Builders FirstSource, Inc.
Form 424B3
July 27, 2015

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Registration Statement Nos. 333-203824, 333-199955

The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectuses are part of effective registration statements filed with the Securities and Exchange Commission. This preliminary prospectus supplement and the accompanying prospectuses are not an offer to sell these securities and they are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion, Dated July 27, 2015

Preliminary Prospectus Supplement to Prospectus dated July 24, 2015 and Prospectus dated November 26, 2014

11,000,000 Shares

Builders FirstSource, Inc.

Common Stock

Builders FirstSource, Inc., a Delaware corporation (the Issuer or we), is offering 8,000,000 shares of its common stock, par value $0.01 per share and the selling stockholder is offering 3,000,000 shares of our common stock, par value $0.01 per share.

Our common stock is traded on the NASDAQ Global Select Market (to which we refer as NASDAQ in this prospectus supplement) under the symbol BLDR. On July 24, 2015, the last reported sale price of our common stock on NASDAQ was $13.39 per share.

We intend to use the net proceeds of this offering, together with borrowings under our credit facilities and/or proceeds from a new unsecured notes offering, and cash on hand, to finance the acquisition of ProBuild Holdings LLC (ProBuild) as described in this prospectus supplement and to pay related transaction costs and expenses. This offering is not contingent on the consummation of the acquisition of ProBuild. We will not receive any proceeds from the sale of shares to be offered by the selling stockholder.

Investing in our common stock involves a high degree of risk. You should review carefully the risks and uncertainties referenced under the heading Risk Factors on page S-35 of this prospectus supplement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Share	Total(1)
Public offering price	$	$
Underwriting discount	$	$
Proceeds to us (before expenses)(2)	$	$
Proceeds to the selling stockholder (before expenses)	$	$

(1) Assumes no exercise of the underwriters option to purchase additional shares described below.
(2) See Underwriting (Conflicts of Interest).

We and the selling stockholder have granted the underwriters an option to purchase up to 1,200,000 and 450,000 additional shares of our common stock, respectively, from us and the selling stockholder, at the public offering price, less underwriting discount, within 30 days from the date of this prospectus supplement.

The underwriters expect to deliver the shares of common stock to purchasers on or about , 2015.

Joint Book-Running Managers

Credit Suisse **Deutsche Bank Securities** **Citigroup**

Joint Lead Managers

BB&T Capital Markets **Stephens Inc.** **Stifel**

Co-Manager

SunTrust Robinson Humphrey

The date of this prospectus supplement is July , 2015.

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Prospectus Supplement

Prospectus dated July 24, 2015

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ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement and the accompanying prospectuses are part of registration statements that we filed with the U.S. Securities and Exchange Commission, (the SEC) as part of a shelf registration process. The shelf registration statement covering the shares offered by the selling stockholder (File No. 333-199955) became effective on November 26, 2014, and the shelf registration statement covering the shares offered by us (File No. 333-203824) became effective on July 24, 2015. This document is in two parts. The first part is this prospectus supplement which contains specific information about the terms of this offering. This prospectus supplement also adds to and updates information contained in, or incorporated by reference into, the accompanying prospectuses. The second part consists of two accompanying prospectuses, which provide more general information about us and securities we may offer from time to time, some of which may not apply to this offering of common stock. Generally, when we refer to this prospectus supplement, we are referring to both parts of this document combined. This prospectus supplement and the accompanying prospectuses incorporate by reference important business and financial information about us that is not included in or delivered with this prospectus supplement. You should read both this prospectus supplement and the accompanying prospectuses together with the additional information below under the heading Where You Can Find Additional Information. If there is any inconsistency between the information in this prospectus supplement and the accompanying prospectuses or any document incorporated herein or therein by reference, you should rely on the information in this prospectus supplement.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in or incorporated by reference into this prospectus supplement or the accompanying prospectuses. You must not rely on any unauthorized information or representations. This prospectus supplement and the accompanying prospectuses constitute an offer to sell only the shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained or incorporated by reference in this prospectus supplement and the accompanying prospectuses is current only as of the respective dates of such documents.

We are subject to the informational requirements of the Securities Exchange Act of 1934, as amended (Exchange Act), and, therefore, file reports and other information with the SEC. Statements contained in this prospectus supplement, the accompanying prospectuses and any other offering materials about the provisions or contents of any agreement or other document are only summaries. If SEC rules require that any agreement or document be filed as an exhibit to the registration statement, you should refer to that agreement or document for its complete contents.

You should not assume that the information in this prospectus supplement or any other offering materials is accurate as of any date other than the date on the front of each document. Our business, financial condition, results of operations and prospects may have changed since then.

On April 13, 2015, the Issuer entered into a definitive agreement to acquire 100% of ProBuild, in the ProBuild Acquisition (as defined below), valued at approximately $1.82 billion, excluding fees and expenses. As a result of the ProBuild Acquisition, ProBuild will become a wholly owned subsidiary of the Issuer. As used in this prospectus supplement, unless stated otherwise or the context otherwise requires, references to the Issuer refer to Builders FirstSource, Inc., a Delaware corporation, with regard to the period before and after the ProBuild Acquisition, as applicable; references to ProBuild refer to ProBuild Holdings, LLC, a Delaware limited liability company, and its direct and indirect subsidiaries with regard to the period before the ProBuild Acquisition; references to Our Company or our Combined Company refer to the combined businesses of the Issuer and its subsidiaries and ProBuild and its subsidiaries in the period following consummation of the ProBuild Acquisition; references to us, we or our refer to the Issuer, when used historically, or to our Combined Company following the completion of the ProBuild Acquisition, when used prospectively; references to financial metrics as being Combined refer to financial metrics for the Combined Company that have been calculated without giving effect to any Pro Forma adjustments; and references to financial results as being Pro Forma refer to pro forma financial results for the Combined Company, prepared using the acquisition method of accounting for business combinations under the guidance in Accounting Standards Codification Topic 805,

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Business Combinations, and in accordance with Article 11 of Regulation S-X, as if the ProBuild Acquisition had been consummated on January 1, 2014, with respect to pro forma financial results for the fiscal year ended December 31, 2014 and the three months ended March 31, 2015. For further information, see Exhibit 99.3 of the Issuer s Current Report on Form 8-K/A Unaudited Pro Forma Condensed Combined Financial Information incorporated by reference in this prospectus supplement and the accompanying prospectuses and the section entitled Unaudited Pro Forma Condensed Combined Financial Information in this prospectus supplement.

This offering is not conditioned on the completion of the ProBuild Acquisition. While certain information provided herein describes the combined business, there is no assurance that the ProBuild Acquisition will be completed and this offering is not conditioned on the completion of the ProBuild Acquisition. As a result, you should read carefully the information included and incorporated by reference in this prospectus supplement and the accompanying prospectuses that describes the business, prospects and risks of the Issuer on a standalone basis.

For further information about the Issuer on a standalone basis without giving effect to the ProBuild Acquisition, see the sections titled Management s Discussion and Analysis of Financial Condition and Results of Operations for Builders FirstSource, Inc., and Selected Historical Consolidated Financial Information and Other Data for Builders FirstSource, Inc., the Issuer s consolidated financial statements included in this prospectus supplement and the Issuer s Annual Report on Form 10-K for the fiscal year ended December 31, 2014 and Quarterly Report on Form 10-Q for the quarter ended March 31, 2015 incorporated by reference in this prospectus supplement and the accompanying prospectuses.

Non-GAAP Financial Measures

We have included certain financial measures in this prospectus supplement that have not been prepared in a manner that complies with generally accepted accounting principles in the Unites States (GAAP), including but not limited to EBITDA and Adjusted EBITDA of the Issuer and ProBuild, as well as Combined EBITDA and Combined Adjusted EBITDA, derived from the Pro Forma financial results giving effect to the ProBuild Acquisition included in the section entitled Unaudited Pro Forma Condensed Combined Financial Information in this prospectus supplement. Historically, the Issuer and ProBuild have used Adjusted EBITDA to measure operating performance, excluding specifically identified items that the Issuer s and ProBuild s management believe do not directly reflect core operations. We believe that the presentation of EBITDA, Adjusted EBITDA, Combined EBITDA and Combined Adjusted EBITDA included in this prospectus supplement is useful to investors, analysts and others because they are widely used by investors to measure operating performance without regard to items such as income taxes, net interest expense, depreciation and amortization, stock compensation expense and other infrequent or unusual items, which can vary substantially from company to company depending upon accounting methods and book value of assets, financing methods, capital structure and the methods by which assets were acquired.

The presentation of EBITDA and Adjusted EBITDA of the Issuer and ProBuild and Combined EBITDA and Combined Adjusted EBITDA are not made in accordance with GAAP and the use of the terms EBITDA, Adjusted EBITDA, Combined EBITDA and Combined Adjusted EBITDA in this prospectus supplement may vary from the use of similar terms by others in our industry. EBITDA, Adjusted EBITDA, Combined EBITDA and Combined Adjusted EBITDA are not prepared with a view towards compliance with published guidelines of the SEC and should not be considered as alternatives to net income, operating income or any other performance measures derived in accordance with GAAP as measures of operating performance or as alternatives to operating cash flows as a measure of liquidity.

The Issuer and ProBuild define EBITDA and Adjusted EBITDA differently. See Prospectus Supplement Summary Summary Historical Financial and Other Data Builders FirstSource, Inc. Financial Information and Prospectus Supplement Summary Summary Historical Financial and Other Data ProBuild Holdings,

Inc. Financial Information for a discussion of EBITDA and Adjusted EBITDA as they relate to the Issuer and ProBuild, including the reasons that we believe this information is useful to us and investors, and reconciliations of EBITDA and Adjusted EBITDA for both the Issuer and ProBuild to the most closely comparable financial measures calculated in accordance with GAAP. See Prospectus Supplement Summary Summary Historical Financial and Other Data Pro Forma, Combined and Adjusted Financial Information for information regarding our calculation of Combined EBITDA and Combined Adjusted EBITDA and reconciliations of Combined EBITDA and Combined Adjusted EBITDA.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights certain information about our business and about this offering of common stock contained elsewhere or incorporated by reference into this prospectus supplement. Because it is a summary, it does not contain all of the information that you should consider before investing in the Issuer s common stock. You should read this entire prospectus supplement and the accompanying prospectuses carefully, including the section entitled Risk Factors, and the documents incorporated by reference into this prospectus supplement and the accompanying prospectuses before making an investment decision.

On April 13, 2015, the Issuer entered into a definitive agreement to acquire 100% of ProBuild, in the ProBuild Acquisition, a transaction valued at approximately $1.82 billion, excluding fees and expenses. As a result of the ProBuild Acquisition, ProBuild will become a wholly owned subsidiary of the Issuer. This offering is not conditioned on the completion of the ProBuild Acquisition.

While certain information provided herein describes the combined business, there is no assurance that the ProBuild Acquisition will be completed and this offering is not conditioned on the completion of the ProBuild Acquisition. As a result, you should read carefully the information included and incorporated by reference in this prospectus supplement and the accompanying prospectuses that describes the business, prospects and risks of the Issuer on a standalone basis.

For further information about the Issuer on a standalone basis without giving effect to the ProBuild Acquisition, see the sections titled Management s Discussion and Analysis of Financial Condition and Results of Operations for Builders FirstSource, Inc. and Selected Historical Consolidated Financial Information and Other Data for Builders FirstSource, Inc., the Issuer s consolidated financial statements included in this prospectus supplement and the Issuer s Annual Report on Form 10-K for the fiscal year ended December 31, 2014 and Quarterly Report on Form 10-Q for the quarter ended March 31, 2015 incorporated by reference in this prospectus supplement and the accompanying prospectuses.

Our Combined Company

Our Combined Company will be the largest supplier of building products, prefabricated components and value-added services, primarily for new residential construction, in the U.S. professional segment (the Pro Segment). The Pro Segment is largely made up of professional homebuilders but also includes those companies that provide construction services to professional homebuilders. Our scale will allow us to offer homebuilding customers an integrated solution, providing manufacturing, supply, delivery and installation for a full range of structural and related building products. Our value-added services will allow us to play a critical role for our customers, many of whom increasingly rely on us to help manage the homebuilding process by providing integrated project planning, scheduling, job site coordination, engineered components, framing, design assistance, product selection and professional installation. Our approach is different from many of our competitors and we believe it offers our customers significant cost benefits and operating efficiencies, maximizes our sales and profit opportunity, and strengthens our customer relationships and value proposition. For the twelve months ended December 31, 2014 and the three months ended March 31, 2015, our Pro Forma net sales and Combined Adjusted EBITDA were $6.1 billion and $259.3 million and $1.3 billion and $21.9 million, respectively. For a reconciliation to Combined Adjusted EBITDA, see Summary Historical Financial and Other Data.

The Combined Company will be formed through the ProBuild Acquisition, which is expected to be completed substantially concurrently with the completion of this offering. We believe the ProBuild Acquisition will provide greater diversification across products and end-users, an expanded geographic footprint and significant cost savings. See Recent Developments The ProBuild Acquisition. The completion of the ProBuild Acquisition is not a condition to this offering.

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Following the consummation of the ProBuild Acquisition, through our Combined Company s network of 351 strategically-located distribution facilities and 125 component manufacturing and fabrication facilities (certain of which are co-located), our operations will span more than 430 locations. As we consolidate our and ProBuild s facilities, we expect to close 19 redundant sites (out of 88 overlapping locations). As of December 31, 2014, our Combined Company would have had a presence in 24 of the top 25 and 74 of the top 100 largest U.S. Metropolitan Statistical Areas (MSAs). Our Combined Company s network will cover 40 states accounting for approximately 92% of 2014 U.S. single family housing permits according to the U.S. Census Bureau. Given the local nature of our business, we have historically and, as a Combined Company, will continue to locate our facilities in close proximity to our key customers and co-locate multiple operations in one facility to improve efficiency. See the map below for an overview of our Combined Company s operations, immediately after giving effect to the ProBuild Acquisition (note that figures do not account for co-located operations located on a single site or the expected closure of certain redundant sites).

Post-ProBuild Acquisition U.S. Coverage as of March 31, 2015

We will provide a balanced mix of products and services, including:

Manufactured products: factory-built substitutes for jobsite framing, which include floor trusses, roof trusses, wall panels, stairs and engineered wood that are manufactured to order and specification;

Windows and doors: manufacturing, assembly and distribution of aluminum and vinyl windows; assembly and distribution of interior and exterior doors;

Commodities: products include dimensional lumber, plywood, treated wood or clear and hardwood lumber, oriented strand board products used in on-site house framing, joist and rim boards, beams and headers;

Millwork: distribution of interior trim, exterior trim, columns and posts; manufacturing of custom PVC exterior features;

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Gypsum, roofing and insulation: products include wallboard, metal studs and trims, ceilings, joint treatment and finishes, stucco and exteriors;

Siding, metal and concrete: products include vinyl, composite and wood siding, other exteriors and cement; and

Other building products & services: products include cabinets, hardware, tools and fasteners. Services include turn-key framing and shell construction, installation, integrated project management, technical product selection and take-offs, scheduling and job-site coordination, value engineering and design assistance and other services.

For the year ended December 31, 2014, 53% of our sales and 30% of ProBuild s net sales were from value-added products. Giving effect to the ProBuild Acquisition, approximately 36% of our Combined Company s Pro Forma net sales for the fiscal year ended December 31, 2014 were from value-added products and services, defined as products that are manufactured or assembled and the installation and other services related to those products. Giving effect to the ProBuild Acquisition, Pro Forma net sales by product were as follows:

Pro Forma Net Sales by Product

(Fiscal Year Ended December 31, 2014)

Our Combined Company will have a balanced distribution of customers by end-market, with one-third of Pro Forma net sales for the year ended December 31, 2014 coming from repair and remodel, multi-family and commercial customers. The graphs below set out the full distribution of our sales and ProBuild s net sales by end-market over the period, as well as the Pro Forma net sales for our Combined Company:

Issuer s Sales by End-Market

(Fiscal Year Ended December 31, 2014)

ProBuild Net Sales by End-Market

(Fiscal Year Ended December 31, 2014)

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Pro Forma Net Sales by End-Market

(Fiscal Year Ended December 31, 2014)

Our Combined Company will have a diversified customer base, ranging from large production homebuilders to small custom homebuilders, as well as multi-family builders, repair and remodeling contractors and light commercial contractors. After giving effect to the ProBuild Acquisition, our Combined Company s top ten customers would have accounted for approximately 14.3% of our Pro Forma net sales for the fiscal year ended December 31, 2014 and are comprised primarily of the largest U.S. homebuilders, including D.R. Horton Inc., Lennar Corp., Hovnanian Enterprises, Inc., Pulte Group, Inc., The Ryland Group, Inc. and Beazer Homes USA.

In addition, our Combined Company will be geographically diversified, with between 20% and 30% of Pro Forma net sales for the year ended December 31, 2014 occurring in each of the Southeast, South Central and Northeast regions of the U.S. The graphs below set out the full distribution of our sales and ProBuild s net sales by geographic region over the period, as well as the Pro Forma net sales for our Combined Company:

Issuer s Sales by Geographic Region

(Fiscal Year Ended December 31, 2014)

ProBuild Net Sales by Geographic Region

(Fiscal Year Ended December 31, 2014)

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Pro Forma Net Sales by Geographic Region

(Fiscal Year Ended December 31, 2014)

Our Combined Company will compete in a fragmented marketplace. Our integrated approach and scale will allow us to compete effectively through our comprehensive product lines, prefabricated components and value-added services combined with the knowledge of our integrated sales forces to enable our homebuilder customers to complete construction more quickly, with higher quality and at a lower cost. While we expect these benefits to be particularly valuable to our customers in market environments characterized by labor shortages, sourcing challenges or sharply rising demand for new homes, we expect such benefits will also be increasingly valued and demanded by our customers operating under normal market conditions.

Both the Issuer and ProBuild have seen strong growth in Net Sales per Start, defined as sales, in the case of the Issuer, and net sales, in the case of ProBuild, divided by total U.S. single family housing starts. The Issuer s Net Sales per Start increased from $2,000 for the fiscal year ended December 31, 2012 to $2,412 and $2,476 for 2013 and 2014, respectively. ProBuild s Net Sales per Start increased from $6,768 for the fiscal year ended December 31, 2012 to $7,039 for 2013, before declining slightly to $6,923 for 2014, due in part to ProBuild closing certain locations during the year. The following table sets forth sales for the Issuer and net sales for ProBuild over the prior three years, as well as single family housing starts over the same period:

	Year Ended December 31,			**CAGR**
	2012	**2013**	**2014**	**(2012 to 2014)**
Issuer sales ($ million)	$ 1,071	$ 1,490	$ 1,604	22.4%
ProBuild net sales ($ million)	$ 3,621	$ 4,335	$ 4,479	11.2%
Single family housing starts (000)(1)	535	618	647	10.0%

(1) Source: U.S. Census Bureau.

Benefits of the ProBuild Acquisition

On April 13, 2015, the Issuer entered into a definitive agreement to acquire ProBuild in a transaction valued at approximately $1.82 billion.

Key benefits of the ProBuild Acquisition include:

Greater Scale and Diversification: the ProBuild Acquisition will create a diversified national pro dealer with Pro Forma net sales for the fiscal year ending December 31, 2014 of approximately $6.1 billion. Upon completion of the ProBuild Acquisition, we will be better positioned to serve all of our customers across a wider geographic footprint. Our Combined Company will have a presence in 40 states and 74 of the top 100 MSAs. We believe our enhanced diversification of products and services

will enable us to capitalize on the continued recovery in the housing market, while also better protecting us from cyclicality through broader sales exposure;

Expanded Sales of Higher Margin Products: the Issuer brings to ProBuild significant sales expertise in value-added products; for example, 53% of our 2014 sales were derived from value-added products and services (e.g., sales of manufactured product, millwork, windows and doors, and installation services) compared to 30% for ProBuild during the same period. Our value-added products typically have a higher margin given the enhanced value that they provide to customers. We believe that continuing to leverage this expertise across our existing customer base and that expanding our offering of value-added products across ProBuild s attractive customer mix will result in enhanced sales growth of higher margin products for our Combined Company;

Significant Cash Flow Generation to Support Deleveraging: we believe that our Combined Company will generate free cash flow over the next several years that will allow us to delever following the ProBuild Acquisition. We believe that deleveraging will be driven primarily through cost savings realization, earnings expansion, and strong free cash flow generation from operations. We expect our ability to deleverage to be further enhanced by continued recovery in the housing sector and the utilization of tax assets; and

Significant Potential Cost Savings: our management, with the support of external consultants, has developed a detailed two-year plan for the implementation of its cost savings initiatives with numerous key milestones. We believe the ProBuild Acquisition will create approximately $100 million to $120 million of annual run rate cost savings within two years of completion. The target run rate cost savings represent approximately 1.8% of Pro Forma net sales for the fiscal year ended December 31, 2014. The various opportunities identified can be aggregated into three main categories:

1. *Procurement (~35% of total)*: we anticipate that the implementation of shared best practices across our $3.6 billion of annual commodity and specialty product spend will lead to optimized pricing and rebates with existing supply relationships.

   Commodity Products: we have conducted a stock keeping unit (SKU) level pricing analysis across the overlapping geographic regions of the two companies and believe that rationalizing overlapping regions will generate cost savings. In addition, we believe the potential costs savings in non-overlapping geographic regions may be achieved through applying best practices. Lastly, we believe the increased scale of our Combined Company will provide further pricing discounts on addressable commodity product purchases; and

   Specialty Products: we believe the implementation of uniform rebate tiers across overlapping geographic regions of our Combined Company will yield savings. Additionally, we expect our Combined Company will be able to leverage the increased scale of our broader platform, resulting in optimized purchasing costs over the Combined Company s addressable specialty product spend.

2. *Network Consolidation (~20% of total)*: we believe that the consolidation of facilities in the overlapping geographic regions in which the Issuer and ProBuild both conducted operations prior to the consummation of the ProBuild Acquisition (including 19 redundant sites) will yield meaningful cost savings. Similarly, we believe the optimization of our delivery routes and consolidation of the Issuer s and ProBuild s fleets in overlapping geographic regions will reduce costs while improving our Combined Company s ability to serve customers. These cost savings resulting from network consolidation represent less than 6% of addressable facility and delivery spend in overlapping geographic regions. We expect slightly less than half of these cost savings to be achieved within one year and near full realization within two years following the ProBuild Acquisition.

    Facility Closures: a detailed bottom-up analysis of site locations and capacities in our overlapping geographic regions will allow the Combined Company to operate over an

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optimized footprint. We believe our Combined Company s new footprint will allow us to consolidate 19 redundant sites (out of 88 overlapping locations) and save on associated lease, non-sales related labor and facility maintenance expenses. Estimated savings are based on an assumption that 30% of redundant location s spend (excluding fleet expenditure) is eliminated; and

Delivery Fleet Consolidation: we believe the combination of two delivery networks will enable us to optimize shipping routes as a result of increased customer density and increased material pickup locations. We expect this combination to result in a reduction in the number of miles driven and subsequently bring about savings in fuel costs, vehicle lease expense, vehicle maintenance expense and fleet-related labor.

3. *General & Administrative (~45% of total)*: we believe we will achieve cost savings through the consolidation of corporate support functions and consolidation of benefits plans and insurance policies.

Corporate Support: we believe the consolidation of multiple corporate and regional functions will allow us to optimize the Combined Company s cost structure and realize efficiencies. These estimates have been developed through a detailed organizational structure and team-size analysis. We expect slightly under half of the cost savings to be achieved within one year and near full realization within two years following the ProBuild Acquisition;

Benefits: we believe the consolidation of 401(k) and medical/dental total plans for employees of our Combined Company will allow for the realization of total cost savings. We expect all of the cost savings to be realized on a run-rate basis;

Insurance: the identification of structural and cost differentials between existing insurance policies at the Issuer and ProBuild has allowed us to estimate potential future cost savings based on the implementation of best policies across our Combined Company. We expect all of the cost savings to be realized on a run-rate basis; and

Integration Plan: significant work is currently underway for the integration of ProBuild and execution of targeted cost savings. One-time costs to achieve the potential cost savings are estimated to be $90 to $100 million, with approximately two-thirds to be incurred in the first year and the remainder incurred in the second year following the consummation of the ProBuild Acquisition. Key implementation costs include third-party integration support, IT systems and integration costs, and personnel related costs involving retention, relocation, training and severance. See Risk Factors Risks Related to the ProBuild Acquisition Combining the two companies may be more difficult, costly or time consuming than expected and the anticipated benefits and cost savings of the ProBuild Acquisition may not be realized, and Risk Factors Risks Related to the ProBuild Acquisition The ProBuild Acquisition may not achieve its intended results, including anticipated synergies.

Favorable Timing, Growth Potential and Financial Impact: we believe the U.S. single family housing market is at near record levels of affordability and is demonstrating a solid recovery. At today s level of approximately 1.0 million total housing starts per year, total housing starts would need to increase by approximately 50% to reach the historic median level of housing starts and would need to double to reach prior peak levels. Our Combined Company expects to capitalize on its expanded financial profile through the recovery. Historically, the Issuer and ProBuild have steadily improved Adjusted EBITDA and margins through operating leverage and greater efficiencies as volume increases. Further, management believes that the ProBuild Acquisition will be immediately accretive to our Combined Adjusted EBITDA, even at current levels of total housing starts.

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Our Combined Company s Industry

The residential building products distribution industry is driven by the level of activity in both the U.S. residential new construction market and the U.S. residential repair and remodeling market. Growth within these markets is linked to a number of key factors, including demographic trends, interest rates, employment levels, availability of credit, foreclosure rates, consumer confidence and the state of the economy in general.

According to the National Association of Homebuilders (NAHB), the single family residential home construction market was an estimated $191 billion industry in 2014, which is down significantly from the historical high of $413 billion in 2006. However, we believe that the market is currently supported by favorable demographic trends, strong housing affordability metrics, historically low interest rates, and consumers who are increasingly optimistic about their economic prospects.

In 2014, the total number of U.S. housing starts was approximately 1.0 million, significantly below the long-term median of approximately 1.5 million. Additionally, the outlook for housing starts is positive with the NAHB forecasting 10.08% growth in 2015, to 1.1 million, and 30.04% growth in 2016, to 1.3 million. Momentum in the housing market has continued into 2015, with new home sales in the first quarter of 2015 22% higher than during the same period in 2014. The table below sets forth the total number of U.S. housing starts from 2000 through 2014, NAHB s projected numbers for 2015 and 2016 and the long-term median (1954 to 2014).

U.S. housing starts

(in thousands)

Source: U.S. Census Bureau, National Association of Homebuilders.

After reaching an all-time high in February 2012, the home affordability index continues to stay elevated at 179.0, as compared to a 15-year median of 134.8. The table below sets forth the monthly home affordability composite index from January 2000 through February 2015 as published by the National Association of Realtors.

Home affordability composite index

Source: National Association of Realtors.

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(1) Measures whether or not a typical family could qualify for a mortgage loan on a typical home. An index above 100 signifies that a family earning the median income has more than enough income to qualify for a mortgage loan on a median-priced home.

Repair and remodeling spending has historically been less cyclical than spending on new residential construction. Since 2000, U.S. spending on repair and remodeling has grown at an annual rate of 2.8% per annum, from $206.2 billion in 2000 to $303.0 billion in 2014. The Home Improvement Research Institute is forecasting 5.7% growth in 2015, to $320.3 billion, and 4.9% growth in 2016, to $335.8 billion.

U.S. spending on home improvement products

(in billions)

Source: Home Improvement Research Institute.

The residential building products distribution industry is characterized by several key trends, including greater utilization of pre-fabricated components, an expanding role of the distributor in providing turn-key services and a consolidation of suppliers by homebuilders.

- Prefabricated components: compared to conventional stick-build construction where builders cut and assemble lumber at the job site with their own labor, prefabricated components are engineered in an offsite location using specialized equipment and labor. This outsourced task allows for optimal material usage, lower overall labor costs and improved quality of structural elements. In addition, using prefabricated components typically results in faster construction because fabrication can be automated and performed more systematically. As such, we believe there is a long term trend towards the increased use of prefabricated components by homebuilders;

- Turn-key services: many homebuilders have taken a more limited role in the homebuilding process and have outsourced certain key elements of the construction process, including process management, product selection, order input and scheduling and framing and installation. As such, we believe that many homebuilders are increasingly looking to suppliers in the Pro Segment to perform these critical functions resulting in greater demand for integrated project services; and

- Consolidation of suppliers by homebuilders: we believe that homebuilders are increasingly looking to consolidate their supplier base. Many homebuilders are seeking a more strategic relationship with suppliers that are able to offer a broad range of products and services and, as a result, are allocating a greater share of wallet to a select number of larger, full service suppliers. We believe this trend accelerated during the recent downturn and continues in the current housing market recovery.

Our Combined Competitive Strengths

We believe the following key competitive strengths have contributed to our success historically and position our Combined Company well for continued growth in sales and profitability.

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Industry leader with national scale in a fragmented marketplace

Following the completion of the ProBuild Acquisition, we will be the largest supplier in the Pro Segment, with more than 430 facilities nationwide and approximately $6.1 billion of Combined net sales for the LTM ended March 31, 2015. The Pro Segment is a competitive channel, with the top 10 distributors representing approximately 20% of total sales in the Pro Segment for the fiscal year ended December 31, 2014. Our Combined Company will have leading scale, with Pro Forma net sales approximately $1 billion higher than our closest competitor, based on sales for the fiscal year ended December 31, 2014. Our sales will be geographically diversified and will include facilities in 40 states, with no single state accounting for more than 17% of Pro Forma net sales for the fiscal year ended December 31, 2014. Our Combined Company s service areas are favorably positioned for growth as measured by home price appreciation, new housing starts and population growth. With our Combined Company s expanded footprint, we will maintain a presence in 24 of the top 25 and 74 of the top 100 MSAs in the United States, based on single family housing permits issued in 2014. Furthermore, 92% of the U.S. housing permits issued in 2014 were issued in the 40 states in which our Combined Company will operate. We believe that this scale will help us take advantage of local sourcing opportunities to rapidly meet our customers needs as they develop over time.

Scale combined with substantial diversification of products and services will make our Combined Company a valued one-stop-shop

Following the ProBuild Acquisition, we believe the scale of our Combined Company s operations, together with our ability to offer over 70,000 SKUs, prefabricated components and a variety of value-added services, will make our Combined Company a preferred supplier for customers in the Pro Segment. Our Combined Company will offer a broad product portfolio including lumber and lumber products, prefabricated components, millwork, doors and windows, composite materials, roofing and insulation. Our Combined Company will also offer our customers a variety of value-added services such as turn-key framing, professional installation, project management and job-site coordination. Our differentiated one-stop-shop structure will create considerable time and cost savings for customers. Many of the largest national and regional homebuilders place a high value on partnering with a limited amount of diversified suppliers. We believe the national scale and broad scope of our Combined Company will allow us to differentiate ourselves from our competitors.

Low cost distribution platform with strong operating leverage

Over the past few years, we have made significant investments in our operations, distribution network and sales force resulting in a low cost distribution platform for the operations of the Combined Company going forward. Our legacy proprietary IT systems will help maximize efficiency in the delivery of our Combined Company s products between distribution facilities and job sites via GPS-enabled vehicles. In-house pricing software will help managers reduce procurement costs and simultaneously manage multiple jobsites. Following the integration of ProBuild upon completion of the ProBuild Acquisition, our Combined Company will have a number of centralized functions including customer service and engagement, receivables and payables, purchasing and inventory controls. We expect these efficiencies to translate into stronger margins. We believe these scalable efficiencies will position our Combined Company favorably for growth through the housing market recovery, with the NAHB projecting U.S. housing starts to grow by 10.08% and 30.4% in 2015 and 2016, respectively, as compared to the prior year.

Strong free cash flow enhances operational flexibility

We believe that our Combined Company s free cash flow will grow as we realize cost savings in connection with the ProBuild Acquisition. See Recent Developments The ProBuild Acquisition. We believe that the strength of our established historical asset base positions our Combined Company favorably to operate efficiently

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and generate free cash flow as the housing cycle recovers. We expect that our Combined Company s strong free cash flow generation will provide us with the ability to invest in our business, delever and grow through strategic acquisitions.

Experienced sales force with expertise across a broad base of end-users provides significant value to customers

Our Combined Company s seasoned, highly knowledgeable sales force will serve as our primary contacts with our customers who range from large production to small custom homebuilders, multi-family builders, repair and remodel contractors and light commercial contractors. This sales force offers valuable construction advice to our clients and employs a consultative approach to create homebuilder-specific product programs customized for each subdivision or development. These programs are particularly attractive to large homebuilders who require product recommendations for local areas, sequenced delivery and a consistent level of high-quality products and service at every job site. Repair and remodel customers, who would have represented 23% of Pro Forma net sales for the fiscal year ended December 31, 2014, will continue to benefit from our Combined Company s value-added expertise as on-site job managers and installation specialists. We believe that our Combined Company s investment in client relationships has allowed us to develop a balanced profile of end-users, with repair and remodel representing a larger portion of our Combined Company s overall business. We also utilize knowledge sharing programs involving sales forces in different regions to ensure the sharing of industry best practices. By becoming deeply integrated with many of our customers, we believe our Combined Company s ability to function as a comprehensive one-stop-shop will be a key competitive advantage in our industry.

Highly experienced management team

Our Combined Company s core management team will average over 30 years of industry experience in the manufacturing, distribution and marketing of building products. This team has successfully led the Issuer through various industry cycles and economic conditions, employing a detail-oriented management style focused on ensuring strong coordination between our field operations and the central office. Management continues to focus on key business metrics to measure our performance, optimize our operations and make strategic decisions. We believe our experienced executive management team has allowed the Issuer to consistently deliver high-quality and innovative products and services to our customers, which in turn have generated high levels of customer loyalty and positioned our Combined Company to capitalize on future growth opportunities.

Our Combined Strategy

We intend to pursue the following strategies to increase the sales and profitability of our Combined Company:

Utilize our competitive strengths to capitalize on housing market recovery and growth

As the U.S. housing market recovery develops, we intend to increase sales through our scale, product portfolio and structural efficiencies. Our Pro Segment homebuilding customers continue to emphasize the importance of competitive pricing, a broad product portfolio, sales force knowledge, on-site services and overall ease-of-use of their building products suppliers. Our comprehensive historical product offering, which we believe is already one of the broadest in the industry without giving effect to the ProBuild Acquisition, experienced sales force and talented senior management team position us well to capitalize on strong demand in the new home construction market as well as the repair and remodel segment. The ProBuild Acquisition will further develop the suite of products and services we provide to our customers, in addition to substantially expanding the national footprint of our Combined Company. This more comprehensive network of products, services and facilities will provide a platform which we believe will enhance our one-stop-shop strategy and more evenly distribute and promote additional pull through of our value-added products. We believe that

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homebuilders will continue to place an increased value on these capabilities, which will further differentiate our Combined Company from our competitors.

Execute on identified cost saving strategies across platform

Over the course of 32 prior acquisitions since 1998, our management has historically shown the capability to effectively and efficiently integrate newly acquired businesses, ramping up productivity and driving value. These capabilities are crucial, in particular in connection with the ProBuild Acquisition, which we believe can result in annual cost savings of $100 to $120 million thereafter. One-time costs to achieve the cost savings are estimated to be $90 to $100 million. As with previous acquisitions, we will look to leverage our established operational platform, take advantage of current vendor relationships and implement best-in-class procurement and distribution IT systems. We believe these initiatives will result in a substantial increase in free cash flow for our Combined Company that we expect will be used to pay down debt, as well as reinvest in our Combined Company to drive future growth. For a discussion of risks related to anticipated cost savings, see Risk Factors Risks Related to the ProBuild Acquisition Combining the two companies may be more difficult, costly or time consuming than expected and the anticipated benefits and cost savings of the ProBuild Acquisition may not be realized.

Maximize our Combined Company s share of wallet with individual customers across our service areas

We believe that Pro Segment customers will continue to consolidate the number of supplier relationships they utilize in the future. As a result, this will create the opportunity to win a greater share of wallet for remaining suppliers. By focusing on and developing our differentiated one-stop-shop strategy, our Combined Company will be able to offer a complete array of products and services that would otherwise need to be sourced from various distributors. Additionally, as the only national distributor of building products, our Combined Company will be capable of providing customers with a consistent partner on projects regardless of where they are located. This operational platform often will make our Combined Company a preferred distributor relationship for large scale national homebuilders while still providing value to local and custom homebuilders looking for assistance with product selection, on-site installation and project management.

Continue to leverage our strategic vendor relationships

The ProBuild Acquisition will make our Combined Company the largest distributor in the Pro Segment. We believe we will be able to leverage this size and our strong homebuilder relationships to provide our vendors access to a large customer base. We believe that our Combined Company s size, purchasing power and strong financial position will allow us to negotiate favorable pricing (including back-end rebates), savings in procurement costs and to receive a higher priority with our vendors when product supply is limited. We strive to continually enhance our role as a preferred partner for vendors and our Combined Company s size, strong liquidity position and access to capital markets is expected to mitigate natural credit concerns. This will minimize the significant resources that vendors would otherwise have to invest to monitor the credit worthiness of a large number of smaller customers. Furthermore, our Combined Company s broad product portfolio, which, we believe, will include a wider variety of higher-margin specialty products, will enhance our preferred partner status. This preferred status will enable us to participate in mutually beneficial joint marketing programs with our vendors. These incremental efficiencies in procurement will provide an opportunity to pass on additional value to our customers.

Optimize cash flow and cash flow conversion with highly scalable cost structure

Through the downturn we focused on standardizing processes and technology-based workflows to minimize costs, streamline our operations and enhance working capital efficiency. Significant investments in our technology infrastructure and reengineering of our business processes enabled us to centralize many corporate and field tasks. This standardization helps to optimize our cost structure, allows our centralized operating team to make better purchasing and pricing decisions based on an accurate, up-to-the-minute understanding of costs and trends, facilitates more stable gross margins and enables us to redeploy capital more strategically. Following the integration of the ProBuild Acquisition, we expect to have improved working capital management practices. We believe that these efficiencies will drive enhanced profit margins and cash flow conversion across our entire platform as our Combined Company continues to grow with improving market conditions.

The ProBuild Acquisition Transactions

In this prospectus supplement, references to the ProBuild Acquisition Transactions refer collectively to the transactions contemplated by the Securities Purchase Agreement dated as of April 13, 2015, by and between the Issuer, ProBuild and the holders of ProBuild s securities named as parties thereto (the Securities Purchase Agreement), in connection with the ProBuild Acquisition, including this offering of common stock and the following financing transactions:

New Senior Secured Credit Facilities

Concurrently with the offering of $700,000,000 aggregate principal amount of 10.75% senior notes due 2023 described below (the Notes Offering), we expect to enter into a new credit agreement governing the terms of a new $600.0 million senior secured term loan facility (the First-Lien Facility) with Deutsche Bank AG New York Branch, as administrative agent and collateral agent, and the lenders and financial institutions party thereto from time to time, and the terms of an amended and restated senior secured ABL facility with an initial maximum aggregate borrowing capacity of $800.0 million (the ABL Facility and, together with the First-Lien Facility, the New Senior Secured Credit Facilities), with SunTrust Bank, as administrative agent and collateral agent, and the lenders and financial institutions party thereto from time to time.

At our election at the closing date for the New Senior Secured Credit Facilities, the interest rate per annum applicable to loans issued under the First-Lien Facility will be based on a fluctuating rate of interest determined by reference either to (i) a base rate determined by reference to by reference to the higher of (a) the applicable prime rate , (b) the federal funds effective rate plus 0.5% and (c)(x) the London Interbank Offered Rate (LIBOR) applicable for an interest period of one month, plus (y) 1.00% per annum, in each case, plus an applicable margin or (ii) LIBOR, plus an applicable margin. At our election, the interest rate per annum applicable to loans issued under the ABL Facility will be based on a fluctuating rate of interest determined by reference to either (i) a base rate determined by the higher of (a) the federal funds rate plus 0.5% and (b) (x) the Eurodollar rate applicable for an interest period of one month, plus (y) 1.00% per annum, in each case, plus an applicable margin or (ii) an adjusted LIBOR rate determined by reference to the higher of (a) LIBOR and (b) 0%, in each case, plus an applicable margin. The First-Lien Facility provides for mandatory prepayments upon certain circumstances relating to certain incurrences of indebtedness or sales or dispositions of assets as well with excess cash flow, subject to certain exceptions. The obligations under the New Senior Secured Credit Facilities are expected to be guaranteed by each of our direct and indirect existing and future domestic subsidiaries, subject to customary exceptions and limitations.

The proceeds from the New Senior Secured Credit Facilities will be used to (i) provide working capital and funds for other general corporate purposes of our Combined Company and its subsidiaries, (ii) refinance or otherwise extinguish all third-party indebtedness for borrowed money under (x) the credit agreement governing the existing ABL facility, dated as of May 29, 2013, by and among the Issuer, the lenders party thereto and SunTrust Bank, as administrative agent (the Existing ABL Facility), (y) the amended and restated credit agreement, dated as of March 12, 2012, by and among ProBuild, the ProBuild Parent, the lenders and issuing bank party thereto and Wells Fargo Capital Finance, LLC, as administrative agent (the ProBuild Credit Agreement) and (z) ProBuild s unsecured subordinated notes due in 2017 (the Existing ProBuild Notes and, together with the ProBuild Credit Agreement, the Existing ProBuild

Indebtedness), (iii) pay for all or a portion of the consideration in connection with the ProBuild Acquisition and any payments required under the Securities

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Purchase Agreement and (iv) cash collateralize, replace or provide credit support for existing letters of credit outstanding on the closing date of the ProBuild Acquisition Transactions under the Existing ABL Facility or the ProBuild Credit Agreement. Entering into the New Senior Secured Credit Facilities is conditioned on the closing of the ProBuild Acquisition.

The ProBuild Acquisition and the Acquisition Financing, including this offering and the application of the net proceeds therefrom as described in Use of Proceeds are collectively referred to herein as the ProBuild Acquisition Transactions.

Notes Offering

On July 16, 2015, we offered $700,000,000 aggregate principal amount of 10.75% senior notes due 2023 (the Notes). The Notes will be unsecured obligations of the Issuer and rank equally in right of payment with all existing and future senior unsecured obligations. Our obligations under the Notes will initially be jointly and severally and fully and unconditionally guaranteed on a senior unsecured basis by each of our subsidiaries that guarantees the New Senior Secured Credit Facilities and our 7.625% senior secured notes due 2021 (the Existing Secured Notes, and together with the New Senior Secured Credit Facilities, the Other Indebtedness). Subject to certain exceptions, future subsidiaries that guarantee our Other Indebtedness or certain other indebtedness will also guarantee the Notes. The guarantees will be senior unsecured obligations of our guarantors and will have the same ranking with respect to indebtedness of our guarantors as the Notes will have with respect to our indebtedness.

The Notes will mature on August 15, 2023. Interest on the Notes will be payable semi-annually on March 1 and September 1 of each year. Prior to August 15, 2018, we may redeem some or all of the Notes at any time at a specified make-whole premium. Beginning on August 15, 2018, we may redeem some or all of the Notes at specified redemption prices. Additionally, we may redeem up to 40% of the aggregate principal amount of the Notes before August 15, 2018 with the proceeds of certain equity offerings at a specified redemption price. Under certain circumstances, holders of the Notes will have the right to require us to repurchase the Notes.

The indenture governing the Notes will contain covenant provisions that, among other things, include limitations on our ability to pay dividends, make investments or other restricted payments, incur debt, grant liens and sell assets.

Consummation of the Notes Offering is conditioned on the consummation of the ProBuild Acquisition.

Our Sponsors

We are a publicly traded company, with our common stock listed on the NASDAQ Stock Market LLC under the ticker symbol BLDR. As of May 15, 2015, JLL Partners, Inc. (JLL) and Warburg Pincus LLC (Warburg Pincus) together owned approximately 49.6% of our outstanding common stock. Prior to the closing of this offering, JLL and Warburg Pincus will terminate the Stockholders Agreement between them dated June 22, 2010.

JLL is a leading middle-market private equity firm with a 27-year track-record of adding value to complex investments through financial and operational expertise. Since its founding in 1988, JLL has invested approximately $4.5 billion across seven funds and has completed 39 platform investments as well as more than 50 add-on acquisitions. JLL has been an active investor in the building products sector for 17 years and has committed over $750 million of equity to the residential construction industry, including previous investments in CHI Overhead Doors (manufacturer of commercial sectional garage and rolling steel doors) and PGT (manufacturer of impact-resistant windows), and current investments in Pioneer Sand (hardscaping distribution services) and the Issuer, which JLL founded in 1998.

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Warburg Pincus is a leading global private equity firm focused on growth investing. The firm has more than $35 billion in assets under management. Its active portfolio of more than 120 companies is highly diversified by stage, sector and geography. Warburg Pincus is an experienced partner to management teams seeking to build durable companies with sustainable value. Founded in 1966, Warburg Pincus has raised 14 private equity funds, which have invested more than $50 billion in over 720 companies in more than 35 countries.

Corporate Information

We are incorporated in Delaware and the address of our principal executive office is 2001 Bryan Street, Suite 1600, Dallas, Texas 75201. Our telephone number is (214) 880-3500. Our Internet address is www.bldr.com and the information contained on, or accessible from, our website is not part of this prospectus supplement by reference or otherwise.

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RECENT DEVELOPMENTS

The ProBuild Acquisition

These preliminary financial results for the Issuer and ProBuild are unaudited and preliminary in nature and based only upon information available to us as of the date of this prospectus supplement. Such preliminary financial results are subject to finalization of the Issuer s and ProBuild s quarterly financial information and accounting procedures and should not be viewed as a substitute for full interim financial statements prepared in accordance with GAAP. Investors should exercise caution in relying on this information and should not draw any inferences from this information regarding financial or operating data not provided. We provide no assurance that these preliminary financial results will not materially differ from the financial information reflected in their financial statements for such period when they have been finalized.

The preliminary financial data included in this prospectus supplement has been prepared by, and is the responsibility of the Issuer s and ProBuild s management. PricewaterhouseCoopers LLP has not audited, reviewed, compiled or performed any procedures with respect to the accompanying preliminary financial data. Accordingly, PricewaterhouseCoopers LLP does not express an opinion or any other form of assurance with respect thereto.

Builders Selected Preliminary Financial Data for the Three Months Ended June 30, 2015

On July 23, 2015, the Issuer reported its preliminary results for the second quarter ended June 30, 2015, a selection of which is provided below. A reconciliation of the non-GAAP financial measures discussed below to the comparable GAAP financial measures is provided below. For more information regarding this presentation of estimated Adjusted EBITDA and a description of non-GAAP financial measures, see Non-GAAP Financial Measures and Summary Historical Financial and Other Data. For further information on the Issuer s results for the second quarter ended June 30, 2015, see the Issuer s Current Report on Form 8-K filed with the SEC on July 27, 2015.

Sales for the three months ended June 30, 2015 were $461.5 million, an increase of $35.0 million or 8.2 percent, which includes a 2.4 percent negative impact of commodity price deflation, compared to the period ended June 30, 2014. Excluding the impact of recent acquisitions, the Issuer estimates sales volume increased approximately 6.3 percent for the quarter. Gross margin percentage was 24.0 percent for the three months ended June 30, 2015, up from 22.0 percent for the three months ended June 30, 2014. The Issuer s gross margin percentage increased largely due to improved customer pricing and a higher mix of value-added sales.

Selling, general and administrative (SG&A) expenses increased $18.1 million to $94.5 million for the three months ended June 30, 2015. As a percentage of sales, SG&A expense increased to 20.5 percent in the second quarter of 2015 compared to 17.9 percent in the second quarter of 2014. Of the $18.1 million increase, $6.4 million was acquisition costs primarily related to the ProBuild Acquisition, $1.5 million related to an increase in depreciation and amortization and $0.7 million related to an increase in stock compensation expense. Excluding these increases, our SG&A expense was 18.6 percent of sales in the second quarter of 2015 versus 17.9 percent of sales in the three months ended June 30, 2014. This remaining increase was further affected by the negative impact of commodity price deflation on our sales.

Interest expense was $12.6 million for the three months ended June 30, 2015, an increase of $6.1 million compared to the three months ended June 30, 2014. The increase was primarily related to a $5.9 million increase in the non-cash, fair value adjustment related to stock warrants issued in conjunction with our 2011 term loan. During the second quarter of 2015, all of the remaining stock warrants were exercised and there were none outstanding as of June 30, 2015.

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The Issuer recorded a $0.2 million income tax benefit in the second quarter of 2015 compared to $0.2 million of income tax expense in the second quarter of 2014. The Issuer recorded a reduction of the after-tax, non-cash valuation allowance on its net deferred tax assets of $1.3 million and $4.1 million in the second quarters of 2015 and 2014, respectively. Absent the valuation allowance, the effective tax rate would have been 33.2 percent and 39.5 percent in the second quarters of 2015 and 2014, respectively. As of June 30, 2015, the Issuer s gross federal income tax net operating loss available for carry-forward was approximately $257 million.

Income from continuing operations was $3.6 million, or $0.03 per diluted share, for the three months ended June 30, 2015, compared to $10.6 million, or $0.09 per diluted share, for the year-ago period. Adjusted income from continuing operations was $14.3 million, or $0.14 per diluted share, for the second quarter of 2015, compared to $9.4 million, or $0.09 per diluted share, in the second quarter of 2014. See reconciliation below.

Adjusted EBITDA was $27.6 million, or 6.0 percent of sales, for the three months ended June 30, 2015, compared to $20.4 million, or 4.8 percent of sales, for the three months ended June 30, 2014. See reconciliation below.

Total liquidity at June 30, 2015 was $143.8 million, including $40.2 million of cash and $103.6 million in borrowing availability under the Issuer s Existing Credit Facility. The Issuer had $55.0 million in outstanding borrowings and $16.4 million in outstanding letters of credit under the Existing Credit Facility as of June 30, 2015.

Operating cash flow was $7.7 million for the second quarter of 2015, compared to negative $13.1 million in the second quarter of 2014, the difference largely due to higher working capital build in the second quarter of 2014.

Capital expenditures were $5.2 million for the second quarter of 2015, compared to $6.8 million for the second quarter of 2014.

Reconciliation of Non-GAAP Financial Measures to their GAAP Equivalents

(unaudited)

	Three months ended June 30,	
	2015	**2014**
	(in thousands)	
Reconciliation to Adjusted EBITDA:		
Net income	$ 3,576	$ 10,609
Reconciling items:		
Depreciation and amortization expense	3,630	2,040
Interest expense, net	12,573	6,504
Income tax expense (benefit)	(199)	230
Facility closure costs	131	28
Stock compensation expense	1,602	926
Acquisition related expenses	6,365	
Other	(57)	21
Adjusted EBITDA	$ 27,621	$ 20,358

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	Three months ended June 30, 2015				Three months ended June 30, 2014	
	Pre-Tax	Net of Tax		Pre-Tax	Net of Tax	
Reconciliation to Adjusted loss from continuing operations:						
Income from continuing operations		$	3,566		$	10,620
Reconciling items:						
Acquisition related expenses	6,365		5,989			
Warrant fair value adjustment			4,730			(1,178)
Adjusted income from continuing operations		$	14,285		$	9,442
Weighted average diluted shares outstanding			102,978			100,759
Adjusted income from continuing operations per diluted share		$	0.14		$	0.09

ProBuild Selected Preliminary Financial Data for the Three Months Ended June 30, 2015

Based on the information available to ProBuild s management as of the date of this prospectus supplement, ProBuild estimates its net sales for the three months ended June 30, 2015 will be between $1,155.0 million and $1,175.0 million, as compared to $1,209.4 million for the three months ended June 30, 2014. ProBuild estimates that facility closures impacted quarter-over-quarter sales comparisons by approximately $17.7 million. Commodity price deflation, combined with ongoing initiatives to improve gross margin, also slowed sales growth in the three months ended June 30, 2015. Adjusted EBITDA is estimated to be between $69.5 million and $74.6 million, as compared to $69.0 million for the three months ended June 30, 2014. The following table sets forth ProBuild s net sales and a reconciliation of net income to ProBuild s Adjusted EBITDA for the three months ended June 30, 2014 and the low and high end of ProBuild s estimated range for ProBuild s net sales and Adjusted EBITDA for the three months ended June 30, 2015. For more information regarding this presentation of estimated Adjusted EBITDA and a description of non-GAAP financial measures, see Use of Non-GAAP Financial Measures in Summary Historical Financial and Other Data .

	Three Months Ended June 30, 2014	Three Months Ended June 30, 2015	
		Low	High
		(in thousands)	
Net sales	$ 1,209,395	$ 1,155,000	$ 1,175,000
Net income(1)	22,367	45,000	50,000
Depreciation and amortization expense	16,136	14,245	14,245
Interest expense, net	14,025	12,838	12,838
Income tax expense	800	400	450
EBITDA	53,328	72,483	77,533
Long-term bonus	687	1,328	1,328

LIFO expense	6,153	(6,889)	(6,889)
(Gain) loss on sale	327	(1,405)	(1,405)
Loss from closed operations	1,854	2,707	2,707
Other(2)	6,654	1,284	1,284
Adjusted EBITDA	$ 69,003	$ 69,508	$ 74,558

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(1) Represents ProBuild Holdings, Inc. s net income before amounts attributable to noncontrolling interests.
(2) Three months ended June 30, 2014 includes adjustments for one-time costs ($3.2 million), harmonization and changes of accounting policies ($1.6 million), and full year effect of cost savings initiatives ($1.9 million).

Three months ended June 30, 2015 includes adjustments for one-time costs ($0.5 million) and harmonization and changes of accounting policies ($0.8 million).

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THE OFFERING

The summary below describes the principal terms of this offering. The Description of Capital Stock sections of the accompanying prospectuses contain a more detailed description of the shares of our common stock.

Common stock offered by us	8,000,000 shares of our common stock. If the underwriters exercise their option to purchase additional shares of common stock, we may issue up to additional 1,200,000 shares of common stock.
Common stock offered by the selling stockholder	3,000,000 shares of our common stock. If the underwriters exercise their option to purchase additional shares of common stock, the selling stockholder may sell up to an additional 450,000 shares of our common stock.
Option to purchase additional shares	We and the selling stockholder have granted the underwriters the right to purchase up to an additional 1,200,000 and 450,000 shares of our common stock, respectively, from us and the selling stockholder, within 30 days from the date of this prospectus supplement.
Common stock outstanding	As of July 20, 2015, we had 99,326,375 shares of common stock outstanding.
Use of Proceeds	We intend to use the net proceeds from this offering, together with the proceeds from the Notes Offering, if completed, and borrowings under the ABL Facility and the First Lien Facility to pay the consideration for the ProBuild Acquisition, to repay certain of our and ProBuild s existing indebtedness and to pay related transaction fees and expenses. In the event the ProBuild Acquisition does not close, we intend to use the net proceeds from this offering (and the net proceeds from any exercise of the underwriters option to purchase additional shares of common stock) for general corporate purposes, including, if applicable, to fund the reverse termination fee in connection with the ProBuild Acquisition. This offering is not conditioned on the consummation of the ProBuild Acquisition. See Use of Proceeds.
	We will not receive any proceeds from the sales of our common stock by the selling stockholder.
Conflicts of Interest	Because affiliates of Citigroup Global Markets Inc. and SunTrust Robinson Humphrey, Inc. are lenders under our existing revolving credit

facility and/or ProBuild s existing revolving credit facility and could receive at least 5% of the net proceeds of this offering due to the repayment by us of a portion of the loans under our Existing Credit Facility and ProBuild s existing revolving credit facility, Citigroup Global Markets Inc. and/or SunTrust Robinson Humphrey, Inc. could be deemed to have a conflict of interest under Rule 5121 of the Financial Industry Regulatory Authority, Inc. Accordingly, this

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	offering is being made in compliance with the requirements of Rule 5121. The appointment of a qualified independent underwriter is not required in connection with this offering because a bona fide public market, as defined in Rule 5121, exists for our common stock. For additional information about these matters, see Use of Proceeds and Underwriting (Conflicts of Interest).
Dividend Policy	We do not expect to pay any dividends or other distributions on our shares of common stock in the foreseeable future. We currently intend to retain future earnings. See Price Range of Common Stock and Dividend Policy Dividend Policy.
NASDAQ Trading Symbol	BLDR
Settlement Date	Delivery of the shares of common stock will be made against payment therefor on or about , 2015.
Risk Factors	Investing in our shares of common stock involves substantial risks. See Risk Factors in this prospectus supplement and other information included or incorporated by reference in this prospectus supplement and the accompanying prospectuses for a description of certain of the risks you should consider before investing in our shares of common stock.

In this prospectus, unless otherwise indicated, the number of shares of our common stock outstanding and the other information based thereon:

- excludes 6,158,070 shares of common stock issuable upon the exercise of vested and unvested stock options outstanding as of July 20, 2015 at a weighted average exercise price of $5.13, including options to purchase shares granted under our stock incentive plans, including our 2014 Incentive Plan;

- excludes 1,544,090 shares of common stock issuable upon the conversion of restricted stock units granted under our stock incentive plans; and

- assumes no exercise by the underwriters of their option to purchase additional shares of common stock.

For a description of our common stock, see Description of Capital Stock in the accompanying prospectuses.

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SUMMARY HISTORICAL FINANCIAL AND OTHER DATA

The following tables set forth summary historical financial information for the Issuer and the ProBuild Parent for the periods ended and as of the dates indicated.

The Issuer s financial information for the years ended December 31, 2012, 2013 and 2014 and as of the years ended December 31, 2013 and 2014 has been derived from the Issuer s audited condensed consolidated financial statements and the notes related thereto included elsewhere in this prospectus supplement. The Issuer s financial information for the three months ended March 31, 2014 and 2015 and as of March 31, 2015 has been derived from the Issuer s unaudited condensed consolidated financial statements and the notes related thereto included elsewhere in this prospectus supplement. The Issuer s financial information as of March 31, 2014 has been derived from the Issuer s condensed consolidated financial statements and the notes related thereto not included in this prospectus supplement. This unaudited interim financial information has been prepared on a basis consistent with the audited condensed consolidated financial statements and, in the opinion of management, includes all adjustments, consisting of only normal and recurring adjustments, considered necessary for a fair presentation of the information. The Issuer s financial information for the LTM ended March 31, 2015 has been derived by adding its consolidated financial data for the year ended December 31, 2014 to its consolidated financial data for the three months ended March 31, 2015 and subtracting its consolidated financial data for the three months ended March 31, 2014.

The ProBuild Parent s financial information for the years ended December 31, 2012, 2013 and 2014 and as of the years ended December 31, 2013 and 2014 has been derived from the ProBuild Parent s audited condensed consolidated financial statements and the notes related thereto included elsewhere in this prospectus supplement. The ProBuild Parent s financial information as of and for the three months ended March 31, 2014 and 2015 has been derived from the ProBuild Parent s unaudited condensed consolidated financial statements and the notes related thereto included elsewhere in this prospectus supplement. This unaudited interim financial information has been prepared on a basis consistent with the audited condensed consolidated financial statements and, in the opinion of management, includes all adjustments, consisting of only normal and recurring adjustments, considered necessary for a fair presentation of the information. The ProBuild Parent s financial information for the LTM ended March 31, 2015 has been derived by adding its consolidated financial data for the year ended December 31, 2014 to its consolidated financial data for the three months ended March 31, 2015 and subtracting its consolidated financial data for the three months ended March 31, 2014.

The unaudited pro forma condensed combined financial information for the year ended December 31, 2014 gives effect to the ProBuild Acquisition Transactions as if they had occurred as of January 1, 2014 with respect to the statement of operations data. The unaudited pro forma condensed combined financial information as of and for the three months ended March 31, 2015 gives effect to the ProBuild Acquisition Transactions as if they had occurred as of January 1, 2015 with respect to the statement of operations data and March 31, 2015 with respect to the balance sheet. The unaudited pro forma condensed combined financial information has been derived from estimates and financial data that may change materially. Accordingly, the unaudited pro forma condensed combined financial information should not be considered illustrative of what our financial condition or results of operations would have been had the ProBuild Acquisition Transactions been completed on the dates indicated and does not purport to project our future financial condition and results of operations following the consummation of the ProBuild Acquisition Transactions. We therefore caution you not to place undue reliance on the unaudited pro forma condensed combined financial data.

The Combined Financial Data for the Issuer and the ProBuild Parent for the LTM ended March 31, 2015 included herein does not give effect to any Pro Forma adjustments.

The following summary historical financial and other data should be read in conjunction with the sections titled Capitalization, Unaudited Pro Forma Condensed Combined Financial Information, Management s

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Discussion and Analysis of Financial Condition and Results of Operations for Builders FirstSource, Inc., Management s Discussion and Analysis of Financial Condition and Results of Operations for ProBuild Holdings, Inc., the audited consolidated financial statements and related notes of the Issuer and the ProBuild Parent as of and for the years ended December 31, 2012, 2013 and 2014 and the unaudited condensed consolidated financial statements for the Issuer and the ProBuild Parent as of and for the three months ended March 31, 2014 and 2015, included elsewhere in this prospectus supplement.

Builders FirstSource, Inc. Financial Information

	Year Ended December 31,			Three Months Ended March 31,		LTM Ended March 31,
	2012	2013	2014	2014	2015	2015
			(in thousands)			
Statement of Operations Data:						
Sales	$ 1,070,676	$ 1,489,892	$ 1,604,096	$ 345,909	$ 370,986	$ 1,629,173
Cost of sales	856,110	1,169,972	1,247,099	270,994	287,253	1,263,358
Gross margin	214,566	319,920	356,997	74,915	83,733	365,815
Selling, general and administrative expenses	222,263	271,885	306,508	69,318	82,838	320,028
Asset impairments	48					
Facility closure costs	958	(7)	471	163	254	562
Income (loss) from operations	(8,703)	48,042	50,018	5,434	641	45,225
Interest expense, net	45,139	89,638	30,349	8,828	7,607	29,128
Income (loss) from continuing operations before income taxes	(53,842)	(41,596)	19,669	(3,394)	(6,966)	16,097
Income tax expense (benefit)	577	769	1,111	(82)	196	1,389
Income (loss) from continuing operations	(54,419)	(42,365)	18,558	(3,312)	(7,162)	14,708
Income (loss) from discontinued operations	(2,437)	(326)	(408)	(72)	92	(244)
Net income (loss)	$ (56,856)	$ (42,691)	$ 18,150	$ (3,384)	$ (7,070)	$ 14,464
Comprehensive income (loss)						
Basic net income (loss) per share:						
Income (loss) from continuing operations	$ (0.57)	$ (0.44)	$ 0.19	$ (0.03)	$ (0.07)	
Loss from discontinued operations	(0.03)	(0.00)	(0.00)	(0.00)	0.00	
Net income (loss)	$ (0.60)	$ (0.44)	$ 0.19	$ (0.03)	$ (0.07)	

Diluted net income (loss) per share					
Income (loss) from continuing operations	$ (0.57)	$ (0.44)	$ 0.18	$ (0.03)	$ (0.07)
Loss from discontinued operations	(0.03)	(0.00)	(0.00)	(0.00)	0.00
Net income (loss)	$ (0.60)	$ (0.44)	$ 0.18	$ (0.03)	$ (0.07)
Weighted average common shares outstanding					
Basic	95,463	96,449	98,050	97,617	98,204
Diluted	95,463	96,449	100,522	97,617	98,624

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	As of December 31, 2013	As of December 31, 2014	As of March 31, 2014	As of March 31, 2015
	(in thousands)			
Balance Sheet Data:				
Current assets:				
Cash and cash equivalents	$ 54,696	$ 17,773	$ 62,766	$ 36,837
Accounts receivable	143,036	148,352	147,603	157,221
Inventories	123,636	138,156	136,613	146,824
Other current assets	9,793	27,259	8,767	24,215
Total current assets	331,161	331,540	355,749	365,097
Property, plant and equipment, net	49,392	75,679	52,808	84,734
Goodwill	111,193	139,774	111,193	141,090
Intangible assets, net	827	17,228	732	16,657
Other assets, net	23,266	18,844	22,318	17,878
Total assets	$ 515,839	$ 583,065	$ 542,800	$ 625,456
Current liabilities:				
Accounts payable	$ 81,046	$ 75,868	$ 102,668	$ 90,737
Accrued liabilities	45,310	66,225	51,968	74,083
Current maturities of long-term debt	67	30,074	69	55,076
Total current liabilities	126,423	172,167	154,705	219,896
Long-term debt, net of current maturities	353,904	353,830	353,886	353,810
Other long-term liabilities	20,144	16,868	21,615	17,774
Total liabilities	500,471	542,865	530,206	591,480
Total stockholders equity	15,368	40,200	12,594	33,976
Total liabilities and stockholders equity	$ 515,839	$ 583,065	$ 542,800	$ 625,456

	Year Ended December 31, 2012	Year Ended December 31, 2013	Year Ended December 31, 2014	Three Months Ended March 31, 2014	Three Months Ended March 31, 2015	LTM Ended March 31, 2015
	(in thousands)					
Cash Flow Data:						
Net cash provided by (used in) operating activities	$ (66,850)	$ (47,576)	$ 27,493	$ 13,760	$ 9,863	$ 23,596
Net cash provided by (used in) investing activities	(9,033)	571	(94,840)	(5,302)	(14,861)	(104,399)
Net cash provided by (used in) financing activities	60,482	(29,731)	30,424	(388)	24,062	54,874
Net increase (decrease) in cash and cash equivalents	(15,401)	(76,736)	(36,923)	8,070	19,064	(25,929)

Cash and cash equivalents at end of period	$ 131,432	$ 54,696	$ 17,773	$ 62,766	$ 36,837	$ 36,837

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	Year Ended December 31, 2012	Year Ended December 31, 2013	Year Ended December 31, 2014	Three Months Ended March 31, 2014	Three Months Ended March 31, 2015	LTM Ended March 31, 2015
	(in thousands)					
Other Financial Data:						
Depreciation and amortization	$ 11,120	$ 9,305	$ 9,519	$ 1,982	$ 3,152	$ 10,689
EBITDA(1)	2,417	57,347	59,537	7,416	3,793	55,914
Adjusted EBITDA(1)	6,411	61,329	66,812	8,566	11,303	69,549
Capital expenditures	10,398	15,051	25,716	5,304	9,124	29,536
Sales per start (U.S.)(2)	2,000	2,412	2,476	2,585	2,652	2,491
Sales per start (South region)(2)	$ 3,789	$ 4,572	$ 4,639	$ 4,390	$ 4,427	$ 4,644

(1) We define EBITDA as GAAP net income (loss) adjusted for gain (loss) from discontinued operations, net of tax, income tax expense (benefit), net interest expense and depreciation and amortization. We define Adjusted EBITDA as EBITDA adjusted for stock compensation expense, gain on sale of assets, litigation settlement proceeds, transaction costs, facility closure costs and certain other items. EBITDA and Adjusted EBITDA are presented because we believe they are useful to investors as widely accepted financial indicators of a company s ability to service and/or incur indebtedness and because such disclosure provides investors with additional criteria used by us to evaluate our operating performance. We utilize EBITDA and Adjusted EBITDA frequently in our decision-making because they provide meaningful information regarding our operating performance and cash flows and facilitate comparisons to our historical operating results. We also believe that EBITDA and Adjusted EBITDA make it easier for investors and others to evaluate our results on a normalized basis and to compare our operating results from period to period. We are also aware that certain investors may use EBITDA and Adjusted EBITDA to assess our liquidity.

EBITDA and Adjusted EBITDA are not defined under United States generally accepted accounting principles, or GAAP, should not be considered in isolation or as a substitute for measures of our performance prepared in accordance with GAAP and are not indicative of income from operations as determined under GAAP. Because not all companies use identical calculations, the presentation of EBITDA and Adjusted EBITDA may not be comparable to other similarly titled measures of other companies. EBITDA and Adjusted EBITDA have limitations as analytical tools. Some of these limitations are:

EBITDA and Adjusted EBITDA do not reflect period to period changes in taxes;

EBITDA and Adjusted EBITDA do not reflect our costs associated with capital investments;

EBITDA and Adjusted EBITDA do not reflect our interest expense;

Adjusted EBITDA does not reflect our stock compensation expense, asset impairments and other nonrecurring items; and other companies in our industry may calculate EBITDA and Adjusted EBITDA differently, limiting their usefulness as comparative measures.

Because of these limitations, EBITDA and Adjusted EBITDA should not be considered as discretionary cash available to us to reinvest in the growth of our business or as a measure of cash that will be available to us to meet our obligations.

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The following table is a reconciliation of our net income to EBITDA and Adjusted EBITDA:

	Year Ended December 31,			Three Months Ended March 31,		LTM Ended March 31,
	2012	2013	2014	2014	2015	2015
	(in thousands)					
Net income (loss)	$ (56,856)	$ (42,691)	$ 18,150	$ (3,384)	$ (7,070)	$ 14,464
Discontinued operations, net of tax	2,437	326	408	72	(92)	244
Income tax expense (benefit)	577	769	1,111	(82)	196	1,389
Interest expense, net	45,139	89,638	30,349	8,828	7,607	29,128
Depreciation and amortization	11,120	9,305	9,519	1,982	3,152	10,689
EBITDA	2,417	57,347	59,537	7,416	3,793	55,914
Stock compensation expense	3,628	4,245	6,157	982	1,767	6,942
Gain on sale of assets	(38)	(284)	(114)	(1)	(46)	(159)
Litigation settlement proceeds	(637)					
Transaction costs	7		604		5,489	6,093
Facility closure costs	958	(7)	471	163	254	562
Other	76	28	157	6	46	197
Adjusted EBITDA(3)	$ 6,411	$ 61,329	$ 66,812	$ 8,566	$ 11,303	$ 69,549

(2) Represents sales per single family housing start on a non-seasonally adjusted basis. Census-defined South region includes Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia.

(3) Does not reflect the full year impact of completed acquisitions of $8.7 million in 2014 and $7.1 million in the LTM period.

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ProBuild Holdings, Inc. Financial Information

	Year Ended December 31,			Three Months Ended March 31,		LTM Ended March 31,
	2012	2013	2014	2014	2015	2015
			(in thousands)			
Statement of Operations Data:						
Net sales	$ 3,620,976	$ 4,335,369	$ 4,478,723	$ 908,444	$ 913,140	$ 4,483,419
Cost of goods sold	2,740,025	3,250,972	3,323,726	677,799	676,286	3,322,213
Gross margin	880,951	1,084,397	1,154,997	230,645	236,854	1,161,206
Operating expenses, excluding depreciation and amortization	901,306	1,010,429	1,026,254	248,747	233,915	1,011,422
Depreciation expense	59,052	47,432	48,313	11,760	12,300	48,853
Amortization expense	25,538	15,482	9,485	3,415	988	7,058
Total operating expenses	985,896	1,073,343	1,084,052	263,922	247,203	1,067,333
Income (loss) from operations	(104,945)	11,054	70,945	(33,277)	(10,349)	93,873
Interest expense	(61,852)	(58,686)	(54,728)	(13,655)	(12,878)	(53,951)
Other income:						
Interest	3,435	3,506	3,271			3,271
Other income	3,337	4,872	6,318	3,092	3,046	6,272
Income (loss) before income tax expense	(160,025)	(39,254)	25,806	(43,840)	(20,181)	49,465
Income tax expense	1,540	1,492	596	776	866	686
Net income (loss)	(161,565)	(40,746)	25,210	(44,616)	(21,047)	48,779
Less: Income (loss) attributable to the noncontrolling interests	(148,392)	(21,621)	36,369	(41,885)	(16,145)	62,109
Net loss attributable to ProBuild Holdings, Inc.	$ (13,173)	$ (19,125)	$ (11,159)	$ (2,731)	$ (4,902)	$ (13,330)

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	As of December 31, 2013	As of December 31, 2014	As of March 31, 2015
	(in thousands)		
Balance Sheet Data:			
Current assets:			
Cash and cash equivalents	$ 14,343	$ 9,385	$ 15,665
Accounts receivable, net	406,462	410,923	414,558
Nontrade receivables	41,403	39,178	
Inventories, net	330,255	317,476	337,066
Prepaid expenses and other current assets	11,806	14,222	21,444
Total current assets	804,269	791,184	788,733
Property and equipment, net	567,737	574,036	561,828
Assets held-for-sale	25,275	9,683	10,016
Goodwill	1,026,159	1,026,159	1,026,159
Intangible assets, net	14,134	4,649	3,660
Other assets	5,902	3,735	3,255
Total assets	$ 2,443,476	$ 2,409,446	$ 2,393,651
Current liabilities:			
Checks outstanding	$ 49,218	$ 54,517	
Current maturities of notes payable and lease obligations	70,393	6,109	6,269
Accounts payable	241,615	234,190	292,583
Accrued expenses and other current liabilities	250,625	247,929	205,368
Deferred income taxes	3,556	4,507	4,069
Total current liabilities	615,407	547,252	508,289
Long-term liabilities:			
Deferred income taxes	3,035	4,220	4,176
Other long-term liabilities	13,242	16,865	15,662
Notes payable and lease obligations, net of current maturities	1,273,711	1,281,305	1,327,888
Total liabilities	1,905,395	1,849,642	1,856,015
Total equity	538,081	559,804	537,636
Total liabilities and equity	$ 2,443,476	$ 2,409,446	$ 2,393,651

	Year Ended December 31, 2012	Year Ended December 31, 2013	Year Ended December 31, 2014	Three Months Ended March 31, 2014	Three Months Ended March 31, 2015	LTM Ended March 31, 2015
			(in thousands)			
Cash Flow Data:						

Net cash provided by (used in) operating activities	$ (149,929)	$ 31,802	$ 91,057	$ (80,612)	$ (27,295)	$ 144,374
Net cash used in investing activities	(21,846)	(76,827)	(41,862)	(14,744)	(5,190)	(32,308)
Net cash provided by (used in) financing activities	159,790	49,024	(54,153)	95,452	38,765	(110,840)
Net increase (decrease) in cash and cash equivalents	$ (11,985)	$ 3,999	$ (4,958)	$ 96	$ 6,280	$ 1,226

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	Year Ended December 31,			Three Months Ended March 31,		LTM Ended March 31,
	2012	2013	2014	2014	2015	2015
	(in thousands)					
Other Financial Data:						
Capital expenditures	$ 44,116	$ 83,013	$ 65,109	$ 15,617	$ 5,840	$ 55,332
EBITDA(1)	$ (6,751)	$ 88,448	$ 143,376	$ (13,694)	$ 7,349	$ 164,419
Adjusted EBITDA(1)	$ 55,712	$ 123,316	$ 192,485	$ (1,984)	$ 10,606	$ 205,075

(1) ProBuild defines EBITDA as GAAP net loss plus noncontrolling interest, depreciation and amortization expense, net interest expense and income tax expense. The Issuer defines ProBuild s Adjusted EBITDA as EBITDA plus long-term bonus, LIFO expense, (gain) loss on sale, (income) loss from closed operations, held for sale impairment, non-recurring charges, impairments/other extraordinary adjustments and certain other adjustments (explained further in note (B) below). EBITDA and Adjusted EBITDA are presented because we believe they are useful to investors as widely accepted financial indicators of a company s ability to service and/or incur indebtedness and because such disclosure provides investors with additional criteria used by us to evaluate ProBuild s historical operating performance.

EBITDA and Adjusted EBITDA are not defined under United States generally accepted accounting principles, or GAAP, should not be considered in isolation or as a substitute for measures of ProBuild s performance prepared in accordance with GAAP and are not indicative of income from operations as determined under GAAP. Because not all companies use identical calculations, the presentation of EBITDA and Adjusted EBITDA may not be comparable to other similarly titled measures of other companies. EBITDA and Adjusted EBITDA have limitations as analytical tools. Some of these limitations are:

- EBITDA and Adjusted EBITDA do not reflect period to period changes in taxes;
- EBITDA and Adjusted EBITDA do not reflect ProBuild s costs associated with capital investments;
- EBITDA and Adjusted EBITDA do not reflect ProBuild s interest expense;
- Adjusted EBITDA does not reflect ProBuild s stock compensation expense, asset impairments and other non-recurring items; and
- other companies in ProBuild s industry may calculate EBITDA and Adjusted EBITDA differently, limiting their usefulness as comparative measures.

Because of these limitations, EBITDA and Adjusted EBITDA should not be considered as discretionary cash that would be available to ProBuild to reinvest in the growth of its business or as a measure of cash that would be available to ProBuild to meet its obligations.

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The following table is a reconciliation of ProBuild s net loss to EBITDA and Adjusted EBITDA:

	Year Ended December 31,			Three Months Ended March 31,		LTM Ended March 31,
	2012	2013	2014	2014	2015	2015
			(in thousands)			
Net loss	$ (13,173)	$ (19,125)	$ (11,159)	$ (2,731)	$ (4,902)	$ (13,330)
Noncontrolling interest	(148,392)	(21,621)	36,369	(41,885)	(16,145)	62,109
Depreciation and amortization expense	91,422	69,016	62,842	16,491	14,652	61,003
Interest expense, net	61,852	58,686	54,728	13,655	12,878	53,951
Income tax expense	1,540	1,492	596	776	866	686
EBITDA	(6,751)	88,448	143,376	(13,694)	7,349	164,419
Long-term bonus	2,787	2,054	3,717	843	705	3,579
LIFO expense	13,940	12,381	6,531			6,531
(Gain) loss on sale	642	48	(400)	(520)	(1,002)	(882)
(Income) loss from closed operations	19,626	(3,708)	17,913	4,283	1,502	15,132
Held for sale impairment	3,481	4,524	1,997	(600)	(379)	2,218
Non-recurring charges(A)	7,085	11,970	6,039	1,672	1,302	5,669
Impairments/other extraordinary adjustments	14,902	7,599	2,362	1,753	(137)	472
Other adjustments(B)			10,950	4,279	1,266	7,937
Adjusted EBITDA	$ 55,712	$ 123,316	$ 192,485	$ (1,984)	$ 10,606	$ 205,075

(A) Non-recurring charges primarily relate to the development of ProBuild s strategic plan and reductions in corporate headquarters workforce.

(B) Other adjustments primarily relate to harmonization and changes of accounting policies and full year effect of cost savings initiatives.

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Pro Forma, Combined Financial Information (Unaudited)

Pro Forma Financial Information

	Year Ended December 31, 2014	Three Months Ended March 31, 2015
	(in thousands)	
Statement of Operations Data:		
Net sales	$ 6,082,819	$ 1,284,126
Cost of sales	4,602,235	973,112
Gross margin	1,480,584	311,014
Operating expenses:		
Selling, general and administrative expenses	1,379,448	331,008
Facility closure costs	11,643	254
Total operating expenses	1,391,091	331,262
Income (loss) from operations	89,493	(20,248)
Interest expense	(177,966)	(44,422)
Interest income	3,271	
Other income	6,318	3,046
Loss from continuing operations before income tax	(78,884)	(61,624)
Income tax expense	(1,707)	(1,062)
Loss from continuing operations	(80,591)	(62,686)
Income (loss) from discontinued operations	(408)	92
Net Loss	$ (80,999)	$ (62,594)

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		As of March 31, 2015 (in thousands)
Balance Sheet Data:		
Current assets:		
Cash	$	127,380
Accounts receivable, net		571,779
Nontrade receivables		
Inventories		573,024
Other current assets		50,138
Total current assets		1,322,321
Net property and equipment		770,934
Other assets:		
Goodwill		326,927
Intangibles, net		540,357
Assets held for sale		10,016
Other assets, net		64,362
Total other assets		941,662
Total assets	$	3,034,917
Current liabilities:		
Accounts payable	$	383,320
Checks outstanding		
Accrued liabilities		272,621
Current maturities of long-term debt and lease obligations		12,345
Deferred income taxes		
Total current liabilities		668,286
Long-term debt, net of current maturities		2,224,416
Deferred income taxes		3
Other long-term liabilities		33,236
Total liabilities		2,925,941
Stockholders equity:		
Common stock		985
Additional paid-in capital		480,934
Retained deficit		(372,943)
Noncontrolling interest		
Total stockholders equity		108,976
Total liabilities and stockholders equity	$	3,034,917

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Combined Financial Information

	LTM Ended March 31, 2015 (in thousands)
Statement of Operations Data:	
Net sales	$ 6,112,592
Cost of sales	4,585,571
Gross margin	1,527,021
Operating expenses:	
Selling, general and administrative expenses	1,387,361
Facility closure costs	562
Total operating expenses	1,387,923
Income from operations	139,098
Interest expense	(83,079)
Interest income	3,271
Other income	6,272
Income from continuing operations before income tax	65,562
Income tax expense	(2,075)
Income from continuing operations	63,487
Income (loss) from discontinued operations	(244)
Net Income	$ 63,243

	LTM Ended March 31, 2015 (in thousands)
Combined Financial Data:	
Combined EBITDA(1)	$ 220,333

(1)

Our Combined Company defines Combined EBITDA as Adjusted net loss plus depreciation and amortization expense, net interest expense, income tax expense and loss from discontinued operations, net of tax. Our Combined Company defines Combined Adjusted EBITDA as Combined EBITDA plus facility closure costs, stock compensation expense, transaction costs, certain cost reductions expected to result from the ProBuild Acquisition and certain other items. A reconciliation to Combined Adjusted EBITDA is provided on the following page.

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	LTM Ended March 31, 2015
Issuer s EBITDA	$ 55,914
ProBuild s EBITDA	164,419
Combined EBITDA	220,333
Issuer s stock compensation expense	6,942
Issuer s gain on sale of assets	(159)
Issuer s transaction costs	6,093
Issuer s facility closure costs	562
Issuer s other	197
ProBuild s long-term bonus	3,579
ProBuild s LIFO expense	6,531
ProBuild s (gain) loss on sale	(882)
ProBuild s (income) loss from closed operations	15,132
ProBuild s held for sale impairment	2,218
ProBuild s non-recurring charges	5,669
ProBuild s impairments/other extraordinary adjustments	472
ProBuild s other adjustments(1)	7,937
Issuer s adjustment for completed acquisitions(2)	7,087
Combined Adjusted EBITDA, before cost reductions	281,711
Cost reductions:	
Procurement(3)(6)	38,500
Network consolidation(4)(6)	22,000
General and administrative(5)(6)	49,500
Combined Adjusted EBITDA	$ 391,711

(1) Other adjustments primarily relate to harmonization and changes of accounting policies and full year effect of cost savings initiatives.

(2) Adjustments to give effect to certain acquisitions, of which $1.7 million is the Issuer s estimated benefit from fully integrating these acquisitions into the Issuer, with the remaining amount representing EBITDA from these recent acquisitions in the portion of the period under review prior to being acquired by the Issuer.

(3) Procurement cost savings relate to savings achieved through optimized pricing and rebated with existing supply relationships.

(4) Network consolidation cost savings relate to savings achieved through the consolidation of facilities in overlapping regions, as well as the consolidation of our delivery fleet.

(5) General and administrative cost savings relate to savings achieved through the consolidation of corporation support functions and consolidation of benefit plans and insurance policies.

(6) Projected annual cost savings of $110 million represents the mid-point of the anticipated ranged of annual savings, and are expected to be fully realized in the third year following the consummation of the ProBuild Acquisition. Excludes estimated one-time costs of $90 million to $100 million to achieve annual savings. For a discussion of risks related to projected cost savings, see Risk Factors Risks Related to the ProBuild Acquisition Combining the two companies may be more difficult, costly or time consuming than expected and the anticipated benefits and cost savings of the ProBuild Acquisition may not be realized and Risk Factors Risks

Related to the ProBuild Acquisition The ProBuild Acquisition may not achieve its intended results, including anticipated synergies.

RISK FACTORS

Investing in our securities involves a high degree of risk. You should carefully consider the specific risks described below, as well as other information contained in this prospectus supplement, the accompanying prospectuses and the documents incorporated herein by reference, including the risks described in our Annual Report on Form 10-K for the year ended December 31, 2014 and any risks described in our other filings with the SEC incorporated into the accompanying prospectuses by reference, before making an investment decision. See the section of this prospectus supplement entitled Where You Can Find Additional Information. Any of the risks we describe below or in the information incorporated herein by reference could cause our business, financial condition, or operating results to suffer. The market price of our common stock could decline if one or more of these risks and uncertainties develop into actual events. You could lose all or part of your investment. Some of the statements in this section of the prospectus supplement are forward-looking statements. For more information about forward-looking statements, please see the section of this prospectus supplement entitled Disclosure Regarding Forward-Looking Statements.

Risks Related to our and ProBuild s Business and Industry

The industry in which we operate is dependent upon the residential homebuilding industry, as well as the U.S. economy, the credit markets and other important factors.

The building products industry is highly dependent on new home and multifamily construction, which in turn are dependent upon a number of factors, including interest rates, consumer confidence, employment rates, foreclosure rates, housing inventory levels and occupancy, housing demand and the health of the U.S. economy and mortgage markets. Unfavorable changes in demographics, credit markets, consumer confidence, housing affordability, or housing inventory levels and occupancy, or a weakening of the U.S. economy or of any regional or local economy in which we operate could adversely affect consumer spending, result in decreased demand for our products, and adversely affect our business. Production of new homes and multifamily buildings may also decline because of shortages of qualified tradesmen, reliance on inadequately capitalized builders and sub-contractors, and shortages of material. The homebuilding industry is currently experiencing a shortage of qualified, trained labor in many areas, including those currently served by us and those that we expect to serve following completion of the ProBuild Acquisition. In addition, the building industry is subject to various local, state, and federal statutes, ordinances, rules and regulations concerning zoning, building design and safety, construction, energy conservation and similar matters, including regulations that impose restrictive zoning and density requirements in order to limit the number of homes that can be built within the boundaries of a particular area or in order to maintain certain areas primarily or exclusively residential. Regulatory restrictions may increase our operating expenses and limit the availability of suitable building lots for our customers, which could negatively affect our sales and earnings. Because we have, and expect to continue to have, following completion of the ProBuild Acquisition, substantial fixed costs, relatively modest declines in our customers production levels could have a significant adverse effect on our financial condition, operating results and cash flows and cause our stock price to decline.

The homebuilding industry underwent a significant downturn that began in mid-2006 and began to stabilize in late 2011. U.S. homebuilding activity increased in 2013 and 2014 to approximately 617,700 and 647,800 single-family starts, respectively, although it remains well below the historical average (from 1959 through 2013) of 1.0 million single-family starts per year. According to the U.S. Census Bureau, actual U.S. single family housing starts in the U.S. during 2014 were 55.8% lower than in 2006. We believe that the slow recovery of the housing market is due to a variety of factors including: a severe economic recession, followed by a gradual economic recovery; significant unemployment; limited credit availability; shortages of suitable building lots in many regions; shortages of experienced labor; a substantial reduction in speculative home investment; and soft housing demand. The downturn in the homebuilding industry resulted in a substantial reduction in demand for our products and services, which in turn had a significant adverse effect on our and ProBuild s business and operating results during fiscal years 2007 through 2012.

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In addition, beginning in 2007, the mortgage markets experienced substantial disruption due to increased defaults, primarily as a result of credit quality deterioration. The disruption resulted in a stricter regulatory environment and reduced availability of mortgages for potential homebuyers due to a tight credit market and stricter standards to qualify for mortgages. Mortgage financing and commercial credit for smaller homebuilders continue to be constrained, which is slowing a recovery in our industry. Since the housing industry is dependent upon the economy as well as potential homebuyers access to mortgage financing and homebuilders access to commercial credit, it is likely that the housing industry will not fully recover until conditions in the economy and the credit markets further improve.

If the housing market declines, we may be required to take impairment charges relating to our operations or temporarily idle or permanently close under-performing locations.

On a historical basis, we recorded no goodwill or significant asset impairment charges in continuing operations for the three months ended March 31, 2015 or the years ended December 31, 2014 and 2013. If conditions in the housing industry deteriorate we may need to take goodwill and/or asset impairment charges relating to certain of our reporting units. Any such non-cash charges would have an adverse effect on our financial results. In addition, in response to industry conditions, we may have to temporarily idle or permanently close certain facilities in under-performing regions, although we have no specific plans to close or idle additional facilities at this time. Any such facility closures could have a significant adverse effect on our financial condition, operating results and cash flows and cause our stock price to decline.

Our level of indebtedness, whether or not the ProBuild Acquisition is completed, could adversely affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in the economy or our industry, and prevent us from meeting our obligations under our debt instruments.

As of March 31, 2015, our debt consisted of the $350.0 million aggregate principal amount outstanding of the Existing Secured Notes. We also have a $175.0 million senior secured revolving credit facility (the Existing Credit Facility). As of March 31, 2015, we had $55.0 million in borrowings, as well as $15.6 million of letters of credit outstanding under the Existing Credit Facility, all of which is being repaid in connection with the ProBuild Acquisition. Giving pro forma effect to the ProBuild Acquisition Transactions, as of March 31, 2015, our Combined Company would have had up to $2,242.8 million of total indebtedness, including $297.8 million of lease finance obligations and capitalized lease obligations with approximately $3.9 million attributable to the Issuer and approximately $293.9 million attributable to ProBuild. In addition, we and ProBuild both have significant obligations under ongoing operating leases that are not, and will not be, reflected on our balance sheet.

As of March 31, 2015, the Existing Secured Notes bore interest at a fixed rate, and therefore, our interest expense related to the Existing Secured Notes would not be affected by changes in market interest rates. The $55.0 million in outstanding borrowings as of March 31, 2015 under the Existing Credit Facility bears interest at a variable rate and, therefore, if interest rates rise, our interest expense could increase. At March 31, 2015, a 1.0% increase in interest rates would result in approximately $0.6 million in additional annual interest expense. We expect that the notes we issue as part of the financing for the ProBuild Acquisition will bear interest at a fixed rate. We also expect that the ABL Facility and the First-Lien Facility entered into in connection with the ProBuild Acquisition will bear interest at a variable rate.

Our substantial debt could have important consequences to us, including:

increasing our vulnerability to general economic and industry conditions;

requiring a substantial portion of our cash flow used in operations to be dedicated to the payment of principal and interest on our indebtedness, therefore reducing our liquidity and our ability to use our cash flow to fund our operations, capital expenditures, and future business opportunities;

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exposing us to the risk of increased interest rates, and corresponding increased interest expense, because future borrowings under the Existing Credit Facility and certain indebtedness incurred pursuant to the Acquisition Financing would be at variable rates of interest;

limiting our ability to obtain additional financing for working capital, capital expenditures, debt service requirements, acquisitions, and general corporate or other purposes; and

limiting our ability to adjust to changing marketplace conditions and placing us at a competitive disadvantage compared to our competitors who may have less debt.

In addition, some of our debt instruments, including the indenture governing the Existing Secured Notes (the Existing Indenture), contain, and the agreements governing the indebtedness expected to be incurred to finance the ProBuild Acquisition are expected to contain, cross-default provisions that could result in our debt being declared immediately due and payable under a number of debt instruments, even if we default on only one debt instrument. In such event, it is unlikely that we would be able to satisfy our obligations under all of such accelerated indebtedness simultaneously.

Our financial condition and operating performance, including that of our subsidiaries and that of ProBuild and its operating affiliates are also subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. There are no assurances that we will maintain a level of liquidity sufficient to permit us to pay the principal, premium and interest on our indebtedness.

If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay capital expenditures, sell assets, seek additional capital, or restructure or refinance our indebtedness. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. In the absence of such operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations in an effort to meet our debt service and other obligations. Our existing indebtedness restricts, and the agreements governing the indebtedness expected to be incurred to finance the ProBuild Acquisition are expected to restrict, our ability to dispose of assets and to use the proceeds from such dispositions. We may not be able to consummate those dispositions or be able to obtain the proceeds that we could realize from them, and these proceeds may not be adequate to meet any debt service obligations then due, which could have a material adverse effect on our financial condition, operating results and cash flows and cause our stock price to decline.

We may have future capital needs and may not be able to obtain additional financing on acceptable terms.

For working capital and funding of our operations, we are reliant on cash on hand and our existing credit facility and will be reliant on the expected borrowing capacity under the ABL Facility, assuming borrowing availability following planned drawings to help fund the ProBuild Acquisition. Our working capital requirements are likely to grow assuming the housing industry improves. Our inability to renew, amend or replace our existing indebtedness and the indebtedness incurred pursuant to the ProBuild Acquisition Transactions when required or when business conditions warrant could have a material adverse effect on our business, financial condition and results of operations and cause our stock price to decline.

Economic and credit market conditions, the performance of our industry, and our financial performance, as well as other factors, may constrain our financing abilities. Our ability to secure additional financing, if available, and to satisfy our financial obligations under indebtedness outstanding from time to time will depend upon our future operating performance, the availability of credit, economic conditions and financial, business and other factors, many of which are beyond our control. Any worsening of current housing market conditions or the macroeconomic factors that affect our industry could require us to seek additional capital and have a material adverse effect on our ability to secure such capital on favorable terms, if at all.

We may be unable to secure additional financing or financing on favorable terms or our operating cash flow may be insufficient to satisfy our financial obligations under indebtedness outstanding from time to time,

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including our existing indebtedness and the indebtedness incurred pursuant to the ProBuild Acquisition Transactions, including the notes. The Existing Indenture and our existing credit facility, moreover, restricts, and the agreements governing the indebtedness expected to be incurred to finance the ProBuild Acquisition are expected to restrict, the amount of permitted indebtedness allowed. In addition, if financing is not available when needed, or is available on unfavorable terms, we may be unable to take advantage of business opportunities, including potential acquisitions, or respond to competitive pressures, any of which could have a material adverse effect on our business, financial condition, and results of operations. If additional funds are raised through the issuance of additional equity or convertible debt securities, our stockholders may experience significant dilution.

We may incur additional indebtedness.

We may incur additional indebtedness in the future, including collateralized debt, subject to the restrictions contained in the instruments governing our existing indebtedness and the agreements governing the indebtedness expected to be incurred to finance the ProBuild Acquisition. If new debt is added to our current debt levels, or to our pro forma debt levels, the related risks that we now face could intensify.

Our debt instruments contain various covenants that limit our ability to operate our business.

Our financing arrangements, including the Existing Indenture and our existing credit facility contain, and the agreements governing the indebtedness expected to be incurred to finance the ProBuild Acquisition are expected to contain, various provisions that limit our ability to, among other things:

- transfer or sell assets, including the equity interests of our restricted subsidiaries, or use asset sale proceeds;
- incur additional debt;
- pay dividends or distributions on our capital stock or repurchase our capital stock;
- make certain restricted payments or investments;
- create liens to secure debt;
- enter into transactions with affiliates;
- merge or consolidate with another company or continue to receive the benefits of these financing arrangements under a change in control scenario (as defined in those agreements); and
- engage in unrelated business activities.

The agreement governing the Existing Credit Facility contains a financial covenant requiring the satisfaction of a minimum fixed charge coverage ratio of 1.00 to 1.00 if our excess availability, defined as the sum of our net borrowing availability plus qualified cash, falls below the greater of $17.5 million or 10% of the maximum borrowing amount. As of March 31, 2015, our excess availability was $104.4 million. Qualified cash is defined as the amount of unrestricted cash and cash equivalents held in deposit or securities accounts which are subject to control agreements in favor of our lenders.

These provisions may restrict our ability to expand or fully pursue our business strategies. Our ability to comply with the terms of the Existing Indenture and Existing Credit Facility and the agreements governing the indebtedness expected to be incurred to finance the ProBuild Acquisition, may be affected by changes in our operating and financial performance, changes in general business and economic conditions, adverse regulatory developments, a change in control or other events beyond our control. The breach of any of these provisions, including those contained in the Existing Indenture, or Existing Credit Facility or agreements governing the indebtedness expected to be incurred to finance the ProBuild Acquisition could result in a default under our indebtedness, which could cause those and other obligations to become due and payable. If any of our indebtedness is accelerated, we may not be able to repay it.

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We have historically and, as a Combined Company, will continue to occupy most of our facilities under long-term non-cancelable leases. We may be unable to renew leases at the end of their terms. If we close a facility, we are still obligated under the applicable lease.

Historically, most of our facilities, as well as most of ProBuild s facilities, were leased. Many of our current leases are non-cancelable, typically have initial expiration terms ranging from five to 15 years and most provide options to renew for specified periods of time. The majority of ProBuild s current leases, all of which we will acquire in connection with the ProBuild Acquisition, are non-cancelable and typically have initial terms of five years to 15 years and most provide options to renew for specified periods of time. We believe that leases we enter into in the future will likely be of the same terms (five to 15 years), will be non-cancelable and will feature similar renewal options. If in the future we close or idle a facility, we would remain committed to perform our obligations under the applicable lease, which would include, among other things, payment of the base rent, insurance, taxes and other expenses on the leased property for the balance of the lease term. Management may explore offsets to remaining obligations such as subleasing opportunities or negotiated lease terminations. During the period from 2007 through 2013, we and ProBuild closed or idled a number of facilities for which we each continue to remain liable. Our obligation to continue making rental payments with respect to leases for closed or idled facilities could have a material adverse effect on our business and results of operations. At the end of a lease term and any renewal period for a leased facility, for those locations where we have no renewal options remaining, we may be unable to renew the lease without additional cost, if at all. If we are unable to renew our Combined Company s facility leases, we may close or, if possible, relocate the facility, which could subject us to additional costs and risks which could have a material adverse effect on our business. Additionally, the revenue and profit generated at a relocated facility may not equal the revenue and profit generated at the existing operation.

We have historically and, as a Combined Company, will continue to operate as a holding company, conducting all of our operations through our subsidiaries which, after the completion of the ProBuild Acquisition, will include ProBuild.

We have historically operated as a holding company and derived all of our operating income from our subsidiaries. We will continue to operate in this fashion following the completion of the ProBuild Acquisition, with our assets held by our direct and indirect subsidiaries, including ProBuild. We have historically and, as a Combined Company, will continue to rely on the earnings and cash flows of our subsidiaries, which are paid to us by our subsidiaries in the form of dividends and other payments or distributions, to meet our debt service obligations. The ability of our subsidiaries to pay dividends or make other payments or distributions to us will depend on their respective operating results and may be restricted by, among other things, the laws of their jurisdiction of organization (which may limit the amount of funds available for the payment of dividends and other distributions to us), the terms of existing and future indebtedness and other agreements of our subsidiaries and the covenants of any future outstanding indebtedness, including the indebtedness we expect to incur to finance the ProBuild Acquisition, we or our subsidiaries incur.

The building supply industry is cyclical and seasonal.

The building products supply industry is subject to cyclical market pressures. Prices of building products are subject to fluctuations arising from changes in supply and demand, national and international economic conditions, labor costs, competition, market speculation, government regulation, and trade policies, as well as from periodic delays in the delivery of lumber and other products. For example, prices of wood products, including lumber and panel products, are subject to significant volatility and directly affect our sales and earnings. In particular, low prices for wood products over a sustained period can adversely affect our financial condition, operating results and cash flows, as can excessive spikes in prices. For the fiscal year ended December 31, 2014, average prices for lumber and lumber sheet goods were 4.9% lower than the prior year. This price decline has continued into the current 2015 fiscal year. On a historical basis, without giving effect to the ProBuild Acquisition, our lumber and lumber sheet goods product category represented 32.6% of our total sales for the year ended December 31, 2014. Over the same period, on a historical basis without giving effect to the

ProBuild Acquisition, ProBuild s lumber and lumber sheet goods category represented 34.6% of its total sales. We have limited ability to manage the timing and amount of pricing changes for building products. In addition, the supply of building products fluctuates based on available manufacturing capacity. A shortage of capacity or excess capacity in the industry can result in significant increases or declines in prices for those products, often within a short period of time. Such price fluctuations can adversely affect our financial condition, operating results and cash flows and cause our stock price to decline.

In addition, although historically weather patterns have affected our and ProBuild s operating results throughout the year, adverse weather has reduced construction activity in the regions where we operate most significantly in the first and fourth quarters. To the extent that hurricanes, severe storms, floods, other natural disasters or similar events occur in the regions in which our Combined Company will operate, our business may be adversely affected. We anticipate that fluctuations from period to period due to the impact of seasonality on the results of our Combined Company will continue in the future.

A range of factors may make our quarterly revenues and EBITDA variable.

We have historically experienced, and in the future as a Combined Company will continue to experience, variability in revenues and EBITDA on a quarterly basis. The factors expected to contribute to this variability include, among others: (1) the volatility of prices of lumber, wood products and other building products, (2) the cyclical nature of the homebuilding industry, (3) general economic conditions in the various areas that we serve and the new regions that we would serve following completion of the ProBuild Acquisition, (4) the intense competition in the industry including expansion and growth strategies by competitors, (5) the production schedules of our customers, and (6) the effects of the weather. These factors, among others, make it difficult to project our operating results on a consistent basis.

The loss of any of our significant customers or a reduction in the quantity of products they purchase could affect our financial health.

Historically, our ten largest customers generated approximately 25.1% and 22.5% of our sales for the years ended December 31, 2014 and 2013, respectively. Historically, ProBuild s ten largest customers generated approximately 12.0% of ProBuild s sales for each of the years ended December 31, 2014 and 2013. We cannot guarantee that we will maintain, improve or, in the case of ProBuild s customers, assume successfully the relationships with these customers or that we will supply these customers at historical levels. Due to the weak housing market over the past several years, many homebuilder customers substantially reduced their construction activity. Some homebuilder customers exited or severely curtailed building activity in certain of our regions.

In addition, production homebuilders, commercial builders and other customers may: (1) seek to purchase some of the products that we currently sell directly from manufacturers, (2) elect to establish their own building products manufacturing and distribution facilities or (3) give advantages to manufacturing or distribution intermediaries in which they have an economic stake. Continued consolidation among production homebuilders could also result in a loss of some of our present customers to our competitors. The loss of one or more of our significant customers or deterioration in our relations with any of them could significantly affect our financial condition, operating results and cash flows. Furthermore, our customers are not required to purchase any minimum amount of products from us. The contracts into which we have entered with most of our professional customers typically provide that we supply particular products or services for a certain period of time when and if ordered by the customer. Should our Combined Company s customers purchase our products in significantly lower quantities than they have in the past, such decreased purchases could have a material adverse effect on our financial condition, operating results and cash flows and cause our stock price to decline.

Our industry is highly fragmented and competitive, and increased competitive pressure may adversely affect our results.

The building products supply industry is highly fragmented and competitive. We face, and will continue to face, significant competition from local and regional building materials chains, as well as from privately-owned single site enterprises. Any of these competitors may (1) foresee the course of market development more accurately than we do, (2) develop products that are superior to our products, (3) have the ability to produce or supply similar products at a lower cost, (4) develop stronger relationships with local homebuilders or commercial builders, (5) adapt more quickly to new technologies or evolving customer requirements than we do, or (6) have access to financing on more favorable terms that we can obtain in the market. As a result, we may not be able to compete successfully with them. In addition, home center retailers, which have historically concentrated their sales efforts on retail consumers and small contractors, have intensified their marketing efforts to professional homebuilders in recent years and may continue to intensify these efforts in the future. Furthermore, certain product manufacturers sell and distribute their products directly to production homebuilders or commercial builders. The volume of such direct sales could increase in the future. Additionally, manufacturers of products distributed by us may elect to sell and distribute directly to homebuilders or commercial builders in the future or enter into exclusive supplier arrangements with other distributors. Consolidation of production homebuilders or commercial builders may result in increased competition for their business. Finally, we may not be able to maintain our operating costs or product prices at a level sufficiently low for us to compete effectively. If we are unable to compete effectively, our financial condition, operating results and cash flows may be adversely affected and cause our stock price to decline.

We are subject to competitive pricing pressure from our customers.

Production homebuilders and commercial builders historically have exerted and will continue to exert significant pressure on their outside suppliers to keep prices low because of their market share and their ability to leverage such market share in the highly fragmented building products supply industry. The housing industry downturn resulted in significantly increased pricing pressures from production homebuilders and other customers. Over the past few years, these pricing pressures have adversely affected our operating results and cash flows. In addition, continued consolidation among production homebuilders or commercial builders, and changes in production homebuilders or commercial builders purchasing policies or payment practices, could result in additional pricing pressure, and our financial condition, operating results and cash flows may be adversely affected and cause our stock price to decline.

Our continued success will depend on our ability to retain our key employees and to attract and retain new qualified employees.

Our success depends in part on our ability to attract, hire, train and retain qualified managerial, operational, sales and other personnel. We face significant competition for these types of employees in our industry and from other industries. We may be unsuccessful in attracting and retaining the personnel we require to conduct and expand our operations successfully. In addition, key personnel may leave us and compete against us. Our success also depends to a significant extent on the continued service of our senior management team. We may be unsuccessful in replacing key managers who either resign or retire. The loss of any member of our senior management team or other experienced senior employees, including members of the senior management team and senior employees of ProBuild following completion of the ProBuild Acquisition, could impair our ability to execute our business plan, cause us to lose customers and reduce our sales or lead to employee morale problems and/or the loss of other key employees. In any such event, our financial condition, operating results and cash flows could be adversely affected and cause our stock price to decline.

The nature of our business exposes us to product liability, product warranty, casualty, construction defect, vehicle and other claims and legal proceedings.

We and ProBuild each historically have been and, as a Combined Company, may continue to be involved in product liability, product warranty, casualty, construction defect, vehicle and other claims relating to the products we manufacture and distribute and services we provide that, if adversely determined, could adversely affect our financial condition, operating results and cash flows. We rely on manufacturers and other suppliers to provide us with many of the products we sell and distribute. Because we do not have direct control over the quality of such products manufactured or supplied by such third-party suppliers, we are exposed to risks relating to the quality of such products. In addition, we are exposed to potential claims arising from the conduct of our respective employees and subcontractors, and builders and their subcontractors, for which we may be contractually liable. Although we currently maintain what we believe to be suitable and adequate insurance in excess of our self-insured amounts, there can be no assurance that we will be able to maintain such insurance on acceptable terms or that such insurance will provide adequate protection against potential liabilities. Product liability, product warranty, casualty, construction defect, vehicle, and other claims can be expensive to defend and can divert the attention of management and other personnel for significant periods, regardless of the ultimate outcome. Claims of this nature could also have a negative impact on customer confidence in our products and our company. In addition, we are involved on an ongoing basis in other types of legal proceedings. We cannot assure you that any current or future claims against our Combined Company will not adversely affect our financial condition, operating results and cash flows and cause our stock price to decline.

Product shortages, loss of key suppliers, and our dependence on third-party suppliers and manufacturers could affect our financial health.

Our ability to offer a wide variety of products to our customers is dependent upon our ability to obtain adequate product supply from manufacturers and other suppliers. Generally, our products are obtainable from various sources and in sufficient quantities. However, the loss of, or a substantial decrease in the availability of, products from our suppliers or ProBuild s suppliers following completion of the ProBuild Acquisition or the loss of key supplier arrangements could adversely impact our financial condition, operating results and cash flows and cause our stock price to decline.

Although in many instances we and ProBuild each have agreements with our respective suppliers, these agreements are generally terminable by either party on limited notice. Failure by our suppliers to continue to supply us with products on commercially reasonable terms, or at all, could put pressure on our operating margins or have a material adverse effect on our financial condition, operating results and cash flows. Short-term changes in the cost of these materials, some of which are subject to significant fluctuations, are sometimes, but not always passed on to our customers. Our delayed ability to pass on material price increases to our customers could adversely impact our financial condition, operating results and cash flows and cause our stock price to decline.

We may be adversely affected by any disruption in our information technology systems.

Our operations are dependent upon our information technology systems, which encompass all of our major business functions. ProBuild currently maintains multiple enterprise resource planning (ERP) systems to manage its operations. Following completion of the ProBuild Acquisition, we expect to integrate ProBuild s systems with our legacy systems over time or to select a new ERP system to serve our Combined Company s operations. We may encounter significant operational disruptions as a result of such process, which could have a material adverse effect on our financial condition, operating results and cash flows. Our primary ERP system, which we use for operations representing approximately 97% of our sales, is a proprietary system that has been highly customized by our computer programmers. Our centralized financial reporting system currently draws data from our ERP systems. We rely upon our information technology systems to manage and replenish inventory, to fill and ship customer orders on a timely basis, and to coordinate our sales activities across all of our products and services. A substantial disruption in our information technology systems for any prolonged time period (arising from, for example, system capacity limits from unexpected increases in our volume of business, outages, or delays in our service) could result in delays in receiving inventory and supplies or filling customer orders and adversely affect our customer service and relationships. Our systems might be damaged or interrupted by natural or man-made events or by computer viruses, physical or electronic break-ins, or similar disruptions affecting the global Internet. There can be no assurance that such delays, problems, or associated costs will not have a material adverse effect on our financial condition, operating results and cash flows and cause our stock price to decline.

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We and ProBuild may be adversely affected by any natural or man-made disruptions to our and ProBuild s distribution and manufacturing facilities.

We currently maintain a broad network of distribution and manufacturing facilities throughout the southern and eastern United States. In addition, ProBuild currently maintains a broad network of distribution and manufacturing facilities across 40 states. Any widespread disruption to our facilities, including ProBuild facilities we acquire in the ProBuild Acquisition, resulting from fire, earthquake, weather-related events, an act of terrorism or any other cause could damage a significant portion of our inventory and could materially impair our ability to distribute our products to customers. Moreover, we could incur significantly higher costs and longer lead times associated with distributing our products to our customers during the time that it takes for us to reopen or replace a damaged facility. In addition, any shortages of fuel or significant fuel cost increases could disrupt our ability to distribute products to our customers. If any of these events were to occur, our financial condition, operating results and cash flows could be materially adversely affected and our stock price could decline.

We may be unable to successfully implement our growth strategy, which includes increasing sales of our prefabricated components and other value-added products, pursuing strategic acquisitions and opening new facilities and delevering.

Our long-term strategy depends in part on growing our sales of prefabricated components and other value-added products and increasing our market share. If any of these initiatives are not successful, or require extensive investment, our growth may be limited, and we may be unable to achieve or maintain expected levels of growth and profitability which could cause our stock price to decline.

Our long-term business plan also provides for continued growth through strategic acquisitions and organic growth through the construction of new facilities or the expansion of existing facilities. Failure to identify and acquire suitable acquisition candidates on appropriate terms could have a material adverse effect on our growth strategy. Moreover, reduced operating results during the current slow economic recovery, our liquidity position, or the requirements of the agreements governing our existing indebtedness, as well as the expected requirements of the debt instruments that will govern the debt we expect to incur to finance the ProBuild Acquisition, could prevent us from obtaining the capital required to effect new acquisitions or expansions of existing facilities. Our failure to make successful acquisitions or to build or expand facilities, including manufacturing facilities, produce saleable product, or meet customer demand in a timely manner could result in damage to or loss of customer relationships, which could adversely affect our financial condition, operating results and cash flows and our stock price could decline. A negative impact on our financial condition, operations results and cash flows, or our decision to invest in strategic acquisitions or new facilities, could adversely affect our ability to delever.

In addition, although we have been successful historically in integrating 32 acquisitions since 1998, we may not be able to integrate the operations of ProBuild upon completion of the ProBuild Acquisition or any future acquired businesses with our operations in an efficient and cost-effective manner or without significant disruption to our operations. Moreover, acquisitions, including the ProBuild Acquisition, involve significant risks and uncertainties, including uncertainties as to the future financial performance of the acquired business, difficulties integrating acquired personnel and corporate cultures into our business, the potential loss of key employees, customers or suppliers, difficulties in integrating different computer and accounting systems, exposure to unforeseen liabilities of acquired companies and the diversion of management attention and resources from existing operations. We may be unable to successfully complete potential acquisitions due to multiple factors, such as issues related to regulatory review of the proposed transactions. We may also be required to incur additional debt in order to consummate acquisitions in the future, which debt may be substantial and may limit our flexibility in using our cash flow from operations. Our failure to integrate ProBuild s business upon completion of the ProBuild Acquisition or future acquired businesses effectively or to manage other consequences of our acquisitions, including increased indebtedness, could prevent us from remaining competitive and, ultimately, could adversely affect our financial condition, operating results and cash flows and cause our stock price to decline.

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Federal, state, local and other regulations could impose substantial costs and/or restrictions on our operations that would reduce our net income.

We are subject to various federal, state, local and other regulations, including, among other things, regulations promulgated by the Department of Transportation and applicable to our fleet of delivery trucks, work safety regulations promulgated by the Department of Labor s Occupational Safety and Health Administration, employment regulations promulgated by the United States Equal Employment Opportunity Commission, accounting standards issued by the Financial Accounting Standards Board (FASB) or similar entities and state and local zoning restrictions and building codes. More burdensome regulatory requirements in these or other areas may increase our general and administrative costs and adversely affect our financial condition, operating results and cash flows. Moreover, failure to comply with the regulatory requirements applicable to our business could expose us to substantial penalties that could adversely affect our financial condition, operating results and cash flows and cause our stock price to decline.

We are subject to potential exposure to environmental liabilities and are subject to environmental regulation.

We are subject to various federal, state and local environmental laws, ordinances and regulations. Although we believe that our facilities and, based on our diligence with respect to the ProBuild Acquisition, the facilities of ProBuild are in material compliance with such laws, ordinances, and regulations, as owners and lessees of real property, we can be held liable for the investigation or remediation of contamination on such properties, in some circumstances, without regard to whether we or ProBuild, as applicable, knew of or were responsible for such contamination. Further, following the completion of the ProBuild Acquisition, we may become aware of contamination that was not identified in the course of, or occurred subsequent to, our prior diligence. No assurance can be provided that remediation may not be required in the future as a result of spills or releases of petroleum products or hazardous substances, the discovery of unknown environmental conditions, more stringent standards regarding existing residual contamination, or changes in legislation, laws, rules or regulations. More burdensome environmental regulatory requirements may increase our general and administrative costs and adversely affect our financial condition, operating results and cash flows and cause our stock price to decline.

We may be adversely affected by uncertainty in the economy and financial markets, including as a result of terrorism or unrest in the Middle East, Eastern Europe or elsewhere.

Instability in the economy and financial markets, including as a result of terrorism or unrest in the Middle East, Eastern Europe or elsewhere, may result in a decrease in housing starts, which would adversely affect our or ProBuild s business. In addition, such unrest or related adverse developments, including a retaliatory military strike or terrorist attack, may cause unpredictable or unfavorable economic conditions and could have a material adverse effect on our and ProBuild s financial condition, operating results and cash flows. Any shortages of fuel or significant fuel cost increases related to geopolitical conditions could seriously disrupt our ability to distribute products to our customers. In addition, domestic terrorist attacks may affect our and ProBuild s ability to keep our operations and services functioning properly and could have a material adverse effect on our and ProBuild s financial condition, operating results and cash flows and cause our stock price to decline.

Risks Related to the ProBuild Acquisition

Completion of the ProBuild Acquisition is subject to conditions and if these conditions are not satisfied or waived, the ProBuild Acquisition will not be completed and we may be obligated to pay a reverse termination fee.

We can provide no assurance that the ProBuild Acquisition will be completed and this offering is not conditioned on the consummation of the ProBuild Acquisition. The obligations of us and ProBuild to complete the ProBuild Acquisition are subject to satisfaction or waiver of a number of conditions, including: (i) the absence of a material adverse effect with respect to the business of ProBuild; and (ii) the absence of certain legal injunctions or impediments prohibiting the transaction. Each party s obligation to complete the ProBuild

Acquisition is subject to the satisfaction or waiver (to the extent permitted under applicable law) of certain other conditions, the absence of a material adverse effect with respect to inaccuracy of the representations and warranties of the other party under the Securities Purchase Agreement, the performance by the other party of its respective obligations under the Securities Purchase Agreement in all material respects and delivery of officer certificates by the other party certifying satisfaction of the two preceding conditions.

In addition, a termination of the Securities Purchase Agreement by us, ProBuild or the sellers under such agreement under certain specified circumstances, including a failure of our debt financing to be funded, if all of the other conditions to our obligation to close the ProBuild Acquisition have been satisfied (other than those conditions that, by their nature, are to be satisfied at the closing of the ProBuild Acquisition), will entitle ProBuild to receive from us a reverse termination fee equal to $81,250,000. Payment of this fee would have a material adverse effect on our financial condition, operating results, and cash flows. See Prospectus Supplement Summary Recent Developments The ProBuild Acquisition.

The failure to satisfy all of the required conditions could delay the completion of the ProBuild Acquisition for a significant period of time or prevent it from occurring, and we may be obligated to pay the reverse termination fee. Any delay in completing the ProBuild Acquisition could cause us not to realize some or all of the benefits that we expect to achieve if the ProBuild Acquisition is successfully completed within its expected timeframe. Failure to complete the ProBuild Acquisition could have a material adverse effect on our results of operations and prospects and cause our stock price to decline materially.

Combining the two companies may be more difficult, costly or time consuming than expected and the anticipated benefits and cost savings of the ProBuild Acquisition may not be realized.

ProBuild and we have operated and, until the completion of the ProBuild Acquisition, will continue to operate, independently. We continue to assess synergies that we may realize as a Combined Company, the realization of which will depend on a number of factors. The success of the ProBuild Acquisition, including anticipated benefits and potential cost savings, will depend, in part, on our ability to successfully combine and integrate our business with the business of ProBuild. It is possible that the pendency of the ProBuild Acquisition and/or the integration process could result in the loss of key employees, higher than expected costs, diversion of management attention of both ProBuild and us, the disruption of either company s ongoing businesses or inconsistencies in standards, controls, procedures and policies that adversely affect the Combined Company s ability to maintain relationships with customers, suppliers, vendors and employees or to achieve the anticipated benefits and cost savings of the ProBuild Acquisition. If we experience difficulties with the integration process, the anticipated benefits of the ProBuild Acquisition, including any potential synergies, may not be realized fully or at all, or may take longer to realize than expected. Management continues to refine its integration plan. The integration planning and implementation process will result in significant costs and divert management attention and resources. These integration matters could have an adverse effect on the Combined Company for an undetermined period after completion of the ProBuild Acquisition. In addition, the actual cost savings of the ProBuild Acquisition could be less than anticipated.

The ProBuild Acquisition may not achieve its intended results, including anticipated synergies.

While we expect the ProBuild Acquisition to result in a significant amount of synergies and other financial and operational benefits, we may be unable to realize these synergies or other benefits in the timeframe that we expect or at all. Achieving the anticipated benefits, including synergies, is subject to a number of uncertainties, including whether the businesses acquired can be operated in the manner we intend and whether our costs to finance the ProBuild Acquisition and integrate the businesses will be consistent with our expectations. Events outside of our control, including, but not limited to, any conditions imposed by governmental authorities, operating changes or regulatory changes, could also adversely affect our ability to realize the anticipated benefits from the ProBuild Acquisition. Thus, the integration may be unpredictable, or subject to delays or changed circumstances, and our Combined Company may not perform in accordance with our expectations. Further, we will incur implementation costs relative to these anticipated synergies, and our expectations with respect to integration or synergies as a result of the ProBuild Acquisition may not materialize. Accordingly, you should not place undue reliance on our anticipated synergies. See Combining the two companies may be more difficult, costly or time consuming than expected and the anticipated benefits and cost savings of the ProBuild Acquisition may not be realized and The ProBuild Acquisition will involve substantial costs.

In connection with the ProBuild Acquisition, we will incur significant additional indebtedness which could adversely affect us, including by decreasing our business flexibility, and will increase our interest expense.

Our consolidated indebtedness as of March 31, 2015 was approximately $408.9 million. Our pro forma indebtedness as of March 31, 2015, after giving effect to the ProBuild Acquisition Transactions and the anticipated incurrence and extinguishment of indebtedness in connection therewith, will be as much as $2,242.8 million. We will have substantially increased indebtedness following completion of the ProBuild Acquisition in comparison to our indebtedness on a recent historical basis, which will increase our interest expense and could have the effect of, among other things, reducing our flexibility to respond to changing business and economic conditions.

We will also incur various costs and expenses associated with the debt of our Combined Company, which will include certain of ProBuild s capital leases and lease finance obligations, which will remain outstanding upon completion of the ProBuild Acquisition and be assumed by the Combined Company. The amount of cash required to pay interest on our Combined Company s increased indebtedness levels and, thus, the demands on our cash resources, will be substantially greater than the amount of cash flows required to service our historical indebtedness prior to the ProBuild Acquisition Transactions. The increased levels of indebtedness following completion of the ProBuild Acquisition could also reduce funds available for working capital, capital expenditures, acquisitions and other general corporate purposes and may create competitive disadvantages for us relative to other companies with lower debt levels. If we do not achieve the expected benefits and cost savings from the ProBuild Acquisition, or if the financial performance of the Combined Company does not meet current expectations, then our ability to service our indebtedness, including the notes, may be adversely impacted.

The ProBuild Acquisition will involve substantial costs.

Historically we and ProBuild have incurred and, as a Combined Company expect to continue to incur, a number of non-recurring costs associated with the ProBuild Acquisition and the related integration process. A significant portion of non-recurring expenses will be comprised of transaction and regulatory costs related to the ProBuild Acquisition.

We also will incur substantial transaction fees and costs related to formulating and implementing integration plans, including facilities and systems consolidation costs and employment-related costs. We estimate these integration-related costs in the range of $90 to $100 million over the two years following the closing of the transaction. We continue to assess the magnitude of these costs, and additional unanticipated costs may be incurred in the ProBuild Acquisition and the integration of the two companies businesses. Although we expect that the elimination of duplicative costs, as well as the realization of other efficiencies related to the integration of the businesses, should allow us to offset integration-related costs over time, this net benefit may not be achieved in the near term, or at all.

Our actual financial position and results of operations may differ materially from the unaudited pro forma condensed combined financial information included in this prospectus supplement.

The unaudited pro forma condensed combined financial information included in this prospectus supplement is presented for illustrative purposes only and is not necessarily indicative of what our actual financial position or results of operations would have been had the ProBuild Acquisition been completed on the dates indicated. This information reflects adjustments, which are based upon preliminary estimates, to allocate the consideration paid in connection with the ProBuild Acquisition to ProBuild s identifiable net assets. The allocation reflected in this prospectus supplement is preliminary, and final allocation of the consideration will be based upon the actual consideration paid in connection with the ProBuild Acquisition and the fair value of the assets and liabilities of ProBuild as of the date of the completion of the ProBuild Acquisition. In addition, subsequent to the closing date of the ProBuild Acquisition, there may be further refinements of the allocation as additional information becomes available. Accordingly, the final accounting adjustments related to the consideration paid in connection with the ProBuild Acquisition may differ materially from the pro forma adjustments reflected herein. See Unaudited Pro Forma Condensed Combined Financial Information.

Uncertainties associated with the ProBuild Acquisition may cause a loss of management and sales personnel and other key employees of ProBuild or us, which could adversely affect the future business and operations of the Combined Company following the ProBuild Acquisition.

We are dependent on the experience and industry knowledge of our officers and other key employees to execute our business plan. Our Combined Company s success after the ProBuild Acquisition will depend in part upon our ability to retain key management and sales personnel and other key employees. Current and prospective employees may experience uncertainty about their future roles with our Combined Company following the ProBuild Acquisition, which may materially adversely affect our ability to attract and retain key personnel. Accordingly, no assurance can be given that our Combined Company will be able to retain key management and sales personnel and other key employees.

Acquiring ProBuild will substantially increase the scale of our Combined Company, which will increase the magnitude of the risks to which we are subject.

ProBuild is a large and complex company that will add significantly to the size and scale of our operations upon consummation of the ProBuild Acquisition. For the LTM ended March 31, 2015, we had approximately $1.6 billion in sales and, as of March 31, 2015, approximately $625 million in total assets. For the LTM ended March 31, 2015, ProBuild had approximately $4.5 billion in net sales and, as of March 31, 2015, approximately $2.4 billion in total assets. Our Combined Company will have more than 430 locations and a presence in 24 of the top 25 and 74 of the top 100 largest U.S. MSAs. We may have failed to identify all the risks to which the acquisition of ProBuild may expose us or the effects it may have on the price of our shares or on the long-term value of the Combined Company, including any risks related to ProBuild s compliance with, among others, laws and regulations, contractual obligations and leases.

Risks Related to our Common Stock

The market price of our common stock has fluctuated significantly since the announcement of the ProBuild Acquisition.

Between April 10, 2015, the trading day preceding the announcement of the ProBuild Acquisition, and July 24, 2015, the closing sale price of our common stock on NASDAQ ranged from $6.90 to $13.95 per share. This offering is not conditioned on the consummation of the ProBuild Acquisition and we can give no assurance that the ProBuild Acquisition will be completed. If the ProBuild Acquisition is not completed, the price of our common stock may decrease materially.

The price of our common stock is volatile and may decline.

The market price of our common stock historically has experienced and may continue to experience significant price fluctuations similar to those experienced by the broader stock market in recent years. In addition, the price of our common stock may fluctuate significantly in response to various factors, including:

information relating to the ProBuild Acquisition;

actual or anticipated fluctuations in our results of operations;

announcements by us or our competitors of significant business developments, changes in customer relationships, acquisitions, or expansion plans;

changes in the prices of products we sell;

involvement in litigation;

our sale of common stock or other securities in the future;

market conditions in our industry;

changes in key personnel;

changes in market valuation or earnings of our competitors;

the trading volume of our common stock;

changes in the estimation of the future size and growth rate of our markets; and

general economic and market conditions.

Broad market and industry factors may materially harm the market price of our common stock, regardless of our operating performance. In the past, following periods of volatility in the market price of a company s securities, securities class action litigation has often been instituted against that company. If we were involved in any similar litigation we could incur substantial costs and our management s attention and resources could be diverted, which could adversely affect our financial condition, results of operations and cash flows. As a result, it may be difficult for you to resell your shares of common stock in the future.

Significant sales of our common stock, or the perception that significant sales may occur in the future, could adversely affect the market price of our common stock.

The sale of substantial amounts of our common stock could adversely affect the price of our common stock. Sales of substantial amounts of our common stock in the public market, and the availability of shares for future sale, including 7,702,160 shares of our common stock issuable as of July 20, 2015, upon exercise of outstanding vested and unvested options to acquire shares of our common stock (including through the conversion of restricted stock units) under our stock incentive plans, including the 2014 Incentive Plan, as it may be amended, could adversely affect the prevailing market price of our common stock and could cause the market price of our common stock to remain low for a substantial time. Additional options may also be granted under our incentive plans, including our 2014 Incentive Plan, as it may be amended. Further, the affiliates of JLL Fund V and Warburg Pincus who collectively own approximately 49.5% of our outstanding common stock as of July 20, 2015. Affiliates of Warburg Pincus are selling an aggregate of up to 3,450,000 shares of common stock pursuant to a shelf registration statement filed November 26, 2014 and JLL Fund V or Warburg Pincus or their respective affiliates may offer additional shares of our common stock in the future. We cannot foresee the effect of such potential sales on the market, but it is possible that if a significant percentage of such available shares were attempted to be sold within a short period of time, the market for our shares of common stock would be adversely affected. It is also unclear whether or not the market for our common stock could absorb a large number of attempted sales in a short period of time, regardless of the price at which they might be offered. Even if a substantial number of sales do not occur within a short period of time, the mere existence of this market overhang could have a negative effect on the market for our common stock and our ability to raise additional capital.

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DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectuses and the documents incorporated by reference herein and therein contain certain forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 with respect to our business, financial condition, liquidity and results of operations. Words such as anticipates, expects, intends, plans, predicts, believes, seeks, estimates, cou may, can, continue, potential, should, and the negative of these terms or other comparable terminology often ide forward-looking statements. Statements in this prospectus, the accompanying prospectus and the documents incorporated by reference that are not historical facts are hereby identified as forward-looking statements for the purpose of the safe harbor provided by Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. These forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties that could cause actual results to differ materially from the results contemplated by the forward-looking statements, including the risks discussed in this prospectus supplement, the accompanying prospectuses, in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014 (our 2014 10-K) in Item 1A under Risk Factors as well as in Item 7A Quantitative and Qualitative Disclosures About Market Risk, and the risks detailed from time to time in our future SEC reports. Factors, risks, and uncertainties that could cause actual outcomes and results to be materially different from those contemplated include, among others:

- dependence on the residential building industry and, following the completion of the ProBuild Acquisition, the commercial building industry, as well as the economy, the credit markets and other important factors;
- uncertainty surrounding the economy and credit markets;
- cyclical and seasonal nature of the building products supply industry;
- product shortages, fluctuations in the prices of raw materials, loss of key suppliers, and our dependence on third-party suppliers and manufacturers;
- additional impairment charges or the need to idle or permanently close under-performing locations;
- our ability to renew long-term leases for our facilities;
- influence of significant stockholders;
- loss of significant customers;
- competition in the highly fragmented building products supply industry;

pricing pressure from our customers;

our future capital needs and our ability to obtain additional financing on acceptable terms;

our level of indebtedness and our ability to meet our obligations under our debt instruments;

our incurrence of additional indebtedness and our inability to take certain actions because of restrictions in our debt agreements;

our reliance on our subsidiaries;

dependence on key personnel;

exposure to product liability, product warranty, casualty, construction defect and other liability claims;

variability of our quarterly revenues and earnings;

disruptions at our facilities or in our information technology systems;

our ability to execute our strategic plans;

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- effects of regulatory conditions on our operations;
- exposure to environmental liabilities and regulation;
- economic and financial uncertainty resulting from terrorism and war; and
- risks related to the pending ProBuild Acquisition, including:
  - the failure to satisfy the conditions to completing the transaction, including obtaining required regulatory approvals and any payment of a reverse termination fee;
  - conditions to obtaining regulatory approval that may place restrictions on the business of the Combined Company;
  - our ability to complete the proposed acquisition and the potential negative impact on our stock price in the vent the acquisition is not completed;
  - our failure to obtain the anticipated benefits and costs savings from the acquisition; and
  - the impact of the additional debt we will incur to finance the acquisition.

Many of the important factors that will determine these results are beyond our ability to control or predict. You are cautioned not to put undue reliance on any forward-looking statements, which speak only as of the date of this prospectus supplement and the accompanying prospectuses, as applicable, or, in the case of documents incorporated by reference, as of the date of such documents. Except as otherwise required by law, we do not assume any obligation to publicly update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this prospectus supplement and the accompanying prospectuses or to reflect the occurrence of unanticipated events.

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SELECTED HISTORICAL CONSOLIDATED FINANCIAL INFORMATION AND OTHER DATA FOR BUILDERS FIRSTSOURCE, INC.

The following tables set forth selected historical financial information for the Issuer for the periods ended and as of the dates indicated. The Issuer s financial information for the years ended December 31, 2012, 2013 and 2014 and as of the years ended December 31, 2013 and 2014 has been derived from the Issuer s audited condensed consolidated financial statements and the notes related thereto included elsewhere in this prospectus supplement. The Issuer s financial information for the three months ended March 31, 2014 and 2015 and as of March 31, 2015 has been derived from the Issuer s unaudited condensed consolidated financial statements and the notes related thereto included elsewhere in this prospectus supplement.

	Year Ended December 31,			Three Months Ended March 31,	
	2012	2013	2014	2014	2015
			(in thousands)		
Statement of Operations Data:					
Sales	$ 1,070,676	$ 1,489,892	$ 1,604,096	$ 345,909	$ 370,986
Cost of sales	856,110	1,169,972	1,247,099	270,994	287,253
Gross margin	214,566	319,920	356,997	74,915	83,733
Selling, general and administrative expenses	222,263	271,885	306,508	69,318	82,838
Asset impairments	48				
Facility closure costs	958	(7)	471	163	254
Income (loss) from operations	(8,703)	48,042	50,018	5,434	641
Interest expense, net	45,139	89,638	30,349	8,828	7,607
Income (loss) from continuing operations before income taxes	(53,842)	(41,596)	19,669	(3,394)	(6,966)
Income tax expense (benefit)	577	769	1,111	(82)	196
Income (loss) from continuing operations	(54,419)	(42,365)	18,558	(3,312)	(7,162)
Income (loss) from discontinued operations	(2,437)	(326)	(408)	(72)	92
Net income (loss)	$ (56,856)	$ (42,691)	$ 18,150	$ (3,384)	$ (7,070)
Comprehensive income (loss)					
Basic net income (loss) per share					
Income (loss) from continuing operations	(0.57)	(0.44)	0.19	(0.03)	(0.07)
Loss from discontinued operations	(0.03)	(0.00)	(0.00)	(0.00)	0.00
Net income (loss)	(0.60)	(0.44)	0.19	(0.03)	(0.07)

Diluted net income (loss) per share					
Income (loss) from continuing operations	(0.57)	(0.44)	0.19	(0.03)	(0.07)
Loss from discontinued operations	(0.03)	(0.00)	(0.00)	(0.00)	0.00
Net income (loss)	(0.60)	(0.44)	0.19	(0.03)	(0.07)
Weighted average common shares outstanding					
Basic	95,463	96,449	98,050	97,617	98,204
Diluted	95,463	96,449	100,522	97,617	98,624

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	As of December 31,		As of March 31,	
	2013	2014	2014	2015
	(in thousands)			
Balance Sheet Data:				
Current assets:				
Cash and cash equivalents	$ 54,696	$ 17,773	$ 62,766	$ 36,837
Accounts receivable	143,036	148,352	147,603	157,221
Inventories	123,636	138,156	136,613	146,824
Other current assets	9,793	27,259	8,767	24,215
Total current assets	331,161	331,540	355,749	365,097
Property, plant and equipment, net	49,392	75,679	52,808	84,734
Goodwill	111,193	139,774	111,193	141,090
Intangible assets, net	827	17,228	732	16,657
Other assets, net	23,266	18,844	22,318	17,878
Total assets	$ 515,839	$ 583,065	$ 542,800	$ 625,456
Current liabilities:				
Accounts payable	$ 81,046	$ 75,868	$ 102,668	$ 90,737
Accrued liabilities	45,310	66,225	51,968	74,083
Current maturities of long-term debt	67	30,074	69	55,076
Total current liabilities	126,423	172,167	154,705	219,896
Long-term debt, net of current maturities	353,904	353,830	353,886	353,810
Other long-term liabilities	20,144	16,868	21,615	17,774
Total liabilities	500,471	542,865	530,206	591,480
Total stockholders equity	15,368	40,200	12,594	33,976
Total liabilities and stockholders equity	$ 515,839	$ 583,065	$ 542,800	$ 625,456

	Year Ended December 31,			Three Months Ended March 31,	
	2012	2013	2014	2014	2015
	(in thousands)				
Cash Flow Data:					
Net cash provided by (used in) operating activities	$ (66,850)	$ (47,576)	$ 27,493	$ 13,760	$ 9,863
Net cash provided by (used in) investing activities	(9,033)	571	(94,840)	(5,302)	(14,861)
Net cash provided by (used in) financing activities	60,482	(29,731)	30,424	(388)	24,062
	$ (15,401)	$ (76,736)	$ (36,923)	$ 8,070	$ 19,064

Net (decrease) increase in cash and cash equivalents	

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SELECTED HISTORICAL CONSOLIDATED FINANCIAL INFORMATION AND OTHER

DATA FOR PROBUILD HOLDINGS, INC.

The following tables set forth selected historical financial information for the ProBuild Parent for the periods ended and as of the dates indicated. The ProBuild Parent s financial information for the years ended December 31, 2012, 2013 and 2014 and as of the years ended December 31, 2013 and 2014 has been derived from the ProBuild Parent s audited condensed consolidated financial statements and the notes related thereto included elsewhere in this prospectus supplement. The ProBuild Parent s financial information for the three months ended March 31, 2014 and 2015 and as of March 31, 2015 and 2014 has been derived from the ProBuild Parent s unaudited condensed consolidated financial statements and the notes related thereto included elsewhere in this prospectus supplement.

	Year Ended December 31,			Three Months Ended March 31,	
	2012	2013	2014	2014	2015
			(in thousands)		
Statement of Operations Data:					
Net sales	$ 3,620,976	$ 4,335,369	$ 4,478,723	$ 908,444	$ 913,140
Cost of goods sold	2,740,025	3,250,972	3,323,726	677,799	676,286
Gross margin	880,951	1,084,397	1,154,997	230,645	236,854
Operating expenses, excluding depreciation and amortization	901,306	1,010,429	1,026,254	248,747	233,915
Depreciation expense	59,052	47,432	48,313	11,760	12,300
Amortization expense	25,538	15,482	9,485	3,415	988
Total operating expenses	985,896	1,073,343	1,084,052	263,922	247,203
Income (loss) from operations	(104,945)	11,054	70,945	(33,277)	(10,349)
Interest expense	(61,852)	(58,686)	(54,728)	(13,655)	(12,878)
Other income:					
Interest	3,435	3,506	3,271		
Other income	3,337	4,872	6,318	3,092	3,046
Income (loss) before income tax expense	(160,025)	(39,254)	25,806	(43,840)	(20,181)
Income tax expense	1,540	1,492	596	776	866
Net income (loss)	(161,565)	(40,746)	25,210	(44,616)	(21,047)
Less: Income (loss) attributable to the noncontrolling interests	(148,392)	(21,621)	36,369	(41,885)	(16,145)
Net loss attributable to ProBuild Holdings, Inc.	$ (13,173)	$ (19,125)	$ (11,159)	$ (2,731)	$ (4,902)

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	As of December 31, 2013	As of December 31, 2014	As of March 31, 2015
	(in thousands)		
Balance Sheet Data:			
Current assets:			
Cash and cash equivalents	$ 14,343	$ 9,385	$ 15,665
Accounts receivable, net	406,462	410,923	414,558
Nontrade receivables	41,403	39,178	
Inventories, net	330,255	317,476	337,066
Prepaid expenses and other current assets	11,806	14,222	21,444
Total current assets	804,269	791,184	788,733
Property and equipment, net	567,737	574,036	561,828
Assets held-for-sale	25,275	9,683	10,016
Goodwill	1,026,159	1,026,159	1,026,159
Intangible assets, net	14,134	4,649	3,660
Other assets	5,902	3,735	3,255
Total assets	$ 2,443,476	$ 2,409,446	$ 2,393,651
Current liabilities:			
Checks outstanding	$ 49,218	$ 54,517	$
Current maturities of notes payable and lease obligations	70,393	6,109	6,269
Accounts payable	241,615	234,190	292,583
Accrued expenses and other current liabilities	250,625	247,929	205,368
Deferred income taxes	3,556	4,507	4,069
Total current liabilities	615,407	547,252	508,289
Long-term liabilities:			
Deferred income taxes	3,035	4,220	4,176
Other long-term liabilities	13,242	16,865	15,662
Notes payable and lease obligations, net of current maturities	1,273,711	1,281,305	1,327,888
Total liabilities	1,905,395	1,849,642	1,856,015
Total equity	538,081	559,804	537,636
Total liabilities and equity	$ 2,443,476	$ 2,409,446	$ 2,393,651

	Year Ended December 31, 2012	Year Ended December 31, 2013	Year Ended December 31, 2014	Three Months Ended March 31, 2014	Three Months Ended March 31, 2015
	(in thousands)				
Cash Flow Data:					
Net cash provided by (used in) operating activities	$ (149,929)	$ 31,802	$ 91,057	$ (80,612)	$ (27,295)

Net cash used in investing activities	(21,846)	(76,827)	(41,862)	(14,744)	(5,190)
Net cash provided by (used in) financing activities	159,790	49,024	(54,153)	95,452	38,765
Net (decrease) increase in cash and cash equivalents	$ (11,985)	$ 3,999	$ (4,958)	$ 96	$ 6,280

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PRICE RANGE OF COMMON STOCK AND DIVIDEND POLICY

Trading Prices

The following table sets forth, for the fiscal quarters indicated, the high and low sales prices for our common stock as reported by NASDAQ from January 1, 2013, through July 24, 2015.

	High	Low
Fiscal Year ended December 31, 2015		
First Quarter	$ 7.06	$ 5.71
Second Quarter	14.24	6.54
Third Quarter (through July 24, 2015)	14.50	11.98
Fiscal Year ended December 31, 2014		
First Quarter	$ 9.16	$ 7.14
Second Quarter	9.40	6.92
Third Quarter	7.92	5.10
Fourth Quarter	6.98	4.85
Fiscal Year ended December 31, 2013		
First Quarter	$ 6.55	$ 5.13
Second Quarter	7.33	5.00
Third Quarter	6.94	5.15
Fourth Quarter	7.94	5.55

Dividend Policy

We have not paid regular dividends in the past and do not expect to pay any dividends or other distributions on our shares of common stock in the foreseeable future. Any future determination relating to our dividend policy will be made at the discretion of our board of directors and will depend on a number of factors, including restrictions in our debt instruments, as well as our future earnings, capital requirements, financial condition, prospects, and other factors that our board of directors may deem relevant. The terms of our Existing Credit Facility and the Existing Indenture currently restrict, and the instruments governing the indebtedness incurred pursuant to the Acquisition Financing will restrict, our ability to pay dividends.

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USE OF PROCEEDS

We expect that the net proceeds from this offering will be approximately $ million after deducting the estimated discount to the underwriters and the fees and expenses of this offering. We will not receive any proceeds from the sale of shares of our common stock by the selling stockholders.

We intend to use the net proceeds from this offering, together with the proceeds from the Notes Offering, if completed, and borrowings under the ABL Facility and the First Lien Facility to pay the consideration for the ProBuild Acquisition, to repay certain of our and ProBuild s existing indebtedness and to pay related transaction fees and expenses. In the event the ProBuild Acquisition does not close, we intend to use the net proceeds from this offering (and the net proceeds from any exercise of the underwriters option to purchase additional shares of common stock) for general corporate purposes, including for expenses relating to the ProBuild Acquisition. This offering is not conditioned on the consummation of the ProBuild Acquisition. The following is presented as of March 31, 2015 after giving effect to the ProBuild Acquisition.

Sources	Amount	Uses	Amount
	(in millions)		
ABL Facility Draw(1)	$ 295.0	Net Purchase Price(5)	$ 1,538.1
		Estimated Working Capital Adjustment	(71.9)
First Lien Facility(2)	600.0	Pay Down Existing Credit Facility	55.0
New Senior Unsecured Notes(3)	700.0	Cash to the Balance Sheet	91.0
Shares offered hereby(4)	100.0	Transaction Fees and Expenses(6)	82.8
Roll Existing Secured Notes	350.0	Roll Existing Secured Notes	350.0
Roll Existing Capital Leases	297.8	Roll Existing Capital Leases	297.8
Total sources	$ 2,342.8	Total uses	$ 2,342.8

(1) The ABL Facility is expected to have total borrowing capacity of $800.0 million, leaving $430.0 million available and undrawn at close of the ProBuild Acquisition Transactions (subject to availability under a borrowing base and after giving effect to $75.0 million of letters of credit outstanding as of March 31, 2015).
(2) Represents the aggregate principal amount of the First Lien Facility, excluding any offering discounts.
(3) Represents the aggregate principal amount of the notes offered pursuant to the Notes Offering, excluding any offering discounts, to be conditioned on the completion of the ProBuild Acquisition.
(4) Represents the proceeds from this offering, assuming no exercise of the underwriters option to purchase additional shares.
(5) Represents the net purchase price expected to be paid by the Issuer in connection with the ProBuild Acquisition, including funds used to repay certain of the Existing ProBuild Indebtedness.
(6) Represents estimated fees and expenses associated with the ProBuild Acquisition Transactions, including financial advisory fees and other transactional fees and expenses, including legal, accounting and other professional fees.

Affiliates of Citigroup Global Markets Inc. and SunTrust Robinson Humphrey, Inc. are lenders under our existing revolving credit facility and/or ProBuild s existing revolving credit facility and could receive at least 5% of the net proceeds of this offering due to the repayment by us of a portion of the loans under our Existing Credit Facility and ProBuild s existing revolving credit facility. For additional information, see Underwriting (Conflicts of Interest) .

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CAPITALIZATION

The following table sets forth our consolidated cash and cash equivalents and capitalization as of March 31, 2015 on:

- an actual basis with respect to Builders FirstSource, Inc.; and

- a pro forma basis, with respect to the Issuer, after giving effect to the ProBuild Acquisition Transactions.

The information in this table should be read in conjunction with the information under Use of Proceeds, and the audited consolidated financial statements and related notes of the Issuer and the ProBuild Parent, each of which are included elsewhere in this prospectus supplement.

	As of March 31, 2015	
	Actual basis with respect to Builders FirstSource, Inc.	Pro forma giving effect to the ProBuild Acquisition Transactions
	(in thousands)	
Cash and cash equivalents(1)	$ 36,837	$ 127,880
Debt:		
Existing Secured Notes(2)	350,000	350,000
Existing Credit Facility(3)	55,000	
New Senior Unsecured Notes(4)		700,000
ABL Facility(5)		295,000
First-Lien Facility(6)		600,000
Existing capital leases	3,886	297,761
Total long-term debt	408,886	2,242,761
Stockholders equity:		
Preferred stock, $0.01 par value, 10,000 shares authorized; zero and zero shares issued and outstanding at March 31, 2015 and pro forma, respectively		
Common stock, $0.01 par value, 200,000 shares authorized; 98,537 and 106,537 shares issued and outstanding at March 31, 2015 and pro forma, respectively	985	1,065
Additional paid-in capital	380,934	480,934
Accumulated deficit	(347,943)	(372,943)
Total stockholders equity	33,976	108,976
Total capitalization	$ 442,862	$ 2,351,817

(1) Due to seasonal draws under the ABL Facility for working capital purposes, cash and cash equivalents may change.
(2) Represents the aggregate principal amount of the Issuer s Existing Secured Notes.
(3) Represents borrowings under the Issuer s Existing Credit Facility.
(4) Represents the aggregate principal amount of the notes offered pursuant to the Notes Offering, excluding any offering discounts.
(5) The ABL Facility is expected to have total borrowing capacity of $800.0 million, with $430.0 million available and undrawn at close of the ProBuild Acquisition Transactions (subject to availability under a borrowing base and after giving effect to $75.0 million of letters of credit outstanding as of March 31, 2015).
(6) Represents the aggregate principal amount of the First-Lien Facility, excluding any upfront fees or discount.

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SELLING STOCKHOLDER

The table below presents information regarding the selling stockholder and the shares that such selling stockholder is offering under this prospectus supplement. Unless otherwise indicated, beneficial ownership is calculated based on 99,326,375 shares of our common stock outstanding as of July 20, 2015. The number of shares in the column Shares of Common Stock Offered By This Prospectus Supplement represents all of the shares that each selling stockholder is offering under this prospectus supplement. The column Shares of Common Stock Beneficially Owned After Offering reflects the beneficial ownership of the selling stockholder after giving effect to this offering.

Except as noted in this Selling Stockholder section or disclosed in our Proxy Statement on Schedule 14A, which is incorporated by reference herein from our Annual Report on Form 10-K for the fiscal year ended December 31, 2014, the selling stockholder has not had, within the past three years, any position, office or material relationship with us or any of our predecessors or affiliates.

The address of the selling stockholder is 450 Lexington Avenue, New York, New York 10017.

	Shares of Common Stock Beneficially Owned Prior to Offering		Shares of Common Stock Offered by this Prospectus Supplement	Shares of Common Stock Beneficially Owned After Offering	
Beneficial Owner	Number	Percent		Number	Percent
Warburg Pincus Private Equity IX, L.P.	24,863,266	25.0%	3,000,000	21,863,266(1)	20.0%(1)(2)

(1) Assumes no exercise of the underwriters option to purchase additional shares from the selling stockholder.
(2) Assumes no exercise of the underwriters option to purchase additional shares from the selling stockholder or from us.

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UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The accompanying unaudited pro forma condensed combined statement of operations for the year ended December 31, 2014 and as of and for the three months ended March 31, 2015 and the unaudited pro forma condensed combined balance sheet as of March 31, 2015 and the related notes thereto have been derived by the application of pro forma adjustments based upon the historical financial statements of the Issuer and the ProBuild Parent, after giving effect to the ProBuild Acquisition Transactions and related adjustments described in the following notes, and are intended to reflect the impact of the ProBuild Acquisition Transactions on the Issuer on a pro forma basis.

The final terms of the ProBuild Acquisition Transactions will be subject to market conditions and may change materially from the assumptions described in the following unaudited pro forma condensed combined financial information. Changes in assumptions described below with respect to the ProBuild Acquisition Transactions would result in changes to various components of the unaudited pro forma condensed combined balance sheet, including long-term debt and stockholders equity, and various components of the unaudited pro forma condensed combined statement of operations, including interest expense and earnings per share. Depending upon the nature of the changes, the impact on the unaudited pro forma condensed combined financial information could be material.

The final purchase price allocation for the ProBuild Acquisition Transactions will be performed after the closing of the ProBuild Acquisition and will depend on final asset and liability valuations, which may depend in part on prevailing market rates and conditions. These final valuations will be based on the actual net tangible and intangible assets that exist as of the closing of the ProBuild Acquisition. Any final adjustments may change the allocations of purchase price, which could affect the fair value assigned to the assets acquired and liabilities assumed, and could result in a change to the unaudited pro forma condensed combined financial information, including goodwill. The result of the final purchase price allocation could be materially different from the preliminary allocation set forth herein.

The unaudited pro forma condensed combined financial information has been prepared to reflect adjustments to the Issuer s historical consolidated financial information that are (i) directly attributable to the ProBuild Acquisition, (ii) factually supportable and (iii) with respect to the unaudited pro forma combined statement of operations, expected to have a continuing impact on the combined results. The differences between the actual valuations and the current estimated valuations used in preparing the unaudited pro forma condensed combined financial information may be material and will be reflected in the Issuer s future balance sheets and may affect amounts, including depreciation and amortization expense, which the Issuer will recognize in its statement of operations following the acquisition. The unaudited pro forma condensed combined financial information is not intended to represent or be indicative of the consolidated results of operations or financial position of the Issuer that would have been reported had the ProBuild Acquisition Transactions been completed as of the dates presented, and should not be taken as representative of the future consolidated results of operations or financial position of the Issuer. The unaudited pro forma condensed combined financial information does not reflect any operating efficiencies and cost savings that the Issuer may achieve with respect to combining the companies or costs to integrate the business. Synergies and integration costs have been excluded from consideration because they do not meet the criteria for unaudited pro forma adjustments.

The unaudited pro forma condensed combined financial information is provided for informational and illustrative purposes only and should be read in conjunction with the audited consolidated financial statements and the notes related thereto for the Issuer and ProBuild Holdings, Inc. for the years ended December 31, 2012, 2013 and 2014 and the unaudited condensed consolidated financial statements and the notes related thereto for the three months ended March 31, 2014 and 2015 and as of the three months ended March 31, 2015, which are included elsewhere in this prospectus supplement.

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The following unaudited pro forma condensed combined financial information was prepared using the acquisition method of accounting for business combinations under the guidance in Accounting Standards Codification (ASC) Topic 805, Business Combinations, and in accordance with Article 11 of Regulation S-X. The unaudited pro forma condensed combined balance sheet reflects the ProBuild Acquisition Transactions as if they had been consummated on March 31, 2015 and includes pro forma adjustments for preliminary valuations of certain tangible and intangible assets by management in accordance with the acquisition agreement dated April 13, 2015. The unaudited pro forma condensed combined statement of operations for the year ended December 31, 2014 combines the Issuer s historical results for the year ended December 31, 2014 with the ProBuild Parent s historical results for the year ended December 31, 2014 and the unaudited pro forma condensed combined statement of operations for the three months ended March 31, 2015 combines the Issuer s historical results for the three months ended March 31, 2015 with the ProBuild Parent s historical results for the three months ended March 31, 2015. The unaudited pro forma condensed combined statement of operations gives effect to the ProBuild Acquisition Transactions as if they had been consummated on January 1, 2014.

The unaudited pro forma condensed combined financial information has been compiled in a manner consistent with the accounting policies adopted by the Issuer. These accounting policies are similar in most material respects to those of the ProBuild Parent. Following the ProBuild Acquisition, the Issuer will perform a more detailed review of the ProBuild Parent s accounting policies. As a result of that review, differences may be identified between the accounting policies of the two companies that, when conformed, could have a material impact on the combined financial statements.

This offering is not conditioned on the completion of the ProBuild Acquisition. The Notes Offering and our entry into the ABL Facility are each conditioned on the closing of the ProBuild Acquisition.

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Unaudited Pro Forma Condensed Combined Statement of Operations For the Three Months Ended March 31, 2015

	Historical					
	Builders FirstSource	ProBuild Holdings	Presentation Reclassification	Pro Forma Adjustments	Note Ref	Pro Forma Combined Company
	(in thousands, other than per share amounts)					
Statement of Operations Data:						
Net sales	$ 370,986	$ 913,140	$	$		$ 1,284,126
Cost of sales	287,253	676,286	9,185	388	4(c), 5(a)	973,112
Gross margin	83,733	236,854	(9,185)	(388)		311,014
Operating expenses:						
Selling, general and administrative expenses	82,838	247,203	(9,185)	10,152	4(c), 4(d), 5(b)	331,008
Facility closure costs	254				4(d)	254
Total operating expenses	83,092	247,203	(9,185)	10,152		331,262
Income (loss) from operations	641	(10,349)		(10,540)		(20,248)
Interest expense	(7,607)	(12,878)		(23,937)	5(c)	(44,422)
Interest income						
Other income		3,046				3,046
Income (loss) from continuing operations before income tax	(6,966)	(20,181)		(34,477)		(61,624)
Income tax (expense) benefit	(196)	(866)			5(d)	(1,062)
Loss from continuing operations	(7,162)	(21,047)		(34,477)		(62,686)
Income from discontinued operations	92					92
Net loss	(7,070)	(21,047)		(34,477)		(62,594)
Basic net Loss per share:						
Loss from continuing operations	$ (0.07)					$ (0.59)

Income (loss) from discontinued operations					
Net loss	$ (0.07)				$ (0.59)
Diluted net Loss per share:					
Loss from continuing operations	$ (0.07)				$ (0.59)
Loss from discontinued operations					
Net loss	$ (0.07)				$ (0.59)
Weighted average common shares outstanding:					
Basic	98,204		7,468	5(e)	105,672
Diluted	98,624		7,048	5(e)	105,672

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Unaudited Pro Forma Condensed Combined Statement of Operations For the Year Ended December 31, 2014

	Historical					Pro Forma Combined Company
	Builders FirstSource	ProBuild Holdings	Presentation Reclassification	Pro Forma Adjustments	Note Ref	
	(in thousands, other than per share amounts)					
Statement of Operations Data:						
Net sales	$ 1,604,096	$ 4,478,723	$	$		$ 6,082,819
Cost of sales	1,247,099	3,323,726	35,900	(4,490)	4(a), 5(a)	4,602,235
Gross margin	356,997	1,154,997	(35,900)	4,490		1,480,584
Operating expenses:						
Selling, general and administrative expenses	306,508	1,084,052	(47,072)	35,960	4(a), 4(b), 5(b)	1,379,448
Facility closure costs	471		11,172		4(b)	11,643
Total operating expenses	306,979	1,084,052	(35,900)	35,960		1,391,091
Income (loss) from operations	50,018	70,945		(31,470)		89,493
Interest expense	(30,349)	(54,728)		(92,889)	5(c)	(177,966)
Interest income		3,271				3,271
Other income		6,318				6,318
Income (loss) from continuing operations before income tax	19,669	25,806		(124,359)		(78,884)
Income tax (expense) benefit	(1,111)	(596)			5(d)	(1,707)
Income (loss) from continuing operations	18,558	25,210		(124,359)		(80,591)
Loss from discontinued operations	(408)					(408)
Net income (loss)	18,150	25,210		(124,359)		(80,999)
Basic net income (loss) per share:						
	$ 0.19					$ (0.77)

Income (loss) from continuing operations							
Loss from discontinued operations							
Net income (loss)	$	0.19				$	(0.77)
Diluted net income (loss) per share:							
Income (loss) from continuing operations	$	0.18				$	(0.77)
Loss from discontinued operations							
Net income (loss)	$	0.18				$	(0.77)
Weighted average common shares outstanding:							
Basic		98,050		7,366	5(e)		105,416
Diluted		100,522		5,342	5(e)		105,864

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Unaudited Pro Forma Condensed Combined Balance Sheet As of March 31, 2015

	Historical					Pro Forma Combined Company
	Builders FirstSource	ProBuild Holdings	Presentation Reclassification (in thousands)	Pro Forma Adjustments	Note Ref	
Assets						
Current assets:						
Cash	$ 36,837	$ 15,665		$ 74,878	6(a), 6(g)	$ 127,380
Accounts receivable, net	157,221	414,558				571,779
Nontrade receivables						
Inventories	146,824	337,066		89,134	6(b), 6(c)	573,024
Other current assets	24,215	21,444		4,479	6(d), 6(g)	50,138
Total current assets	365,097	788,733		168,491		1,322,321
Net property and equipment	84,734	561,828		124,372	6(c)	770,934
Other assets:						
Goodwill	141,090	1,026,159		(840,322)	6(c)	326,927
Intangibles, net	16,657	3,660		520,040	6(c)	540,357
Assets held for sale		10,016				10,016
Other assets, net	17,878	3,255		43,229	6(d), 6(g)	64,362
Total other assets	175,625	1,043,090		(277,053)		941,662
Total assets	$ 625,456	$ 2,393,651		$ 15,810		$ 3,034,917
Liabilities and Stockholders Equity						
Current liabilities:						
Accounts payable	$ 90,737	$ 292,583				$ 383,320
Checks outstanding						
Accrued liabilities	74,083	205,368		(6,830)	6(c), 6(g)	272,621
Current maturities of long-term debt and lease obligations	55,076	6,269		(49,000)	6(d)	12,345
Deferred income taxes		4,069		(4,069)	6(g)	
Total current liabilities	219,896	508,289		(59,899)		668,286
	353,810	1,327,888		542,718	6(d)	2,224,416

Long-term debt, net of current maturities					
Deferred income taxes		4,176	(4,173)	6(g)	3
Other long-term liabilities	17,774	15,662	(200)	6(c)	33,236
Total liabilities	591,480	1,856,015	478,446		2,925,941
Stockholders equity:					
Common stock	985	5	(5)	6(e)	985
Additional paid-in capital	380,934	869,218	(769,218)	6(e)	480,934
Retained deficit	(347,943)	(815,485)	790,485	6(f)	(372,943)
Noncontrolling interest		483,898	(483,898)	6(f)	
Total stockholders equity	33,976	537,636	(462,636)		108,976
Total liabilities and stockholders equity	$ 625,456	$ 2,393,651	$ 15,810		$ 3,034,917

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Notes to Unaudited Pro Forma Condensed Combined Financial Information

1. Description of Transaction

On April 13, 2015, the Issuer entered into a Securities Purchase Agreement (the Agreement) with ProBuild Holdings LLC, and the holders of securities of ProBuild named as parties thereto (collectively, the Sellers). Pursuant to the Agreement, the Issuer will acquire all of the operating affiliates of ProBuild through the purchase of all of the issued and outstanding equity interests of ProBuild for approximately $1.63 billion, subject to working capital adjustments and other adjustments (the ProBuild Acquisition).

On July 16, 2015, the Issuer offered $700,000,000 aggregate principal amount of 10.75% senior notes due 2023 (the Senior Unsecured Notes). Concurrently with the issuance of the Senior Unsecured Notes, the Issuer expects to enter into a new credit agreement governing the terms of a new $600.0 million senior secured term loan facility (the First Lien Facility) with Deutsche Bank AG New York Branch, as administrative agent and collateral agent, and the lenders and financial institutions party thereto from time to time, and the terms of an amended and restated senior secured ABL facility with an initial aggregate borrowing capacity of $800.0 million (the ABL Facility), with SunTrust Bank, as administrative agent and collateral agent, and the lenders and financial institutions party thereto from time to time. A portion of the proceeds of the borrowings will be used on the closing date of the ProBuild Acquisition to pay a portion of the aggregate acquisition consideration, to refinance certain of the Issuer s existing debt and to pay related fees and expenses.

2. Basis of Presentation

The unaudited pro forma condensed combined financial information included herein has been prepared pursuant to the rules and regulations of the SEC. Certain information and certain footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations; however, management believes that the disclosures are adequate to make the information presented not misleading.

3. Accounting Policies

Following the ProBuild Acquisition, the Issuer will conduct a review of accounting policies of ProBuild in an effort to determine if differences in accounting policies require reclassification of results of operations or reclassification of assets or liabilities to conform to the Issuer s accounting policies and classifications. As a result of that review, the Issuer may identify differences among the accounting policies of the companies that, when conformed, could have a material impact on the Unaudited pro forma condensed combined financial information. The Issuer has completed a preliminary review of accounting policies for purposes of the unaudited pro forma condensed combined financial information. During the preparation of the unaudited pro forma condensed combined financial information, the Issuer identified a significant difference in accounting policy in regards to accounting for inventory. The Issuer accounts for the cost of inventory using the weighted average method, the use of which approximates the first-in, first-out method. The ProBuild Parent accounts for the cost of inventory using last-in, first-out method. An adjustment has been made in the unaudited pro forma condensed combined financial information to conform the ProBuild Parent s inventory cost policy to the Issuer s.

4. Reclassifications of Historical ProBuild

The audited combined financial statements of the ProBuild Parent reflect all of the operations of the business to be acquired by the Issuer. Net liabilities, included in the audited combined financial statements of the ProBuild Parent, not assumed in the acquisition were approximately $644.4 million as described in footnote 6(g). Financial information presented in the Historical ProBuild column in the unaudited pro forma condensed combined statement of operations represents the historical combined statement of operations of the ProBuild Parent for the year ended December 31, 2014 and for the three months ended March 31, 2014 and March 31, 2015, respectively. Such financial information has been reclassified or classified to conform to the historical presentation in the Issuer s consolidated financial statements as set forth below. Unless otherwise indicated, defined line items included in the footnotes have the meanings given to them in the historical financial statements of the ProBuild Parent.

Reclassifications incorporated in the unaudited pro forma condensed combined statement of operations for the year ended December 31, 2014:

	Before Reclassification	Reclassification Amount	Ref	After Reclassification
Cost of sales	3,323,726	35,900	(a)	3,359,626
Selling, general and administrative	1,084,052	(47,072)	(a),(b)	1,036,980
Facility closure costs		11,172	(b)	11,172

Reference:

(a) Represents reclassification of $35.9 million from Selling, general and administrative expenses to Costs of sales primarily related to manufacturing overhead, including indirect labor and benefits, rent and facility costs.

(b) Represents reclassification of $11.2 million from Selling, general and administrative expenses to Facility closure costs related to facility closures and related overhead.

Reclassifications incorporated in the unaudited pro forma condensed combined statement of operations for the three months ended March 31, 2015:

	Before Reclassification	Reclassification Amount	Ref	After Reclassification
Cost of sales	$ 676,286	$ 9,185	(c)	$ 685,471
Selling, general and administrative	247,203	(9,185)	(c), (d)	238,018
Facility closure costs			(d)	

Reference:

(c) Represents reclassification of $9.2 million from Selling, general and administrative expenses to Costs of sales primarily related to manufacturing overhead, including indirect labor and benefits, rent and facility costs.

(d) No facility closure charges were incurred in the three months ended March 31, 2015.

5. Unaudited Pro Forma Condensed Combined Statement of Operations Adjustments

(a) Historically, the ProBuild Parent reported inventory cost on a last-in, first-out basis. This adjustment conforms the inventory cost basis to first-in, first-out as a decrease to cost of sales of $6.5 million and $0 million for the year ended December 31, 2014 and for the three months ended March 31, 2015, respectively. Adjustment also represents incremental depreciation of production-related assets of $2.0 million and $0.4 million, based on the fair value of property, plant and equipment, for the year ended December 31, 2014 and for the three months ended March 31, 2015, respectively.

(b) In accordance with ASC 805, the purchase price of ProBuild will be allocated to the fair value of its assets and liabilities. The fair value of property, plant and equipment was approximately $686.2 million and the fair value of intangible assets was approximately $523.7 million. This adjustment increases selling, general and administrative expenses for incremental depreciation and amortization expense based on the fair value of property, plant and equipment and definite-lived intangible assets acquired as follows:

	Year Ended December 31, 2014	
	Net Property and Equipment	**Intangible Assets, Net**
Preliminary fair value	**$ 686,200**	**$ 523,700**
Estimated pro forma depreciation and amortization	$ 70,100	$ 30,668
Portion attributable to cost of sales	(7,010)	
Pro forma attributable to selling, general and administrative expenses	63,090	30,668
Historical depreciation and amortization	(48,313)	(9,485)
Incremental depreciation and amortization attributable to selling, general and administrative expenses	**$ 14,777**	**$ 21,183**

	Three Months Ended March 31, 2015	
	Net Property and Equipment	**Intangible Assets, Net**
Preliminary fair value	**$ 686,200**	**$ 523,700**
Estimated pro forma depreciation and amortization	$ 17,525	$ 7,667
Portion attributable to cost of sales	(1,753)	
Pro forma attributable to selling, general and administrative expenses	15,772	7,667
Historical depreciation and amortization	(12,300)	(988)
Incremental depreciation and amortization attributable to selling, general and administrative expenses	**$ 3,472**	**$ 6,679**

Depreciable property and equipment is expected to be amortized on a straight-line basis over an estimated average useful life of 7 years. Intangible assets are expected to be amortized on a straight-line basis over estimated useful lives of 15 20 years.

(c) To consummate the ProBuild Acquisition, the Issuer expects to enter into a $600.0 million First Lien Term Facility and $800.0 million ABL Facility, of which, $295.0 million is expected to be drawn on the date of the ProBuild Acquisition (excluding certain adjustments which may result from changes to working capital and any additional amounts required to pay down the Issuer s existing revolver), and to issue up to $700.0 million of Senior Unsecured Notes. Interest on the First Lien Term Facility and ABL Facility will be variable, while interest on the Senior Unsecured Notes will be fixed. Borrowings made in connection with the ProBuild Acquisition Transactions reflect an assumed weighted average interest rate of approximately 7.3%. The following pro forma adjustment to the unaudited pro forma condensed combined statement of operations is shown below.

	Year Ended December 31, 2014
Interest expense on financing incurred in connection with the ProBuild Acquisition Transactions at 7.3%	$ 119,507
Interest expense on ProBuild capital leases	20,982
Reverse interest expense recorded in ProBuild s historical results	(54,728)
Reverse interest expense recorded in the Issuer s historical results related to the existing revolver	(1,283)
Amortization of deferred financing costs and original issue discount recorded in connection with the ProBuild Acquisition Transactions	8,411
Total pro forma adjustment to interest expense	$ 92,889

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	Three Months Ended March 31, 2015
Interest expense on financing incurred in connection with the ProBuild Acquisition Transactions at 7.3%	$ 29,877
Interest expense on ProBuild capital leases	5,245
Reverse interest expense recorded in ProBuild s historical results	(12,878)
Reverse interest expense recorded in the Issuer s historical results related to the existing revolver	(410)
Amortization of deferred financing costs and original issue discount recorded in connection with the ProBuild Acquisition Transactions	2,103
Total pro forma adjustment to interest expense	$ 23,937

The Issuer estimates the weighted average interest rate on the new debt incurrence to be approximately 7.3%. A hypothetical 1/8% increase or decrease in the expected weighted average interest rate on financing incurred in connection with the Transactions, including from an increase in LIBOR (excluding the impact of the LIBOR floor), would increase or decrease interest expense on the Issuer s financing by approximately $2.6 million annually.

(d) For purposes of this unaudited pro forma combined financial data, the United States federal statutory tax rate of 35% has been used for all periods presented and then the income tax benefit has been fully reserved given the historical operating losses of the Issuer. This rule does not reflect the Issuer s effective tax rate, which includes other tax items, such as state taxes, as well as other tax charges or benefits, and does not take into account any historical or possible future tax events that may impact the Issuer.

(e) Basic and diluted earnings per share calculations are computed using the two-class method and are based on the Issuer s historical basic and diluted weighted-average shares plus the new shares issued as part of the ProBuild Acquisition. The ProBuild Acquisition is estimated to include the issuance of $100.0 million new equity at an assumed price of $13.39 per share (which was the closing price of the Issuer s common stock as of July 24, 2015), or approximately 7.5 million shares. The number of shares to be issued will vary based on a number of factors including the equity offering price. The incremental common shares used in the pro forma earnings per share calculations differ from the 7.5 million shares issued for the ProBuild Acquisition. The difference reflects the change in pro forma weighted average shares outstanding after giving effect to the pro forma net loss and the pro forma share issuance.

6. Unaudited Pro Forma Condensed Combined Balance Sheet Adjustments

(a) Cash reflects an increase of $91.0 million according to the following acquisition sources and uses:

Sources of funds:	
ABL Facility	$ 295,000
First Lien Facility	600,000

Senior Unsecured Notes	700,000
New Common Equity	100,000
Total sources of funds	$ 1,695,000
Use of funds:	
Cash paid to Sellers at closing	$ 1,071,832
Paydown of ProBuild historical debt	390,282
Paydown of other ProBuild liabilities	4,093
Paydown of the Issuer s existing revolver	55,000
Transaction costs	25,000
New debt issuance costs and original issuance discount	57,750
Excess cash	91,043
Total use of funds	$ 1,695,000

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(b) Reflects the increase to inventory of $52.2 million to align ProBuild s last-in, first-out inventory cost method to the Issuer s first-in, first-out inventory cost method.

(c) The unaudited pro forma condensed combined balance sheet has been adjusted to reflect the preliminary allocation by management of the ProBuild purchase price to identifiable tangible and intangible net assets acquired and the excess purchase price to goodwill.

Under the acquisition method of accounting, the total estimated purchase price is allocated to ProBuild s net tangible and intangible assets based on their estimated fair values at the date of the completion of the acquisition.

Below is a preliminary estimate of the purchase consideration for ProBuild, adjustment to the historical book value for net assets not acquired and the allocation of the purchase price to acquired identifiable assets and assumed liabilities.

Preliminary purchase consideration		**$ 1,625,000**
Less estimated working capital adjustment		(71,910)
Less other purchase price adjustments		(86,882)
Adjusted preliminary purchase consideration		**$ 1,466,208**
Historical book value of net assets acquired		
Book value of ProBuild s historical net assets as of March 31, 2015	$ 537,636	
Net liabilities not assumed	644,387	
Historical book value of net assets to be acquired	1,182,023	
Plus inventory FIFO to LIFO adjustment	52,200	
Plus paydown of ProBuild historical debt	390,282	
Plus paydown of other ProBuild liabilities	4,093	
Less historical goodwill	(1,026,159)	
Less historical intangibles	(3,660)	
Adjusted value of net assets to be acquired		598,779
Excess purchase price over net assets		867,429
Adjustments to reflect preliminary fair value of assets acquired		
Write off ProBuild deferred financing costs	(3,414)	
Inventories	36,934	
Property, plant & equipment	124,372	
Other intangibles, net definite lived	523,700	
Preliminary fair value adjustments		681,592
Estimated goodwill		**$ 185,837**
Historical goodwill		$ (1,026,159)
Estimated goodwill		185,837
Pro forma goodwill adjustment		**$ (840,322)**

The purchase price allocation for the ProBuild Acquisition includes values assigned to certain specific identifiable intangible assets aggregating approximately $523.7 million. The trade name related intangible assets are valued at $254.7 million, which was determined by estimating the present value of future royalty costs that will be avoided due to the Issuer s ownership of the trade names acquired. The customer-related intangible is valued at $269.0 million, which was determined by estimating the present value of expected future net cash flows derived from such customers.

Inventories are increased to their estimated fair value, which represents an amount equivalent to estimated selling prices less distribution related costs and a normative selling profit. This inventory adjustment is expected to be fully recognized in cost of sales in the first three months after the transaction. We expect this step-up in basis and amortization of this amount to have a negative effect on gross margins until fully recognized.

Upon closing, the purchase consideration will be adjusted for working capital levels and other adjustments as stipulated in the purchase agreement.

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Upon completion of the fair value assessment, the Issuer anticipates that the final purchase price allocation will differ from the preliminary assessment provided above. Any changes to the initial estimates of the fair value of the assets and liabilities will be recorded as adjustments to those assets and liabilities and the residual amounts will be allocated as an increase or decrease to goodwill.

(d) The adjustments to debt are comprised of the following:

Current Portion of Long Term Debt:	
Current portion of First Lien Facility	$ 6,000
Paydown of existing revolver	(55,000)
Net change in current maturities of long term debt	$ (49,000)
Long Term Debt:	
Non-current portions of First Lien Facility, ABL Facility and the Senior Unsecured Notes	$ 1,583,000
Paydown of ProBuild historical debt	(390,282)
ProBuild historical debt not assumed	(650,000)
Net change in long term debt	$ 542,718

Deferred financing fees of $52.2 million have been recorded, with $7.5 million classified as other current assets and $44.7 million classified as non-current assets. The proceeds from the First Lien Facility have been reduced by a $6.0 million original issue discount, which is presented as a reduction of the outstanding balance on the First Lien Term Loan on the balance sheet.

Deferred financing fees incurred in relation to the First Lien Facility, ABL Facility and Senior Unsecured Notes will be amortized over the contractual term of such respective facilities. Amounts related to the original issue discount will be amortized over the contractual term of the First Lien Facility.

Deferred financing fees of $3.4 million relating to ProBuild s previous credit facility have been eliminated from other current assets ($2.2 million) and other assets, net ($1.2 million) with a corresponding decrease to retained earnings. No adjustment has been made to the unaudited pro forma condensed combined statements of operations for these costs as they are non-recurring.

(e) Adjustment eliminates ProBuild s common stock and additional paid in capital of $869.2 million and reflects the issuance of new equity of $100.0 million related to the ProBuild Acquisition.

(f) Represents the elimination of ProBuild s retained deficit of $815.5 million and estimated transaction fees expected to be incurred related to the ProBuild Acquisition of $25.0 million. Also represents the elimination of ProBuild s non-controlling interest of $483.9 million.

(g) Net liabilities not assumed primarily consist of long term debt and related accrued interest, cash, income tax receivables, and deferred tax liabilities included in the following captions in the ProBuild Parent s financial statements.

	Amount	Line Item Impacted
Cash	$ 15,665	Cash
Income tax receivable	918	Other current assets
Related party receivable	210	Other assets, net
Assets not acquired	16,793	
Accrued interest	2,938	Accrued liabilities
Deferred taxes payable current	4,069	Deferred income taxes
Deferred taxes payable long term	4,173	Deferred income taxes
Long term debt	650,000	Long term debt, net of current maturities
Liabilities not assumed	661,180	
Net liabilities not assumed	$ (644,387)	

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MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR BUILDERS FIRSTSOURCE, INC.

The following discussion of our financial condition and results of operations should be read in conjunction with the Unaudited Pro Forma Condensed Combined Financial Information, the Selected Historical Consolidated Financial Information for Builders FirstSource, Inc. and our audited consolidated financial statements and the notes related thereto, each included elsewhere in this prospectus supplement.

Unless stated otherwise or the context otherwise requires, references in this section to we, us or our refer to the historical operations of the Issuer.

This offering is not conditioned on the completion of the ProBuild Acquisition. While certain information provided herein describes the combined business, there is no assurance that the ProBuild Acquisition will be completed and this offering is not conditioned on the completion of the ProBuild Acquisition. As a result, you should read carefully the information included and incorporated by reference in this prospectus supplement and the accompanying prospectuses that describes the business, prospects and risks of the Issuer on a standalone basis.

Builders FirstSource, Inc.

We are a leading supplier and manufacturer of structural and related building products for residential new construction. Except where otherwise noted, the financial information set out below relates to our historical operations for the years ended December 31, 2012, 2013 and 2014 and the three months ended March 31, 2014 and 2015 without giving effect to the ProBuild Acquisition.

Results of Operations

The following table sets forth the percentage relationship to sales of certain costs, expenses and income items for the periods indicated:

	Year Ended December 31,			Three Months Ended March 31,	
	2012	**2013**	**2014**	**2014**	**2015**
Sales	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of sales	80.0	78.5	77.7	78.3	77.4
Gross margin	20.0	21.5	22.3	21.7	22.6
Selling, general and administrative expenses	20.8	18.3	19.1	20.0	22.3
Asset impairments	0.0	0.0	0.0		