

A photograph of a construction site featuring several tall buildings under construction. The buildings are partially covered in blue safety netting. Multiple yellow tower cranes are visible against a blue sky with white clouds. The overall scene is active and industrial.

# Seale & Associates

CONSTRUCTION INDUSTRY  
Q1 2024  
VALUATION UPDATE

25 years

# Introduction

We are pleased to share our Construction Industry Valuation Multiples Update for Q1 2024.

At Seale & Associates, we are committed to providing process-driven solutions designed to optimize value and achieve our client's strategic objectives in a range of transactions, including **Mergers, Acquisitions, Divestitures and Carve-Outs, Business Sales, Recapitalizations, and Joint Ventures**, among other corporate finance and strategy consulting services.

Over the course of 25+ years, we have successfully served clients all over the world, and we are delighted to continue providing investment banking advisory services to our clients who are looking to grow through acquisitions or optimize their portfolios through strategic divestitures.

Seale has extensive experience advising leading multinational companies, private equity firms, and family-owned businesses across a wide range of industries.



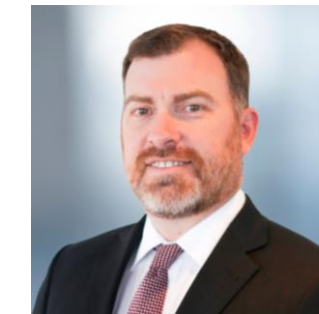
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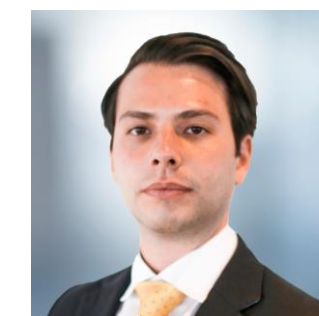
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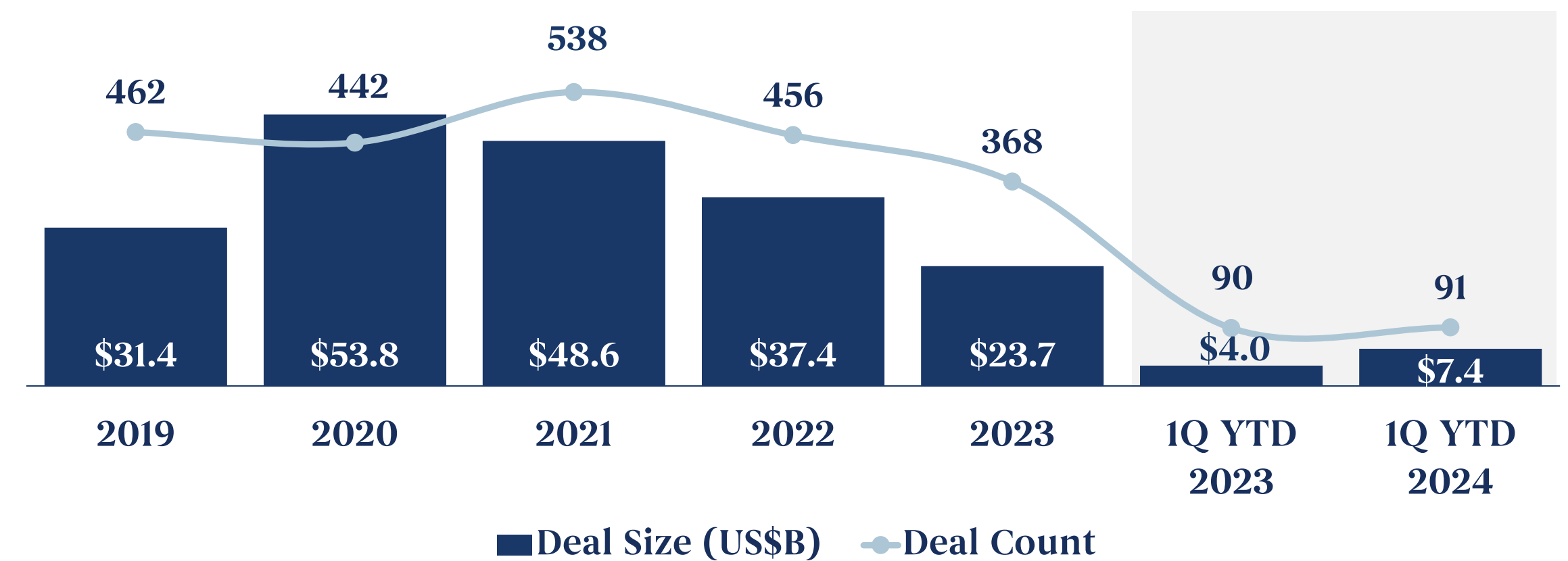
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# Construction Industry Overview, M&A Trends and Market Intelligence

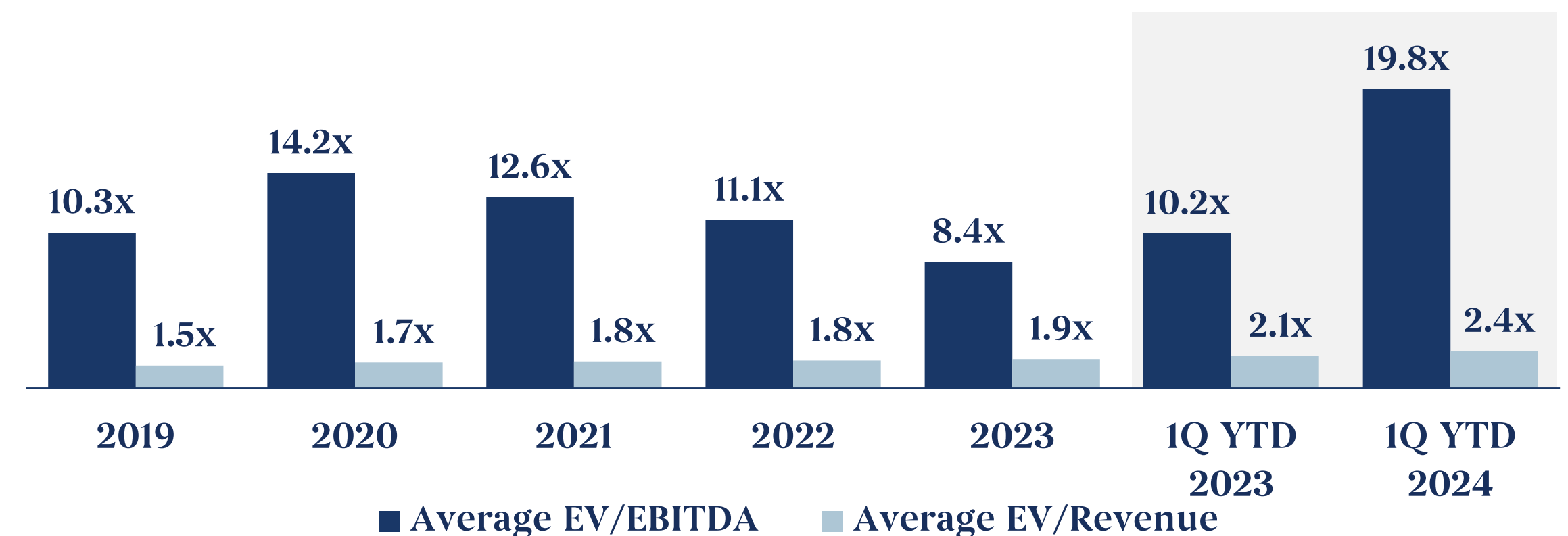
## Construction Industry Overview

- The global construction **market** hit **US\$11,900 billion** in 2023 and is projected to reach approximately **US\$17,200 billion** by 2030, with an expected annual growth rate of **5.4%**
- Globally, building products companies that **engage in frequent and material acquisitions** significantly surpass inactive companies in terms of total shareholder returns, with a recorded performance of **9.6%** compared to **2.7%**
- In 2023, both public and private home builders concluded 12 M&A agreements, exceeding the historical long-term average of 8. As of 2024, **5 transactions have already been completed**, with two additional M&A announcements
- Leading machinery companies are initiating value creation by integrating machinery sales and service contracts with circular model aimed at reusing valuable parts and resources. In selected customer segments, machinery firms are introducing circular business models, such as products as a service offerings
- Despite challenges like labor shortages and increasing sustainability efforts, the construction industry has a promising future, as global economic growth is expected to drive demand for infrastructure and construction

Construction Industry M&A Deal Size and Volume



Construction Industry M&A Average EV/EBITDA and EV/Revenue



Source: Mordor Intelligence, Next Move Strategy Consulting, Bain & Company, John Burns Research & Consulting, CBIZ

# Construction Global Comparable Public Companies

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		First Quarter Mar. 31, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
ACS, Actividades de Construcción y Servicios, S.A.		ESP	\$10,903	\$11,583	\$38,558	4.8%	4.4x	6.6x	6.2x	0.3x
AECOM		USA	\$13,341	\$15,186	\$14,896	5.9%	11.3x	13.6x	17.4x	1.0x
Bouygues SA		FRA	\$15,305	\$27,174	\$60,477	8.7%	4.2x	5.3x	5.2x	0.4x
Eiffage SA		FRA	\$10,942	\$24,455	\$24,133	17.0%	6.5x	6.2x	6.0x	1.0x
Kajima Corporation		JPN	\$9,945	\$12,844	\$17,408	6.2%	5.6x	8.0x	11.9x	0.7x
Obayashi Corporation		JPN	\$8,829	\$10,139	\$14,838	4.7%	10.1x	8.7x	14.5x	0.7x
Quanta Services, Inc.		USA	\$37,866	\$41,050	\$20,882	14.2%	10.2x	11.3x	13.8x	2.0x
Skanska AB (publ)		SWE	\$7,308	\$7,316	\$15,635	4.8%	7.3x	7.4x	9.7x	0.5x
Taisei Corporation		JPN	\$6,863	\$7,775	\$11,137	2.6%	5.3x	10.7x	26.5x	0.7x
Vinci SA		FRA	\$73,101	\$97,402	\$75,396	17.0%	9.5x	8.4x	7.6x	1.3x
						<b>Mean</b>	7.4x	8.6x	9.4x	0.9x
						<b>Median</b>	6.9x	8.2x	10.8x	0.7x

# Construction Materials Global Comparable Public Companies

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		First Quarter Mar. 31, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
Ambuja Cements Limited	 IND	\$14,592	\$14,013	\$3,868	17.7%	16.0x	20.4x	20.4x	3.6x	
CEMEX, S.A.B. de C.V.	 MEX	\$12,826	\$20,877	\$17,388	19.5%	5.8x	6.1x	6.1x	1.2x	
CRH plc	 IRL	\$59,130	\$66,579	\$34,949	17.5%	7.0x	7.9x	10.9x	1.9x	
Grasim Industries Limited	 IND	\$18,628	\$36,761	\$15,208	20.0%	9.7x	11.2x	12.1x	2.4x	
GCC, S.A.B. de C.V.	 MEX	\$3,950	\$3,508	\$1,364	34.3%	5.9x	6.6x	7.5x	2.6x	
Heidelberg Materials AG	 DEU	\$20,026	\$26,993	\$22,935	19.6%	4.6x	5.4x	6.0x	1.2x	
Holcim AG	 CHE	\$50,860	\$60,594	\$29,942	24.4%	6.6x	7.6x	8.3x	2.0x	
James Hardie Industries plc	 IRL	\$17,428	\$18,179	\$3,849	28.6%	12.9x	12.9x	16.5x	4.7x	
Martin Marietta Materials, Inc.	 USA	\$37,955	\$41,611	\$6,777	33.3%	16.4x	15.9x	18.4x	6.1x	
Vulcan Materials Company	 USA	\$36,087	\$39,647	\$7,782	27.6%	17.3x	16.6x	18.5x	5.1x	
						<b>Mean</b>	10.2x	10.0x	11.6x	3.1x
						<b>Median</b>	8.3x	9.6x	11.5x	2.5x

# Construction Machinery Global Comparable Public Companies

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		First Quarter Mar. 31, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
Caterpillar Inc.	 USA	\$182,987	\$213,442	\$67,060	23.9%	13.0x	11.6x	13.3x	3.2x	
CNH Industrial N.V.	 GBR	\$16,140	\$40,411	\$24,687	15.0%	10.0x	11.0x	10.9x	1.6x	
Deere & Company	 USA	\$114,333	\$174,759	\$60,755	27.3%	17.5x	12.7x	10.5x	2.9x	
Doosan Corporation	 KOR	\$1,752	\$11,821	\$14,234	10.5%	9.4x	9.6x	7.9x	0.8x	
Hitachi Construction Machinery Co., Ltd.	 JPN	\$6,354	\$10,032	\$9,237	17.2%	6.4x	6.4x	6.3x	1.1x	
Komatsu Ltd.	 JPN	\$27,662	\$34,824	\$25,118	20.9%	7.8x	6.6x	6.6x	1.4x	
Sany Heavy Industry Co.,Ltd	 CHN	\$17,061	\$17,498	\$10,777	11.2%	19.5x	23.7x	14.5x	1.6x	
Terex Corporation	 USA	\$4,315	\$4,688	\$5,152	14.3%	7.2x	6.9x	6.4x	0.9x	
XCMG Construction Machinery Co., Ltd.	 CHN	\$10,304	\$13,689	\$12,517	10.2%	10.5x	16.0x	10.7x	1.1x	
						<b>Mean</b>	9.2x	9.3x	9.7x	1.4x
						<b>Median</b>	10.0x	11.0x	10.5x	1.4x

# Construction Industry – Global Transactions (1/2)

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Mar-24		USA	Provides bricks, mortar, precast, preshape, clay and minerals	 RHI MAGNESITA	BalmoralFunds	100.0%	\$430.0	-	1.7x
Mar-24	Asphalt Division	USA	Produces asphalt	 SUPERIOR PAVING CORP.	BOXLEY	100.0%	-	-	-
Mar-24	 AMERON POLE PRODUCTS	USA	Manufactures high quality poles for diverse construction and utility projects	 CEMC Construction Equipment Manufacturing Corporation	NOV	100.0%	\$180.0	9.0x	1.9x
Mar-24	 BMC ENTERPRISES, INC.	USA	Produces ready mix concrete and building materials	 BREEDON	-	100.0%	\$300.0	8.5x	1.7x
Mar-24	 SCHARF	DEU	Assists companies in mining and tunnel construction	 YANKUANG ENERGY GROUP COMPANY LIMITED	SHARE HOLDER VALUE MANAGEMENT AG	51.0%	\$33.8	3.1x	0.8x
Mar-24	2 ready-mix concrete plants	MEX	Plants located in Queretaro, Mexico where ready mix concrete is produced and exported from	 HOLCIM	 GRUPO COMOSA	100.0%	-	-	-
Feb-24	 CSR	AUS	Provides building products for construction of homes and commercial buildings	 SAINT-GOBAIN	-	100.0%	\$2,943.9	12.7x	2.3x
Feb-24	20 Active Aggregates Operations	USA	Produces asphalt and operates as a paving contractor	 Martin Marietta	 BLUE WATER INDUSTRIES	100.0%	\$2,050.0	-	-
Feb-24	 WPC	USA	Provides paving and asphalt services	 ARMADA MATERIALS	-	100.0%	-	-	-
Feb-24	 IDEAL	USA	Provides ready mix concrete	 RASMUSSEN GROUP	Johnson Holding	100.0%	-	-	-
Jan-24	 AFS ALBERT FREI & SONS	USA	Provides quality sand, gravel and crushed stones	 Martin Marietta	-	100.0%	-	-	-

# Construction Industry - Global Transactions (2/2)

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue	
Jan-24		ESP	Provides prefabricated concrete		-	<50%	-	-	-	
Jan-24		GBR	Provides ready mix concrete, mortar and floor screed		-	ND	-	-	-	
Jan-24		MEX	Provides constructions, renovations, designs and general construction projects		-	100.0%	\$37.4	5.4x	0.6x	
Jan-24		USA	Focuses on water, wastewater and industrial water construction projects			90%	-	-	-	
Jan-24		USA	Provides high-end precast architectural components for buildings		-	100.0%	-	-	-	
								<b>Mean</b>	7.9x	1.3x
								<b>Median</b>	8.5x	1.7x



# Selected Transactions Commentary



*“This expansion not only strengthens our production network, but also underscores our ongoing commitment to sustainable construction and innovation. By integrating these COMOSA Group operations, we not only expand our ability to better serve our customers, but also advance our commitment to environmentally friendly practices.”*

**Manuel Sirtori, Director of Concrete of Holcim Mexico**



*“As a combined organization with an expanded footprint, we are well positioned to provide infrastructure materials in the fast-growing middle market.”*

**Rob Duke, CEO of Armada**



*“We are thrilled to join forces with Echo Defense Projects. The integration of Eko Pave technology within our operations is a game-changer. It's not just an advancement for our company but a leap forward for the industry. We anticipate that this cost-effective technology will significantly lower infrastructure expenses worldwide, propelling a dramatic increase in our revenues.”*



**José Alejandro Moya, CEO of CCT**



*“I am proud that International Concrete Products will now become the high-end architectural precast division of the Mid-States Concrete Industries family, the similarities in both corporate cultures made this a natural fit to ensure the long-term success of both organizations.”*

**John Bisswurm, Founder of International Concrete Products**

# Private Equity Transactions

INDUSTRY CLASIFICATION	PERIOD	AVERAGE ENTERPRISE VALUE (IN USD)	REVENUE (IN USD)	TTM REVENUE GROWTH	ENTERPRISE VALUE / REVENUE	EBITDA MARGIN	ENTERPRISE VALUE /EBITDA	NUMBER OF TRANSACTIONS
 <b>Construction of Buildings</b> <i>NAICS 236 - Construction of Buildings</i>	2018-2024	\$67.5M	\$40.9M	20.5%	1.6x	23.0%	6.5x	18
 <b>Heavy and Civil Engineering Construction</b> <i>NAICS 237 - Heavy and Civil Engineering Construction</i>	2018-2024	\$44.3M	\$42.1M	21.5%	1.2x	21.0%	5.6x	29

**Notes:**

- Data obtained via GF Data, a subscription-based information platform, offering detailed information and metrics about the transactions of Private Equity funds in the U.S.
- The data is provided under a blind confidential format. Users of the data are unable to identify the exact company and transaction corresponding to the transaction details. Given this blind approach, the data submitted is less likely to be biased or manipulated.

# CEMEX

## TARGET

Concrete Pumping Business

## TRANSACTION TYPE

Divestiture advisory

## INDUSTRIES

Construction and Building Products

## GEOGRAPHY

Monterrey, Mexico

### SITUATION

Seale & Associates acted as exclusive financial advisor to CEMEX (BMV: CEMEX CPO) in the divestiture of its Concrete Pumping Business to Pumping Team. The transaction value was US\$109 million, including US\$80 million at closing and an additional US\$29 million in purchase price contingent on future performance targets.

### SEALE & ASSOCIATES' APPROACH

Seale managed a competitive auction process with potential strategic and financial buyers. Seale's disciplined approach allowed our client to maintain momentum and negotiating leverage throughout the process and ensure closing at a premium value and favorable terms.

### OUTCOME

The process resulted in the successful acquisition of CEMEX's Concrete Pumping Business by Pumping Team, which will become the supplier of ready-mix concrete pumping to CEMEX and its customers in Mexico.

**“We look forward to maintaining a long-term win-win relationship”**



has sold

**its Concrete Pumping Business**

to



*“We are pleased to have been able to represent CEMEX in this strategic divestiture of its concrete pumping business in Mexico.*

*We wish the new owners of the Pumping Team and Nexxus Capital business every success.*

*We look forward to maintaining a long-term win-win relationship in their business relationship with CEMEX.”*

**Sergio Garcia del Bosque**  
**Managing Director, Seale & Associates**

# FANOSA

## TARGET

Fanosa, S.A. de C.V.  
("FANOSA")

## TRANSACTION TYPE

Divestiture advisory

## INDUSTRIES

Construction and  
Building Products

## GEOGRAPHY

Hermosillo, Mexico

## SITUATION

Seale & Associates acted as exclusive financial advisor to the Shareholders of Fanosa, S.A. de C.V. ("FANOSA"), a leading provider of solutions for the construction market on the sale of its business to Grupo Lamosa S.A.B. de C.V. (BMV: LAMOSA).

## SEALE & ASSOCIATES' APPROACH

Seale managed a competitive process. Seale's disciplined approach allowed our client to maintain momentum and negotiating leverage throughout the process and ensure closing at a premium value and favorable terms.

## OUTCOME

The process resulted in the successful acquisition of FANOSA by Grupo Lamosa strengthening the growth and diversification strategy that can create a more integral product offering focused on providing sustainable solutions for the construction market.

"We wish them continued success and growth"



has been acquired by



"FANOSA has built a great platform for the production and distribution of expanded polystyrene products with tremendous success in Mexico and the U.S.

We congratulate our client and the employees of FANOSA and we wish them continued success and growth after the acquisition by LAMOSA."

**Sergio Garcia del Bosque**  
Managing Director, Seale & Associates

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# Global M&A Representative Engagements

<p><b>BEIJER REF</b></p> <p>has been acquired by</p>  <p>HERITAGE DISTRIBUTION HOLDINGS</p>	<p><b>avangardinnovative</b> MOVING THE CIRCULAR ECONOMY FORWARD</p> <p>has sold a controlling interest to</p>  <p>WASTE MANAGEMENT</p>	<p><b>ZN</b> ZINC NACIONAL</p> <p>has sold</p> <p><b>GSDKO</b></p> <p>Zinc Oxide Corporation a subsidiary of</p>  <p>Korea Zinc</p>	<p><b>Electrolux</b> PROFESSIONAL</p> <p>has acquired</p> <p><b>unified brands</b> a DOVER company</p> <p>from</p>  <p>DOVER</p>	<p><b>Port Contractors</b> STEVEDORES - TERMINAL OPERATORS</p> <p>has been acquired by</p>  <p>ENSTRUCTURE</p>	<p><b>Oxbow</b></p> <p>Oxbow's Senior Subordinated debt issued by</p>  <p>H.J. BAKER ESTABLISHED 1880</p> <p>was refinanced by</p>  <p>BMO</p>	<p><b>Hertz</b></p> <p>has acquired</p>  <p>DONLEN</p>
<p><b>Standex</b></p> <p>has sold</p> <p><b>Enginetics</b></p> <p>to</p>  <p>Enjet AERO</p>	<p><b>ITT</b></p> <p>has sold</p> <p><b>BURNY</b> <b>KALIBURN</b> PLASMA CUTTING INNOVATION</p> <p>and</p> <p><b>CMC</b> Cleveland Motion Controls</p> <p>to</p>  <p>LINCOLN ELECTRIC</p>	<p><b>Honeywell</b></p> <p>has sold</p> <p><b>TENSOR</b></p> <p>to</p>  <p>GE Power Systems</p>	<p><b>TRIUMPH™</b></p> <p>has sold</p> <p>Triumph Processing - Embee Division</p> <p>to</p>  <p>AMP ALL METALS PROCESSING</p>	<p><b>TRIUMPH™</b></p> <p>has sold</p> <p>Triumph Air Repair, the APU Overhaul Operations of Triumph Aviation Services - Asia, and Triumph Engines businesses</p> <p>to</p>  <p>TGG THE GORES GROUP</p>	<p><b>Rheem</b></p> <p>has acquired</p>  <p>HTPG</p>	<p><b>GRACE</b></p> <p>has sold its GRACE Membranes business</p> <p><b>Uop</b> a subsidiary of</p> <p><b>Honeywell</b></p>
<p><b>convatec</b> - forever caring -</p> <p>has sold</p> <p><b>SENSI CARE</b></p> <p>and</p> <p><b>ALOE VESTA™</b></p> <p>to</p>  <p>MEDLINE</p>	<p><b>United Technologies</b></p> <p>has sold</p> <p><b>MobileView</b></p> <p>to</p> <p><b>SAFE FLEET</b> Driving Safety Forward™</p>	<p><b>United Technologies</b></p> <p>has sold</p> <p><b>HTPG</b> A division of Carrier Commercial Refrigeration, Inc.</p> <p>to</p> <p><b>MONOMOY</b> and <b>Starboard Capital Partners</b></p>	<p><b>LOCKHEED MARTIN</b></p> <p>has sold</p> <p>Commercial Flight Training Business</p> <p>to</p> <p><b>ALTEON</b> A BOEING COMPANY</p>	<p><b>FLOWSERVE</b></p> <p>has sold</p> <p><b>D&amp;B</b></p> <p>to</p> <p><b>DB</b> DaviesBaird</p>	<p><b>KBR</b></p> <p>has acquired</p> <p><b>Wabi</b> Wabi Development Corporation</p>	<p><b>HARRISON GYPSUM, LLC</b></p> <p>has been recapitalized by</p> <p><b>H. I. G.</b> PRIVATE EQUITY</p>



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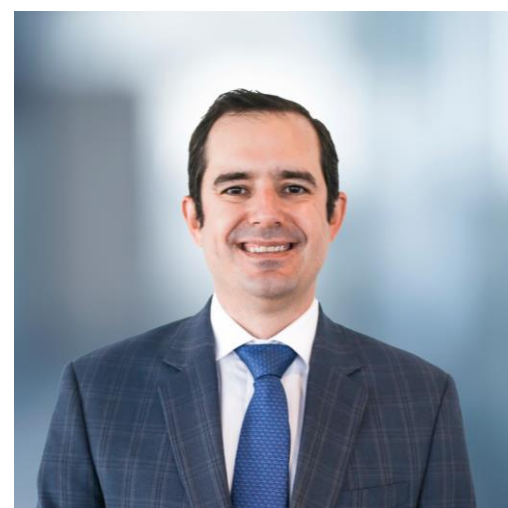


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University of Florida - BA in Political Science with High Honors

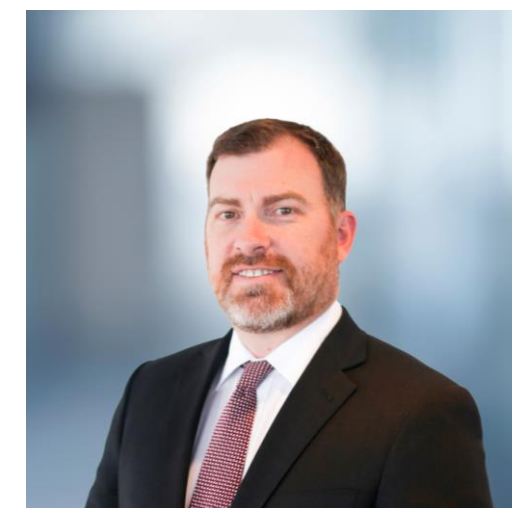


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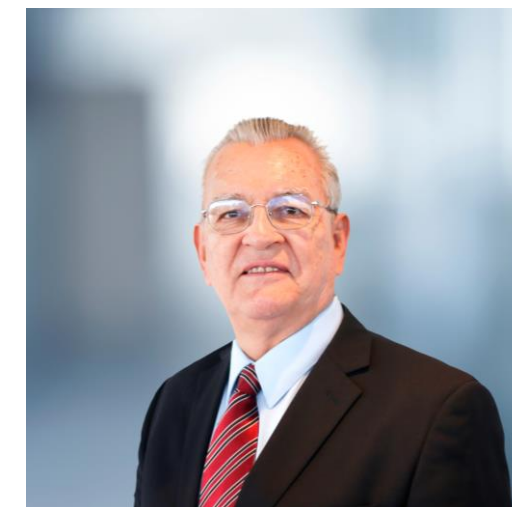


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**FELIPE BUENO**

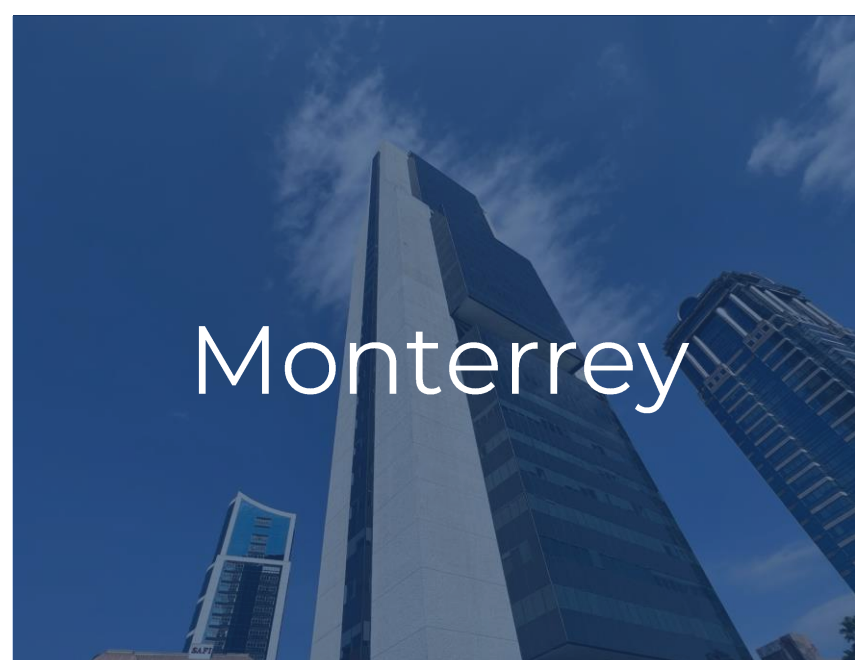
Senior Director | Monterrey, Mexico

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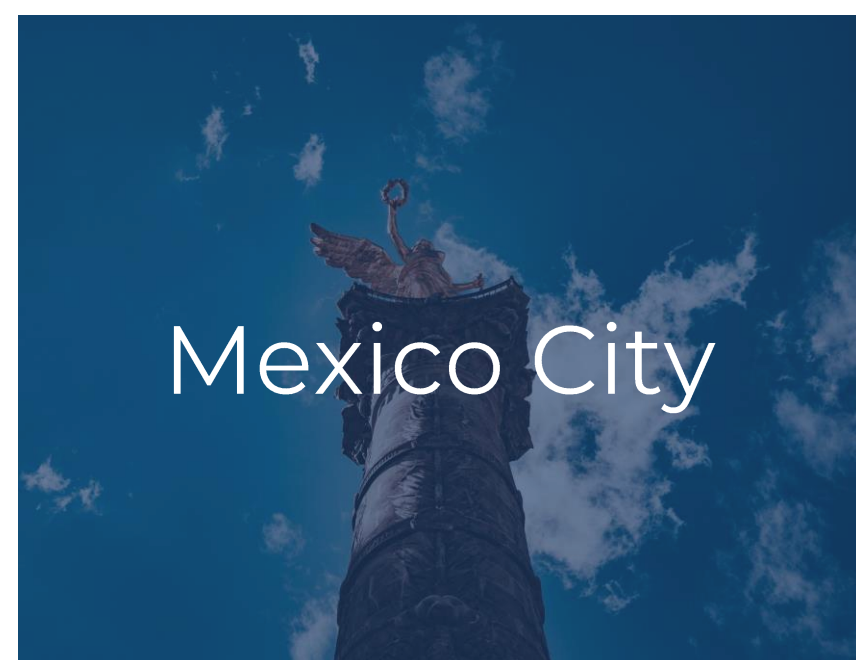
32+ years with Grupo Industrial Saltillo with experience as Director, Corp. Dev. and extensive global commercial experience  
Instituto Tecnológico y de Estudios Superiores de Monterrey  
MBA and BS in Industrial Engineering



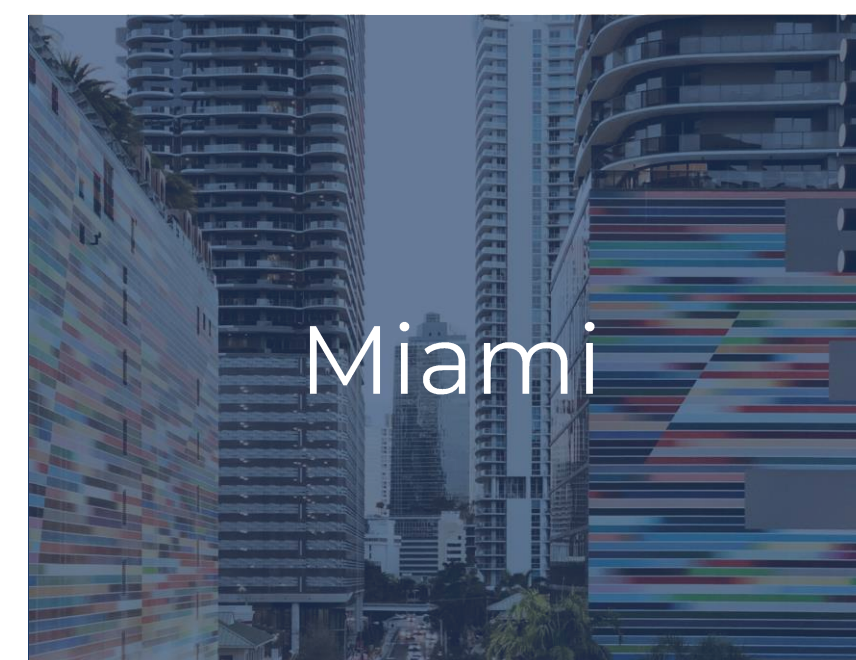
Washington D.C.



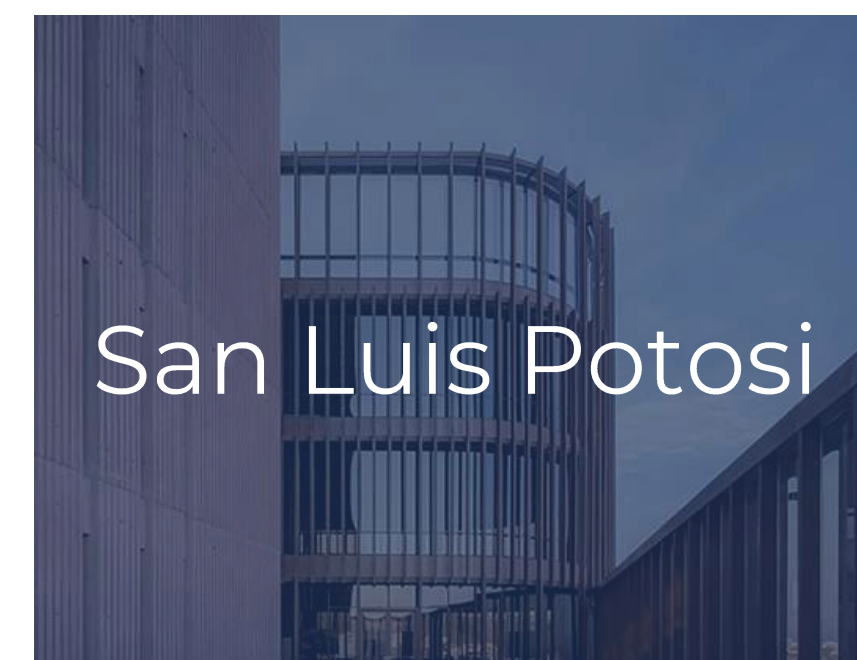
Monterrey



Mexico City



Miami



San Luis Potosi

**Creative Solutions. Trusted Advice.**

For over 25 years, Seale & Associates has served leading public and private companies from around the world and operating in a broad range of industries with a high level of quality, integrity and independence while presenting innovative ideas and trusted solutions to address their most complex dealings.

**25**

YEARS OF EXPERIENCE

**\$50B+**

TRANSACTIONS GLOBALLY

**SERVICES AND SOLUTIONS**

Mergers & Acquisitions

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Recapitalizations

Due Diligence / Support

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Strategy Consulting

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...as well as with reputable funds, family-offices and privately held companies.







# Seale & Associates

Creative Solutions. Trusted Advice.