



**First Quarter 2010**

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**Investor Review**

**May 6, 2010**

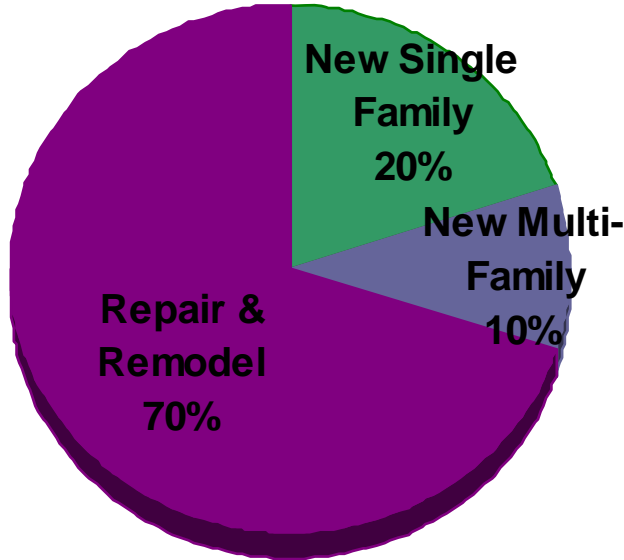
## FORWARD LOOKING STATEMENT

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The Company wishes to take advantage of the Safe Harbor provisions included in the Private Securities Act of 1995 (the Act). Certain information set forth in this presentation contains forward-looking statements within the meaning of the Act 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 and an update to our "Risk Factors" in our quarterly report on Form 10-Q for the quarter ended March 31, 2010 which can both 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.

# Gibraltar Today

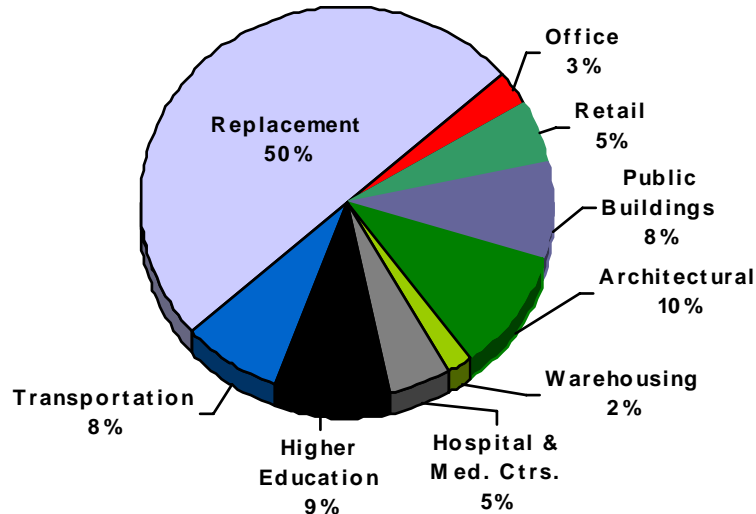
## Residential - 65%



Channels
Distribution 45%
Retail 45%
Direct 10%

Products
Storage, Mailboxes, Soffits, Trims, Flashing, Metal Roofing, Rainware, Fasteners, Vents, HVAC Components, Structural Connectors, Lath, Support Components, Framing Components, Corner Bead

## Non-Residential - 35%



Distribution 55%
OEM 30%
Direct 15%

Grating, Stairing, Treads, Grills, Façade, Ramps, Security Boxes, Fencing, Postal Receptors, Vents, Framing, Industrial Flashing, Ducting, Micro Screen, Perforated Metal, Framing & Lath, Wire Mesh, Corner Bead, Industrial tie downs, Re-bar, Masonry Support Components
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# Highlights



## Sequential Revenue Rise

- Rose 9% sequentially

## Sequential and YOY Operating Profit Increase

- To \$2.5M from \$(1.6)M sequentially, excluding special charges
- Margin expansion on incremental revenue

## Free Cash Flow

- Q110 strong at 11% of revenues.

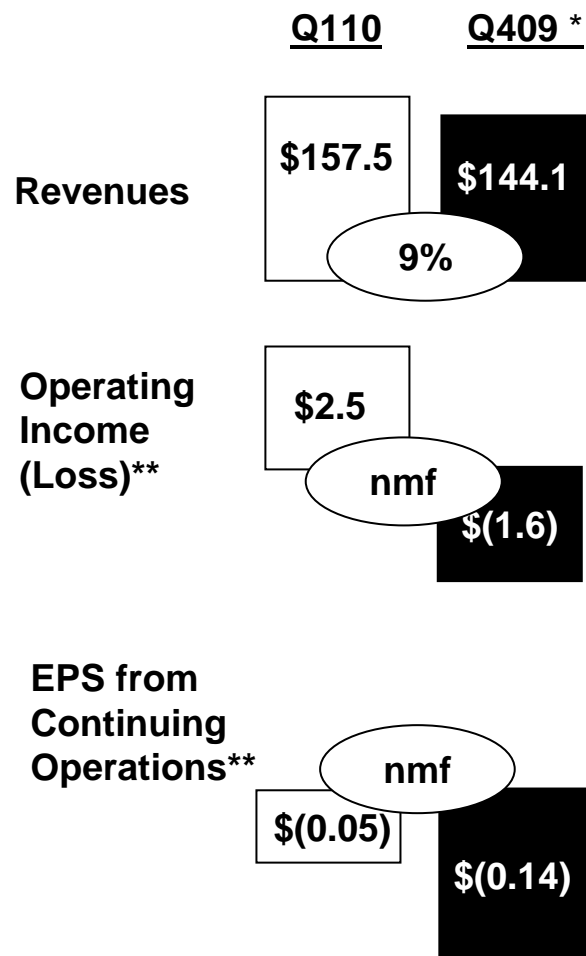
## Debt Reduction another \$50M or 19% in Q110

- 29% debt-to-capitalization
- Revolving credit facility has zero drawn

## Increased & Ample Liquidity

- \$107M available credit and \$20M cash

# Sequential Improvement



## ◆ Revenues

- Building markets' seasonal slowness sustained
- Repair & remodeling positive
- Wholesale channels improvement... stocking for spring

## ◆ Operating Income

- Leverage from lowered breakeven point
- Full quarter benefit from Q1 2009 cost actions
- Improved inventory cost alignment to pricing

## ◆ EPS from Continuing Operations

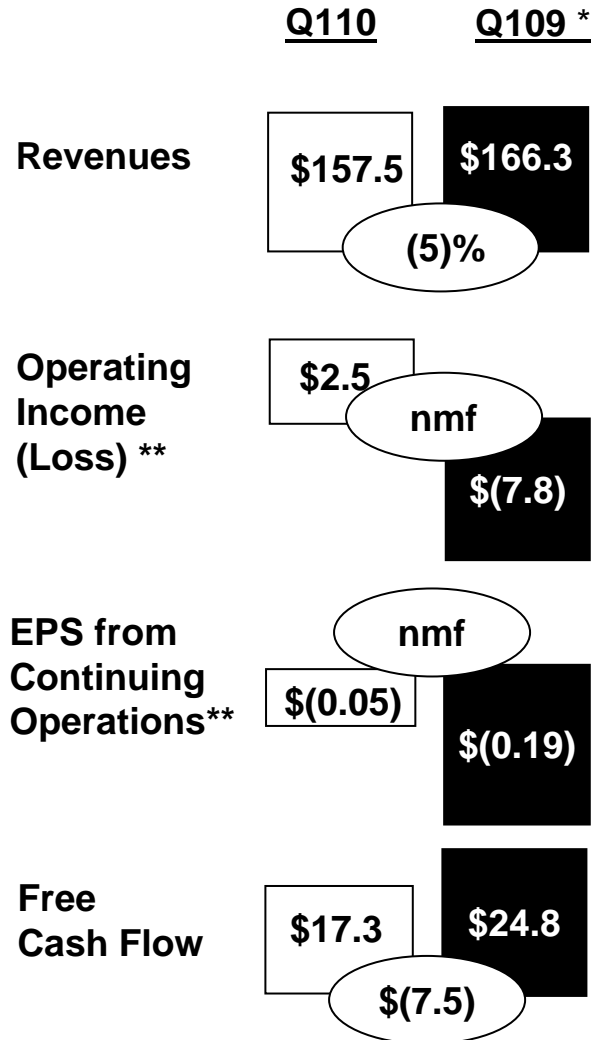
- Lower breakeven
- Leverage on higher sales
- Higher income tax benefit due to discrete Q110 credit

\* 2009 continuing operations restated for divestiture of Processed Metals Products on Feb. 1, 2010.

\*\* Amounts exclude impairments & special charges. See non-GAAP reconciliations in earnings press release.

nmf = not meaningful

# YOY Profit Improvement



## ◆ Revenues

- Seasonally slow quarter
- Q110 winter storms in nation's mid-section & South hampered construction markets
- Q109 favorable: commercial projects & pricing

## ◆ Operating Income (Loss)

- Q109 sold higher-cost inventories
- Q110 benefited from lower cost structure
- Gross margin improved 750 bps... including material cost-to-pricing improvement

## ◆ EPS from Continuing Operations

- Savings from cost reductions & improved alignment of inventory cost to customer pricing

## ◆ FCF

- Q110 invested in working capital but offset by sources from Discontinued Ops
- Q109 source principally lower working capital.

\* 2009 continuing operations restated for divestiture of Processed Metals Products on Feb. 1, 2010.

\*\* Amounts exclude impairments & special charges. See non-GAAP reconciliations in earnings press release.

FCF = Cash from Operations less Capital Expenditures less Dividends paid

# Net Income / EPS

	<u>Q110</u>	<u>Q109 *</u>	<u>Var</u>
Operating income (loss) **	2.5	(7.8)	10.3
Net interest	(5.6)	(5.2)	(0.4)
Other income	0.1	-	0.1
Income tax benefit **	1.6	7.2	(5.6)
Net (loss) - continuing ops **	<u>\$ (1.4)</u>	<u>\$ (5.8)</u>	<u>\$ 4.4</u>
<b>EPS - continuing ops **</b>	<b>\$ (0.05)</b>	<b>\$ (0.19)</b>	<b>\$ 0.14</b>

\* 2009 continuing operations restated for divestiture of Processed Metals Products on Feb. 1, 2010.

\*\* Amounts exclude impairments & special charges. See non-GAAP reconciliations in earnings press release.

# Positive Cash Flow

	<u>Q110</u>	<u>Q109</u>
Net (loss) income from continuing operations	\$ (2.3)	\$ (21.0)
Depreciation and amortization	6.7	6.5
Non-cash intangible impairment charge, net of deferred tax benefit	(0.2)	15.1
Compensation expense of stock-based plans	1.7	1.5
Non-cash charges to interest expense	2.4	0.5
Working capital & other balance sheet sources	(4.6)	10.1
Other	0.3	0.3
Discontinued operations	<u>14.8</u>	<u>16.6</u>
Subtotal --- Cash Flow from Operations	18.8	29.6
Capital Expenditures	(1.5)	(3.3)
Dividends	<u>-</u>	<u>(1.5)</u>
Free Cash Flow	<u>\$ 17.3</u>	<u>\$ 24.8</u>

<b>FCF as % of revenues</b>	<b>11%</b>	<b>15%</b>
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# Debt Reduction Continued

	<u>Mar 10</u>	<u>Dec 09</u>	<u>Dec 08</u>	<u>Dec 07</u>
Short-Term Debt	\$ 0.4	\$ 0.4	\$ 2.7	\$ 3.0
Long-Term Debt	<u>207.0</u>	<u>256.9</u>	<u>353.6</u>	<u>484.6</u>
Total Debt	207.4	257.3	356.3	487.6
Cash & Cash Equivalents	<u>19.8</u>	<u>23.6</u>	<u>11.3</u>	<u>35.3</u>
Net Debt	<u>\$ 187.6</u>	<u>\$ 233.7</u>	<u>\$ 345.0</u>	<u>\$ 452.3</u>
Total Debt / Capitalization	<u>29%</u>	<u>33%</u>	<u>39%</u>	<u>46%</u>

# Improving Market Assumptions

<u>FY09</u>		<u>Q110</u>	<u>Q210</u>	<u>Q310</u>	<u>Q410</u>	<u>FY10</u>
-2.4%	GDP (% Change)	2.8%	2.1%	2.0%	2.4%	2.8%
0.552	Housing Starts, SAAR **	0.603	0.681	0.776	0.912	0.743
-20.4%	Residential Fixed Investment	-7.0%	10.0%	10.5%	24.4%	4.3%
-17.9%	Non- residential Fixed Investment	5.4%	1.5%	2.0%	3.2%	1.2%

\*\* SAAR = seasonally adjusted annual rate, amounts in millions

Sources: Global Insight and Manufacturers Alliance/MAPI in Feb 15, 2010

# Q & A Session

*First Quarter Earnings*

