UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) February 19, 2008

GIBRALTAR INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

Delaware	0-22462	16-1445150
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

3556 Lake Shore Road P.O. Box 2028 Buffalo, New York	14219-0228
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (716) 826-6500

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c)).

ITEM 7.01 Regulation FD Disclosure

On February 18, 2008, the registrant announced its financial results for the fourth quarter and year ended December 31, 2007, and certain other information. A copy of the registrant's press release announcing these financial results and certain other information is attached hereto as Exhibit 99.1.

Exhibit 99.1 is incorporated by reference under this Item 7.01.

The registrant hosted its fourth quarter 2007 earnings conference call on February 19, 2008, during which the registrant presented information regarding its earnings for the fourth quarter and year ended December 31, 2007, together with certain other information. Pursuant to Regulation FD and the requirements of Item 7.01 of Form 8-K, the registrant hereby furnishes a script of the fourth quarter 2007 earnings conference call as Exhibit 99.2 to this report.

Exhibit 99.2 is incorporated by reference under this Item 7.01.

ITEM 9.01 Financial Statements and Exhibits

a. Financial Statements of Businesses Acquired

    - Not Applicable

b. Pro Forma Financial Information

    - Not Applicable

c. Shell Company Transactions

    - Not Applicable

d. Exhibits

    Exhibit 99.1 Press Release dated February 18, 2008

    Exhibit 99.2 Script of Fourth Quarter Earnings Conference Call hosted February 19, 2008.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: February 19, 2008

GIBRALTAR INDUSTRIES, INC.

/s/ David W. Kay

Name: David W. Kay

Title: Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
Exhibit 99.1	Press Release dated February 18, 2008
Exhibit 99.2	Script of Fourth Quarter Earnings Conference Call hosted February 19, 2008.

For Immediate Release
February 18, 2008

GIBRALTAR REPORTS 2007 SALES AND EARNINGS

Sales Increased by 6% to $1.3 Billion;
Income from Continuing Operations Before Special Charges Was $36 Million

BUFFALO, NEW YORK (February 18, 2008) – Gibraltar Industries, Inc. (NASDAQ: ROCK) today reported its sales and net income for the quarter and year ended December 31, 2007.

In 2007, sales from continuing operations increased by approximately six percent to $1.3 billion, from $1.2 billion in 2006. Income from continuing operations before special charges was $36.0 million, or $1.19 per share, in 2007. Reported income from continuing operations was $31.1 million, or $1.03 per share, in 2007, compared to 2006 income from continuing operations of $50.1 million, or $1.67 per share.

Sales from continuing operations in the fourth quarter of 2007 were $309 million, an increase of approximately 11 percent compared to $278 million in the fourth quarter of 2006. The 2007 sales increase in both the annual and quarterly periods was the result of acquired businesses. Exclusive of acquisitions, sales decreased by approximately five percent when compared to the fourth quarter of 2006 and six percent on an annual basis.

Exclusive of the items referred to below, fourth-quarter results from continuing operations amounted to $1.1 million, or $.03 per share. Quarterly results were negatively impacted by several income tax-related charges including a higher-than-projected tax rate for the year. As pre-tax income fell below levels projected at the end of the third quarter, the impact of permanent differences between book and taxable income caused an increase in the effective tax rate used in the quarter. The result of the tax adjustments reduced earnings by $.03 per share. Fourth-quarter income from continuing operations was also negatively impacted by inventory purchase accounting adjustments from the Noll/NorWesCo and Florence acquisitions. The impact of expensing these charges on a pre-tax basis amounted to approximately $0.7 million, or $.01 per share after tax. Reported fourth-quarter results from continuing operations, after the effect of these items, was a loss of $0.3 million, or ($.01) per share. In 2006 fourth-quarter income from continuing operations was a profit of $.01 per share.

"We initiated a number of actions in 2007 that will provide positive momentum in the year ahead," said Brian J. Lipke, Gibraltar's Chairman and Chief Executive Officer. "We acquired three companies – Dramex, Noll/NorWesCo, and Florence – which together added annualized sales of approximately $160 million of higher-margin sales, while further diversifying our portfolio by increasing our participation in the still-growing commercial and industrial building markets. We also divested businesses, like our Hubbell service center and a small bath cabinet line, and we will continue to focus our resources and capital on those areas that provide the best strategic fit and produce the highest returns for our shareholders."

"In 2007, we took a number of steps to improve our operations, drive out costs, intensify our focus on asset management, and maximize our cash flow to pay down debt. Through facility consolidations (we have closed or consolidated 11 facilities since the beginning of 2007), improvements in our transportation and logistics, and ongoing cost reduction and lean manufacturing initiatives, we are significantly lowering our cost structure. We also have a number of initiatives underway to increase our share in targeted growth areas through new products, geographic expansion, and leveraging relationships with current customers," said Henning N. Kornbrekke, Gibraltar's President and Chief Operating Officer.

"Unfortunately, much of the progress we made in 2007 – through acquisitions, divestitures, improvements to our remaining businesses, and active asset and working capital management – has been obscured by lower volumes and adverse changes to our mix, which are solely the result of the sharp downturn in our two largest markets. Even though it is not fully apparent in this operating environment, our many activities to strengthen and strategically transform Gibraltar have better positioned the Company for new thresholds of performance as the markets we serve return to more normal levels of activity," said Mr. Lipke.

"Even if difficult conditions do persist in our two primary markets – and our 2008 business forecast anticipates some additional softening in both the residential building and automotive markets – we see opportunities for improvement in the year ahead simply as a result of the stronger business platform we have built. Longer term, the actions we have taken have positioned us for significantly improved results once the markets we serve rebound and begin to move back toward more historic activity levels," said Mr. Kornbrekke.

Looking ahead, Mr. Kornbrekke said that, in spite of current market conditions, Gibraltar's ongoing efforts to make improvements in its business, along with many customers having worked through their year-end de-stocking actions, the Company expects its 2008 earnings per share from continuing operations will be in the range of $1.05 to $1.25 per share, compared to $1.03 in 2007, barring a significant change in business conditions.

Gibraltar Industries is a leading manufacturer, processor, and distributor of products for the building, industrial, and vehicular markets. The company serves customers in a variety of industries in all 50 states and throughout the world. It has approximately 4,000 employees and operates 78 facilities in 27 states, Canada, China, England, Germany, and Poland. Gibraltar's common stock is a component of the S&P SmallCap 600 and the Russell 2000® Index.

Information contained in this release, other than historical information, should be considered forward-looking, and may be subject to a number of risk factors, including: general economic conditions; the impact of the availability and the effects of changing raw material prices on the Company's results of operations; energy prices and usage; the ability to pass through cost increases to customers; changing demand for the Company's products and services; risks associated with the integration of acquisitions; and changes in interest or tax rates.

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Gibraltar will review its fourth-quarter results and discuss its outlook for the first quarter during its quarterly conference call, which will be held at 9 a.m. on February 19. Details of the call can be found on Gibraltar's Web site, at http://www.gibraltar1.com.

CONTACT: Kenneth P. Houseknecht, Vice President of Communications and Investor Relations, at 716/826-6500, khouseknecht@gibraltar1.com.

Gibraltar's news releases, along with comprehensive information about the Company, are available on the Internet, at http://www.gibraltar1.com.

GIBRALTAR INDUSTRIES, INC.
Financial Highlights
(in thousands, except per share data)

	Three Months Ended December 31, 2007	Three Months Ended December 31, 2006
Net Sales	$ 308,702	$ 277,605
(Loss) income from continuing operations	$ (332)	$ 175
(Loss) income from discontinued operations	$ (994)	$ 1,388
Net Income	$ (1,326)	$ 1,563
Net income per share — diluted		
Income from continuing operations	$ (.01)	$ .01
Income from discontinued operations	$ (.03)	$ .04
Net income	$ (.04)	$ .05

	Twelve Months Ended December 31, 2007	Twelve Months Ended December 31, 2006
Net Sales	$ 1,311,818	$ 1,233,576
Income from continuing operations	$ 31,104	$ 50,174
Income from discontinued operations	$ (17,880)	$ 7,095
Net Income	$ 13,224	$ 57,269
Net income per share — diluted		
Income from continuing operations	$ 1.03	$ 1.67
Income from discontinued operations	$ (.59)	$ .24
Net income	$ .44	$ 1.91
Reconciliation of income per share — diluted from continuing operations to reflect special items:		
Income from continuing operations before adjustments	$ 1.19	$ 1.87
Adjustments:		
Failed M & A transaction	$ (.03)	$ —
Purchased inventory	$ (.08)	$ (.01)
Restructuring	$ (.05)	—
Vacation accrual	$ —	$ .08
Impairment	$ —	$ (.27)
Income from continuing operations	$ 1.03	$ 1.67

GIBRALTAR INDUSTRIES, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands)

	December 31, 2007	December 31, 2006
Assets		
Current assets:		
Cash and cash equivalents	$ 35,287	$ 13,475
Accounts receivable, net	167,595	163,731
Inventories	212,909	220,119
Other current assets	20,362	18,099
Assets of discontinued operations	4,592	40,356
Total current assets	440,745	455,780
Property, plant and equipment, net	273,283	233,249
Goodwill	453,228	366,763
Acquired intangibles	96,871	62,366
Investments in partnerships	2,644	2,440
Other assets	14,637	14,307
Assets of discontinued operations	—	17,963
	$ 1,281,408	$ 1,152,868
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	$ 89,551	$ 69,040
Accrued expenses	41,062	50,279
Current maturities of long-term debt	2,955	2,336
Liabilities of discontinued operations	657	2,760
Total current liabilities	134,225	124,415
Long-term debt	485,654	398,217
Deferred income taxes	78,071	70,981
Other non-current liabilities	15,698	9,027
Shareholders' equity:		
Preferred stock $.01 par value; authorized 10,000,000 shares; none outstanding	—	—
Common stock, $.01 par value; authorized 50,000,000 shares; issued 29,949,229 and 29,883,795 shares in 2007 and 2006, respectively	300	299
Additional paid-in capital	219,087	215,944
Retained earnings	337,929	332,920
Accumulated other comprehensive income	10,837	1,065
	568,153	550,228
Less: cost of 61,467 and 42,600 common shares held in treasury in 2007 and 2006, respectively	393	—
Total shareholders' equity	567,760	550,228
	$ 1,281,408	$ 1,152,868

GIBRALTAR INDUSTRIES, INC.
CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share data)

	Three Months Ended December 31, 2007	Three Months Ended December 31, 2006	Twelve Months Ended December 31, 2007	Twelve Months Ended December 31, 2006
Net sales	$ 308,702	$ 277,605	$ 1,311,818	$ 1,233,576
Cost of sales	260,884	227,140	1,082,423	976,835
Gross profit	47,818	50,465	229,395	256,741
Selling, general and administrative expense	38,078	30,169	148,107	137,368
Income from operations	9,740	20,296	81,288	119,373
Other (income) expense				
Interest expense	8,824	6,625	31,887	25,897
Equity in partnerships' (income) loss and other (income)	(192)	13,490	(1,215)	13,045
Total other expense	8,632	20,115	30,672	38,942
Income before taxes	1,108	181	50,616	80,431
Provision for income taxes	1,440	6	19,512	30,257
(Loss) income from continuing operations	(332)	175	31,104	50,174
Discontinued operations				
(Loss) income from discontinued operations before taxes	(703)	(412)	(22,436)	8,777
Income tax expense (benefit)	291	(1,800)	(4,556)	1,682
(Loss) income from discontinued operations	(994)	1,388	(17,880)	7,095
Net (loss) income	$ (1,326)	$ 1,563	$ 13,224	$ 57,269
Net (loss) income per share — Basic				
(Loss) income from continuing operations	$ (.01)	$ .01	$ 1.04	$ 1.69
(Loss) income from discontinued operations	(.03)	.04	(.60)	.24
Net (loss) income	$ (.04)	$ .05	$ .44	$ 1.93
Weighted average shares outstanding — Basic	29,879	29,772	29,867	29,712
Net (loss) income per share — Diluted				
(Loss) income from continuing operations	$ (.01)	$ .01	$ 1.03	$ 1.67
(Loss) income from discontinued operations	(.03)	.04	(.59)	.24
Net (loss) income	$ (.04)	$ .05	$ .44	$ 1.91
Weighted average shares outstanding — Diluted	30,111	30,040	30,116	30,006

GIBRALTAR INDUSTRIES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended December 31, 2007	2006
Cash flows from operating activities		
Net income	$ 13,224	$ 57,269
(Loss) income from discontinued operations	(17,880)	7,095
Income from continuing operations	31,104	50,174
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	33,057	26,706
Provision for deferred income taxes	5,283	(28,953)
Equity in partnerships' (income) loss	(911)	13,884
Distributions from partnerships' income	712	1,149
Stock compensation expense	2,886	2,672
Other non-cash adjustments	177	750
Increase (decrease) in cash resulting from changes in (net of acquisitions):		
Accounts receivable	19,204	434
Inventories	42,668	(34,839)
Other current assets and other assets	3,258	(4,799)
Accounts payable	10,184	(23,404)
Accrued expenses and other non-current liabilities	(11,112)	(7,627)
Net cash provided by (used in) continuing operations	136,510	(3,853)
Net cash provided by (used in) discontinued operations	22,303	(9,411)
Net cash provided by (used in) operating activities	158,813	(13,264)
Cash flows from investing activities		
Acquisitions, net of cash acquired	(206,608)	(57,430)
Net proceeds from sale of business	11,859	151,487
Purchases of property, plant and equipment	(18,752)	(21,737)
Net proceeds from sale of property and equipment	3,657	349
Net cash (used in) provided by investing activities for continuing operations	(209,844)	72,669
Net cash used in investing activities for discontinued operations	(69)	(3,717)
Net cash (used in) provided by investing activities	(209,913)	68,952
Cash flows from financing activities		
Long-term debt reduction	(119,558)	(114,875)
Proceeds from long-term debt	200,074	50,829
Payment of deferred financing costs	(1,498)	(768)
Payment of dividends	(5,971)	(5,957)
Net proceeds from issuance of common stock	137	1,174
Tax benefit from equity compensation	121	355
Purchase of treasury stock	(393)	—
Net cash provided by (used in) financing activities for continuing operations	72,912	(69,242)
Net cash used in financing activities for discontinued operations	—	(1,500)
Net cash provided by (used in) financing activities	72,912	(70,742)
Net increase (decrease) in cash and cash equivalents	21,812	(15,054)
Cash and cash equivalents at beginning of year	13,475	28,529
Cash and cash equivalents at end of year	$ 35,287	$ 13,475

GIBRALTAR INDUSTRIES, INC.
Segment Information
(in thousands)

	Three Months Ended December 31,			
			Increase (Decrease)	
	2007	2006	$	%
Net Sales				
Building Products	$218,500	$190,223	$ 28,277	14.9%
Processed Metals	90,202	87,382	2,820	3.2%
	$308,702	$277,605	$ 31,097	11.2%
Income From Continuing Operations				
Building Products	$ 13,207	$ 21,538	$ (8,331)	-38.7%
Processed Metals	5,668	4,725	943	20.0%
Corporate	(9,135)	(5,967)	(3,168)	53.1%
	$ 9,740	$ 20,296	$ (10,566)	-52.0%
Operating Margin				
Building Products	6.0%	11.3%		
Processed Metals	6.3%	5.4%		

	Twelve Months Ended December 31,			
			Increase (Decrease)	
	2007	2006	$	%
Net Sales				
Building Products	$ 929,022	$ 862,287	$ 66,735	7.7%
Processed Metals	382,796	371,289	11,507	3.1%
	$1,311,818	$1,233,576	$ 78,242	6.3%
Income From Continuing Operations				
Building Products	$ 91,589	$ 127,701	$ (36,112)	-28.3%
Processed Metals	21,757	25,587	(3,830)	-15.0%
Corporate	(32,058)	(33,915)	1,857	-5.5%
	$ 81,288	$ 119,373	$ (38,085)	-31.9%
Operating Margin				
Building Products	9.9%	14.8%		
Processed Metals	5.7%	6.9%		

EXHIBIT 99.2

Gibraltar

Fourth-Quarter 2007
Earnings Conference Call

February 19, 2008

Final

KEN

Thank you Carissa, and welcome to our quarterly conference call.

Before we begin, I want to remind you that this call may contain forward-looking statements about future financial results. Our actual results may differ materially, as a result of factors over which Gibraltar has no control. These factors are outlined in the news release we issued last night and in our filings with the SEC.

If you did not receive the news release on our fourth-quarter results, you can get a copy on our Web site, at www.gibraltar1.com.

At this point, I'd like to turn the call over to Gibraltar's chairman and chief executive officer, Brian Lipke.

Brian...

BRIAN

Thanks, Ken.

Good morning everyone. With me today is Henning Kornbrekke, our President and COO; Dave Kay, our CFO; and Ken Houseknecht, our VP of Communications and Investor Relations. Thanks for joining us.

This morning, I'm going to focus my comments on three main areas:

y First, I'll highlight our 2007 results and the many actions we took last year which strengthened our business platform and give us positive momentum as we move into the year ahead.

y Next, I'll provide a quick overview of our fourth-quarter results, which Henning and Dave will discuss in greater detail.

y And finally, I want to take a more strategic, longer-term look at the steps we are taking to transform and position Gibraltar for increased success in the future.

Following that, Dave will discuss our financial results, then Henning will go over our corporate and segment performance and provide more detail on our outlook for the year ahead.

After our prepared remarks are completed, we will open the call to your questions.

For the year, our sales increased by 6% to $1.3 billion, which was a function of the acquisitions we made over the last two years. Moreover, in spite of a very difficult operating environment that intensified as the year progressed, we generated net income from continuing operations before special charges of $36 million, or $1.19 per share, in 2007.

We also generated positive cash flow, which allowed us to pay off $65 million of debt in the fourth quarter. As we continue to actively manage our inventory and working capital, our focus is to continue to pay down debt as we move through 2008.

Importantly, we also initiated a number of actions in 2007 – some of which are continuing this year – that will provide positive momentum as we move forward.

y We acquired three companies – Dramex, Noll/NorWesCo, and Florence – which together added approximately $160 million of annualized higher-margin sales, broadened our geographic coverage, and continued to build our niche product leadership positions.

y We continued to divest businesses that no longer provide a good strategic fit or which cannot meet our performance targets. Last year, we sold our Hubbell Steel service center and a small bath cabinet line. Those businesses had combined annual sales of approximately $55 million. This process of evaluating our portfolio of companies and businesses is ongoing, and we will continue to focus our resources and capital on those areas which provide the best strategic fit and produce the highest returns for our stakeholders.

y We've also taken a number of steps to lower the cost structure and improve the performance of our remaining businesses. We will continue to streamline our operations and use Lean manufacturing techniques to improve the performance of existing businesses. Last year, we consolidated our two Buffalo-area cold-rolled strip steel facilities into a single operation, and in total we have consolidated or eliminated 11 facilities since the beginning of 2007, with a number of additional consolidations underway or planned for 2008.

As we said in our news release last week, slower conditions in our two primary markets – residential building and automotive – reduced our fourth-quarter results from earlier expectations. The slowdown in the residential building market deepened in the quarter, and many of our customers responded by substantially reducing their orders in order to control their inventories, which adversely affected our volumes and mix. The weakness in the housing and credit markets spilled over into other areas, including the automotive sector, and our business there was also below our earlier expectations.

Our fourth-quarter earnings were also negatively impacted by a tax-related charge, as well as some purchase accounting adjustments, which together resulted in a loss from continuing operations of $.01 per share.

It is important to note, however, that we had earnings from continuing operations of

$1.1 million, or $.03 per share, exclusive of these items.

Our sales in the quarter increased by 11% to $309 million, again driven by our 2007 acquisitions, in spite of a decline in sales from existing businesses of approximately 5%.

Unfortunately, much of the progress we made in 2007 – through acquisitions, divestitures, improvements to our remaining businesses, and active asset and working capital management – has been obscured by lower volumes and adverse changes to our mix, which are solely a result of the sharp downturn in our two largest markets. Even though it is not fully apparent in this operating environment, our many activities to strengthen and strategically transform Gibraltar have better positioned the Company for new thresholds of performance as the markets we serve return to more normal levels of activity.

It is also important to note that, even if difficult conditions do persist in our two primary markets – and our 2008 business forecast anticipates additional softening in both the residential building and automotive markets – we see opportunities for improvement in the year ahead simply as a result of streamlining and consolidation efforts completed during 2007, a full year of activity from our three newest acquisitions without the impact of purchase accounting adjustments which are behind us now, and the improved operating platform of the business overall.

Longer term, the actions we've taken have positioned us for significantly improved results once the markets we serve begin to move back toward more historic activity levels.

As we work our way through this slowdown, we have identified a series of additional actions that will continue to improve Gibraltar's core operating characteristics, generate cash flow from operations, and allow us to pay down additional debt, which is a key focus during 2008.

That takes care of my opening comments. At this point, I'll turn the call over to Dave and Henning for a deeper look at our operational performance.

Dave.

DAVE

Thanks, Brian.

As Brian mentioned, our fourth-quarter sales from continuing operations of $309 million dollars increased by approximately 11% from a year ago directly as a result of our 2007 acquisitions of Dramex, Noll/NorWesCo, and Florence.

Sales from continuing operations in 2007 were $1.3 billion dollars, up by approximately 6% when compared to 2006. Exclusive of acquisitions, sales were down by 5% in the quarter and 6% for the year, largely the result of the slowdown in the residential building market.

Income from operations in the quarter was $9.7 million dollars, compared to $20.3 million dollars in the fourth quarter of last year. For the full year of 2007, income from operations was

$81.3 million dollars, compared to $119.4 million dollars in 2006.

As noted in our earnings release, our fourth-quarter results from continuing operations were negatively impacted by an income tax-related charge. As pre-tax income fell below projected levels at the end of the third quarter, the impact of permanent differences between book and taxable income caused an increase in the effective tax rate used in the 4th quarter. The result of this tax adjustment reduced our earnings by approximately $.03 per share.

Fourth-quarter income from continuing operations was also negatively impacted by inventory purchase accounting adjustments from the Noll/NorWesCo and Florence acquisitions. The impact of expensing these charges on a pre-tax basis amounted to approximately $700 thousand dollars, or $.01 per share after tax.

Our reported fourth-quarter results from continuing operations, after the effect of these special items, was a loss of $332 thousand dollars, or $.01 per share.

Without the special items, our fourth-quarter income from continuing operations would have been $1.1 million dollars, or $.03 per share.

For the full-year 2007, reported income from continuing operations, was $31.1 million dollars, compared to $50.1 million dollars in 2006.

Earnings per share from continuing operations in 2007 were $1.03, compared to $1.67 per share in 2006.

Selling, general, and administrative expenses amounted to $38.1 million dollars in the quarter, or 12.3% of sales, compared to $30.2 million dollars, or 10.9% of sales, in the same quarter of last year. Excluding the effect of acquisitions, which added $5.1 million dollars, SG&A increased $2.9 million dollars from last year. Fourth-quarter 2006 SG&A costs were favorably impacted by several adjustments, most notably vacation and workers' compensation accrual adjustments, as well as the favorable impact of truing up bad debt reserves.

Total interest expense amounted to $8.8 million dollars in the quarter, compared to $6.6 million dollars in the fourth quarter of last year. The increase is primarily the result of higher average borrowing levels largely as a result of acquisition activity.

From a cash flow perspective, we generated EBITDA from continuing operations of $19.2 million dollars in the fourth quarter of this year, compared to $26.9 million dollars in the fourth quarter of 2006. For the full year of 2007, we generated EBITDA of $115.6 million dollars, compared to $145.0 million dollars in 2006.

On a consolidated basis, we turned our inventories 4.8 times during the quarter, compared to 4.0 times in the fourth quarter of last year. In addition, we were able to reduce our inventories by approximately $16 million dollars in the fourth quarter and $43 million dollars during the year.

In the fourth quarter, we repaid approximately $65 million dollars worth of debt, reducing our year-end debt-to-total capital ratio to 46% from approximately 49% at the end of the third quarter. As Brian noted, we will continue to aggressively manage our debt and working capital levels in the year ahead, with a clear objective of further reducing our debt.

Average days outstanding in receivables were 55 days for both the current and prior-year quarters.

Our capital spending amounted to $18.8 million dollars in 2007, which is approximately 71% of depreciation. We expect to spend a total of $20 to $22 million dollars in 2008, or approximately 70-75% of our projected depreciation expense.

During the year, we also paid out approximately $6 million dollars in dividends.

At December 31, we continued to be in full compliance with all of our debt covenants.

Looking forward to 2008, we will be focusing a great deal of attention on managing the capital we have invested in the business. We have built specific working capital targets into the operating plans of each business unit with a goal of further reductions, which combined with cash generated from operations will permit us to generate more free cash flow and further de-lever the company.

Now I will turn the call over to Henning for a more detailed analysis of operations.

HENNING

Thanks, Dave.

Net sales from continuing operations, as Dave noted earlier, were $309 million in the fourth quarter, up 11% from a year ago.

Our gross margin of 15.5% fell 2.7 percentage points from the fourth quarter of 2006 and our operating margin of 3.2% was 4.1 percentage points lower than the year-ago quarter. The declines for the quarter and year were the result of adverse volume and mix changes in our Building Products segment, higher material costs in our processed metals business, higher SG&A expenses driven by acquisitions, and unfavorable purchase accounting adjustments.

Looking at the results of our two segments, Building Products had a fourth-quarter sales increase of 15% to $218 million. The increase was the result of our acquisition of the UKbased Expanded Metal Company in November of 2006 and our three 2007 acquisitions, as well as continued strength in the commercial and industrial building product markets, which helped offset much lower sales to the retail and new-build housing market. Excluding acquisitions, Building Products sales were down 9.1%, a function of the 52% decline in housing starts over the last two years and the approximately 23% decline in the repair and remodel market.

Gross margins were 17.9%, compared to 22.2% in the fourth quarter of 2006, a result of lower volumes, higher material cost, an unfavorable product mix, and purchase accounting adjustments related to recent acquisitions.

The operating margin was 6%, compared to 11.3% in the fourth quarter of 2006, a function of the lower gross margins and higher year-end adjustments to accruals.

Our Processed Metal Products segment had fourth-quarter sales of $90 million, up 3% from a year ago, a result of higher material prices.

Our gross margin was 10.3%, up 1.3 percentage points from the year-ago quarter, and the operating margin was 6.3%, up from 5.4% in the fourth quarter of 2006, driven by improvements at our strip steel and powdered copper businesses.

At this point, let me provide some perspective on our outlook for 2008.

From its peak at the beginning of 2006, the new housing market has fallen by more than 50 percent, and some markets – like Florida, California, Arizona, and Nevada, areas where we have sizeable operations – are down even more. We are now in the 26th month of the housing market downturn.

Our 2008 business plan anticipates additional softening in the housing and automotive markets. We expect 965,000 single- and multi-family housing starts in 2008 and an auto build of 14 million. Our business plan also expects macro economic growth will be slow, with a GDP of 1.5% for the year.

Both the magnitude and length of the current slowdowns indicate that they could stabilize and begin to rebound later this year.

Our Building Products businesses that are most closely aligned with the new-build housing market – like our structural connectors, metal lath, and some ventilation products – will continue to experience below-normal activity levels. And since these are some of our highest value-added products, this is adversely affecting our mix and margins.

Helping to offset the lower new-build activity levels are the commercial, industrial, and international markets, which are still growing.

In addition, we have closed or consolidated 11 facilities, reduced corporate SG&A by 11%, and restructured our businesses to run at lower volumes.

We will also benefit from a full-year contribution from our three most recent acquisitions – Dramex, Noll/NorWesCo, and Florence – which together added approximately $160 million of higher-margin sales, primarily in the commercial and industrial markets.

In our Processed Metal Products segment, the consolidation of our Buffalo-area strip steel facilities, the disposition of our Hubbell assets, continued growth of our powdered metal operations in China, and steady volumes at our North American powdered metal business will provide improved margins even at lower volumes for our strip steel business, which are being driven by a North American auto build that is down approximately 7% from 2007.

In light of all of these considerations, we expect our 2008 EPS from continuing operations will be in the range of $1.05 to $1.25, barring a significant change in business conditions.

As we move through the first half of the year, we expect to see the normal seasonal increase in activity.

As we look further ahead, we will continue to benefit from our 2007 initiatives, including our many lean projects, facility consolidations, and the continued streamlining of our existing businesses, all of which have lowered our cost structure.

As a result of these actions – and our continued focus on operational excellence and driving out costs – we see opportunity for an improved performance in 2008, even with difficult conditions in our two primary markets. Longer term, Gibraltar is well positioned to optimize its performance when the markets we serve improve and move back toward their historic levels.

Throughout 2008, we will remain focused on generating progressive improvements in all of our businesses, carefully managing our assets, maximizing our cash flow to pay down debt, while continuing to improve Gibraltar's core operating characteristics.

At this point, I'll turn the call back over to Brian.

BRIAN

Thanks, Henning.

Before we open the call to your questions, let me make a couple of closing comments.

In spite of the most severe housing market downturn in a generation, we continued to operate profitably in 2007 and we made a number of operational improvements to the business. We clearly ended the year a much stronger company than we began it, even though our financial results may not be indicative of that fact.

More importantly, as Henning said, we see opportunity for an improved performance in the year ahead. We believe Gibraltar is strategically well positioned and poised to do well even in a weak and uncertain economic environment. When the markets we serve turn for the better, the progress we've made will become readily apparent. And with each passing day, we are one day closer to seeing our markets return to more normal levels – as they always have.

That concludes all of our prepared comments for today. At this point, we'll be glad to open the call to questions that any of you may have.

Q & A Session

Thank you for joining us this morning, and for your continuing interest in Gibraltar.

Clearly, we believe we're taking a wide variety of actions that will both, in the short-term, help us improve our performance even during these difficult markets, but more importantly, set the stage for a substantially improved performance once our major markets return to more normal levels of business activity. And as I said earlier, everyday that we're in these markets, we're one day closer to coming out of them.

We look forward to talking with you again in three months, and updating you on our continued progress.