



INDUSTRIALS: BUILDING PRODUCTS

- The Building Products sector continued to experience steady deal activity through the end of 2021. Bain Capital platform US LBM Holdings continues to be an active acquirer, having announced or closed 16 transactions since being acquired by Bain Capital in December 2020.
- The EdgePoint Building Products Index, which had been gaining momentum in the second and third quarters of 2021, gave back nearly half of its year-to-date gains as inflation accelerated in September. The move was likely in anticipation of the need for faster than expected increases to the Federal Funds Rate in 2022 and the corresponding increase to mortgage interest rates. The Index may face additional headwinds in the first quarter of 2022 as the inflationary environment and upward pressure on interest rates persists.
- EdgePoint anticipates continued buy-side interest in the building products sector in 2022 as demand for renovations and new residential housing continues. The timing and impact of interest rate increases will be a key factor to watch early in 2022.

RECENT TRANSACTIONS (SELECTED)

Target	Date	Buyers / Investors	Region	Strategic / Financial
Neuffer Fenster + TÜRen GmbH	Dec 9	IFN-Holding AG	EMEA	Strategic
Barn Door Lumber Company, Inc.	Dec 8	Cross & Lincoln Woodworks	US	Strategic
Universal Manufacturing Company, Inc.	Dec 7	The Cook & Boardman Group, LLC	US	Financial-Backed Strategic
Professional Builders Supply, LLC	Dec 1	US LBM Holdings, Inc.	US	Financial-Backed Strategic
Barrons Enterprises, Inc.	Nov 24	US LBM Holdings, Inc.	US	Financial-Backed Strategic
UNILUX GmbH	Nov 17	AURELIUS Equity Opportunities SE	EMEA	Financial
Millwork Sales, Inc.	Nov 4	Specialty Building Products, LLC	US	Financial-Backed Strategic
Reeb Millwork Corporation	Oct 15	U.S. Lumber Group, LLC	US	Financial-Backed Strategic
FMA-F2M	Oct 14	Janneau Menuiserie SA	EMEA	Financial-Backed Strategic
Barton Windows Limited	Oct 14	Modular Group Investments Limited	EMEA	Financial
Hart & Cooley, LLC	Oct 5	DuraVent, Inc.	US	Financial-Backed Strategic
Baldon Timber Ltd.	Sep 29	Myers Group Holdings Limited	EMEA	Strategic
Arran Isle Limited	Sep 27	ASSA ABLOY AB (publ)	EMEA	Strategic
Cascade Windows, Inc.	Aug 20	Cornerstone Building Brands, Inc.	US	Strategic
Cendrex inc.	Aug 12	Ironbridge Equity Partners Limited	Canada	Financial
Aluminium Frame Company Limited	Aug 8	CALDER METAL SOLUTIONS LTD	EMEA	Strategic
Scrigno Holding Spa	Aug 2	PAI Partners	EMEA	Financial
Trimlite Mfg. Inc.	Jul 28	Wynnchurch Capital, L.P	Canada	Financial

For more information and insight please contact the EdgePoint Industrials team:

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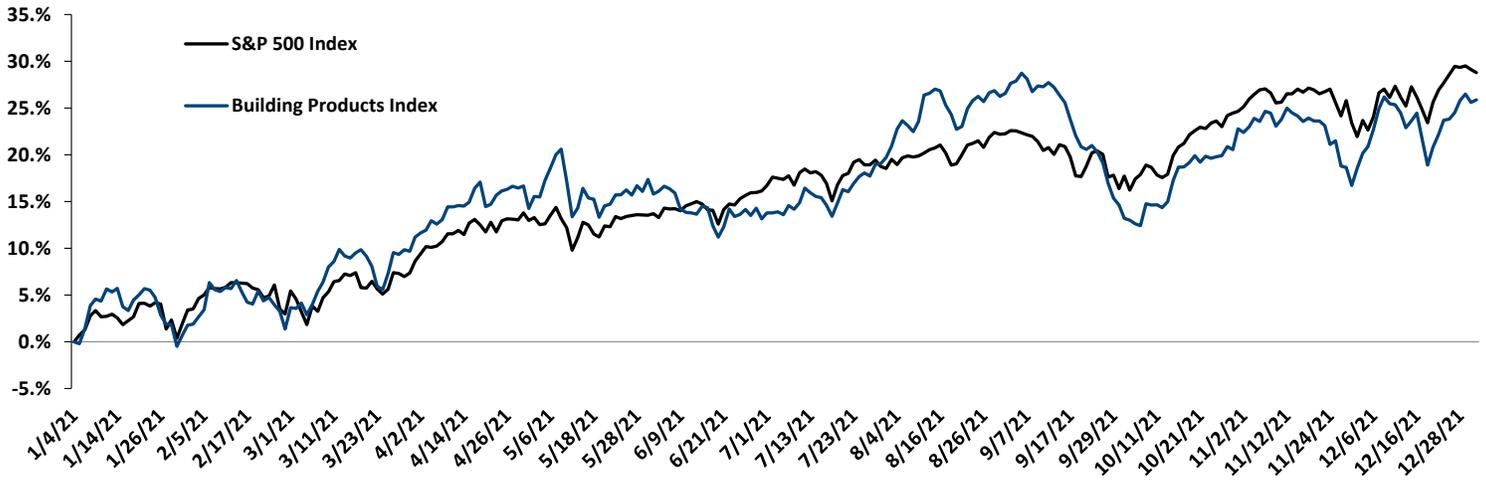
EdgePoint Public Comparable Index Constituents

Building Products

Company Name	Enterprise Value (EV)	LTM Margins		EBITDA		EV/EBITDA		Revenue	Revenue Growth		Stock Price	% of 52 Wk High
		Gross	EBITDA	LTM	2020E	LTM	2020E	LTM	LTM	3-Yr. CAGR		
Advanced Drainage Systems, Inc.	\$ 10,889	30.2%	19.9%	\$ 460	\$ 589	23.0x	18.5x	\$ 2,306	26.9%	19.1%	\$ 136.13	98.6%
American Woodmark Corporation	1,702	14.1%	8.3%	149	147	9.6x	11.6x	1,801	10.3%	5.1%	65.20	59.9%
Apogee Enterprises, Inc.	1,305	21.4%	7.9%	102	146	16.8x	8.9x	1,295	2.8%	-2.8%	48.15	97.1%
Armstrong Flooring, Inc.	122	10.7%	-6.9%	(44)	-	NM	0.0x	629	8.1%	15.6%	1.98	28.4%
Armstrong World Industries, Inc.	6,085	36.3%	24.3%	259	375	17.5x	16.2x	1,063	12.5%	3.8%	116.12	98.3%
ASSA ABLOY AB (publ)	36,548	39.2%	16.3%	1,722	1,996	20.1x	18.3x	10,594	3.8%	4.6%	30.55	95.0%
Caesarstone Ltd.	451	27.9%	12.1%	74	68	4.7x	6.5x	610	26.1%	1.6%	11.34	57.3%
Comfort Systems USA, Inc.	3,865	18.7%	8.6%	251	263	13.8x	14.7x	2,917	1.4%	12.4%	98.94	95.4%
Compagnie de Saint-Gobain S.A.	46,514	26.8%	13.2%	6,664	7,062	6.4x	6.5x	50,385	9.9%	1.0%	70.36	95.3%
Daikin Industries, Ltd.	65,173	34.8%	15.6%	3,942	3,665	17.1x	17.8x	25,309	16.4%	5.3%	226.60	88.2%
Fortune Brands Home & Security, Inc.	16,845	36.4%	17.4%	1,279	1,304	12.6x	12.9x	7,353	24.6%	10.5%	106.90	93.8%
Georg Fischer AG	6,476	38.7%	10.4%	396	441	16.1x	14.7x	3,794	5.0%	-8.5%	1,519.29	89.4%
Hubbell Incorporated	12,732	27.6%	15.9%	717	740	16.9x	17.2x	4,522	6.4%	2.0%	208.27	98.0%
Installed Building Products, Inc.	4,564	30.3%	14.1%	265	290	15.7x	15.7x	1,876	16.3%	13.5%	139.72	98.8%
Interface, Inc.	1,475	35.8%	14.3%	163	159	7.8x	9.3x	1,138	-2.4%	0.9%	15.95	88.5%
James Hardie Industries plc	18,707	36.5%	26.7%	878	917	20.8x	20.4x	3,292	24.1%	12.4%	40.21	95.2%
JELD-WEN Holding, Inc.	3,908	21.6%	9.0%	418	472	7.9x	8.3x	4,636	11.6%	3.1%	26.36	83.8%
Kingspan Group plc	22,620	29.6%	13.5%	871	998	25.8x	22.6x	6,430	20.8%	11.3%	119.41	98.5%
Lennox International Inc.	13,285	29.2%	16.8%	694	671	16.6x	19.8x	4,143	14.9%	1.8%	324.36	91.0%
LIXIL Corporation	11,844	35.1%	11.1%	1,410	1,319	8.6x	8.9x	12,677	-1.1%	-6.7%	26.62	91.1%
Masco Corporation	19,653	35.4%	14.6%	1,202	1,613	15.6x	12.2x	8,213	17.9%	2.6%	70.22	99.2%
Masonite International Corporation	3,485	24.0%	14.7%	380	421	8.3x	8.3x	2,579	18.9%	6.3%	117.95	89.2%
Mueller Industries, Inc.	3,465	20.7%	15.6%	543	-	6.1x	0.0x	3,489	54.0%	12.2%	59.36	94.1%
NORMA Group SE	1,613	56.0%	11.7%	149	192	10.1x	8.4x	1,273	14.9%	0.7%	38.53	68.6%
Owens Corning	11,342	26.2%	23.2%	1,922	1,891	5.7x	6.0x	8,292	21.5%	6.1%	90.50	82.4%
PGT Innovations, Inc.	1,909	34.7%	13.2%	143	168	11.6x	11.4x	1,079	29.0%	18.8%	22.49	80.0%
Quanex Building Products Corporation	885	22.4%	11.7%	125	125	6.5x	7.1x	1,072	25.9%	6.4%	24.78	85.4%
Tarkett S.A.	2,066	22.6%	8.8%	277	291	6.8x	7.0x	3,150	-5.7%	-1.7%	22.18	91.1%
TopBuild Corp.	9,500	28.3%	16.9%	531	594	16.0x	16.0x	3,144	18.3%	11.9%	275.91	97.1%
Tyman plc	1,260	35.0%	17.8%	155	147	7.7x	8.6x	872	11.5%	5.5%	5.41	78.4%
Median		29.4%	14.2%	407	431	12.6x	11.5x	3,147	14.9%	5.2%	67.7	91.1%
Mean		29.5%	13.9%	870	902	12.8x	11.8x	5,998	14.8%	5.8%	135.3	86.9%

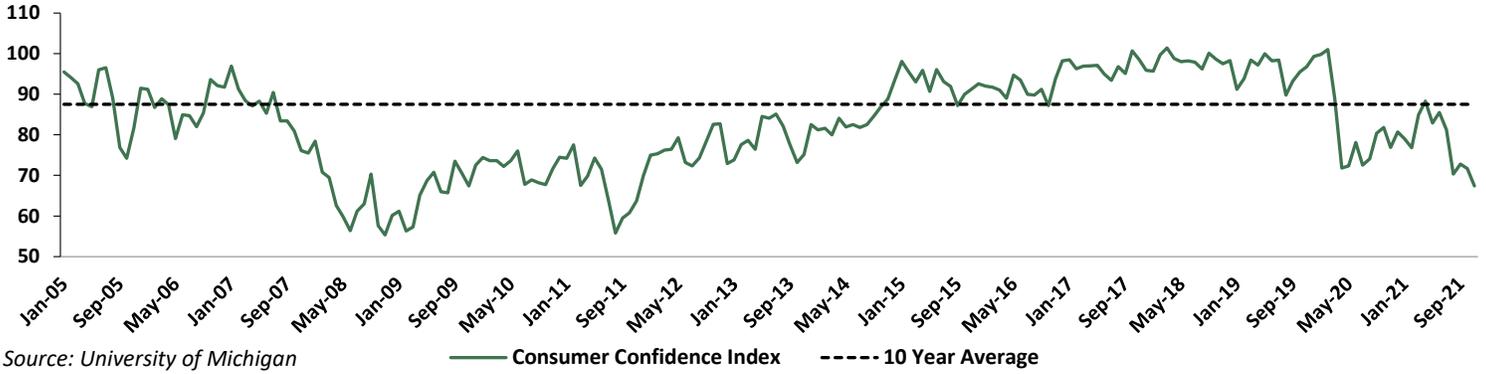
Source: S&P CapIQ (As of December 31, 2021)

Trailing Twelve Months Stock Performance

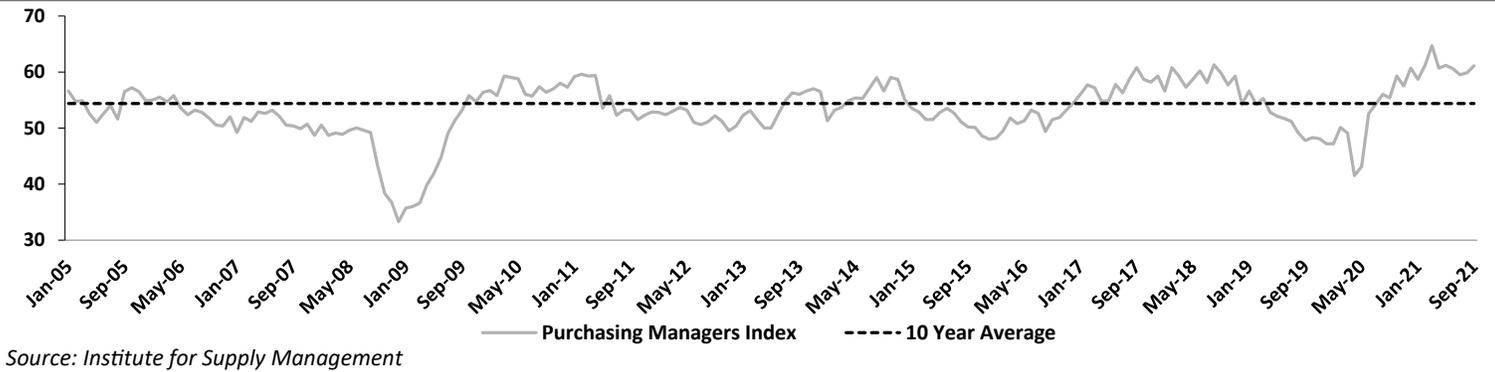


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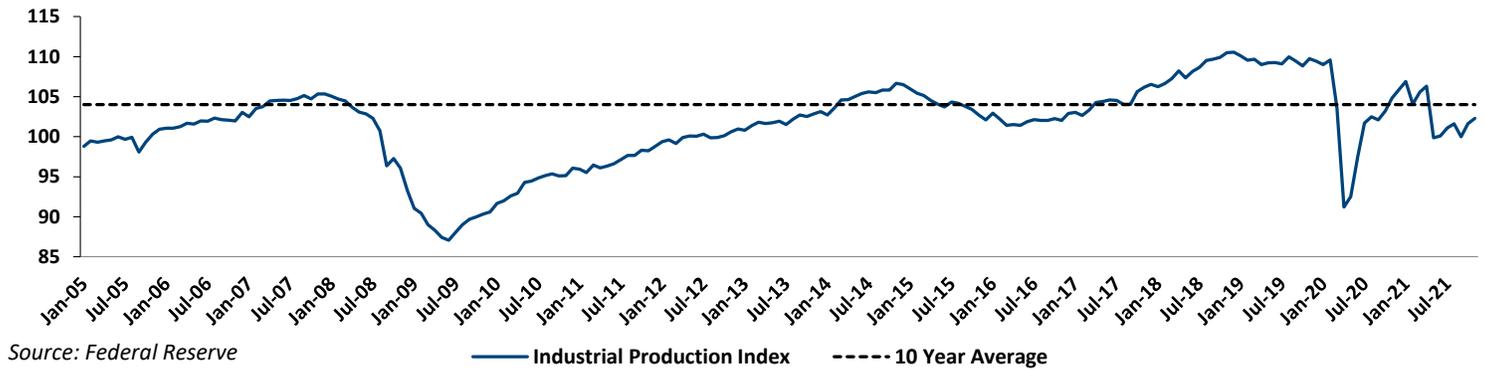
Consumer Confidence Index (2005 - YTD 2021)



Purchasing Managers Index (2005 - YTD 2021)



Industrial Production Index (2005 - YTD 2021)



U.S. Real GDP Growth (2004 - YTD 2021)

