

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) October 29, 2014 (October 28, 2014)

GIBRALTAR INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

0-22462
(Commission File Number)

16-1445150
(IRS Employer Identification No.)

3556 Lake Shore Road
P.O. Box 2028
Buffalo, New York 14219-0228
(Address of principal executive offices) (Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02 Results of Operations and Financial Condition

and

Item 7.01 Regulation FD Disclosure

The following information is furnished pursuant to both Item 2.02 and Item 7.01:

On October 28, 2014, Gibraltar Industries, Inc. (the "Company") issued a news release and held a conference call regarding results for the three and nine months ended September 30, 2014. A copy of the news release (the "Release") is furnished herewith as Exhibit 99.1 and is incorporated herein by reference.

The Company references non-GAAP financial information in both the Release and the conference call. A reconciliation of these non-GAAP financial measures is contained in the Release. The information in this Form 8-K under the captions Items 2.02 and 7.01 and Item 9.01, including the Release, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933 (the "Securities Act") or the Exchange Act, unless the Company specifically incorporates it by reference in a document filed under the Securities Act or the Exchange Act.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

(b) Brian J. Lipke will relinquished his position as Chief Executive Officer of Gibraltar Industries, Inc. (the "Company") effective January 1, 2015. Mr. Lipke will continue to serve as Chairman of the Board.

(c) Frank G. Heard, age 55, has been appointed to Chief Executive Officer and as a member of the Board of Directors of the Company effective January 1, 2015. As of the date of this form 8-K, there have been no changes to his compensation arrangements as previously disclosed in the Company's Current Report on 8-K filed May 14, 2014.

(d) Effective October 28, 2014, Mr. Craig A. Hindman, age 59, and Mr. Vinod M. Khilnani, age 62, have been appointed to the Board of Directors of the Company as Class I and Class II directors, respectively. Messrs. Hindman and Khilnani will serve on both the Nominating and Corporate Governance Committee and Compensation Committee. Ms. Jane L. Corwin, 50, who was appointed to the Board of Directors in March, 2014, will serve on both the Audit and Nominating and Corporate Governance Committee.

On October 28, 2014, Gibraltar issued a press release announcing Mr. Lipke's decision to step down from his position as Chief Executive Officer, Mr. Heard's promotion and appointment and Messrs. Hindman and Khilnani's appointments.

Item 8.01 Other Events

Arthur A. Russ, Jr., a Class I director, has announced his intention to retire and in connection with such retirement, tendered his resignation from the Board of Directors of the Company, to be effective May 5, 2015. Mr. Russ' resignation, which was accepted by the Board, was not the result of any disagreement with the Company.

Item 9.01 Financial Statements and Exhibits

(a)-(c) Not Applicable

(d) Exhibits:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Earnings Release issued by Gibraltar Industries, Inc. on October 28, 2014
99.2	News Release issued by Gibraltar Industries, Inc. on October 28, 2014

SIGNATURE

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 hereunto duly authorized.

GIBRALTAR INDUSTRIES, INC.

Date: October 29, 2014

By: /s/ Timothy F. Murphy
Timothy F. Murphy
Vice President, Treasurer and Secretary



Gibraltar Reports Third-Quarter Financial Results

- *Sales and Adjusted EPS Exceed Top End of Guidance*
- *End Markets Continue Gradual Improvement*
- *Frank Heard to Become CEO on January 1; Brian Lipke to Remain Chairman*

Buffalo, New York, October 28, 2014 - Gibraltar Industries, Inc. (Nasdaq: ROCK), a leading manufacturer and distributor of products for residential and industrial markets, today reported its financial results for the three- and nine-month periods ended September 30, 2014. All financial metrics in this release reflect only the Company's continuing operations unless otherwise noted.

The Company also announced in a separate news release today that current President and Chief Operating Officer Frank Heard will become Gibraltar's President and Chief Executive Officer on January 1, 2015. Brian Lipke will remain as the Company's Chairman.

Third-Quarter Consolidated Results

Gibraltar's net sales for the third quarter of 2014 increased 8% to \$234.1 million, compared with \$217.4 million for the third quarter of 2013. Third-quarter 2014 adjusted net income was \$9.5 million, or \$0.30 per diluted share, compared with adjusted net income of \$9.6 million, or \$0.31 per diluted share, in the third quarter of 2013. The adjusted third-quarter 2014 results exclude special items with an after-tax net gain totaling \$0.1 million resulting primarily from acquisition-related gains and exit activity costs related to business restructuring, with no net effect on earnings per share. The adjusted net income for the third quarter of 2013 excluded after-tax special charges of \$23.3 million, or \$0.75 per diluted share, resulting primarily from impairment charges related to the Company's European businesses. Including these items in the respective periods, the Company's third-quarter 2014 GAAP results were net income of \$9.6 million, or \$0.31 per diluted share, compared with net loss of \$13.7 million, or \$0.44 per share, in the third quarter of 2013.

Nine-month Consolidated Results

For the nine months ended September 30, 2014, total net sales increased 3% to \$660.1 million, from \$638.7 million in the comparable 2013 period. Adjusted net income from continuing operations was \$13.9 million, or \$0.44 per diluted share, compared with \$19.0 million, or \$0.61 per diluted share, in the comparable period of 2013. The adjusted results for the first nine months of 2014 exclude after-tax special charges resulting primarily from the net of acquisition-related gains and exit activity costs related to business restructuring, with no net effect on earnings. Adjusted net income for the first nine months of 2013 excluded after-tax special charges of \$28.6 million, or \$0.92 per diluted share, resulting primarily from impairment charges and costs related to the Company's successful re-financing of its senior subordinated notes. Including these items, GAAP net income for the first nine months of 2014 was \$13.9 million, or \$0.45 per diluted share, compared with the net loss of \$9.6 million, or \$0.31 per diluted share, in the comparable period of 2013.

Management Comments

"Gibraltar's top-line for the third quarter was better than our guidance of \$228 to \$232 million," said Chairman and Chief Executive Officer Brian Lipke. "The growth was driven by accelerating residential market demand for our new centralized postal storage solutions, as well as modestly higher sales volume in our roofing-related businesses. These factors contributed to stronger-than-anticipated revenues in our Residential Products segment. Net sales were also up, year-over-year, in our Industrial and Infrastructure Products segment due to favorable volume and pricing in sales to energy and manufacturing-related customers."

"We were able to deliver this revenue growth without any significant lift from our end markets, where demand remains generally soft," Lipke said. "Our strategic growth initiatives in postal and residential air management products are putting Gibraltar in a stronger position to control its own destiny, largely independent of underlying market trends such as housing starts."

“The Company’s adjusted EPS for the third quarter exceeded the high end of our guidance of \$0.23 to \$0.27, and were approximately equal with prior-year results,” said Lipke. “Gibraltar’s adjusted EPS improved substantially on a sequential basis. In addition to our previously announced manufacturing consolidation and distribution channel initiatives, we completed staffing reductions during the quarter. These margin improvement initiatives plus reduced benefit claims contributed to our sequential improvement in earnings.”

Third-Quarter Segment Results

Residential Products

Third-quarter 2014 net sales in Gibraltar’s Residential Products segment increased 13% to \$122.1 million, compared with \$108.4 million for the third quarter of 2013. Third-quarter 2014 adjusted operating margin increased 10 basis points year over year to 11.6%. Sales growth in this segment reflected strong demand for postal storage products. The segment’s equivalent adjusted operating margin reflected the benefit of higher volume, offset by price reductions provided in certain product lines and costs to build out manufacturing capacity.

Industrial and Infrastructure Products

Third-quarter 2014 net sales in Gibraltar’s Industrial & Infrastructure Products segment increased 3% to \$112.0 million, compared to \$109.0 million for the third quarter 2013. Third-quarter 2014 adjusted operating margin improved over the second quarter but decreased 160 basis points year over year to 6.0%. Sales in the segment reflected improving volume in the industrial markets partially offset by lower shipment volumes to the transportation infrastructure market. This segment’s adjusted operating margin reflected a less profitable mix compared with the year-earlier quarter due to lower infrastructure shipments. Higher raw material costs also contributed to the reduced margins for the segment.

Outlook

“Looking ahead near-term, we continue to expect demand in the fourth quarter to benefit from orders for postal products as overall end market demand becomes seasonally slower,” Gibraltar President Frank Heard said. “This should lead to consolidated top-line growth of 4% to \$193 to \$198 million for the fourth quarter, with full-year revenues in the range of \$853 to \$858 million, a 3% increase compared with 2013.”

“On the bottom line for the fourth quarter, higher raw material costs and a less favorable sales mix are expected to weigh on results,” said Heard. “As a result, we anticipate reporting adjusted fourth-quarter earnings per share between a loss of \$0.02 and income of \$0.03, compared with \$0.08 for the same period last year, and \$0.42 to \$0.47 for full-year 2014, compared with \$0.69 in 2013. We expect GAAP earnings per share of \$0.42 to \$0.47 for full-year 2014, compared with a loss of \$0.18 in 2013.”

“Looking forward to 2015, a number of economic indicators suggest a strengthening in demand for building products, compared with conditions in 2014,” Heard said. “With the operational enhancements that we have implemented this past year, we are better positioned to capitalize on end-market growth and deliver improved financial results in the year ahead.”

“Most importantly, we have established Gibraltar as a market leader in key applications in the residential and transportation infrastructure markets where growth drivers have the potential to outweigh cyclical factors in the economy over the next three to five years,” said Heard. “At the same time, our business simplification and product cost reduction initiatives should enable us to significantly improve the margin leverage in our business model.”

Third-Quarter Conference Call Details

Gibraltar has scheduled a conference call today starting at 9:00 a.m. ET to review its results for the third quarter of 2014. Interested parties may access the call by dialing (877) 407-5790 or (201) 689-8328. The presentation slides that will be discussed in the conference call are expected to be available this morning, prior to the start of the call. The slides may be downloaded from the Gibraltar website: <http://www.gibraltar1.com>. A webcast replay of the conference call and a copy of the transcript will be available on the website following the call.

About Gibraltar

Gibraltar Industries is a leading manufacturer and distributor of building products, focused on residential and low-rise commercial building markets, as well as industrial and transportation infrastructure markets. The Company generates more than 80% of its sales from products that hold leading positions in their markets, and serves customers across North America and Europe. Gibraltar’s strategy is to grow organically by expanding its product portfolio and penetration of existing customer accounts, while broadening its market and geographic coverage through the acquisition of companies with leadership positions in adjacent product categories. Comprehensive information about Gibraltar can be found on its website at <http://www.gibraltar1.com>.

Safe Harbor Statement

Information contained in this news release, other than historical information, contains forward-looking statements and is subject to a number of risk factors, uncertainties, and assumptions. Risk factors that could affect these statements include, but are not limited to, the following: the availability of raw materials and the effects of changing raw material prices on the Company's results of operations; energy prices and usage; changing demand for the Company's products and services; changes in the liquidity of the capital and credit markets; risks associated with the integration of acquisitions; and changes in interest and tax rates. In addition, such forward-looking statements could also be affected by general industry and market conditions, as well as general economic and political conditions. The Company undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable law or regulation.

Non-GAAP Financial Data

To supplement Gibraltar's consolidated financial statements presented on a GAAP basis, Gibraltar also presented certain adjusted financial data in this news release. Adjusted financial data excluded special charges consisting of intangible asset impairments, restructuring primarily associated with the closing and consolidation of our facilities, acquisition-related items, and note re-financing costs. These adjustments are shown in the non-GAAP reconciliation of adjusted operating results excluding special charges provided in the financial schedules that accompany this news release. The Company believes that the presentation of results excluding special charges provides meaningful supplemental data to investors, as well as management, that are indicative of the Company's core operating results and facilitates comparison of operating results across reporting periods as well as comparison with other companies. Special charges are excluded since they may not be considered directly related to our ongoing business operations. These adjusted measures should not be viewed as a substitute for our GAAP results, and may be different than adjusted measures used by other companies.

Next Earnings Announcement

Gibraltar expects to release its financial results for the three- and twelve-month periods ending December 31, 2014, on Wednesday, February 18, 2015, and hold its earnings conference call later that morning, starting at 9:00 a.m. ET.

Contact:

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Net Sales	\$ 234,101	\$ 217,412	\$ 660,093	\$ 638,732
Cost of sales	192,523	175,650	548,528	516,087
Gross profit	41,578	41,762	111,565	122,645
Selling, general, and administrative expense	23,186	24,754	78,167	84,158
Intangible asset impairment	—	23,160	—	23,160
Income (loss) from operations	18,392	(6,152)	33,398	15,327
Interest expense	3,657	3,828	10,988	18,678
Other income	(664)	(66)	(172)	(141)
Income (loss) before taxes	15,399	(9,914)	22,582	(3,210)
Provision for income taxes	5,828	3,813	8,666	6,428
Income (loss) from continuing operations	9,571	(13,727)	13,916	(9,638)
Discontinued operations:				
Loss before taxes	(51)	—	(51)	(7)
Benefit of income taxes	(20)	—	(20)	(3)
Loss from discontinued operations	(31)	—	(31)	(4)
Net income (loss)	\$ 9,540	\$ (13,727)	\$ 13,885	\$ (9,642)
Net earnings per share – Basic:				
Income (loss) from continuing operations	\$ 0.31	\$ (0.44)	\$ 0.45	\$ (0.31)
Loss from discontinued operations	(0.01)	—	(0.01)	—
Net income (loss)	\$ 0.30	\$ (0.44)	\$ 0.44	\$ (0.31)
Weighted average shares outstanding – Basic	31,083	30,946	31,046	30,916
Net earnings per share – Diluted:				
Income (loss) from continuing operations	\$ 0.31	\$ (0.44)	\$ 0.45	\$ (0.31)
Loss from discontinued operations	(0.01)	—	(0.01)	—
Net income (loss)	\$ 0.30	\$ (0.44)	\$ 0.44	\$ (0.31)
Weighted average shares outstanding – Diluted	31,298	30,946	31,256	30,916

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

	September 30, 2014	December 31, 2013
Assets		
Current assets:		
Cash and cash equivalents	\$ 101,013	\$ 97,039
Accounts receivable, net of reserve of \$4,625 and \$4,774 in 2014 and 2013	120,257	90,082
Inventories	126,085	121,152
Other current assets	15,992	14,127
Total current assets	363,347	322,400
Property, plant, and equipment, net	130,819	131,752
Goodwill	340,882	341,174
Acquired intangibles	87,259	91,777
Other assets	7,201	7,059
	<u>\$ 929,508</u>	<u>\$ 894,162</u>
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$ 92,163	\$ 69,625
Accrued expenses	52,031	49,879
Current maturities of long-term debt	400	409
Total current liabilities	144,594	119,913
Long-term debt	213,200	213,598
Deferred income taxes	55,144	55,124
Other non-current liabilities	30,730	33,778
Shareholders' equity:		
Preferred stock, \$0.01 par value; authorized 10,000 shares; none outstanding	—	—
Common stock, \$0.01 par value; authorized 50,000 shares; 31,318 and 31,131 shares issued in 2014 and 2013	313	311
Additional paid-in capital	246,374	243,389
Retained earnings	250,334	236,449
Accumulated other comprehensive loss	(5,861)	(3,585)
Cost of 424 and 395 common shares held in treasury in 2014 and 2013	(5,320)	(4,815)
Total shareholders' equity	485,840	471,749
	<u>\$ 929,508</u>	<u>\$ 894,162</u>

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

	Nine Months Ended September 30,	
	2014	2013
Cash Flows from Operating Activities		
Net income (loss)	\$ 13,885	\$ (9,642)
Loss from discontinued operations	(31)	(4)
Income (loss) from continuing operations	13,916	(9,638)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Intangible asset impairment	—	23,160
Depreciation and amortization	19,452	20,396
Stock compensation expense	2,379	2,138
Other non-cash adjustments	(1,579)	4,002
Non-cash charges to interest expense	772	736
Provision for deferred income taxes	77	33
Loss on early note redemption	—	7,166
Increase (decrease) in cash resulting from changes in the following (excluding the effects of acquisitions):		
Accounts receivable	(33,031)	(25,352)
Inventories	(5,526)	(211)
Other current assets and other assets	(1,202)	(602)
Accounts payable	22,260	11,919
Accrued expenses and other non-current liabilities	667	4,169
Net cash provided by operating activities of continuing operations	18,185	37,916
Net cash used in operating activities of discontinued operations	(40)	(9)
Net cash provided by operating activities	18,145	37,907
Cash Flows from Investing Activities		
Purchases of property, plant, and equipment	(19,180)	(8,816)
Net proceeds from sale of property and equipment	5,958	12,447
Cash paid for acquisitions, net of cash acquired	—	(5,344)
Other investing activities	121	—
Net cash used in investing activities	(13,101)	(1,713)
Cash Flows from Financing Activities		
Proceeds from long-term debt	—	210,000
Long-term debt payments	(407)	(205,084)
Payment of deferred financing costs	—	(3,858)
Payment of note redemption fees	—	(3,702)
Purchase of treasury stock at market prices	(505)	(642)
Net proceeds from issuance of common stock	508	342
Excess tax benefit from stock compensation	99	62
Net cash used in financing activities	(305)	(2,882)
Effect of exchange rate changes on cash	(765)	(492)
Net increase in cash and cash equivalents	3,974	32,820
Cash and cash equivalents at beginning of year	97,039	48,028
Cash and cash equivalents at end of period	\$ 101,013	\$ 80,848

GIBRALTAR INDUSTRIES, INC.
Non-GAAP Reconciliation of Adjusted Statements of Operations
(in thousands, except per share data)
(Unaudited)

Three Months Ended
September 30, 2014

	As Reported In GAAP Statements	Acquisition Related Items	Restructuring Costs	Adjusted Statement of Operations
Net Sales				
Residential Products	\$ 122,100	\$ —	\$ —	\$ 122,100
Industrial & Infrastructure Products	112,329	—	—	112,329
Less Inter-Segment Sales	(328)	—	—	(328)
	<u>112,001</u>	<u>—</u>	<u>—</u>	<u>112,001</u>
Consolidated sales	234,101	—	—	234,101
Income from operations				
Residential Products	13,694	—	487	14,181
Industrial & Infrastructure Products	6,574	—	175	6,749
Segment Income	<u>20,268</u>	<u>—</u>	<u>662</u>	<u>20,930</u>
Unallocated corporate expense	(1,876)	(781)	—	(2,657)
Consolidated income from operations	18,392	(781)	662	18,273
Interest expense				
	3,657	—	—	3,657
Other expense				
	(664)	—	—	(664)
Income (loss) before income taxes	<u>15,399</u>	<u>(781)</u>	<u>662</u>	<u>15,280</u>
Provision for (benefit of) income taxes	5,828	(290)	257	5,795
Income (loss) from continuing operations	<u>\$ 9,571</u>	<u>\$ (491)</u>	<u>\$ 405</u>	<u>\$ 9,485</u>
Income (loss) from continuing operations per share – diluted	<u>\$ 0.31</u>	<u>\$ (0.02)</u>	<u>\$ 0.01</u>	<u>\$ 0.30</u>
Operating margin				
Residential Products	11.2%	— %	0.4%	11.6%
Industrial & Infrastructure Products	5.9%	— %	0.2%	6.0%
Segments Margin	<u>8.7%</u>	<u>— %</u>	<u>0.3%</u>	<u>8.9%</u>
Consolidated	7.9%	(0.3)%	0.3%	7.8%

GIBRALTAR INDUSTRIES, INC.
Non-GAAP Reconciliation of Adjusted Statements of Operations
(in thousands, except per share data)
(Unaudited)

	Three Months Ended September 30, 2013					Adjusted Statement of Operations
	As Reported In GAAP Statements	Acquisition Related Items	Intangible Asset Impairment	Restructuring Costs		
Net Sales						
Residential Products	\$ 108,424	\$ —	\$ —	\$ —	\$ —	\$ 108,424
Industrial & Infrastructure Products	109,645	—	—	—	—	109,645
Less Inter-Segment Sales	(657)	—	—	—	—	(657)
	<u>108,988</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>108,988</u>
Consolidated sales	217,412	—	—	—	—	217,412
Income from operations						
Residential Products	10,068	69	1,000	1,342	—	12,479
Industrial & Infrastructure Products	(13,876)	6	22,160	(1)	—	8,289
Segment Income	(3,808)	75	23,160	1,341	—	20,768
Unallocated corporate expense	(2,344)	70	—	—	—	(2,274)
Consolidated (loss) income from operations	(6,152)	145	23,160	1,341	—	18,494
Interest expense						
Interest expense	3,828	—	—	—	—	3,828
Other income						
Other income	(66)	—	—	—	—	(66)
(Loss) income before income taxes	(9,914)	145	23,160	1,341	—	14,732
Provision for income taxes	3,813	64	753	541	—	5,171
(Loss) income from continuing operations	<u>\$ (13,727)</u>	<u>\$ 81</u>	<u>\$ 22,407</u>	<u>\$ 800</u>	<u>\$ —</u>	<u>\$ 9,561</u>
(Loss) income from continuing operations per share – diluted	<u>\$ (0.44)</u>	<u>\$ —</u>	<u>\$ 0.72</u>	<u>\$ 0.03</u>	<u>\$ —</u>	<u>\$ 0.31</u>
Operating margin						
Residential Products	9.3 %	0.1%	0.9%	1.2%	—%	11.5%
Industrial & Infrastructure Products	(12.7)%	—%	20.3%	—%	—%	7.6%
Segment Margin	(1.8)%	—%	10.7%	0.6%	—%	9.6%
Consolidated	(2.8)%	0.1%	10.7%	0.6%	—%	8.5%

GIBRALTAR INDUSTRIES, INC.
Non-GAAP Reconciliation of Adjusted Statements of Operations
(in thousands, except per share data)
(Unaudited)

Nine Months Ended
September 30, 2014

	As Reported In GAAP Statements	Acquisition Related Items	Restructuring Costs	Adjusted Statement of Operations
Net Sales				
Residential Products	\$ 326,483	\$ —	\$ —	\$ 326,483
Industrial & Infrastructure Products	334,613	—	—	334,613
Less Inter-Segment Sales	(1,003)	—	—	(1,003)
	<u>333,610</u>	<u>—</u>	<u>—</u>	<u>333,610</u>
Consolidated sales	660,093	—	—	660,093
Income from operations				
Residential Products	26,740	206	632	27,578
Industrial & Infrastructure Products	15,727	—	634	16,361
Segment Income	42,467	206	1,266	43,939
Unallocated corporate expense	(9,069)	(1,521)	—	(10,590)
Consolidated income from operations	33,398	(1,315)	1,266	33,349
Interest expense				
Interest expense	10,988	—	—	10,988
Other expense				
Other expense	(172)	—	—	(172)
Income (loss) before income taxes	22,582	(1,315)	1,266	22,533
Provision for (benefit of) income taxes	8,666	(484)	482	8,664
Income (loss) from continuing operations	<u>\$ 13,916</u>	<u>\$ (831)</u>	<u>\$ 784</u>	<u>\$ 13,869</u>
Income (loss) from continuing operations per share – diluted	<u>\$ 0.45</u>	<u>\$ (0.04)</u>	<u>\$ 0.03</u>	<u>\$ 0.44</u>
Operating margin				
Residential Products	8.2%	0.1 %	0.2%	8.4%
Industrial & Infrastructure Products	4.7%	— %	0.2%	4.9%
Segments Margin	6.4%	— %	0.2%	6.7%
Consolidated	5.1%	(0.2)%	0.2%	5.1%

GIBRALTAR INDUSTRIES, INC.
Non-GAAP Reconciliation of Adjusted Statements of Operations
(in thousands, except per share data)
(Unaudited)

Nine Months Ended
September 30, 2013

	As Reported In GAAP Statements	Acquisition Related Items	Intangible Asset Impairment	Restructuring Costs	Note Refinancing	Adjusted Statement of Operations
Net Sales						
Residential Products	\$ 308,536	\$ —	\$ —	\$ —	\$ —	\$ 308,536
Industrial & Infrastructure Products	331,689	—	—	—	—	331,689
Less Inter-Segment Sales	(1,493)	—	—	—	—	(1,493)
	<u>330,196</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>330,196</u>
Consolidated sales	638,732	—	—	—	—	638,732
Income from operations						
Residential Products	29,925	69	1,000	2,052	—	33,046
Industrial & Infrastructure Products	724	209	22,160	74	—	23,167
Segment Income	30,649	278	23,160	2,126	—	56,213
Unallocated corporate expense	(15,322)	190	—	127	—	(15,005)
Consolidated income from operations	15,327	468	23,160	2,253	—	41,208
Interest expense	18,678	—	—	—	(7,166)	11,512
Other income	(141)	—	—	—	—	(141)
(Loss) income before income taxes	(3,210)	468	23,160	2,253	7,166	29,837
Provision for income taxes	6,428	182	753	876	2,616	10,855
(Loss) income from continuing operations	<u>\$ (9,638)</u>	<u>\$ 286</u>	<u>\$ 22,407</u>	<u>\$ 1,377</u>	<u>\$ 4,550</u>	<u>\$ 18,982</u>
(Loss) income from continuing operations per share – diluted	<u>\$ (0.31)</u>	<u>\$ 0.01</u>	<u>\$ 0.72</u>	<u>\$ 0.04</u>	<u>\$ 0.15</u>	<u>\$ 0.61</u>
Operating margin						
Residential Products	9.7 %	—%	0.3%	0.7%	—%	10.7%
Industrial & Infrastructure Products	0.2 %	0.1%	6.7%	—%	—%	7.0%
Segment Margin	4.8 %	—%	3.6%	0.3%	—%	8.8%
Consolidated	2.4 %	0.1%	3.6%	0.4%	—%	6.5%



**Gibraltar President and COO Frank Heard to Become CEO
as Part of Planned Succession; Brian Lipke to Remain Chairman**

*Industry Veterans Craig Hindman and
Vinod Khilnani Join Board of Directors*

Buffalo, NY, October 28, 2014 –Gibraltar Industries (NASDAQ: ROCK) today announced that as part of a succession planning process, President and Chief Operating Officer Frank Heard will be promoted to Chief Executive Officer and appointed to the board of directors effective January 1, 2015. Brian Lipke, the Company’s current Chairman and Chief Executive Officer, will continue as Gibraltar’s Chairman.

Separately, Craig Hindman and Vinod Khilnani have been appointed as independent directors of the Company, effective immediately.

CEO Succession

“Frank Heard’s hiring earlier this year was part of a multi-year strategic succession plan developed by the board,” said Mr. Lipke. “Frank’s years of experience in the building products market allowed him to ‘hit the ground running’ upon joining Gibraltar. During the six months Frank has been on board, he has visited each of our facilities, interacted with the business unit leaders and their management teams, gained an understanding of the strategic positioning of the Company and has met with many of Gibraltar’s shareholders. It is clearly evident from the results of these activities and the response from the various constituent groups that Frank is ready to assume the role of President and CEO on January 1, 2015. This will complete the next step in our succession planning process.”

“Frank has the right experience and skills necessary to drive improvements in operating performance. Already he has leveraged his cross-enterprise leadership skills, knowledge of the building products industry, and metric-driven operational focus to begin to transform our existing operations. In addition, he has begun to help each business unit become more strategic in driving product and business unit profitability, and has initiated processes that will help the business units sharpen their focus on growth and profit enhancement opportunities. These actions are all part of the strategic plan to accelerate shareholder value creation.”

Mr. Heard, age 55, has more than 25 years of experience in the building products industry. Prior to joining Gibraltar he was President, ITW Building Components Group, a division of Illinois Tool Works Inc., a Fortune 200 global diversified industrial manufacturer. As President of ITW Building Components Group he had global responsibility for the strategic direction and operational performance for 25 businesses in 18 country markets across a wide range of industry segments, including residential and commercial construction, retail and component manufacturing.

“During my first six months at Gibraltar, I have been impressed with the solid team of talented and motivated people at the Company,” said Mr. Heard. “Through their hard work, Gibraltar has been able to resize and restructure its existing businesses in line with new patterns of market demand, and further position itself for profitable growth. Now, we have an opportunity to accelerate our growth strategy and drive higher returns on capital. This can be accomplished, first, by focusing more deeply on operational excellence through seeking ways to drive complexity out of our existing businesses while adding to their capacity for innovation; and second, by thinking differently about how we allocate people and capital – both inside and beyond our existing business portfolio. I look forward to working with Brian, the board and the entire Gibraltar team to drive long-term profitable growth and enhance shareholder value.”

Board Transitions

Vinod Khilnani will replace director Arthur Russ, Jr. who has decided not to stand for re-election and will retire from his board service immediately prior to the 2015 annual meeting of the Company’s stockholders. Craig Hindman will replace director Gerald Lippes, who, as previously announced, will retire on December 31, 2014. The size of the Gibraltar board has temporarily been expanded to permit the newly appointed directors to begin their board service prior to the retirements of Messrs. Russ, Lippes and David Campbell. The resulting short overlap of terms was designed to allow for a smooth and orderly transition. “These changes in board composition will combine an existing level of institutional knowledge with new perspectives on strategy and operational excellence,” said Mr. Lipke.

Mr. Hindman, age 59, is a global executive and board member with 35 years of leadership experience across multiple industry segments. Most recently he was Executive Vice President/CEO for the Industrial Packaging Group of businesses at Illinois Tool Works Inc. In that role he was responsible for 110 business units operating in 30 countries, and was successful in increasing revenues and margins through innovative growth and business simplification initiatives. He also completed two acquisitions before leading the group’s sale to The Carlyle Group in May 2014. He also spent more than two decades in ITW’s Construction Products Group, providing him with familiarity with Gibraltar’s end markets.

Mr. Khilnani, age 62, most recently was Executive Chairman of the Board at NYSE-listed CTS Corporation, a sensors and electronics components company with operations in North America, Europe and Asia. He previously served as CTS Corporation's Chairman and Chief Executive Officer, as well as its Chief Financial Officer. In addition to implementing growth and market diversification strategies at CTS Corporation, he successfully led restructurings and acquisitions, completed private equity and debt offerings, and established operations in Eastern Europe and Asia. Mr. Khilnani is currently a director of Materion Corporation, 1st Source Corporation, parent company of 1st Source Bank, and ESCO Technologies, Inc.

"The strategic leadership experience that Craig Hindman and Vinod Khilnani bring to Gibraltar's board will be invaluable as we pursue operational excellence through innovation and work to penetrate profitable growth markets inside and beyond our existing business portfolio," said Mr. Lipke. "Our board looks forward to benefiting from Craig's P&L leadership background, as well as his acquisition and divestiture experience. Vinod's strategic experience in public company governance, operations and finance will broaden the board's capabilities in these areas. We are excited to welcome them to the Gibraltar team."

Mr. Lipke wishes to acknowledge and thank the retiring directors for their numerous contributions during their tenure. "Their support, guidance and focus on creating shareholder value were invaluable to the Company, its shareholders and me personally. I thank each of them for their time and effort."

About Gibraltar

Gibraltar Industries is a leading manufacturer and distributor of building products, focused on residential and low-rise commercial building markets, as well as industrial and transportation infrastructure markets. The Company generates more than 80% of its sales from products that hold leading positions in their markets, and serves customers across North America and Europe. Gibraltar's strategy is to grow organically by expanding its product portfolio and penetration of existing customer accounts, while broadening its market and geographic coverage through the acquisition of companies with leadership positions in adjacent product categories. Comprehensive information about Gibraltar can be found on its website at <http://www.gibraltar1.com>.

Safe Harbor Statement

Information contained in this news release, other than historical information, contains forward-looking statements and is subject to a number of risk factors, uncertainties, and assumptions. Risk factors that could affect these statements include, but are not limited to, the following: the availability of raw materials and the effects of changing raw material prices on the Company's results of operations; energy prices and usage; changing demand for the Company's products and services; changes in the liquidity of the capital and credit markets; risks associated with the integration of acquisitions; and changes in interest and tax rates. In addition, such forward-looking statements could also be affected by general industry and market conditions, as well as general economic and political conditions. The Company undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable law or regulation.

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