UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2021

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________

Commission File Number 0-22462

GIBRALTAR INDUSTRIES, INC.
(Exact name of Registrant as specified in its charter)

	Delaware (State or incorporation)			**16-1445150** (I.R.S. Employer Identification No.)
3556 Lake Shore Road	**P.O. Box 2028** (Address of principal executive offices)	**Buffalo**	**New York**	**14219-0228** (Zip Code)

Registrant's telephone number, including area code: (716) 826-6500

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, $0.01 par value per share	**ROCK**	**NASDAQ Stock Market**

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicated by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of August 2, 2021, the number of common shares outstanding was: 32,636,340.

GIBRALTAR INDUSTRIES, INC.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

GIBRALTAR INDUSTRIES, INC.
CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share data)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net Sales	$ 348,389	$ 255,184	$ 635,981	$ 470,585
Cost of sales	267,458	189,623	495,032	355,163
Gross profit	80,931	65,561	140,949	115,422
Selling, general, and administrative expense	49,522	34,813	96,725	71,897
Income from operations	31,409	30,748	44,224	43,525
Interest expense	245	222	689	266
Other income	(4,666)	(1,892)	(4,351)	(1,374)
Income before taxes	35,830	32,418	47,886	44,633
Provision for income taxes	9,457	7,961	11,017	10,274
Income from continuing operations	26,373	24,457	36,869	34,359
Discontinued operations:				
(Loss) Income before taxes	(502)	3,746	2,068	6,576
(Benefit from) Provision for income taxes	(78)	911	226	1,584
(Loss) Income from discontinued operations	(424)	2,835	1,842	4,992
Net income	$ 25,949	$ 27,292	$ 38,711	$ 39,351
Net earnings per share – Basic:				
Income from continuing operations	$ 0.80	$ 0.75	$ 1.12	$ 1.05
(Loss) Income from discontinued operations	(0.01)	0.09	0.06	0.16
Net income	$ 0.79	$ 0.84	$ 1.18	$ 1.21
Weighted average shares outstanding -- Basic	32,790	32,605	32,791	32,596
Net earnings per share – Diluted:				
Income from continuing operations	$ 0.80	$ 0.74	$ 1.11	$ 1.05
(Loss) Income from discontinued operations	(0.01)	0.09	0.06	0.15
Net income	$ 0.79	$ 0.83	$ 1.17	$ 1.20
Weighted average shares outstanding -- Diluted	33,056	32,860	33,071	32,868

See accompanying notes to consolidated financial statements.

GIBRALTAR INDUSTRIES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	**2020**	**2021**	**2020**
Net income	$ 25,949	$ 27,292	$ 38,711	$ 39,351
Other comprehensive income (loss):				
Foreign currency translation adjustment	761	2,815	3,959	(3,083)
Minimum post retirement benefit plan adjustments	27	18	54	36
Other comprehensive income (loss)	788	2,833	4,013	(3,047)
Total comprehensive income	$ 26,737	$ 30,125	$ 42,724	$ 36,304

See accompanying notes to consolidated financial statements.

GIBRALTAR INDUSTRIES, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share data)

	June 30, 2021	December 31, 2020
	(unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	$ 16,963	$ 32,054
Accounts receivable, net of allowance of $5,294 and $3,529	225,315	197,990
Inventories, net	133,625	98,307
Prepaid expenses and other current assets	23,641	19,671
Assets of discontinued operations	—	77,438
Total current assets	399,544	425,460
Property, plant, and equipment, net	95,837	89,562
Operating lease assets	21,651	25,229
Goodwill	508,857	514,279
Acquired intangibles	159,734	156,365
Other assets	510	1,599
	$ 1,186,133	$ 1,212,494
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 168,917	$ 134,738
Accrued expenses	68,677	83,505
Billings in excess of cost	49,215	34,702
Liabilities of discontinued operations	—	49,295
Total current liabilities	286,809	302,240
Long-term debt	32,309	85,636
Deferred income taxes	37,555	39,057
Non-current operating lease liabilities	14,391	17,730
Other non-current liabilities	27,461	24,026
Stockholders' equity:		
Preferred stock, $0.01 par value; authorized 10,000 shares; none outstanding	—	—
Common stock, $0.01 par value; 100,000 and 50,000 shares authorized as June 30, 2021 and December 31, 2020, respectively; 33,718 shares and 33,568 shares issued and outstanding in 2021 and 2020	337	336
Additional paid-in capital	310,728	304,870
Retained earnings	508,654	469,943
Accumulated other comprehensive income (loss)	1,552	(2,461)
Cost of 1,083 and 1,028 common shares held in treasury in 2021 and 2020	(33,663)	(28,883)
Total stockholders' equity	787,608	743,805
	$ 1,186,133	$ 1,212,494

See accompanying notes to consolidated financial statements.

GIBRALTAR INDUSTRIES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	Six Months Ended June 30,	
	2021	**2020**
Cash Flows from Operating Activities		
Net income	$ 38,711	$ 39,351
Income from discontinued operations	1,842	4,992
Income from continuing operations	36,869	34,359
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	16,014	9,942
Stock compensation expense	4,935	4,171
Gain on sale of business	—	(1,881)
Exit activity costs, non-cash	1,193	346
Benefit of deferred income taxes	(36)	(195)
Other, net	349	429
Changes in operating assets and liabilities, excluding the effects of acquisitions:		
Accounts receivable	(29,150)	(26,289)
Inventories	(42,686)	3,289
Other current assets and other assets	(611)	1,893
Accounts payable	35,174	(989)
Accrued expenses and other non-current liabilities	(9,274)	(36,042)
Net cash provided by (used in) operating activities of continuing operations	12,777	(10,967)
Net cash (used in) provided by operating activities of discontinued operations	(2,002)	3,712
Net cash provided by (used in) operating activities	10,775	(7,255)
Cash Flows from Investing Activities		
Purchases of property, plant, and equipment	(9,474)	(4,178)
Acquisitions, net of cash acquired	(2)	(54,385)
Net proceeds from sale of business	39,991	704
Net proceeds from sale of property and equipment	—	59
Net cash provided by (used in) investing activities of continuing operations	30,515	(57,800)
Net cash used in investing activities of discontinued operations	(176)	(1,053)
Net cash provided by (used in) investing activities	30,339	(58,853)
Cash Flows from Financing Activities		
Proceeds from long-term debt	31,200	—
Long-term debt payments	(83,636)	—
Purchase of treasury stock at market prices	(4,780)	(4,462)
Net proceeds from issuance of common stock	924	78
Net cash used in financing activities	(56,292)	(4,384)
Effect of exchange rate changes on cash	87	(12)
Net decrease in cash and cash equivalents	(15,091)	(70,504)
Cash and cash equivalents at beginning of year	32,054	191,363
Cash and cash equivalents at end of period	$ 16,963	$ 120,859

See accompanying notes to consolidated financial statements.

GIBRALTAR INDUSTRIES, INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(in thousands)
(unaudited)

	Common Stock					Treasury Stock		
	Shares	Amount	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive (Loss) Income	Shares	Amount	Total Stockholders' Equity
Balance at December 31, 2020	**33,568**	**$ 336**	**$ 304,870**	**$ 469,943**	**$ (2,461)**	**1,028**	**$ (28,883)**	**$ 743,805**
Net income	—	—	—	12,762	—	—	—	12,762
Foreign currency translation adjustment	—	—	—	—	3,198	—	—	3,198
Minimum post retirement benefit plan adjustments, net of taxes of $10	—	—	—	—	27	—	—	27
Stock compensation expense	—	—	2,368	—	—	—	—	2,368
Stock options exercised	25	—	910	—	—	—	—	910
Net settlement of restricted stock units	118	1	(1)	—	—	54	(4,662)	(4,662)
Balance at March 31, 2021	**33,711**	**$ 337**	**$ 308,147**	**$ 482,705**	**$ 764**	**1,082**	**$ (33,545)**	**$ 758,408**
Net income	—	—	—	25,949	—	—	—	25,949
Foreign currency translation adjustment	—	—	—	—	761	—	—	761
Minimum post retirement benefit plan adjustments, net of taxes of $10	—	—	—	—	27	—	—	27
Stock compensation expense	—	—	2,567	—	—	—	—	2,567
Stock options exercised	1	—	14	—	—	—	—	14
Awards of common shares	3	—	—	—	—	—	—	—
Net settlement of restricted stock units	3	—	—	—	—	1	(118)	(118)
Balance at June 30, 2021	**33,718**	**$ 337**	**$ 310,728**	**$ 508,654**	**$ 1,552**	**1,083**	**$ (33,663)**	**$ 787,608**

See accompanying notes to consolidated financial statements.

GIBRALTAR INDUSTRIES, INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(in thousands)
(unaudited)

	Common Stock					Treasury Stock		
	Shares	Amount	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Shares	Amount	Total Stockholders' Equity
Balance at December 31, 2019	**33,192**	**$ 332**	**$ 295,582**	**$ 405,668**	**$ (5,391)**	**906**	**$ (22,227)**	**$ 673,964**
Net income	—	—	—	12,059	—	—	—	12,059
Foreign currency translation adjustment	—	—	—	—	(5,898)	—	—	(5,898)
Minimum post retirement benefit plan adjustments, net of taxes of $7	—	—	—	—	18	—	—	18
Stock compensation expense	—	—	1,665	—	—	—	—	1,665
Cumulative effect of accounting change	—	—	—	(291)	—	—	—	(291)
Stock options exercised	3	—	24	—	—	—	—	24
Net settlement of restricted stock units	193	2	(2)	—	—	80	(4,184)	(4,184)
Balance at March 31, 2020	**33,388**	**$ 334**	**$ 297,269**	**$ 417,436**	**$ (11,271)**	**986**	**$ (26,411)**	**$ 677,357**
Net income	—	—	—	27,292	—	—	—	27,292
Foreign currency translation adjustment	—	—	—	—	2,815	—	—	2,815
Minimum post retirement benefit plan adjustments, net of taxes of $6	—	—	—	—	18	—	—	18
Stock compensation expense	—	—	2,506	—	—	—	—	2,506
Stock options exercised	6	—	54	—	—	—	—	54
Awards of common shares	4	—	—	—	—	—	—	—
Net settlement of restricted stock units	15	—	—	—	—	7	(278)	(278)
Balance at June 30, 2020	**33,413**	**$ 334**	**$ 299,829**	**$ 444,728**	**$ (8,438)**	**993**	**$ (26,689)**	**$ 709,764**

See accompanying notes to consolidated financial statements.

GIBRALTAR INDUSTRIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

(1) CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited consolidated financial statements of Gibraltar Industries, Inc. (the "Company") have been prepared by management in accordance with U.S. generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. In the opinion of management, all adjustments consisting of normal recurring adjustments considered necessary for the fair presentation of results for the interim period have been included. The Company's operations are seasonal; for this and other reasons, such as the impact of the COVID-19 pandemic, financial results for any interim period are not necessarily indicative of the results expected for any subsequent interim period or for the full year. The accompanying unaudited consolidated financial statements should be read in conjunction with the financial statements and notes thereto included in our annual Form 10-K for the year ended December 31, 2020.

The balance sheet at December 31, 2020 has been derived from the audited financial statements at that date, but does not include all of the information and footnotes required by U.S. generally accepted accounting principles for complete financial statements.

(2) RECENT ACCOUNTING PRONOUNCEMENTS

Recent Accounting Pronouncements Adopted

Standard	Description	Financial Statement Effect or Other Significant Matters
ASU No. 2019-12 *Income Taxes (Topic 740), Simplifying the Accounting for Income Taxes*	The amendments in this update simplify the accounting for income taxes by removing certain exceptions to the general principles in Topic 740 and improve consistent application by clarifying and amending existing guidance. The amendments of this standard are effective for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years.	The standard is effective for the Company as of January 1, 2021. The Company adopted the amendments in this update and the adoption did not have a material impact to the Company's financial statements. Date of adoption: Q1 2021

(3) ACCOUNTS RECEIVABLE AND ALLOWANCE FOR DOUBTFUL ACCOUNTS

Accounts receivable consists of the following (in thousands):

	June 30, 2021	December 31, 2020
Trade accounts receivable	$ 182,015	$ 174,604
Costs in excess of billings	48,594	26,915
Total accounts receivables	230,609	201,519
Less allowance for doubtful accounts and contract assets	(5,294)	(3,529)
Accounts receivable, net	$ 225,315	$ 197,990

Refer to Note 4 "Revenue" concerning the Company's costs in excess of billings.

The following table provides a roll-forward of the allowance for credit losses, for the six month period ended June 30, 2021, that is deducted from the amortized cost basis of accounts receivable to present the net amount expected to be collected.

Beginning balance as of January 1, 2021	$ 3,529
Bad debt expense, net of recoveries	1,297
Accounts written off against allowance and other adjustments	468
Ending balance as of June 30, 2021	$ 5,294

(4) REVENUE

Sales includes revenue from contracts with customers for: designing, engineering, manufacturing and installation of solar racking systems; electrical balance of systems; roof and foundation ventilation products; centralized mail systems and electronic package solutions; retractable awnings; gutter guards; rain dispersion products; trims and flashings and other accessories; designing, engineering, manufacturing and installation of greenhouses; botanical extraction systems; structural bearings; expansion joints; pavement sealant; elastomeric concrete; and bridge cable protection systems.

Refer to Note 15 "Segment Information" for additional information related to revenue recognized by timing of transfer of control by reportable segment.

As of June 30, 2021, the Company's remaining performance obligations are part of contracts that have an original expected duration of one year or less.

Contract assets consist of costs in excess of billings. Contract liabilities consist of billings in excess of cost and unearned revenue. Unearned revenue as of June 30, 2021 and December 31, 2020 was $4.7 million and $21.3 million, respectively. Revenue recognized during the three months ended June 30, 2021 and 2020 that was in contract liabilities at the beginning of the respective periods was $49.2 million and $53.3 million, respectively.

(5) INVENTORIES

Inventories consist of the following (in thousands):

	June 30, 2021	December 31, 2020
Raw material	$ 99,074	$ 66,018
Work-in-process	6,197	5,382
Finished goods	33,623	31,205
Gross inventory	$ 138,894	$ 102,605
Less reserves	(5,269)	(4,298)
Total inventories, net	$ 133,625	$ 98,307

(6) ACQUISITIONS

2020 Acquisitions

During the year ended December 31, 2020, the Company acquired five businesses in separate transactions, two of which are included within our Renewables segment, two in our Agtech segment, and one in our Residential segment. The purchase consideration for each acquisition was allocated to the assets acquired and liabilities assumed based upon their respective fair values.

On December 31, 2020, the Company purchased all the outstanding membership interests of TerraSmart LLC and TerraTrak LLC (collectively, "TerraSmart"), a leading provider of screw-based, ground-mount solar racking technology, particularly used for solar projects installed on challenging terrain. The results of TerraSmart have been included in the Company's consolidated financial results since the date of acquisition within the Company's Renewables segment. The purchase consideration for the acquisition of TerraSmart was $223.9 million, which includes a working capital adjustment and certain other adjustments provided for in the equity purchase agreement.

The purchase price for the TerraSmart acquisition was preliminarily allocated to the assets acquired and liabilities assumed based upon their respective fair values estimated as of the date of acquisition. The Company has commenced the process to confirm the existence, condition and completeness of the assets acquired and liabilities assumed to establish fair values of such acquired assets and assumed liabilities and to determine the amount of goodwill to be recognized as of the date of acquisition. Due to the timing of the acquisition, we continue to gather information supporting the acquired assets and assumed liabilities. Accordingly, all amounts recorded are provisional. These provisional amounts are subject to change if new information is obtained concerning facts and circumstances that existed as of the acquisition date that, if known, would have affected the measurement of the amounts recognized as of that date. The final determination of the fair value of certain assets and liabilities will be completed within a measurement period of up to one year from the date of acquisition. The final values may also result in changes to depreciation and amortization expense related to certain assets such as property, plant and equipment and acquired intangible assets. The preliminary excess consideration was recorded as goodwill and approximated $139.1 million, all of which is deductible for tax purposes. Goodwill represents future economic benefits arising from other assets acquired that could not be individually identified including workforce additions, growth opportunities, and increased presence in the domestic solar energy market. The final purchase price allocation will be completed no later than December 31, 2021.

The preliminary allocation of the TerraSmart purchase consideration to the estimated fair value of the assets acquired and liabilities assumed is as follows as of the date of the acquisition (in thousands):

Cash	$	1,491
Working capital		7,148
Property, plant and equipment		11,758
Acquired intangible assets		64,150
Other assets		1,854
Other liabilities		(1,640)
Goodwill		139,106
Fair value of purchase consideration	$	223,867

The intangible assets acquired in the TerraSmart acquisition consisted of the following (in thousands):

		Fair Value	Weighted-Average Amortization Period
Trademarks	$	20,830	Indefinite
Technology		1,940	12 years
Customer relationships		35,110	12 years
Backlog		6,270	Less than 1 year
Total	$	64,150	

On December 11, 2020, the Company purchased all the outstanding stock of Sunfig Corporation ("Sunfig"), a provider of software solutions that optimize solar energy investments through upstream design, performance and financial modeling, for a purchase consideration of $3.8 million, which includes a working capital adjustment and certain other adjustments provided for in the stock purchase agreement. The results of Sunfig have been included in the Company's consolidated financial results since the date of acquisition within the Company's Renewables segment. The excess consideration was recorded as goodwill and approximated $3.2 million, all of which is deductible for tax purposes.

On October 15, 2020, the Company purchased substantially all of the assets of Architectural Mailboxes LLC ("Architectural Mailboxes"), a complementary addition to the Company's existing mail and package solutions business within the Residential segment, for a purchase consideration of $26.9 million, which includes a working capital adjustment and certain other adjustments provided for in the asset purchase agreement. The results of Architectural Mailboxes have been included in the Company's consolidated financial results since the date of acquisition within the Company's Residential segment. The excess consideration was recorded as goodwill and approximated $7.4 million, all of which is deductible for tax purposes.

On February 13, 2020, the Company purchased substantially all of the assets of Delta Separations, LLC and Teaching Tech, LLC (collectively, "Delta Separations") for a purchase consideration of $47.1 million, which includes a working capital adjustment and certain other adjustments provided for in the asset purchase agreement. Delta Separations was a privately-held engineering company primarily engaged in the assembly and sale of centrifugal ethanol-based extraction systems. The results of Delta Separations have been included in the Company's consolidated financial results since the date of acquisition within the Company's Agtech segment. The excess consideration was recorded as goodwill and approximated $32.2 million, all of which is deductible for tax purposes.

On January 15, 2020, the Company purchased substantially all of the assets of Thermo Energy Systems Inc. ("Thermo"), a Canadian-based, privately held provider of commercial greenhouse solutions in North America providing growing infrastructure for the plant based organic food market, for a purchase consideration of $7.3 million. The results of Thermo have been included in the Company's consolidated financial results since the date of acquisition within the Company's Agtech segment. Goodwill of approximately $18.7 million was recorded, all of which is deductible for tax purposes.

The preliminary allocation of the purchase price for Sunfig and Architectural Mailboxes remains subject to adjustments during the measurement period as third-party valuations are finalized. The preliminary and final allocation of the purchase consideration to the estimated fair value of the assets acquired and liabilities assumed in the acquisitions of Sunfig, Architectural Mailboxes, Delta Separations and Thermo is as follows as of the respective date of the acquisition (in thousands):

Cash	$ 200
Working capital	(14,957)
Property, plant and equipment	1,740
Acquired intangible assets	38,296
Other current assets	1,528
Other assets	2,381
Other liabilities	(5,508)
Goodwill	61,422
Fair value of purchase consideration	$ 85,102

Goodwill represents future economic benefits arising from other assets acquired that could not be individually identified including workforce additions, growth opportunities, and increased presence in the respective markets.

The intangible assets acquired in the acquisitions of Sunfig, Architectural Mailboxes, Delta Separations and Thermo consisted of the following (in thousands):

	Fair Value	Weighted-Average Amortization Period
Trademarks	$ 8,200	Indefinite
Trademarks	1,177	3 years
Technology	8,175	7 - 15 years
Customer relationships	18,780	5 - 13 years
Non-compete agreements	1,036	5 years
Backlog	928	Less than 1 year
Total	$ 38,296	

In determining the allocation of the purchase price to the assets acquired and the liabilities assumed, the Company uses all available information to make fair value determinations using Level 3 unobservable inputs in which little or no market data exists, and therefore, engages independent valuation specialists to assist in the fair value determination of the acquired long-lived assets.

The acquisition of TerraSmart was financed through a combination of cash on hand and borrowings under the Company's revolving credit facility. The acquisitions of Sunfig, Architectural Mailboxes, Delta Separations and Thermo were funded from available cash on hand.

The Company recognized costs as a component of cost of sales related to the sale of inventory at fair value as a result of allocating the purchase price of recent acquisitions. The Company also incurred certain acquisition-related costs composed of legal and consulting fees. These costs were recognized as a component of selling, general, and administrative expenses in the consolidated statement of operations.

The acquisition-related costs consisted of the following for the three and six months ended June 30 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Cost of sales	$ —	$ 634	$ —	$ 634
Selling, general and administrative costs	—	288	893	1,548
Total acquisition-related costs	$ —	$ 922	$ 893	$ 2,182

(7) GOODWILL AND RELATED INTANGIBLE ASSETS

Goodwill

The changes in the carrying amount of goodwill for the six months ended June 30, 2021 are as follows (in thousands):

	Renewables	Residential	Agtech	Infrastructure	Total
Balance at December 31, 2020	$ 192,527	$ 205,452	$ 84,622	$ 31,678	$ 514,279
Adjustments to prior year acquisitions	(4,593)	—	—	—	(4,593)
Foreign currency translation	(990)	—	161	—	(829)
Balance at June 30, 2021	$ 186,944	$ 205,452	$ 84,783	$ 31,678	$ 508,857

The Company is required to regularly assess whether a triggering event has occurred which would require interim impairment testing. The Company determined that a triggering event has not occurred which would require an interim impairment test to be performed.

Acquired Intangible Assets

Acquired intangible assets consist of the following (in thousands):

	June 30, 2021		December 31, 2020	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Indefinite-lived intangible assets:				
Trademarks	$ 61,100	$ —	$ 56,570	$ —
Finite-lived intangible assets:				
Trademarks	5,550	3,747	5,818	3,385
Unpatented technology	38,386	19,194	38,752	17,765
Customer relationships	109,329	35,658	98,500	31,580
Non-compete agreements	2,691	1,859	4,885	1,747
Backlog	7,216	4,080	7,228	911
	163,172	64,538	155,183	55,388
Total acquired intangible assets	$ 224,272	$ 64,538	$ 211,753	$ 55,388

The following table summarizes the acquired intangible asset amortization expense for the three and six months ended June 30 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Amortization expense	$ 4,736	$ 2,018	$ 9,479	$ 4,002

Amortization expense related to acquired intangible assets for the remainder of fiscal 2021 and the next five years thereafter is estimated as follows (in thousands):

	2021	2022	2023	2024	2025	2026
Amortization expense	$ 9,414	$ 12,167	$ 11,236	$ 11,055	$ 10,820	$ 9,186

(8) LONG-TERM DEBT

Long-term debt consists of the following (in thousands):

	June 30, 2021	December 31, 2020
Revolving credit facility	$ 33,200	$ 85,000
Other debt	—	636
Less unamortized debt issuance costs	(891)	—
Total debt	$ 32,309	$ 85,636

Senior Credit Agreement

On January 24, 2019, the Company entered into a Sixth Amended and Restated Credit Agreement ("Senior Credit Agreement"), which amended and restated the Company's Fifth Amended and Restated Credit Agreement dated December 9, 2015, and provides for a revolving credit facility and letters of credit in an aggregate amount equal to $400 million. The Company can request additional financing from the lenders to increase the revolving credit facility to $700 million or enter into a term loan of up to $300 million subject to conditions set forth in the Senior Credit Agreement. The Senior Credit Agreement contains three financial covenants. As of June 30, 2021, the Company was in compliance with all three covenants.

Interest rates on the revolving credit facility are based on LIBOR plus an additional margin that ranges from 1.125% to 2.00%. In addition, the revolving credit facility is subject to an undrawn commitment fee ranging between 0.15% and 0.25% based on the Total Leverage Ratio (as defined in the Senior Credit Agreement) and the daily average undrawn balance. The Senior Credit Agreement terminates on January 23, 2024.

Borrowings under the Senior Credit Agreement are secured by the trade receivables, inventory, personal property, equipment, and general intangibles of the Company's significant domestic subsidiaries.

Standby letters of credit of $6.6 million have been issued under the Senior Credit Agreement on behalf of the Company as of June 30, 2021. These letters of credit reduce the amount otherwise available under the revolving credit facility. The Company had $360.2 million and $309.2 million of availability under the revolving credit facility at June 30, 2021 and December 31, 2020, respectively.

(9) ACCUMULATED OTHER COMPREHENSIVE (LOSS) INCOME

The following tables summarize the cumulative balance of each component of accumulated other comprehensive loss, net of tax, for the three and six months ended June 30, (in thousands):

	Foreign Currency Translation Adjustment	Minimum post retirement benefit plan adjustments	Total Pre-Tax Amount	Tax (Benefit) Expense	Accumulated Other Comprehensive (Loss) Income
Balance at December 31, 2020	$ (872)	$ (2,426)	$ (3,298)	$ (837)	$ (2,461)
Minimum post retirement health care plan adjustments	—	37	37	10	27
Foreign currency translation adjustment	3,198	—	3,198	—	3,198
Balance at March 31, 2021	$ 2,326	$ (2,389)	$ (63)	$ (827)	$ 764
Minimum post retirement health care plan adjustments	—	37	37	10	27
Foreign currency translation adjustment	761	—	761	—	761
Balance at June 30, 2021	$ 3,087	$ (2,352)	$ 735	$ (817)	$ 1,552

	Foreign Currency Translation Adjustment	Minimum post retirement benefit plan adjustments	Total Pre-Tax Amount	Tax (Benefit) Expense	Accumulated Other Comprehensive (Loss) Income
Balance at December 31, 2019	$ (4,173)	$ (1,939)	$ (6,112)	$ (721)	$ (5,391)
Minimum post retirement health care plan adjustments	—	25	25	7	18
Foreign currency translation adjustment	(5,898)	—	(5,898)	—	(5,898)
Balance at March 31, 2020	$ (10,071)	$ (1,914)	$ (11,985)	$ (714)	$ (11,271)
Minimum post retirement health care plan adjustments	—	24	24	6	$ 18
Foreign currency translation adjustment	2,815	—	2,815	—	2,815
Balance at June 30, 2020	$ (7,256)	$ (1,890)	$ (9,146)	$ (708)	$ (8,438)

The realized adjustments relating to the Company's minimum post retirement health care costs were reclassified from accumulated other comprehensive loss and included in other expense in the consolidated statements of income.

(10) EQUITY-BASED COMPENSATION

On May 4, 2018, the stockholders of the Company approved the adoption of the Gibraltar Industries, Inc. 2018 Equity Incentive Plan (the "2018 Plan"). The 2018 Plan provides for the issuance of up to 1,000,000 shares of common stock and supplements the remaining shares available for issuance under the Gibraltar Industries, Inc. 2015 Equity Incentive Plan (the "2015 Plan"). Both the 2018 Plan and the 2015 Plan allow the Company to grant equity-based incentive compensation awards, in the form of non-qualified options, restricted shares, restricted stock units, performance shares, performance stock units, and stock rights to eligible participants.

In 2016, the stockholders of the Company approved the adoption of the Gibraltar Industries, Inc. 2016 Stock Plan for Non-Employee Directors ("Non-Employee Directors Plan") which provides for the issuance of up to 100,000 shares, allows the Company to grant awards of shares of the Company's common stock to non-employee Directors of the Company, and permits the Directors to defer receipt of such shares pursuant to the terms of the Non-Employee Directors Plan.

Equity Based Awards - Settled in Stock

The following table sets forth the number of equity-based awards granted during the six months ended June 30, which will convert to shares upon vesting, along with the weighted average grant date fair values:

	2021		2020	
Awards	Number of Awards	Weighted Average Grant Date Fair Value	Number of Awards (2)	Weighted Average Grant Date Fair Value
Performance stock units (1)	62,778	$ 87.84	127,397	$ 53.16
Restricted stock units	33,187	$ 87.91	43,842	$ 52.12
Deferred stock units	7,536	$ 83.58	12,402	$ 45.98
Common shares	2,512	$ 83.58	4,134	$ 45.98

(1) The Company's performance stock units ("PSUs") represent shares granted for which the final number of shares earned depends on financial performance or market conditions. The number of shares to be issued may vary between 0% and 200% of the number of PSUs granted depending on the relative achievement to targeted thresholds. The Company's PSUs with a financial performance condition are based on either the Company's return on invested capital ("ROIC") over a one-year performance period or other criteria such as revenue, gross profit and operating profit thresholds over a two or three-year performance period. The Company's PSUs with a market condition are based on the ranking of the Company's total stockholder return ("TSR") performance, on a percentile basis, over a three year performance period compared to the S&P Small Cap Industrial sector, over the same three year performance period.

(2) PSUs granted in 2020 include 74,676 PSUs that will be converted to shares and issued to recipients in the first quarter of 2023 at 109.5% of the target amount granted, based on the Company's actual ROIC compared to ROIC target for the performance period ended December 31, 2020.

Equity Based Awards - Settled in Cash

The Company's equity-based liability is comprised of awards under a management stock purchase plan. As of June 30, 2021, the Company's total share-based liabilities recorded on the consolidated balance sheet were $21.6 million, of which $18.0 million was included in non-current liabilities. The share-based liabilities as of December 31, 2020 were $18.2 million, of which $14.7 million was included in non-current liabilities.

The Company's Management Stock Purchase Plan ("MSPP") provides participants the ability to defer a portion of their compensation, convertible to unrestricted investments, restricted stock units, or a combination of both, or defer a portion of their directors' fees, convertible to restricted stock units. Employees eligible to defer a portion of their compensation also receive a company-matching award in restricted stock units equal to a percentage of their compensation.

The deferrals and related company match are credited to an account that represents a share-based liability. The portion of the account deferred to unrestricted investments is measured at fair market value of the unrestricted investments, and the portion of the account deferred to restricted stock units and company-matching restricted stock units is measured at a 200-day average of the Company's stock price. The account will be converted to and settled in cash payable to participants upon retirement or a termination of their service to the Company.

The following table provides the number of restricted stock units credited to active participant accounts and the payments made with respect to restricted stock units issued under the MSPP during the six months ended June 30,:

	2021	2020
Restricted stock units credited	26,240	52,965
Share-based liabilities paid (in thousands)	$ 3,510	$ 4,433

(11) DISCONTINUED OPERATIONS

On February 23, 2021, the Company sold the stock of its Industrial business which had been classified as held for sale and reported as a discontinued operation in the Company's consolidated financial statements for the year ended December 31, 2020. Net proceeds of $38 million, consisting of cash and a $13 million seller note, resulted in an estimated pre-tax loss of $30 million, subject to working capital and other adjustments, of which $29.6 million was recorded when the assets of the Industrial business were written down to fair market value during the fourth quarter of 2020. The seller note was paid in full to the Company during the second quarter of 2021.

The results of operations and financial position of the Industrial business have been presented as a discontinued operation in the Company's consolidated financial statements for all periods presented. The Company allocates interest to its discontinued operations in accordance with ASC Subtopic 205-20, “Presentation of Financial Statements – Discontinued Operations.” Interest was allocated based on the amount of net assets held by the discontinued operation in comparison to consolidated net assets.

The following carrying amounts of the major classes of assets and liabilities included in discontinued operations related to the Industrial business have been segregated from the Company's continuing operations and are reported as assets and liabilities of discontinued operations, respectively, in the consolidated balance sheet at December 31, 2020 (in thousands):

	December 31, 2020
Assets	
Accounts receivable, net	$ 11,261
Inventories, net	13,041
Prepaid expenses and other current assets	21,310
Total current assets (1)	45,612
Property, plant, and equipment, net	16,999
Operating lease assets	6,470
Goodwill	22,475
Acquired intangibles	15,482
Loss recognized on classification as held for sale	(29,600)
Total noncurrent assets (1)	31,826
Total assets classified as held for sale	$ 77,438
Liabilities	
Accounts payable	$ 10,708
Accrued expenses	9,274
Total current liabilities (1)	19,982
Deferred income taxes	24,657
Non-current operating lease liabilities	4,639
Other non-current liabilities	17
Total noncurrent liabilities (1)	29,313
Total liabilities classified as held for sale	$ 49,295

(1) The assets and liabilities of the discontinued operations were classified as current on the December 31, 2020 consolidated balance sheet, as it was probable that the sale would occur and proceeds would be collected within one year.

Components of income from discontinued operations before taxes, including the interest allocated to discontinued operations, for the three and six months ended June 30 are as follows (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Net sales	$ —	$ 30,630	$ 20,391	$ 64,668
Operating expenses	—	26,850	17,493	58,052
Adjustment to loss on disposal	502	—	830	—
Interest expense allocation	—	34	—	40
(Loss) Income from discontinued operations before taxes	$ (502)	$ 3,746	$ 2,068	$ 6,576

(12) EXIT ACTIVITY COSTS AND ASSET IMPAIRMENTS

The Company has incurred exit activity costs and asset impairment charges as a result of its 80/20 simplification and portfolio management initiatives. These initiatives have resulted in the identification of low-volume, low margin, internally-produced products which have been or will be outsourced or discontinued, the simplification of processes, the sale and exiting of less profitable businesses or product lines, and a reduction in our manufacturing footprint.

Exit activity costs were incurred during the six months ended June 30, 2021 and 2020 which related to moving and closing costs, contract terminations, and severance, along with asset impairment charges related to the write-down of inventory and impairment of machinery and equipment associated with discontinued product lines, as a result of process simplification initiatives. In conjunction with these initiatives, the Company closed two facilities during the six months ended June 30, 2021, and one facility during the six months ended June 30, 2020.

The following tables set forth the asset impairment charges and exit activity costs incurred by segment during the three and six months ended June 30, related to the restructuring activities described above (in thousands):

	Three months ended June 30,					
	2021			2020		
	Exit activity costs	Asset impairment charges	Total	Exit activity costs	Asset impairment charges	Total
Renewables	$ 786	$ —	$ 786	$ —	$ —	$ —
Residential	29	—	29	263	—	263
Agtech	1,287	—	1,287	316	72	388
Infrastructure	—	—	—	—	—	—
Corporate	59	—	59	45	—	45
Total exit activity costs & asset impairments	$ 2,161	$ —	$ 2,161	$ 624	$ 72	$ 696

	Six months ended June 30,					
	2021			2020		
	Exit activity costs	Asset impairment charges	Total	Exit activity costs	Asset impairment charges	Total
Renewables	$ 4,564	$ 1,193	$ 5,757	$ 18	$ —	$ 18
Residential	94	—	94	484	—	484
Agtech	1,491	—	1,491	316	72	388
Infrastructure	—	—	—	—	—	—
Corporate	59	—	59	99	—	99
Total exit activity costs & asset impairments	$ 6,208	$ 1,193	$ 7,401	$ 917	$ 72	$ 989

The following table provides a summary of where the asset impairments and exit activity costs were recorded in the consolidated statements of income for the three and six months ended June 30, (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Cost of sales	$ 718	$ 472	$ 5,765	$ 541
Selling, general, and administrative expense	1,443	224	1,636	448
Total asset impairment and exit activity charges	$ 2,161	$ 696	$ 7,401	$ 989

The following table reconciles the beginning and ending liability for exit activity costs relating to the Company’s facility consolidation efforts (in thousands):

	2021	2020
Balance at January 1	$ 1,030	$ 2,083
Exit activity costs recognized	6,208	917
Cash payments	(4,646)	(2,171)
Balance at June 30	$ 2,592	$ 829

(13) INCOME TAXES

The following table summarizes the provision for income taxes for continuing operations (in thousands) for the three and six months ended June 30, and the applicable effective tax rates:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Provision for income taxes	$ 9,457	$ 7,961	$ 11,017	$ 10,274
Effective tax rate	26.4 %	24.6 %	23.0 %	23.0 %

The effective tax rate for the three and six months ended June 30, 2021 and 2020, respectively, was greater than the U.S. federal statutory rate of 21% due to state taxes and nondeductible permanent differences partially offset by favorable discrete items due to an excess tax benefit on stock-based compensation.

(14) EARNINGS PER SHARE

Basic earnings and weighted-average of diluted shares outstanding are as follows for the three and six months ended June 30, (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Numerator:				
Income from continuing operations	$ 26,373	$ 24,457	$ 36,869	$ 34,359
(Loss) Income from discontinued operations	(424)	2,835	1,842	4,992
Net income available to common stockholders	$ 25,949	$ 27,292	$ 38,711	$ 39,351
Denominator for basic earnings per share:				
Weighted average shares outstanding	32,790	32,605	32,791	32,596
Denominator for diluted earnings per share:				
Weighted average shares outstanding	32,790	32,605	32,791	32,596
Common stock options and stock units	266	255	280	272
Weighted average shares and conversions	33,056	32,860	33,071	32,868

The weighted average number of diluted shares does not include potential anti-dilutive common shares issuable pursuant to equity based incentive compensation awards. There were 52,000 and 77,000 anti-dilutive shares outstanding for the three months ended June 30, 2021 and 2020, respectively. There were no anti-dilutive shares outstanding for the six months ended June 30, 2021 and 47,000 for the six months ended June 30, 2020.

(15) SEGMENT INFORMATION

The Company is organized into four reportable segments on the basis of the production processes, products and services provided by each segment, identified as follows:

(i) Renewables, which primarily includes designing, engineering, manufacturing and installation of solar racking and electrical balance of systems;
(ii) Residential, which primarily includes roof and foundation ventilation products, centralized mail systems and electronic package solutions, retractable awnings and gutter guards, and rain dispersion products, trims and flashings and other accessories;
(iii) Agtech, which provides growing and processing solutions including the designing, engineering, manufacturing and installation of greenhouses, and botanical extraction systems; and
(iv) Infrastructure, which primarily includes structural bearings, expansion joints and pavement sealant for bridges, airport runways and roadways, elastomeric concrete, and bridge cable protection systems.

When determining the reportable segments, the Company aggregated operating segments based on their similar economic and operating characteristics. During the first quarter of 2021, the Company reassessed its reportable segments. As a result, the Company's former Renewable Energy and Conservation segment was divided into two reportable segments: Renewables and Agtech.

The following table illustrates certain measurements used by management to assess performance of the segments described above for the three and six months ended June 30, (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net sales:				
Renewables	$ 107,751	$ 55,950	$ 193,263	$ 103,213
Residential	164,209	139,472	304,426	242,891
Agtech	53,696	42,309	100,435	91,543
Infrastructure	22,733	17,453	37,857	32,938
Total net sales	$ 348,389	$ 255,184	$ 635,981	$ 470,585
Income from operations:				
Renewables	$ 9,510	$ 8,422	$ 8,989	$ 12,781
Residential	27,155	27,964	50,089	41,689
Agtech	977	766	1,906	2,106
Infrastructure	4,186	2,801	6,223	4,377
Unallocated Corporate Expenses	(10,419)	(9,205)	(22,983)	(17,428)
Total income from operations	$ 31,409	$ 30,748	$ 44,224	$ 43,525

	June 30, 2021	December 31, 2020
Total assets:		
Renewables	$ 424,884	$ 402,796
Residential	443,903	407,132
Agtech	204,264	216,275
Infrastructure	86,748	80,796
Unallocated corporate assets	26,334	28,057
Assets of discontinued operations	—	77,438
	$ 1,186,133	$ 1,212,494

The following tables illustrate segment revenue disaggregated by timing of transfer of control to the customer for the three and six months ended June 30 (in thousands):

	Three Months Ended June 30, 2021				
	Renewables	Residential	Agtech	Infrastructure	Total
Net sales:					
Point in Time	$ 6,049	$ 162,978	$ 7,388	$ 11,637	$ 188,052
Over Time	101,702	1,231	46,308	11,096	160,337
Total net sales	$ 107,751	$ 164,209	$ 53,696	$ 22,733	$ 348,389

	Three Months Ended June 30, 2020				
	Renewables	Residential	Agtech	Infrastructure	Total
Net sales:					
Point in Time	$ 5,512	$ 138,288	$ 12,088	$ 6,549	$ 162,437
Over Time	50,438	1,184	30,221	10,904	92,747
Total net sales	$ 55,950	$ 139,472	$ 42,309	$ 17,453	$ 255,184

	Six Months Ended June 30, 2021				
	Renewables	Residential	Agtech	Infrastructure	Total
Net sales:					
Point in Time	$ 13,020	$ 301,997	$ 12,531	$ 17,107	$ 344,655
Over Time	180,243	2,429	87,904	20,750	291,326
Total net sales	$ 193,263	$ 304,426	$ 100,435	$ 37,857	$ 635,981

	Six Months Ended June 30, 2020				
	Renewables	Residential	Agtech	Infrastructure	Total
Net sales:					
Point in Time	$ 9,208	$ 240,619	$ 26,184	$ 12,006	$ 288,017
Over Time	94,005	2,272	65,359	20,932	182,568
Total net sales	$ 103,213	$ 242,891	$ 91,543	$ 32,938	$ 470,585

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

Certain information set forth herein includes statements that express our opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results and, therefore are, or may be deemed to be, “forward-looking statements.” These forward-looking statements can generally be identified by the use of forward-looking terminology, including the terms “believes,” “anticipates,” "aspires," “expects,” “estimates,” “seeks,” “projects,” “intends,” “plans,” “may,” “will” or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, competition, strategies and the industries in which we operate. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We believe that these risks and uncertainties include, but are not limited to, those described in the “Risk Factors” disclosed in our Annual Report on Form 10-K along with Item 1A of this Form 10-Q. Although we base these forward-looking statements on assumptions that we believe are reasonable when made, we caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition, liquidity and the development of the industries in which we operate may differ materially from those made in or suggested by the forward-looking statements contained herein. In addition, even if our results of operations, financial condition, liquidity, and the development of the industries in which we operate are consistent with the forward-looking statements contained in this quarterly report, those results or developments may not be indicative of results or developments in subsequent periods. Given these risks and uncertainties, you are cautioned not to place undue reliance on these forward-looking statements. Any forward-looking statements that we make herein speak only as of the date of those statements, and we undertake no obligation to update those statements or to publicly announce the results of any revisions to any of those statements to reflect future events or developments. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data.

We use certain operating performance measures, specifically consolidated gross margin, operating margin by segment and consolidated operating margin, to manage our businesses, set operational goals, and establish performance targets for incentive compensation for our employees. We define consolidated gross margin as a percentage of total consolidated gross profit to total consolidated net sales. We define operating margin by segment as a percentage of total income from operations by segment to total net sales by segment and consolidated operating margin as a percentage of total consolidated income from operations to total consolidated net sales. We believe consolidated gross margin, operating margin and consolidated operating margin may be useful to investors in evaluating the profitability of our segments and Company on a consolidated basis.

Overview

Gibraltar Industries, Inc. (the "Company") is a leading manufacturer and provider of products and services for the renewable energy, residential, agtech, and infrastructure markets.

The Company operates and reports its results in the following four reporting segments:
- Renewables;
- Residential;
- Agtech; and
- Infrastructure.

The Company serves customers primarily in North America including renewable energy (solar) developers, home improvement retailers, wholesalers, distributors, institutional and commercial growers of food and plants, and contractors. As part of our continuing operations at June 30, 2021, we operated 36 facilities, comprised of 26 manufacturing facilities, one distribution center, and nine offices, which are located in 16 states, Canada, China, and Japan. Our operational infrastructure provides the necessary scale to support regional and national customers in each of our markets.

COVID-19 Update

While the Company continues to encounter challenges and uncertainty associated with COVID-19, the pandemic did not have a material adverse effect on our reported results during 2021. Our top priority continues to be focused on our organization - keeping our team and their families as safe as possible, maintaining the timely and effective functioning of our supply chain operating and providing a high level of responsiveness to customer needs. We continue to proactively execute our pandemic “playbook” in 2021 and make adjustments to our operating protocols as we navigate forward. The extent to which our operations will be impacted by the outbreak, including but not limited to the current impact of supply chain, transportation and labor challenges, along with new requirements or regulations mandated by government authorities, remains uncertain and challenging to predict, Refer to the Company's Outlook section in this management discussion and analysis for consideration relative to future periods.

Business Strategy

The Company's mission is to create compounding and sustainable value for our stockholders and other stakeholders with strong and relevant leadership positions in higher growth, profitable end markets focused on addressing some of the world's most challenging opportunities. The foundation of the Company's strategy is built on three core pillars: Business System, Portfolio Management, and Organization Development.

1. Business System reflects the necessary systems, processes, and management tools required to deliver consistent and continuous performance improvement, every day. Our Business System is a critical enabler to grow, scale, and deliver our plans. Our Business System is focused on deploying effective tools to drive growth, improve operating performance, and develop the organization. Our Business System challenges existing paradigms, drives day-to-day performance, forces prioritization of resources, challenges our business models, and brings focus to new product and services development and innovation.

2. Portfolio Management is focused on optimizing the Company’s business portfolio and ensures our financial capital and human resources are effectively and efficiently deployed to deliver sustainable, profitable growth while increasing our relevance with customers and shaping our markets. For a description of recent portfolio management activities, see the actions described below in the Recent Developments section.

3. Organization Development drives the Company’s continuous focus on strengthening and scaling the organization to execute the Company’s plans and meet commitments. The Company aspires to make our place of work the "Best Place to Work", where we focus on creating an environment for our people to have the best opportunity for success, continue to develop, grow, and learn. At core of this pillar is the Company’s development process focused on helping employees reach their potential, improve performance, develop career roadmaps, identify ongoing education requirements, and respective succession plans. We believe doing so helps us attract and retain the best people so we can execute our business plans.

We believe the key elements of our strategy have, and will continue to, enable us to respond timely to changes in the end markets we serve, including evolving changes due to COVID-19 and the challenges noted above. We have and expect to continue to examine the need for restructuring of our operations, including consolidation of facilities, reducing overhead costs, curtailing investments in inventory, and managing our business to generate incremental cash. We believe our enhanced strategy has enabled us to better react to volatility in commodity and other input costs and fluctuations in customer demand, along with helping to improve margins. We have used the improved cash flows generated by these initiatives to pay down debt, improve our liquidity position, and invest in growth initiatives. Overall, we continue to strive to achieve stronger financial results, make more efficient use of capital, and deliver higher stockholder returns.

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Recent Developments

During the first quarter of 2021, the Company sold its Industrial business as a result of its Portfolio Management strategy to focus on participation in higher value and faster growing markets. The Industrial business, previously reported in the Company's Industrial and Infrastructure Products segment, was reported as discontinued operations as of December 31, 2020.

During 2020, the Company completed the following acquisitions:

Business Acquired	Date of Acquisition in 2020	Purchase price (in millions) 1		Description	Segment
TerraSmart LLC	December 31	$	223.7	Provider of screw-based, ground-mount solar racking technology, particularly used for solar projects installed on challenging terrain	Renewables
Sunfig Corporation	December 11	$	3.8	Provider of software solutions that optimize solar energy investments through upstream design, performance and financial modeling	Renewables
Architectural Mailboxes	October 15	$	26.9	Provider, designer, and developer of decorative residential mailboxes and related products	Residential
Delta Separations	February 13	$	47.1	Provider of ethanol-based extraction systems manufacturer and training and laboratory design and operations consultative partner	Agtech
Thermo Energy Systems	January 15	$	7.3	Provider of commercial greenhouse solutions in North America supporting the biologically grown organic food market	Agtech

Note 1: Except for TerraSmart, which was financed through a combination of cash on hand and borrowings under the Company's revolving credit facility, all of the above 2020 acquisitions were funded from cash on hand. The purchase price for the acquisitions of TerraSmart, Sunfig, and Architectural Mailboxes represents the preliminary allocation to the assets acquired and liabilities assumed in each transaction. The purchase price shown above for Delta and Thermo represents the final purchase price in each transaction.

Results of Operations

Three Months Ended June 30, 2021 Compared to the Three Months Ended June 30, 2020

The following table sets forth selected results of operations data and its percentage of net sales for the three months ended June 30 (in thousands):

	2021		2020	
Net sales	$ 348,389	100.0 %	$ 255,184	100.0 %
Cost of sales	267,458	76.8 %	189,623	74.3 %
Gross profit	80,931	23.2 %	65,561	25.7 %
Selling, general, and administrative expense	49,522	14.2 %	34,813	13.7 %
Income from operations	31,409	9.0 %	30,748	12.0 %
Interest expense	245	0.0 %	222	0.0 %
Other income	(4,666)	(1.3)%	(1,892)	(0.7)%
Income before taxes	35,830	10.3 %	32,418	12.7 %
Provision for income taxes	9,457	2.7 %	7,961	3.1 %
Income from continuing operations	26,373	7.6 %	24,457	9.6 %
(Loss) income from discontinued operations	(424)	(0.2)%	2,835	1.1 %
Net income	$ 25,949	7.4 %	$ 27,292	10.7 %

The following table sets forth the Company's net sales by reportable segment for the three months ended June 30, (in thousands):

				Change due to	
	2021	2020	Total Change	Acquisitions	Operations
Net sales:					
Renewables	$ 107,751	$ 55,950	$ 51,801	$ 49,825	$ 1,976
Residential	164,209	139,472	24,737	7,705	17,032
Agtech	53,696	42,309	11,387	—	11,387
Infrastructure	22,733	17,453	5,280	—	5,280
Consolidated	$ 348,389	$ 255,184	$ 93,205	$ 57,530	$ 35,675

Consolidated net sales increased by $93.2 million, or 36.5%, to $348.4 million for the three months ended June 30, 2021 compared to the three months ended June 30, 2020. The 36.5% increase in revenue was driven by the Renewables and Residential segments. Sales generated from our prior year acquisitions of TerraSmart and Architectural Mailboxes contributed 22.5%, or $57.5 million to the growth from the prior year quarter. The $35.7 million, or 14.0% increase in organic growth during the current year quarter was driven by volume increases across all of our segments, the result of strong end market demand and participation gains, along with increases in pricing to customers. Consolidated backlog increased 54% to $403 million up from $262 million at the end of the prior year quarter.

Net sales in our Renewables segment increased $51.8 million, or 92.5%, to $107.8 million for the three months ended June 30, 2021 compared to $56.0 million for the three months ended June 30, 2020. Sales generated from the prior year acquisition of TerraSmart of $49.8 million primarily contributed to the increase in the current year quarter. Organic revenue increased 3.5% during the quarter driven by strong demand across our broad offering of fixed tilt, tracker, canopy and electrical balance-of-system product solutions serving the community and commercial and industrial market segments. This growth was partially offset by headwinds impacting the solar industry including steel inflation, supply chain challenges with solar panels, as well as, a decline in safe-harbor related demand due to the extension of the investment tax credit in late 2020. Backlog improved 120% year over year, or 54% on a proforma basis for this segment.

Net sales in our Residential segment increased 17.7%, or $24.7 million, to $164.2 million for the three months ended June 30, 2021 compared to $139.5 million for the three months ended June 30, 2020. The increase from the prior year quarter was largely due to continued strong activity across all residential businesses along with increased pricing that offset challenges from supply chain dynamics related to material, labor and logistics availability. Sales from the prior year acquisition of Architectural Mailboxes also contributed $7.7 million to the increase in the current year quarter.

Net sales in our Agtech segment increased 27.0%, or $11.4 million, to $53.7 million for the three months ended June 30, 2021 compared to $42.3 million for the three months ended June 30, 2020. The revenue increase was led by solid demand across the produce, commercial, car wash, retail and processing equipment segments, despite the shift in timing of projects from the second quarter into future quarters as schedules have been impacted by permit delays, re-scoping of projects and supply chain disruptions. While backlog experienced a slight and temporary decrease of 7% year over year, due to the impact of re-scoping of projects and supply chain disruptions impacting project scheduling, subsequent order activity is accelerating backlog momentum.

Net sales in our Infrastructure segment increased 29.7%, or $5.3 million, to $22.7 million for the three months ended June 30, 2021 compared to $17.5 million for the three months ended June 30, 2020. During the current year quarter, demand for fabricated and non-fabricated products from this segment increased as state project funding improved and the domestic economy strengthened. Backlog remained strong increasing 11% compared to the prior year quarter.

Our consolidated gross margin decreased to 23.2% for the three months ended June 30, 2021 compared to 25.7% for the three months ended June 30, 2020. The decrease was the result of lower gross margins generated from our recent acquisitions as we continue to integrate them operationally, along with timing and alignment of higher input costs to price increases, supply chain disruptions, and shifts in project timing in the Agtech and Renewables segments. Partially offsetting the decrease was improved operating execution in our core businesses compared to the prior year quarter.

Selling, general, and administrative ("SG&A") expenses increased by $14.7 million, or 42.3%, to $49.5 million for the three months ended June 30, 2021 from $34.8 million for the three months ended June 30, 2020. The $14.7 million increase was primarily due to $6.3 million of incremental SG&A expenses recorded quarter over quarter from our recent acquisitions and transaction costs to complete those acquisitions, along with $1.3 million of higher performance-based compensation expenses as compared to the prior year quarter. Additionally, we have invested in the development of our organization and safety of our team through actions including but not limited to the expansion of headcount in key positions and the launch of other improvement initiatives. Furthermore, healthcare costs increased year over year as prior year spend was down due to COVID-related closures of medical facilities, while the current year quarter spend was impacted by deferred treatments due to those closures. SG&A expenses as a percentage of net sales increased to 14.2% for the three months ended June 30, 2021 compared to 13.7% for the three months ended June 30, 2020.

The following table sets forth the Company's income from operations and income from operations as a percentage of net sales by reportable segment for the three months ended June 30, (in thousands):

	2021		2020		Total Change
Income from operations:					
Renewables	$ 9,510	8.8 %	$ 8,422	15.1 %	$ 1,088
Residential	27,155	16.5 %	27,964	20.0 %	(809)
Agtech	977	1.8 %	766	1.8 %	211
Infrastructure	4,186	18.4 %	2,801	16.0 %	1,385
Unallocated Corporate Expenses	(10,419)	(3.0)%	(9,205)	(3.6)%	(1,214)
Consolidated income from operations	$ 31,409	9.0 %	$ 30,748	12.0 %	$ 661

The Renewables segment generated an operating margin of 8.8% in the current year quarter compared to 15.1% in the prior year quarter. The decrease in operating margin was partly due to the expected lower margins generated by our recent acquisitions, the result of backlog amortization and integration costs, as we continue to integrate these businesses operationally. Additionally contributing to the decrease, was a one-time tariff credit received in the prior year quarter along with the impact of timing and alignment of price to input costs and project movement associated with supply chain challenges. Partially offsetting the lower margin is improvement in our core business resulting from 80/20 productivity initiatives. TerraSmart's operating margin nearly doubled over the first quarter and remains on track relative to our full year integration plans.

The Residential segment generated an operating margin of 16.5% in the current year quarter compared to 20.0% in the prior year quarter. The decrease in operating margin was the result of accelerated inflation, material and labor availability and the timing and alignment of price actions and input costs. While multiple price increases have been implemented, historically, operating margin alignment lags and recovers within a one to two quarter period. Partially offsetting the lower margin is continued solid execution and continued benefits from 80/20 simplification initiatives.

Our Agtech segment generated an operating margin of 1.8% during both the three months ended June 30, 2021 and 2020, respectively. Operating margin was flat due to the combined results of improvements in the legacy greenhouse structures, cannabis greenhouse structures, and processing equipment businesses along with lower restructuring and acquisition costs incurred as compared to the prior year quarter. These improvements were essentially offset by abovementioned movement of certain projects into the second half of the year, higher input costs, and supply chain and logistics challenges incurred in the current year quarter.

Our Infrastructure segment generated an operating margin of 18.4% during the three months ended June 30, 2021 compared to 16.0% during the three months ended June 30, 2020. The increase was driven by higher margin mix resulting from increased non-fabricated product volumes, along with strong execution on higher volumes and continued investment in 80/20 productivity initiatives.

Unallocated corporate expenses increased $1.2 million from $9.2 million during the three months ended June 30, 2020 to $10.4 million during the three months ended June 30, 2021. The increase in expense was primarily the result of $1.1 million of higher performance-based compensation expenses as compared to the prior year quarter.

Interest expense was $0.2 million for both the three months ended June 30, 2021 and 2020, respectively. Expense in the current year quarter was the net result of $32.3 million in the outstanding balance on the Company's revolving credit facility as of June 30, 2021, partially offset by interest income. No amounts were outstanding under our revolving credit facility during the three months ended June 30, 2020.

The Company recorded other income of $4.7 million for the three months ended June 30, 2021, compared to $1.9 million recorded for the three months ended June 30, 2020. The $2.8 million increase from the prior year quarter was largely the result of a $4.7 million gain recognized on the sale of securities received from the sellers of Thermo Energy Systems, Inc. ("Thermo") to settle indemnification claims, partially offset by a $1.9 million pre-tax gain in the prior year quarter on the sale of the Company's self-guided apartment tour application business within the Residential segment.

We recognized a provision for income taxes of $9.5 million and $8.0 million, with effective tax rates of 26.4% and 24.6% for the three months ended June 30, 2021, and 2020, respectively. The effective tax rates for the three months ended June 30, 2021 and 2020, respectively, were greater than the U.S. federal statutory rate of 21% due to state taxes and nondeductible permanent differences partially offset by favorable discrete items due to an excess tax benefit on stock-based compensation.

Six Months Ended June 30, 2021 Compared to the Six Months Ended June 30, 2020

The following table sets forth selected results of operations data and its percentage of net sales for the six months ended June 30 (in thousands):

	2021		2020	
Net sales	$ 635,981	100.0 %	$ 470,585	100.0 %
Cost of sales	495,032	77.8 %	355,163	75.5 %
Gross profit	140,949	22.2 %	115,422	24.5 %
Selling, general, and administrative expense	96,725	15.2 %	71,897	15.3 %
Income from operations	44,224	7.0 %	43,525	9.2 %
Interest expense	689	0.1 %	266	0.0 %
Other income	(4,351)	(0.6)%	(1,374)	(0.3)%
Income before taxes	47,886	7.5 %	44,633	9.5 %
Provision for income taxes	11,017	1.7 %	10,274	2.2 %
Income from continuing operations	36,869	5.8 %	34,359	7.3 %
Income from discontinued operations	1,842	0.3 %	4,992	1.1 %
Net income	$ 38,711	6.1 %	$ 39,351	8.4 %

The following table sets forth the Company’s net sales by reportable segment for the six months ended June 30, (in thousands):

				Change due to	
	2021	2020	Total Change	Acquisitions	Operations
Net sales:					
Renewables	$ 193,263	$ 103,213	$ 90,050	$ 87,081	$ 2,969
Residential	304,426	242,891	61,535	16,439	45,096
Agtech	100,435	91,543	8,892	4,600	4,292
Infrastructure	37,857	32,938	4,919	—	4,919
Consolidated	$ 635,981	$ 470,585	$ 165,396	$ 108,120	$ 57,276

Consolidated net sales increased by $165.4 million, or 35.1%, to $636.0 million for the six months ended June 30, 2021 compared to the six months ended June 30, 2020. The 35.1% increase in revenue was driven by the Renewables and Residential segments. Sales generated from our prior year acquisitions of TerraSmart, Thermo, Delta Separations and Architectural Mailboxes contributed 23.0%, or $108.1 million to the growth from the prior year. The $57.3 million, or 12.1% increase, in organic growth during the current year was primarily the result of an increase in volume across all of our segments, the result of strong end market demand and participation gains, along with increases in pricing to customers. Consolidated backlog increased 54% to $403 million up from $262 million at the end of the prior year period.

Net sales in our Renewables segment increased $90.1 million, or 87.3%, to $193.3 million for the six months ended June 30, 2021 compared to $103.2 million for the six months ended June 30, 2020. Sales generated from the prior year acquisition of TerraSmart of $87.1 million, primarily contributed to the increase in the current year. Organic revenue increased 2.9% during the current year driven by strong demand across our broad offering of fixed tilt, tracker, canopy and electrical balance-of-system product solutions serving the community and commercial and industrial market segments. This growth was partially offset by projects impacted by headwinds impacting the solar industry including steel inflation, supply chain challenges with solar panels, as well as, a decline in safe-harbor related demand due to the extension of the investment tax credit in late 2020. Backlog improved 120% year over year, or 54% on a proforma basis for this segment.

Net sales in our Residential segment increased 25.3%, or $61.5 million, to $304.4 million for the six months ended June 30, 2021 compared to $242.9 million for the six months ended June 30, 2020. The increase from the prior year was largely due to continued strong demand across all residential businesses along with increased pricing and participation gains across that offset challenges from supply chain dynamics. Sales from the prior year acquisition of Architectural Mailboxes also contributed $16.4 million to the increase in the current year.

Net sales in our Agtech segment increased 9.7%, or $8.9 million, to $100.4 million for the six months ended June 30, 2021 compared to $91.5 million for the six months ended June 30, 2020. Sales generated from Thermo and Delta Separations acquired in the first quarter of 2020, contributed $4.6 million, to the increase in this segment.

Organic revenue increased $4.3 million, largely driven by growth in the produce market along with slower but improving market conditions for commercial, car wash, retail and processing equipment segments. Partially offsetting the segment increase was the shift in timing of projects from the current period into the second half of the year as schedules have been impacted by permit delays, re-scoping of projects and supply chain disruptions. While backlog experienced a slight and temporary decrease of 7% year over year, due to the impact of re-scoping of projects and supply chain disruptions impacting project scheduling, subsequent order activity is accelerating backlog momentum.

Net sales in our Infrastructure segment increased 14.9%, or $4.9 million, to $37.9 million for the six months ended June 30, 2021 compared to $32.9 million for the six months ended June 30, 2020. During the current year, demand for fabricated and non-fabricated products from this segment increased as the economy strengthened and state project funding improved. Backlog remained strong increasing 11% compared to the prior year.

Our consolidated gross margin decreased to 22.2% for the six months ended June 30, 2021 compared to 24.5% for the six months ended June 30, 2020. This decrease was the result of costs incurred during the current year related to the planned discontinuation of our organic solar tracker solution as we migrate towards the solution offered by our recently acquired TerraSmart business. Additionally, lower gross margins generated from our recent acquisitions contributed to the decline as we continue to integrate them operationally along with timing and alignment of higher input costs to price increases, supply chain disruptions, and shifts in project timing in the Agtech and Renewables segments. Partially offsetting the decrease was improved operating execution in all our core businesses compared to the prior year.

Selling, general, and administrative ("SG&A") expenses increased by $24.8 million, or 34.5%, to $96.7 million for the six months ended June 30, 2021 from $71.9 million for the six months ended June 30, 2020. The $24.8 million increase was primarily due to $12.9 million of incremental SG&A expenses recorded year over year from our recent acquisitions and transaction costs to complete those acquisitions, along with $4.6 million of higher performance-based compensation expenses as compared to the prior year. Additionally, we have invested in the development of our organization and safety of our team through actions including but not limited to the expansion of headcount in key positions and the launch of additional developmental improvement initiatives. Furthermore, healthcare costs increased year over year as prior year spend was down due to COVID-related closures of medical facilities, while the current year spend was impacted by deferred treatments due to those closures. Despite the above increases, SG&A expenses as a percentage of net sales modestly decreased to 15.2% for the six months ended June 30, 2021 compared to 15.3% for the six months ended June 30, 2020.

The following table sets forth the Company's income from operations and income from operations as a percentage of net sales by reportable segment for the six months ended June 30, (in thousands):

	2021		2020		Total Change
Income from operations:					
Renewables	$ 8,989	4.7 %	$ 12,781	12.4 %	$ (3,792)
Residential	50,089	16.5 %	41,689	17.2 %	8,400
Agtech	1,906	1.9 %	2,106	2.3 %	(200)
Infrastructure	6,223	16.4 %	4,377	13.3 %	1,846
Unallocated Corporate Expenses	(22,983)	(3.6)%	(17,428)	(3.7)%	(5,555)
Consolidated income from operations	$ 44,224	7.0 %	$ 43,525	9.2 %	$ 699

The Renewables segment generated an operating margin of 4.7% in the current year compared to 12.4% in the prior year. The decrease in operating margin was the combined result of costs incurred during the current year related to the discontinuation of our organic solar tracker solution along with expected lower margins generated by our recent acquisitions, the result of backlog amortization and integration costs, as we continue to integrate them operationally. Additionally contributing to the decrease, was a one-time tariff credit received in the prior year along with the impact of timing and alignment of price to input costs and project movement associated with supply chain challenges. Partially offsetting the lower margin is improvement in our core business resulting from 80/20 productivity initiatives. TerraSmart's operating margin continues to improve in the first half of 2021 and remains on track relative to our full year integration plans.

The Residential segment generated an operating margin of 16.5% in the current year compared to 17.2% in the prior year. The decrease in operating margin was the result of accelerated inflation, material and labor availability and the timing and alignment of price actions and input costs. While multiple price increases have been implemented, historically, operating margin alignment lags and recovers within a one to two quarter period. Partially offsetting the lower margin is continued solid execution and continued benefits from 80/20 simplification initiatives.

Our Agtech segment generated an operating margin of 1.9% during the six months ended June 30, 2021 compared to 2.3% during the six months ended June 30, 2020. The decrease in operating margin was the combined result of the abovementioned movement of certain projects into the second half of the year, higher input costs and supply chain and logistics challenges incurred in the current year along with integration delays incurred by Thermo during the earlier months of 2021. Partially offsetting the lower margin was improvements in the legacy greenhouse structures, cannabis greenhouse structures, and processing equipment businesses along with lower restructuring and acquisition costs incurred as compared to the prior year period.

Our Infrastructure segment generated an operating margin of 16.4% during the six months ended June 30, 2021 compared to 13.3% during the six months ended June 30, 2020. The increase was driven by higher margin mix resulting from increased non-fabricated product volumes, along with strong execution on higher volumes and higher revenue and continued investment in 80/20 productivity initiatives.

Unallocated corporate expenses increased $5.6 million from $17.4 million during the six months ended June 30, 2020 to $23.0 million during the six months ended June 30, 2021. The increase in expense was primarily the result of $4.2 million of higher performance-based compensation expenses as compared to the prior year.

Interest expense increased by $0.4 million to $0.7 million for the six months ended June 30, 2021 compared to $0.3 million for the six months ended June 30, 2020. The increase in expense was primarily the result of $32.3 million in the outstanding balance on the Company's revolving credit facility as of June 30, 2021. No amounts were outstanding under our revolving credit facility during the six months ended June 30, 2020.

The Company recorded other income of $4.4 million for the six months ended June 30, 2021 compared to the $1.4 million recorded for the six months ended June 30, 2020. The $3.0 million increase from the prior year was largely the result of a $4.7 million gain recognized on the sale of securities received from the sellers of Thermo to settle indemnification claims, partially offset by the prior year period $1.9 million pre-tax gain on the sale of the Company's self-guided apartment tour application business within the Residential segment.

We recognized a provision for income taxes of $11.0 million and $10.3 million, with effective tax rates of 23.0% for both the six months ended June 30, 2021, and 2020, respectively. The effective tax rates for the six months ended June 30, 2021 and 2020, respectively, were greater than the U.S. federal statutory rate of 21% due to state taxes and nondeductible permanent differences partially offset by favorable discrete items due to an excess tax benefit on stock-based compensation.

Outlook

The Company expects that the current business environment, which has been dynamic since the beginning of the year, to remain so throughout the second half of 2021, and will continue to manage inflation, minimize supply chain disruptions, operate in a tight labor market, and continue with its COVID operating protocols. The Company is currently positioned well with solid end market demand, record order backlog, a very healthy balance sheet, and strong focus on daily execution, acquisition integrations, and strengthening its organization and operating systems.

As such, the Company is maintaining its full year guidance of revenues based on its performance to date in 2021, which is consistent with its historical patterns, and outlook and initiatives for improving profitability across each business Consolidated revenue is expected to range between $1.30 billion and $1.35 billion, up from $1.03 billion in 2020 and GAAP EPS from continuing operations between $2.78 and $2.95, compared with $2.53 in 2020.

Liquidity and Capital Resources

Our principal capital requirements are to fund our operations' working capital and capital improvements and to provide capital for acquisitions. We will continue to invest in growth opportunities as appropriate while focusing on working capital efficiency and profit improvement opportunities to minimize the cash invested to operate our business. The following table sets forth our liquidity position as of:

(in thousands)	June 30, 2021	December 31, 2020
Cash and cash equivalents	$ 16,963	$ 32,054
Availability on revolving credit facility	360,179	309,175
	$ 377,142	$ 341,229

We believe that our cash on hand and available borrowing capacity provided under our Sixth Amended and Restated Credit Agreement (the "Senior Credit Agreement") provide us with ample liquidity and capital resources to weather the economic impacts of the COVID-19 pandemic while continuing to invest in operational excellence, growth initiatives and the development of our organization. We continue to remain focused on managing our working capital, closely monitoring customer credit and collection activities, and working to extend payment terms. We believe our liquidity, together with the cash expected to be generated from operations, should be sufficient to fund working capital needs and growth initiatives.

Our Senior Credit Agreement provides us with liquidity and capital resources for use by our U.S. operations. Historically, our foreign operations have generated cash flow from operations sufficient to invest in working capital and fund their capital improvements. As of June 30, 2021, our foreign subsidiaries held $14.9 million of cash in U.S. dollars.

During 2020, we opted to defer remittance of the employer portion of Social Security tax as provided in the Coronavirus, Aid, Relief and Economic Security Act ("CARES Act"), which allowed us to retain $4.4 million in cash during 2020 that would have otherwise been remitted to the federal government. The deferred tax payments will be repaid equally on December 31, 2021 and 2022.

Over the long-term, we expect that future investments, including strategic business opportunities such as acquisitions, may be financed through a number of sources, including internally available cash, availability under our revolving credit facility, new debt financing, the issuance of equity securities, or any combination of the above. All potential acquisitions are evaluated based on our acquisition strategy, which includes the enhancement of our existing products, operations, or capabilities, expanding our access to new products, markets, and customers, with the goal of creating compounding and sustainable stockholder value.

These expectations are forward-looking statements based upon currently available plans and information and may change if conditions in the credit and equity markets deteriorate or other circumstances change. To the extent that operating cash flows are lower than current or expected levels, or sources of financing are not available or not available at acceptable terms, our future liquidity may be adversely affected.

Cash Flows

The following table sets forth selected cash flow data for the six months ended June 30, (in thousands):

	2021	2020
Cash provided by (used in):		
Operating activities of continuing operations	$ 12,777	$ (10,967)
Investing activities of continuing operations	30,515	(57,800)
Financing activities of continuing operations	(56,292)	(4,384)
Discontinued operations	(2,178)	2,659
Effect of foreign exchange rate changes	87	(12)
Net decrease in cash and cash equivalents	$ (15,091)	$ (70,504)

Operating Activities

Net cash provided by operating activities of continuing operations for the six months ended June 30, 2021 of $12.8 million consisted of income from continuing operations of $36.9 million and non-cash net charges totaling $22.4

million, which include depreciation, amortization, stock compensation, exit activity costs and other non-cash charges, offset by a $46.5 million investment in working capital and other net assets. The investment in net working capital and other net assets was largely driven by an increase in inventory due to rising material costs and accounts receivable due to seasonal increases in demand, offset by an increase in accounts payable as the result of seasonal increases in manufacturing activity.

Net cash used in operating activities of continuing operations for the six months ended June 30, 2020 of $11.0 million consisted of net income of $34.4 million and non-cash net charges totaling $12.8 million, which include depreciation, amortization, stock compensation, and other non-cash charges, more than offset by a $58.1 million investment in working capital and other net assets. The working capital investment was largely comprised of $42.4 million related to our acquisition of Thermo, which was undercapitalized at time of purchase in the first quarter of 2020.

Investing Activities

Net cash provided by investing activities of continuing operations for the six months ended June 30, 2021 of $30.5 million was primarily due to $40.0 million in net proceeds received from the sale of the Company's Industrial business, offset by capital expenditures of $9.5 million.

Net cash used in investing activities of continuing operations for the six months ended June 30, 2020 of $57.8 million primarily consisted of net cash paid for the acquisitions of Delta Separations of $47.1 million and Thermo of $7.3 million and capital expenditures of $4.2 million, offset by $0.8 million in proceeds from the sale of a business within the Residential Products segment and the sale of property and equipment.

Financing Activities

Net cash used in financing activities of continuing operations for the six months ended June 30, 2021 of $56.3 million was primarily the result of $83.6 million in payments on long-term debt and $4.8 million of purchases of treasury stock related to the net settlement of tax obligations for participants in the Company's equity incentive plans, offset by $31.2 million in proceeds from borrowing on our long-term credit facility and $0.9 million from the issuance of common stock from stock option exercises during the period.

Net cash used in financing activities of continuing operations for the six months ended June 30, 2020 of $4.4 million was primarily the result of purchases of treasury stock related to the net settlement of tax obligations for participants in the Company's equity incentive plans.

See Note 8 to the Company's consolidated financial statements in Part I, Item 1, Financial Statements, of this Form 10-Q for further information on the Company's Senior Credit Agreement.

Off Balance Sheet Financing Arrangements

We have no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures, or capital resources that is material to investors.

Contractual Obligations

Our contractual obligations have not changed materially from the disclosures included in Item 7 of the Company’s Annual Report on Form 10-K for the year ended December 31, 2020.

Critical Accounting Estimates

In the current year, there have been no changes to our critical accounting estimates from those disclosed in the consolidated financial statements and accompanying notes contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2020.

Recent Accounting Pronouncements

See Note 2 to the Company's consolidated financial statements in Part I, Item 1 of this Form 10-Q for further information on recent accounting pronouncements.

Item 3. Qualitative and Quantitative Disclosures About Market Risk

In the ordinary course of business, the Company is exposed to various market risk factors, including changes in general economic conditions, competition, foreign exchange rates, and raw materials pricing and availability. In addition, the Company is exposed to other financial market risks, primarily related to its foreign operations. Refer to Item 7A in the Company's Form 10-K for the year ended December 31, 2020 for more information about the Company's exposure to market risk.

Item 4. Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures

The Company maintains a system of disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934). The Company's Chief Executive Officer and the Chief Financial Officer evaluated the effectiveness of the Company's disclosure controls as of the end of the period covered in this report. Based upon that evaluation and the definition of disclosure controls and procedures contained in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, the Company's Chief Executive Officer and Chief Financial Officer have concluded that as of the end of such period the Company's disclosure controls and procedures were effective.

(b) Changes in Internal Control over Financial Reporting

There have been no changes in the Company's internal control over financial reporting (as defined by Rule 13a-15(f) or 15d-15(f)) that occurred during the period covered by this Quarterly Report on Form 10-Q that have materially affected the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Not applicable.

Item 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully consider the risks discussed in "Part I, Item 1A. Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2020. These risks and uncertainties have the potential to materially affect our business, financial condition, results of operation, cash flows, and future prospects. Additional risks and uncertainties not currently known to us or that we currently deem immaterial may materially adversely impact our business, financial condition, or operating results. We believe there have been no material changes from the risk factors previously disclosed in our Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Not applicable.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Not applicable.

Item 6. Exhibits

(a) Exhibits

3.1	Certificate of Incorporation of Gibraltar Industries, Inc., as amended by: (i) Certificate of Amendment of Certificate of Incorporation of Gibraltar Industries, Inc. filed October 27, 2004, (ii) Certificate of Change of Registered Agent and Registered Office of Gibraltar Industries, Inc. filed May 11, 2005, (iii) Certificate of Amendment of Certificate of Incorporation of Gibraltar Industries, Inc. executed May 22, 2012, (iv) Certificate of Amendment of Certificate of Incorporation of Gibraltar Industries, Inc. executed May 11, 2015, and (v) Certificate of Amendment of Certificate of Incorporation of Gibraltar Industries, Inc. executed May 5, 2021
31.1	Certification of President and Chief Executive Officer pursuant to Section 302 of the Sarbanes–Oxley Act of 2002.
31.2	Certification of Senior Vice President and Chief Financial Officer pursuant to Section 302 of the Sarbanes–Oxley Act of 2002.
32.1	Certification of the President and Chief Executive Officer pursuant to Title 18, United States Code, Section 1350, as adopted pursuant to Section 906 of the Sarbanes–Oxley Act of 2002.
32.2	Certification of the Senior Vice President and Chief Financial Officer pursuant to Title 18, United States Code, Section 1350, as adopted pursuant to Section 906 of the Sarbanes–Oxley Act of 2002.
101.INS	XBRL Instance Document *
101.SCH	XBRL Taxonomy Extension Schema Document *
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document *
101.LAB	XBRL Taxonomy Extension Label Linkbase Document *
101.PRA	XBRL Taxonomy Extension Presentation Linkbase Document *
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document *

* Submitted electronically with this Quarterly Report on Form 10-Q.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GIBRALTAR INDUSTRIES, INC.
(Registrant)

/s/ William T. Bosway
William T. Bosway
President and Chief Executive Officer

/s/ Timothy F. Murphy
Timothy F. Murphy
Senior Vice President and
Chief Financial Officer

Date: August 3, 2021

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 02:30 PM 09/17/1993
753260005 - 2351447

CERTIFICATE OF INCORPORATION

OF

GIBRALTAR STEEL CORPORATION

The undersigned, a natural person over the age of 18 years, for the purpose of organizing a corporation for conducting the business and promoting the purposes hereinafter stated, under the provisions and subject to the requirements of Section 102 of the General Corporation Law of the State of Delaware (the "GCL") hereby certifies that:

FIRST: The name of the corporation is Gibraltar Steel Corporation (the "Corporation").

SECOND: The address, including street, number, city and county of the registered office of the Corporation in the State of Delaware is 32 Loockerman Square, Suite L100, Dover, Delaware 19901, County of Kent, and the name of the registered agent of the Corporation in the State of Delaware at such address is The Prentice-Hall Corporation System, Inc.

THIRD: The nature of the business and of the purposes to be conducted and promoted by the Corporation are in general to carry on any business and engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

FOURTH: The total number of shares of stock which the Corporation shall have authority to issue is 60,000,000 shares, of which 50,000,000 of the par value of $.01 per share shall be common stock ("Common Stock") and of which 10,000,000 of the par value of $.01 per share shall be preferred stock ("Preferred Stock"). All of such shares shall be issued as fully paid and non-assessable shares, and the holder thereof shall not be liable for any further payments in respect thereof.

The Preferred Stock may be issued, from time to time, in one or more classes or series, with such designations, preferences and relative, participating, optional or other rights, qualifications, limitations or restrictions thereof as shall be stated and expressed in the resolution or resolutions providing for the issue of such class or series adopted by the Board of Directors from time to time, pursuant to the authority herein given, a copy of which resolution or resolutions shall have been set forth in a certificate made, executed, acknowledged, filed and recorded in the manner required by the laws of the State of Delaware in order to make the same effective. Each series shall consist of such number of shares as shall be stated and expressed in such resolution or resolutions providing for the issuance of the stock of such series. All shares of any one series of Preferred Stock shall be alike in every particular.

FIFTH: The name and mailing address of the sole Incorporator is as follows:

Robert J. Olivieri, Esq.
Lippes, Silverstein, Mathias & Wexler
700 Guaranty Building
28 Church Street
Buffalo, New York 14202-3950

SIXTH: The Corporation is to have perpetual existence.

SEVENTH: The business and affairs of the Corporation shall be managed by or under the direction of the Board of

Directors, and the directors need not be elected by ballot unless required by the By-Laws of the Corporation. In furtherance and not in limitation of the powers conferred by statute, the Board of Directors of the Corporation shall have concurrent power with the stockholders to adopt, amend or repeal the By-Laws of the Corporation.

EIGHTH: Action shall be taken by the stockholders of the Corporation only at annual or special meetings of stockholders, and stockholders may not act by written consent. Special meetings of the Corporation may be called only as provided in the By-Laws.

NINTH: (a) Meetings of stockholders may be held within or without the State of Delaware, as the By-Laws of the Corporation may provide. The books of the Corporation may be kept outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the By-Laws of the Corporation. The Board of Directors shall from time to time decide whether and to what extent and at what times and under what conditions and requirements the accounts and books of the Corporation, or any of them, except the stock book, shall be open to the inspection of the stockholders, and no stockholder shall have any right to inspect any books or documents of the Corporation except as conferred by the laws of the State of Delaware or as authorized by the Board of Directors.

(b) Directors elected by holders of stock of the Corporation entitled to vote generally in the election of directors may be removed at any time by a majority vote of such stockholders, provided that such removal may only be for cause. Directors elected by any class of stock, voting separately as a class, may be removed only by a majority vote of such class, voting separately as a class, so long as the voting power of such class shall continue, provided such removal may only be for cause.

TENTH: (a) The number of directors of the Corporation, exclusive of directors, if any, to be elected by the holders of one or more classes or series of Preferred Stock, shall be not less than three nor more than 15. Subject to such limitation, such number may be fixed by the affirmative vote of a majority of the directors then in office. The directors of the Corporation shall be divided into three classes, as nearly equal in number as practicable. The term of office of the first class shall expire at the first annual meeting of stockholders succeeding the effective date of this Certificate of Incorporation the term of office of the second class shall expire at the second annual meeting succeeding such effective date and the term of office of the third class shall expire at the third annual meeting succeeding such effective date. At each annual meeting, directors to succeed those whose terms of office expire at such annual meeting shall be elected to hold office until the third succeeding annual meeting or until his other successor shall be elected and qualify, or until his or her earlier death, resignation or removal. If the number of directors is changed, the number of directorships shall be apportioned among the classes as to make each class as nearly equal in size as practicable but in no case will a decrease shorten the term of any incumbent director.

(b) Any vacancies on the Board of Directors occurring for any reason, or any newly created directorships resulting from any increase in the number of directors, shall be filled by a majority of the Board of Directors then in office (even if, in the case of a vacancy not resulting from an increase in the size of the Board, said directors constitute less than a quorum), the appointee to any such vacancy to serve for the unexpired portion of the term of the director whose leaving the board created the vacancy, and the appointee to any newly created directorship to be assigned by the board to such class of the board so as to make the classes as nearly equal in size as practicable. Notwithstanding the foregoing, whenever the holders of one or more classes or series of Preferred Stock issued by the Corporation shall have the right, voting separately by class or series, to elect directors at an annual or special meeting of stockholders, the election, term of office, filling of vacancies and other features of such directorships shall be governed by the terms of this Certificate of Incorporation applicable thereto, and such directors so elected shall not be divided into classes pursuant to this subsection (b) of Article TENTH unless expressly provided by such terms.

ELEVENTH: (a) In addition to any affirmative vote required by law or this Certificate of Incorporation, and except as otherwise expressly provided in Section 2 of this Article Eleventh, any transaction or contract which involves or includes:

(i) any merger or consolidation of the Corporation or any Subsidiary (as hereinafter defined) with (A) any Interested Stockholder (as hereinafter defined), or (B) any other corporation (whether or not itself an Interested Stockholder) which is, or after such merger or consolidation would be, an Affiliate (as hereinafter defined) of an Interested Stockholder; or

(ii) any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions) to or with any Interested Stockholder or any Affiliate of any Interested Stockholder of any assets of the Corporation or any Subsidiary having an aggregate Fair Market Value (as hereinafter defined) of $50 million or more; or

(iii) the issuance or transfer by the Corporation or any Subsidiary (in one transaction or a series of transactions) of any securities of the Corporation or any Subsidiary to any Interested Stockholder or any Affiliate of any Interested Stockholder in exchange for cash, securities or other property (or a combination thereof) having an aggregate Fair Market Value of $50 million or more; or

(iv) the adopting of any plan or proposal for the liquidation or dissolution of the Corporation proposed by or on behalf of any Interested Stockholder or any Affiliate of any Interested Stockholder; or

(v) any reclassification of securities (including any reverse stock split), or recapitalization of the Corporation, or any merger or consolidation of the Corporation with any of its Subsidiaries or any other transaction (whether or not with or into or otherwise involving an Interested Stockholder) which has the effect, directly or indirectly, of increasing the proportionate share of the outstanding shares of any class of Equity Security (as hereinafter defined) of the Corporation or any Subsidiary which is directly or indirectly owned by any Interested Stockholder or any Affiliate of any Interested Stockholder;

shall require the affirmative vote of the holders of at least 80 percent of the voting power of the then outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors (the "Voting Stock"), voting together as a single class. Such affirmative vote shall be required notwithstanding the fact that no vote may be required, or that a lesser percentage may be specified by law or in any agreement with any national securities exchange or this Certificate of Incorporation exclusive of this Article Eleventh.

(b) The provisions of Section (a) of this Article Eleventh shall not be applicable to any particular Business Combination (as hereinafter defined), and such Business Combination shall require only such affirmative vote as is required by law and any other provision of this Certificate of Incorporation, if all of the conditions specified in either of the following clauses (i) or (ii) are met:

(i) The Business Combination shall have been approved by a majority of the Disinterested Directors (as hereinafter defined); or

(ii) All of the following conditions shall have been met:

(A) The aggregate amount of the cash and the Fair Market Value, as of the date of the consummation of the Business Combination, of consideration other than cash to be received per share by holders of Common Stock in such Business Combination shall be at least equal to the higher of the following:

(1) (If applicable) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by the Interested Stockholder for any shares of Common Stock acquired by it (A) within the two-year period immediately prior to the first public announcement of the terms of the proposed Business Combination (the "Announcement Date"), or (B) in the transaction in which it became an Interested Stockholder, whichever is higher; or

(2) The Fair Market Value per share of Common Stock on the Announcement Date or on the date on which the Interested Stockholder became an Interested Stockholder (such latter dated is referred to in this Article Eleventh as the "Determination Date"), whichever is higher.

(B) The aggregate amount of the cash and the Fair Market Value, as of the date of the consummation of the Business Combination, of consideration other than cash to be received per share by holders of shares of any other class of outstanding Voting Stock shall be at least equal to the highest of the following (it being intended that the requirements of this paragraph (B) shall be required to be met with respect to every class of outstanding Voting Stock, whether or not the Interested Stockholder has previously acquired any shares of a particular class of Voting Stock):

(1) (If applicable) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by the Interested Stockholder for any shares of such class of Voting Stock acquired by it (A) within the two-year period immediately prior to the Announcement Date, or (B) in the transaction in which it became an Interested Stockholder, whichever is higher;

(2) (If applicable) the highest preferential amount per share to which the holders of shares of such class of Voting Stock are entitled in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation; and

(3) The Fair Market Value per share of such class of Voting Stock on the Announcement Date or on the Determination Date, whichever is higher.

(C) The consideration to be received by holders of a particular class of outstanding Voting Stock (including Common Stock) shall be in cash or in the same form as the Interested Stockholder has previously paid for shares of such class of Voting Stock. If the Interested Stockholder has paid for shares of any class of Voting Stock with varying forms of consideration, the form of consideration for such class of Voting Stock shall be either cash or the form used to acquire the largest number of shares of such class of Voting Stock previously acquired by it. The price determined in accordance with subparagraphs (ii)(A) and (ii)(B) of this Article Eleventh shall be subject to appropriate adjustment in the event of any stock dividend, stock split, combination of shares or similar event.

(D) After the Determination Date and prior to the consummation of such Business Combination: (i) except as approved by a majority of the Disinterested Directors, there shall have been no failure to declare and pay at the regular date therefor any full quarterly dividends (whether or not cumulative) on any outstanding stock having preference over the Common Stock as to dividends or upon liquidation; (ii) there shall have been (A) no reduction in the annual rate of dividends paid on the Common Stock (except as necessary to reflect any subdivision of the Common Stock), except as approved by a majority of the Disinterested Directors, and (B) an increase in such annual rate of dividends as necessary to reflect any reclassification (including any reverse stock split), recapitalization, reorganization or any similar transaction which has the effect of reducing the number of outstanding shares of the Common Stock, unless the failure so to increase such annual rate is approved by a majority of the Disinterested Directors; and (iii) such Interested Stockholder shall have not become the beneficial owner of any additional shares of Voting Stock or securities convertible into Voting Stock except as part of the transaction which results in such Interested Stockholder becoming an Interested Stockholder.

(E) After the Determination Date, such Interested Stockholder shall not have received the benefit, directly or indirectly (except proportionately as a stockholder), of any loans, advances, guarantees, pledges or other financial assistance or any tax credits or other tax advantages provided by the Corporation, whether in anticipation of or in connection with such Business Combination or otherwise.

(F) A proxy or information statement describing the proposed Business Combination and complying with the requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations thereunder (or any subsequent provisions replacing the Exchange Act, rules or regulations) shall be mailed to public stockholders of the Corporation at least thirty days prior to the consummation of such Business Combination (whether or not such proxy or information statement is required to be mailed pursuant to the Exchange Act or subsequent provisions).

(b) The following terms shall have the following meanings when used herein:

(i) "Affiliate" or "Associate" shall have the respective meaning ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Exchange Act.

(ii) A person is a "beneficial owner" of any Voting Stock:

(A) which such person or any of its Affiliates or Associates (as hereinabove defined) beneficially owns directly or indirectly; or

(B) which such person or any of its Affiliates or Associates has (1) the right to acquire (whether such right is exercisable immediately or only after the passage of time), pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options or otherwise, or (2) the right to vote pursuant to any agreement, arrangement or understanding; or

(C) which are beneficially owned, directly or indirectly, by any other person with which such person or any of its Affiliates or Associates has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any shares of Voting Stock.

(iii) "Business Combination" means any transaction or contract which is referred to in any one or more of clauses (i) through (v) of paragraph (a) of this Article Eleventh.

(iv) "Disinterested Director" means any member of the Board of Directors who is unaffiliated with the Interested Stockholder and was a member of the Board of Directors prior to the Determination Date, and any successor of a Disinterested Director who is unaffiliated with the Interested Stockholder and is recommended to succeed a Disinterested Director by a majority of Disinterested Directors then on the Board of Directors.

(v) "Equity Security" shall have the meaning ascribed to such term in Section 3(a)(11) of the Exchange Act.

(vi) "Fair Market Value" means: (A) in the case of stock, the highest closing sale price during the thirty-day period immediately preceding the date in question of a share of such stock on the Composite Tape for New York Stock Exchange issues, or, if such stock is not quoted on the Composite Tape, or the New York Stock Exchange, or, if such stock is not listed on such Exchange, on the principal United States securities exchange registered under the Exchange Act on which such stock is listed, or, if such stock is not listed on any such exchange, the highest closing bid quotation with respect to a share of such stock during the thirty-day period preceding the date in question on the National Association of Securities Dealers, Inc. Automated Quotation System or any system then in use, or if no such quotations are available, the fair market value on the date in question of a share of such stock as determined by the Disinterested Directors in good faith; and (B) in the case of property on the date in question as determined by a majority of the Disinterested Directors.

(vii) "Interested Stockholder" means any person (other than (A) the Corporation, or (B) any Subsidiary, which:

(1) is the beneficial owner, directly or indirectly, of 20 percent or more of the voting power of the outstanding Voting Stock; or

(2) is an Affiliate of the Corporation and at any time within the two-year period immediately prior to the date in question was the beneficial owner, directly or indirectly, of 20 percent or more of the voting power of the then outstanding Voting Stock; or

(3) is an assignee of or has otherwise succeeded to any shares of Voting Stock which were at any time within the two (2) year period immediately prior to the date in question beneficially owned by any Interested Stockholder, if such assignment or succession shall have occurred in the course of a transaction or series of transactions not involving a public offering within the meaning of the Securities Act of 1933, as amended.

For the purpose of determining whether a person is an Interested Stockholder pursuant to clause (vii) hereof, the number of shares of Voting Stock deemed to be outstanding shall include shares deemed owned through application of paragraph (b) hereof, but shall not include any other shares of Voting Stock which may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

(viii) "Person" shall mean any individual, firm, corporation or other entity.

(ix) "Subsidiary" means any corporation of which a majority of any class of Equity Security is owned, directly or indirectly, by the Corporation; provided, however, that for the purposes of the definition of Interested Stockholder set forth in subparagraph (vii) hereof, the term "Subsidiary" shall mean only a corporation of which a majority of each class of Equity Security is owned, directly or indirectly, by the Corporation.

(x) In the event of any Business Combination in which the Corporation survives, the phrase "consideration other than cash to be received" as used in subparagraph (b)(ii)A and (b)(ii)(B) of this Article Eleventh shall include the shares of Common Stock and/or the shares of any other class of outstanding voting Stock retained by the holders of such shares.

(d) A majority of the Disinterested Directors shall have the power to interpret all of the terms and provisions of this Article Eleventh, including, without limitation, and on the basis of information known to the Disinterested Directors after reasonable inquiry (i) whether a person is an Interested Stockholder; (ii) the number of shares of Voting Stock beneficially owned by any person; (iii) whether a person is an Affiliate or Associate of another; (iv) whether the assets which are the subject of any Business Combination have, or the consideration to be received for the issuance or transfer of securities by the

Corporation or any Subsidiary in any Business Combination has, an aggregate Fair Market Value of $50 million or more.

(e) Nothing contained in this Article Eleventh shall be construed to relieve any Interested Stockholder from any fiduciary obligation imposed by law.

(f) Notwithstanding any other provisions of this Certificate of Incorporation or the By-Laws (and notwithstanding the fact that a lesser percentage may be specified by law, this Certificate of Incorporation or the By-Laws or otherwise), the affirmative vote or consent of the holders of 80 percent or more of the outstanding Voting Stock voting together as a single class shall be required to amend or repeal, or adopt any provisions inconsistent with, this Article Eleventh or any provision hereof.

TWELFTH: (a) The Corporation shall indemnify its directors and officers to the fullest extent authorized or permitted by the GCL, as the same exists or may hereafter be amended, and such right to indemnification shall continue as to a person who has ceased to be a director or officer of the Corporation and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that except for proceedings to enforce rights to indemnification, the Corporation shall not be obligated to indemnify any director or officer (or his or her heirs, executors or administrators) in connection with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors of the Corporation.

(b) Expenses (including attorneys' fees) incurred by an officer or director in defending any civil, criminal, administrative or investigative action, suit or proceeding shall be paid by the Corporation in advance of final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director of officer to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Corporation as authorized in this subsection (b) of Article TWELFTH.

(c) The Corporation may, to the extent authorized from time to time by the Board of Directors, provide rights to indemnification and to the advancement of expenses to employees and agents of the Corporation who are not directors or officers similar to those conferred in this Article TWELFTH to directors and officers of the Corporation.

(d) The rights to indemnification and to the advancement of expenses conferred in this Article TWELFTH shall not be exclusive of any other right which any person may have or hereafter acquire under this Certificate of Incorporation, the By-Laws, any statute, agreement, vote of stockholders or disinterested directors or otherwise.

(e) Any repeal or modification of this Article TWELFTH by the stockholders of the Corporation shall not adversely affect any rights to indemnification and advancement of expenses of a director or officer of the Corporation existing pursuant to this Article TWELFTH with respect to any acts or omissions occurring prior to such repeal or modification.

THIRTEENTH: To the fullest extent permitted by the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. The modification or repeal of this Article Thirteenth shall not affect the restriction hereunder of a director's personal liability for any breach, act or omission occurring prior to such modification or repeal.

In addition to the powers and authority hereinbefore or by statute expressly conferred upon them, the directors are hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation, subject, nevertheless, to the provisions of the GCL, this Certificate of Incorporation, and any By-Laws adopted by the stockholders; provided, however, that no By-Laws hereafter adopted by the stockholders shall invalidate any prior act of the directors which would have been valid if such By-Laws had not been adopted.

FOURTEENTH: The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation in the manner now or hereafter prescribed herein

State of Delaware
Secretary of State
Division of Corporations
Delivered 11:16 AM 10/27/2004
FILED 10:52 AM 10/27/2004
SRV 040774720 - 2351447 FILE

CERTIFICATE OF AMENDMENT

OF THE

CERTIFICATE OF INCORPORATION

OF

GIBRALTAR STEEL CORPORATION

Gibraltar Steel Corporation, a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, does hereby certify:

FIRST: That the Board of Directors of said corporation at a meeting held on August 19, 2004, the minutes of which are filed with the minutes of the Board of Directors, a resolution proposing and declaring advisable the following amendment to the Certificate of Incorporation of said corporation was adopted:

> RESOLVED, that, it is in the best interest of the Company that the Certificate of Incorporation of the Company be amended by changing Article First thereof so that, as amended, Article First read as follows:
>
> > "First: The name of the Corporation (the "Corporation") is:
> > Gibraltar Industries, Inc."

SECOND: That a meeting was held and a vote of stockholders was taken on October 26, 2004, and said amendment was approved.

THIRD: That the aforesaid amendment was duly adopted in accordance with the provisions of Sections 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said Gibraltar Steel Corporation has caused this certificate to be signed by John E. Flint, its Secretary and Senior Vice President, this 26th day of October, 2004.

GIBRALTAR STEEL CORPORATION

Name: John E. Flint
Title: Secretary and Senior Vice President

State of Delaware
Secretary of State
Division of Corporations
Delivered 12:24 PM 05/11/2005
FILED 12:24 PM 05/11/2005
SRV 050383278 - 2351447 FILE

CERTIFICATE OF CHANGE OF REGISTERED AGENT AND REGISTERED OFFICE

* * * * *

Gibraltar Industries, Inc., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware

DOES HEREBY CERTIFY:

That the registered office of the corporation in the state of Delaware is hereby changed to Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801.

That the registered agent of the corporation is hereby changed to THE CORPORATION TRUST COMPANY, the business address of which is identical to the aforementioned registered office as changed.

That the changes in the registered office and registered agent of the corporation as set forth herein were duly authorized by resolution of the Board of Directors of the corporation.

IN WITNESS WHEREOF, the corporation has caused this Certificate to be signed by an authorized officer, this 6 day of May, 2005.

John E. Flint, Senior Vice President

State of Delaware
Secretary of State
Division of Corporations
Delivered 10:57 AM 05/22/2012
FILED 10:27 AM 05/22/2012
SRV 120605225 - 2351447 FILE

CERTIFICATE OF AMENDMENT TO THE CERTIFICATE OF INCORPORATION OF GIBRALTAR INDUSTRIES, INC.

Gibraltar Industries, Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware (the "Corporation"), does hereby certify:

FIRST: That the Board of Directors of the Corporation has adopted the following resolutions proposing and declaring advisable an amendment to the Certificate of Incorporation of the Corporation:

> RESOLVED, that it being advisable to amend the Certificate of Incorporation of the Corporation to remove the restriction preventing stockholders from taking action by written consent, the proposal to amend the Certificate of Incorporation to remove such restriction shall be, and hereby is, authorized and approved; and it is further
>
> RESOLVED, that to carry into effect the intent of the foregoing resolution, Article Eighth of the Corporation's Certificate of Incorporation shall be amended by deleting the same in its entirety and substituting therefor a new Article Eighth to read as follows:
>
> "EIGHTH: Action shall be taken by the stockholders of the Corporation only at any annual or special meetings of stockholders or by written consent of the stockholders. Special meetings of the stockholders of the Corporation may be called only as provided in the By-Laws."

SECOND: That a meeting was held and a vote of stockholders was taken on May 3, 2012, and said amendment was approved.

THIRD: That the aforesaid amendment was duly adopted in accordance with the provisions of Sections 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, Gibraltar Industries, Inc. has caused this certificate to be signed by an authorized officer this 22nd day of May, 2012.

GIBRALTAR INDUSTRIES, INC.

By: ________________
Kenneth W. Smith
Senior Vice President and
Chief Financial Officer

State of Delaware
Secretary of State
Division of Corporations
Delivered 01:03 PM 05/11/2015
FILED 12:44 PM 05/11/2015
SRV 150647501 - 2351447 FILE

CERTIFICATE OF AMENDMENT
TO THE
CERTIFICATE OF INCORPORATION
OF
GIBRALTAR INDUSTRIES, INC.

Gibraltar Industries, Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware (the "Corporation"), does hereby certify:

FIRST: That at a meeting of the Board of Directors of the Corporation, resolutions were duly adopted setting forth a proposed amendment of the Certificate of Incorporation of the Corporation, declaring said amendment to be advisable. The resolution setting forth the proposed amendment is as follows:

> RESOLVED, that it being advisable to amend the Certificate of Incorporation of the Corporation to eliminate the provisions that result in staggered expiration of the terms of members of the Board of Directors and to provide instead for the annual election of Directors, the Certificate of Incorporation of the Corporation is hereby amended by deleting Article Tenth in its entirety and substituting therefor a new Article Tenth to read as follows:
>
> "TENTH: (a) The number of directors of the Corporation, exclusive of directors, if any, to be elected by the holders of one or more classes or series of Preferred Stock, shall be not less than three nor more than 15. Subject to such limitation, such number may be fixed by the affirmative vote of a majority of the directors then in office. Effective as of the annual meeting of the Corporation's stockholders to be held in 2016 and at each annual meeting of the Corporation's stockholders thereafter, except as otherwise provided by law, each director to be elected at any such annual meeting shall be elected to serve until the next annual meeting of the Corporation's stockholders and until his or her successor is duly elected and qualified; provided, however, that any director who prior to the annual meeting of the Corporation's stockholders in 2016 was elected to a term that continues beyond the date of the annual meeting of the Corporation's stockholders in 2016, shall continue to serve as a director for the remainder of his or her elected term or until his or her earlier death, resignation or removal.
>
> (b) Any vacancies on the Board of Directors occurring for any reason, or any newly created directorships resulting from any increase in the number of directors, shall be filled by a majority of the Board of Directors then in office (even if, in the case of a vacancy not resulting from an increase in the size of the Board, said directors constitute less than a quorum), the appointee to any such vacancy to serve for the unexpired portion of the term of the director whose leaving the board created the vacancy. Notwithstanding the foregoing, whenever the holders of one or more classes or series of Preferred Stock issued by the Corporation shall have the right, voting separately by class or series, to elect directors at an annual or special meeting of stockholders, the

election, term of office, filling of vacancies and other features of such directorships shall be governed by the terms of this Certificate of Incorporation applicable thereto."

SECOND: That thereafter, an annual meeting of the stockholders of the Corporation was held, at which meeting said amendment was approved.

THIRD: That the aforesaid amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

FOURTH: That this Certificate of Amendment of the Certificate of Incorporation shall be effective upon filing.

IN WITNESS WHEREOF, Gibraltar Industries, Inc. has caused this certificate to be executed and attested this 11th day of May, 2015.

GIBRALTAR INDUSTRIES, INC.

By: Kenneth W. Smith

Kenneth W. Smith
Senior Vice President and
Chief Financial Officer

STATE OF DELAWARE
CERTIFICATE OF CHANGE OF REGISTERED AGENT AND/OR REGISTERED OFFICE

The corporation organized and existing under the General Corporation Law of the State of Delaware, hereby certifies as follows:

1. The name of the corporation is GIBRALTAR INDUSTRIES, INC.
____________________.

2. The Registered Office of the corporation in the State of Delaware is changed to 251 Little Falls Drive (street), in the City of Wilmington, DE, County of New Castle Zip Code 19808. The name of the Registered Agent at such address upon whom process against this Corporation may be served is Corporation Service Company.

3. The foregoing change to the registered office/agent was adopted by a resolution of the Board of Directors of the corporation.

By: /s/ Jill Cilmi
Authorized Officer

Name: Jill Cilmi, Vice President
Print or Type

State of Delaware
Secretary of State
Division of Corporations
Delivered 02:25 PM 01/10/2019
FILED 02:25 PM 01/10/2019
SR 20190192500 - File Number 2351447

State of Delaware
Secretary of State
Division of Corporations
Delivered 10:38 AM 05/06/2021
FILED 10:38 AM 05/06/2021
SR 20211622670 - File Number 2351447

CERTIFICATE OF AMENDMENT
TO THE
CERTIFICATE OF INCORPORATION
OF
GIBRALTAR INDUSTRIES, INC.

Gibraltar Industries, Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware (the "Corporation"), does hereby certify:

FIRST: That at a meeting of the Board of Directors of the Corporation, resolutions were duly adopted setting forth a proposed amendment of the Certificate of Incorporation of the Corporation, declaring said amendment to be advisable. The resolution setting forth the proposed amendment is as follows:

> RESOLVED, that it being advisable to amend the Certificate of Incorporation of the Corporation to increase the number of shares of common stock, par value $.01 per share which the Corporation is authorized to issue from fifty million to one hundred million, and to correspondingly increase the total number of shares of stock which the Corporation is authorized to issue from sixty million to one hundred ten million, the Certificate of Incorporation of the Corporation is hereby amended by deleting the first paragraph of Article Fourth in its entirety and substituting therefor a new first paragraph of Article Fourth to read as follows:
>
> "FOURTH: The total number of shares of stock which the Corporation shall have authority to issue is 110,000,000 shares, of which, 100,000,000 of the par value $.01 per share shall be common stock ("Common Stock") and of which, 10,000,000 of the par value$.01 per share shall be preferred stock ("Preferred Stock"). All of such shares shall be issued as fully paid and non-assessable shares, and the holder thereof shall not be liable for any further payments in respect thereof."

SECOND: That thereafter, an annual meeting of the stockholders of the Corporation was held, at which meeting said amendment was approved.

THIRD: That the aforesaid amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

FOURTH: That this Certificate of Amendment of the Certificate of Incorporation shall be effective upon filing.

IN WITNESS WHEREOF, Gibraltar Industries, Inc. has caused this certificate to be executed and attested this 5th day of May, 2021.

GIBRALTAR INDUSTRIES, INC.

By:________________________
Timothy F. Murphy
Senior Vice President and
Chief Financial Officer

EXHIBIT 31.1

CERTIFICATIONS

I, William T. Bosway, certify that:

1. I have reviewed this report on Form 10-Q of Gibraltar Industries, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) or 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) or 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 3, 2021

/s/ William T. Bosway
William T. Bosway
President and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATIONS

I, Timothy F. Murphy, certify that:

1. I have reviewed this report on Form 10-Q of Gibraltar Industries, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) or 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) or 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 3, 2021

/s/ Timothy F. Murphy
Timothy F. Murphy
Senior Vice President and
Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION OF PRESIDENT AND CHIEF EXECUTIVE OFFICER
PURSUANT TO TITLE 18, UNITED STATES CODE, SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, William T. Bosway, President and Chief Executive Officer, of Gibraltar Industries, Inc. (the “Company”), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

The Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2021 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and

The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ William T. Bosway
William T. Bosway
President and Chief Executive Officer

August 3, 2021

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2

CERTIFICATION OF SENIOR VICE PRESIDENT AND CHIEF FINANCIAL OFFICER
PURSUANT TO TITLE 18, UNITED STATES CODE, SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Timothy F. Murphy, Senior Vice President and Chief Financial Officer, of Gibraltar Industries, Inc. (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

The Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2021 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and

The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Timothy F. Murphy
Timothy F. Murphy
Senior Vice President and
Chief Financial Officer

August 3, 2021

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.