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**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

**Washington, DC 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Date of Report: July 18, 2006**

**Universal Forest Products, Inc.**

(Exact name of registrant as specified in its charter)

**Michigan**

(State or other jurisdiction  
of Incorporation)

**0-22684**

(Commission  
File Number)

**38-1465835**

(IRS Employer  
Identification No.)

**2801 East Beltline, NE  
Grand Rapids, Michigan**

(Address of principal executive offices)

**49525**

(Zip Code)

**(616) 364-6161**

(Registrant's telephone number, including area code)

**None**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425).
  - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12).
  - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b)).
  - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c)).
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**Item 2.02 Results of Operations and Financial Condition**

On July 17, 2006, the Registrant issued a press release announcing its financial results for the quarter ended July 1, 2006. A copy of the Registrant's press release is attached as Exhibit 99(a) to this Current Report.

**Item 9.01 Financial Statements, Pro Forma Financial Information, and Exhibits**

(c) Exhibits

99(a) Press Release dated July 17, 2006.

**SIGNATURE**

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.

UNIVERSAL FOREST PRODUCTS, INC.  
(Registrant)

Dated: July 18, 2006

By: /s/ Michael R. Cole  
Michael R. Cole, Chief Financial Officer and Treasurer

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Exhibit Number	Description
99(a)	Press Release dated July 17, 2006.

## news release

-----AT THE COMPANY-----

Lynn Afendoulis  
Director, Corporate Communications  
616/365-1502

**FOR IMMEDIATE RELEASE**  
**MONDAY, JULY 17, 2006**

### **Universal Forest Products Posts 20% Increase in 2nd Quarter Net Earnings** **Year-to-Date Earnings up 35%**

GRAND RAPIDS, Mich., July 17, 2006 — Universal Forest Products (Nasdaq: UFPI) today announced a strong second quarter marked by net earnings of \$27.3 million, an increase of 19.9% over the same period last year. Year-to-date net earnings were \$43.2 million, a 34.9% increase over the first six months of 2005.

Net sales for the quarter were \$826.8 million, up 6.1% over net sales of \$779.6 million for the second quarter of 2005. Net sales for the first six months of 2006 were \$1.49 billion, up 13.3% over net sales of \$1.32 billion for the same period in 2005.

“Our strengths for the quarter included continued market share gains in the site-built construction and industrial markets where we again saw double-digit unit growth,” said CEO Michael B. Glenn.

Sales were adversely impacted by the lumber market, with prices down approximately 14% from the prior year quarter. The increase in earnings was driven by a combination of increased sales of value-added products and a continued focus on innovations and cost reductions. Value-added products made up 56% of total sales for the quarter, up from 50% for the same period last year.

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“We’re continuing our strategy of focusing on sales of value-added products by growing our market share in site-built construction and industrial, as well as introducing products through our new division, Universal Consumer Products,” Glenn said.

By market, Universal posted second-quarter sales of:

- \$349.5 million in D-I-Y/retail, up 1.4% compared to the same quarter last year;
- \$227.8 million in site-built construction, an increase of 22.1% over the same quarter last year;
- \$149.4 million in industrial, up 6.4% over the second quarter 2005; and
- \$100.1 million in manufactured housing, a 7.2% decrease from the second quarter of 2005, which reflected a significant decline in lumber prices in 2006 of species relevant to this market.

## **OUTLOOK**

The Company reaffirms its annual target for net earnings growth of 15% to 20% and its unit sales target of 10% to 15% growth in 2006 based upon the following assumptions:

- Stable housing markets where we have a strong site-built presence and continued opportunities for market share gains.
- Stability in our D-I-Y/retail and manufacturing housing markets, as well as in lumber prices.
- Favorable weather conditions for building and home improvement activities, particularly in the fourth quarter.
- Continuing to gain market share and realize strong unit sales growth in the industrial market.
- The completion of strategic business acquisitions.

Universal Forest Products will conduct a conference call to discuss information included in this news release and related matters at 11:00 a.m. EDT on Tuesday, July 18, 2006. The conference call will be hosted by CEO Michael B. Glenn and Executive Chairman William G. Currie and will be available for analysts and institutional investors domestically at (866) 383-8008 or internationally at (617) 597-5341. Use conference call ID #73805629.

The conference call will be available simultaneously, and in its entirety, to all interested investors and news media through a webcast at <http://www.ufpi.com>. A replay of the call will be available through Wednesday, August 16, 2006 domestically at (888) 286-8010 or internationally at (617) 801-6888. Use replay ID # 22096875.

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Universal Forest Products markets, manufactures and engineers wood and wood-alternative products for D-I-Y/retail home centers, structural lumber products for the manufactured housing industry, engineered wood components for the site-built construction market and specialty wood packaging for various industries. The Company also provides framing services for the site-built sector. The Company reported sales of nearly \$2.7 billion in 2005. Universal has approximately 10,000 employees who work out of more than 100 locations. For information about Universal Forest Products, please visit the Company's Web site at <http://www.ufpi.com>, or call 888-Buy-UFPI.

Included in this report are certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements are based on the beliefs of the Company's management as well as on assumptions made by and information currently available to the Company at the time such statements were made. Actual results could differ materially from those included in such forward-looking statements. Investors are cautioned that all forward-looking statements involve risks and uncertainty. Among the factors that could cause actual results to differ materially are the following: Adverse lumber market trends, competitive activity, negative economic trends, government regulations, and weather. These risk factors and additional information are included in the Company's reports on Form 10K and 10Q on file with the Securities and Exchange Commission.

#### **HIGHLIGHTS TO FOLLOW**

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**CONSOLIDATED STATEMENTS OF EARNINGS (UNAUDITED)**  
**FOR THE SIX MONTHS ENDED**  
**JUNE 2006/2005**

(In thousands, except per share data)	Quarter Period				Year to Date			
	2006		2005		2006		2005	
<b>NET SALES</b>	\$ 826,847	100%	\$ 779,552	100%	\$ 1,492,456	100%	\$ 1,316,712	100%
<b>COST OF GOODS SOLD</b>	<u>706,429</u>	85.44	<u>678,310</u>	87.01	<u>1,277,727</u>	85.61	<u>1,148,241</u>	87.21
<b>GROSS PROFIT</b>	120,418	14.56	101,242	12.99	214,729	14.39	168,471	12.79
<b>SELLING, GENERAL AND ADMINISTRATIVE EXPENSES</b>	<u>70,773</u>	8.56	<u>59,505</u>	7.63	<u>135,302</u>	9.07	<u>109,356</u>	8.31
<b>EARNINGS FROM OPERATIONS</b>	49,645	6.00	41,737	5.35	79,427	5.32	59,115	4.49
<b>OTHER EXPENSE (INCOME)</b>								
Interest expense	3,744	0.45	4,266	0.55	7,543	0.51	8,041	0.61
Interest income	(352)	-0.04	(270)	-0.03	(781)	-0.05	(419)	-0.03
Net (gain) loss on sale of real estate and interest in subsidiary	<u>(63)</u>	-0.01	<u>32</u>	0.00	<u>(63)</u>	0.00	<u>(1,240)</u>	-0.09
	<u>3,329</u>	0.40	<u>4,028</u>	0.52	<u>6,699</u>	0.45	<u>6,382</u>	0.48
<b>EARNINGS BEFORE INCOME TAXES AND MINORITY INTEREST</b>	46,316	5.60	37,709	4.84	72,728	4.87	52,733	4.00
<b>INCOME TAXES</b>	<u>17,885</u>	2.16	<u>14,237</u>	1.83	<u>27,641</u>	1.85	<u>19,996</u>	1.52
<b>EARNINGS BEFORE MINORITY INTEREST</b>	28,431	3.44	23,472	3.01	45,087	3.02	32,737	2.49
<b>MINORITY INTEREST</b>	<u>(1,117)</u>	-0.14	<u>(682)</u>	-0.09	<u>(1,907)</u>	-0.13	<u>(718)</u>	-0.05
<b>NET EARNINGS</b>	<u>\$ 27,314</u>	3.30	<u>\$ 22,790</u>	2.92	<u>\$ 43,180</u>	2.89	<u>\$ 32,019</u>	2.43
<b>EARNINGS PER SHARE — BASIC</b>	\$ 1.45		\$ 1.24		\$ 2.31		\$ 1.75	
<b>EARNINGS PER SHARE — DILUTED</b>	\$ 1.41		\$ 1.20		\$ 2.23		\$ 1.69	
<b>WEIGHTED AVERAGE SHARES OUTSTANDING</b>	18,851		18,323		18,729		18,255	
<b>WEIGHTED AVERAGE SHARES OUTSTANDING WITH COMMON STOCK EQUIVALENTS</b>	19,432		18,984		19,355		18,978	

**SUPPLEMENTAL SALES DATA**

Market Classification	Quarter Period				Year to Date			
	2006	%	2005	%	2006	%	2005	%
<b>Do-It-Yourself/Retail</b>	\$ 349,519	42%	\$ 344,624	44%	\$ 562,511	38%	\$ 522,733	40%
<b>Site-Built Construction</b>	227,830	28%	186,626	24%	437,588	29%	337,549	26%
<b>Manufactured Housing</b>	100,134	12%	107,925	14%	205,254	14%	203,371	15%
<b>Industrial</b>	149,364	18%	140,377	18%	287,103	19%	253,059	19%
<b>Total</b>	\$ 826,847	100%	\$ 779,552	100%	\$ 1,492,456	100%	\$ 1,316,712	100%

CONSOLIDATED BALANCE SHEETS (UNAUDITED)  
JUNE 2006/2005

(In thousands)	2006	2005
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 43,309	\$ 27,586
Accounts receivable	242,829	232,600
Inventories	246,810	247,829
Other current assets	22,495	13,114
<b>TOTAL CURRENT ASSETS</b>	<b>555,443</b>	<b>521,129</b>
<b>OTHER ASSETS</b>	<b>8,003</b>	<b>8,056</b>
<b>INTANGIBLE ASSETS, NET</b>	<b>147,901</b>	<b>134,373</b>
<b>PROPERTY, PLANT AND EQUIPMENT, NET</b>	<b>227,995</b>	<b>222,304</b>
<b>TOTAL ASSETS</b>	<b>\$ 939,342</b>	<b>\$ 885,862</b>
	<b>2006</b>	<b>2005</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 247,524	\$ 229,835
Current portion of long-term debt and capital leases	902	21,937
<b>TOTAL CURRENT LIABILITIES</b>	<b>248,426</b>	<b>251,772</b>
<b>LONG-TERM DEBT AND CAPITAL LEASES, less current portion</b>	<b>170,192</b>	<b>206,000</b>
<b>OTHER LIABILITIES</b>	<b>33,050</b>	<b>36,717</b>
<b>SHAREHOLDERS' EQUITY</b>	<b>487,674</b>	<b>391,373</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$ 939,342</b>	<b>\$ 885,862</b>

**CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**  
**FOR THE SIX MONTHS ENDED**  
**JUNE 2006/2005**

(In thousands)	2006	2005
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net earnings	\$ 43,180	\$ 32,019
Adjustments to reconcile net earnings to net cash from operating activities:		
Depreciation	16,730	15,200
Amortization of intangibles	2,151	1,190
Expense associated with share-based compensation arrangements	522	—
Expense associated with stock grant plans	177	133
Deferred income taxes	(867)	(516)
Minority interest	1,907	718
Loss (gain) on sale or impairment of property, plant and equipment	(183)	(1,133)
Changes in:		
Accounts receivable	(57,246)	(80,206)
Inventories	7,768	(31,838)
Accounts payable	39,426	50,881
Accrued liabilities and other	8,237	17,131
Excess tax benefits from share-based compensation arrangements	(3,866)	—
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>57,936</b>	<b>3,579</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of property, plant, and equipment	(16,234)	(21,985)
Acquisitions, net of cash received	(11,298)	(7,500)
Proceeds from sale of property, plant and equipment	565	2,318
Collection of notes receivable	1,600	323
Advances on notes receivable	(2,473)	—
Insurance proceeds	38	3,013
Other, net	—	135
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>(27,802)</b>	<b>(23,696)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Net (repayments) borrowings under revolving credit facilities	(40,000)	21,140
Repayment of long-term debt	(325)	(454)
Proceeds from issuance of common stock	5,389	2,865
Distributions to minority shareholder	(930)	(369)
Dividends paid to shareholders	(1,035)	(910)
Excess tax benefits from share-based compensation arrangements	3,866	—
Other, net	(5)	157
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>(33,040)</b>	<b>22,429</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(2,906)</b>	<b>2,312</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD</b>	<b>46,215</b>	<b>25,274</b>
<b>CASH AND CASH EQUIVALENTS, END OF PERIOD</b>	<b>\$ 43,309</b>	<b>\$ 27,586</b>