2021 Investor Relations Presentation

UFP INDUSTRIES

UFP INDUSTRIES, INC.

Please be aware that: Statements included in this presentation that are not historical are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act, as amended, and 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, assumptions or events 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 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. This presentation is the property of UFP Industries, Inc. Any redistribution, retransmission, or reprinting of this presentation in any form without the express written consent of Universal is strictly prohibited.

With 184 locations in 9 countries, the companies of UFP Industries comprise one of the world's largest producers of wood and wood-alternative products for retail, construction and industrial markets.

NO MISSION STATEMENTS. JUST PEOPLE ON A MISSION.™

UFP INDUSTRIES

BUSINESS MODEL

OUR PERFORMANCE

$ Sales in Millions

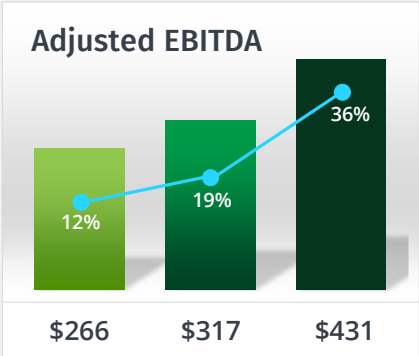
2018

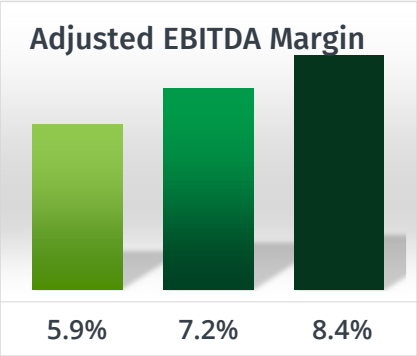
2019

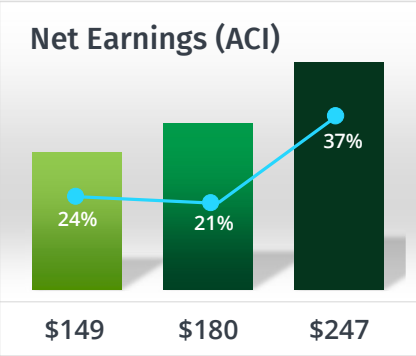
2020

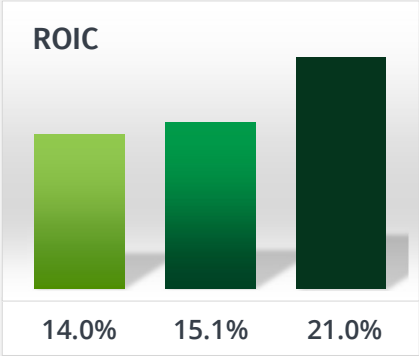
Unit sales growth rate

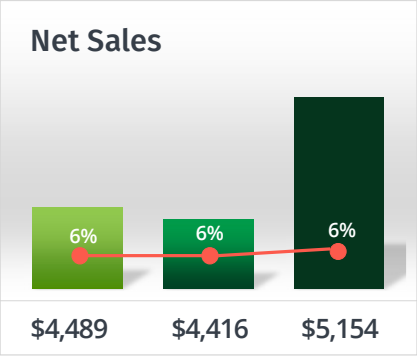
Growth rate

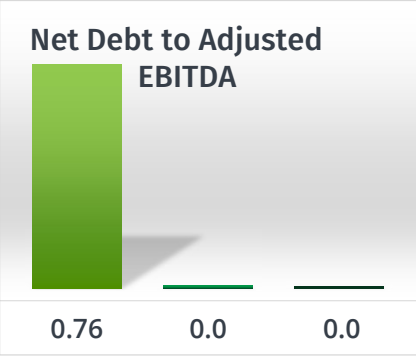












INTRODUCTION

WHO WE ARE

1955
Company founded in Grand Rapids, MI

15,000+
Number of employees worldwide

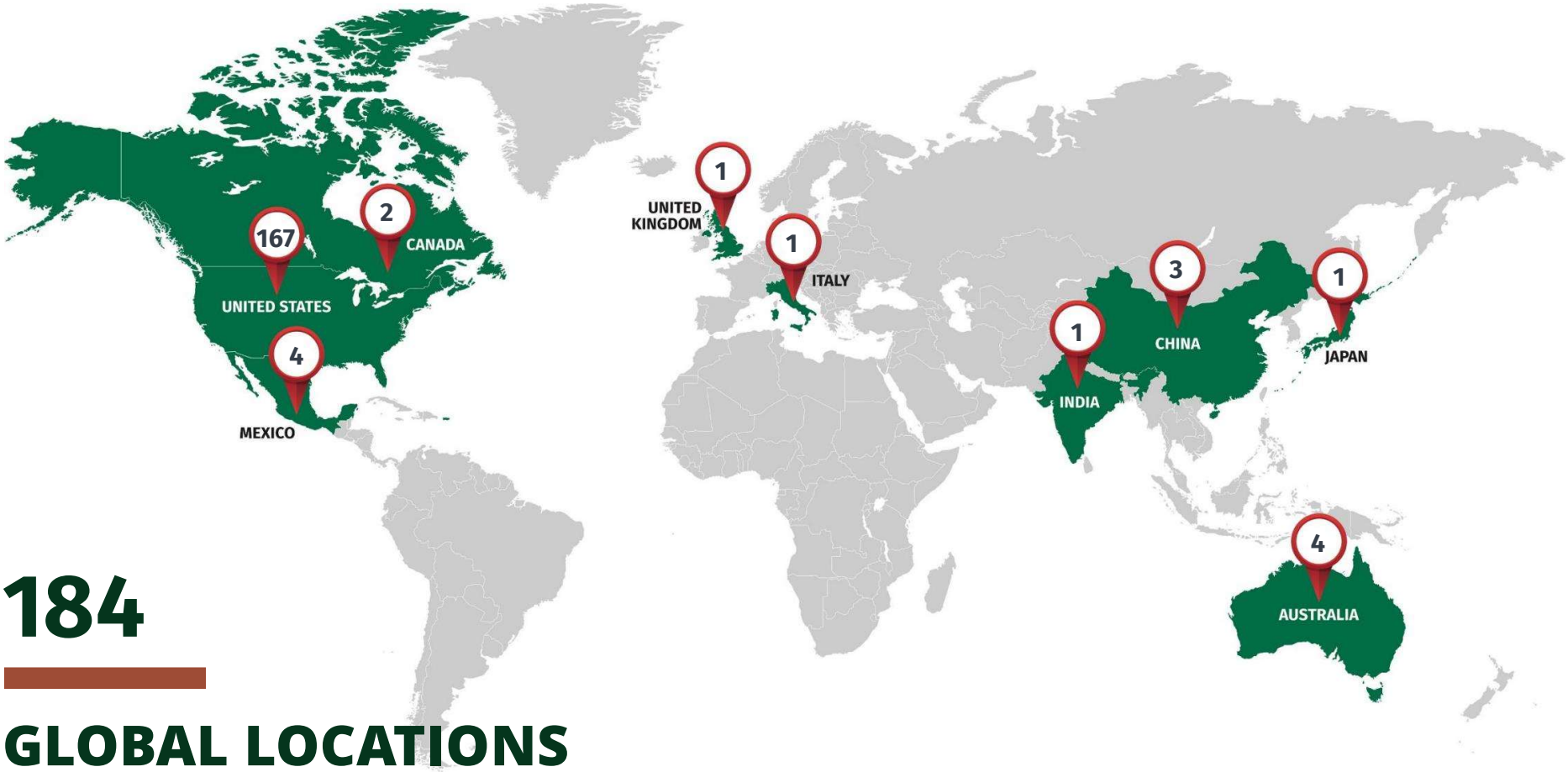
184
Number of facilities worldwide

$5.2B
2020 Revenue

$431M
2020 Adjusted EBITDA

Employee and facility counts in this presentation include the PalletOne acquisition, which closed on December 28,2020, in FY 2021.

WHERE WE ARE

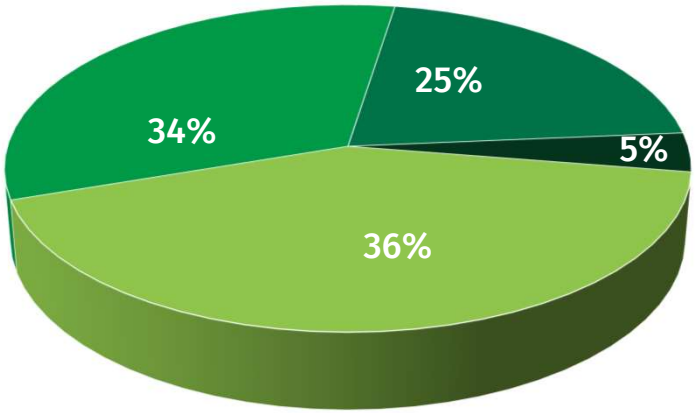


184

GLOBAL LOCATIONS

INTRODUCTION

OUR CUSTOMERS



Retail - $2.2B

Big box, independents, & buying co-ops

Construction - $1.7B

Single and multi-family builders, commercial builders, concrete formers, factory-built housing (mobile & modular homes) & RVs

Industrial - $1.1B

Industrial packaging, packaging materials & OEM components

International - $0.2B

Overseas sourcing and selling with manufacturing and design assets in nine countries.

Based on 2020 Sales

UFP INDUSTRIES

BUSINESS SEGMENTS

UFP RETAIL SOLUTIONS
A UFP INDUSTRIES COMPANY

UFP CONSTRUCTION
A UFP INDUSTRIES COMPANY

UFP INDUSTRIAL
A UFP INDUSTRIES COMPANY

BUSINESS SEGMENTS

RETAIL SOLUTIONS

UFP RETAIL SOLUTIONS
A UFP INDUSTRIES COMPANY

We manufacture and sell on-trend brands to all major building products retailers, while supporting our customers with best-in-class in-store and e-commerce support.

Deckorators® Go Beyond Ordinary

OUTDOOR ESSENTIALS®

prowood NEVER SETTLE.

UFP EDGE™ Designed To Be Seen

handprint

2020: ProWood - $1.2B, Outdoor Essentials - $300M, Deckorators - $220M, UFP Edge - $115M, Handprint (previously Dimensions) - $88M, Other – $229M

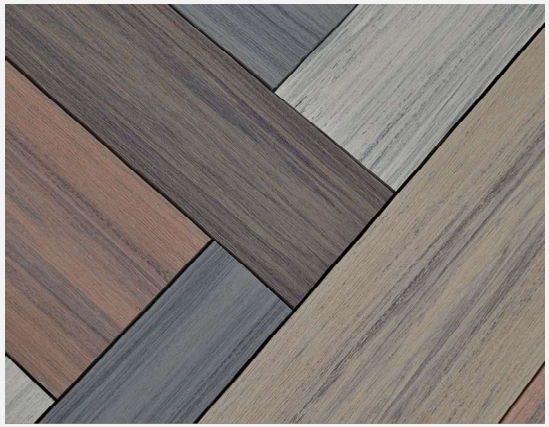
YTD June 2021: ProWood - $834M, Outdoor Essentials - $216M, Sunbelt - $472M, Deckorators - $145M, UFP Edge - $78M, Handprint - $52M, Other – $221M

BUSINESS SEGMENTS

RETAIL SOLUTIONS

Deckorators® Go Beyond Ordinary

The industry's leading innovator of composite decking, railing and accessories.



Deckorators.com

BUSINESS SEGMENTS

RETAIL SOLUTIONS

pro wood®
NEVER SETTLE.

Preserved lumber including timbers, decking, construction materials and fire-treated.

ProWoodLumber.com

BUSINESS SEGMENTS

RETAIL SOLUTIONS

UFP EDGE™
Designed To Be Seen

Premium siding, pattern, trim and accent wall products.

UFPEdge.com

BUSINESS SEGMENTS

RETAIL SOLUTIONS

OUTDOOR ESSENTIALS®

Outdoor lifestyle products including wood and vinyl fencing, landscape and garden décor, picnic tables, pergolas, trellises and more.

OutdoorEssentialProducts.com

BUSINESS SEGMENTS

RETAIL SOLUTIONS

handprint

Wood components and ready-to-make products for a variety of inspired home décor and craft projects.

Coming soon: Handprintmade.com

BUSINESS SEGMENTS

RETAIL SOLUTIONS

E-COMMERCE

Supports the largest home improvement retailers in the U.S. in multichannel online B2B2C sales strategies.

Provides thousands of curated products and assortments to support customers' distribution efforts such as direct-to-home, ship-to-store, including UPS, USPS and LTL shipments.

BUSINESS SEGMENTS

CONSTRUCTION

UFP CONSTRUCTION
A UFP INDUSTRIES COMPANY

Single-source provider of concrete forms, building components, framing, exterior and interior finishing programs designed to make building processes run at maximum efficiency.

- **SITE BUILT**
- **FACTORY-BUILT**
- **CONCRETE FORMING**
- **COMMERCIAL**

2020: Site Built - $726M, Factory Built - $597M, Commercial - $222M, Concrete Forming - $151M
YTD June 2021: Site Built - $539M, Factory Built - $571M, Commercial - $112M, Concrete Forming - $76M

BUSINESS SEGMENTS

CONSTRUCTION

SITE BUILT

Roof trusses, wall panels, floor systems, doors and framing services for residential and light commercial builders.

BUSINESS SEGMENTS

CONSTRUCTION

FACTORY BUILT

Roof trusses, floor joists, laminated wall panels, cabinet components, countertops and milled components for the modular and manufactured home, RV and mobile office.

BUSINESS SEGMENTS

CONSTRUCTION

CONCRETE FORMING

Custom radius forms, wall and column forms, gang systems, lumber and panels.

BUSINESS SEGMENTS

CONSTRUCTION

COMMERCIAL

Full-service, turnkey project management of consumer environment and architectural interiors: Design, development, engineering, manufacturing, assembly, distribution and installation.

BUSINESS SEGMENTS

INDUSTRIAL

UFP INDUSTRIAL
A UFP INDUSTRIES COMPANY

Delivering innovative structural packaging solutions backed by the industry's leading design team, a global manufacturing footprint, and integrated hyper-responsive service teams.

Focus Areas:

- **INDUSTRIAL PACKAGING**
- **PACKAGING MATERIALS**
- **MANUFACTURED COMPONENTS**

BUSINESS SEGMENTS

INDUSTRIAL

INDUSTRIAL PACKAGING

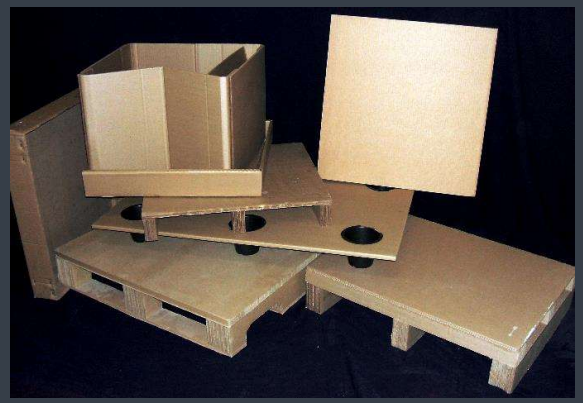
Wood, steel and mixed material crates and specialty containers, hard cases, tracking technology, logistics solutions and onsite packaging services.

BUSINESS SEGMENTS

INDUSTRIAL

PACKAGING MATERIALS

Solutions for manufacturing, energy, technology, agriculture and transportation. Stretch wrap, corrugated and boxboard, facility supplies and safety products, labels and tags, printers, hardware and software solutions



BUSINESS SEGMENTS

INDUSTRIAL

MANUFACTURED COMPONENTS

Precision-milled hardwoods, softwoods, composites and panel goods for bed foundations; cabinet components; shed, door and window companies. Laminated panels for a variety of industries.

BUSINESS SEGMENTS

INTERNATIONAL

UFP INTERNATIONAL
A UFP INDUSTRIES COMPANY

UFP International sources and sells products in 65 countries, extending our reach with multinational customers, while opening global opportunities for growth. Additionally, we own manufacturing assets in Canada, Mexico, Australia and Italy.

BUSINESS MODEL

ACQUISITIONS

PROCESS
Identify attractive growth runways in each Business Unit under each Business Segment and identify gaps in our capabilities to pursue those runways.

PURPOSE
Find new products and services to continue our transformation from commodity sales to value-added selling solutions and brands.

GOAL
Achieve scale and synergy targets to optimize growth, margins and returns.

BUSINESS MODEL

2020 ACQUISITIONS

The most consequential acquisition year in our history brought UFP unprecedented opportunities for new technologies, consolidation, share gains, scalability, synergies, new products and new markets.

MARCH

Quest

Quest Design and Fabrication and Quest Architectural Millwork, collectively known as Quest

Quest specializes in designing, fabricating, and installing premium millwork and case goods for a variety of commercial uses, including builder's sales centers, design studios, hospitality, corporate offices, and healthcare. Architectural millwork is a growth runway in our commercial construction business unit. Their high level of value-add and focus on premium products dovetails with our growth goals as we plan to scale this business with existing customers through our facilities.

2020* Annual sales: $20M

JULY

T&R Company
Trust & Reliability for Over 40 Years

T&R Lumber Company and its affiliates, Sullivan & Mann and Kelmar Creations

T&R manufactures and distributes a range of nursery supplies, such as tree boxes and growing containers, giving us an opportunity to grow our agricultural product offerings and customer base.

2020* Annual sales: $31M

OCTOBER

Fire Retardant & Chemical Technologies LLC

Fire Retardant Chemical Technologies, LLC

FRCT's business includes a laboratory that specializes in developing and testing high-performance chemicals, including fire retardants and water repellants. FRCT highlights UFPI's focus on technology to innovate and bring more value-added products to market and expands the Company's R&D capabilities.

2020* Annual sales: $6M

*Annual sales are pre- and post-acquisition.

BUSINESS MODEL

2020 ACQUISITIONS

OCTOBER

Enwrap Logistic & Packaging S.r.l.

This newly formed company is dedicated to the logistics and packaging business of its predecessor, Job Service S.p.A. Headquartered in Milan, Italy, Enwrap provides high-value, mixed material industrial packaging and logistics services through five locations in Italy, allowing UFP to establish its presence in the region and to serve customers in Central and Southern Europe.

2020* Annual sales: $14M

NOVEMBER

Atlantic Prefab, Inc.; Exterior Designs, LLC; and Patriot Building Systems, LLC

These three companies serve the commercial and multi-family construction markets in the Northeast with prefabricated steel wall panels, light gauge metal trusses, exterior cladding, exterior insulation and finish systems and commercial and multi-family framing services. With them, UFPI brings more value-added products and services to its construction customers.

2020* Annual combined sales: $28M

*Annual sales are pre- and post-acquisition.

2021 ACQUISITIONS

FISCAL JANUARY

PalletOne, Inc.

PalletOne is the leading manufacturer of new pallets in the U.S., with 17 manufacturing facilities and 1,500 employees in the Southern and Eastern regions of the U.S. The company also supplies specialized industrial packaging, including custom bins and crates, and its **Sunbelt Forest Products** subsidiary operates five pressure-treating facilities in the Southeastern U.S.

This acquisition expands UFPI's capacity, capabilities and customer base, bolsters our position as the leading wood preserver in the United States, and moves us closer to our goal of becoming the preferred global packaging solutions provider.

2020 Annual combined sales: $698M ($267M for PalletOne, $431M for Sunbelt)

BUSINESS MODEL

2021 ACQUISITIONS

MARCH

Gilmores, Pty Ltd

Gilmores adds a wide portfolio of consumable packaging to certain industrial packaging products and expands UFP Industrial's customer base throughout Australia. Founded in 1988 and operating from its distribution facility in Port Melbourne, Australia, Gilmores is a leading distributor in the industrial and construction industries of packaging tapes, stretch films, packaging equipment, strapping, construction protection products and other items.

2020 Annual sales: $10.0M

APRIL

Walnut Hollow Farm, Inc.

Located in Wisconsin, Walnut Hollow designs, manufactures, sells and distributes wood products, tools, and accessories for the craft and hobby, personalized home décor, and hardware categories. Walnut Hollow brings UFP Retail a new and unique mix of ready-to-make wood products and wood tools, along with strong relationships with hobby and craft retailers.

2020 Annual sales: $12M

BUSINESS MODEL

2021 ACQUISITIONS

APRIL

SFP Innovation & Performance

SPARTANBURG FOREST PRODUCTS

Spartanburg Forest Products Corporation

Acquired by UFP's wholly-owned subsidiary Sunbelt Forest Products, **Spartanburg** and its affiliates are a wood treating operation in the southeastern U.S., with approximately 150 employees and operations in five states. The combination of Spartanburg and Sunbelt generate operational efficiencies that allow both companies to provide greater value to our customers, while expanding our capacity and geographic reach

2020 Annual sales: $543M

APRIL

ENDURABLE® Building Products

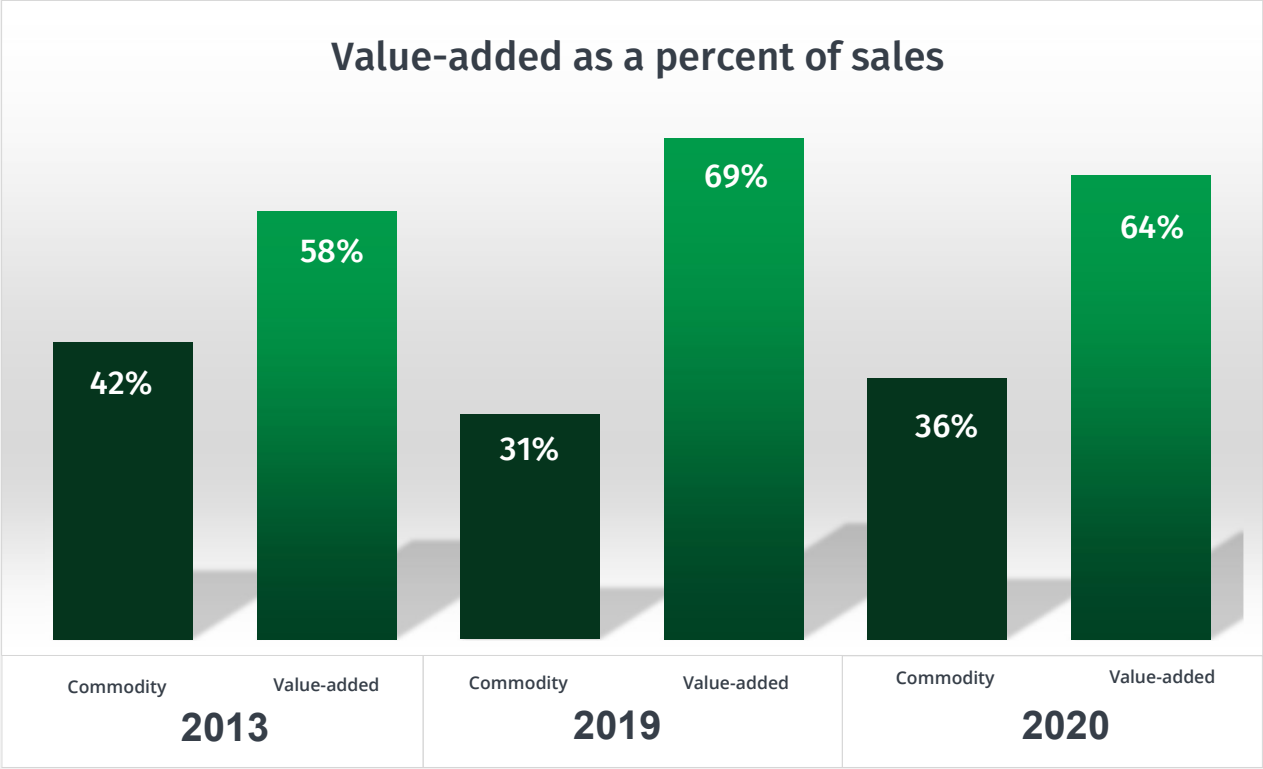
Endurable Building Products, LLC

Based near Minneapolis, Minnesota, Endurable Building Products is a leading manufacturer of customized structural aluminum systems and products for exterior purposes, such as deck framing, balconies, sunshades, railings and stairs. Their addition will strengthen UFP relationships with existing construction customers by providing them with a new range of products and services that match an important UFP Construction growth runway.

2020 Annual sales: $15M

BUSINESS MODEL

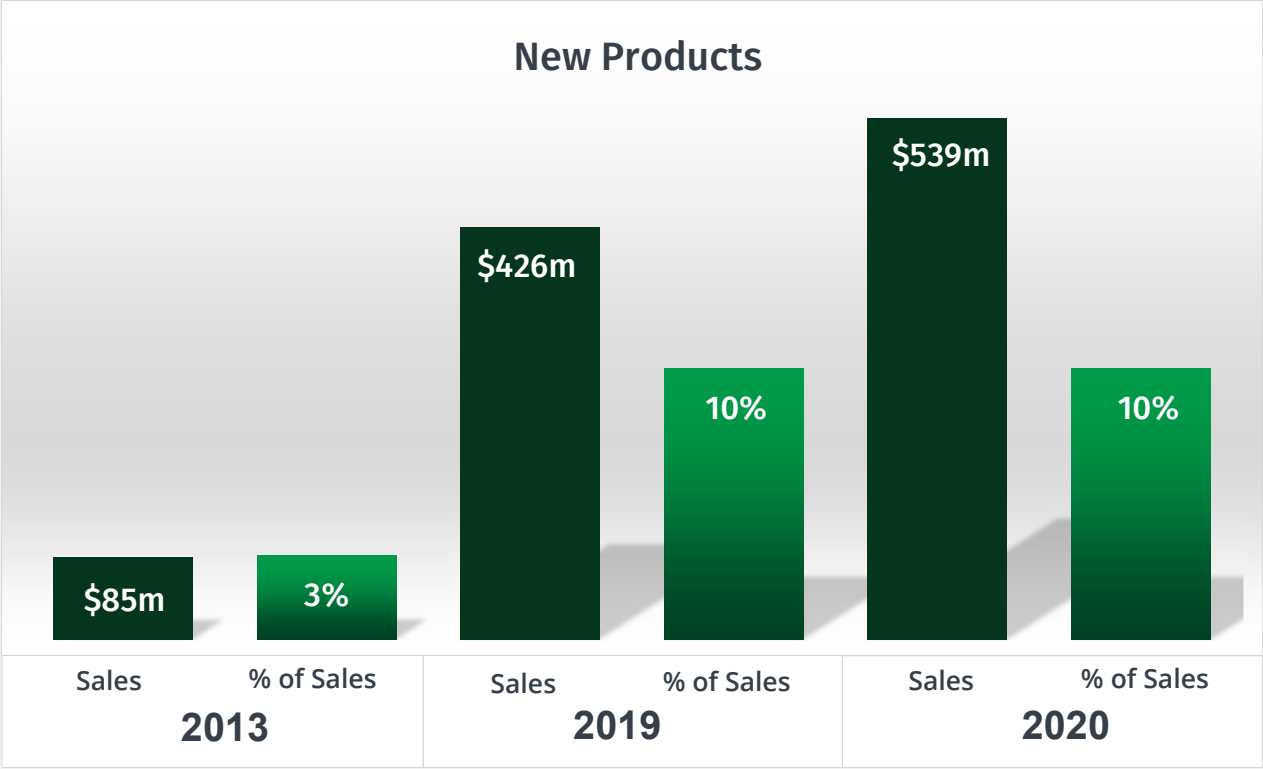
PRODUCT MIX EVOLUTION



Note: Lumber price appreciation more significantly impacts commodity-based products compared to value-add products.

BUSINESS MODEL

PRODUCT MIX EVOLUTION



BUSINESS MODEL

HOW WE GOT HERE

Founded in 1955.

Entrepreneurial	Stable	Responsive	Focused
Managers are required to own stock.	Management team has an average tenure of 22 years.	International in scope, regional in focus.	2020 management realignment from geographic to business segment.
Every plant is a profit center whose managers are bonused on ROI.	Win-Loss record of 65-0. (Yes, we've never lost money.	Local decision-making for local customers.	Greater customer alignment, quicker to market, more effective capital allocation.

BUSINESS MODEL

WHAT GETS IN OUR WAY

General economic trends

Availability of quality labor

Fluctuation in commodity lumber costs

Regulatory burdens

BUSINESS MODEL

LONG-TERM FINANCIAL GOALS

Annual unit sales growth that exceeds positive U.S. GDP growth by 4-6 percentage points including acquisitions

Adjusted EBITDA growth exceeding unit sales growth

Earn ROIC greater than WACC

BUSINESS MODEL

BUILT FOR TOUGH TIMES

Balanced Business Model

A diversified business portfolio mitigates risk of a decline in a single market.

Experienced Leadership

Our profit center organization model results in a stable of seasoned leaders skilled in managing their business.

Flexible Cost Structure

These profit centers have highly variable cost structures allowing rapid adjustment to market demand and have heavier investments in working capital, which are turned into cash flow in tough times.

Conservative Balance Sheet

A prudent and return-focused approach to capital allocation provides us with a strong balance sheet and capital reserves we use opportunistically.

Incentivized By ROIC

A compensation structure that emphasizes incentives driven by ROIC, resulting in wise and quick decision-making.

UFP INDUSTRIES

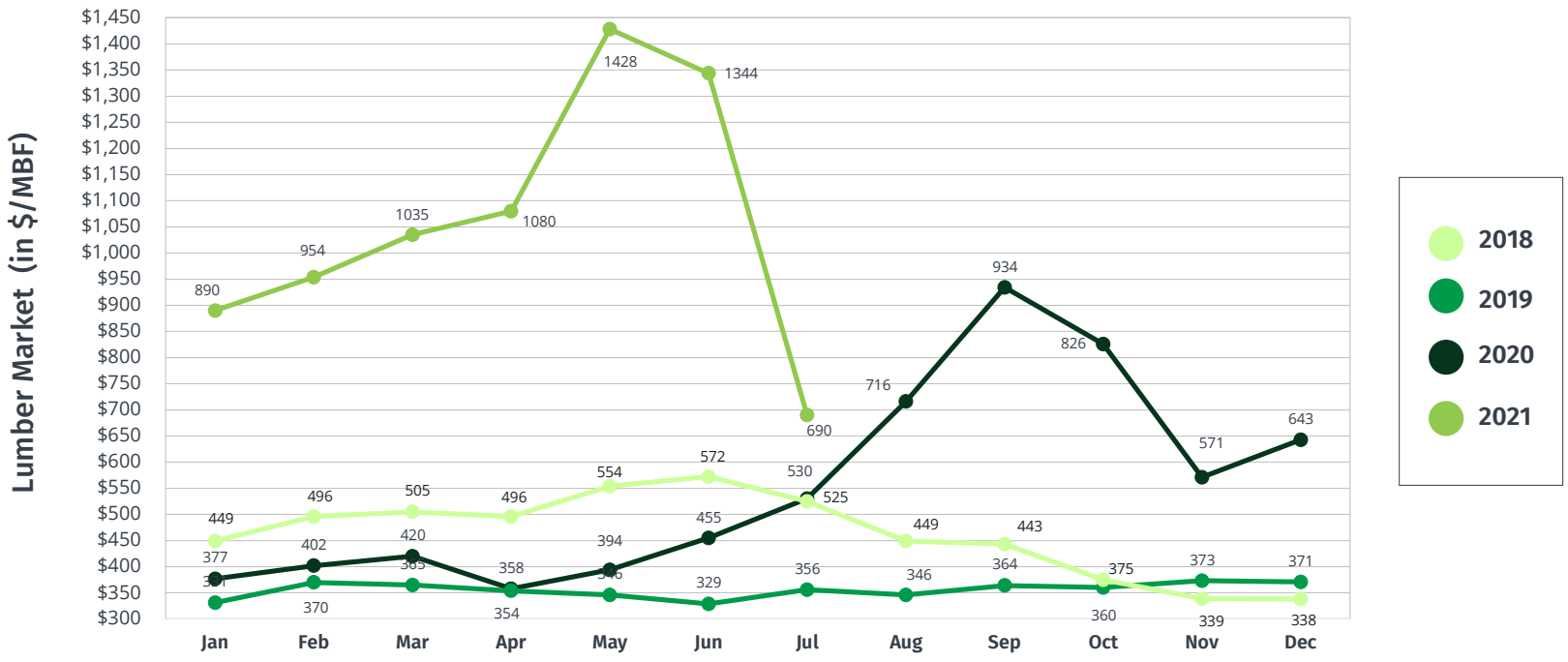
FINANCIALS

LUMBER MARKET IMPACT ON OPERATING RESULTS

- **Goal:** to earn a stable profit per unit
- We are less affected by the **level** of lumber prices than the primary producers of lumber are
- **Level** of lumber prices affects gross profit and SG&A to sales ratios
- Profit per unit is primarily impacted by the **trend** and **volatility** of the market
- **Balance in business** and risk management techniques mitigate impact on profitability

FINANCIALS

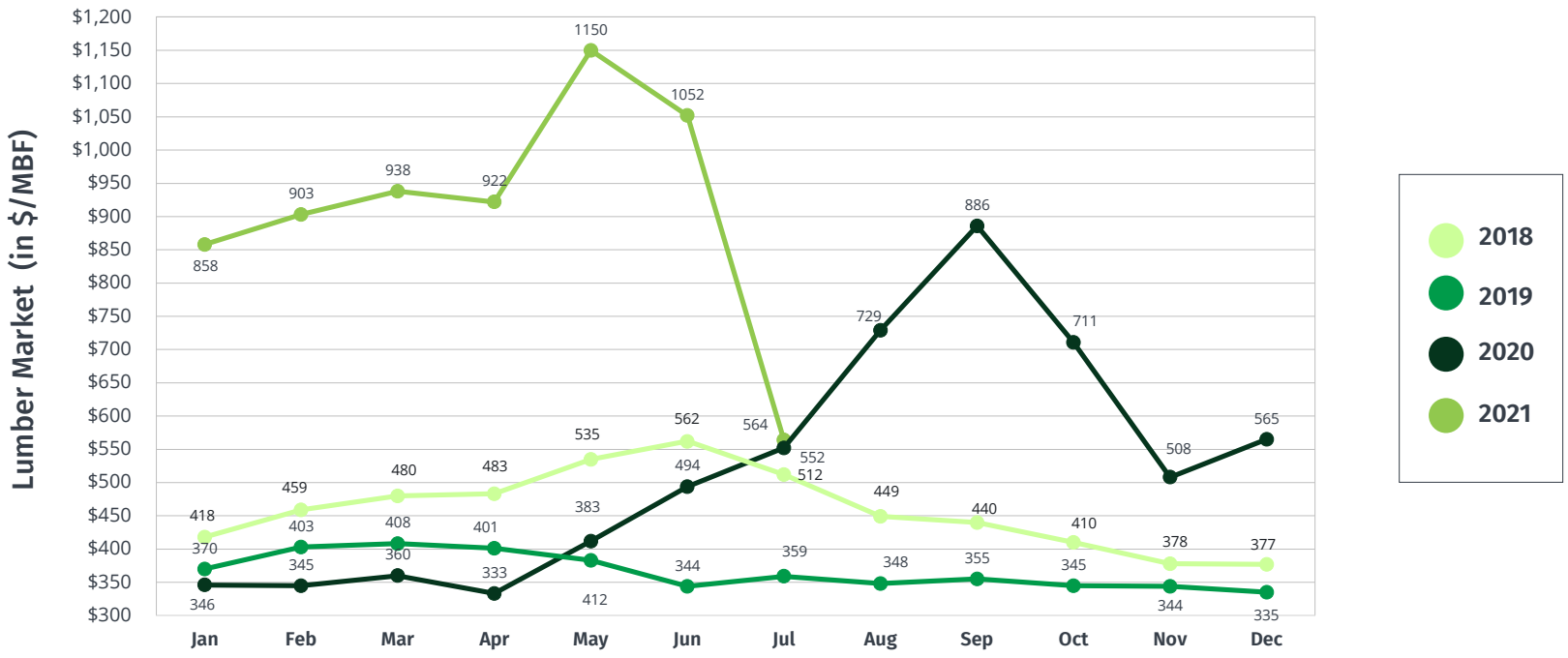
LUMBER MARKET



Average weekly random lengths framing lumber composite price.

FINANCIALS

LUMBER MARKET - SYP

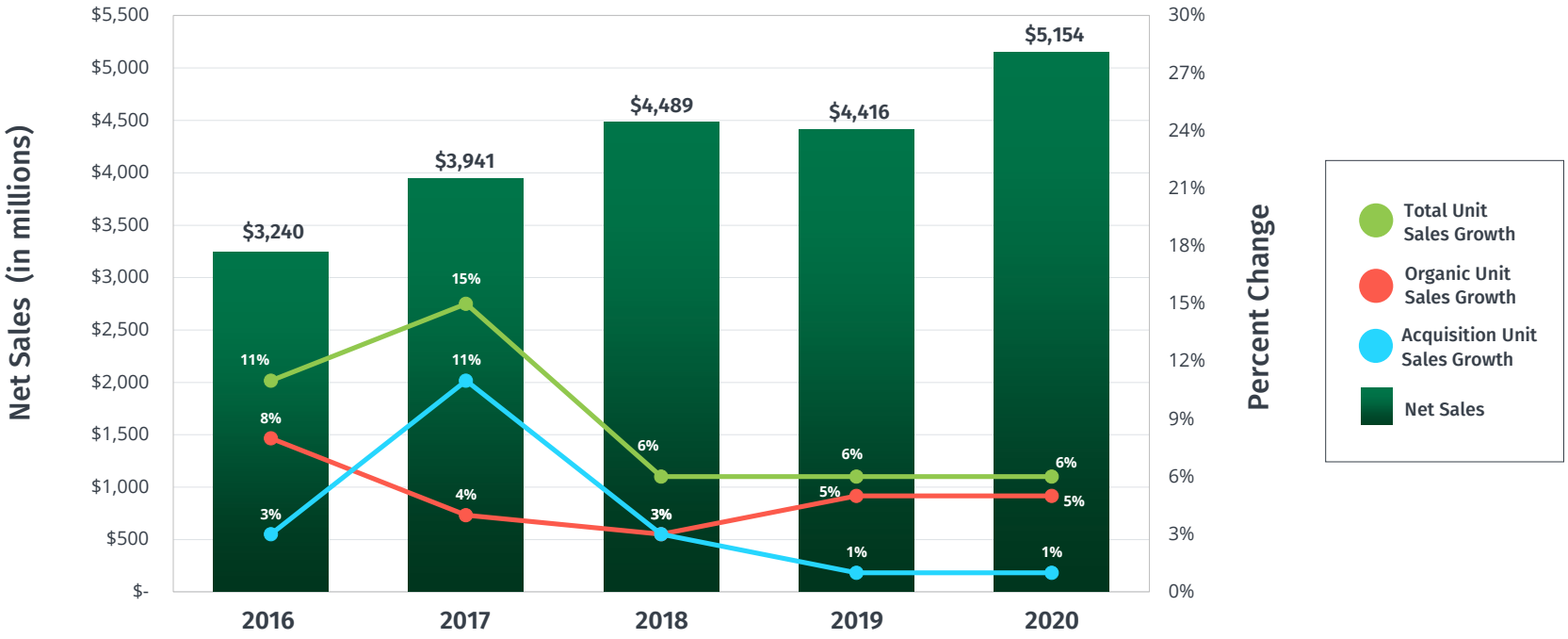


Average weekly Southern Yellow Pine composite price.

Purchases of SYP comprise almost two-thirds of our total lumber purchases.

FINANCIALS

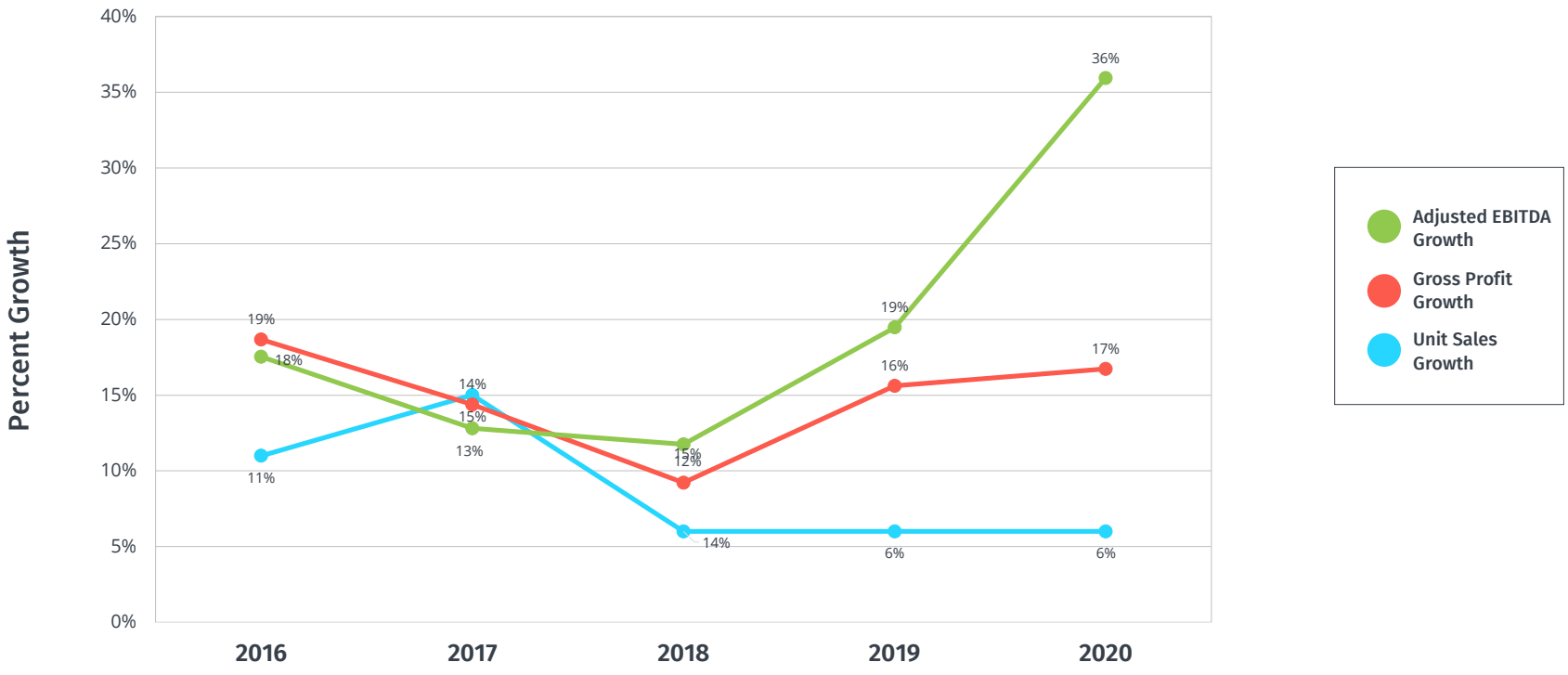
NET SALES



Long-Term Goal: Unit sales growth of 4% to 6% over positive GDP, including acquisitions

FINANCIALS

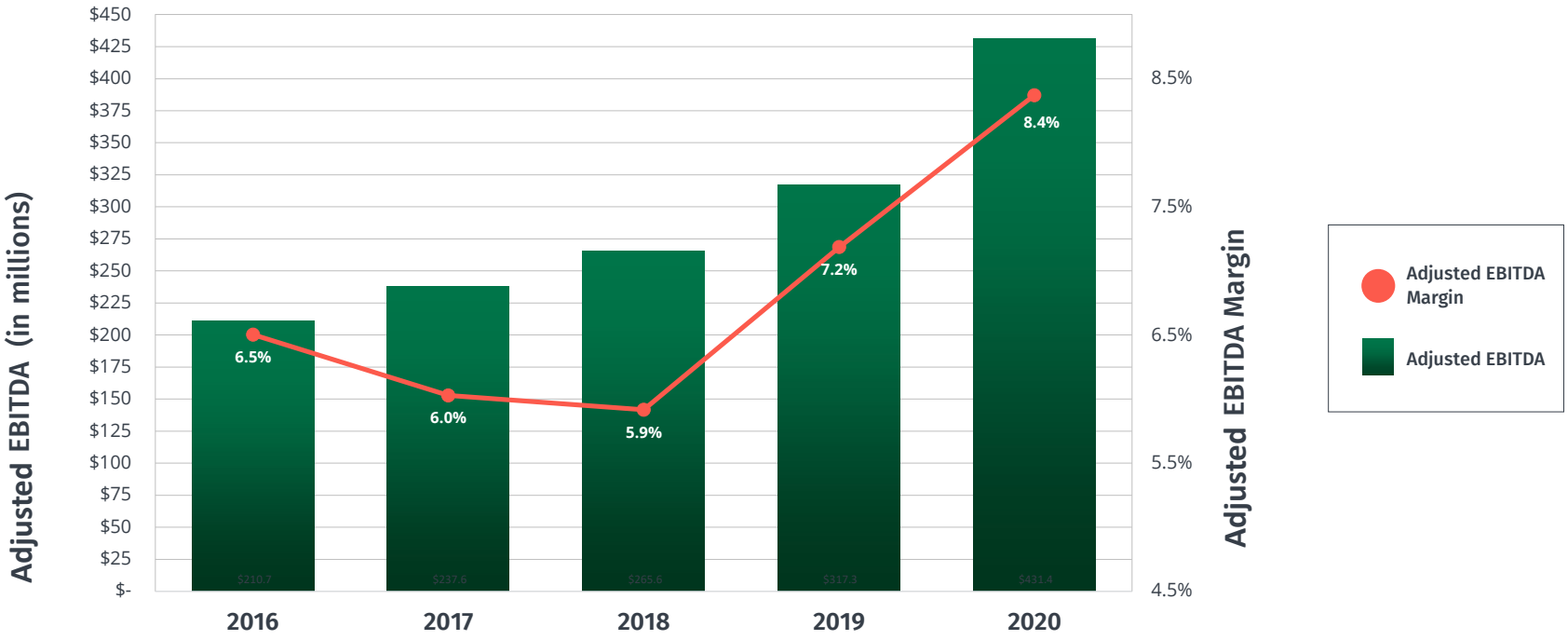
UNIT SALES AND PROFIT GROWTH



Long-Term Goal: Achieve Adjusted EBITDA growth exceeding unit sales growth.

FINANCIALS

Adjusted EBITDA



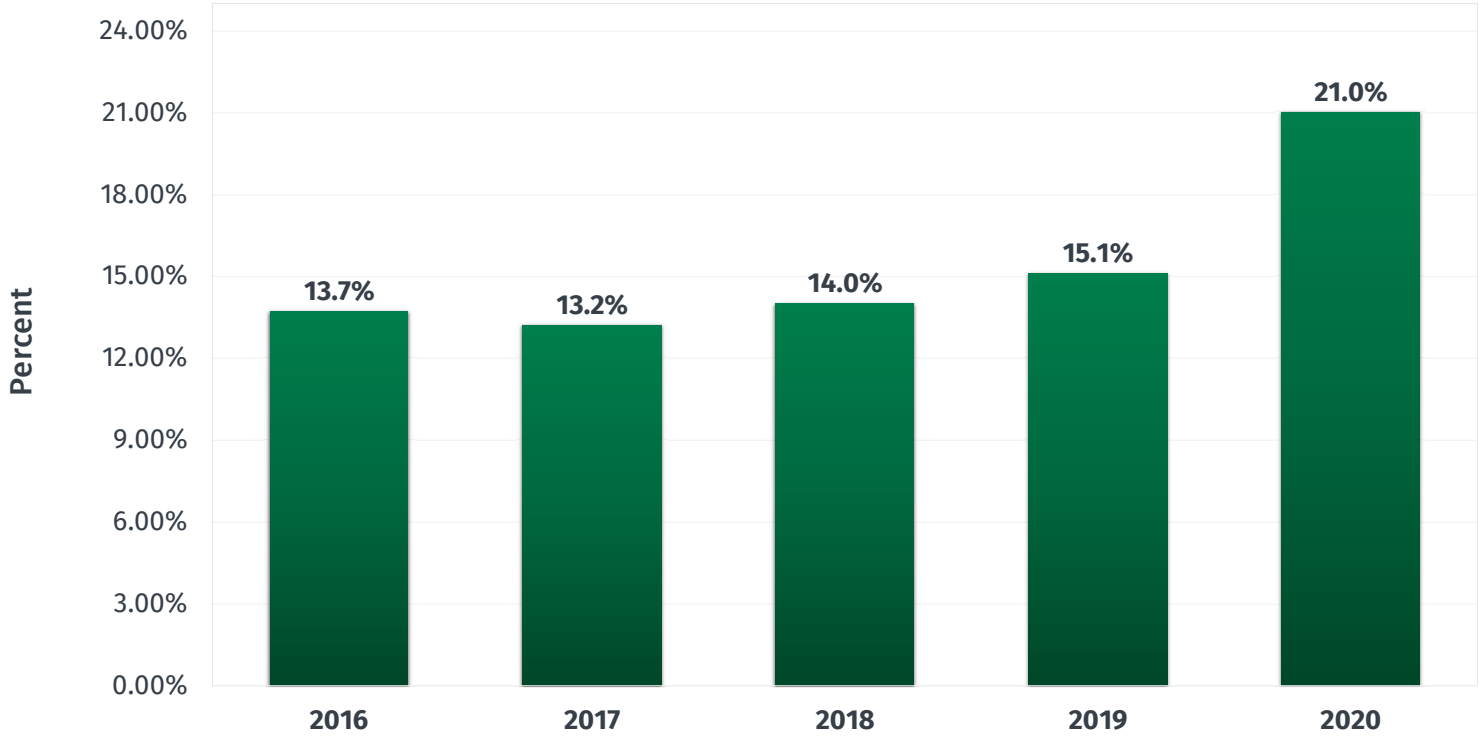
Non-GAAP Financial Information: *This release includes certain financial information not prepared in accordance with U.S. GAAP. Because not all companies calculate non-GAAP financial information identically (or at all), the presentations herein may not be comparable to other similarly titled measures used by other companies. Management considers adjusted EBITDA as non-GAAP alternative performance measures which may provide useful information to investors.* ***See the company's web site at ufpi.com for reconciliation to related GAAP measurement.***

BUSINESS MODEL

MARGIN IMPROVEMENT DRIVERS

- Operating leverage on sales growth
- Product mix improvements
  - New product and core line innovation initiatives
  - Enhanced capabilities drive conversion from commodity to value-added
- Strength of market demand
- Automation initiatives

RETURN ON INVESTED CAPITAL

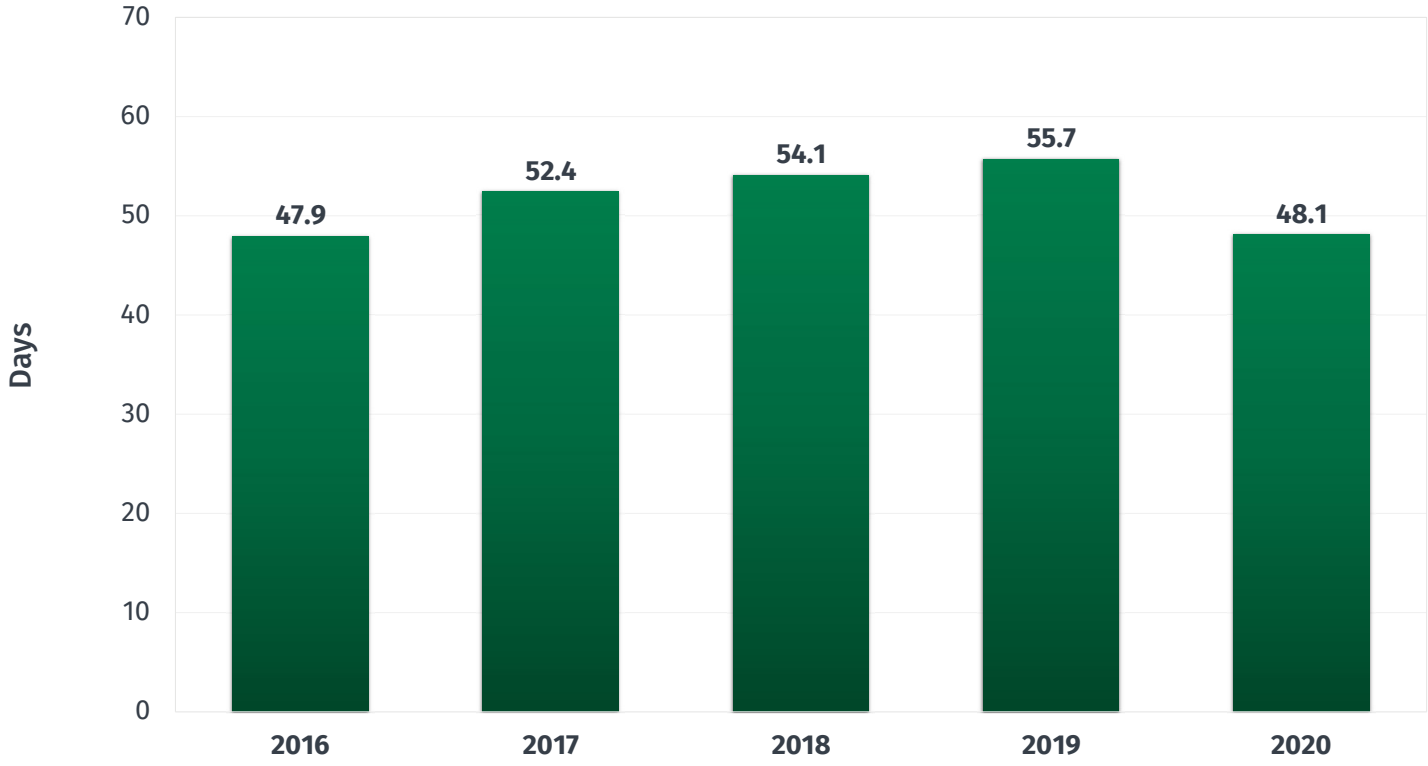


Hurdle Rate = 12% WACC = 10%

(1) See the company's website at ufpi.com for reconciliation to related GAAP measurement.

FINANCIALS

CASH CYCLE



Cash Cycle = Days Receivables Outstanding + Days Supply of Inventory – Days Payables Outstanding

NET DEBT

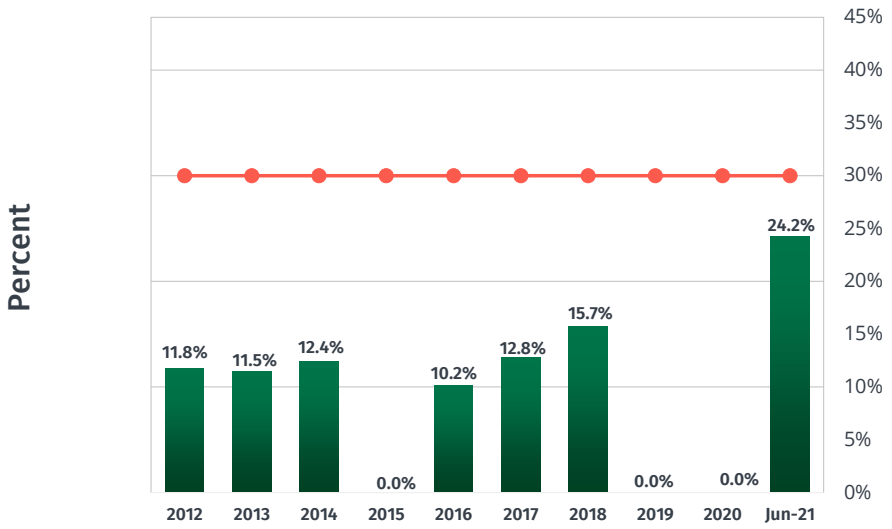
$ In thousands	Jun-21	Dec-20	Dec-19	Dec-18
3.89% series 2012 - A notes, Tranche A, due December 2022	$ 35,000	$ 35,000	$ 35,000	$ 35,000
3.98% series 2012 - B notes, Tranche B, due December 2024	40,000	40,000	40,000	40,000
4.20% series 2018 - C notes, Tranche C, due June 2028	40,000	40,000	40,000	40,000
4.27% series 2018 - D notes, Tranche D, due June 2030	35,000	35,000	35,000	35,000
3.04% series 2020 - E notes, Tranche E, due August 2032	50,000	50,000	-	-
3.08% series 2020 - F notes, Tranche F, due August 2033	50,000	50,000	-	-
3.15% series 2020 - G notes, Tranche G, due August 2035	50,000	50,000	-	-
Revolving credit facility ($550 million total available)	264,970	4,715	3,976	42,490
Industrial Development Revenue Bonds	7,000	7,000	9,700	9,700
Other	(18)	(8)	8	88
Less Cash Surplus	(44,286)	(436,507)	(168,336)	(27,316)
Plus Cash Overdraft	34,229	-	-	27,367
Total Net Debt (Surplus Cash)	**$ 561,895**	**$ (124,800)**	**$ (4,652)**	**$ 202,329**
Unused debt capacity (1)	**$ 607,000**			
Total Liquidity	**$ 288,000**			

(1) 1.75X TTM adjusted EBITDA less net debt

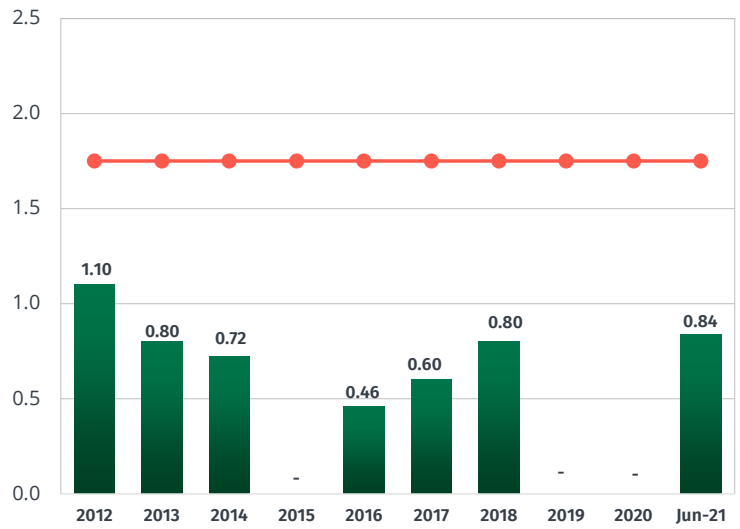
FINANCIALS

CAPITAL STRUCTURE

Net Debt to Total Capitalization vs Maximum Target



Net Debt to Adjusted EBITDA vs Maximum Target



Net Debt to Total Capital
Net Debt to TTM Adjusted EBITDA
Max target

BUSINESS MODEL

BALANCED USE OF FREE CASH FLOW

- Current dividend rate of $0.15/quarter, increased annually based on earnings and free cash flow growth
- Share repurchases totaled over $29M in 2020 (1.1M remaining share authorization)
- CapEx plan of $140M in 2021
- Long-term target for acquisitions to contribute half of our total annual unit sales growth

SELECTED INCOME STATEMENT DATA 2nd QUARTER

$ In thousands, except per share data	Q2 2021	Q2 2020	% Change	Unit % Change
Retail	$ 1,259,218	$ 609,190	106.7	48.0
Industrial	611,181	224,379	172.4	73.0
Construction	738,704	359,170	105.7	29.0
All Other	91,438	49,262	85.6	
Total Net Sales	$ 2,700,541	$ 1,242,001	117.4	47.0
Adjusted EBITDA (1)	$ 261,455	$ 110,403	136.8	
Net Earnings Attributable to Controlling Interest	$ 173,382	$ 66,463	160.9	
Diluted EPS	$ 2.78	$ 1.08	157.4	

(1) See the company's website at ufpi.com for reconciliation to related GAAP measurement.

SELECTED INCOME STATEMENT DATA 2nd QUARTER YTD

$ In thousands, except per share data	Q2 YTD 2021	Q2 YTD 2020	% Change	Unit % Change
Retail	$ 2,018,239	$ 961,351	109.9	52.0
Industrial	1,060,054	480,922	120.4	54.0
Construction	1,298,235	740,325	75.4	18.0
All Other	149,017	91,465	62.9	
Total Net Sales	$ 4,525,545	$ 2,274,063	99.0	41.0
Adjusted EBITDA (1)	$ 424,122	$ 187,481	126.2	
Net Earnings Attributable to Controlling Interest	$ 276,693	$ 106,622	159.5	
Diluted EPS	$ 4.45	$ 1.73	157.2	

(1) See the company's website at ufpi.com for reconciliation to related GAAP measurement.

SELECTED INCOME STATEMENT DATA ANNUAL RESULTS

$ In thousands, except per share data	2020	2019	% Change	Unit % Change
Retail	$ 2,167,122	$ 1,498,710	44.6	25.0
Industrial	1,072,117	1,085,636	-1.2	-6.0
Construction	1,695,683	1,637,156	3.6	-6.0
All Other	219,076	194,507	12.6	
Total Net Sales	$ 5,153,998	$ 4,416,009	16.7	6.0
Adjusted EBITDA (1)	$ 431,361	$ 317,297	35.9	
Net Earnings Attributable to Controlling Interest	$ 246,778	$ 179,650	37.4	
Diluted EPS	$ 4.00	$ 2.91	37.5	

(1) See the company's website at ufpi.com for reconciliation to related GAAP measurement.

THANK YOU.

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