



STEPHENS NON-DEAL ROADSHOW PREP PACKET

Builders FirstSource, Inc. (BLDR) – New York City

August 7, 2019

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Questions/Topics of Discussion

Recent Trends & Outlook

- What is your expectation for housing starts in the back half of the year and what commentary are you hearing from homebuilders?
- Can you provide an update on your footprint and any areas of strong or weak demand? Where do you see opportunities for expansion?
- Can you quantify and discuss the impact lumber inflation has had on pricing and incremental margins? What is your outlook on lumber prices for the back half of 2019?
 - How sustainable is the gross margin tail wind from depressed lumber prices YTD?
- Can you discuss the impact your pre-fabricated components/value-added services have on customers facing labor shortages?
 - How do you view the value-added products over the long-term and what steps are you taking to grow sales?
 - How does the price and margin of your value-added products compare to traditional lumber & sheet goods?
- What effect has the labor shortage had on your own facilities and labor force? What is your outlook on SG&A expenses for the back half of 2019?
 - How do changes in lumber price impact SG&A expenses?
- Can you discuss how the truck driver shortage and transport inflation has affected BLDR? What steps are you taking to combat these headwinds?

Capital Allocation

- What are your goals and priorities for future greenfield or brownfield expansions? How does the current pipeline look?
- Are there new or existing geographies you're focused on growing via greenfield or brownfield expansion?
- What are your expectations for M&A? What size deals are you currently looking at? How does the pipeline look?
- What are your priorities for cash outside of organic growth investments, dividends and greenfield or brownfield expansion?
- Do you have a targeted leverage range? If so, what is the range?

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Stephens BLDR Reports:

[BLDR 2Q19 Recap; Adjusting Estimates, Reiterate EW, Target Goes to \\$21](#)

Stephens BLDR Model:

[Click Here To View The Model](#)

Stephens Inc. working model and published research report attached.
For current disclosures on this company, please access the attached research report.

OTHER DISCLOSURES

Note: The purpose of this document is to suggest questions investors might like to ask company management and to help investors develop their own questions. This document is not intended to express any opinion or investment recommendation.

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