



EDGEPOINT

INDUSTRIALS: BUILDING PRODUCTS

- The Building Products sector was one of the few industrial sectors to demonstrate some relative “strength” during the COVID-19 shutdowns. The sector benefited from consumers spending to remodel their homes during shelter in place orders as well as demand from new homebuyers looking to leave densely populated urban centers for less congested suburbs.
- Despite the COVID-19 pandemic, Building Products remains a highly active M&A sector with demand being driven by both strategic and financial buyers. We anticipate continued robust activity within Building Products during 2021 as homebound consumers continue to invest in home renovations, driving industry revenues and continued M&A.

RECENT SELECT TRANSACTIONS

Target	Date	Buyers / Investors	Region	Strategic / Financial
Roof Mart, LLC	Dec 14	Trachte Building Systems, Inc.	US	Financial Backed Strategic
Alpha Process Controls Limited/Aldona Seals Ltd	Dec 4	Zurn Industries, LLC	US	Strategic
Renewal by Andersen Corporation	Dec 2	Aero Operating LLC	US	Strategic
Substantially all of the assets of Quick Fitting, Inc.	Nov 30	Paceline Equity Partners	US	Financial
Dimora Brands, Inc.	Nov 24	Clearlake Capital Group, L.P.	US	Financial
Arktura, LLC	Nov 20	Armstrong World Industries, Inc.	US	Strategic
Profile Designs, Inc.	Nov 19	Renovation Brands LLC	US	Financial Backed Strategic
Apex Energy Solutions, LLC	Nov 18	Great Day Improvements, LLC	US	Strategic
Larson Manufacturing Company, Inc.	Nov 16	Fortune Brands Home & Security, Inc.	US	Strategic
PanelClaw Inc.	Nov 9	Esdec USA	US	Strategic
T.A. Industries, Inc.	Mar 18	The RectorSeal Corporation	US	Strategic
Eastern Wholesale Fence Co., Inc.	Nov 5	Center Rock Capital Partners, LP; Leelanau	US	Financial
Architectural Mailboxes, LLC	Oct 29	Gibraltar Industries, Inc.	US	Strategic
National Coatings Corporation	Oct 12	Henry Company LLC	US	Financial Backed Strategic
American Bath Group, LLC	Oct 8	Centerbridge Partners, L.P.	US	Financial
Glass Manufacturing Assets in McCook, Illinois	Oct 1	Apogee Enterprises, Inc.	US	Strategic
Lockmasters, Inc.	Sep 9	Dominus Capital, L.P.	US	Financial
Jacknob Corp.	Sep 4	E. B. Bradley Co., Inc.	US	Financial Backed Strategic
Beric-Davis Companies International, LTD.	Sep 3	Industrial Valco, Inc.	US	Strategic
Ali Industries, LLC	Sep 1	Rust-Oleum Corporation	US	Strategic
Marriott Drywall Materials, Inc.	Sep 1	Foundation Building Materials, Inc.	US	Strategic
A Better Choice Lock & Key, LLC	Aug 20	Anderson Lock & Safe LLC	US	Strategic
OmniMax International, Inc.	Aug 18	Strategic Value Partners, LLC	US	Financial
Turf Design Inc.	Jul 28	Armstrong World Industries, Inc.	US	Strategic

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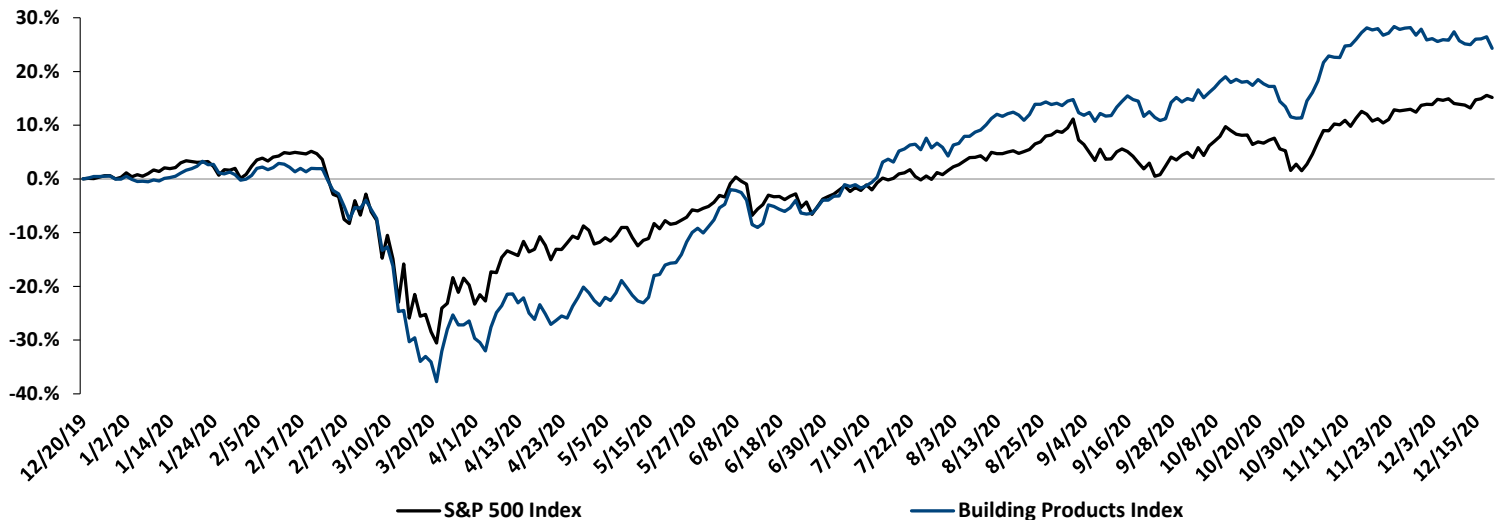
EdgePoint Public Comparable Index Constituents

Building Products

Company Name	Enterprise Value (EV)	LTM Margins		EBITDA		EV/EBITDA		Revenue LTM	Revenue Growth		Stock Price	% of 52 Wk High
		Gross	EBITDA	LTM	2020E	LTM	2020E		LTM	3-Yr. CAGR		
Advanced Drainage Systems, Inc.	\$4,319	29.7%	18.4%	\$308	\$405	14.6x	10.7x	\$1,674	20.9%	10.0%	\$44.34	85.9%
American Woodmark Corporation	1,694	19.9%	13.5%	223	170	6.6x	10.0x	1,650	0.3%	17.0%	62.76	53.3%
Apogee Enterprises, Inc.	801	21.9%	8.6%	120	119	5.8x	6.7x	1,387	-1.1%	7.6%	20.65	44.2%
Armstrong Flooring, Inc.	115	13.9%	-1.8%	(11)	(5)	NM	NM	623	-11.7%	-19.0%	3.42	29.4%
Armstrong World Industries, Inc.	4,245	37.8%	31.8%	332	355	9.7x	12.0x	1,045	5.5%	10.7%	75.39	67.6%
ASSA ABLOY AB (publ)	25,830	40.0%	17.0%	1,624	1,649	14.0x	15.8x	9,532	8.8%	8.8%	20.23	76.7%
Caesarstone Ltd.	325	28.1%	12.5%	68	34	3.7x	9.5x	544	-4.2%	-0.8%	11.14	62.4%
Comfort Systems USA, Inc.	1,632	18.5%	7.6%	210	187	6.9x	8.8x	2,777	23.1%	19.5%	37.00	69.0%
Compagnie de Saint-Gobain S.A.	29,701	25.0%	10.2%	4,552	4,668	5.0x	6.3x	44,634	-3.8%	0.9%	32.32	73.5%
Daikin Industries, Ltd.	44,999	34.7%	15.4%	3,662	2,910	12.3x	15.5x	23,701	2.8%	7.7%	147	95.9%
Fortune Brands Home & Security, Inc.	10,620	36.0%	15.8%	925	770	10.9x	13.8x	5,839	5.1%	4.9%	60.96	83.2%
Georg Fischer AG	3,673	39.0%	9.2%	339	288	9.7x	12.8x	3,680	-18.6%	-2.5%	826.91	77.0%
Hubbell Incorporated	8,138	30.1%	16.6%	763	634	10.1x	12.8x	4,594	0.4%	9.3%	122.42	79.0%
Installed Building Products, Inc.	2,314	29.5%	12.8%	201	182	10.4x	12.7x	1,567	13.8%	19.1%	64.28	80.1%
Interface, Inc.	1,171	39.2%	14.9%	199	130	5.1x	9.0x	1,334	7.8%	11.7%	8.49	48.0%
James Hardie Industries plc	8,903	35.9%	23.8%	619	571	13.0x	15.8x	2,607	4.0%	10.7%	17.23	77.6%
JELD-WEN Holding, Inc.	2,974	20.2%	7.4%	313	289	7.8x	10.3x	4,259	-3.5%	4.6%	13.63	50.5%
Kingspan Group plc	12,121	29.3%	12.5%	627	550	17.7x	22.0x	5,026	1.9%	12.1%	61.76	85.1%
Lennox International Inc.	9,764	27.9%	14.4%	538	500	15.4x	19.5x	3,741	-2.6%	0.2%	213.84	71.6%
LIXIL Corporation	11,061	33.4%	9.5%	1,492	1,252	7.3x	8.8x	15,747	-7.5%	-1.7%	13.96	69.8%
Masco Corporation	14,653	35.4%	18.5%	1,253	1,063	11.2x	13.8x	6,775	8.5%	-3.0%	46.65	93.2%
Masonite International Corporation	2,446	22.7%	12.6%	276	251	7.7x	9.8x	2,198	0.7%	3.7%	66.38	74.4%
Mueller Industries, Inc.	1,881	16.1%	9.4%	229	0	8.4x	0.0x	2,422	-2.3%	4.9%	26.78	78.5%
NORMA Group SE	1,411	57.0%	14.7%	175	138	7.5x	10.3x	1,190	-0.9%	5.3%	29.28	62.6%
Owens Corning	8,980	22.7%	17.4%	1,234	940	6.8x	9.6x	7,094	0.9%	6.2%	52.50	76.4%
PGT Innovations, Inc.	1,198	35.4%	16.3%	129	123	8.7x	9.7x	791	8.1%	18.9%	13.61	73.6%
Quanex Building Products Corporation	592	22.2%	12.0%	103	71	5.2x	8.3x	863	-4.0%	-1.4%	12.40	60.7%
Tarkett S.A.	1,386	22.3%	6.2%	199	188	5.0x	7.4x	3,191	0.7%	1.6%	10.29	41.4%
TopBuild Corp.	4,416	26.2%	13.4%	357	302	10.5x	14.6x	2,658	5.8%	14.5%	114.69	89.8%
Tyman plc	753	32.9%	16.3%	119	90	5.7x	8.2x	734	-2.5%	6.6%	2.34	65.0%
Mean		29.4%	13.6%	706	627	9.1x	11.6x	5,463	1.9%	6.3%	74.4	69.9%

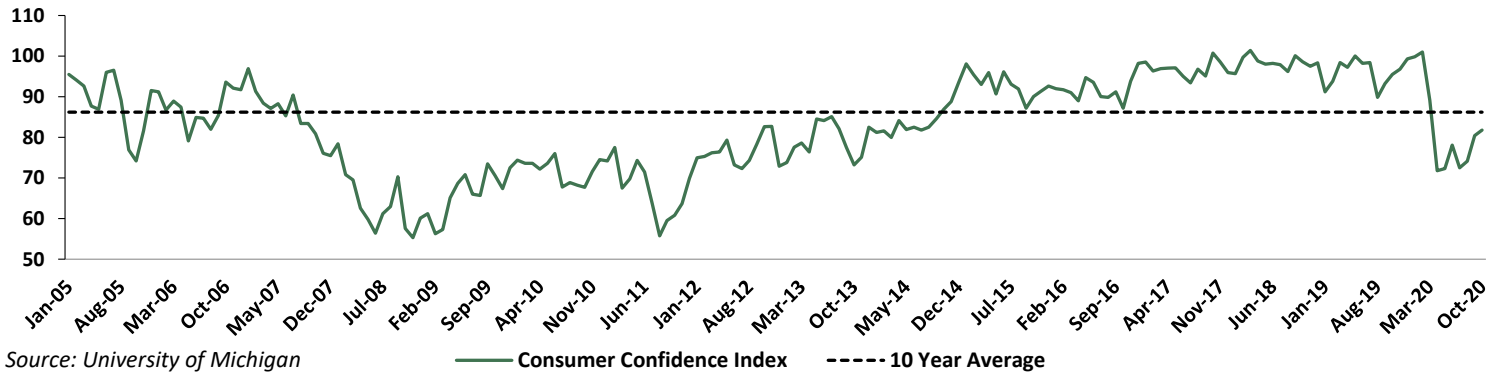
Source: S&P CapIQ (As of December 21, 2020)

Trailing Twelve Months Stock Performance

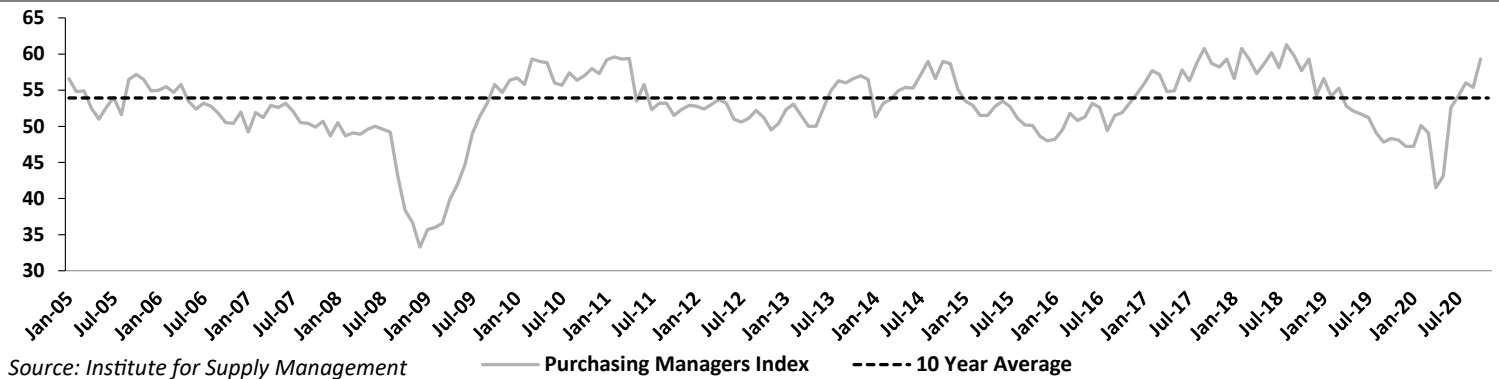


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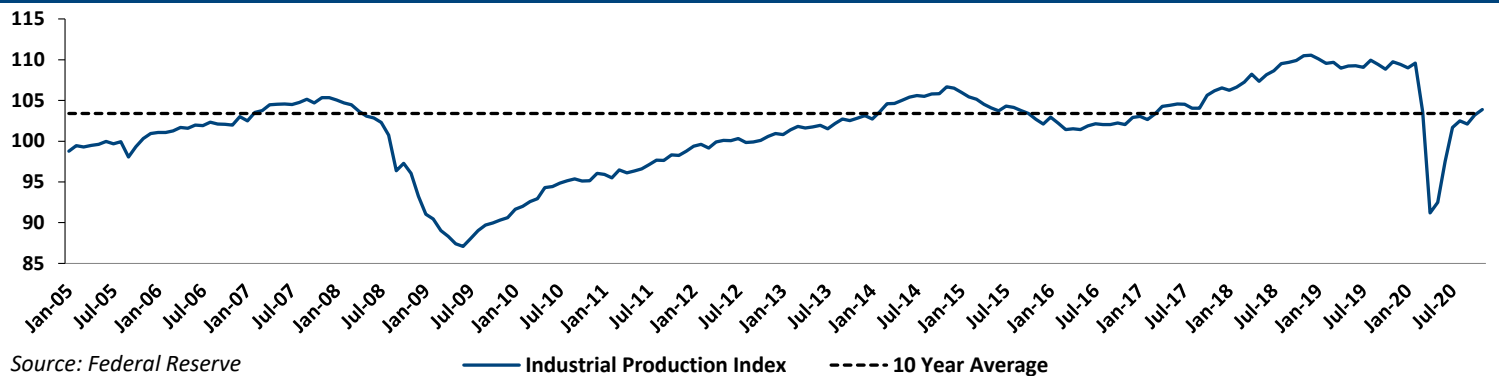
Consumer Confidence Index (2005 - YTD 2020)



Purchasing Managers Index (2005 - YTD 2020)



Industrial Production Index (2005 - YTD 2020)



U.S. Real GDP Growth (2004 - YTD 2020)

