



First-Quarter 2019 Earnings Call

May 3, 2019

This presentation should be viewed in conjunction with Gibraltar's May 3, 2019 earnings press release.

Safe Harbor Statements

Forward Looking Statements

Certain information set forth in this presentation, other than historical statements, contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 that are based, in whole or in part, on current expectations, estimates, forecasts, and projections about the Company’s business, and management’s beliefs about future operations, results, and financial position. These statements are not guarantees of future performance and are subject to a number of risk factors, uncertainties, and assumptions. Actual events, performance, or results could differ materially from the anticipated events, performance, or results expressed or implied by such forward-looking statements. Before making any investment decisions regarding our company, we strongly advise you to read the section entitled “Risk Factors” in our most recent annual report on Form 10-K which can be accessed under the “SEC Filings” link of the “Investor Info” page of our website at www.Gibraltar1.com. We undertake no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by applicable law or regulation.

Adjusted Financial Measures

To supplement Gibraltar’s consolidated financial statements presented on a GAAP basis, Gibraltar also presented certain adjusted financial data in this presentation. Adjusted financial data excluded special charges consisting of restructuring costs primarily associated with the 80/20 simplification initiative, senior leadership transition costs, debt repayment costs, and other reclassifications. These adjustments are shown in the reconciliation of adjusted financial measures excluding special charges provided in the supplemental financial schedules that accompany the earnings news release. The Company believes that the presentation of results excluding special charges provides meaningful supplemental data to investors, as well as management, that are indicative of the Company’s core operating results and facilitates comparison of operating results across reporting periods as well as comparison with other companies. Special charges are excluded since they may not be considered directly related to the Company’s ongoing business operations. These adjusted measures should not be viewed as a substitute for the Company’s GAAP results, and may be different than adjusted measures used by other companies.

Revenues Exceed Guidance; EPS In Line in Q1

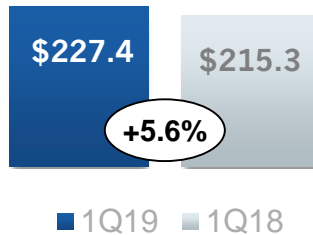
- Revenues of \$227.4 million up 6% from prior year, exceeding guidance range
- GAAP EPS of \$0.19 vs prior year \$0.26, in line with guidance
- Adjusted EPS of \$0.28 up 8% vs prior year \$0.26, in line with guidance
- Strong demand for innovative products in REC and I&I segments
- \$2.3 million in adjusted interest savings from repayment of Senior Subordinated 6.25% Notes



Solid Consolidated Results

Revenues

Quarterly



1Q19 Revenue Highlights

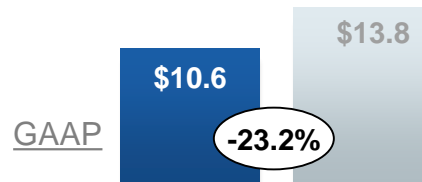
- Higher demand for innovative products in I&I and REC
- Increased activity in Infrastructure business

1Q19 Operating Income / EPS Highlights

- Strong demand for higher-margin innovative products
- Costs to improve tracker durability & ensure performance
- Benefits from 80/20 initiatives
- Senior leadership transition
- Repayment of 6.25% notes

Operating Income*

Quarterly

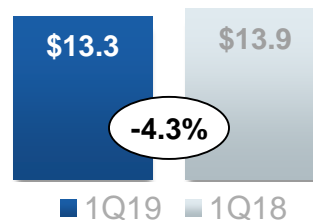


Diluted EPS*

Quarterly



Adjusted



Adjusted



*All adjusted amounts reported represent continuing operations before special charges. See adjusted measures reconciliations in earnings press release.

Residential Products Segment

Revenues

Quarterly



1Q19 Revenues

- Unfavorable weather impacts building products demand
- Nearly offset by higher selling prices

1Q19 Operating Income / Margin

- Unfavorable product mix & volume leverage
- Partially offset by 80/20 benefits

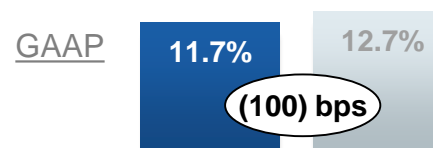
Operating Income*

Quarterly



Operating Margin*

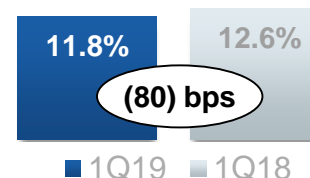
Quarterly



Adjusted



Adjusted

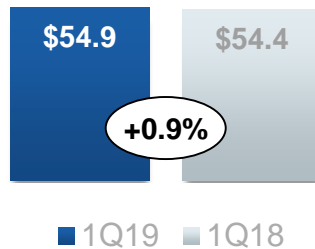


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Industrial & Infrastructure Products Segment

Revenues

Quarterly



1Q19 Revenues

- Increased Infrastructure activity
- Demand for innovative perimeter security products
- Lower industrial commoditized product demand

1Q19 Operating Income / Margin

- Favorable higher-margin product mix
- Volume leverage in Infrastructure
- Benefit from 80/20 simplification initiatives

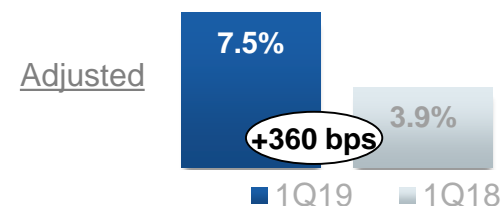
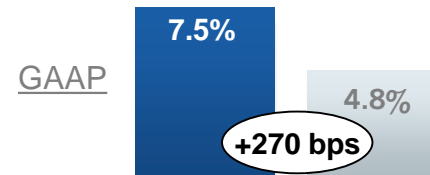
Operating Income*

Quarterly



Operating Margin*

Quarterly



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Renewable Energy & Conservation Segment

Revenues

Quarterly



1Q19 Revenues

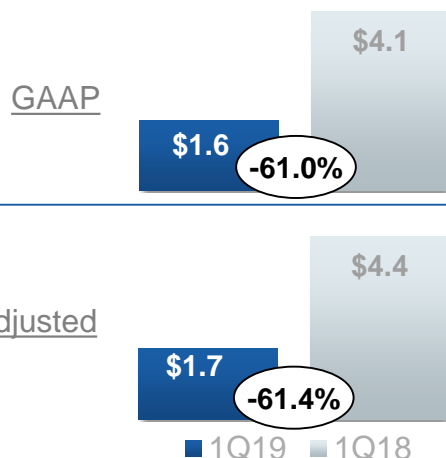
- Strong demand for innovative products
- Contribution of PY acquisition of SolarBos

1Q19 Operating Income / Margin

- Costs to improve tracker durability & improve performance
- More than offset benefit of increased volume & 80/20 initiatives

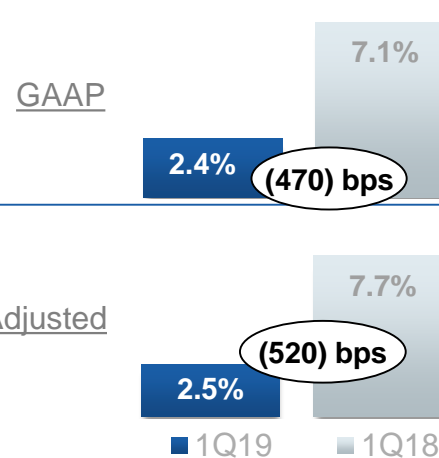
Operating Income*

Quarterly



Operating Margin*

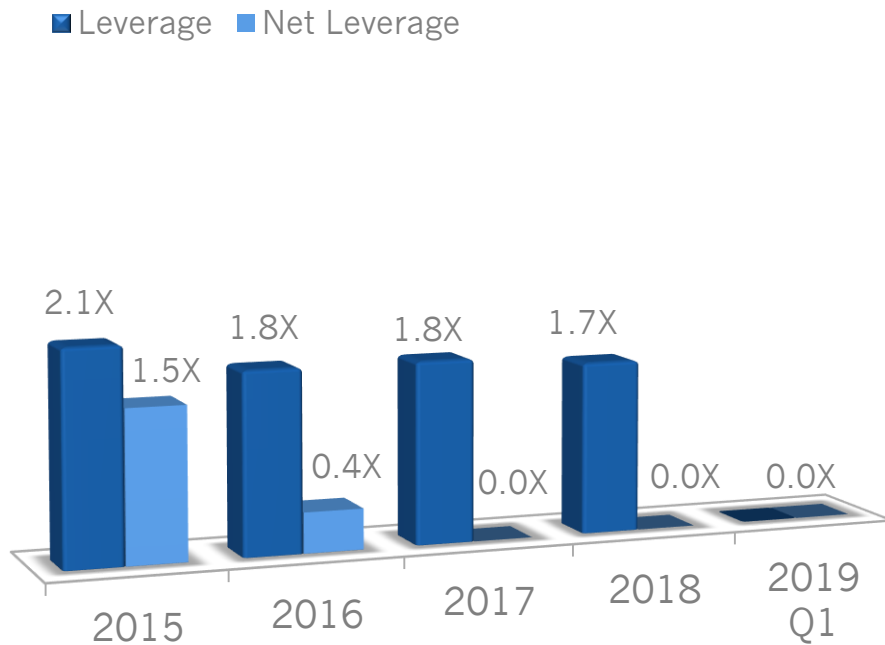
Quarterly



Capturing the Opportunity

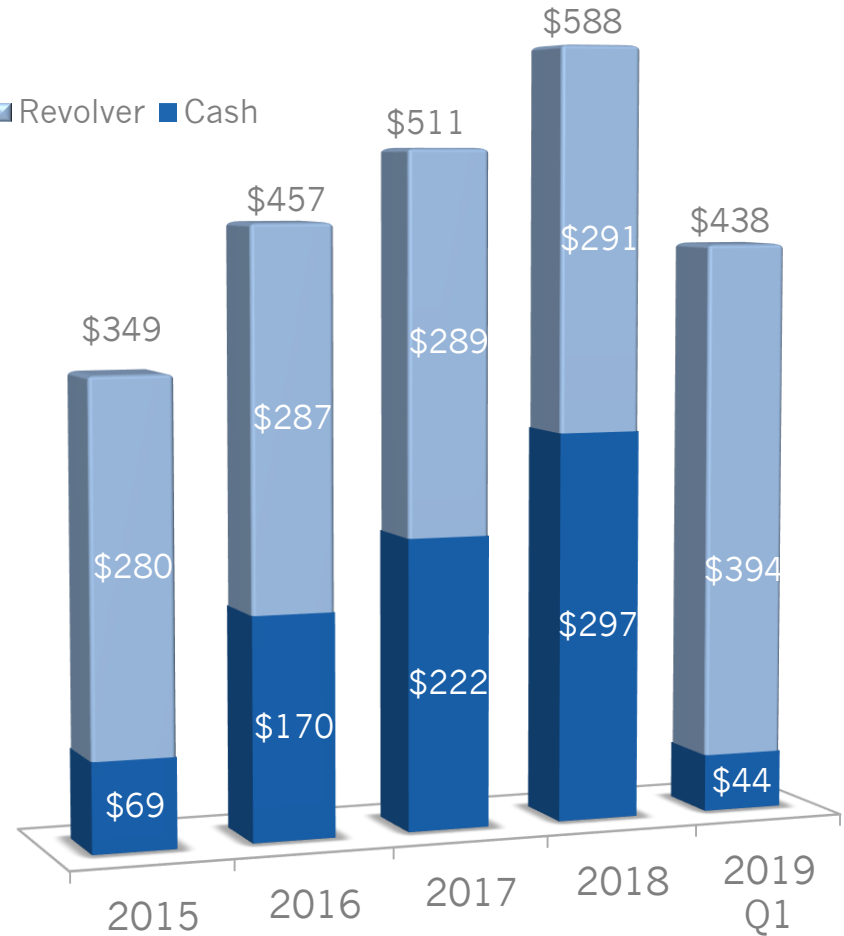
Acquisitions as Strategic Accelerator

Leverage



Liquidity (\$M)

■ Revolver ■ Cash



4 Pillars Driving Value Creation

Driving Transformational Change in Portfolio and Financial Results

1. Operational Excellence

- Appointed Chief Operating Officer Pat Burns to drive operations and innovation efforts
- Key in-lining, MRD, outsourcing projects across segments continue



2. Product Innovation

- Increasing sales of patented products
- Trade focus, closer to our customers, new product development process enhancement

3. Portfolio Management

- Supporting current portfolio
- Continuous process; remains important part of strategy

4. Acquisitions as a Strategic Accelerator

- Seeking opportunities to become closer and more relevant to end customers
- Primary focus for capital allocation



2019 Guidance

	2018	2019	2019 Assumptions
Revenues	\$1,002M	\$1,030M - \$1,050M 3% - 5%	<p>Residential: Markets consistent with 2018</p> <p>Industrial & Infrastructure: Continued growth driven by demand for innovative products</p> <p>Renewable Energy & Conservation: Continued domestic market expansion; continued demand for innovative products</p>
Op. Income*			Continued operational improvements, innovative product mix, continued material cost volatility, corporate costs down with CEO transition
GAAP	\$ 94.0M	\$93M to \$100M	
Adjusted	\$101.4M	\$110M to \$117M	
Op. Margin			
GAAP	9.4%	~ 9.0 – 9.5%	
Adjusted	10.1%	~10.6 – 11.1%	
GAAP EPS	\$1.96	\$1.95 to \$2.10	
Adjusted EPS	\$2.14	\$2.40 to \$2.55	
Free Cash Flow/ Sales	+8.5%	~ 6-7%	Forecasting \$19.5M of CAPEX in 2019



Q&A