



Industry Update
Building Products
Q4 2023

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Financial Performance

Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

Company Name	Ticker	Size Profile				LTM Operating Data		Forward Estimates	
		Price at 12/31/23	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2023 Est. Revenue	2023 Est. EBITDA
Lumber, Millwork, Plywood and Structural Wood									
Fortune Brands Innovations, Inc.	FBIN	\$76.14	94.8%	\$12,408	\$6,618	\$4,597	\$806	\$4,920	\$997
Trex Company, Inc.	TREX	\$82.79	97.8%	\$8,919	\$997	\$1,091	\$326	\$1,216	\$369
UFP Industries, Inc.	UFPI	\$125.55	97.6%	\$6,482	\$4,004	\$7,608	\$818	\$7,389	\$797
American Woodmark Corporation	AMWD	\$92.85	98.0%	\$1,848	\$1,534	\$1,934	\$245	\$1,841	\$253
Refrigeration and Heating Equipment									
Lennox International Inc.	LII	\$447.52	99.2%	\$17,183	\$2,890	\$4,921	\$873	\$5,187	\$1,002
A. O. Smith Corporation	AOS	\$82.44	99.6%	\$11,910	\$3,200	\$3,801	\$808	\$3,987	\$873
AAON, Inc.	AAON	\$73.87	98.2%	\$5,797	\$945	\$1,116	\$262	\$1,296	\$313
Roofing, Siding and Isulation									
Owens Corning	OC	\$148.23	95.5%	\$15,277	\$11,069	\$9,658	\$2,013	\$9,609	\$2,218
Armstrong World Industries, Inc.	AWI	\$98.32	98.6%	\$4,914	\$1,714	\$1,287	\$341	\$1,327	\$444

Source: Capital IQ

Financial Performance (cont.)

Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

Company Name	Ticker	Size Profile			LTM Operating Data		Forward Estimates		
		Price at 12/31/23	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2023 Est. Revenue	2023 Est. EBITDA
Windows and Doors									
Griffon Corporation	GFF	\$60.95	97.6%	\$4,567	\$2,419	\$2,685	\$463	\$2,612	\$492
PGT Innovations, Inc.	PGTI	\$40.70	97.8%	\$3,111	\$1,609	\$1,503	\$260	\$1,580	\$298
Masonite International Corporation	DOOR	\$84.66	77.3%	\$3,003	\$2,686	\$2,846	\$392	\$2,935	\$448
Quanex Building Products Corporation	NX	\$30.57	87.3%	\$1,111	\$831	\$1,131	\$148	\$1,119	\$150
Building Products - Other									
Simpson Manufacturing Co., Inc.	SSD	\$197.98	97.9%	\$7,987	\$2,815	\$2,188	\$573	\$2,237	\$571
Gibraltar Industries, Inc.	ROCK	\$78.98	97.3%	\$2,497	\$1,288	\$1,363	\$188	\$1,464	\$227

Source: Capital IQ

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Valuation Metrics

Return Profile, Trading Multiples

Company Name	Ticker	Return Profile						Trading Multiples	
		Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
Lumber, Millwork, Plywood and Structural Wood									
Fortune Brands Innovations, Inc.	FBIN	5.9%	17.2%	70.3%	17.5%	9.9%	1.7x	2.7x	15.4x
Trex Company, Inc.	TREX	18.9%	31.0%	-10.4%	29.9%	-8.6%	1.6x	8.2x	27.4x
UFP Industries, Inc.	UFPI	11.2%	20.0%	-21.8%	10.8%	-24.7%	1.5x	0.9x	7.9x
American Woodmark Corporation	AMWD	6.3%	13.1%	-6.4%	12.6%	35.1%	1.8x	0.9x	N/A
	Mean	10.6%	20.3%	7.9%	17.7%	2.9%	1.6x	3.1x	16.9x
	Median	8.7%	18.6%	-8.4%	15.1%	0.6%	1.6x	1.8x	15.4x
Refrigeration and Heating Equipment									
Lennox International Inc.	LII	17.9%	N/A	7.2%	17.7%	25.7%	1.0x	3.5x	19.7x
A. O. Smith Corporation	AOS	14.2%	16.5%	-0.3%	21.3%	12.9%	1.3x	3.1x	14.7x
AAON, Inc.	AAON	15.8%	28.1%	44.9%	23.5%	110.1%	0.9x	5.2x	22.1x
	Mean	16.0%	22.3%	17.3%	20.8%	49.5%	1.0x	3.9x	18.8x
	Median	15.8%	22.3%	7.2%	21.3%	25.7%	1.0x	3.5x	19.7x
Roofing, Siding and Isulation									
Owens Corning	OC	8.5%	24.1%	0.5%	20.8%	-11.9%	1.5x	1.6x	7.6x
Armstrong World Industries, Inc.	AWI	9.2%	40.8%	6.3%	26.5%	12.6%	1.1x	3.8x	14.4x
	Mean	8.9%	32.5%	3.4%	23.7%	0.3%	1.3x	2.7x	11.0x
	Median	8.9%	32.5%	3.4%	23.7%	0.3%	1.3x	2.7x	11.0x

Source: Capital IQ

Valuation Metrics (cont.)

Return Profile, Trading Metrics

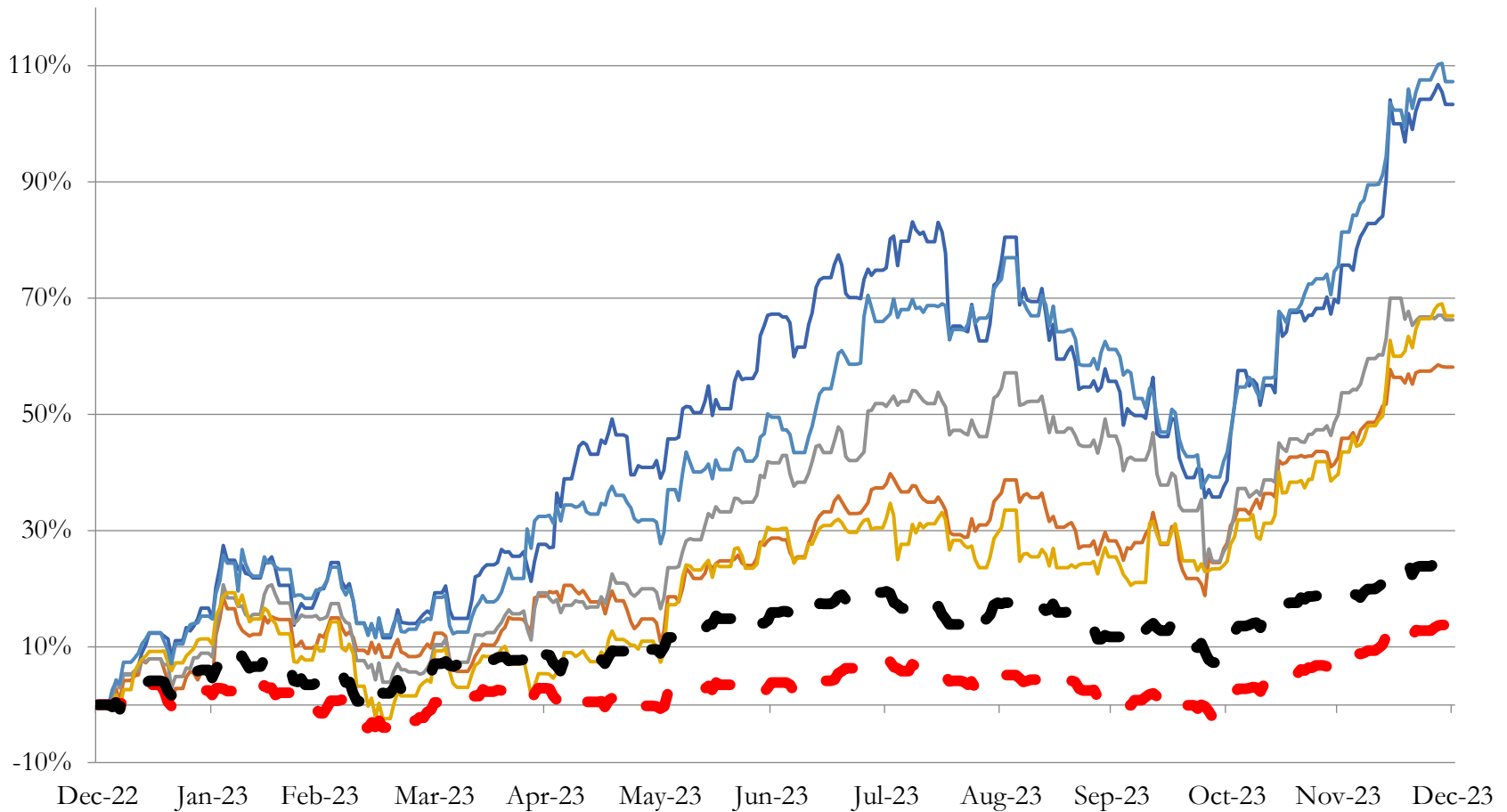
Company Name	Ticker	Return Profile					Trading Multiples		
		Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
Windows and Doors									
Griffon Corporation	DOOR	9.5%	19.6%	-5.7%	17.2%	8.1%	1.5x	1.7x	9.8x
Masonite International Corporation	GFF	9.5%	19.6%	-5.7%	17.2%	8.1%	1.5x	1.0x	7.5x
PGT Innovations, Inc.	PGTI	7.8%	17.2%	3.2%	17.3%	14.5%	1.4x	2.1x	12.0x
Quanex Building Products Corporation	NX	8.4%	16.3%	-7.4%	13.1%	-2.7%	1.4x	1.0x	7.4x
	Mean	8.8%	18.2%	-3.9%	16.2%	7.0%	1.5x	1.4x	9.2x
	Median	9.0%	18.4%	-5.7%	17.2%	8.1%	1.5x	1.4x	8.7x
Building Products - Other									
Simpson Manufacturing Co., Inc.	SSD	11.8%	23.7%	6.3%	26.2%	5.2%	1.3x	3.6x	13.7x
Gibraltar Industries, Inc.	ROCK	7.7%	10.9%	-3.4%	13.8%	14.7%	1.2x	1.7x	12.6x
	Mean	9.7%	17.3%	1.4%	20.0%	10.0%	1.2x	2.7x	13.1x
	Median	9.7%	17.3%	1.4%	20.0%	10.0%	1.2x	2.7x	13.1x

Source: Capital IQ

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LTM Equity Performance

Major Indexes



- Lumber, Millwork, Plywood and Structural Wood
- Roofing, Siding and Isulation
- Building Products - Other
- S&P 500
- Refrigeration and Heating Equipment
- Windows and Doors
- Dow Jones Industrial Average

Source: Capital IQ

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Recent M&A Activity

Last Twelve (12) Months as of December 31, 2023

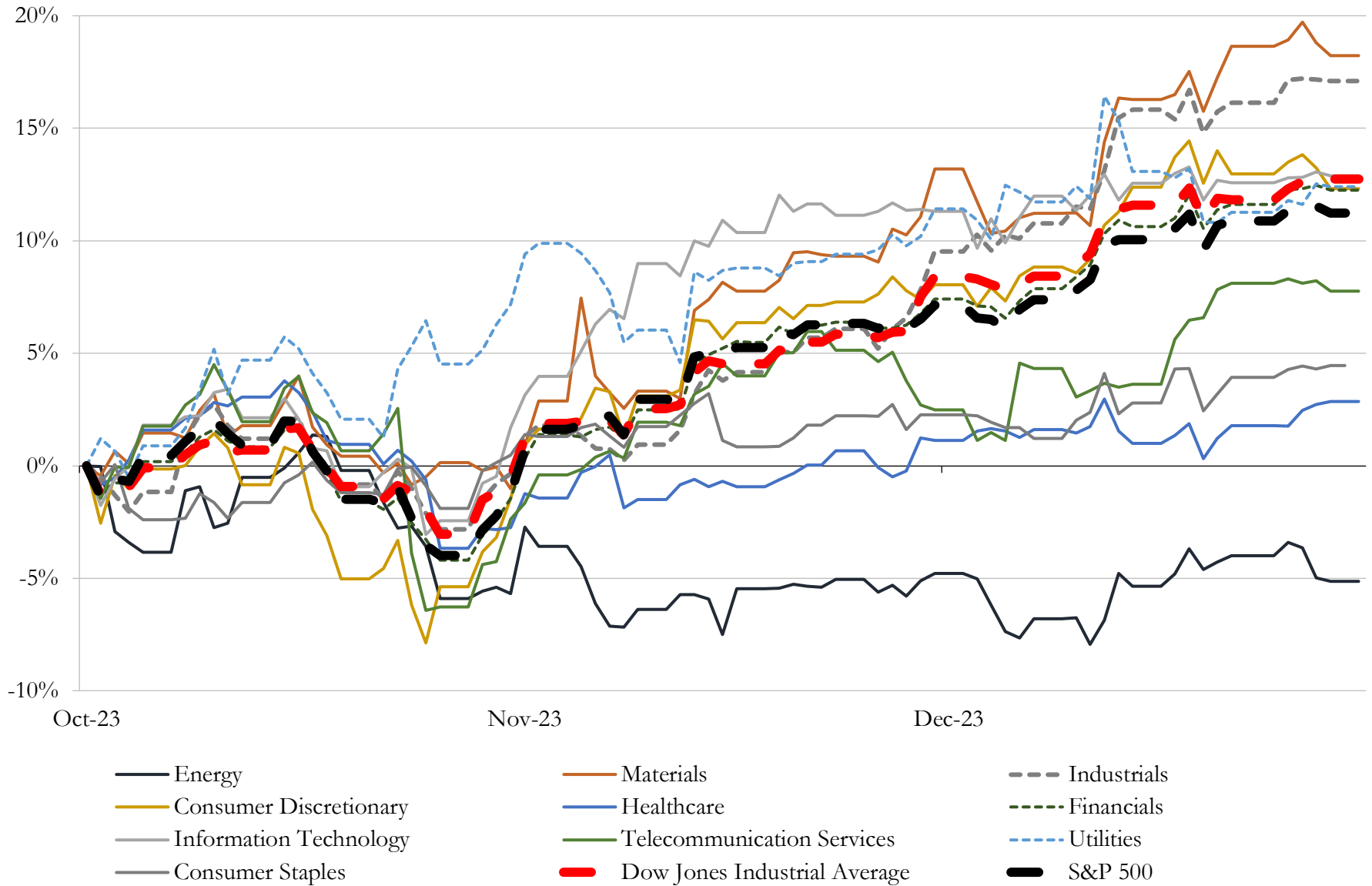
(USD in millions)

Close Date	Target	Acquirer	Implied TEV
Feb-23	Duro-Last, Inc.	Holcim Ltd	\$1,293
Jun-23	Emtek and Schaub Door And Cabinet Hardware and U.S. And Canadian	Fortune Brands Home & Security, Inc. (nka:Fortune Brands Innovations,	\$805
Jan-23	Endura Products, Inc.	Masonite Corporation	\$375
Oct-23	Certain West Coast Cement Operations of Martin Marietta Materials, Inc.	UNACEM Corp S.A.A.	\$317
Oct-23	Bradley Corporation	Watts Regulator Company	\$303
Oct-23	Fleetwood Aluminum Products, Inc.	Masonite Corporation	\$285
Jun-23	Manufacturing division of Valencia Pipe Company	Aliaxis SA	\$250
Mar-23	23 concrete plants in North Carolina and Southwest Florida	Smyrna Ready Mix, LLC	\$93
May-23	Cement import and distribution business in Northern California of Martin	Eagle Materials Inc.	\$55
Jan-23	Molekule, Inc.	AeroClean Technologies, Inc. (nka:Molekule Group, Inc.)	\$49
Nov-23	Mountz, Inc.	Snap-on Incorporated	\$40
Feb-23	Eagle Granite Company, Inc.	Matthews International Corporation	\$18
Nov-23	Three Hot-Mix Asphalt Plants in North and South Carolina	Construction Partners, Inc.	\$16
Nov-23	United Fiberglass Of America, Inc.	Creative Composites Group	\$14
Aug-23	Hot-mix asphalt plant in Myrtle Beach	Construction Partners, Inc.	\$10
Dec-23	United Granite LLC	Acrysil USA Inc.	\$8
Aug-23	Operating assets of Fortress Iron, LP	Eva-Last USA, Inc.	\$5
Dec-23	Eastern Architectural Systems	Cornerstone Building Brands, Inc.	NA
Dec-23	Zurn Industries, LLC/OEI, LLC/OEP, LLC/Krikles, Inc.	Zilco Holdings, Inc.	NA
Dec-23	All Assets of Morse Architectural	Frameless Hardware Company LLC	NA
Dec-23	Coastal Precast of Florida, Inc.	Foley Products Company	NA
Dec-23	Cheboygan Cement Products, Inc.	Smyrna Ready Mix, LLC	NA
Dec-23	Piedmont Door Automation, LLC	Cobalt Service Partners, LLC	NA
Dec-23	Dallas-Fort Worth Operations of ZyTech Building Systems, Inc.	US LBM Holdings, LLC	NA
Nov-23	Lawson Industries, Inc.	Pella Corporation	NA
Nov-23	City Lumber Co., Inc.	Spahn & Rose Lumber Co.	NA
Nov-23	Alumi-Cover Awning Company, Inc.	Style Crest, Inc.	NA
Nov-23	Assets of Corpus Christi Sand & Gravel	Jarco Aggregates	NA
Nov-23	Polargy, Inc.	GEF Capital Partners, LLC	NA
Nov-23	Bob's Overhead Door, Inc.	The Miner Corporation	NA

Source: Capital IQ

5 Change in Market Capitalization by Sector

Last Three (3) Months as of December 31, 2023

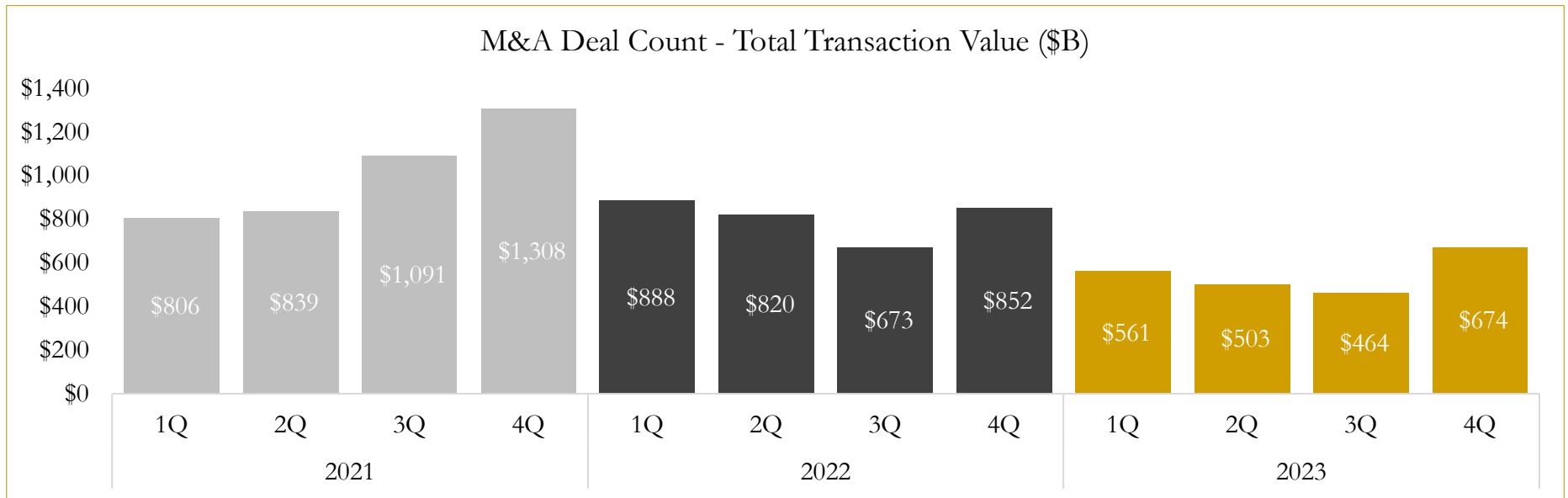
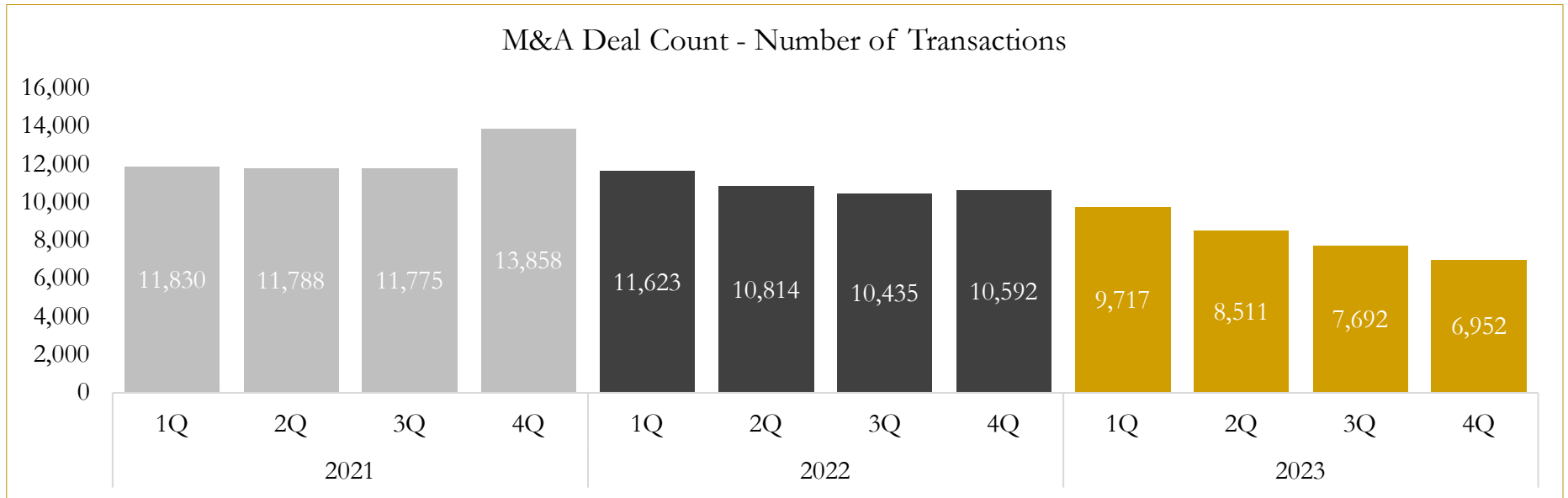


Source: Capital IQ

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M&A Deal Flow Statistics

Last Three (3) Years as of December 31, 2023



Source: Capital IQ

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Valuation & Financial Advisory

- **Portfolio Valuation (ASC 820)**
- **Complex & Illiquid Securities (Level 3)**
- **Cryptoasset /Blockchain Valuations**
 - Locked Token Valuations
- **Enterprise Valuations**
- **Fairness & Solvency Opinions**
 - SPAC Fairness
- **Estate & Gift Valuations**
- **Purchase Price Allocation (ASC 805)**
- **Goodwill Impairment Testing (ASC 350)**
- **Stock-based Compensation (ASC 718, IRC 409A)**

Investment Banking

- **Mergers & Acquisitions**
 - Sell-Side Advisory
 - Sale of Minority Ownership Positions
 - Leveraged Buyouts
 - Majority Recapitalizations
 - Corporate Divestitures
- **Corporate Financial Services**
 - Financial Modeling
 - Investor Presentation
 - Valuation Analysis
 - Strategic Advisory

For questions or inquiries regarding our services, please contact:

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