



Industry Update
Building Products
Q2 2024

1

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 06/30/24	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2024 Est. Revenue	2024 Est. EBITDA
Lumber, Millwork, Plywood and Structural Wood									
Fortune Brands Innovations, Inc.	FBIN	\$64.94	76.5%	\$11,751	\$6,674	\$4,772	\$960	\$4,791	\$999
Trex Company, Inc.	TREX	\$74.12	72.7%	\$6,698	\$1,270	\$1,250	\$404	\$1,147	\$348
UFP Industries, Inc.	UFPI	\$112.00	87.1%	\$6,512	\$4,138	\$6,893	\$725	\$6,839	\$728
American Woodmark Corporation	AMWD	\$78.60	75.4%	\$1,812	\$1,594	\$1,848	\$235	\$1,855	\$238
Refrigeration and Heating Equipment									
Lennox International Inc.	LII	\$534.98	96.7%	\$21,564	\$3,222	\$5,019	\$999	\$5,108	\$1,059
A. O. Smith Corporation	AOS	\$81.78	90.9%	\$11,639	\$3,198	\$3,929	\$829	\$3,990	\$872
AAON, Inc.	AAON	\$87.24	90.6%	\$7,124	\$1,011	\$1,194	\$305	\$1,223	\$302
Roofing, Siding and Isulation									
Owens Corning	OC	\$173.72	94.4%	\$19,536	\$14,991	\$9,872	\$2,288	\$11,025	\$2,651
Armstrong World Industries, Inc.	AWI	\$113.24	90.2%	\$5,876	\$1,820	\$1,351	\$364	\$1,429	\$484

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 06/30/24	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2024 Est. Revenue	2024 Est. EBITDA
Windows and Doors									
Griffon Corporation	GFF	\$63.86	81.9%	\$4,446	\$2,379	\$2,605	\$477	\$2,602	\$501
Quanex Building Products Corporation	NX	\$27.65	70.3%	\$938	\$837	\$1,100	\$144	\$1,086	\$148
Building Products - Other									
Simpson Manufacturing Co., Inc.	SSD	\$168.53	77.2%	\$7,572	\$2,773	\$2,209	\$522	\$2,229	\$547
Gibraltar Industries, Inc.	ROCK	\$68.55	78.4%	\$1,807	\$1,377	\$1,365	\$199	\$1,391	\$217

Source: Capital IQ

2

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	7.0%	19.9%	5.3%	20.1%	16.8%	1.6x	2.5x	12.2x
Trex Company, Inc.	TREX	18.7%	34.7%	28.1%	32.3%	56.8%	1.5x	5.4x	16.6x
UFP Industries, Inc.	UFPI	9.1%	16.2%	-14.9%	10.5%	-18.0%	1.4x	0.9x	9.0x
American Woodmark Corporation	AMWD	6.5%	13.0%	-10.6%	12.7%	5.1%	1.6x	0.9x	N/A
	Mean	10.3%	21.0%	2.0%	18.9%	15.2%	1.5x	2.4x	12.6x
	Median	8.1%	18.1%	-2.6%	16.4%	11.0%	1.5x	1.7x	12.2x
Refrigeration and Heating Equipment									
Lennox International Inc.	LII	18.2%	201.6%	4.6%	19.9%	23.7%	1.1x	4.3x	21.6x
A. O. Smith Corporation	AOS	14.5%	30.3%	5.1%	21.1%	7.8%	1.1x	3.0x	14.0x
AAON, Inc.	AAON	16.2%	26.6%	14.1%	25.5%	36.3%	0.8x	6.0x	23.4x
	Mean	16.3%	86.2%	7.9%	22.2%	22.6%	1.0x	4.4x	19.7x
	Median	16.2%	30.3%	5.1%	21.1%	23.7%	1.1x	4.3x	21.6x
Roofing, Siding and Isulation									
Owens Corning	OC	8.4%	19.9%	1.7%	23.2%	1.4%	1.4x	2.0x	8.5x
Armstrong World Industries, Inc.	AWI	9.5%	39.2%	6.8%	26.9%	14.0%	1.1x	4.3x	16.2x
	Mean	8.9%	29.5%	4.2%	25.0%	7.7%	1.3x	3.2x	12.3x
	Median	8.9%	29.5%	4.2%	25.0%	7.7%	1.3x	3.2x	12.3x

Source: Capital IQ

Valuation Metrics (cont.)

Return Profile, Trading Metrics

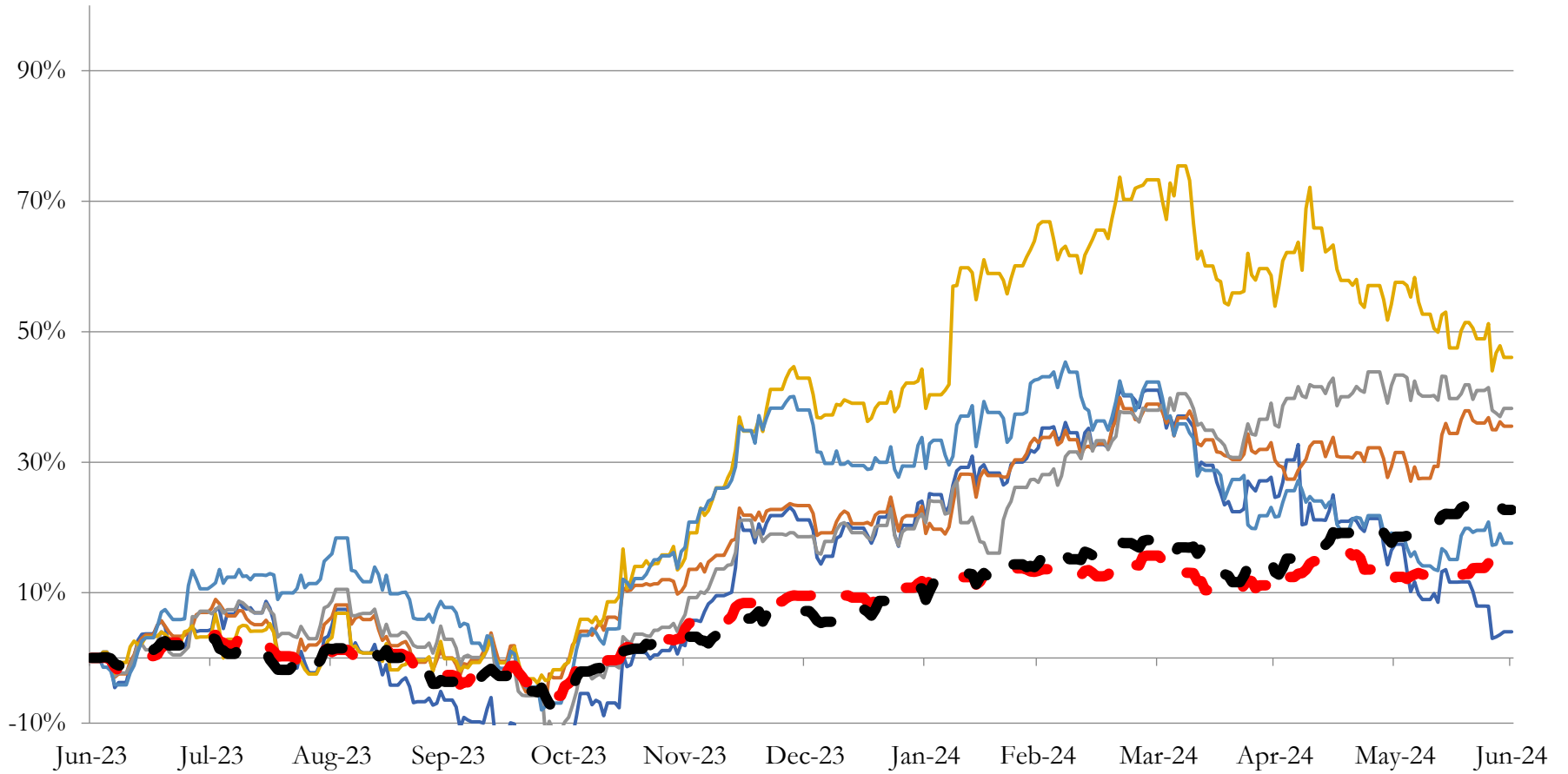
Company Name	Ticker	Return Profile					Trading Multiples		
		Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
Windows and Doors									
Griffon Corporation	DOOR	10.5%	67.7%	-5.4%	18.3%	1.9%	1.3x	1.7x	9.3x
Quanex Building Products Corporation	NX	7.5%	15.2%	-5.7%	13.1%	4.6%	1.3x	0.9x	6.5x
	Mean	9.0%	41.5%	-5.5%	15.7%	3.2%	1.3x	1.3x	7.9x
	Median	9.0%	41.5%	-5.5%	15.7%	3.2%	1.3x	1.3x	7.9x
Building Products - Other									
Simpson Manufacturing Co., Inc.	SSD	10.1%	19.8%	2.2%	23.6%	-5.9%	1.3x	3.4x	14.5x
Gibraltar Industries, Inc.	ROCK	8.2%	12.7%	0.1%	14.6%	11.6%	1.2x	1.3x	9.1x
	Mean	9.2%	16.3%	1.2%	19.1%	2.8%	1.2x	2.4x	11.8x
	Median	9.2%	16.3%	1.2%	19.1%	2.8%	1.2x	2.4x	11.8x

Source: Capital IQ

3

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

4

Recent M&A Activity

Last Twelve (12) Months as of June 30, 2024

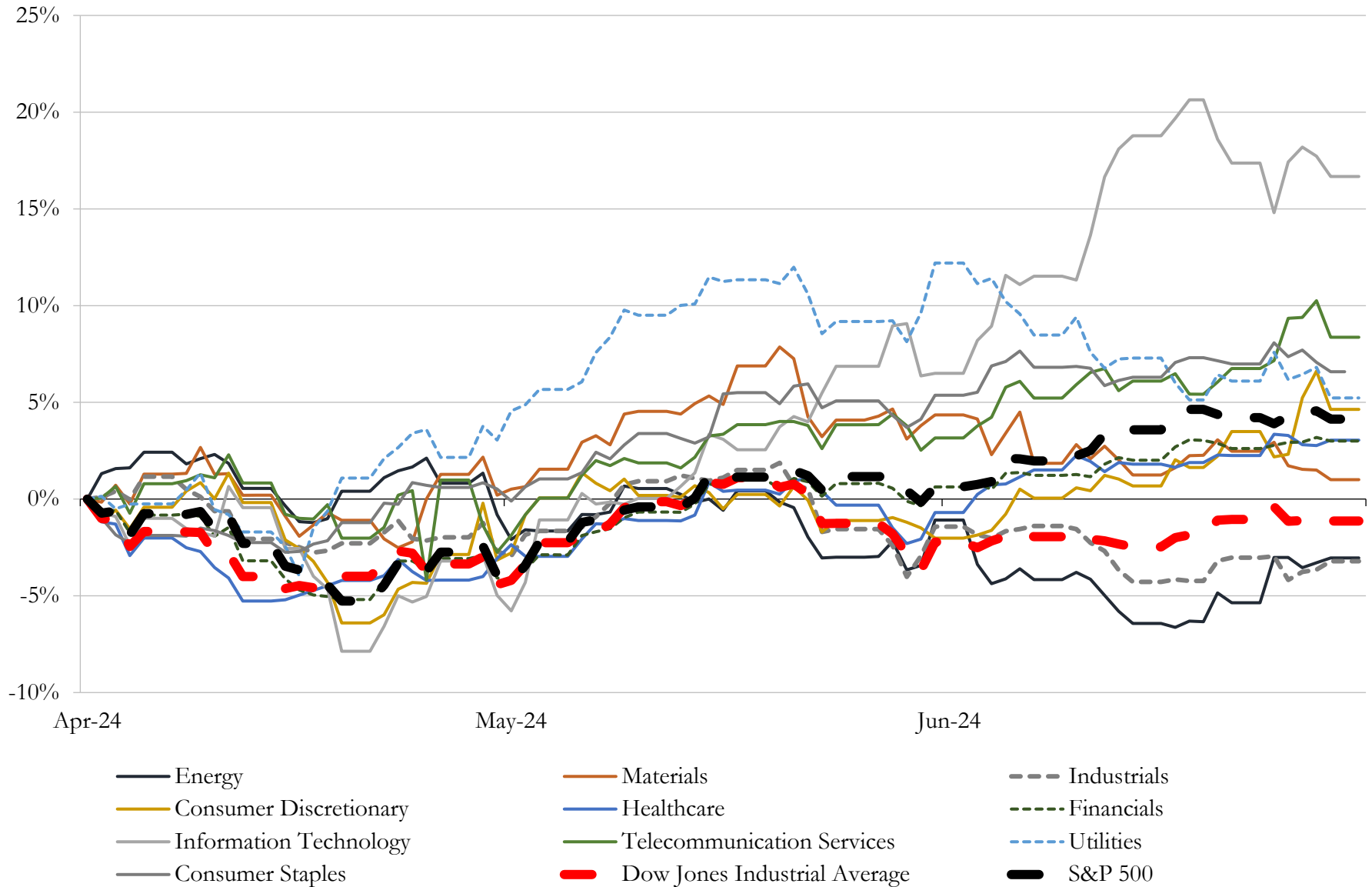
(USD in millions)

Close Date	Target	Acquirer	Implied TEV
May-24	Masonite International Corporation	Owens Corning	\$4,252
Jan-24	Argos North America Corp.	Summit Materials, Inc.	\$3,971
Mar-24	PGT Innovations, Inc.	MITER Brands	\$3,164
Feb-24	Martin Marietta South Texas Cement, LLC/Martin Marietta's South Texas	CRH Americas Materials, Inc.	\$2,100
Apr-24	20 Active Aggregates Operations in Alabama, South Carolina, South Florida,	Martin Marietta Materials, Inc.	\$2,050
Feb-24	Signature Systems Group, LLC	Myers Industries, Inc.	\$345
Mar-24	BMC Enterprises, Inc.	Breedon Group plc	\$301
Mar-24	Whitco Supply, LLC	DNOW Inc.	\$185
Apr-24	Ameron Pole Products LLC	CEMC Services, LLC	\$180
Jan-24	Key Knife, Inc./Key Knife Canadian Investments Corporation	Kadant Canada Corp.	\$156
Jan-24	Josam Company	Watts Water Technologies, Inc.	\$99
Apr-24	3form, LLC	Armstrong World Industries, Inc.	\$94
Jun-24	Aqua Prop LLC	ProPetro Holding Corp.	\$36
Nov-23	United Fiberglass Of America, Inc.	Creative Composites Group	\$14
Dec-23	United Granite LLC	Acrysil USA Inc.	\$8
Nov-23	Operating Assets of Cougar Mountain Precast, LLC	L.B. Foster Company	\$2
Jun-24	Banko Overhead Doors, Inc.	Blue Ridge Construction Capital LLC	NA
Jun-24	Certain Lab and Plant Assets	CalPortland Company	NA
Jun-24	Ricco Fasteners, Inc.	Threaded Fasteners, Inc.	NA
Jun-24	Rock Ridge Materials, Inc.	Miles Ahead Brands Services, LLC	NA
Jun-24	Trident Fire & Fabrication, LLC	The Macomb Group, Inc.	NA
Jun-24	I, Inc.	Great Day Improvements, LLC	NA
Jun-24	Carter Gowen Holdings, LLC	Alcrete LLC	NA
Jun-24	Dayton Superior Corporation	White Cap Supply Holdings, LLC	NA
Jun-24	Nationwide Fastener Systems Corp	Blue Ribbon Fastener Co.	NA
Jun-24	Simonson Lumber Of Crosslake, Inc.	Kodiak Building Partners, Inc.	NA
Jun-24	RAKS Building Supply, Inc.	US LBM Holdings, LLC	NA
Jun-24	Krieger Specialty Products Company	Allegion plc	NA
Jun-24	South Carolina manufacturing and galvanizing operations of Southern Anchor	Portland Bolt & Manufacturing Company, LLC	NA
May-24	Sand mining operation of R.W. Sidley Incorporated in Thompson, Ohio	Covia Holdings LLC	NA

Source: Capital IQ

5 Change in Market Capitalization by Sector

Last Three (3) Months as of June 30, 2024

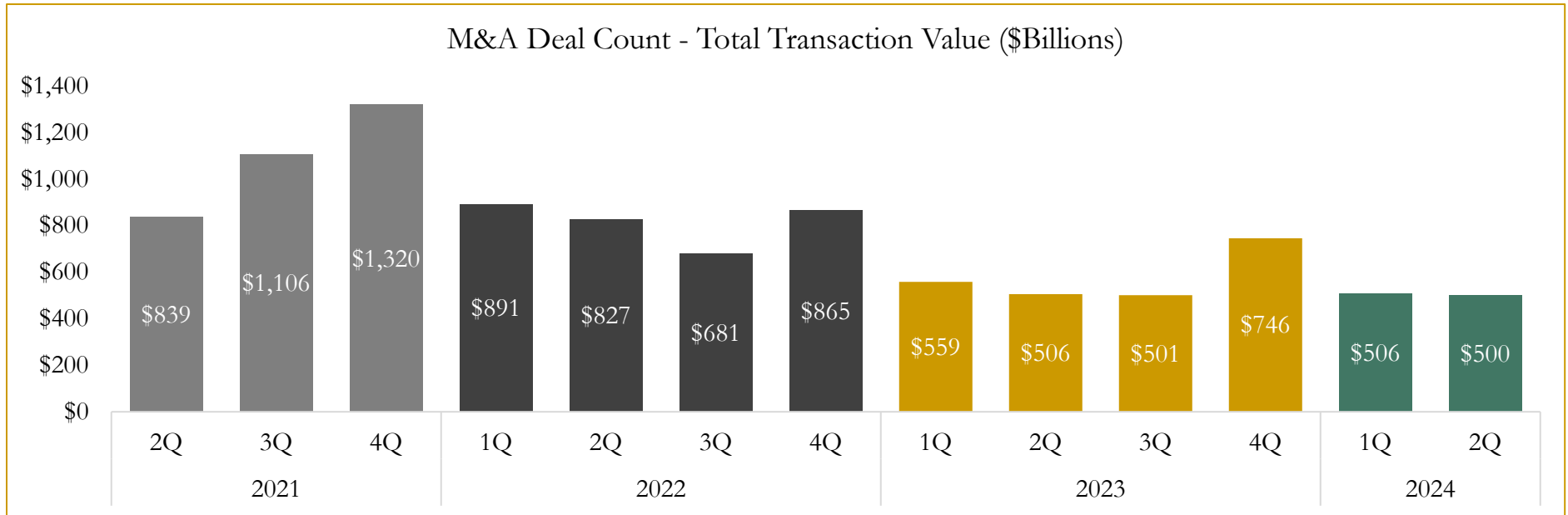
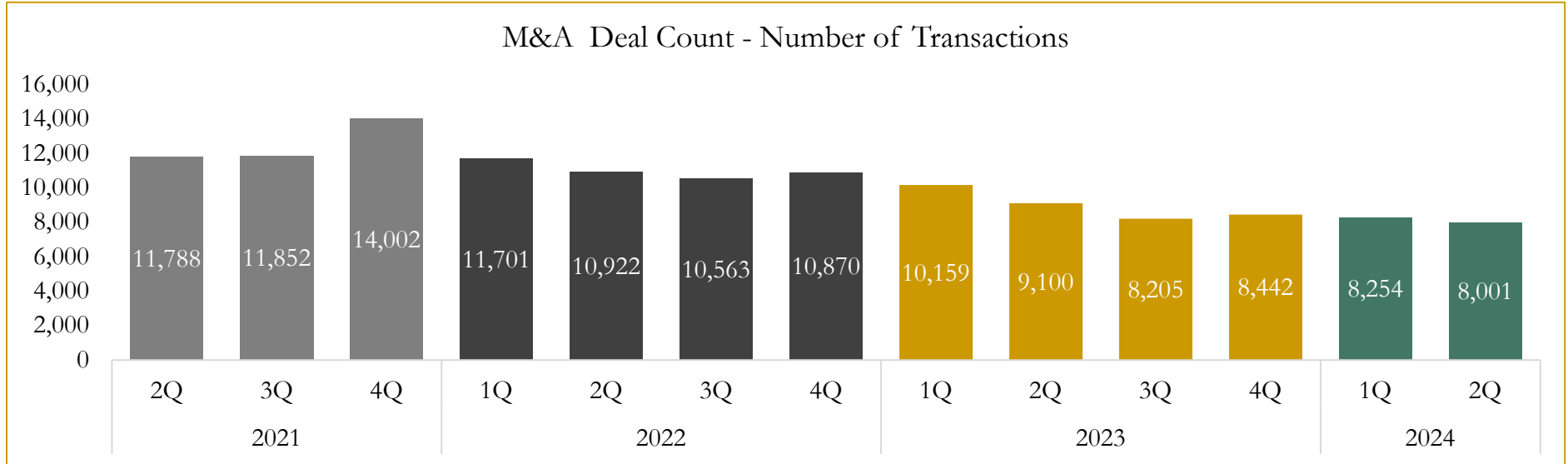


Source: Capital IQ

6

M&A Deal Flow Statistics

Last Three (3) Years as of June 30, 2024



Source: Capital IQ

Houlihan Capital is a leading, solutions-driven valuation, financial advisory and investment banking firm. We pride ourselves on being thought leaders in an ever-changing landscape.

Houlihan Capital is SOC-compliant, a FINRA and SIPC member and committed to the highest levels of professional ethics and standards.

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:

info@houlihancapital.com