

40 North Management LLC
C/o David S. Winter and David J. Millstone (Co-Chief Executive Officers, Co-Chief Investment Officers
and Managing Principals)
9 West 57th Street, 30th Floor
New York, NY 10019
United States

London, 19th October 2016

Dear Messrs. Winter and Millstone,

Petrus Advisers are an entrepreneurial, active and FCA-regulated investment manager based in London. We have a substantial shareholding in Braas Monier as we concur with management's stated strategy of leveraging Braas Monier's scale, strong market positions and lean cost structures to benefit from the ongoing recovery in European construction. We appreciate Braas Monier's high growth rates and unrivalled cash generation.

40 North's offer is a mistake. Blatant threats and 1980's barbarian-at-the-gates behaviour will fail in European capital markets and our legal system. EUR 25 per share substantially undervalues Braas Monier even before taking into account the synergies 40 North wants to reap. The conditionality of your offer is unacceptable. All shareholders identified share our view and will ignore this blatant attempt to bend the rules of fair and equitable business dealings.

We understand the possibility of exerting control over Braas Monier represents a compelling opportunity for your company. Standard Industries is already the largest global supplier of roofing materials. A possible combination of Braas Monier with Icopal would lead to substantial synergies. That your offer reflects none of these reveals the magnitude of your mistake.

Your loud attempt to enter Europe's capital markets will lead to failure. We would recommend that you tone down your aggressiveness vis-à-vis the highly respected management team and Board of Directors of our company. No one fears your threats of how you intend to raid Braas Monier and take advantage of loopholes to under-price your offer. Europe is about quality, sustainability as well as intelligent and equitable business dealings between educated and gentlemanly agents. You will have to adapt or be fought off.

We cannot accept a price that was traded in the market three times in the last 18 months. In fact, we see an acceptable outcome in the range of EUR 28.50-31.00. Your bid's conditionality would make the free float take all your execution risks while waiting for their money for months. You are making yet another mistake.

We are looking forward to hearing from you after your catharsis, with acceptable terms, or never again.

Kind regards,



Klaus Umek
Managing Partner
Petrus Advisers



Till Hufnagel
Partner
Petrus Advisers