FBM 2Q18 Earnings Presentation

August 9, 2018

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DISCLOSURES

Forward-Looking Statements

This presentation contains “forward-looking statements” as that term is defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain words such as “believe,” “anticipate,” “expect,” “estimate,” “intend,” “project,” “plan,” or words or phrases with similar meaning. Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. Forward-looking statements are based on our management's current expectations, forecasts and assumptions that involve risks and uncertainties, including, but not limited to, economic, competitive, governmental and technological factors outside of our control, that may cause our business, strategy or actual results to differ materially from the forward-looking statements. We do not intend, and undertake no obligation, to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable law. Investors are referred to the Company’s filings with the Securities and Exchange Commission, including its Annual Reports on Form 10-K and its Quarterly Reports on Form 10-Q for additional information regarding the risks and uncertainties that may cause actual results to differ materially from those expressed or implied any forward-looking statement.

Non-GAAP Financial Measures

In addition to results under GAAP, this presentation contains certain non-GAAP financial measures, including adjusted net income, adjusted earnings per share (“EPS”), EBITDA, adjusted EBITDA and adjusted EBITDA margin, which are provided as supplemental measures of financial performance. These measures are presented because they are important metrics used by management as one of the means by which it assesses financial performance. One or more of these measures may also be used by analysts, investors and other interested parties to evaluate companies in our industry. These non-GAAP financial measures, when used in conjunction with related GAAP financial measures, provide investors with an additional financial analytical framework that may be useful in assessing our financial condition and results of operations. These non-GAAP financial measures have certain limitations, which are discussed in greater detail in our filings with the Securities and Exchange Commission and our earnings releases, and should not be considered as an alternative to financial measures prepared in accordance with GAAP. Other companies, including other companies in our industry, may not use such measures or may calculate one or more of the measures differently than we do, limiting their usefulness as a comparative measure. A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measure is set forth in the Appendix to this presentation.

Q2 2018 HIGHLIGHTS

DELIVERING SALES GROWTH	▪ Total net sales increased 14.3% YoY ▪ Base business net sales increased 9.5% YoY • Wallboard base business increased 4.0% YoY: wallboard pricing/mix up 2.0% YoY, with 2.0% higher volume • Suspended ceiling systems base business growth of 8.1% • Metal framing base business growth of 23.6% • Complementary and other products base business growth of 4.5% • Mechanical insulation base business growth of 19.7%
SUSTAINING MARGINS	▪ Consolidated gross margin of 28.0% compared to 28.3% YoY • SBP gross margin of 28.0% compared to 28.4% YoY • MI gross margin of 27.6% compared to 27.2% YoY ▪ SG&A expense as a percentage of net sales of 20.8% compared to 21.5% YoY ▪ Net Income of $5.4M compared to $1.3M YoY and earnings per share of $0.13 ▪ Adjusted net income(1) of $7.6 million and adjusted earnings per share of $0.18 ▪ Adjusted EBITDA(1) of $46.3M up 14.8% YoY; adjusted EBITDA margin(1) of 7.7%
EXPANDING OUR GEOGRAPHIC FOOTPRINT	▪ Opened four greenfield branches: • Vacaville, California • Las Vegas, Nevada • Washington D.C. • Boynton Beach, Florida
LEVERAGING FAVORABLE MACRO TAILWINDS	▪ U.S. economy continued to expand at moderate pace ▪ R&R construction activity remains solid ▪ Residential construction markets remain strong ▪ Non-residential construction backlog remains solid into 2019

[1] Adjusted EBITDA, adjusted EBITDA margin, adjusted net income and adjusted earnings per share are non-GAAP measures. Adjusted EBITDA margin represents adjusted EBITDA divided by net sales. For a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures, see the Appendix.

TRENDS BY END MARKET[1]

NEW NON-RESIDENTIAL CONSTRUCTION	▪ Commercial starts expected to be up mid-single digits in 2018 ▪ Continued building activity in retail, lodging, and healthcare ▪ Commercial activity supported by good backlog
RESIDENTIAL CONSTRUCTION	▪ New residential starts remain below historical avg. of 1.4M ▪ Household formation rates are improving ▪ Housing demand remains strong
NON-RESIDENTIAL REPAIR & REMODEL	▪ Architectural Billings Index shows continued growth ▪ Public construction spending up modestly in 2018 ▪ Commercial occupancy rates are firm
INDUSTRIAL	▪ Industrial production remains strong ▪ Higher energy prices support MRO spending ▪ Long-term secular demand for energy efficiency

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[1] Management estimates: American Institute of Architects, McGraw Hill Construction, U.S. Commerce Department.

LONG-TERM STRATEGIC PRIORITIES

1 PROFITABLY GROW MARKET SHARE

- Increase market share by strengthening existing key supplier relationships
- Grow wallboard market share
- Grow complementary products net sales
- Increase suspended ceiling systems net sales

2 CONTINUE PLATFORM EXPANSION

- Strong acquisition pipeline; significant availability on ABL credit facility
- Scalable infrastructure facilitates expedient and efficient integration
- Greenfield expansion opportunities in underserved adjacent markets

3 DRIVE OPERATIONAL EFFICIENCIES

- Drive procurement savings that expand gross margins
- Incremental margin improvement through overhead cost reductions
- Leverage entrepreneurial and customer-centric culture
- Investment in electronic data interchange and logistics tracking system

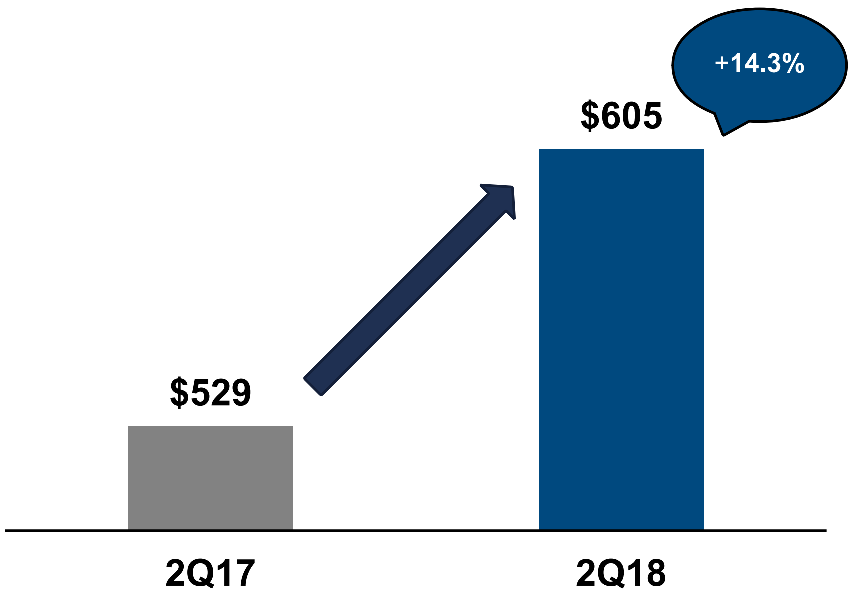
4 CREATE LONG-TERM SHAREHOLDER VALUE

- Proven operating model focused on local market expertise
- Grow asset base through disciplined M&A and greenfield expansion
- Reduce debt leverage over the next couple of years

Q2 NET SALES PERFORMANCE

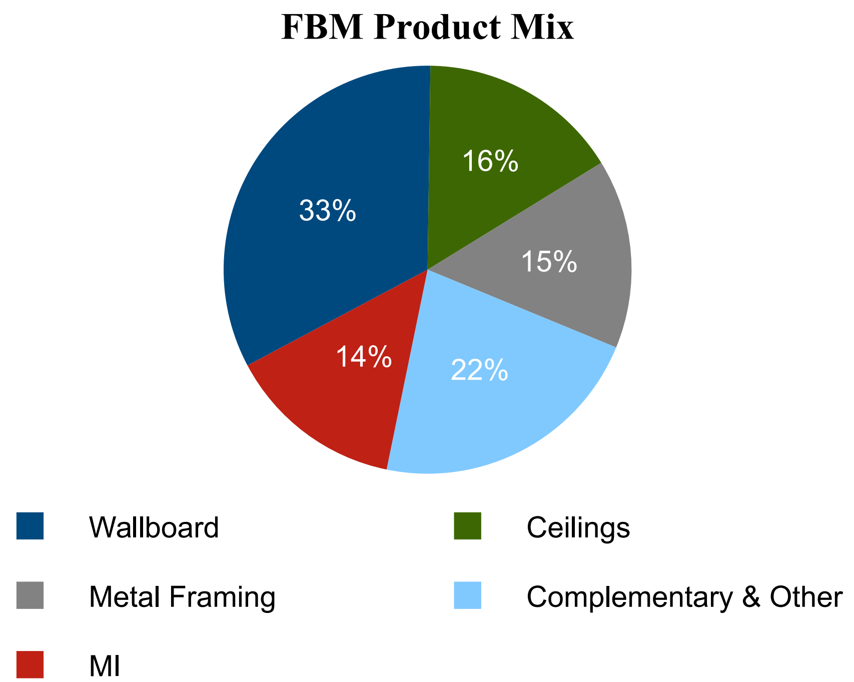
Net Sales

($M)



9.5% YoY Base Business Growth

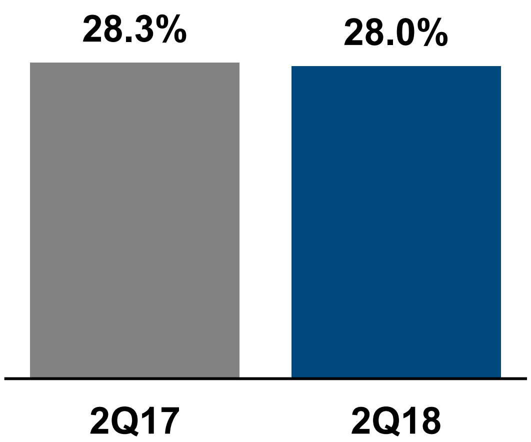
2Q18 Net Sales By Product



- Total net sales growth of 14.3% YoY driven by strong base business growth of 9.5%
- SBP net sales increased 13.5% YoY due to strong performance from all product lines
- MI net sales increased 19.7% due to continued strength in our industrial end markets

Q2 MARGINS

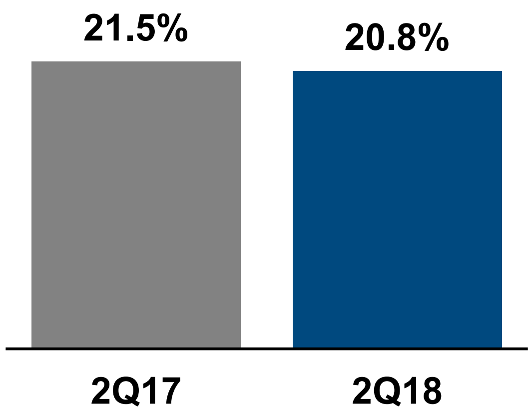
Gross Margin



Gross Profit *($M)*

$149.5	**$169.1**

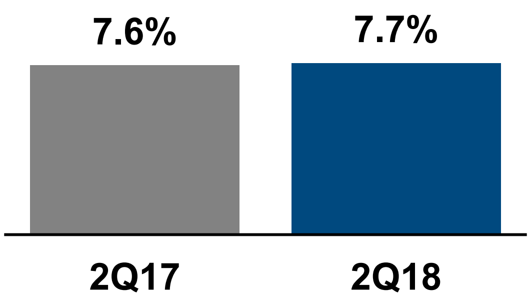
SG&A Leverage[1]



SG&A *($M)*

$113.6	**$125.8**

Adj. EBITDA Margin[2]



Adjusted EBITDA[2] *($M)*

$40.3	**$46.3**

- Gross margin decreased 30bps YoY primarily due to a change in product mix with higher net sales contributions from suspended ceiling systems and mechanical insulation
- SG&A leverage improved by 70bps YoY primarily due to our continued focus on operating efficiencies and cost reduction initiatives
- Adjusted EBITDA margins increased 10bps YoY

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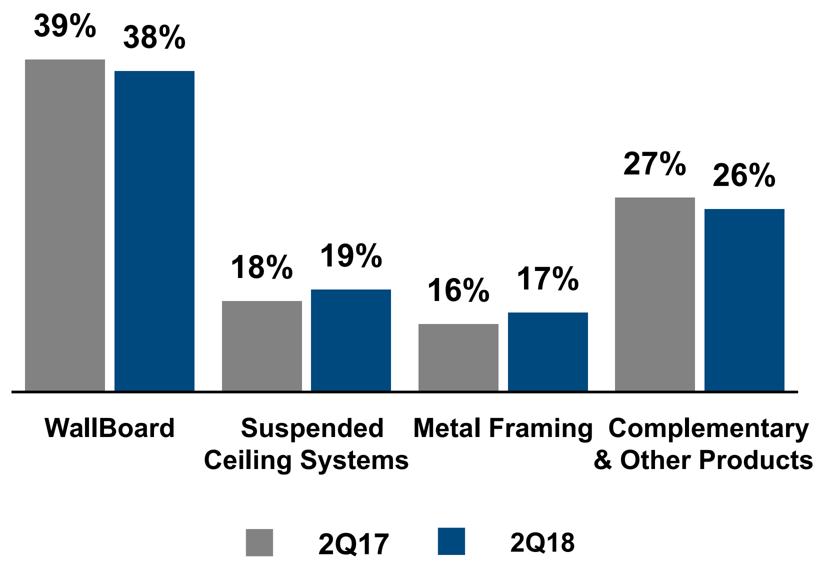
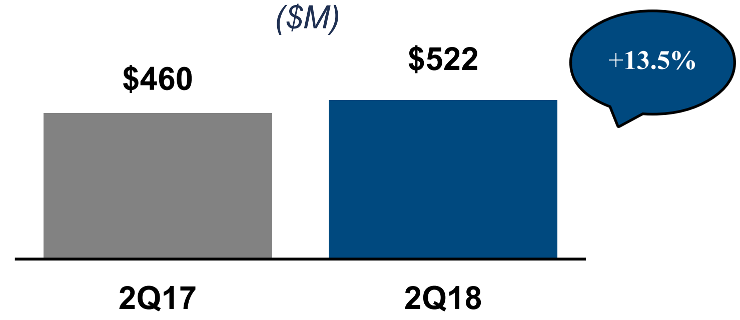
[1] SG&A leverage is calculated as SG&A expense divided by net sales. [2] Adjusted EBITDA and adjusted EBITDA margin are non-GAAP financial measures. Adjusted EBITDA margin represents adjusted EBITDA divided by net sales. For a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures, see the Appendix.

Q2 OVERVIEW
SPECIALTY BUILDING PRODUCTS

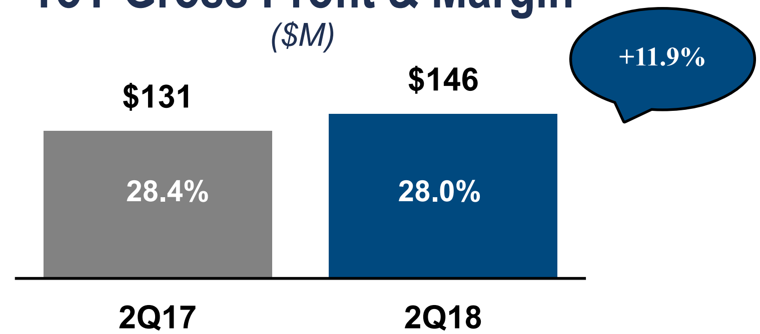
YoY Net Sales Mix



YoY Net Sales
($M)



YoY Gross Profit & Margin
($M)



- Net sales growth of 13.5% YoY
- Base business net sales increased 8.0% mainly due to higher net sales contributions from metal framing, suspended ceiling systems and complementary and other products
- Gross profit increased 11.9% due to higher sales volume from all product lines. Gross margin decreased 40bps due to product mix, with higher net sales contributions from suspended ceiling systems and metal framing

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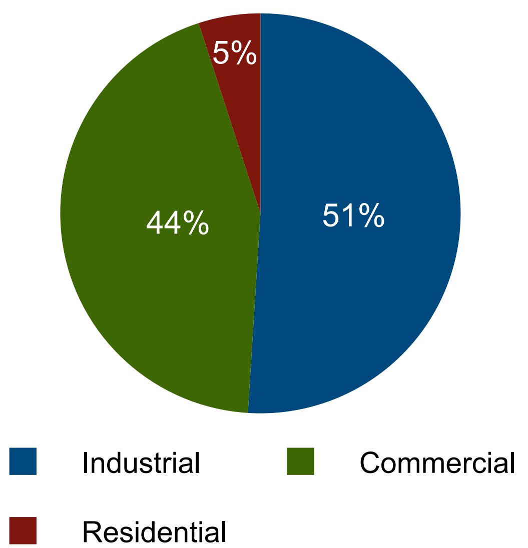
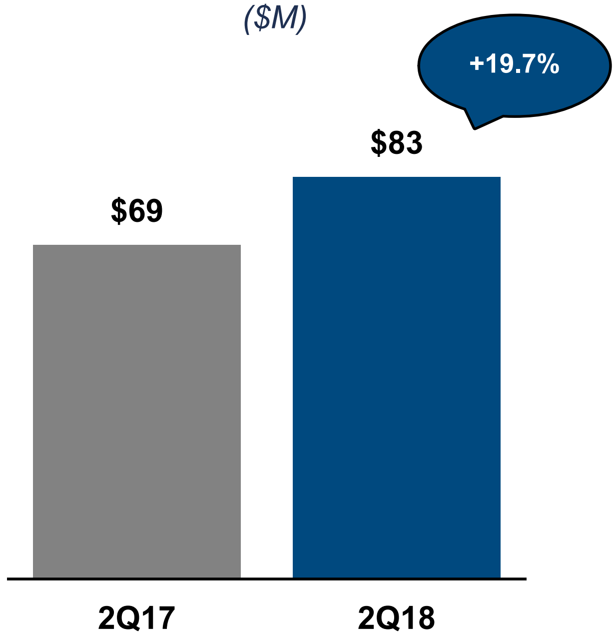
Q2 OVERVIEW
MECHANICAL INSULATION

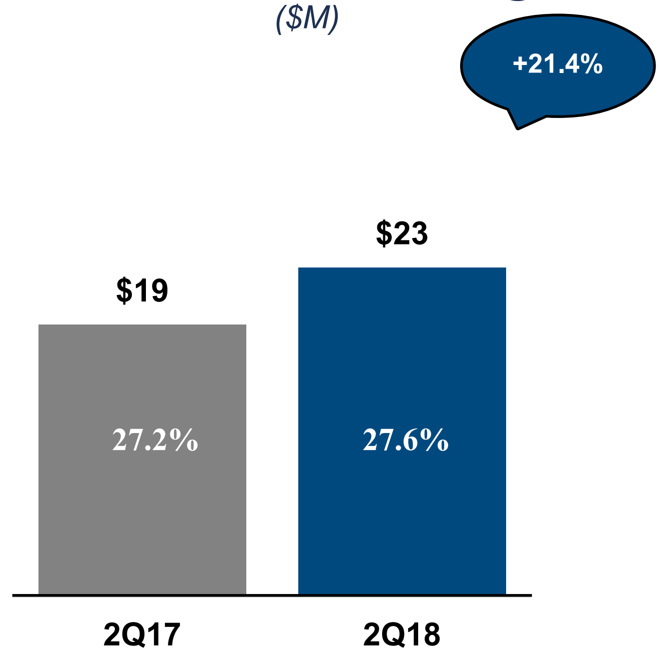
Sales By End Market[1]



YoY Net Sales
($M)



Gross Profit & Margin
($M)



- MI net sales increased 19.7% YoY
- Base business net sales increased 19.7% driven by continued strength in both commercial and industrial end markets
- Gross profit increased 21.4% YoY primarily due to an increase in sales volume
- Gross margin improved 40bps YoY due to a higher contribution from higher gross margin products

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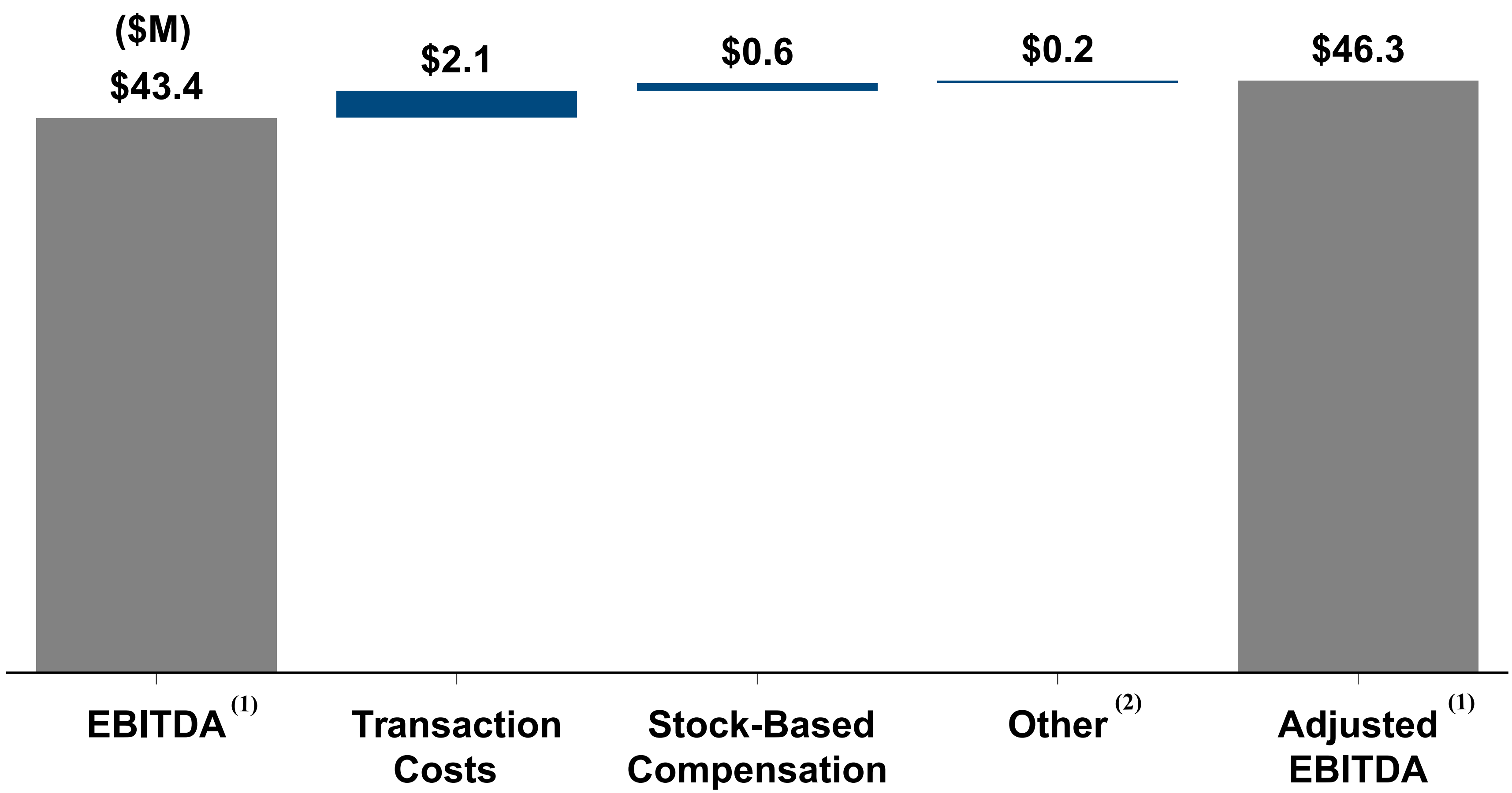
[1] Source: Management estimates.

Q2 2018 ADJUSTED EBITDA BRIDGE[1]



[1] EBITDA and adjusted EBITDA are non-GAAP measures. For a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures, see the Appendix.
[2] Other includes unrealized gain on derivative financial instrument, non-cash purchase accounting effects, and loss on the disposal of property and equipment.

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CAPITAL ALLOCATION FRAMEWORK

REINVEST IN THE BUSINESS

- 2018 capex expected to be approximately 1.4% of net sales
- Continued investment in greenfield branches

PURSUE STRATEGIC ACQUISITIONS

- Strong acquisition pipeline targeting market leaders in a highly fragmented industry
- Three acquisitions completed year-to-date with combined annualized net sales in excess of $100M. Expected to contribute $48M to $52M to net sales for 2018

MANAGING LEVERAGE

- Expected debt refinancing of $575M 8.25% outstanding Senior Secured notes in August 2018
- Reduce debt leverage in the next couple of years

2018 ACQUISITIONS REINFORCE M&A STRATEGY

	ArmCom	RM Supply	CIESCO Inc.
DATE	**Feb 2018**	**Feb 2018**	**Aug 2018**
RATIONALE	• Strengthens ceilings position in Minnesota and Nebraska • Gains entry into two new states (North Dakota and South Dakota)	• Expanding service in the St. Louis market and surrounding areas • Further leverages existing large customer relationships with strong commercial business	• Adds six locations servicing the northeastern markets of New Jersey, Pennsylvania, Delaware, and mid-Atlantic markets of northern Virginia and Washington D.C.
INTEGRATION PLAN	**Integrate within 90 days following closing of each acquisition**		

Proven, Repeatable M&A Integration Strategy

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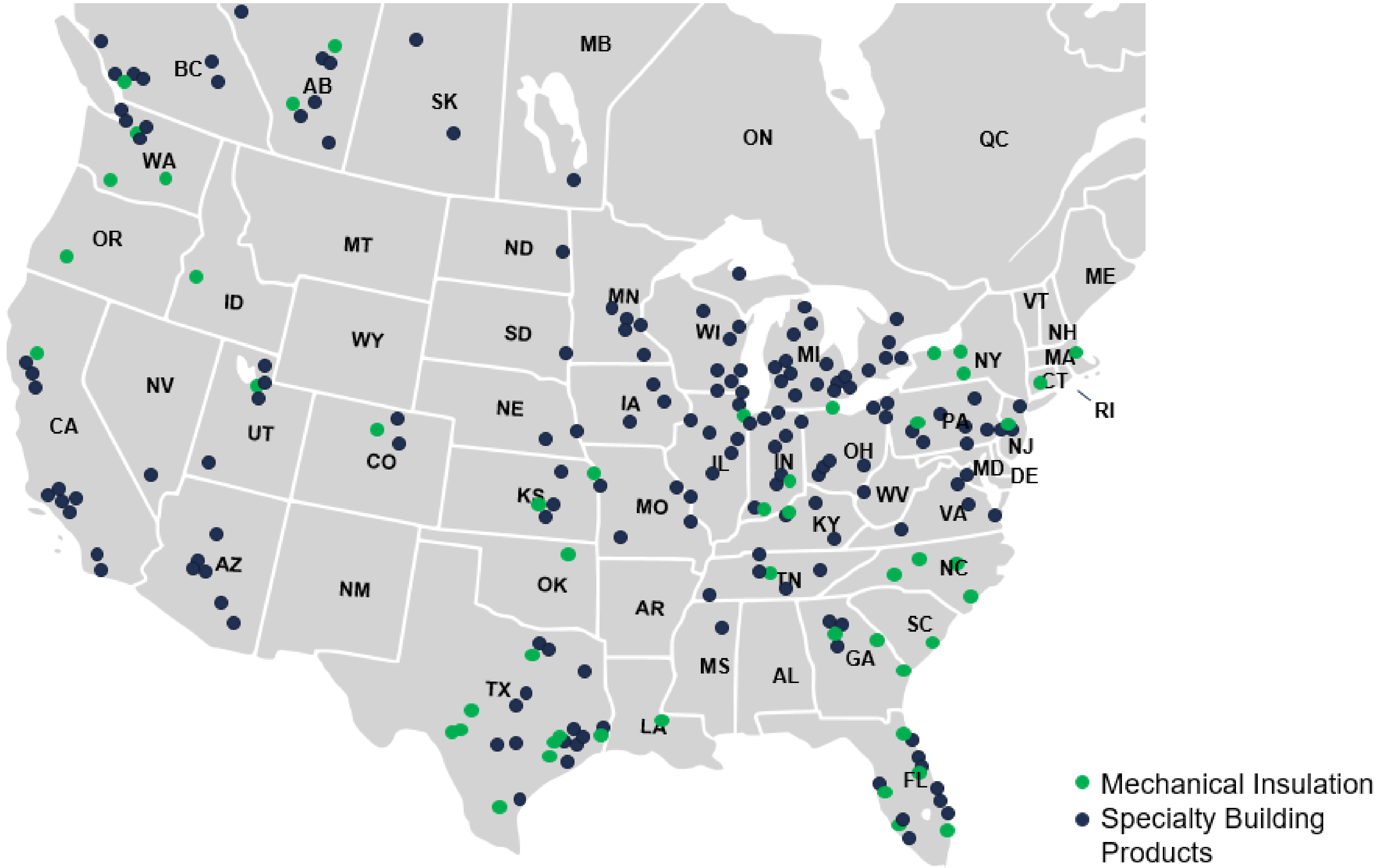
GEOGRAPHIC FOOTPRINT



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KEY TAKEAWAYS

Market Leader Well-Positioned to Leverage Size and Scale Advantages

Specialized Product Expertise and Capabilities Create Significant Barriers to Entry

Highly Fragmented $18B[1] Addressable Market Yields Strong M&A Pipeline

Continued Favorable End Market Trends Support Growth

Experienced Management Team With Consistent Execution Track Record

Significant Runway for Further Value Creation

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[1] Management estimates.

APPENDIX



Q2 BASE BUSINESS AND NET SALES GROWTH

($000s)

	Base Business Net Sales Increase Three Months Ended June 30, 2018	Base Business Net Sales % Increase	Net Sales Three Months Ended June 30, 2018	Net Sales % Increase
		(Unaudited)		
Wallboard	$ 6,710	4.0%	$ 198,598	9.7%
Suspended ceiling systems	6,390	8.1%	97,755	17.4%
Metal framing	16,035	23.6%	91,476	26.3%
Complementary and other products	5,283	4.5%	134,390	8.9%
SBP Total	34,418	8.0%	522,219	13.5%
MI Total	13,084	19.7%	82,754	19.7%
Consolidated Total	$ 47,502	9.5%	$ 604,973	14.3%

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NET INCOME TO ADJ. EBITDA RECONCILIATIONS

($000s)	Three Months Ended June 30, 2018	Three Months Ended June 30, 2017
	(Unaudited)	
Net income	**$ 5,400**	**$ 1,260**
Interest expense, net	15,327	14,876
Income tax expense	2,283	862
Depreciation and amortization	20,341	19,027
EBITDA	**$ 43,351**	**$ 36,025**
Unrealized gain on derivative financial Instrument	(60)	63
IPO and public company readiness expenses	—	1,434
Stock-based compensation	667	212
Non-cash purchase accounting effects[1]	—	593
Loss on disposal of property and equipment	296	20
Transaction costs[2]	2,057	1,979
Adjusted EBITDA	**$ 46,311**	**$ 40,326**
Adjusted EBITDA Margin[3]	7.7%	7.6%

[1] Adjusts for the effect of the purchase accounting step-up in the value of inventory to fair value recognized in cost of goods sold as a result of acquisitions. [2] Represents one-time costs related to our acquisitions, including fees to financial advisors, accountants, attorneys, other professionals, as well as certain internal corporate development costs. [3] Adjusted EBITDA margin represents Adjusted EBITDA divided by net sales.

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NET INCOME TO ADJ. NET INCOME RECONCILIATION

(in thousands, except share and per share data)	Three Months Ended June 30, 2018	Three Months Ended June 30, 2017
Numerator:		
Net income	**$ 5,400**	**$ 1,260**
Adjustments		
Unrealized (gain) loss on derivative financial instrument	(60)	63
IPO and public company readiness expenses	—	1,434
Stock-based compensation	667	212
Non-cash purchase accounting effects(1)	—	593
Loss on disposal of property and equipment	296	20
Transaction costs(2)	2,057	1,979
Tax effect of adjustments(3)	(757)	(1,570)
Adjusted net income	$ 7,603	$ 3,991
Denominator:		
Weighted average shares outstanding		
Basic	42,893,498	42,865,407
Diluted	42,910,017	42,879,319
As reported earnings per share		
Basic	$ 0.13	$ 0.03
Diluted	$ 0.13	$ 0.03
Adjusted earnings per share		
Basic	$ 0.18	$ 0.09
Diluted	$ 0.18	$ 0.09

[1] Adjusts for the effect of the purchase accounting step-up in the value of inventory to fair value recognized in cost of goods sold as a result of acquisitions. [2] Represents one-time costs related to our acquisitions, including fees to financial advisors, accountants, attorneys, other professionals, as well as certain internal corporate development costs. [3] Represents the tax effect of the adjustments to reflect corporate income taxes. The statutory tax rates for the three months ended June 30, 2018 and 2017 are 25.6% and 36.5%, respectively.

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