



# First Quarter 2014 Earnings Call

May 2, 2014

This presentation should be viewed in conjunction with Gibraltar's  
May 2, 2014 earnings press release.

# Forward Looking Statements



*Certain information set forth in this presentation, other than historical statements, contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 that are based, in whole or in part, on current expectations, estimates, forecasts, and projections about the Company’s business, and management’s beliefs about future operations, results, and financial position. These statements are not guarantees of future performance and are subject to a number of risk factors, uncertainties, and assumptions. Actual events, performance, or results could differ materially from the anticipated events, performance, or results expressed or implied by such forward-looking statements. Before making any investment decisions regarding our company, we strongly advise you to read the section entitled “Risk Factors” in our most recent annual report on Form 10-K which can be accessed under the “SEC Filings” link of the “Investor Info” page of our website at [www.Gibraltar1.com](http://www.Gibraltar1.com). We undertake no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by applicable law or regulation.*

## **Non-GAAP Financial Data**

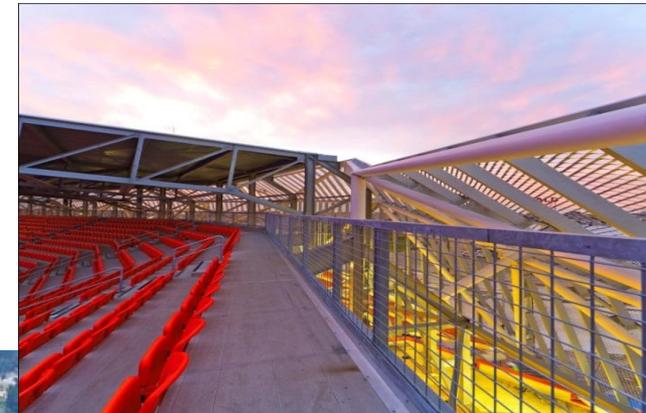
*To supplement Gibraltar’s consolidated financial statements presented on a GAAP basis, Gibraltar also presents certain adjusted financial data in this presentation. Adjusted financial data excluded special charges consisting of closing and consolidation of our facilities, acquisition-related costs, and re-financing costs. These adjustments are shown in the Non-GAAP reconciliation of adjusted operating results excluding special charges provided in the financial statements that accompany the earnings news release. The Company believes that the presentation of results excluding special charges provides meaningful supplemental data to investors, as well as management, that are indicative of the Company’s core operating results and facilitates comparison of operating results across reporting periods. These adjusted measures should not be viewed as a substitute for our GAAP results.*

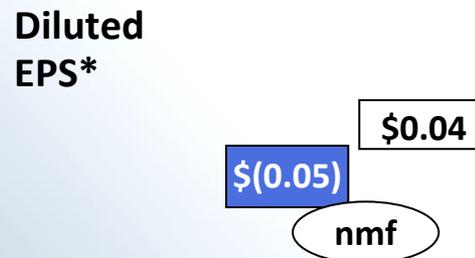
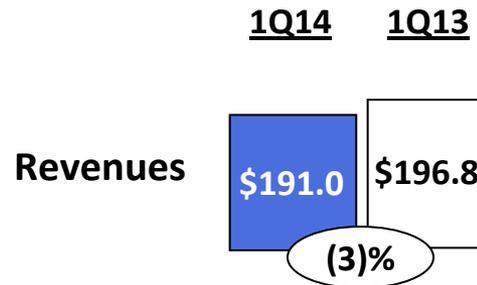
# Overview

SLOWER THAN EXPECTED START TO 2014



- Revenues and adjusted EPS for 1Q below guidance and prior year results
- Prolonged harsh winter season
- 1Q order deferments into 2Q
- Expect improved results in 2Q and 2014





### Revenues

- Weather dampens order volumes
- Both segments affected
- March order rates improved

### Operating Income / Margins

- Lower volume
- Pricing adjustments
- 1Q13 benefited from key projects, mix

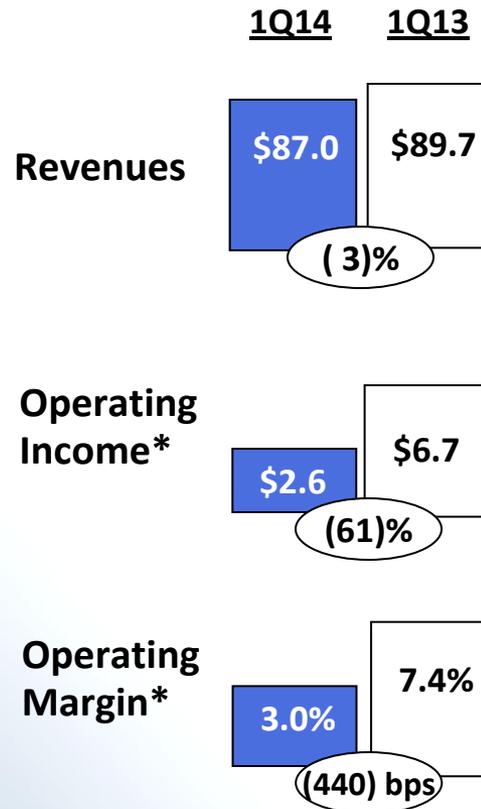
### EPS

- Unfavorable: segments (14)¢
- Favorable: corp. expenses +5¢

\*All amounts reported represent continuing operations before special charges. See non-GAAP reconciliations in earnings press release.

# Residential Products Segment

HARSH WINTER DELAYED SEASONAL RAMP



## Revenues

- Weather delayed seasonal ramp
- Most U.S. regions affected
- Benefit to 2Q orders
- 1Q13 benefited from re-set & mix

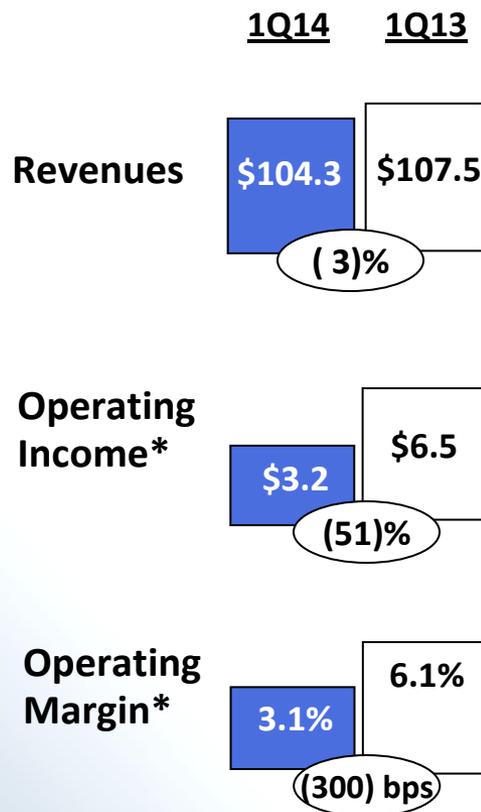
## Operating Income / Margin

- Lower order / shipment volume
- Price adjustments
- Resins inflation

•All amounts reported represent continuing operations before special charges. See non-GAAP reconciliations in earnings press release.

# Industrial & Infrastructure Products Segment

INFRASTRUCTURE DEMAND REMAINS SOFT



## Revenues

- Transportation infrastructure unfavorable on mix, timing of shipments
- 1Q13 benefited from key orders & mix
- Industrial North America and Europe favorable for 2<sup>nd</sup> consecutive quarter

## Operating Income / Margin

- Transportation infrastructure unfavorable on timing & mix; key shipments in 1Q13.
- Industrial volume stable
- Pricing remains keen for key projects.

•All amounts reported represent continuing operations before special charges. See non-GAAP reconciliations in earnings press release.

# 2014 Financial Guidance

IMPROVING MARKET CONDITIONS & OPERATIONAL GAINS



	2013	2014E	Assumptions
Revenues	\$828M	+4% to +7%	Residential: New housing continues gradual recovery; R & R favorable; postal products growth  Industrial & Infrastructure: Pricing stabilizes; modest growth in 2H
Segment Income <i>Segment Margin</i>	\$69M 8.3%	\$71M-\$78M 8.2-8.8%	
EPS Adjusted	\$0.69	\$0.76-\$0.90	38% ETR
Free Cash Flow / Net Sales	6%	~3%	Projected CAPEX of \$28M & working capital investments limit free cash flow in 2014

# 2Q14 Preview

## SEASONAL DEMAND STRENGTHENING



	Revenue Change YOY	Margin Change YOY	Comments
Residential Products	+20%	Flat	<ul style="list-style-type: none"><li>• Seasonally higher order levels</li><li>• 1Q's harsh winter conditions aid 2Q</li><li>• Postal conversions to central delivery</li><li>• Margin: var. expense ramp for postal products, pricing, resin inflation</li></ul>
Industrial & Infrastructure Products	+1%	Flat	<ul style="list-style-type: none"><li>• Uneven volume and pricing</li><li>• Transportation infrastructure sluggish</li></ul>
Gibraltar	+10%	Flat	<ul style="list-style-type: none"><li>• Revenues of ~\$243M-\$248M</li></ul>

**Adjusted EPS of \$0.29 - \$0.32 (vs. \$0.26 in 2Q13)**

- Residential momentum to lead thru 2014
  - Secular growth in postal products
  - Industrial growth weighted to second half
  - Continued growth and profitability improvement in 2014
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- May 29<sup>th</sup> KeyBanc 2014 Industrial, Automotive & Transportation Conference in Boston