



Second-Quarter 2018 Earnings Call

July 26, 2018

This presentation should be viewed in conjunction with Gibraltar's July 26, 2018 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.

Adjusted Financial Measures

To supplement Gibraltar’s consolidated financial statements presented on a GAAP basis, Gibraltar also presented certain adjusted financial data in this presentation. Adjusted financial data excluded special charges consisting of restructuring costs primarily associated with the 80/20 simplification initiative, acquisition-related items, and other reclassifications including the impact of the recent tax reform. These adjustments are shown in the 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 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. These adjusted measures should not be viewed as a substitute for the Company’s GAAP results, and may be different than adjusted measures used by other companies.

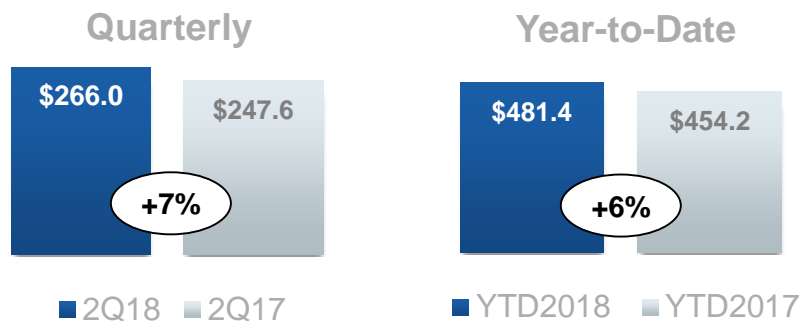
Earnings above Q2 Guidance; Sales at higher end

- GAAP EPS \$0.70 vs prior year \$0.41
- Adjusted EPS \$0.71 vs prior year \$0.43
- Recovered raw material cost increases with price increases by market, by segment
- Revenue growth across all three segments
- Innovative products contribute to results



Solid Consolidated Results

Revenues



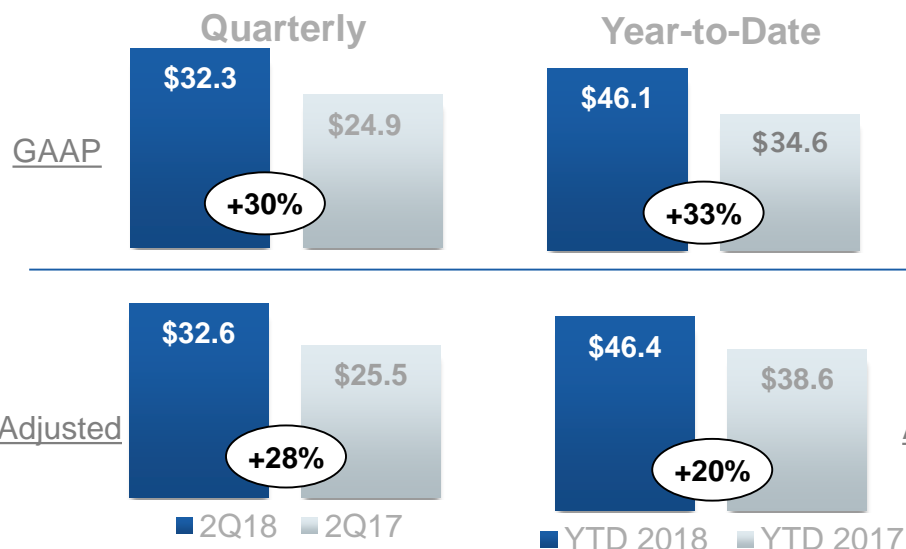
2Q18 Revenue Highlights

- Growth across all segments
- Demand for innovative products

2Q18 Operating Income / EPS Highlights

- Effective price / material cost management
- Greater mix of innovative products & 80/20 initiatives contribute
- Tax benefit related to performance-based comp \$1.9M (\$0.06 / share)

Operating Income*



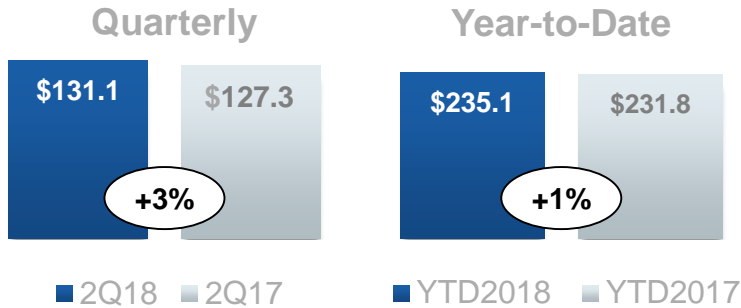
Diluted EPS*



*All adjusted amounts reported represent continuing operations before special charges. See adjusted measures reconciliations in earnings press release.

Residential Products Segment

Revenues



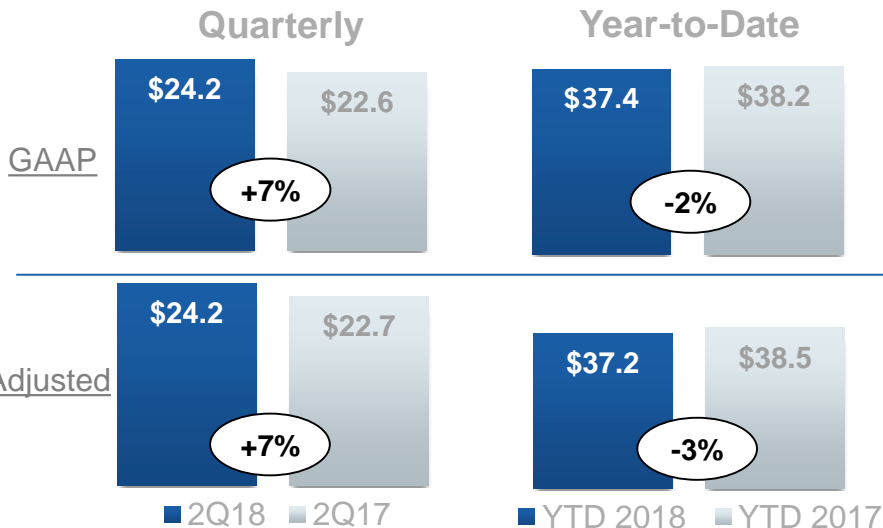
2Q18 Revenues

- Increased selling prices drive revenue growth

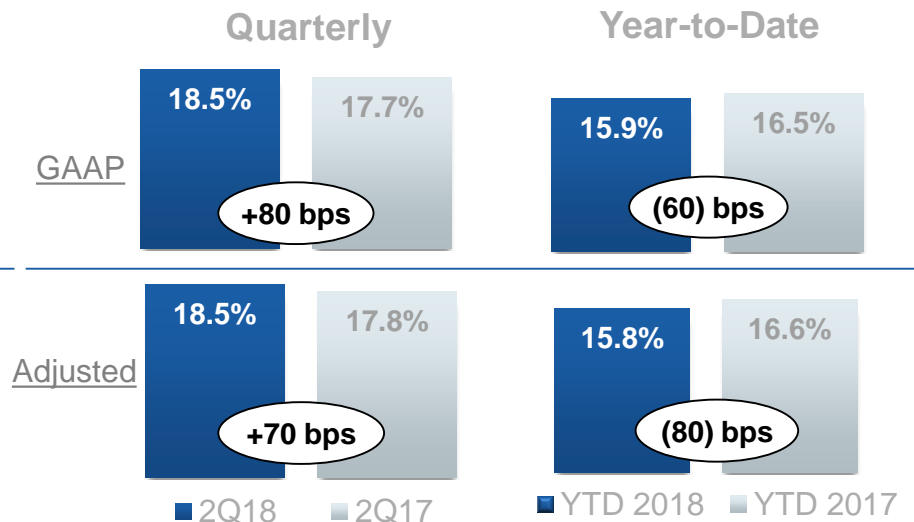
2Q18 Operating Income / Margin

- Effective price / material cost management
- Favorable product mix
- Benefit from 80/20 simplification initiatives

Operating Income*



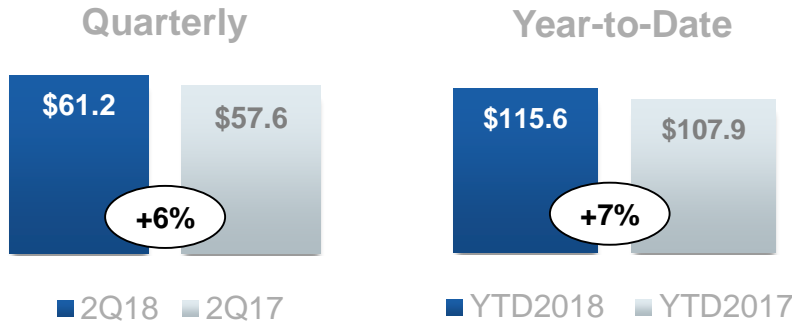
Operating Margin*



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Industrial & Infrastructure Products Segment

Revenues



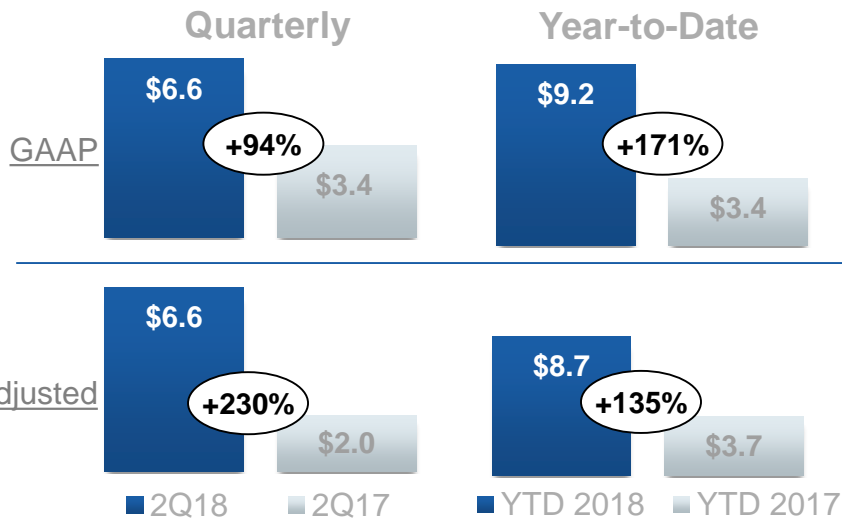
2Q18 Revenues

- Solid demand for industrial products and innovative solutions
- Increased selling prices

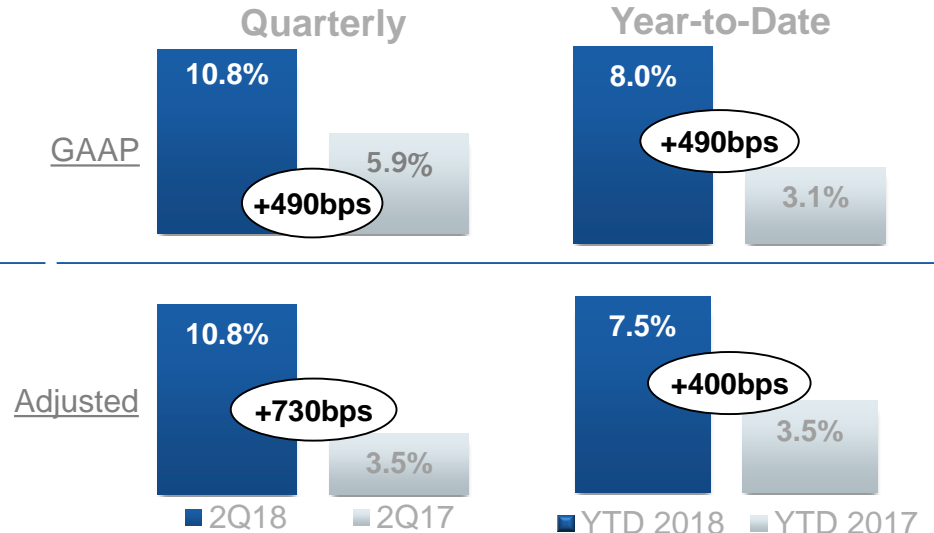
2Q18 Operating Income / Margin

- Effective price / material cost management
- Contribution of innovative products
- Benefit from 80/20 simplification initiatives

Operating Income*



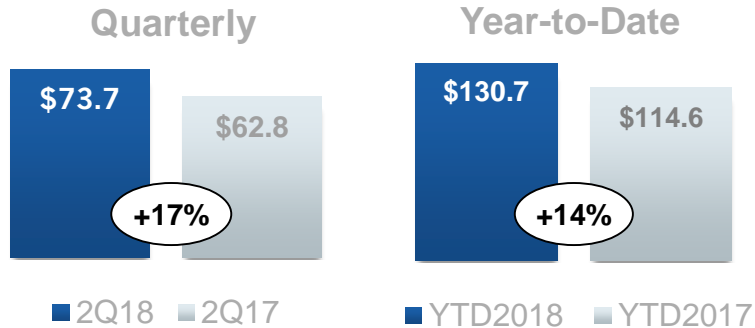
Operating Margin*



*All adjusted amounts reported represent continuing operations before special charges. See adjusted measures reconciliations in earnings press release.

Renewable Energy & Conservation Segment

Revenues



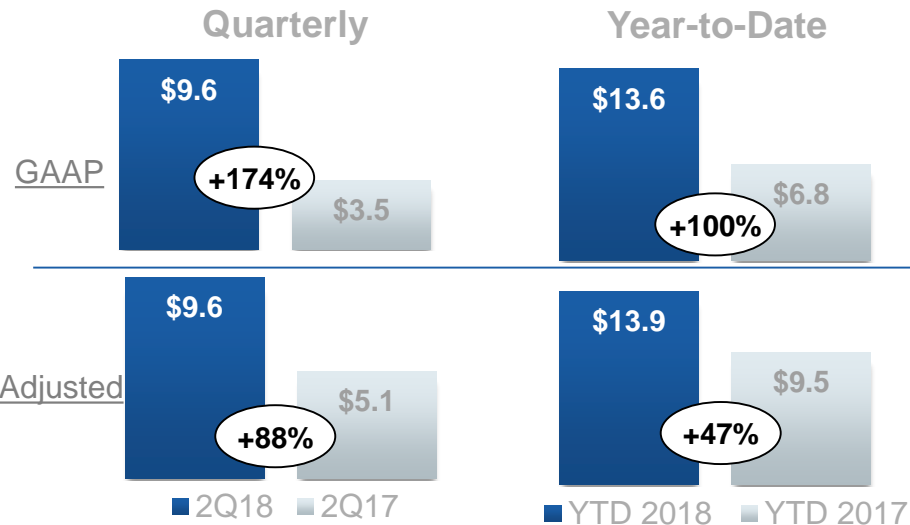
2Q18 Revenues

- Strong domestic demand in renewable energy and conservation markets
- Innovative tracker solution gaining traction

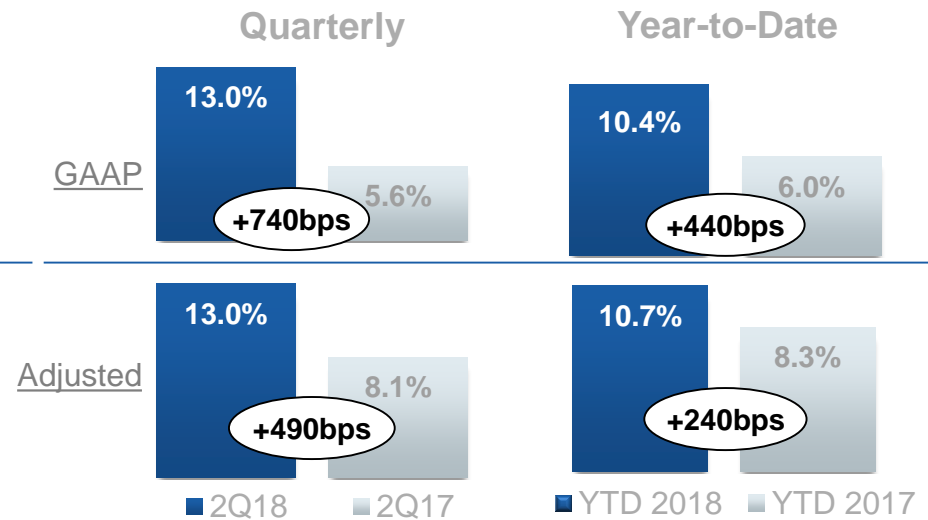
2Q18 Operating Income / Margin

- Higher-margin product mix
- Benefit from 80/20 simplification initiatives

Operating Income*



Operating Margin*

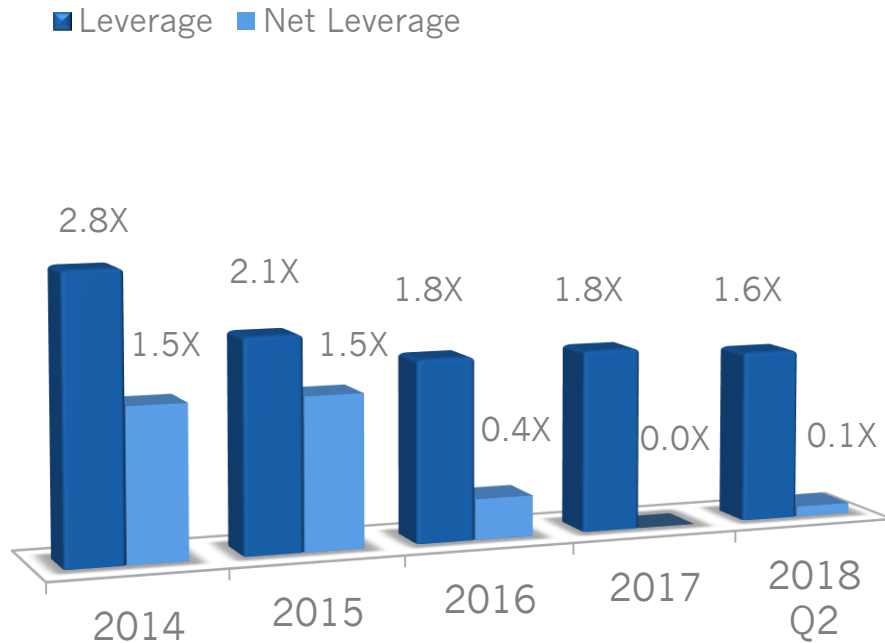


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Capturing the Opportunity

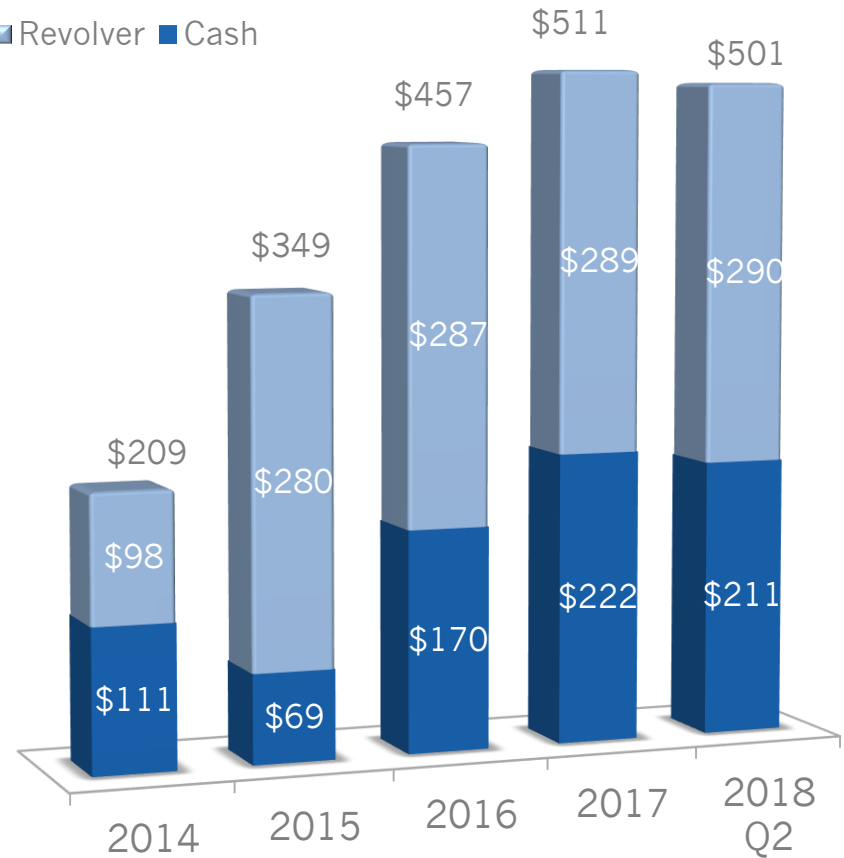
Acquisitions as Strategic Accelerator

Leverage



Liquidity (\$M)

■ Revolver ■ Cash



4 Pillars Driving Value Creation

Driving Transformational Change in Portfolio and Financial Results

1. Operational Excellence

- Continued improvement in Q2
- Key in-lining, MRD, outsourcing projects across segments
- Advanced trade focus selling and marketing initiatives

2. Portfolio Management

- Supporting current portfolio
- Continuous process; remains important part of strategy

3. Product Innovation

- Engineered solutions: 2Q revenues include \$20M from new products; 9% from patented products
- New products gaining traction and contributing to revenues across segments

4. Acquisitions as a Strategic Accelerator

- Continue to seek meaningful acquisitions
- Primary focus for capital allocation



2018 Guidance

	2017	2018	2018 Assumptions
Revenues	\$986.9M	\$1,010M - \$1,030M 2% - 4%	<p>Residential: Growing demand for electronic package solutions; Modest growth in building products</p> <p>Industrial & Infrastructure: Growth Infrastructure end markets; perimeter security gaining traction</p> <p>Renewable Energy & Conservation: Continued domestic growth; Continued progress with new products</p>
Op. Income*			Continued operational improvements
GAAP	\$92.8M	\$93M to \$99M	
Adjusted	\$99.2M	\$103M to \$109M	
Op. Margin			
GAAP	9.4%	~9.2 – 9.6%	
Adjusted	10.1%	~10.2 – 10.6%	
GAAP EPS	\$1.95	\$1.75 to \$1.87	Expected tax rate of ~ 28% in 2018
Adjusted EPS	\$1.71	\$1.96 to \$2.08	
Free Cash Flow/ Sales	+5.9%	~6 – 7%	Forecasting \$21M of CAPEX in 2018



Q&A