

NON-GAAP DISCLOSURE CALCULATIONS

I) CALCULATION OF EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION

| | Q2 2019 TTM | Q2 2019 YTD | Q2 2019 QTD | Q2 2018 YTD | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|--|-------------------|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|------------------|
| Net Earnings | \$ 164,845 | \$ 91,147 | \$ 55,145 | \$ 78,714 | \$ 152,412 | \$ 124,040 | \$ 105,497 | \$ 85,132 | \$ 61,564 | \$ 45,804 | \$ 26,010 | \$ 5,913 | \$ 19,911 |
| Interest Expense | 9,735 | 4,867 | 2,407 | 4,025 | 8,893 | 6,218 | 4,575 | 5,133 | 4,267 | 4,851 | 4,053 | 3,732 | 3,549 |
| Interest and investment income | (860) | (2,275) | (682) | (898) | 517 | (731) | (541) | (294) | (2,235) | (640) | (510) | (566) | (301) |
| Taxes | 51,391 | 28,944 | 17,367 | 22,994 | 45,441 | 51,967 | 55,174 | 45,870 | 34,149 | 24,454 | 15,054 | 2,874 | 7,200 |
| Expense associated with Share-Based Compensation Arrangements | 3,859 | 2,209 | 922 | 1,924 | 3,574 | 3,618 | 2,336 | 1,956 | 2,018 | 1,932 | 1,367 | 1,528 | 2,632 |
| Net Loss (Gain) on Sale or Impairment of Property, Plant & Equipment | (868) | (321) | (199) | (6,057) | (6,604) | (863) | - | 172 | (3,400) | 297 | (6,890) | 2,490 | 1,239 |
| Loss Reserve on Notes Receivable | - | - | - | - | - | - | - | - | - | 15 | 2,131 | - | - |
| Canadian Anti-Dumping Duty Assessment | - | - | - | - | - | - | - | - | 1,600 | 1,526 | 2,328 | - | - |
| Expense associated with Early Retirement Arrangements | - | - | - | - | - | - | - | - | - | - | - | 2,857 | - |
| | 228,102 | 124,571 | 74,960 | 100,702 | 204,233 | 184,249 | 167,041 | 137,969 | 97,963 | 78,239 | 43,543 | 18,828 | 34,230 |
| Depreciation Expense | 58,005 | 29,200 | 14,725 | 26,144 | 54,949 | 48,536 | 40,823 | 37,709 | 33,913 | 31,091 | 30,461 | 30,804 | 30,429 |
| Amortization of Intangibles | 6,637 | 2,946 | 1,094 | 2,702 | 6,393 | 4,860 | 2,795 | 3,532 | 2,410 | 2,473 | 2,918 | 5,183 | 6,919 |
| EBITDA | \$ 292,744 | \$ 156,717 | \$ 90,779 | \$ 129,548 | \$ 265,575 | \$ 237,645 | \$ 210,659 | \$ 179,210 | \$ 134,286 | \$ 111,803 | \$ 76,922 | \$ 54,815 | \$ 71,578 |

II) RETURN ON BEGINNING CAPITAL CALCULATION

| CAPITAL CALCULATION | | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|--|--|------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Beginning Interest Bearing Debt | | \$ 146,003 | \$ 111,693 | \$ 85,895 | \$ 98,645 | \$ 84,700 | \$ 95,790 | \$ 52,470 | \$ 55,291 | \$ 53,854 |
| Beginning Equity | | 974,023 | 860,466 | 766,409 | 699,560 | 649,734 | 607,525 | 582,599 | 581,176 | 568,946 |
| less: Beginning Cash | | (28,339) | (34,091) | (87,756) | (405) | (720) | (14,478) | (11,305) | (43,363) | (67,410) |
| Prorated Capital Employed for Acquisitions | | 29,382 | 48,447 | 38,303 | - | 229 | - | - | - | 4,950 |
| TOTAL CAPITAL | | 1,121,069 | 986,515 | 802,851 | 797,800 | 733,943 | 688,837 | 623,764 | 593,104 | 560,340 |
| RETURN CALCULATION | | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
| Net Earnings Attributable to Controlling Interest | | 152,412 | 124,040 | 105,497 | 85,132 | 61,564 | 45,804 | 26,010 | 5,913 | 19,911 |
| <i>add back</i> : Expense Associated with Share-Based Compensation Arrangement | | 3,574 | 3,618 | 2,336 | 1,956 | 2,018 | 1,932 | 1,367 | 1,528 | 2,632 |
| <i>less</i> : Proforma tax for Expense Associated with Share-Based Compensation Arrangements and Stock Grant Plans | | (822) | (1,067) | (801) | (684) | (720) | (672) | (507) | (542) | (1,024) |
| <i>add back</i> : Net (Gain) Loss on Property, Plant & Equipment | | (6,604) | (863) | - | 172 | (3,400) | 297 | (6,890) | 2,490 | 1,239 |
| <i>less</i> : Proforma tax for Net Loss on Property, Plant & Equipment | | 1,519 | 255 | - | (60) | 1,214 | (103) | 2,556 | (884) | (482) |
| <i>add back</i> : Loss Reserve on Notes Receivable | | - | - | - | - | - | 15 | 2,131 | - | - |
| <i>less</i> : Proforma tax for Loss Reserve on Notes Receivable | | - | - | - | - | - | (5) | (791) | - | - |
| <i>add back</i> : Canadian Anti-Dumping Duty Assessment | | - | - | - | - | 1,600 | 1,526 | 2,328 | - | - |
| <i>less</i> : Proforma tax for Canadian Anti-Dumping Duty Assessment | | - | - | - | - | (571) | (531) | (864) | - | - |
| <i>add back</i> : Expense associated with Early Retirement Arrangements | | - | - | - | - | - | - | - | 2,857 | - |
| <i>less</i> : Proforma tax for Expense associated with Early Retirement Arrangements | | - | - | - | - | - | - | - | (1,014) | - |
| <i>add back</i> : After Tax Effect of Interest Expense | | 6,848 | 4,384 | 3,007 | 3,338 | 2,744 | 3,163 | 2,549 | 2,407 | 2,168 |
| NET OPERATING PROFIT AFTER TAX | | 156,927 | 130,366 | 110,039 | 89,854 | 64,448 | 51,425 | 27,890 | 12,754 | 24,444 |
| RETURN ON BEGINNING CAPITAL | | 14.00% | 13.21% | 13.71% | 11.26% | 8.78% | 7.47% | 4.47% | 2.15% | 4.36% |

EFFECTIVE TAX RATE

| |
|---|
| Statutory Federal Rate |
| State and Local Taxes (Net of Federal Benefits) |
| Manufacturing Deduction |
| Tax Credits, including foreign tax credit |
| Change in uncertain tax positions reserve |
| Other permanent differences |
| Other, Net |
| Adjusted Effective Tax Rate |
| Change in Valuation Allowance |
| Effect of Noncontrolling Owned Interest in Earnings of Partnerships |
| Effective Tax Rate |

| 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 21.0% | 35.0% | 35.0% | 35.0% | 35.0% | 35.0% | 35.0% | 34.0% | 35.0% |
| 3.8% | 3.0% | 3.1% | 3.6% | 4.1% | 4.2% | 5.2% | 8.2% | 2.4% |
| 0.0% | -2.5% | -2.4% | -2.4% | -2.0% | -2.0% | -1.6% | -1.9% | -1.6% |
| -1.6% | -2.0% | -1.4% | -1.6% | -1.9% | -2.5% | -1.2% | -15.4% | -1.7% |
| 0.1% | 0.4% | 0.4% | 0.3% | -0.2% | 0.6% | -1.0% | 0.4% | 0.2% |
| 0.6% | -0.1% | 0.1% | 0.7% | 0.6% | 0.6% | 1.1% | 4.9% | 2.2% |
| -0.8% | -4.1% | -0.3% | -0.3% | 0.3% | -0.8% | -0.4% | 5.3% | 2.4% |
| 23.1% | 29.7% | 34.5% | 35.3% | 35.9% | 35.1% | 37.1% | 35.5% | 38.9% |
| -0.1% | -0.2% | -0.2% | -0.3% | -0.2% | -0.3% | -0.5% | -3.0% | -10.5% |
| 23.0% | 29.5% | 34.3% | 35.0% | 35.7% | 34.8% | 36.6% | 32.5% | 26.6% |

III) LUMBER MARKET ADJUSTED EBITDA MARGIN**LUMBER MARKET ADJUSTED NET SALES**

| | <u>Q2 2019 QTD</u> | <u>Q2 2019 YTD</u> |
|---|--------------------|--------------------|
| 2018 GAAP Net Sales | 1,294,440 | 2,288,297 |
| Decline in prices due to Lumber Market | 9% | 8% |
| Adjustment to state 2019 net sales at 2018 prices | 116,500 | 183,064 |
| 2019 GAAP Net Sales | 1,239,817 | 2,254,943 |
| Adjustment to state 2019 net sales at 2018 prices | 116,500 | 183,064 |
| | 1,356,317 | 2,438,007 |
| LUMBER MARKET ADJUSTED EBITDA MARGIN | 6.7% | 6.4% |