

U.S. LUMBER Announces Strategic Growth Investment from Madison Dearborn Partners

MDP will support company's continued geographic and product expansion

Atlanta, GA - March 20, 2017 – U.S. LUMBER GROUP, LLC (“U.S. LUMBER” or “the Company”), a leading two step distributor of specialty building products in the Eastern United States, announced today that it has signed an agreement for a strategic growth investment from Madison Dearborn Partners (“MDP”), a leading private equity firm based in Chicago. Upon completion of the transaction, U.S. LUMBER’s existing management team will remain in place and work with MDP to execute a strategy of pursuing geographic and product offering expansion.

U.S. LUMBER President and CEO Jeff McLendon said: “We are thrilled to be working with MDP. The resources and expertise they bring to our relationship will accelerate our opportunity for product and geographic growth. Coupling our combined resources with a shared set of values between our two organizations should enhance our supplier relationships and customer offerings while also advancing our growth plans.”

U.S. LUMBER Founder and Executive Chairman Lawrence Newton added: “We have successfully green-fielded five of our nine locations, but believe that with MDP on board we now have an even greater opportunity to serve our suppliers and customers with additional geographical expansion through acquisition. We are excited about continuing to grow our unique product and services platform. Partnering with MDP provides us with the resources we need to accomplish this next phase of our expansion.”

MDP has a proven track record of partnering with strong management teams in the industrial sector to provide resources to accelerate growth. The investment from MDP will focus on supporting the continued growth of U.S. LUMBER’s product offering, as well as on the expansion of U.S. LUMBER’s geographic footprint in order to best serve its suppliers and customers.

Richard Copans, a Managing Director at MDP and member of the firm’s Basic Industries team, said: “MDP is excited to partner with the exceptional management team of U.S. LUMBER. We share a strategic vision of where this business can go, and we look forward to utilizing our expertise in growing and scaling businesses in order to support the various growth opportunities before U.S. LUMBER.”

U.S. LUMBER is being advised on the transaction by RBC Capital Markets, LLC and Dentons. MDP is being advised by Kirkland & Ellis LLP. Financial terms were not disclosed.

About U.S. LUMBER

U.S. LUMBER, with over \$500 million in revenue, was formed by the merger in 1998 of Atlantic Trading Company and Bestwood Forest Products. The Company has built a reputation of trust and responsiveness through its constant focus on delivering highly personalized service to each customer. The Company offers one of the largest and broadest inventories of specialty building products in the industry. The Company, headquartered in Atlanta, serves over 4,000 pro-dealer and retail customers in 23 U.S. states from distribution centers in Atlanta, Greenville, Raleigh, Nashville, Jacksonville, Central Florida, Mobile, Baltimore and Boston. U.S. LUMBER also maintains two strategic re-load facilities to streamline the flow of product from its supply partners to its distribution centers. More information can be found on the Company’s website at www.uslumber.com.

About Madison Dearborn Partners

Madison Dearborn Partners (“MDP”), based in Chicago, is a leading private equity investment firm in the United States. Since MDP’s formation in 1992, the firm has raised seven funds with aggregate capital of approximately \$23 billion and has completed investments in over 130 companies. MDP invests in businesses across a broad spectrum of industries, including basic industries; business and government services; consumer; financial and transaction services; health care; and telecom, media and technology services. More information is available on the firm’s website at www.mdcp.com.

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