



Griffon Corporation Announces New Credit Facility

January 30, 2020

NEW YORK--(BUSINESS WIRE)--Jan. 30, 2020-- Griffon Corporation ("Griffon" or the "Company") (NYSE:GFF) announced today that it amended and restated its revolving credit facility (the "New Credit Facility") to increase the size of the facility from \$350 million to \$400 million and extend maturity from March 22, 2021 to March 22, 2025.

Bank of America acts as administrative agent under the New Credit Facility, which provides for revolver borrowings in an aggregate principal amount of up to \$400 million, and contains a \$100 million letter of credit sub-facility (increased from \$50 million), and a \$200 million foreign currency sub-facility (increased from \$100 million). The New Credit Facility also has a \$100 million accordion feature (increased from \$50 million), exercisable if new or existing lenders agree to provide or increase their commitments. Griffon may elect to pay interest based on either a LIBOR or base benchmark rate plus an applicable margin that depends on Griffon's leverage ratio. Initial pricing is LIBOR plus 2.00% or base rate plus 1.00%. The New Credit Facility is guaranteed by Griffon's material domestic subsidiaries and is secured by substantially all the assets of Griffon and its material domestic subsidiaries. The New Credit Facility also contains customary financial and other affirmative covenants, negative covenants and events of default. If the Company's 5.25% senior notes are not refinanced prior to December 1, 2021, the New Credit Facility will mature on that date.

Commenting on the New Credit Facility, Ronald J. Kramer, Chairman and Chief Executive Officer, said, "The closing of our new revolving credit facility provides us with improved financial and operating flexibility that will support our working capital requirements and positions us to continue to grow our Company."

Forward-looking Statements

"Safe Harbor" Statements under the Private Securities Litigation Reform Act of 1995: All statements related to, among other things, income (loss), earnings, cash flows, revenue, changes in operations, operating improvements, industries in which Griffon operates and the United States and global economies that are not historical are hereby identified as "forward-looking statements" and may be indicated by words or phrases such as "anticipates," "supports," "plans," "projects," "expects," "believes," "should," "would," "could," "hope," "forecast," "management is of the opinion," "may," "will," "estimates," "intends," "explores," "opportunities," the negative of these expressions, use of the future tense and similar words or phrases. Such forward-looking statements are subject to inherent risks and uncertainties that could cause actual results to differ materially from those expressed in any forward-looking statements. These risks and uncertainties include, among others: current economic conditions and uncertainties in the housing, credit and capital markets; Griffon's ability to achieve expected savings from cost control, restructuring, integration and disposal initiatives; the ability to identify and successfully consummate, and integrate, value-adding acquisition opportunities; increasing competition and pricing pressures in the markets served by Griffon's operating companies; the ability of Griffon's operating companies to expand into new geographic and product markets, and to anticipate and meet customer demands for new products and product enhancements and innovations; reduced military spending by the government on projects for which Griffon's Telephonics Corporation supplies products, including as a result of defense budget cuts or other government actions; the ability of the federal government to fund and conduct its operations; increases in the cost or lack of availability of raw materials such as resin, wood and steel, components or purchased finished goods, including the impact from tariffs; changes in customer demand or loss of a material customer at one of Griffon's operating companies; the potential impact of seasonal variations and uncertain weather patterns on certain of Griffon's businesses; political events that could impact the worldwide economy; a downgrade in Griffon's credit ratings; changes in international economic conditions including interest rate and currency exchange fluctuations; the reliance by certain of Griffon's businesses on particular third party suppliers and manufacturers to meet customer demands; the relative mix of products and services offered by Griffon's businesses, which impacts margins and operating efficiencies; short-term capacity constraints or prolonged excess capacity; unforeseen developments in contingencies, such as litigation, regulatory and environmental matters; unfavorable results of government agency contract audits of Telephonics Corporation; Griffon's ability to adequately protect and maintain the validity of patent and other intellectual property rights; the cyclical nature of the businesses of certain of Griffon's operating companies; and possible terrorist threats and actions and their impact on the global economy; Griffon's ability to service and refinance its debt; and the impact of recent and future legislative and regulatory changes, including, without limitation, the Tax Cuts and Jobs Act of 2017. Such statements reflect the views of the Company with respect to future events and are subject to these and other risks, as previously disclosed in the Company's Securities and Exchange Commission filings. Readers are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements speak only as of the date made. Griffon undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

About Griffon Corporation

Griffon Corporation is a diversified management and holding company that conducts business through wholly-owned subsidiaries.

Griffon oversees the operations of its subsidiaries, allocates resources among them and manages their capital structures. Griffon provides direction and assistance to its subsidiaries in connection with acquisition and growth opportunities as well as divestitures. In order to further diversify, Griffon also seeks out, evaluates and, when appropriate, will acquire additional businesses that offer potentially attractive returns on capital.

Griffon currently conducts its operations through three reportable segments:

- CPP conducts its operations through AMES. Founded in 1774, AMES is the leading North American manufacturer and a global provider of branded consumer and professional tools and products for home storage and organization, landscaping, and enhancing outdoor lifestyles. CPP sells products globally through a portfolio of leading brands including True Temper, AMES, and ClosetMaid.
- HBP conducts its operations through Clopay. Founded in 1964, Clopay is the largest manufacturer and marketer of garage doors and rolling steel doors in North America. Residential and commercial sectional garage doors are sold through professional dealers and leading home center retail chains throughout North America under the brands Clopay, Ideal, and Holmes. Rolling steel door and grille products designed for commercial, industrial, institutional, and retail use are sold under the CornellCookson brand.
- Defense Electronics conducts its operations through Telephonics Corporation, founded in 1933, a globally recognized leading provider of highly sophisticated intelligence, surveillance and communications solutions for defense, aerospace and commercial customers.

For more information on Griffon and its operating subsidiaries, please see the Company's website at www.griffon.com.

View source version on businesswire.com: <https://www.businesswire.com/news/home/20200130005825/en/>

Source: Griffon Corporation

Company:
Brian G. Harris
SVP & Chief Financial Officer
Griffon Corporation
(212) 957-5000

Investor Relations:
Michael Callahan
Managing Director
ICR Inc.
(203) 682-8311