

BURNHAM

HOLDINGS, INC.

Company Profile



BURNHAM HOLDINGS
PERFORMANCE PROVEN • TECHNOLOGY FORWARD

CREATING VALUE, DELIVERING RESULTS

DYNAMIC STABILITY:

Creating real value by providing a diverse range of thermal technologies that provide advanced solutions for essential needs.

In providing interior comfort solutions to the Heating, Ventilating and Air Conditioning (HVAC) industry for a multitude of residential, commercial, and institutional applications, Burnham Holdings has proven its ability to grow value for stakeholders year after year.

The key to our performance is a clear vision for meeting current and future customer needs through innovative technology, including more energy efficient products, "green" products with lower emissions, and smarter controls. This vision drives our product development.

The diverse product lines of our subsidiaries serve defined market sectors and meet a broad and growing demand for energy-efficient thermal products. These products are applied everywhere hot water or steam is needed to provide solutions for interior comfort and to support processes in the manufacturing environment.



It's a diverse product mix that meets the various needs of a broad array of residential, commercial, and institutional applications. For our stakeholders, this diversification, combined with a recurring need for our products, provides the foundation for consistent financial performance through fluctuating economic cycles.

Burnham Holdings provides consistent returns by creating value in established market segments. Demand for new thermal products and controls is constantly increasing as the market place desire for higher efficiencies and cleaner emissions increases. This demand provides the basis for growth that augments the stable revenue stream resulting from a consistent replacement cycle of the installed base of products in the United States. It also drives our investment in engineering and product development to ensure new products are in the pipeline to meet future demand.

The combination of a strong earnings and dividend history, a proven management team, a diverse product mix, and the continuing demand for our products creates an outstanding opportunity for stakeholders. Burnham Holdings is a unique investment opportunity that creates value and delivers solid returns.

U.S. Boiler Company: Radiant Heat is Green

Mike Merryman from McCoy Sales helped Colorado contractor, Flow Right Plumbing, Heating and Irrigation, design a solar-compatible radiant system for a home 6,000 feet above sea level. The answer: the Alpine™ natural gas-fired condensing wall-mount boiler. This compact unit serves as the main source of heat for the 3,300+ square-foot home, which is built with thick insulation and a photovoltaic array to help shrink its carbon footprint. Supplemental heat and domestic hot water are provided by a large, rooftop solar-thermal array, and a dual configuration of U.S. Boiler Company Alliance™ indirect-fired water heaters.



PROVIDING INTERIOR COMFORT TECHNOLOGY FOR A NEW GENERATION

ESSENTIAL DIVERSITY:

Offering the widest array of thermal-specific technologies in the industry, the major brands of Burnham Holdings' subsidiaries cover high efficiency stainless steel and aluminum condensing boilers, industrial boilers, copper-finned boilers, cast iron and steel gas and oil boilers, furnaces, air conditioners, and water heaters. It's a product footprint that stretches across various geographic regions, energy sources, and market sectors to meet the changing needs of an evolving world that requires highly efficient thermal technology to survive and thrive.

Hour by hour, day by day, families, teachers, students, nurses, and workers in homes, offices, and factories are using products made by the subsidiary companies of Burnham Holdings to create a comfortable environment for working, living, and thriving.

Today's consumers live in a society that is constantly connected. They are more educated, more knowledgeable, more mobile, and more aware of the effects of consuming natural resources, energy economics, and emissions. As a result, they demand more sophisticated technologies.

Over the last several years, we have responded to these challenges by increasing investment in new product development, and introducing an extensive array of new products. These products define our subsidiaries as leaders in their various market segments, with products that satisfy today's demanding application, performance, and energy efficiency requirements.

Our innovation initiatives involve a full range of product development activities that focus on improved system performance, more effective energy utilization, and simplifying installation and operation.



Products that minimize energy consumption while maximizing comfort, productivity, and reliability.

Consequently, our companies offer products that operate more cleanly—significantly reducing energy consumption, and thereby CO and NOx emissions. They operate more efficiently, as seen in steadily advancing Annual Fuel Utilization Efficiency (AFUE) ratings, and by utilizing innovative control technologies that improve the entire system's efficiency.

Our products minimize energy consumption while maximizing comfort, productivity, and reliability.

Burnham Holdings' commitment to investment in new product development spans our businesses. It is driven by a constantly evolving marketplace, and guided by the needs and desires of end-users, home owners, contractors, building owners, specifying engineers, sales representatives, and distributors. We are constantly seeking strategic opportunities in competitive and emerging technologies that benefit our stakeholders.

The end result is a forward-thinking product development strategy that meets exacting requirements today, while delivering new and innovative technologies that can meet the expectations of tomorrow.

Burnham Commercial: High-tech High School Takes Off

Raisbeck Aviation High School in the Seattle suburb of Tukwila, WA, had established itself as a statewide leader in science, technology, engineering and math (STEM) education. But when it opened its new facility on the northwest campus of The Museum of Flight—amidst nearly 200 aviation-related businesses surrounding Boeing Field—RAHS became the only aviation-themed college preparatory school in the country to share resources with an aerospace museum. The facility employs two Burnham Commercial MPC-10™ boilers loaded with innovative features, providing an advanced interior comfort solution for this high-tech high school.



Thermal Solutions: Providing Comfort in Providence

Low efficiencies and lack of effective temperature control proved to be the most noticeable challenges with Providence Housing Authority's old centralized heating system. And it was costing Rhode Island's largest subsidized housing community \$100,000 per year in maintenance.

Thermal Solutions moved in with Evolution™ modulating, condensing boilers ranging from 750,000 to 1.5M BTUH—which made it possible to eliminate the old steam piping. The natural-gas-fired boilers not only provide heat and domestic hot water at a fraction of the cost, they also power a co-generation system that lets PHA provide electricity more affordably than the power company.



Bryan Boilers: Taming Alberta Clippers

Calgary, Canada, is not just the site of the 1988 Winter Olympics and home to such sub-zero weather phenomena as the Alberta clipper and the polar vortex. It's also the site of the province's largest structure: the 59-story Bow Building. Standing tall in the face of legendary cold winds, the \$1.4 billion skyscraper features almost two million square feet of space that encloses offices, retail space, and sky gardens. Five 25,200 mbh Bryan RW's™

"Flexible Water Tube" hot water boilers, along with one 12,600 mbh low pressure steam boiler, handle the extreme weather with outstanding energy efficiency.



Burnham Commercial: Winning Performance at Fulton Theatre

When the 160-year-old Fulton Theatre in Lancaster, PA, needed heat, Burnham Commercial was up to the task. The second floor installation, which involved narrow hallways, doors, and elevator of the historic theatre, made for a difficult project. A new one million BTU MPC™ high efficiency Multi-Pass Cast Iron boiler was the perfect solution, as the sectional boiler could be assembled on site without the need for structural alterations or damage to the building. Aaron A. Young, Managing Director of the Fulton Theatre noted, "This winter's record cold temperatures coupled with record attendance at the Fulton Theatre made me even more appreciative of our new Burnham boiler. We have found the boiler to be extremely efficient, well designed, and low maintenance."



Crown Boiler: Steam Makes Tasty Brew

As the first production brewery in their region of Maryland, Mully's Brewery in Prince Frederick, Maryland, brews beer using a 15 barrel system. In 2013 the brewery selected a Crown Boiler Series 24™ boiler to generate steam to heat the hot liquor tank (HLT) and the boil kettle. The HLT and boil kettle are double jacketed with a closed loop system that allows the steam to pass through at a low pressure (under 15 psi). With a Crown Boiler providing the heating power they need, Mully's Brewery is building a great reputation for making delicious beer.

INTEGRITY THAT INSPIRES SUPERIOR PERFORMANCE



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SOLID INTEGRITY:

The latest technologies along with trusted industry relationships, provides the foundation for growth and stability—now and for years to come.

Combining the latest manufacturing technologies and engineering talent with a vast array of intellectual assets and trusted industry relationships is a major competitive advantage that Burnham Holdings' subsidiary companies exploit to win in their respective markets. It provides a firm foundation that enables our subsidiaries to continue to deliver growth with stability now—and for years to come.

For Burnham Holdings, continually pursuing operational excellence is exhibited in our subsidiary companies' investment in process improvements, facility upgrades, and state-of-the-art manufacturing equipment. Our continuous process improvement efforts consistently result in efficiency gains and cost reductions.

To develop and implement these improvements, our companies have cultivated highly capable management, engineering, and production leadership with decades of experience in optimizing processes and producing products. At the same time, our companies continue to recruit and attract engineers with advanced degrees to work in collaborative teams with experienced staff to meet evolving market demands.

The value of vertical integration of our supply chain is realized through subsidiary companies that utilize advanced manufacturing processes to produce key product components. Casting Solutions LLC, our foundry business in Zanesville, Ohio, operates a highly

automated gray and ductile iron foundry that converts scrap metal into boiler castings and other gray and ductile iron products. Painted light-gauge metal parts are manufactured by our Norwood Manufacturing and Lancaster Metal Manufacturing subsidiaries. These state-of-the-art facilities utilize advanced water-jet and laser-cutting technologies to produce appliance jackets and other component parts for our products, optimizing our realization of value throughout the supply chain.

Outside our companies, long-standing relationships with partner vendors and wholesale distributors are a strategic advantage. Our companies' distribution network encompasses more than 100 manufacturer sales agencies for commercial products—and thousands of residential wholesale distribution outlets, creating one of the largest national-wholesaler distribution networks in the industry.

The reach of this network enables us to extend our offering into controls and accessories, heat exchangers and radiators, as well as advanced zone and system controls. This broad footprint offers a strategic advantage, providing a significant sales presence in residential and commercial markets across North America.

Casting Solutions: Recycling Metal/Creating Value

Over the last ten years, Casting Solutions has converted over 100,000 tons of scrap metal into valuable gray and ductile iron products. That's more than the weight of the USS Nimitz, the Navy's largest aircraft carrier.



BRANDS WITH A REPUTATION FOR DELIVERING RESULTS

Our residential subsidiary products are typically sold through wholesale distributors who, in turn, market to builders, heating contractors, fuel dealers, and utilities for resale to residential customers:



U.S. Boiler is a recognized leader in bringing new and innovative products to the North American residential boiler marketplace. Product lines include high efficiency condensing stainless steel and aluminum boilers, cast iron and steel boilers, as well as cast iron and steel heat distribution products, indirect-fired water heaters, and accessories.



New Yorker Boiler markets one of the best known steel boiler brands in the industry. It also sells a line of gas and oil-fired cast iron boilers.



The Crown Boiler brand is known for high quality and dependable performance, backed by strong customer service. Crown's residential boiler products include high-efficiency-condensing boilers, cast iron boilers, as well as indirect-fired water heaters, warm air furnaces, and a full line of accessories.



The Governale brand is known for cast iron radiators, baseboards, convectors, and accessories that offer high quality and dependable performance.



Thermo Products markets the Thermo Pride premium brand of warm air furnaces, heat pumps, central air-conditioning systems, and related accessories through direct distribution. In addition, Thermo Products offers the **Thermo Pride Spirit™** line of economy furnaces through wholesale distribution.



RESIDENTIAL

Bringing products to market under some of the most recognized brands in the industry.

Our commercial subsidiary products are sold primarily through independent sales agencies to contractors or end-users for heating and industrial applications in large commercial, institutional, and industrial facilities, such as hospitals, hotels, and schools:



The Bryan Boiler brand is known for quality, performance, and technological innovation in flexible watertube boilers and related boiler room accessories. It also includes high-pressure steam units. Bryan Boiler products are used for process applications in hospitality, healthcare, education, stadium and institutional applications. They are also used in the energy,



manufacturing, food processing, and chemical industries.

The Burnham Commercial product line is manufactured and sold by Burnham, LLC, our oldest subsidiary with a history of product innovations stretching over a century. The line features firetube boilers of scotch marine and firebox design, as well as large modular and packaged cast iron water and steam



boilers used for space heating and manufacturing applications.



The Thermal Solutions product line features compact, high-efficiency copper tube and stainless steel boilers and water heaters, offering unparalleled durability and efficiency. Their complete line of high efficiency stainless steel and copper boilers meets the demands of the light commercial markets—from small commercial buildings to educational facilities to multi-unit residential applications—with the some



of the smallest footprints and highest efficiencies in the industry.

COMMERCIAL

CORPORATE DATA

Burnham Holdings, Inc., is a holding company owning multiple, separate subsidiaries, each of which do business in the HVAC industry. All products, services, and related activities referred to herein are the products, services, and related activities of the applicable subsidiary, and not of Burnham Holdings, Inc.

Stock Exchange Listing:

The Common Stock of Burnham Holdings, Inc., is traded under the symbol "BURCA" on the electronic Pink Sheets and is listed by the OTC Markets Group, Inc., reporting service for over-the-counter stocks. Stock quotation information is available through stock reporting services on the Internet. Two services that report on Burnham Holdings, Inc., are www.bloomberg.com and www.otcmarkets.com.

For further information, contact Elisa Ranck, Financial Services Administrator, or Douglas B. Springer, Vice President and Chief Financial Officer. Telephone: (717) 390-7800, Fax: (717) 390-7852. You can access Company information including press releases, earnings announcements, history, and other information through the Internet by visiting the Burnham Holdings, Inc., website at www.burnhamholdings.com.

COMPANY AFFILIATES & LOCATIONS

Bryan Steam, LLC	Peru, IN
Burnham Casualty Insurance Co.	Burlington, VT
Burnham Commercial	Lancaster, PA
Burnham Financial, LLC	Wilmington, DE
Burnham Services, Inc.	Wilmington, DE
Casting Solutions, LLC	Zanesville, OH
Crown Boiler Co.	Philadelphia, PA
Governale Company, Inc.	Brooklyn, NY
Lancaster Metal Manufacturing, Inc.	Lancaster, PA
New Yorker Boiler Company, Inc.	Hatfield, PA
Norwood Manufacturing, Inc.	Norwood, NC
Thermal Solutions Products, LLC	Lancaster, PA
Thermo Products, LLC	North Judson, IN and Denton, NC
U.S. Boiler Company, Inc.	Lancaster, PA

Forward-Looking Statements:

This Report contains forward-looking statements. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates, and projections, and therefore you should not place undue reliance on them. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events. Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. Such factors include, but are not limited to, variations in weather, changes in the regulatory environment, litigation, customer preferences, general economic conditions, technology, and product performance, and increased competition.