

# the building product advisor

A PUBLICATION FOCUSED ON MERGERS, ACQUISITIONS, & CORPORATE FINANCE IN THE BUILDING PRODUCT INDUSTRY

## Royal Group to Weigh Offers

Royal Group Technologies, the Canadian manufacturer of a wide range of plastic building products, has engaged financial advisors to find a buyer for the company. The announcement is in reaction to an unsolicited bid by Cerberus Capital Management to purchase the company for C\$14.00 per share. Royal Group has trailing annual revenue of C\$1.9B and EBITDA of C\$196MM, making the Cerberus bid a 10.2x multiple of EBITDA.

Cerberus obviously likes the building products space – the group recently had great success with the purchase and subsequent IPO of BlueLinx last year, which it purchased from Georgia Pacific. In making the offer, Cerberus announced that former chairman Vic DeZen had pledged to sell his approximately 20% stake to them at that price.

While the Cerberus bid officially put the company in play, Royal has been in disarray for some time. Former Chairman and controlling shareholder DeZen was forced to resign after the discovery of some questionable related party transactions, which are being investigated by the Canadian authorities. But even prior to DeZen's legal problems, the company's financial performance had been deteriorating.

In related news, Royal recently voted to end its dual class share structure. The move eliminates the multiple voting shares that had allowed DeZen to have majority voting control over the company while only owning approximately 20% of the shares. Similar structures are used at other companies, most notably Ford, where the Ford family has voting control while only owning 5% of the company.

## Sun Capital Consolidating Plumbing Market

Smaller plumbing companies have found it difficult to compete against the Kohlers and American Standards of the world. They've been saddled with older and inefficient domestic plants, without the capital to modernize or move offshore. Well, the long awaited

*(Continued on page 6)*

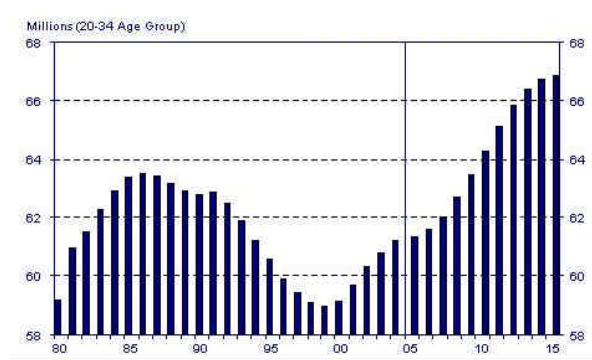
## Demographics Favorable to Sustained Housing Strength

By Frank Nitschke – Principal, *Maximus Advisors*

In the short run, housing demand is tied closely to the economy and movements in interest rates. However it is demographics that determine longer-term trends. The current and projected US demographic profile suggests continued strength in the housing market for this decade.

The number of people in the 20-34 age group – a key home buying demographic - increases through the end of the decade. This is a turnaround from the declining number of people in this age group in the 1990s. Also, the booming immigration patterns of the last decade will continue to support demand as the recent immigrants move from apartments to homeownership. Legal immigration to the US topped 1 million people in both 2001 and 2002, the highest level since 1991, but slowed to 700,000 in 2003 owing to tighter security checks.

The key 20-34 age cohort is beginning to increase again after a significant falloff in the 1990s



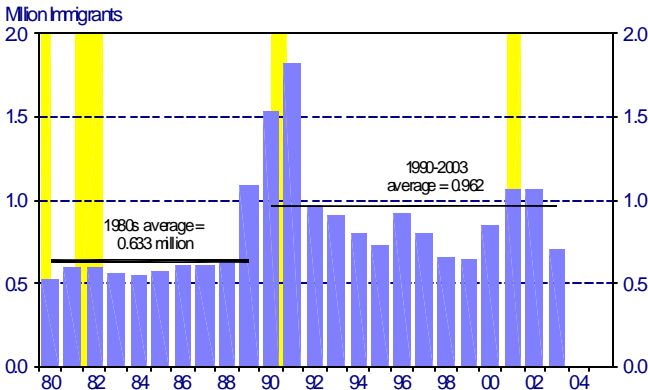
Source: Census Bureau, Maximus Advisors

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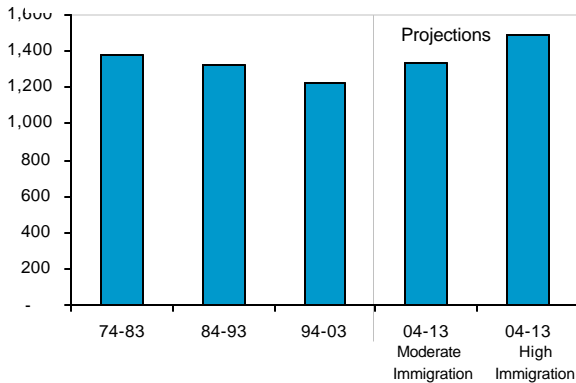
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**While immigration has slowed, the 1990s surge will continue to support housing as these households move to homeownership**



Source: Census Bureau, Maximus Advisors

**Household formations look to be more favorable over the next 10 years**



Sources: Census Bureau, NAHB, Joint Center for Housing, Maximus Advisors

**DEMOGRAPHICS (Continued from page 1)**

**Long Term Demographic Trends**

US household formations are projected to average some 1.3 to 1.4 million household formations annually over the next 10 years. This places the secular trend for household formations over the next 10 years at least on par with the heady 1.25 million annual rate during the second half of the 1990s. And demographic underpinnings suggest that housing demand over the next 10 years can match the strong pace of the past five years and will likely come in much stronger than in the previous decade, removing cyclical effects.

*Maximus Advisors (www.maximusadvisors.com) is an independent research and consulting firm specializing in regional economics, real estate, and the construction/building and allied products industries.*

**Cemex Continues Move into Ready Mix**

Fresh on the heels of its \$5.8 billion purchase of RMC Group - the world's largest producer of ready-mix concrete - Cemex has plans to link up with Birmingham-based Ready Mix USA to create a ready-mix powerhouse in the southeastern U.S.

Under the proposed Joint Venture, Cemex will contribute two cement plants (Demopolis, AL and Clinchfield, GA), eleven cement terminals, and its ready-mix, aggregates, and block assets in the Florida Panhandle to the joint venture. Ready Mix USA will contribute all of its ready-mix and aggregate operations in Alabama, Georgia, the Florida Panhandle and Tennessee, as well as its block operations in Arkansas, Tennessee, Mississippi, Florida and Alabama. The combined operations of the JV span more than 100 ready mixed plants, a mixer fleet of 800-1,100 trucks, and 22 concrete masonry plants with annual shipments of 75-110 million blocks.

The cement assets of the joint venture will be managed by Cemex, and the ready-mix, aggregate and block assets will be managed by Ready Mix USA. After three years, Ready Mix USA will have a put option to Cemex, giving it the ability to force Cemex to buy its share of the JV.

**Shopping for Advice: Things to consider**

According to investment banking professionals at a recent ACG investment banking panel discussion, there are several things smaller companies need to keep in mind when shopping for an advisor on an M&A deal, whether on the buy-side or sell-side:

1. focus on the reputation of the individual banker that will be involved in the deal, not just the firm.
2. be certain the advisor has expertise specific to your industry.
3. chemistry - whether it's for a buy, a sell or a capital raising - is critical to a successful deal being completed, especially for a small company without a big corporate structure. That company is going to rely more on support from an M&A advisor than would a larger company. A company should know the end game they are seeking and be sure the advisor is in agreement.
4. check references and deal record - not just the completed deals but also the failed ones.
5. get referrals from other companies in the industry.

*This article is reprinted from Flashwire Weekly, the leading M&A weekly serving the middle market.*

	Current share price	Market value	Total firm value	Firm value as a multiple of:			LTM EBITDA margin	Market value as a multiple of:			
				LTM revenue	LTM EBITDA	LTM EBIT		LTM net income	12 mo Forward EPS	Book value	Total debt / EBITDA
<b>LARGE CAP BUILDING PRODUCTS</b>											
Masco	\$31.76	\$13,774.3	\$17,123.3	\$12,237.0 1.4x	\$1,784.0 9.6x	\$1,544.0 11.1x	14.6%	\$901.0 15.3x	\$2.48 12.8x	\$5,008.0 2.8x	2.4x
American Standard <sup>(1)</sup>	41.92	8,916.8	10,735.6	9,664.1 1.1x	1,107.6 9.7x	839.5 12.8x	11.5%	541.7 16.5x	2.75 15.2x	868.8 10.3x	1.9x
Black & Decker <sup>(2)</sup>	89.85	7,189.8	8,059.5	6,669.0 1.2x	912.5 8.8x	758.0 10.6x	13.7%	483.0 14.9x	6.78 13.3x	1,501.4 4.8x	1.3x
Sherwin Williams <sup>(3)</sup>	47.09	6,549.3	7,674.2	6,332.8 1.2x	783.7 9.8x	651.0 11.8x	12.4%	425.1 15.4x	3.23 14.6x	1,593.7 4.1x	1.3x
Mohawk	82.50	5,502.8	6,421.3	5,983.9 1.1x	764.5 8.4x	640.2 10.0x	12.8%	372.3 14.8x	6.07 13.6x	2,744.1 2.0x	1.2x
Stanley Works <sup>(4)</sup>	45.54	3,770.3	4,147.0	3,114.9 1.3x	514.5 8.1x	420.5 9.9x	16.5%	251.9 15.0x	3.31 13.8x	1,267.5 3.0x	1.3x
RPM <sup>(5)</sup>	18.26	2,145.7	2,811.6	2,506.3 1.1x	330.3 8.5x	264.9 10.6x	13.2%	152.1 14.1x	1.36 13.4x	1,035.0 2.1x	2.5x
James Hardie <sup>(6)</sup>	29.10	2,671.7	2,717.5	1,210.4 2.2x	232.5 11.7x	196.2 13.9x	19.2%	127.9 20.9x	- NA	624.7 4.3x	.7x
			MEAN	1.3x	9.3x	11.3x	14.2%	15.8x	13.8x	4.2x	1.6x
			MEDIAN	1.2x	9.2x	10.9x	13.4%	15.1x	13.6x	3.5x	1.3x
<b>MID CAP BUILDING PRODUCTS</b>											
Royal Group Technologies	\$13.38	1,249.2	\$1,917.1	\$1,887.3 1.0x	\$195.8 9.8x	\$61.0 31.4x	10.4%	13.0 NM	- NA	\$1,357.0 .9x	3.3x
Genlyte Group	48.74	1,352.5	1,544.4	1,203.1 1.3x	153.1 10.1x	123.7 12.5x	12.7%	65.4 20.7x	2.93 16.6x	443.0 3.1x	1.7x
Lennox International	21.17	1,310.6	1,535.6	3,019.0 .5x	210.3 7.3x	169.6 9.1x	7.0%	91.7 14.3x	2.11 10.0x	476.9 2.7x	1.5x
Jacuzzi <sup>(7)</sup>	10.73	823.0	1,142.6	1,258.7 .9x	97.9 11.7x	72.5 15.8x	7.8%	14.1 NM	0.70 15.3x	311.4 2.6x	3.5x
Elkcorp	28.55	575.6	734.8	721.6 1.0x	102.9 7.1x	80.7 9.1x	14.3%	45.3 12.7x	2.26 12.6x	254.8 2.3x	1.9x
American Woodmark <sup>(8)</sup>	30.01	495.2	501.0	777.0 .6x	89.3 5.6x	58.4 8.6x	11.5%	35.6 13.9x	2.06 14.6x	215.2 2.3x	.3x
International Aluminum	31.95	136.4	126.2	243.9 .5x	24.1 5.2x	17.8 7.1x	9.9%	11.1 12.3x	- NA	117.3 1.2x	.0x
			MEAN	.8x	8.1x	13.4x	10.5%	14.8x	13.8x	2.2x	2.0x
			MEDIAN	.9x	7.3x	9.1x	10.4%	13.9x	14.6x	2.3x	1.7x
<b>HEAVY BUILDING MATERIALS</b>											
Vulcan Materials	\$64.99	5,775.9	\$6,111.0	\$2,267.4 2.7x	\$644.5 9.5x	\$414.8 14.7x	28.4%	\$262.0 22.0x	\$3.15 20.6x	\$2,001.1 2.9x	.9x
LaFarge N. America, Inc.	62.44	4,481.3	4,721.8	3,831.4 1.2x	669.7 7.1x	471.2 10.0x	17.5%	177.8 25.2x	4.34 14.4x	2,936.8 1.5x	1.1x
Martin Marietta Materials	69.12	3,221.7	3,837.7	1,811.5 2.1x	373.7 10.3x	241.1 15.9x	20.6%	140.4 23.0x	3.32 20.8x	1,118.6 2.9x	2.0x
Florida Rock Industries	73.35	3,197.3	3,243.7	1,004.8 3.2x	263.6 12.3x	199.3 16.3x	26.2%	122.3 26.1x	3.25 22.6x	676.4 4.7x	.2x
Texas Industries	56.23	1,275.3	1,914.8	1,903.7 1.0x	311.1 6.2x	215.7 8.9x	16.3%	120.5 10.6x	5.62 10.0x	889.0 1.4x	2.6x
Eagle Materials	92.59	1,679.6	1,757.2	616.5 2.9x	195.9 9.0x	161.4 10.9x	31.8%	106.7 15.7x	7.16 12.9x	485.4 3.5x	.4x
U.S. Concrete, Inc.	6.47	189.7	352.6	502.8 .7x	36.6 9.6x	23.9 14.7x	7.3%	7.6 25.0x	0.42 15.4x	162.8 1.2x	4.9x
			MEAN	2.0x	9.1x	13.1x	21.2%	21.1x	16.7x	2.6x	1.7x
			MEDIAN	2.1x	9.5x	14.7x	20.6%	23.0x	15.4x	2.9x	1.1x

Share price as of 6/30/2005

(1) American Standard: \$307MM related to asbestos reserve charge added back to EBIT and EBITDA. 188MM added back to net income for after tax effects of asbestos reserve charges. Also assumed debt increase of 307MM.

(2) Black & Decker is not pro forma for acquisition of Pentair's Tools division, and does not include a favorable \$55MM settlement in Q1 05.

(3) Sherwin-Williams is not pro forma for acquisitions of Duron and Paint Sundry Brands

(4) Stanley Works is not pro forma for its 2004 acquisitions of Blick, CST/Berger, Frisco Bay, and ISR Solutions

(5) RPM: \$62MM related to asbestos charges added back to EBIT and EBITDA. \$40MM added back to net income for after tax effects of asbestos reserve charges.

(6) James Hardie is not pro forma for \$28.1MM in 'Special Commission of Inquiry' related expenses; primarily legal expenditures concerning asbestos

(7) Jacuzzi is pro forma for the divestiture of 70% ownership in Rexair. Not pro forma for the divestiture of Eljer Plumbingware, which had LTM sales of \$150MM and EBIT of -2.3MM.

(8) American Woodmark as of April 2005 with estimated depreciation and amortization amounts

All figures in millions except Share Price and EPS

NM is Not Meaningful, and is not included in the calculation of Mean

Firm Value = Market Cap + Debt + Minority Interest + Preferred Stock - Cash & Equivalents

Announce Date	Target	Target Description	Acquirer	Firm Value	Revenue FV / Rev.	EBITDA FV / EBITDA
6/30/2005	Long Branch Quarry	GA aggregate quarry	Vulcan Materials Company	-	-	-
6/30/2005	Juno Lighting, Inc.	lighting fixture mfr formerly owned by Fremont Partners	Square D, div. of Schneider Electric	\$610.0	\$252.0 2.4x	\$57.7 10.6x
6/27/2005	NPC, Inc.	Bought 89% of NH mfr of rubber pipe to manhole connectors. Formerly owned by The Riverside Co.	American Capital Strategies, Ltd.	\$33.7	-	-
6/23/2005	ImproveNet	online service matching consumers with contractors	ServiceMagic	\$6.7	-	-
6/20/2005	assets of Alamo Water Refiners, Inc.	acquired Alamo's water softener business	Watts Water Technologies	-	\$13.0	-
6/13/2005	BPP Companies	provides concrete foundation services to AZ homebuilders - BMHC acquired 51%	BMHC's BMC Construction	-	\$100.0	-
6/10/2005	Bombard Mechanical	Las Vegas electrical contractor	MDU Resources Group, Inc.	-	\$166.0	-
6/9/2005	7 Oregon Companies	Construction materials companies in Klamath Falls, OR - merged into Knife River Corp	MDU Resources Group, Inc.	-	-	-
6/7/2005	Northern Contours, Inc.	MN mfr of decorative laminate and veneer components	Meridian Venture Partners and Winston Partners	-	-	-
6/6/2005	Transeastern Properties, Inc.	acquired FL homebuilding operations	Technical Olympic USA, Inc.	-	\$466.0	-
6/6/2005	Maine Ornamental Woodworkers	mfg and dist. decorative caps used on deck and fence posts	Universal Forest Products	-	\$12.4	-
6/5/2005	Caradon Plumbing	UK mfr of Ideal Boilers, Stelrad Radiators, Henrad and Termo Teknik	Warburg Pincus	\$227.0	\$243.0 .9x	-
6/3/2005	Williams Bros. Lumber	GA based 17 location professional retailer	Home Depot	-	\$444.0	-
6/2/2005	Landstar Homes' division	Central Florida homebuilding division, incl. 2500 lots	Toll Brothers, Inc.	-	\$115.0	-
6/2/2005	J.C. Baldrige Lumber Co	NM pro dealer and architectural specialties business	Stock Building Supply	-	\$25.5	-
6/1/2005	Central Kansas Truss	Kansas truss and component mfr	Lanoga Corporation	-	-	-
6/1/2005	division of Weyerhaeuser	bought British Columbia coastal business	Brascan Corp of Toronto	C\$1.4B	-	-
5/31/2005	B.W. Creative Wood Industries Ltd.	mfr of value-added specialty wood products	International Forest Products, Ltd.	\$10.3	-	-
5/31/2005	CommAir Mechanical Services	CA and AZ HVAC maintenance, repair, and installation	Carrier Corporation	-	\$40.0	-
5/27/2005	Semco, Inc.	NV mfr of concrete waterproofing products	Plasticon International, Inc.	-	-	-
5/20/2005	Eljer Plumbingware	offers an extensive line of sanitary products	Sun Capital Partners	-	\$150.5	-
5/16/2005	Champion Building Products	RI commercial and residential building products supplier	Kamco Supply Group	-	-	-
5/13/2005	Engineered Panel Systems, Inc.	pre-cast concrete panels	First National Panel Company, Inc.	-	-	-
5/12/2005	Eagle Window & Door	IA mfr of aluminum clad wood windows and patio doors, purchased from Linsalata Capital Partners	Andersen Corporation	-	-	-
5/4/2005	Kelly's Pipe	4 location Las Vegas plumbing wholesaler	Hajoca Corp	-	-	-
5/4/2005	Idaho Timber Corp	10 lumber operations in 8 states	Leucadia National Corp	\$132.0	-	-
5/3/2005	Kok's Woodgoods, Inc.	MI mfr of mouldings, casings, and chair rails	The Empire Co., div. of Tenon (NZ)	-	-	-
5/3/2005	Jim White Millwork, LLC	option to acquire MI supplier of wood mouldings	American Wood Moulding, 50% owned by Tenon (NZ)	-	-	-
5/2/2005	National Construction Products, Inc.	Atlanta dist. of construction materials	Hughes Supply, Inc.	-	\$8.0	-
4/28/2005	Advantage Homes	homebuilder in the Central Valley, CA area	Standard Pacific Corp	-	-	-
4/28/2005	Eastern Distributors Co., Inc.	PA building materials distributor	The Parksit Group	-	-	-
4/28/2005	Insulation Systems, Inc.	VA dist of commercial roofing and building products	Beacon Roofing Supply, Inc.	-	\$19.0	-
4/26/2005	FCCI Readymix & Acme Concrete	2 Florida ready mixed operations	Rinker Materials Corporation	-	-	-
4/26/2005	Pahrump Concrete	Las Vegas area ready mixed operation	Rinker Materials Corporation	-	-	-
4/22/2005	part of Advantage Homes	Advantage Homes' Bakersfield, CA operations	Standard Pacific Corp	-	-	-
4/11/2005	Dixie Building Materials, Inc.	New Orleans ready mix operation	LaFarge North America	-	-	-
4/19/2005	Riggs Plumbing, LLC	AZ residential plumbing installer, purchased majority interest	BMHC's BMC Construction	-	-	-
4/12/2005	Noland Co.	distributor of roofing and building materials	WinWholesale	\$307.6	\$548.0 .6x	\$42.6 7.2x
4/12/2005	Euramax International, Inc.	GA mfr of aluminum products, purchased from Citigroup Venture Capital	Goldman Sachs Capital Partners	\$1,038.0	\$1,012.9 1.0x	\$121.2 8.6x
4/8/2005	Gator Lumber Company	FL lumber yard	Stock Building Supply	-	\$15.0	-
4/7/2005	Floragon Forest Products	Oregon lumber mill	International Forest Products, Ltd.	\$50.0	-	-
4/4/2005	div of Kennametal, Inc.	acquired supply chain management business	Wolseley PLC	\$41.0	\$138.4 .3x	\$0.8 51.3x
4/4/2005	Rocky Mountain Forest Products	WY mfr of small pattern solid pine wood mouldings	Valor Equity Partners, LP	-	-	-

## Hedge Funds Morph Into Private Equity Players

Capital in-flows to hedge funds have reached unprecedented levels in recent years. Mesmerized by their sophisticated trading strategies and mystique, high net worth and institutional investors have poured approximately \$600 billion into these funds since 2001 — causing their assets to swell to approximately \$1 trillion today.

This glut of capital and lackluster public market returns have pushed many hedge funds to seek alternative investment classes like private equity, where returns have been robust recently. According to Cambridge Associates, a large investment consultancy, private equity returns averaged 23.5 percent in the past year.

The invasion of hedge funds into private equity has served to intensify the competition for deals. In the building products space, Cerberus Capital Management has been competing for deals, and winning. Witness their purchase and subsequent IPO of Bluelinx (formerly G-P's distribution business) and their current bid to acquire Royal Group Technologies.

Traditional private equity firms can't be too excited about this development since many believe it will increase purchase prices and drive returns down. Furthermore, many in the private equity community echo the feelings of KKR founder, Henry Kravis, who recently stated in an investor conference that hedge funds don't have the right skills and experience to successfully turnaround or build private companies.

However, hedge funds have competitive advantages over their private equity brethren that help make it easier for them to get deals done, including:

- Lower cost of capital;
- Ability to lever their own capital;
- Ability to put capital to work more quickly than traditional private equity groups;
- One-stop-shop capability, which allows them to be more active at all layers of the capital structure, including mezzanine, second lien, equity, high yield and distressed;
- Less strenuous criteria - as long as they see a company as interesting and can see upside, they will do the deal;
- Little regulation; and
- Higher fees.

Interestingly enough, for these reasons and others, a number of private equity funds are moving into the hedge fund business. For example, private equity titans Texas Pacific Group, Blackstone, Bain, and the Carlyle Group have all launched their own hedge funds recently.

Although these developments indicate a clear trend towards private equity and hedge fund convergence, only time will tell how it will all play out. What seems most certain is that business owners will be the main benefactors of this trend. With hedge funds piling into increasingly competitive private equity markets, it is likely that capital for growth, acquisitions, and shareholder liquidity will continue to be cheap and plentiful.

## Deals in the Pipeline

**Maytag Corp.** The \$14/share takeover offer by Ripplewood Holdings has been topped by a \$16/share bid from a consortium led by Chinese appliance giant Haier that includes Bain Capital and Blackstone Group. While the second bid is likely to succeed, it could get caught up in the same political difficulties as the Unocal situation.

**Heidelberg Cement**—Spohn Cement GmbH made a surprise \$8 billion offer for the company, stirring up speculation of further sector consolidation across Europe. Others seen as potential takeover targets rose on the news. Hanson, Italcementi, Buzzi Unicem, Bilfinger Berger and Hochtief all traded up on news of the bid, as they are all seen as likely takeover targets for the likes of giants like LaFarge, Holcim, Cemex and CRH.

**Kingfisher**—Reports out of the UK in May stated that private equity firms Permira and Apax were teaming up for a £7 billion bid for Kingfisher, parent company of U.K. DIY chain B&Q, and French DIY chains Castorama and Brico-Depot. KKR and Home Depot were also said to be sniffing around.

**Orchard Supply Hardware**—Sears is considering selling or spinning off its Orchard Supply retail hardware store chain, which has 82 locations in California. If sold, the Orchard Supply chain could fetch as much as \$300 million. That's substantially less than the \$415 million Sears paid in 1996 for OSH, even though Sears has added 21 stores to the OSH chain since then.

## Builders FirstSource Goes Public

Taking advantage of continued strength in the housing market, Builders FirstSource went public on June 22, selling 12.25 million shares at \$16 each. The pricing came in the middle of the expected \$15 to \$17 range, but strong demand led the number of shares to be increased from a planned 11.25 million. The company is a supplier and manufacturer of structural and related building products for residential new construction. The IPO price of \$16/share gave an enterprise valuation of 7.4x EBITDA.

Dallas-based Builders FirstSource was formed in 1998 by private equity firm JLL Partners Inc. Operating in the highly fragmented building materials distribution industry, Builders FirstSource grew by acquisition, buying 23 companies since 1998.

Reports earlier in the year had Home Depot talking to JLL Partners about acquiring the company. However, it is said that negotiations broke down over price. The new shares are trading on Nasdaq under the ticker "BLDR".

## Big Orange Update

Home Depot announced the purchase of Atlanta-based pro dealer Williams Bros. Lumber Co., which will become part of the Home Depot Supply division. Williams Bros., the 22<sup>nd</sup> ranked U.S. pro dealer, employs about 1,200 staff at its 16 locations, with 2004 sales of \$444 million. The Williams purchase furthers HD's stated goal of moving deeper into what it quantifies as a \$400 billion professional customer market.

Home Depot could be close to buying a \$500 million piece of Orient Home, the DIY retailer in China. Sources near the deal said that Home Depot CEO Robert Nardelli has been in talks with Zhang Hongwei, president of Orient Group. Orient Home operates 27 stores in China.

SUN CAPITAL *(Continued from page 1)*

consolidation of the tier 2 players in the chinaware market may finally be upon us. In recent months, Sun Capital has acquired Crane Plumbingware and Eljer from Jacuzzi.

Sun, a noted investor in distressed situations, has its work cut out for it. Eljer was losing money on \$150 million a year in sales, and it is thought that Crane's chinaware business was struggling as well. As part of the Eljer deal, Sun will take possession of Eljer's antiquated plants in Tupelo, Miss. and Ford City, Pa. Look for Sun to be aggressive in sourcing product offshore, and scaling back and/or closing the Eljer and Crane chinaware plants in short order.

Sun says it plans to operate Eljer as a stand-alone portfolio company, but it is almost certain to merge Crane and Eljer at some point in the future, once customer and distribution issues are ironed out.



### ABOUT CAPSTONE:

Capstone Financial Group is an investment banking firm that specializes in assisting owners of middle market companies with their financial needs:

- Mergers and acquisitions
- Recapitalizations
- Private placements
- Divestitures, and
- Other financial advisory services

Capstone is backed by a highly experienced and knowledgeable team of senior financial professionals, each with firsthand knowledge of operating, growing, and selling middle market companies.

Managing Director, Porter Wiley heads up Capstone's Building Products Group. Porter has seven years experience focusing exclusively on the building products sector, both with Capstone and a major Wall Street firm. Over that time, Porter has completed transactions for companies in a wide variety of businesses:

- Bath & Plumbing
- Windows & Doors
- Building Products Distribution
- Cabinets & Millwork
- Concrete & Aggregates
- Roofing & Waterproofing
- Lighting & Electrical
- HVAC
- Tile & Flooring