of March 1 after grant date or the date upon which they become retirement eligible. The RSUs granted to nonemployee directors vest over a one-year period, provided that such vested shares will not be delivered to the directors until six months following termination from the board of directors.

We based the fair value of PSU and RSU awards on the closing market price of our common stock on the grant date, and we record compensation expense over the awards' vesting period. Any shares not vested are forfeited. During the three months ended March 31, 2015, the total fair value of PSUs and RSUs vested was $2.9 million.

The following summarizes the activity of our PSUs and RSUs awarded under the 2013 Incentive Plan for the three months ended March 31, 2015:

	PSUs		RSUs	
	Number of shares	Weighted Average Grant-Date Fair Value	Number of shares	Weighted Average Grant-Date Fair Value
Outstanding, December 31, 2014	116,559	$29.66	64,864	$30.45
Granted	116,325	36.17	137,614	36.18
Performance condition adjustment	27,438	30.32	—	—

Vested	(64,149)	30.32	(17,107)	30.43
Forfeited	(1,428)	29.79	(1,099)	30.32
Outstanding, March 31, 2015	194,745	$33.42	184,272	$34.73

12

Table of Contents

Compensation Expense

Stock-based compensation expense is recognized only for those awards that are expected to vest, with forfeitures estimated at the date of grant based on our historical experience and future expectations. We recognize the effect of adjusting the estimated forfeiture rates in the period in which we change such estimated rates. We recognize stock awards with only service conditions on a straight-line basis over the requisite service period. Most of our share-based compensation expense was recorded in "General and administrative expenses" in our Consolidated Statements of Operations. Total stock-based compensation recognized from PSUs, RSUs, and stock options net of estimated forfeitures, was as follows:

	Three Months Ended March 31	
	2015	2014
	(thousands)	
PSUs	$494	$367
RSUs	562	282
Stock options	149	193
Total	$1,205	$842

The related tax benefit for the three months ended March 31, 2015 and 2014, was $0.5 million and $0.3 million, respectively. As of March 31, 2015, total unrecognized compensation expense related to nonvested share-based compensation arrangements was $11.0 million, net of estimated forfeitures. This expense is expected to be recognized over a weighted-average period of 1.8 years.

8. Accumulated Other Comprehensive Loss

The following table details the changes in accumulated other comprehensive loss for the three months ended March 31, 2015 and 2014:

	Three Months Ended March 31	
	2015	2014
	(thousands)	
Beginning Balance	$(101,498)	$(55,249)
Defined benefit pension plans, amounts reclassified from accumulated other comprehensive loss, net of tax of $805 and ($2), respectively (a)	1,294	(4)
Ending Balance	$(100,204)	$(55,253)

(a) Represents amounts reclassified from accumulated other comprehensive loss. These amounts are included in the computation of net periodic pension cost. For additional information, see Note 6, Retirement and Benefit Plans.

Table of Contents

9. Outsourcing Services Agreement

Under an Outsourcing Services Agreement, a wholly-owned subsidiary of Packaging Corporation of America (PCA) provides a number of corporate staff services to us. These services include, but are not limited to, information technology, accounting, and human resource transactional services. On November 17, 2014, we entered into the Fifth Amendment to Outsourcing Services Agreement (the “Amendment”) with PCA, which amends the Outsourcing Services Agreement, dated February 22, 2008 (the “Agreement”), to, among other things, provide expiration dates for the termination of substantially all administrative services provided by PCA to us pursuant to the Agreement. For those services scheduled to be terminated, the expiration dates are planned to occur between March 2015 and December 2015. Services for which the Amendment does not provide expiration dates will generally continue under the same terms and conditions of the Agreement. These administrative services will transition from PCA to us upon expiration. During and after transition, our information technology systems will remain in place with many of the administrative services performed by newly hired employees, many of whom we expect to transition from PCA to Boise Cascade employment. Total expenses incurred under the Outsourcing Services Agreement were $3.6 million and $3.9 million, respectively, for the three months ended March 31, 2015 and 2014.

10. Transactions With Related Party

Louisiana Timber Procurement Company, L.L.C. (LTP) is an unconsolidated variable-interest entity that is 50% owned by us and 50% owned by PCA. LTP procures sawtimber, pulpwood, residual chips, and other residual wood fiber to meet the wood and fiber requirements of us and PCA in Louisiana. We are not the primary beneficiary of LTP, as we do not have power to direct the activities that most significantly affect the economic performance of LTP. Accordingly, we do not consolidate LTP's results in our financial statements.

Sales

Related-party sales to LTP from our Wood Products segment in our Consolidated Statements of Operations were $6.3 million and $7.2 million, respectively, during the three months ended March 31, 2015 and 2014. These pulpwood and chip sales were made at prices designed to approximate market. These sales are recorded in "Sales" in our Consolidated Statements of Operations.

Costs and Expenses

Related-party wood fiber purchases from LTP were $21.9 million and $16.1 million, respectively, during the three months ended March 31, 2015 and 2014. We purchased wood fiber at prices designed to approximate market. These costs are recorded in "Materials, labor, and other operating expenses (excluding depreciation)" in our Consolidated Statements of Operations.

11. Segment Information

We operate our business using three reportable segments: Wood Products, Building Materials Distribution, and Corporate and Other. There are no differences in our basis of measurement of segment profit or loss from those disclosed in Note 15, Segment Information, of the Notes to Consolidated Financial Statements in "Item 8. Financial Statements and Supplementary Data" in our 2014 Form 10-K, except as discussed below.

Table of Contents

An analysis of our operations by segment is as follows:

	Sales			Income (Loss) Before Income Taxes (b)	Depreciation and Amortization	EBITDA (a) (b)
	Trade	Inter-segment	Total			
	(millions)					
Three Months Ended March 31, 2015						
Wood Products	$187.0	$122.3	$309.3	$20.9	$10.8	$31.7
Building Materials Distribution	622.9	—	622.9	3.3	2.7	6.1
Corporate and Other	—	—	—	(6.7)	0.1	(6.6)
Intersegment eliminations	—	(122.3)	(122.3)	—	—	—
	$809.9	$—	$809.9	17.6	$13.6	$31.2
Interest expense				(5.5)		
Interest income				0.1		
				$12.2		

	Sales			Income (Loss) Before Income Taxes (b)	Depreciation and Amortization	EBITDA (a) (b)
	Trade	Inter-segment	Total			
	(millions)					
Three Months Ended March 31, 2014						
Wood Products	$181.7	$111.6	$293.3	$13.0	$10.0	$23.0
Building Materials Distribution	585.5	—	585.5	5.9	2.3	8.2
Corporate and Other	—	—	—	(4.4)	—	(4.4)
Intersegment eliminations	—	(111.6)	(111.6)	—	—	—
	$767.2	$—	$767.2	14.5	$12.3	$26.8
Interest expense				(5.5)		
Interest income				0.1		
				$9.0		

(a) 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 generally accepted accounting principles (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.

Table of Contents

The following is a reconciliation of net income to EBITDA for the consolidated company:

	Three Months Ended March 31	
	2015	2014
	(millions)	
Net income	$7.6	$5.6
Interest expense	5.5	5.5
Interest income	(0.1)	(0.1)
Income tax provision	4.6	3.5
Depreciation and amortization	13.6	12.3
EBITDA	$31.2	$26.8

(b) Prior to first quarter 2015, pension expense (which is primarily comprised of interest cost, expected return on plan assets, and amortization of actuarial losses), was recorded in each of our segments based on the associated individual employee roles and responsibilities. However, pension benefits are frozen for most employees and only a small number of hourly employees continue to accrue benefits. Therefore, management believes that recording pension expense in the Corporate and Other segment provides a clearer view of segment operating performance. In first quarter 2015, we made a change in our segment measurement method by recording all pension expense to the Corporate and Other segment. This change in measurement only impacts our segment disclosures, and thus it has no impact on our overall consolidated financial statements. Historical segment income (loss) and EBITDA have not been recast in the table above. For the three months ended March 31, 2014, $0.1 million of pension expense was recorded in each of the Wood Products and Building Materials Distribution segments.

12. Commitments, Legal Proceedings and Contingencies, and Guarantees

Commitments

We have commitments for leases and long-term debt that are discussed further under "Leases" in Note 2, Summary of Significant Accounting Policies, and Note 5, Debt. We are a party to a number of long-term log and wood fiber supply agreements that are discussed in Note 16, Commitments, Legal Proceedings and Contingencies, and Guarantees, of the Notes to Consolidated Financial Statements in "Item 8. Financial Statements and Supplementary Data" in our 2014 Form 10-K. In addition, we have purchase obligations for goods and services, capital expenditures, and raw materials entered into in the normal course of business. At March 31, 2015, there have been no material changes to the commitments disclosed in the 2014 Form 10-K.

Legal Proceedings and Contingencies

We are a party to routine legal proceedings that arise in the ordinary course of our business. We are not currently a party to any legal proceedings or environmental claims that we believe would, individually or in the aggregate, have a material adverse effect on our financial position, results of operations, or cash flows.

Guarantees

We provide guarantees, indemnifications, and assurances to others. Note 16, Commitments, Legal Proceedings and Contingencies, and Guarantees, of the Notes to Consolidated Financial Statements in "Item 8. Financial Statements and Supplementary Data" in our 2014 Form 10-K describes the nature of our guarantees, including the approximate terms of the guarantees, how the guarantees arose, the events or circumstances that would require us to perform under the guarantees, and the maximum potential undiscounted amounts of future payments we could be required to make.

As of March 31, 2015, there have been no material changes to the guarantees disclosed in the 2014 Form 10-K.

13. Consolidating Guarantor and Nonguarantor Financial Information

The following consolidating financial information presents the Statements of Comprehensive Income (Loss), Balance Sheets, and Statements of Cash Flows related to Boise Cascade. The Senior Notes are guaranteed fully and unconditionally and jointly and severally by each of our existing and future subsidiaries (other than our foreign subsidiaries). Each of our existing subsidiaries that is a guarantor of the Senior Notes is 100% owned by Boise Cascade. Other than the consolidated financial statements and footnotes for Boise Cascade and the consolidating financial information, financial statements and other disclosures concerning the guarantors have not been presented because management believes that such information is not material to investors.

Furthermore, the cancellation provisions in the related indenture regarding guarantor subsidiaries are customary, and they do not include an arrangement that permits a guarantor subsidiary to opt out of the obligation prior to or during the term of the debt. Each guarantor subsidiary is automatically released from its obligations as a guarantor upon the sale of the subsidiary or substantially all of its assets to a third party, the designation of the subsidiary as an unrestricted subsidiary for purposes of the covenants included in the indenture, the release of the indebtedness under the indenture, or if the issuer exercises its legal defeasance option or the discharge of its obligations in accordance with the indenture governing the Senior Notes.

Boise Cascade Company and Subsidiaries
Consolidating Statements of Comprehensive Income (Loss)
For the Three Months Ended March 31, 2015
(unaudited)

	Boise Cascade Company (Parent)	Guarantor Subsidiaries	Non-guarantor Subsidiaries	Eliminations	Consolidated
	(thousands)				
Sales					
Trade	$—	$807,727	$2,176	$—	$809,903
Intercompany	—	—	4,039	(4,039)	—
	—	807,727	6,215	(4,039)	809,903
Costs and expenses					
Materials, labor, and other operating expenses (excluding depreciation)	850	702,853	5,649	(4,313)	705,039
Depreciation and amortization	58	13,239	290	—	13,587
Selling and distribution expenses	555	60,763	562	—	61,880
General and administrative expenses	5,293	6,441	—	274	12,008
Other (income) expense, net	(225)	157	(231)	—	(299)
	6,531	783,453	6,270	(4,039)	792,215
Income (loss) from operations	(6,531)	24,274	(55)	—	17,688
Foreign currency exchange gain (loss)	(172)	133	(68)	—	(107)
Interest expense	(5,481)	—	—	—	(5,481)
Interest income	18	72	—	—	90
	(5,635)	205	(68)	—	(5,498)
Income (loss) before income taxes and equity in net income of affiliates	(12,166)	24,479	(123)	—	12,190
Income tax (provision) benefit	(4,604)	31	—	—	(4,573)
Income (loss) before equity in net income of affiliates	(16,770)	24,510	(123)	—	7,617
Equity in net income of affiliates	24,387	—	—	(24,387)	—
Net income (loss)	7,617	24,510	(123)	(24,387)	7,617
Other comprehensive loss, net of tax					
Defined benefit pension plans					
Amortization of actuarial loss	985	—	—	—	985
Effect of settlements	309	—	—	—	309
Other comprehensive income, net of tax	1,294	—	—	—	1,294
Comprehensive income (loss)	$8,911	$24,510	$(123)	$(24,387)	$8,911

Table of Contents

Boise Cascade Company and Subsidiaries
Consolidating Statements of Comprehensive Income (Loss)
For the Three Months Ended March 31, 2014
(unaudited)

	Boise Cascade Company (Parent) (thousands)	Guarantor Subsidiaries	Non-guarantor Subsidiaries	Eliminations	Consolidated
Sales					
Trade	$—	$764,070	$3,110	$—	$767,180
Intercompany	—	—	2,565	(2,565)	—
	—	764,070	5,675	(2,565)	767,180
Costs and expenses					
Materials, labor, and other operating expenses (excluding depreciation)	—	669,750	5,398	(2,540)	672,608
Depreciation and amortization	34	11,979	307	—	12,320
Selling and distribution expenses	—	58,275	655	—	58,930
General and administrative expenses	4,275	6,415	—	(25)	10,665
Other (income) expense, net	9	(1,630)	(279)	—	(1,900)
	4,318	744,789	6,081	(2,565)	752,623
Income (loss) from operations	(4,318)	19,281	(406)	—	14,557
Foreign currency exchange gain (loss)	(62)	9	(36)	—	(89)
Interest expense	(5,512)	—	—	—	(5,512)
Interest income	5	65	—	—	70
	(5,569)	74	(36)	—	(5,531)
Income (loss) before income taxes and equity in net income of affiliates	(9,887)	19,355	(442)	—	9,026
Income tax (provision) benefit	(3,479)	18	—	—	(3,461)
Income (loss) before equity in net income of affiliates	(13,366)	19,373	(442)	—	5,565
Equity in net income of affiliates	18,931	—	—	(18,931)	—
Net income (loss)	5,565	19,373	(442)	(18,931)	5,565
Other comprehensive income (loss), net of tax					
Defined benefit pension plans					
Amortization of actuarial gain	(4)	—	—	—	(4)
Other comprehensive loss, net of tax	(4)	—	—	—	(4)
Comprehensive income (loss)	$5,561	$19,373	$(442)	$(18,931)	$5,561

Table of Contents

Boise Cascade Company and Subsidiaries
Consolidating Balance Sheets at March 31, 2015
(unaudited)

	Boise Cascade Company (Parent) (thousands)	Guarantor Subsidiaries	Non-guarantor Subsidiaries	Eliminations	Consolidated
ASSETS					
Current					
Cash and cash equivalents	$134,456	$33	$27	$—	$134,516
Receivables					
Trade, less allowances	200	212,962	540	—	213,702
Related parties	—	573	—	—	573
Other	343	4,462	556	—	5,361
Inventories	—	425,549	6,918	—	432,467
Deferred income taxes	19,744	—	5	—	19,749
Prepaid expenses and other	4,850	2,697	55	—	7,602
	159,593	646,276	8,101	—	813,970
Property and equipment, net	1,690	355,813	6,777	—	364,280
Timber deposits	—	13,810	—	—	13,810
Deferred financing costs	6,843	—	—	—	6,843
Goodwill	—	21,823	—	—	21,823
Intangible assets, net	—	10,160	—	—	10,160
Deferred income taxes	16,033	—	—	—	16,033
Other assets	20	9,853	—	—	9,873
Investments in affiliates	808,763	—	—	(808,763)	—
Total assets	$992,942	$1,057,735	$14,878	$(808,763)	$1,256,792

Boise Cascade Company and Subsidiaries
Consolidating Balance Sheets at March 31, 2015 (continued)
(unaudited)

	Boise Cascade Company (Parent) (thousands)	Guarantor Subsidiaries	Non-guarantor Subsidiaries	Eliminations	Consolidated
LIABILITIES AND STOCKHOLDERS' EQUITY					
Current					
Accounts payable					
Trade	$9,138	$198,136	$671	$—	$207,945
Related parties	—	3,591	—	—	3,591
Accrued liabilities	—	—	—	—	
Compensation and benefits	16,814	29,845	255	—	46,914
Interest payable	8,079	—	—	—	8,079
Other	1,124	25,874	802	—	27,800
	35,155	257,446	1,728	—	294,329
Debt					
Long-term debt	301,364	—	—	—	301,364
Other					
Compensation and benefits	144,386	—	—	—	144,386
Other long-term liabilities	10,094	4,676	—	—	14,770
	154,480	4,676	—	—	159,156
Commitments and contingent liabilities					
Stockholders' equity					
Preferred stock	—	—	—	—	—
Common stock	434	—	—	—	434
Treasury stock	(100,000)	—	—	—	(100,000)
Additional paid-in capital	503,382	—	—	—	503,382
Accumulated other comprehensive loss	(100,204)	—	—	—	(100,204)
Retained earnings	198,331	—	—	—	198,331
Subsidiary equity	—	795,613	13,150	(808,763)	—
Total stockholders' equity	501,943	795,613	13,150	(808,763)	501,943
Total liabilities and stockholders' equity	$992,942	$1,057,735	$14,878	$(808,763)	$1,256,792

Table of Contents

Boise Cascade Company and Subsidiaries
Consolidating Balance Sheets at December 31, 2014

	Boise Cascade Company (Parent) (thousands)	Guarantor Subsidiaries	Non-guarantor Subsidiaries	Eliminations	Consolidated
ASSETS					
Current					
Cash and cash equivalents	$163,512	$23	$14	$—	$163,549
Receivables					
Trade, less allowances	237	171,613	464	—	172,314
Related parties	—	821	—	—	821
Other	171	6,908	232	—	7,311
Inventories	—	389,259	5,202	—	394,461
Deferred income taxes	20,305	—	6	—	20,311
Prepaid expenses and other	10,756	4,064	37	—	14,857
	194,981	572,688	5,955	—	773,624
Property and equipment, net	1,601	359,474	7,053	—	368,128
Timber deposits	—	13,819	—	—	13,819
Deferred financing costs	7,149	—	—	—	7,149
Goodwill	—	21,823	—	—	21,823
Intangible assets, net	—	10,183	—	—	10,183
Deferred income taxes	16,684	—	—	—	16,684
Other assets	20	9,055	—	—	9,075
Investments in affiliates	771,026	—	—	(771,026)	—
Total assets	$991,461	$987,042	$13,008	$(771,026)	$1,220,485

Boise Cascade Company and Subsidiaries
Consolidating Balance Sheets at December 31, 2014
(continued)

	Boise Cascade Company (Parent) (thousands)	Guarantor Subsidiaries	Non-guarantor Subsidiaries	Eliminations	Consolidated
LIABILITIES AND STOCKHOLDERS' EQUITY					
Current					
Accounts payable					
Trade	$7,238	$143,141	$314	$—	$150,693
Related parties	—	1,743	—	—	1,743
Accrued liabilities					
Compensation and benefits	18,793	46,867	510	—	66,170
Interest payable	3,298	—	—	—	3,298
Other	1,559	30,163	1,564	—	33,286
	30,888	221,914	2,388	—	255,190
Debt					
Long-term debt	301,415	—	—	—	301,415
Other					
Compensation and benefits	156,218	—	—	—	156,218
Other long-term liabilities	10,552	4,722	—	—	15,274
	166,770	4,722	—	—	171,492
Commitments and contingent liabilities					
Stockholders' equity					
Preferred stock	—	—	—	—	—
Common stock	433	—	—	—	433
Treasury stock	(100,000)	—	—	—	(100,000)
Additional paid-in capital	502,739	—	—	—	502,739
Accumulated other comprehensive loss	(101,498)	—	—	—	(101,498)
Retained earnings	190,714	—	—	—	190,714
Subsidiary equity	—	760,406	10,620	(771,026)	—
Total stockholders' equity	492,388	760,406	10,620	(771,026)	492,388
Total liabilities and stockholders' equity	$991,461	$987,042	$13,008	$(771,026)	$1,220,485

Table of Contents

Boise Cascade Company and Subsidiaries
Consolidating Statements of Cash Flows
For the Three Months Ended March 31, 2015
(unaudited)

	Boise Cascade Company (Parent) (thousands)	Guarantor Subsidiaries	Non-guarantor Subsidiaries	Eliminations	Consolidated
Cash provided by (used for) operations					
Net income (loss)	$7,617	$24,510	$(123)	$(24,387)	$ 7,617
Items in net income (loss) not using (providing) cash					
Equity in net income of affiliates	(24,387)	—	—	24,387	—
Depreciation and amortization, including deferred financing costs and other	437	13,239	290	—	13,966
Stock-based compensation	1,205	—	—	—	1,205
Pension expense	2,082	—	—	—	2,082
Deferred income taxes	408	—	—	—	408
Other	(447)	(70)	—	—	(517)
Decrease (increase) in working capital					
Receivables	(135)	(38,655)	(400)	—	(39,190)
Inventories	—	(36,290)	(1,716)	—	(38,006)
Prepaid expenses and other	(2,597)	1,367	(18)	—	(1,248)
Accounts payable and accrued liabilities	4,326	37,932	(659)	—	41,599
Pension contributions	(12,919)	—	—	—	(12,919)
Income taxes payable	11,358	—	—	—	11,358
Other	(2,001)	(338)	—	—	(2,339)
Net cash provided by (used for) operations	(15,053)	1,695	(2,626)	—	(15,984)
Cash provided by (used for) investment					
Expenditures for property and equipment	(123)	(12,486)	(9)	—	(12,618)
Proceeds from sales of assets	—	100	—	—	100
Other	—	4	(5)	—	(1)
Net cash used for investment	(123)	(12,382)	(14)	—	(12,519)
Cash provided by (used for) financing					
Other	(530)	—	—	—	(530)
Due to (from) affiliates	(13,350)	10,697	2,653	—	—
Net cash provided by (used for) financing	(13,880)	10,697	2,653	—	(530)
Net increase (decrease) in cash and cash equivalents	(29,056)	10	13	—	(29,033)
Balance at beginning of the period	163,512	23	14	—	163,549
Balance at end of the period	$134,456	$33	$27	$—	$ 134,516

Table of Contents

Boise Cascade Company and Subsidiaries
Consolidating Statements of Cash Flows
For the Three Months Ended March 31, 2014
(unaudited)

	Boise Cascade Company (Parent) (thousands)	Guarantor Subsidiaries	Non-guarantor Subsidiaries	Eliminations	Consolidated
Cash provided by (used for) operations					
Net income (loss)	$5,565	$19,373	$(442)	$(18,931)	$5,565
Items in net income (loss) not using (providing) cash					
Equity in net income of affiliates	(18,931)	—	—	18,931	—
Depreciation and amortization, including deferred financing costs and other	442	11,980	307	—	12,729
Stock-based compensation	842	—	—	—	842
Pension expense	278	—	—	—	278
Deferred income taxes	643	—	—	—	643
Other	—	(1,908)	—	—	(1,908)
Decrease (increase) in working capital					
Receivables	(103)	(46,311)	(293)	—	(46,707)
Inventories	(101)	(36,437)	(1,162)	—	(37,700)
Prepaid expenses and other	(6,531)	1,669	(18)	—	(4,880)
Accounts payable and accrued liabilities	7,096	41,369	(150)	—	48,315
Pension contributions	(390)	—	—	—	(390)
Income taxes payable	2,319	—	(5)	—	2,314
Other	(2,806)	(245)	—	—	(3,051)
Net cash used for operations	(11,677)	(10,510)	(1,763)	—	(23,950)
Cash provided by (used for) investment					
Expenditures for property and equipment	(105)	(12,425)	(9)	—	(12,539)
Proceeds from sales of assets	—	4,520	—	—	4,520
Other	—	60	1	—	61
Net cash used for investment	(105)	(7,845)	(8)	—	(7,958)
Cash provided by (used for) financing					
Borrowings on revolving credit facility	13,000	—	—	—	13,000
Payments on revolving credit facility	(13,000)	—	—	—	(13,000)
Financing costs	(11)	—	—	—	(11)
Other	(345)	—	—	—	(345)
Due to (from) affiliates	(20,120)	18,369	1,751	—	—
Net cash provided by (used for) financing	(20,476)	18,369	1,751	—	(356)
Net increase (decrease) in cash and cash equivalents	(32,258)	14	(20)	—	(32,264)
Balance at beginning of the period	118,198	25	26	—	118,249
Balance at end of the period	$85,940	$39	$6	$—	$85,985

Table of Contents

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Understanding Our Financial Information

This Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with our consolidated financial statements and related notes in "Item 1. Financial Statements" of this Form 10-Q, as well as our 2014 Form 10-K. The following discussion includes statements regarding our expectations with respect to our future performance, liquidity, and capital resources. Such statements, along with any other nonhistorical statements in the discussion, are forward-looking. These forward-looking statements include, without limitation, any statement that may predict, indicate, or imply future results, performance, or achievements and may contain the words "may," "will," "expect," "believe," "should," "plan," "anticipate," and other similar expressions. All of these forward-looking statements are based on estimates and assumptions made by our management that, although believed by us to be reasonable, are inherently uncertain. These forward-looking statements are subject to numerous risks and uncertainties, including, but not limited to, the risks and uncertainties described in "Item 1A. Risk Factors" in our 2014 Form 10-K, as well as those factors listed in other documents we file with the Securities and Exchange Commission (SEC). We do not assume an obligation to update any forward-looking statement. Our future actual results may differ materially from those contained in or implied by any of the forward-looking statements in this Form 10-Q.

Background

Boise Cascade Company is a building products company headquartered in Boise, Idaho. As used in this Form 10-Q, the terms "Boise Cascade," "we," and "our" refer to Boise Cascade Company (formerly known as Boise Cascade, L.L.C.) and its consolidated subsidiaries. Boise Cascade is a large, vertically-integrated wood products manufacturer and building materials distributor. We have three reportable segments: (i) Wood Products, which manufactures plywood, engineered wood products (EWP), studs, particleboard, and ponderosa pine lumber; (ii) Building Materials Distribution, which is a wholesale distributor of building materials; and (iii) Corporate and Other, which includes corporate support staff services and pension plan activity, related assets and liabilities, and foreign currency exchange gains and losses. For more information, see Note 11, Segment Information, of the Condensed Notes to Unaudited Quarterly Consolidated Financial Statements in "Item 1. Financial Statements" of this Form 10-Q.

Executive Overview

We recorded income from operations of $17.7 million during the three months ended March 31, 2015, compared with income from operations of $14.6 million during the three months ended March 31, 2014. In our Wood Products segment, income increased $7.9 million to $20.9 million for the three months ended March 31, 2015, from $13.0 million for the three months ended March 31, 2014. The improvement was due primarily to higher plywood and EWP sales prices, offset partially by lower lumber sales prices and higher log costs. In our Building Materials Distribution segment, income decreased $2.6 million to $3.3 million for the three months ended March 31, 2015, from $5.9 million for the three months ended March 31, 2014. The decrease in segment income was driven primarily by increased selling and distribution expenses of $2.5 million and lower other income due to a $1.6 million gain from the sale of two surplus properties during the three months ended March 31, 2014. These decreases in segment income were offset partially by a higher gross margin of $2.4 million. These changes are discussed further in "Our Operating Results" below.

At March 31, 2015, we had $134.5 million of cash and cash equivalents and $342.0 million of unused committed bank line availability under our Revolving Credit Facility. Cash decreased $29.0 million during the three months ended March 31, 2015, principally to fund seasonal working capital increases, our pension plans, and capital spending, as discussed further in "Liquidity and Capital Resources" below.

Demand for our products correlates with the level of residential construction activity in the U.S., which has historically been cyclical. As of April 2015, the Blue Chip Economic Indicators consensus forecast for 2015 single- and multi-family housing starts in the U.S. was 1.14 million units, compared with actual housing starts of 1.00 million in 2014 and 0.92 million in 2013, as reported by the U.S. Census Bureau. These amounts are below average historical trends of approximately 1.3 million units per year over the 20 years prior to 2015. Single-family housing starts are a primary driver of our sales, and although housing starts are projected to be higher in 2015 than in 2014, the mix of housing starts in recent years has included a lower proportion of single-family detached units, which typically have higher building product usage per start than multi-family units. We estimate that a detached single-family unit uses approximately three times more building products than a typical multi-family unit, based on higher square footage per unit as well as greater materials usage per square foot.

The unemployment rate in the U.S. improved to 5.5% as of March 31, 2015, from 6.6% as of March 31, 2014. We believe continued employment growth, prospective home buyers' increased access to financing, improved consumer confidence, as well as other factors, will be necessary to increase household formation rates. Improved household formation rates in turn will help stimulate new construction.

We expect to experience modest demand growth for the products we manufacture and distribute in 2015 and we remain optimistic that the overall improvement in demand for our products will continue as housing recovers to historic trend levels. Future commodity product pricing could be volatile in response to industry capacity restarts and operating rates, inventory levels in various distribution channels, and seasonal demand patterns. We expect to manage our production levels to our sales demand, which will likely result in operating some of our facilities below their capacity until demand improves further.

Factors That Affect Our Operating Results

Our results of operations and financial performance are influenced by a variety of factors, including 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-remodeling activity, and light commercial construction, inventory levels of new and existing homes for sale, foreclosure rates, interest rates, unemployment rates, household formation rates, and mortgage availability and pricing, as well as other consumer financing mechanisms, that ultimately affect demand for our products;

- the highly competitive nature of our industry;

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

- material disruptions and/or major equipment failure at our manufacturing facilities;

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

- the financial condition and creditworthiness of our customers;

- the cost and availability of third-party transportation services used to deliver the goods we manufacture and distribute, as well as our raw materials;

- our reliance on a wholly-owned subsidiary of Packaging Corporation of America (PCA) for many of our administrative services and our ability to successfully transition these services from PCA to newly hired employees (many of whom we expect to transition from PCA to Boise Cascade employment);

- concentration of our sales among a relatively small group of customers;

- substantial ongoing capital investment costs and the difficulty in offsetting fixed costs related to our recent capital investments if the housing market does not recover further;

- our indebtedness, including the possibility that we may not generate sufficient cash flows from operations or that future borrowings may not be available in amounts sufficient to fulfill our debt obligations and fund other liquidity needs;

- cost of compliance with government regulations, in particular environmental regulations;
- declines in demand for our products due to competing technologies or materials;
- exposure to product liability, product warranty, casualty, construction defect, and other claims;
- labor disruptions, shortages of skilled and technical labor, or increased labor costs;
- restrictive covenants contained in our debt agreements;

Table of Contents

- disruptions to information systems used to process and store customer, employee, and vendor information, as well as the technology that manages our operations and other business processes;
- impairment of our long-lived assets, goodwill, and/or intangible assets;
- the need to successfully formulate and implement succession plans for certain members of our senior management team;
- our ability to successfully and efficiently complete and integrate potential acquisitions;
- fluctuations in the market for our equity; and
- the other factors described in "Item 1A. Risk Factors" in our 2014 Form 10-K.

Table of Contents

Our Operating Results

The following tables set forth our operating results in dollars and as a percentage of sales for the three months ended March 31, 2015 and 2014:

	Three Months Ended March 31	
	2015	2014
	(millions)	
Sales	$809.9	$767.2
Costs and expenses		
Materials, labor, and other operating expenses (excluding depreciation)	705.0	672.6
Depreciation and amortization	13.6	12.3
Selling and distribution expenses	61.9	58.9
General and administrative expenses	12.0	10.7
Other (income) expense, net	(0.3)	(1.9)
	792.2	752.6
Income from operations	$17.7	$14.6
	(percentage of sales)	
Sales	100.0 %	100.0 %
Costs and expenses		
Materials, labor, and other operating expenses (excluding depreciation)	87.1 %	87.7 %
Depreciation and amortization	1.7	1.6
Selling and distribution expenses	7.6	7.7
General and administrative expenses	1.5	1.4
Other (income) expense, net	—	(0.2)
	97.8 %	98.1 %
Income from operations	2.2 %	1.9 %

Table of Contents

Sales Volumes and Prices

Set forth below are historical U.S. housing starts data, segment sales volumes and average net selling prices for the principal products sold by our Wood Products segment, and sales mix and gross margin information for our Building Materials Distribution segment for the three months ended March 31, 2015 and 2014.

	Three Months Ended March 31	
	2015	2014
	(thousands)	
U.S. Housing Starts (a)		
Single-family	139.7	133.8
Multi-family	74.3	72.2
	214.0	206.0
	(millions)	
Segment Sales		
Wood Products	$309.3	$293.3
Building Materials Distribution	622.9	585.5
Intersegment eliminations	(122.3)	(111.6)
	$809.9	$767.2
	(millions)	
Wood Products		
Sales Volumes		
Laminated veneer lumber (LVL) (cubic feet)	2.8	2.6
I-joists (equivalent lineal feet)	41	40
Plywood (sq. ft.) (3/8" basis)	412	414
Lumber (board feet)	48	46
	(dollars per unit)	
Wood Products		
Average Net Selling Prices		
Laminated veneer lumber (LVL) (cubic foot)	$16.48	$16.00
I-joists (1,000 equivalent lineal feet)	1,098	1,016
Plywood (1,000 sq. ft.) (3/8" basis)	312	294
Lumber (1,000 board feet)	510	569
	(percentage of Building Materials Distribution sales)	
Building Materials Distribution		
Product Line Sales		
Commodity	48.4%	52.2%
General line	34.7%	31.9%
Engineered wood	16.9%	15.9%
Gross margin percentage (b)	10.4%	10.6%

(a) Actual U.S. housing starts data reported by the U.S. Census Bureau.

(b) We define gross margin as "Sales" less "Materials, labor, and other operating expenses (excluding depreciation)." Substantially all costs included in "Materials, labor, and other operating expenses (excluding depreciation)" for our Building Materials Distribution segment are for inventory purchased for resale. Gross margin percentage is gross margin as a percentage of segment sales.

Table of Contents

Sales

For the three months ended March 31, 2015, total sales increased $42.7 million, or 6%, to $809.9 million from $767.2 million during the three months ended March 31, 2014. The increase in sales was driven primarily by increases in sales volumes for many of the products we manufacture and distribute which resulted from higher levels of residential construction activity. In first quarter 2015, both total and single-family U.S. housing starts increased approximately 4% from the same period in 2014. Single-family housing starts are a primary driver of our sales and typically result in higher building product usage per start than multi-family units. For the three months ended March 31, 2015, average composite panel prices were up 5%, with average composite lumber down 9%, compared with the same period in the prior year, as reflected by Random Lengths composite panel and lumber pricing.

Wood Products. Sales, including sales to our Building Materials Distribution segment, increased $16.0 million, or 5%, to $309.3 million for the three months ended March 31, 2015, from $293.3 million for the three months ended March 31, 2014. Plywood sales prices increased 6%, contributing $7.1 million to the increase in sales. Volume increases of 7% in laminated veneer lumber (LVL) and 2% in I-joists resulted in sales increases of $3.2 million and $1.0 million, respectively. In addition, sales price increases of 8% in I-joists and 3% in LVL contributed $3.3 million and $1.4 million, respectively, to the increase in sales. An increase in lumber sales volumes of 5% resulted in a sales increase of $1.3 million. These increases were offset partially by a decrease of $2.8 million due to 10% lower lumber sales prices.

Building Materials Distribution. Sales increased $37.4 million, or 6%, to $622.9 million for the three months ended March 31, 2015, from $585.5 million for the three months ended March 31, 2014. Compared with the same quarter in the prior year, the overall increase in sales was driven by sales volume increases of 7%, offset partially by a decrease in sales prices of less than 1%. By product line, commodity sales decreased 1%, or $4.3 million, general line product sales increased 16%, or $29.3 million; and sales of EWP (substantially all of which is sourced through our Wood Products segment) increased 13%, or $12.4 million.

Costs and Expenses

Materials, labor, and other operating expenses (excluding depreciation) increased $32.4 million, or 5%, to $705.0 million for the three months ended March 31, 2015, compared with $672.6 million during the same period in the prior year. In our Wood Products segment, the increase in materials, labor, and other operating expenses primarily reflects higher manufacturing costs, including costs for wood and labor. These increases were driven by higher sales volumes of EWP and lumber in our Wood Products segment, compared with first quarter 2014, offset partially by lower per-unit costs of oriented strand board (OSB), which is used as the vertical web to assemble I-joists, of 12%. Materials, labor, and other operating expenses as a percentage of sales (MLO rate) in our Wood Products segment decreased by 220 basis points. The decrease in the MLO rate was primarily the result of higher sales prices of plywood and EWP which resulted in improved leveraging of wood fiber and other manufacturing costs. In our Building Materials Distribution segment, the increase in materials, labor, and other operating expenses was driven by higher purchased materials costs as a result of higher sales volumes, compared with first quarter 2014. However, the Building Materials Distribution segment MLO rate increased 20 basis points as commodity prices, particularly dimension lumber, gradually declined during first quarter 2015, compared with relatively stable commodity pricing during first quarter 2014.

Depreciation and amortization expenses increased $1.3 million, or 10%, to $13.6 million for the three months ended March 31, 2015, compared with $12.3 million during the same period in the prior year. The increase was due primarily to purchases of property and equipment.

Selling and distribution expenses increased $3.0 million, or 5%, to $61.9 million for the three months ended March 31, 2015, compared with $58.9 million for the same period in the prior year. The increase was due primarily to higher employee-related expenses and other selling expenses of $2.0 million and $0.5 million, respectively.

General and administrative expenses increased $1.3 million, or 13%, to $12.0 million for the three months ended March 31, 2015, compared with $10.7 million for the same period in the prior year. The increase was due primarily to higher employee-related expenses of $1.2 million.

Other (income) expense, net, for the three months ended March 31, 2015 was insignificant. For the three months ended March 31, 2014, other (income) expense, net, was $1.9 million of income, which included $1.6 million of gain from the sale of two surplus properties in our Building Materials Distribution segment.

Table of Contents

Income From Operations

Income from operations increased $3.1 million to $17.7 million for the three months ended March 31, 2015, compared with $14.6 million for the three months ended March 31, 2014.

Wood Products. Segment income increased $7.9 million to $20.9 million for the three months ended March 31, 2015, compared with $13.0 million for the three months ended March 31, 2014. The improvement was due primarily to higher plywood and EWP sales prices. These improvements in segment income were offset partially by lower lumber sales prices and higher log costs.

Building Materials Distribution. Segment income decreased $2.6 million to $3.3 million for the three months ended March 31, 2015, from $5.9 million for the three months ended March 31, 2014. The decrease in segment income was driven primarily by increased selling and distribution expenses of $2.5 million and lower other income due to a $1.6 million gain from the sale of two surplus properties during the three months ended March 31, 2014. These decreases in segment income were offset partially by a higher gross margin of $2.4 million.

Corporate and Other. Segment loss increased $2.3 million to $6.7 million for the three months ended March 31, 2015, from $4.4 million for the three months ended March 31, 2014, which primarily relates to a change in classification of pension expense between segments. Prior to first quarter 2015, pension expense (which is primarily comprised of interest cost, expected return on plan assets, and amortization of actuarial losses), was recorded in each of our segments based on the associated individual employee roles and responsibilities. However, pension benefits are frozen for most employees and only a small number of hourly employees continue to accrue benefits. Therefore, management believes that recording pension expense in the Corporate and Other segment provides a clearer view of segment operating performance. In first quarter 2015, we made a change in our segment measurement method by recording all pension expense to the Corporate and Other segment. This change in measurement only impacts our segment disclosures, and thus it has no impact on our overall consolidated financial statements. Historical segment income (loss) has not been recast. For the three months ended March 31, 2014, $0.1 million of pension expense was recorded in each of the Wood Products and Building Materials Distribution segments. Pension expense recorded in Corporate and Other was $2.1 million for the three months ended March 31, 2015, compared with $0.1 million for the three months ended March 31, 2014.

Income Tax (Provision) Benefit

For the three months ended March 31, 2015 and 2014, we recorded $4.6 million and $3.5 million, respectively, of income tax expense and had an effective rate of 37.5% and 38.3%, respectively. During the three months ended March 31, 2015, the primary reason for the difference between the federal statutory income tax rate of 35% and the effective tax rate was the effect of state taxes, offset partially by the domestic production activities deduction. During the three months ended March 31, 2014, the primary reason for the difference between the federal statutory income tax rate of 35% and the effective tax rate was the effect of state taxes.

Industry Mergers and Acquisitions

On April 1, 2015, Norbord Inc. (Norbord) completed their merger with Ainsworth Lumber Co. Ltd (Ainsworth) whereby Ainsworth became a wholly-owned subsidiary of Norbord. Ainsworth is a significant supplier of OSB to our I-joist production, but we do not expect this merger to have a significant impact on our manufacturing and distribution operations.

On April 13, 2015, Builders FirstSource, Inc. (BFS) announced that it has entered into a definitive purchase agreement to acquire ProBuild Holdings LLC (ProBuild), one of our largest customers, in an all-cash transaction. BFS is also a customer of ours. We are unable to determine at this time the effect the acquisition by BFS will have on our operations.

Liquidity and Capital Resources

We ended first quarter 2015 with $134.5 million of cash and cash equivalents and $301.4 million of long-term debt. At March 31, 2015, we had $476.5 million of available liquidity (cash and cash equivalents and unused borrowing capacity under our Revolving Credit Facility). We used $29.0 million of cash during the three months ended March 31, 2015, principally to fund seasonal working capital increases, our pension plans, and capital spending, as further discussed below.

Table of Contents

We believe that our cash flows from operations, combined with our current cash levels and available borrowing capacity, will be adequate to fund debt service requirements and provide cash, as required, to support our ongoing operations, capital expenditures, lease obligations, working capital, and pension contributions for at least the next 12 months.

Sources and Uses of Cash

We generate cash primarily from sales of our products, short-term and long-term borrowings, and equity offerings. Our primary uses of cash are for expenses related to the manufacture and distribution of building products, including inventory purchased for resale, wood fiber, labor, energy, and glues and resins. In addition to paying for ongoing operating costs, we use cash to invest in our business, service our debt obligations, repurchase our common stock, and meet our contractual obligations and commercial commitments. Below is a discussion of our sources and uses of cash for operating activities, investment activities, and financing activities.

	Three Months Ended March 31	
	2015	2014
	(thousands)	
Net cash used for operations	$(15,984)	$(23,950)
Net cash used for investment	(12,519)	(7,958)
Net cash used for financing	(530)	(356)

Operating Activities

For the three months ended March 31, 2015, our operating activities used $16.0 million of cash, compared with $24.0 million of cash used for operations in the same period in 2014. The $8.0 million decrease in cash used by operations was due primarily to a $36.8 million increase in working capital during the three months ended March 31, 2015, compared with a $41.0 million increase for the same period in the prior year, as well as a $7.9 million improvement in income from the Wood Products segment and an increase in income tax refunds, net of taxes paid, of $7.7 million. These improvements were offset partially by a $12.5 million increase in pension contributions and a $2.6 million decrease in Building Materials Distribution segment income. See "Our Operating Results" in this Management's Discussion and Analysis of Financial Condition and Results of Operations for more information related to factors affecting our operating results.

The increases in working capital in both periods were attributable primarily to higher receivables and inventories, offset partially by an increase in accounts payable and accrued liabilities. The increases in receivables in both periods primarily reflect increased sales of approximately 5% and 13%, comparing sales for the months of March 2015 and 2014 with sales for the months of December 2014 and 2013, respectively. The increase in inventories in both periods represents normal seasonal inventory build. The increase in accounts payable and accrued liabilities provided $41.6 million of cash during the three months ended March 31, 2015, compared with $48.3 million in the same period a year ago. During both periods, extended terms offered by major vendors to our Building Materials Distribution segment led to the increase in accounts payable.

Investment Activities

During the three months ended March 31, 2015 and 2014, we used $12.6 million and $12.5 million, respectively, of cash for purchases of property and equipment, including business improvement and quality/efficiency projects, replacement and expansion projects, and ongoing environmental compliance. Excluding acquisitions, we expect capital expenditures in 2015 to total approximately $85 million to $95 million. This level of capital expenditures could increase or decrease as a result of a number of factors, including our financial results, future economic conditions, and timing of equipment purchases. For the three months ended March 31, 2014, we received asset sales proceeds of $4.5 million, primarily from the sale of two surplus properties in our Building Materials Distribution segment.

Financing Activities

During the three months ended March 31, 2015, we had no borrowings outstanding under our Revolving Credit Facility. During the three months ended March 31, 2014, we borrowed $13.0 million under our Revolving Credit Facility to fund working capital needs, which was subsequently repaid during the same period with cash on hand, resulting in no borrowings outstanding at March 31, 2014.

Table of Contents

On April 29, 2015, our Board authorized an extension of our bank credit facility through April 2020. The extension would also increase the size of our bank credit facility to $400 million, including borrowing under the credit facility a new $50 million, seven-year term loan sub-facility, subject to acceptable final documentation. Proceeds from the new loan are expected to be used for discretionary pension contributions and general corporate purposes.

For more information related to our debt structure, see the discussion under "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2014 Form 10-K and in Note 5, Debt, of the Condensed Notes to Unaudited Quarterly Consolidated Financial Statements in "Item 1. Financial Statements" of this Form 10-Q.

On February 25, 2015, our Board of Directors (Board) authorized a common stock repurchase program (Program) which allows us to purchase up to two million shares of our common stock, on an opportunistic basis, through open market transactions, privately negotiated transactions, or accelerated share repurchase transactions. We are not obligated to purchase any shares and there is no set date that the Program will expire. The Board may increase or decrease the number of shares under the Program or terminate the Program in its discretion at any time. No shares have yet been purchased under the Program.

Contractual Obligations

For information about contractual obligations, see Contractual Obligations in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2014 Form 10-K. There have been no other material changes in contractual obligations outside the ordinary course of business since December 31, 2014.

Off-Balance-Sheet Activities

At March 31, 2015, and December 31, 2014, we had no material off-balance-sheet arrangements with unconsolidated entities.

Guarantees

Note 5, Debt, and Note 16, Commitments, Legal Proceedings and Contingencies, and Guarantees, of the Notes to Consolidated Financial Statements in "Item 8. Financial Statements and Supplementary Data" in our 2014 Form 10-K describe the nature of our guarantees, including the approximate terms of the guarantees, how the guarantees arose, the events or circumstances that would require us to perform under the guarantees, and the maximum potential undiscounted amounts of future payments we could be required to make. As of March 31, 2015, there have been no material changes to the guarantees disclosed in our 2014 Form 10-K.

Seasonal and Inflationary Influences

We are exposed to fluctuations in quarterly sales volumes and expenses due to seasonal factors. These seasonal factors are common in the building products industry. Seasonal changes in levels of building activity affect our building products businesses, which are dependent on housing starts, repair-and-remodeling activities, and light commercial construction activities. We typically report lower sales in the first and fourth quarters due to the impact of poor weather on the construction market, and we generally have higher sales in the second and third quarters, reflecting an increase in construction due to more favorable weather conditions. We typically have higher working capital in the first and second quarters in preparation and response to the building season. Seasonally cold weather increases costs, especially energy consumption, at most of our manufacturing facilities.

Our major costs of production are wood fiber, labor, and glue and resins. Wood fiber costs and glue and resin costs have been volatile in recent years.

Employees

As of April 26, 2015, we had approximately 5,740 employees. Approximately 27% of these employees work pursuant to collective bargaining agreements. As of April 26, 2015, we had nine collective bargaining agreements. None of our employees are working pursuant to a collective bargaining agreement that will expire within the next 12 months.

Table of Contents

Environmental

For additional information about environmental issues, see Environmental in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2014 Form 10-K.

Critical Accounting Estimates

Critical accounting estimates are those that are most important to the portrayal of our financial condition and results. These estimates require management's most difficult, subjective, or complex judgments, often as a result of the need to estimate matters that are inherently uncertain. We review the development, selection, and disclosure of our critical accounting estimates with the Audit Committee of our board of directors. For information about critical accounting estimates, see Critical Accounting Estimates in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2014 Form 10-K. At March 31, 2015, there have been no material changes to our critical accounting estimates from those disclosed in our 2014 Form 10-K.

New and Recently Adopted Accounting Standards

For information related to new and recently adopted accounting standards, see "New and Recently Adopted Accounting Standards" in Note 2, Summary of Significant Accounting Policies, of the Condensed Notes to Unaudited Quarterly Consolidated Financial Statements in "Item 1. Financial Statements" in this Form 10-Q.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

For information relating to quantitative and qualitative disclosures about market risk, see the discussion under "Item 7A. Quantitative and Qualitative Disclosures About Market Risk" and under the headings "Disclosures of Financial Market Risks" and "Financial Instruments" in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2014 Form 10-K. As of March 31, 2015, there have been no material changes in our exposure to market risk from those disclosed in our 2014 Form 10-K.

ITEM 4. CONTROLS AND PROCEDURES

Attached as exhibits to this Form 10-Q are certifications of our chief executive officer (CEO) and chief financial officer (CFO). Rule 13a-14 of the Securities Exchange Act of 1934, as amended (Exchange Act), requires that we include these certifications with this report. This Controls and Procedures section includes information concerning the disclosure controls and procedures referred to in the certifications. You should read this section in conjunction with the certifications.

Evaluation of Disclosure Controls and Procedures

We maintain "disclosure controls and procedures," as Rule 13a-15(e) under the Exchange Act defines such term. We have designed these controls and procedures to reasonably assure that information required to be disclosed in our reports filed under the Exchange Act, such as this Form 10-Q, is recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. We have also designed our disclosure controls to provide reasonable assurance that such information is accumulated and communicated to our senior management, including the CEO and CFO, as appropriate, to allow them to make timely decisions regarding our required disclosures.

Under an Outsourcing Services Agreement, Packaging Corporation of America (PCA) provides a number of corporate staff services to us. These services include information technology, accounting, and human resource transactional services. Our management, with the participation of our CEO and CFO, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures, including the effectiveness of the services provided to us under the Outsourcing Services Agreement, as of the end of the quarter covered by this Form 10-Q. Based on that evaluation, our CEO and CFO have concluded that, as of such date, our disclosure controls and procedures were effective in meeting the objectives for which they were designed and were operating at a reasonable assurance level.

On November 17, 2014, we amended the Outsourcing Services Agreement with PCA to provide for the termination of substantially all administrative services provided by PCA to us. For those services scheduled to be terminated, the expiration dates are planned to occur between March 2015 and December 2015. Services for which the amendment does not provide expiration dates will generally continue under the same terms and conditions as set forth in the base agreement. As these services transition to us and our employees, we will analyze and evaluate the impact these changes may have on our internal controls over financial reporting and where necessary, will implement changes in controls and procedures relating to our business.

Limitations on the Effectiveness of Controls and Procedures

In designing and evaluating our disclosure and/or internal controls and procedures, we recognized that no matter how well conceived and well operated, a control system can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of its inherent limitations, a control system, no matter how well designed, may not prevent or detect misstatements due to error or fraud. Additionally, in designing a control system, our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. We have also designed our disclosure and internal controls and procedures based in part upon assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Changes in Internal Control Over Financial Reporting

On November 17, 2014, we amended the Outsourcing Services Agreement with PCA to provide for the termination of substantially all administrative services provided by PCA to us, which expiration dates are planned to occur between March 2015 and December 2015. Services for which the amendment does not provide expiration dates will generally continue under the same terms and conditions as set forth in the base agreement. These administrative services, including information technology, accounting, and human resource transactional services, will transition from PCA to us upon expiration. During and after transition, our information technology systems will remain in place with many of the administrative services performed by newly hired employees, many of whom we expect to transition from PCA to Boise Cascade employment. As a result, management, with the participation of the CEO and CFO, has determined that the anticipated change of performing these services internally and without the services of PCA is reasonably likely to materially affect the structure of our internal controls over financial reporting. There was no other change in our internal control over financial reporting that occurred during the three months ended March 31, 2015 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Table of Contents

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are a party to routine legal proceedings that arise in the ordinary course of our business. We are not currently a party to any legal proceedings or environmental claims that we believe would, individually or in the aggregate, have a material adverse effect on our financial position, results of operations, or cash flows.

ITEM 1A. RISK FACTORS

This report on Form 10-Q contains forward-looking statements. Statements that are not historical or current facts, including statements about our expectations, anticipated financial results, projected capital expenditures, and future business prospects, are forward-looking statements. You can identify these statements by our use of words such as "may," "will," "expect," "believe," "should," "plan," "anticipate," and other similar expressions. You can find examples of these statements throughout this report, including "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations." We cannot guarantee that our actual results will be consistent with the forward-looking statements we make in this report. You should review carefully the risk factors listed in other documents we file with the Securities and Exchange Commission. During the three months ended March 31, 2015, there have been no material changes to the risk factors presented in "Item 1A. Risk Factors" in our 2014 Form 10-K. We do not assume an obligation to update any forward-looking statement.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Required exhibits are listed in the Index to Exhibits and are incorporated by reference.

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BOISE CASCADE COMPANY

/s/ Kelly E. Hibbs
Kelly E. Hibbs
Vice President and Controller
(As Duly Authorized Officer and Chief Accounting Officer)

Date: April 29, 2015

Table of Contents

BOISE CASCADE COMPANY

INDEX TO EXHIBITS

Filed With the Quarterly Report on Form 10-Q for the Quarter Ended March 31, 2015

Number	Description
10.1	Severance Agreement entered into February 26, 2015, by and between Daniel Hutchinson and Boise Cascade Company (incorporated by reference to Exhibit 10.1 on Boise Cascade Company's Current Report on Form 8-K, filed February 27, 2015)
31.1	CEO Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	CFO Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	CEO Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	CFO Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document