BMC STOCK HOLDINGS, INC.

First Quarter 2018 Earnings Presentation

May 8, 2018

Disclaimer

This presentation contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements in this document may include, without limitation, statements regarding sales growth, price changes, earnings performance, strategic direction and the demand for our products. Forward-looking statements are typically identified by words or phrases such as "may," "might," "predict," "future," "seek to," "assume," "goal," "objective," "continue," "will," "could," "should," "would," "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "target," "prospects," "guidance," "possible," "predict," "propose," "potential" and "forecast," or the negative of such terms and other words, terms and phrases of similar meaning. Forward-looking statements involve estimates, expectations, projections, goals, forecasts, assumptions, risks and uncertainties, many of which are outside BMC's control. BMC cautions readers that any forward-looking statement is not a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statement; therefore, investors and shareholders should not place undue reliance on such statement. There are a number of risks and uncertainties that could cause actual results to differ materially from the forward-looking statements included in this communication.

A number of important factors could cause actual results to differ materially from those indicated by the forward-looking statements. These factors include without limitation: the state of the homebuilding industry and repair and remodeling activity, the economy and the credit markets; the impact of potential changes in our customer or product sales mix; our concentration of business in the Texas, California and Georgia markets; the potential loss of significant customers or a reduction in the quantity of products they purchase; seasonality and cyclicality of the building products supply and services industry; competitive industry pressures and competitive pricing pressure from our customers and competitors; fluctuation of commodity prices and prices of our products; our exposure to product liability, warranty, casualty, construction defect, contract, tort, employment and other claims and legal proceedings; our ability to maintain profitability; our ability to retain our key employees and to attract and retain new qualified employees, while controlling our labor costs; product shortages, loss of key suppliers or failure to develop relationships with qualified suppliers, and our dependence on third-party suppliers and manufacturers; the implementation of our supply chain and technology initiatives; the impact of long-term non-cancelable leases at our facilities; our ability to effectively manage inventory and working capital; the credit risk from our customers; the impact of pricing pressure from our customers; our ability to identify or respond effectively to consumer needs, expectations, market conditions or trends; our ability to successfully implement our growth strategy; the impact of federal, state, local and other laws and regulations; the impact of changes in legislation and government policy; the impact of unexpected changes in our tax provisions and adoption of new tax legislation; our ability to utilize our net operating loss carryforwards; natural or man-made disruptions to our distribution and manufacturing facilities; our exposure to environmental liabilities and subjection to environmental laws and regulation; the impact of health and safety laws and regulations; the impact of disruptions to our information technology systems; cybersecurity risks; our exposure to losses if our insurance coverage is insufficient; our ability to operate on multiple Enterprise Resource Planning ("ERP") information systems and convert multiple systems to a single system; the impact of our indebtedness; the various financial covenants in our secured credit agreement and senior secured notes indenture; and other factors discussed or referred to in the "Risk Factors" section of BMC's most recent Annual Report on Form 10-K filed with the SEC on March 1, 2018.

All such factors are difficult to predict and are beyond BMC's control. All forward-looking statements attributable to BMC or persons acting on BMC's behalf are expressly qualified in their entirety by the foregoing cautionary statements. All such statements speak only as of the date made, and BMC undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Non-GAAP (Adjusted) Financial Measures

Adjusted EBITDA, Adjusted EBITDA margin, Adjusted net income and Adjusted net income per diluted share are intended as supplemental measures of the Company's performance that are not required by, or presented in accordance with, GAAP. The Company believes that Adjusted EBITDA, Adjusted EBITDA margin, Adjusted net income and Adjusted net income per diluted share provide useful information to management and investors regarding certain financial and business trends relating to the Company's financial condition and operating results.

- Adjusted EBITDA is defined as net income (loss) adjusted for interest expense, income tax expense (benefit), depreciation and amortization, Merger and integration costs, inventory step-up charges, non-cash stock compensation expense, loss on debt extinguishment, acquisition costs and other items and impairment of assets.
- Adjusted EBITDA margin is defined as Adjusted EBITDA divided by net sales.
- Adjusted net income is defined as net income adjusted for merger and integration costs, non-cash stock compensation expense, acquisition costs, other items and after-tax effecting those items.
- Adjusted net income per diluted share is defined as Adjusted net income divided by diluted weighted average shares.

Company management uses Adjusted EBITDA, Adjusted EBITDA margin, Adjusted net income and Adjusted net income per diluted share for trend analyses, for purposes of determining management incentive compensation and for budgeting and planning purposes. Adjusted EBITDA is used in monthly financial reports prepared for management and the board of directors. The Company believes that the use of Adjusted EBITDA, Adjusted EBITDA margin, Adjusted net income and Adjusted net income per diluted share provide additional tools for investors to use in evaluating ongoing operating results and trends and in comparing the Company's financial measures with other distribution and retail companies, which may present similar non-GAAP financial measures to investors. However, the Company's calculation of Adjusted EBITDA, Adjusted EBITDA margin, Adjusted net income and Adjusted net income per diluted share are not necessarily comparable to similarly titled measures reported by other companies. Company management does not consider Adjusted EBITDA, Adjusted EBITDA margin, Adjusted net income and Adjusted net income per diluted share in isolation or as alternatives to financial measures determined in accordance with GAAP. The principal limitation of Adjusted EBITDA and Adjusted net income is that they exclude significant expenses and income that are required by GAAP to be recorded in the Company's financial statements. Some of these limitations are: (i) Adjusted EBITDA and Adjusted net income do not reflect changes in, or cash requirements for, working capital needs; (ii) Adjusted EBITDA does not reflect interest expense, or the requirements necessary to service interest or principal payments on debt; (iii) Adjusted EBITDA does not reflect income tax expenses or the cash requirements to pay taxes; (iv) Adjusted net income and Adjusted EBITDA do not reflect historical cash expenditures or future requirements for capital expenditures or contractual commitments; (v) although depreciation and amortization charges are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future and Adjusted EBITDA and Adjusted net income do not reflect any cash requirements for such replacements and (vi) Adjusted net income and Adjusted EBITDA do not consider the potentially dilutive impact of issuing non-cash stock-based compensation. In order to compensate for these limitations, management considers Adjusted EBITDA and Adjusted net income in conjunction with GAAP results. Readers should review the reconciliations of net income (loss) to Adjusted EBITDA and Adjusted net income, included in the Appendix, and should not rely on any single financial measure to evaluate the Company's business.

First Quarter 2018 Highlights

Strong Growth in Value-Added Components	• Structural Components growth of 23.6% • $50 million in Q1 Ready-Frame® sales, up 47% • Total net sales up 10.1%
Gross Profit Improvement	• Gross profit dollars up 11.7%, gross margin up 40 bps • Reflects 100 bps year-over-year improvement in gross margin within the Lumber & Lumber Sheet Goods product category
Improved Profitability	• Net income grew $11.6 million to $15.4 million • Adjusted earnings per share[1] of $0.29, up $0.18
Adjusted EBITDA[1] Growth	• Adjusted EBITDA[1] up $13.6 million to $47.2 million • Adjusted EBITDA margin[1] up 130 bps over Q1 17
Operating Cash Flow	• Delivered $23.2 million of operating cash flow
Operational Excellence	• Unlocking productivity opportunities through LEAN training • Improving efficiency in our manufacturing and distribution operations • Investing to increase automation in our processes

1. Adjusted earnings per share, Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP financial measures. See Non-GAAP (Adjusted) Financial Measures pages of this presentation for definition of Adjusted EBITDA and a reconciliation to net income, the most directly comparable GAAP measure.

Sharpening the Focus on our Growth Strategies

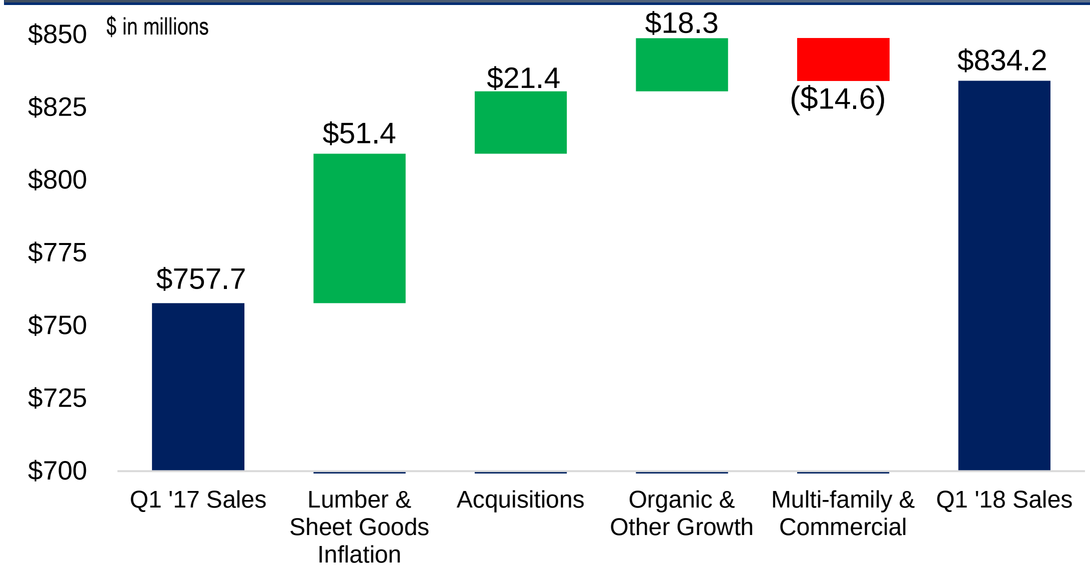
Strategic Priorities

	1	2	3	4
GOAL	Achieve Industry-Leading Financial Performance through Customer Service Leadership and Operational Excellence			
PILLARS	Organic Growth of Value Added Products and Segments	Deliver Operational Excellence with the BMC Operating System	Build High Performing Culture	Pursue Strategic Expansion
KEY ACTIVITIES	Balance Customer Portfolio: • Maximize Single Family Potential • Grow Multi-Family in select markets • Grow Pro Remodeling Segment Increase Mix of Value Added Products: • Millwork • Windows • Doors • Components	Best in Class Customer Service Optimize Profitability: • Profitable Pricing • Purchasing Rigor • SG&A Optimization Drive Continuous Improvement	Performance Management BMC Leadership Academy: • Talent Development • Recruiting College Graduate Management Training Program	Areas of Focus for Tuck-In Acquisitions: • Value Added Products • Pro Remodel • Improved Local Scale • Expand Geographically

Solid Balance Sheet Provides Foundation for Growth

Q1 2018 Financial Results

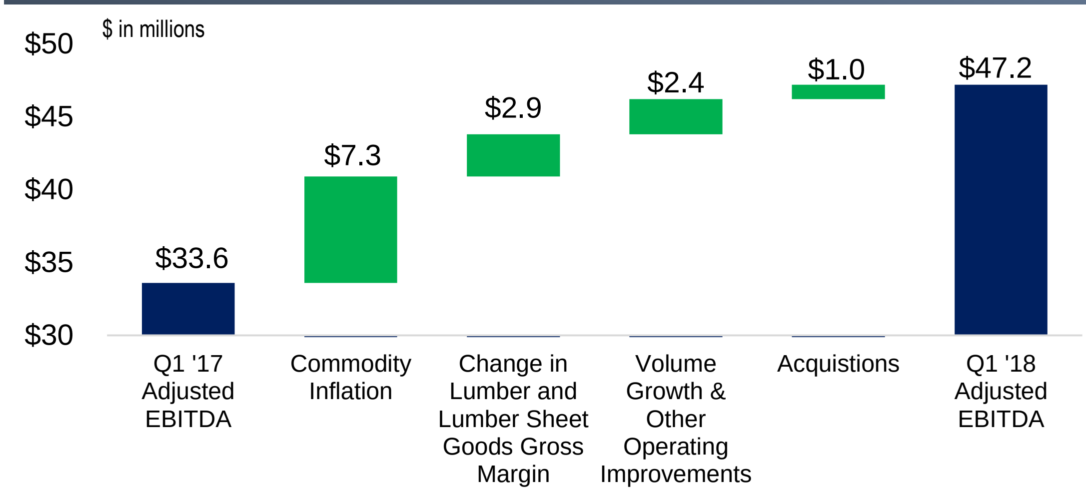
Q1 2018 Net Sales Bridge



Q1 2018 Commentary

- Net sales growth of 10.1%
- Commodity inflation adds $51 million to net sales as average selling prices on lumber and sheet goods up ~21% vs. prior year
- Sales from TexPly, Code Plus and first month of Shone Lumber total $21.4 million
- Strong 23.6% growth in structural components
- Growth in single-family and professional remodeling partially offset by declines in multi-family and commercial customer type

Q1 2018 Adjusted EBITDA[1] Bridge



- 41% improvement in Adjusted EBITDA[1]
- Inflationary benefits accelerate as higher prices more fully absorbed
- Lumber and lumber sheet goods gross margin up 100 bps primarily due to temporary drop in structural panel market
- Lower than average contribution from acquisitions primarily due to Q1 seasonality

1. Adjusted EBITDA is a non-GAAP financial measure. See Non-GAAP (Adjusted) Financial Measures pages of this presentation for definition of Adjusted EBITDA and a reconciliation to net income, the most directly comparable GAAP measure.

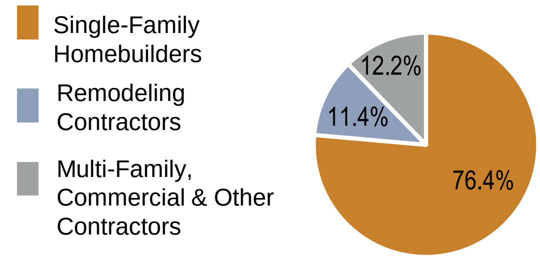
Solid Start in Q1 Raises Confidence for Full Year 2018

Fundamentals Support Continued Improvement

2018 Year Over Year End Market Growth Assumptions

Single-Family Starts	↑	5% - 8%
Median Size of New Home	↓	1% - 2%
Professional Remodeling	↑	3% - 5%
Multi-Family Starts	↓	8% - 12%

Q1 2018 BMC Customer Mix



BMC Full Year 2018 Expectations

2018 organic volume growth	2% - 5%
2018 commodity inflation	Deceleration in YoY benefits vs. Q1
2018 sales growth from completed acquisitions[1]	Up 2%
2018 total net sales growth	Up 6% – 11%
2018 Incremental Operating Margins[2, 3]	9% – 12%
Longer-term Incremental Operating Margins[2]	10% – 15%

1. Includes Code Plus, TexPly and Shone Lumber acquisitions
2. Incremental operating margin is defined as the change in operating income divided by the change in net sales.
3. Revised from previous expectation provided on Feb 27, 2018

Strong Balance Sheet to Support Growth

Flexibility for Continued Investments and Disciplined, Accretive M&A

Attractive Cash Flow Dynamics

- Improving Adjusted EBITDA[1] trends
- Working capital usage ~12-13% of sales
- 2018 Expectations:
  - Capital expenditures: $55 to $65 million
  - Depreciation expense: $50 to $55 million[2]
  - Amortization expense: $15 to $16 million
  - Interest expense: $24 to $26 million
  - Effective tax rate: 25%

Balance Sheet Positioned to Invest

3/31/2018 Long-Term Debt
$357 million

Long-Term Debt/ LTM 3/31/2018
Adjusted EBITDA (1)
1.7x

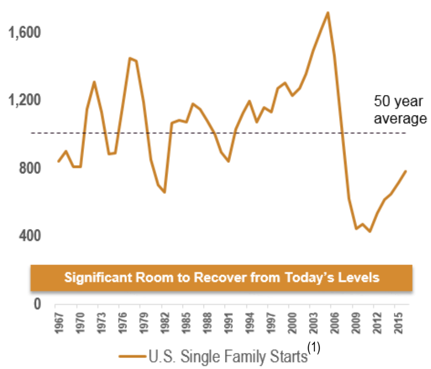
- $375 million revolving ABL facility with extended maturity; $12.2 million outstanding borrowings at 3/31/2018
- $301.5 million of availability for strategic investments and seasonal working capital needs
- $350 million 5.5% Senior Secured Notes maturing 2024
- Leverage target of 2.0x to 2.5x allows flexibility to make strategic investments but remains prudent

1. Adjusted EBITDA is a non-GAAP financial measure. See Non-GAAP (Adjusted) Financial Measures pages of this presentation for definition of Adjusted EBITDA.
2. Revised from previous expectation provided on Feb 27, 2018

Driving Long-Term Shareholder Value - -
Leveraging Strong Foundation and Core Capabilities to Accelerate Profitable Growth

Favorable Macro Trends

- ✓ Job & Wage Growth
- ✓ Consumer Confidence
- ✓ Low Interest Rates
- ✓ Low Levels of Inventory
- ✓ Favorable demographics



Differentiated Value-Added Solutions

- ✓ Ready-Frame® - Revolutionary framing solution, helping builders navigate labor shortage
- ✓ E-Business Suite – Providing customers what they want, when and how they want it
- ✓ Wide Breadth of Value-Added Offerings:
  - ➢ Structural Components incl. trusses, wall panels and engineered wood
  - ➢ Millwork, Doors & Windows

Growth Strategies to Drive Profitable Growth

- ✓ Expand Value-Added Categories:
  - ➢ Structural Components
  - ➢ Millwork, Doors & Windows
- ✓ Execute with Culture of Operational Excellence, Customer Service and Innovation
- ✓ Strategic Tuck-In Acquisitions
- ✓ Gain Market Share in Professional Remodeling

Solid Balance Sheet Provides Foundation for Growth

(1) Source: United States Census Bureau.

BMC

Appendix

BMC Stock Holdings Reported (GAAP) Income Statement

($ths)	Q1 16	Q2 16	Q3 16	Q4 16	FY 2016	Q1 17	Q2 17	Q3 17	Q4 17	FY 2017	Q1 18
Net sales	727,418	797,547	821,204	747,574	3,093,743	757,700	886,375	881,012	840,881	3,365,968	834,202
Cost of sales	560,801	605,892	618,238	566,847	2,351,778	579,503	674,688	671,467	644,795	2,570,453	635,118
Gross profit	166,617	191,655	202,966	180,727	741,965	178,197	211,687	209,545	196,086	795,515	199,084
SG&A	141,781	139,897	149,498	140,623	571,799	148,888	157,789	158,193	154,676	619,546	160,204
Depreciation expense	8,792	9,290	9,784	10,575	38,441	10,561	10,941	11,053	10,467	43,022	9,506
Amortization expense	5,245	5,288	5,349	4,839	20,721	3,821	4,100	4,026	4,056	16,003	3,657
Impairment of assets	11,883	-	-	45	11,928	-	26	409	-	435	-
Merger and integration costs	2,836	3,597	4,655	4,252	15,340	4,441	6,324	2,574	1,997	15,336	1,687
Income (loss) from operations	(3,920)	33,583	33,680	20,393	83,736	10,486	32,507	33,290	24,890	101,173	24,030
Interest expense	(8,231)	(8,121)	(7,668)	(6,111)	(30,131)	(6,088)	(6,495)	(6,377)	(6,076)	(25,036)	(5,982)
Loss on debt extinguishment	-	-	(12,529)	-	(12,529)	-	-	-	-	-	-
Other income (expense), net	1,455	1,411	735	469	4,070	319	964	1,083	3,324	5,690	1,950
(Loss) income before income taxes	(10,696)	26,873	14,218	14,751	45,146	4,717	26,976	27,996	22,138	81,827	19,998
Income tax (benefit) expense	(3,940)	8,891	4,982	4,333	14,266	973	9,380	9,553	4,496	24,402	4,639
Net (loss) income	**(6,756)**	**17,982**	**9,236**	**10,418**	**30,880**	**3,744**	**17,596**	**18,443**	**17,642**	**57,425**	**15,359**

BMC Stock Holdings Reconciliation of Non-GAAP Items

Adjusted EBITDA

($ths)	Q1 16	Q2 16	Q3 16	Q4 16	FY 2016	Q1 17	Q2 17	Q3 17	Q4 17	FY 2017	Q1 18
Net income (loss)	**(6,756)**	**17,982**	**9,236**	**10,418**	**30,880**	**3,744**	**17,596**	**18,443**	**17,642**	**57,425**	**15,359**
Interest expense	8,231	8,121	7,668	6,111	**30,131**	6,088	6,495	6,377	6,076	**25,036**	5,982
Income tax expense (benefit)	(3,940)	8,891	4,982	4,333	**14,266**	973	9,380	9,553	4,496	**24,402**	4,639
Depreciation and amortization	16,682	17,139	17,276	17,583	**68,680**	16,813	17,558	17,625	17,221	**69,217**	15,681
Merger and integration costs	2,836	3,597	4,655	4,252	**15,340**	4,441	6,324	2,574	1,997	**15,336**	1,687
Inventory step-up charges	2,884	-	-	-	**2,884**	-	-	-	-	**-**	-
Non-cash stock compensation expense	1,889	1,804	1,851	1,708	**7,252**	1,231	2,154	1,366	2,018	**6,769**	1,775
Loss on debt extinguishment	-	-	12,529	-	**12,529**	-	-	-	-	**-**	-
Acquisition costs and other items	-	-	-	-	**-**	273	44	2,950	(1,884)	**1,383**	2,057
Impairment of assets	11,883	-	-	45	**11,928**	-	26	409	-	**435**	-
Adjusted EBITDA	**33,709**	**57,534**	**58,197**	**44,450**	**193,890**	**33,563**	**59,577**	**59,297**	**47,566**	**200,003**	**47,180**
Adjusted EBITDA margin	**4.6%**	**7.2%**	**7.1%**	**5.9%**	**6.3%**	**4.4%**	**6.7%**	**6.7%**	**5.7%**	**5.9%**	**5.7%**

BMC Stock Holdings Reconciliation of Non-GAAP Items

Adjusted Net Income and Adjusted Earnings Per Share

(in $ths, except per share amounts)	Q1 2018	Q1 2017
Net income	**15,359**	**3,744**
Merger and integration costs	1,687	4,441
Non-cash stock compensation expense	1,775	1,231
Acquisition Costs (a)	234	273
Other Items (b)	1,823	-
Tax effect of adjustments to net income (c)	(1,304)	(2,039)
Adjusted net income	**19,574**	**7,650**
Diluted weighted avg. shares used to calculate Adjusted net income per diluted share	67,664	67,186
Adjusted net income per diluted share	**$0.29**	**$0.11**

(a) For the three months ended March 31, 2018, represents costs incurred related to the acquisition of W.E. Shone Co. For the three months ended March 31, 2017, represents costs incurred related to the acquisitions of Code Plus Components, LLC and Texas Plywood and Lumber Company, Inc.

(b) Represents severance and executive search costs incurred in connection with the departure of the Company's former chief executive officer and the search for his permanent replacement.

(c) The tax effect of adjustments to net income was based on the respective transactions' income tax rate, which was 23.6% and 37.3% for the three months ended March 31, 2018 and 2017, respectively. The tax effect of adjustments to net income exclude non-deductible Merger and integration costs of $0.5 million for the three months ended March 31, 2017.