

# Gibraltar Industries

Investor Presentation  
May 27, 2020  
[www.Gibraltar1.com](http://www.Gibraltar1.com)





# Safe Harbor Statements

## Forward-Looking Statements

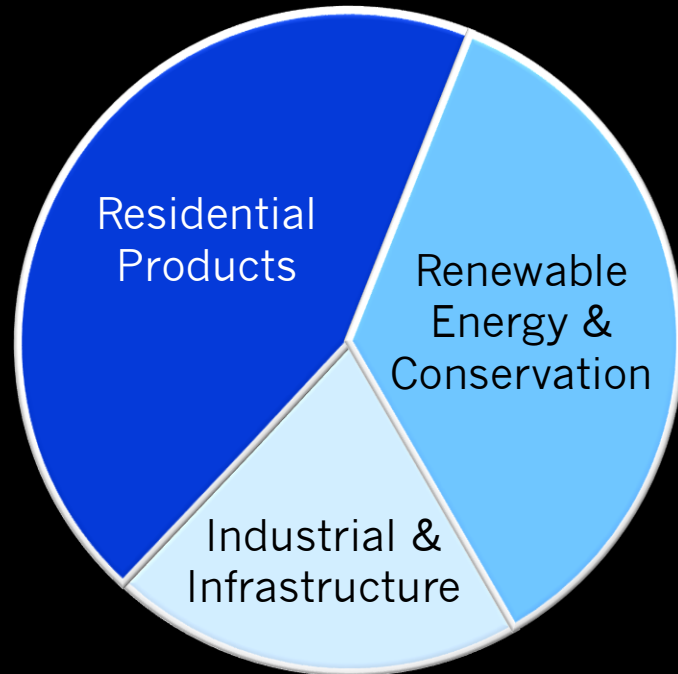
Certain information set forth in this presentation, other than historical statements, contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 that are based, in whole or in part, on current expectations, estimates, forecasts, and projections about the Company’s business, and management’s beliefs about future operations, results, and financial position. These statements are not a guarantee 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](http://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, senior leadership transition costs, debt repayment costs, and other reclassifications. 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.

# Who We Are

2019 Revenue



- \$1B Multi-industrial serving targeted end markets
- Built on Three Strategic Pillars:
  1. Business System
  2. Portfolio Management
  3. Organization Development

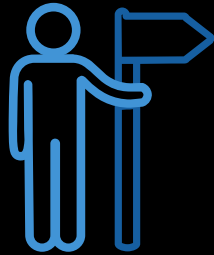
2014 – 2019 Performance

<u>Revenue (\$M)</u>			<u>Operating Margin (Adj)</u>		
<u>2014</u>	<u>2019</u>	<u>CAGR%</u>	<u>2014</u>	<u>2019</u>	<u>Δ bps</u>
\$862	\$1,047	4.0%	4.4%	10.5%	610

<u>Earnings Per Share (Adj)</u>			<u>Return On Invested Capital</u>		
<u>2014</u>	<u>2019</u>	<u>CAGR%</u>	<u>2014</u>	<u>2019</u>	<u>Δ bps</u>
\$0.47	\$2.58	40.6%	3.9%	15.8%	1,190

# Investment Highlights



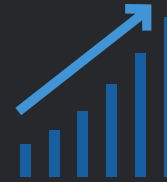
Multi-Industrial focused on sustainable value creation



Asset portfolio leverages core competencies in growing markets



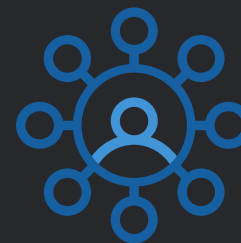
Accelerating transformation to drive growth and returns across platforms vital to core economic needs and less impacted by economic variables



Running pandemic playbook; good first-hand experience managing through SARS



Ample balance sheet flexibility provides resilience, supports growth



Seasoned team with new senior leadership in place

# Accelerating Our Transformation Through Building Leadership Positions In Attractive Markets

## Gibraltar's Strategic Rubric

### Market Attractiveness

### Ability to Drive Value

Market Outlook

Demand Profile

Market Structure

Market Leadership

Market Insight

Fit to Gibraltar Capability

Growth Runway

Growing and sustaining high margins and ROIC

Stable and predictable market

Business model / limited disruption

Defensible with minimum disruption

Understanding of customer and industry

Play to Gibraltar's strengths

Opportunity for capital deployment

Strategic foundation for key decisions and critical investments

Roadmap to create unique leadership and industry-leading relevance in our markets

Continuously improving growth, margin, and return profile

# Our Operating Foundation – Strengthen & Accelerate In Current Environment

## Operating Pillar

## Core Tenets

## 2020 Priorities

1  
Business System

- 80/20 operational excellence
- Innovation & new products
- Business models, digital systems

- Modified operating protocols
- Business continuity plans
- Continued business reviews
- Customer & Supply Chain

2  
Portfolio Management

- Optimize existing portfolio
- Acquisitions to expand position & shape our markets

- Integration of recent acquisitions on track
- Active discussions continue but “paused”

3  
Organization Development

- Right structure and design
- Talent development
- “Best Place to Work”

- Deployed Covid Operating protocols – health & safety
- Filling critical roles from strong talent pool

# Operating Playbook During COVID-19 Pandemic

## Business Situation

All businesses deemed essential – all operating today

- Demand varies by market and business, and outlook continues to evolve as States begin opening
- Realtime collaboration with customers and supply chain
- Employee attendance remains very good

Repurposed three production lines to manufacture PPE

- Sunesta (HIG) – face masks
- AirVent (Ventilation) - face shields
- Delta Separations & Apeks - hand sanitizer

Community support

- Food Bank donation – 3.3 million meals – distributed equally across our operations ~ 85,000 meals per location

Organization

- Overall disruption management going well
- Proactively managing anxiety impact – health, financial
- Health of employees continues to be good
- Maintaining monthly management & execution processes

## Operating Protocols

Compliance

- CDC and DHS recommendations, education, and awareness
- State & local mandate management and implementation
- Travel restrictions

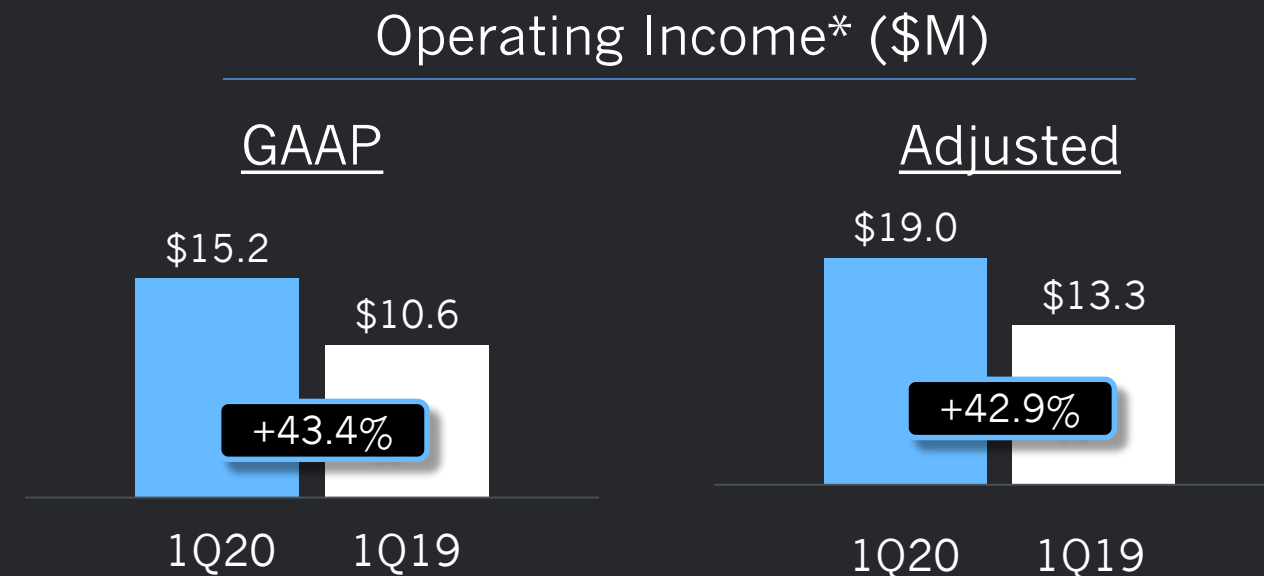
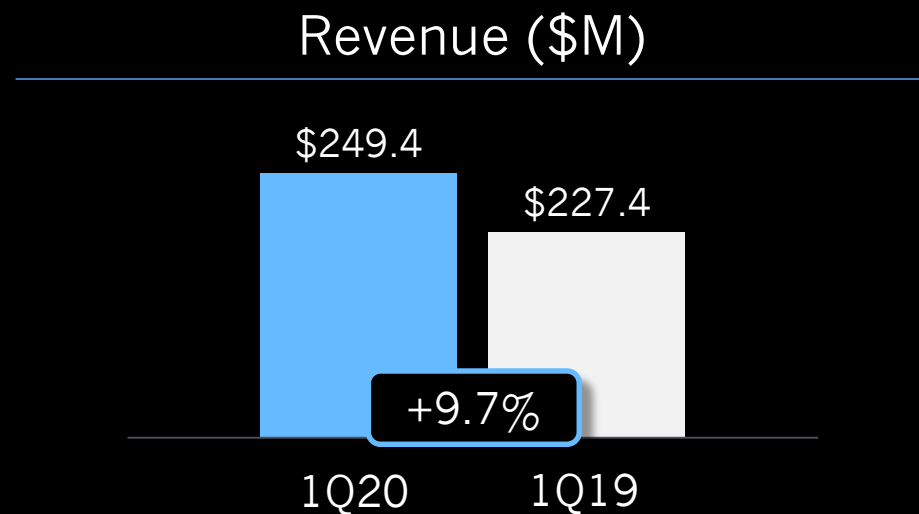
Workplace Management – Implementation started March 2020

- Business continuity processes – productivity, security
- Social distancing in facilities and offices
- Work from Home – process and technology
- Shift and zoning management in facilities
- Additional sanitization – internal / external resources
- Temperature checks (expanding with thermometer supply)
- Communication protocol – cadence, content
- Visitor requirements
- Mandatory PPE for all employees at work and have supplied PPE for family members

Compensation Support

- 160 hours COVID-19 pay for hourly employees
- Salary continuation for salary employees

# Consolidated 1<sup>st</sup> Quarter Performance

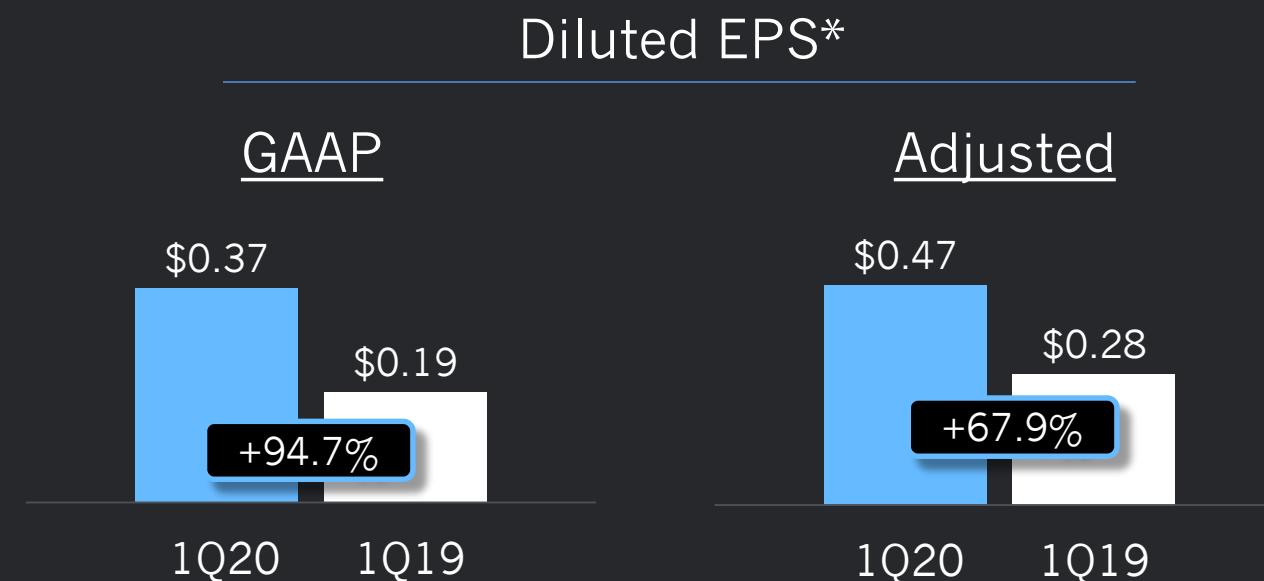


## Revenue

- Continuing growth in renewable energy & conservation
- Acquisitions contribute 6.9% of total growth
- Residential steady; infrastructure solid, industrial softer
- Backlog of \$258M, up 39% Y-O-Y

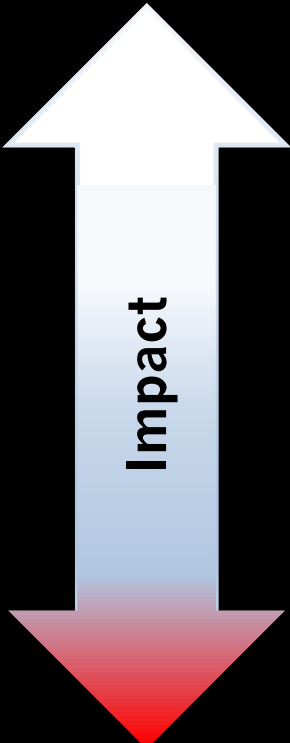
## Operating Income / EPS

- Organic growth in renewables & conservation
- Price / material cost alignment
- Improved solar tracker field performance
- Drag from recent acquisitions





# Revenue Sensitivity In Current Environment



Least Affected	Business Segment	% of Revenue	Key Drivers
	Renewable Energy & Conservation	39%	<ul style="list-style-type: none"> <li>Strong market demand – backlog growing, working through project schedule changes due to State opening plans; looking for Processing market to restart</li> </ul>
	Residential Building Products	41%	<ul style="list-style-type: none"> <li>Market demand lower but driving participation gains, direct-to-homeowner business and market has experienced a slowdown</li> </ul>
	Industrial & Infrastructure	20%	<ul style="list-style-type: none"> <li>Infrastructure remains strong, offset by decline in general industrial demand and lower steel market pricing, automotive slowdown for key components</li> </ul>

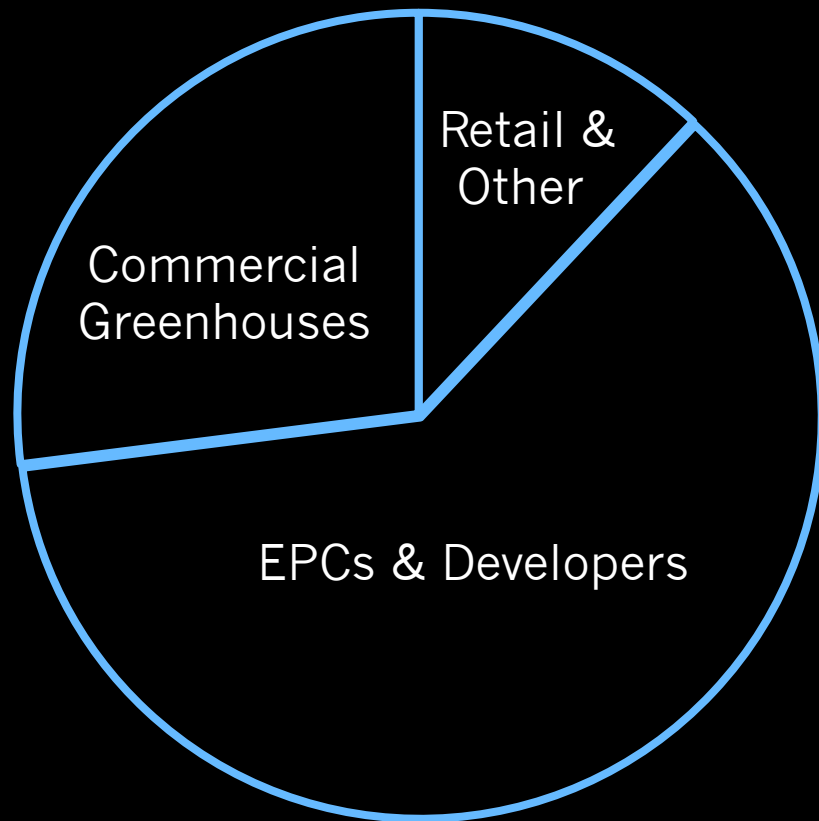
Most Affected



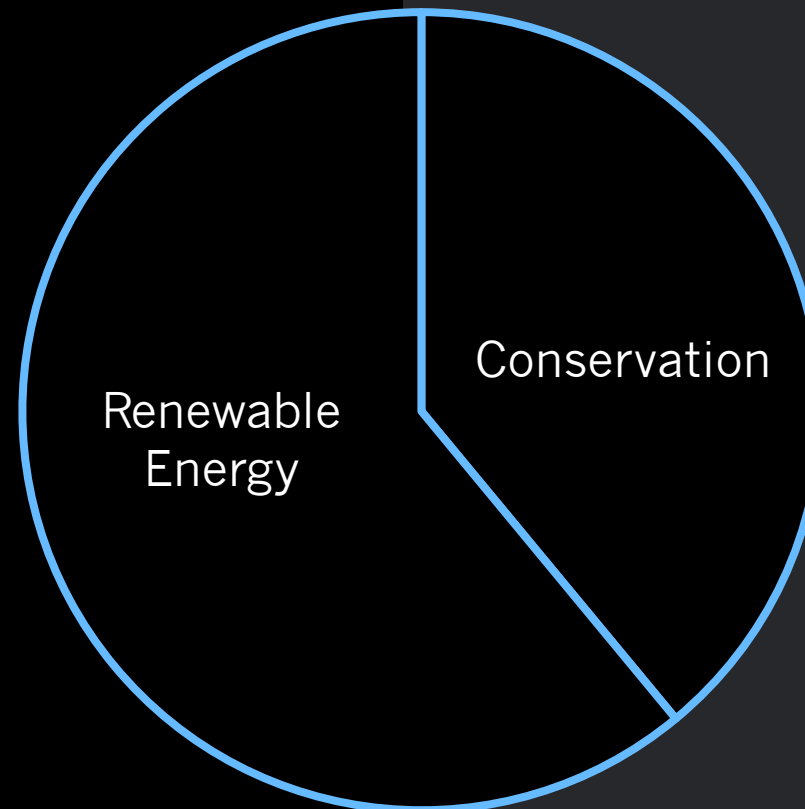
# Renewable Energy & Conservation

39% of 2019 Total Revenue

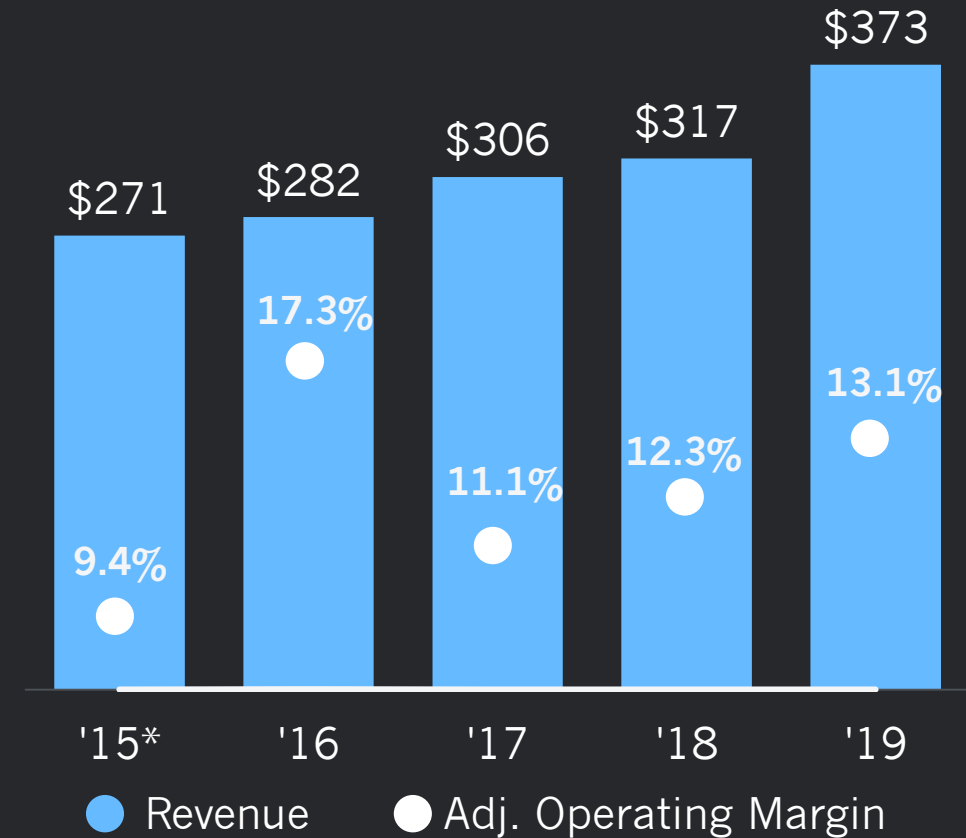
Market Segments



Business Segments



Revenue (\$M) & Margin (%)



\* Pro forma results for RBI in 2015

# Renewable Energy Platform: Solar Racking Systems & Electrical Balance of Systems (BOS)

## Applications

- Ground mount fixed-tilt PV arrays
- Single axis tracker
- Carport & canopy
- Design & engineering
- Project management
- Fabrication, installation

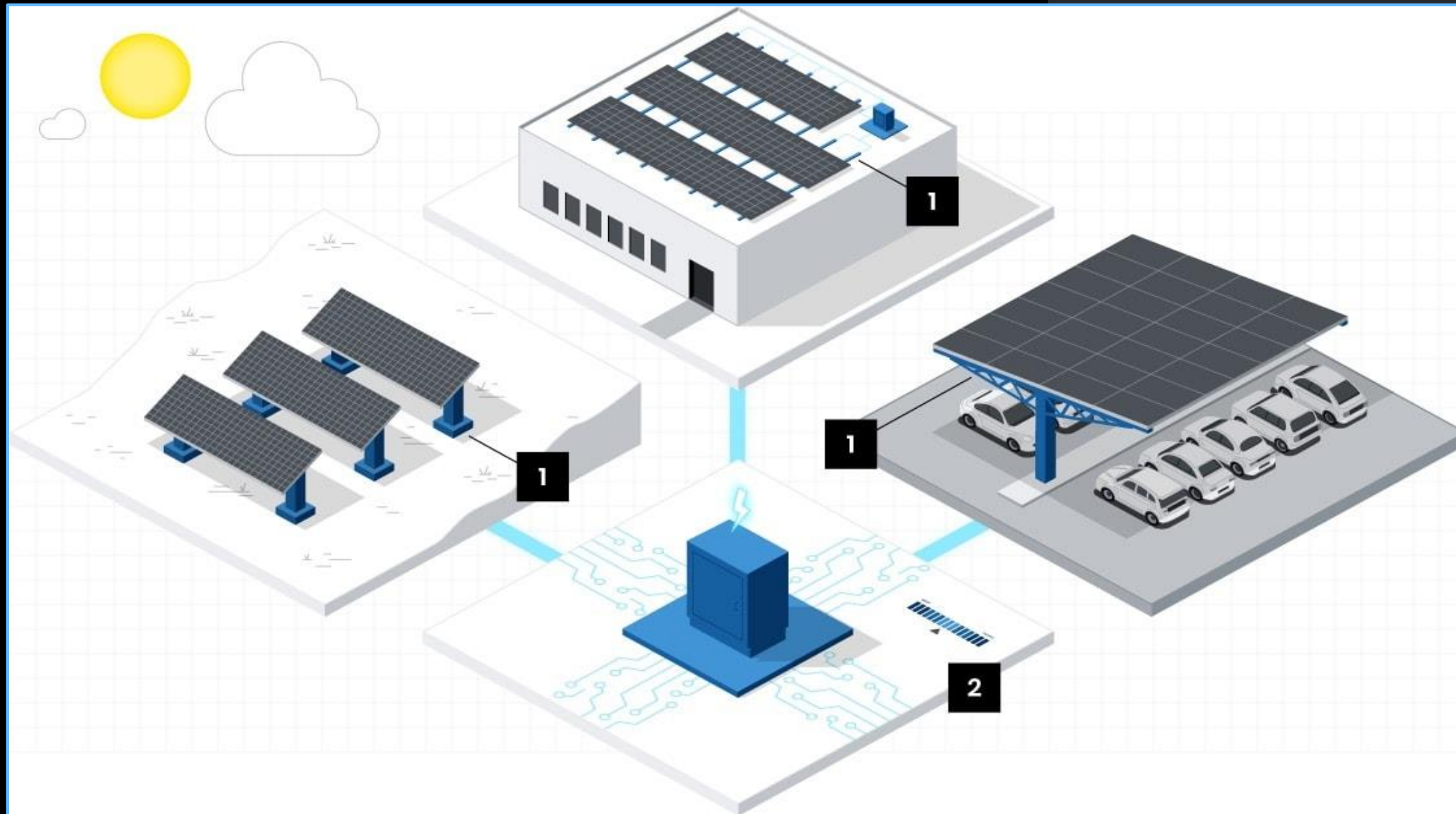


## End markets

- Community solar
- Commercial sites – carports, landfills, parking garages
- Small & mid-size utilities



# Renewable Energy Platform: Solar Mounting Systems & Electrical Balance of Systems (BOS)



## 1. Solar mounting systems

- Design
- Engineering
- Manufacturing
- Installation

## 2. Balance of systems

- Wire harness solutions
- DC combiner boxes
- AC recombiners
- Fuse boxes
- Battery connection panels



# Conservation Platform: Commercial Greenhouses & Extraction Processing

## Applications

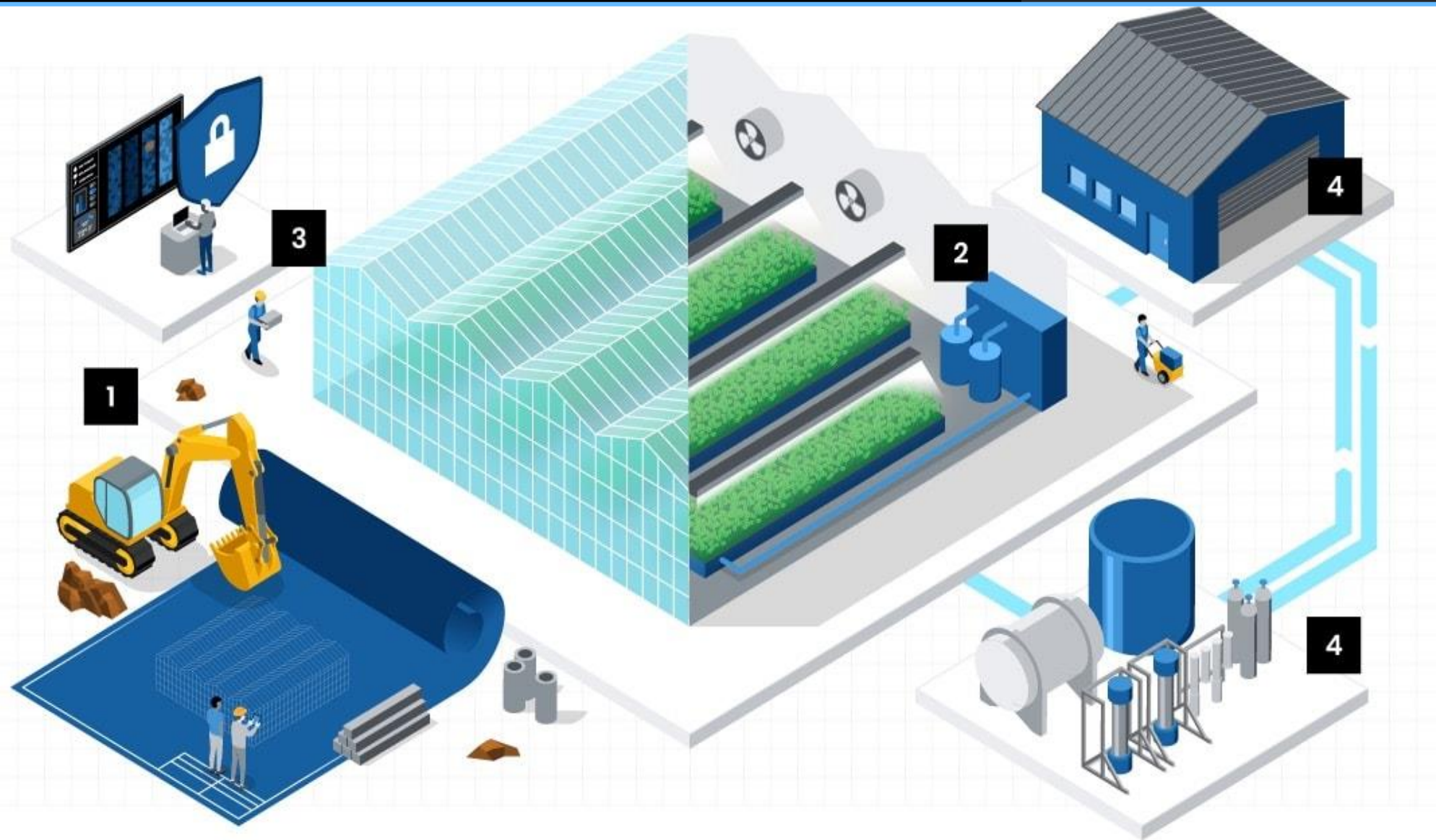
- Fruits & vegetables
- Floriculture
- Cannabis
- Extraction processing
- Public and private research
- See-through car wash



## End Markets

- Medical & recreational
- Garden centers
- Nursery growers
- Seed companies
- Botanical gardens
- Atriums, canopies

# Conservation Platform: Commercial Greenhouses & Extraction Processing



1. Facility design
  - Design & consultation
  - Site development
  - General contracting
2. Environmental systems
  - Dehumidification
  - Lighting
  - Irrigation
  - Fertigation
  - Benching
3. Operations
  - Maintenance systems
  - Security
4. Extraction processing systems
  - Processing building
  - Refinement technology



# Recent Acquisitions – Conservation Platform

## Commercial Greenhouse



- Completed Q1 2020
- Greenhouse manufacturer & full-service turnkey site provider – built 600+ acres of growing sites since 2005
- Establishes Gibraltar N.A. Market leader in organics, fruits & vegetables
- \$7M purchase price; \$25M working capital investment
- \$75M revenue run rate

## Extraction Processing



- 1<sup>st</sup> Investment, Completed Q3 2019
- Designer & Manufacturer of Botanical Oil Extraction Systems Utilizing Subcritical And Supercritical CO2
- \$12.5M In An All Cash Transaction
- June 30, 2019 TTM Revenues : \$17.7M

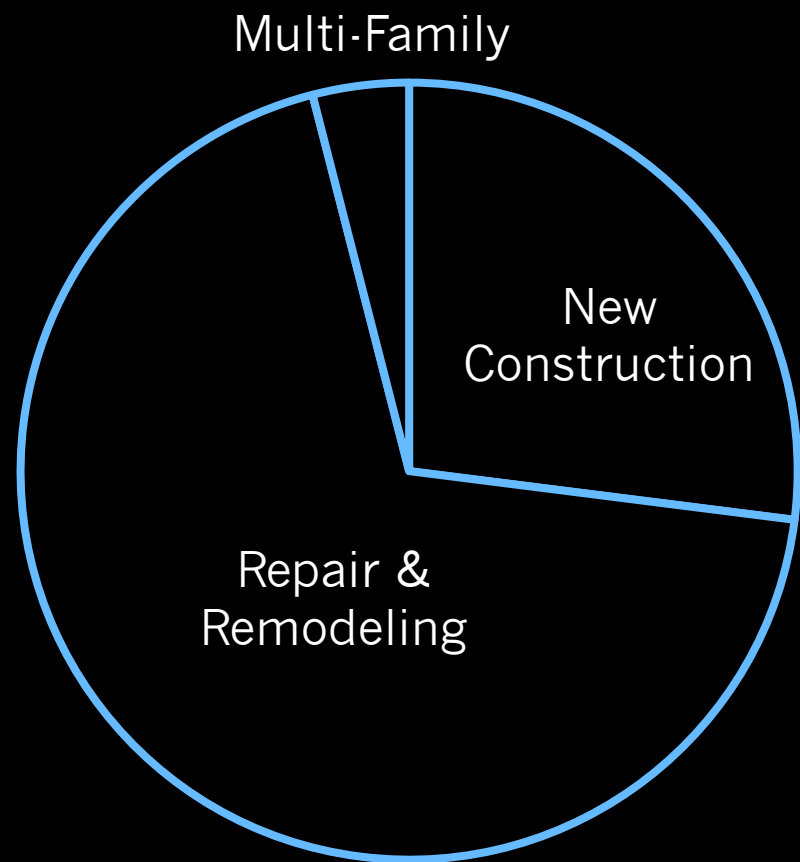


- 2<sup>nd</sup> investment, completed Q1 2020
- Designer & manufacturer of closed-loop ethanol extraction systems, evaporation and distillation equipment & service
- \$50M in an all cash transaction
- 2019 revenue: \$46M

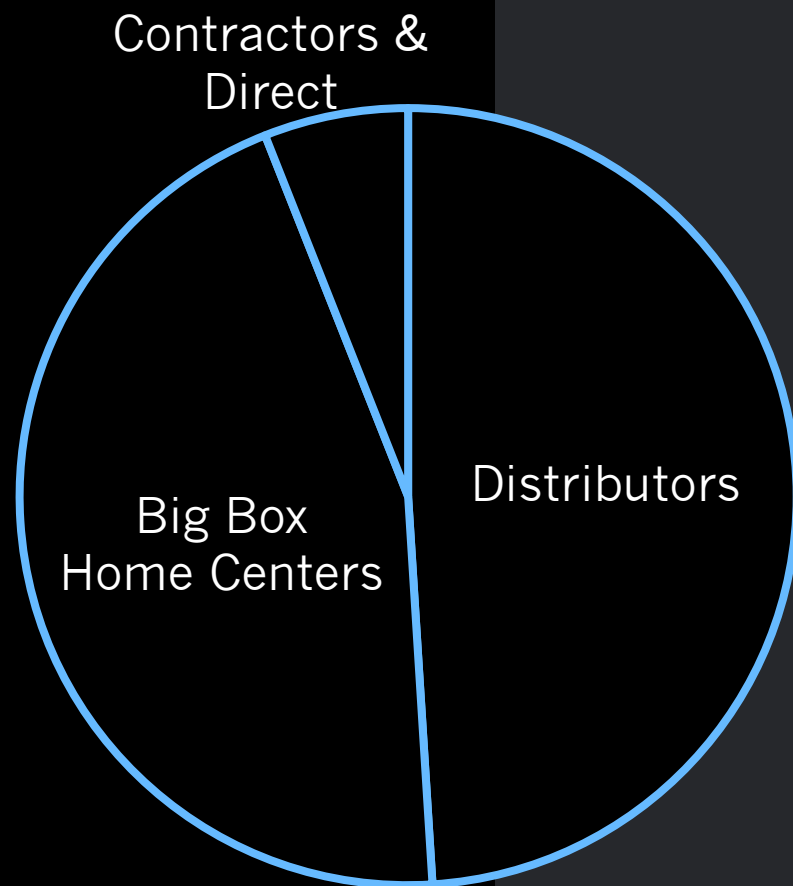
# Residential Building Products

41% of 2019 Revenue

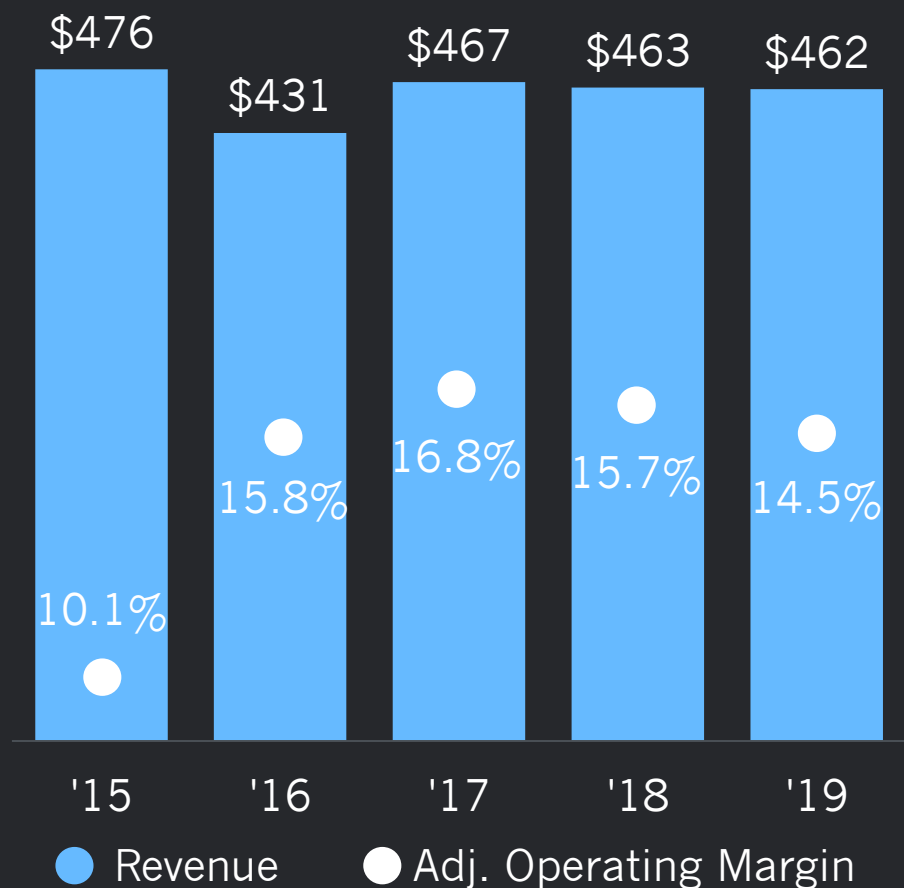
### Market Segments



### Market Channels



### Revenue (\$M) & Margin (%)

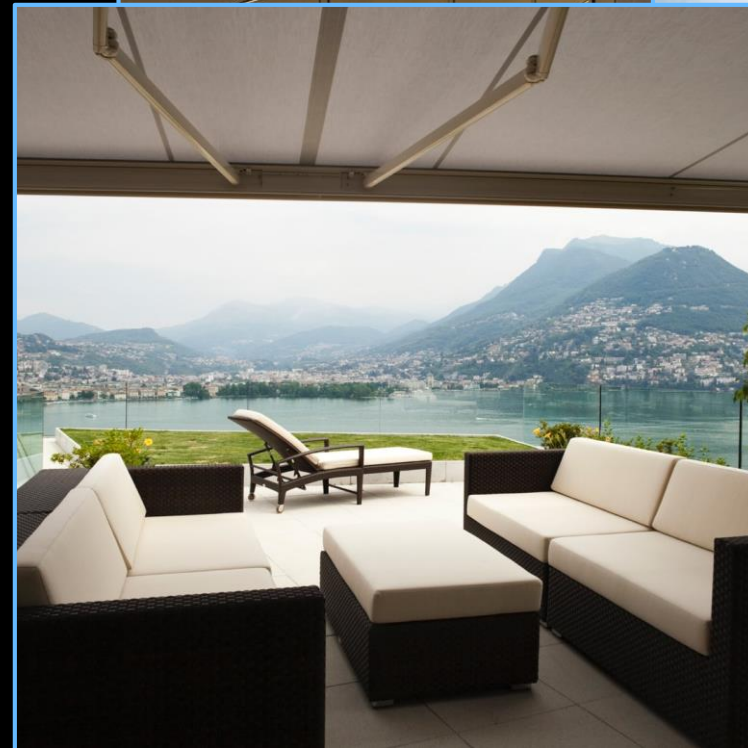




# Residential Building Products Platform

## Applications

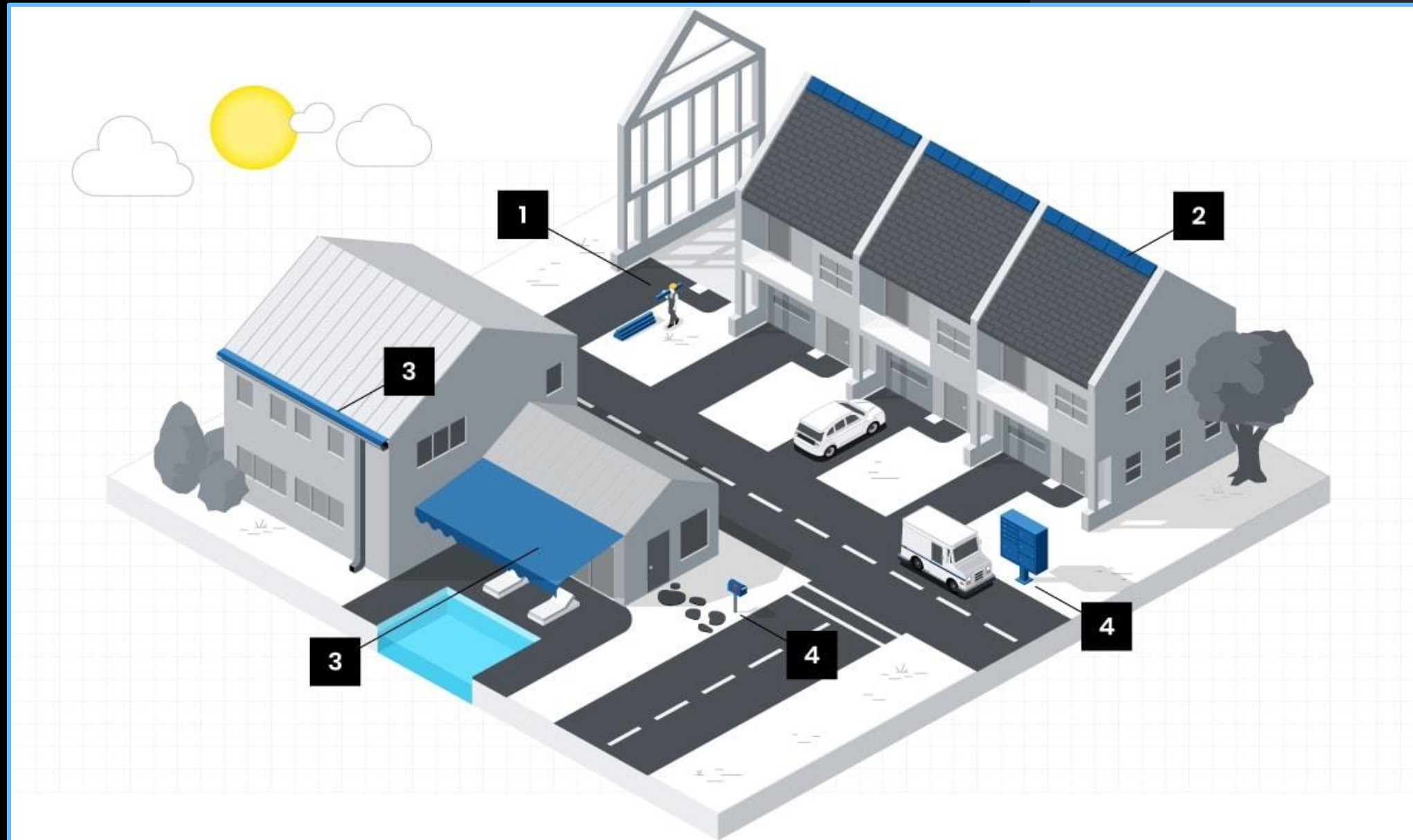
- Mail & package delivery & secure storage
- Ventilation & whole house air management
- Water protection via flashing & trims
- Comfort shading & gutter protection



## End Markets

- New construction – single & multi-family housing
- Residential repair & remodeling
- Big box retail & residential product wholesalers
- Direct to consumer

# Residential Building Products

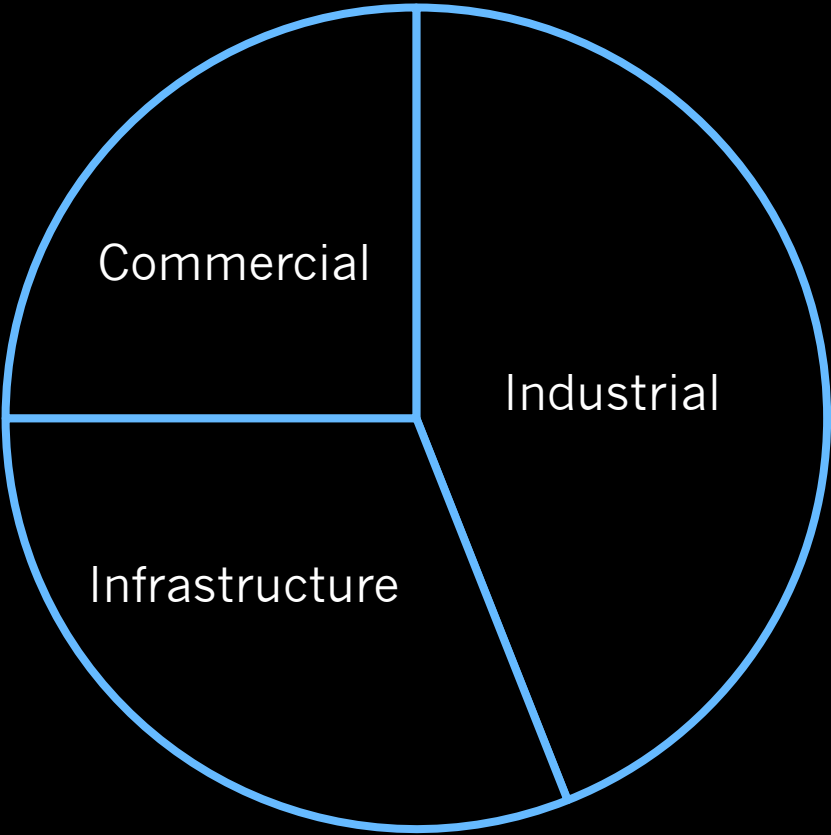


1. Construction
  - Metal building products
  - Roofing accessories
  - Rain ware systems
2. Protection
  - Attic ventilation
  - Roofing accessories
3. Comfort
  - Awnings
  - Gutter protection
4. Postal & parcel storage
  - Single-home mailbox
  - Multi-family mailbox

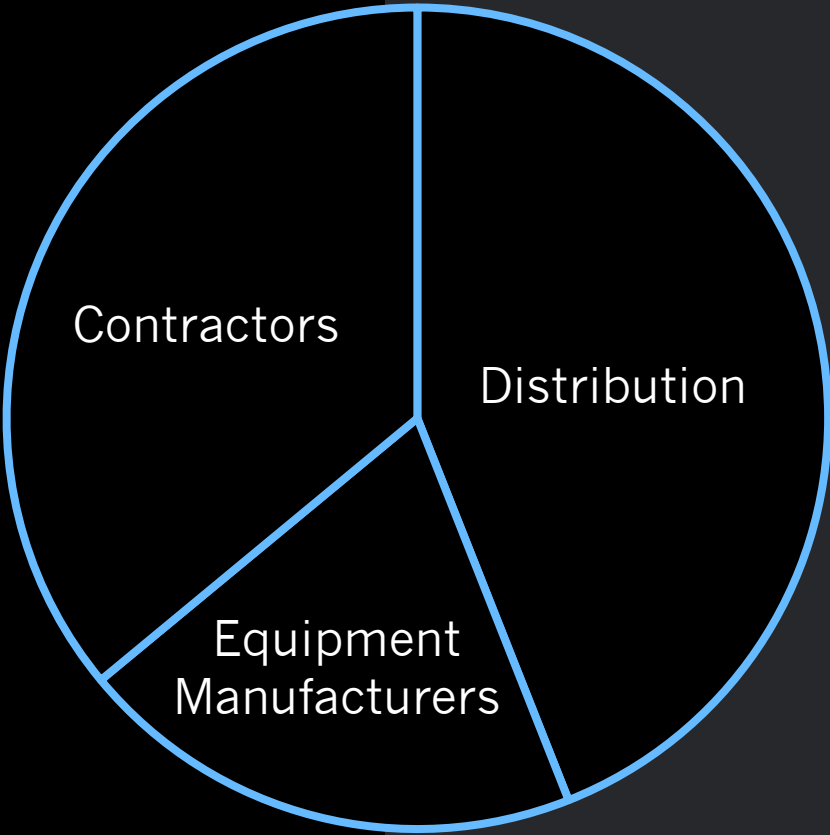
# Industrial & Infrastructure Segment

20% of 2019 Revenue

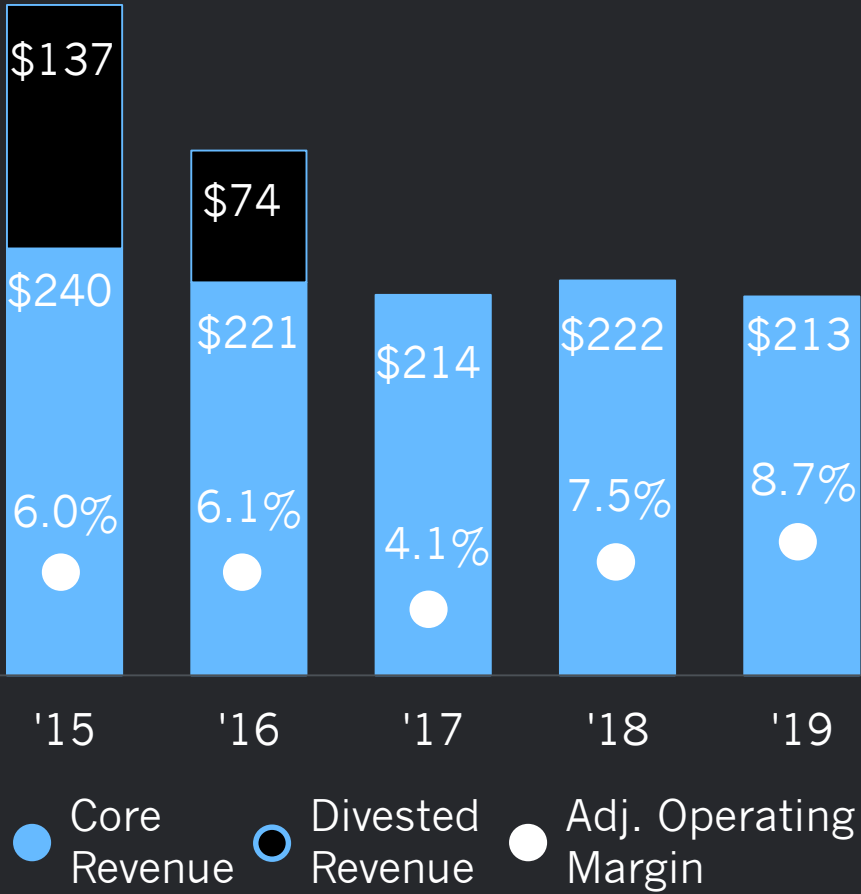
Market Segments



Market Channels



Revenue (\$M) & Margin (%)

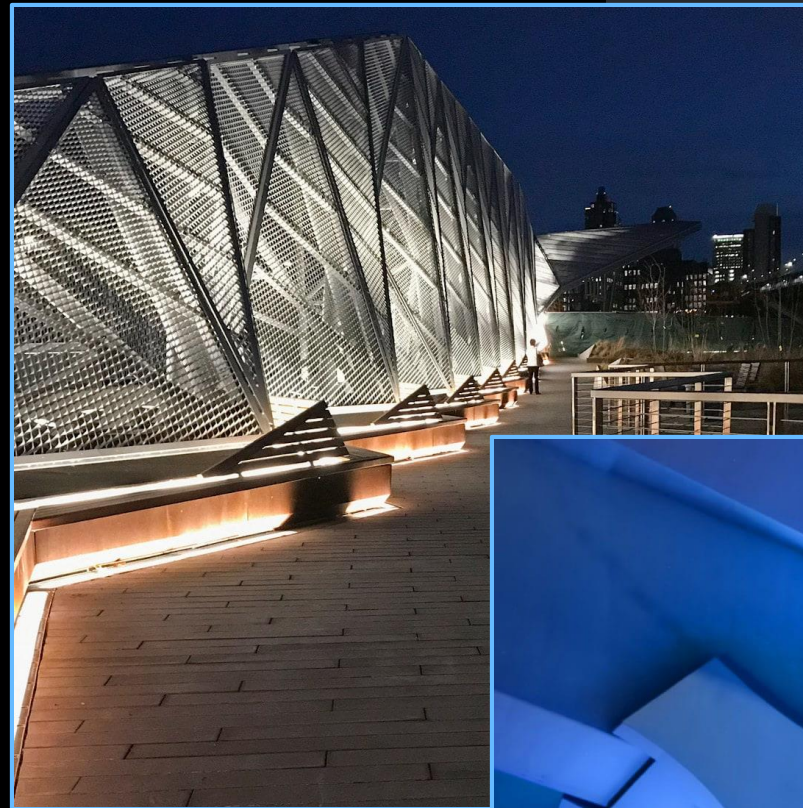




# Industrial & Infrastructure Platform

## Applications

- Support bridge functionality under varying weight, wind, heat, and seismic conditions
- Perimeter security solutions
- Walkways / catwalks
- Architectural facades

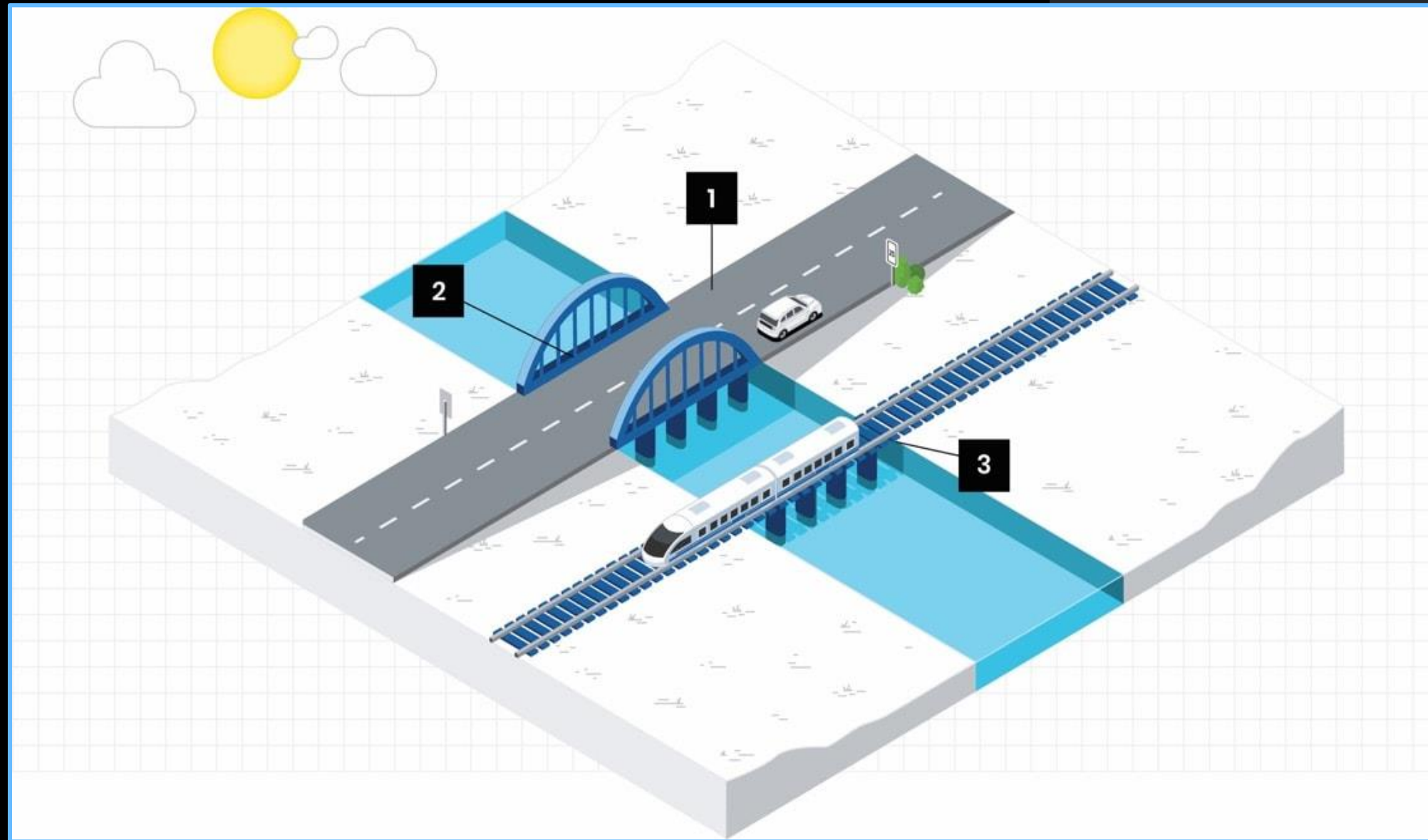


## End markets

- Bridge and elevated highway construction
- High-speed rail transportation
- Airport runways, parking garages
- Utility sub-stations
- Commercial buildings



# Industrial & Infrastructure



## 1. Sealants

- Pavement
- Concrete

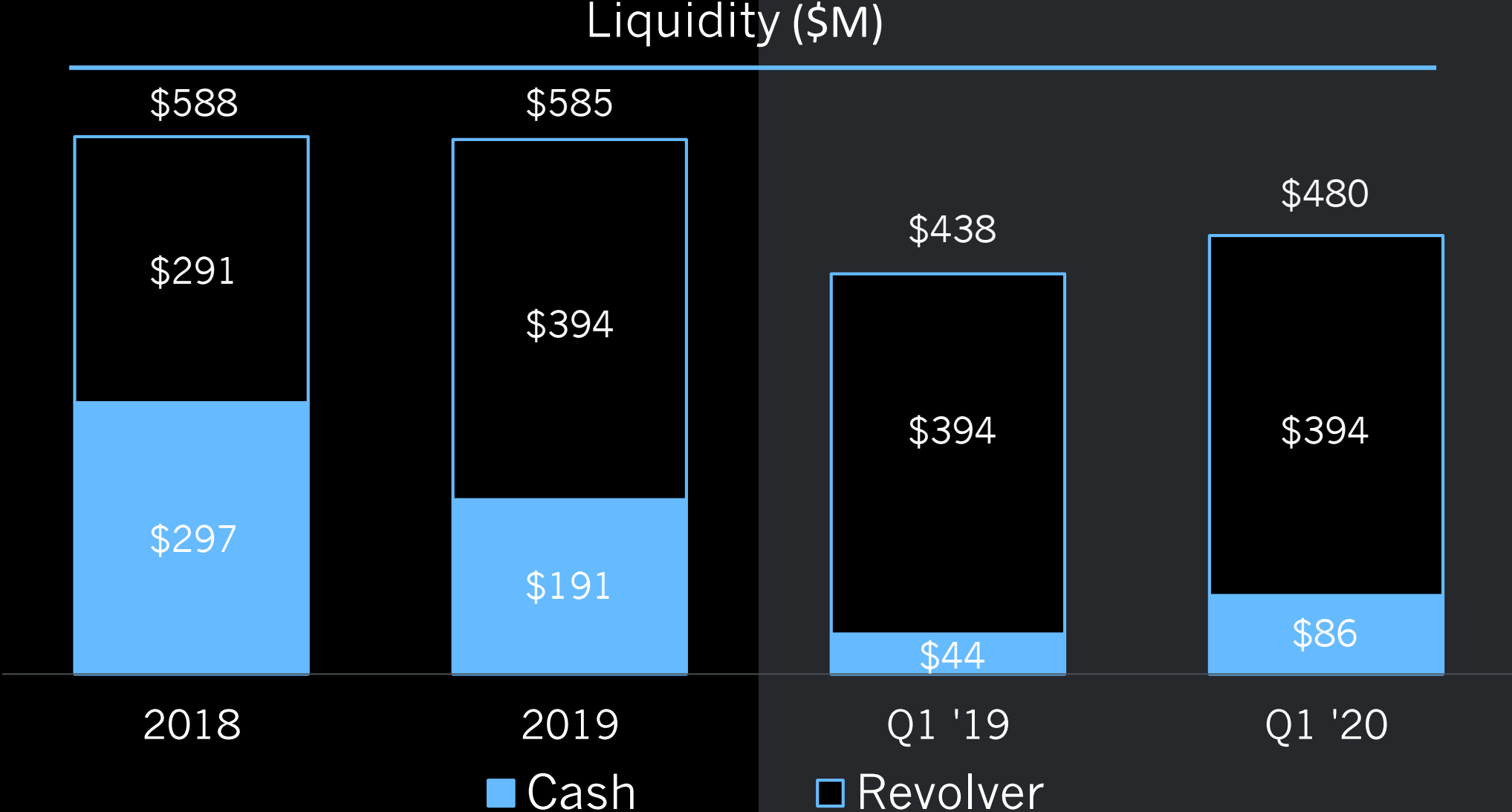
## 2. Bridges

- Expansion joints
- Structural bearings
- Protection systems

## 3. Architectural metals

- Expansion joints
- Security products
- Expanded & perforated

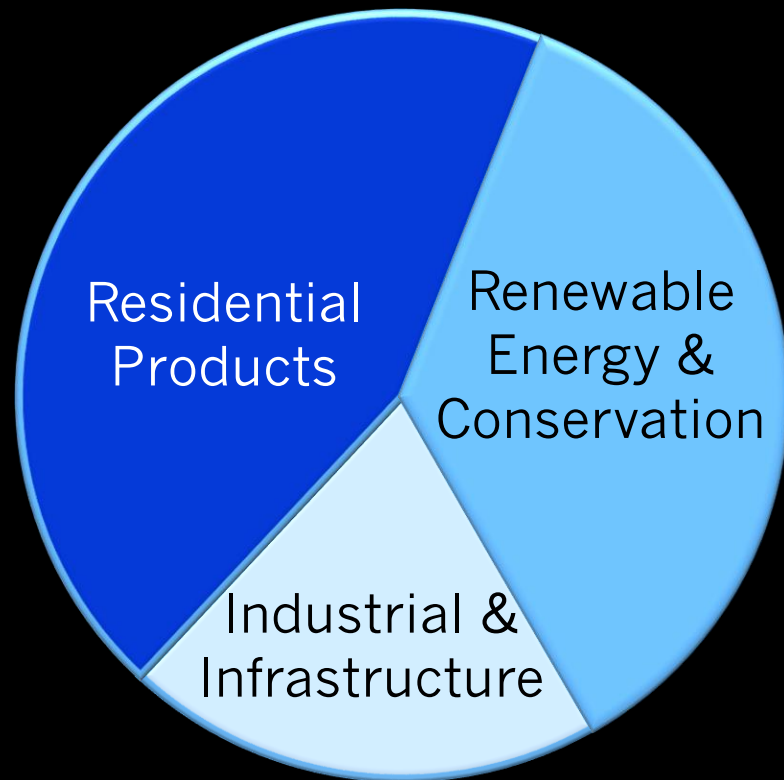
# Balance Sheet Provides Resilience, Supports Growth



1.7x Leverage & 0.0x Net Leverage in 2018, No Outstanding Borrowings Since Q1 19

# Improving Growth Profile Through Portfolio Optimization

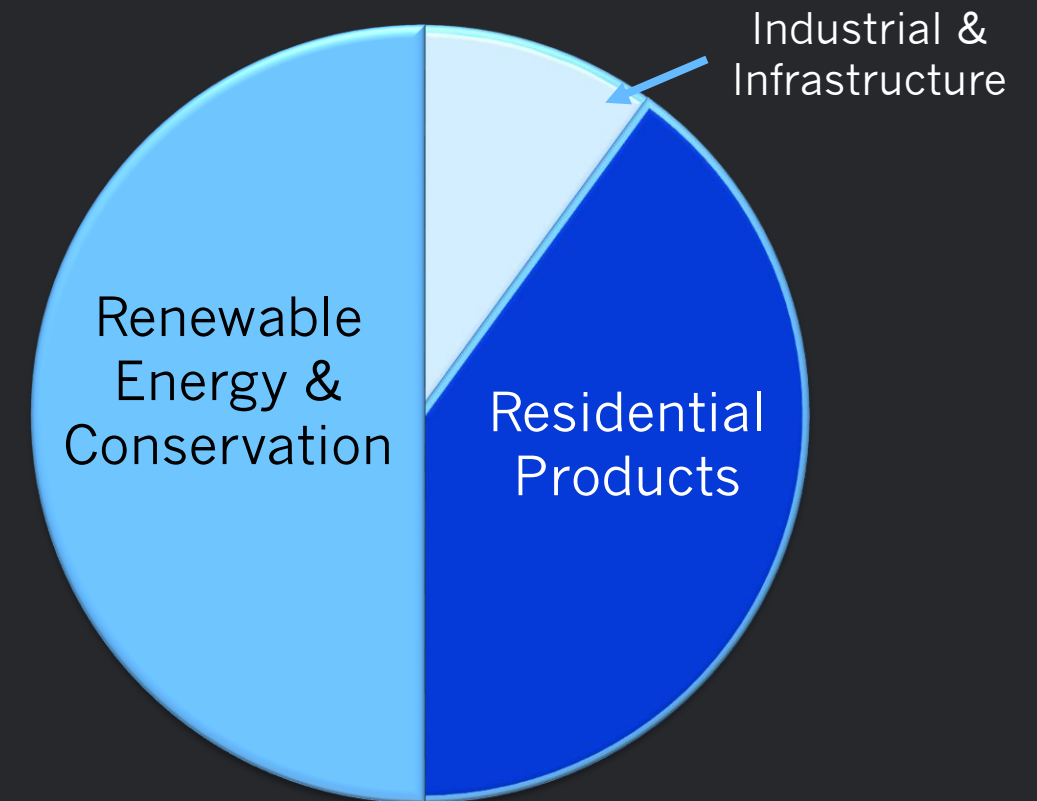
2019 Revenue



## Sources of Optimization

1. Core / Organic Initiatives
2. Acquisitions In Renewable Energy and Conservation Segment

Future Revenue





# APPENDIX

# Q1 2020 RECONCILIATION OF ADJUSTED MEASURES

	THREE MONTHS ENDED MARCH 31, 2020				
	As Reported in GAAP Statements	Acquisition Related Items	Restructuring Charges	Senior Leadership Transition Costs	Adjusted Financial Measures
<b>Net Sales</b>					
Renewable Energy & Conservation	\$ 96,497	\$ -	\$ -	\$ -	\$ 96,497
Residential Products	103,419	-	-	-	103,419
Industrial & Infrastructure Products	49,801	-	-	-	49,801
Less: Inter-Segment Sales	(278)	-	-	-	(278)
	49,523	-	-	-	49,523
Consolidated Sales	249,439	-	-	-	249,439
<b>Income from operations</b>					
Renewable Energy & Conservation	5,699	1,001	18	-	6,718
Residential Products	13,725	-	221	-	13,946
Industrial & Infrastructure Products	3,989	-	(2)	-	3,987
Segments Income	23,413	1,001	237	-	24,651
Unallocated corporate expense	(8,223)	259	54	2,226	(5,684)
Consolidated income from operations	15,190	1,260	291	2,226	18,967
Interest expense	(47)	-	-	-	(47)
Other expense (income)	192	-	-	-	192
Income before income taxes	15,045	1,260	291	2,226	18,822
Provision for income taxes	2,986	316	73	-	3,375
Income from continuing operations	\$ 12,059	\$ 944	\$ 218	\$ 2,226	\$ 15,447
Income from continuing operations per share - diluted	\$ 0.37	\$ 0.03	\$ 0.01	\$ 0.06	\$ 0.47

# Q1 2019 RECONCILIATION OF ADJUSTED MEASURES

	THREE MONTHS ENDED MARCH 31, 2019				
	As Reported in GAAP Statements	Restructuring Charges	Senior Leadership Transition Costs	Note Re- Financing	Adjusted Financial Measures
<b>Net Sales</b>					
Renewable Energy & Conservation	\$ 68,837	\$ -	\$ -	\$ -	\$ 68,837
Residential Products	103,709	-	-	-	103,709
Industrial & Infrastructure Products	55,188	-	-	-	55,188
Less: Inter-Segment Sales	(317)	-	-	-	(317)
	<u>54,871</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>54,871</u>
Consolidated Sales	227,417	-	-	-	227,417
<b>Income from operations</b>					
Renewable Energy & Conservation	1,632	94	-	-	1,726
Residential Products	12,090	151	-	-	12,241
Industrial & Infrastructure Products	4,129	(33)	-	-	4,096
Segments Income	<u>17,851</u>	<u>212</u>	<u>-</u>	<u>-</u>	<u>18,063</u>
Unallocated corporate expense	(7,285)	7	2,495	-	(4,783)
Consolidated income from operations	10,566	219	2,495	-	13,280
Interest expense	2,061	-	-	(1,041)	1,020
Other expense (income)	589	-	-	-	589
Income before income taxes	7,916	219	2,495	1,041	11,671
Provision for income taxes	1,571	54	621	260	2,506
Income from continuing operations	<u>\$ 6,345</u>	<u>\$ 165</u>	<u>\$ 1,874</u>	<u>\$ 781</u>	<u>\$ 9,165</u>
Income from continuing operations per share - diluted	<u>\$ 0.19</u>	<u>\$ 0.01</u>	<u>\$ 0.06</u>	<u>\$ 0.02</u>	<u>\$ 0.28</u>



# 2019 RECONCILIATION OF ADJUSTED MEASURES

	TWELVE MONTHS ENDED DECEMBER 31, 2019				
	As Reported in GAAP Statements	Restructuring & Acquisition- Related Items	Senior Leadership Transition Costs	Debt Repayment	Adjusted Financial Measures
<b>Net Sales</b>					
Renewable Energy & Conservation	\$ 373,023	\$ -	\$ -	\$ -	\$ 373,023
Residential Products	461,630	-	-	-	461,630
Industrial & Infrastructure Products	213,805	-	-	-	213,805
Less: Inter-Segment Sales	(1,019)	-	-	-	(1,019)
	<u>212,786</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>212,786</u>
Consolidated Sales	1,047,439	-	-	-	1,047,439
<b>Income from operations</b>					
Renewable Energy & Conservation	47,558	1,490	-	-	49,048
Residential Products	63,047	3,857	78	-	66,982
Industrial & Infrastructure Products	13,455	4,978	-	-	18,433
Segments Income	124,060	10,325	78	-	134,463
Unallocated corporate expense	(36,221)	2,145	9,666	-	(24,410)
Consolidated income from operations	87,839	12,470	9,744	-	110,053
Interest expense	2,205	-	-	(1,079)	1,126
Other expense	871	-	-	-	871
Income before income taxes	84,763	12,470	9,744	1,079	108,056
Provision for income taxes	19,672	3,180	615	269	23,736
Income from continuing operations	\$ 65,091	\$ 9,290	\$ 9,129	\$ 810	\$ 84,320
Income from continuing operations per share - diluted	\$ 1.99	\$ 0.28	\$ 0.28	\$ 0.03	\$ 2.58

# 2018 RECONCILIATION OF ADJUSTED MEASURES

	<b>TWELVE MONTHS ENDED DECEMBER 31, 2018</b>				
	As Reported in GAAP Statements	Restructuring & Acquisition Related Items	Senior Leadership Transition Costs	Tax Reform	Adjusted Financial Measures
<b>Net Sales</b>					
Renewable Energy & Conservation	\$ 317,253	\$ -	\$ -	\$ -	\$ 317,253
Residential Products	463,216	-	-	-	463,216
Industrial & Infrastructure Products	223,006	-	-	-	223,006
Less: Inter-Segment Sales	(1,103)	-	-	-	(1,103)
	<u>221,903</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>221,903</u>
Consolidated Sales	1,002,372	-	-	-	1,002,372
<b>Income from operations</b>					
Renewable Energy & Conservation	37,423	1,424	178	-	39,025
Residential Products	69,838	3,107	-	-	72,945
Industrial & Infrastructure Products	15,336	1,402	-	-	16,738
Segments Income	122,597	5,933	178	-	128,708
Unallocated corporate expense	(28,629)	935	414	-	(27,280)
Consolidated income from operations	93,968	6,868	592	-	101,428
Interest expense	12,064	-	-	-	12,064
Other expense (income)	1,959	(3,060)	-	-	(1,101)
Income before income taxes	79,945	9,928	592	-	90,465
Provision for income taxes	16,136	4,889	(106)	(225)	20,694
Income from continuing operations	<u>\$ 63,809</u>	<u>\$ 5,039</u>	<u>\$ 698</u>	<u>\$ 225</u>	<u>\$ 69,771</u>
Income from continuing operations per share - diluted	<u>\$ 1.96</u>	<u>\$ 0.15</u>	<u>\$ 0.02</u>	<u>\$ 0.01</u>	<u>\$ 2.14</u>

# 2017 RECONCILIATION OF ADJUSTED MEASURES

TWELVE MONTHS ENDED DECEMBER 31, 2017

	As Reported in GAAP Statements	Restructuring & Acquisition- Related Items	Senior Leadership Transition Costs	Portfolio Management	Tax Reform	Adjusted Financial Measures
<b>Net Sales</b>						
Renewable Energy & Conservation	\$ 306,351	\$ -	\$ -	\$ -	\$ -	\$ 306,351
Residential Products	466,603	-	-	-	-	466,603
Industrial & Infrastructure Products	215,211	-	-	-	-	215,211
Less: Inter-Segment Sales	(1,247)	-	-	-	-	(1,247)
	<b>213,964</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>213,964</b>
Consolidated Sales	986,918	-	-	-	-	986,918
<b>Income from operations</b>						
Renewable Energy & Conservation	30,218	1,155	252	2,340	-	33,965
Residential Products	76,893	1,403	-	-	-	78,296
Industrial & Infrastructure Products	8,159	49	260	287	-	8,755
Segments Income	115,270	2,607	512	2,627	-	121,016
Unallocated corporate expense	(22,421)	407	193	-	-	(21,821)
Consolidated income from operations	92,849	3,014	705	2,627	-	99,195
Interest expense	14,032	-	-	-	-	14,032
Other expense	909	-	-	-	-	909
Income before income taxes	77,908	3,014	705	2,627	-	84,254
Provision for income taxes	14,943	1,118	272	80	12,535	28,948
Income from continuing operations	\$ 62,965	\$ 1,896	\$ 433	\$ 2,547	\$ (12,535)	\$ 55,306
Income from continuing operations per share - diluted	\$ 1.95	\$ 0.06	\$ 0.01	\$ 0.08	\$ (0.39)	\$ 1.71



# 2016 RECONCILIATION OF ADJUSTED MEASURES

TWELVE MONTHS ENDED DECEMBER 31, 2016

	As Reported in GAAP Statements	Acquisition- Related Items	Restructuring Charges	Senior Leadership Transition Costs	Portfolio Management	Adjusted Financial Measures
<b>Net Sales</b>						
Renewable Energy & Conservation	\$ 282,025	\$ -	\$ -	\$ -	\$ -	\$ 282,025
Residential Products	430,938	-	-	-	-	430,938
Industrial & Infrastructure Products	296,513	-	-	-	-	296,513
Less: Inter-Segment Sales	(1,495)	-	-	-	-	(1,495)
	295,018	-	-	-	-	295,018
Consolidated Sales	1,007,981	-	-	-	-	1,007,981
<b>Income from operations</b>						
Renewable Energy & Conservation	43,214	981	914	-	3,670	48,779
Residential Products	65,241	-	2,533	504	-	68,278
Industrial & Infrastructure Products	1,306	-	2,401	-	14,346	18,053
Segments Income	109,761	981	5,848	504	18,016	135,110
Unallocated corporate expense	(36,273)	228	-	2,197	58	(33,790)
Consolidated income from operations	73,488	1,209	5,848	2,701	18,074	101,320
Interest expense	14,577	-	-	-	-	14,577
Other expense	8,928	-	-	-	(8,763)	165
Income before income taxes	49,983	1,209	5,848	2,701	26,837	86,578
Provision for income taxes	16,264	497	2,406	1,111	12,659	32,937
Income from continuing operations	\$ 33,719	\$ 712	\$ 3,442	\$ 1,590	\$ 14,178	\$ 53,641
Income from continuing operations per share - diluted	\$ 1.05	\$ 0.02	\$ 0.11	\$ 0.05	\$ 0.44	\$ 1.67

# 2015 RECONCILIATION OF ADJUSTED MEASURES

## TWELVE MONTHS ENDED DECEMBER 31, 2015

	As Reported in GAAP Statements	Acquisition- Related Items	Gain on Facility Sale/ Restructuring Charges	Intangible Asset Impairment	Reclassof Hedging Activity	Adjusted Financial Measures
<b>Net Sales</b>						
Renewable Energy & Conservation	\$ 188,532	\$ -	\$ -	\$ -	\$ -	\$ 188,532
Residential Products	475,653	-	-	-	-	475,653
Industrial & Infrastructure Products	378,224	-	-	-	-	378,224
Less: Inter-Segment Sales	(1,536)	-	-	-	-	(1,536)
	<u>376,688</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>376,688</u>
Consolidated Sales	1,040,873	-	-	-	-	1,040,873
<b>Income from operations</b>						
Renewable Energy & Conservation	12,659	5,362	-	-	-	18,021
Residential Products	46,804	-	952	440	3,256	51,452
Industrial & Infrastructure Products	15,581	-	2,553	4,423	-	22,557
Segments Income	<u>75,044</u>	<u>5,362</u>	<u>3,505</u>	<u>4,863</u>	<u>3,256</u>	<u>92,030</u>
Unallocated corporate expense	(26,312)	732	2,523	-	-	(23,057)
Consolidated income from operations	<u>48,732</u>	<u>6,094</u>	<u>6,028</u>	<u>4,863</u>	<u>3,256</u>	<u>68,973</u>
Interest expense	15,003	-	-	-	-	15,003
Other income	(3,371)	-	-	-	3,256	(115)
Income before income taxes	<u>37,100</u>	<u>6,094</u>	<u>6,028</u>	<u>4,863</u>	<u>-</u>	<u>54,085</u>
Provision for income taxes	13,624	2,302	2,332	1,434	-	19,692
Income from continuing operations	<u>\$ 23,476</u>	<u>\$ 3,792</u>	<u>\$ 3,696</u>	<u>\$ 3,429</u>	<u>\$ -</u>	<u>\$ 34,393</u>
Income from continuing operations per share - diluted	<u>\$ 0.74</u>	<u>\$ 0.12</u>	<u>\$ 0.12</u>	<u>\$ 0.11</u>	<u>\$ -</u>	<u>\$ 1.09</u>

# 2014 RECONCILIATION OF ADJUSTED MEASURES

	<b>TWELVE MONTHS ENDED DECEMBER 31, 2014</b>				
	As Reported in GAAP Statements	Acquisition Related Items	Restructuring Costs	Intangible Asset Impairment	Adjusted Financial Measures
<b>Net Sales</b>					
Residential Products	431,915	-	-	-	431,915
Industrial & Infrastructure Products	431,432	-	-	-	431,432
Less: Inter-Segment Sales	(1,260)	-	-	-	(1,260)
	<b>430,172</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>430,172</b>
Consolidated Sales	862,087	-	-	-	862,087
<b>Income from operations</b>					
Residential Products	16,416	206	752	15,435	32,809
Industrial & Infrastructure Products	(74,634)	-	919	92,535	18,820
Segments Income	(58,218)	206	1,671	107,970	51,629
Unallocated corporate expense	(12,199)	(1,594)	-	-	(13,793)
Consolidated income from operations	(70,417)	(1,388)	1,671	107,970	37,836
Interest expense	14,421	-	-	-	14,421
Other expense (income)	(88)	-	-	-	(88)
Income before income taxes	(84,750)	(1,388)	1,671	107,970	23,503
Provision for income taxes	(2,958)	(510)	593	11,811	8,936
Income from continuing operations	\$ (81,792)	\$ (878)	\$ 1,078	\$ 96,159	\$ 14,567
Income from continuing operations per share - diluted	\$ (2.63)	\$ (0.02)	\$ 0.03	\$ 3.09	\$ 0.47

## ROIC CALCULATION RECONCILIATION

	2014	2015	2016	2017	2018	2019
Net (Loss) / Income - GAAP	\$ (81,792)	\$ 23,476	\$ 33,719	\$ 62,965	\$ 63,809	\$ 65,091
Adjustments for special charges, net of taxes	96,359	10,917	19,922	4,876	5,737	19,229
Tax reform transition adjustment	-	-	-	(12,535)	225	-
Adjusted Net Income	\$ 14,567	\$ 34,393	\$ 53,641	\$ 55,306	\$ 69,771	\$ 84,320
Tax effected interest expense	8,938	9,493	9,032	9,205	9,260	878
Adjusted net income before interest	\$ 23,505	\$ 43,886	\$ 62,673	\$ 64,511	\$ 79,031	\$ 85,198
Average adjusted invested capital (1)	\$ 600,962	\$ 541,176	\$ 534,030	\$ 511,112	\$ 541,823	\$ 537,531
Return on invested capital	3.9%	8.1%	11.7%	12.6%	14.6%	15.8%

(1) Average adjusted invested capital was based on the 13-month average of total stockholders' equity adjusted for special charges plus net debt for the period ended December 31. Amount are unaudited & in 1000's





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