



**Item 2.02 Results of Operations and Financial Condition**

On May 2, 2023, the Registrant issued a press release announcing its financial results for the quarter-ended April 1, 2023. 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 May 2, 2023](#)

104 Cover Page Interactive File (the cover page XBRL tags are embedded in the Inline XBRL document).

**EXHIBIT INDEX**

| <b><u>Exhibit Number</u></b> | <b><u>Document</u></b>  |
|------------------------------|---|
| 99(a)                        | <a href="#">Press Release, dated May 2, 2023.</a>   |
| 104                          | Cover Page Interactive Data File (the cover page XBRL tags are embedded in the Inline XBRL document). |

**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: May 2, 2023

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



## News release

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

Dick Gauthier  
VP of Investor Relations  
(616) 365-1555

**FOR IMMEDIATE RELEASE**  
**Tuesday, May 2, 2023**

### **UFP Industries Announces First Quarter Results** **Net sales of \$1.82 billion, diluted EPS of \$1.98**

GRAND RAPIDS, Mich., Tuesday, May 2, 2023 – UFP Industries, Inc. (Nasdaq: UFPI) today announced first quarter 2023 results including net sales of \$1.82 billion, net earnings attributable to controlling interest of \$126 million, and earnings per diluted share of \$1.98.

“Given the softer economy and general uncertainty in the markets, these results are in line with our expectations and, in some instances, better than we anticipated, thanks to the hard work of our UFP teammates,” said Chairman and CEO Matthew J. Missad. “Our experienced team continues to provide excellent value to our customers while efficiently managing the business with a determination to deliver strong results for our shareholders. Our strong cash flow, excellent balance sheet and prudent capital allocation enable us to take advantage of opportunities that may become available during this cycle. Of course, our operations will continue to make sure we are sized correctly for current demand, while still investing in product and service enhancements and innovations to create value for our customers. Our outlook remains positive, albeit at a lower level than 2021 and 2022.”

#### **First Quarter 2023 Highlights (comparisons on a year-over-year basis):**

- Net sales of \$1.82 billion decreased 27 percent due to a 20 percent decrease in prices, an 8 percent decrease in organic unit sales, and a 1 percent increase in sales from acquisitions.
  - New product sales of \$167 million decreased 10 percent, largely due to lower lumber prices. New product sales as a percent of total sales rose to 9.1 percent from 7.4 percent in 2022.
  - Adjusted EBITDA of \$202 million decreased 31 percent, and adjusted EBITDA margin dropped to 11.1 percent from 11.7 percent in 2022.
  - Diluted EPS of \$1.98 represents a 34 percent decrease from last year.
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### **Capital Allocation**

UFP Industries maintains a strong balance sheet, with \$145.3 million in net surplus cash (surplus cash less interest-bearing debt and cash overdraft) on April 1, 2023, compared to \$409.8 million in net debt at the end of the first quarter of 2022. The company had approximately \$1.7 billion of liquidity as of April 1, 2023. The company's return-focused approach to capital allocation includes the following:

- A target of \$200 million for capital investments in 2023, including value-added growth investments and significant investments in robotics, automation and technology.
- Repurchases of approximately 451,000 shares of common stock for \$35.3 million during the first quarter of 2023 (at an average price of \$78.27 per share). The company is authorized to purchase an additional 1.5 million shares through February 3, 2024, and intends to continue to repurchase UFPI shares when the price is advantageous and to offset dilution resulting from long-term, share-based incentive compensation programs.
- A quarterly dividend payment of \$0.25 per share, approved by the board of directors on April 26, 2023, payable on June 15, 2023, to shareholders of record on June 1, 2023.

The company continues to seek strategic acquisitions that drive long-term growth and margin improvements, enhance its capabilities, and create incremental value for its customers and shareholders.

By business segment, the company reported the following first-quarter 2023 results:

#### **UFP Retail Solutions**

\$749.6 million in net sales, down 25 percent compared to the first quarter of 2022, due to a 23 percent decline in selling prices (due to the relative decrease in the lumber market) and a 2 percent decline in organic unit sales. Gross profit decreased 30 percent to \$94.4 million, primarily due to the impact of products sold with a variable price. Those products benefited from a significant increase in lumber prices during the first quarter of 2022. Based on anticipated lumber prices, the company expects more favorable comparisons for the second quarter of 2023 over 2022.

#### **UFP Packaging (formerly UFP Industrial)**

\$486.6 million in net sales, down 20 percent compared to the first quarter of 2022, due to an 18 percent decrease in selling prices, a 4 percent decline in organic unit sales, and a 2 percent increase in sales from acquisitions. Gross profit decreased 19 percent to \$120.9 million due to normalizing market pricing and a small decline in volume.

#### **UFP Construction**

\$515.6 million in net sales, down 34 percent compared to the first quarter of 2022, due to an 18 percent decrease in selling prices and a 16 percent decrease in organic unit sales. Gross profit decreased 25 percent to \$121.7 million, largely due to normalizing market pricing and a decline in volume among residential and manufactured housing customers in line with market conditions.

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## **CONFERENCE CALL**

UFP Industries will conduct a conference call to discuss its outlook and information included in this news release at 4:30 p.m. ET on Tuesday, May 2, 2023. 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 <http://www.ufpi.com>. A replay of the call will be available through the website.

## **UFP Industries, Inc.**

UFP Industries 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 #401 on the Fortune 500 and #149 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 considers Adjusted EBITDA, a non-GAAP measure, an alternative performance measure which may provide useful information to investors.*

### *Net earnings*

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

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**CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS AND COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE THREE MONTHS ENDED  
MARCH 2023/2022**

| (In thousands, except per share data)                                    | Quarter Period and Year to Date |         |              |         |
|--|---------------------------------|---------|--------------|---------|
|  | 2023                            |         | 2022         |         |
| <b>NET SALES</b>   | \$ 1,822,476                    | 100.0 % | \$ 2,489,313 | 100.0 % |
| <b>COST OF GOODS SOLD</b>  | 1,464,147                       | 80.3    | 2,010,950    | 80.8    |
| <b>GROSS PROFIT</b>  | 358,329                         | 19.7    | 478,363      | 19.2    |
| <b>SELLING, GENERAL AND ADMINISTRATIVE EXPENSES</b>                      | 194,683                         | 10.7    | 220,150      | 8.8     |
| <b>OTHER LOSSES (GAINS), NET</b>   | 1,938                           | 0.1     | (812)        | —       |
| <b>EARNINGS FROM OPERATIONS</b>  | 161,708                         | 8.9     | 259,025      | 10.4    |
| <b>INTEREST AND OTHER</b>  | (2,841)                         | (0.2)   | 4,910        | 0.2     |
| <b>EARNINGS BEFORE INCOME TAXES</b>                                      | 164,549                         | 9.0     | 254,115      | 10.2    |
| <b>INCOME TAXES</b>  | 38,971                          | 2.1     | 60,984       | 2.4     |
| <b>NET EARNINGS</b>  | 125,578                         | 6.9     | 193,131      | 7.8     |
| <b>LESS NET LOSS (EARNINGS) ATTRIBUTABLE TO NONCONTROLLING INTEREST</b>  | 491                             | —       | (3,428)      | (0.1)   |
| <b>NET EARNINGS ATTRIBUTABLE TO CONTROLLING INTEREST</b>                 | \$ 126,069                      | 6.9     | \$ 189,703   | 7.6     |
| <b>EARNINGS PER SHARE - BASIC</b>  | \$ 2.01                         |         | \$ 3.01      |         |
| <b>EARNINGS PER SHARE - DILUTED</b>                                      | \$ 1.98                         |         | \$ 3.00      |         |
| <b>COMPREHENSIVE INCOME</b>  | \$ 131,830                      |         | \$ 196,315   |         |
| <b>LESS COMPREHENSIVE INCOME ATTRIBUTABLE TO NONCONTROLLING INTEREST</b> | (1,760)                         |         | (4,377)      |         |
| <b>COMPREHENSIVE INCOME ATTRIBUTABLE TO CONTROLLING INTEREST</b>         | \$ 130,070                      |         | \$ 191,938   |         |

**CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS BY SEGMENT (UNAUDITED)  
FOR THE THREE MONTHS ENDED  
MARCH 2023/2022**

|   | Quarter Period and Year to Date |                  |                  |                 |                 |                   |
|---|---------------------------------|------------------|------------------|-----------------|-----------------|-------------------|
|   | 2023                            |                  |                  |                 |                 |                   |
| (In thousands)                                      | Retail                          | Packaging        | Construction     | All Other       | Corporate       | Total             |
| <b>NET SALES</b>                                    | \$ 749,577                      | \$ 486,561       | \$ 515,593       | \$ 67,512       | \$ 3,233        | \$ 1,822,476      |
| <b>COST OF GOODS SOLD</b>                           | 655,139                         | 365,663          | 393,934          | 47,876          | 1,535           | 1,464,147         |
| <b>GROSS PROFIT</b>                                 | 94,438                          | 120,898          | 121,659          | 19,636          | 1,698           | 358,329           |
| <b>SELLING, GENERAL AND ADMINISTRATIVE EXPENSES</b> | 53,355                          | 66,252           | 67,338           | 13,522          | (5,784)         | 194,683           |
| <b>OTHER</b>  | 27                              | (86)             | 73               | 2,080           | (156)           | 1,938             |
| <b>EARNINGS FROM OPERATIONS</b>                     | <u>\$ 41,056</u>                | <u>\$ 54,732</u> | <u>\$ 54,248</u> | <u>\$ 4,034</u> | <u>\$ 7,638</u> | <u>\$ 161,708</u> |

|   | Quarter Period and Year to Date |                  |                  |                  |                  |                   |
|---|---------------------------------|------------------|------------------|------------------|------------------|-------------------|
|   | 2022                            |                  |                  |                  |                  |                   |
| (In thousands)                                      | Retail                          | Packaging        | Construction     | All Other        | Corporate        | Total             |
| <b>NET SALES</b>                                    | \$ 993,232                      | \$ 611,369       | \$ 786,471       | \$ 95,567        | \$ 2,674         | \$ 2,489,313      |
| <b>COST OF GOODS SOLD</b>                           | 858,895                         | 461,815          | 625,059          | 64,024           | 1,157            | 2,010,950         |
| <b>GROSS PROFIT</b>                                 | 134,337                         | 149,554          | 161,412          | 31,543           | 1,517            | 478,363           |
| <b>SELLING, GENERAL AND ADMINISTRATIVE EXPENSES</b> | 62,668                          | 67,231           | 82,337           | 16,625           | (8,711)          | 220,150           |
| <b>OTHER</b>  | 272                             | (68)             | 257              | 103              | (1,376)          | (812)             |
| <b>EARNINGS FROM OPERATIONS</b>                     | <u>\$ 71,397</u>                | <u>\$ 82,391</u> | <u>\$ 78,818</u> | <u>\$ 14,815</u> | <u>\$ 11,604</u> | <u>\$ 259,025</u> |

**ADJUSTED EBITDA RECONCILIATION BY SEGMENT (UNAUDITED)  
FOR THE THREE MONTHS ENDED  
MARCH 2023/2022**

|  | Quarter Period and Year to Date |                  |                  |                 |                  |                   |
|--|---------------------------------|------------------|------------------|-----------------|------------------|-------------------|
|  | 2023                            |                  |                  |                 |                  |                   |
|  | Retail                          | Packaging        | Construction     | All Other       | Corporate        | Total             |
| (In thousands)   |                                 |                  |                  |                 |                  |                   |
| Net earnings   | \$ 31,316                       | \$ 41,325        | \$ 41,404        | \$ 4,688        | \$ 6,845         | \$ 125,578        |
| Interest and other   | 21                              | 583              | (5)              | (2,109)         | (1,331)          | (2,841)           |
| Income taxes   | 9,719                           | 12,824           | 12,849           | 1,455           | 2,124            | 38,971            |
| Expenses associated with share-based compensation arrangements | 1,615                           | 2,096            | 2,121            | 278             | 3,527            | 9,637             |
| Net loss (gain) on disposition and impairment of assets        | 36                              | (86)             | (47)             | (10)            | (57)             | (164)             |
| Depreciation expense   | 5,618                           | 7,682            | 4,628            | 615             | 7,231            | 25,774            |
| Amortization of intangibles                                    | 1,055                           | 2,246            | 797              | 532             | 379              | 5,009             |
| <b>Adjusted EBITDA</b>   | <b>\$ 49,380</b>                | <b>\$ 66,670</b> | <b>\$ 61,747</b> | <b>\$ 5,449</b> | <b>\$ 18,718</b> | <b>\$ 201,964</b> |
| <b>Adjusted EBITDA as a Percentage of Net Sales</b>            | 6.6%                            | 13.7%            | 12.0%            | 8.1%            | 579.0%           | 11.1%             |

|  | Quarter Period and Year to Date |                  |                  |                  |                  |                   |
|--|---------------------------------|------------------|------------------|------------------|------------------|-------------------|
|  | 2022                            |                  |                  |                  |                  |                   |
|  | Retail                          | Packaging        | Construction     | All Other        | Corporate        | Total             |
| (In thousands)   |                                 |                  |                  |                  |                  |                   |
| Net earnings   | \$ 54,246                       | \$ 62,228        | \$ 59,903        | \$ 10,611        | \$ 6,143         | \$ 193,131        |
| Interest and other   | 23                              | 512              | —                | 854              | 3,521            | 4,910             |
| Income taxes   | 17,128                          | 19,651           | 18,915           | 3,350            | 1,940            | 60,984            |
| Expenses associated with share-based compensation arrangements | 1,221                           | 1,408            | 1,464            | 224              | 2,614            | 6,931             |
| Net loss (gain) on disposition and impairment of assets        | 305                             | (65)             | (11)             | 10               | (545)            | (306)             |
| Depreciation expense   | 4,436                           | 6,807            | 3,434            | 572              | 6,593            | 21,842            |
| Amortization of intangibles                                    | 883                             | 1,715            | 864              | 1,082            | 128              | 4,672             |
| <b>Adjusted EBITDA</b>   | <b>\$ 78,242</b>                | <b>\$ 92,256</b> | <b>\$ 84,569</b> | <b>\$ 16,703</b> | <b>\$ 20,394</b> | <b>\$ 292,164</b> |
| <b>Adjusted EBITDA as a Percentage of Net Sales</b>            | 7.9%                            | 15.1%            | 10.8%            | 17.5%            | 762.7%           | 11.7%             |

**CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)**  
**MARCH 2023/2022**

(In thousands)

| ASSETS                        | 2023                | 2022                | LIABILITIES AND EQUITY           | 2023                | 2022                |
|-------------------------------|---------------------|---------------------|----------------------------------|---------------------|---------------------|
| <b>CURRENT ASSETS</b>         |                     |                     | <b>CURRENT LIABILITIES</b>       |                     |                     |
| Cash and cash equivalents     | \$ 423,299          | \$ 73,783           | Cash Overdraft                   | \$ —                | \$ 61,711           |
| Restricted cash               | 761                 | 729                 | Accounts payable                 | 277,989             | 425,956             |
| Investments                   | 37,534              | 35,465              | Accrued liabilities and other    | 249,350             | 372,640             |
| Accounts receivable           | 809,389             | 1,095,362           | Current portion of debt          | 3,020               | 42,895              |
| Inventories                   | 960,338             | 1,230,351           |                                  |                     |                     |
| Other current assets          | 35,692              | 36,727              |                                  |                     |                     |
| <b>TOTAL CURRENT ASSETS</b>   | <b>2,267,013</b>    | <b>2,472,417</b>    | <b>TOTAL CURRENT LIABILITIES</b> | <b>530,359</b>      | <b>903,202</b>      |
| <b>OTHER ASSETS</b>           | <b>242,541</b>      | <b>155,438</b>      | <b>LONG-TERM DEBT AND</b>        |                     |                     |
| <b>INTANGIBLE ASSETS, NET</b> | <b>487,080</b>      | <b>445,232</b>      | <b>FINANCE LEASE OBLIGATIONS</b> | 275,002             | 379,015             |
|                               |                     |                     | <b>OTHER LIABILITIES</b>         | 178,986             | 173,577             |
|                               |                     |                     | <b>TEMPORARY EQUITY</b>          | 6,801               | —                   |
| <b>PROPERTY, PLANT AND</b>    |                     |                     | <b>SHAREHOLDERS' EQUITY</b>      | 2,705,641           | 2,218,172           |
| <b>EQUIPMENT, NET</b>         | 700,155             | 600,879             |                                  |                     |                     |
|                               |                     |                     | <b>TOTAL LIABILITIES AND</b>     |                     |                     |
| <b>TOTAL ASSETS</b>           | <b>\$ 3,696,789</b> | <b>\$ 3,673,966</b> | <b>EQUITY</b>                    | <b>\$ 3,696,789</b> | <b>\$ 3,673,966</b> |

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)  
FOR THE THREE MONTHS ENDED  
MARCH 2023/2022**

| (In thousands)  | 2023              | 2022             |
|---|-------------------|------------------|
| <b>CASH FLOWS USED IN OPERATING ACTIVITIES:</b>                                 |                   |                  |
| Net earnings  | \$ 125,578        | \$ 193,131       |
| Adjustments to reconcile net earnings to net cash used in operating activities: |                   |                  |
| Depreciation  | 25,774            | 21,842           |
| Amortization of intangibles   | 5,009             | 4,672            |
| Expense associated with share-based and grant compensation arrangements         | 9,637             | 6,931            |
| Deferred income taxes (credit)  | (242)             | 101              |
| Unrealized (gain) loss on investment and other                                  | (149)             | 1,601            |
| Equity in loss of investee  | 588               | 515              |
| Net gain on sale and disposition of assets                                      | (164)             | (306)            |
| Changes in:   |                   |                  |
| Accounts receivable   | (191,064)         | (352,928)        |
| Inventories   | 14,674            | (258,019)        |
| Accounts payable and cash overdraft   | 68,388            | 143,895          |
| Accrued liabilities and other   | (95,105)          | (6,466)          |
| <b>NET CASH USED IN OPERATING ACTIVITIES</b>                                    | <b>(37,076)</b>   | <b>(245,031)</b> |
| <b>CASH FLOWS USED IN INVESTING ACTIVITIES:</b>                                 |                   |                  |
| Purchases of property, plant, and equipment                                     | (38,166)          | (32,072)         |
| Proceeds from sale of property, plant and equipment                             | 319               | 1,207            |
| Acquisitions, net of cash received and purchase of equity method investment     | —                 | (24,571)         |
| Purchases of investments  | (11,709)          | (6,030)          |
| Proceeds from sale of investments   | 8,849             | 4,725            |
| Other   | (1,151)           | (2,995)          |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>                                    | <b>(41,858)</b>   | <b>(59,736)</b>  |
| <b>CASH FLOWS (USED IN) FROM FINANCING ACTIVITIES:</b>                          |                   |                  |
| Borrowings under revolving credit facilities                                    | 4,437             | 242,950          |
| Repayments under revolving credit facilities                                    | (4,518)           | (141,438)        |
| Repayments of debt  | (29)              | (199)            |
| Contingent consideration payments and other                                     | (6,179)           | (551)            |
| Proceeds from issuance of common stock  | 685               | 663              |
| Dividends paid to shareholders  | (15,642)          | (12,541)         |
| Distributions to noncontrolling interest  | (4,859)           | (2,053)          |
| Repurchase of common stock  | (33,288)          | (501)            |
| Other   | 25                | —                |
| <b>NET CASH (USED IN) FROM FINANCING ACTIVITIES</b>                             | <b>(59,368)</b>   | <b>86,330</b>    |
| Effect of exchange rate changes on cash   | 2,739             | 1,726            |
| <b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>                                  | <b>(135,563)</b>  | <b>(216,711)</b> |
| <b>ALL CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD</b>                       | <b>559,623</b>    | <b>291,223</b>   |
| <b>ALL CASH AND CASH EQUIVALENTS, END OF PERIOD</b>                             | <b>\$ 424,060</b> | <b>\$ 74,512</b> |
| <b>Reconciliation of cash and cash equivalents and restricted cash:</b>         |                   |                  |
| Cash and cash equivalents, beginning of period                                  | \$ 559,397        | \$ 286,662       |
| Restricted cash, beginning of period  | 226               | 4,561            |
| All cash and cash equivalents, beginning of period                              | \$ 559,623        | \$ 291,223       |
| Cash and cash equivalents, end of period  | \$ 423,299        | \$ 73,783        |
| Restricted cash, end of period  | 761               | 729              |
| All cash and cash equivalents, end of period                                    | \$ 424,060        | \$ 74,512        |