

# GIBRALTAR

CJS SECURITIES 22ND ANNUAL NEW IDEAS FOR  
THE NEW YEAR CONFERENCE

January 12, 2022

GIBRALTAR



# 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 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,” “opportunities,” “may,” “will” or “should” or, in each case, their negative or other variations or comparable terminology. 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, plans, or results expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from current expectations include, among other things, the impacts of COVID-19 on the global economy and on our customers, suppliers, employees, operations, business, liquidity and cash flows, other general economic conditions and conditions in the particular markets in which we operate, changes in customer demand and capital spending, competitive factors and pricing pressures, our ability to develop and launch new products in a cost-effective manner, our ability to realize synergies from newly acquired businesses, and our ability to derive expected benefits from restructuring, productivity initiatives, liquidity enhancing actions, other cost reduction actions and the other risks described in 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). The forward-looking statements included in this presentation are made as of the date hereof, and 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.

## Growth Plan and Projections

This presentation contains information regarding our growth plans, projections and estimates of future financial information. These plans, projections and estimates are forward-looking statements and should not be considered guarantees of future performance, representations by any person that any results contained therein will be achieved or necessarily indicative of future results. The assumptions and estimates underlying our plans, projections and estimates are inherently uncertain and are subject to a number of risk factors, uncertainties, and assumptions described above under “Forward-Looking Statements” that could cause our actual results to differ materially from our plans, projections and estimates contained herein. Unless otherwise noted, the plans, projections and estimates discussed in this presentation do not include the potential impact of any business combinations, acquisitions, divestitures, strategic investments and other significant transactions that may be completed after the date hereof.

# SAFE HARBOR STATEMENTS

## Adjusted Financial Measures

To supplement Gibraltar's financial information presented on a GAAP basis, Gibraltar also presented certain adjusted financial measures in this presentation, including adjusted operating margin, adjusted earnings per share (Adjusted EPS) and adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA). Adjusted financial data excludes special charges consisting of restructuring costs primarily associated with 80/20 simplification initiatives, senior leadership transition costs, acquisition-related costs, a reclassification of hedging income, and other reclassifications. Interest, taxes, depreciation and amortization can vary significantly between companies due in part to differences in accounting policies, tax strategies, levels of indebtedness and interest rates. Management believes that excluding these items provides insight into the underlying results of operations and facilitates comparisons between other companies. Adjusted EBITDA is also a useful measure of the Company's ability to service debt and is one of the measures used for determining the Company's debt covenant compliance. The Company believes that the presentation of results excluding special charges provides meaningful supplemental data to investors, as well as management, that are indicative of the Company's core operating results and facilitates comparison of operating results across reporting periods as well as comparison with other companies. Special charges are excluded since they may not be considered directly related to the Company's ongoing business operations.

Adjustments to the most directly comparable financial measures presented on a GAAP basis are quantified in the adjusted financial measures reconciliation excluding special charges provided in the adjusted financial measures reconciliation in the appendix of this presentation. Non-GAAP measures referenced in this presentation also include estimates of future adjusted operating margin, Adjusted EPS and Adjusted EBITDA.. Such forward-looking non-GAAP measures may differ significantly from the corresponding GAAP measures, and the Company is not providing quantitative reconciliations of expected adjusted operating margin, Adjusted EPS and Adjusted EBITDA for future periods to the most directly comparable measures prepared in accordance with GAAP because the Company is unable to provide specific quantifications of the amounts necessary to reconcile these measures without unreasonable effort as certain information necessary to calculate such measures on a GAAP basis is unavailable, highly variable and unpredictable or dependent on the timing of future events outside of the Company's control. Any adjusted measures in this presentation should not be viewed as a substitute for the Company's GAAP results, and may be different than adjusted measures used by other companies.

## Market and Industry Data

Certain information contained in this presentation concerning our industries and the markets in which we operate is based on publicly available information from industry, research organizations and other third-party sources, management estimates derived from publicly available information from industry, research organizations and other third-party sources, as well as data from our internal research. This information is based on assumptions made by us upon reviewing such data and our knowledge of such industries and markets, which we believe to be reasonable. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates.

# GIBRALTAR AT-A-GLANCE

STRONG FOUNDATION WITH LEADERSHIP POSITIONS gaining momentum in attractive end markets

- Renewable Energy (TerraSmart)
- Residential
- Agtech (Prospiant)

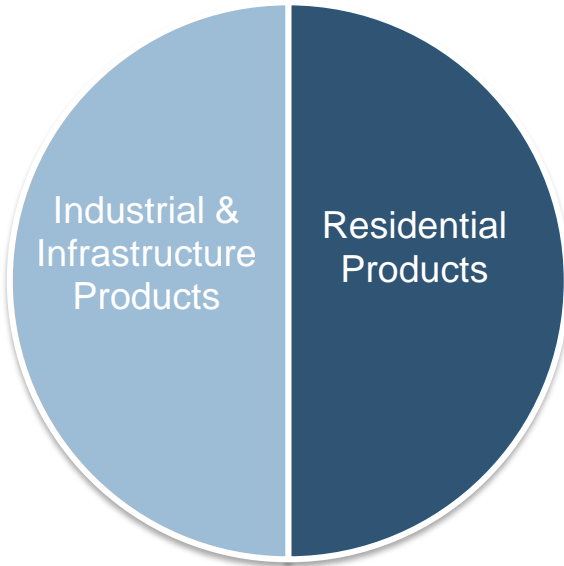
STRATEGY TO ACCELERATE TRANSFORMATION to drive growth and returns

AMPLE BALANCE SHEET FLEXIBILITY provides resilience, supports growth

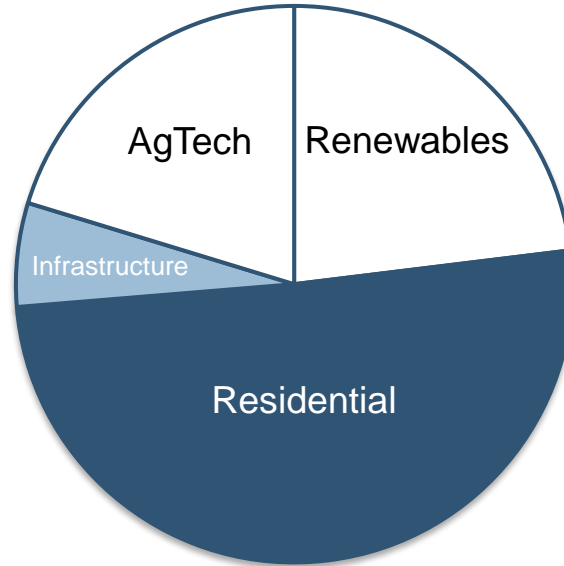
# SIGNIFICANT PROGRESS IN TRANSFORMING THE BUSINESS

## PORTFOLIO OPTIMIZATION

2014

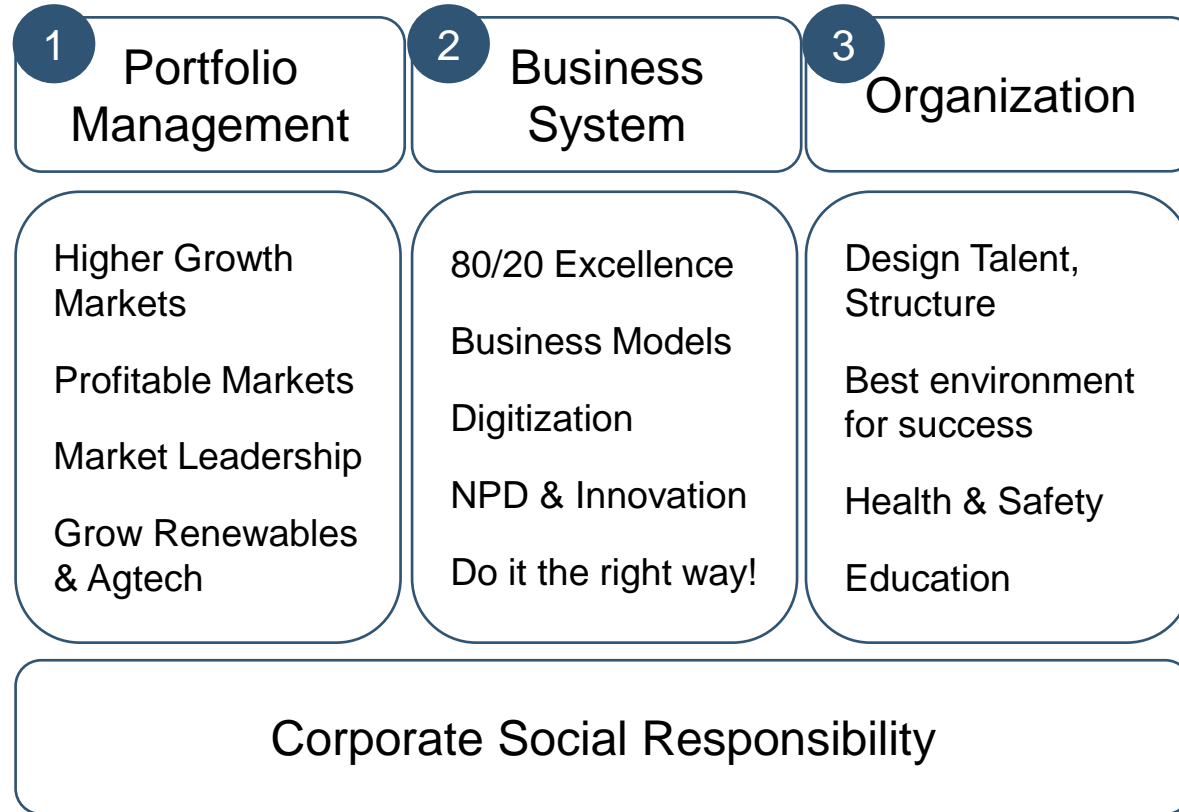


2020

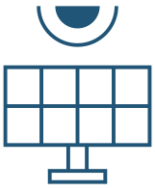





Invested ~\$500m Of Capital To Build Agtech And Renewables

## 3 PILLAR FOUNDATION



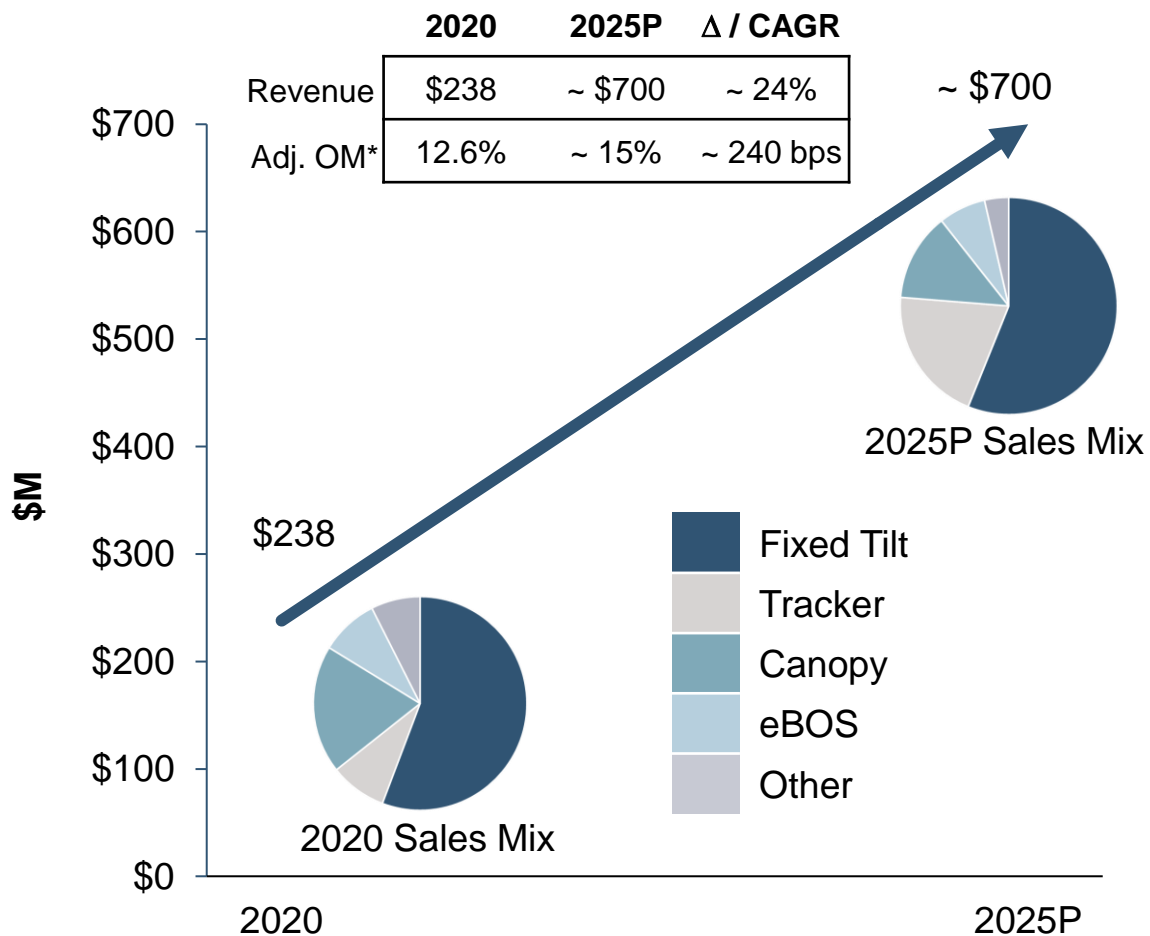
# STRONG POSITIONING IN MARKETS

		<u>Industry Leadership</u>	<u>Technology / Brand</u>	<u>Project Mgmt &amp; Operations</u>	<u>“The Sauce”</u>
	<b>Renewable Energy</b>	✓✓	✓	✓✓	Portfolio - breadth & depth Field operations - 700+ projects/yr Scale - speed - agility for customers
	<b>Residential</b>	✓	✓✓	✓✓	National presence in major regions Portfolio - breadth for regional needs Digitization for customer experience
	<b>Agtech</b>	✓	✓✓	✓	Growing domain knowledge Operating systems integration Project management / execution
	<b>Infrastructure</b>	✓	✓	✓✓	Strong regional operations Rubber / Sealant application Industry leading quality

 Opportunity & Focus
  Strength & Momentum

# RENEWABLE ENERGY GROWTH PLAN

## Revenue & Adjusted Operating Margin\*



## Revenue Growth

### TRACKER

Grow 4X on penetration, portfolio expansion

### eBOS

Grow 2X in core utility space, innovate into C&I

### CANOPY

Grow 1.5X in C&I surface/garage, new product (IP)

## Scale & Execution

### FIELD OPERATIONS

Digitize business processes and automate manual installation to enable 1.8X project volume

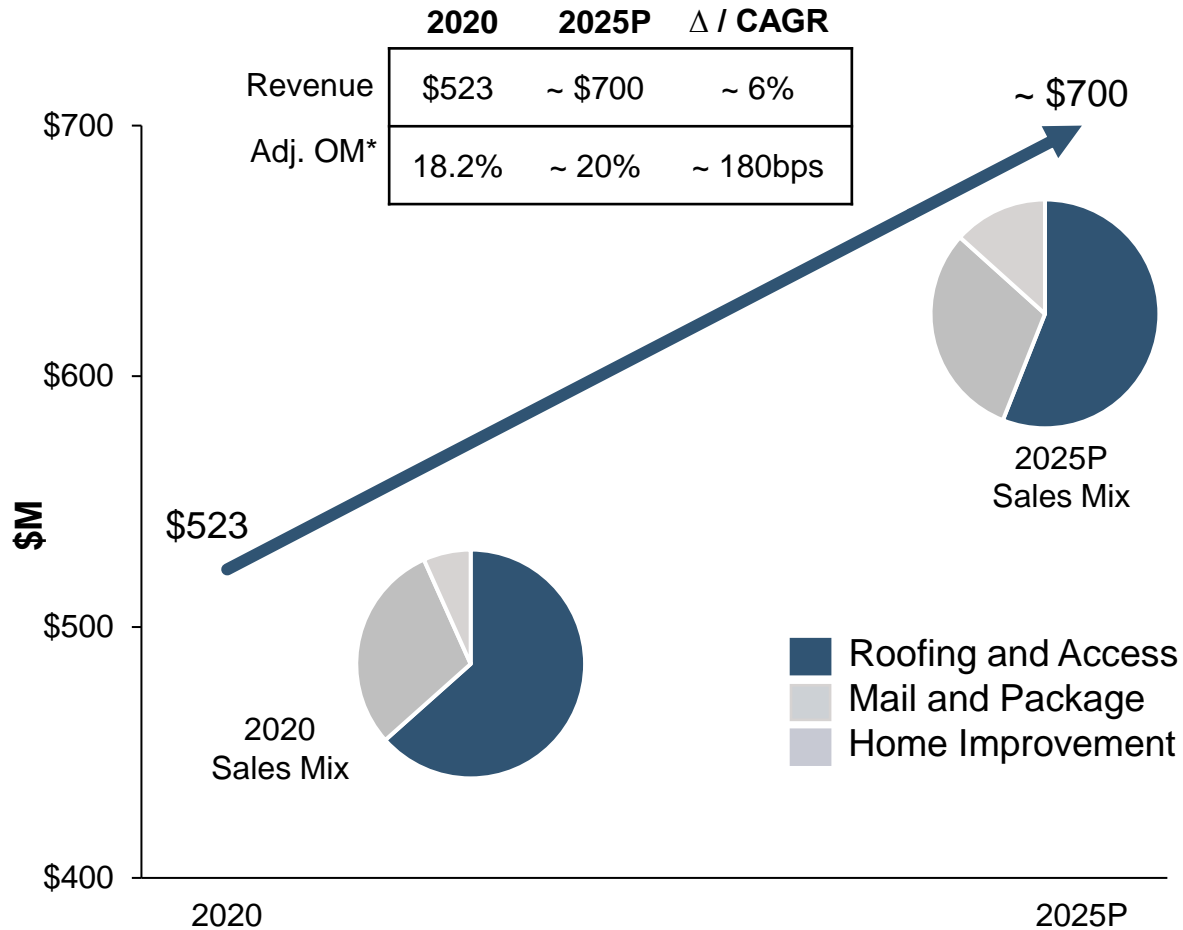
### BUSINESS SYSTEM

Funnel management, product line simplification, scalable estimating-to-cash process, talent and succession

\*Refer to appendix in this presentation for historical adjusted measures reconciliations.

# RESIDENTIAL GROWTH PLAN

## Revenue & Adjusted Operating Margin\*



## Strategic Imperatives

### EFFICIENCY

Execution – 80/20 Productivity, Automation, Supply Chain Initiatives, Systems platform

### CHANNEL EFFICIENCY

Systems and market knowledge to improve end-user access to our products and make our channel partners more efficient

### MARKET EXPANSION

New market segments and expand geographic reach

### NEW PRODUCT

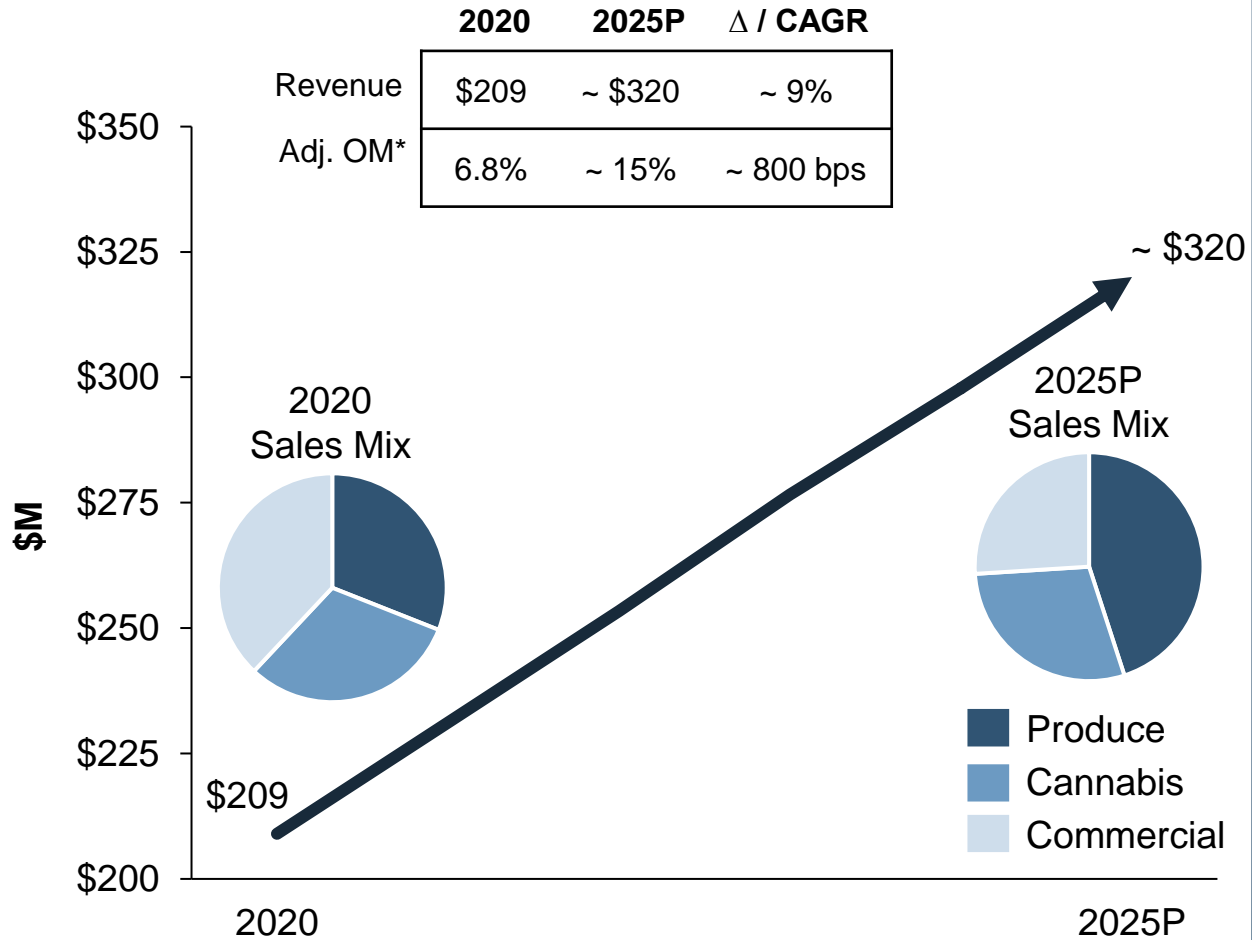
New product development to focus on end user problem solving, increasing participation in high profit pool segments

\*Refer to appendix in this presentation for historical adjusted measures reconciliations.



# AGTECH GROWTH PLAN

## Revenue & Adjusted Operating Margin\*



## Strategic Imperatives

### ACCELERATE VALUE CREATION

Drive ~ \$110M of growth and ~ 800 bps of margin expansion

### EXPAND SHARE OF WALLET

Scale leading solutions position to expand position in value chain

### SOLIDIFY BUSINESS SYSTEMS

Mature supply chain, product line simplification, scalable estimating-to-cash process, digital customer engagement

### STRENGTHEN AS SOLUTIONS PARTNER

Develop and diversify our high-performance team of thought leaders and domain experts

\*Refer to appendix in this presentation for historical adjusted measures reconciliations.

# SCALE AND EXECUTE 2025

## **+** Performance

Revenue 11% - 12% CAGR

Adj. Op Margin ~ 270 bps

Adj. EPS grows 2X+

~ \$750M cash from operations

## **+** Transformation

Foundation is strong - 3 pillars

Positioned to scale

Sustainable solid growth markets

M&A incremental to plan

## **+** Execution

80/20 acceleration + Q-T-C

Digitization investment - \$10M+

New products in key segments

Corporate Social Responsibility

## **+** The Team

Strong operating teams in place

Add competency and experience

Create best environment

Do things the right way, every day

# CAPITAL MANAGEMENT: INVESTING IN THE FUTURE

## 2015 - 2020

~\$600M  
Cash From  
Operations

Capex



M&A

\$74M

80/20 initiatives

Health & Safety

IT digitization

Maintenance

\$510M – 6 acquisitions

TerraSmart & Sunfig

Thermo Energy

Processing (2)

Architectural Mailboxes

## 2020 - 2025 Plan

~\$750M  
Cash From  
Operations

Capex



M&A

<2% Rev, 20% IRR

80/20 - Lean

Health & Safety

IT digitization

Maintenance

10X EBITDA multiple

3X leverage or less

Borrowing capacity +  
cash

~ **\$2B capacity**

# OUR COMMITMENT



## Our People

Create the **best environment** for our people to have success



## Our Communities

Invest in the **communities** where our people live & work



## The World

Drive **Solutions** for Energy Production, Growing Food, Home Efficiency

## Key Tenets

1. Promote and improve sustainability
2. Do what is right, in the right way, every day
3. Invest in the growth and development of our people, systems, and processes
4. Support communities where our people live, and our businesses operate
5. Be a good corporate citizen, and be environmentally responsible

# SUMMARY

Strong foundation with leadership positions  
gaining momentum in attractive end markets

Accelerating transformation to drive  
growth and returns

2020-2025

Revenue 11% - 12% CAGR

Adj. Operating margin grows ~ 270 bps

Adj. EPS improves 2X

~ \$750M cash from operations

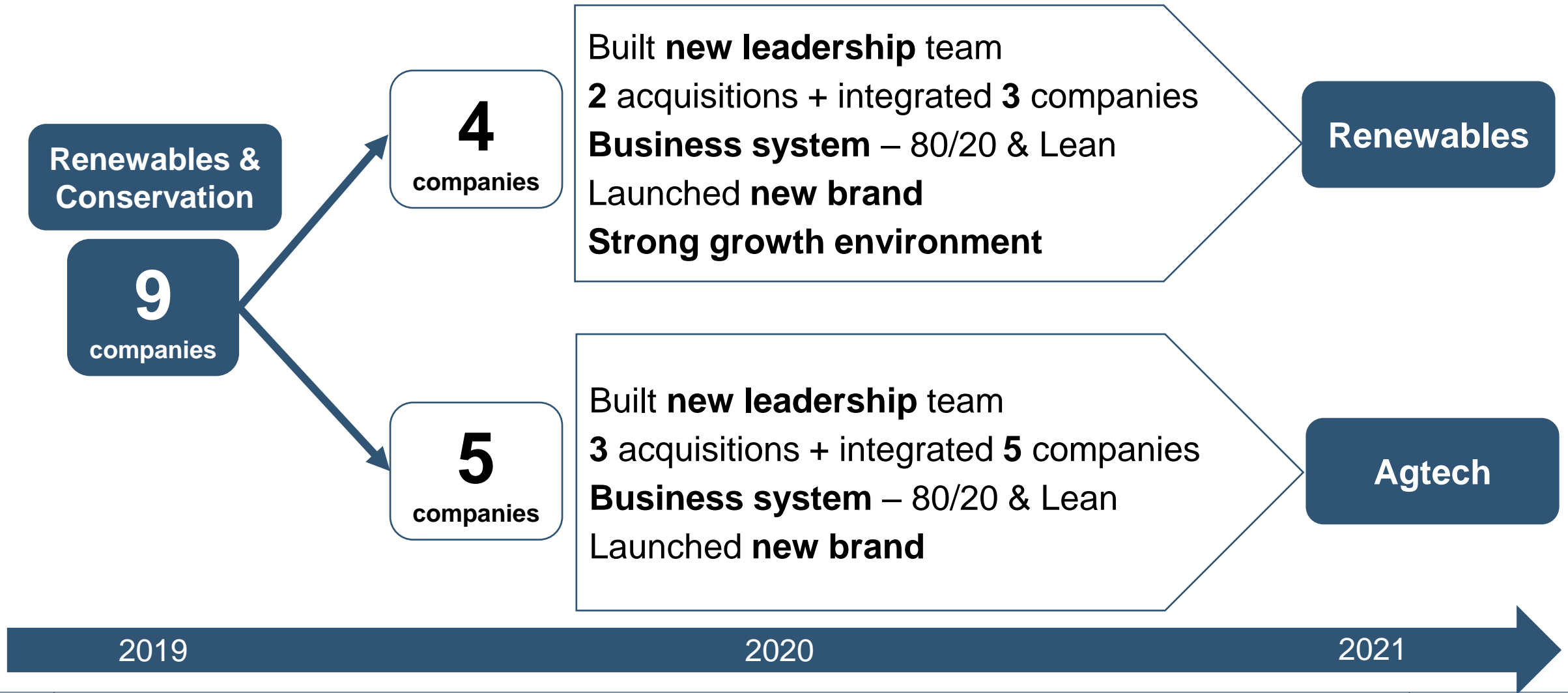
Ample balance sheet flexibility  
provides resilience, supports growth



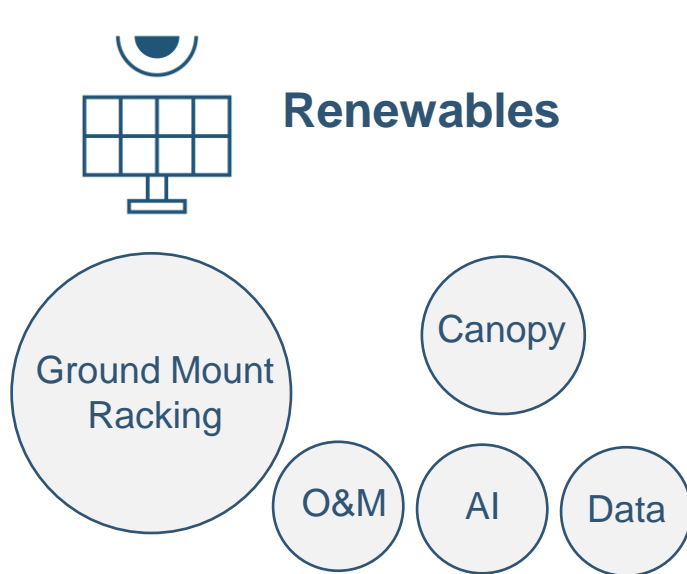
# APPENDIX



# BUILDING THE BUSINESS SYSTEM ENGINE AND SCALE TO SUPPORT OUR FUTURE



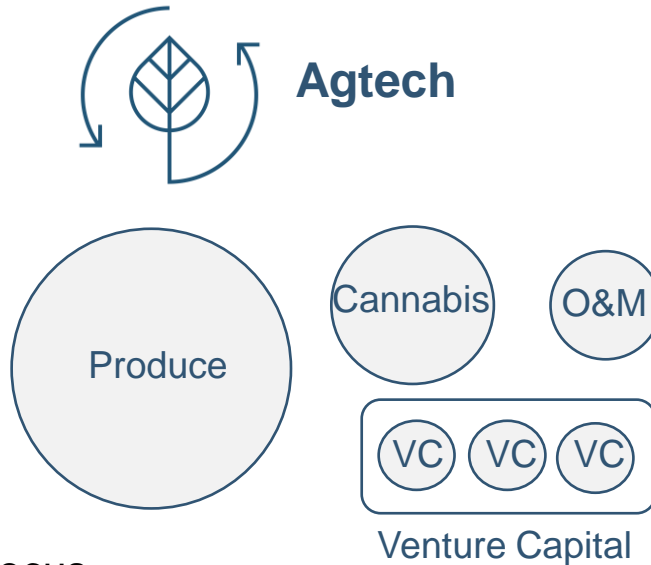
# M&A INCREMENTAL TO THE PLAN



## Renewables

### Focus

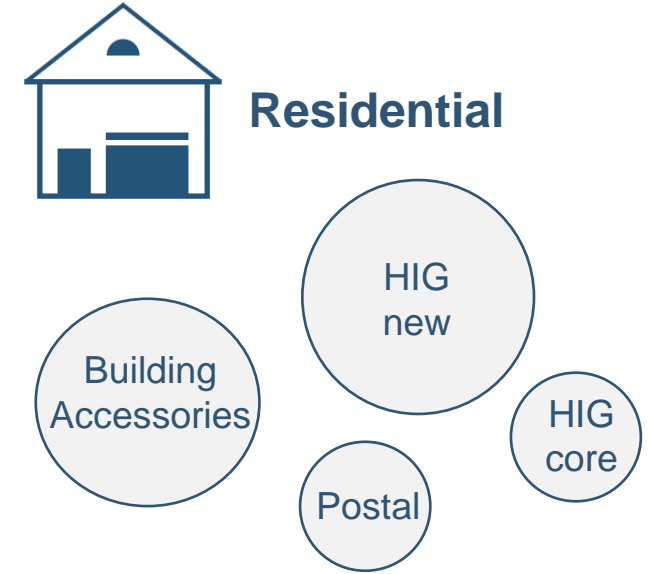
1. Build AI / software footprint
2. Performance O&M / Recurring \$
3. Expand canopy leadership



## Agtech

### Focus

1. Channel expansion
2. Grower operating efficiency
3. Performance O&M - Recurring \$



## Residential

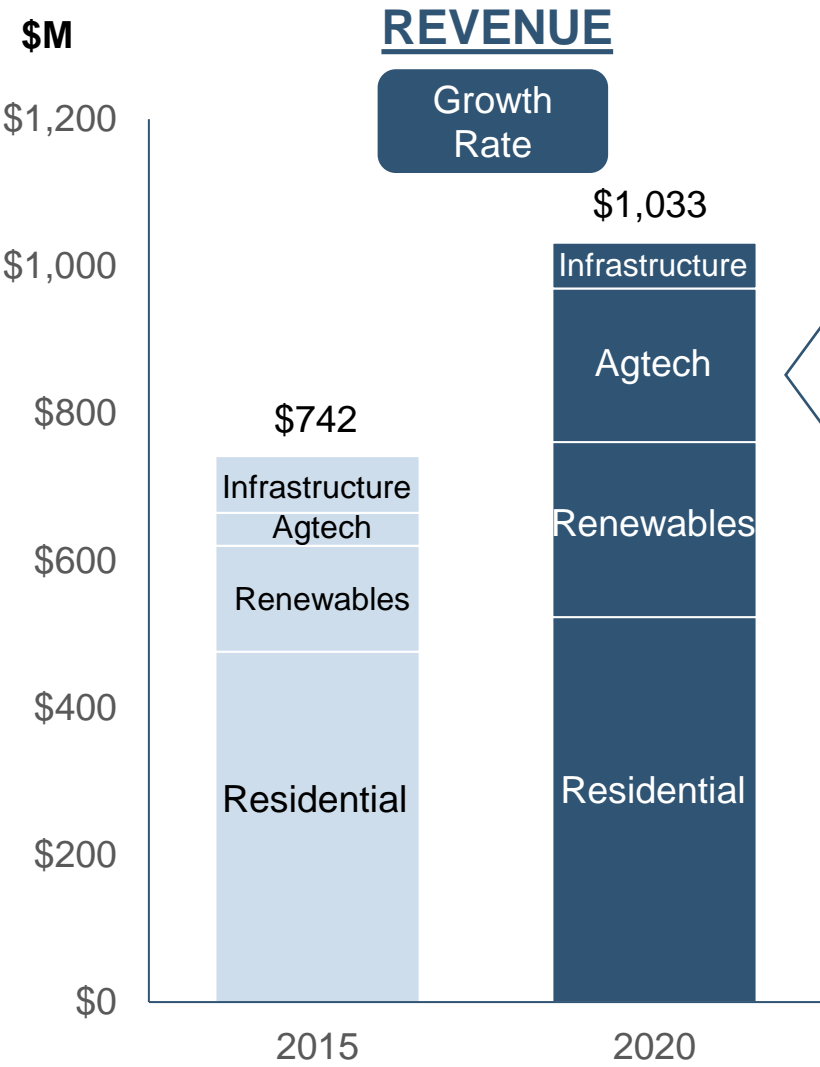
### Focus

1. Geographic expansion in U.S.
2. HIG direct-to-consumer (DTC)
3. Recurring \$

~ \$2B Available To Deploy



# RESULTS OF 2015 – 2020 TRANSFORMATION

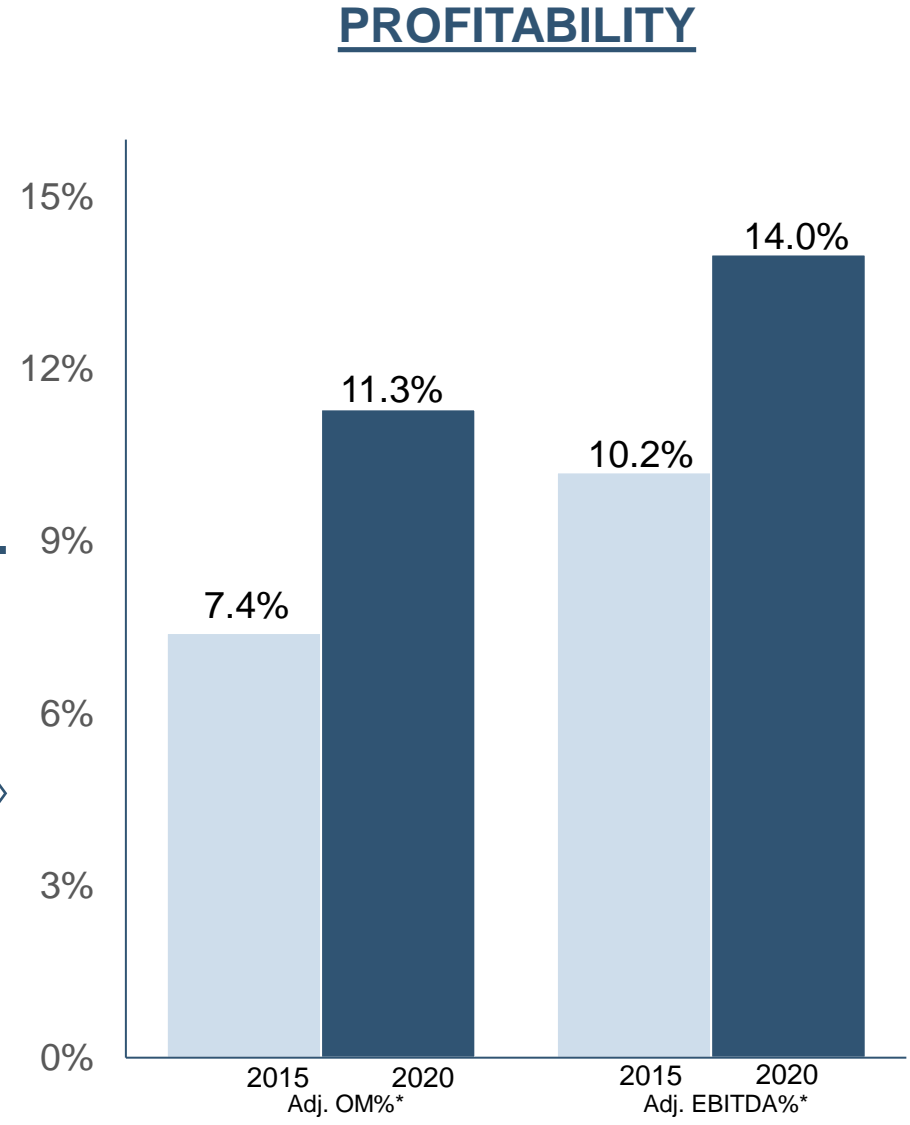


**Growth Rate**

**+6.8% CAGR**

**+390 bps Adj. OM\***

**+380 bps Adj. EBITDA\***



\*Refer to appendix in this presentation for historical adjusted measures reconciliations.

# 2015 – ADJUSTED FINANCIAL MEASURES RECONCILIATION

	TWELVE MONTHS ENDED DECEMBER 31, 2015								Adjusted Operating Margin
	As Previously Reported in GAAP Statements	Discontinued Operations Restatement	As Reported in GAAP Statements	Acquisition-Related Items	Gain on Facility Sale / Restructuring Charges	Intangible Asset Impairment	Reclass of Hedging Activity	Adjusted Financial Measures	
Net Sales									
Renewables	\$ 143,694		\$ 143,694	\$ -	\$ -	\$ -	\$ -	\$ 143,694	
Residential	475,653		475,653	-	-	-	-	475,653	
Agtech	44,838		44,838	-	-	-	-	44,838	
Infrastructure	378,224	(300,730)	77,494	-	-	-	-	77,494	
Less: Inter-Segment Sales	(1,536)	1,536	-	-	-	-	-	-	
	376,688	(299,194)	77,494	-	-	-	-	77,494	
Consolidated Sales	1,040,873	(299,194)	741,679	-	-	-	-	741,679	
Income from operations									
Renewables	5,495		5,495	4,035	-	-	-	9,530	6.6%
Residential	46,804		46,804	-	952	440	3,256	51,452	10.8%
Agtech	7,164		7,164	1,327	-	-	-	8,491	18.9%
Infrastructure	15,581	(7,372)	8,209	-	346	250	-	8,805	11.4%
Segments Income	75,044	(7,372)	67,672	5,362	1,298	690	3,256	78,278	10.6%
Unallocated corporate expense	(26,959)		(26,959)	732	2,523	-	-	(23,704)	-3.2%
Consolidated income from operations	48,085	(7,372)	40,713	6,094	3,821	690	3,256	54,574	7.4%
Interest expense	15,003		15,003	-	-	-	-	15,003	
Other income	(4,018)		(4,018)	-	-	-	3,256	(762)	
Income before income taxes	37,100	(7,372)	29,728	6,094	3,821	690	-	40,333	
Provision for income taxes	13,624	(3,760)	9,864	2,302	1,452	262	-	13,880	
Income from continuing operations	\$ 23,476	\$ (3,612)	\$ 19,864	\$ 3,792	\$ 2,369	\$ 428	\$ -	\$ 26,453	
Income from continuing operations per share - diluted	\$ 0.74	\$ (0.11)	\$ 0.63	\$ 0.12	\$ 0.08	\$ 0.01	\$ -	\$ 0.84	

## 2020 – ADJUSTED FINANCIAL MEASURES RECONCILIATION

	TWELVE MONTHS ENDED DECEMBER 31, 2020						Adjusted Operating Margin
	As Reported in GAAP Statements	Restructuring Charges	Senior Leadership Transition Costs	Acquisition Related Items	Gain on Sale of Business	Adjusted Financial Measures	
Net Sales							
Renewables	\$ 238,107	\$ -	\$ -	\$ -	\$ -	\$ 238,107	
Residential	522,814	-	-	-	-	522,814	
Agtech	209,460	-	-	-	-	209,460	
Infrastructure	62,197	-	-	-	-	62,197	
Consolidated Sales	1,032,578	-	-	-	-	1,032,578	
Income from operations							
Renewables	30,105	15	-	-	-	30,120	12.6%
Residential	94,430	740	-	-	-	95,170	18.2%
Agtech	10,633	932		2,779		14,344	6.8%
Infrastructure	7,233	226	-	-	-	7,459	12.0%
Segments Income	142,401	1,913	-	2,779	-	147,093	14.2%
Unallocated corporate expense	(35,211)	375	2,526	1,991	-	(30,319)	-2.9%
Consolidated income from operations	107,190	2,288	2,526	4,770	-	116,774	11.3%
Interest expense	703	-	-	-	-	703	
Other (income) expense	(1,272)	-	-	-	1,881	609	
Income before income taxes	107,759	2,288	2,526	4,770	(1,881)	115,462	
Provision for income taxes	24,468	547	-	1,164	(469)	25,710	
Income from continuing operations	\$ 83,291	\$ 1,741	\$ 2,526	\$ 3,606	\$ (1,412)	\$ 89,752	
Income from continuing operations per share - diluted	\$ 2.53	\$ 0.05	\$ 0.08	\$ 0.11	\$ (0.04)	\$ 2.73	

# ADJUSTED EBITDA RECONCILIATIONS

Adjusted EBITDA Reconciliation 2020						Adjusted EBITDA Reconciliation 2015		
	Renewables	Residential	Agtech	Infrastructure	Consolidated	Consolidated	Industrial Disposition	Continuing Operations
Net Sales	238,107	522,814	209,460	62,197	1,032,578	1,040,873	299,194	741,679
Adjusted:								
Income From Continuing Operations					89,752	34,393	7,940	26,453
Provision for Income Taxes					25,710	19,692	5,812	13,880
Interest Expense					703	15,003	-	15,003
Other (Income) / Expense					609	(762)	-	(762)
Adjusted Operating Profit	30,120	95,170	14,344	7,459	116,774	68,326	13,752	54,574
Adjusted Other (Income) / Expense	-	-	-	-	609	(762)	-	(762)
Depreciation & Amortization	3,376	8,120	6,068	3,060	20,915	30,548	9,039	21,509
Less: Acquisition-Related Amortization	-	-	(905)	-	(905)	(5,132)	-	(5,132)
Adjusted Depreciation & Amortization	3,376	8,120	5,163	3,060	20,010	25,416	9,039	16,377
Stock Compensation Expense	86	767	845	50	8,173	3,891	-	3,891
Adjusted EBITDA	33,582	104,057	20,352	10,569	144,348	98,395		75,604
Adjusted EBITDA Margin	14.1%	19.9%	9.7%	17.0%	14.0%	9.5%		10.2%