



A POWERFUL PARTNERSHIP

It is with great pride and excitement that I share with you that Lansing Building Products recently signed an agreement to acquire the distribution business of Harvey Building Products, based in Waltham, Massachusetts. Together, our combined 125 years of experience will enable us to set an even higher bar of what it means to be the best-in-class industry leader for our associates and customers.

SHARED HISTORY, SHARED VALUES.

Let me provide some background on our two companies and what attracted us to one another. Lansing Building Products was founded by my grandfather, Ted Lansing, in 1955 as a distributor of exterior building products in our hometown of Richmond, Virginia. Currently we are in our third generation of leadership and just under \$600 million in sales. Much of our success over the last 65 years is due to the amazing Lansing associates who truly honor our mission of Respect, Service and Excellence in everything we do.

In 1961, the Bigony and Morrison families founded Harvey Building Products in Waltham. Today, Harvey is one of the nation's largest and most respected distributors and manufacturers of exterior building products and has a commanding presence in the northeastern United States. My grandfather and my father, Chris Lansing, maintained a mutual admiration and friendship with Harvey's founders. If my grandfather were alive today, I know he would say Lansing and Harvey are an unparalleled team to lead the industry.

As a combined business, Lansing Building Products will operate 113 branches in 35 states. Combined total sales in 2019 were approximately \$1.1 billion. While this acquisition is specific to Harvey's distribution business, our customers will continue to have full access to the complete line of Harvey-manufactured and branded windows and doors.

GROWING FROM A POSITION OF STRENGTH.

As we examined a potential partnership with Harvey, we knew a strong financial partner would best accelerate this opportunity as well as other plans for future growth. After extensive due diligence, I'm also pleased to announce that Markel Ventures has signed an agreement to acquire a majority interest in Lansing Building Products. Based in Richmond, Virginia, Markel Ventures is part of Markel Corporation, a publicly-traded diverse financial holding company. Markel Ventures invests in companies outside the insurance industry. Those investments are permanent; in over 15 years of business, Markel Ventures has not sold a business in its portfolio. Its focus is on building lasting partnerships, pursuing long-term financial performance, maintaining strong balance sheets, and empowering management teams to run their businesses. Markel Ventures believes strongly in the business models of Lansing and Harvey. It has put its full trust in Lansing's senior team to lead our growing business going forward.

The combination of Lansing, Harvey, and Markel brings together three companies that all began humbly as family-owned businesses. Today, we have the opportunity to create the next generation of success—where what it means to be a family business remains at our core.

GOING FORWARD.

We are working to close this transaction by the end of April. Once that occurs, I will continue to serve as Lansing's President and CEO and the rest of Lansing's senior team – COO Billy Mosby, CSO John Witt, and CFO Mason Chapman – will remain intact. My father, Chris Lansing, will remain Chairman of the Board. Jim Barreira, current Chairman of the Board of Harvey Building Products, will join Lansing's Board. Jim has served in various executive roles over his 40 years with Harvey.

My brothers, Ted and Chase Lansing, have chosen to pursue interests outside the company after this transaction closes. They have represented our family and the Lansing mission well throughout their time here, and they will continue to do so as they pursue the next chapters in their lives. It is my privilege to have worked alongside them for many years, and on behalf of my family and the entire company I extend my sincere gratitude and best wishes.

While the current circumstances in our country and in the world today were not anticipated when we began our effort many months ago – and while none of us can be certain today of the full impact of the dramatic changes we are seeing – we are grateful to be moving forward together and not separate. Our opportunity now is to support one another and develop a greater strength as a combined team.

I look forward to welcoming Harvey associates into the Lansing family and thank Markel Ventures for its faith and confidence in our business going forward. These are exciting times to be at Lansing. Lansing will continue to exist to make a positive impact in people's lives. I hope you're ready to join me in taking our business – and how we demonstrate Respect, Service, and Excellence in everything we do – to the next level.

Respectfully,

HUNTER LANSING
President & Chief Executive Officer

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