



## UFP Industries Announces Second Quarter Results

July 30, 2024

GRAND RAPIDS, Mich.--(BUSINESS WIRE)--Jul. 30, 2024-- UFP Industries, Inc. (Nasdaq: UFPI) today announced second quarter 2024 results including net sales of \$1.9 billion, net earnings attributable to controlling interest of \$126 million, and earnings per diluted share of \$2.05.

"Our second quarter results were in line with expectations in a more challenging business cycle, and I am grateful for the efforts of all of our UFP teammates to adapt to this environment and adjust capacity to meet demand," said Chairman and CEO Matthew J. Missad. "The weaker environment and expected near-term softness in demand have enabled us to more aggressively pursue our long-term expansion plans and improvement strategies. These efforts include investments in automation and consolidating operations to eliminate redundancies, lower costs and enhance the profitability of each of our facilities. Additionally, we are using our strong balance sheet to stay on offense by investing in acquisitions, new ventures, new value-added products, and organic expansion, while returning capital to shareholders through our recently increased dividend and share repurchase program. Our long-term outlook for growth remains strong."

### Second Quarter 2024 Highlights (comparisons on a year-over-year basis except where noted):

- Net sales of \$1.9 billion decreased 7 percent due to a 6 percent decrease in selling prices and a 1 percent decrease in organic unit sales. Quarter over quarter, the price of Southern Yellow Pine (SYP) decreased 19 percent, which contributed to our decrease in selling prices.
- New product sales of \$134 million were 7.0 percent of total sales compared to 7.4 percent in the second quarter of 2023. Many products that were considered new products in 2023 were sunset and not included in 2024 totals.
- Net earnings attributable to controlling interests of \$126 million represents a 16 percent decrease from last year.
- Adjusted EBITDA<sup>1</sup> of \$204 million represents a decrease of 13 percent while adjusted EBITDA margin<sup>1</sup> declined 80 basis points to 10.7 percent.

---

<sup>1</sup> Represents a non-GAAP measurement; see the reconciliation of non-GAAP financial measures and related explanations below.

### Capital Allocation

UFP Industries maintains a strong balance sheet with \$1.04 billion in cash on June 29, 2024, compared to \$702 million in cash at the end of the second quarter of 2023. The company had approximately \$2.3 billion of liquidity as of June 29, 2024. The company's return-focused approach to capital allocation includes the following:

- **Acquisitions and Organic Growth.** The company continues to pursue strategic acquisitions and will invest in organic growth opportunities when acquisition targets are not available at valuations that will allow us to meet or exceed targeted return rates. The company is targeting capital investments in 2024 of up to \$300 million for automation, technology upgrades, geographic expansion and increased capacity at existing facilities, specifically for its Deckorators, Site Built, metal packaging, and machine-built pallet businesses. Approximately \$200 million of projects have been approved in 2024 and another \$96 million in projects are pending approval. Longer lead times for equipment and site selection in the case of new locations may delay some investments until 2025.
- **Dividend payments.** On July 24, 2024, the UFP Industries Board of Directors approved a quarterly dividend payment of \$0.33 per share, a 10 percent increase over the quarterly dividend of \$0.30 per share paid in September 2023. The dividend is payable on September 16, 2024, to shareholders of record on September 2, 2024.
- **Share repurchases.** The company was authorized to purchase up to \$200 million of outstanding stock through July 31, 2024. From July 26, 2023, through the end of the second quarter of 2024, the company repurchased approximately 1,477,000 shares at an average price of \$110.96 (a total of \$163.9 million). On July 24, 2024, the Board of Directors for UFP Industries authorized the company to repurchase up to \$200 million of shares through July 31, 2025.

By business segment, the company reported the following second quarter 2024 results:

### UFP Retail Solutions

Net sales of \$809 million, down 14 percent compared to the second quarter of 2023, while gross profit increased 3 percent. Sales performance was attributable to a 7 percent decline in selling prices, a 5 percent decline in organic unit sales, and a 2 percent decline due to the transfer of certain product sales to the Packaging and Construction segments. Organic unit sales decreased 2 percent for Deckorators, 6 percent for ProWood and 4 percent for UFP-Edge. Overall, unit sales decreased 5 percent with big box customers, a decline that largely correlates with an easing in repair and remodel activity, and were flat with independent retailers.

Gross profit for the retail segment increased 3 percent to \$127 million, primarily due to operational improvements, SKU rationalization, and better inventory positioning and utilization of our managed inventory programs.

### **UFP Packaging**

Net sales of \$435 million were down 11 percent compared to the second quarter of 2023, due to an 8 percent decrease in selling prices and a 6 percent decline in organic unit sales, offset by a 3 percent increase from the transfer of certain product sales from the Retail segment. A 10 percent increase in organic unit sales for PalletOne, due to market share gains, partially offset an 11 percent decline in organic unit sales for Protective Packaging and a 12 percent decline in organic unit sales for Structural Packaging, attributable to weaker demand. Gross profit for the packaging segment decreased 29 percent to \$84 million due to competitive price pressure and lower sales volumes.

### **UFP Construction**

Net sales of \$575 million increased 4 percent compared to the second quarter of 2023 as a 4 percent decrease in selling prices was offset by a 7 percent increase in organic unit sales and a 1 percent increase from the transfer of certain product sales from the Retail segment. Organic unit sales increased in Factory Built, up 19 percent due to an increase in industry production, and Site Built, up 4 percent, we believe due to market share gains in both existing and new product categories. Gross profit for the construction segment decreased 8 percent to \$126 million due to competitive price pressure.

### **Short-Term Outlook**

**Lumber Market:** We continue to anticipate lumber prices will remain at lower levels in 2024 based on current supply and demand dynamics.

**End Market Demand:** We continue to follow key indicators and forecasts in the markets we serve and have revised our outlook for the balance of 2024. We anticipate demand will decrease in Retail by mid-single digits, decrease in Packaging by mid- to high-single digits, and increase in Construction by low- to mid-single digits, reflecting continued strength in our Factory Built business. Generally, we expect the soft demand and competitive price environment will continue for the remainder of the year, resulting in more challenging year-over-year unit sales and profitability comparisons. We believe market share gains will help offset lower demand in each of our segments for the balance of the year.

### **CONFERENCE CALL**

UFP Industries will conduct a conference call to discuss its outlook and information included in this news release at 9 a.m. ET on Tuesday, July 30, 2024. The call will be hosted by Chairman and CEO Matthew J. Missad and CFO Michael Cole and will be available simultaneously and in its entirety to all interested investors and news media through a webcast at <https://www.ufpinvestor.com/news-filings-reports#events---presentations>. A replay of the call will be available through the website.

### **UFP Industries, Inc.**

UFP Industries, Inc. is a holding company whose operating subsidiaries – UFP Packaging, UFP Construction and UFP Retail Solutions – manufacture, distribute and sell a wide variety of value-added products used in residential and commercial construction, packaging and other industrial applications worldwide. Founded in 1955, the company is headquartered in Grand Rapids, Mich., with affiliates in North America, Europe, Asia and Australia. UFP Industries is ranked #493 on the Fortune 500 and #128 on Industry Week's list of America's Largest Manufacturers. For more about UFP Industries, go to [www.ufpi.com](http://www.ufpi.com).

*This press release contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act, as amended, that are based on management's beliefs, assumptions, current expectations, estimates and projections about the markets we serve, the economy and the Company itself. Words like "anticipates," "believes," "confident," "estimates," "expects," "forecasts," "likely," "plans," "projects," "should," variations of such words, and similar expressions identify such forward-looking statements. These statements do not guarantee future performance and involve certain risks, uncertainties and assumptions that are difficult to predict with regard to timing, extent, likelihood and degree of occurrence. The Company does not undertake to update forward-looking statements to reflect facts, circumstances, events, or assumptions that occur after the date the forward-looking statements are 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 from forward-looking statements are the following: fluctuations in the price of lumber; adverse or unusual weather conditions; adverse economic conditions in the markets we serve; government regulations, particularly involving environmental and safety regulations; and our ability to make successful business acquisitions. Certain of these risk factors as well as other risk factors and additional information are included in the Company's reports on Form 10-K and 10-Q on file with the Securities and Exchange Commission.*

### **Non-GAAP Financial Information**

*This release includes certain financial information not prepared in accordance with U.S. GAAP. Because not all companies calculate non-GAAP financial information identically (or at all), the presentations herein may not be comparable to other similarly titled measures used by other companies. Management uses Adjusted EBITDA, a non-GAAP financial measure, in order to evaluate historical and ongoing operations. Management believes that this non-GAAP financial measure is useful in order to enable investors to perform meaningful comparisons of historical and current performance. Adjusted EBITDA is intended to*

supplement and should be read together with the financial results. Adjusted EBITDA should not be considered an alternative or substitute for, and should not be considered superior to, the reported financial results. Accordingly, users of this financial information should not place undue reliance on the non-GAAP financial measure.

Net earnings

Net earnings refers to net earnings attributable to controlling interest unless specifically noted.

**CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS AND COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE THREE AND SIX MONTHS ENDED**  
**JUNE 2024/2022**

	Quarter Period				Year to Date			
(In thousands, except per share data)	2024		2023		2024		2023	
<b>NET SALES</b>	\$ 1,901,959	100.0 %	\$ 2,043,918	100.0 %	\$ 3,540,925	100.0 %	\$ 3,866,394	100.0 %
<b>COST OF GOODS SOLD</b>	<u>1,539,216</u>	80.9	<u>1,643,851</u>	80.4	<u>2,852,104</u>	80.5	<u>3,107,998</u>	80.4
<b>GROSS PROFIT</b>	362,743	19.1	400,067	19.6	688,821	19.5	758,396	19.6
<b>SELLING, GENERAL AND ADMINISTRATIVE EXPENSES</b>	203,155	10.7	204,703	10.0	395,214	11.2	399,386	10.3
<b>OTHER LOSSES (GAINS), NET</b>	<u>554</u>	—	<u>1,867</u>	0.1	<u>750</u>	—	<u>3,805</u>	0.1
<b>EARNINGS FROM OPERATIONS</b>	159,034	8.4	193,497	9.5	292,857	8.3	355,205	9.2
<b>INTEREST AND OTHER</b>	<u>(9,406)</u>	(0.5)	<u>(4,025)</u>	(0.2)	<u>(22,169)</u>	(0.6)	<u>(6,866)</u>	(0.2)
<b>EARNINGS BEFORE INCOME TAXES</b>	168,440	8.9	197,522	9.7	315,026	8.9	362,071	9.4
<b>INCOME TAXES</b>	<u>42,208</u>	2.2	<u>46,734</u>	2.3	<u>67,695</u>	1.9	<u>85,705</u>	2.2
<b>NET EARNINGS</b>	126,232	6.6	150,788	7.4	247,331	7.0	276,366	7.1
<b>LESS NET (EARNINGS) LOSS ATTRIBUTABLE TO NONCONTROLLING INTEREST</b>	<u>(302)</u>	—	<u>(27)</u>	—	<u>(610)</u>	—	<u>464</u>	—
<b>NET EARNINGS ATTRIBUTABLE TO CONTROLLING INTEREST</b>	<u>\$ 125,930</u>	6.6	<u>\$ 150,761</u>	7.4	<u>\$ 246,721</u>	7.0	<u>\$ 276,830</u>	7.2
<b>EARNINGS PER SHARE - BASIC</b>	\$ 2.05		\$ 2.40		\$ 4.01		\$ 4.41	
<b>EARNINGS PER SHARE - DILUTED</b>	\$ 2.05		\$ 2.36		\$ 4.00		\$ 4.35	
<b>COMPREHENSIVE INCOME</b>	\$ 118,252		\$ 155,266		\$ 238,221		\$ 287,096	
<b>LESS COMPREHENSIVE (INCOME) LOSS ATTRIBUTABLE TO NONCONTROLLING INTEREST</b>	<u>2,020</u>		<u>(1,721)</u>		<u>1,429</u>		<u>(3,481)</u>	
<b>COMPREHENSIVE INCOME ATTRIBUTABLE TO CONTROLLING INTEREST</b>	<u>\$ 120,272</u>		<u>\$ 153,545</u>		<u>\$ 239,650</u>		<u>\$ 283,615</u>	

**CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS AND  
RECONCILIATION TO ADJUSTED EBITDA BY SEGMENT (UNAUDITED)  
FOR THE THREE MONTHS ENDED  
JUNE 2024/2023**

	Quarter Period 2024					
(In thousands)	Retail	Packaging	Construction	All Other	Corporate	Total
<b>NET SALES</b>	\$ 809,067	\$ 435,204	\$ 574,547	\$ 81,470	\$ 1,671	\$ 1,901,959
<b>COST OF GOODS SOLD</b>	682,307	351,518	448,992	61,564	(5,165)	1,539,216
<b>GROSS PROFIT</b>	126,760	83,686	125,555	19,906	6,836	362,743
<b>SELLING, GENERAL AND ADMINISTRATIVE EXPENSES</b>	65,291	52,996	73,307	14,576	(3,015)	203,155
<b>OTHER</b>	1,686	1,174	237	(2,166)	(377)	554
<b>EARNINGS FROM OPERATIONS</b>	59,783	29,516	52,011	7,496	10,228	159,034
<b>INTEREST AND OTHER</b>	(178)	645	(14)	(1,202)	(8,657)	(9,406)
<b>EARNINGS BEFORE INCOME TAXES</b>	59,961	28,871	52,025	8,698	18,885	168,440
<b>INCOME TAXES</b>	15,025	7,234	13,036	2,180	4,733	42,208
<b>NET EARNINGS</b>	<b>\$ 44,936</b>	<b>\$ 21,637</b>	<b>\$ 38,989</b>	<b>\$ 6,518</b>	<b>\$ 14,152</b>	<b>\$ 126,232</b>
INTEREST AND OTHER	(178)	645	(14)	(1,202)	(8,657)	(9,406)
INCOME TAXES	15,025	7,234	13,036	2,180	4,733	42,208
EXPENSES ASSOCIATED WITH SHARE-BASED COMPENSATION ARRANGEMENTS	1,124	1,587	1,811	170	3,307	7,999
NET LOSS (GAIN) ON DISPOSITION AND IMPAIRMENT OF ASSETS	1,158	1,174	287	23	(420)	2,222
GAIN FROM REDUCTION OF ESTIMATED EARNOUT LIABILITY	—	—	(1,818)	—	—	(1,818)
DEPRECIATION EXPENSE	7,124	8,467	5,621	828	8,584	30,624
AMORTIZATION OF INTANGIBLES	998	2,216	703	1,503	433	5,853
<b>ADJUSTED EBITDA</b>	<b>\$ 70,187</b>	<b>\$ 42,960</b>	<b>\$ 58,615</b>	<b>\$ 10,020</b>	<b>\$ 22,132</b>	<b>\$ 203,914</b>
<b>ADJUSTED EBITDA AS A PERCENTAGE OF NET SALES</b>	8.7%	9.9%	10.2%	12.3%	*	10.7%

\* Not meaningful

	Quarter Period 2023					
(In thousands)	Retail	Packaging	Construction	All Other	Corporate	Total
<b>NET SALES</b>	\$ 938,630	\$ 488,100	\$ 550,464	\$ 67,592	\$ (868)	\$ 2,043,918
<b>COST OF GOODS SOLD</b>	815,808	369,865	413,260	47,337	(2,419)	1,643,851
<b>GROSS PROFIT</b>	122,822	118,235	137,204	20,255	1,551	400,067
<b>SELLING, GENERAL AND ADMINISTRATIVE EXPENSES</b>	61,699	61,377	74,083	13,099	(5,555)	204,703
<b>OTHER</b>	912	(6)	1,162	370	(571)	1,867
<b>EARNINGS FROM OPERATIONS</b>	60,211	56,864	61,959	6,786	7,677	193,497
<b>INTEREST AND OTHER</b>	20	419	(1)	(2,260)	(2,203)	(4,025)
<b>EARNINGS BEFORE INCOME TAXES</b>	60,191	56,445	61,960	9,046	9,880	197,522
<b>INCOME TAXES</b>	14,243	13,355	14,660	2,138	2,338	46,734
<b>NET EARNINGS</b>	<b>\$ 45,948</b>	<b>\$ 43,090</b>	<b>\$ 47,300</b>	<b>\$ 6,908</b>	<b>\$ 7,542</b>	<b>\$ 150,788</b>
INTEREST AND OTHER	20	419	(1)	(2,260)	(2,203)	(4,025)
INCOME TAXES	14,243	13,355	14,660	2,138	2,338	46,734
EXPENSES ASSOCIATED WITH SHARE-BASED COMPENSATION ARRANGEMENTS	1,315	1,703	1,686	225	3,309	8,238
NET (GAIN) LOSS ON DISPOSITION AND IMPAIRMENT OF ASSETS	(10)	(7)	16	70	(87)	(18)
DEPRECIATION EXPENSE	6,396	7,995	4,634	562	7,425	27,012

AMORTIZATION OF INTANGIBLES	1,277	2,236	702	751	396	5,362
<b>ADJUSTED EBITDA</b>	<b>\$ 69,189</b>	<b>\$ 68,791</b>	<b>\$ 68,997</b>	<b>\$ 8,394</b>	<b>\$ 18,720</b>	<b>\$ 234,091</b>
<b>ADJUSTED EBITDA AS A PERCENTAGE OF NET SALES</b>	7.4%	14.1%	12.5%	12.4%	*	11.5%

\* Not meaningful

**CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS AND  
RECONCILIATION TO ADJUSTED EBITDA BY SEGMENT (UNAUDITED)  
FOR THE SIX MONTHS ENDED  
JUNE 2024/2023**

Year to Date 2024						
(In thousands)	Retail	Packaging	Construction	All Other	Corporate	Total
<b>NET SALES</b>	\$ 1,437,832	\$ 859,622	\$ 1,092,443	\$ 148,417	\$ 2,611	\$ 3,540,925
<b>COST OF GOODS SOLD</b>	1,209,948	690,496	852,553	110,566	(11,459)	2,852,104
<b>GROSS PROFIT</b>	227,884	169,126	239,890	37,851	14,070	688,821
<b>SELLING, GENERAL AND ADMINISTRATIVE EXPENSES</b>	120,901	106,937	142,457	27,967	(3,048)	395,214
<b>OTHER</b>	1,220	1,427	80	(1,485)	(492)	750
<b>EARNINGS FROM OPERATIONS</b>	105,763	60,762	97,353	11,369	17,610	292,857
<b>INTEREST AND OTHER</b>	(272)	1,233	(25)	(4,793)	(18,312)	(22,169)
<b>EARNINGS BEFORE INCOME TAXES</b>	106,035	59,529	97,378	16,162	35,922	315,026
<b>INCOME TAXES</b>	23,036	12,564	20,921	3,478	7,696	67,695
<b>NET EARNINGS</b>	<b>\$ 82,999</b>	<b>\$ 46,965</b>	<b>\$ 76,457</b>	<b>\$ 12,684</b>	<b>\$ 28,226</b>	<b>\$ 247,331</b>
INTEREST AND OTHER	(272)	1,233	(25)	(4,793)	(18,312)	(22,169)
INCOME TAXES	23,036	12,564	20,921	3,478	7,696	67,695
EXPENSES ASSOCIATED WITH SHARE-BASED COMPENSATION ARRANGEMENTS	2,812	3,776	4,276	469	7,943	19,276
NET LOSS (GAIN) ON DISPOSITION AND IMPAIRMENT OF ASSETS	886	1,427	286	14	(622)	1,991
GAIN FROM REDUCTION OF ESTIMATED EARNOUT LIABILITY	—	(37)	(1,818)	—	—	(1,855)
DEPRECIATION EXPENSE	14,089	16,936	11,005	1,617	16,996	60,643
AMORTIZATION OF INTANGIBLES	1,996	4,408	1,405	3,037	889	11,735
<b>ADJUSTED EBITDA</b>	<b>\$ 125,546</b>	<b>\$ 87,272</b>	<b>\$ 112,507</b>	<b>\$ 16,506</b>	<b>\$ 42,816</b>	<b>\$ 384,647</b>

<b>ADJUSTED EBITDA AS A PERCENTAGE OF NET SALES</b>	8.7%	10.2%	10.3%	11.1%	*	10.9%
---	------	-------	-------	-------	---	-------

\* Not meaningful

Year to Date 2023						
(In thousands)	Retail	Packaging	Construction	All Other	Corporate	Total
<b>NET SALES</b>	\$ 1,699,924	\$ 974,661	\$ 1,066,057	\$ 123,387	\$ 2,365	\$ 3,866,394
<b>COST OF GOODS SOLD</b>	1,481,798	735,528	807,194	84,362	(884)	3,107,998
<b>GROSS PROFIT</b>	218,126	239,133	258,863	39,025	3,249	758,396
<b>SELLING, GENERAL AND ADMINISTRATIVE EXPENSES</b>	115,612	127,629	141,421	26,063	(11,339)	399,386
<b>OTHER</b>	2,045	(92)	1,235	1,344	(727)	3,805
<b>EARNINGS FROM OPERATIONS</b>	100,469	111,596	116,207	11,618	15,315	355,205
<b>INTEREST AND OTHER</b>	41	1,002	(6)	(4,369)	(3,534)	(6,866)
<b>EARNINGS BEFORE INCOME TAXES</b>	100,428	110,594	116,213	15,987	18,849	362,071
<b>INCOME TAXES</b>	23,740	26,179	27,509	3,815	4,462	85,705
<b>NET EARNINGS</b>	<b>\$ 76,688</b>	<b>\$ 84,415</b>	<b>\$ 88,704</b>	<b>\$ 12,172</b>	<b>\$ 14,387</b>	<b>\$ 276,366</b>

INTEREST AND OTHER	41	1,002	(6)	(4,369)	(3,534)	(6,866)
INCOME TAXES	23,740	26,179	27,509	3,815	4,462	85,705
EXPENSES ASSOCIATED WITH SHARE-BASED COMPENSATION ARRANGEMENTS	2,930	3,799	3,807	503	6,836	17,875
NET LOSS (GAIN) ON DISPOSITION AND IMPAIRMENT OF ASSETS	26	(93)	(31)	60	(144)	(182)
DEPRECIATION EXPENSE	12,230	15,677	9,262	961	14,656	52,786
AMORTIZATION OF INTANGIBLES	2,332	4,482	1,499	1,283	775	10,371
<b>ADJUSTED EBITDA</b>	<b>\$ 117,987</b>	<b>\$ 135,461</b>	<b>\$ 130,744</b>	<b>\$ 14,425</b>	<b>\$ 37,438</b>	<b>\$ 436,055</b>
<b>ADJUSTED EBITDA AS A PERCENTAGE OF NET SALES</b>	6.9%	13.9%	12.3%	11.7%	*	11.3%

\* Not meaningful

**CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)**  
**JUNE 2024/2023**

(In thousands)

<b>ASSETS</b>	<b>2024</b>	<b>2023</b>	<b>LIABILITIES AND EQUITY</b>	<b>2024</b>	<b>2023</b>
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
Cash and cash equivalents	\$ 1,041,341	\$ 702,148	Accounts payable	\$ 263,318	\$ 264,408
Restricted cash	761	761	Accrued liabilities and other	281,316	289,211
Investments	36,740	38,459	Current portion of debt	43,754	2,385
Accounts receivable	724,921	802,300			
Inventories	684,813	821,187			
Other current assets	65,453	50,203			
<b>TOTAL CURRENT ASSETS</b>	<b>2,554,029</b>	<b>2,415,058</b>	<b>TOTAL CURRENT LIABILITIES</b>	<b>588,388</b>	<b>556,004</b>
<b>OTHER ASSETS</b>	<b>259,830</b>	<b>228,929</b>	<b>LONG-TERM DEBT AND FINANCE LEASE OBLIGATIONS</b>	<b>232,979</b>	<b>274,821</b>
<b>INTANGIBLE ASSETS, NET</b>	<b>505,138</b>	<b>481,942</b>	<b>OTHER LIABILITIES</b>	<b>180,686</b>	<b>171,349</b>
			<b>TEMPORARY EQUITY</b>	<b>18,931</b>	<b>6,772</b>
<b>PROPERTY, PLANT AND EQUIPMENT, NET</b>	<b>819,497</b>	<b>718,014</b>	<b>SHAREHOLDERS' EQUITY</b>	<b>3,117,510</b>	<b>2,834,997</b>
			<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 4,138,494</b>	<b>\$ 3,843,943</b>
<b>TOTAL ASSETS</b>	<b>\$ 4,138,494</b>	<b>\$ 3,843,943</b>			

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**  
**FOR THE SIX MONTHS ENDED**  
**JUNE 2024/2023**

(In thousands)	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net earnings	\$ 247,331	\$ 276,366
Adjustments to reconcile net earnings to net cash used in operating activities:		
Depreciation	60,643	52,786
Amortization of intangibles	11,735	10,371
Expense associated with share-based and grant compensation arrangements	19,276	17,875
Deferred income taxes	299	(319)
Unrealized gain on investment and other	(1,825)	(1,291)

Equity in loss of investee	1,236	1,005
Net loss (gain) on sale, disposition and impairment of assets	1,991	(182)
Gain from reduction of estimated earnout liability	(1,855)	—
Changes in:		
Accounts receivable	(176,839)	(183,717)
Inventories	41,684	154,413
Accounts payable and cash overdraft	61,125	56,899
Accrued liabilities and other	(25,723)	(63,142)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>239,078</b>	<b>321,064</b>
<b>CASH FLOWS USED IN INVESTING ACTIVITIES:</b>		
Purchases of property, plant, and equipment	(106,585)	(84,981)
Proceeds from sale of property, plant and equipment	2,353	789
Acquisitions, net of cash received and purchase of equity method investment	—	67
Purchases of investments	(16,416)	(14,747)
Proceeds from sale of investments	9,284	11,486
Other	(7,674)	2,076
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(119,038)</b>	<b>(85,310)</b>
<b>CASH FLOWS USED IN FINANCING ACTIVITIES:</b>		
Borrowings under revolving credit facilities	12,354	11,026
Repayments under revolving credit facilities	(11,988)	(11,869)
Repayments of debt	—	(29)
Repayment of debt on behalf of investee	(6,303)	—
Contingent consideration payments and other	(4,779)	(6,179)
Proceeds from issuance of common stock	1,470	1,448
Dividends paid to shareholders	(40,660)	(31,149)
Distributions to noncontrolling interest	(9,400)	(4,859)
Payments to taxing authorities in connection with shares directly withheld from employees	(17,838)	—
Repurchase of common stock	(119,362)	(55,484)
Other	38	48
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(196,468)</b>	<b>(97,047)</b>
Effect of exchange rate changes on cash	(3,726)	4,579
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(80,154)</b>	<b>143,286</b>
<b>ALL CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD</b>	<b>1,122,256</b>	<b>559,623</b>
<b>ALL CASH AND CASH EQUIVALENTS, END OF PERIOD</b>	<b>\$ 1,042,102</b>	<b>\$ 702,909</b>
<b>Reconciliation of cash and cash equivalents and restricted cash:</b>		
Cash and cash equivalents, beginning of period	\$ 1,118,329	\$ 559,397
Restricted cash, beginning of period	3,927	226
All cash and cash equivalents, beginning of period	\$ 1,122,256	\$ 559,623
Cash and cash equivalents, end of period	\$ 1,041,341	\$ 702,148
Restricted cash, end of period	761	761
All cash and cash equivalents, end of period	\$ 1,042,102	\$ 702,909

View source version on [businesswire.com](https://www.businesswire.com/news/home/20240730582644/en/): <https://www.businesswire.com/news/home/20240730582644/en/>

Dick Gauthier

VP of Investor Relations  
(616) 365-1555

Source: UFP Industries, Inc.