Boise Inc.
Investor Presentation

Wells Fargo Securities Industrial Conference

June 15, 2010

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Forward-looking statements/non-GAAP measures

This presentation includes "forward-looking statements." These statements include management's plans for future operations and financial objectives. Information in this presentation is not an update or reaffirmation of previously disclosed information. These forward-looking statements are subject to the inherent uncertainties in predicting future results and conditions . Factors that could cause actual results to differ materially are included in the "Risk Factors" section of our periodic filings with the SEC and include uncertainties of economic, competitive, and market conditions, all of which are difficult or impossible to predict accurately, and many of which are outside of our control.

Although we believe the assumptions underlying the forward-looking statements included in this presentation are reasonable, any of the assumptions could be inaccurate and there can be no assurance that the forward-looking statements will prove to be accurate. Therefore, the inclusion of such information should not be regarded as a representation that our plans and objectives will be achieved. This presentation should be read in conjunction with our filings with the SEC.

On February 22, 2008, Boise Inc. purchased the packaging and paper assets of Boise Cascade, L.L.C. (the "Predecessor"). Historical information for Boise Inc. includes Predecessor results in this presentation. Financial information from 2008 includes both Boise Inc. and Predecessor. This presentation also includes references to EBITDA and adjusted EBITDA, which are non-GAAP financial measures within the meaning of the Securities and Exchange Commission's Regulation G. Reconciliations of EBITDA and adjusted EBITDA are included in the appendix hereto. These measures are derived on the basis of methodologies other than in accordance with GAAP. EBITDA and adjusted EBITDA are the primary measures used by our chief operating decision makers to evaluate segment operating performance and to decide how to allocate resources to segments. These are not measures of our liquidity or financial performance under GAAP and should not be considered as alternatives to any performance measure or liquidity measure as calculated under GAAP. The use of these measures instead of net income (loss) or segment income (loss) has limitations as an analytical tool, including the inability to determine profitability; the exclusion of interest expense, interest income, change in fair value of interest rate derivatives, and associated significant cash requirements; and the exclusion of depreciation, amortization, and depletion, which represent significant and unavoidable operating costs. Management compensates for these limitations by relying primarily on our GAAP results. These non-GAAP measures are not necessarily comparable to other similarly titled captions of other companies.

Boise at a glance

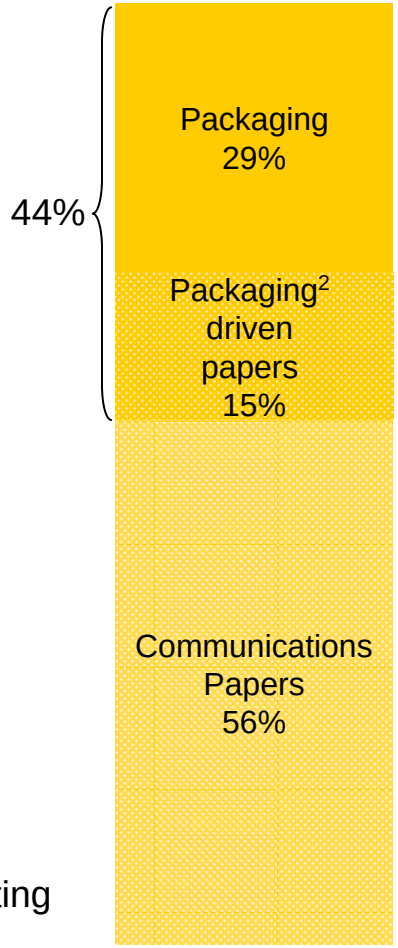
PACKAGING

- Corrugated products
- Linerboard
- Newsprint

PAPER

- Packaging driven
  - Label and release
  - Flexible packaging
  - Medium
- UFS communication
  - Office Papers
  - Printing and Converting
- Pulp

$2.0b



Sales[3]
LTM 3/31/10

Adj. EBITDA[1]
LTM 3/31/10

$228m (12% margin)

Packaging	16%
Paper	84%

[1] Adjusted EBITDA excludes income from alternative fuel mixture credits of $208m, debt extinguishment charges of $66m, income from energy hedges of $5m, and St. Helens restructuring charges of $2m (see the appendix hereto for additional information)

[2] 15% of total company sales, before intersegment eliminations and Corporate and Other, is derived from packaging demand-driven grades (recorded in the Paper segment), such as corrugated medium, label and release, and flexible packaging; 56% of total company sales, before intersegment eliminations and Corporate and Other, is derived from communications papers (recorded in the Paper segment)

[3] By reporting segment, before intersegment eliminations and Corporate and Other

Packaging markets

Market

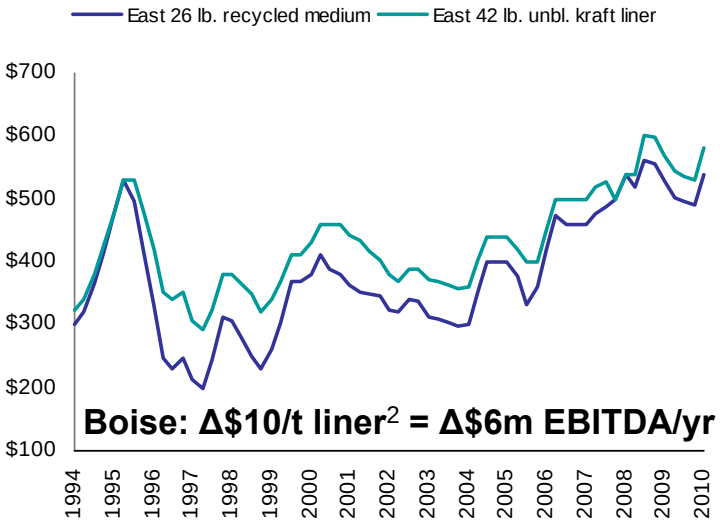
Corrugated packaging

- Agriculture
- Industrial
- 2009 NA demand: 29mt

Key demand drivers

- Food consumption/weather/harvest
- General economic activity

Containerboard pricing[1]



Key industry trends

- Improving demand
- Increased recycled fiber input costs
  - *Boise: no OCC*
- Pricing momentum

1 Source: RISI Mar 2010

2 Includes estimated impact of linerboard price changes to corrugated products sales prices

Packaging: Boise overview

DeRidder Mill

Efficient virgin-fiber based production

- Large paper mill in DeRidder with 610,000 t/yr linerboard capacity
- Low-cost, high-growth fiber source

Geographic and product focus

- Strong corrugated box position in Pacific Northwest: food and agricultural focus
- Large corrugated sheet position in Texas

Regional newsprint presence

- Low delivered cost to regional market: South Central US

Packaging: opportunities

Vertical integration

- Near DeRidder and in Pacific Northwest
  - Q110: 70% integrated
- Add-on acquisition: Central Texas Corrugated (2006)
- Regional growth in Northwest: Sparks, NV sheet plant purchase (2009)

Conversion

- Idled newsprint machine to packaging
- Approximately 175,000 to 200,000 tons of potential production

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Paper: communication papers

Market

UFS communication papers

Cut-size
- Office papers
  - Premium office

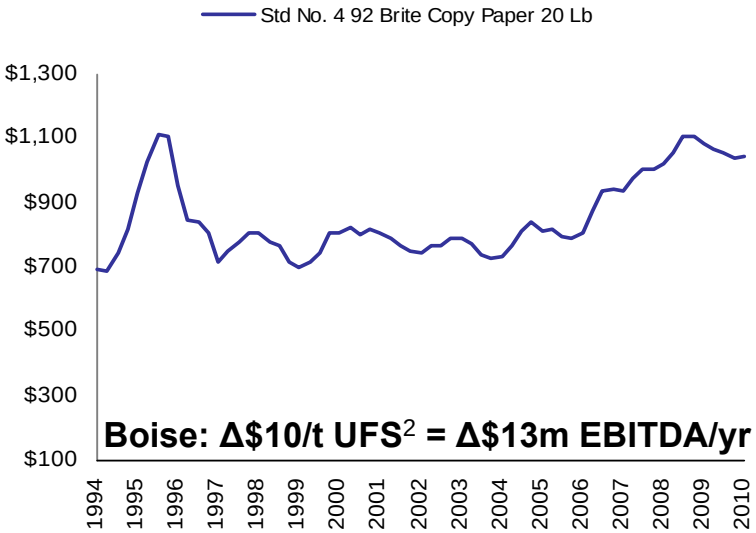
Roll
- Commercial printing
- Forms converting
- Envelope converting

- 2009 NA demand: 11m tons[1]

Key demand drivers

- White collar employment
- Color copier placements
- Print advertising
- Business transactions
- Direct mail and postal volume

UFS pricing[1]



Key industry trends

- Secular demand decline
- Reduced capacity
- Pricing momentum

1 Source: RISI Mar 2010

2 UFS includes specialty papers

Paper: packaging demand-driven papers

Market

Packaging demand-driven papers

- Pressure-sensitive labels
- Flexible packaging
- 2009 NA demand[1]
  - Pressure-sensitive: 1+mt
  - Paper flexible packaging: 1+mt

Key demand drivers

- Label requirements and packaged goods shipments
- Away-from-home food consumption

Key industry characteristics

- Long-term growth
- Nonintegrated domestic competitors
- Technical product specifications

[1] Source: Internal company data

Paper operating strategies

Packaging demand-driven growth

- Pressure-sensitive label and release and flexible packaging
- Potential to be lowest cost producer of label and release

Build on office paper position

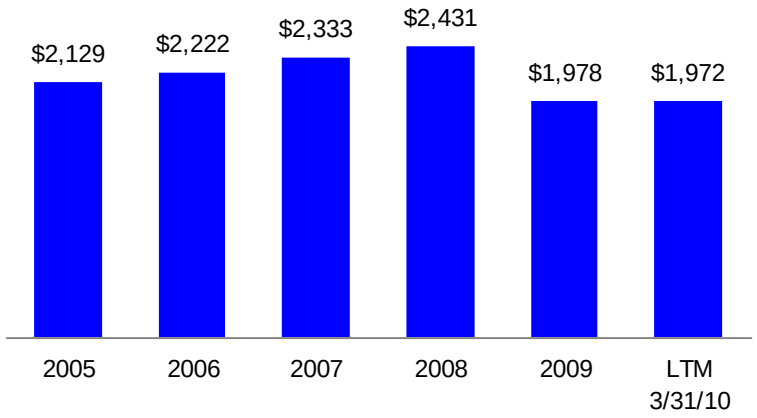
- 3rd largest UFS company in North America
- Strong relationship with OfficeMax
- Leader in recycled office papers
- Grow premium office papers

Raise operating capabilities

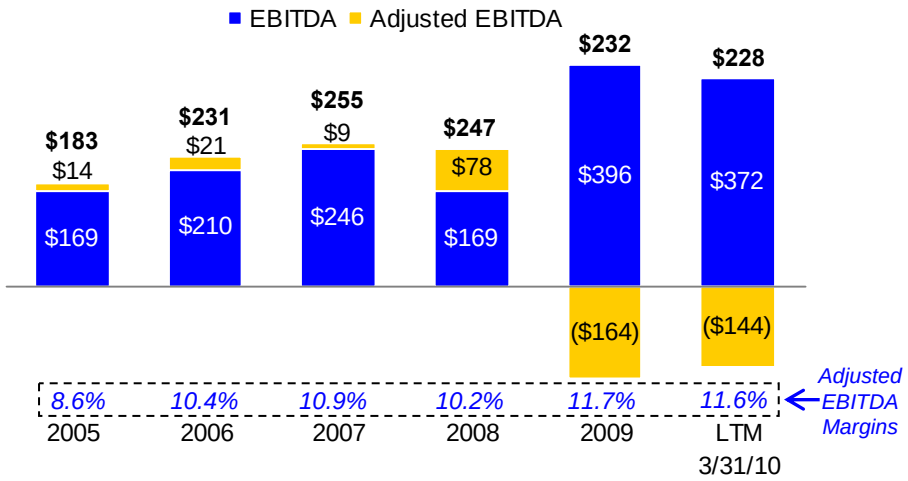
- Superior service, supply chain excellence
- Category management
- Fully engaged workforce
- Fiber, energy, procurement optimization
- Drive out manufacturing variation

Improving margins and cash flow

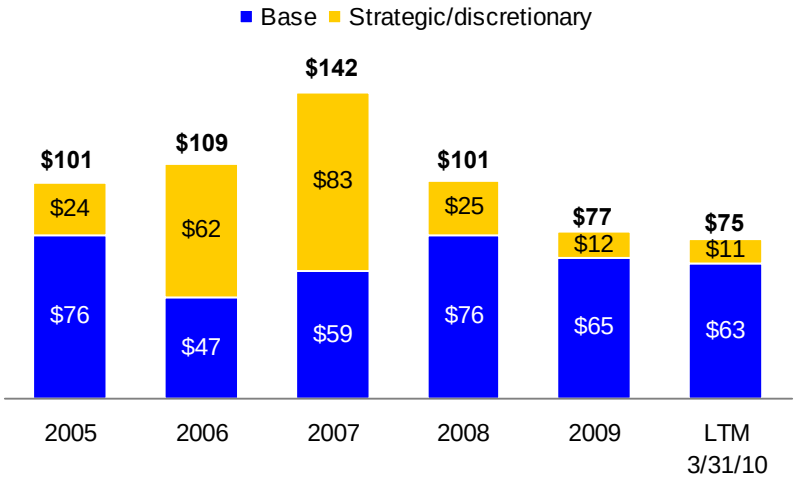
Sales ($m)



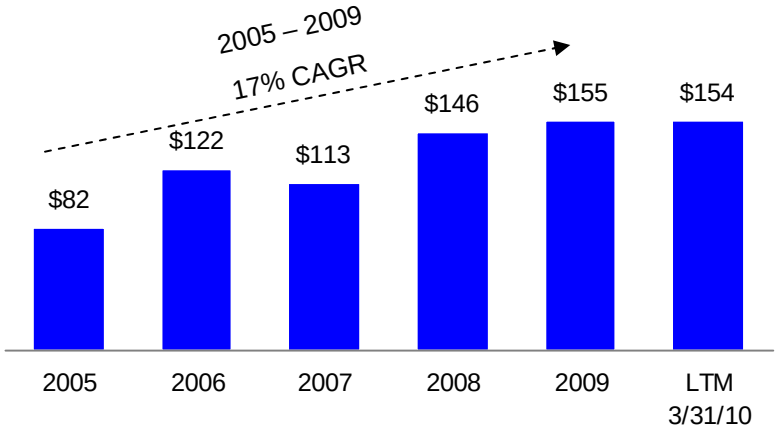
Adjusted EBITDA ($m)



Capital expenditures ($m)



Adjusted EBITDA less CAPEX ($m)



Note: Some totals may not foot exactly due to rounding; adjusted EBITDA excludes special items and alternative fuel mixture credits (see the appendix hereto for more information)

Reduced debt, fixed rates, extended maturities

Component ($m)	Debt: Feb 22, 2008	Debt: Mar 31, 2009	Debt: Mar 31, 2010	Total Change Since Inception
Revolving Credit Facility and Other, due 2013 ($250m Committed)[1]	80	20	-	
1st Lien Term Loan A, due 2013	250	238	192	
1st Lien Term Loan B, due 2014	475	457	-	
2nd Lien Term Loan, due 2015	261	261	-	
15.75% Notes Payable, due 2015	58	69	-	
9% Senior Notes, due 2017	-	-	300	
8% Senior Notes, due 2020	-	-	300	
Total Debt	$1,124	$1,045	$792	($332)
Cash, Cash Equivalents, and Short-Term Investments[2]	38	28	98	
Total Debt Less Cash	**$1,086**	**$1,017**	**$694**	**($392)**
LTM Adjusted EBITDA[3]	255	253	228	
Net Debt / LTM Adjusted EBITDA	4.3x	4.0x	3.0x	

1 Revolver availability of $206m and $228m, excluding LOCs of $25m and $22m issued under the Revolver as of 03/31/09 and 03/31/10, respectively; we had no amounts outstanding under our Revolving Credit Facility as of 3/31/10 (excluding letters of credit)

2 Cash, cash equivalents, and short-term investments

3 LTM adjusted EBITDA excludes special items and alternative fuel mixture credits (see the appendix hereto for more information); adjusted EBITDA at February 22, 2008 is as of LTM 12/31/2007

Investment highlights

Well positioned

#3 in uncoated freesheet paper in North America
- Office paper focus
- Packaging demand-driven papers

Leading producer of corrugated boxes in Pacific Northwest
- Agricultural base

Additional options

Potential to restart idle machine on packaging grade

Increase packaging downstream integration through acquisition

Grow with label and release market

Track record

Improving margins

Substantial deleveraging

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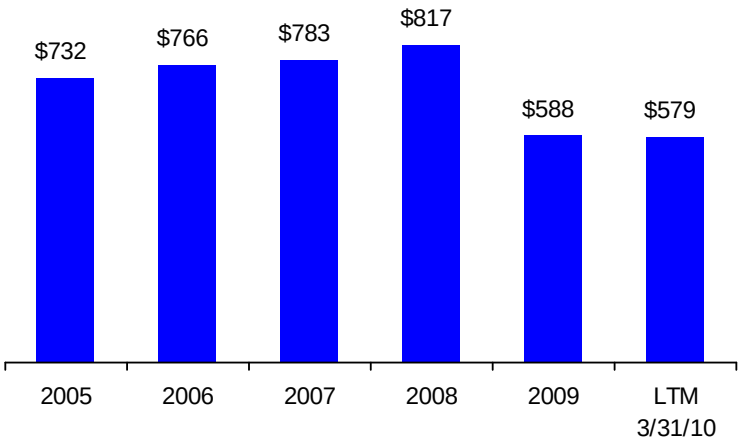
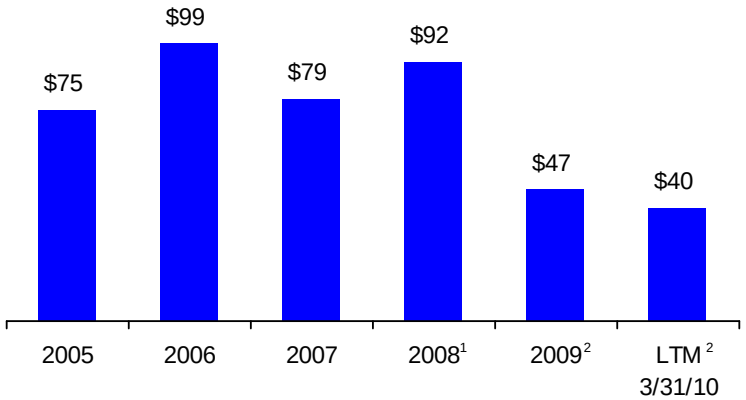
Appendix

Segment financials

Packaging segment revenue ($m)



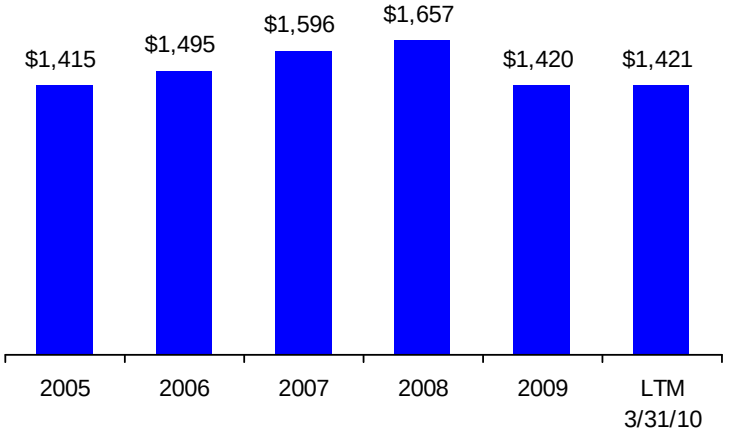
Packaging segment adjusted EBITDA ($m)



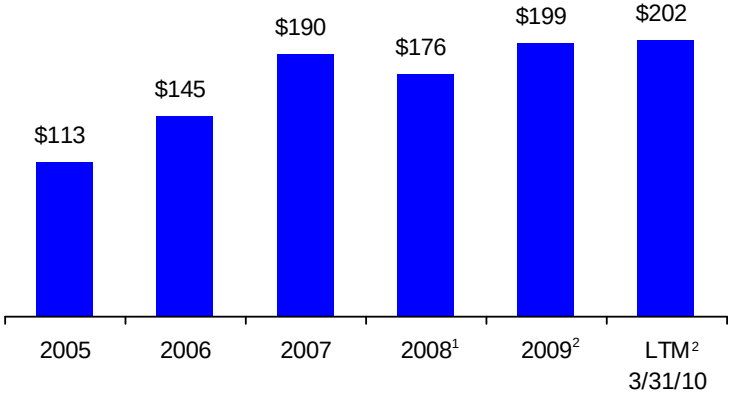
[1] Packaging adjusted EBITDA excludes charges of $21m for the DeRidder outage, $5m for hurricane losses, $3m in inventory purchase accounting expense associated with the Acquisition, and $1m expense from the impact of energy hedges (see appendix hereto for more information)

[2] Excludes alternative fuel mixture credits of $62m and $1m income from energy hedges (see appendix hereto for more information)

Paper segment revenue ($m)



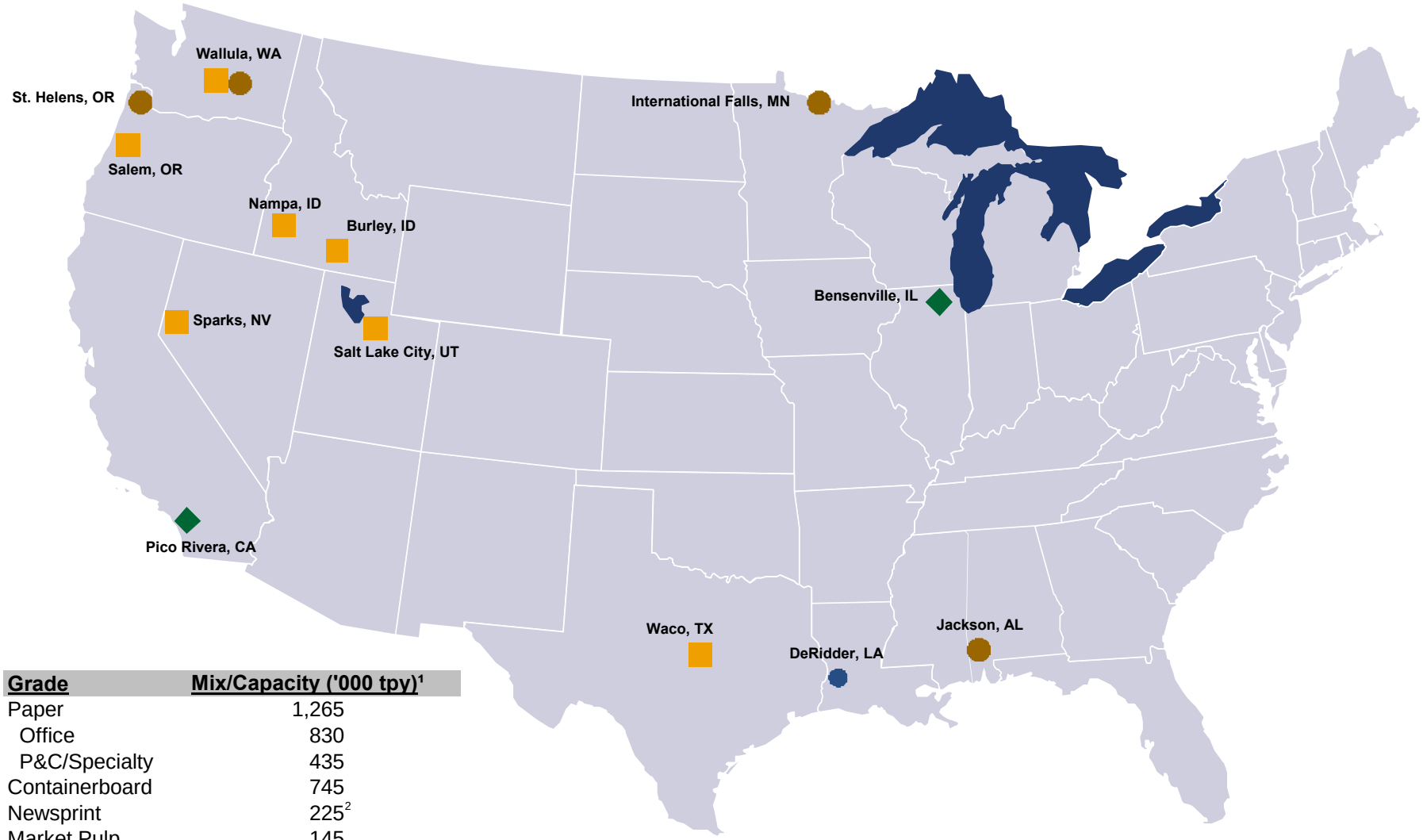
Paper segment adjusted EBITDA ($m)



[1] Paper adjusted EBITDA excludes charges of $38m associated with the St. Helens mill restructuring, $7m in inventory purchase accounting expense associated with the acquisition of the packaging and paper assets of Boise Cascade, L.L.C. ("the Acquisition"), and $6m expense from the impact of energy hedges (see appendix hereto for more information)

[2] Excludes $150m for alternative fuel mixture credits, one-time expense of $6m and $2m associated with the St. Helens mill restructuring, and $5m and $4m for 2009 and LTM, respectively, income from impact of energy hedges (see appendix hereto for more information)

Asset locations



Grade	Mix/Capacity ('000 tpy)[1]
Paper	1,265
Office	830
P&C/Specialty	435
Containerboard	745
Newsprint	225[2]
Market Pulp	145
Idle capacity	200[3]

- Paper Mill / Converting
- Paper Regional Distribution Center
- Packaging Mill
- Packaging Converting Plant

Note: Boise has an additional outside warehouse network of 25 facilities throughout the United States and Canada

1 Figures approximated based on projected mix

2 Does not include D2 newsprint machine (186,000 tpy) idled since April 2009

3 Represents possible capacity from conversion of D2 newsprint machine

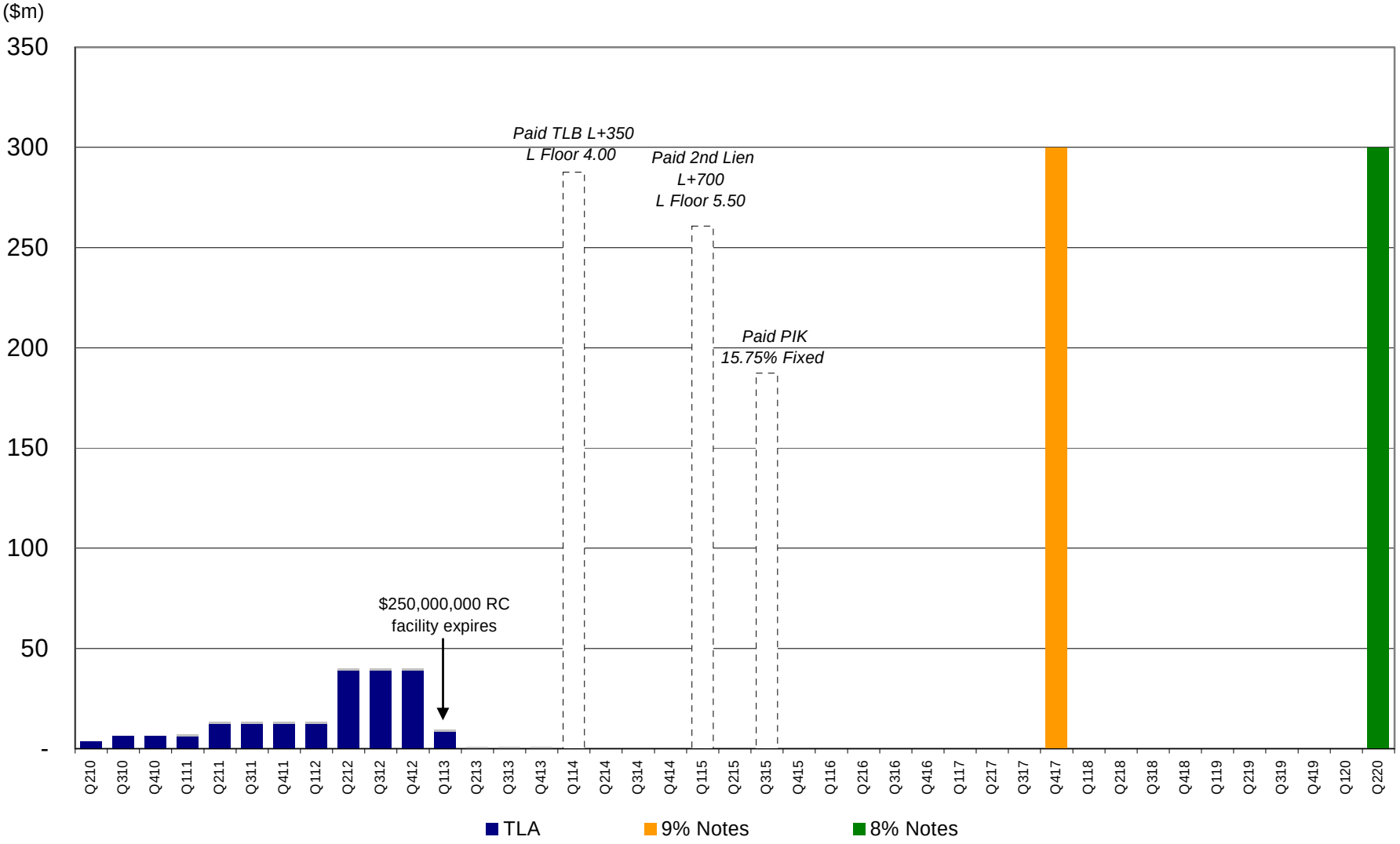
EBITDA sensitivity analysis

Category	EBITDA Impact[1] +/-
+/- $10 Office Price	8
+/- $10 Printing and Converting Price	2
+/- $10 Specialty Price	2
+/- $10 Newsprint	2
+/- $10 Linerboard[2]	6
+/- $1 Corrugated Product Price	6
+/- 1% Change in Fiber Costs	4
+/- 1% Change in Chemical Costs	2
+/- $1/mmBTU Change in Natural Gas Price	12

1 In millions, based on estimated 2009 prices, costs, and volumes

2 Includes estimated impact of linerboard price changes to corrugated products sales prices

Debt restructure



Reconciliation of net income and EBITDA

EBITDA represents income before interest, income taxes, depreciation, amortization, and depletion.

The following table reconciles net income to EBITDA for the years ended December 31, 2005, 2006, 2007, 2008, 2009, and LTM 2010.

Total Boise ($m)	2005	2006	2007	2008	2009	LTM 3/31/10
Net income (loss)	$ 72	$ 93	$ 160	$ (23)	$ 154	$ 142
Interest expense (income)	-	(1)	(1)	89	83	77
Income tax provision (benefit)	2	1	3	(8)	28	22
Depreciation, amortization, and depletion	95	116	85	110	132	132
EBITDA	$ 169	$ 210	$ 246	$ 169	$ 396	$ 372

Note: Some totals may not foot exactly due to rounding; amounts shown include impact of alternative fuel mixture credits of $207.6m in 2009

Reconciliation of segment income and EBITDA

Segment EBITDA represents segment income (loss) before depreciation, amortization, and depletion.

The following table reconciles segment income (loss) to segment EBITDA for the years ended December 31, 2005, 2006, 2007, 2008, 2009, and LTM 2010.

By Segment ($m)	2005	2006	2007	2008	2009	LTM 3/31/10
Paper						
Segment income (loss)	$58	$63	$134	$53	$263	$268
Depreciation, amortization, and depletion	55	62	45	72	85	85
EBITDA	113	126	178	125	348	353
Packaging						
Segment income	24	45	40	27	67	60
Depreciation, amortization, and depletion	37	51	38	35	42	42
EBITDA	61	96	78	62	109	102
Corporate and Other						
Segment loss[1]	(8)	(15)	(12)	(21)	(65)	(87)
Depreciation, amortization, and depletion	3	3	2	3	4	4
EBITDA	(5)	(12)	(10)	(18)	(61)	(83)
Total EBITDA	$169	$210	$246	$169	$396	$372

[1] Corporate and Other segment loss for the LTM 2010 includes $66.3m of loss on extinguishment of debt

Note: Some totals may not foot exactly due to rounding; amounts shown include impact of alternative fuel mixture credits of $207.6m in 2009

Reconciliation of EBITDA and adjusted EBITDA

The following table reconciles segment EBITDA to segment adjusted EBITDA[1] for the years ended December 31, 2005, 2006, 2007, 2008, 2009, and LTM 2010.

By Segment ($m)	2005	2006	2007	2008	2009	LTM 3/31/10
Paper						
EBITDA	$113	$126	$178	$125	$348	$353
St. Helens mill restructuring	–	–	–	38	6	2
Noncash mark-to-market hedge (gain) loss	–	15	8	6	(5)	(4)
Transaction-related inventory valuation adjustments	–	–	–	7	–	–
Alternative fuel mixture credit	–	–	–	–	(150)	(150)
Wallula startup costs	–	–	4	–	–	–
Mill closures and write-downs	–	4	–	–	–	–
Adjusted EBITDA	113	145	190	176	199	202
Packaging						
EBITDA	61	96	78	62	109	102
Hurricane losses	–	–	–	5	–	–
DeRidder outage	–	–	–	21	–	–
Noncash mark-to-market hedge (gain) loss	–	3	1	1	(1)	(1)
Transaction-related inventory valuation adjustments	–	–	–	3	–	–
Alternative fuel mixture credit	–	–	–	–	(62)	(62)
Pro forma benefits of CTC acquisition	14	–	–	–	–	–
Adjusted EBITDA	75	99	79	92	47	40
Corporate and Other						
EBITDA	(5)	(12)	(10)	(18)	(61)	(83)
Gain on pension plan freeze	–	–	–	(3)	–	–
Alternative fuel mixture credit	–	–	–	–	4	4
Loss on debt restructuring	–	–	–	–	44	66
Gain on changes in retiree healthcare programs	–	(4)	(4)	–	–	–
Special project costs	–	3	–	–	–	–
Adjusted EBITDA	(5)	(13)	(14)	(21)	(13)	(13)
Total EBITDA	$169	$210	$246	$169	$396	$372
Total Adjusted EBITDA	$183	$231	$255	$247	$232	$228

[1] Adjusted EBITDA represents EBITDA as further adjusted for items that are not reflective of our ongoing operating performance

Note: Some totals may not foot exactly due to rounding