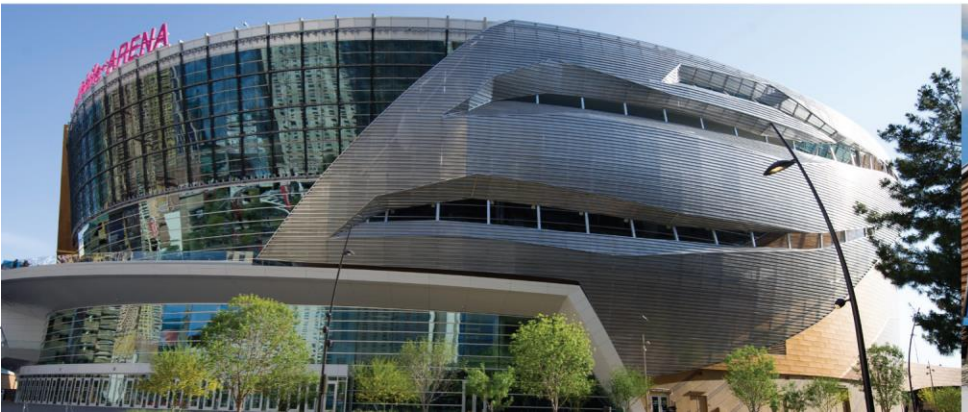




3Q Supplemental Presentation

August 28, 2018





Forward-looking Statements

Certain statements and information in this presentation may constitute forward-looking statements within the meaning of the *Private Securities Litigation Reform Act of 1995*. The words "believe," "anticipate," "plan," "intend," "foresee," "guidance," "potential," "expect," "should," "will" "continue," "could," "estimate," "forecast," "goal," "may," "objective," "predict," "projection," or similar expressions are intended to identify forward-looking statements (including those contained in certain visual depictions) in this presentation. These forward-looking statements reflect the Company's current expectations and/or beliefs concerning future events. The Company believes the information, estimates, forecasts and assumptions on which these statements are based are current, reasonable and complete. Our expectations with respect to the fourth quarter of fiscal 2018 that are contained in this presentation are forward looking statements based on management's best estimates as of the date of this presentation with respect to future results. However, the forward-looking statements in this presentation are subject to a number of risks and uncertainties that may cause the Company's actual performance to differ materially from that projected in such statements. Among the factors that could cause actual results to differ materially include, but are not limited to, risks and uncertainties relating to the pending merger pursuant to which Ply Gem Parent, LLC will be merged into the Company with the Company continuing in existence as a Delaware corporation (the "Merger"), including the possibility that the Merger does not close when expected or at all because the conditions to closing are not satisfied on a timely basis or at all; potential adverse reactions or changes to business or employee relationships, including those resulting from the announcement or completion of the Merger; diversion of management's attention from ongoing business operations and opportunities as a result of the pending Merger; our ability to secure stockholder and regulatory approvals for the Merger in a timely manner or on the terms desired or anticipated; retention and replacement of key personnel in connection with the pendency of the Merger; industry cyclicality and seasonality and adverse weather conditions; challenging economic conditions affecting the nonresidential construction industry; volatility in the U.S. economy and abroad, generally, and in the credit markets; substantial indebtedness and our ability to incur substantially more indebtedness; our ability to generate significant cash flow required to service or refinance our existing debt and obtain future financing; our ability to comply with the financial tests and covenants in our existing and future debt obligations; operational limitations or restrictions in connection with our debt; increases in interest rates; recognition of asset impairment charges; commodity price increases and/or limited availability of raw materials, including steel; our ability to make strategic acquisitions accretive to earnings; retention and replacement key personnel; our ability to carry out our restructuring plans and to fully realize the expected cost savings; enforcement and obsolescence of intellectual property rights; fluctuations in customer demand; costs related to environmental clean-ups and liabilities; competitive activity and pricing pressure; increases in energy prices; volatility of the Company's stock price; dilutive effect on the Company's common stockholders of potential future sales of the Company's common stock held by our sponsor; substantial governance and other rights held by our sponsor; breaches of our information system security measures and damage to our major information management systems; hazards that may cause personal injury or property damage, thereby subjecting us to liabilities and possible losses, which may not be covered by insurance; changes in laws or regulations, including the Dodd–Frank Act; the timing and amount of our stock repurchases; and costs and other effects of legal and administrative proceedings, settlements, investigations, claims and other matters. See also the "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended October 29, 2017, and other risks described in documents subsequently filed by the Company from time to time with the Securities and Exchange Commission, which identify other important factors, though not necessarily all such factors, that could cause future outcomes to differ materially from those set forth in the forward-looking statements. The Company expressly disclaims any obligation to release publicly any updates or revisions to these forward-looking statements, whether as a result of new information, future events, or otherwise.

3Q 2018 Financial Overview (Page 1 of 2)

- Sales were $548.5 million, an increase of $79.1 million or 16.9% from $469.4 million in the prior year's third quarter
  - Revenues for the quarter benefited from continued commercial discipline in the pass-through of higher material costs across the segments, combined with volume growth in both the Engineered Building Systems and Metal Components segments
- Gross profit margins for the quarter were 24.3% compared to 24.5% in the prior year period and up 150 basis points sequentially from the second quarter of 2018.
  - Gross margins were lower primarily as a result of the product mix in the Insulated Metal Panels ("IMP") segment during the period compared to the third quarter of fiscal 2017 that had a larger amount of higher margin architectural products shipped during the period
- Engineering, selling, general and administrative ("ESG&A") costs increased to $79.0 million (14.4% of sales) from $76.3 million (16.3% of sales) in the prior year's third quarter, primarily in support of increased sales volumes
- Operating income was $54.5 million, compared to $34.1 million in the prior year period
  - The third quarter of fiscal 2018 included a $4.7 million gain on insurance recovery and $3.6 million of acquisition related costs in conjunction with the Ply Gem merger

3Q 2018 Financial Overview (Page 2 of 2)

- Adjusted Operating Income[(1)] was $52.0 million, compared to $36.5 million in the prior year's third quarter
- Net income applicable to common shares was $35.8 million, or $0.54 per diluted common share this quarter compared to net income of $18.1 million, or $0.25 per diluted common share in the third quarter of fiscal 2017. On an adjusted basis[(1)], diluted earnings were $0.51 per share this quarter compared to $0.27 in the prior year's third quarter
- Adjusted EBITDA [(1)] was $63.3 million compared to $50.4 million in the prior year's third period
- Consolidated backlog grew 12.1% year-over-year to $650.9 million

[(1)] Reconciliations of non-GAAP financial measures to the nearest GAAP measure are included in the Company's financial tables beginning on Slide 17

3Q 2018 Operational Overview

- **Commercial**
  - Backlog in the Engineered Building Systems segment at the end of the quarter was $431.1 million, an increased of 14.4% over the prior year's third quarter and a 2.3% increase over the sequential quarter
  - Engineered Building Systems maintained strong commercial discipline as operating income margin increased 280 basis points year-over-year, despite rising steel and other input costs
  - Third quarter 2018 sales of IMP and commercial doors through internal sales channels each increased by more than 25% year-over-year. Total door sales, inclusive of both internal and external sales, increased 29% year-over-year
- **Steel Costs**
  - Steel costs continue to be elevated and recent announcements regarding possible tariffs is likely to lead to continued price increases
  - The Company has successfully navigated similar steel price increases in fiscal 2002, 2004 and 2008
- **Manufacturing**
  - Higher volumes led to better manufacturing leverage and utilization rates during the third quarter

3Q 2018 Segment Overview [1]

- **Engineered Building Systems**
  - Total sales increased 19.9% to $230.1 million from $191.9 million in the prior year period, primarily as a result of commercial discipline passing through higher input costs, as well as higher tonnage volumes
  - Operating margin improved to 10.6% in the quarter as a result of better leverage of ESG&A costs from the prior period restructuring and the efficient pass-through of higher input costs
- **Metal Components**
  - Total sales grew 12.1% to $186.4 million from $166.3 million in the prior year period, primarily as a result of higher external volumes and the disciplined pass-through of increasing input costs
  - Operating margins improved to 15.4% in the quarter, as a result of improved operating leverage on higher volumes
- **Insulated Metal Panels (IMP)**
  - Total sales increased 11.7% to $133.7 million from $119.7 million in the prior year period, primarily as a result of an increase in demand for the products primarily in the cold storage and Commercial & Industrial end markets
  - Operating margins increased to 13.4% primarily due to two one-time gains including a $4.7 million insurance recovery and a $1.0 million on the divestiture of a non-strategic product line within the segment. Excluding these gains and other one-time items from the prior year, operating margins decreased approximately 70 basis points as a result of a shift in product mix
- **Metal Coil Coating**
  - Total sales were $116.4 million, an increase of 22.2%, from $95.3 million in the prior year period as a result of the higher internal requirements and improved performance in the CENTRIA coating business
  - Operating margins improved as a result of better manufacturing efficiencies from higher volumes and commercial discipline across the business segment

[1] Segment revenue includes intersegment sales

3Q 2018 Financial Summary

(Dollars in millions, except per share amounts)

	Fiscal Three Months Ended			Fiscal Nine Months Ended		
	July 29, 2018	July 30, 2017	% Chg.	July 29, 2018	July 30, 2017	% Chg.
Sales	$ 548.5	$ 469.4	16.9%	$ 1,426.9	$ 1,281.6	11.3%
Gross Profit	$ 133.4	$ 115.0	16.0%	$ 329.4	$ 299.8	9.9%
Gross Profit Margin	24.3%	24.5%	-0.8%	23.1%	23.4%	-1.3%
Income from Operations	$ 54.5	$ 34.1	59.8%	$ 86.4	$ 76.5	12.9%
Net Income	$ 36.0	$ 18.2	97.5%	$ 35.6	$ 37.2	-4.5%
Diluted EPS	$ 0.54	$ 0.25	116.0%	$ 0.53	$ 0.52	1.9%
Adjusted Operating Income[1]	$ 52.0	$ 36.5	42.4%	$ 98.5	$ 72.6	35.7%
Adjusted EBITDA[1]	$ 63.3	$ 50.4	25.6%	$ 135.8	$ 113.5	19.6%
Adjusted Diluted EPS[1]	$ 0.51	$ 0.27	88.9%	$ 0.90	$ 0.48	87.5%

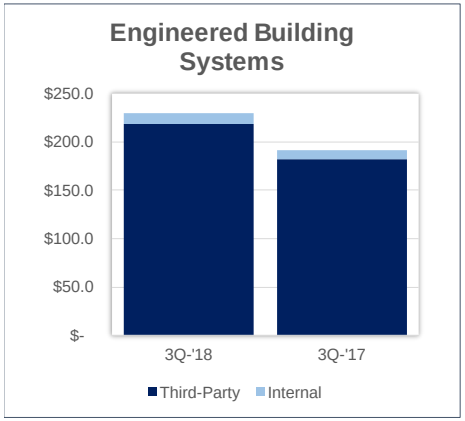
[(1)] Reconciliations of non-GAAP financial measures to the nearest GAAP measure are included in the Company's financial tables beginning on Slide 17

3Q 2018 Revenues and Volumes – by Segment

($ in millions)

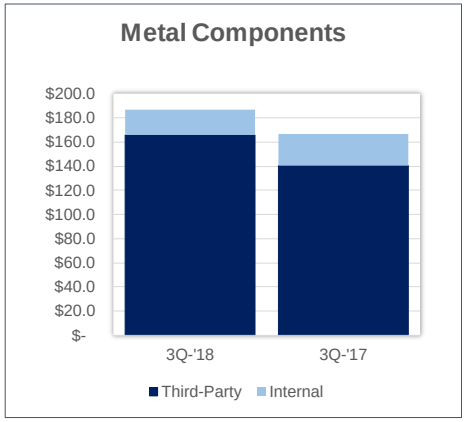
Engineered Building Systems

	3Q-'18	3Q-'17	% Chg.	% Vol. Chg.[1]
Third-Party	$ 218.6	$ 182.2	20.0%	8.2%
Internal	11.5	9.7	17.8%	8.3%
Total Sales	$ 230.1	$ 191.9	19.9%	8.2%



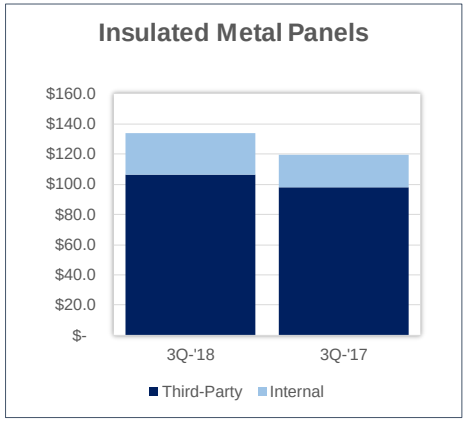
Metal Components

	3Q-'18	3Q-'17	% Chg.	% Vol. Chg.[1]
Third-Party	$ 165.7	$ 140.6	17.8%	7.0%
Internal	20.7	25.7	-19.3%	-21.6%
Total Sales	$ 186.4	$ 166.3	12.1%	1.0%



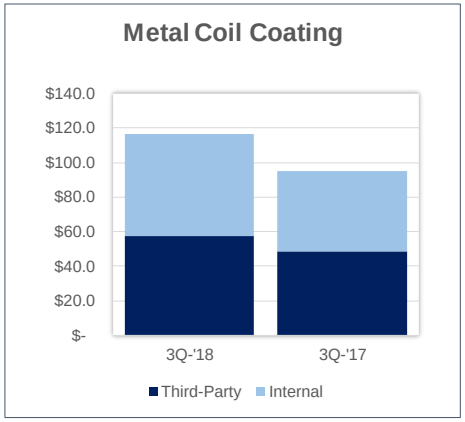
Insulated Metal Panels

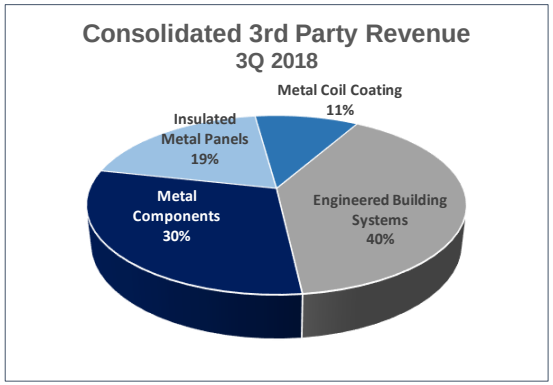
	3Q-'18	3Q-'17	% Chg.
Third-Party	$ 106.6	$ 98.0	8.8%
Internal	27.1	21.7	25.0%
Total Sales	$ 133.7	$ 119.7	11.7%

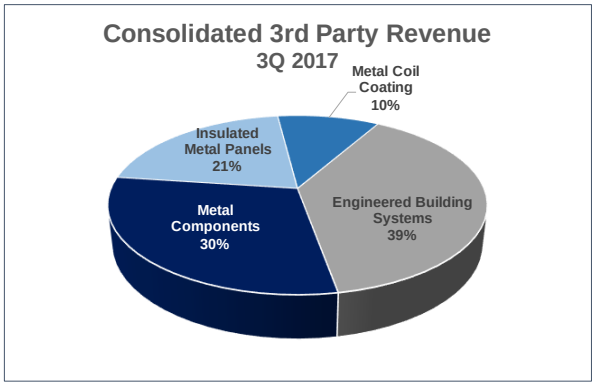


Metal Coil Coating

	3Q-'18	3Q-'17	% Chg.	% Vol. Chg.[1]
Third-Party	$ 57.6	$ 48.6	18.6%	-16.0%
Internal	58.8	46.7	26.0%	9.0%
Total Sales	$ 116.4	$ 95.3	22.2%	-4.5%





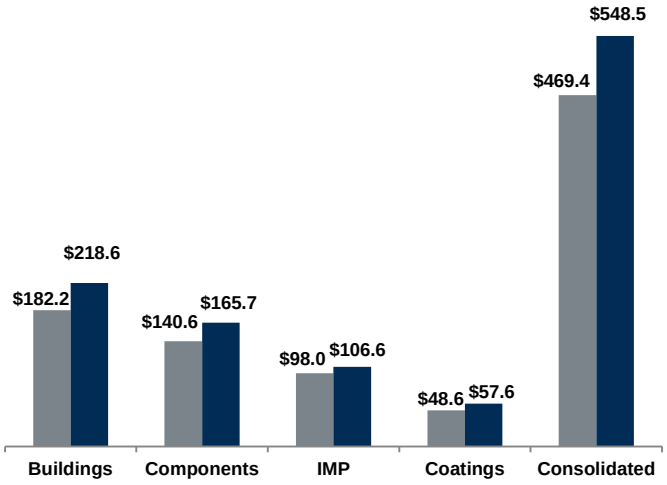


(1) Calculated as the year-over-year change in the tonnage volumes shipped.

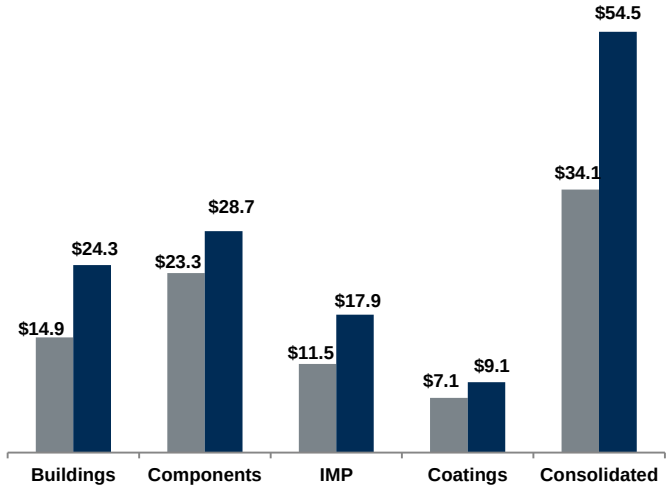
3Q 2018 Business Segment Results

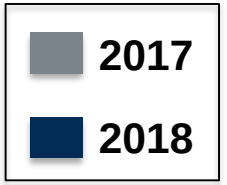
(Dollars in millions)

Third Party Sales

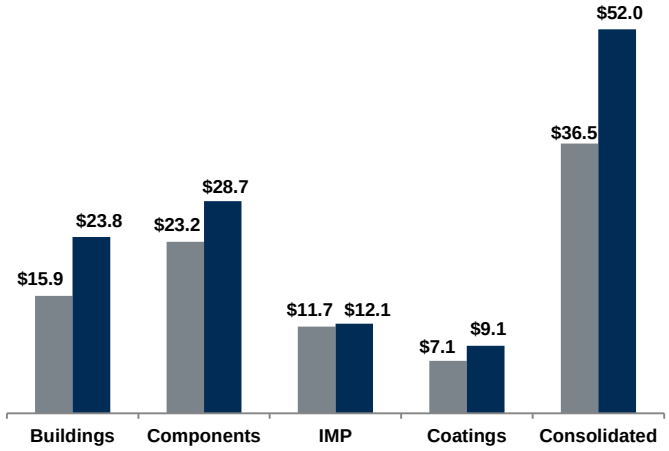


Operating Income

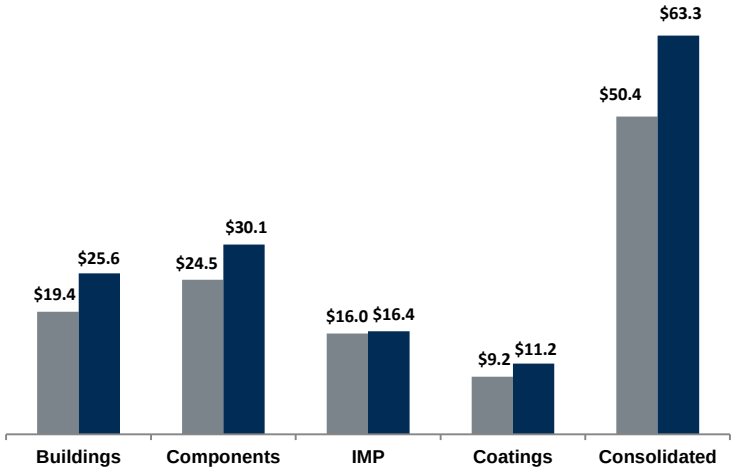




Adjusted Operating Income[1]



Adjusted EBITDA[1]



[1] Reconciliations of non-GAAP financial measures to the nearest GAAP measure are included in the Company's financial tables beginning on Slide 17

Gross Margin Reconciliation

Gross Margin 3Q 2017	**24.5%**
Commercial sales discipline	0.40%
Manufacturing utilization	0.20%
Product Mix, IMP	(0.50%)
Freight	(0.30%)
Gross Margin 3Q 2018	**24.3%**

Note: Basis point attributions in the above tables are approximate

- For the third quarter, gross profit was $133.4 million, compared to $115.0 million in the third quarter of fiscal 2017
- Favorable commercial sales discipline was executed across all the business segments
- Product mix in the IMP segment was affected by lower quantities of higher margin architectural panels being shipped compared to the prior year period
- The reduction in year-over-year freight recovery has been driven mostly by a shift in product mix, with a moderate decrease in load size. The IMP segment's freight recovery rates remain lower than prior year, however are improving with the implementation of enhanced pricing initiatives

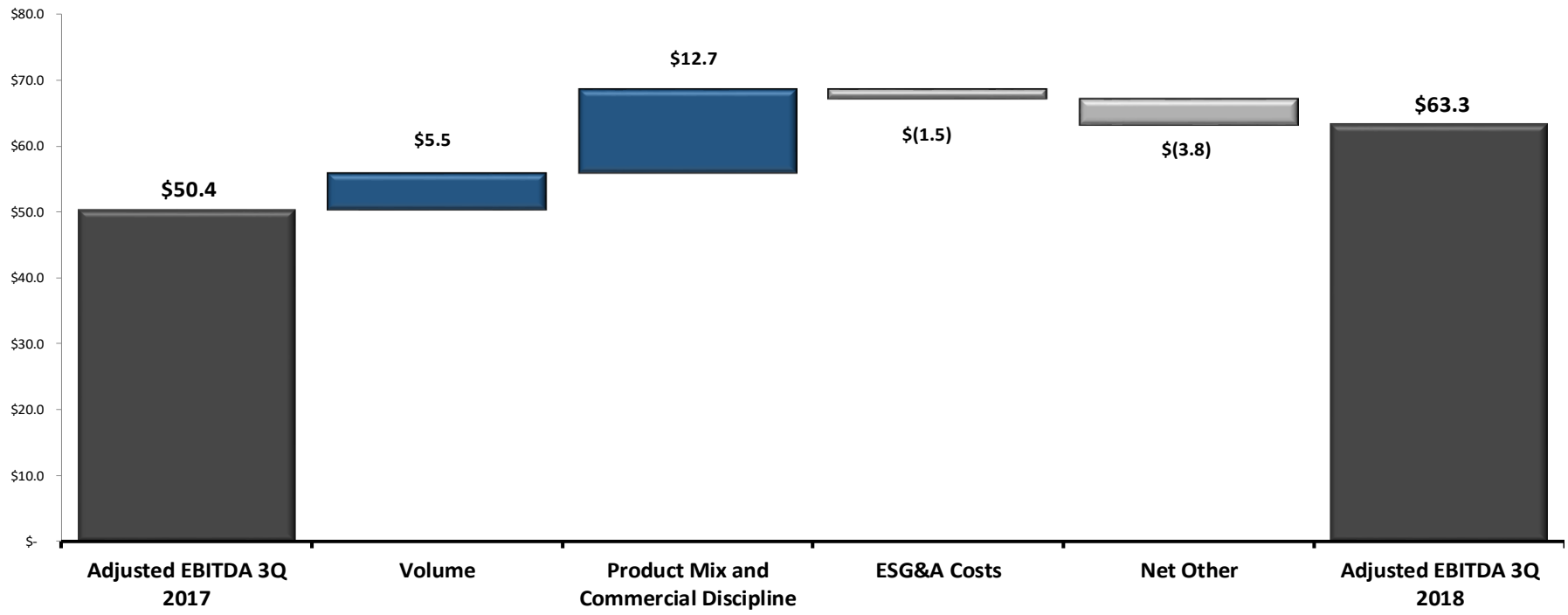
3Q 2018 Net Income and Adjusted EBITDA

Net Income:

Net income was $36.0 million in the third quarter of fiscal 2018, compared to net income of $18.2 million in the prior year's third quarter

Adjusted EBITDA[(1)]:

(Dollars in millions)



[(1)] Reconciliations of non-GAAP financial measures to the nearest GAAP measure are included in the Company's financial tables beginning on Slide 17

3Q 2018 Cash Flow Summary

(Dollars in thousands)

Cash and Cash Equivalents, as of	3Q 2018	2Q 2018	1Q 2018	4Q 2017	3Q 2017
Beginning balance	$ 35,335	$ 12,420	$ 65,658	$ 45,923	$ 49,682
Cash provided by (used in) operating activities	16,922	46,566	(6,580)	63,277	(7,294)
Cash provided by (used in) investing activities	(6,580)	(12,774)	(5,860)	(5,781)	4,100
Cash provided by (used in) financing activities	(2,287)	(10,616)	(41,035)	(37,622)	(961)
Exchange rate effects	(68)	(261)	237	(139)	396
Ending balance	$ 43,322	$ 35,335	$ 12,420	$ 65,658	$ 45,923

- **Investing Activities**
  - Includes capital expenditures spend offset by gains on the sale of a plant, the insurance recovery and the divestiture of a non-strategic product line within the IMP segment

3Q 2018 Results Compared to Guidance

($ in millions)	Range		
	Low	High	3Q Actuals
Sales	$525.0	$545.0	**$548.5**
Gross Profit Margin	23.3%	25.5%	**24.3%**
ESG&A Expenses	$77.0	$82.0	**$79.0**
Intangible Asset Amortization	$2.3	$2.5	**$2.4**
Total Depreciation & Amortization (inclusive of Intangible amortization above)	$10.0	$10.5	**$10.2**
Interest Expense	$4.7	$5.2	**$4.6**
Effective Tax Rate	25.5%	27.5%	**28.1%**
Adjusted EBITDA [(1)]	$56.0	$66.0	**$63.3**

- Sales and Adjusted EBITDA for the third quarter reflect strong commercial discipline across the business segments in the pass-through of higher input costs
- Gross profit margins were lower year-over-year, primarily as a result of a change in product mix in the IMP segment
- The effective tax rate during the quarter was affected by two non-recurring items

(1) Reconciliations of non-GAAP financial measures to the nearest GAAP measure are included in the Company's financial tables beginning on Slide 17

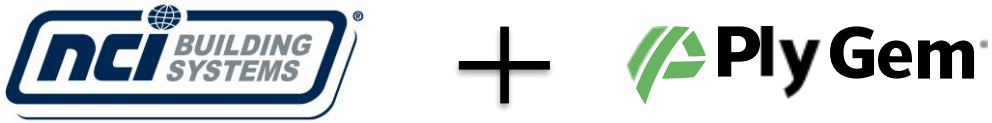
4Q 2018 Guidance [1]

($ in million)	4Q Range	
	Low	High
Sales	$550.0	$570.0
Gross Profit Margin	23.0%	25.5%
ESG&A Expenses	$78.0	$83.0
Intangible Asset Amortization	$2.3	$2.5
Total Depreciation & Amortization (inclusive of Intangible Asset Amortization above)	$9.0	$11.0
Interest Expense	$5.3	$5.8
Effective Tax Rate	25.5%	27.5%
Adjusted EBITDA	$60.0	$70.0

- Guidance for ESG&A excludes the amortization of intangible assets, which is shown as a separate line item above
- Total Depreciation & Amortization includes the intangible amortization and is reported on the Company's Statements of Operations within Cost of Goods Sold, ESG&A Expense and Intangible Asset Amortization
- Weighted average diluted common shares is expected to be 66.5 million for 4Q 2018 [2]
- Total capital expenditures for fiscal 2018 are expected to be in the range of $45.0 million to $55.0 million. Year-to-date spend, as of end of the third quarter 2018, was $34.9 million

(1) See "Forward Looking Statements" on Slide 2
(2) Does not reflect any shares that would be issued in the proposed merger with Ply Gem, which is currently expected to close in the fourth calendar quarter of 2018

NCI and Ply Gem Proposed Merger Combining to Create Leading North American Exterior Building Products Platform



- On July 17, 2018, NCI entered into an Agreement and Plan of Merger (the "Merger Agreement") with Ply Gem Parent, LLC ("Ply Gem"), and for certain limited purposes set forth in the Merger Agreement, Clayton, Dubilier & Rice, LLC (the "Sponsor")
- Pursuant to the terms of the Merger Agreement, at the closing of the merger, Ply Gem will be merged with and into the Company with the Company continuing its existence as a Delaware corporation (the "Merger"). At the closing of the Merger, all of Ply Gem's equity interests (the "Ply Gem LLC Interests") as of immediately prior to the Closing will be converted into the right of the holders of the Ply Gem LLC Interests (the "Ply Gem Holders") to receive, in the aggregate with respect to all such Ply Gem LLC Interests, 58.7 million shares of NCI common stock, par value $0.01 per share ("Common Stock") (collectively, the "Aggregate Merger Consideration"), with each Ply Gem Holder being entitled to receive its pro rata share of the Aggregate Merger Consideration. The shares of the Common Stock outstanding before the Merger will remain outstanding after the Merger closes
- A preliminary proxy detailing the transaction was filed with the Securities and Exchange Commission on August 9, 2018
- Investor presentations providing additional information on key performance metrics of the merger, including pro forma revenue and EBITDA expectations, cost initiatives and synergies, de-levering and multiples are available on NCI's website at http://www.ncibuildingsystems.com/investors_presentations.html
- The parties expect the Merger to close in the fourth calendar quarter of 2018, subject to approval by NCI shareholders and other customary conditions, including regulatory approvals

Ply Gem Announces Agreement to Acquire the Silver Line Vinyl Window and Door Division from Andersen Corporation

- Strategically compelling and value-enhancing transaction for the Silver Line vinyl window and patio door division
  - Creates a more comprehensive and balanced portfolio across residential vinyl windows and doors that serves both the repair and remodeling and new construction segments
  - Highly respected brands including Silver Line and American Craftsman (sold exclusively through Home Depot)
  - $440 million in revenue – expands Ply Gem's U.S. Windows revenues from $1,241 million to $1,681 million and reinforces leadership position[(1)]
  - Representative of the broader universe of value-creating expansion opportunities available
- Financially attractive for the proposed combination of NCI and Ply Gem
  - Acquisition price of $190 million
  - Based upon 2018E Adjusted EBITDA and giving effect to anticipated cost savings and synergies, the transaction is expected to result in a purchase price multiple of 4.4x and will have a neutral impact on the leverage ratio of the pro forma NCI and Ply Gem combination
- The transaction is expected to close by early in the fourth calendar quarter of 2018, subject to regulatory review and approval

(1) Based on 2017 figures

Reconciliation of Net Income and Adjusted Net Income per Diluted Common Share

(Dollars in thousands, except per share amounts)

	Fiscal Three Months Ended		Fiscal Nine Months Ended	
	July 29, 2018	July 30, 2017	July 29, 2018	July 30, 2017
Net income per diluted common share, GAAP basis	$ 0.54	$ 0.25	$ 0.53	$ 0.52
Loss on extinguishment of debt	-	-	0.33	-
(Gain) loss on disposition of business	(0.02)	-	0.09	-
Restructuring and impairment charges, net	(0.01)	0.01	0.01	0.05
Strategic development and acquisition related costs	0.06	0.02	0.08	0.02
Acceleration of CEO retirement benefits	-	-	0.07	-
Gain on insurance recovery	(0.07)	0.00	(0.07)	(0.14)
Other, net	-	0.00	0.00	0.01
Tax effect of applicable non-GAAP adjustments [1]	0.01	(0.01)	(0.14)	0.02
Adjusted net income per diluted common share [2]	$ 0.51	$ 0.27	$ 0.90	$ 0.48

	Fiscal Three Months Ended		Fiscal Nine Months Ended	
	July 29, 2018	July 30, 2017	July 29, 2018	July 30, 2017
Net income applicable to common shares, GAAP basis	$ 35,765	$ 18,119	$ 35,303	$ 36,994
Loss on extinguishment of debt	-	-	21,875	-
(Gain) loss on disposition of business	(1,013)	-	5,673	-
Restructuring and impairment charges, net	(439)	1,009	1,143	3,587
Strategic development and acquisition related costs	3,642	1,297	5,503	1,778
Acceleration of CEO retirement benefits	-	-	4,600	-
Gain on insurance recovery	(4,741)	(148)	(4,741)	(9,749)
Other, net	-	235	(323)	563
Tax effect of applicable non-GAAP adjustments [1]	696	(933)	(9,296)	1,490
Adjusted net income applicable to common shares [2]	$ 33,910	$ 19,579	$ 59,737	$ 34,663

(1) The Company calculated the tax effect of non-GAAP adjustments by applying the applicable statutory tax rate for the period to each applicable non-GAAP item.

(2) The Company discloses a tabular comparison of Adjusted net income per diluted common share and Adjusted net income applicable to common shares, which are non-GAAP measures, because they are referred to in the text of our press releases and are instrumental in comparing the results from period to period. Adjusted net income per diluted common share and Adjusted net income applicable to common shares should not be considered in isolation or as a substitute for net income per diluted common share and net income applicable to common shares as reported on the face of our consolidated statements of operations.

Business Segments (Page 1 of 2)

(Dollars in thousands)

	Fiscal Three Months Ended					Fiscal Nine Months Ended				
	July 29, 2018		July 30, 2017			July 29, 2018		July 30, 2017		
		% of Total Sales		% of Total Sales	% Change		% of Total Sales		% of Total Sales	% Change
Total Sales										
Engineered Building Systems	$ 230,098	35	$ 191,910	33	19.9%	$ 554,302	32	$ 505,797	33	9.6%
Metal Components	186,421	28	166,305	29	12.1%	501,709	29	455,373	29	10.2%
Insulated Metal Panels	133,740	20	119,730	21	11.7%	357,947	21	317,862	21	12.6%
Metal Coil Coating	116,440	17	95,261	17	22.2%	299,973	18	270,330	17	11.0%
Total sales	**666,699**	100	**573,206**	100	16.3%	**1,713,931**	100	**1,549,362**	100	10.6%
Less: Intersegment sales	(118,174)	18	(103,821)	18	13.8%	(286,988)	17	(267,810)	17	7.2%
Total net sales	**$ 548,525**	82	**$ 469,385**	82	16.9%	**$ 1,426,943**	83	**$ 1,281,552**	83	11.3%
External Sales		% of Sales		% of Sales			% of Sales		% of Sales	
Engineered Building Systems	$ 218,614	40	$ 182,164	39	20.0%	$ 524,038	37	$ 481,641	38	8.8%
Metal Components	165,697	30	140,639	30	17.8%	440,886	31	389,486	30	13.2%
Insulated Metal Panels	106,605	19	98,026	21	8.8%	303,910	21	267,240	21	13.7%
Metal Coil Coating	57,609	11	48,556	10	18.6%	158,109	11	143,185	11	10.4%
Total external sales	**$ 548,525**	100	**$ 469,385**	100	16.9%	**$ 1,426,943**	100	**$ 1,281,552**	100	11.3%
Operating Income		% of Sales		% of Sales			% of Sales		% of Sales	
Engineered Building Systems	$ 24,296	11	$ 14,948	8	62.5%	$ 41,830	8	$ 28,345	6	47.6%
Metal Components	28,688	15	23,276	14	23.3%	67,859	14	55,649	12	21.9%
Insulated Metal Panels	17,859	13	11,468	10	55.7%	26,470	7	33,037	10	-19.9%
Metal Coil Coating	9,121	8	7,107	7	28.3%	21,626	7	20,040	7	7.9%
Corporate	(25,463)	-	(22,702)	-	12.2%	(71,430)	-	(60,616)	-	17.8%
Total operating income	**$ 54,501**	10	**$ 34,097**	7	59.8%	**$ 86,355**	6	**$ 76,455**	6	12.9%

Business Segments (Page 2 of 2)

(Dollars in thousands)

	Fiscal Three Months Ended					Fiscal Nine Months Ended				
	July 29, 2018		July 30, 2017			July 29, 2018		July 30, 2017		
Adjusted Operating Income [1]		% of Sales		% of Sales			% of Sales		% of Sales	
Engineered Building Systems	$ 23,832	10	$ 15,889	8	50.0%	$ 42,955	8	$ 31,519	6	36.3%
Metal Components	28,713	15	23,188	14	23.8%	66,601	13	55,575	12	19.8%
Insulated Metal Panels	12,105	9	11,711	10	3.4%	29,135	8	24,290	8	19.9%
Metal Coil Coating	9,121	8	7,107	7	28.3%	21,626	7	20,040	7	7.9%
Corporate	(21,821)	-	(21,405)	-	1.9%	(61,784)	-	(58,789)	-	5.1%
Total adjusted operating income	**$ 51,950**	9	**$ 36,490**	8	42.4%	**$ 98,533**	7	**$ 72,635**	6	35.7%
Adjusted EBITDA [2]		% of Sales		% of Sales			% of Sales		% of Sales	
Engineered Building Systems	$ 25,558	11	$ 19,435	10	31.5%	$ 49,726	9	$ 39,460	8	26.0%
Metal Components	30,124	16	24,509	15	22.9%	71,152	14	59,612	13	19.4%
Insulated Metal Panels	16,378	12	16,016	13	2.3%	42,081	12	37,620	12	11.9%
Metal Coil Coating	11,218	10	9,170	10	22.3%	27,866	9	26,249	10	6.2%
Corporate	(20,026)	-	(18,756)	-	6.8%	(55,028)	-	(49,425)	-	11.3%
Total adjusted EBITDA	**$ 63,252**	12	**$ 50,374**	11	25.6%	**$ 135,797**	10	**$ 113,516**	9	19.6%

(1) The Company discloses a tabular comparison of Adjusted operating income (loss), which is a non-GAAP measure, because it is instrumental in comparing the results from period to period. Adjusted operating income (loss) should not be considered in isolation or as a substitute for operating income (loss) as reported on the face of our statements of operations.

(2) The Company's Term Loan Credit Agreement defines Adjusted EBITDA. Adjusted EBITDA excludes non-cash charges for goodwill and other asset impairments and stock compensation as well as certain special charges. As such, the historical information is presented in accordance with the definition above. The Company's Asset-Based Lending facility has substantially the same definition of Adjusted EBITDA. The Company is disclosing Adjusted EBITDA, which is a non-GAAP measure, because it is used by management and provided to investors to provide comparability of underlying operational results.

Consolidated – Non-GAAP Financial Measures and Reconciliations

(Dollars in thousands)

	Fiscal Three Months Ended				Fiscal Nine Months Ended	Trailing Twelve Months
	October 29, 2017	January 28, 2018	April 29, 2018	July 29, 2018	July 29, 2018	July 29, 2018
Total Net Sales	$ 488,726	$ 421,349	$ 457,069	$ 548,525	$ 1,426,943	$ 1,915,669
Operating Income, GAAP	**33,325**	**12,898**	**18,956**	**54,501**	**86,355**	**119,680**
Restructuring and impairment	1,709	1,094	488	(439)	1,143	2,852
Strategic development and acquisition related costs	193	727	1,134	3,642	5,503	5,696
Loss (gain) on disposition of business	-	-	6,686	(1,013)	5,673	5,673
Acceleration of CEO retirement benefits	-	4,600	-	-	4,600	4,600
Gain on insurance recovery	-	-	-	(4,741)	(4,741)	(4,741)
Unreimbursed business interruption costs	28	-	-	-	-	28
Goodwill impairment	6,000	-	-	-	-	6,000
Adjusted Operating Income	**41,255**	**19,319**	**27,264**	**51,950**	**98,533**	**139,788**
Other income and expense	(62)	928	(34)	87	981	919
Depreciation and amortization	10,664	10,358	10,442	10,174	30,974	41,638
Share-based compensation expense	2,084	2,270	1,998	1,041	5,309	7,393
Adjusted EBITDA	**$ 53,941**	**$ 32,875**	**$ 39,670**	**$ 63,252**	**$ 135,797**	**$ 189,738**
Year over year growth, Total Net Sales	1.8 %	7.6 %	8.7 %	16.9 %	11.3 %	8.7 %
Operating Income Margin	6.8 %	3.1 %	4.1 %	9.9 %	6.1 %	6.2 %
Adjusted Operating Income Margin	8.4 %	4.6 %	6.0 %	9.5 %	6.9 %	7.3 %
Adjusted EBITDA Margin	11.0 %	7.8 %	8.7 %	11.5 %	9.5 %	9.9 %

	Fiscal Three Months Ended				Fiscal Nine Months Ended	Trailing Twelve Months
	October 30, 2016	January 29, 2017	April 30, 2017	July 30, 2017	July 30, 2017	July 30, 2017
Total Net Sales	$ 480,314	$ 391,703	$ 420,464	$ 469,385	$ 1,281,552	$ 1,761,866
Operating Income, GAAP	**39,391**	**9,886**	**32,472**	**34,097**	**76,455**	**115,846**
Restructuring and impairment	815	2,264	315	1,009	3,588	4,403
Strategic development and acquisition related costs	590	357	124	1,297	1,778	2,368
Loss on sale of assets and asset recovery	62	-	137	-	137	199
Gain on insurance recovery	-	-	(9,601)	(148)	(9,749)	(9,749)
Unreimbursed business interruption costs	-	-	191	235	426	426
Adjusted Operating Income	**40,858**	**12,507**	**23,638**	**36,490**	**72,635**	**113,493**
Other income and expense	(192)	309	449	1,322	2,080	1,888
Depreciation and amortization	9,815	10,315	10,062	10,278	30,655	40,470
Share-based compensation expense	3,181	3,042	2,820	2,284	8,146	11,327
Adjusted EBITDA	**$ 53,662**	**$ 26,173**	**$ 36,969**	**$ 50,374**	**$ 113,516**	**$ 167,178**
Operating Income Margin	8.2 %	2.5 %	7.7 %	7.3 %	6.0 %	6.6 %
Adjusted Operating Income Margin	8.5 %	3.2 %	5.6 %	7.8 %	5.7 %	6.4 %
Adjusted EBITDA Margin	11.2 %	6.7 %	8.8 %	10.7 %	8.9 %	9.5 %

Engineered Building Systems – Non-GAAP Financial Measures and Reconciliations

(Dollars in thousands)

	Fiscal Three Months Ended				Fiscal Nine Months Ended	Trailing Twelve Months
	October 29, 2017	January 28, 2018	April 29, 2018	July 29, 2018	July 29, 2018	July 29, 2018
Total Sales	$ 188,183	$ 156,964	$ 167,240	$ 230,098	$ 554,302	$ 742,485
External Sales	178,222	148,288	157,136	218,614	524,038	702,260
Operating Income, GAAP	**13,043**	**8,263**	**9,271**	**24,296**	**41,830**	**54,873**
Restructuring and impairment	695	1,136	280	(464)	952	1,647
Strategic development and acquisition related costs	-	173	-	-	173	173
Adjusted Operating Income	**13,738**	**9,572**	**9,551**	**23,832**	**42,955**	**56,693**
Other income and expense	(694)	733	(88)	(179)	466	(228)
Depreciation and amortization	2,198	2,077	2,323	1,905	6,305	8,503
Adjusted EBITDA	**$ 15,242**	**$ 12,382**	**$ 11,786**	**$ 25,558**	**$ 49,726**	**$ 64,968**
Year over year growth, Total sales	(7.8)%	3.8 %	2.8 %	19.9 %	9.6 %	4.6 %
Year over year growth, External Sales	(9.3)%	2.3 %	1.7 %	20.0 %	8.8 %	3.5 %
Operating Income Margin	6.9 %	5.3 %	5.5 %	10.6 %	7.5 %	7.4 %
Adjusted Operating Income Margin	7.3 %	6.1 %	5.7 %	10.4 %	7.7 %	7.6 %
Adjusted EBITDA Margin	8.1 %	7.9 %	7.0 %	11.1 %	9.0 %	8.8 %

	Fiscal Three Months Ended				Fiscal Nine Months Ended	Trailing Twelve Months
	October 30, 2016	January 29, 2017	April 30, 2017	July 30, 2017	July 30, 2017	July 30, 2017
Total Sales	$ 204,208	$ 151,263	$ 162,624	$ 191,910	505,797	$ 710,005
External Sales	196,596	145,021	154,456	182,164	481,641	678,237
Operating Income, GAAP	**22,830**	**6,503**	**6,894**	**14,948**	**28,345**	**51,175**
Restructuring and impairment	211	1,910	186	941	3,037	3,248
Loss on sale of assets and asset recovery	62	-	137	-	137	199
Adjusted Operating Income	**23,103**	**8,413**	**7,217**	**15,889**	**31,519**	**54,622**
Other income and expense	(362)	(41)	(125)	1,291	1,125	763
Depreciation and amortization	2,399	2,276	2,285	2,255	6,816	9,215
Adjusted EBITDA	**$ 25,140**	**$ 10,648**	**$ 9,377**	**$ 19,435**	**$ 39,460**	**$ 64,600**
Operating Income Margin	11.2 %	4.3 %	4.2 %	7.8 %	5.6 %	7.2 %
Adjusted Operating Income Margin	11.3 %	5.6 %	4.4 %	8.3 %	6.2 %	7.7 %
Adjusted EBITDA Margin	12.3 %	7.0 %	5.8 %	10.1 %	7.8 %	9.1 %

Metal Components– Non-GAAP Financial Measures and Reconciliations

(Dollars in thousands)

	Fiscal Three Months Ended				Fiscal Nine Months Ended	Trailing Twelve Months
	October 29, 2017	January 28, 2018	April 29, 2018	July 29, 2018	July 29, 2018	July 29, 2018
Total Sales	$ 181,288	$ 146,832	$ 168,456	$ 186,421	$ 501,709	$ 682,997
External Sales	155,183	127,528	147,661	165,697	440,886	596,069
Operating Income, GAAP	**23,119**	**17,089**	**22,082**	**28,688**	**67,859**	**90,978**
Restructuring and impairment	69	(1,403)	120	25	(1,258)	(1,189)
Adjusted Operating Income	**23,188**	**15,686**	**22,202**	**28,713**	**66,601**	**89,789**
Other income and expense	84	53	67	54	174	258
Depreciation and amortization	1,422	1,576	1,444	1,357	4,377	5,799
Adjusted EBITDA	**$ 24,694**	**$ 17,315**	**$ 23,713**	**$ 30,124**	**$ 71,152**	**$ 95,846**
Year over year growth, Total sales	8.9 %	9.4 %	8.8 %	12.1 %	10.2 %	9.8 %
Year over year growth, External Sales	10.9 %	10.4 %	10.8 %	17.8 %	13.2 %	12.6 %
Operating Income Margin	12.8 %	11.6 %	13.1 %	15.4 %	13.5 %	13.3 %
Adjusted Operating Income Margin	12.8 %	10.7 %	13.2 %	15.4 %	13.3 %	13.1 %
Adjusted EBITDA Margin	13.6 %	11.8 %	14.1 %	16.2 %	14.2 %	14.0 %

	Fiscal Three Months Ended				Fiscal Nine Months Ended	Trailing Twelve Months
	October 30, 2016	January 29, 2017	April 30, 2017	July 30, 2017	July 30, 2017	July 30, 2017
Total Sales	$ 166,532	$ 134,173	$ 154,895	$ 166,305	$ 455,373	$ 621,905
External Sales	139,968	115,557	133,290	140,639	389,486	529,454
Operating Income, GAAP	**21,254**	**12,376**	**19,997**	**23,276**	**55,649**	**76,903**
Restructuring and impairment	103	305	129	60	494	597
Gain on insurance recovery	-	-	(420)	(148)	(568)	(568)
Adjusted Operating Income	**21,357**	**12,681**	**19,706**	**23,188**	**55,575**	**76,932**
Other income and expense	(27)	28	52	55	135	108
Depreciation and amortization	1,406	1,334	1,302	1,266	3,902	5,308
Adjusted EBITDA	**$ 22,736**	**$ 14,043**	**$ 21,060**	**$ 24,509**	**$ 59,612**	**$ 82,348**
Operating Income Margin	12.8 %	9.2 %	12.9 %	14.0 %	12.2 %	12.4 %
Adjusted Operating Income Margin	12.8 %	9.5 %	12.7 %	13.9 %	12.2 %	12.4 %
Adjusted EBITDA Margin	13.7 %	10.5 %	13.6 %	14.7 %	13.1 %	13.2 %

Insulated Metal Panels – Non-GAAP Financial Measures and Reconciliations

(Dollars in thousands)

	Fiscal Three Months Ended				Fiscal Nine Months Ended	Trailing Twelve Months
	October 29, 2017	January 28, 2018	April 29, 2018	July 29, 2018	July 29, 2018	July 29, 2018
Total Sales	$ 123,542	$ 110,794	$ 113,413	$ 133,740	$ 357,947	$ 481,489
External Sales	105,064	97,513	99,792	106,605	303,910	408,974
Operating Income, GAAP	**14,895**	**7,071**	**1,540**	**17,859**	**26,470**	**41,365**
Restructuring and impairment	683	1,284	88	-	1,372	2,055
Strategic development and acquisition related costs	90	300	61	-	361	451
Loss (gain) on disposition of business	-	-	6,686	(1,013)	5,673	5,673
Gain on insurance recovery	-	-	-	(4,741)	(4,741)	(4,741)
Unreimbursed business interruption costs	28	-	-	-	-	28
Adjusted Operating Income	**15,696**	**8,655**	**8,375**	**12,105**	**29,135**	**44,831**
Other income and expense	356	(273)	223	(51)	(101)	255
Depreciation and amortization	4,742	4,388	4,335	4,324	13,047	17,789
Adjusted EBITDA	**$ 20,794**	**$ 12,770**	**$ 12,933**	**$ 16,378**	**$ 42,081**	**$ 62,875**
Year over year growth, Total sales	12.3 %	16.4 %	10.2 %	11.7 %	12.6 %	12.5 %
Year over year growth, External Sales	13.4 %	18.3 %	15.0 %	8.8 %	13.7 %	13.6 %
Operating Income Margin	12.1 %	6.4 %	1.4 %	13.4 %	7.4 %	8.6 %
Adjusted Operating Income Margin	12.7 %	7.8 %	7.4 %	9.1 %	8.1 %	9.3 %
Adjusted EBITDA Margin	16.8 %	11.5 %	11.4 %	12.2 %	11.8 %	13.1 %

	Fiscal Three Months Ended				Fiscal Nine Months Ended	Trailing Twelve Months
	October 30, 2016	January 29, 2017	April 30, 2017	July 30, 2017	July 30, 2017	July 30, 2017
Total Sales	$ 110,001	$ 95,195	$ 102,937	$ 119,730	$ 317,862	$ 427,863
External Sales	92,648	82,441	86,773	98,026	267,240	359,888
Operating Income, GAAP	**7,513**	**2,192**	**19,377**	**11,468**	**33,037**	**40,550**
Restructuring and impairment	404	-	-	8	8	412
Gain on insurance recovery	-	-	(9,181)	-	(9,181)	(9,181)
Unreimbursed business interruption costs	-	-	191	235	426	426
Adjusted Operating Income	**7,917**	**2,192**	**10,387**	**11,711**	**24,290**	**32,207**
Other income and expense	270	35	340	(211)	164	434
Depreciation and amortization	3,926	4,392	4,258	4,516	13,166	17,092
Adjusted EBITDA	**$ 12,113**	**$ 6,619**	**$ 14,985**	**$ 16,016**	**$ 37,620**	**$ 49,733**
Operating Income Margin	6.8 %	2.3 %	18.8 %	9.6 %	10.4 %	9.5 %
Adjusted Operating Income Margin	7.2 %	2.3 %	10.1 %	9.8 %	7.6 %	7.5 %
Adjusted EBITDA Margin	11.0 %	7.0 %	14.6 %	13.4 %	11.8 %	11.6 %

Metal Coil Coating– Non-GAAP Financial Measures and Reconciliations

(Dollars in thousands)

	Fiscal Three Months Ended				Fiscal Nine Months Ended	Trailing Twelve Months
	October 29, 2017	January 28, 2018	April 29, 2018	July 29, 2018	July 29, 2018	July 29, 2018
Total Sales	$ 98,550	$ 88,343	$ 95,190	$ 116,440	$ 299,973	$ 398,523
External Sales	50,257	48,020	52,480	57,609	158,109	208,366
Operating Income, GAAP	**1,419**	**5,376**	**7,129**	**9,121**	**21,626**	**23,045**
Goodwill impairment	6,000	-	-	-	-	6,000
Adjusted Operating Income	**7,419**	**5,376**	**7,129**	**9,121**	**21,626**	**29,045**
Depreciation and amortization	2,065	2,058	2,085	2,097	6,240	8,305
Adjusted EBITDA	**$ 9,484**	**$ 7,434**	**$ 9,214**	**$ 11,218**	**$ 27,866**	**$ 37,350**
Year over year growth, Total sales	2.7 %	0.0 %	9.8%	22.2 %	11.0 %	8.8 %
Year over year growth, External Sales	(1.7)%	(1.4)%	14.2 %	18.6 %	10.4 %	7.2 %
Operating Income Margin	1.4 %	6.1 %	7.5 %	7.8 %	7.2 %	5.8 %
Adjusted Operating Income Margin	7.5 %	6.1 %	7.5 %	7.8 %	7.2 %	7.3 %
Adjusted EBITDA Margin	9.6 %	8.4 %	9.7 %	9.6 %	9.3 %	9.4 %

	Fiscal Three Months Ended				Fiscal Nine Months Ended	Trailing Twelve Months
	October 30, 2016	January 29, 2017	April 30, 2017	July 30, 2017	July 30, 2017	July 30, 2017
Total Sales	$ 95,987	$ 88,340	$ 86,729	$ 95,261	$ 270,330	$ 366,317
External Sales	51,102	48,684	45,945	48,556	143,185	194,287
Operating Income, GAAP	**9,310**	**6,706**	**6,227**	**7,107**	**20,040**	**29,350**
Adjusted Operating Income	**9,310**	**6,706**	**6,227**	**7,107**	**20,040**	**29,350**
Other income and expense	-	31	-	-	31	31
Depreciation and amortization	1,849	2,106	2,009	2,063	6,178	8,027
Adjusted EBITDA	**$ 11,159**	**$ 8,843**	**$ 8,236**	**$ 9,170**	**$ 26,249**	**$ 37,408**
Operating Income Margin	9.7 %	7.6 %	7.2 %	7.5 %	7.4 %	8.0 %
Adjusted Operating Income Margin	9.7 %	7.6 %	7.2 %	7.5 %	7.4 %	8.0 %
Adjusted EBITDA Margin	11.6 %	10.0 %	9.5 %	9.6 %	9.7 %	10.2 %





NCI BUILDING SYSTEMS

K. DARCEY MATTHEWS
Vice President, Investor Relations
E: darcey.matthews@ncigroup.com
281.897.7785
ncibuildingsystems.com

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NYSE





