



NEWS RELEASE

Builders FirstSource Reports Second Quarter 2025 Results

2025-07-31

IRVING, Texas--(BUSINESS WIRE)-- Builders FirstSource, Inc. (NYSE: BLDR) today reported its results for the second quarter ended June 30, 2025.

Second Quarter 2025 Highlights

All Year-Over-Year Comparisons Unless Otherwise Noted:

- Net sales were \$4.2 billion, a 5.0% decrease, driven by lower core organic net sales and commodity deflation, partially offset by growth from acquisitions.
- Gross profit margin decreased 210 basis points to 30.7%, primarily driven by Single- and Multi-Family margin normalization as well as a below-normal starts environment.
- Net income was \$185.0 million, or diluted EPS of \$1.66 compared to diluted EPS of \$2.87 in the prior year period. Net income as a percent of net sales decreased by 330 basis points to 4.4%.
- Adjusted EBITDA decreased 24.4% to \$506.1 million, primarily driven by lower gross profit.
- Adjusted EBITDA margin declined by 300 basis points to 12.0%, attributable to lower gross margin and reduced operating leverage.
- Cash provided by operating activities was \$341.0 million, a decrease of \$111.0 million compared to the prior year period. The Company's free cash flow was \$255.0 million, a decrease of 30.5%, compared to \$366.7 million in the prior year period. The decrease was primarily driven by lower net income.
- The Company repurchased 3.3 million shares of common stock at an average price of \$118.27 for \$390.9 million, inclusive of applicable fees and taxes.

Peter Jackson, CEO of Builders FirstSource, commented: "Our durable results in the second quarter reinforce the

advantage of our differentiated product offerings and commitment to execution. In this challenging market environment, we are prioritizing what's within our control—serving customers with excellence, leveraging technology, and managing the business with discipline. We remain focused on building for the future through investments in value-added solutions, digital capabilities, and operational efficiency. These efforts are strengthening our position in the industry and laying the foundation to emerge stronger and accelerate delivery of long-term shareholder value as market conditions improve.”

Pete Beckmann, CFO of Builders FirstSource, added, “We continue to benefit from the strength and adaptability of our operating model. By executing consistently through the cycle, we are generating strong free cash flow and preserving financial flexibility. We remain disciplined in our capital deployment with a focus on maintaining a healthy balance sheet and investing in high-return opportunities. Our scale, operational rigor, and talented team give us confidence in our ability to deliver solid results and compound value into the future.”

Second Quarter 2025 Financial Performance Highlights

All Year-Over-Year Comparisons Unless Otherwise Noted:

Net Sales

- Net sales were \$4.2 billion, a 5.0% decrease, driven by an 8.5% decline in core organic net sales and commodity deflation of 1.5%, partially offset by growth from acquisitions of 5.0%.
- Core organic net sales declined 8.5%. Multi-Family declined 23.3% and Single-Family declined 9.1%, while Repair and Remodel (“R&R”)/Other increased 3.0%. On a weighted basis, Multi- and Single-Family lowered net sales by 2.6% and 6.5%, respectively, while R&R/Other raised sales by 0.6%.

Gross Profit

- Gross profit was \$1.3 billion, a decrease of 11.2%. Gross profit margin percentage decreased 210 basis points to 30.7%, primarily driven by Single- and Multi-Family margin normalization as well as a below-normal starts environment.

Selling, General and Administrative Expenses

- SG&A was \$987.8 million, an increase of \$14.6 million, or 1.5%, primarily driven by additional expenses from operations acquired within the last twelve months and our ongoing enterprise resource planning system implementation, partially offset by lower variable compensation due to lower core organic sales. As a percentage of net sales, total SG&A increased by 150 basis points to 23.3%, primarily attributable to reduced operating leverage.

Net Interest Expense

- Net interest expense increased \$20.0 million to \$72.0 million, primarily due to higher average debt balances.

Income Tax Expense

- Income tax expense was \$54.3 million, compared to \$93.4 million in the prior year period, primarily driven by a decrease in income before income tax. The effective tax rate in the second quarter increased 140 basis points year-over-year to 22.7%, primarily related to a lower stock-based compensation windfall benefit.

Net Income

- Net income was \$185.0 million, or \$1.66 earnings per diluted share, compared to net income of \$344.1 million, or \$2.87 earnings per diluted share, in the same period a year ago. The 46.2% decrease in net income was primarily driven by lower gross profit and higher SG&A and net interest expense, partially offset by lower income tax expenses.
- Net income as a percentage of net sales was 4.4%, a decrease of 330 basis points from the prior year period, primarily due to lower gross profit margins and higher SG&A and net interest expense, partially offset by lower income tax expenses.

Adjusted Net Income

- Adjusted net income was \$264.3 million, a decrease of 37.1%, primarily driven by lower gross profit and higher net interest expense, partially offset by lower income tax expenses.

Adjusted Earnings Per Diluted Share

- Adjusted earnings per diluted share was \$2.38, compared to \$3.50 in the same period a year ago. The 32.0% decrease was primarily driven by lower adjusted net income, partially offset by share repurchases.

Adjusted EBITDA

- Adjusted EBITDA decreased 24.4% to \$506.1 million, primarily driven by lower gross profit.
- Adjusted EBITDA margin declined by 300 basis points from the prior year period to 12.0%, primarily due to lower gross profit margins and reduced operating leverage.

Capital Structure, Leverage, and Liquidity Information

- For the three months ended June 30, 2025, cash provided by operating activities was \$341.0 million, and cash used in investing activities was \$147.4 million. The Company's free cash flow was \$255.0 million, compared to

\$366.7 million in the prior year period, largely the result of lower net income.

- Liquidity as of June 30, 2025, was approximately \$1.6 billion, consisting of \$1,538 million in net borrowing availability under the revolving credit facility and \$87 million of cash on hand.
- As of June 30, 2025, LTM Adjusted EBITDA was \$2.0 billion and net debt was \$4.6 billion, resulting in a net debt to LTM Adjusted EBITDA ratio of 2.3x, compared to 1.4x in the prior year period.
- In May 2025, the Company completed the issuance of \$750 million aggregate principal amount of 6.750% unsecured senior notes due 2035 at an issuance price of 100%. Net proceeds from the offering were used to repay indebtedness outstanding under its senior secured ABL facility.
- In May 2025, the Company amended its ABL facility, increasing the existing revolving commitments of \$1,800 million with new revolving commitments of \$2,200 million and extended the maturity date to May 2030.
- In the second quarter, the Company repurchased 3.3 million shares of its common stock at an average price of \$118.27 per share for \$390.9 million, inclusive of applicable fees and taxes.
- The Company has \$500 million remaining under its repurchase authorization.
- Since the inception of its buyback program in August 2021, the Company has repurchased 99.3 million shares of its common stock, or 48.1% of its total shares outstanding, at an average price of \$80.90 per share for a total cost of \$8.0 billion, inclusive of applicable fees and taxes.

Productivity Savings From Operational Excellence

- For the second quarter, the Company delivered approximately \$5 million in productivity savings related to operational excellence and supply chain initiatives. Year to date, the Company has delivered approximately \$22 million in productivity savings.
- The Company expects to deliver \$45 million to \$65 million in productivity savings in 2025.

2025 Full Year Total Company Outlook

For 2025, the Company expects to achieve the financial performance highlighted below. Projected Net Sales and Adjusted EBITDA include the expected impact of price, commodities, and margins for 2025.

- Net Sales to be in a range of \$14.8 billion to \$15.6 billion.
- Gross Profit margin to be in a range of 29.0% to 30.5%.
- Adjusted EBITDA to be in a range of \$1.5 billion to \$1.7 billion.
- Adjusted EBITDA margin to be in a range of 10.1% to 10.9%.
- Free cash flow in the range of \$0.8 to \$1.0 billion, assuming average commodity prices in the range of \$375 to \$425 per thousand board foot (mbf).

2025 Full Year Assumptions

The Company's anticipated 2025 performance is based on several assumptions for the full year, including the following:

- Within the Company's geographies, Single-Family starts are projected to be down 10-12%, Multi-Family starts down mid-teens, and R&R is projected to be flat.
- Acquisitions completed within the last twelve months are projected to add net sales growth of 5.0% to 5.5%.
- Total capital expenditures in the range of \$300 million to \$350 million.
- Interest expense in the range of \$270 million to \$280 million.
- An effective tax rate of 23.0% to 25.0%.
- Depreciation and amortization expenses in the range of \$550 million to \$600 million.
- One fewer selling day is projected to decrease net sales by 0.4% in 2025 versus 2024.

Conference Call

Builders FirstSource will host a conference call and webcast on Thursday, July 31, 2025, to discuss the Company's financial results and other business matters. The teleconference will begin at 8:00 a.m. Central Time and will be hosted by Peter Jackson, Chief Executive Officer, and Pete Beckmann, Chief Financial Officer.

To participate in the teleconference, please dial into the call a few minutes before the start time at 800-245-3047 (U.S. and Canada) or 203-518-9765 (international), Conference ID: BLDRQ225. A replay of the call will be available at 12:00 p.m. Central Time through Thursday, August 7, 2025. To access the replay, please dial 800-839-1180 (U.S. and Canada) or 402-220-0400 (international). The live webcast and archived replay can also be accessed on the Company's investor relations website at **investors.bladr.com** under the Events and Presentations section. The online archive of the webcast will be available for approximately 90 days.

Upcoming Events

Management will participate in investor meetings at the Goldman Sachs Consumer/Retail Conference on September 3, 2025, and the Jefferies Industrials Conference on September 4, 2025, in New York City.

About Builders FirstSource

Headquartered in Irving, Texas, Builders FirstSource is the largest U.S. supplier of building products, prefabricated components, and value-added services to the professional market segment for new residential construction and repair and remodeling. We provide customers an integrated homebuilding solution, offering manufacturing, supply, delivery, and installation of a full range of structural and related building products. We operate in 43 states with approximately 585 locations and have a market presence in 48 of the top 50 and 92 of the top 100 MSAs, providing geographic diversity and balanced end market exposure. We service customers from strategically located

distribution and manufacturing facilities (some of which are co-located) that produce value-added products such as roof and floor trusses, wall panels, stairs, vinyl windows, custom millwork, and pre-hung doors. Builders FirstSource also distributes dimensional lumber and lumber sheet goods, millwork, windows, interior and exterior doors, and other specialty building products. www.blldr.com

Forward-Looking Statements

Statements in this news release and the schedules hereto that are not purely historical facts or that necessarily depend upon future events, including statements about forecasted financial performance or other statements about anticipations, beliefs, expectations, hopes, synergies, intentions or strategies for the future, may be forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Readers are cautioned not to place undue reliance on forward-looking statements. In addition, oral statements made by our directors, officers and employees to the investor and analyst communities, media representatives and others, depending upon their nature, may also constitute forward-looking statements. As with the forward-looking statements included in this release, these forward-looking statements are by nature inherently uncertain, and actual results or events may differ materially as a result of many factors. All forward-looking statements are based upon information available to Builders FirstSource on the date this release was submitted. Builders FirstSource undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Forward-looking statements involve risks and uncertainties, many of which are beyond the Company's control or may be currently unknown to the Company, that could cause actual events or results to differ materially from the events or results described in the forward-looking statements; such risks or uncertainties include those related to the Company's growth strategies, including acquisitions, organic growth and digital and technology strategies, or the dependence of the Company's revenues and operating results on, among other things, the homebuilding industry and, to a lesser extent, repair and remodel activity, which in each case is dependent on economic conditions, including inflation, interest rates, home size and affordability, consumer confidence, labor and supply shortages, and also lumber and other commodity prices. Builders FirstSource may not succeed in addressing these and other risks. Further information regarding factors that could affect our financial and other results can be found in the risk factors section of Builders FirstSource's most recent annual report on Form 10-K filed with the Securities and Exchange Commission (the "SEC") and may also be described from time to time in the other reports Builders FirstSource files with the SEC. Consequently, all forward-looking statements in this release are qualified by the factors, risks and uncertainties contained therein.

Non-GAAP Financial Measures

The financial measures entitled Adjusted EBITDA, LTM Adjusted EBITDA, Adjusted EBITDA margin, Adjusted net income, Adjusted net income as a percent of net sales, basic Adjusted net income per share, diluted Adjusted net

income per share, Adjusted SG&A, Adjusted SG&A as a percent of net sales, and Free cash flow are not financial measures recognized under GAAP and are therefore non-GAAP financial measures. The Company believes that these non-GAAP financial measures 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 GAAP net income before depreciation and amortization expense, net interest expense, income tax expense and other non-cash or special items including stock compensation expense, acquisition and related expense, technology implementation expense, debt issuance and refinancing costs, severance and gain on sale of assets and other one-time costs partially offset by the tax effect of those adjustments to net income. LTM Adjusted EBITDA is defined as Adjusted EBITDA for the last twelve consecutive months. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by net sales. Adjusted net income is defined as GAAP net income before non-cash or special items including acquisition and related expense, technology implementation expense, debt issuance and refinancing cost and amortization expense partially offset by the tax effect of those adjustments to net income. Adjusted net income as a percent of net sales is defined as Adjusted net income divided by net sales. Basic Adjusted net income per share is defined as Adjusted net income divided by weighted average basic common shares outstanding while diluted Adjusted net income per share is defined as Adjusted net income divided by weighted average diluted common shares outstanding. Adjusted SG&A is defined as GAAP SG&A expense before non-cash or special items including depreciation expense, amortization expense, stock compensation expense, acquisition and related expense, and technology implementation expense. Adjusted SG&A as a percent of sales is defined as Adjusted SG&A divided by net sales. Free cash flow is defined as GAAP net cash from operating activities less capital expenditures, net of proceeds from the sale of property, plant and equipment.

Company management uses Adjusted EBITDA, Adjusted EBITDA margin, Adjusted net income, Adjusted net income as a percent of net sales, basic Adjusted net income per share and diluted Adjusted net income per share as supplemental measures in its evaluation of the Company's business, including for trend analysis, purposes of determining management incentive compensation and budgeting and planning purposes. Company management believes that these measures provide a meaningful measure of the Company's performance and a better baseline for comparing financial performance across periods because these measures eliminate the effects of period to period changes, in the case of Adjusted EBITDA and Adjusted EBITDA margin, in taxes, costs associated with capital investments, net interest expense, stock compensation expense, and other non-cash and non-recurring items and, in the case of Adjusted net income, Adjusted net income as a percent of sales, and Adjusted net income per diluted share, in certain non-recurring items. Company management also uses free cash flow as a supplemental measure in its evaluation of the Company's business, including for purposes of its internal liquidity assessments. Company management believes that free cash flow provides a meaningful evaluation of the Company's liquidity.

The Company believes that these non-GAAP financial measures provide additional tools for investors to use in evaluating ongoing operating results, cash flows and trends and in comparing the Company's financial measures with other companies in the Company's industry, which may present similar non-GAAP financial measures to investors. However, the Company's calculations of these financial measures are not necessarily comparable to similarly titled measures reported by other companies. Company management does not consider these financial measures in isolation or as alternatives to financial measures determined in accordance with GAAP. Furthermore, items that are excluded and other adjustments and assumptions that are made in calculating these non-GAAP financial measures are significant components in understanding and assessing the Company's financial performance. These non-GAAP financial measures should be evaluated in conjunction with, and are not a substitute for, the Company's GAAP financial measures. Further, because these non-GAAP financial measures are not determined in accordance with GAAP and are thus susceptible to varying calculations, the non-GAAP financial measures, as presented, may not be comparable to other similarly titled measures of other companies. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are included in the tables below.

The Company's Adjusted EBITDA outlook, free cash flow and full-year forecast for its effective tax rate on operations exclude the impact of certain income and expense items that management believes are not part of underlying operations. These items may include, but are not limited to, loss on early extinguishment of debt, restructuring charges, certain tax items, and charges associated with non-recurring costs such as professional and legal fees associated with our acquisitions and enterprise resource planning (ERP) program. The Company's management cannot estimate on a forward-looking basis without unreasonable effort the impact these income and expense items will have on its reported net income, operating cash flow and its reported effective tax rate because these items, which could be significant, are difficult to predict and may be highly variable. As a result, the Company does not provide a reconciliation to the most comparable GAAP financial measure for its Adjusted EBITDA or free cash flow outlook or its effective tax rate on operations forecast. Please see the Forward-Looking Statements section of this release for a discussion of certain risks relevant to the Company's outlook.

BUILDERS FIRSTSOURCE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(unaudited)

(in thousands, except per share amounts)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net sales	\$ 4,234,064	\$ 4,456,340	\$ 7,891,560	\$ 8,347,692
Cost of sales	2,935,023	2,993,656	5,477,278	5,585,154
Gross margin	1,299,041	1,462,684	2,414,282	2,762,538
Selling, general and administrative expenses	987,754	973,201	1,918,554	1,899,458
Income from operations	311,287	489,483	495,728	863,080
Interest expense, net	71,988	52,016	136,880	100,352

Income before income taxes	239,299	437,467	358,848	762,728
Income tax expense	54,268	93,377	77,513	159,857
Net income	\$ 185,031	\$ 344,090	\$ 281,335	\$ 602,871
Net income per share:				
Basic	\$ 1.67	\$ 2.89	\$ 2.51	\$ 5.00
Diluted	\$ 1.66	\$ 2.87	\$ 2.50	\$ 4.95
Weighted average common shares:				
Basic	110,922	119,244	112,291	120,608
Diluted	111,196	120,072	112,759	121,721

BUILDERS FIRSTSOURCE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(unaudited)

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Cash flows from operating activities:				
Net income	\$ 185,031	\$ 344,090	\$ 281,335	\$ 602,871
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	147,524	143,355	292,555	283,736
Deferred income taxes	(21,729)	(18,954)	(32,367)	(27,322)
Stock-based compensation expense	16,160	16,726	30,398	33,626
Other non-cash adjustments	1,063	(164)	(5,711)	15
Changes in assets and liabilities, net of assets acquired and liabilities assumed:				
Receivables	(64,537)	(172,781)	(33,938)	(36,145)
Inventories, net	52,034	77,471	(30,469)	(49,236)
Contract assets	(2,057)	(17,622)	(12,908)	(25,260)
Other current assets	1,576	(2,990)	(13,437)	(10,038)
Other assets and liabilities	(4,982)	(15,943)	(21,195)	(32,607)
Accounts payable	(16,271)	(1,800)	126,620	141,816
Accrued liabilities	50,762	85,926	(115,532)	(136,789)
Contract liabilities	(3,534)	14,770	8,017	24,604
Net cash provided by operating activities	341,040	452,084	473,368	769,271
Cash flows from investing activities:				
Cash used for acquisitions, net of cash acquired	(60,731)	(74,213)	(885,526)	(132,918)
Purchases of property, plant and equipment	(88,739)	(88,107)	(188,713)	(181,319)
Proceeds from sale of property, plant and equipment	2,719	2,731	15,432	6,298
Cash used for equity investments	(666)	(5,000)	(666)	(7,686)
Net cash used in investing activities	(147,417)	(164,589)	(1,059,473)	(315,625)
Cash flows from financing activities:				
Borrowings under revolving credit facility	2,681,000	475,000	3,823,000	897,000
Repayments under revolving credit facility	(3,223,000)	(376,000)	(3,590,000)	(1,262,000)
Proceeds from long-term debt and other loans	750,000	—	750,000	1,000,000
Repayments of long-term debt and other loans	(696)	(888)	(1,450)	(1,767)
Payments of loan costs	(19,465)	(300)	(19,465)	(12,829)
Payments of acquisition-related deferred and contingent consideration	(1,800)	(622)	(2,122)	(9,522)
Tax withholdings on and exercises of equity awards	(6,403)	(23,274)	(26,505)	(54,997)
Repurchase of common stock	(401,610)	(983,317)	(413,957)	(1,000,118)
Net cash provided by (used in) financing activities	(221,974)	(909,401)	519,501	(444,233)
Net change in cash and cash equivalents	(28,351)	(621,906)	(66,604)	9,413
Cash and cash equivalents at beginning of period	115,371	697,475	153,624	66,156
Cash and cash equivalents at end of period	\$ 87,020	\$ 75,569	\$ 87,020	\$ 75,569

BUILDERS FIRSTSOURCE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEET
(unaudited)

(in thousands, except per share amounts)	June 30, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 87,020	\$ 153,624
Accounts receivable, less allowances of \$47,479 and \$41,233, respectively	1,331,378	1,163,147
Other receivables	265,269	344,342
Inventories, net	1,309,089	1,212,375
Contract assets	164,003	151,095
Other current assets	130,858	116,656
Total current assets	3,287,617	3,141,239
Property, plant and equipment, net	2,191,156	1,961,731
Operating lease right-of-use assets, net	603,822	594,301
Goodwill	3,988,853	3,678,504
Intangible assets, net	1,262,411	1,103,634
Other assets, net	130,696	103,677
Total assets	\$ 11,464,555	\$ 10,583,086
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 1,008,412	\$ 868,054
Accrued liabilities	530,377	634,045
Contract liabilities	182,604	168,208
Current portion of operating lease liabilities	106,175	103,499
Current maturities of long-term debt	7,063	3,470
Total current liabilities	1,834,631	1,777,276
Noncurrent portion of operating lease liabilities	531,290	525,213
Long-term debt, net of current maturities, discounts and issuance costs	4,669,983	3,700,643
Deferred income taxes	115,799	148,167
Other long-term liabilities	134,760	135,317
Total liabilities	7,286,463	6,286,616
Commitments and contingencies (Note 11)		
Stockholders' equity:		
Preferred stock, \$0.01 par value, 10,000 shares authorized; zero shares issued and outstanding	—	—
Common stock, \$0.01 par value, 300,000 shares authorized; 110,537 and 113,578 shares issued and outstanding at June 30, 2025, and December 31, 2024, respectively	1,105	1,136
Additional paid-in capital	4,176,987	4,271,269
Retained earnings	—	24,065
Total stockholders' equity	4,178,092	4,296,470
Total liabilities and stockholders' equity	\$ 11,464,555	\$ 10,583,086

BUILDERS FIRSTSOURCE, INC. AND SUBSIDIARIES
Reconciliation of GAAP Net Income to Adjusted Net Income
(unaudited)

(in millions)	Three Months Ended June 30,		Six Months Ended June 30,		Twelve Months Ended June 30,
	2025	2024	2025	2024	2025
Reconciliation to Adjusted Net Income:					
GAAP net income	\$ 185.0	\$ 344.1	\$ 281.3	\$ 602.9	\$ 756.3
Acquisition and related expense	1.4	1.9	4.8	2.5	20.6
Technology implementation expense	28.8	17.5	52.9	27.3	92.6
Debt issuance and refinancing cost	0.2	-	0.2	-	0.2
Amortization expense	73.9	81.0	147.2	160.9	291.7
Tax-effect of adjustments to net income	(25.0)	(24.1)	(49.2)	(45.8)	(97.2)
Adjusted net income	\$ 264.3	\$ 420.4	\$ 437.2	\$ 747.8	\$ 1,064.2
Adjusted net income as a % of sales	6.2%	9.4%	5.5%	9.0%	6.7%
GAAP common shares outstanding	110.9	119.2	112.3	120.6	
GAAP diluted common shares outstanding	111.2	120.1	112.8	121.7	
Basic adjusted net income per share:	\$ 2.38	\$ 3.53	\$ 3.89	\$ 6.20	
Diluted adjusted net income per share:	\$ 2.38	\$ 3.50	\$ 3.88	\$ 6.14	

Reconciliation of GAAP Net Income to Adjusted EBITDA
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,		Twelve Months Ended June 30,
	2025	2024	2025	2024	2025
(in millions)					
Reconciliation to Adjusted EBITDA:					
GAAP net income	\$ 185.0	\$ 344.1	\$ 281.3	\$ 602.9	\$ 756.3
Interest expense, net	71.8	52.0	136.7	100.4	244.1
Income tax expense	79.3	117.5	126.7	205.7	324.5
Depreciation expense	73.6	62.3	145.3	122.8	279.1
Amortization expense	73.9	81.0	147.2	160.9	291.7
Stock compensation expense	16.2	16.7	30.4	33.6	59.9
Acquisition and related expense	1.4	1.9	4.8	2.5	20.6
Technology implementation expense	28.8	17.5	52.9	27.3	92.6
Debt issuance and refinancing cost	0.2	-	0.2	-	0.2
Tax-effect of adjustments to net income	(25.0)	(24.1)	(49.2)	(45.8)	(97.2)
Other management-identified adjustments ⁽¹⁾	0.9	0.8	(1.0)	0.3	23.6
Adjusted EBITDA	\$ 506.1	\$ 669.7	\$ 875.3	\$ 1,210.6	\$ 1,995.4
Adjusted EBITDA margin	12.0%	15.0%	11.1%	14.5%	12.5%

(1) Primarily relates to severance, net gain/loss on sale of assets, and other one-time costs.

BUILDERS FIRSTSOURCE, INC. AND SUBSIDIARIES
Reconciliation of GAAP Selling, General & Administrative Expenses to Adjusted Selling, General & Administrative Expenses
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
(in millions)				
Reconciliation to Adjusted SG&A Expense:				
GAAP SG&A expense	\$ 987.8	\$ 973.2	\$ 1,918.6	\$ 1,899.5
Depreciation expense	(50.8)	(43.4)	(100.3)	(85.4)
Amortization expense	(71.3)	(78.3)	(141.9)	(155.5)
Stock compensation expense	(16.2)	(16.7)	(30.4)	(33.6)
Acquisition and related expense	(1.4)	(1.9)	(4.8)	(2.5)
Technology implementation expense	(28.8)	(17.5)	(52.9)	(27.3)
Other management-identified adjustments ⁽¹⁾	(0.9)	(0.8)	1.0	(0.3)
Adjusted SG&A expense	\$ 818.4	\$ 814.6	\$ 1,589.3	\$ 1,594.9
GAAP SG&A expense as a % of sales	23.3%	21.8%	24.3%	22.8%
Adjusted SG&A expense as a % of sales	19.3%	18.3%	20.1%	19.1%

(1) Primarily relates to severance, net gain/loss on sale of assets, and other one-time costs.

BUILDERS FIRSTSOURCE, INC. AND SUBSIDIARIES
Interest Reconciliation
(unaudited)

	Three Months Ended June 30, 2025		Six Months Ended June 30, 2025	
	Interest Expense	Net Debt Outstanding	Interest Expense	Net Debt Outstanding
(in millions)				
Revolving credit facility @ 5.50% weighted average interest rate	\$ 9.9	\$ 233.0	\$ 21.2	\$ 233.0
2032 Unsecured notes @ 4.25%	13.8	1,300.0	27.6	1,300.0
2034 Unsecured notes @ 6.375%	15.9	1,000.0	31.9	1,000.0
2035 Unsecured notes @ 6.75%	7.6	750.0	7.6	750.0
2032 Unsecured notes @ 6.375%	11.2	700.0	22.3	700.0
2030 Unsecured notes @ 5.00%	6.9	550.0	13.8	550.0
Amortization of debt issuance costs, discount and premium	1.8	-	3.2	-
Finance leases and other finance obligations	5.0	190.3	10.0	190.3
Debt issuance and refinancing cost	0.2	-	0.2	-
Cash	-	(87.0)	-	(87.0)
Total ⁽¹⁾	\$ 72.3	\$ 4,636.3	\$ 137.8	\$ 4,636.3

(1) Total interest expense does not include interest income of approximately \$0.3 million and \$0.9 million received during the three month and six month periods, respectively.

BUILDERS FIRSTSOURCE, INC. AND SUBSIDIARIES
Free Cash Flow
(unaudited)

(in millions)	Three Months Ended June 30, 2025	Six Months Ended June 30, 2025
Free Cash Flow		
Operating activities	\$ 341.0	\$ 473.4
Less: Capital expenditures, net of proceeds	(86.0)	(173.3)
Free cash flow	<u>\$ 255.0</u>	<u>\$ 300.1</u>

BUILDERS FIRSTSOURCE, INC. AND SUBSIDIARIES
Sales by Product Category
(unaudited)

(in millions)	Three Months Ended June 30,				
	2025		2024		% Change
	Net Sales	% of Net Sales	Net Sales	% of Net Sales	
Manufactured products	\$ 953.1	22.5%	\$ 1,056.1	23.7%	(9.8)%
Windows, doors & millwork	\$ 1,030.0	24.3%	\$ 1,114.9	25.0%	(7.6)%
Value-added products	1,983.1	46.8%	2,171.0	48.7%	(8.7)%
Specialty building products & services	1,117.8	26.4%	1,093.6	24.6%	2.2%
Lumber & lumber sheet goods	1,133.2	26.8%	1,191.7	26.7%	(4.9)%
Total net sales	<u>\$ 4,234.1</u>	<u>100.0%</u>	<u>\$ 4,456.3</u>	<u>100.0%</u>	<u>(5.0)%</u>

(in millions)	Six Months Ended June 30,				
	2025		2024		% Change
	Net Sales	% of Net Sales	Net Sales	% of Net Sales	
Manufactured products	\$ 1,803.4	22.9%	\$ 2,035.2	24.4%	(11.4)%
Windows, doors & millwork	1,958.8	24.8%	2,145.3	25.7%	(8.7)%
Value-added products	3,762.2	47.7%	4,180.5	50.1%	(10.0)%
Specialty building products & services	2,023.1	25.6%	1,996.5	23.9%	1.3%
Lumber & lumber sheet goods	2,106.3	26.7%	2,170.7	26.0%	(3.0)%
Total net sales	<u>\$ 7,891.6</u>	<u>100.0%</u>	<u>\$ 8,347.7</u>	<u>100.0%</u>	<u>(5.5)%</u>

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Source: Builders FirstSource, Inc.