



Third-Quarter 2018 Earnings Call

November 1, 2018

This presentation should be
viewed in conjunction with
Gibraltar's November 1, 2018
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, acquisition-related items, and other reclassifications including the impact of the recent tax reform. 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.

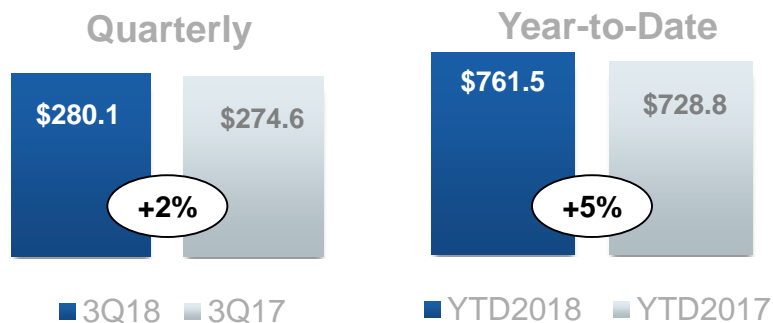
GAAP and Adjusted earnings at higher end of Q3 Guidance

- Revenues \$280.1 vs prior year \$274.6
- GAAP EPS \$0.60 vs prior year \$0.64
- Adjusted EPS \$0.71 vs prior year \$0.67
- Recovered continuing raw material cost volatility with price increases
- Innovative products drive growth



Solid Consolidated Results

Revenues



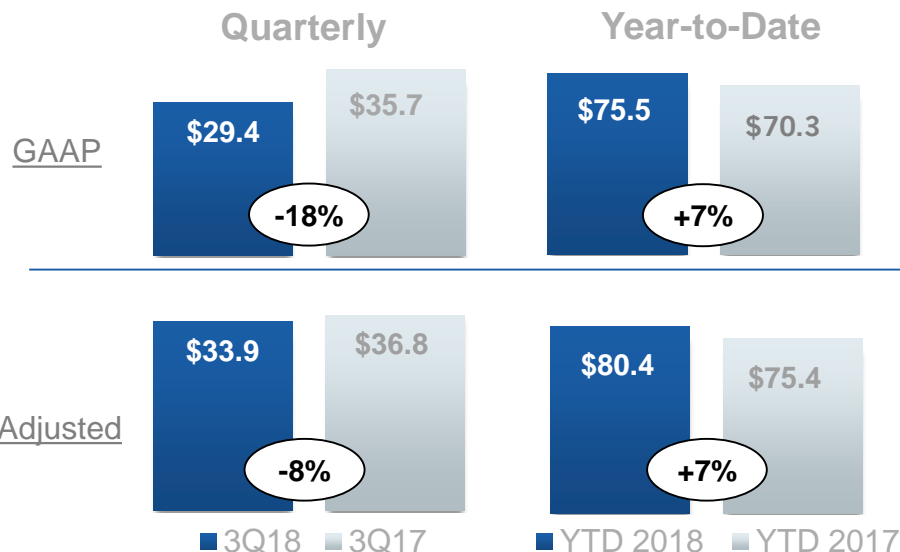
3Q18 Revenue Highlights

- Strong demand in Renewable Energy & Conservation and innovative products
- Offset lower sales in Residential and Infrastructure

3Q18 Operating Income / EPS Highlights

- Higher performance-based compensation
- Effective price / material cost management
- Greater mix of innovative products and contribution from 80/20 initiatives

Operating Income*



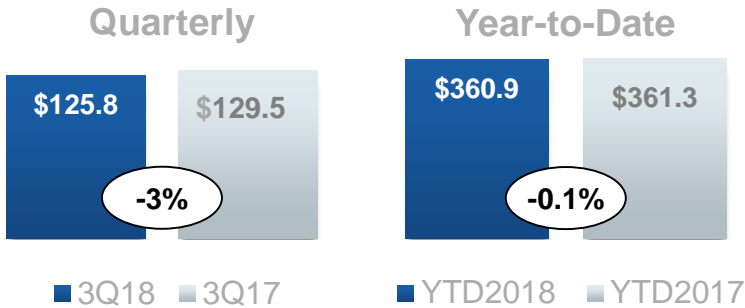
Diluted EPS*



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

Residential Products Segment

Revenues



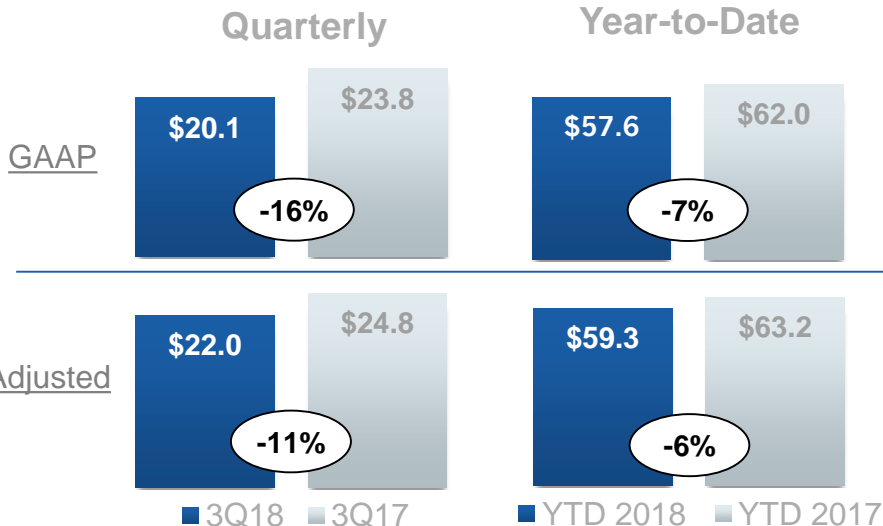
3Q18 Revenues

- Unfavorable comparison from strong roofing activity in 2017; softer commercial / multi-family market activity levels
- Partially offset by steady demand for rain management products

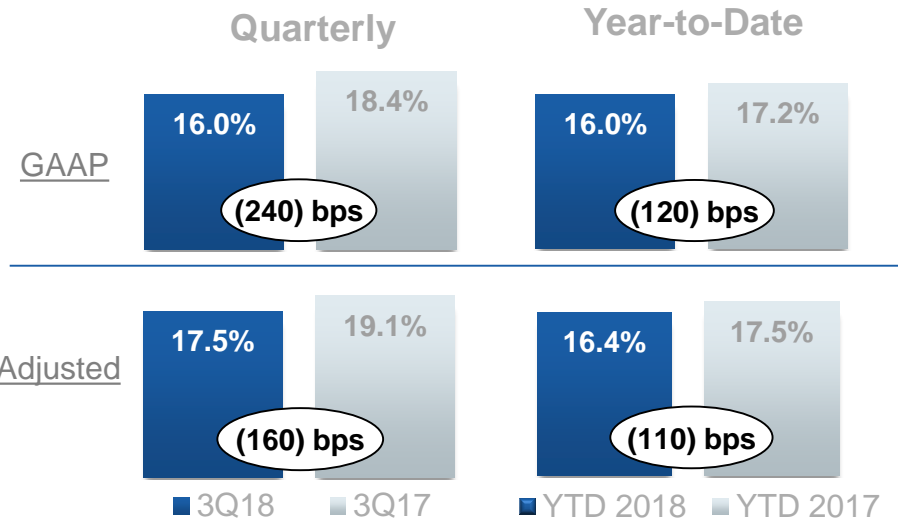
3Q18 Operating Income / Margin

- Unfavorable product mix & lower volume

Operating Income*



Operating Margin*

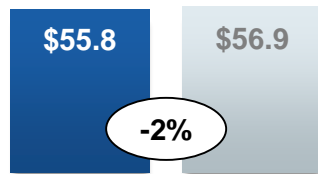


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Industrial & Infrastructure Products Segment

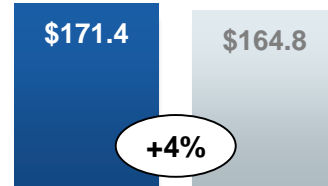
Revenues

Quarterly



■ 3Q18 ■ 3Q17

Year-to-Date



■ YTD2018 ■ YTD2017

3Q18 Revenues

- Strong demand for industrial products and innovative solutions
- Offset by lower infrastructure activity

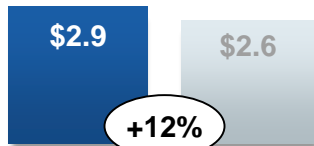
3Q18 Operating Income / Margin

- Contribution of higher-margin innovative products
- Benefit from 80/20 simplification initiatives
- Effective price / material cost management

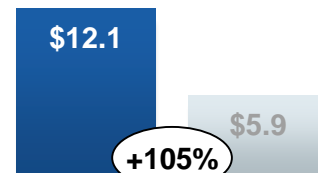
Operating Income*

Quarterly

GAAP



Year-to-Date

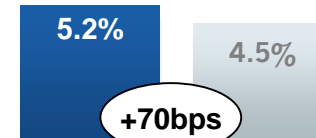


■ YTD 2018 ■ YTD 2017

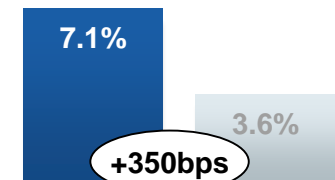
Operating Margin*

Quarterly

GAAP

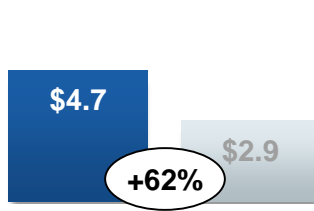


Year-to-Date

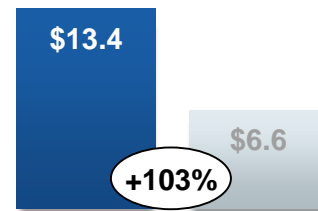


■ YTD 2018 ■ YTD 2017

Adjusted

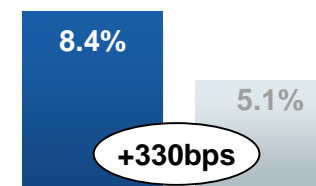


■ 3Q18 ■ 3Q17

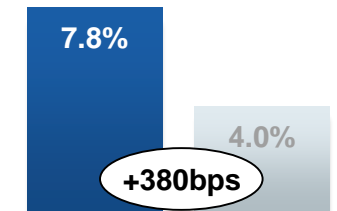


■ YTD 2018 ■ YTD 2017

Adjusted



■ 3Q18 ■ 3Q17

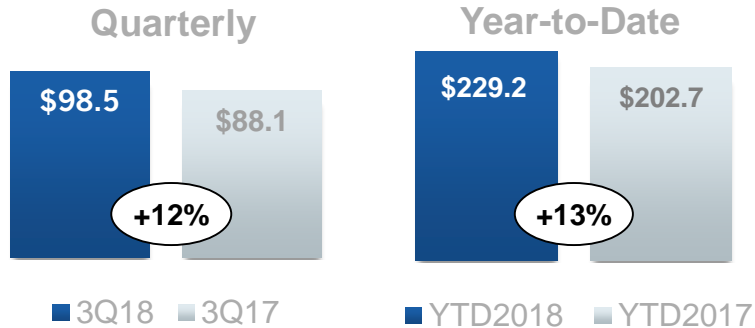


■ YTD 2018 ■ YTD 2017

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Renewable Energy & Conservation Segment

Revenues



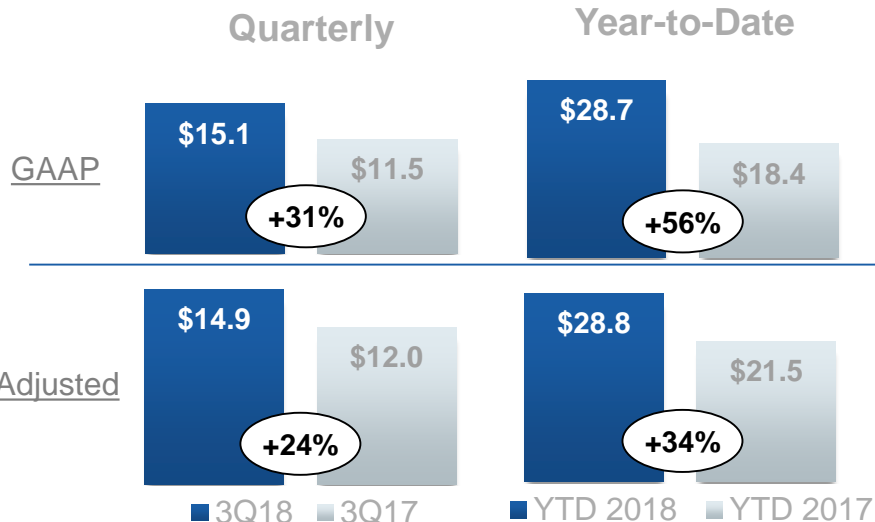
3Q18 Revenues

- Strong domestic demand in renewable energy & conservation markets
- Innovative tracker solution driving growth
- SolarBos contribution

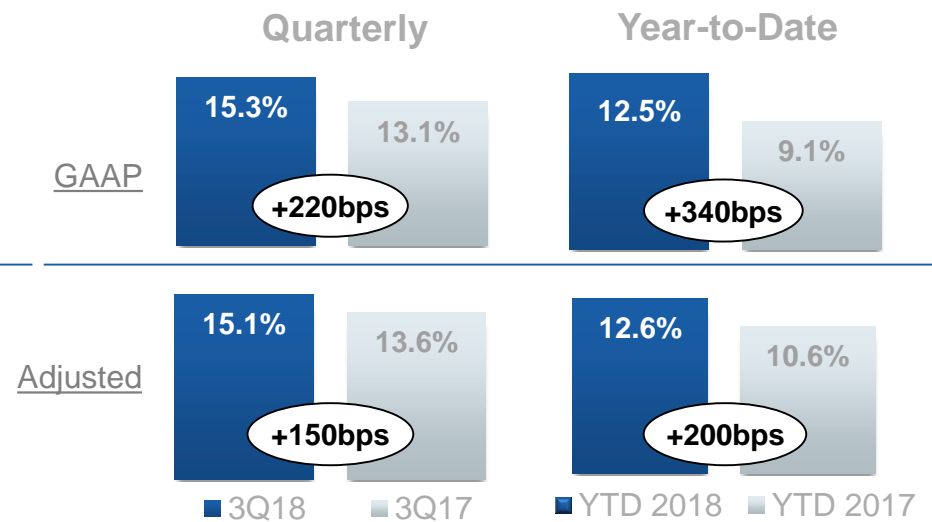
3Q18 Operating Income / Margin

- Benefit from 80/20 simplification initiatives
- Volume leverage

Operating Income*



Operating Margin*

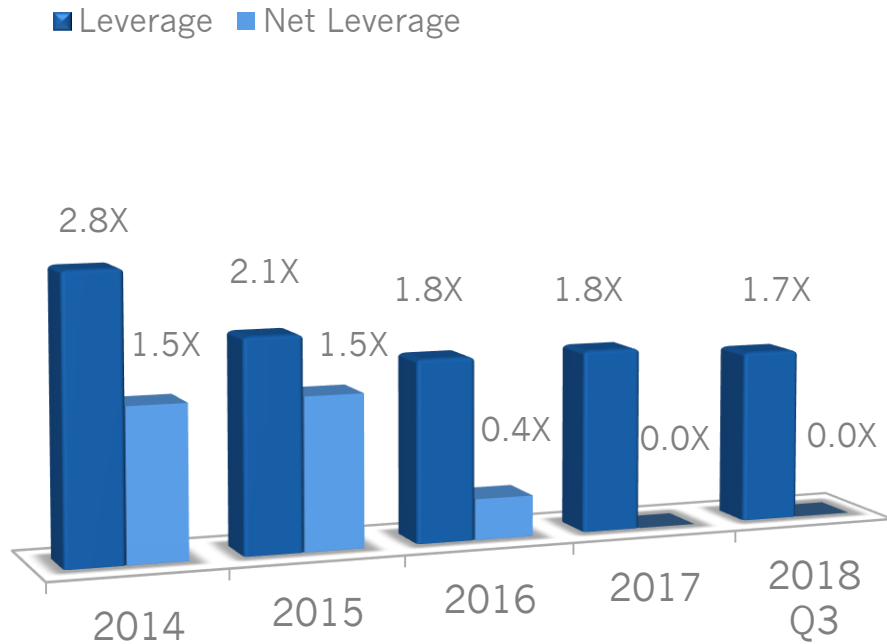


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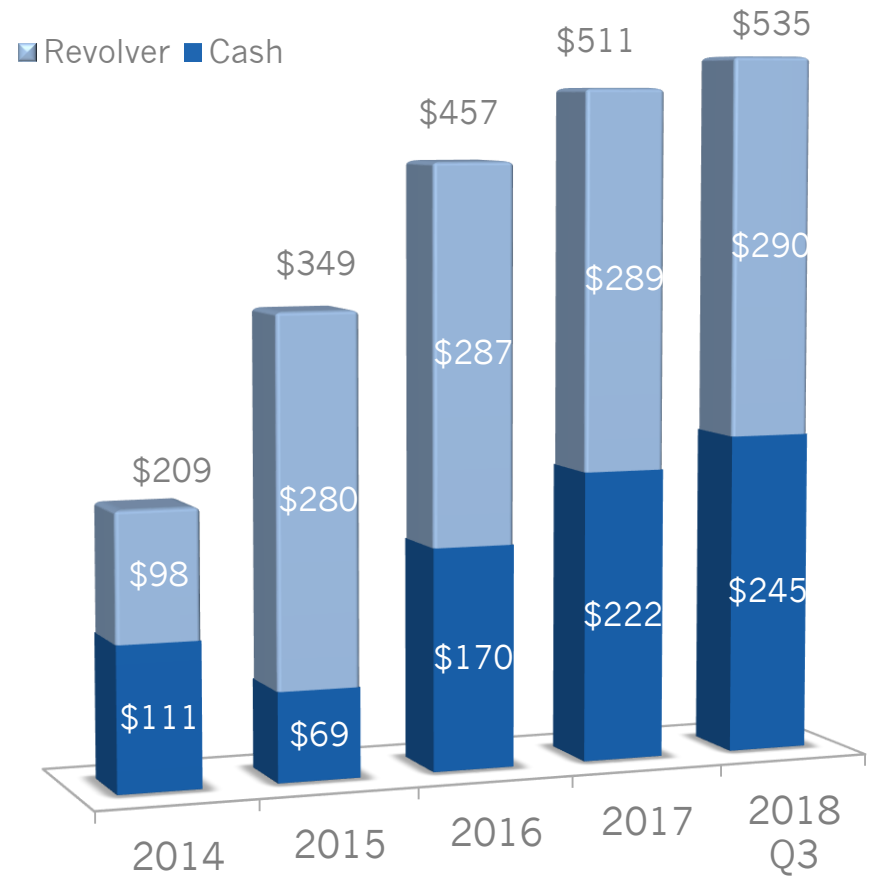
Capturing the Opportunity

Acquisitions as Strategic Accelerator

Leverage



Liquidity (\$M)



4 Pillars Driving Value Creation

Driving Transformational Change in Portfolio and Financial Results

1. Operational Excellence

- Continued benefit in Q3
- Ongoing simplification across segments; key in-lining, MRD, outsourcing projects in progress
- Advancing trade focus selling and marketing initiatives

2. Portfolio Management

- Continuous process; remains important part of strategy

3. Product Innovation

- Engineered solutions: 3Q revenues include \$30M from new products; 10% from patented products
- New products gaining traction and contributing to revenues across segments

4. Acquisitions as a Strategic Accelerator

- Acquired SolarBos, expected to be accretive in 2019
- Continue to seek meaningful acquisitions
- Primary focus for capital allocation



2018 Guidance Updated

	2017	2018	2018 Assumptions
Revenues	\$986.9M	\$1,000M - \$1,010M 1% - 2%	<p>Residential: Ventilation-related products down due to strong weather related activity in 2017; decline in commercial and multi-family markets</p> <p>Industrial & Infrastructure: Strong Industrial end markets; innovative products gaining traction</p> <p>Renewable Energy & Conservation: Continued domestic growth; continued progress with new products</p>
Op. Income*			Continued operational improvements, material cost volatility, product mix
GAAP	\$92.8M	\$90M to \$92M	
Adjusted	\$99.2M	\$100M to \$102M	
Op. Margin			
GAAP	9.4%	~9.1 – 9.2%	
Adjusted	10.1%	~10.1 – 10.2%	
GAAP EPS	\$1.95	\$1.82 to \$1.87	Tax benefit from discrete items
Adjusted EPS	\$1.71	\$2.03 to \$2.08	
Free Cash Flow/ Sales	+5.9%	~ 6 – 7%	Forecasting \$15M of CAPEX in 2018



Q&A