

Patrick Industries, Inc. Completes Acquisition of Engineered Metals and Composites, Inc.

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ELKHART, Ind., Oct. 1, 2018 /PRNewswire/ -- Patrick Industries, Inc. (NASDAQ: PATK) ("Patrick" or the "Company") announced today that it has completed the acquisition of the business and certain assets of West Columbia, South Carolina-based Engineered Metals and Composites, Inc. ("EMC"), a designer and manufacturer of custom marine towers, frames, and other fabricated

component products for OEMs in the marine industry. EMC's trailing 12-months revenue through August 2018 was approximately \$16 million and the Company expects the acquisition to be immediately accretive to net income per share.



"EMC's technical expertise and innovative product offerings complement our marine product portfolio, and provide us with an excellent opportunity to further penetrate the marine market, increase our content per unit, and leverage our existing capabilities within our marine-centric brands," said Todd Cleveland, Chairman and Chief Executive Officer of Patrick. "This acquisition is aligned with our strategic initiatives and capital allocation strategy and we look forward to working with the EMC team to help further drive brand value."

"We believe the marine industry is well-positioned for continued growth and we are excited to partner with Ed Forbes, Chris Wainscott, and the EMC team to further expand our presence as a key component supplier in this space through high-quality, innovative custom product solutions and excellent

customer service," said Andy Nemeth, President of Patrick. "EMC's industry reputation for metallurgical expertise, highly engineered processes and products, and continuous innovation and product quality, as well as its longstanding relationships with leading marine OEM customers, has been instrumental in expanding its customer base within the recreational boating market. Consistent with previous acquisitions, we will support EMC with a financial and operational foundation that will allow it to capitalize on its core competencies while preserving the entrepreneurial spirit that has been so important to its success."

Ed Forbes, Founder and Chief Executive Officer of EMC, said, "After more than 35 years in the marine industry, I am excited to partner with Patrick, to further drive and support the EMC team and our plans for continued growth. Patrick's strategic resources and marine industry presence, capabilities, and vision align with our goal of providing the highest quality innovative solutions to our customers."

The acquisition of EMC includes the acquisition of accounts receivable, inventory, and machinery and equipment, and was funded under the Company's existing credit facility. Patrick will continue to

operate EMC on a stand-alone basis under its brand name in its existing facility.