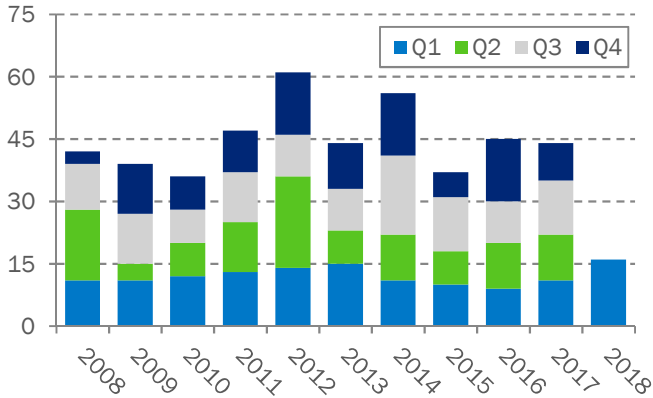
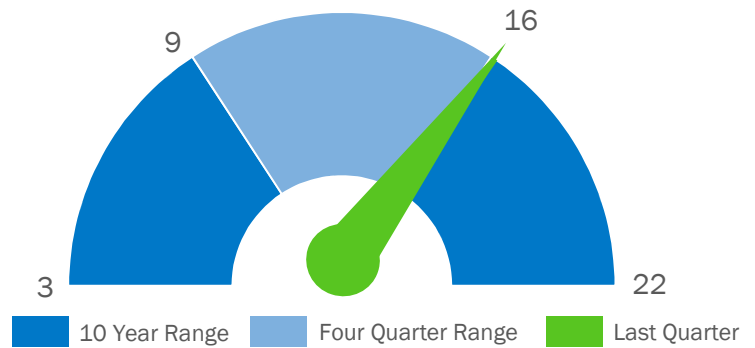


- With both Canadian and U.S. interest rates rising, we may see North American homeowners gradually pull back from current spending levels on homes and big-ticket remodeling activities
- Large acquisitions have been few and far between lately, with investment grade issuers remaining disciplined in an environment of high valuation multiples; however, with corporate cash balances rising, shareholders may lobby for this liquidity to be put to use
- In the lower-grade Building Products segment, high multiples are expected to remain buoyant due to the active consolidation being undertaken by highly competitive and liquid private equity firms

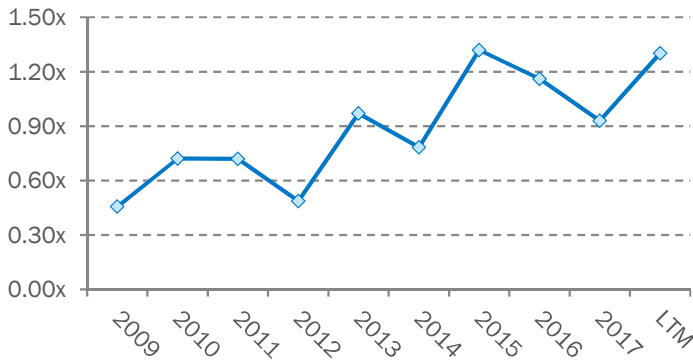
### M&A Deal Count



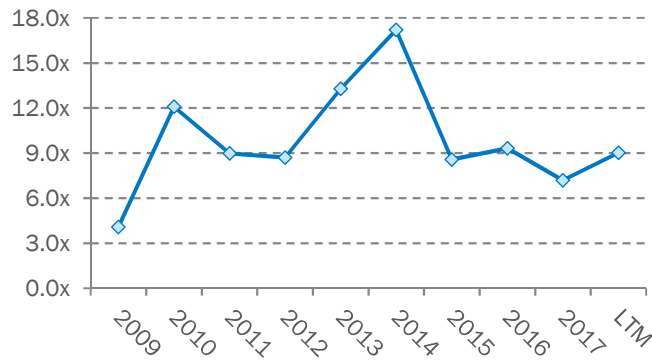
### Comparative Quarterly M&A Activity



### Median TEV/Revenue Multiples



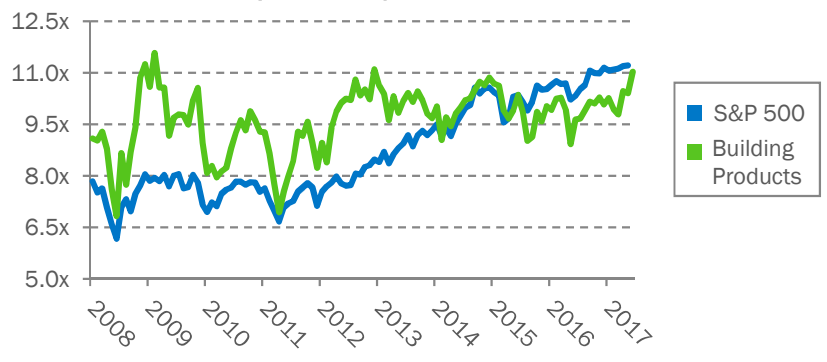
### Median TEV/EBITDA Multiples



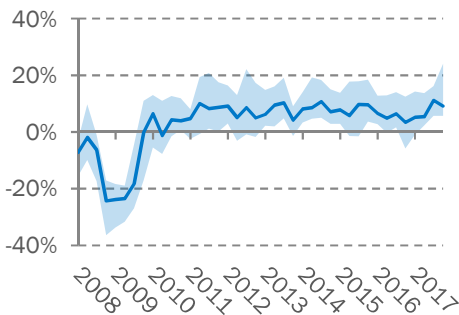
### Composite Index



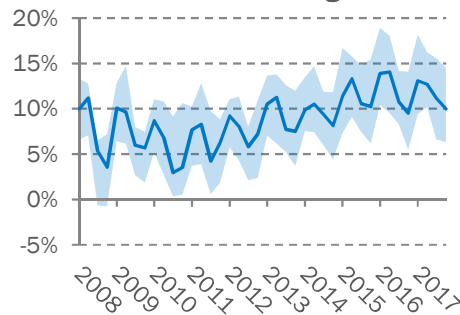
### Composite TEV/Forward EBITDA



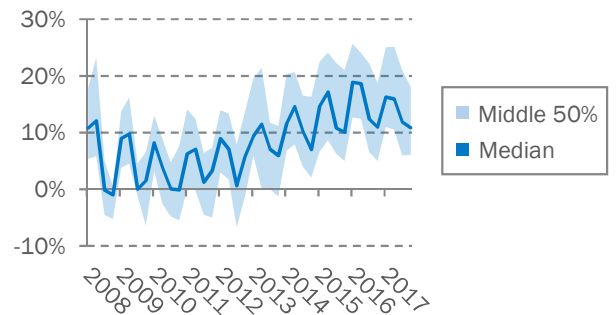
### Revenue Growth



### EBITDA Margin



### Return on Assets



### Building Products Announced M&A Deals (US\$ in millions)

| Date     | Target  | Buyer                                   | Transaction Value | EBITDA Multiple |
|----------|---|---|-------------------|-----------------|
| 01-31-18 | Ply Gem Holdings, Inc                               | Clayton, Dubilier & Rice, Inc.          | 2,865.9           | 9.9x            |
| 03-07-18 | Ashland Products Inc.                               | Tyman plc                               | 131.1             | 9.0x            |
| 12-04-17 | Blue Diamond Industries, LLC                        | Hexatronic Group AB (publ)              | 29.2              | 5.8x            |
| 11-14-17 | Ceilings Plus Inc.                                  | USG Corporation                         | 66.3              | -               |
| 07-31-17 | International Barrier Technology Inc.               | Louisiana-Pacific Canada Ltd.           | 27.5              | 26.8x           |
| 10-03-17 | The Bolt Supply House, Ltd.                         | Lawson Products, Inc.                   | 40.0              | -               |
| 07-14-17 | Skyfold Inc.  | dormakaba Holding AG                    | 109.0             | 8.5x            |
| 05-15-17 | Pittsburgh Corning Corporation                      | Owens Corning                           | 764.8             | -               |
| 05-01-17 | EFCO Corporation                                    | Apogee Enterprises, Inc.                | 266.1             | -               |
| 03-17-17 | Advanced Environmental Recycling Technologies, Inc. | Oldcastle Architectural, Inc.           | 139.2             | 7.2x            |
| 02-06-17 | Plastic Tubing Industries Inc.                      | Advanced Drainage Systems, Inc.         | 12.5              | -               |
| 12-15-16 | Tectum Inc.   | Armstrong World Industries, Inc.        | 42.1              | -               |
| 12-14-16 | Sotawall Limited                                    | Apogee Enterprises, Inc.                | 176.9             | -               |
| 11-09-16 | Halex Corporation                                   | GCP Applied Technologies Inc.           | 63.1              | -               |
| 11-14-16 | Kingspan Light & Air LLC                            | Kingspan Group plc                      | 50.3              | -               |
| 09-20-16 | Henry Company LLC                                   | American Securities LLC                 | 793.1             | -               |
| 07-06-16 | Nortek Inc.   | Melrose Industries PLC                  | 3,508.8           | 9.9x            |
| 06-01-16 | Raymond Building Supply Corporation                 | US LBM Holdings, Inc.                   | 115.7             | -               |
| 01-08-16 | Waterworks Operating Company LLC                    | Restoration Hardware Holdings, Inc. (n) | 42.4              | -               |
| 02-12-16 | JMF Company   | Zhe Jiang Hai Liang Co., Ltd            | 31.3              | -               |

### Building Products - 15 Largest Public Companies (US\$ in millions)

| Company Name                         | TEV      | TEV/EBITDA |       |       | EBITDA Margin | 3-year CAGR <sup>1</sup> | Debt / EBITDA |
|--------------------------------------|----------|------------|-------|-------|---------------|--------------------------|---------------|
|                                      |          | LTM        | 2018E | 2019E |               |                          |               |
| Masco Corporation                    | \$14,684 | 11.4x      | 10.2x | 9.2x  | 14.8%         | 13.4%                    | 2.4x          |
| Owens Corning                        | \$10,935 | 9.7x       | 7.7x  | 6.9x  | 11.5%         | 16.4%                    | 3.3x          |
| A. O. Smith Corporation              | \$9,928  | 16.5x      | 15.0x | 13.6x | 17.5%         | 18.2%                    | 0.5x          |
| Fortune Brands Home & Security, Inc. | \$9,707  | 11.3x      | 10.6x | 9.6x  | 13.6%         | 19.6%                    | 2.2x          |
| Lennox International Inc.            | \$9,478  | 16.4x      | 15.0x | 13.6x | 12.7%         | 13.3%                    | 2.3x          |
| USG Corporation                      | \$6,797  | 12.9x      | 10.5x | 9.5x  | 10.5%         | (0.1%)                   | 2.3x          |
| JELD-WEN Holding, Inc.               | \$4,420  | 11.8x      | 8.5x  | 7.4x  | 6.9%          | 0.0%                     | 4.0x          |
| Builders FirstSource, Inc.           | \$4,046  | 10.4x      | 8.1x  | 7.2x  | 4.1%          | 84.4%                    | 5.0x          |
| Armstrong World Industries, Inc.     | \$4,010  | 12.4x      | 11.3x | 10.4x | 21.1%         | (6.1%)                   | 3.3x          |
| Trex Company, Inc.                   | \$3,861  | 23.2x      | 20.5x | 18.4x | 25.1%         | 22.3%                    | 0.5x          |
| Simpson Manufacturing Co., Inc.      | \$2,774  | 15.2x      | 12.9x | 11.0x | 14.8%         | 13.1%                    | 0.0x          |
| Masonite International Corporation   | \$2,556  | 10.3x      | 8.9x  | 7.9x  | 8.1%          | 21.8%                    | 2.6x          |
| Universal Forest Products, Inc.      | \$2,530  | 10.6x      | 9.7x  | 8.6x  | 4.5%          | 20.2%                    | 1.2x          |
| American Woodmark Corporation        | \$2,367  | 17.3x      | 8.9x  | 8.1x  | 8.6%          | 27.8%                    | 6.0x          |
| Advanced Drainage Systems, Inc.      | \$2,310  | 12.9x      | 10.0x | 9.2x  | 8.0%          | 21.0%                    | 2.1x          |

<sup>1</sup>Historical compound annual growth rate of EBITDA

<sup>2</sup>Not measurable

|        |          |       |       |       |       |        |      |
|--------|----------|-------|-------|-------|-------|--------|------|
| High   | \$14,684 | 23.2x | 20.5x | 18.4x | 25.1% | 84.4%  | 6.0x |
| Low    | \$2,310  | 9.7x  | 7.7x  | 6.9x  | 4.1%  | (6.1%) | 0.0x |
| Median | \$4,046  | 12.4x | 10.2x | 9.2x  | 11.5% | 18.2%  | 2.3x |
| Mean   | \$6,027  | 13.5x | 11.2x | 10.1x | 12.1% | 19.0%  | 2.5x |