



Third-Quarter 2016
Earnings Call

October 27, 2016

This presentation should be viewed in
conjunction with Gibraltar's October 27, 2016
earnings press release.

Safe Harbor Statements

Forward Looking Statements

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

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 gain on sale of assets, restructuring costs, acquisition-related costs and other reclassifications. 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.

Consolidated Results

RBI Synergies Also Benefited Prior Quarters

	Previously Reported GAAP	Sept 2016 Adjustment	Restated GAAP Results	Previously Reported Adj Results	Sept 2016 Adjustment	Adjusted Results
(in Millions except EPS)						
1Q 2016						
Net Sales	\$ 233.7	\$ 4.0	\$ 237.7	\$ 233.7	\$ 4.0	\$ 237.7
Income from Operations	\$ 13.6	\$ 4.0	\$ 17.6	\$ 15.3	\$ 4.0	\$ 19.3
Operating Margin	5.8%		7.4%	6.6%		8.1%
* Net Income	\$ 6.5	\$ 2.5	\$ 9.0	\$ 7.6	\$ 2.5	\$ 10.1
* Diluted EPS	\$ 0.20	\$ 0.08	\$ 0.28	\$ 0.24	\$ 0.08	\$ 0.32
2Q 2016						
Net Sales	\$ 263.1	\$ 2.6	\$ 265.7	\$ 263.1	\$ 2.6	\$ 265.7
Income from Operations	\$ 25.8	\$ 2.6	\$ 28.4	\$ 26.9	\$ 2.6	\$ 29.5
Operating Margin	9.8%		10.7%	10.2%		11.1%
* Net Income	\$ 17.0	\$ 1.6	\$ 18.6	\$ 14.8	\$ 1.6	\$ 16.4
* Diluted EPS	\$ 0.53	\$ 0.05	\$ 0.58	\$ 0.46	\$ 0.05	\$ 0.51
3Q 2016						
Net Sales		\$ (6.6)	\$ 272.7		\$ (6.6)	\$ 272.7
Income from Operations		\$ (6.6)	\$ 26.4		\$ (6.6)	\$ 31.8
Operating Margin			9.7%			11.7%
* Net Income		\$ (4.1)	\$ 13.8		\$ (4.1)	\$ 17.6
* Diluted EPS		\$ (0.13)	\$ 0.43		\$ (0.13)	\$ 0.55

* Net Income from Continuing Operations

Earnings Grow in 3Q

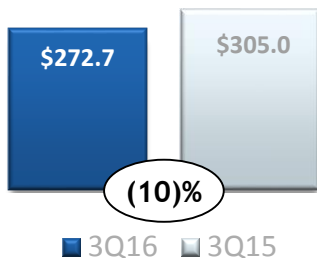
- 3-month GAAP EPS \$0.43 vs pr. yr. \$0.43
- 3-month Adjusted EPS \$0.55 vs pr. yr. \$0.50
- Renewable Energy and Residential segments drive bottom line growth
- 80/20 gains evidence the value creation strategy
- Increasing synergies in RBI expand its margins



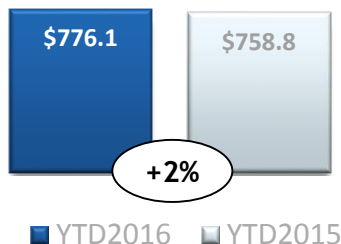
Consolidated Profitability Rises

Revenues

Quarterly



Year-to-Date



3Q16 Revenues

- (7)% on non-recurring revenues (industrial divestiture & completed postal contract)
- (5)% on weaker Industrial markets
- +2% growth with Renewable Energy & Residential (ex completed postal contract)

3Q16 Operating Income / EPS

- RBI synergies
- Operational improvement .. 80/20 Simplification

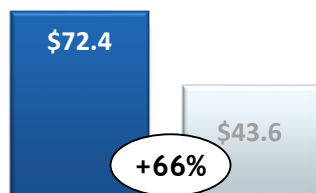
Operating Income*

Quarterly

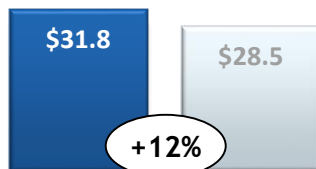
GAAP



Year-to-Date



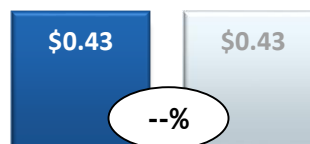
Adjusted



Diluted EPS*

Quarterly

GAAP



Year-to-Date



Adjusted



*All amounts reported represent continuing operations before special charges. See reconciliations of Adjusted Financial Measures in earnings press release.

Residential Products Segment

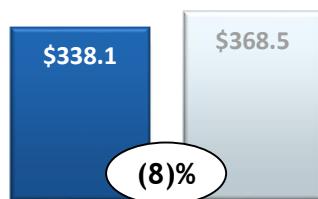
Revenues

Quarterly



■ 3Q16 ■ 3Q15

Year-to-Date



■ YTD 2016 ■ YTD 2015

3Q16 Revenues

- (9)% on centralized mailbox contract completion in 2015
- +2% from steady repair & remodel and new housing construction markets

3Q16 Operating Income / Margin

- Operational efficiencies
- Benefits of 80/20 simplification

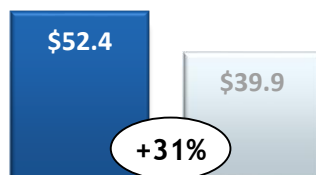
Operating Income*

Quarterly



■ 3Q16 ■ 3Q15

Year-to-Date

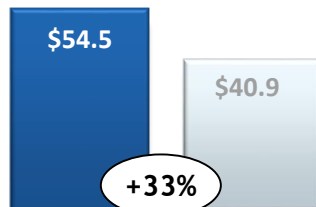


■ YTD 2016 ■ YTD 2015

Adjusted



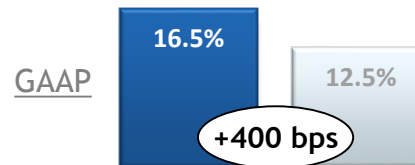
■ 3Q16 ■ 3Q15



■ YTD 2016 ■ YTD 2015

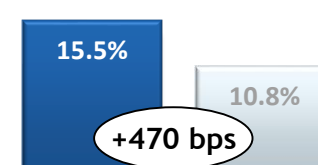
Operating Margin*

Quarterly



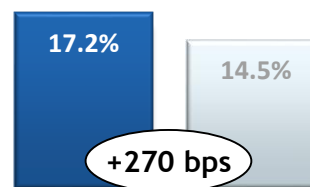
■ 3Q16 ■ 3Q15

Year-to-Date

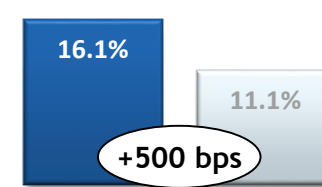


■ YTD 2016 ■ YTD 2015

Adjusted



■ 3Q16 ■ 3Q15



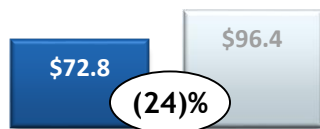
■ YTD 2016 ■ YTD 2015

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Industrial & Infrastructure Products Segment

Revenues

Quarterly



■ 3Q16 ■ 3Q15

Year-to-Date



■ YTD2016 ■ YTD2015

3Q Revenues

- (9)% on divested European business
- (15)% on lower volume; weaker energy-related & commodity markets

3Q Operating Income / Margin

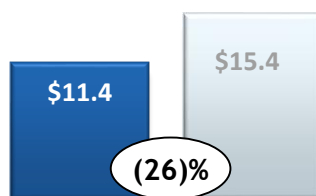
- Lower volume not fully offset by 80/20 simplification contributions

Operating Income*

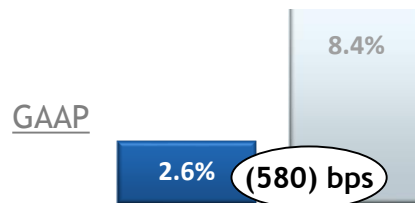
Quarterly



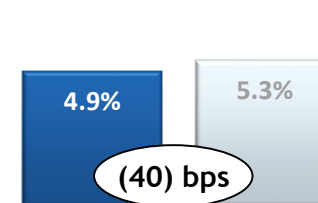
Year-to-Date



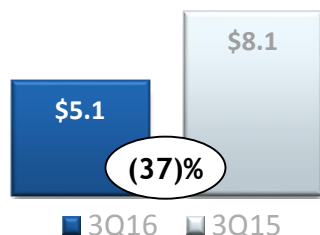
Quarterly



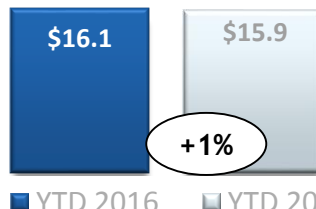
Year-to-Date



Adjusted

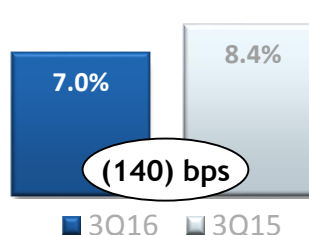


■ 3Q16 ■ 3Q15

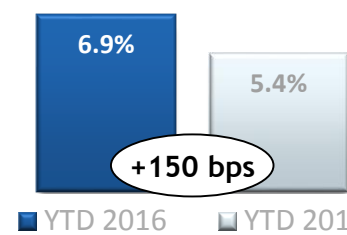


■ YTD2016 ■ YTD2015

Adjusted



■ 3Q16 ■ 3Q15



■ YTD2016 ■ YTD2015

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Renewable Energy & Conservation Segment

Synergies Traction ... Also Affected Prior Quarters

	Previously Reported <u>GAAP</u>	Sept 2016 <u>Adjustment</u>	Restated GAAP <u>Results</u>	Previously Reported <u>Adj Results</u>	Sept 2016 <u>Adjustment</u>	Adjusted <u>Results</u>
(in Millions except EPS)						
1Q 2016						
Net Sales	\$ 53.9	\$ 4.0	\$ 57.9	\$ 53.9	\$ 4.0	\$ 57.9
Income from Operations	\$ 4.3	\$ 4.0	\$ 8.3	\$ 4.3	\$ 4.0	\$ 8.3
Operating Margin	8.0%		14.3%	8.0%		14.3%
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2Q 2016						
Net Sales	\$ 62.1	\$ 2.6	\$ 64.7	\$ 62.1	\$ 2.6	\$ 64.7
Income from Operations	\$ 7.7	\$ 2.6	\$ 10.3	\$ 7.7	\$ 2.6	\$ 10.3
Operating Margin	12.3%		15.9%	12.3%		15.9%
<hr/>						
3Q 2016						
Net Sales		\$ (6.6)	\$ 82.0		\$ (6.6)	\$ 82.0
Income from Operations		\$ (6.6)	\$ 16.4		\$ (6.6)	\$ 16.4
Operating Margin			20.0%			20.0%

Renewable Energy & Conservation Segment

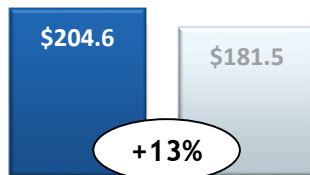
Revenues*

Quarterly



■ 3Q16 ■ 3Q15

Year-to-Date



■ YTD2016 ■ YTD2015

3Q Revenues

- Volume growth for key platforms
- 2015 benefited from then-expected ITC reduction

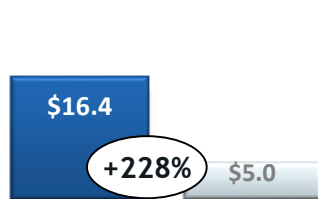
3Q Operating Income / Margin

- Benefiting from greater synergies
- Higher volume, elimination of acquisition-related expenses

Operating Income*

Quarterly

GAAP



■ 3Q16 ■ 3Q15

Year-to-Date

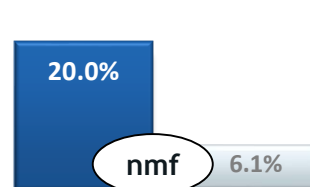


■ YTD 2016 ■ YTD 2015

Operating Margin*

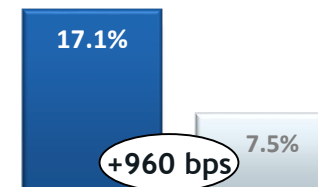
Quarterly

GAAP



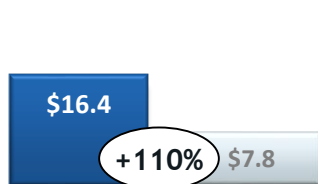
■ 3Q16 ■ 3Q15

Year-to-Date



■ YTD 2016 ■ YTD 2015

Adjusted**

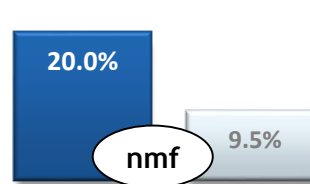


■ 3Q16 ■ 3Q15

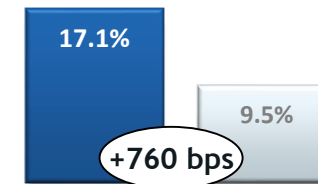


■ YTD 2016 ■ YTD 2015

Adjusted**



■ 3Q16 ■ 3Q15



■ YTD 2016 ■ YTD 2015

* The YTD 2015 period includes proforma results for 270-day period ended September 30, 2015.

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Continued Progress on Value Creation Strategy

Driving Transformational Change in Portfolio and Financial Results

1. Operational Excellence

- 200 of 230 bps improvement to 11.7% for 3Q Adj. Op. Mgn. from operational excellence and 80/20 initiatives
- \$(47)M reduction in inventory of base BUs since 03/31/2015

2. Portfolio Management

- Allocating leadership time, capital and resources to highest-potential platforms and businesses
- April 2016 divestiture of European Industrial business

3. Product Innovation

- High-quality, engineered solutions; 24x7 parcel units; security fencing; adhesive metal roofing solutions

4. Acquisitions as a Strategic Accelerator

- RBI performing well on top and bottom lines
- Oct 11, 2016 acquisition of Nexus commercial greenhouse mfr.
- Proactive pursuit of new opportunities



2016 Guidance Raised

	2016G	2016G vs. 2015A	2016 Assumptions
Revenue	\$1.00B to 1.01B	(3)%	<p>Residential: (10)% +2% organic; (12)% or \$(50)M for 2015 completed contract.</p> <p>Industrial & Infrastructure: (20)% (10)% organic, weak markets; (10)% or \$(30)M on European divestiture.</p> <p>Renewable Energy: +\$88M for acquisitions over 2015 plus 3% growth.</p>
Operating Income			Continuing improvement from operational efficiencies and consolidation initiatives. *2015 Adj Op Inc includes non-operating gains on derivatives.
<i>GAAP</i>	\$82M to \$84M	+70% - 75%	
<i>Adjusted*</i>	\$93M to \$95M	+35% - 40%	
Operating Margin			
<i>GAAP</i>	8.0% to 8.4%	+340-380bps	
<i>Adjusted*</i>	9.0% to 9.4%	+240-280bps	
Earnings Per Share			
<i>GAAP</i>	\$1.43 to \$1.48	+93% - 100%	
<i>Adjusted</i>	\$1.57 to \$1.61	+44% - 48%	
Net Cash Provided by Operating Activities	+10.0% of revenues	+300bps	Forecasting \$12M of CAPEX in 2016



Q&A