



OUTPERFORM TODAY. TRANSFORM TOMORROW.

Q3 2024 Earnings Presentation

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NOVEMBER 5, 2024

Safe Harbor & Non-GAAP Financial Measures

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Use of Non-GAAP Financial Measures

This presentation includes financial measures and terms not calculated in accordance with accounting principles generally accepted in the United States ("GAAP") in order to provide investors with an alternative method for assessing our operating results in a manner that enables investors to more thoroughly evaluate our current performance as compared to past performance. We believe these non-GAAP measures provide investors with a better baseline for modeling our future earnings expectations. Our management uses these non-GAAP measures for the same purpose. We believe that our investors should have access to the same set of tools that we use in analyzing our results. These non-GAAP measures should be considered in addition to results prepared in accordance with GAAP but should not be considered a substitute for or superior to GAAP results. Our calculations of adjusted net income, adjusted net income per share (also referred to as adjusted EPS throughout this presentation), adjusted EBITDA, adjusted EBITDA margin, free cash flow and net leverage are not necessarily comparable to similarly titled measures reported by other companies. Reconciliations of these metrics are included in the appendix to this presentation. The company also provided detailed explanations and reconciliations of these non-GAAP financial measures in the earnings release included in its Form 8-K filed with the Securities and Exchange Commission on November 5, 2024.

Clear Strategic Pillars Driving Long-Term Profitable Growth



Resilient Q3 2024 Performance

\$4.2B

Net Sales
6.7% Decrease²

\$1.4B

Gross Profit
12.3% Decrease²

Gross Margin
of 32.8%

\$627M

Adjusted EBITDA¹
23.0% Decrease²

Adjusted EBITDA¹
Margin of 14.8%

\$3.07

Adjusted
Diluted EPS¹
27.6% Decrease²

Q3 2024 Total Capital Deployed: ~\$0.4B

Executing Against Our Strategy



Organic Growth with a Focus on Value-Added Products and Services

- Q3 Single-Family core organic net sales decreased 4.6% amid declining value per start
- Multi-Family decreased 30.9% against strong prior year comps, while Repair & Remodel/Other increased 0.8%
- Value-added product mix was 49% for Q3 2024 driven by continued Multi-Family normalization



Drive Operational Excellence & Invest in Digital and Innovation

- Increasing customer adoption of our industry-leading digital platform with \$83 million of incremental sales and ~\$600 million of sales transacted through the digital tools YTD
- Demonstrating operational rigor by delivering \$27 million in productivity savings in Q3 and \$104 million YTD primarily through more efficient manufacturing and procurement initiatives



Continue to Build Our High-Performing Culture

- Improved safety performance with a recordable incident rate (RIR) reduction of 8% through September 2024
- Using playbooks leveraging best practices to improve our consistency, capabilities, and ways of working together



Disciplined Capital Allocation

- Completed 11 acquisitions through September 2024 with aggregate 2023 sales of ~\$300M
- Repurchased 6.8M shares of common stock YTD at an average price of \$171.37 per share for ~\$1.2B
- Since inception of buyback program in August 2021, repurchased >45% of total shares outstanding for a total cost of ~\$7.3B

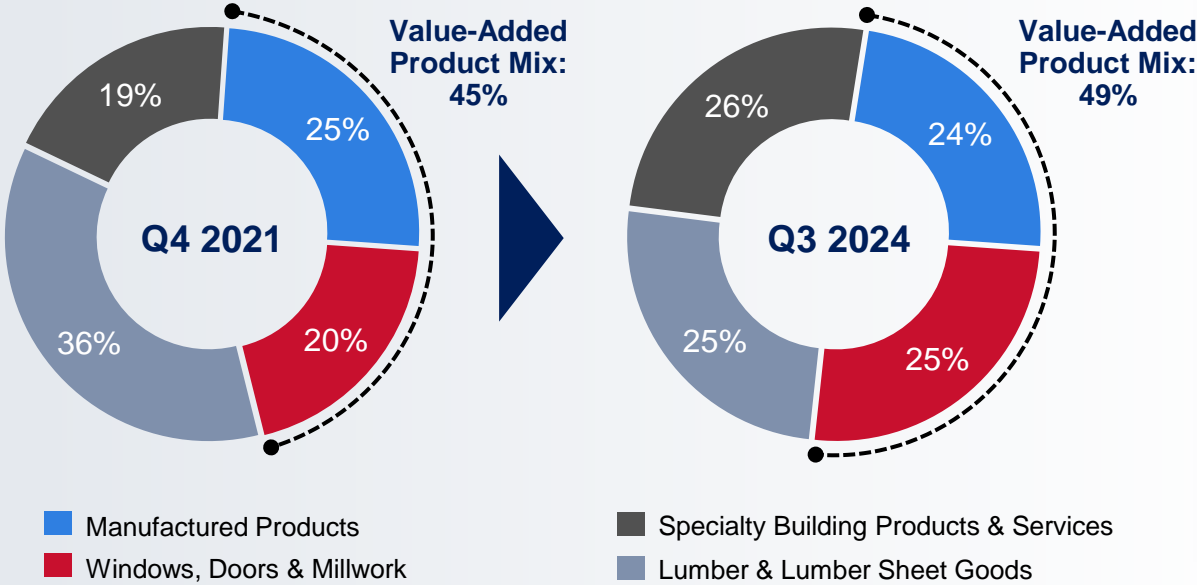
Continuing to Compound Value Creation with Strong Execution

Improving Value-Added Mix Through Proven M&A Process

Net Sales

400 bps

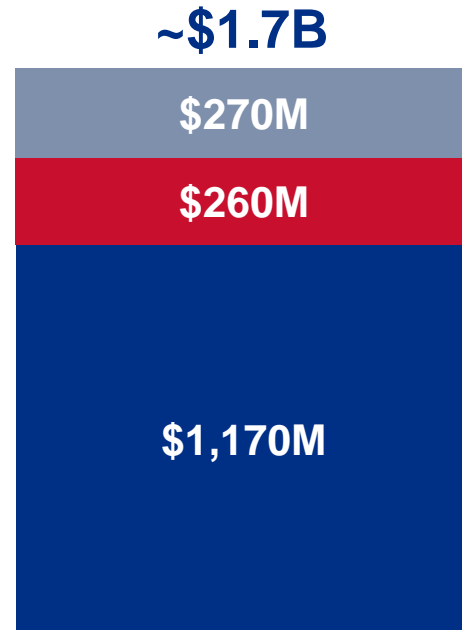
Growth in Value-Added Product Mix



Acquisition	Date	Benefits
High Mountain Door & Trim	Q3 2024	▪ Leading distributor and installer of windows, doors, and millwork in the Reno area
Reno Truss, Inc.	Q3 2024	▪ Manufacturer and distributor of roof and floor trusses to Single-Family and Multi-Family markets in Nevada
Sunrise Wood Designs, LLC	Q3 2024	▪ Custom cabinet manufacturer and installer to production and custom builders in North Texas
Wyoming Millwork Co.	Q3 2024	▪ Leading building products distributor in Delaware
Western Truss and Components	Q3 2024	▪ Roof and floor truss supplier for custom home builders in Flagstaff and Northern Arizona
CRI	Q3 2024	▪ Dealer and installer of high-end windows and doors in Orange County

Leveraging Disciplined Playbook to Successfully Integrate Acquisitions

Disciplined Capital Deployment Framework



YTD 2024

■ Share Repurchases ■ Tuck-In M&A ■ Organic Growth

Q3 2024 Highlights

Successfully Deployed ~\$0.4B

- **\$95M** allocated to ROI-generating growth investments including Digital and automation
- **\$128M** deployed on 6 acquisitions to expand our footprint into high-growth geographies and enhance our value-added offerings
- **\$160M** deployed to repurchase common shares

Deployable Capital Target of \$5.5B to \$8.5B from 2024 to 2026

Creating a Better Way to Build as Demand for Modern, Digital Solutions Continues to Grow

Addressing industry pain points...

...with industry-leading digital solutions...

...to become the premier partner for builders and suppliers

- Lengthy design cycle remains static in 2D blueprints
- Offline information storage results in misunderstanding of project timeline and cost
- Ongoing change requests result in an inefficient job site

- ☑ Streamlined design in a dynamic, 3D digital model
- ☑ Online collaboration provides stakeholder alignment and visibility throughout the project
- ☑ Seamless connection from design through material procurement and construction

Increase Wallet Share with Existing Customers

Grow Share with New Customers

Expand across other Builder Segments

Expand Shoppable Product Catalog

Driving
\$1B
Incremental Product Revenue by 2026

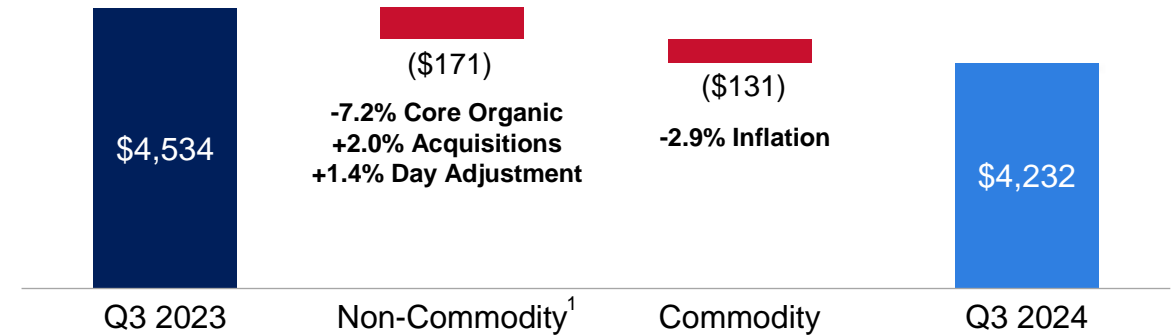
Transforming the Industry for Current and Next Generation of Homebuilders

Q3 2024 Financial Update

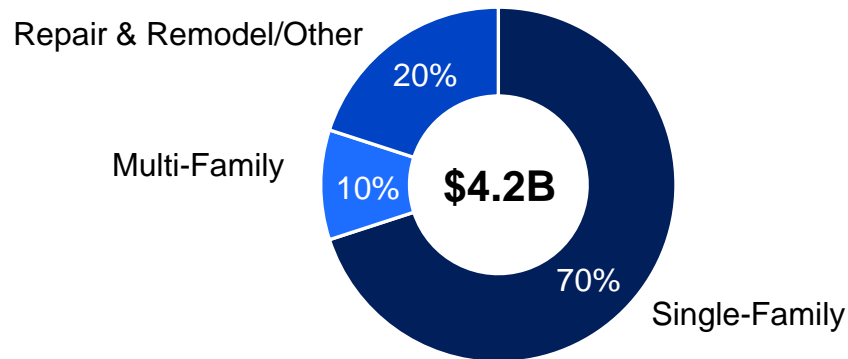
Core Organic End Market Sales Highlights

- Single-Family: -4.6% led by declines in the size, complexity, and value of an average home, as well as a greater mix of entry level homes
- Multi-Family: -30.9% against strong prior year comps
- R&R/Other: +0.8% primarily due to strength in the Central region

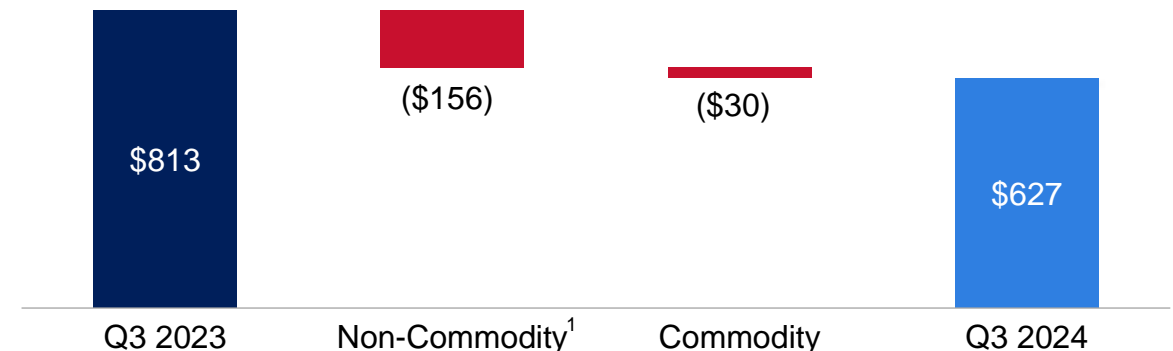
Q3 2024 Net Sales (\$M) Bridge



Q3 2024 Net Sales Mix by End Market

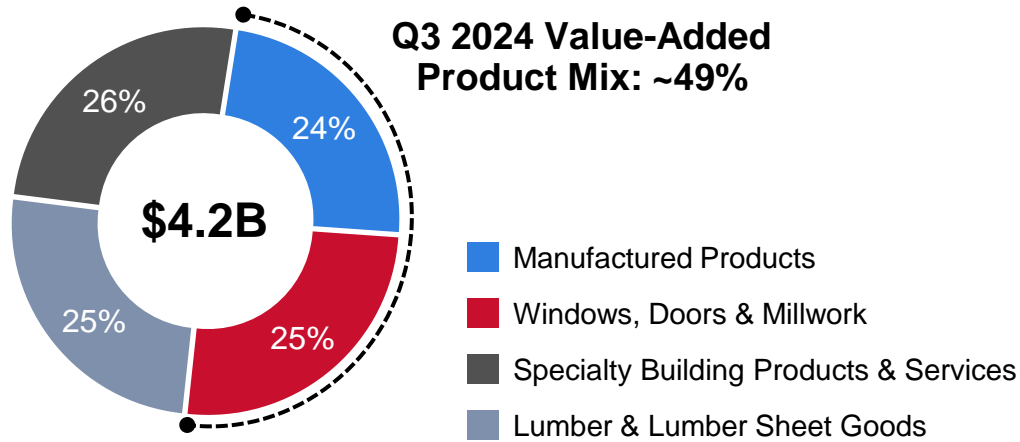


Q3 2024 Adjusted EBITDA² (\$M) Bridge



Q3 2024 Financial Update

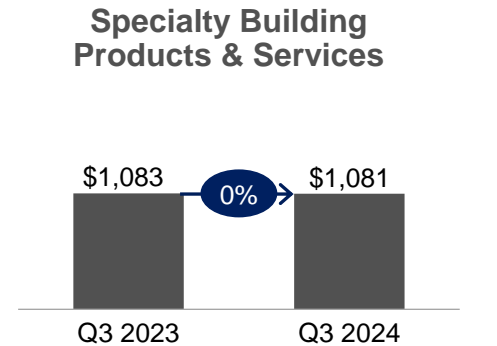
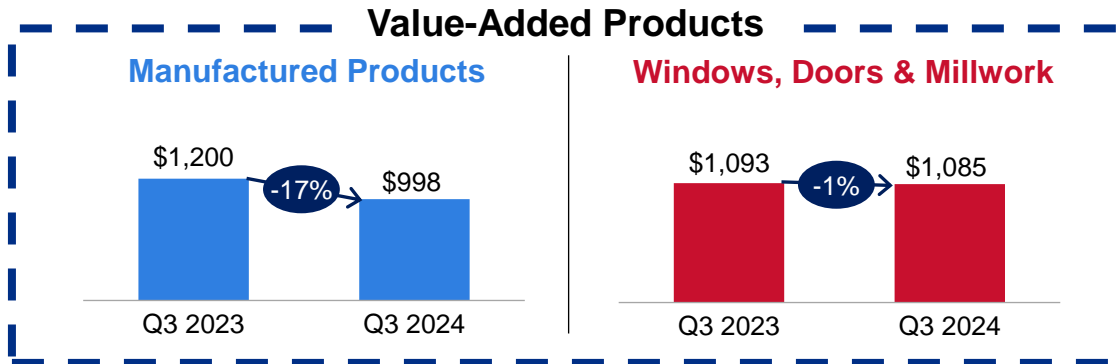
Q3 2024 Net Sales Mix by Product Category



Q3 2024 Core Organic Product Category Sales¹ Highlights

- Value-Added Core Organic Sales¹ decreased 10% against the prior year due to a decline in Multi-Family truss and lapping of higher completion levels
 - Manufactured Products decreased 16% primarily driven by Multi-Family truss
 - Windows, Doors & Millwork decreased 4% on vendor price declines, partially offset by volume growth
- Lumber & Lumber Sheet Goods Core Organic Sales¹ decreased 3% driven by margin normalization

Net Sales (\$M) by Product Category (Q3 2023 vs. Q3 2024)

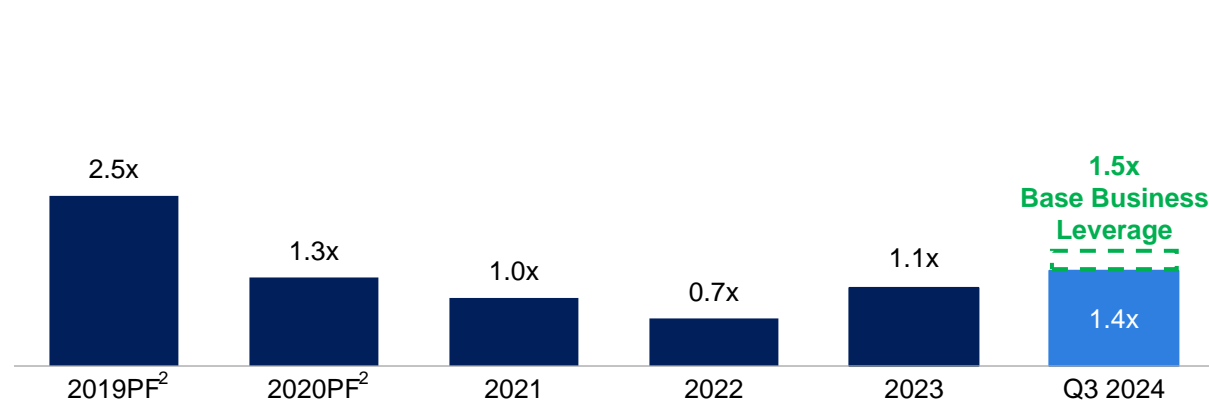


Strong Balance Sheet and Liquidity Provide Financial Flexibility

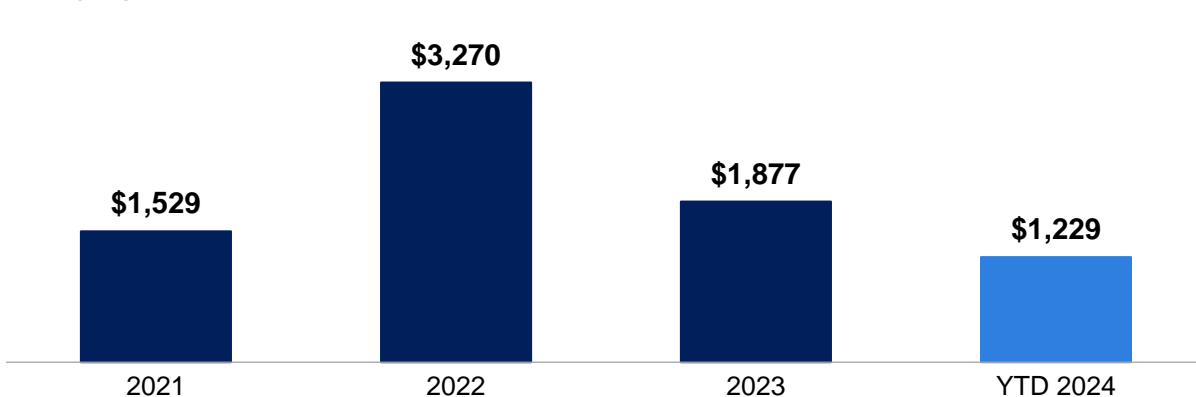
Consistent Capital Allocation Priorities

- 1** **Maintain a Strong Balance Sheet**
 - Target Base Business leverage ratio of 1.0x to 2.0x
- 2** **Organic Growth**
 - Drive productivity and growth with investments
- 3** **Inorganic Growth**
 - Pursue margin accretive deals with strategic, tuck-in M&A
- 4** **Return Capital to Shareholders**
 - Continue opportunistic share repurchases

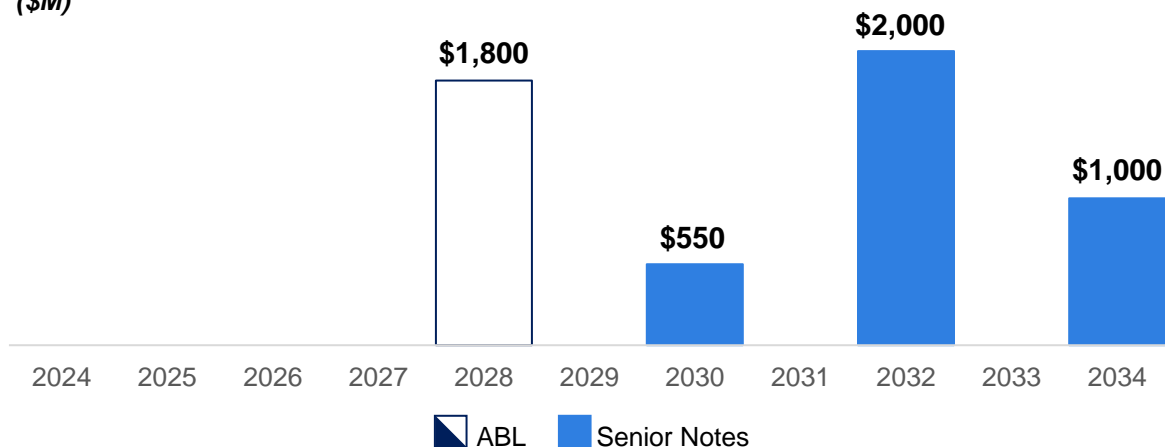
Low Net Leverage¹ Profile



Strong Free Cash Flow (\$M)



Weighted Average Debt Maturity of ~8 Years³ (\$M)



1) Net Leverage calculated as principal value of debt and lease obligations less cash and cash equivalents divided by LTM Adjusted EBITDA.
 2) 2019 and 2020 periods are pro forma for BMC earnings.
 3) Excludes finance leases and other finance obligations. Solid shading on ABL reflects drawn portion only. 2032 balance includes \$1.3B of 4.25% and \$0.7B of 6.375% notes.

2024 Outlook

2024 Full Year Outlook

Metrics	Current Guidance	Prior Guidance	2023 Actual
Total Net Sales ¹	\$16.25 to \$16.55 billion	\$16.40 to \$17.20 billion	\$17.1 billion
Gross Profit Margin ¹	32.0% to 33.0%	31.5% to 32.5%	35.2%
Total Adjusted EBITDA ^{1,4}	\$2.25 to \$2.35 billion	\$2.20 to \$2.40 billion	\$2.9 billion
Total Adjusted EBITDA Margin ^{1,4}	13.8% to 14.2%	13.4% to 14.0%	17.0%
Free Cash Flow ²	\$1.2 to \$1.4 billion	\$1.0 to \$1.2 billion	\$1.9 billion
Base Business Sales ³	\$16.4 billion	\$16.8 billion	\$16.5 billion
Base Business Adjusted EBITDA ^{3,4}	\$2.3 billion	\$2.3 billion	\$2.3 billion
Base Business Adjusted EBITDA Margin ^{3,4}	14.0%	13.7%	14.0%
Capital Expenditures ⁵	\$375 to \$425 million	\$400 to \$500 million	\$430 million
Interest Expense	\$205 to \$215 million	\$205 to \$215 million	\$192 million
Effective Tax Rate	22.5% to 23.5%	23.0% to 25.0%	22.4%
Depreciation & Amortization Expense ⁶	\$525 to \$575 million	\$525 to \$575 million	\$558 million

1) Projected Net Sales, Gross Profit Margin, and Adjusted EBITDA include the expected net benefit of price, commodity, and margin impacts for full year 2024.

2) Reflects SAP ERP implementation expense for 2024.

3) Assumes \$380 to \$400/mbf commodity price for all periods and maintained for the full year. Base Business is based on management estimates to provide investors another method for evaluating our performance. Base Business should be considered in addition to results prepared in accordance with GAAP but should not be considered a substitute for or superior to GAAP results.

4) Adjusted EBITDA and Adjusted EBITDA margin are Non-GAAP financial measures. See the Non-GAAP Financial Measures slide in this presentation for a definition thereof and a discussion of certain matters regarding non-GAAP guidance.

5) The capital expenditure expectation is net of proceeds from the sale of property, equipment, and real estate.

6) Depreciation expense forecast includes depreciation accounted for within cost of sales.

2024 Full Year Assumptions

2024 Full Year Assumptions

Metrics	Current Assumptions	Prior Assumptions
Single-Family Starts Growth (BLDR geographies)	Up Low-Single Digits	Up Low-Single Digits
Multi-Family Starts Growth (BLDR geographies)	Down 25% to 30%	Down 25% to 30%
Repair & Remodel Growth (BLDR geographies)	Flat	Flat
Selling Days	Two Additional Days vs. 2023 <i>(Q1: 0, Q2: 0, Q3: +1, Q4: +1)</i>	Two Additional Days vs. 2023 <i>(Q1: 0, Q2: 0, Q3: +1, Q4: +1)</i>
Average Commodity Prices (\$/mbf)	\$380 to \$400	\$380 to \$400
Productivity Savings	\$110 to \$120 million	\$90 to \$110 million

Positioned to Generate Resilient Financial Performance in a Range of 2025 Scenarios

Estimated Performance Scenario Analysis Based on SF Housing Starts and Commodity Cost Assumptions

	2024E ³	Full Year 2025 Scenarios		
SF Housing Starts	Up Low Single Digits	9% to 14%	5% to 9%	Flat to 5%
Commodity Price (\$/mbf)	~\$380 to ~\$400	~\$400 to ~\$450	~\$375 to ~\$425	~\$350 to ~\$400
Total Sales ¹	\$16.25B to \$16.55B	\$18.1B to \$19.5B	\$17.3B to \$18.7B	\$16.3B to \$17.9B
Adj. EBITDA ^{1,2} % of Sales	\$2.25B to \$2.35B 13.8% to 14.2%	\$2.5B to \$2.9B 13% to 16%	\$2.2B to \$2.6B 12% to 15%	\$1.9B to \$2.3B 11% to 14%
Free Cash Flow of \$1.0B to \$1.5B⁴				

Assumptions

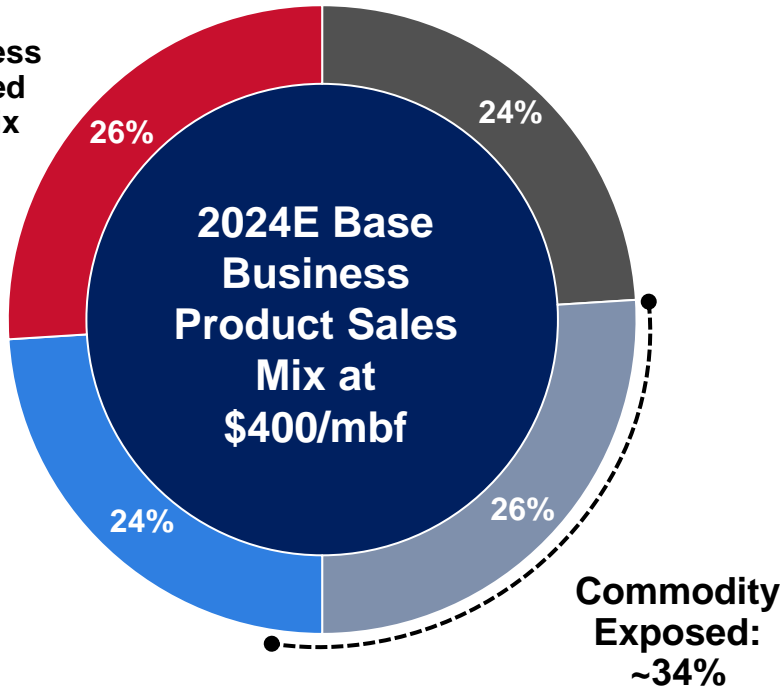
- Price fluctuations can result in materially different results than in a static commodity environment
- Adj. EBITDA and margin reflect estimated gross profit and SG&A expense for various end market, commodity cost, sales volume and sales mix assumptions
- Expenses associated with commodity price changes are included
- 2025 Multi-Family Impact: Sales down \$400 million to \$500 million; EBITDA down less than \$200 million

Overview of Base Business Framework

~66% of BFS's Base Business¹ is Non-Commodity

- Windows, Doors & Millwork
- Lumber & Lumber Sheet Goods
- Manufactured Products
- Specialized Products & Other

Base Business Value-Added Product Mix 50%



Underlying Base Business Assumptions

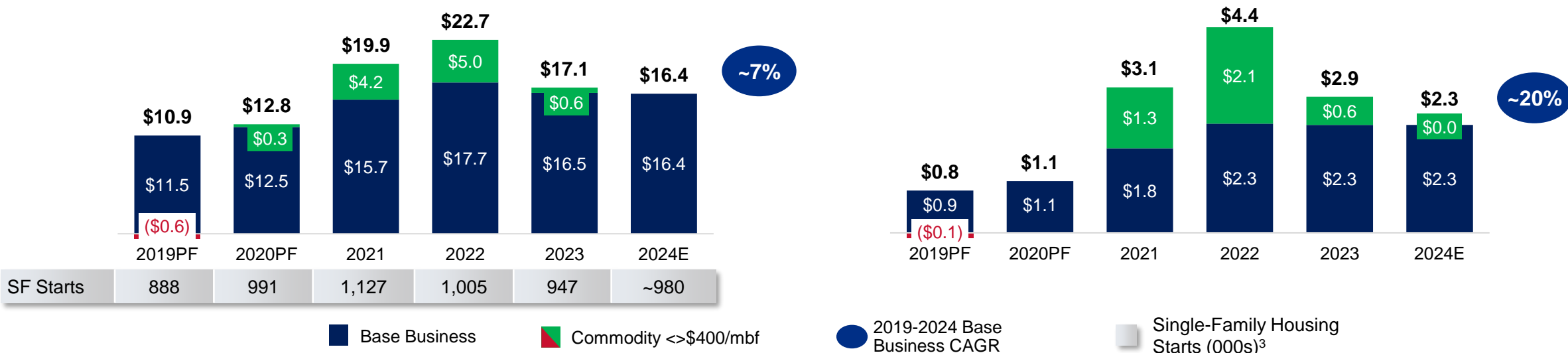
- Assumes \$400/mbf lumber and lumber sheet goods pricing (in line with 25-year average commodity prices)
- Commodity margins reflect historical trends and relative market strength (contemplates approximately one-third of sales mix impacted by commodity prices)
- Expense structure is adjusted to reflect changes in commodity prices

Base Business Showcases Underlying Strength, Profitability of Core Business Adjusting for Commodity Price Fluctuations

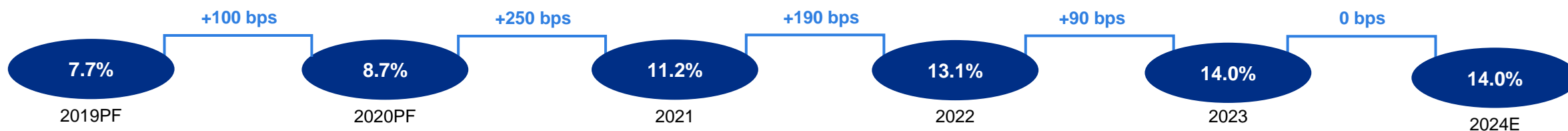
Base Business¹ Performance Aligned with Long Term Plan

Sales (\$B)

Adjusted EBITDA² (\$B)



Adj. EBITDA² Margin (On Base Business)



Double Digit Adj. EBITDA Margin (net of lumber price effect)

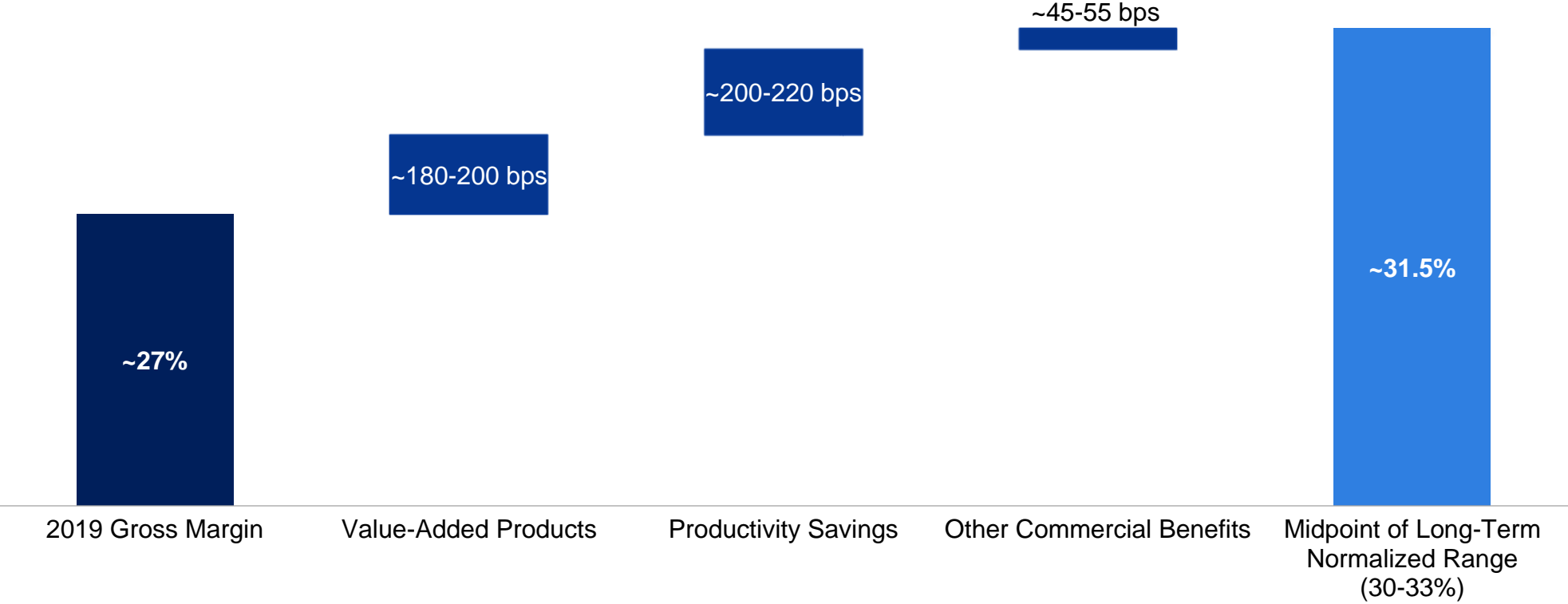
1) Assumes a \$400/mbf commodity price for all periods and maintained for the full year. Base Business is based on management estimates to provide investors another method for evaluating our performance. Base Business should be considered in addition to results prepared in accordance with GAAP but should not be considered a substitute for or superior to GAAP results.

2) Adjusted EBITDA and Adjusted EBITDA margin are Non-GAAP financial measures. See the non-GAAP Financial Measures slide in this presentation for a definition thereof and a discussion of certain matters regarding non-GAAP guidance.

3) Source: U.S. Census and Freddie Mac, Evercore ISI Research, management estimates.

Note: 2019 and 2020 are pro forma for BMC earnings.

Strategic Execution Has Driven Sustainable Gross Margin Improvement



Strategic Initiatives Lead to Higher Gross Margins

- ✓ **Investment in Value-Added Products:** VAP made up ~49% of net sales in Q3 2024 vs. ~42% in 2019
- ✓ **Operational Excellence:** ~\$338M in COGS productivity savings from 2021-2024E through operational efficiencies, investment in automation, and supply chain savings
- ✓ **Commercial Benefits:** Customer-supplier terms alignment, CRM, and scale

Transformational Improvement in Gross Margin Profile Over the Last Five Years

Strong Operating Model Creates Value for Our Customers and Shareholders

- 1 Creating opportunity by addressing builder problems and delivering value-added products and solutions across cycles; strong track record and experienced management team
- 2 Investing for growth through new digital innovations and building science that will deliver greater efficiency across homebuilding and enhance product and service offerings



- 3 Leveraging **robust FCF generation** from resilient business model and broad product portfolio to fuel **disciplined capital deployment**
- 4 Executing our profitable growth strategy and **compounding long-term shareholder value**



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Appendix

Summary Financial Information & Reconciliations

BUILDERS FIRSTSOURCE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(unaudited)

(in thousands, except per share amounts)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Net sales	\$ 4,232,494	\$ 4,534,264	\$ 12,580,186	\$ 12,946,468
Cost of sales	2,846,161	2,953,162	8,431,315	8,399,020
Gross margin	1,386,333	1,581,102	4,148,871	4,547,448
Selling, general and administrative expenses	958,310	939,474	2,857,768	2,861,565
Income from operations	428,023	641,628	1,291,103	1,685,883
Interest expense, net	54,263	50,193	154,615	145,317
Income before income taxes	373,760	591,435	1,136,488	1,540,566
Income tax expense	88,977	139,978	248,834	350,704
Net income	\$ 284,783	\$ 451,457	\$ 887,654	\$ 1,189,862
<i>Net income per share:</i>				
Basic	\$ 2.45	\$ 3.62	\$ 7.45	\$ 9.19
Diluted	\$ 2.44	\$ 3.59	\$ 7.39	\$ 9.10
<i>Weighted average common shares:</i>				
Basic	116,176	124,577	119,120	129,521
Diluted	116,940	125,792	120,116	130,734

Summary Financial Information & Reconciliations

BUILDERS FIRSTSOURCE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(unaudited)

(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Cash flows from operating activities:				
Net income	\$ 284,783	\$ 451,457	\$ 887,654	\$ 1,189,862
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	141,705	140,611	425,441	416,126
Deferred income taxes	(18,678)	(34,786)	(46,000)	(72,688)
Stock-based compensation expense	17,259	12,128	50,885	35,549
Other non-cash adjustments	17,121	(5,088)	17,136	(4,284)
Changes in assets and liabilities, net of assets acquired and liabilities assumed:				
Receivables	141,285	991	105,140	(178,955)
Inventories	96,552	38,298	47,316	115,575
Contract assets	7,040	2,528	(18,220)	(4,287)
Other current assets	14,779	(2,355)	4,741	23,297
Other assets and liabilities	(8,402)	(2,577)	(41,009)	(16,392)
Accounts payable	(18,158)	(30,396)	123,658	230,576
Accrued liabilities	55,552	89,352	(81,237)	(24,343)
Contract liabilities	(880)	(10,697)	23,724	(14,863)
Net cash provided by operating activities	729,958	649,466	1,499,229	1,695,173
Cash flows from investing activities:				
Cash used for acquisitions, net of cash acquired	(123,938)	(52,347)	(256,856)	(142,906)
Purchases of property, plant and equipment	(99,578)	(145,486)	(280,897)	(376,596)
Proceeds from sale of property, plant and equipment	4,257	33,548	10,555	43,406
Cash used for equity investments	—	—	(7,686)	—
Net cash used in investing activities	(219,259)	(164,285)	(534,884)	(476,096)
Cash flows from financing activities:				
Borrowings under revolving credit facility	57,000	1,224,000	954,000	4,025,000
Repayments under revolving credit facility	(156,000)	(1,499,000)	(1,418,000)	(3,607,000)
Proceeds from long-term debt and other loans	—	—	1,000,000	—
Repayments of long-term debt and other loans	(846)	(1,078)	(2,613)	(3,190)
Payments of loan costs	—	—	(12,829)	(1,897)
Payments of acquisition-related deferred and contingent consideration	(4,842)	—	(14,364)	—
Tax withholdings on and exercises of equity awards	(270)	(75)	(55,267)	(32,103)
Repurchase of common stock	(153,207)	(210,248)	(1,153,325)	(1,592,236)
Net cash used in financing activities	(258,165)	(486,401)	(702,398)	(1,211,426)
Net change in cash and cash equivalents	252,534	(1,220)	261,947	7,651
Cash and cash equivalents at beginning of period	75,569	89,316	66,156	80,445
Cash and cash equivalents at end of period	\$ 328,103	\$ 88,096	\$ 328,103	\$ 88,096

Summary Financial Information & Reconciliations

BUILDERS FIRSTSOURCE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEET
(unaudited)

(in thousands, except per share amounts)	September 30, 2024	December 31, 2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 328,103	\$ 66,156
Accounts receivable, less allowances of \$42,530 and \$42,488, respectively	1,369,660	1,436,917
Other receivables	279,177	290,310
Inventories	1,203,919	1,228,265
Contract assets	184,351	165,677
Other current assets	109,198	113,403
Total current assets	3,474,408	3,300,728
Property, plant and equipment, net	1,939,881	1,803,824
Operating lease right-of-use assets, net	600,369	502,184
Goodwill	3,646,915	3,556,556
Intangible assets, net	1,143,123	1,298,173
Other assets, net	89,441	37,987
Total assets	<u>\$ 10,894,137</u>	<u>\$ 10,499,452</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 1,021,626	\$ 881,384
Accrued liabilities	645,345	717,528
Contract liabilities	186,514	162,659
Current portion of operating lease liabilities	101,807	98,217
Current maturities of long-term debt	3,591	3,649
Total current liabilities	1,958,883	1,863,437
Noncurrent portion of operating lease liabilities	531,763	434,081
Long-term debt, net of current maturities, discounts and issuance costs	3,700,175	3,177,411
Deferred income taxes	121,199	167,199
Other long-term liabilities	135,444	124,973
Total liabilities	6,447,464	5,767,101
Commitments and contingencies (Note 11)		
Stockholders' equity:		
Preferred stock, \$0.01 par value, 10,000 shares authorized; zero shares issued and outstanding	—	—
Common stock, \$0.01 par value, 300,000 shares authorized; 115,557 and 121,857 shares issued and outstanding at September 30, 2024, and December 31, 2023, respectively	1,156	1,219
Additional paid-in capital	4,266,561	4,270,948
Retained earnings	178,956	460,184
Total stockholders' equity	4,446,673	4,732,351
Total liabilities and stockholders' equity	<u>\$ 10,894,137</u>	<u>\$ 10,499,452</u>

Summary Financial Information & Reconciliations

BUILDERS FIRSTSOURCE, INC. AND SUBSIDIARIES
Reconciliation of GAAP Net Income to Adjusted Net Income
(unaudited)

(in millions)	Three Months Ended September 30,		Nine Months Ended September 30,		Twelve Months Ended September 30,
	2024	2023	2024	2023	2024
Reconciliation to Adjusted Net Income:					
GAAP net income	\$ 284.8	\$ 451.5	\$ 887.7	\$ 1,189.9	\$ 1,238.3
Acquisition and related expense	2.6	(1.0)	5.2	26.9	9.2
Technology implementation expense	19.4	25.5	46.7	51.6	76.5
Debt issuance and refinancing cost	-	-	-	0.7	-
Amortization expense	76.3	83.5	237.2	252.9	320.0
Tax-effect of adjustments to net income	(23.6)	(25.9)	(69.4)	(79.7)	(97.4)
Adjusted net income	\$ 359.5	\$ 533.6	\$ 1,107.4	\$ 1,442.3	\$ 1,546.6
GAAP common shares outstanding	116.2	124.6	119.1	129.5	
GAAP diluted common shares outstanding	116.9	125.8	120.1	130.7	
Basic adjusted net income per share:	\$ 3.09	\$ 4.28	\$ 9.30	\$ 11.14	
Diluted adjusted net income per share:	\$ 3.07	\$ 4.24	\$ 9.22	\$ 11.03	

Summary Financial Information & Reconciliations

BUILDERS FIRSTSOURCE, INC. AND SUBSIDIARIES
Reconciliation of GAAP Net Income to Adjusted EBITDA
(unaudited)

(in millions)	Three Months Ended September 30,		Nine Months Ended September 30,		Twelve Months Ended September 30,
	2024	2023	2024	2023	2024
Reconciliation to Adjusted EBITDA:					
GAAP net income	\$ 284.8	\$ 451.5	\$ 887.7	\$ 1,189.9	\$ 1,238.3
Interest expense, net	54.3	50.2	154.6	144.6	201.4
Income tax expense	112.6	165.9	318.2	430.4	439.2
Depreciation expense	65.5	57.1	188.3	163.2	247.6
Amortization expense	76.3	83.5	237.2	252.9	320.0
Stock compensation expense	17.3	12.1	50.9	35.5	63.9
Acquisition and related expense	2.6	(1.0)	5.2	26.9	9.2
Technology implementation expense	19.4	25.5	46.7	51.6	76.5
Debt issuance and refinancing cost	-	-	-	0.7	-
Tax-effect of adjustments to net income	(23.6)	(25.9)	(69.4)	(79.7)	(97.4)
Other management-identified adjustments ⁽¹⁾	17.3	(5.6)	17.7	(2.2)	23.9
Adjusted EBITDA	<u>\$ 626.5</u>	<u>\$ 813.3</u>	<u>\$ 1,837.1</u>	<u>\$ 2,213.8</u>	<u>\$ 2,522.6</u>
Adjusted EBITDA margin	14.8%	17.9%	14.6%	17.1%	15.1%

(1) Primarily relates to severance, net gain/loss on sale of assets, and other one-time costs.

Summary Financial Information & Reconciliations

BUILDERS FIRSTSOURCE, INC. AND SUBSIDIARIES
Reconciliation of GAAP Selling, General & Administrative Expenses to Adjusted Selling, General & Administrative Expenses
(unaudited)

(in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Reconciliation to Adjusted SG&A Expense:				
GAAP SG&A expense	\$ 958.3	\$ 939.5	\$ 2,857.8	\$ 2,861.6
Depreciation expense	(45.3)	(41.7)	(130.7)	(119.2)
Amortization expense	(73.6)	(83.5)	(229.1)	(252.9)
Stock compensation expense	(17.3)	(12.1)	(50.9)	(35.5)
Acquisition and related expense	(2.6)	1.0	(5.2)	(26.9)
Technology implementation expense	(19.4)	(25.5)	(46.7)	(51.6)
Other management-identified adjustments ⁽¹⁾	(17.3)	5.6	(17.7)	2.2
Adjusted SG&A expense	\$ 782.8	\$ 783.3	\$ 2,377.5	\$ 2,377.7
<i>GAAP SG&A expense as a % of sales</i>	22.6%	20.7%	22.7%	22.1%
<i>Adjusted SG&A expense as a % of sales</i>	18.5%	17.3%	18.9%	18.4%

(1) Primarily relates to severance, net gain/loss on sale of assets, and other one-time costs.

Summary Financial Information & Reconciliations

BUILDERS FIRSTSOURCE, INC. AND SUBSIDIARIES Interest Reconciliation (unaudited)

(in millions)	Three Months Ended September 30, 2024		Nine Months Ended September 30, 2024	
	Interest Expense	Net Debt Outstanding	Interest Expense	Net Debt Outstanding
2032 Unsecured notes @ 4.25%	\$ 13.8	\$ 1,300.0	\$ 41.4	\$ 1,300.0
2032 Unsecured notes @ 6.375%	11.2	700.0	33.5	700.0
2030 Unsecured notes @ 5.00%	6.9	550.0	20.6	550.0
2034 Unsecured notes @ 6.375%	16.1	1,000.0	37.5	1,000.0
Revolving credit facility @ 8.10% weighted average interest rate	1.2	-	8.5	-
Amortization of debt issuance costs, discount and premium	1.4	-	4.1	-
Finance leases and other finance obligations	4.7	192.1	14.6	192.1
Cash	-	(328.1)	-	(328.1)
Total ⁽¹⁾	\$ 55.3	\$ 3,414.0	\$ 160.2	\$ 3,414.0

(1) Total interest expense does not include interest income of approximately \$1 million and \$6 million received during the three month and nine month periods, respectively.

Summary Financial Information & Reconciliations

BUILDERS FIRSTSOURCE, INC. AND SUBSIDIARIES
Free Cash Flow
(unaudited)

(in millions)	Three Months Ended September 30, 2024	Nine Months Ended September 30, 2024
Free Cash Flow		
Operating activities	\$ 730.0	\$ 1,499.2
Less: Capital expenditures, net of proceeds	(95.3)	(270.3)
Free cash flow	<u>\$ 634.7</u>	<u>\$ 1,228.9</u>

Summary Financial Information & Reconciliations

BUILDERS FIRSTSOURCE, INC. AND SUBSIDIARIES Sales by Product Category (unaudited)

(in millions)	Three Months Ended September 30,				
	2024		2023		% Change
	Net Sales	% of Net Sales	Net Sales	% of Net Sales	
Manufactured products	\$ 997.6	23.6%	\$ 1,200.4	26.5%	(16.9)%
Windows, doors & millwork	\$ 1,084.8	25.6%	\$ 1,093.3	24.1%	(0.8)%
Value-added products	2,082.4	49.2%	2,293.7	50.6%	(9.2)%
Specialty building products & services	1,081.0	25.5%	1,083.4	23.9%	(0.2)%
Lumber & lumber sheet goods	1,069.1	25.3%	1,157.2	25.5%	(7.6)%
Total net sales	\$ 4,232.5	100.0%	\$ 4,534.3	100.0%	(6.7)%

(in millions)	Nine Months Ended September 30,				
	2024		2023		% Change
	Net Sales	% of Net Sales	Net Sales	% of Net Sales	
Manufactured products	\$ 3,031.8	24.1%	\$ 3,557.4	27.5%	(14.8)%
Windows, doors & millwork	3,230.5	25.7%	3,263.4	25.2%	(1.0)%
Value-added products	6,262.3	49.8%	6,820.8	52.7%	(8.2)%
Specialty building products & services	3,073.5	24.4%	3,032.8	23.4%	1.3%
Lumber & lumber sheet goods	3,244.4	25.8%	3,092.9	23.9%	4.9%
Total net sales	\$ 12,580.2	100.0%	\$ 12,946.5	100.0%	(2.8)%