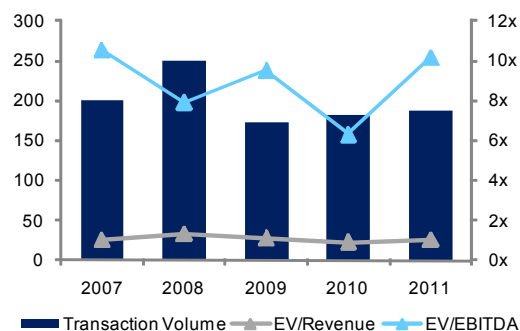


Overall M&A activity within the Building Products sector increased by 2.7% over the last twelve months ending June 30, 2011 with 188 deals reported compared to 183 deals completed during the same period last year. Median Enterprise Value ("EV") multiples were at 1.0X Revenue and 10.1X EBITDA.

**QUARTERLY TRANSACTION METRICS**

Aggregate Industry Metrics	Q3 '10	Q4 '10	Q1 '11	Q2 '11
M&A - United States Domestic	4	3	9	2
M&A - Cross Border Global	44	50	37	39
Median EV/EBITDA	8.6x	10.7x	11.2x	12.9x
Median EV/Revenue	0.8x	1.4x	1.0x	1.1x
Median Value (\$MM)	\$3.8	\$19.2	\$17.2	\$5.5
<b>Sub-Sector Transaction Totals</b>				
Flooring	11	12	6	13
Hardware Tools and Equipment	4	1	4	4
Plumbing Fixtures and Equipment	17	23	19	16
Roofing, Siding, and Insulation Materials	9	7	9	4
Windows and Doors	7	10	8	4

**LTM TRANSACTION METRICS AS OF 06/30**



Based upon Mosaic Capital research. Includes all companies with operations in a particular subsector. Valuation multiples include public transactions and premiums for control, which can vary significantly between public and private companies. Private company transactions also typically include valuation discounts for limited liquidity due to a lack of a public market.

**About Mosaic Capital**

Since 1989 Mosaic Capital LLC has assisted owners and managers of private and public middle market companies with the institutional private placement of debt and equity, mergers and acquisitions, valuations and strategic advisory services. Mosaic Capital is the California representative office of IMAP, a global organization of leading merger and acquisition advisory firms located in 30 countries. IMAP firms have completed more than 2,000 transactions exceeding \$60 billion in transaction value since 2000, and are ranked 4th worldwide in the Thomson Reuters league tables for 2010. The private placement of debt and equity is provided through our affiliate Mosaic Capital Securities LLC (member FINRA/SIPC).

Mosaic Capital is active in the following sub-sectors within the Building Products sector. We are available to discuss trends within these sub-sectors with owners and management teams, as well as their advisors.

**Flooring:**

- Hardwood Flooring
- Marble Flooring
- Rubber Resilient Floor Covering
- Softwood Flooring

**Hardware Tools and Equipment:**

- Door Locks and Deadbolts
- Hand and Edge Tools
- Paint Brushes, Rollers and Paint Trays
- Safe and Vault Locks
- Screw Machine Products

**Plumbing Fixtures and Equipment:**

- Faucets
- Plumbing Accessories
- Plumbing Pipes
- Sinks, Baths, and Showers
- Sump Pumps
- Toilets and Bidets

**Roofing, Siding, and Insulation Materials:**

- Abrasive and Asbestos Products
- Asphalt Paving and Roofing Materials
- Shingles and Shake Siding Materials

**Windows and Doors:**

- Awnings
- Metal Windows and Doors
- Plastic Windows and Doors
- Security Doors
- Wood Windows and Doors

**MERGERS & ACQUISITIONS - FINANCING - VALUATION**

For more information contact Gordon Gregory, Garry Michael Kann or Stan Deakin at 310.432.6777

or visit our website at [www.mosaiccapital.com](http://www.mosaiccapital.com)  
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