

Construction Materials

Q3 2024 Review and Year End Outlook

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A Message from Dennis Coker

Construction materials companies were given a full range of challenges throughout 2024, including lingering high interest rates, inflation, and natural disasters affecting many high growth areas. Despite these macroeconomic challenges, companies have managed the pricing environment in response to overall lower average volumes to maintain strong results through the year. M&A activity has remained robust in 2024, driven by active acquirers' faith in long-term growth trends.

The trend of portfolio realignment and changes in strategic direction has shifted to more of an M&A focus, as a number of major players sought acquisitions to bolster portfolios and prevent revenue decline. This review includes highlights from what a number of the major construction materials companies have achieved over the course of 2024 to this point, some insight into how they see year-end results, and their outlook for 2025, with an overview of recent M&A activity and trends.

We hope you enjoy this third-quarter results update and look forward to discussing the market with you in the future. Please reach out to us if you have any questions.

Warmest regards,



Dennis Coker



Dennis Coker

Managing Director

Industrials – Construction and Building Materials

469.818.8749

dcoker@foundersib.com

How have major construction materials companies navigated the macroeconomic environment throughout 2024?

Arcosa

Arcosa successfully divested of its steel components business in October of 2024, allowing the Company to focus its growth and expansion on investments in other areas. One such investment was the Company's largest acquisition to date, the aggregates and asphalt-led construction materials business of Stavola. Arcosa saw growth in both revenue (8% YoY) and adjusted EBITDA (28% YoY) through Q3. Gains in construction products in both revenue (1% YoY) and EBITDA (21% YoY) were joined by an increase in revenue (26% YoY) and EBITDA (74% YoY) in the engineered structures division.

Cemex

Cemex saw a 1% YoY drop in sales, with the decrease coming from an overall decrease in volume. In the United States in Q3, operating EBITDA was down 3% YoY due to lower cement and ready-mix volumes, which were impacted by extreme weather conditions with three major hurricanes and above average precipitation and flooding. Cement and ready-mix volumes declined 6% and 11%, respectively, due to the difficult weather conditions. Pricing for the Company's three core products rose, with a 3% increase in cement prices, a 6% increase in ready-mix prices, and 2% increase in aggregates prices through September 2024.

Construction Partners (CPI)

Construction Partners' fiscal year end is September 30. Through FY 2024, the Company saw 17% YoY growth in revenue. Adjusted EBITDA rose 28%, aided by increased margins. CPI continued its southeastern U.S. expansion, making eight strategic acquisitions this fiscal year with Lone Star Paving, an asphalt manufacturing and paving Company operating in attractive high-growth markets in central Texas, being the most significant. Project backlog was \$1.96bn at the end of FY 2024, compared to \$1.60bn at the end of FY 2023.

CRH

CRH's third quarter results showed another strong performance with further growth in sales, profits, and margins. Through the first nine months of 2024, CRH once again performed at record levels, posting a 12% increase in EBITDA, driven by an increase in sales (2%) and EBITDA margin (1.8%). Pricing adjustments have fueled the company's revenue growth, as aggregates (10%), cement (9%), asphalt (3%), and ready-mix (7%) all experienced pricing increases. Adjusted EBITDA was 9% lower in the building solutions segment due to adverse weather and a strong prior year comparatively.

Eagle Materials

Eagle's fiscal year-end is March 31. For the quarter ending September 30 (Q2 2025), Eagle achieved record revenue (+0.03% YoY). Amid a decrease in cement sales volume (5%), increased cement prices (3%) along with increases in wallboard price (1%) and volume (3%) helped the Company achieve the record quarter.

Granite Construction

Following its late 2023 acquisition of Lehman-Roberts in the southeast, Granite saw an impressive increase in revenue (14%) and adjusted EBITDA (0.4%) throughout the first 9 months of 2024. Infrastructure spending increases in Granite's target markets coupled with price increases meeting targets in aggregates (10%) and asphalt (5%) supported the Company through wavering macro conditions.

Heidelberg Materials

In the first nine months of 2024, revenue decreased 2.1% in comparison with the previous year. The decrease in revenue was due in particular to the drop in volume resulting from unfavorable weather conditions in Europe and North America. Despite the drop in revenue, EBITDA increased 3.2%. This was due in part to the decrease in volumes being offset by price increases.

Holcim Group

Net sales were down 3% in Q3 over the previous year, but recurring EBIT was up 4.6%. The Company completed six value-accretive acquisitions during Q3, bringing its 2024 total to 17 transactions. In the U.S., Holcim's acquisitions focused on expanding the Company's Solutions & Products (Building Products) business into the most attractive construction segments, and in Latin America it closed three acquisitions to enter the Peruvian market and strengthen its position in Guatemala. In Europe, it grew its footprint with acquisitions in Serbia and France.

How have major construction materials companies navigated the macroeconomic environment throughout 2024?

Knife River

Knife River has been very acquisitive in 2024, deploying \$129mm in capital across six acquisitions at a range of 6x to 8x forward 2025 EBITDA valuation multiples. Most of these acquisitions were focused on the northwest and central United States. Revenue increased 1.4% in Q3 over the previous year, but adjusted EBITDA declined 1.2% due to high single-digit decreases in volume across each of its product lines. However, this was offset by aggregates (8%), ready-mix (10%), and asphalt (2%) price increases.

Martin Marietta

In Q3, Martin Marietta achieved record quarterly aggregates gross profit per ton, cash flows from operations, and – in its Magnesia Specialties business – revenue and gross profit. It saw a 3.9% decrease in aggregates shipment volume due to poor weather in Q3 but achieved a 7.7% increase in price. Revenue was down 5% YoY, and adjusted EBITDA was down 8%. It acquired pure aggregates assets in areas it sees as attractive, growing markets: Colorado (Albert Frei & Sons), South Florida (Youngquist Bros.), and Southern California (certain assets of Werner Corp).

Summit Materials

Realizing the full impact of its Argos transaction, Summit achieved record performance in both quarterly adjusted EBITDA margin (28.3%) and LTM EBITDA margin (24.3%), supported by increases in pricing across its aggregates (7.4%), cement (3.9%), ready-mix (5.4%), and asphalt (4.5%) product lines. Both cement and ready-mix volumes declined by >10%, but aggregates and asphalt volume remained fairly flat with modest increases.

Vulcan Materials Company

Despite extreme weather disruptions in Q3, Vulcan achieved some margin expansion. Gross margin expanded 1.2% as a result of aggregates (10%) and asphalt (6%) price increases, and adjusted EBITDA margin expanded 1.4%. The aforementioned weather disruptions caused a 10% decrease in volume, but Vulcan achieved a 10% increase in cash gross profit per ton due to increases in pricing and operational execution. The Company also acquired Wake Stone, which will expand its reach in the Carolinas and provide more than 60 years of hard rock reserves.

Key Trends

With significant inflationary pressure still in effect, construction materials companies have continued to pass these cost increases through to customers and focus on margin improvement. This has continued the trend of strong pricing momentum, as many big players increased prices. Demand remains strong in both infrastructure and nonresidential markets, but high interest rates kept large parts of the residential market from increasing demand. The effect of this residential slowdown combined with natural disasters in a number of key growth markets led to a decrease in volumes across most major company product lines throughout 2024. However, pricing increases generally helped offset the declines in volume. Many companies have been more active on the M&A front throughout 2024 than they were in 2023, but the number of deals getting done has decreased from the elevated amounts of 2021-2023. Despite the cost of debt for acquisitions remaining high and making acquisitions more expensive, companies have ramped up acquisitions to diversify product lines and “bolt-on” to companies acquired in previous years.

An M&A trend we saw continue from 2023 was unexpected geographic realignment (i.e. Granite-Lehman Roberts and Summit-Argos). We saw Arcosa complete the \$1.2 billion acquisition of Stavola, a multi-generational asphalt and aggregates operation in the northeast. This is Arcosa’s largest acquisition to date, valued at ~12x EBITDA. There was also the recent announcement that Summit Materials would be acquired by Quikrete at ~12.8x EBITDA. Quikrete is one of the largest – if not the largest – privately owned construction and building materials companies in North America. Their portfolio includes packaged cementitious products, pavers, retaining wall systems, masonry, tile grouts, concrete pipe, box culverts, corrugated metal pipe, engineered storm water systems, structural precast, and steel pedestrian and vehicular bridges. After its unexpected acquisition of publicly traded Forterra (concrete pipe and other drainage products manufacturer) in 2022, its unanticipated expansion into becoming one of the largest aggregates and ready-mix companies in the U.S. was a bit of a surprise.

One of the trends we have noted in 2024 is that for a “strategic” target acquisition, acquirers have increased acquisition multiples into the mid-double digits. We have recently seen average EBITDA ranges from 8x-11x in the aggregates sector but have seen multiples stretch to the 12x-15x range for certain “strategic” acquisitions. This trend isn’t confined just to aggregates, as we have also seen it in both asphalt and ready-mix, where the typical high-end of the EBITDA multiple range for certain transactions has been increased, namely Construction Partners’ acquisition of Lone Star Paving at ~\$908mm including cash, stock, and the contingent purchase of property. The EBITDA multiple for that acquisition is estimated at ~8.1x.

What the Majors Predict – Year-End 2024 & 2025

Looking ahead to 2025 and beyond, we expect to benefit from record levels of federal and state investments in highways, streets, and bridges. Although higher interest rates continue to affect residential construction activity, we are encouraged by recent Federal Reserve policy actions and the likelihood of more interest rate cuts later this year. – Ward Nye, Chairman, President, and CEO of Martin Marietta

Arcosa

Arcosa lowered its guidance for the low end and high end of its revenue range after acquisition integrations, Company structure changes from divestitures, and natural disasters have mildly impacted sales. The Company still believes it is poised for strong performance beyond this year as well, as the expected adjusted EBITDA range was raised as a result of a margin expansion of 3.3%.

Cemex

Cemex anticipates YoY volume decline across its major product segments as a result of severe weather in the U.S.A. and Mexico. The Company estimates the impact of adverse weather on operating EBITDA to be ~\$17mm showing the resiliency of the business driven by higher prices, lower imports, energy costs deceleration, and operational optimization efforts. Cemex anticipates improved conditions in 2025, supported by underlying demand for infrastructure, improved activity in housing, and stabilization of the commercial sector.

Construction Partners

CPI maintained its guidance for both net income and adjusted EBITDA after the end of its fiscal year 2024. This positive outlook is supported by eleven months of Lone Star's contributions being included in the 2025 fiscal year.

CRH

CRH has raised the low end of net income, adjusted EBITDA, and EPS in 2024, reflecting the continued strength of its financial performance. Looking ahead to 2025, the Company expects positive underlying demand across key end-use markets, underpinned by significant public investment in infrastructure and re-industrialization activity. A lower interest rate environment is expected to aid a gradual recovery in new-build residential construction activity. Through a combination of continued positive price momentum and favorable underlying demand, the Company expects another year of progress in 2025.

Eagle Materials

Eagle expects to deliver a solid fiscal 2025 with strong cement demand as infrastructure and heavy industrial projects continue to move forward. Given Eagle's favorable geographic positioning, the Company doesn't expect as much slowdown in residential construction demand as some competitors.

Granite Construction

Granite remained consistent in its revenue and EBITDA guidance, as strong revenue growth in Q3 2024 reinforced the Company's expectations. Current order volumes for 2025 present a positive outlook with price increases for aggregates expected to be in the high single-digits and asphalt in the low single-digits.

Heidelberg Materials

Based on the business performance in the first nine months of 2024, the Managing Board has raised the outlook for the result from current operations (RCO). For the 2024 financial year, it now expects the RCO to be between €3.1bn and €3.3bn, moving up from the initial forecast of between €3.0bn and €3.3bn.

Holcim Group

The Company is on track to achieve its full-year guidance for 2024 with low single-digit net sales growth in local currency, over-proportional growth in recurring EBIT, and increase in recurring EBIT margin. It expects to continue its progress towards the spin-off and U.S. listing of its North American business, which is on track for completion in 1H 2025.

What the Majors Predict – Year-End 2024 & 2025

Knife River

Increased public funding has supported an increased backlog, and Knife River expects slightly improved margins as a result. The Company expects to do increased business in the mountain region due to an 11.6% increase in the region's backlog YoY, and backlog as a whole is up 3.1% YoY.

Martin Marietta

The Company expects demand increases from strong tailwinds in the infrastructure sector, due primarily to the Infrastructure Investment and Jobs Act, record state Department of Transportation budgets, and state and local ballot initiatives. Significant increases in data center construction will provide increased demand in the non-residential construction sector, but this will be offset by decreased construction of warehouses, manufacturing, and light non-residential buildings. In its residential end market, the Company expects an increase in single-family housing production but a decrease in multi-family housing.

Summit Materials

Summit expects price to be its primary growth lever in 2025, with opportunity in the aggregates and cement segments. While the Company expects normal weather conditions in 2025, it predicts uneven and fluid demand due to elevated public activity in geographic strongholds and variance in private end market demand. It expects continued margin expansion from integration of its Argos acquisition, and it plans to deploy growth-enabling CapEx as well as make strategic aggregates-led bolt-on acquisitions in targeted regions.

Vulcan Materials Company

In 2025, Vulcan expects a return to volume growth due to growth in public construction activity and improving private demand. The Company also expects a favorable pricing environment with high single-digit growth. Costs should benefit from moderating inflation and operating execution, and Vulcan believes it will see double digit cash gross profit per ton expansion due to the compounding benefits of its focus on pricing and operational improvements.

Key Trends

In general, the major public construction materials companies seem to believe that the end of 2024 and the beginning of 2025 will continue to be strong. Despite volume decreases in many markets and product segments the last year, the slight improvement in the interest rate environment and federal infrastructure spending should signal a large number of these companies seeing growth in volume and profits. While the residential sector is expected to be soft through the end of the year and potentially through the first half of 2025 given current interest rates, the IJA has bolstered the infrastructure sector, and many nonresidential jobs are getting done as companies continue to reinvest in onshoring to grow their businesses.

The large public companies (and many private companies in the sector) continue to build cash on their balance sheets, eyeing potential acquisitions. Expect continued M&A activity at a high pace for both small and large deals in the construction materials sector. A number of companies that were not highly acquisitive for several years have significantly increased their focus on acquisitions. We expect to see continued M&A activity by Heidelberg, Holcim, Knife River, and Cemex, among others.

Valuation and Trading Statistics for Major Players

Ticker	Company Name	Stock Price	% of 52-Week		Market Cap	Enterprise Value	LTM Revenue	LTM EBITDA	Enterprise Value /	
		12/18/2024	High	Low					LTM Revenue	LTM EBITDA

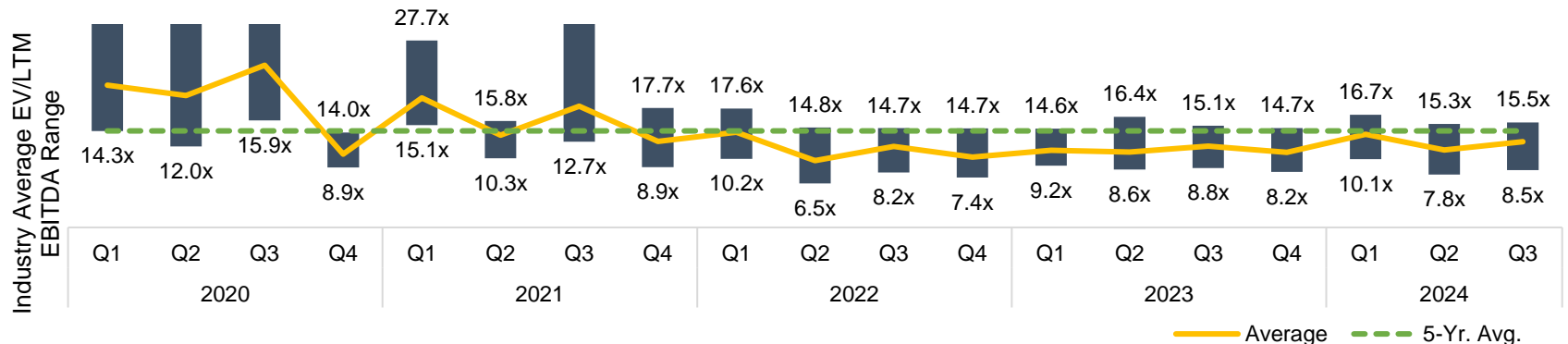
(All \$ in millions, except for Stock Price)

Construction Materials Product Index

NYS: ACA	Arcosa	\$ 100.8	89%	139%	\$ 4,915	\$ 5,395	\$ 2,486	\$ 403	2.2x	13.4x
NYS: CX	Cemex	\$ 5.5	60%	111%	\$ 8,154	\$ 8,045	\$ 17,249	\$ 3,141	0.5x	2.6x
NAS: ROAD	Construction Partners	\$ 89.1	86%	224%	\$ 4,997	\$ 5,476	\$ 1,824	\$ 221	3.0x	24.8x
LON: CRH	CRH	\$ 97.7	88%	149%	\$ 63,535	\$ 77,192	\$ 35,387	\$ 6,740	2.2x	11.5x
NYS: EXP	Eagle Materials	\$ 257.1	80%	131%	\$ 8,624	\$ 9,628	\$ 2,268	\$ 840	4.2x	11.5x
NYS: GVA	Granite Construction	\$ 89.2	85%	203%	\$ 3,897	\$ 4,172	\$ 3,964	\$ 367	1.1x	11.4x
ETR: HEI	Heidelberg Materials	\$ 129.6	97%	151%	\$ 23,476	\$ 31,901	\$ 22,394	\$ 4,263	1.4x	7.5x
SWX: HOLN	Holcim Group	\$ 99.8	94%	138%	\$ 54,847	\$ 53,662	\$ 30,152	\$ 7,799	1.8x	6.9x
NYS: KNF	Knife River	\$ 100.9	93%	164%	\$ 5,713	\$ 6,172	\$ 2,889	\$ 454	2.1x	13.6x
NYS: MLM	Martin Marietta	\$ 535.6	85%	112%	\$ 32,737	\$ 37,121	\$ 6,513	\$ 2,024	5.7x	18.3x
NYS: SUM	Summit Materials	\$ 50.4	94%	147%	\$ 8,845	\$ 10,992	\$ 3,755	\$ 869	2.9x	12.7x
NYS: VMC	Vulcan Materials Company	\$ 264.9	89%	121%	\$ 34,982	\$ 38,406	\$ 7,398	\$ 1,983	5.2x	19.4x

Statistics

Min	\$ 5.5	60%	111%	\$ 3,897	\$ 4,172	\$ 1,824	\$ 221	0.5x	2.6x
Median	\$ 100.3	88%	143%	\$ 8,735	\$ 10,310	\$ 5,239	\$ 1,426	2.2x	12.1x
Mean	\$ 151.7	87%	149%	\$ 21,227	\$ 24,013	\$ 11,357	\$ 2,425	2.7x	12.8x
Max	\$ 535.6	97%	224%	\$ 63,535	\$ 77,192	\$ 35,387	\$ 7,799	5.7x	24.8x



2024 YTD Transaction Trends

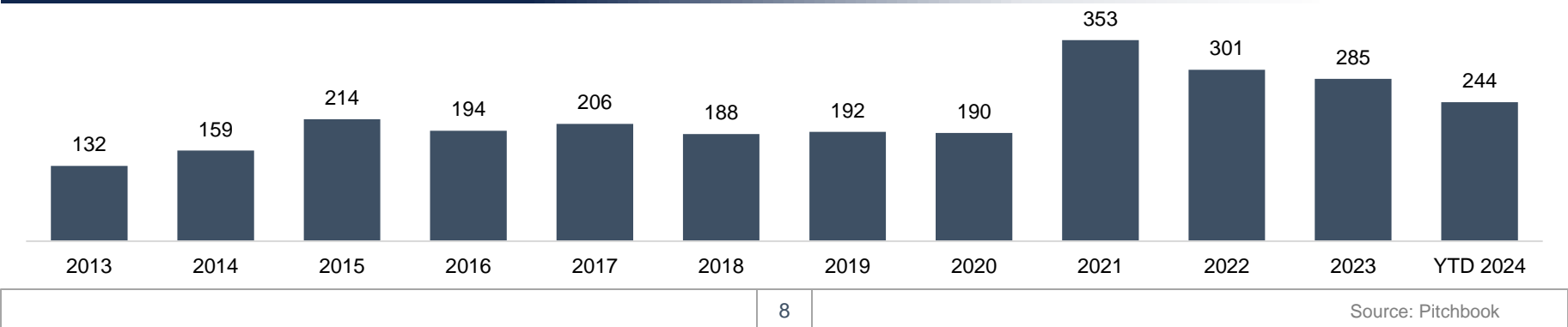
Though high interest rates are making M&A more challenging from a financing perspective, slight rate cuts, a positive outlook, and cash on the balance sheet has led to deals still getting done at a high pace. One Company that has been very acquisitive is Construction Partners. Most notable was its acquisition of Lone Star Paving (~8.1x EBITDA). As part of this deal, CPI acquired 10 hot-mix asphalt plants, four aggregate facilities, one liquid asphalt terminal, and certain related real estate. This deal and three other asphalt and paving acquisitions in the south have positioned CPI to play a significant role in infrastructure projects within these high growth areas. CRH has also continued to be acquisitive, completing add-ons to its aggregates, cement, and ready-mix positions. Most notably, the Company acquired a 2.1mt capacity cement plant located between San Antonio and Austin, a network of terminals along the eastern gulf coast of Texas, and a portfolio of 20 ready-mix plants from Martin Marietta for \$2.1bn (~12.4x EBITDA). This allowed Martin Marietta to refocus its growth efforts into the pure aggregates acquisition of certain Blue Water Industries assets in the southeast for \$2.05 billion (~15.2x EBTIDA). SRM remains very active on the M&A front as well, having closed several deals so far this year, continuing to add ready-mix, aggregates, and distribution assets to their ever-expanding portfolio.

One of the most active in realigning their portfolio in this manner was Arcosa. They divested of two underperforming construction materials businesses and made a committed entrance to the northeast U.S. through the acquisition of Stavola Holding Corp (~12.0x EBITDA). Stavola was a major producer of aggregate and asphalt in New York and New Jersey. Arcosa has followed an acquisitive growth strategy to become one of the largest aggregates producers in the U.S. Its 2018 acquisition of StonePoint Materials has been followed by a number of transactions in recycled aggregates and natural aggregates, culminating in its largest acquisition to date.



















In January, Summit Materials completed its \$3.2bn merger with Argos USA (~10.0x EBITDA), establishing the fourth-largest cement platform in the United States. Argos USA's operations include four cement plants, approximately 140 ready-mix plants, and eight ports, with a grinding capacity of 9.6mm tons annually and additional import capabilities. The transaction significantly enhanced Summit's materials-led strategy, creating a larger national footprint and expanding operational and commercial capabilities. The combination marked a pivotal shift in the national cement and ready-mix market which was expected to set Summit up for growth, and (by some industry observers) to potentially shield the company from acquisition by some of its larger public competitors due to its mix of aggregates, cement, and ready-mix assets. However, this apparently made the company attractive to Quikrete.

With the positive outlook on interest rates partially restoring multiples paid for acquisitions, the number of transactions has compared favorably to 2023 though it is not as high as in 2021 or 2022



















Historical M&A transaction count in the Building Materials Industry
















2024 Notable Construction Materials Transactions

Target	Buyer	Rationale / Commentary
		Summit Materials and Argos USA completed a merger that has created the fourth-largest cement platform in the United States. The merger strengthens Summit's materials-led approach, creating a new enterprise with \$1bn in EBITDA. The 40% cash / 60% stock deal valued Argos at an implied ~\$3.2bn (~10.0x EBITDA).
		Martin Marietta acquired Albert Frei & Sons, Inc., a leading aggregates producer in Colorado. The acquisition enhances the Company's aggregates platform in the high-growth Denver metropolitan area, provides more than 60 years of hard rock reserves, and redeploys proceeds from prior divestitures.
		SRM Concrete announced the acquisition of Nissen Concrete, a ready-mix concrete supplier with two locations in Toledo and Oregon, Ohio. This marked SRM's sixth acquisition in Ohio in the preceding six months, more than doubling the Company's production capacity in the state.
		SRM Concrete acquired the ready-mix assets of Concrete Material Supply (CMS), a ready-mix concrete supplier with three locations between Toledo and Cleveland, Ohio. This marked SRM's seventh acquisition in Ohio in the last nine months.
		SRM Concrete acquired the construction aggregates division of Coalson Excavation located in Hamilton, Texas. This acquisition marked SRM's second aggregate site in Texas and the 24th site nationwide.
		CRH acquired an attractive portfolio of cement and ready-mix concrete assets in Texas from Martin Marietta for \$2.1bn, comprised of a 2.1mt capacity cement plant located between San Antonio and Austin, a network of terminals along the eastern gulf coast of Texas, and a portfolio of 20 ready-mix plants (12.4x EBITDA).
		Martin Marietta announced that it completed an acquisition of 20 active aggregates operations in Alabama, South Carolina, South Florida, Tennessee, and Virginia from affiliates of Blue Water Industries LLC for \$2.05bn in cash (~15.2x EBITDA).
		CRH announced the acquisition of BoDean Company Inc. and Northgate Ready Mix, LLC in Santa Rosa, CA. These acquisitions represent the first entry by CRH's Materials Solutions business into the state of California and enhance CRH's ability to provide integrated solutions to customers in the attractive Northern California market.
		Arcosa acquired Ameron Pole Products, a leading manufacturer of highly engineered premium concrete and steel poles for a broad range of infrastructure applications for \$180mm. In 2023, Ameron had \$94mm in revenue and adjusted EBITDA of \$20mm, implying a 9.0x EBITDA acquisition multiple on the transaction.





2024 Notable Construction Materials Transactions

Target	Buyer	Rationale / Commentary
 Brown & Watson Company, Inc.		Rogers Group announced its acquisition of Brown & Watson Company – a third-generation family-owned and operated natural silica sand provider headquartered in Butler, GA. The Company mines and produces premium concrete sand, masonry sand, golf course construction sand, fill materials, and specialty sand products.
 (Asphalt Manufacturing and Construction Operations)		CPI announced that it has acquired the asphalt manufacturing and construction operations of Sunbelt Asphalt Surfaces, Inc., headquartered in Auburn, Georgia. CEO Fred Smith III remarked, "The Interstate 85 corridor from Atlanta to Charlotte continues to represent a key strategic area of geographic focus for our Company."
		CPI acquired Hudson Paving, Inc., headquartered in Rockingham, North Carolina. The transaction adds a hot-mix asphalt plant and related crews and equipment serving the Sandhills region of North Carolina and will be under CPI's Fred Smith Company, the Company's North Carolina platform.
 (Aaron Materials)		Heidelberg Materials North America acquired all assets of Aaron Materials, an established concrete recycler and materials producer in the Corpus Christi area. The operations include concrete crushing, stabilized materials, and a volumetric concrete business.
		Cemex entered a joint venture agreement with sand and gravel supplier Couch Aggregates and marine bulk product distributor Premier Holdings as part of Cemex's ongoing strategy to accelerate growth in the U.S. and expand its aggregates business. This will strengthen Cemex's aggregate reserves with the production, distribution, and sale of sand, gravel, and limestone in the Mid-South, increasing its presence and providing better and faster service to this growing region.
		Heidelberg Materials acquired Highway Materials, Inc., one of the largest independent aggregates and asphalt producers in the Greater Philadelphia market. Included with this acquisition are four crushed stone quarries, nine hot-mix asphalt plants, two clean fill operations, a concrete recycling facility, and more than 350 employees.
		CRH acquired Ary Corporation, a leading provider of building materials solutions headquartered in Canon City, Colorado. This acquisition of more than 25 sand & gravel and concrete plant locations marks CRH's first expansion into the state of Colorado.
		CPI acquired Robinson Paving Company, adding three hot-mix asphalt plants in the Columbus, Georgia area. With a strategic location adjacent to existing operations in both Georgia and Alabama, Columbus represents an attractive market for CPI.
		Granite acquired Dickerson & Bowen Inc., a leading regional aggregates, asphalt, and highway construction company serving central and southern Mississippi. The acquisition is complementary to the 2023 acquisition of Lehman-Roberts Company / Memphis Stone & Gravel.

2024 Notable Construction Materials Transactions

Target	Buyer	Rationale / Commentary
		Heidelberg Materials acquired Carver Sand & Gravel, the largest aggregates producer in the Albany, New York area. Included in this acquisition were four quarries, three sand and gravel pits, two asphalt plants, 70 million metric tons of aggregate reserves, a logistics business, and ~200 employees.
Duluth Ready Mix, Superior-Duluth Ready Mix, and Best Concrete		SRM Concrete acquired Duluth Ready Mix, Superior-Duluth Ready Mix, and Best Concrete in Northeast Minnesota. The acquisitions included six ready-mix plants and three quarries in the Northern Minnesota and Wisconsin regions bordering Lake Superior, marking SRM's first locations in both states.
 (Construction Materials Business)		Arcosa acquired the Construction Materials business of Stavola, an aggregates-led construction materials Company primarily serving the New York-New Jersey MSA for \$1.2bn (~12.0x EBITDA). The acquisition extends Arcosa's footprint into the U.S.'s largest MSA.
		Holcim acquired OX Engineered Products, a provider of advanced insulation systems for residential and commercial applications. With OX's complementary technologies, Holcim will offer an extended range of building envelope solutions for residential and commercial applications to meet its North American customers' needs.
Alico Road LLC		Martin Marietta acquired 23 properties (~2,000 acres) in Lee County, FL from the Youngquist Brothers-owned Alico Road LLC. The transaction value totaled \$620mm.
		Knife River acquired Albina Asphalt in Vancouver, Washington, expanding the footprint of the Company's high-margin liquid asphalt materials product line, with terminals in the Company's most profitable geographic segment.
Granite Quarry Site of North Georgia Aggregates		SRM's acquisition of this granite quarry in Elberton, GA, represents an effort by the Company to fill a service gap in this geography, allowing for more efficient production serving nearby customers.
Frank B. Marks & Son		Knife River acquired Frank B. Marks & Son, a sand and gravel supplier in Northern California.
Rock Products Manufacturing		Knife River acquired Rock Products Manufacturing, a producer of various rock-based materials for construction and landscaping purposes, located in central Oregon as part of the \$129.3mm of capital the Company has deployed in six acquisitions this year.

2024 Notable Construction Materials Transactions

Target	Buyer	Rationale / Commentary
		CPI acquired Lone Star Paving, a vertically integrated asphalt manufacturing and paving Company operating in attractive high-growth markets in central Texas, with 10 hot-mix asphalt plants, four aggregate facilities, one liquid asphalt terminal, and certain related real estate (~8.1x EBITDA).
		CRH announced the acquisition of Dutra Materials in San Rafael, California. This acquisition expands business and enhances its ability to provide integrated solutions to customers in northern California after the Company entered the state earlier this year.
Fairmount Redi-Mix		SRM Concrete acquired Fairmount Redi-Mix, a ready-mix batching plant in Fairmount, Illinois. The acquisition marks SRM's first location in Illinois.
		SRM Concrete has acquired Rockport Ready Mix in Cleveland, Ohio. The Company has operated a ready-mix batching plant in Cleveland since 1993. The acquisition expands its presence in Northeast Ohio, which it entered in 2023.
Ken's Redi Mix, Rock Redi-Mix, and Morse Concrete & Excavating		SRM Concrete acquired Ken's Redi-Mix, Rock Redi-Mix (the concrete division of Rock Products), and Morse Concrete. These concrete suppliers with locations across Michigan strengthen SRM's market position in the state.
		Quikrete announced it has entered into a definitive agreement to acquire Summit Materials, a leading producer of aggregates and cement for ~12.8x EBITDA. The transaction combines Summit's leading aggregates, cement, and ready-mix concrete business with Quikrete's leading concrete and cement-based products business to create a vertically integrated, North American, construction materials solutions provider with strong customer relationships and iconic products.
		Eagle Materials announced it has entered into a definitive agreement to acquire Bullskin Stone & Lime, a pure-play aggregates business located in Western Pennsylvania, for \$152.5mm. The business serves the Pittsburgh and broader Western Pennsylvania markets.

Founders Advisors' Industrials Team

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Gene Bazemore
Head of Industrials
214.295.2652
ebazemore@foundersib.com

Evan Klisares
Director
205.503.4003
eklisares@foundersib.com

Will Weathington
Associate
205.848.6218
wweathington@foundersib.com

Andrew Coats
Analyst
205.829.1372
acoats@foundersib.com

Zach Cole
Analyst
205.503.4030
zcole@foundersib.com

Cynthia Johnson
Practice Manager
205.949.2043
cjohnson@foundersib.com

Dennis Coker
Managing Director
469.818.8749
dcoker@foundersib.com

Katherine Candela
Vice President
205.941.6832
kcandela@foundersib.com

John Jenkins
Senior Analyst
205.503.4019
jjenkins@foundersib.com

Emily Dunaway
Analyst
205.941.6828
edunaway@foundersib.com

Harrison Hall
Analyst
205.949.2043
hhall@foundersib.com

John Sullivan
Managing Director
205.503.4010
jsullivan@foundersib.com

Miller Williams
Vice President
205.506.7778
mwilliams@foundersib.com

Oliver Robinson
Senior Analyst
205.503.4026
orobinson@foundersib.com

Collier Wilson
Analyst
205.271.2693
cwilson@foundersib.com

Mac Scott
Analyst
205.263.2306
mscott@foundersib.com

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