

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 3, 2004

GIBRALTAR STEEL CORPORATION

(Exact name of registrant as specified in its chapter)

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

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

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

(Former name or former address, if changed since last report)

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(a) Financial Statements of Businesses Acquired. No financial statements are required to be filed under applicable rules.

(b) Pro Forma Financial Information. No pro forma financial information is required under applicable rules.

(c) Exhibits.

99.1 Press Release of the Company dated February 3, 2004.

Item 9. Regulation FD Disclosure

The following information is being provided under Item 12:

On February 3, 2004, Gibraltar Steel Corporation issued a press release announcing operating results for the fourth quarter and year ended December 31, 2003.

The information contained in the press release dated February 3, 2004, is incorporated herein by reference and attached as exhibit 99.1 herein.

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 3, 2004

GIBRALTAR STEEL CORPORATION

/S/ John E. Flint

Name: John E. Flint  
Title: Chief Financial Officer

EXHIBIT INDEX

99.1 Press Release of the Company dated February 3, 2004

Gibraltar Reports Record Sales and Earnings in 2003;  
Sales Increased 18 % to \$758 Million,  
Net Income Grew by 13% to \$27 Million

BUFFALO, N.Y.--(BUSINESS WIRE)--Feb. 3, 2004--Gibraltar (Nasdaq: ROCK) today reported record sales and earnings for the quarter and year ended December 31, 2003. The Company also said that the steps it took in 2003 to grow every part of its business and the successful completion of its stock offering put it in an excellent position to continue its sales and earnings growth.

Sales of \$185 million in the fourth quarter of 2003 were a fourth-quarter record, and increased by approximately \$29 million, or 19 percent, from \$156 million in the fourth quarter of 2002. Best-ever annual sales of \$758 million in 2003 increased by approximately \$113 million, or 18 percent, from \$645 million in 2002.

Net income of \$5.8 million in the quarter ended December 31, 2003, was a fourth-quarter record, and increased by approximately 24 percent from \$4.7 million in the fourth quarter of 2002. In 2003, full-year net income of \$27.0 million was the highest in the Company's history, and increased by approximately 13 percent compared to \$23.9 million in 2002.

Earnings per share in the fourth quarter of 2003 were \$.35, an increase of 21 percent compared to \$.29 per share in the fourth quarter of 2002, on approximately 3 percent more weighted average shares outstanding as a result of Gibraltar's successful completion of its secondary stock offering of 3,000,000 shares in December 2003. In 2003, earnings per share increased to \$1.66, from \$1.54 in 2002, on approximately 5 percent more weighted average shares outstanding as a result of Gibraltar's secondary stock offerings in March 2002 and December 2003.

"In 2003, we generated record sales and earnings, successfully completed our largest stock offering, and took steps that will help us produce strong and sustained growth in our business in the future, in spite of an economy that - even though it gained strength as the year progressed - operated well below peak levels," said Brian J. Lipke, Gibraltar's Chairman and Chief Executive Officer.

"The immediately accretive acquisition of two building products companies (Construction Metals on April 1 and Air Vent on May 1) broadened our geographic reach, solidified our product offering, and added approximately \$100 million to our annual sales. We strengthened our processed steel products operations through our recently announced joint venture with Duferco Farrell, through which we acquired a 50 percent interest in their Strip Steel Division (which had 2003 sales of approximately \$55 million), putting us in a partnership with a recognized leader in the international steel industry. And our heat-treating operations finalized agreements with two major automotive customers, which we believe will result in approximately \$75 million in new business over the next seven years," said Mr. Lipke.

"In December 2003, our common stock offering generated net proceeds of approximately \$70 million, and reduced our year-end net debt-to-capitalization ratio to 35 percent (compared to approximately 51 percent at June 30, 2003, following the second-quarter acquisitions of CMI and Air Vent). Additionally, in January 2004, the exercise by the underwriters of their over-allotment added 214,625 shares (and approximately \$5 million) to the offering. This gives us increased resources and the financial flexibility to enhance our strategic growth and profitability. With approximately 4.5 million additional shares in the public float, and many new investors, it also significantly improved our stock's liquidity.

"We appreciate the confidence expressed by so many new and existing shareholders, which we believe is a testament to our performance during our first decade as a public company, as we generated record sales and earnings in eight of the last ten years, and our sales grew at a compound annual growth rate (CAGR) of 16 percent, while our net income grew at a 14 percent CAGR. These results clearly established Gibraltar as a top performer in its peer group during that period.

"The many steps we've taken over the past ten years to make Gibraltar stronger, not just bigger, have extended our reach into many of North America's fastest-growing geographic and steel-consuming markets, broadened and diversified our customer base and business mix, and continued to move more of our business into higher-margin areas like heat treating and building products.

"We now sell more than 5,000 manufactured end products. We believe we are North America's largest manufacturer of both ventilation products and mailboxes, and a leader in a number of other product categories (including structural connectors and metal roofing). The sale of these products - which now accounts for approximately 56

percent our revenues - has helped us drive our margins higher, and stabilize them across a variety of operating environments. As a result of the strategic growth in this part of our company, we now have the 'critical mass,' the national manufacturing, marketing, and distribution capabilities to accelerate the growth of our building products business.

"Our ongoing efforts to control and cut costs, and our focus on asset management, also continue to serve us well. We remain committed to driving our gross and operating margins higher, and we are continuing our efforts to generate improvements in our returns on invested capital, assets, and equity," said Mr. Lipke.

Looking ahead, Mr. Lipke said that Gibraltar expects to continue its positive year-over-year quarterly sales and earnings comparisons in the first quarter. Barring a significant change in business conditions, the Company expects its first-quarter earnings per share will be in the range of \$.32 to \$.35, compared to \$.30 in the first quarter of 2003, on approximately 20 percent more weighted average shares outstanding (19.5 million versus 16.2 million) as a result of its recent stock offering.

"We continue to be optimistic as we look out at 2004, even if the economy stays flat, due to the many growth initiatives we have in place, most recently our January 1 acquisition of Renown Specialties Company (which is a leading Canadian manufacturer and distributor of construction hardware). As the economy continues to get stronger, it will accelerate our progress," said Mr. Lipke.

Gibraltar is one of North America's leading metal processors, a manufacturer of more than 5,000 steel, other metal, and plastic products, and North America's second-largest commercial heat treater. The Company serves approximately 10,000 customers in a variety of industries in all 50 states, Canada, and Mexico. It has approximately 3,800 employees and operates 69 facilities in 26 states, Canada, and Mexico.

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: the impact of changing steel prices on the Company's results of operations; changing demand for the Company's products; risks associated with the integration of acquisitions; and changes in interest or tax rates.

Gibraltar will review its fourth-quarter results and discuss its outlook for 2004 during its quarterly conference call, which will be held at 2 p.m. Eastern Time on February 4. Details of the call can be found on Gibraltar's Web site, at [www.gibraltar1.com](http://www.gibraltar1.com).

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

GIBRALTAR STEEL CORPORATION  
Financial Highlights  
(in thousands, except per share data)

|                              | Three Months Ended   |                      |
|------------------------------|----------------------|----------------------|
|                              | December 31, 2003    | December 31, 2002    |
|                              | -----<br>(unaudited) | -----<br>(unaudited) |
| Net Sales                    | \$ 185,290           | \$ 155,721           |
| Net Income                   | \$ 5,820             | \$ 4,703             |
| Net Income Per Share-Basic   | \$ .35               | \$ .29               |
| Weighted Average Shares      |                      |                      |
| Outstanding-Basic            | 16,476               | 15,996               |
| Net Income Per Share-Diluted | \$ .35               | \$ .29               |
| Weighted Average Shares      |                      |                      |
| Outstanding-Diluted          | 16,662               | 16,202               |

|                              | Twelve Months Ended  |                      |
|------------------------------|----------------------|----------------------|
|                              | December 31, 2003    | December 31, 2002    |
|                              | -----<br>(unaudited) | -----<br>(unaudited) |
| Net Sales                    | \$ 758,261           | \$ 645,114           |
| Net Income                   | \$ 26,953            | \$ 23,854            |
| Net Income Per Share-Basic   | \$ 1.67              | \$ 1.56              |
| Weighted Average Shares      |                      |                      |
| Outstanding-Basic            | 16,095               | 15,280               |
| Net Income Per Share-Diluted | \$ 1.66              | \$ 1.54              |
| Weighted Average Shares      |                      |                      |



|   |          |          |           |           |
|---|----------|----------|-----------|-----------|
| Income from operations                        | 13,343   | 10,265   | 58,802    | 50,160    |
| Interest expense                              | 4,014    | 2,695    | 14,252    | 10,403    |
|   | -----    | -----    | -----     | -----     |
| Income before taxes                           | 9,329    | 7,570    | 44,550    | 39,757    |
| Provision for income taxes                    | 3,509    | 2,867    | 17,597    | 15,903    |
|   | -----    | -----    | -----     | -----     |
| Net income                                    | \$ 5,820 | \$ 4,703 | \$ 26,953 | \$ 23,854 |
|   | =====    | =====    | =====     | =====     |
| Net income per share - Basic                  | \$ 0.35  | \$ 0.29  | \$ 1.67   | \$ 1.56   |
|   | =====    | =====    | =====     | =====     |
| Weighted average shares outstanding - Basic   | 16,476   | 15,996   | 16,095    | 15,280    |
|   | =====    | =====    | =====     | =====     |
| Net income per share - Diluted                | \$ 0.35  | \$ 0.29  | \$ 1.66   | \$ 1.54   |
|   | =====    | =====    | =====     | =====     |
| Weighted average shares outstanding - Diluted | 16,662   | 16,202   | 16,258    | 15,519    |
|   | =====    | =====    | =====     | =====     |

GIBRALTAR STEEL CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS  
(in thousands)

|  | Year Ended December 31, |           |
|--|-------------------------|-----------|
|  | 2003                    | 2002      |
|  | -----                   | -----     |
| Cash flows from operating activities   |                         |           |
| -----  |                         |           |
| Net income   | \$ 26,953               | \$ 23,854 |
| Adjustment to reconcile net income to net cash provided by operating activities: |                         |           |
| Depreciation and amortization  | 22,448                  | 20,481    |
| Provision for deferred income taxes  | 6,502                   | 5,800     |
| Undistributed equity investment income   | 316                     | 340       |
| Tax benefit from exercise of stock options                                       | 949                     | 349       |
| Unearned compensation  | 212                     | 258       |
| Other non-cash adjustments   | 172                     | 9         |
| Increase (decrease) in cash resulting from changes in (net of acquisitions):     |                         |           |
| Accounts receivable  | (2,880)                 | (7,204)   |
| Inventories  | 11,056                  | (30,308)  |
| Other current assets   | (2,108)                 | (1,883)   |
| Accounts payable and accrued expenses  | 1,047                   | 3,468     |
| Other assets   | (4)                     | (2,959)   |
|  | -----                   | -----     |
| Net cash provided by operating activities  | 64,663                  | 12,205    |
|  | -----                   | -----     |
| Cash flows from investing activities   |                         |           |
| -----  |                         |           |
| Acquisitions, net of cash acquired   | (84,243)                | (8,847)   |
| Purchase of equity investment  | (7,797)                 | -         |
| Purchases of property, plant and equipment                                       | (22,571)                | (15,995)  |
| Net proceeds from sale of property and equipment                                 | 436                     | 2,118     |
|  | -----                   | -----     |
| Net cash used in investing activities  | (114,175)               | (22,724)  |
|  | -----                   | -----     |
| Cash flows from financing activities   |                         |           |
| -----  |                         |           |
| Long-term debt reduction   | (118,100)               | (129,945) |
| Proceeds from long-term debt   | 122,144                 | 84,571    |
| Net proceeds from issuance of common stock                                       | 73,558                  | 53,674    |

|  |           |          |
|--|-----------|----------|
| Payment of dividends                                 | (2,733)   | (2,269)  |
|  | -----     | -----    |
| Net cash provided by financing activities            | 74,869    | 6,031    |
|  | -----     | -----    |
| Net increase (decrease) in cash and cash equivalents | 25,357    | (4,488)  |
| Cash and cash equivalents at beginning of year       | 3,662     | 8,150    |
|  | -----     | -----    |
| Cash and cash equivalents at end of year             | \$ 29,019 | \$ 3,662 |
|  | =====     | =====    |

GIBRALTAR STEEL CORPORATION  
Segment Information  
(in thousands)

Three Months Ended December 31,

|                               | 2003        | 2002        | Increase(Decrease) |         |
|-------------------------------|-------------|-------------|--------------------|---------|
|                               |             |             | \$                 | %       |
|                               | -----       | -----       | -----              | -----   |
|                               | (unaudited) | (unaudited) |                    |         |
| Net Sales                     |             |             |                    |         |
| Processed steel products      | \$ 65,141   | \$ 68,687   | \$ (3,546)         | (5.2)%  |
| Building products             | 96,712      | 66,596      | 30,116             | 45.2%   |
| Heat treating                 | 23,437      | 20,438      | 2,999              | 14.7%   |
| Total Sales                   | \$ 185,290  | \$ 155,721  | \$ 29,569          | 19.0%   |
| Income (loss) from Operations |             |             |                    |         |
| Processed steel products      | \$ 6,477    | \$ 8,185    | \$ (1,708)         | (20.9)% |
| Building products             | 8,206       | 3,292       | 4,914              | 149.3%  |
| Heat treating                 | 2,392       | 2,210       | 182                | 8.2%    |
| Corporate                     | (3,732)     | (3,422)     | (310)              | (9.1)%  |
| Total Operating Income        | \$ 13,343   | \$ 10,265   | \$ 3,078           | 30.0%   |
| Operating Margin              |             |             |                    |         |
| Processed steel products      | 9.9%        | 11.9%       |                    |         |
| Building products             | 8.5%        | 4.9%        |                    |         |
| Heat treating                 | 10.2%       | 10.8%       |                    |         |

Twelve Months Ended December 31,

|                               | 2003       | 2002       | Increase(Decrease) |         |
|-------------------------------|------------|------------|--------------------|---------|
|                               |            |            | \$                 | %       |
|                               | -----      | -----      | -----              | -----   |
| Net Sales                     |            |            |                    |         |
| Processed steel products      | \$ 268,512 | \$ 272,796 | \$ (4,284)         | (1.6)%  |
| Building products             | 400,412    | 292,161    | 108,251            | 37.1%   |
| Heat treating                 | 89,337     | 80,157     | 9,180              | 11.5%   |
| Total Sales                   | \$ 758,261 | \$ 645,114 | \$ 113,147         | 17.5%   |
| Income (loss) from Operations |            |            |                    |         |
| Processed steel products      | \$ 25,899  | \$ 32,843  | \$ (6,944)         | (21.1)% |
| Building products             | 40,142     | 21,338     | 18,804             | 88.1%   |
| Heat treating                 | 9,387      | 9,904      | (517)              | (5.2)%  |
| Corporate                     | (16,626)   | (13,925)   | (2,701)            | (19.4)% |
| Total Operating Income        | \$ 58,802  | \$ 50,160  | \$ 8,642           | 17.2%   |
| Operating Margin              |            |            |                    |         |
| Processed steel products      | 9.6%       | 12.0%      |                    |         |
| Building products             | 10.0%      | 7.3%       |                    |         |
| Heat treating                 | 10.5%      | 12.4%      |                    |         |

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