

Transaction Summary

- Buyout firm Leonard Green & Partners LP agreed to acquire SRS Distribution Inc., a U.S. private equity-owned wholesale distributor of building products, for more than \$3 billion, including debt
- The transaction is expected to close in June 2018 according to SRS CEO, Dan Tinker. Current majority owner Berkshire Partners will retain a stake, as will SRS managers
- The deal comes amid strong demand for roofing products. Americans are expected to spend nearly \$340 billion in 2018 to upgrade or patch up their homes, a 7.5% increase from last year, a report by the Joint Center for Housing Studies of Harvard University showed earlier this year
- SRS offers a range of building products including nails, screws, gutters, lumber, paint and other accessories as well as tools. Roofing makes up almost 90 percent of its sales, according to the company's website
- Founded in 2008, McKinney, Texas-based SRS is one of the nation's fastest-growing construction supply companies, adding 30 locations in 2017 alone. The roofing specialist's sales rose 20% in 2017 to \$2.31 billion, with 99% of those sales going to pro-dealers. SRS now has more than 200 locations in 41 states operating under the names of nearly two dozen subsidiaries

SRS Distribution Location Map



Select M&A History

Target	Acquiror	Date	Trans. Value (\$mm)
	Berkshire Partners	Feb-13	\$645
		May-15	-
		May-16	-
		Aug-16	-
		Aug-16	-
		Oct-16	-
		Dec-16	-
		Apr-17	-
		Nov-17	-
		Dec-17	-
		Mar-18	-
Top-Notch Supply		Mar-18	-
		Apr-18	\$3,000