

Gibraltar Industries

Investor Presentation
January 2021
www.Gibraltar1.com



Safe Harbor Statements

Forward-Looking Statements

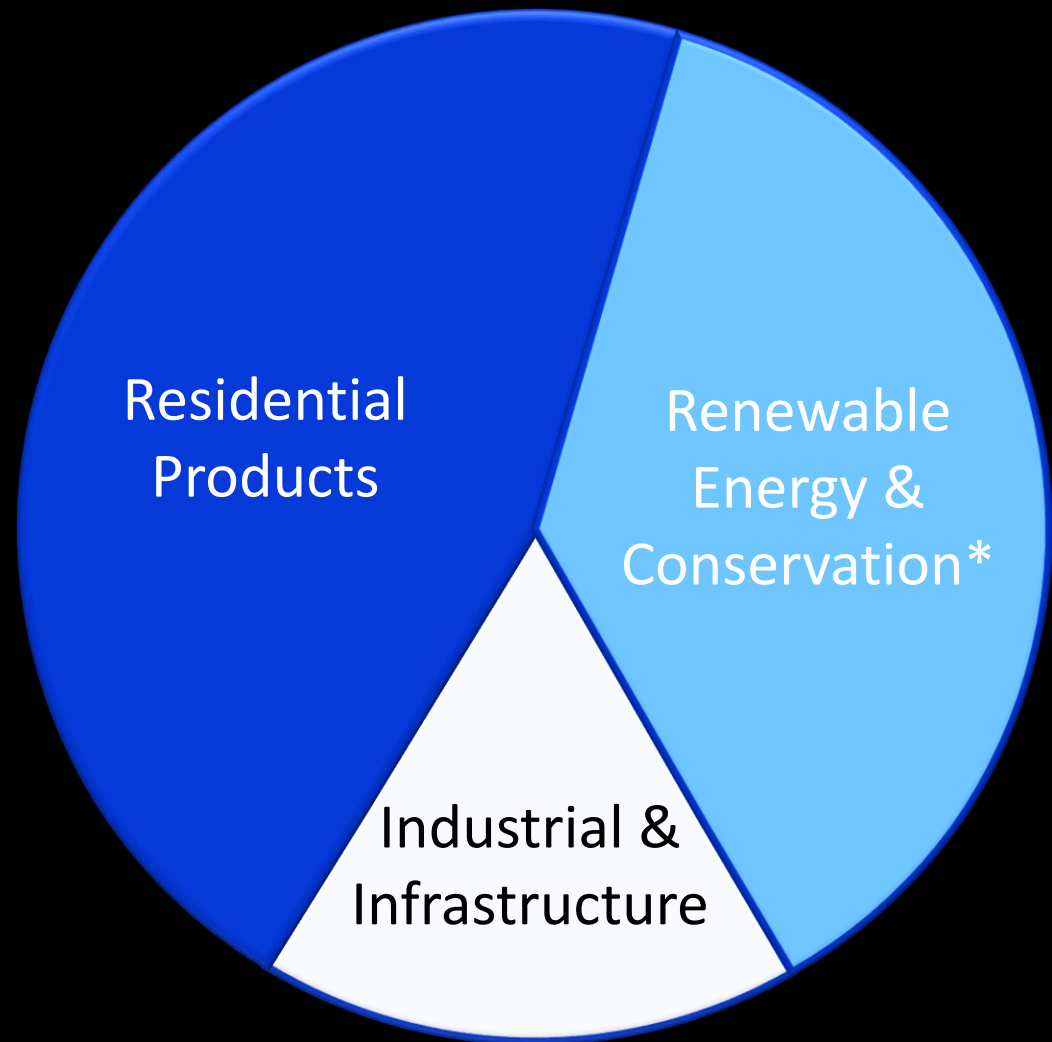
Certain information set forth in this presentation, other than historical statements, contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 that are based, in whole or in part, on current expectations, estimates, forecasts, and projections about 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 80/20 simplification initiatives, senior leadership transition costs, acquisition-related costs, early 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 presentation also includes adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA) for TerraSmart. Adjusted EBITDA excludes special charges consisting of transaction related costs, costs incurred on new product development and other reclassifications. EBITDA is a measure commonly used by the capital markets to value enterprises. Interest, taxes, depreciation and amortization can vary significantly between companies due in part to differences in accounting policies, tax strategies, levels of indebtedness and interest rates. 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. Adjusted EBITDA is also a useful measure of the Company’s ability to service debt and is one of the measures used for determining debt covenant compliance. 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.

Gibraltar Industries - \$1B+ Multi-Industrial

2020 Revenue Through Q3



YTD 3Q 2019 - 2020

Revenue (\$M)			Operating Margin (Adj)			Earnings Per Share (Adj)		
2019	2020	Δ %	2019	2020	Δ bps	2019	2020	Δ %
\$789	\$865	9.6%	10.6%	11.7%	+110	\$1.96	\$2.37	20.9%

1 Business System

- 80/20 Excellence – Eliminate “leakage”
- Business Models, Digital, Innovation
- Do Business The Right & Responsible Way!

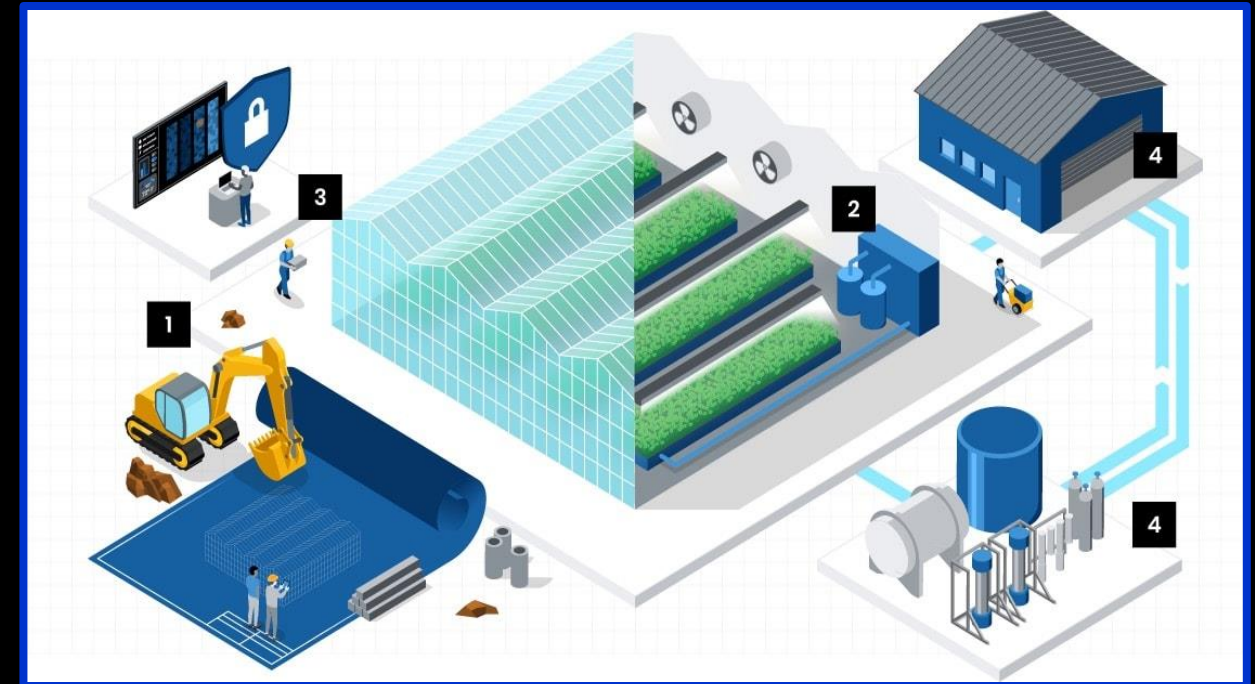
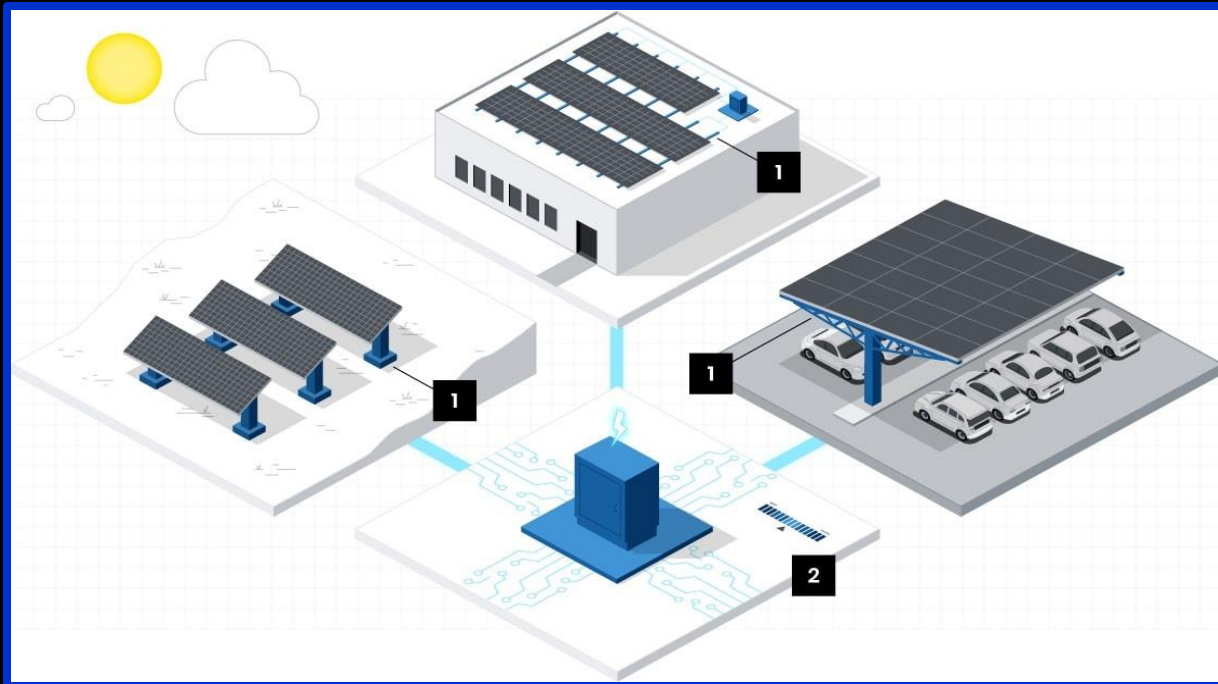
2 Portfolio Management

- Optimize In Fast Growing Profitable Markets
- Build Industry Leadership & Relevance
- Expand Renewables & Conservation

3 Organization

- Talent, Structure, Design
- Best Place To Work – Diversity of Thought
- Health, Safety, Continuous Education

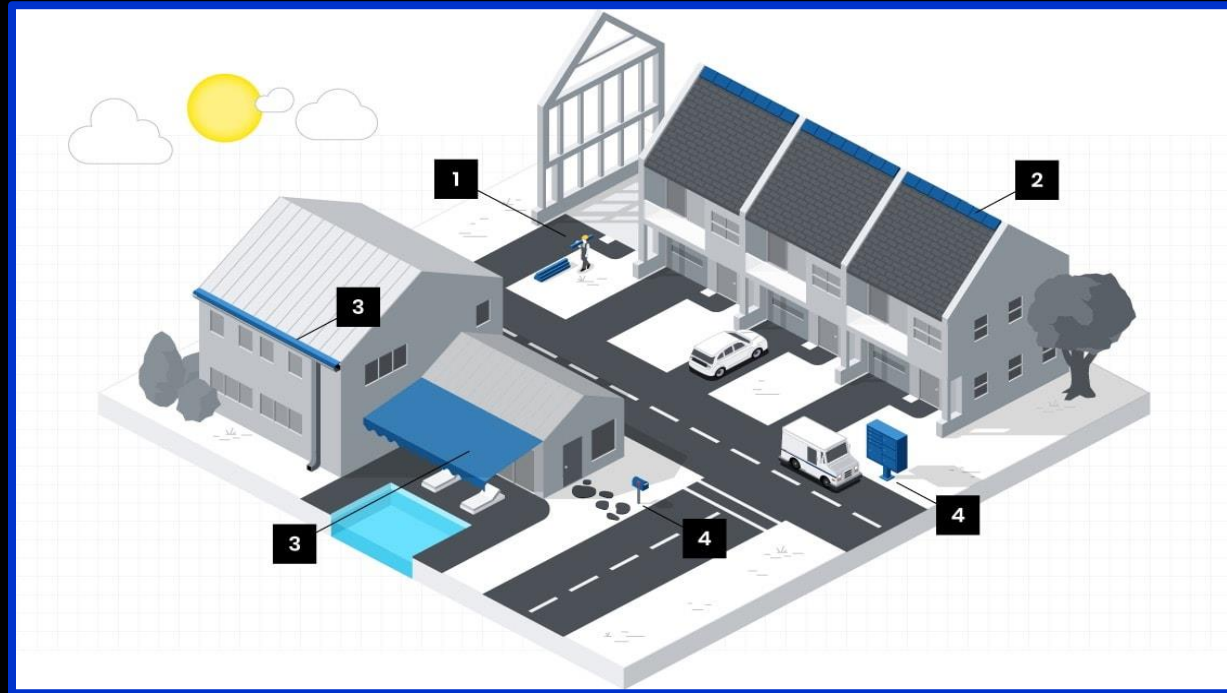
Renewable Energy & Conservation



1. Racking Systems
2. Foundation Technology
3. Electrical Balance of Systems (eBos)
4. Design Software & Asset Management
5. Turnkey Services

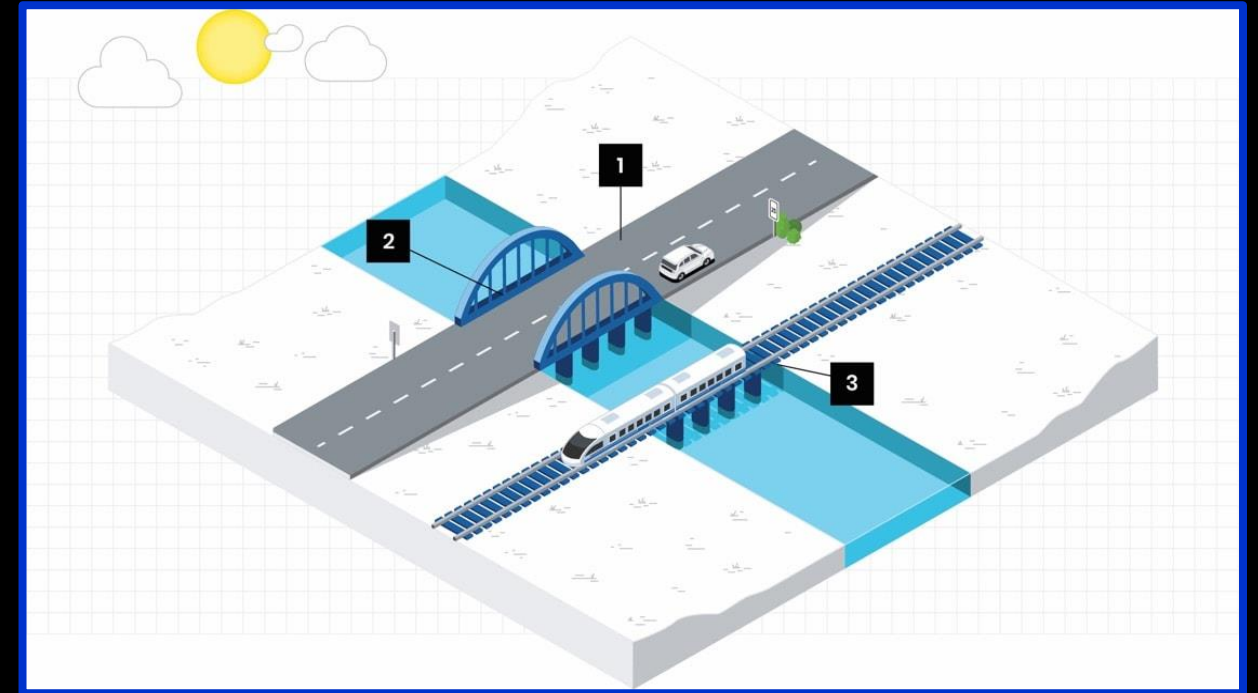
1. Greenhouse Design and Manufacturing
2. Environmental Systems
3. Operations & Maintenance Systems
4. Extraction Processing & Refinement Systems

Residential Products



- 1. Construction
 - Metal roofing
 - Rain ware systems
 - Roofing Accessories
- 2. Home Protection
 - Attic ventilation
 - Roofing accessories
- 3. Home Comfort
 - Awnings & Shading
 - Gutter protection
- 4. Postal & Parcel Storage
 - Single-home mailbox
 - Multi-family mailbox
 - Intelligent Lockers

Industrial & Infrastructure



- 1. Sealants
 - Pavement
 - Concrete
- 2. Bridges
 - Expansion joints
 - Structural bearings
 - Protection systems
- 3. Architectural metals
 - Expansion joints
 - Security products
 - Expanded & perforated

Operating During COVID-19 Pandemic – Launched Early March 2020

1 Team Support, Health & Safety

- Kept team together and invested in more people during 2020
- 160 hours COVID-19 pay for hourly employees – financial support
- Mandatory PPE and provided for employee families as well

2 Compliance

- Follow CDC and DHS recommendations, education, and awareness
- State & local mandate management and implementation
- Support travel restrictions and replace with digital connectivity

3 Operating Protocols

- Business continuity processes – digital, security – work remotely
- Social distancing in facilities and offices, zone management in factories
- Temperature checks, visitor restrictions, sanitization management

4 Communication

- Live Town Hall meetings with Q&A – weekly, monthly and quarterly
- Tracking Covid-19 cases by location and across Gibraltar daily / weekly
- Continuous communication with suppliers and customers

5 Community Support

- Food Bank donation – 3.3 million meals – distributed equally across our operations ~ 85,000 meals per location

Our Commitments to Our Stakeholders

The World

*Driving Environmentally-Sound Solutions:
Energy Production, Growing Food, Efficiency*

- 45% of our portfolio focused on our environment through Renewables & Conservation
- Installed over 2500 solar projects offsetting more than 4M metric tons of CO²
- Optimize food chain & crop yield via sunlight, optimal water usage, & no pesticides
- Powering our 1st facility with Solar energy in 2021

Our Communities

Investing in the communities where our people live & work

- Support local schools and charities in our communities
- Funded 3.3M meals in 2020 for community food banks
- Support U.S. Veterans, The United Way, Ronald McDonald house, Make-A-Wish Foundation, Habitat for Humanity, and Food Banks in our communities
- Employee giving program with Gibraltar 100% match

Our People

Creating the best environment for our people to have success

- Health & Safety is #1 priority
- Ethics / DEI / Compliance / Cyber Security education – 12.5 hours per year for all Board members & Gibraltar employees
- Formal education investment via Gibraltar University – launched in January 2020
- 50% of professional hires were diverse in 2020
- ~45% of Board is diverse

Accelerating Our Transformation By Building Leadership Positions In Attractive Markets Improving Growth, Margin, & Return Profile

Gibraltar's Strategic Rubric

Strategic foundation for key decisions and critical investments

Roadmap to create unique leadership and industry-leading relevance in our markets



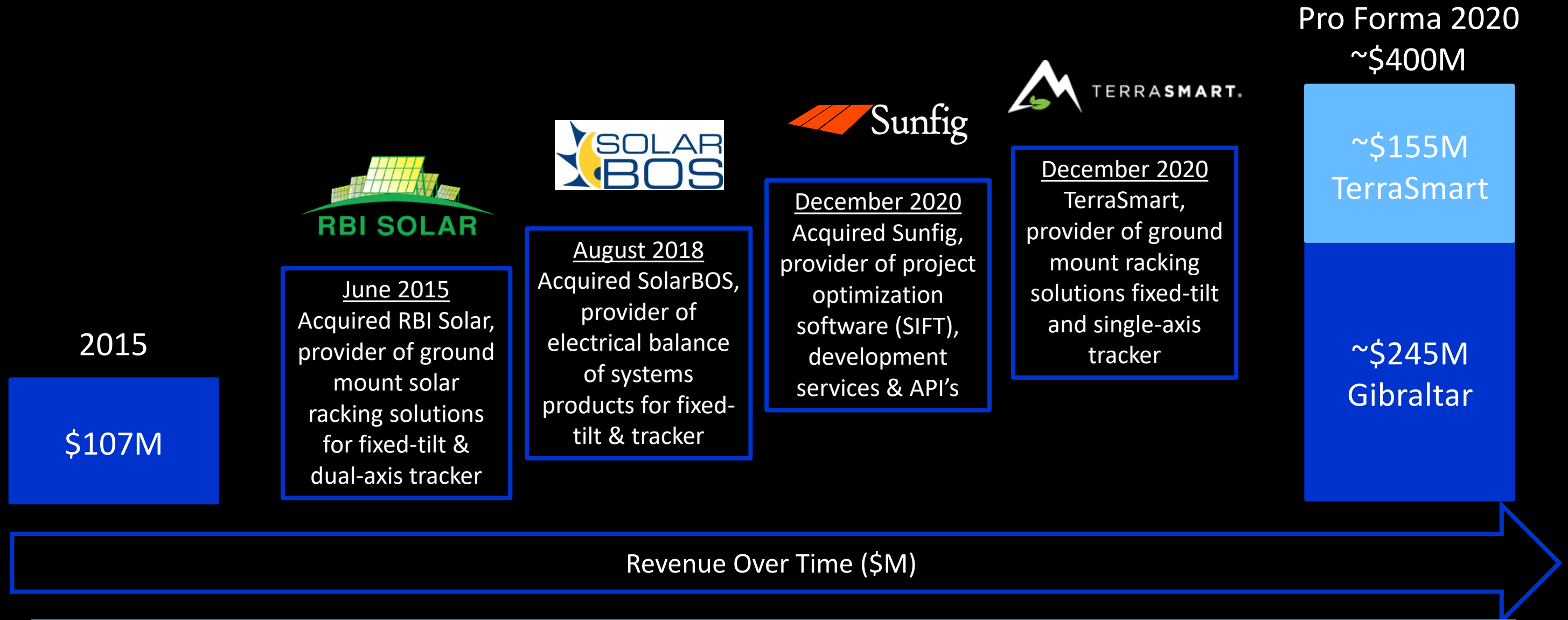
1 Market Attractiveness

Market Outlook	Demand Profile	Market Structure
Growing and sustaining high margins and ROIC	Stable and predictable market	Business model / limited disruption

2 Ability to Drive Value

Market Leadership	Market Insight	Fit to Gibraltar Capability	Growth Runway
Defensible with minimum disruption	Understanding of customer and industry	Play to Gibraltar's strengths	Opportunity for capital deployment

Building Leadership and Relevance in Solar Energy Market Serving Community, Commercial & Industrial, and Utility Solar Segments

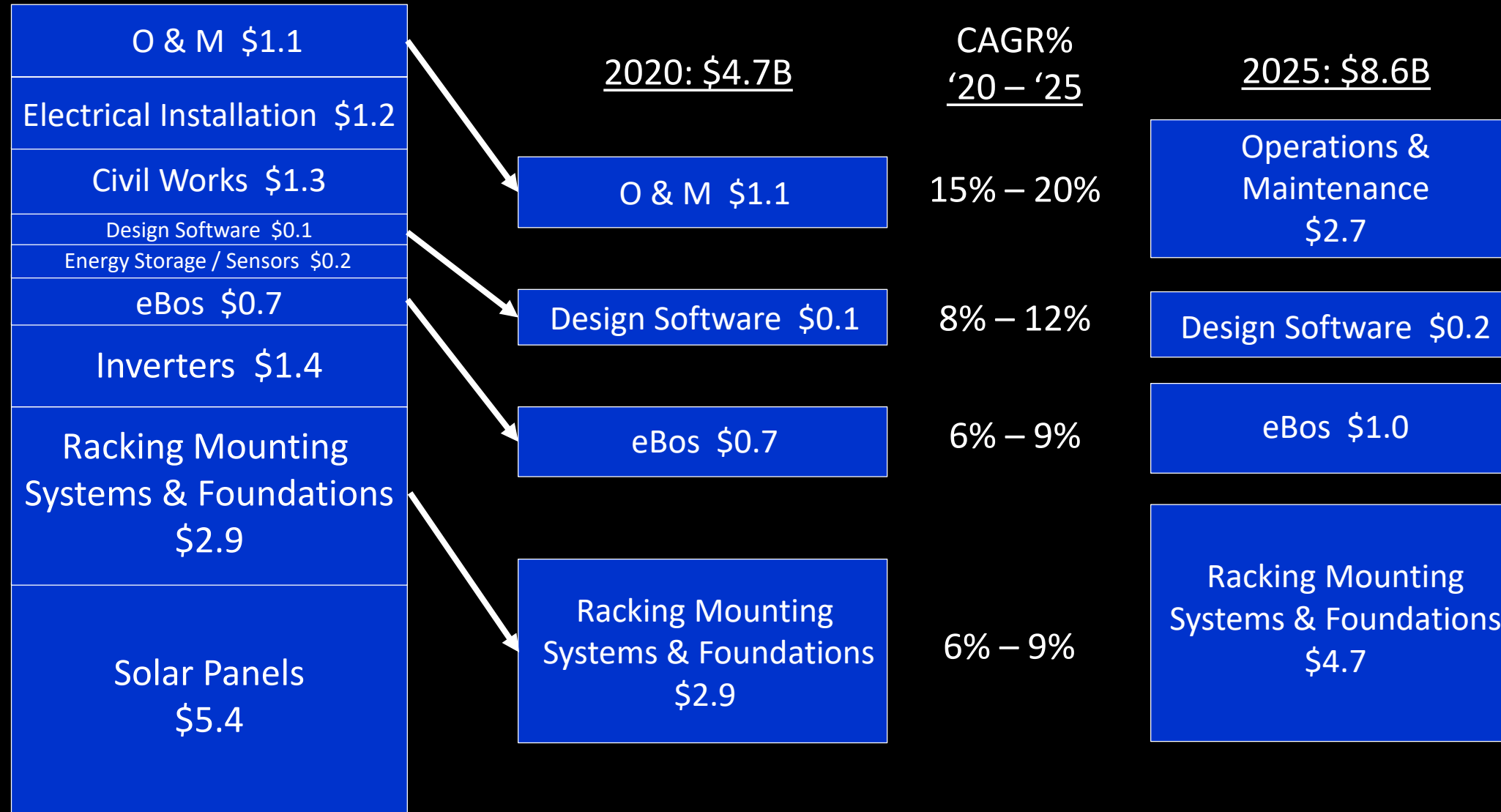


Building Leadership In Key Segments Currently Valued at \$4.7B

\$14.3B US Solar Market

Gibraltar Addressable Market

Key Drivers



- Addressable market growing 10% - 15% CAGR through 2025 across all segments – Community, Commercial & Industrial, and Utility
- Solar energy economics are attractive and are improving with technology & ongoing ITC support
- Market has long runway for infrastructure build out and services as it ages and matures
- Leaders will build presence via Technology / IP in both products and services, scalability, and broader portfolio of services

Summary of TerraSmart Transaction



Transaction Consideration

- \$220M, subject to working capital adjustment
- No earnouts

Transaction Multiple

- 7.9x - 8.5x projected 2020 adjusted EBITDA

Financial Impact

- Expected to be immediately accretive to earnings
- \$150M - \$155M in revenue and \$26M - \$28M in 2020 adjusted EBITDA
- Procurement, field execution, and business system synergies
- Creates foundation for recurring revenue streams

Financial Summary

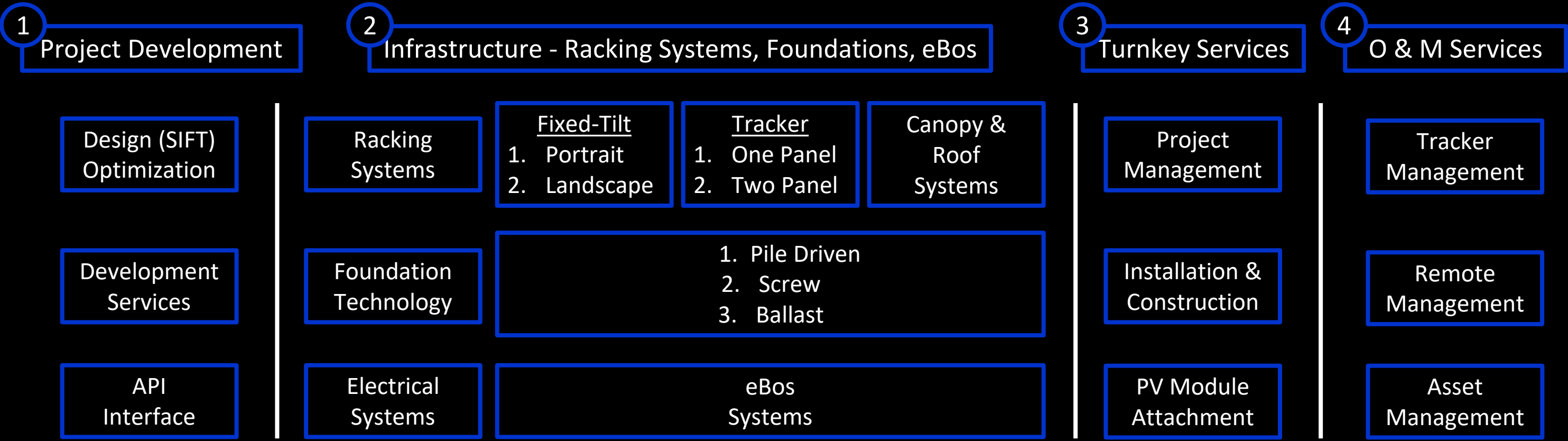
- \$85.0M drawn on revolver, \$0.6M assumed debt, remainder cash on hand
- Post-transaction < 0.5x leverage ratio
- Fully repay the revolver within 12 months using cash from operations

Closing Process

- Transaction closed December 31, 2020



Broadest Portfolio Servicing the U.S. Solar Industry - Best Solution for Solar Energy Production Anywhere on Any Terrain



Serving Community, Commercial & Industrial, and Utility Solar – Small, Medium, and Large Projects



Broadest Portfolio Servicing the U.S. Solar Industry

1 Project Development

Design (SIFT)
Optimization

Development
Services

API
Interface



- Design optimization: deploying the Sunfig Instant Feasibility Tool (SIFT), a web-based software solution that optimizes solar project design for maximum financial return in real time using data and analytics.
- Development services: configure and model complex contract and project requirements with speed, optionality, and accuracy
- API integration: into existing customer software, tools, and processes including automated layout for ground mount and commercial rooftops, DC and AC coupled storage modeling, performance and financial modeling, and topography analysis.



Broadest Portfolio Servicing the U.S. Solar Industry

2 Infrastructure - Racking Systems, Foundations, eBos

Racking Systems	<u>Fixed-Tilt</u> 1. Portrait 2. Landscape	<u>Tracker</u> 1. One Panel 2. Two Panel	Canopy & Roof Systems
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Foundation Technology	1. Pile Driven 2. Screw 3. Ballast
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Electrical Systems	eBos Systems
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- Pile Driven Foundation
- +
- "Ballast" Foundation
- +
- "Fixed Tilt" Racking
- +
- "Two-Panel" Portrait
- +
- eBos System



- Pile Driven Foundation
- +
- "Tracker" Racking
- +
- "One-Panel" Landscape
- +
- eBos System

Broadest Portfolio Servicing the U.S. Solar Industry

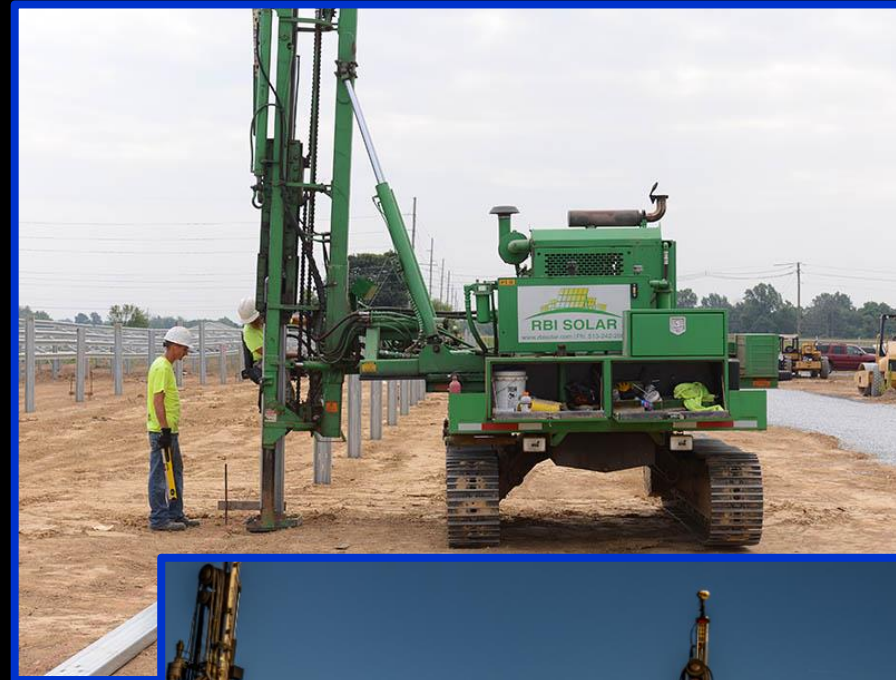
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Turnkey Services

Project Management

Installation & Construction

PV Module Attachment



Broadest Portfolio Servicing the U.S. Solar Industry

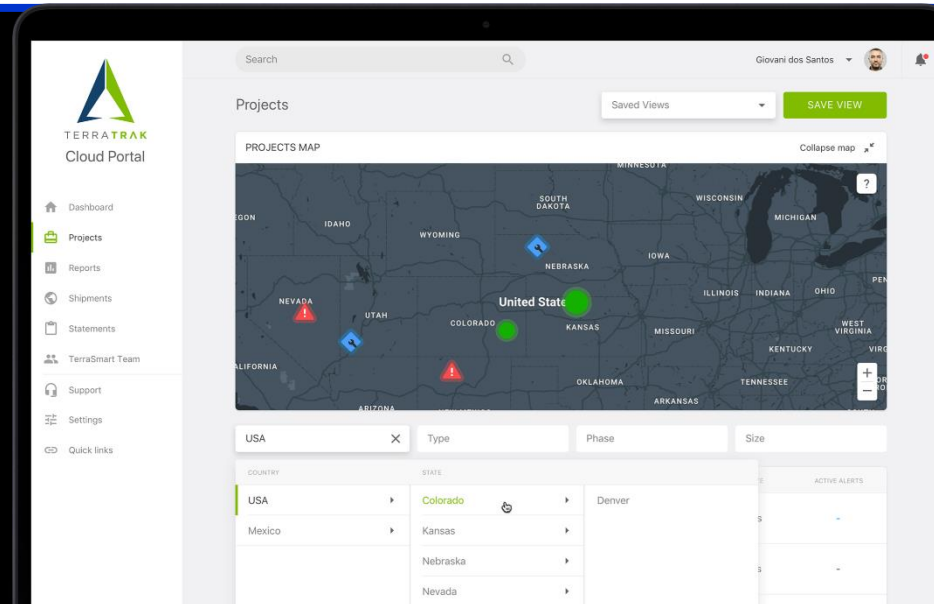
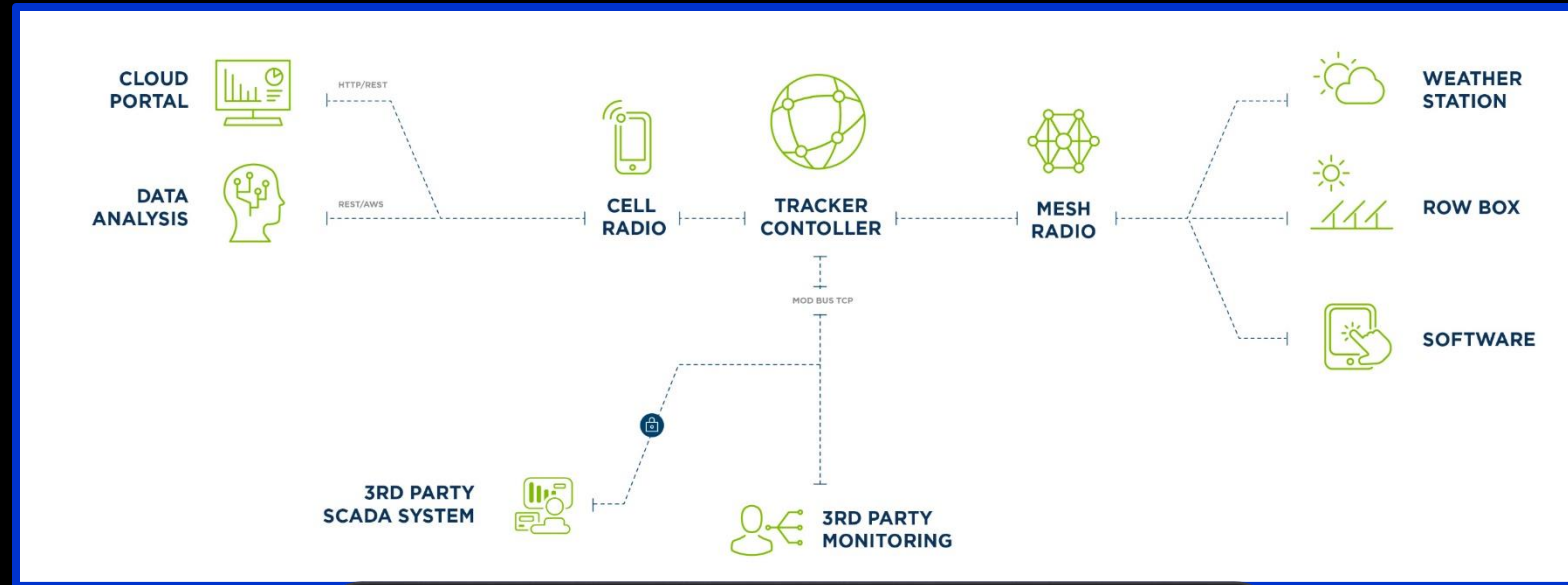
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O & M Services

Tracker Management

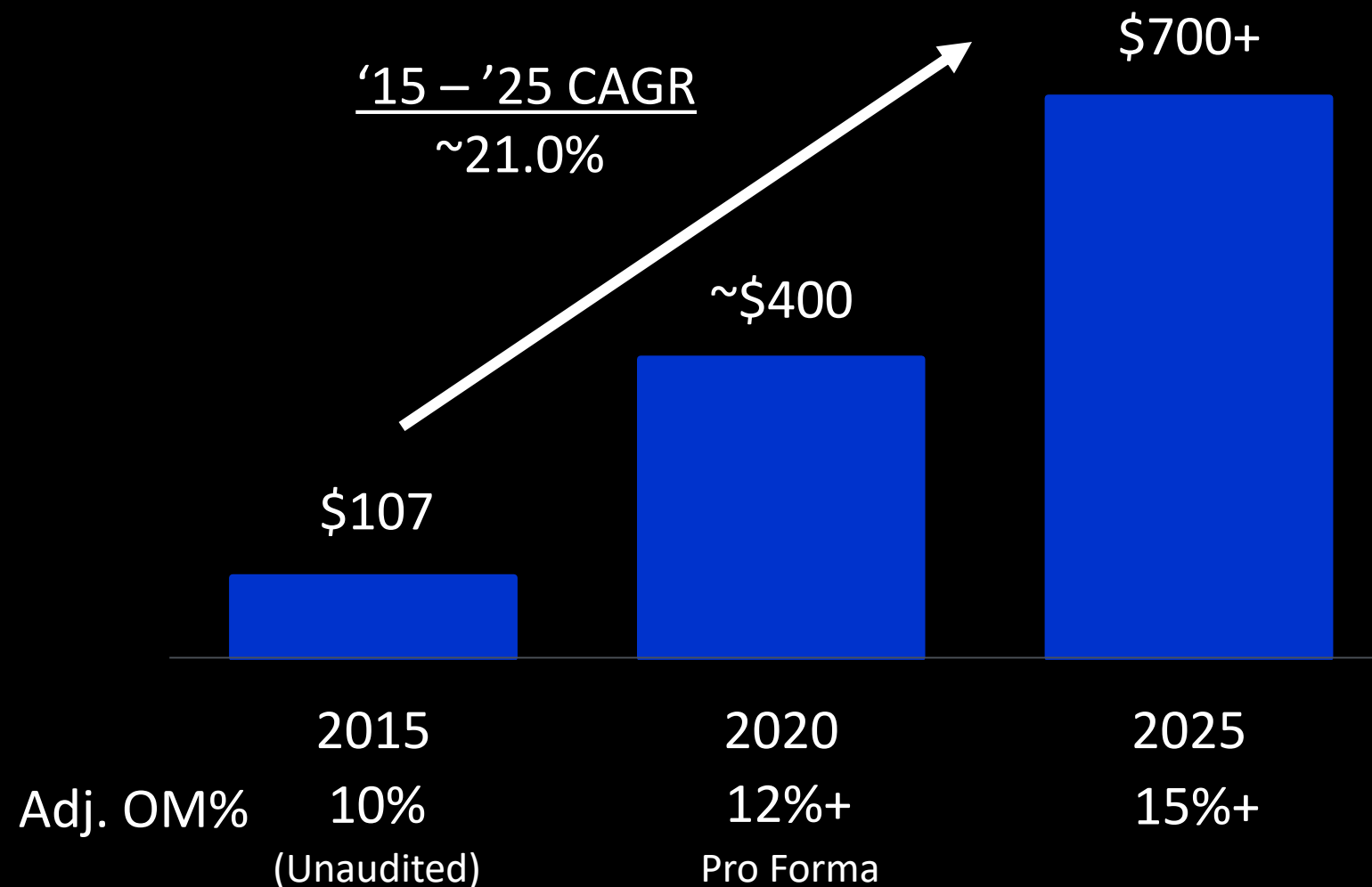
Remote Management

Asset Management



Gibraltar's Solar Energy Business Pro Forma

Revenue (\$M) & Margin (%) Profile



Key Drivers & Initiatives For Business

- Addressable market expected to grow 10% - 15% CAGR
- Grow participation in community, C&I, and utility solar with broadest industry offering
- Accelerate recurring revenue through remote management and optimization services
- Continue innovation / IP development for products and services
- Execute commercial and operational synergies

Key Strategic Benefits of These Transactions For Gibraltar's Solar Energy Business

1 Strengthens and scales our position in the \$4.7B U.S. solar market which is growing at 10% - 15% annually

2 Creates the best portfolio of racking system and foundation technology infrastructure, eBos systems, turnkey services and design software solutions

3 Supports our vision to accelerate making solar energy readily available everywhere

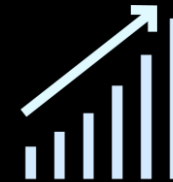
4 Enhances revenue growth and margin profile by driving leadership in a fast growing and profitable market



Investment Highlights



Multi-Industrial focused on sustainable value creation



On track to deliver solid revenue & adjusted EPS growth, surpassing 2019 results



Accelerating transformation to drive growth and returns across platforms vital to core economic needs and less impacted by economic variables



Ample balance sheet flexibility provides resilience, supports growth



Over 45% of revenue base now generated from businesses that solve the world's problems



Asset portfolio leverages core competencies in growing markets

APPENDIX

Recent Acquisitions – Conservation Platform

Commercial Greenhouse



- Completed Q1 2020
- Greenhouse manufacturer & full-service turnkey site provider – built 600+ acres of growing sites since 2005
- Establishes Gibraltar N.A. Market leader in organics, fruits & vegetables
- \$7M purchase price; \$25M working capital investment
- \$75M revenue run rate

Extraction Processing



- 1st Investment, Completed Q3 2019
- Designer & Manufacturer of Botanical Oil Extraction Systems Utilizing Subcritical And Supercritical CO2
- \$12.5M In An All Cash Transaction
- June 30, 2019 TTM Revenues : \$17.7M



- 2nd investment, completed Q1 2020
- Designer & manufacturer of closed-loop ethanol extraction systems, evaporation and distillation equipment & service
- \$50M in an all cash transaction
- 2019 revenue: \$46M

Recent Acquisition – Expanding Leadership Position in Single Family Mail & Package Market



Business Rationale

- Enhanced architectural design
- Improves digital marketing expertise
- Superior outsourcing expertise
- Favorable relationship with USPS

Key Product Offering



Purchase Price \$27M = Approximately 1x Revenue

YTD 2020 Reconciliation Of Adjusted Measures

	NINE MONTHS ENDED SEPTEMBER 30, 2020					
	As Reported in GAAP Statements	Acquisition Related Items	Restructuring Charges	Senior Leadership Transition Costs	Gain on Sale of Business	Adjusted Financial Measures
Net Sales						
Renewable Energy & Conservation	\$ 323,014	\$ -	\$ -	\$ -	\$ -	\$ 323,014
Residential Products	394,609	-	-	-	-	394,609
Industrial & Infrastructure Products	147,831	-	-	-	-	147,831
Less: Inter-Segment Sales	(536)	-	-	-	-	(536)
	147,295	-	-	-	-	147,295
Consolidated Sales	864,918	-	-	-	-	864,918
Income from operations						
Renewable Energy & Conservation	29,082	2,745	578	-	-	32,405
Residential Products	74,143	-	670	-	-	74,813
Industrial & Infrastructure Products	15,832	-	564	-	-	16,396
Segments Income	119,057	2,745	1,812	-	-	123,614
Unallocated corporate expense	(25,417)	325	116	2,512	-	(22,464)
Consolidated income from operations	93,640	3,070	1,928	2,512	-	101,150
Interest expense	385	-	-	-	-	385
Other (income) expense	(1,542)	-	-	-	1,881	339
Income before income taxes	94,797	3,070	1,928	2,512	(1,881)	100,426
Provision for income taxes	21,686	725	455	-	(469)	22,397
Income from continuing operations	\$ 73,111	\$ 2,345	\$ 1,473	\$ 2,512	\$ (1,412)	\$ 78,029
Income from continuing operations per share - diluted	\$ 2.22	\$ 0.07	\$ 0.04	\$ 0.08	\$ (0.04)	\$ 2.37

YTD 2019 Reconciliation Of Adjusted Measures

	NINE MONTHS ENDED SEPTEMBER 30, 2019					
	As Reported in GAAP Statements	Restructuring Charges	Senior Leadership Transition Costs	Acquisition Related Items	Debt Repayment	Adjusted Financial Measures
Net Sales						
Renewable Energy & Conservation	\$ 261,612	\$ -	\$ -	\$ -	\$ -	\$ 261,612
Residential Products	360,417	-	-	-	-	360,417
Industrial & Infrastructure Products	168,096	-	-	-	-	168,096
Less: Inter-Segment Sales	(817)	-	-	-	-	(817)
	167,279	-	-	-	-	167,279
Consolidated Sales	789,308	-	-	-	-	789,308
Income from operations						
Renewable Energy & Conservation	30,914	36	-	1,166	-	32,116
Residential Products	49,880	3,785	78	-	-	53,743
Industrial & Infrastructure Products	13,660	1,598	-	-	-	15,258
Segments Income	94,454	5,419	78	1,166	-	101,117
Unallocated corporate expense	(25,862)	919	6,973	474	-	(17,496)
Consolidated income from operations	68,592	6,338	7,051	1,640	-	83,621
Interest expense	2,297	-	-	-	(1,079)	1,218
Other expense	660	-	-	-	-	660
Income before income taxes	65,635	6,338	7,051	1,640	1,079	81,743
Provision for income taxes	14,901	1,616	481	418	269	17,685
Income from continuing operations	\$ 50,734	\$ 4,722	\$ 6,570	\$ 1,222	\$ 810	\$ 64,058
Income from continuing operations per share - diluted	\$ 1.55	\$ 0.15	\$ 0.20	\$ 0.04	\$ 0.02	\$ 1.96



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