

Windows on Wall Street

From Lincoln International

The *Window & Door* Stock Index has recently undergone changes in its components. With the recent merger between Stanley Works and Black & Decker, the new entity, Stanley Black & Decker has replaced Black & Decker. Wolsley plc was also removed from the index in order to reflect the sale of Stock Building Supply, one of the major building products components of its business. It has been replaced by Builders FirstSource, a supplier of building materials with multiple locations around the country, including window and millwork facilities. As industry dynamics change, the *Window & Door* Stock Index will continue to adjust accordingly in order to provide a fair representation of the broader window and door market. The index has continued its recovery and reached a new 12-month high in April though slightly underperforming the broader market, as measured by the S&P 500 Index. Over the last year, the index has gained 38.4%, compared to 40.9% for the S&P 500.

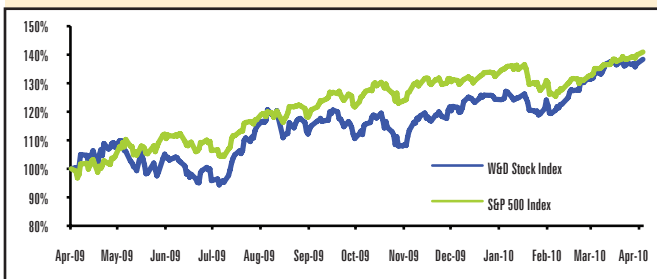
WD Stock Watch

As of April 5, 2010

Company	Current Price (\$)	52 Week High	52 Week Low	*EV/EBITDA
Builders FirstSource (BLDR)	\$3.39	\$8.60	\$1.89	nmf
Drew Industries Inc. (DW)	22.93	25.18	9.75	10.5x
Fortune Brands Inc. (FO)	49.83	50.08	29.70	12.0x
Home Depot Inc., The (HD)	32.66	32.98	22.27	9.4x
Huttig Building Products Inc. (HBPI)	0.91	1.02	0.30	nmf
Lowe's Companies Inc. (LOW)	24.87	25.31	18.02	8.1x
Masco Corp. (MAS)	16.15	16.22	7.08	15.0x
PGT, Inc. (PGTI)	2.00	3.19	1.20	13.1x
PPG Industries Inc. (PPG)	66.92	67.12	41.09	9.9x
Quanex Building Products Corp (NX)	17.27	18.36	8.21	9.8x
Stanley Black and Decker (SWK)	59.23	59.98	29.66	18.5x

The WD Stock Watch includes a select list of publicly-traded companies involved in the window and door industry. For *EV/EBITDA: EV (enterprise value) = Market value of stock plus debt outstanding minus cash, and EBITDA = Earnings before interest, taxes, depreciation and amortization. Data provided courtesy of Lincoln International.

WD Stock Index



Note: Local currency converted to USD using historical spot rates. The WD Stock Index consists of the above stocks weighted by market cap. Data provided courtesy of Lincoln International.

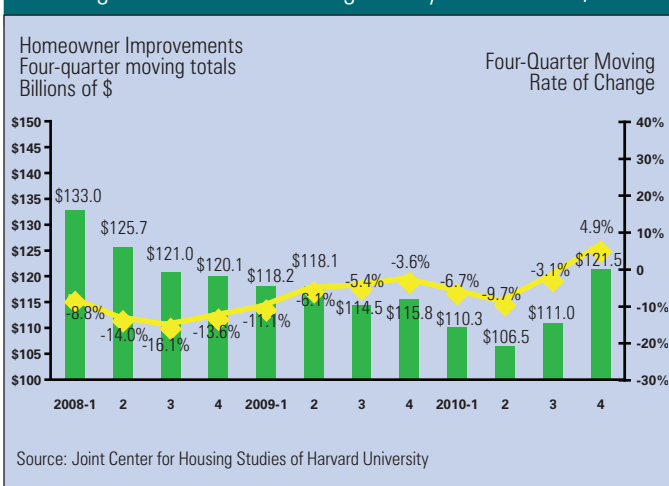
Contact Information: Andrew Bohutinsky, managing director 312/580-2805, abohutinsky@lincolnternational.com; and Greg T. Hicks, analyst 312/506-2730, ghicks@lincolnternational.com. Benjamin Kessler, Analyst: bkessler@lincolnternational.com; 312/506-2749. Lincoln International specializes in merger and acquisition services and private capital raising for leading organizations involved in mid-market transactions. With offices in Chicago, Frankfurt, Los Angeles, New York and Paris, and partner firms in Asia, Lincoln International has strong local knowledge of and contacts in the key global economies. The organization provides clients with senior-level attention, in-depth industry expertise and integrated resources. By being focused and independent, Lincoln International serves its clients without conflicts of interest. More information about Lincoln International can be obtained at www.lincolnternational.com.

The analysis above is for your information only and is not an offer to sell or a solicitation of an offer to buy, the securities or instruments mentioned or described in this report. The information has been obtained or derived from sources believed by us to be reliable, but we do not represent that it is accurate or complete. Any opinions or estimates contained in this information constitute our judgment as of this date and are subject to change without notice.

Market Snapshot—Remodeling

Home improvement spending will recover this year, according to the Joint Center for Housing Studies of Harvard University. Its Leading Indicator of Remodeling Activity now suggests annual spending will accelerate, with nearly 5% growth in 2010. “The gradual recovery in the broader economy should encourage more remodeling spending by homeowners,” says Nicolas P. Retsinas, Joint Center director. “This year could produce the first annual spending increase for the industry since 2006.” Favorable market conditions support the projected increase in remodeling activity, adds Kermit Baker, director of the center’s Remodeling Futures Program. “With house prices showing modest gains in most markets and the employment outlook beginning to stabilize, owners are likely to refocus attention on home improvements,” he says. “Home sales are trending up, which shows growing confidence in the housing market.”

Leading Indicator of Remodeling Activity - First Quarter, 2010



Source: Joint Center for Housing Studies of Harvard University

Government—Retrofit Ramp-up

The Obama Administration used Earth Day to announce plans to accelerate Recovery Act spending related to building energy efficiency. Some 25 projects around the country will receive \$452 million in stimulus funding as part of a “retrofit ramp-up.” “This initiative will help overcome the barriers to making energy efficiency easy and accessible to all—inconvenience, lack of information, and lack of financing,” says Energy Secretary Steven Chu. “Block by block, neighborhood by neighborhood, we will make our communities more energy efficient and help families save money. At the same time, we’ll create thousands of jobs and strengthen our economy.” In addition to the \$452 in federal money, the 25 projects are expected to leverage close to \$3 billion in funding from other sources. With projects expected to begin this fall, the initiative will enable hundreds of thousands of homes and businesses across the country to be retrofitted over the next 3 years, according to the White House.

Closing Thoughts—Remaining Cautious

“Unlike past economic recoveries, housing construction will grow alongside other sectors rather than leading the recovery...Further, housing starts are still at unprecedentedly low levels and will experience several years of recovery before returning to normal levels.”—Peter Grist, economist with National Association of Home Builders