



Seale & Associates

CONSTRUCTION INDUSTRY
Q1 2023
VALUATION UPDATE

Introduction

We are pleased to share our Construction Industry Multiples Valuation Update for Q1 2023.

At Seale & Associates, we are committed to providing process-driven solutions designed to optimize value and achieve our clients' 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 23+ years, we have successfully served clients all over the world, and we are delighted to continue providing investment banking advisory services to our Construction Industry clients that 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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SEALE & ASSOCIATES' SECTOR RELEVANT EXPERIENCE

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 announced 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 more 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.




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

SEALE & ASSOCIATES' SECTOR RELEVANT EXPERIENCE

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.















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

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, 2023 EV/		
						2021	2022	EBITDA	Revenue	
ACS, Actividades de Construcción y Servicios, S.A.		ESP	\$8,235	\$9,859	\$35,925	2.1%	9.1x	4.4x	7.0x	0.3x
AECOM		USA	\$11,716	\$13,653	\$13,264	6.7%	10.8x	11.3x	11.9x	1.0x
Bouygues SA		FRA	\$12,650	\$25,642	\$47,449	9.3%	4.7x	4.2x	5.2x	0.5x
Eiffage SA		FRA	\$10,331	\$23,834	\$22,301	16.4%	8.0x	6.5x	6.4x	1.1x
Jacobs Solutions Inc.		USA	\$14,890	\$18,602	\$15,341	8.9%	14.9x	12.5x	12.1x	1.2x
Kajima Corporation		JPN	\$5,843	\$8,541	\$17,822	6.5%	4.9x	5.6x	7.1x	0.5x
Obayashi Corporation		JPN	\$5,463	\$6,336	\$15,074	4.1%	5.3x	10.1x	10.3x	0.4x
Quanta Services, Inc.		USA	\$23,996	\$27,559	\$17,074	8.7%	8.5x	10.2x	10.5x	1.6x
Skanska AB		SWE	\$6,295	\$6,761	\$15,654	5.7%	5.8x	7.3x	6.4x	0.4x
Taisei Corporation		JPN	\$5,803	\$4,486	\$12,450	5.9%	3.8x	5.3x	6.1x	0.4x
Vinci SA		FRA	\$64,591	\$91,336	\$66,810	15.0%	12.0x	9.5x	8.4x	1.3x
						Mean	7.3x	7.9x	8.3x	0.8x
						Median	6.9x	7.3x	7.1x	0.5x

■ Excluded from mean and median

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, 2023 EV/	
						2021	2022	EBITDA	Revenue
Ambuja Cements Limited	 IND	\$8,836	\$8,542	\$3,744	12.5%	11.5x	16.0x	18.0x	2.3x
Buzzi Unicem S.p.A.	 ITA	\$4,498	\$4,451	\$4,270	25.4%	4.8x	3.8x	3.6x	1.0x
CEMEX, S.A.B. de C.V.	 MEX	\$7,942	\$17,390	\$15,577	15.4%	7.9x	5.8x	6.0x	1.0x
CRH plc	 IRL	\$37,491	\$43,434	\$32,723	17.3%	10.4x	7.2x	7.5x	1.3x
Grasim Industries Limited	 IND	\$13,060	\$26,986	\$13,651	18.1%	9.6x	9.7x	10.6x	2.0x
GCC, S.A.B. de C.V.	 MEX	\$2,604	\$2,266	\$1,169	31.0%	7.9x	5.9x	5.7x	1.8x
HeidelbergCement AG	 DEU	\$13,606	\$20,919	\$22,620	14.7%	6.1x	4.6x	5.3x	0.9x
Holcim Ltd	 CHE	\$37,986	\$45,919	\$31,567	18.1%	7.5x	6.6x	7.0x	1.4x
James Hardie Industries plc	 IRL	\$9,435	\$10,381	\$3,828	25.7%	20.4x	12.9x	10.4x	2.7x
Martin Marietta Materials, Inc.	 USA	\$22,050	\$27,323	\$5,731	27.8%	17.0x	16.4x	15.8x	4.8x
Vulcan Materials Company	 USA	\$22,813	\$27,305	\$7,315	22.0%	18.7x	17.3x	15.5x	3.7x

■ Excluded from mean and median

Mean	8.2x	7.1x	7.0x	1.6x
Median	7.9x	6.2x	6.5x	1.4x

Construction – Q1 Global Transactions

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Mar-23	 AKTOR <small>MEMBER OF ELAKTOR GROUP</small>	GRC	Operates in the construction and quarry businesses	 Intrakat		100.0%	-	-	-
Mar-23	Admixtures Business of MBCC Group	DEU	Operates an admixtures manufacturing business	 Cinven		100.0%	-	-	-
Mar-23	Cape Fear Precast, LLC	USA	Manufactures precast concrete products		-	100.0%	-	-	-
Mar-23	 ΛΑΡΣΙΝΟΣ <small>ΑΥΤΟΜΕΙΑ - ΕΤΟΙΜΟ ΕΚΠΟΣΕΜΑ</small>	GRC	Produces concrete		-	100.0%	-	-	-
Mar-23	 Gaudet Associates, Inc.	USA	Operates in the management of construction projects		-	100.0%	-	-	-
Feb-23	 ARDURRA	USA	Operates as a multi-discipline engineering and management company		Round Table Capital Management, LLP; RTC Partners Fund	100.0%	-	-	-
Jan-23	 KPE	USA	Provides engineering, procurement, and construction services		-	100.0%	-	-	-
Jan-23	 HJR ASPHALT	CAN	Provides asphalt paving services to the road construction industry		-	100.0%	-	-	-
Jan-23	 Shandipour Consulting Engineers, Inc.	USA	Provides professional program management and construction management services		-	100.0%	-	-	-
Jan-23	 BORTON & LAWSON	USA	Provides architectural, construction and engineering design services		-	100.0%	-	-	-
Jan-23	 WEEKS	USA	Operates as a marine construction, dredging, and tunneling organization		-	100.0%	-	-	-

Representative Global Engagements

 has acquired 	 has acquired 	 has sold Triumph Processing - Embee Division to All Metals Processing of Orange County	 has sold Triumph Air Repair & Triumph Engines businesses to 	 has acquired unified brands from 	 has partnered with ROVENSA — WELL-BALANCED AGRICULTURE — a company backed by 	 has acquired 	 has sold the North American guarding business of to 	 has sold to 	 has sold to 	 a subsidiary of has sold HTPG A division of Carrier Commercial Refrigeration, Inc. to
 has sold to Daives Baird Pty Ltd a sister company of 	 has acquired Wabi Wabi Development Corporation	 has sold to Code Flower Inc.	 has sold its GRACE Membranes Business UOP a subsidiary of 	 has sold BURNY KALIBURN and to 	 has sold a controlling interest to 	 has been acquired by 	 has sold SENSI-CARE and ALOE+VESTA to 	 has sold their Sanitaryware Manufacturing Plant to 	 has acquired Multiple snack companies WISE DEEP RIVER 	 has sold UNITEC ELEVATOR SAFETY • INTEGRITY • EXPERIENCE to
 has sold Commercial Flight Training Business to ALTEON A BOEING COMPANY	 has been acquired by 	 has sold Oxbow Sulphur, Inc. to 	 has been acquired by 	 has sold to KPAC Holdings, Inc. A private investment group	 Engineers & Constructors has acquired 	 has acquired 	 has acquired 	 has sold its SYCAR Resins business to A member of the ICI Group	 has sold to Private Equity Partners	 has been acquired by
 has agreed to sell to 	 has acquired KFC Costa Rica from 	 has been acquired by 	 has sold to 	 has sold the Films Business of to 	 has been acquired by 	 has sold to 	 Oxbow's Senior Subordinated debt issued by was refinanced by 	 has sold to 	 has acquired YOUR ELASTICS EXPERT from THE MOORE COMPANY	 has sold its concrete pumping business to

Advisor to Leading Companies Worldwide



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Please contact us if you would like further information about M&A trends and/or specific transaction multiples for your industry

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Creative Solutions. Trusted Advice.

Founded in 1999, Seale & Associates is a leading global investment bank with extensive experience in mergers and acquisitions, and corporate finance advisory services. Seale has an outstanding track record closing hundreds of sell-side and buy-side transactions, more than US\$50 billion in value, across a wide range of industries around the world. Our professionals are trusted advisors maintaining the highest quality and utmost integrity.

+20

YEARS OF EXPERIENCE

+\$50

BILLION CLOSED
TRANSACTIONS GLOBALLY

Services and Solutions

- Mergers & Acquisitions
- Divestitures
- Joint Ventures / Alliances
- Takeover Defense Support
- Due Diligence / Support
- Expert Witness Testimony
- Corporate Finance Advisory
- Strategy Consulting

Trusted Advisor to Leading Companies Worldwide

We have worked repeatedly with many of the most well-known companies in the world...

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



Seale & Associates

Creative Solutions. Trusted Advice.