

# Gibraltar Industries

Investor Presentation  
July 2021  
[www.Gibraltar1.com](http://www.Gibraltar1.com)



# Safe Harbor Statements

## Forward-Looking Statements

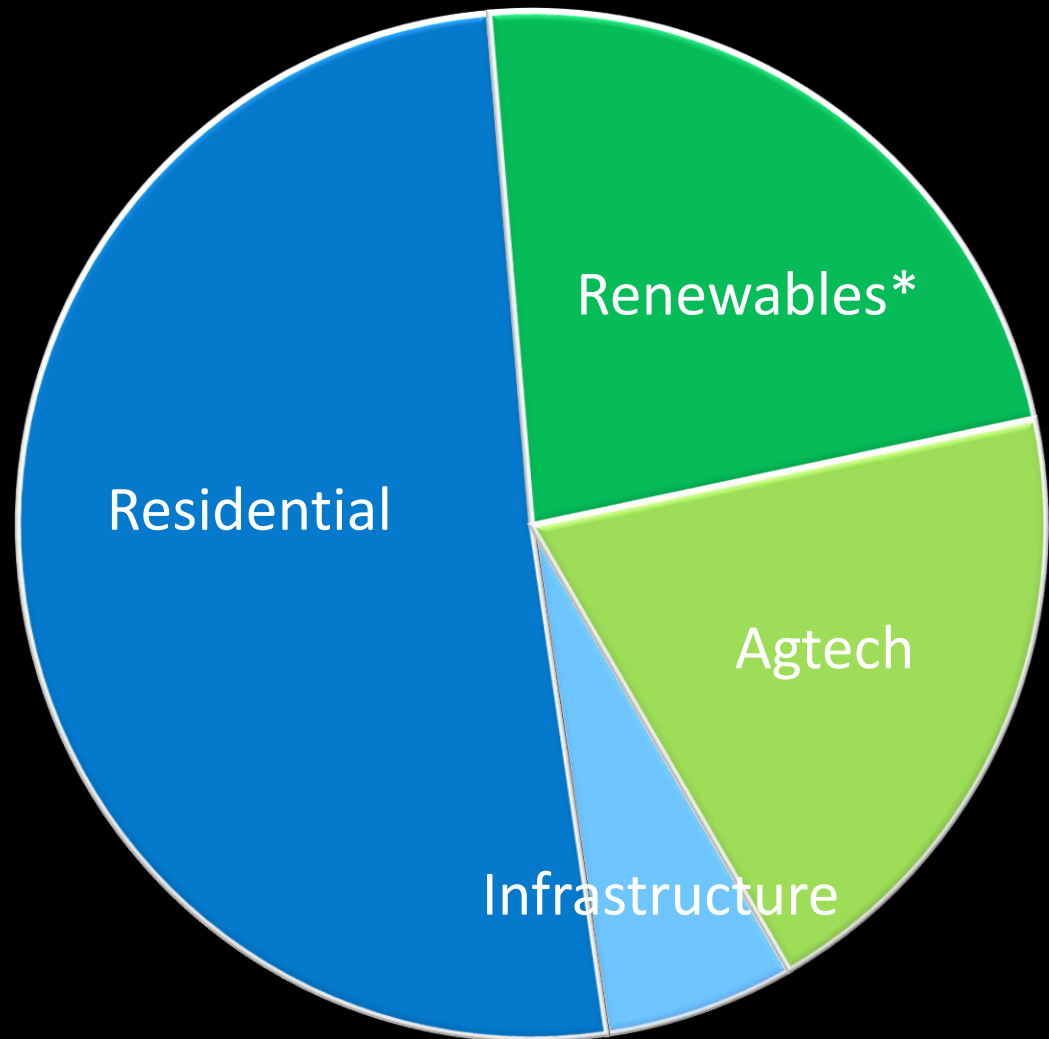
Certain information set forth in this presentation, other than historical statements, contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 that are based, in whole or in part, on current expectations, estimates, forecasts, and projections about 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](http://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 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.

# Gibraltar Industries - \$1B+ Multi-Industrial

2020 Revenue



2020

Revenue (\$M)			Operating Margin (Adj)			Earnings Per Share (Adj)		
2019	2020	Δ %	2019	2020	Δ bps	2019	2020	Δ %
\$898	\$1,033	15%	10.9%	11.3%	+40	\$2.31	\$2.73	18.2%

1 Business System

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

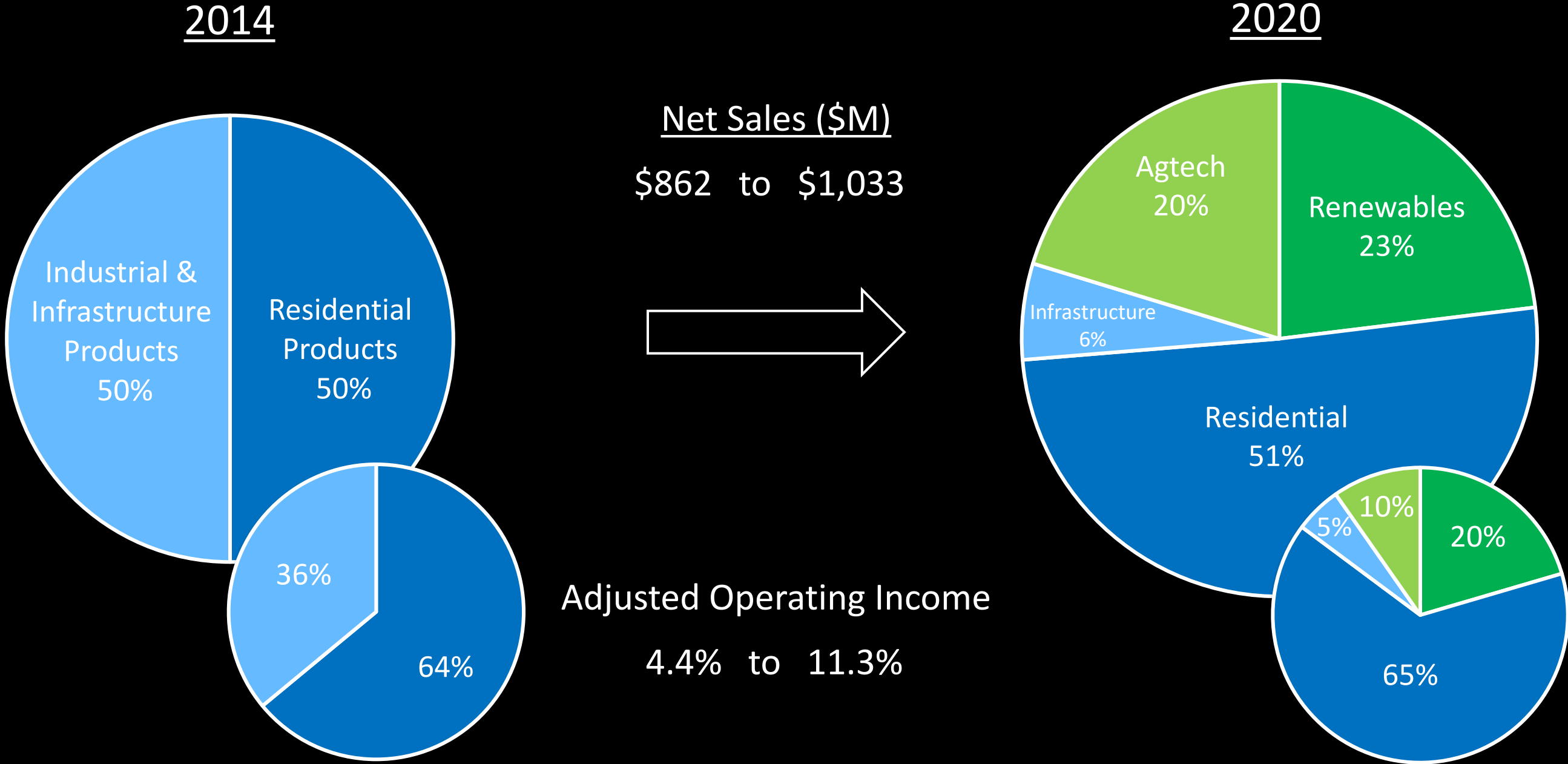
2 Portfolio Management

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

3 Organization

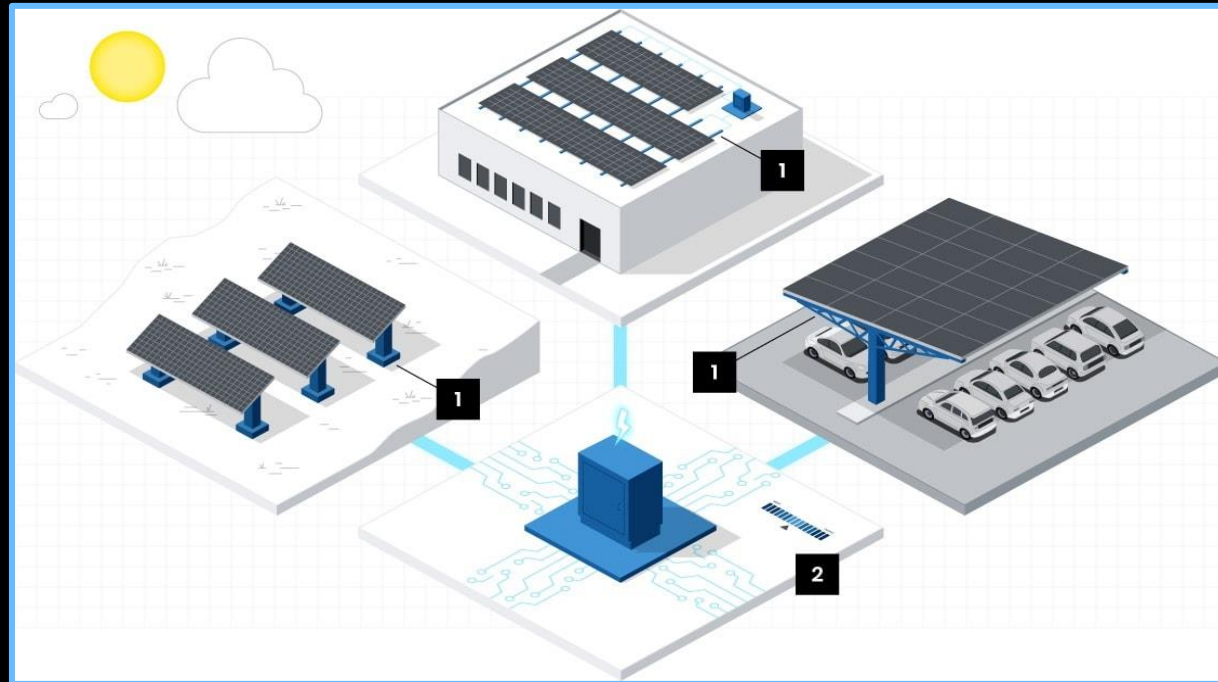
- Talent, Structure, Design
- Best Place To Work – Diversity of Thought
- Health, Safety, Continuous Education

# Gibraltar's Transformation: 2014 To 2020



\*Refer to appendix for adjusted measures reconciliations.

# Renewables



- Racking Systems – Fixed Tilt, Tracker, Canopy
- Screw & Pile Driven Foundation Technology
- Design Software & Asset Management
- Turnkey Field Services – Installation, Civil, O&M

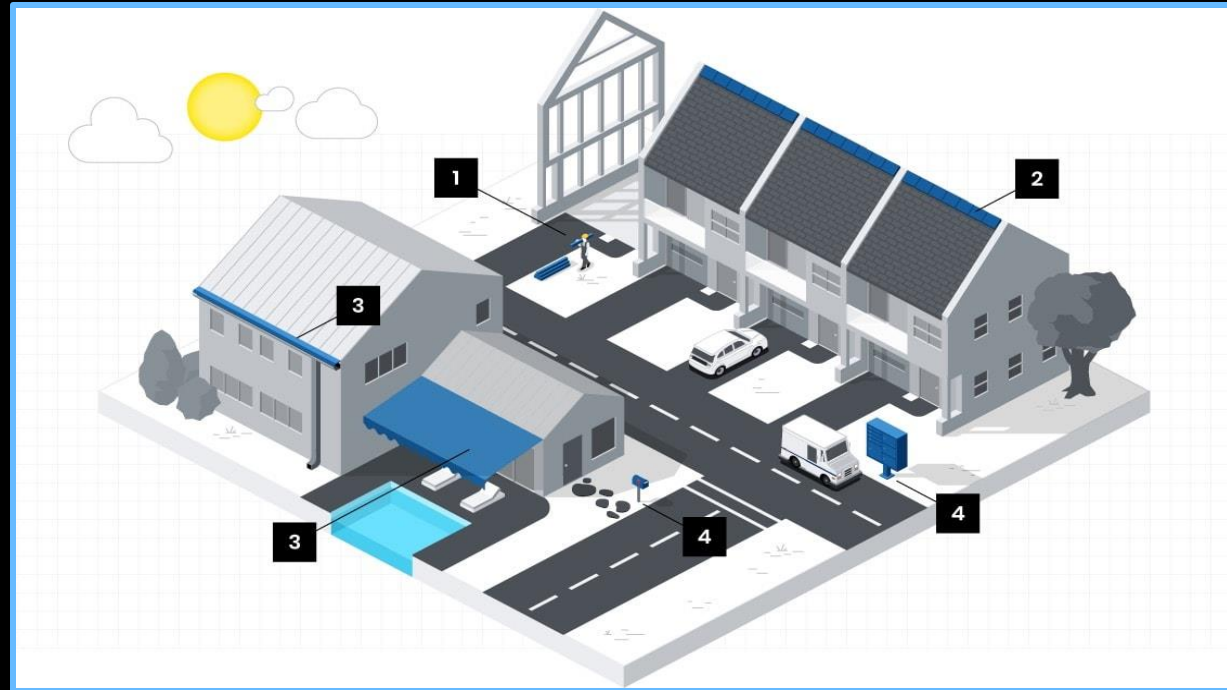
## Market Drivers

- End market growth at 10% - 15% per year
- Financial returns are attractive and improving
- Government ITC benefits extended
- Reliable energy source – community / utility

## Priorities

- Scale the business to support growing demand
- Integrate TerraSmart and Sunfig businesses
- Accelerate Tracker platform across all segments
- Strengthen portfolio with software and services

# Residential



## Market Drivers

- Good residential housing demand for both new and R&R segments
- Supply /demand imbalance across most housing segments with price inflation continuing
- Favorable incentives / interest rates

### 1. Construction

- Metal roofing
- Rain ware systems
- Roofing Accessories

### 2. Home Protection

- Attic ventilation
- Roofing accessories

### 3. Home Comfort

- Awnings & Shading
- Gutter protection

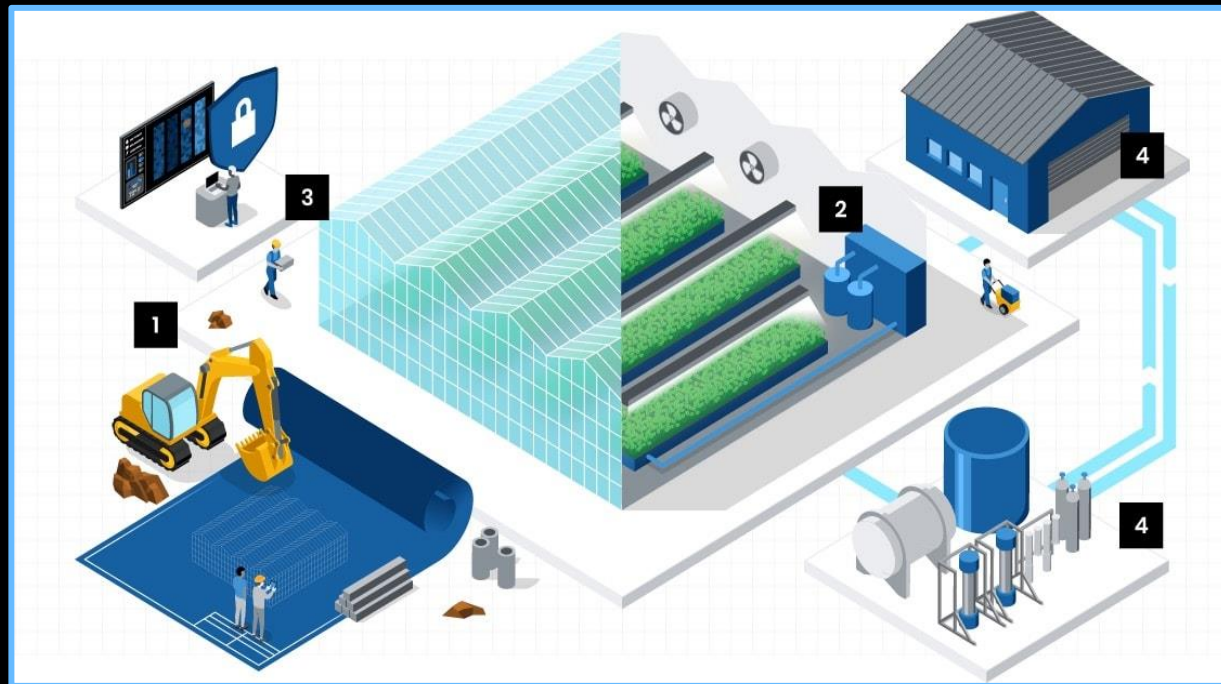
### 4. Postal & Parcel Storage

- Single-home mailbox
- Multi-family mailbox
- Intelligent Lockers

## Priorities

- Geographic and channel participation gains
- Digital systems for customer experience & connectivity, and reducing channel costs
- Managing pricing and input cost inflation, and driving 80/20 productivity initiatives

# Agtech



## Market Drivers

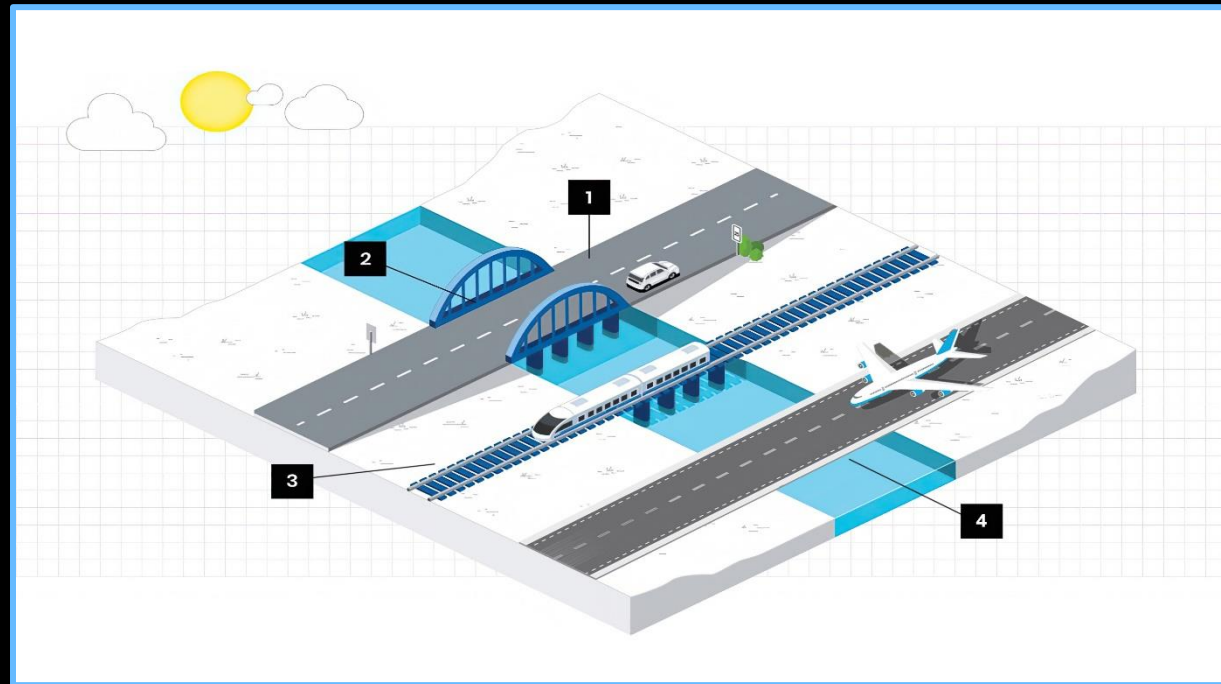
- Strong consumer demand – organics & cannabis-based products
- Market expected to grow 6% - 7% per year driven by Produce and Cannabis markets
- Supply /demand imbalance in Processing extraction equipment market recovers in 2021

## Priorities

- Scale the business to support growing demand – leadership, structure, systems / processes
- Integrate Thermo Solutions, and expand presence in U.S. market with leading growers
- Execute project field management to deliver the best customer experience in the industry

- Greenhouse Design and Manufacturing
- Environmental Systems selection and integration
- Operations & Maintenance Systems
- Extraction Processing Systems

# Infrastructure



## 1. Highways

- Joint seals
- Elastomeric concrete

## 4. Airports

- Joint Seals
- Elastomeric concrete

## 2&3. Bridges / Railways

- Expansion joints
- Bearing assemblies
- Waterproofing
- Protection systems

## Market Drivers

- Infrastructure spending bill anticipated to support State DOT project funding
- Private / Public funding supporting investment
- Strong bidding activity, approaching record levels moving into 2021

## Priorities

- Support existing and new high-speed rail projects with new IP bearing technology
- Continue operations & supply chain improvement to drive growth and margin
- Expand high-margin sealant / coating business



# Our Commitments to Our Stakeholders

## The World

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

- 43% of our portfolio focused on our environment through Renewables & Conservation
- Installed over 2500 solar projects offsetting more than 4M metric tons of CO<sup>2</sup>
- Optimize food chain & crop yield via sunlight, optimal water usage, & no pesticides
- Powering our 1<sup>st</sup> 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 / D&I / 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
- ~44% of Board is diverse

# Conducting Business in the Right and Responsible Way Every Day

## Best Place to Work Initiative – 6 Tenets

1. Health and Safety – pandemic playbook and continue TRIR & “near miss” initiatives
2. Education and Development – 12.5 hours / employee / year curriculum
3. Diversity and Inclusion – “mapping” all locations – 50% of new hires in 2020 diverse
4. Corporate Social Responsibility – our people, our communities, the world
5. Compensation and Employee Benefits – fairness, recruiting, and retention focus
6. Communication and Employee Engagement – quarterly “Town Halls” with CEO

## Environmental

1. Developing company-wide sustainability report and building a scientific-based carbon reduction plan for each operating location by 2022
2. Launched partnership with Department of Energy’s “Better Plants Program”
3. Installing our 1<sup>st</sup> solar field to generate 100% of electricity needs for our Mail & Package manufacturing facility in Manhattan, Kansas
4. Installed over 2,500 solar energy fields and over 2,500 acres of controlled-environment commercial growing sites in North America

## Board Composition And Mandate

1. Board has evolved in 2020 and 2021 – 4 new members adding competency / experience
  - Digital transformation / information technology / cyber security
  - Renewable energy, E/S/G leadership & management
  - Strategy, Marketing, Legal
2. Restated committee names, and expanded missions and charters
3. Added 12.5 hours of education to existing annual “learning” curriculum

# 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

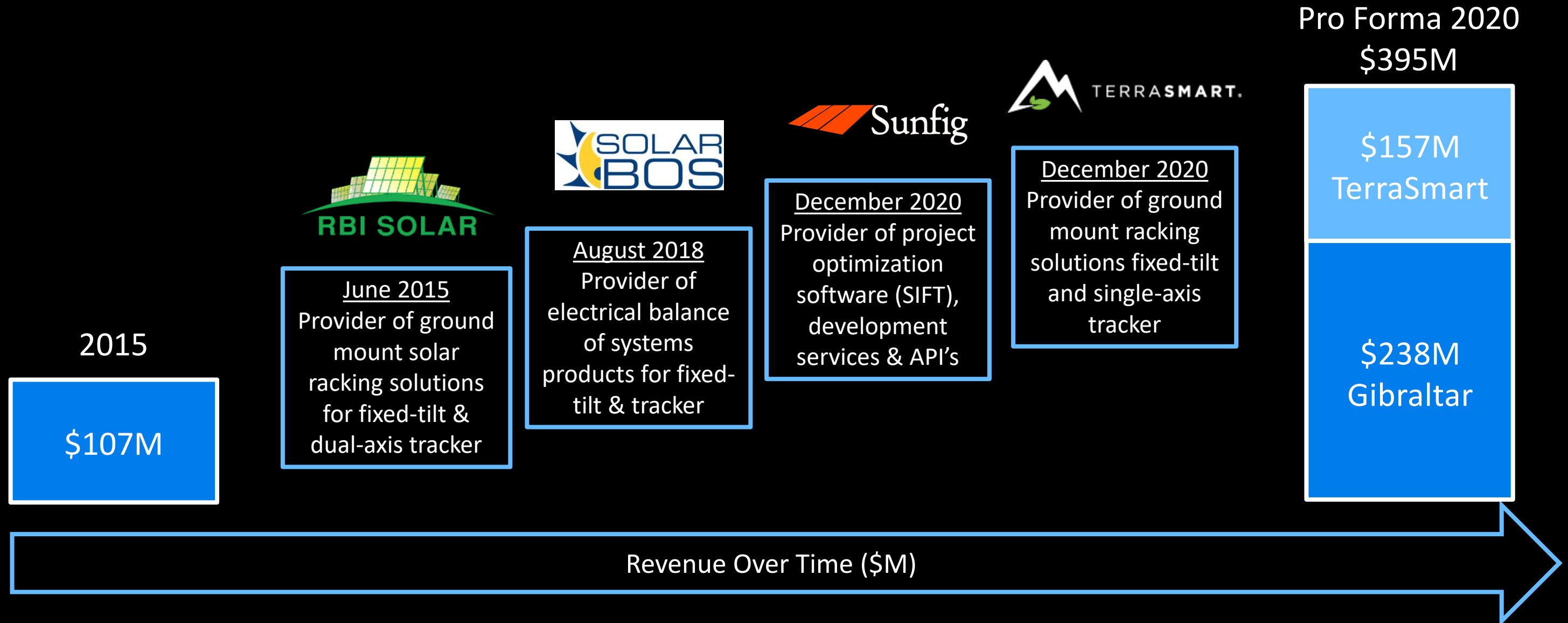
Roadmap to create unique leadership and industry-leading relevance in our markets



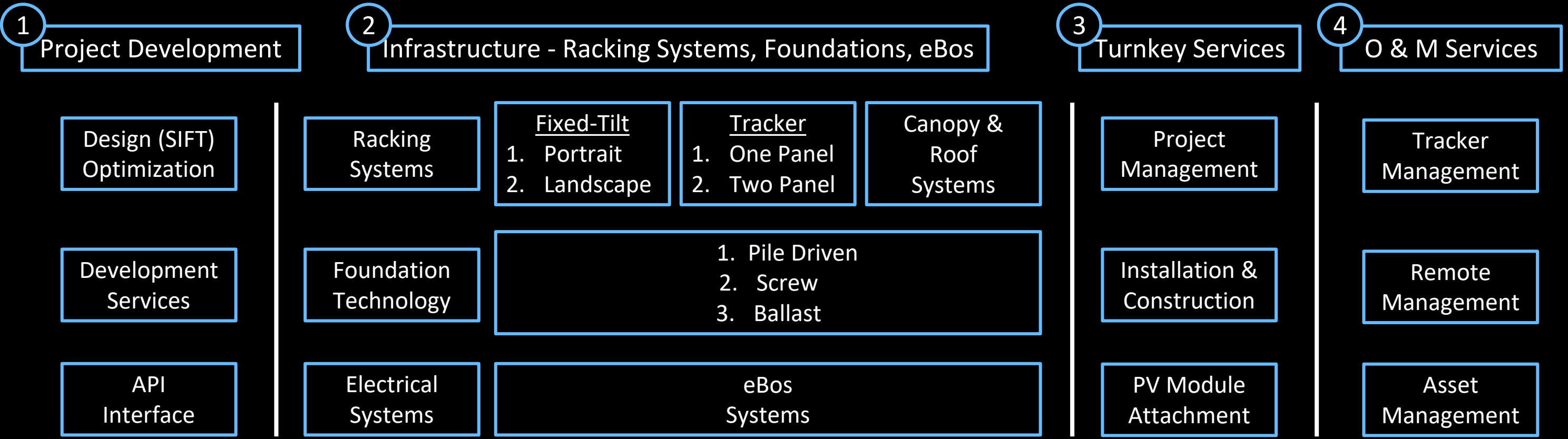
Market Attractiveness		
Market Outlook	Demand Profile	Market Structure
Growing and sustaining high margins and ROIC	Stable and predictable market	Business model / limited disruption

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

# Renewables: Building Leadership And Relevance Serving Community, Commercial & Industrial, And Utility Solar Segments



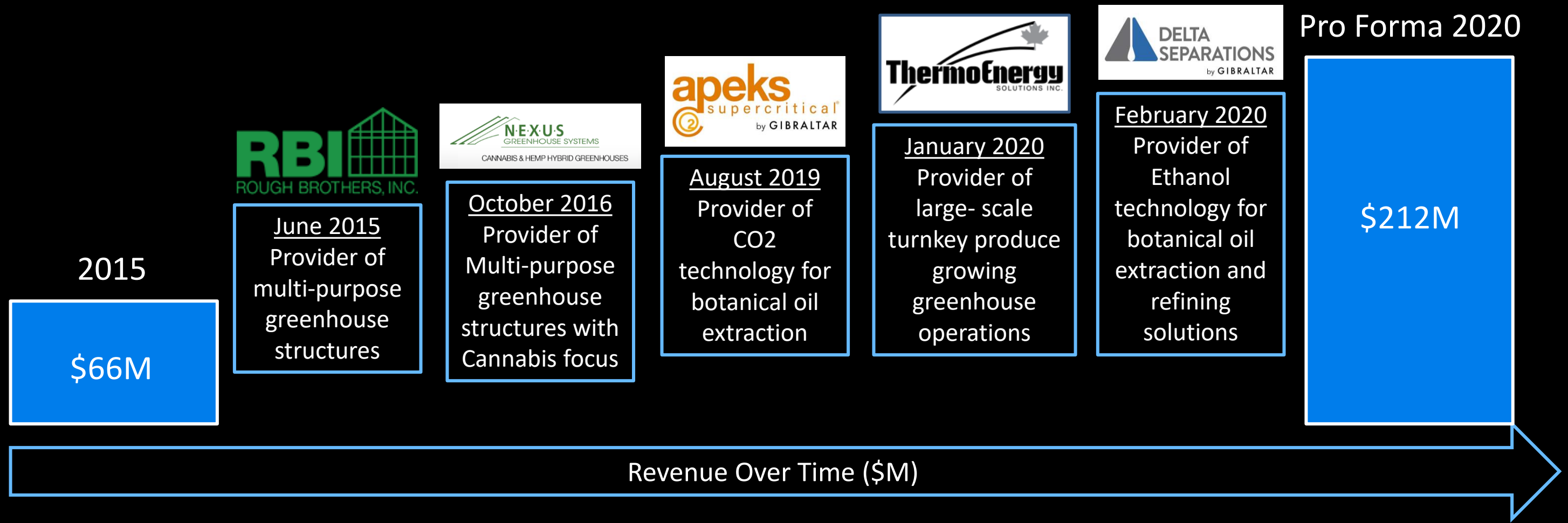
# Broadest Portfolio Servicing the U.S. Solar Industry - Best Solution for Solar Energy Production Anywhere on Any Terrain



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



# Agtech: Driving Productivity, Research, and Innovation For Growers & Processors Of Fruits, Vegetables, Cannabis, and Flowers



# Agtech Has Strong Leadership Positions Providing A Broad Suite of Technology, Services & Domain Knowledge In Six Attractive Markets

Greenhouse Design

Greenhouse Manufacture

General Contracting

Growing systems

Repair & Maintenance

Engineering & Consulting

Processing Equipment



Produce – Fruits & Vegetables



Cannabis



Flowers & Horticulture



Institutional & Botanical



Academic & Research Facilities



Retail Centers & Car Wash

# Our New Brand Reflects Our Leadership In Agtech Solutions for Controlled Environment Agriculture

Our Heritage Brands today – 187 years of combined experience in Agtech and Controlled Environment Agriculture – over 2,500 acres installed



Leader in greenhouse market with focus on institutional, horticulture, research, and retail



Leader in large scale Produce growing solutions delivered as turnkey facilities



Indoor growing solutions



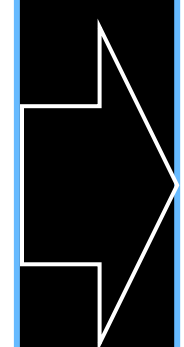
Leader in greenhouse market with a special focus on Cannabis greenhouse solutions



Leadership in CO2 extraction solutions



Leadership in Ethanol and Solventless extraction and refining solutions



May 4, 2021 Rebranded As:

## PROSPIANT

The broadest portfolio of Agtech solutions for Controlled Environment Agriculture and soil to oil Cannabis ecosystem

Product/Category Names	Growing Product Offerings	<ul style="list-style-type: none"> <li>• RBI Commercial Growing</li> <li>• Thermo Produce Growing</li> <li>• Nexus Cannabis Cultivation</li> </ul>
	Processing Product Offerings	<ul style="list-style-type: none"> <li>• Apeks CO<sub>2</sub> Extraction Technologies</li> <li>• Delta Ethanol Extraction Technologies</li> <li>• Delta Solventless Separation Technologies</li> </ul>

[www.prospiant.com](http://www.prospiant.com)



# Accelerating Our Transformation In 2021

## Strategic Pillars

Business System

Portfolio  
Management

Organization  
Development

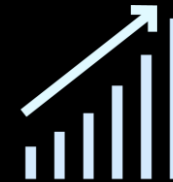
## 2021 Key Priorities

1. Scale the Renewables and Agtech businesses
  - Integrate acquisitions per plan to support growth, customers, and returns
  - Execute record customer / order backlog flawlessly
  - Continue to build organization capabilities, tools and processes, and systems
  - Strengthen portfolio with technology/IP, software, and services
2. Improve execution across Gibraltar – health & safety, 80/20, productivity, quality, NPD
3. Proactively manage and optimize supply chain
  - Input cost inflation – steel, aluminum, resin and consistent supplier delivery
4. Continue to conduct business the right and responsible way every day
  - Drive Environmentally-Sound Solutions: Energy Production, Growing Food, Efficiency
  - Invest in the communities where our people live & work
  - Create the best environment for our people to have success

# 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



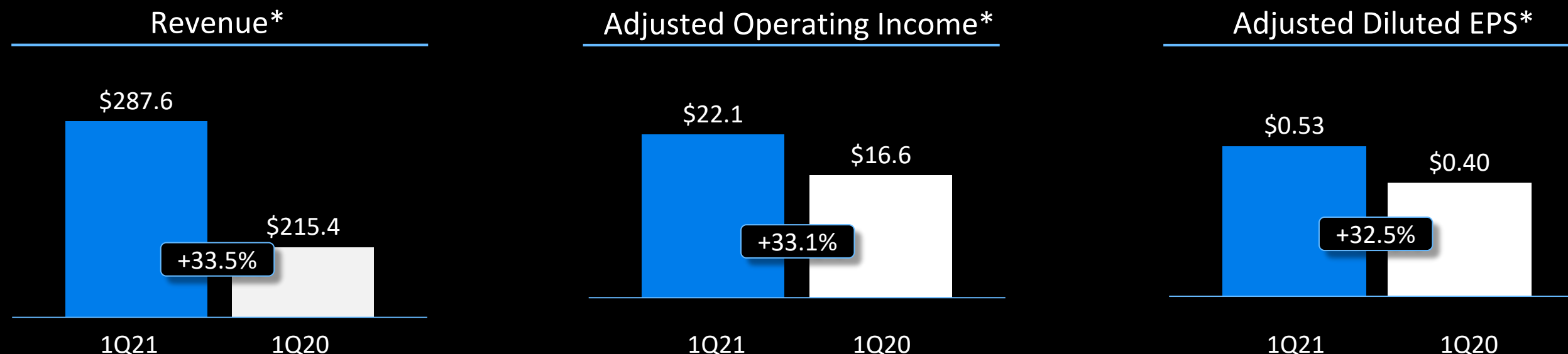
Over 45% of revenue base now generated from businesses that solve the world's problems



Asset portfolio leverages core competencies in growing markets

# APPENDIX

# Consolidated Financial Performance



## Revenue

- Up 34% from 10% organic growth and 24% from acquisitions in Renewables, Agtech, and Residential segments
- End market strength in Residential and Renewables with robust activity in produce and recovery starting in cannabis
- Strong demand in all four segments with order backlog at record \$355 million

## Operating Income & EPS

- Strong margin expansion in Residential and Infrastructure and good performance in legacy Renewables with positive impact from TerraSmart acquisition
- Solid price / cost management and 80/20 productivity
- Positive mix across our products and services
- Managing headwinds - pandemic, material inflation, labor availability, and performance-based compensation

# Recent Acquisitions – Renewables

## TerraSmart



- Completed end of December 2020
- Leading provider of screw-based, ground-mount solar racking technology, particularly used for solar projects on challenging terrain.
- Design, engineer, manufacture and install
- \$220 million purchase price, subject to working capital adjustment. Cash on hand + \$85 million draw on revolver
- \$157 million in 2020 revenue

## Sunfig



- Completed mid-December 2020
- Provider of software solutions that optimize solar energy investments through upstream design, performance and financial modeling
- \$3.75 million purchase price

# Broadest Portfolio Servicing the U.S. Solar Industry

## 1 Project Development

Design (SIFT)  
Optimization

Development  
Services

API  
Interface

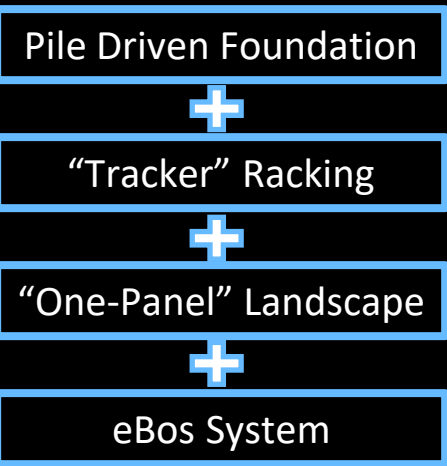
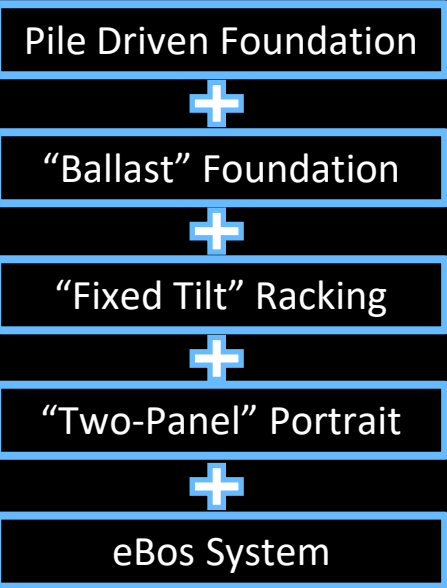
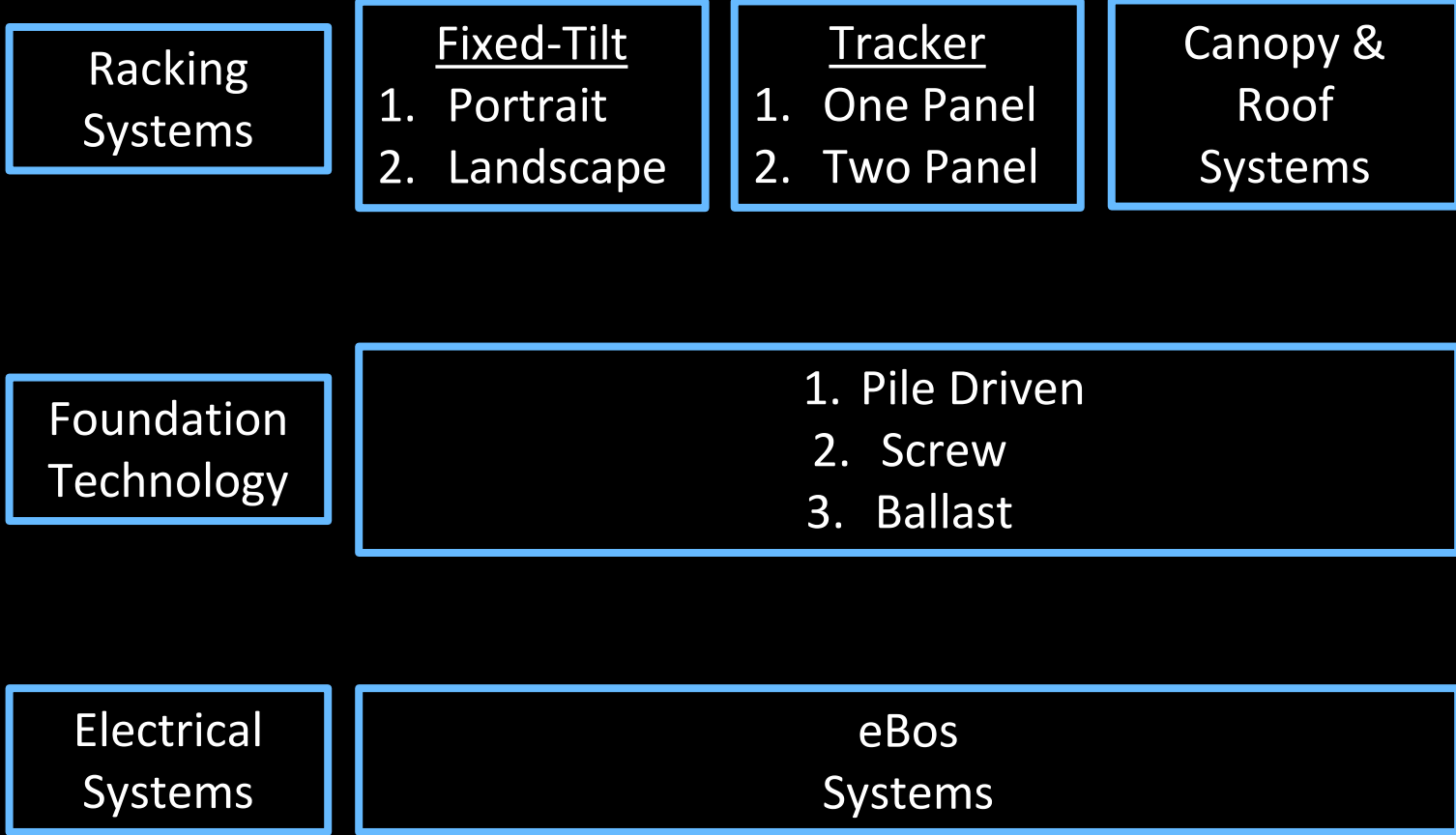


- Design optimization: deploying the Sunfig Instant Feasibility Tool (SIFT), a web-based software solution that optimizes solar project design for maximum financial return in real time using data and analytics.
- Development services: configure and model complex contract and project requirements with 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



# Broadest Portfolio Servicing the U.S. Solar Industry

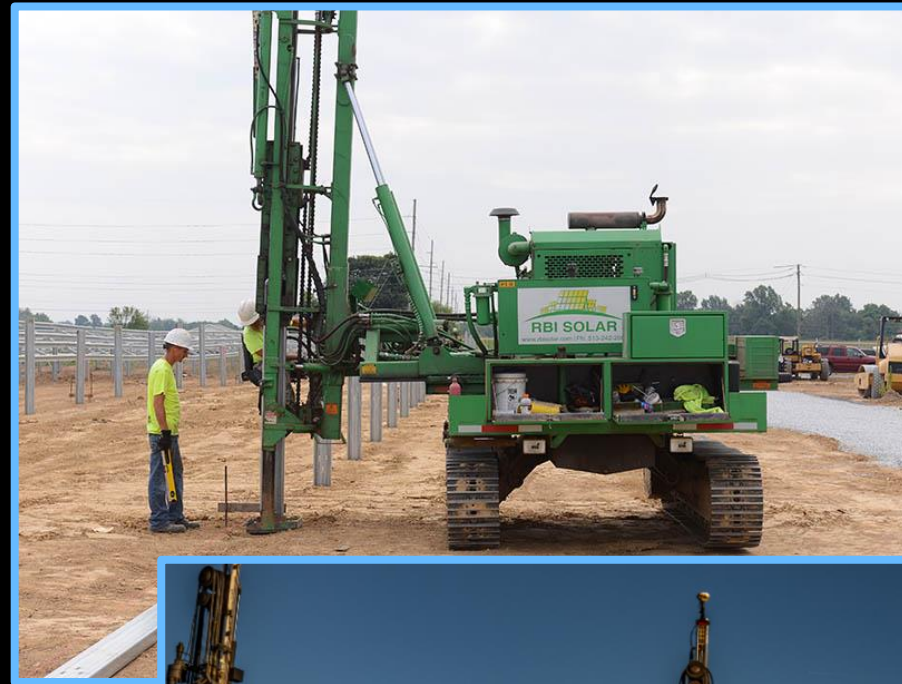
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Turnkey Services

Project Management

Installation & Construction

PV Module Attachment





# Broadest Portfolio Servicing the U.S. Solar Industry

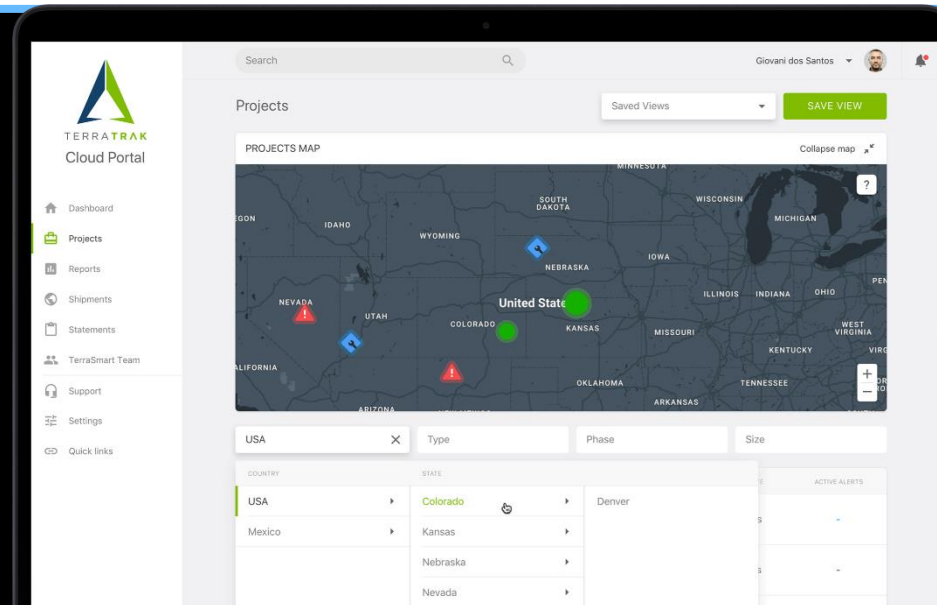
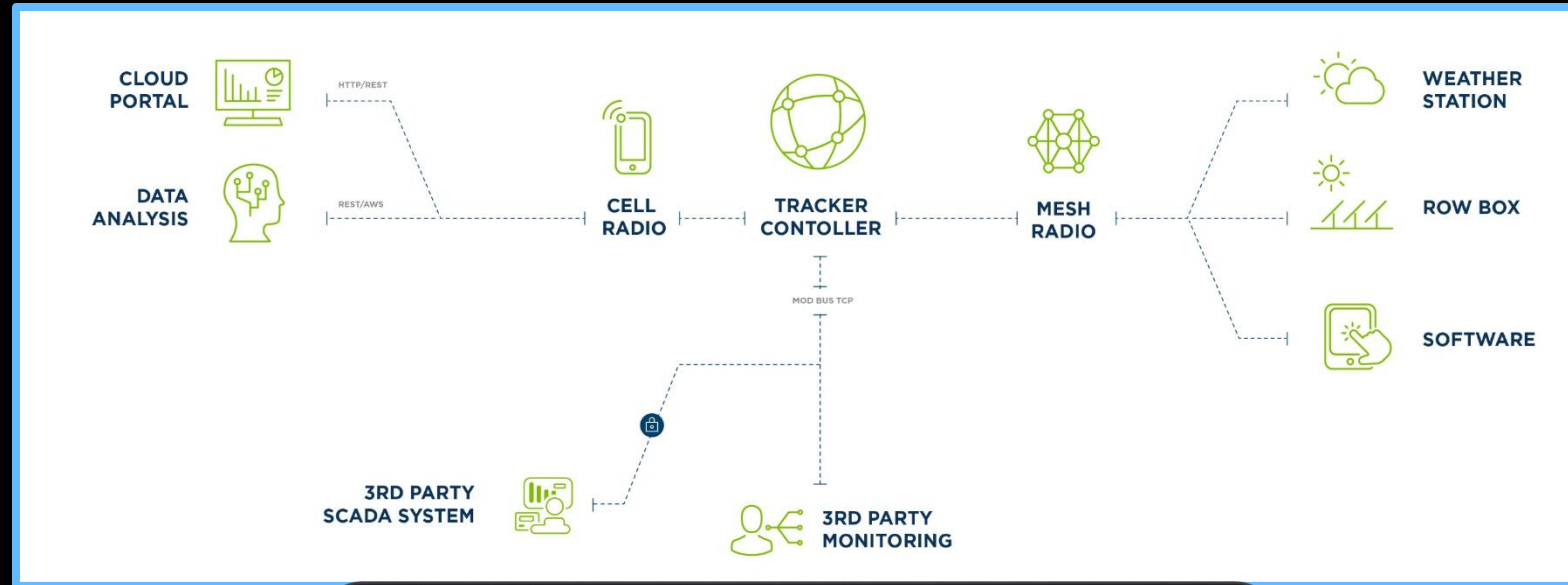
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O & M Services

Tracker Management

Remote Management

Asset Management



# Recent Acquisitions – Agtech

## 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



- 1<sup>st</sup> 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



- 2<sup>nd</sup> 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

# Q1 2021 Reconciliation Of Adjusted Measures

	THREE MONTHS ENDED MARCH 31, 2021				
	As Reported in GAAP Statements	Acquisition Related Items	Restructuring Charges	Senior Leadership Transition Costs	Adjusted Financial Measures
Net Sales					
Renewables	\$ 85,512	\$ -	\$ -	\$ -	\$ 85,512
Residential	140,217	-	-	-	140,217
Agtech	46,739	-	-	-	46,739
Infrastructure	15,124	-	-	-	15,124
Consolidated Sales	287,592	-	-	-	287,592
Income from operations					
Renewables	(521)	1,900	4,971	-	6,350
Residential	22,934	-	65	-	22,999
Agtech	929	-	204	-	1,133
Infrastructure	2,037	-	-	-	2,037
Segments Income	25,379	1,900	5,240	-	32,519
Unallocated corporate expense	(12,564)	883	-	1,289	(10,392)
Consolidated income from operations	12,815	2,783	5,240	1,289	22,127
Interest expense	444	-	-	-	444
Other expense	315	-	-	-	315
Income before income taxes	12,056	2,783	5,240	1,289	21,368
Provision for income taxes	1,560	707	1,373	306	3,946
Income from continuing operations	\$ 10,496	\$ 2,076	\$ 3,867	\$ 983	\$ 17,422
Income from continuing operations per share - diluted	\$ 0.32	\$ 0.06	\$ 0.12	\$ 0.03	\$ 0.53

# Q1 2020 Reconciliation Of Adjusted Measures

	THREE MONTHS ENDED MARCH 31, 2020			
	As Reported in GAAP Statements	Acquisition Related Items	Restructuring & Senior Leadership Transition Costs	Adjusted Financial Measures
Net Sales				
Renewables	\$ 47,263	\$ -	\$ -	\$ 47,263
Residential	103,419	-	-	103,419
Agtech	49,234			49,234
Infrastructure	15,485	-	-	15,485
Consolidated Sales	215,401	-	-	215,401
Income from operations				
Renewables	4,359	-	18	4,377
Residential	13,725	-	221	13,946
Agtech	1,340	1,001	-	2,341
Infrastructure	1,576	-	-	1,576
Segment Income	21,000	1,001	239	22,240
Unallocated corporate expense	(8,223)	259	2,280	(5,684)
Consolidated income from operations	12,777	1,260	2,519	16,556
Interest expense	44	-	-	44
Other expense	518	-	-	518
Income before income taxes	12,215	1,260	2,519	15,994
Provision for income taxes	2,313	316	59	2,688
Income from continuing operations	\$ 9,902	\$ 944	\$ 2,460	\$ 13,306
Income from continuing operations per share - diluted	\$ 0.30	\$ 0.03	\$ 0.07	\$ 0.40

# 2020 Reconciliation Of Adjusted Measures

	TWELVE MONTHS ENDED DECEMBER 31, 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						
Renewables	\$ 238,107	\$ -	\$ -	\$ -	\$ -	\$ 238,107
Residential	522,814	-	-	-	-	522,814
Agtech	209,460	-	-	-	-	209,460
Infrastructure	62,197	-	-	-	-	62,197
Consolidated Sales	1,032,578	-	-	-	-	1,032,578
Income from operations						
Renewables	30,105	-	15	-	-	30,120
Residential	94,430	-	740	-	-	95,170
Agtech	10,633	2,779	932	-	-	14,344
Infrastructure	7,233	-	226	-	-	7,459
Segments Income	142,401	2,779	1,913	-	-	147,093
Unallocated corporate expense	(35,211)	1,991	375	2,526	-	(30,319)
Consolidated income from operations	107,190	4,770	2,288	2,526	-	116,774
Interest expense	703	-	-	-	-	703
Other (income) expense	(1,272)	-	-	-	1,881	609
Income before income taxes	107,759	4,770	2,288	2,526	(1,881)	115,462
Provision for income taxes	24,468	1,164	547	-	(469)	25,710
Income from continuing operations	\$ 83,291	\$ 3,606	\$ 1,741	\$ 2,526	\$ (1,412)	\$ 89,752
Income from continuing operations per share - diluted	\$ 2.53	\$ 0.11	\$ 0.05	\$ 0.08	\$ (0.04)	\$ 2.73

# 2019 Reconciliation Of Adjusted Measures

	TWELVE MONTHS ENDED DECEMBER 31, 2019			
	As Reported in GAAP Statements	Restructuring, Acquisition & Debt Repayment Costs	Senior Leadership Transition Costs	Adjusted Financial Measures
Net Sales				
Renewables	\$ 229,755	\$ -	\$ -	\$ 229,755
Residential	461,630	-	-	461,630
Agtech	143,268	-	-	143,268
Infrastructure	63,580	-	-	63,580
Consolidated Sales	898,233	-	-	898,233
Income from operations				
Renewables	24,788	66	-	24,854
Residential	63,047	3,857	78	66,982
Agtech	22,770	1,424	-	24,194
Infrastructure	6,428	-	-	6,428
Segment Income	117,033	5,347	78	122,458
Unallocated corporate expense	(36,221)	2,145	9,666	(24,410)
Consolidated income from operations	80,812	7,492	9,744	98,048
Interest expense	2,323	(1,079)	-	1,244
Other expense	408	-	-	408
Income before income taxes	78,081	8,571	9,744	96,396
Provision for income taxes	18,153	2,080	615	20,848
Income from continuing operations	\$ 59,928	\$ 6,491	\$ 9,129	\$ 75,548
Income from continuing operations per share - diluted	\$ 1.83	\$ 0.20	\$ 0.28	\$ 2.31

# 2014 Reconciliation Of Adjusted Measures

	TWELVE MONTHS ENDED DECEMBER 31, 2014				
	As Reported in GAAP Statements	Restructuring Charges	Acquisition Related Items	Intangible Asset Impairment	Adjusted Financial Measures
Net Sales					
Residential Products	431,915	-	-	-	431,915
Industrial & Infrastructure Products	431,432	-	-	-	431,432
Less: Inter-Segment Sales	(1,260)	-	-	-	(1,260)
	430,172	-	-	-	430,172
Consolidated Sales	862,087	-	-	-	862,087
Income from operations					
Residential Products	16,416	752	206	15,435	32,809
Industrial & Infrastructure Products	(74,634)	919	-	92,535	18,820
Segments Income	(58,218)	1,671	206	107,970	51,629
Unallocated corporate expense	(12,199)	-	(1,594)	-	(13,793)
Consolidated (loss) income from operations	(70,417)	1,671	(1,388)	107,970	37,836
Interest expense	14,421	-	-	-	14,421
Other income	(88)	-	-	-	(88)
Loss (income) before income taxes	(84,750)	1,671	(1,388)	107,970	23,503
(Benefit of ) provision for income taxes	(2,958)	593	(510)	11,811	8,936
(Loss) income from continuing operations	\$ (81,792)	\$ 1,078	\$ (878)	\$ 96,159	\$ 14,567
(Loss) income from continuing operations per share - diluted	\$ (2.63)	\$ 0.03	\$ (0.02)	\$ 3.09	\$ 0.47



**GIBRALTAR**