



First-Quarter 2017
Earnings Call

May 5, 2017

This presentation should be viewed in
conjunction with Gibraltar's May 5, 2017
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 portfolio management charges, gains/losses on sales of assets, restructuring costs, acquisition-related costs and other reclassifications. These adjustments are shown in the Non-GAAP reconciliation of adjusted financial measures excluding special charges provided in the supplemental financial schedules 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.

1Q as Expected

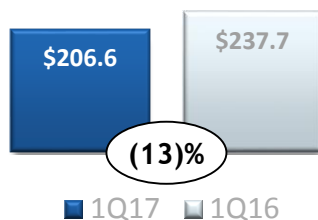
- 3-month GAAP EPS \$0.12 vs PY \$0.28
- Exit from 2 unprofitable product lines add GAAP charges of \$(0.07)
- 3-month Adjusted EPS \$0.20 vs PY \$0.32
- Residential segment expansion not offsetting Renewable Energy, I & I contraction
- 80/20 gains evidence the value creation strategy



Consolidated Results

Revenues

Quarter



1Q17 Revenues

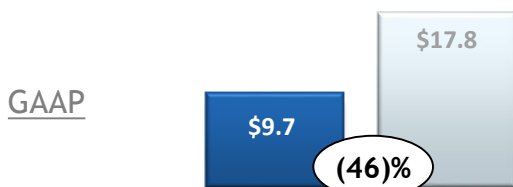
- (12)% on non-recurring revenues (European industrial, bar grating, & European solar divestitures)

1Q17 Operating Income / EPS

- \$(0.07) GAAP charges for exiting 2 product lines
- \$(0.08) Volume reduction
- Operational improvement ... 80/20 Simplification partially offset higher material and compensation expenses

Operating Income*

Quarter

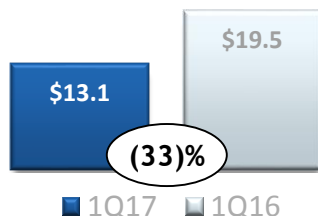


Diluted EPS*

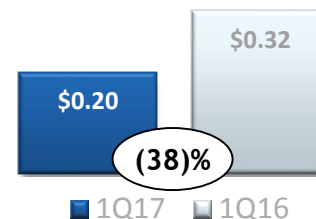
Quarter



Adjusted



Adjusted

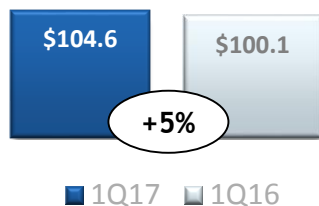


*All amounts reported represent continuing operations before special charges. See reconciliations of Adjusted Financial Measures in earnings press release.

Residential Products Segment

Revenues

Quarter



1Q17 Revenues

- Strong demand for centralized mail and Electronic Parcel solutions
- Steady repair & remodel and new housing construction markets

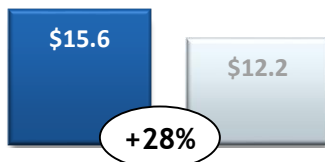
1Q17 Operating Income / Margin

- Operational efficiencies
- Benefits of 80/20 simplification

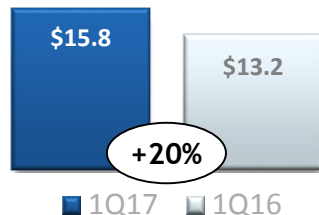
Operating Income*

Quarter

GAAP



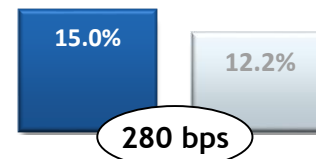
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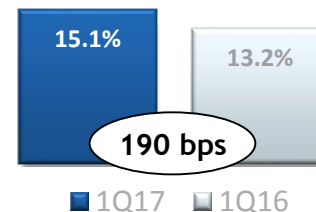
Operating Margin*

Quarter

GAAP

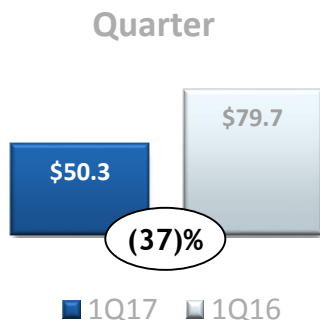


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Industrial & Infrastructure Products Segment

Revenues



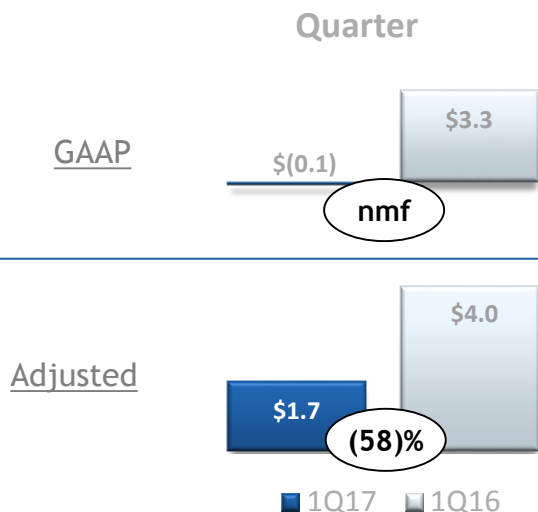
1Q17 Revenues

- (34)% on divested European business and U.S. bar grating;
- (3)% on lower volume in infrastructure

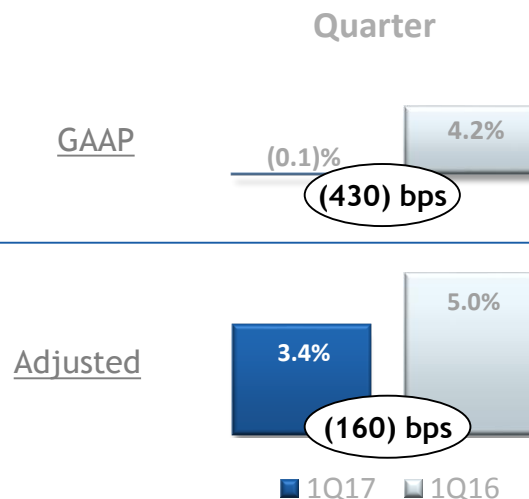
1Q17 Operating Income / Margin

- Lower volume and material costs not recovered
- Unprofitable U.S. bar grating (sold in Feb 2017)

Operating Income*



Operating Margin*



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

Renewable Energy & Conservation Segment

Revenues

Quarter



1Q17 Revenues

- Anticipated sales reduction driven by lower backlog in Solar markets entering 2017

1Q17 Operating Income / Margin

- Volume declines, planned price concessions and higher material costs
- \$1.1M charge from divestiture of European solar business

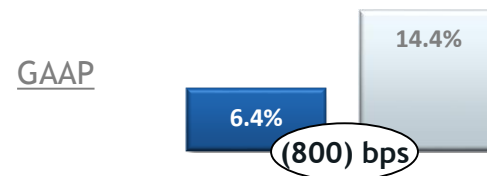
Operating Income*

Quarter

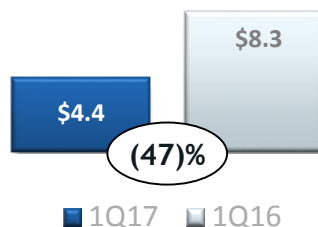


Operating Margin*

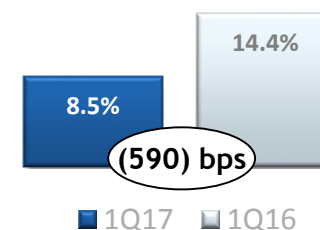
Quarter



Adjusted



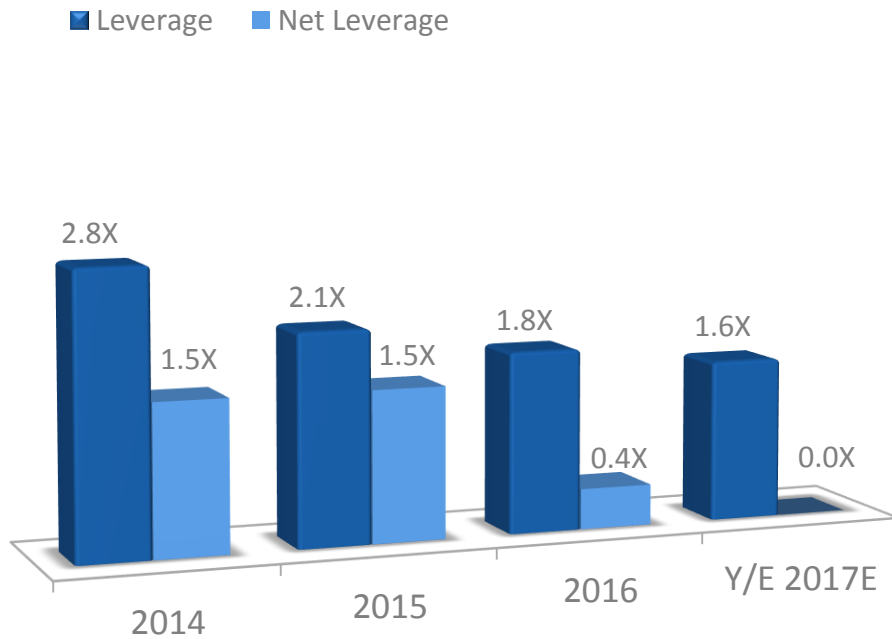
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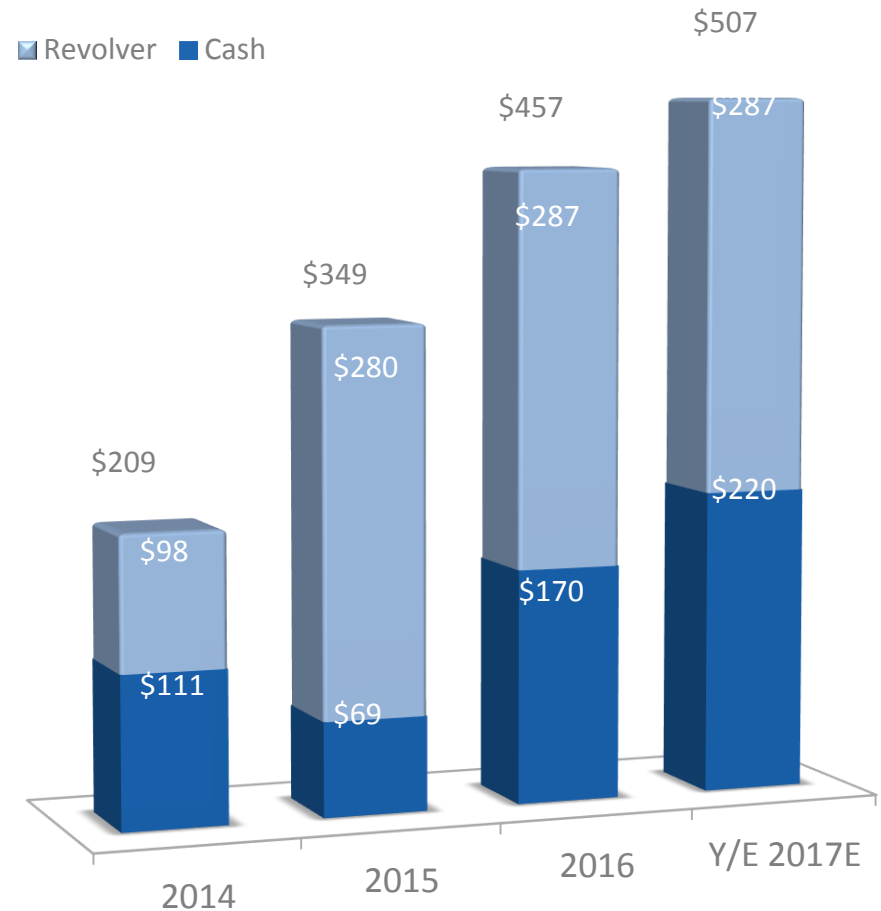
Capturing the Opportunity

Acquisitions as Strategic Accelerator

Leverage



Liquidity (\$M)



4 Pillars Driving Value Creation

Driving Transformational Change in Portfolio and Financial Results

1. Operational Excellence

- \$2M profit impact in 1Q
- Inlining, MRD, Trade Focus making progress, expect impact in second half

2. Portfolio Management

- Have completed near-term assessments
- 2016 actions materially complete, continue to monitor

3. Product Innovation

- Engineered solutions: 2017E revenues include \$25M from new products; 6% from patented products (5% in 2016)

4. Acquisitions as a Strategic Accelerator

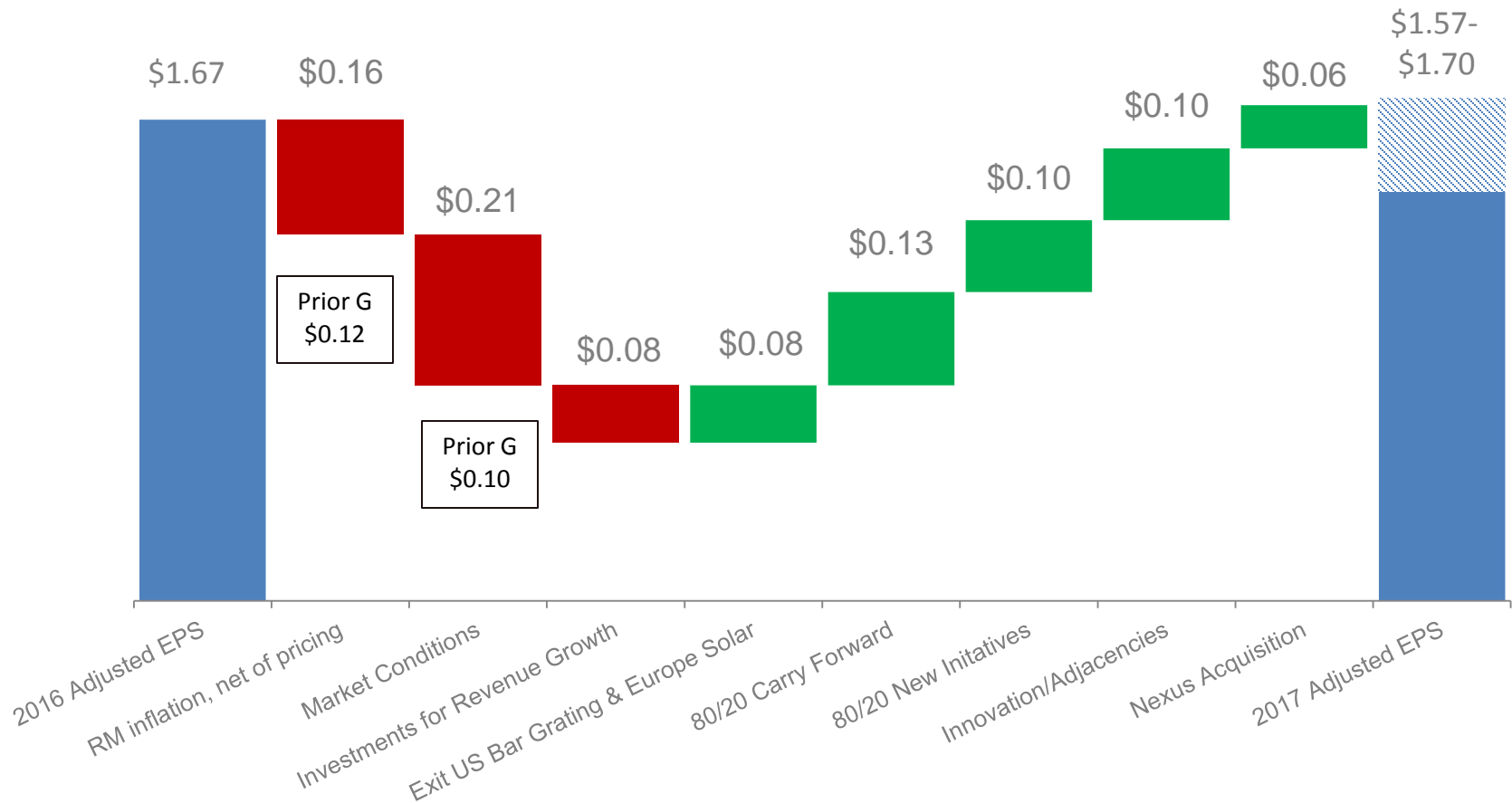
- Meaningful prospects for 2017



2017 Guidance

	2016	Prior 2017G	Revised 2017G	2017 Assumptions
Revenues	\$1.01B	~ \$1.0B Residential: +4% Ind & Infrastr: (22%); (25%) exits, 3% base Renew. Energy: 13% 8% base, 9% Nexus, (4%) exit	\$970M - \$980M Residential: +5% Ind & Infrastr: (23%) (25%) exits, 2% base Renew. Energy: +5% 0% base, (4%) exit, 9% Nexus	Residential: 5% on centralized mail and electronic parcel growth. Industrial & Infrastructure: Divestiture - \$(75)M; exposure to weak oil & gas mkts; lower pricing due to steel market, competitive pressure, continued weak infrastructure end market demand Renewable Energy: Backlog recovered in 1Q, schedule shifted to later half of year, Domestic renewable growth covers international weakness
Op. Income* GAAP Adjusted	\$73.5M* \$101.3M*	\$95M to \$100M \$106M to \$111M	\$85M to \$91M \$95M to \$101M	Improvement from operational efficiencies and consolidation initiatives.
Op. Margin GAAP Adjusted	7.3%* 10.1%*	~9.6 - 10.1% ~10.7 - 11.2%	~8.8 - 9.3% ~9.8 - 10.3%	
GAAP EPS Adjusted EPS	\$1.05 \$1.67	\$1.55 to \$1.65 \$1.75 to \$1.85	\$1.37 to \$1.50 \$1.57 to \$1.70	
Free Cash Flow/ Sales	+11.1%	~7.0 - 8.0%	~6.0 - 7.0%	Forecasting \$17M of CAPEX in 2017.

2017 Adjusted Earnings Bridge





Q&A

Appendix - Ongoing Base Revenues

	<u>Residential</u>	<u>Industrial & Infrastruct.</u>	<u>Renewable Energy</u>	<u>Consolid.</u>
Q1 2016				
Revenue as reported	\$ 100	\$ 80	\$ 58	\$ 238
<i>Acquisitions</i>				
Acquisition	\$ 2	\$ -	\$ 7	\$ 9
Proforma	\$ 102	\$ 80	\$ 65	\$ 247
<i>Business Changes</i>				
EXIT EMC (Industrial in Europe)	-	(9)	-	(9)
EXIT bar grating in U.S.	-	(18)	-	(18)
EXIT Renusol-GERMANY	-	-	(2)	(2)
Ongoing Base revenues	102	53	63	218
Q1 2017				
Revenue as reported	\$ 105	\$ 50	\$ 52	\$ 207
<i>Acquisitions</i>				
Acquisition	\$ 2	\$ -	\$ -	\$ 2
Proforma	\$ 107	\$ 50	\$ 52	\$ 209
<i>Business Changes</i>				
Exit Renusol-GERMANY	\$ -	\$ -	\$ (1)	\$ (1)
Ongoing Base revenues	107	50	51	208
		5%	(6%)	(19%)
			(5%)	

Appendix – FY Ongoing Base Revenues

	<u>Residential</u>	<u>Industrial & Infrastruct.</u>	<u>Renewable Energy</u>	<u>Consolid.</u>
2016				
Revenue as reported	\$ 431	\$ 295	\$ 282	\$ 1,008
<i>Acquisitions</i>				
Acquisition	\$ 1	\$ -	\$ 22	\$ 23
Proforma	\$ 432	\$ 295	\$ 304	\$ 1,031
<i>Business Changes</i>				
EXIT EMC (Industrial in Europe)	-	(10)	-	(10)
EXIT bar grating in U.S.	-	(64)	-	(64)
EXIT RenuSol-GERMANY	-	-	(9)	(9)
Ongoing Base revenues	<u>432</u>	<u>221</u>	<u>295</u>	<u>948</u>
<hr/>				
2017E				
Revenue Midpoint	\$ 453	\$ 226	\$ 296	\$ 975
<i>Acquisitions</i>				
Acquisition	\$ 1	\$ -	\$ -	\$ 1
Proforma	\$ 454	\$ 226	\$ 296	\$ 976
<i>Business Changes</i>				
EXIT RenuSol-GERMANY	-	-	(1)	(1)
Ongoing Base revenues	<u>454</u> 5%	<u>226</u> 2%	<u>295</u> 0%	<u>975</u> 3%