

AGGREGATES M&A ACTIVITY POISED FOR GROWTH

ROCK PRODUCTS INDUSTRY UPDATE | APRIL 2021



**CAPSTONE
PARTNERS**

TABLE OF CONTENTS

Key Industry Takeaways	4
Introduction	5
Public Company Commentary	5
Aggregates Performance	6
Industry Outlook	6
M&A Overview	7
Private Equity Activity	7
Notable Transactions	8
Select Transactions	9
Company Spotlights	10
Construction Materials Update	12
Aggregate Materials Update	13
Firm Track Record	15
Report Contributors	16
Endnotes	17



Contact Our Building Products & Construction Services Experts



Darin Good
Managing Director
303-549-5674
dgood@capstonepartners.com



Crista Gilmore
Director
303-531-5013
cgilmore@capstonepartners.com



Brian Krehbiel
Director
970-215-9572
bkrehbiel@capstonepartners.com

Capstone Partners is one of the largest and most active independently-owned investment banking firms in the United States. Over the past 20 years, thousands of business owners, investors, and creditors have trusted us to help guide their strategic decisions and maximize financial outcomes at every stage of the corporate lifecycle.

MIDDLE
MARKET
FOCUS

FULL
SERVICE
CAPABILITIES

SUPERIOR
CLIENT
RESULTS

TOP
RANKED
PERFORMANCE

ESTABLISHED
BRAND
REPUTATION

A DIFFERENT KIND OF FIRM. BUILT FOR THE MIDDLE MARKET.

Mergers & Acquisitions

- Sell-side Advisory
- Buy-side Advisory
- Recapitalizations
- Mergers & Joint Ventures

Capital Advisory

- Equity Advisory
- Debt Advisory
- Infrastructure Finance

Financial Advisory

- Transaction Advisory
- Interim Management
- Performance Improvement
- Valuation Advisory
- Litigation Support

Special Situations & Restructuring

- Special Situations
- Turnaround
- Restructuring
- Bankruptcy
- Insolvency

Sign Up for Industry Insights.

Delivering timely, sector-specific intelligence to your inbox

One of our core capabilities is to deliver sector-specific intelligence designed specifically for industry leaders, private equity firms and their advisors. Our industry reports and featured articles deliver real-time access to key sector data including:

- Emerging industry trends
- Acquirer and investor appetites
- Mergers & acquisitions market analysis
- Notable transactions
- Public company data

Receive email updates with our proprietary data, reports, and insights as they're published for the industries that matter to you most.

[Subscribe](#) ▶



capstonepartners.com



Rock Products Industry

Aggregates M&A Activity Poised For Growth

KEY INDUSTRY TAKEAWAYS

Capstone Partners' Building Products & Construction Services Group is pleased to share its Rock Products report. While merger and acquisition (M&A) activity declined year-over-year (YOY) in 2020, transaction volume has rebounded in 2021 with industry participants actively reengaging in consolidation strategies. Capstone anticipates robust M&A activity through 2021 as strategics look to bolster product offerings and geographic penetration and private equity firms seek enhancement to portfolio companies. Key industry takeaways are outlined below.

1. Construction demand has steadily improved with project backlogs, staffing levels, and profit margins demonstrating healthy increases.
2. Top public companies have experienced strong market performance with many trading near their 52-week high while EBITDA multiples have recorded significant growth YOY.
3. M&A activity has rebounded in year-to-date (YTD) 2021 with aggregates providers attracting elevated transaction multiples compared to recent years.
4. Interest rates remain very low and facilitate higher valuations and more favorable terms.
5. The probability of much higher income taxes is likely and is adding additional incentive to sellers to complete a transaction prior to December 31st.

Capstone Partners has developed a full suite of corporate finance solutions, including M&A advisory, debt advisory, financial advisory, and equity capital financing to help privately owned businesses and private equity firms through each stage of the company's lifecycle, ranging from growth to an ultimate exit transaction.

To learn more about Capstone's wide breadth of advisory services and Rock Products industry expertise, please contact Managing Director [Darin Good](#).

INTRODUCTION

In this quarterly report, also published by Rock Products, Capstone Partners provides insight into mergers & acquisitions (M&A), capital markets trends, aggregates production, and pricing data through year-to-date (YTD) 2021.

Capstone's Building Products & Construction Services Team advises industry business owners, entrepreneurs, executives, and investors in the areas of M&A, capital raising, and various special situations. Due to our extensive background and laser focus within the industry, Capstone is uniquely qualified and has an unparalleled track record of successfully representing Building Products & Construction Services companies.

PUBLIC COMPANY COMMENTARY

Public companies in the Aggregates industry have demonstrated robust performance with many top players trading near their 52-week high share price. In addition, trading multiples have strengthened through YTD 2021 with the average EBITDA multiple increasing to 11.2x from 7.8x in the prior year.

Company	Price	% 52 Wk	Market	Enterprise	LTM			EV / LTM	
	04/08/21	High	Cap	Value	Revenue	EBITDA	Margin	Revenue	EBITDA
LafargeHolcim Ltd	\$61.16	99.2%	\$37,412.9	\$49,447.3	\$26,156.5	\$6,396.2	24.5%	1.9x	7.7x
CRH plc	\$47.95	98.3%	\$37,683.5	\$44,333.8	\$27,587.0	\$4,082.0	14.8%	1.6x	10.9x
HeidelbergCement AG	\$91.57	97.4%	\$18,169.7	\$28,058.9	\$21,604.8	\$4,496.0	20.8%	1.3x	6.2x
Vulcan Materials Company	\$170.35	96.6%	\$22,579.4	\$25,112.7	\$4,856.8	\$1,397.7	28.8%	NM	18.0x
Martin Marietta Materials, Inc.	\$341.68	96.6%	\$21,282.1	\$24,186.7	\$4,432.1	\$1,338.7	30.2%	NM	18.1x
CEMEX, S.A.B. de C.V.	\$0.72	91.3%	\$10,531.4	\$21,584.6	\$12,970.0	\$2,473.0	19.1%	1.7x	8.7x
MDU Resources Group, Inc.	\$31.55	98.0%	\$6,347.7	\$8,671.8	\$5,532.8	\$835.4	15.1%	1.6x	10.4x
Eagle Materials Inc.	\$137.60	98.4%	\$5,779.4	\$6,687.4	\$1,631.3	\$491.1	30.1%	4.1x	13.6x
Buzzi Unicem S.p.A.	\$26.41	96.7%	\$5,076.7	\$5,207.0	\$3,941.8	\$780.8	19.8%	1.3x	6.7x
Summit Materials, Inc.	\$28.56	92.1%	\$3,330.3	\$4,915.3	\$2,332.5	\$445.4	19.1%	2.1x	11.0x
Arcosa, Inc.	\$62.65	91.5%	\$3,018.2	\$3,205.4	\$1,935.6	\$278.9	14.4%	1.7x	11.5x
U.S. Concrete, Inc.	\$65.65	83.1%	\$1,114.5	\$1,908.1	\$1,365.7	\$170.3	12.5%	1.4x	11.2x
Mean							20.8%	1.9x	11.2x
Median							19.5%	1.6x	10.9x
Harmonic Mean							19.1%	1.7x	10.1x

EV = enterprise value; LTM = last twelve months
 \$ in millions, except per share data
 NM = Not Meaningful

Source: Capital IQ as of April 8, 2021

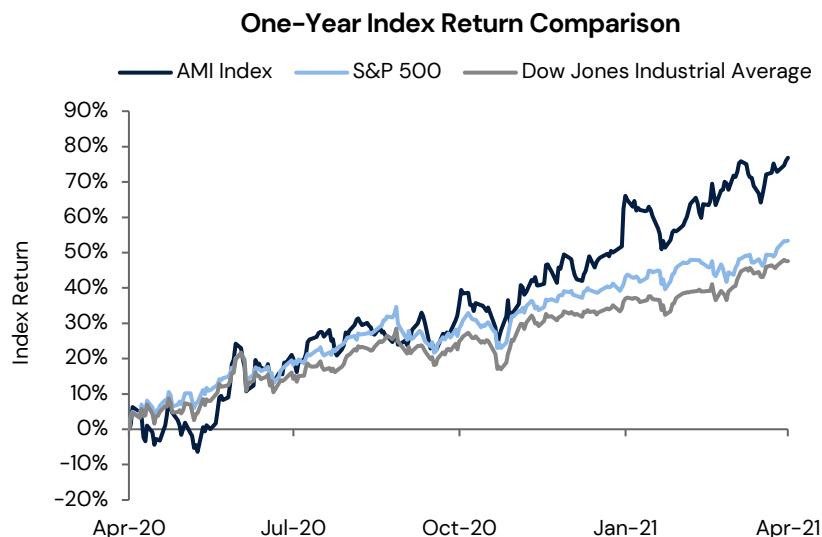
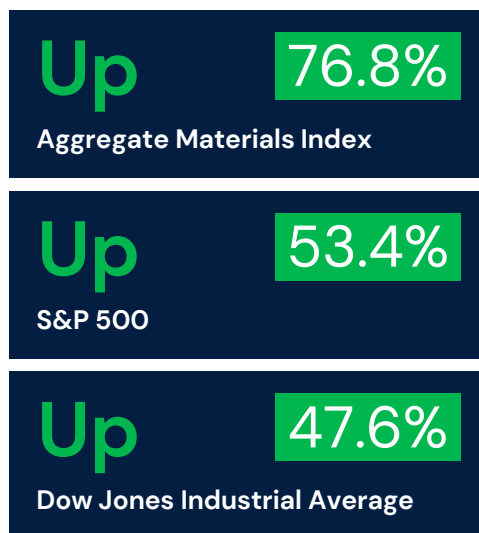


Darin Good
Managing Director

"Top public companies have experienced strong market performance with many trading near their 52-week high while EBITDA multiples have recorded significant growth year-over-year."



AGGREGATES PERFORMANCE



Source: Capital IQ

Capstone's Aggregates Materials Index (AMI) has recovered substantially from declines experienced early in the pandemic, with the index's return amounting to +76.8% over the past year, outpacing returns in the S&P 500 and Dow Jones Industrial Average. Aggregate materials providers are poised to continue the upward trend as the vaccination rollout progresses and economic conditions continue to improve.

INDUSTRY OUTLOOK

The Aggregates industry has experienced a strong recovery in demand as improvements in construction backlog, profit margins, and staffing levels bode well for heightened downstream activity. Elevated growth in the Nonresidential Construction segment has been supported by an increase in institutional projects entering the planning stage, evidenced by the 1.7% increase in the Dodge Momentum Index in March which marks the measures' highest level since summer 2018.¹ In addition, industry participants are leveraging greater backlog visibility as the Associated Builders and Contractors' (ABC) construction backlog indicator rose to 8.2 months in February, driven by strong gains in the Infrastructure segment.² The improvement of the Construction Labor market adds to industry optimism, with the construction industry adding 110,000 jobs in March, having recovered nearly 84% of jobs lost earlier in the pandemic, according to ABC.³

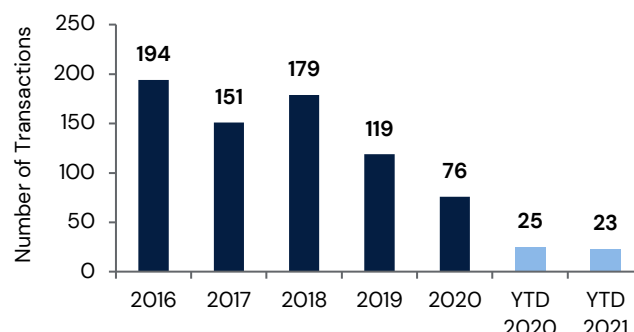
Nonresidential Construction is expected to continue to see near term gains, largely driven by substantial investments in heavy industrial warehouses and data centers, which tend to be more aggregate-intensive projects, according to Martin Marietta CEO, Howard Nye, in a recent Q4 2020 earnings call.⁴ Notably, private warehouse construction has experienced drastic increases in demand, with construction spending rising 44% in January from the prior month and continuing a strong pace of activity through February, according to the U.S. Census Bureau.⁵ In addition, the potential passage of a sizable federal infrastructure bill is forecast to provide significant growth opportunities to industry participants specializing in public infrastructure. In particular, the price and volume of aggregates stand to benefit, with forecasts for 5% growth pending the implementation of a sizeable bill, according to Moody's Investor Service.⁶ "Much of the stimulus to come will directly affect construction, particularly the heavy and civil engineering segment. While any infrastructure stimulus should be geared toward projects generating the highest rates of return and open to bids by all competent contractors, the sheer volume of money flowing into the economy is set to create massive forward momentum for the balance of 2021 and likely through 2022," commented ABC Chief Economist Anirban Basu in a press release.

M&A OVERVIEW

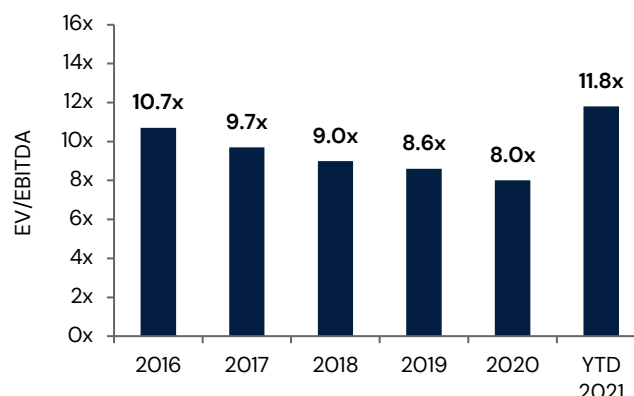
M&A activity fell 36% YOY in 2020 as industry participants focused on defending revenues and managing liquidity, placing many acquisition pursuits on hold. However, YTD transaction volume has demonstrated a resurgence with 23 deals announced or completed, a modest decline of 8% YOY. Public companies have actively pursued accretive acquisitions to expand product portfolios, improve margins, and generate cost synergies. Notably, Arcosa (NYSE:ACA) has continued to scale its aggregates operations, most recently acquiring StonePoint Materials for an enterprise value of \$375 million (see next page). Private strategic companies have continued to account for a majority of transaction activity in 2021, comprising nearly 55% of M&A volume.

The average transaction EBITDA multiple declined in 2020 to 8.0x from 8.6x as market pricing largely favored buyers amid a lower level of competition in deal processes. However, valuations have improved through the YTD, with the average multiple increasing to nearly 12x, creating a favorable transaction environment for businesses that have exhibited robust revenue growth with a favorable product mix. Capstone anticipates M&A volume will continue at a healthy pace through 2021 as economic conditions continue to improve and industry participants leverage greater near term revenue visibility.

M&A Transaction Volume



Average EBITDA Purchase Multiple



Source: Capital IQ, FactSet, PitchBook, and Capstone Research

PRIVATE EQUITY ACTIVITY

GF Data Resources, a provider of detailed information on business transactions ranging in size from \$10 to \$250 million, provides quarterly data from over 200 private equity firm contributors on the number of completed transactions. The following chart provides the number of completed transactions from GF Data contributors, the average total enterprise value (TEV)/EBITDA multiples, and the average amount of debt utilized in the transaction computed as a multiple of EBITDA. The data, although not industry specific, displayed a substantial recovery in transaction volume in Q4 2020, in addition to a rise in valuations with EBITDA multiples increasing to 7.0x from 6.7x.

Private Equity Valuations & Leverage

	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Transactions	65	92	81	63	72	92	35	53	117
TEV/EBITDA	7.7x	6.8x	7.2x	7.3x	7.1x	7.4x	7.3x	6.7x	7.0x
Total Debt/EBITDA	3.7x	4.1x	4.0x	3.9x	3.9x	3.9x	3.3x	3.7x	3.8x
Senior Debt/EBITDA	2.9x	3.5x	3.2x	2.9x	3.2x	3.4x	2.8x	2.7x	3.2x

Source: GF Data®

NOTABLE TRANSACTIONS

Aggregates providers have quickened the pace of consolidation in year-to-date 2021, seeking to bolster product offerings, expand operations, and penetrate new geographies. Select notable transactions are outlined below, followed by a more comprehensive transaction list on the following page.

ARCOSA

To Acquire



Arcosa (NYSE:ACA) has agreed to acquire leading aggregates producer StonePoint for an enterprise value of \$375 million, equivalent to approximately 3.2x LTM revenue and 13.4x LTM adjusted EBITDA. StonePoint is one of the largest aggregates providers in the U.S. with 20 locations and approximately 9 million tons of annual production. StonePoint's aggregates business accounts for 80% of its EBITDA, with asphalt and other services comprising the remainder, according to a press release.⁷

Arcosa is a premier provider of infrastructure-related products and solutions to the Construction, Engineered Structures, and Transportation markets. The acquisition bolsters Arcosa's aggregates business and aligns with its strategy to enhance its current footprint and penetrate new geographies. The transaction is expected to be accretive to Arcosa's earnings and margins in 2021, and Arcosa expects a net present value of approximately \$15 million of tax benefits over the next four to five years.



To Acquire



Quikrete has agreed to acquire all outstanding shares of leading manufacturer of water and drainage infrastructure Forterra (Nasdaq:FRTA) for an enterprise value of \$2.8 billion, equivalent to 1.8x LTM revenue and 10.2x LTM EBITDA. The purchase price of \$24.0 per share represents a premium of approximately 38.5% to Forterra's 90-day volume-weighted average share price on February 19, 2021. Forterra specializes in water-related infrastructure applications, including structural precast products. Forterra will become a privately held company upon completion of the transaction.

Quikrete is a premier, privately owned building materials provider offering products including packaged cementitious products, pavers, retaining wall systems, concrete pipes and masonry units. "Forterra and Quikrete are an ideal strategic fit, and this combination is a natural next step for our company, enabling us to better serve our customers across the company on their concrete projects from start to finish. We are excited to grow our capabilities in the potable water distribution market through Forterra's well-respected U.S. Pipe business," said Will Magill, CEO of Quikrete in a press release.⁸



Brian Krehbiel
Director

"Arcosa is making waves in the Aggregates industry through recent organic and acquisition related growth. Capstone has taken notice and we have incorporated them into our Aggregates Materials Index (AMI) for this and subsequent reports."



SELECT TRANSACTIONS

Date	Target	Acquirer	Target Business Description	Enterprise Value (mm)	EV / LTM	
					Revenue	EBITDA
04/01/21	Kerkstra Precast	Fabcon	Manufactures precast concrete building and infrastructure products.	-	-	-
04/01/21	Arizona Stone & Architectural	SiteOne (NYSE:SITE)	Wholesales and manufactures stones.	-	-	-
03/24/21	National Concrete Accessories	White Cap Supply	Manufactures and distributes concrete accessories.	-	-	-
03/22/21	StonePoint Materials	Arcosa (NYSE:ACA)	Provides aggregates, asphalt, and other services.	\$375.0	3.2x	13.4x
03/15/21	Hancock Concrete	Oldcastle Infrastructure	Offers products including precast concrete box culverts, concrete round and arch pipes, and block products.	-	-	-
02/22/21	Forterra (Nasdaq:FRTA)	Quikrete	Manufactures and sells pipe and precast products.	\$2,791.6	1.8x	10.2x
02/16/21	Ready-mix assets of Beck Readymix	CEMEX (BMV:CEMEX CPO)	Comprises ready-mix concrete plants and one portable plant.	-	-	-
02/12/21	Assets of Huron Cement Products	Falbo Construction	Provides concrete batching plants.	-	-	-
02/12/21	Watson Supply	Heritage Landscape	Offers hardscapes, lighting, and irrigation, and other landscape products.	-	-	-
01/07/21	Walsh & Kelly	Milestone Contractors	Provides asphalt paving services and asphalt sales.	-	-	-
01/06/21	Omicron Supplies	Caesarstone USA	Offers natural stone products including granite, marble, and stone flooring products.	\$27.0	-	-
01/04/21	Dirt and Rock	SiteOne (NYSE:SITE)	Supplies natural and cultured stone, gravel, sand, dirt, rock, and landscape materials.	-	-	-
12/18/20	Meridian Brick	General Shale Brick	Manufactures and supplies brick and masonry products in the U.S. and Canada.	\$250.0	0.6x	-
12/16/20	Assets of McMurry Ready Mix	Knife River	Comprises the concrete manufacturing business.	-	-	-
12/14/20	Spancrete Group	Wells Concrete	Designs and manufactures precast products for the Construction industry.	-	-	-
11/16/20	Greenrock Materials	Chaney	Manufactures and supplies ready-mix concrete.	-	-	-
11/13/20	PrimeSource Building Products	Clearlake Capital	Distributes fasteners and building materials including concrete construction products.	-	-	-
11/11/20	Assets of Sugar City	U.S. Concrete (Nasdaq:USCR)	Comprises building material retail operations, two ready-mixed concrete plants, and recycling systems.	\$7.6	-	-
11/07/20	Cornerstone Ready Mix Concrete	Smyrna Ready Mix	Manufactures and supplies ready-mix concrete.	-	-	-
10/29/20	Alberta-based assets of Mixcor	Lafarge Canada	Comprises assets related to the manufacturing of construction materials.	-	-	-
10/27/20	Valley Gravel Sales	Summit Materials (NYSE:SUM)	Produces crushed sand and gravel products.	-	-	-
10/21/20	Couch Aggregates	Green Rock	Manufactures sand, gravel, limestone, and crushed concrete.	-	-	-
10/12/20	Strata Materials	Arcosa (NYSE:ACA)	Provides recycled aggregates.	\$87.0	-	8.5x

Source: Capital IQ, PitchBook, FactSet, and Capstone Research

COMPANY SPOTLIGHTS

ARCOSA

Ticker: NYSE:ACA

Headquarters: Dallas, TX

Markets: Construction Materials

LTM Revenue: \$1.9 Billion

Market Capitalization: \$3.1 Billion

Company Description

Arcosa showcased the resilience of its business model through 2020, with full year revenues increasing 11% YOY driven by strong performance in its Construction Product segment which reported 35% revenue growth and 50% Adjusted EBITDA growth, according to its earnings release.⁹ Arcosa also recorded margin improvements in the Construction Product segment with the acquisitions of Cherry and Strata Materials contributing to its operating results. While Arcosa recorded a 2% revenue decline in its Engineered Structures segment, demand remains healthy, fueled by increased spending on electrical transmission, telecom, and traffic infrastructure.

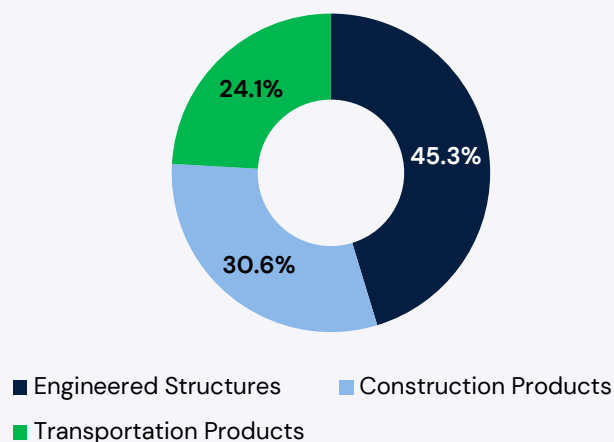
"We're encouraged by the pickup in demand at some of our specialty materials business that were more impacted by COVID, as construction delays have subsided and customers have looked to replenish low inventory levels. While there is some COVID-related uncertainty on the balance, demand has improved. The potential for a new long-term highway bill with spending above FAST Act levels or a federal infrastructure bill would be additive to our segment outlook," commented President, Chief Executive Officer & Director, Antonio Carrillo Rule, in an earnings call.¹⁰

Arcosa has experienced robust EBITDA multiple expansion over the past year, trading at 11.3x as of April 2021. It expects to achieve full year 2021 revenues of \$1.78 billion to \$1.90 billion with Adjusted EBITDA of \$250 million to \$270 million. However, its Transportation Product segment is expected to continue to encounter significant headwinds as COVID-19 has negatively impacted the Barge industry.

Share Price Performance



Revenue Share by Segment



Source: FactSet and Capital IQ

COMPANY SPOTLIGHTS (CONTINUED)



Ticker: BMV:CEMEX CPO

Headquarters: Mexico

Markets: Construction Materials

LTM Revenue: \$15.1 Billion

Market Capitalization: \$10.4 Billion

Company Description

Cemex (BMV:CEMEX CPO) achieved a 9% increase in consolidated net sales in Q4, largely driven by higher volumes in the U.S., Mexico, and its Europe, Middle East, Africa, and Asia regions, according to its earnings release.¹¹ In addition, Cemex managed to improve operating EBITDA in Q4 by 19% on a like-for-like basis. Its United States sector experienced robust growth in Q4 with cement volumes increasing 15% and ready-mix and aggregates rising 6% and 7%, respectively. In Cemex's Europe region, cement and ready-mix volumes declined 2%, although aggregates experienced a 2% growth YOY.

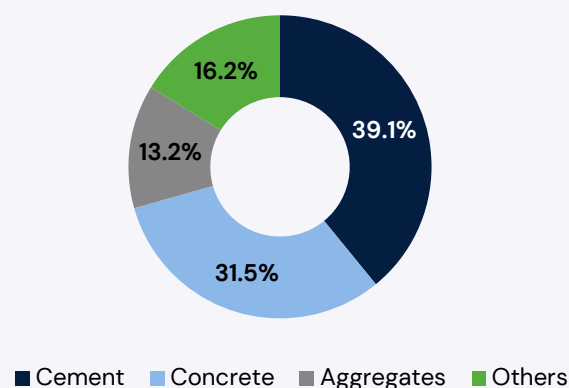
"Fourth quarter single-family permit data up 25% year-over-year, gives us confidence that the strength in housing is sustainable in 2021. We expect infrastructure activity to be stable. Federal government funding for highways and streets is unchanged with the recent extension to the FAST Act, while state DOT budgets in our footprint are slightly higher year over year. We are optimistic about the prospects of a Biden infrastructure stimulus plan and the potential for the first significant increase in federal transportation funding in over a decade," commented CEO Fernando Gonzalez in an earnings call.¹²

Cemex has experienced strong public market performance in the YTD, with its stock price rising nearly 37%. It anticipates 2021 EBITDA to be approximately \$2.7 billion on a like-to-like basis, supported by forecasted growth in volume among its three core product offerings. In addition, Cemex plans to continue to invest in bolt-on acquisitions to bolster its main business segments.

Share Price Performance



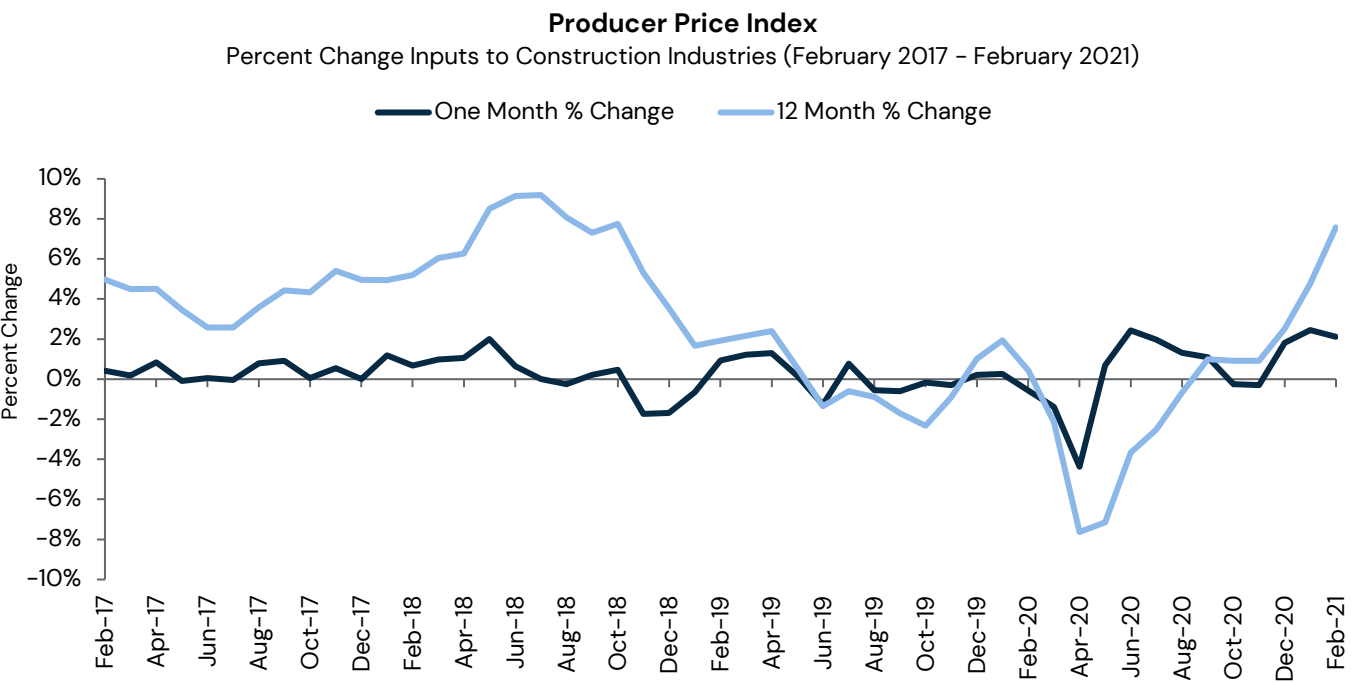
Revenue Share by Segment



Source: FactSet and Capital IQ

CONSTRUCTION MATERIALS UPDATE

Construction input prices increased 2.1% in February compared to the previous month with YOY prices increasing 7.6%, according to an Associated Builders and Contractors (ABC) analysis of data recently released by the U.S. Bureau of Labor Statistics.¹³ Lumber prices are a result of scarcity in supply, while natural gas prices are a result of the current administration's unfavorable view of fossil fuels. Most other price increases are a result of the substantial levels of monetary and fiscal stimulus.



Source: U.S. Bureau of Labor Statistics



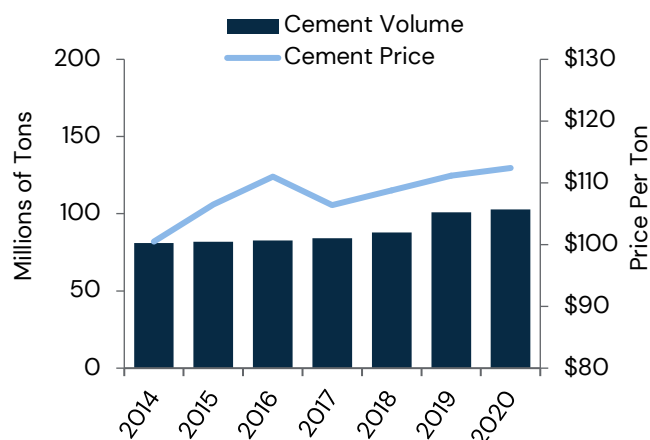
AGGREGATE MATERIALS UPDATE

Aggregate materials production remained robust in 2020 with yearly gains experienced in cement and ready-mix. In addition, industry pricing has demonstrated growth with all aggregates materials recording an increase in 2020 compared to the prior year.

Cement

- Portland cement consumption totaled 102.7 million metric tons in 2020, representing a 1.8% increase compared to the prior year. Production in Q4 2020 declined compared to Q3, falling 10.4%.
- The average net selling price per ton for Martin Marietta (NYSE:MLM) and Eagle Materials (NYSE:EXP) cement in 2020 increased 1.1% year-over-year to \$112.40 per ton.

U.S. Cement Production

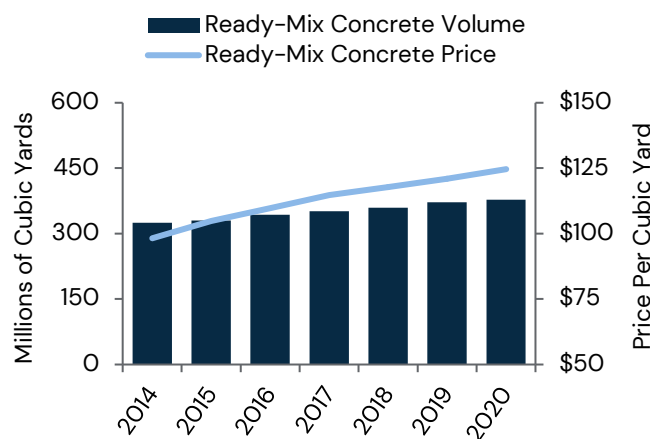


Source: U.S. Geological Survey and Capstone Research

Ready-Mix Concrete

- Ready-mix concrete (RMC) prices increased 3.1% year-over-year to \$124.58 per cubic yard. Price data is computed from the average RMC net selling prices of U.S. Concrete (Nasdaq:USCR), Vulcan Materials (NYSE:VMC), Martin Marietta, and Eagle Materials.
- Ready-mix concrete volume increased by 1.6% in 2020 year-over-year, although Q4 volume fell 9.9% compared to Q3.

U.S. Ready-Mix Concrete Production

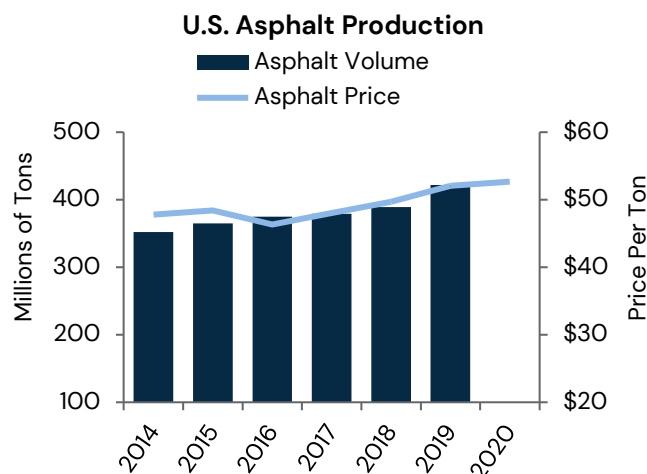


Source: NRMCA Industry Data Survey, Average RMC selling price of U.S. Concrete, Vulcan Materials, Martin Marietta Materials, Eagle Materials, and Capstone Research

AGGREGATE MATERIALS UPDATE (CONTINUED)

Asphalt

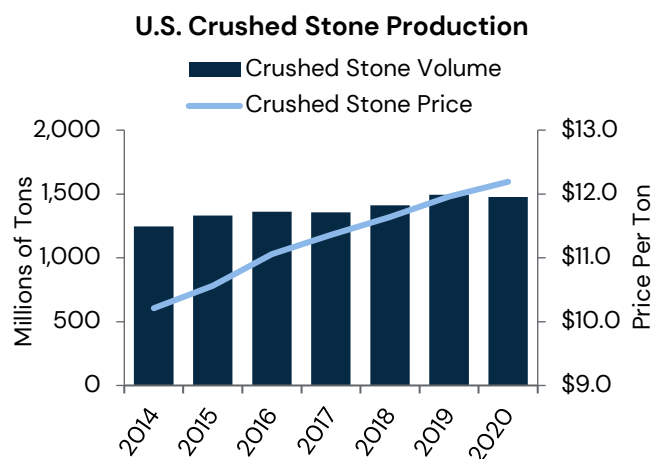
- Asphalt prices increased 1.2% year-over-year to \$52.70 per ton, as measured by the average net asphalt selling prices of Vulcan Materials and Martin Marietta. Pricing in Q4 declined slightly compared to the prior quarter, falling 2.0%.
- Asphalt volume is reported on an annual basis. The most recent asphalt production amounted to nearly 422 million tons in 2019.



Source: NAPA Asphalt Pavement Industry Survey, Vulcan Materials, Martin Marietta Materials average of net asphalt selling prices, and Capstone Research

Crushed Stone

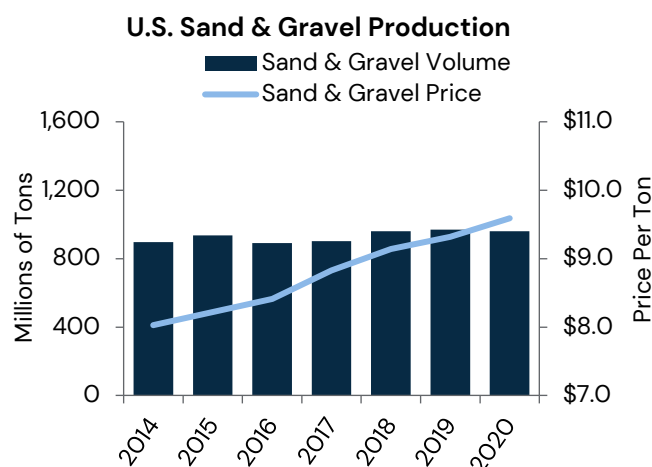
- Crushed stone production declined modestly in 2020 to 1,475 million metric tons, representing a fall of 1.2% compared to 2019. Production in Q4 amounted to 364 million metric tons, a decline of 12.5% compared to Q3.
- Crushed stone prices increased 1.9% in 2020 to \$12.19 per ton.



Source: U.S. Geological Survey and Capstone Research

Sand & Gravel

- An estimated 960 million metric tons of sand & gravel were produced and shipped for consumption in 2020, a decline of 0.9% year-over-year. Consumption in Q4 fell compared to the prior quarter, falling 5.2%.
- Sand & gravel prices increased 2.9% in 2020 to \$9.59 per ton.



Source: U.S. Geological Survey and Capstone Research

FIRM TRACK RECORD

Capstone Partners' Building Products & Construction team has represented clients across various construction specialties. Our deep industry focus allows us to provide our clients with real-time transaction feedback and immediate access to key decision makers among the most active acquirers and investors in the construction industry. A sampling of closed transactions are shown below.

 <p>HAS BEEN ACQUIRED BY</p> 	 <p>HAS BEEN ACQUIRED BY</p>  <p>a portfolio company of</p> 	 <p>HAS BEEN ACQUIRED BY</p>  <p>a portfolio company of</p> 
 <p>HAS RECAPITALIZED WITH</p> 	 <p>HAS PARTNERED WITH</p> 	 <p>MANAGEMENT BUYOUT SUPPORTED BY</p> 
 <p>a portfolio company of</p>  <p>HAS BEEN ACQUIRED BY</p>  <p>a portfolio company of</p> 	 <p>HAS BEEN ACQUIRED BY</p> 	 <p>HAS RECAPITALIZED WITH</p> 
 <p>HAS BEEN RECAPITALIZED BY</p>  	 <p>HAS BEEN ACQUIRED BY</p>  	 <p>HAS BEEN ACQUIRED BY</p> 



ROCK PRODUCTS REPORT CONTRIBUTORS

**Darin Good**

Managing Director

dgood@capstonepartners.com | 303-549-5674

Darin is a recognized expert witness and speaks nationally regarding merger and acquisitions. Courts and clients appreciate his ability to synthesize large amounts of complex business information and present it in concise terms that are clearly understood by all parties. Trade groups and national publications have recognized Darin's business acumen and technical knowledge. Prior to joining Capstone, Darin started, operated, made acquisitions and sold three successful companies in construction, import and distribution, and commercial real estate management. Three sell side transactions that Darin performed are published and taught in business schools around the globe. Darin teaches these cases at the University of Denver, where he received his Bachelor of Science in Finance.

**Crista Gilmore**

Director

cgilmore@capstonepartners.com | 303-531-5013

Crista started her career at KPMG LLP then accepted a Senior Associate role with a \$12 billion multi-strategy hedge fund managing the monthly PnL close process for several funds. She was promoted to Vice President, Valuations responsible for pricing the portfolio of over 8,000 securities monthly, as well as reporting to the Valuation Committee on a bi-monthly basis. At Capstone, Crista works with clients to improve their financial metrics and reporting capabilities. Additionally, she performs research, valuation analysis, prepares marketing documentation, manages client data rooms and responds to due diligence inquiries. Crista graduated summa cum laude from Drake University with a degree in Finance and Accounting. She also earned a Master's of Accounting degree from Drake University and is a CFA Charterholder.

**Brian Krehbiel**

Director

bkrehbiel@capstonepartners.com | 970-215-9572

Prior to joining Capstone Partners in 2011, Brian spent five years with a boutique investment bank performing sell-side transactions, financial modeling and value-add client services. At Capstone, Brian is a member of the Building Products & Construction Services team assisting clients with sell-side, buy-side and debt and equity raise transactions. Prior to his career in Investment Banking, Brian developed construction industry and operations experience owning and managing a successful family-owned residential construction company. His education and industry expertise are resources used in all aspects of the transaction process. Brian graduated from the University of Northern Colorado with a BS degree in Finance and he is a CFA Charterholder.

**Connor McLeod**

Research Associate

cmcLeod@capstonepartners.com | 617-619-3319

Connor is a Research Associate at Capstone Partners primarily specializing in Building Products & Construction Services, Consumer & Retail, and Healthcare. Prior to joining Capstone Partners, Connor was a specialist with the Investor Services team at BlackRock. Connor holds a BA in Economics from Bates College and is a Series 7 Registered Securities Representative.



ENDNOTES

1. Dodge Data & Analytics, "DODGE MOMENTUM INDEX POSTS GAIN IN MARCH," <https://www.construction.com/news/dodge-momentum-index-posts-gain-in-march-2021>, accessed April 4, 2021.
2. Associated Builders and Contractors, "ABC's Construction Backlog Indicator Rose Sharply in February; Contractor Optimism Builds," <https://www.abc.org/News-Media/News-Releases/entryid/18541/abc-s-construction-backlog-indicator-rose-sharply-in-february-contractor-optimism-builds>, accessed April 6, 2021.
3. Associated Builders and Contractors, "Construction Adds 110,000 Jobs in March: Here Comes the Tsunami of Growth, Says ABC," <https://www.abc.org/News-Media/News-Releases/entryid/18663/construction-adds-110-000-jobs-in-march-here-comes-the-tsunami-of-growth-says-abc>, accessed April 7, 2021.
4. Seeking Alpha, "Martin Marietta Materials, Inc. (MLM) CEO Howard Nye on Q4 2020 Results - Earnings Call Transcript," <https://seekingalpha.com/article/4404698-martin-marietta-materials-inc-mlm-ceo-howard-nye-on-q4-2020-results-earnings-call-transcript>, accessed April 7, 2021.
5. U.S. Census Bureau, "Value of Construction Put in Place at a Glance," <https://www.census.gov/construction/c30/c30index.html>, accessed April 7, 2021.
6. Moody's Investors Service, "Building Materials - US," <https://www.forconstructionpros.com/business/document/21259853/moodys-investors-service-building-materials-us-february-3-2021>, accessed April 6, 2021.
7. Business Wire, "Arcosa, Inc. Announces Agreement to Acquire StonePoint Materials," <https://www.businesswire.com/news/home/20210322005711/en/Arcosa-Inc.-Announces-Agreement-to-Acquire-StonePoint-Materials>, accessed April 5, 2021.
8. Forterra, "Forterra Enters Into Definitive Agreement to Be Acquired by Quikrete," <https://investors.forterrabp.com/news-releases/news-release-details/forterra-enters-definitive-agreement-be-acquired-quikrete>, accessed April 7, 2021.
9. Arcosa, "Arcosa, Inc. Announces Fourth Quarter and Full Year 2020 Results," https://s2.q4cdn.com/158938184/files/doc_financials/2020/q4/Arcosa-Inc.-Announces-Fourth-Quarter-and-Full-Year-2020-Results-VF.pdf, accessed April 7, 2021.
10. Seeking Alpha, "Arcosa, Inc. (ACA) CEO Antonio Carrillo on Q4 2020 Results - Earnings Call Transcript," <https://seekingalpha.com/article/4409070-arcosa-inc-aca-ceo-antonio-carrillo-on-q4-2020-results-earnings-call-transcript>, accessed April 6, 2021.
11. Cemex, "Fourth Quarter Results 2020," <https://www.cemex.com/investors/reports/home#navigate>, accessed April 6, 2021.
12. The Motley Fool, "Cemex (CX) Q4 2020 Earnings Call Transcript," <https://www.fool.com/earnings/call-transcripts/2021/02/11/cemex-cx-q4-2020-earnings-call-transcript/>, accessed April 7, 2021.
13. Associated Builders and Contractors, "Monthly Construction Input Prices Rise 2.1% in February, Says ABC," <https://www.abc.org/News-Media/News-Releases/entryid/18608/monthly-construction-input-prices-rise-2-1-in-february-says-abc>, accessed April 7, 2021.



**CAPSTONE
PARTNERS**

Common Goals. Uncommon Results.

Disclosure

This report is a periodic compilation of certain economic and corporate information, as well as completed and announced merger and acquisition activity. Information contained in this report should not be construed as a recommendation to sell or buy any security. Any reference to or omission of any reference to any company in this report should not be construed as a recommendation to buy, sell or take any other action with respect to any security of any such company. We are not soliciting any action with respect to any security or company based on this report. The report is published solely for the general information of clients and friends of Capstone Partners. It does not take into account the particular investment objectives, financial situation or needs of individual recipients. Certain transactions, including those involving early-stage companies, give rise to substantial risk and are not suitable for all investors. This report is based upon information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such. Prediction of future events is inherently subject to both known and unknown risks and other factors that may cause actual results to vary materially. We are under no obligation to update the information contained in this report. Opinions expressed are our present opinions only and are subject to change without notice. Additional information is available upon request. The companies mentioned in this report may be clients of Capstone Partners. The decisions to include any company in this report is unrelated in all respects to any service that Capstone Partners may provide to such company. This report may not be copied or reproduced in any form or redistributed without the prior written consent of Capstone Partners. The information contained herein should not be construed as legal advice.



Market Presence

With a long-established U.S. footprint, together with an international partner platform, we provide clients with broad expertise and access to key market relationships on a global basis. Our presence is backed by ~200 professionals in the U.S. with 450+ professionals across 43 countries.

