



Industry Update
Building Products
Q3 2024

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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 09/30/24	% 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	\$89.53	99.8%	\$13,306	\$6,674	\$4,772	\$960	\$4,787	\$999
Trex Company, Inc.	TREX	\$66.58	65.3%	\$7,836	\$1,267	\$1,180	\$372	\$1,143	\$351
UFP Industries, Inc.	UFPI	\$131.21	95.8%	\$6,701	\$4,218	\$6,715	\$683	\$6,640	\$680
American Woodmark Corporation	AMWD	\$93.45	87.7%	\$1,900	\$1,623	\$1,808	\$217	\$1,785	\$229
Refrigeration and Heating Equipment									
Lennox International Inc.	LII	\$604.29	96.4%	\$23,454	\$3,313	\$5,151	\$1,055	\$5,222	\$1,082
A. O. Smith Corporation	AOS	\$89.83	97.2%	\$10,896	\$3,154	\$3,894	\$809	\$3,861	\$815
AAON, Inc.	AAON	\$107.84	98.5%	\$9,259	\$1,011	\$1,194	\$305	\$1,222	\$304
Roofing, Siding and Isulation									
Owens Corning	OC	\$176.52	92.4%	\$21,755	\$15,054	\$10,439	\$2,221	\$11,058	\$2,656
Armstrong World Industries, Inc.	AWI	\$131.43	97.4%	\$7,007	\$1,804	\$1,390	\$376	\$1,429	\$488

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 09/30/24	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2024 Est. Revenue	2024 Est. EBITDA
Windows and Doors									
Griffon Corporation	GFF	\$70.00	89.8%	\$4,727	\$2,379	\$2,605	\$477	\$2,602	\$501
Quanex Building Products Corporation	NX	\$27.75	70.6%	\$1,428	\$872	\$1,081	\$131	\$1,483	\$202
Building Products - Other									
Simpson Manufacturing Co., Inc.	SSD	\$191.27	87.6%	\$7,847	\$2,897	\$2,216	\$508	\$2,213	\$520
Gibraltar Industries, Inc.	ROCK	\$69.93	80.0%	\$1,904	\$1,425	\$1,336	\$190	\$1,318	\$198

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	7.0%	19.9%	5.3%	20.1%	16.8%	1.6x	2.8x	13.9x
Trex Company, Inc.	TREX	17.6%	30.2%	8.1%	31.6%	14.2%	1.5x	6.6x	21.1x
UFP Industries, Inc.	UFPI	8.2%	14.7%	-11.7%	10.2%	-16.6%	1.4x	1.0x	9.8x
American Woodmark Corporation	AMWD	6.1%	11.9%	-10.5%	12.0%	-12.0%	1.6x	1.0x	N/A
	Mean	9.7%	19.2%	-2.2%	18.5%	0.6%	1.5x	2.9x	14.9x
	Median	7.6%	17.3%	-2.6%	16.1%	1.1%	1.5x	1.9x	13.9x
Refrigeration and Heating Equipment									
Lennox International Inc.	LII	19.4%	165.0%	4.7%	20.5%	20.8%	1.1x	4.6x	22.2x
A. O. Smith Corporation	AOS	14.3%	29.5%	2.4%	20.8%	1.0%	1.2x	2.8x	13.5x
AAON, Inc.	AAON	16.2%	26.6%	14.1%	25.5%	36.3%	0.8x	7.8x	30.4x
	Mean	16.6%	73.7%	7.1%	22.3%	19.4%	1.0x	5.0x	22.0x
	Median	16.2%	29.5%	4.7%	20.8%	20.8%	1.1x	4.6x	22.2x
Roofing, Siding and Isulation									
Owens Corning	OC	7.7%	19.1%	8.1%	21.3%	1.2%	1.4x	2.1x	9.8x
Armstrong World Industries, Inc.	AWI	9.8%	38.3%	8.0%	27.1%	11.2%	1.1x	5.0x	18.6x
	Mean	8.8%	28.7%	8.0%	24.2%	6.2%	1.3x	3.6x	14.2x
	Median	8.8%	28.7%	8.0%	24.2%	6.2%	1.3x	3.6x	14.2x

Source: Capital IQ

Valuation Metrics (cont.)

Return Profile, Trading Metrics

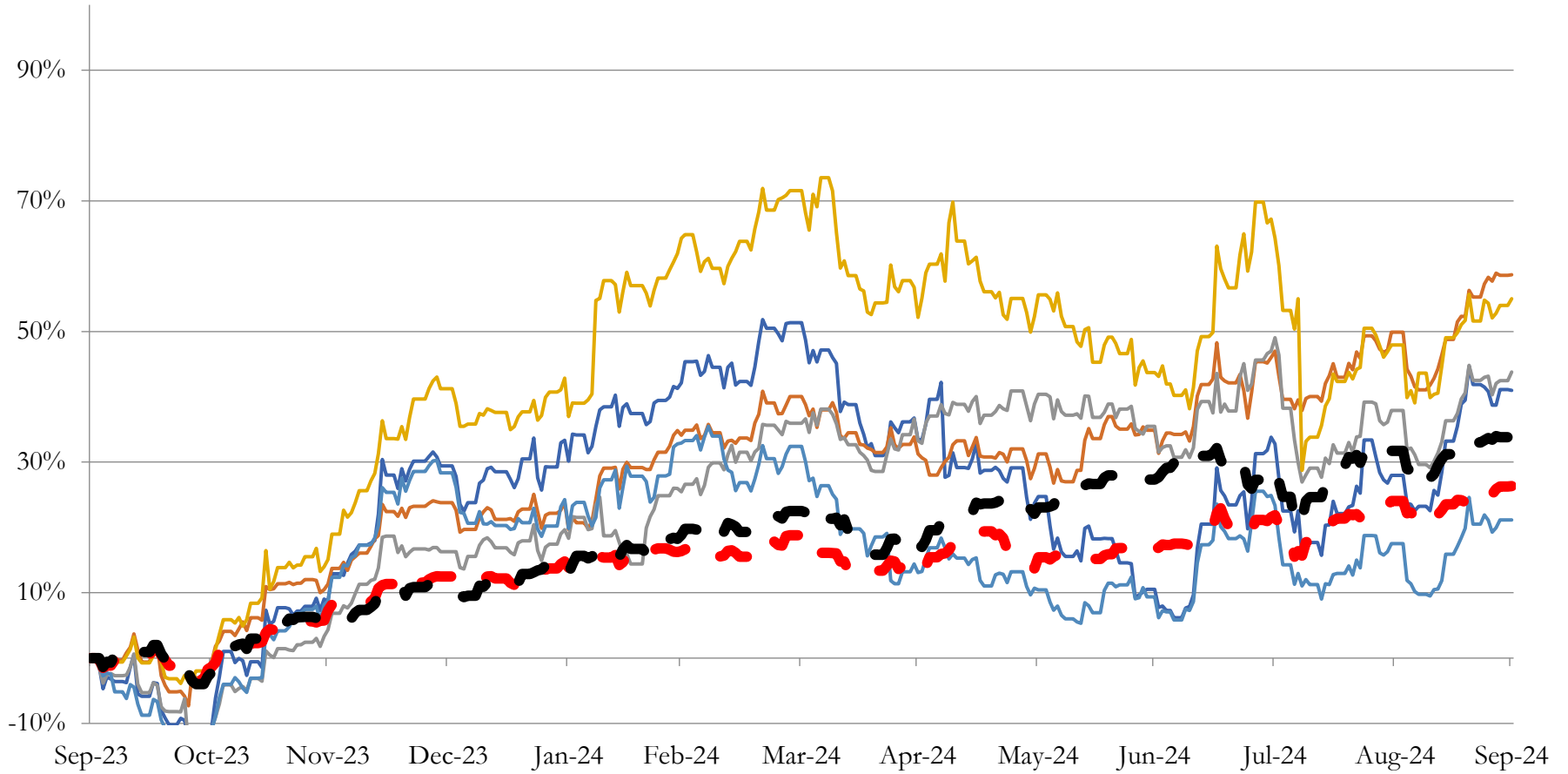
Company Name	Ticker	Return Profile					Trading Multiples		
		Return on Assets	Return on Equity	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
Windows and Doors									
Griffon Corporation	DOOR	10.5%	67.7%	-5.4%	18.3%	1.9%	1.3x	1.8x	9.9x
Quanex Building Products Corporation	NX	6.3%	13.3%	-5.4%	12.1%	-8.3%	1.3x	1.3x	10.9x
	Mean	8.4%	40.5%	-5.4%	15.2%	-3.2%	1.3x	1.6x	10.4x
	Median	8.4%	40.5%	-5.4%	15.2%	-3.2%	1.3x	1.6x	10.4x
Building Products - Other									
Simpson Manufacturing Co., Inc.	SSD	9.4%	18.2%	1.3%	22.9%	-11.3%	1.3x	3.5x	15.4x
Gibraltar Industries, Inc.	ROCK	7.5%	11.7%	-2.0%	14.2%	0.8%	1.1x	1.4x	10.0x
	Mean	8.4%	14.9%	-0.3%	18.6%	-5.2%	1.2x	2.5x	12.7x
	Median	8.4%	14.9%	-0.3%	18.6%	-5.2%	1.2x	2.5x	12.7x

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 September 30, 2024

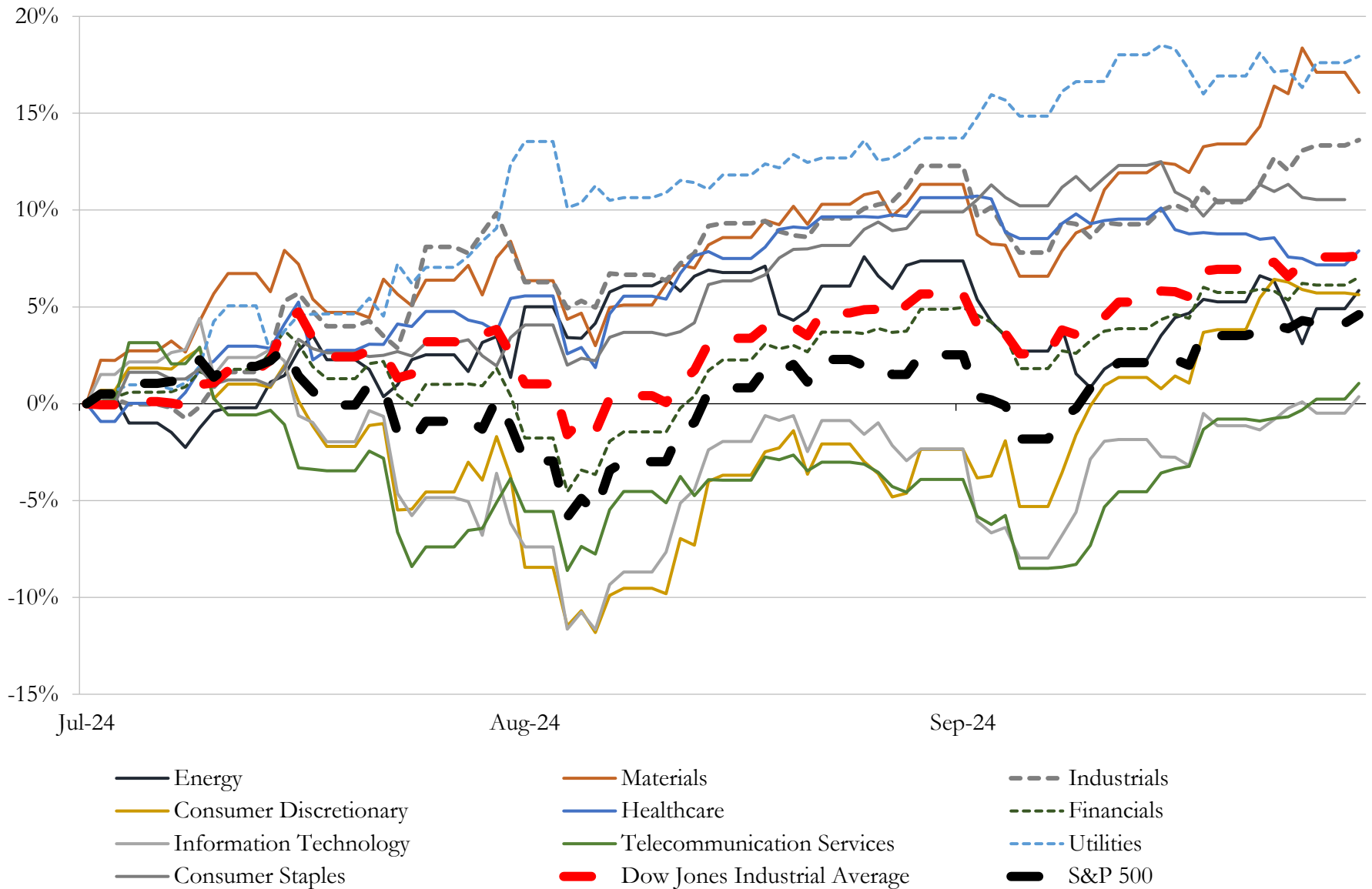
(USD in millions)

Close Date	Target	Acquirer	Implied TEV
May-24	Masonite International Corporation	Owens Corning	\$4,252
Mar-24	PGT Innovations, Inc.	Miter Brands	\$3,164
Apr-24	20 Active Aggregates Operations in Alabama, South Carolina, South Florida,	Martin Marietta Materials, Inc.	\$2,376
Feb-24	Martin Marietta South Texas Cement, LLC/Martin Marietta's South Texas	CRH Americas Materials, Inc.	\$2,100
Feb-24	Signature Systems Group, LLC	Myers Industries, Inc.	\$344
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
Apr-24	3form, LLC	Armstrong World Industries, Inc.	\$94
May-24	Aqua Prop LLC	ProPetro Holding Corp.	\$36
Jul-24	ThermaSol Steam Bath, LLC	Harvia Oyj	\$30
Sep-24	JT Russell & Sons asphalt plant on N.C. 8 near Denton	Southeast Emulsions Inc.	\$8
Aug-24	AusTex Aggregates, LLC	Panamera Holdings Corporation	\$3
Sep-24	Eco Window Systems LLC	N/A	NA
Sep-24	Automatic Entrances of Wisconsin, Inc.	Cobalt Service Partners, LLC	NA
Sep-24	Covan's Insulation Company Inc	Brandsafway	NA
Sep-24	Assets of Gehrke Quarries Inc	Wendling Quarries, Inc.	NA
Sep-24	Substantially All Assets of GroGreen Solutions Georgia, LLC	Core & Main, Inc.	NA
Sep-24	Gregory Door & Window Company	US LBM Holdings, LLC	NA
Sep-24	QuickFrames USA, LLC	Simpson Strong-Tie Company Inc.	NA
Aug-24	Vienna Glass Co., Inc.	N/A	NA
Aug-24	San Antonio Masonry & Tool Supply, Inc.	Kodiak Building Partners, Inc.	NA
Aug-24	Manufacturing assets of Master Block, Inc.	Oldcastle Apg, Inc.	NA
Aug-24	Assets of the Holden in West Virginia cement blending facility of Wright-Mix	Jenmar Corporation	NA
Aug-24	Arizona Metro Mix, LLC	Sunroc Corporation	NA
Aug-24	Dickerson & Bowen, Inc.	Granite Construction Incorporated	NA
Aug-24	Elkhart Products Corporation	Mueller Industries, Inc.	NA
Aug-24	Passaic Metal & Building Supplies Co.	Beacon Roofing Supply, Inc.	NA
Aug-24	Assets of Tomakk Glass Partners, LLC	Glaz-Tech Industries, Inc.	NA
Jul-24	Martin Door Manufacturing, Inc.	Midland Garage Door Manufacturing Company	NA

Source: Capital IQ

5 Change in Market Capitalization by Sector

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

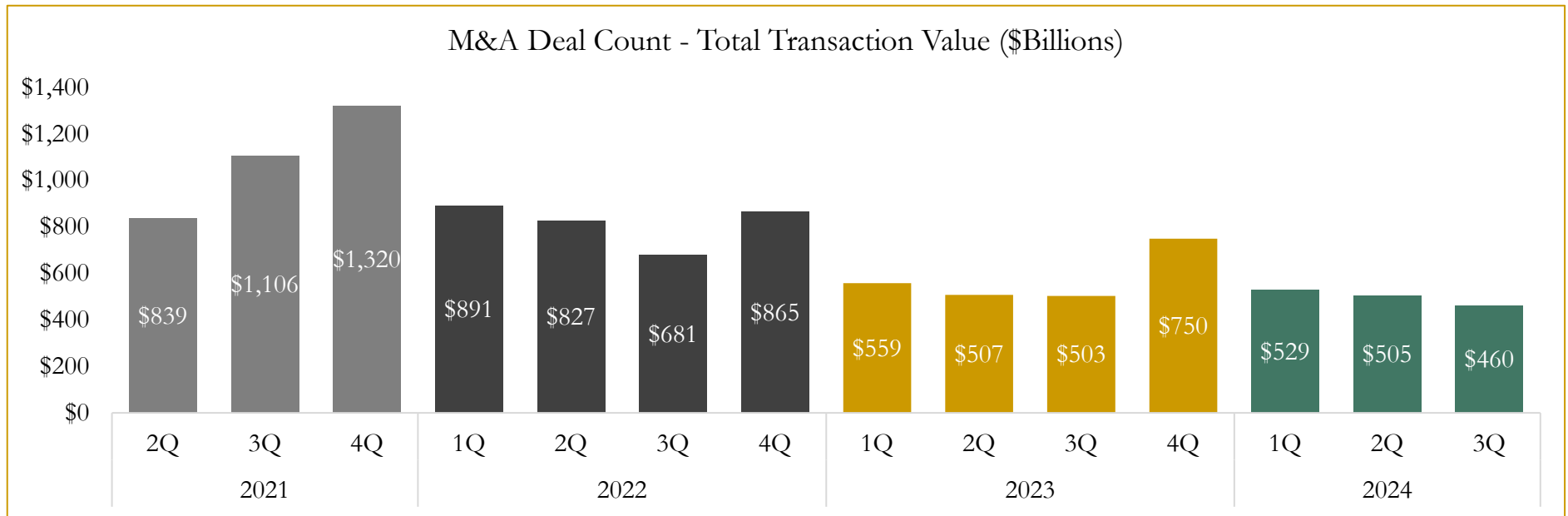
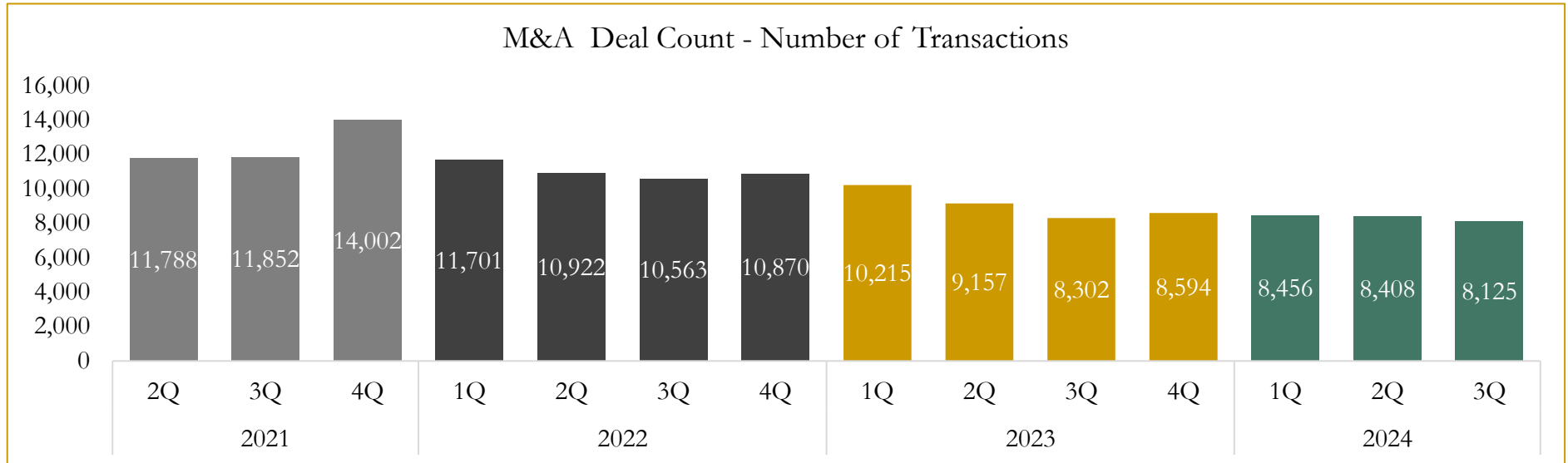


Source: Capital IQ

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M&A Deal Flow Statistics

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



Source: Capital IQ

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- **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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