



WNY Investors Conference 2014

September 26, 2014

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, intentions, estimates, forecasts, and projections about the Company’s business, and management’s beliefs about future operations, results, financial position, liquidity, prospects, growth, competition, strategies and the industry in which we operate. 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. 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.

With respect to non-GAAP financial measures included in the following presentation, the accompanying information required by SEC regulation G can be found in the “Investors” section of Gibraltar’s web site www.gibraltar1.com under the heading “Non-GAAP reconciliation” and in the appendix of this presentation. In addition, in addressing various financial metrics the presentation describes certain of the more significant factors that impacted period over period performance. Please refer to our most recent annual and quarterly financial statement filings, earnings release and other related presentation materials for additional factors that impacted period over period performance, available under the “Investors” section of our website. All references to earnings, revenues and other company specific financial metrics relate only to the continuing operations of Gibraltar’s business, unless otherwise noted.

In addition to results presented in accordance with U.S. GAAP, this presentation and related tables include certain non-GAAP financial measures. We have provided reconciliations of those measures to the most directly comparable GAAP measures, which are available in the Appendix. We believe that these non-GAAP measures provide a tool for evaluating our ongoing operations and management of assets from period to period. While these items have a impact on our current results, they may not be related to the Company's ongoing operations and are frequently considered by investors, securities analysts and other interested parties in their evaluation of companies, many of which present non-GAAP measures when reporting their results. Although we believe these non-GAAP financial measures enhance investors' understanding of the Company's business and performance, these non-GAAP financial measures should not be considered an exclusive alternative to accompanying GAAP financial measures.

Adjusted Operating Income and Adjusted Operating Margin

Consists of operating income adjusted to exclude impairment charges, costs associated with restructuring our business, and other non-recurring items which may vary for different companies for reasons unrelated to operating performance.

Adjusted Income from Continuing Operations and Adjusted EPS

Are defined as income from continuing operations and income from continuing operations per share adjusted to exclude impairment charges, costs associated with restructuring our business, refinancing costs, tax asset valuations and the reversals thereof, and other non-recurring items, all on an after tax basis.

Adjusted EBITDA and Adjusted EBITDA Margin

Consists of income from continuing operations excluding the impact of interest, income taxes, depreciation and amortization, along with non-cash stock compensation expense, adjusted to exclude impairment charges, costs associated with restructuring our business, refinancing costs, tax asset valuations and the reversals thereof, and other non-recurring items.

Investment Thesis

MARGIN EXPANSION ON END-MARKET STRENGTH

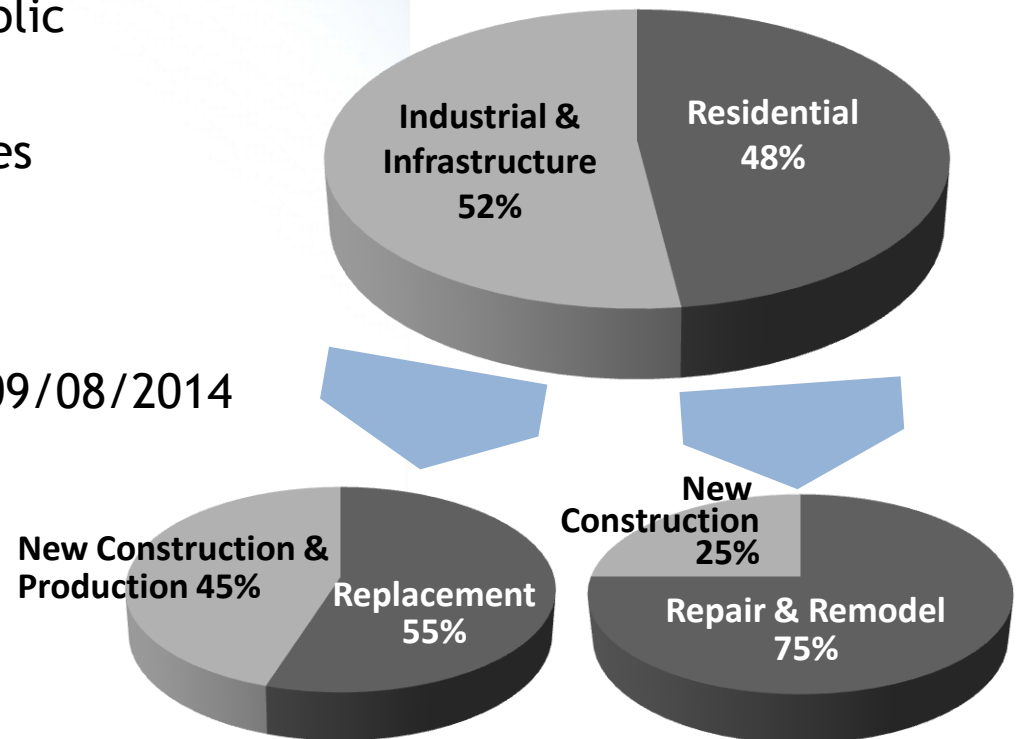
- #1 share in key building product categories
- Outlook for sustained residential and industrial market expansion
- Potential to leverage sales and profit growth from increasing market demand
- Low leverage and strong liquidity
- Record of successful acquisitions



Gibraltar at a Glance

LEADING MANUFACTURER OF BUILDING PRODUCTS

- Serving end markets of new residential and repair & remodeling, industrial & manufacturing facilities, and public transportation infrastructure
- #1 share in our product categories
- \$832M TTM revenue
- \$69M TTM adjusted EBITDA
- \$480M market capitalization at 09/08/2014
- Management succession begun

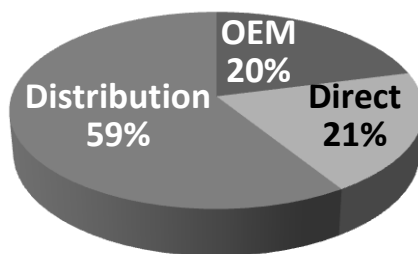


Industrial & Infrastructure Products Segment

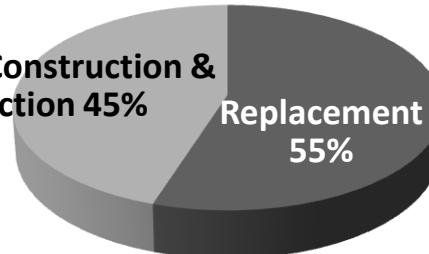
EXPANDED FOCUS

	Bar Grating	Expanded Metal & Perforated Metal	Engineered Bearings & Joints, Sealants
Uses	<ul style="list-style-type: none"> • Walkways, Stairs • Flooring • Platforms 	<ul style="list-style-type: none"> • Security Barriers • Architectural Facades • Filtration 	<ul style="list-style-type: none"> • Mitigate movement from load, wind, seismic, temperature
End Markets	<ul style="list-style-type: none"> • Oil, Gas, Mining • Manufacturing Plants • Wastewater & Water • Leisure & Sports Parks 	<ul style="list-style-type: none"> • Mining • Transportation • Petro-chemical • Commercial Construction 	<ul style="list-style-type: none"> • Bridge Construction • Roads, Airport Runways • Oil & Gas
Market Position	 <p>#1</p>	 <p>#2</p>	 <p>#1</p>

Channels







New Construction & Production

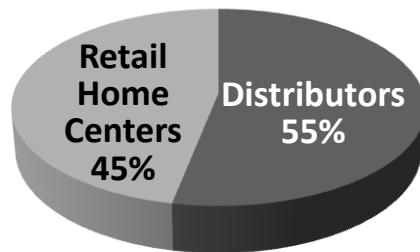


Demand

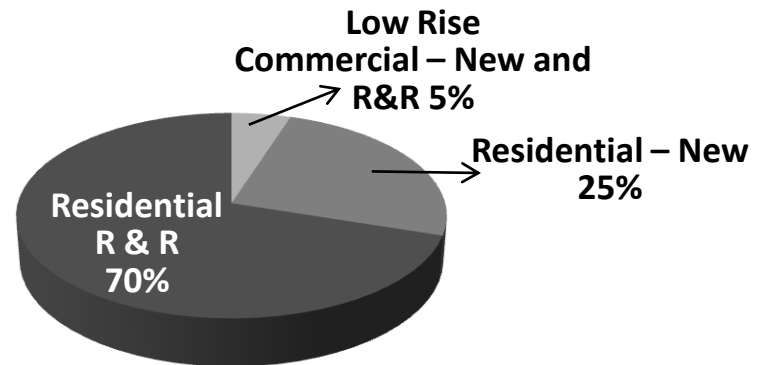
Residential Products Segment

GROWING RESIDENTIAL PENETRATION

	Roof & Foundation Ventilation Products	Rain Dispersion, Trim, Flashing	Building Accessories	Postal Storage (single & cluster)
End Markets	<ul style="list-style-type: none"> • New Build • Repair & Remodel 	<ul style="list-style-type: none"> • New Build • Repair & Remodel 	<ul style="list-style-type: none"> • New Build • Repair & Remodel 	<ul style="list-style-type: none"> • New Build • Repair & Remodel
Market Position	 <p>#1</p>	 <p>#2</p>	 <p>Regional Leader</p>	 <p>#1</p>



Channels



Demand

LOW CONCENTRATION

Residential

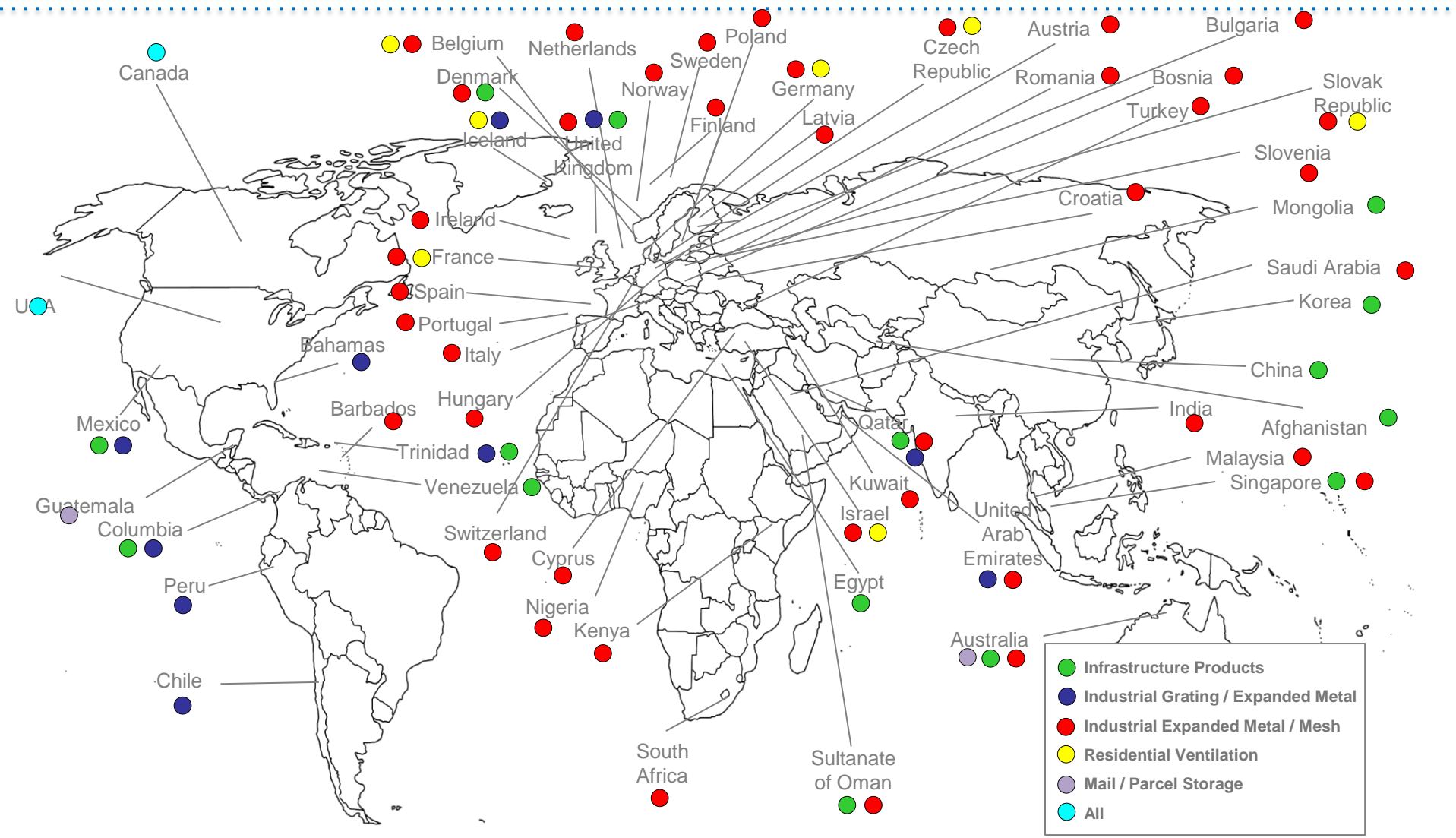


Industrial & Infrastructure

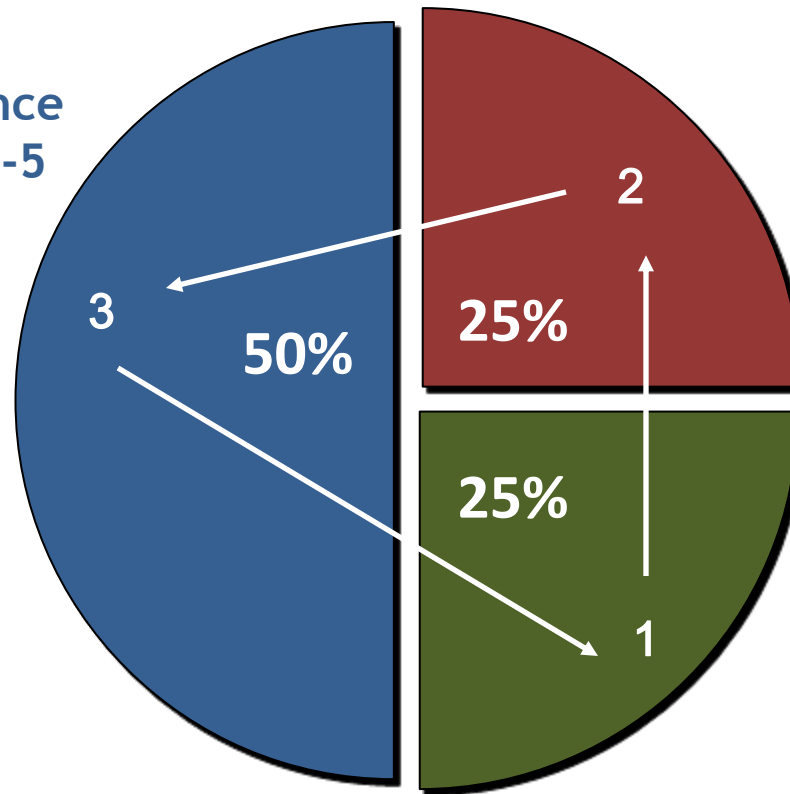


Broad Geographic Coverage

PRODUCTS SOLD IN 57 COUNTRIES ON 6 CONTINENTS



Operational excellence initiatives to drive 3-5 points of margin improvement

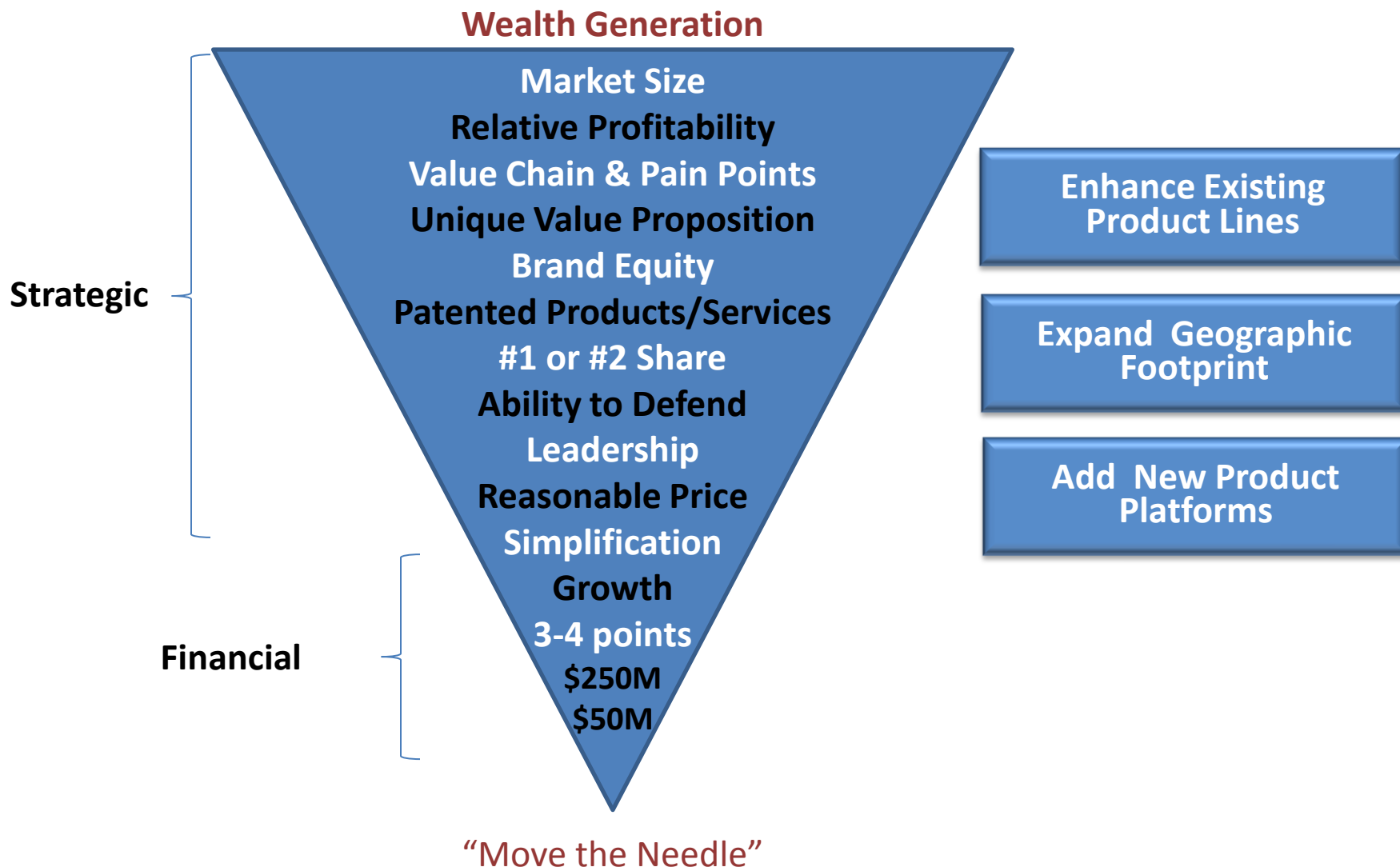


Value-added strategic acquisitions

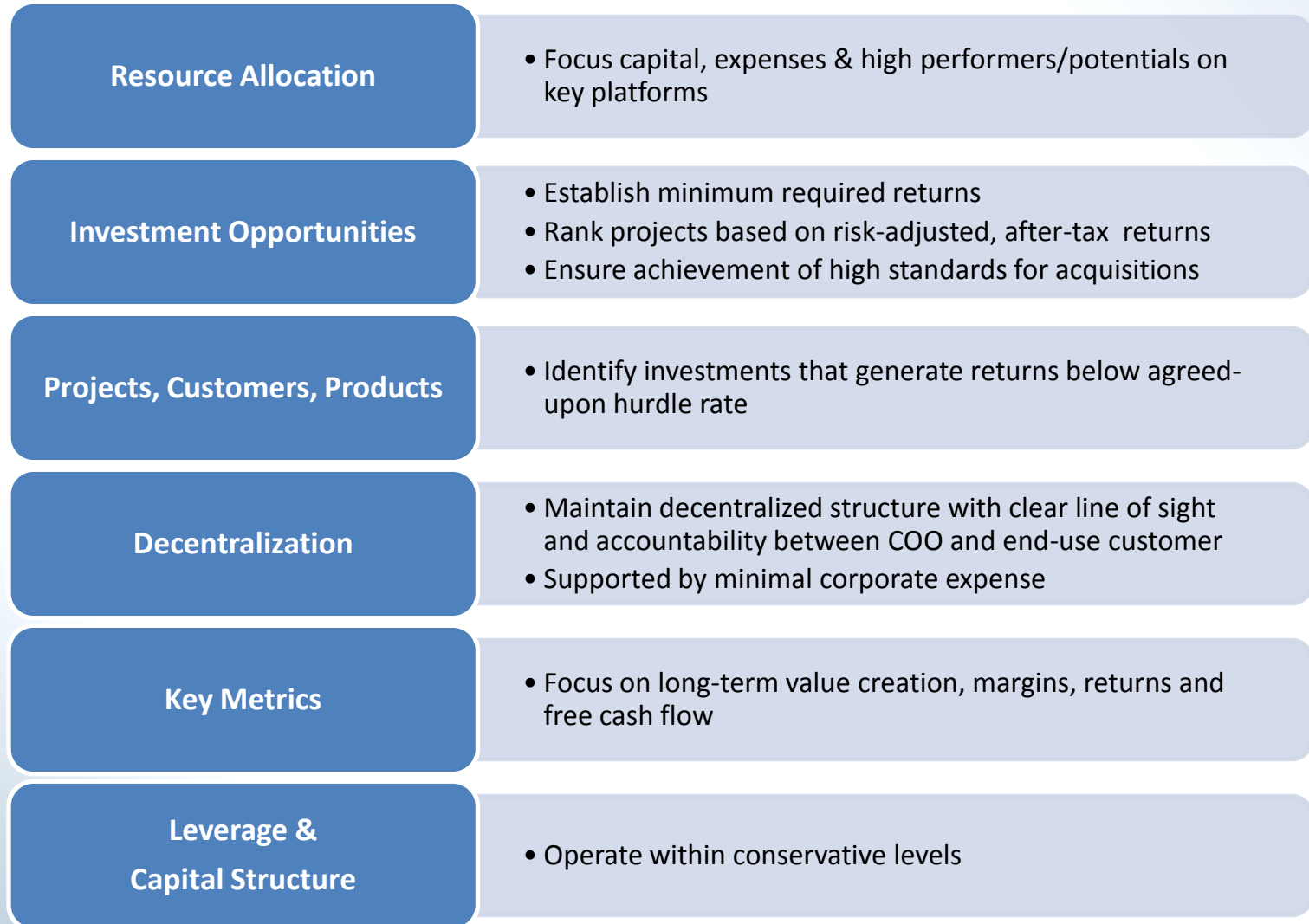
Growing the core 4-5 points

Core Growth + Acquisitions + Margins Increase

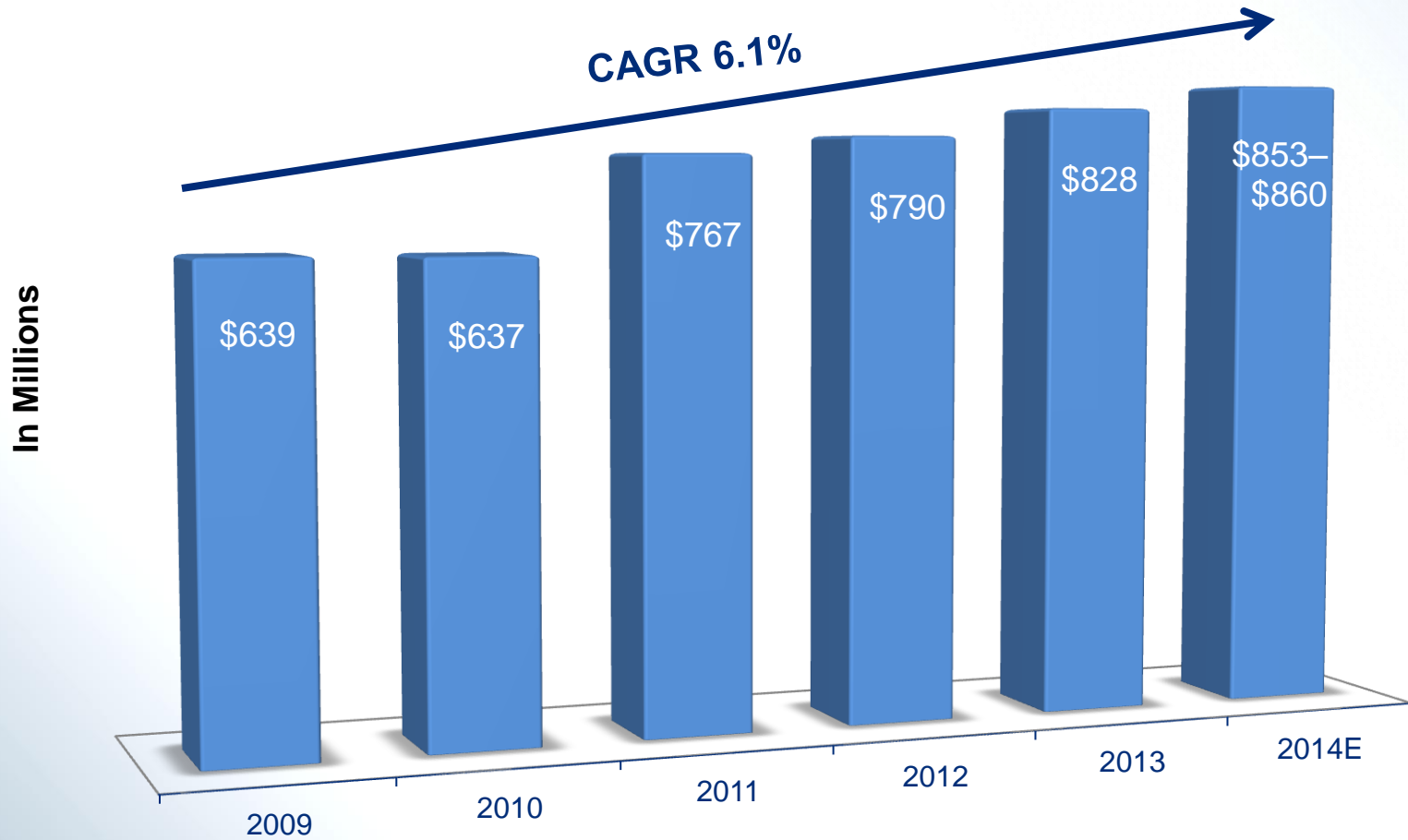
ACQUISITIONS AS “ACCELERATORS”



SIGNIFICANT UPSIDE FOR INCREASING SHAREHOLDER RETURNS

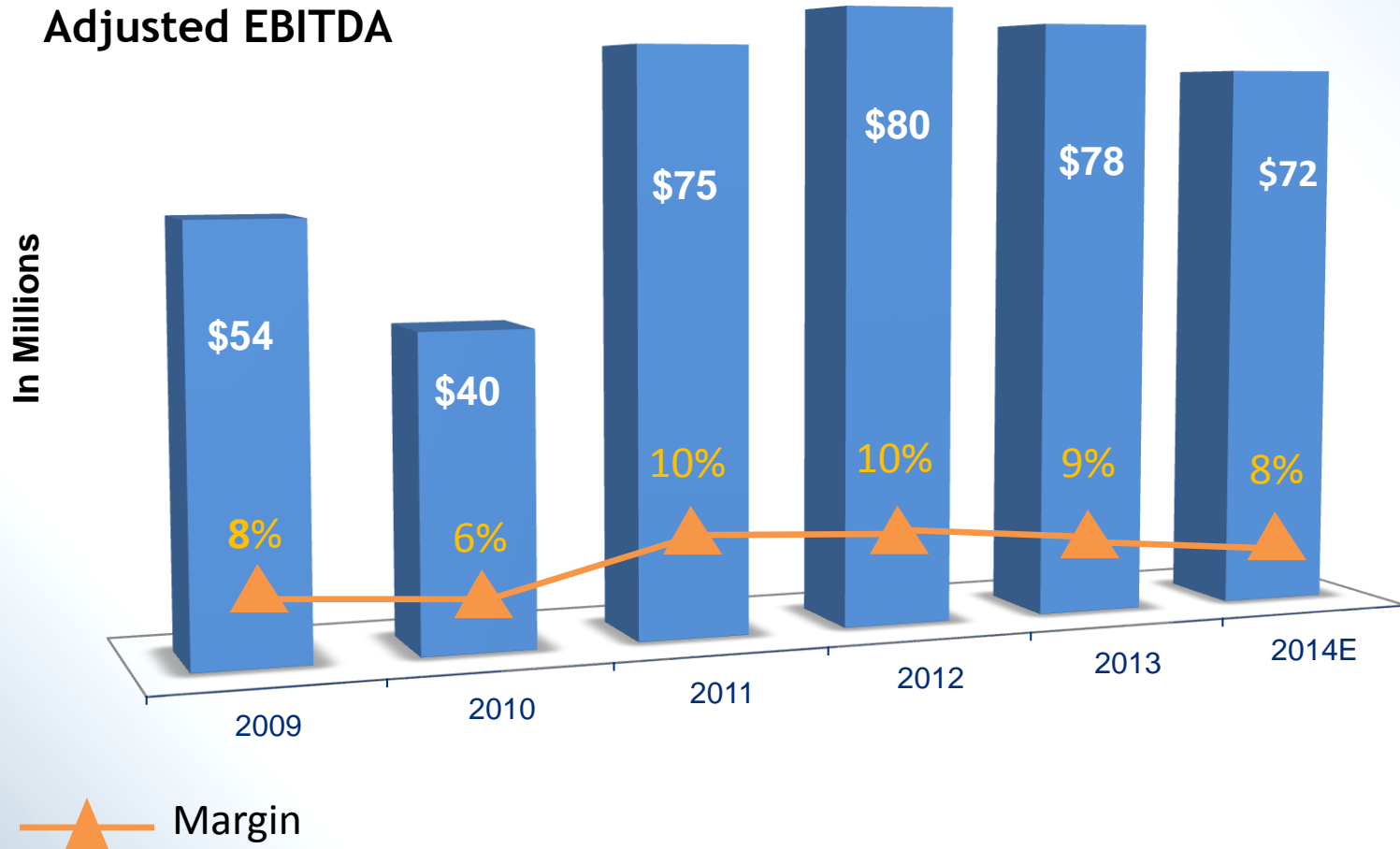


Total Revenue



Bottom-line Results

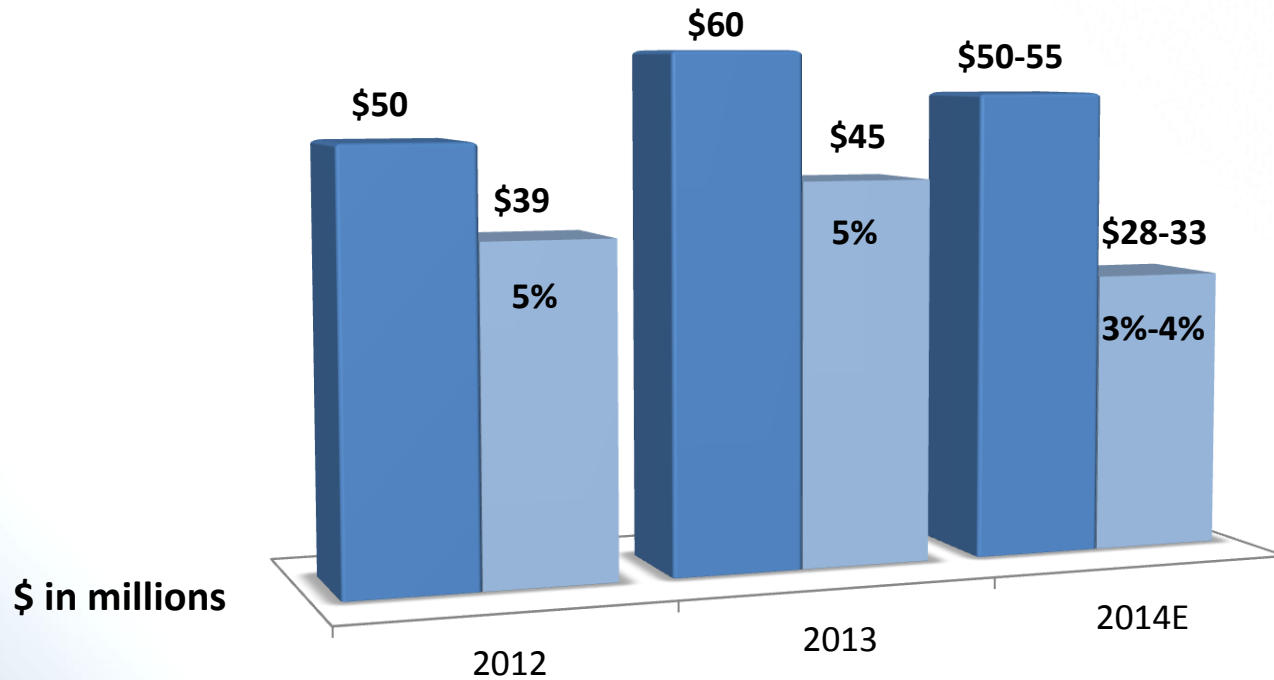
PROACTIVE RESTRUCTURING, COST & GROWTH INITIATIVES



•All amounts reported represent continuing operations before special charges. See non-GAAP reconciliations in appendix.

Cash Flow Remains Strong

SOLID CASH EARNINGS



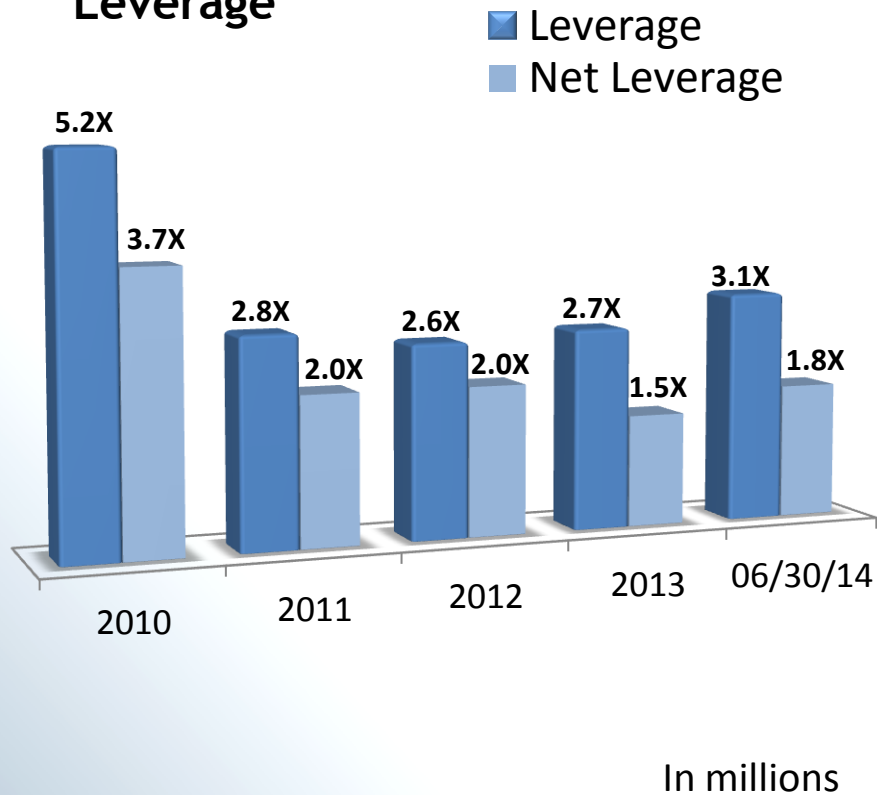
■ *Cash Flow from Operations*

■ *Free Cash Flow is sum of Cash Flow from Operations less capital expenditures; as % of Sales.
(2014 and 2013 exclude an additional \$6M and \$13M proceeds from sale of property and equipment.)*

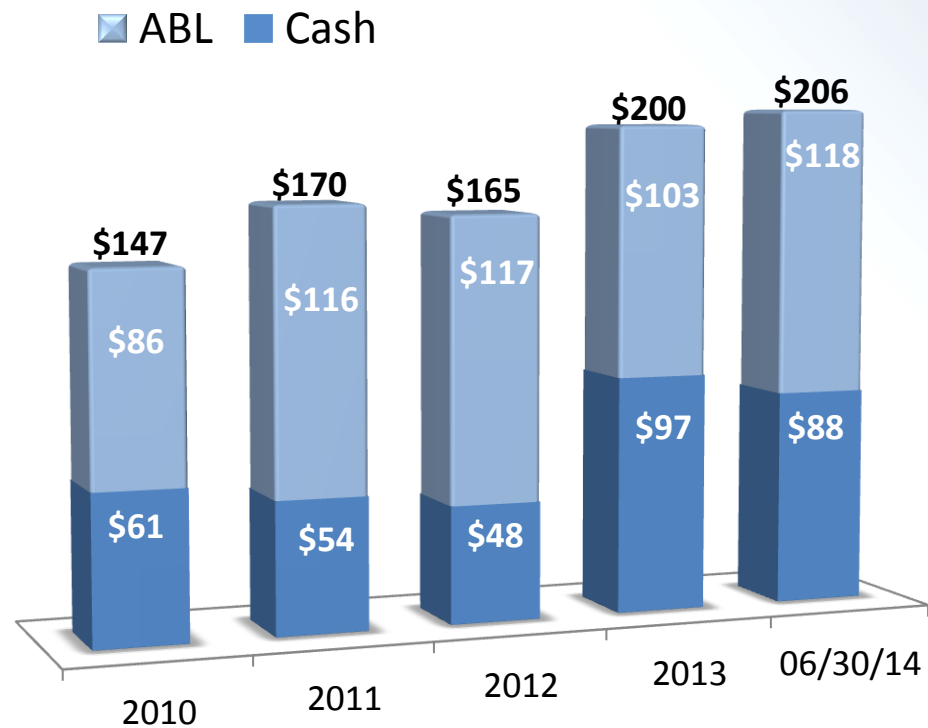
Low Leverage and Strong Liquidity

LIQUIDITY NEARING 3x EBITDA

Leverage



Liquidity



•See reconciliations of Leverage and Net Leverage in appendix.

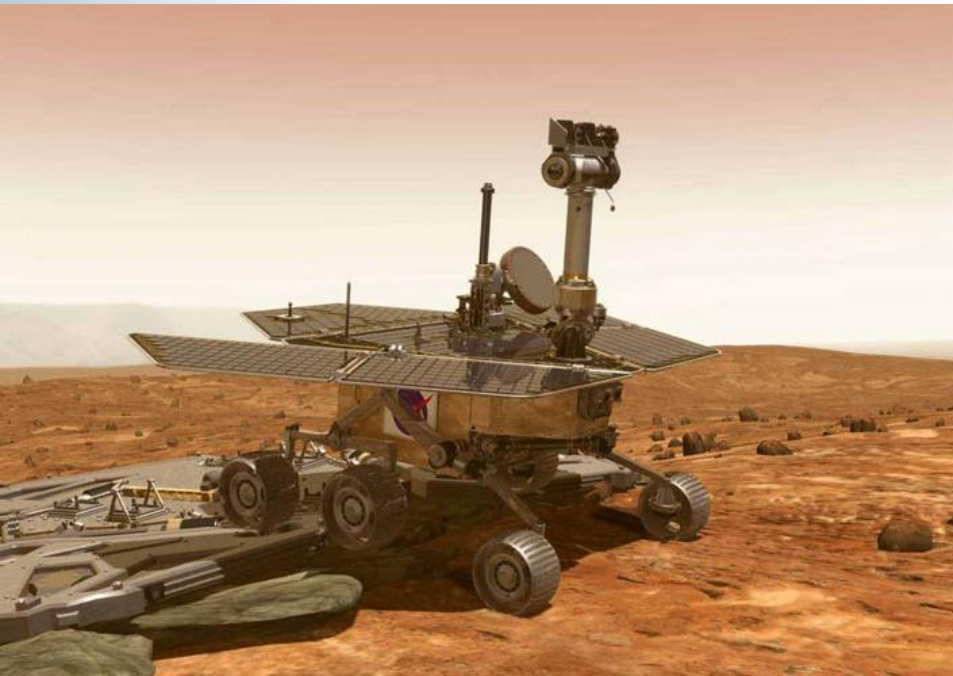
WEAKER MARKET CONDITIONS & COST INFLATION

	2013	2014E	Assumptions
Revenues	\$828M	+3% to +4%	Residential: Postal products growth offsets choppy R&R markets. Industrial & Infrastructure: Modest growth in Q2. 2H equivalent to 2H13.
Segment Income <i>Segment Margin</i>	\$69M 8.3%	\$55M-58M 6.4-6.7%	RM cost inflation, product mix, and prolonged margin improvement actions.
EPS Adjusted	\$0.69	\$0.50-\$0.55	38.5% ETR
Free Cash Flow / Net Sales	6%	~3%	1-year spike in CAPEX of \$22M & lower 2014 profitability.

Key Investment Factors

LEVERAGED TO END-MARKET STRENGTH

- Leading share in growing markets
- Outlook for sustained residential and industrial growth
- Secular upside in postal products
- Low leverage; strong liquidity
- Focus on returns-based organic & acquisition-driven growth

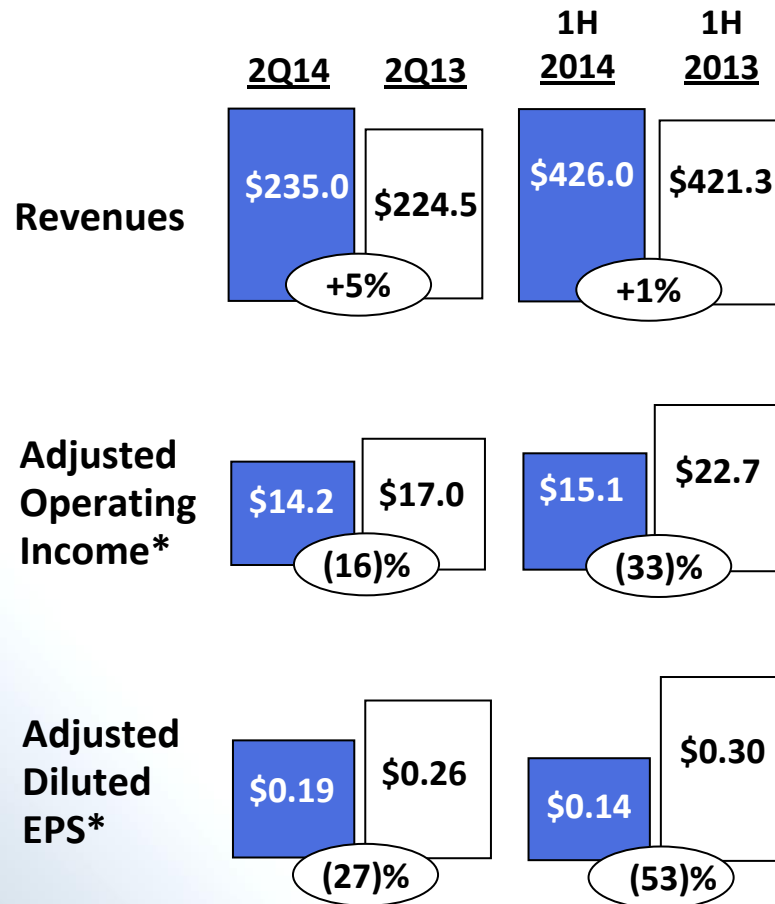




APPENDIX

Consolidated Results

UNEVEN MARKET CONDITIONS



Revenues

- Postal products volume led the gains; modest volume gains to industrial markets
- Partially offset by volume decreases to roofing-related Rez and transportation infrastructure markets

Operating Income / EPS

- Favorable: leverage from net volume increase, offset by
- Unfavorable: RM cost inflation, product mix, Rez pricing, & inefficiencies in profit improvement initiatives

•All amounts reported represent continuing operations before special charges. See non-GAAP reconciliations in earnings press release.

EBITDA Reconciliation

(unaudited) / (in thousands)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>TTM 6/30/14</u>	<u>2014E</u>
Net income (loss)	\$ (52,025)	\$ (91,068)	\$ 16,523	\$ 12,645	\$ (5,633)	\$ (5,373)	\$ 15,700
(Income) loss from discontinued Operations, net of taxes	12,453	15,712	(7,307)	5	(4)	-	-
Income (loss) from continuing operations	(39,572)	(75,356)	9,216	12,650	(5,629)	(5,373)	15,700
Interest Expense	21,433	19,714	19,363	18,582	22,489	14,970	14,800
Provision of (benefit of) income taxes	(18,611)	(16,923)	7,669	9,517	4,797	5,020	9,900
Depreciation and amortization	23,221	23,964	26,181	26,344	27,050	26,438	26,300
EBITDA from continuing operations	(13,529)	(48,601)	62,429	67,093	48,707	41,055	66,700
Acquisition costs	-	-	3,453	700	651	(206)	(500)
Restructuring costs	2,585	7,085	4,497	4,004	2,761	2,453	2,300
Intangible asset impairments	60,098	76,964	-	4,628	23,160	23,160	-
Refinancing cost	379	-	-	-	-	-	-
Non-cash stock compensation	4,407	4,315	4,642	3,148	2,564	2,557	3,100
Adjusted EBITDA from continuing operations	<u>\$ 53,940</u>	<u>\$ 39,763</u>	<u>\$ 75,021</u>	<u>\$ 79,573</u>	<u>\$ 77,843</u>	<u>\$ 69,019</u>	<u>\$ 71,600</u>
Margin	8.4%	6.2%	9.8%	10.1%	9.4%	8.3%	8.3%

At a Glance

Market Position

Profitable Growth

Financial Performance

Outlook

1H 2014 Non-GAAP Reconciliation

(unaudited) / (in thousands)

	Six Months Ended June 30, 2014			
	As Reported in GAAP Statements	Acquisition Related Costs	Restructuring Costs	Adjusted Statement of Operations
Income from operations				
Residential Products	\$ 13,182	\$ 206	\$ 145	\$ 13,533
Industrial & Infrastructure Products	9,084	-	459	9,543
Segment Income	22,266	206	604	23,076
Unallocated corporate expense	(7,203)	(740)	-	(7,943)
Consolidated	15,063	(534)	604	15,133
Interest expense	7,331	-	-	7,331
Other income	549	-	-	549
Income before income taxes	7,183	(534)	604	7,253
(Benefit of) provision for income taxes	2,838	(194)	225	2,869
Income (loss) from continuing operations	<u>\$ 4,345</u>	<u>\$ (340)</u>	<u>\$ 379</u>	<u>\$ 4,384</u>
Income (loss) from continuing operations per share - diluted	<u>\$ 0.14</u>	<u>\$ (0.01)</u>	<u>\$ 0.01</u>	<u>\$ 0.14</u>

2013 Non-GAAP Reconciliation

(unaudited) / (in thousands)

	Twelve Months Ended December 31, 2013					
	As Reported in GAAP Statements	Acquisition Related and Restructuring Costs	Intangible Asset Impairment	Note Refinancing	Deferred Tax Valuation Allowance	Adjusted Statement of Operations
Income from operations						
Residential Products	\$ 34,965	\$ 3,001	\$ 1,000	\$ -	\$ -	\$ 38,966
Industrial & Infrastructure Products	7,169	324	22,160	-	-	29,653
Segment Income	42,134	3,325	23,160	-	-	68,619
Unallocated corporate expense	(20,654)	87	-	-	-	(20,567)
Consolidated	21,480	3,412	23,160	-	-	48,052
Interest expense	22,489	-	-	(7,166)	-	15,323
Other income	(177)	-	-	-	-	(177)
(Loss) income before income taxes	(832)	3,412	23,160	7,166	-	32,906
Provision for income taxes	4,797	1,318	753	2,616	2,048	11,532
(Loss) income from continuing operations	\$ (5,629)	\$ 2,094	\$ 22,407	\$ 4,550	\$ (2,048)	\$ 21,374
(Loss) income from continuing operations per share - diluted	\$ (0.18)	\$ 0.07	\$ 0.72	\$ 0.15	\$ (0.07)	\$ 0.69

1H 2013 Non-GAAP Reconciliation

(unaudited) / (in thousands)

Six Months Ended June 30, 2013

	As Reported in GAAP Statements	Acquisition Related Costs	Restructuring Costs	Note Refinancing	Adjusted Statement of Operations
Income from operations					
Residential Products	\$ 19,857	\$ -	\$ 710	\$ -	\$ 20,567
Industrial & Infrastructure Products	14,600	203	75	-	14,878
Segment Income	34,457	203	785	-	35,445
Unallocated corporate expense	(12,978)	120	127	-	(12,731)
Consolidated	21,479	323	912	-	22,714
Interest expense	14,850	-	-	(7,166)	7,684
Other income	(75)	-	-	-	(75)
Income before income taxes	6,704	323	912	7,166	15,105
(Benefit of) provision for income taxes	2,615	118	335	2,616	5,684
Income (loss) from continuing operations	<u>\$ 4,089</u>	<u>\$ 205</u>	<u>\$ 577</u>	<u>\$ 4,550</u>	<u>\$ 9,421</u>
Income (loss) from continuing operations per share - diluted	<u>\$ 0.13</u>	<u>\$ -</u>	<u>\$ 0.02</u>	<u>\$ 0.15</u>	<u>\$ 0.30</u>

At a Glance

Market Position

Profitable Growth

Financial Performance

Outlook

2012 Non-GAAP Reconciliation

(unaudited) / (in thousands)

	Twelve Months Ended December 31, 2012				
	<u>As Reported in GAAP Statements</u>	<u>Acquisition Related Costs</u>	<u>Restructuring Costs</u>	<u>Intangible Asset Impairment</u>	<u>Adjusted Statement of Operations</u>
Income from operations					
Residential Products	\$ 23,902	\$ -	\$ 2,457	\$ 4,628	\$ 30,987
Industrial & Infrastructure Products	34,634	296	1,407	-	36,337
Segment Income	58,536	296	3,864	4,628	67,324
Unallocated corporate expense	(18,275)	404	140	-	(17,731)
Consolidated	40,261	700	4,004	4,628	49,593
Interest expense	18,582	-	-	-	18,582
Other income	(488)	-	-	-	(488)
Income before income taxes	22,167	700	4,004	4,628	31,499
Provision for income taxes	9,517	235	1,441	112	11,305
Income from continuing operations	<u>\$ 12,650</u>	<u>\$ 465</u>	<u>\$ 2,563</u>	<u>\$ 4,516</u>	<u>\$ 20,194</u>
Income from continuing operations per share - diluted	<u>\$ 0.41</u>	<u>\$ 0.01</u>	<u>\$ 0.08</u>	<u>\$ 0.15</u>	<u>\$ 0.65</u>

2011 Non-GAAP Reconciliation

(unaudited) / (in thousands)

	Twelve Months Ended December 31, 2011				
	As Reported in GAAP Statements	Acquisition Related Costs	Surrendered Compensation	Restructuring Costs	Adjusted Statement of Operations
Net Sales	\$ 766,607	\$ -	\$ -	\$ -	\$ 766,607
Cost of Sales	621,492	(2,467)	-	(3,916)	615,109
Gross Profit	145,115	2,467	-	3,916	151,498
SG&A expense	108,957	(986)	(885)	(581)	106,505
Income from operations	36,158	3,453	885	4,497	44,993
Operating margin	4.7%	0.5%	0.1%	0.6%	5.9%
Interest expense	19,363	-	-	-	19,363
Other income	(90)	-	-	-	(90)
Income before taxes	16,885	3,453	885	4,497	25,720
Provision for income taxes	7,669	1,054	-	1,683	10,406
Income from continuing operations	<u>\$ 9,216</u>	<u>\$ 2,399</u>	<u>\$ 885</u>	<u>\$ 2,814</u>	<u>\$ 15,314</u>
Income from continuing operations per share - diluted	<u>\$ 0.30</u>	<u>\$ 0.08</u>	<u>\$ 0.03</u>	<u>\$ 0.09</u>	<u>\$ 0.50</u>

2010 Non-GAAP Reconciliation

(unaudited) / (in thousands)

	Twelve Months Ended December 31, 2010					
	As Reported in GAAP Statements	Intangible Asset Impairment Adjustment	Ineffective Interest Rate Swap	Restructuring Costs	Deferred Tax Valuation Allowance	Adjusted Earnings
Net Sales	\$ 637,454	\$ -	\$ -	\$ -	\$ -	\$ 637,454
Cost of Sales	533,586	-	-	(6,361)	-	527,225
Gross Profit	103,868	-	-	6,361	-	110,229
SG&A expense	99,546	-	-	(724)	-	98,822
Intangible asset impairment	76,964	(76,964)	-	-	-	-
Operating (loss) income	(72,642)	76,964	-	7,085	-	11,407
Operating margin	(11.4%)	12.1%	0.0%	1.1%	0.0%	1.8%
Interest expense	19,714	-	(1,424)	-	-	18,290
Other income	(77)	-	-	-	-	(77)
Loss before income taxes	(92,279)	76,964	1,424	7,085	-	(6,806)
Benefit of income taxes	(16,923)	14,412	520	1,634	(2,400)	(2,757)
Loss from continuing operations	<u>\$ (75,356)</u>	<u>\$ 62,552</u>	<u>\$ 904</u>	<u>\$ 5,451</u>	<u>\$ 2,400</u>	<u>\$ (4,049)</u>
Loss from continuing operations per share - diluted	<u>\$ (2.49)</u>	<u>\$ 2.06</u>	<u>\$ 0.03</u>	<u>\$ 0.18</u>	<u>\$ 0.09</u>	<u>\$ (0.13)</u>

2009 Non-GAAP Reconciliation

(unaudited) / (in thousands)

	Twelve Months Ended December 31, 2009				
	As Reported in GAAP Statements	Intangible Asset Impairment	Deferred Financing Costs	Restructuring Costs	Adjusted Earnings
Net Sales	\$ 639,076	\$ -	\$ -	\$ -	\$ 639,076
Cost of Sales	519,348	-	-	(1,705)	517,643
Gross Profit	119,728	-	-	1,705	121,433
SG&A expense	96,691	-	(379)	(880)	95,432
Intangible asset impairment	60,098	(60,098)	-	-	-
Operating (loss) income	(37,061)	60,098	379	2,585	26,001
Operating margin	(5.8%)	9.4%	0.1%	0.4%	4.1%
Interest expense	21,433	-	(1,424)	-	20,009
Other income	(311)	-	-	-	(311)
(Loss) income before income taxes	(58,183)	60,098	1,803	2,585	6,303
(Benefit of) provision for income taxes	(18,611)	19,661	604	1,049	2,703
(Loss) income from continuing operations	<u>\$ (39,572)</u>	<u>\$ 40,437</u>	<u>\$ 1,199</u>	<u>\$ 1,536</u>	<u>\$ 3,600</u>
(Loss) income from continuing operations per share - diluted	<u>\$ (1.31)</u>	<u>\$ 1.33</u>	<u>\$ 0.04</u>	<u>\$ 0.06</u>	<u>\$ 0.12</u>

Gross & Net Leverage Reconciliation

(unaudited) / (in thousands)

	2010	2011	2012	2013	TTM June 30, 2014
Adjusted EBITDA	\$ 39,763	\$ 75,021	\$ 79,573	\$ 77,843	\$ 69,019
Debt	207,197	207,163	207,803	214,007	213,600
Gross Leverage	5.2X	2.8X	2.6X	2.7X	3.1X
Less cash	(60,866)	(54,117)	(48,028)	(97,039)	(87,757)
Net Debt	\$ 146,331	\$ 153,046	\$ 159,775	\$ 116,968	\$ 125,843
Net Leverage	3.7X	2.0X	2.0X	1.5X	1.8X

ROIC Reconciliation

(unaudited) / (in thousands)

	2008	2009	2010	2011	2012	2013	2014E
Adjusted (Loss) Income from Continuing Operations	\$ 27,837	\$ 3,600	\$ (4,049)	\$ 15,314	\$ 20,194	\$ 21,374	\$ 15,800
Interest Expense	23,820	20,009	18,290	19,363	18,582	15,323	14,800
Adjusted Effective Tax Rate	37.5%	42.9%	40.5%	40.5%	35.9%	35.0%	38.5%
Tax Effected Interest Expense	14,888	11,425	10,883	11,521	11,911	9,960	9,100
Adjusted Net Income Before Interest	42,725	15,025	6,834	26,835	32,105	31,334	24,900
Average Adjusted Equity	\$ 967,108	\$ 837,892	\$ 680,856	\$ 629,242	\$ 627,134	\$ 640,937	\$ 600,000
Return on Invested Capital	4.4%	1.8%	1.0%	4.3%	5.1%	4.9%	4.2%

