

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): November 1, 1995

Boise Cascade Corporation

(Exact Name of Registrant as Specified in Its Charter)

Delaware

1-5057

82-0100960

(State or Other Jurisdiction of
Incorporation or Organization) (Commission
File Number) (I.R.S. Employer
Identification No.)

1111 W. Jefferson St., Boise, Idaho

83702

(Address of Principal Executive Offices) (ZIP Code)

Registrant's Telephone Number, Including Area Code: 208/384-6161

Item 2. Acquisition or Disposition of Assets.

On November 1, 1995, the Company announced that the merger of Rainy River Forest Products Inc. ("Rainy River") and Stone-Consolidated Corporation was completed. Boise Cascade held approximately 49% of the voting shares and 60% of the total equity in Rainy River. As a result of the transaction, the Company received approximately US\$183 million. The proceeds from this transaction will be used to reduce debt, make capital investments, and enhance shareholder returns.

The Company holds approximately 6.6 million shares of Stone-Consolidated common stock, representing approximately 6.4% of Stone-Consolidated's outstanding common stock. In addition, the Company holds approximately 2.8 million shares of Stone-Consolidated's redeemable preferred stock.

Item 7. Financial Statements, Pro Forma Financial Information, and Exhibits.

(b) Pro forma financial information:

The unaudited pro forma Boise Cascade Corporation and subsidiaries financial information giving effect to the transaction discussed in Item 2 of this report on Form 8-K is set forth in Exhibit 20 attached hereto and filed herewith.

(c) Exhibits:

20 Unaudited pro forma Boise Cascade Corporation and Subsidiaries financial information, including: condensed balance sheet as of September 30, 1995; consolidated statement of income for the nine months ended September 30, 1995; consolidated statement of loss for the twelve months ended December 31, 1994; and notes to unaudited pro forma financial information.

99 News release issued by the Company on November 1, 1995.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BOISE CASCADE CORPORATION

/s/ TOM E. CARLILE
Tom E. Carlile
Vice President and Controller

Date: November 14, 1995

Exhibit Index

Exhibit No.	Description	Page
20	Unaudited pro forma Boise Cascade Corporation and Subsidiaries financial information, including: condensed balance sheet as of September 30, 1995; consolidated statement of income for the nine months ended September 30, 1995; consolidated statement of loss for the twelve months ended December 31, 1994; and notes to unaudited pro forma financial information.	
99	News release issued by the Company on November 1, 1995.	

Unaudited pro forma Boise Cascade Corporation and Subsidiaries financial information, including: condensed balance sheet as of September 30, 1995; consolidated statement of income for the nine months ended September 30, 1995; consolidated statement of loss for the twelve months ended December 31, 1994; and notes to unaudited pro forma financial information.

Unaudited Pro Forma Boise Cascade Corporation
and Subsidiaries
Financial Information

The following unaudited pro forma consolidated condensed balance sheet as of September 30, 1995, and the unaudited pro forma consolidated statements of income (loss) for the nine months ended September 30, 1995, and the twelve months ended December 31, 1994, give effect to the following transactions:

On October 13, 1994, the Company's Canadian subsidiary, Rainy River Forest Products Inc., ("Rainy River"), completed an initial public offering of units (the "Units") of its equity and debt securities. Concurrently with the sale of the Units, Rainy River also sold to the public US\$110,000,000 aggregate principal amount of 10 3/4% Senior Secured Notes due 2001 (the "Senior Notes").

The sale of Cdn. \$420,000,000 of Units consisted of 14,000,000 newly issued common shares of Rainy River sold to the public for an aggregate offering price of Cdn. \$210,000,000 and Cdn. \$210,000,000 principal amount 8.0% Convertible Unsecured Subordinated Debentures due October 15, 2004 (the "Convertible Debentures") sold to the public at 100% of the principal amount thereof plus accrued interest, if any. Net proceeds to Rainy River, after payment of underwriters' fees, from the Units offering was Cdn. \$199,500,000 with respect to the common shares and Cdn. \$199,500,000 with respect to the Convertible Debentures. The initial public offering price of the Units was determined through negotiations between Rainy River and the underwriters. The Units were separated into common shares and Convertible Debentures at the closing of the Units offering.

The common shares sold represented approximately 51% of the total outstanding voting common shares and approximately 40.34% of the total outstanding equity of Rainy River. As a result, the Company owned 49% of the outstanding voting common shares and 59.66% of the total equity of Rainy River.

Rainy River owned and operated a newsprint mill in Kenora, Ontario, Canada, and an uncoated groundwood papers mill in Fort Frances, Ontario, Canada. On September 28, 1994, Rainy River acquired as part of its reorganization and refinancing, including the sale of the Units and the Senior Notes, the Company's West Tacoma, Washington, newsprint mill and its associated working capital. On the same date, Rainy River also acquired the newsprint and uncoated groundwood papers marketing and sales organization of the Company. The Company recorded a receivable of approximately US\$148,000,000 from Rainy River as consideration for these transactions. Rainy River and the Company also entered into an agreement whereby Rainy River will purchase from the Company, at a brokerage discount for resale to customers of Rainy River, all of the newsprint produced at the Company's mill located at DeRidder, Louisiana, for which orders have been received by Rainy River.

On October 13, 1994 the Company received cash of US\$181,724,000 from Rainy River which included payment of the consideration for these transactions and repayment of cash advances.

Since the Company no longer exercised control, Rainy River was accounted for on the equity method retroactive to January 1, 1994, in the Company's historical consolidated financial statements.

In the second quarter of 1995, the Company provided US\$32,500,000 of income taxes for the tax effect of the difference in the book and tax bases of its stock ownership in Rainy River.

On November 1, 1995, the Company announced that the merger of Rainy River and Stone-Consolidated Corporation was completed. The new company will continue to do business as Stone-Consolidated Corporation ("Stone-Consolidated"). As a result of the transaction, Boise Cascade received approximately US\$183,482,000. The Company will use the proceeds from this transaction to reduce debt, make capital investments, and enhance shareholder returns.

The Company holds approximately 6,600,000 shares of Stone-Consolidated common stock valued on November 1, 1995, at approximately US\$102,099,000, and representing approximately 6.4% of Stone-Consolidated's outstanding common stock. In addition, the Company holds approximately 2,800,000 shares of Stone-Consolidated's redeemable preferred stock valued on November 1, 1995, at approximately US\$45,742,000. The Company will account for its holdings in Stone-Consolidated on the cost method.

The unaudited pro forma consolidated financial information is presented as if these transactions had been completed as of September 30, 1995, for the pro forma consolidated condensed balance sheet and as of the first day of each period for which pro forma consolidated statements of income (loss) are presented.

The pro forma financial information does not purport to be indicative of the actual financial position as it will finally be recorded, or the results of operations which would actually have been reported if the transactions had occurred on the dates or for the periods indicated, or which may be reported in the future. The pro forma financial information should be read in conjunction with the separate historical consolidated financial statements and the related notes to such financial statements of Boise Cascade and Rainy River.

Boise Cascade Corporation and Subsidiaries
Pro Forma Condensed Balance Sheet
September 30, 1995
(expressed in thousands)
(unaudited)

	Historical Boise Cascade Corporation and Subsidiaries (Note 1)	Investment in Rainy River (Note 2)	Pro Forma Adjustments	Pro Forma Boise Cascade Corporation and Subsidiaries
ASSETS				
Current				
Cash and cash items	\$ 45,778	\$ -	\$ -	\$ 45,778
Short-term investments	28,609	-	-	28,609
	<u>74,387</u>	<u>-</u>	<u>-</u>	<u>74,387</u>
Receivables, net	509,236	-	-	509,236
Inventories	474,550	-	-	474,550
Deferred income tax benefits	79,356	-	-	79,356
Other	25,350	-	147,841 (c)	173,191
	<u>1,162,879</u>	<u>-</u>	<u>147,841</u>	<u>1,310,720</u>
Property				
Property and equipment	4,702,597	-	-	4,702,597
Accumulated depreciation	(2,193,494)	-	-	(2,193,494)
	<u>2,509,103</u>	<u>-</u>	<u>-</u>	<u>2,509,103</u>
Timber, timberlands, and timber deposits	399,528	-	-	399,528
	<u>2,908,631</u>	<u>-</u>	<u>-</u>	<u>2,908,631</u>
Investments in equity affiliates	251,446	(227,406) (a)	-	24,040
Other assets	301,032	-	-	301,032
	<u>552,478</u>	<u>(227,406)</u>	<u>-</u>	<u>325,072</u>
Total assets	\$4,623,988	\$ (227,406)	\$ 147,841	\$4,544,423
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Notes payable	\$ 183,000	\$ -	\$ -	\$ 183,000
Current portion of long-term debt	609	-	-	609
Accounts payable	352,321	-	-	352,321
Accrued liabilities	323,308	-	33,526 (d)	356,834
	<u>859,238</u>	<u>-</u>	<u>33,526</u>	<u>892,764</u>
Debt				
Long-term debt, less current portion	1,268,423	-	(183,482) (b)	1,084,941
Guarantee of ESOP debt	228,212	-	-	228,212
	<u>1,496,635</u>	<u>-</u>	<u>(183,482)</u>	<u>1,313,153</u>
Other				
Deferred income taxes	306,340	4,269 (a)	9,194 (d)	319,803
Other long-term liabilities	256,851	-	-	256,851
	<u>563,191</u>	<u>4,269</u>	<u>9,194</u>	<u>576,654</u>
Minority interest	64,968	-	-	64,968
Shareholders' equity				
Preferred stock	563,897	-	-	563,897
Deferred ESOP benefit	(228,212)	-	-	(228,212)
Common stock	120,142	-	-	120,142
Additional paid-in capital	202,870	-	-	202,870
Retained earnings	981,259	7,928 (a)	49,000 (d)	1,038,187
	<u>1,639,956</u>	<u>7,928</u>	<u>49,000</u>	<u>1,696,884</u>
Total liabilities and				

shareholders' equity

\$4,623,988

\$ 12,197

\$ (91,762)

\$4,544,423

Boise Cascade Corporation and Subsidiaries
Pro Forma Statement of Income
Nine Months Ended September 30, 1995
(expressed in thousands, except earnings per share)
(unaudited)

	Historical Boise Cascade Corporation and Subsidiaries (Note 1)	Equity in Net Income of Rainy River (Note 3)	Pro Forma Adjustments	Pro Forma Boise Cascade Corporation and Subsidiaries
Revenues				
Sales	\$3,832,270	\$ -	\$ -	\$3,832,270
Other expense, net	(17,310)	-	-	(17,310)
	<u>3,814,960</u>	<u>-</u>	<u>-</u>	<u>3,814,960</u>
Cost and expenses				
Materials, labor, and other operating expenses	2,841,890	-	-	2,841,890
Depreciation and cost of company timber harvested	182,750	-	-	182,750
Selling and administrative expenses	315,150	-	-	315,150
	<u>3,339,790</u>	<u>-</u>	<u>-</u>	<u>3,339,790</u>
Equity in net income of affiliates	33,310	(30,366) (a)	-	2,944
Income from operations	<u>508,480</u>	<u>(30,366)</u>	<u>-</u>	<u>478,114</u>
Interest expense	(105,380)	-	9,495 (b)	(95,885)
Interest income	2,210	-	2,745 (c)	4,955
Foreign exchange gain	20	-	-	20
Gain on subsidiaries' issuance of stock	66,160	-	-	66,160
	<u>(36,990)</u>	<u>-</u>	<u>12,240</u>	<u>(24,750)</u>
Income before income taxes and minority interest	471,490	(30,366)	12,240	453,364
Income tax provision	(186,520)	10,628 (a)	(3,694) (b)	(148,154)
	-	-	(1,068) (c)	-
	-	-	32,500 (d)	-
Income before minority interest	<u>284,970</u>	<u>(19,738)</u>	<u>39,978</u>	<u>305,210</u>
Minority interest, net of income tax	(3,530)	-	-	(3,530)
Net income	<u>\$ 281,440</u>	<u>\$ (19,738)</u>	<u>\$ 39,978</u>	<u>\$ 301,680</u>
Primary net income per share	\$ 4.78			\$ 5.15
Fully diluted net income per share	\$ 4.32			\$ 4.65
Average primary common shares	54,886			54,886
Average fully diluted common shares	61,667			61,667

Boise Cascade Corporation and Subsidiaries
Pro Forma Statement of Loss
Twelve Months Ended December 31, 1994
(expressed in thousands, except earnings per share)
(unaudited)

	Historical Boise Cascade Corporation and Subsidiaries (Note 1)	Equity in Net Loss of Rainy River (Note 4)	Pro Forma Adjustments	Pro Forma Boise Cascade Corporation and Subsidiaries
Revenues				
Sales	\$4,140,390	\$ -	\$ (5,450)(b)	\$4,134,940
Other income, net	1,360	-	-	1,360
	<u>4,141,750</u>	<u>-</u>	<u>(5,450)</u>	<u>4,136,300</u>
Cost and expenses				
Materials, labor, and other operating expenses	3,453,730	-	1,460 (c)	3,455,190
Depreciation and cost of company timber harvested	236,430	-	-	236,430
Selling and administrative expenses	336,970	-	-	336,970
	<u>4,027,130</u>	<u>-</u>	<u>1,460</u>	<u>4,028,590</u>
Equity in net income (loss) of affiliates	(22,930)	26,794 (a)	-	3,864
Income from operations	<u>91,690</u>	<u>26,794</u>	<u>(6,910)</u>	<u>111,574</u>
Interest expense	(147,800)	-	12,660 (d)	(128,260)
	-	-	6,880 (d)	-
Interest income	1,690	-	3,659 (e)	5,349
Foreign exchange loss	(130)	-	-	(130)
Loss on subsidiary's sale of stock	(10,200)	-	10,200 (f)	-
	<u>(156,440)</u>	<u>-</u>	<u>33,399</u>	<u>(123,041)</u>
Loss before income taxes	(64,750)	26,794	26,489	(11,467)
Income tax benefit	2,140	(9,378)(a)	20,200 (g)	2,659
	-	-	(10,303)(h)	-
Net loss	<u>\$ (62,610)</u>	<u>\$ 17,416</u>	<u>\$ 36,386</u>	<u>\$ (8,808)</u>
Primary and fully diluted net loss per share	<u>\$ (3.08)</u>			<u>\$ (1.67)</u>
Average common shares	38,110			38,110

Boise Cascade Corporation and Subsidiaries
Notes to Pro Forma Financial Information
(unaudited)

1. Basis of Reporting

The accompanying pro forma consolidated condensed balance sheet as of September 30, 1995, and the pro forma consolidated statements of income (loss) for the nine months ended September 30, 1995, and the year ended December 31, 1994, give effect to the following transactions:

On October 13, 1994, the Company's Canadian subsidiary, Rainy River Forest Products Inc., ("Rainy River"), completed an initial public offering of units (the "Units") of its equity and debt securities. Concurrently with the sale of the Units, Rainy River also sold to the public US\$110,000,000 aggregate principal amount of 10 3/4% Senior Secured Notes due 2001 (the "Senior Notes").

The sale of Cdn. \$420,000,000 of Units consisted of 14,000,000 newly issued common shares of Rainy River sold to the public for an aggregate offering price of Cdn. \$210,000,000 and Cdn. \$210,000,000 principal amount 8.0% Convertible Unsecured Subordinated Debentures due October 15, 2004 (the "Convertible Debentures") sold to the public at 100% of the principal amount thereof plus accrued interest, if any. Net proceeds to Rainy River, after payment of underwriters' fees, from the Units offering was Cdn. \$199,500,000 with respect to the common shares and Cdn. \$199,500,000 with respect to the Convertible Debentures. The initial public offering price of the Units was determined through negotiations between Rainy River and the underwriters. The Units were separated into common shares and Convertible Debentures at the closing of the Units offering.

The common shares sold represented approximately 51% of the total outstanding voting common shares and approximately 40.34% of the total outstanding equity of Rainy River. As a result, the Company owned 49% of the outstanding voting common shares and 59.66% of the total equity of Rainy River.

Rainy River owned and operated a newsprint mill in Kenora, Ontario, Canada, and an uncoated groundwood papers mill in Fort Frances, Ontario, Canada. On September 28, 1994, Rainy River acquired as part of its reorganization and refinancing, including the sale of the Units and the Senior Notes, the Company's West Tacoma, Washington, newsprint mill and its associated working capital. On the same date, Rainy River also acquired the newsprint and uncoated groundwood papers marketing and sales organization of the Company. The Company recorded a receivable of approximately US\$148,000,000 from Rainy River as consideration for these transactions. Rainy River and the Company also entered into an agreement whereby Rainy River will purchase from the Company, at a brokerage discount for resale to customers of Rainy River, all of the newsprint produced at the Company's mill located at DeRidder, Louisiana, for which orders have been received by Rainy River.

On October 13, 1994 the Company received cash of US\$181,724,000 from Rainy River which included payment of the consideration for these transactions and repayment of cash advances.

Since the Company no longer exercised control, Rainy River was accounted for on the equity method retroactive to January 1, 1994, in the Company's historical consolidated financial statements. Sales and costs and expenses applicable to sales for Rainy River for the nine months ended September 30, 1994, were US\$227,659,000 and US\$240,531,000.

In the second quarter of 1995, the Company provided US\$32,500,000 of income taxes for the tax effect of the difference in the book and tax bases of its stock ownership in Rainy River.

On November 1, 1995, the Company announced that the merger of Rainy River and Stone-Consolidated Corporation was completed. The new company will continue to do business as Stone-Consolidated Corporation ("Stone-Consolidated"). As a result of the transaction, Boise Cascade received approximately US\$183,482,000. The Company will use the proceeds from this transaction to reduce debt, make capital investments, and enhance shareholder returns.

The Company holds approximately 6,600,000 shares of Stone-Consolidated common stock valued on November 1, 1995, at approximately US\$102,099,000, and representing approximately 6.4% of Stone-Consolidated's outstanding common stock. In addition, the Company holds approximately 2,800,000 shares of Stone-Consolidated's redeemable preferred stock valued on November 1, 1995, at approximately US\$45,742,000. The Company will account for its holdings in Stone-Consolidated on the cost method.

The unaudited pro forma consolidated financial information is presented as if these transactions had been completed as of September 30, 1995, for the pro forma consolidated condensed balance sheet and as of the first day of each period for which pro forma consolidated statements of income (loss) are presented.

The pro forma financial information does not purport to be indicative of the actual financial position as it will finally be recorded, or the results of operations which would actually have been reported if the transactions had occurred on the dates or for the periods indicated, or which may be reported in the future. The pro forma financial information should be read in conjunction with the separate historical consolidated financial statements and the related notes to such financial statements of Boise Cascade and Rainy River.

2. Pro Forma Balance Sheet

The pro forma consolidated condensed balance sheet gives effect to the adjustments described below:

- (a) To delete Boise Cascade's equity investment in Rainy River, including the net of tax cumulative translation adjustment.
- (b) To record Boise Cascade's use of net cash proceeds from the sale of its remaining interest in Rainy River to reduce long-term debt.
- (c) To record Boise Cascade's net investment in Stone-Consolidated.
- (d) To record the net gain and related net tax effects of Boise Cascade's sale of its remaining interest in Rainy River.

3. Pro Forma Statement of Income for the Nine Months Ended September 30, 1995

The pro forma consolidated statement of income gives effect to the adjustments described below:

- (a) To delete Boise Cascade's equity in the net income of Rainy River.
- (b) To record the reduction in interest expense resulting from interest saved due to reducing long-term debt by the amount of net proceeds received from the transaction of November 1, 1995.
- (c) To record dividend income from the Company's investment in Stone-Consolidated's redeemable preferred stock.
- (d) To eliminate the nonrecurring charge related to Boise Cascade's provision for income taxes for the tax effect of the difference in the book and tax bases of its stock ownership in Rainy River.

4. Pro Forma Statement of Loss For the Year Ended December 31, 1994

The pro forma consolidated statement of loss gives effect to the adjustments described below:

- (a) To delete Boise Cascade's equity in the net loss of Rainy River.
- (b) To record the reduction in revenues resulting from the Newsprint Marketing Agreement between Boise Cascade and Rainy River. Rainy River will purchase all newsprint produced at Boise Cascade's DeRidder mill, at a brokerage discount of up to 5%, for resale to Rainy River customers. Beginning in October 1994, the effects of this agreement have already been included in the historical balances as presented herein.
- (c) To record the adjustment in "Materials, labor, and other operating expenses" resulting from the Pulp Sale Agreement between Boise Cascade and Rainy River, whereby Rainy River's Fort Frances mill will continue to sell market pulp to Boise Cascade. The price paid by Boise Cascade for the pulp as defined in the agreement may have been more or less than the historical price paid by Boise Cascade. Beginning in June 1994, the effects of this agreement have already been included in the historical balances as presented herein.
- (d) To record the reduction in interest expense resulting from interest expense saved due to reducing long-term debt by the amount of net proceeds received from the transactions of October 13, 1994, and November 1, 1995.
- (e) To record dividend income from the Company's investment in Stone-Consolidated's redeemable preferred stock.
- (f) To eliminate the nonrecurring charge related to the loss recognized for the October 13, 1994, sale of Rainy River securities
- (g) To eliminate the nonrecurring charge associated with Boise Cascade's recognition of a charge for U.S. taxes on undistributed Canadian earnings required to be recognized as a result of the October 13, 1994, transaction.
- (h) To record the tax effects of pro forma adjustments (b), (c), (d), (e), and (f).

News release issued by the Company on November 1, 1995.

Contact:

Robert B. Hayes

(Office) (208) 384-7675

(Home) (208) 345-9863

FOR IMMEDIATE RELEASE: November 1, 1995

MERGER OF RAINY RIVER AND STONE-CONSOLIDATED COMPLETED

BOISE, Idaho -- Boise Cascade Corporation (NYSE:BCC) announced today that the merger of Rainy River Forest Products Inc. and Stone-Consolidated Corporation has been completed. Boise Cascade held approximately 49% of the voting shares and 60% of the total equity in Rainy River. As a result of the transaction, Boise Cascade will receive today approximately US\$183 million. The company will use the proceeds from this transaction to reduce debt, make capital investments, and enhance shareholder returns.

Boise Cascade now holds approximately 6.6 million shares of Stone-Consolidated common stock, representing approximately 6.4% of Stone-Consolidated's outstanding common stock. In addition, Boise Cascade now holds approximately 2.8 million shares of Stone-Consolidated's redeemable preferred stock.

Boise Cascade Corporation is an integrated paper and forest products company headquartered in Boise, Idaho, with operations located primarily in the United States. The company manufactures and distributes paper and paper products, office products, and building products and owns and manages timberland to support these operations.

#