



Huttig Building Products, Inc. Announces Third Quarter 2013 Results

ST. LOUIS, MO – 11/1/2013 – Huttig Building Products, Inc. (HBPI), a leading domestic distributor of millwork, building materials and wood products, today announced results of operations for the three months ended September 30, 2013.

Third Quarter 2013 Highlights

- Huttig reported third quarter 2013 sales of \$153.3 million, an increase of 9% from the 2012 third quarter.
- Huttig reported operating income of \$3.8 million in 2013 compared to \$4.4 million in 2012, which included a \$2.4 million gain on disposal of assets.
- Huttig reported income from continuing operations of \$3.2 million in 2013 compared to \$3.7 million in 2012, which included a \$2.4 million gain on disposal of assets.
- Huttig’s total available liquidity was \$53.7 million at September 30, 2013.

“We are pleased with our continued financial improvement in the third quarter. It is our tenth consecutive quarter of improved net income over the comparable prior year period, excluding significant special items”, said Jon Vrabely, Huttig’s President and CEO. “We continue to focus on executing our profitable growth strategy which we believe will be aided by the recent execution of a supply agreement with CPG Building Products that authorizes Huttig to distribute the entire line of AZEK and TimberTech decking, railing and trim products in 13 locations through the east region. We are generating positive cash flow from operations and positive earnings, which increases our ability to pursue growth opportunities as the market recovers.”

Summary of Third Quarter Results

(\$ in millions, except per share data)

	Three Months Ended September 30,			
	2013		2012	
Net sales	\$ 153.3	100.0%	\$ 141.1	100.0%
Gross margin	\$ 30.8	20.1%	\$ 27.6	19.6%
Operating expenses	\$ 27.0	17.6%	\$ 25.6	18.1%
Gain on disposal of assets	\$ -	-	\$ 2.4	1.7%
Operating income	\$ 3.8	2.5%	\$ 4.4	3.1%
Income from continuing operations	\$ 3.2	2.1%	\$ 3.7	2.6%
Net income from continuing operations per share - basic and diluted	\$ 0.13		\$ 0.15	
Cash provided by operating activities	\$ 9.5		\$ 2.7	

Balance Sheet

At September 30, 2013, Huttig had \$3.0 million of cash and cash equivalents plus \$50.7 million of excess availability under its credit facility for total available liquidity of \$53.7 million. A year ago, Huttig had \$1.0 million of cash and cash equivalents plus \$36.2 million of excess availability under its credit facility for total available liquidity of \$37.2 million. Total debt was \$62.4 million and \$62.5 million at September 30, 2013 and 2012, respectively.

More detailed information about Huttig's financial results for the three and nine months ended September 30, 2013 is included in Huttig's Quarterly Report on Form 10-Q, which was filed on October 31, 2013.

About Huttig

Huttig Building Products, Inc., currently in its 128th year of business, is one of the largest domestic distributors of millwork, building materials and wood products used principally in new residential construction and in home improvement, remodeling and repair work. Huttig distributes its products through 27 distribution centers serving 41 states. The Company's wholesale distribution centers sell principally to building materials dealers, national buying groups, home centers and industrial users, including makers of manufactured homes.

Forward Looking Statements

This press release contains forward-looking information as defined by the Private Securities Litigation Reform Act of 1995. This information presents management's expectations, beliefs, plans and objectives regarding future financial performance, and assumptions or judgments concerning such performance. Any discussions contained in this press release, except to the extent that they contain historical facts, are forward-looking and accordingly involve estimates, assumptions, judgments and uncertainties. There are known and unknown factors that could cause actual results or outcomes to differ materially from those addressed in the forward-looking information. Such known factors are detailed in the Company's Annual Report on Form 10-K for the year ended December 31, 2012 and its Quarterly Report on Form 10-Q for the quarter ended September 30, 2013 filed with the Securities and Exchange Commission and in other reports filed by the Company with the Securities and Exchange Commission from time to time.

For additional information:

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HUTTIG BUILDING PRODUCTS, INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)
(In Millions, Except Per Share Data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Net sales	\$ 153.3	\$ 141.1	\$ 426.7	\$ 395.5
Cost of sales	122.5	113.5	343.0	319.2
Gross margin	30.8	27.6	83.7	76.3
Operating expenses	27.0	25.6	77.7	73.9
Goodwill impairment	-	-	-	-
Gain on disposal of assets	-	(2.4)	-	(2.4)
Operating income	3.8	4.4	6.0	4.8
Interest expense, net	0.5	0.7	1.9	2.2
Income from continuing operations before income taxes	3.3	3.7	4.1	2.6
Provision for income taxes	0.1	-	0.1	-
Income from continuing operations	3.2	3.7	4.0	2.6
Loss from discontinued operations, net of taxes	(0.2)	(0.1)	(0.4)	(0.3)
Net income	<u>\$ 3.0</u>	<u>\$ 3.6</u>	<u>\$ 3.6</u>	<u>\$ 2.3</u>
Net income from continuing operations per share - basic and diluted	\$ 0.13	\$ 0.15	\$ 0.16	\$ 0.10
Net loss from discontinued operations per share - basic and diluted	(0.01)	(0.01)	(0.01)	(0.01)
Net income per share - basic and diluted	<u>\$ 0.12</u>	<u>\$ 0.14</u>	<u>\$ 0.15</u>	<u>\$ 0.09</u>
Weighted average shares outstanding:				
Basic shares outstanding	22.9	23.0	22.7	22.9
Diluted shares outstanding	22.9	23.0	22.8	22.9

HUTTIG BUILDING PRODUCTS, INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED BALANCE SHEETS

(unaudited)
(In Millions)

	<u>September 30,</u> <u>2013</u>	<u>December 31,</u> <u>2012</u>	<u>September 30,</u> <u>2012</u>
ASSETS			
CURRENT ASSETS:			
Cash and equivalents	\$ 3.0	\$ 2.3	\$ 1.0
Trade accounts receivable, net	60.3	41.7	57.5
Inventories	61.3	55.0	56.5
Other current assets	5.6	7.3	6.5
Total current assets	<u>130.2</u>	<u>106.3</u>	<u>121.5</u>
PROPERTY, PLANT AND EQUIPMENT			
Land	4.3	4.3	4.3
Building and improvements	24.1	23.8	23.7
Machinery and equipment	33.0	31.2	30.9
Gross property, plant and equipment	<u>61.4</u>	<u>59.3</u>	<u>58.9</u>
Less accumulated depreciation	45.4	43.7	43.1
Property, plant and equipment, net	<u>16.0</u>	<u>15.6</u>	<u>15.8</u>
OTHER ASSETS:			
Goodwill	6.3	6.3	8.2
Other	2.0	2.2	1.6
Deferred income taxes	7.2	7.1	7.3
Total other assets	<u>15.5</u>	<u>15.6</u>	<u>17.1</u>
TOTAL ASSETS	<u>\$ 161.7</u>	<u>\$ 137.5</u>	<u>\$ 154.4</u>

HUTTIG BUILDING PRODUCTS, INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)
(In Millions, Except Share Data)

	<u>September 30,</u> <u>2013</u>	<u>December 31,</u> <u>2012</u>	<u>September 30,</u> <u>2012</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Current maturities of long-term debt	\$ 0.3	\$ 0.6	\$ -
Trade accounts payable	50.6	31.2	40.7
Deferred income taxes	7.2	7.1	7.3
Accrued compensation	3.9	4.1	3.9
Other accrued liabilities	13.0	14.3	15.2
Total current liabilities	<u>75.0</u>	<u>57.3</u>	<u>67.1</u>
NON-CURRENT LIABILITIES:			
Long-term debt, less current maturities	62.1	59.2	62.5
Other non-current liabilities	1.5	1.9	2.0
Total non-current liabilities	<u>63.6</u>	<u>61.1</u>	<u>64.5</u>
SHAREHOLDERS' EQUITY			
Preferred shares; \$.01 par (5,000,000 shares authorized)	-	-	-
Common shares; \$.01 par (50,000,000 shares authorized: 24,314,942; 23,920,195; and 24,896,596 shares issued at September 30, 2013, December 31, 2012 and September 30, 2012, respectively)	0.2	0.2	0.2
Additional paid-in capital	39.6	39.2	40.1
Accumulated deficit	(16.7)	(20.3)	(17.5)
Total shareholders' equity	<u>23.1</u>	<u>19.1</u>	<u>22.8</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 161.7</u>	<u>\$ 137.5</u>	<u>\$ 154.4</u>

HUTTIG BUILDING PRODUCTS, INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)
(In Millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Cash Flows From Operating Activities:				
Net income	\$ 3.0	\$ 3.6	\$ 3.6	\$ 2.3
Adjustments to reconcile net income				
to net cash provided by (used in) operating activities:				
Net loss from discontinued operations	0.2	0.1	0.4	0.3
Depreciation and amortization	0.8	0.8	2.3	2.4
Stock-based compensation	0.3	0.2	0.8	0.6
Goodwill impairment	-	-	-	-
Gain on disposal of assets	-	(2.4)	-	(2.4)
Changes in operating assets and liabilities:				
Trade accounts receivable	(1.2)	(0.9)	(18.6)	(18.1)
Inventories	(2.6)	3.4	(6.3)	(11.7)
Trade accounts payable	6.6	(4.0)	19.4	12.4
Other	2.4	1.9	(0.7)	2.8
Total cash provided by (used in) operating activities	<u>9.5</u>	<u>2.7</u>	<u>0.9</u>	<u>(11.4)</u>
Cash Flows From Investing Activities:				
Capital expenditures	(0.2)	(0.6)	(1.5)	(1.5)
Proceeds from disposition of capital assets	-	3.3	-	3.3
Total cash (used in) provided by investing activities	<u>(0.2)</u>	<u>2.7</u>	<u>(1.5)</u>	<u>1.8</u>
Cash Flows From Financing Activities:				
Borrowings (payments) of debt, net	(7.7)	(6.0)	1.7	9.9
Repurchase shares of common stock	-	-	(0.4)	-
Total cash (used in) provided by financing activities	<u>(7.7)</u>	<u>(6.0)</u>	<u>1.3</u>	<u>9.9</u>
Net increase (decrease) in cash and equivalents	1.6	(0.6)	0.7	0.3
Cash and equivalents, beginning of period	1.4	1.6	2.3	0.7
Cash and equivalents, end of period	<u>\$ 3.0</u>	<u>\$ 1.0</u>	<u>\$ 3.0</u>	<u>\$ 1.0</u>
Supplemental Disclosure of Cash Flow Information:				
Interest paid	\$ 0.5	\$ 0.6	\$ 1.7	\$ 1.9
Income taxes paid	-	-	0.1	0.1