



## **Lennox Continues Hearth Products Expansion Plans Announces New Subsidiary; Acquires Superior, Marco and Whitfield**

August 7, 1998

RICHARDSON, Texas, August 7 /PRNewswire/ -- Lennox Industries Inc. has formed a new hearth products subsidiary and acquired three major hearth products companies -- Superior Fireplace Company, Marco Mfg., Inc.; and Pyro Industries, Inc., which markets under the Whitfield name. The three acquisitions put Lennox' combined annual hearth products sales "in excess of \$150 million," according to Bob Schjerven, President of Lennox Industries.

"We're pleased to welcome these three highly-respected companies to our corporate family," said Warren Hanselman, President of Lennox' recently formed Hearth Products Inc. "We especially value their brand names and loyal following of their many customers."

Hanselman was formerly vice president and general manager of Lennox Hearth Products, which will continue as part of Hearth Products Inc.

"As we described last fall, these are simply Lennox' next steps in building a major presence in the hearth products industry," he continued. "We look forward to continuing our plans for growth."

### **Company Names, Operation To Continue**

Hanselman said plans are to continue the name and operation of all three companies. "Superior, Marco, and Whitfield will continue to provide outstanding service and products to their markets under their own brand names."

Lennox determined these new and widely varied opportunities would be most effectively managed through a new subsidiary, Hearth Products Inc. "We hope to nurture some real synergies that will help not only Lennox, but the entire industry -- to tap into the varied experience and talent available from well-established leaders in their respective fields.

"In return, we hope to provide them with a stable platform through our extensive financial, engineering, and manufacturing resources."

### **Sharing Knowledge and Expertise**

Lennox will continue to grow its own hearth products line through Lennox Hearth Products, which is now a part of Hearth Products Inc. "There is minimal overlap between the customer bases of Marco, Superior, and Whitfield, whether compared with each other or with Lennox," Hanselman said. "In fact, we all hope to share our knowledge and expertise with each other in developing new products for each company."

Both Marco and Superior are respected leaders in the fireplace field. Whitfield is considered the industry leader in pellet appliances, and has an evolving line of inserts and free-standing gas stoves which Lennox will help expand.

"All three of these companies were looking for a strong partner who could help grow their business," Hanselman said. "Lennox' reputation for quality, our heritage of innovation, and solid financial resources led to an understanding that we were committed to the same principles on which they built their considerable reputations.

"We will continue exploring opportunities with other companies seeking a synergistic partnership with a company committed to being a leader in the hearth products industry, both now and in the future."

Hearth Products Inc. is a wholly-owned subsidiary of Lennox Industries Inc., a leader in comfort system design, manufacturing, and sales for over 100 years. Hearth Products Inc. is based in Tustin, CA, while Lennox Industries is based in Richardson, TX.

Lennox markets its residential and light commercial HVAC products through a network of over 6,000 independent North American dealers.

This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are subject to numerous risks and uncertainties that could cause actual results to differ materially from such statements. For information concerning these risks and uncertainties, see Lennox' publicly available filings with the Securities and Exchange Commission. Lennox disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

SOURCE Lennox International Inc.

Web site: <http://www.lennox.com>

CONTACT: Karen O'Shea, Vice President, Communications and Public Relations of Lennox International Inc., 972-497-5258