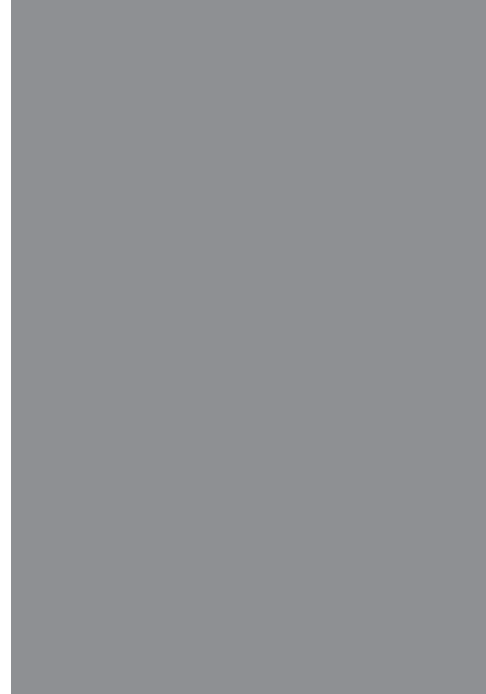




INSTALLED
BUILDING
PRODUCTS



Q3 2018
As reported November 1, 2018

Disclaimer

This presentation contains “forward-looking statements” as defined under U.S. federal securities laws. Forward-looking statements are generally identified by the use of the words “will,” “may,” “believes,” “expects,” “forecasts,” “intends,” “anticipates,” “projects,” “plans” and “seeks,” and, in each case their negative, and other variations or comparable terminology.

Forward-looking statements are based on management’s current expectations and involve risks and uncertainties that could cause actual results, performance or achievements to differ significantly from IBP’s historical results or those implied in such forward-looking statements, including, without limitation, the risks discussed in the “Risk Factors” section of our Annual Report on Form 10-K for the year ended December 31, 2017, as the same may be updated from time-to-time in our subsequent filings with the SEC. You should not place undue reliance on forward-looking statements as a prediction of actual results. Any forward-looking statements in this presentation speak only as of the date hereof. IBP expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward looking statements to reflect any change in expectations or events, conditions or circumstances on which any such statements are based.

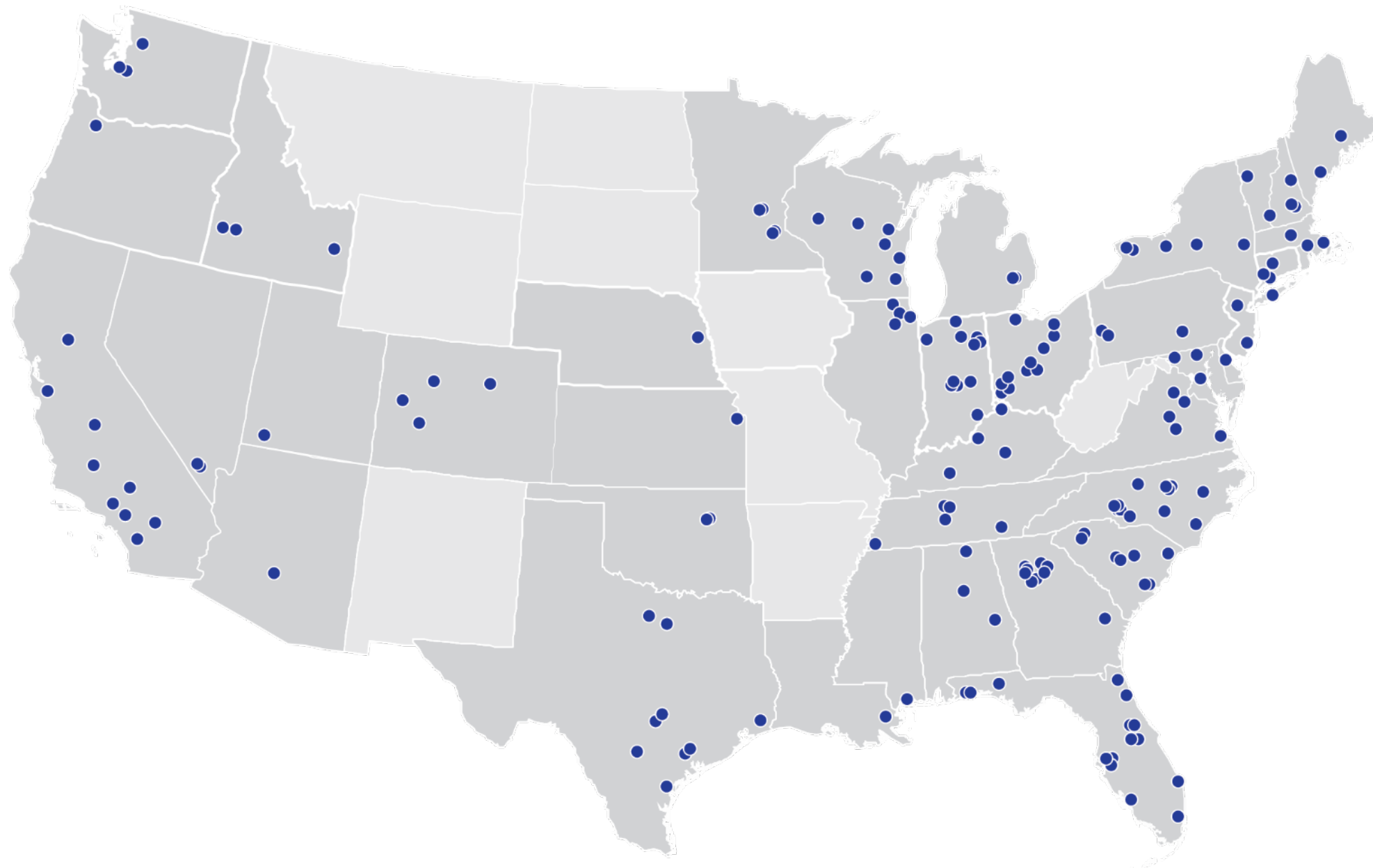
This presentation includes the following non-GAAP financial measures: (1) Adjusted EBITDA, (2) Adjusted Net Income, (3) Adjusted Net Income per diluted share, (3) Adjusted Selling and Administrative (S&A) and (4) Adjusted Gross Profit. These non-GAAP financial measures should be considered only as supplemental to, and not as superior to, financial measures prepared in accordance with GAAP. Please refer to the Appendix of this presentation for a reconciliation of the non-GAAP financial measures included in this presentation to the most directly comparable financial measures prepared in accordance with GAAP.

Business Overview



Local Presence

National Scale

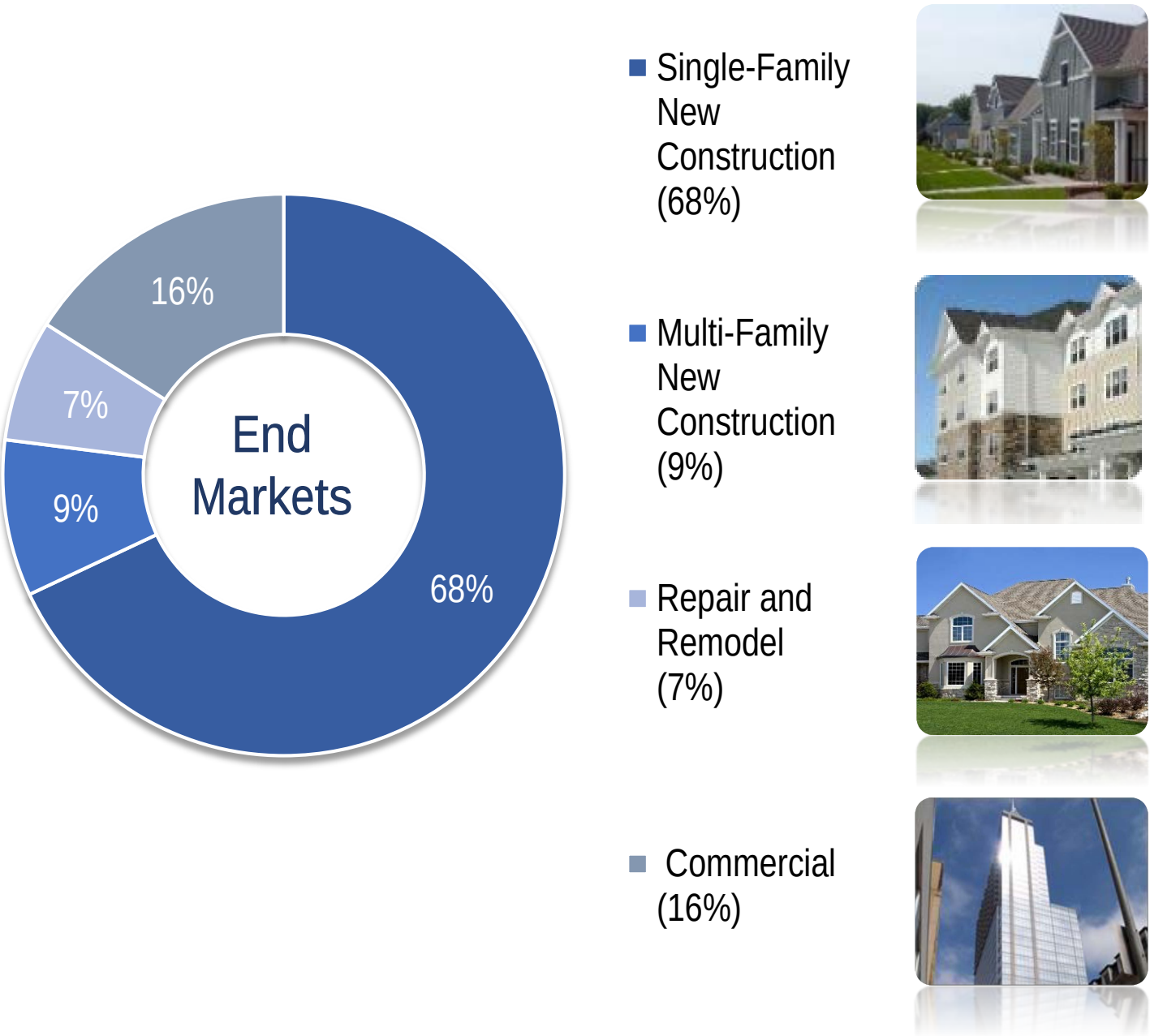
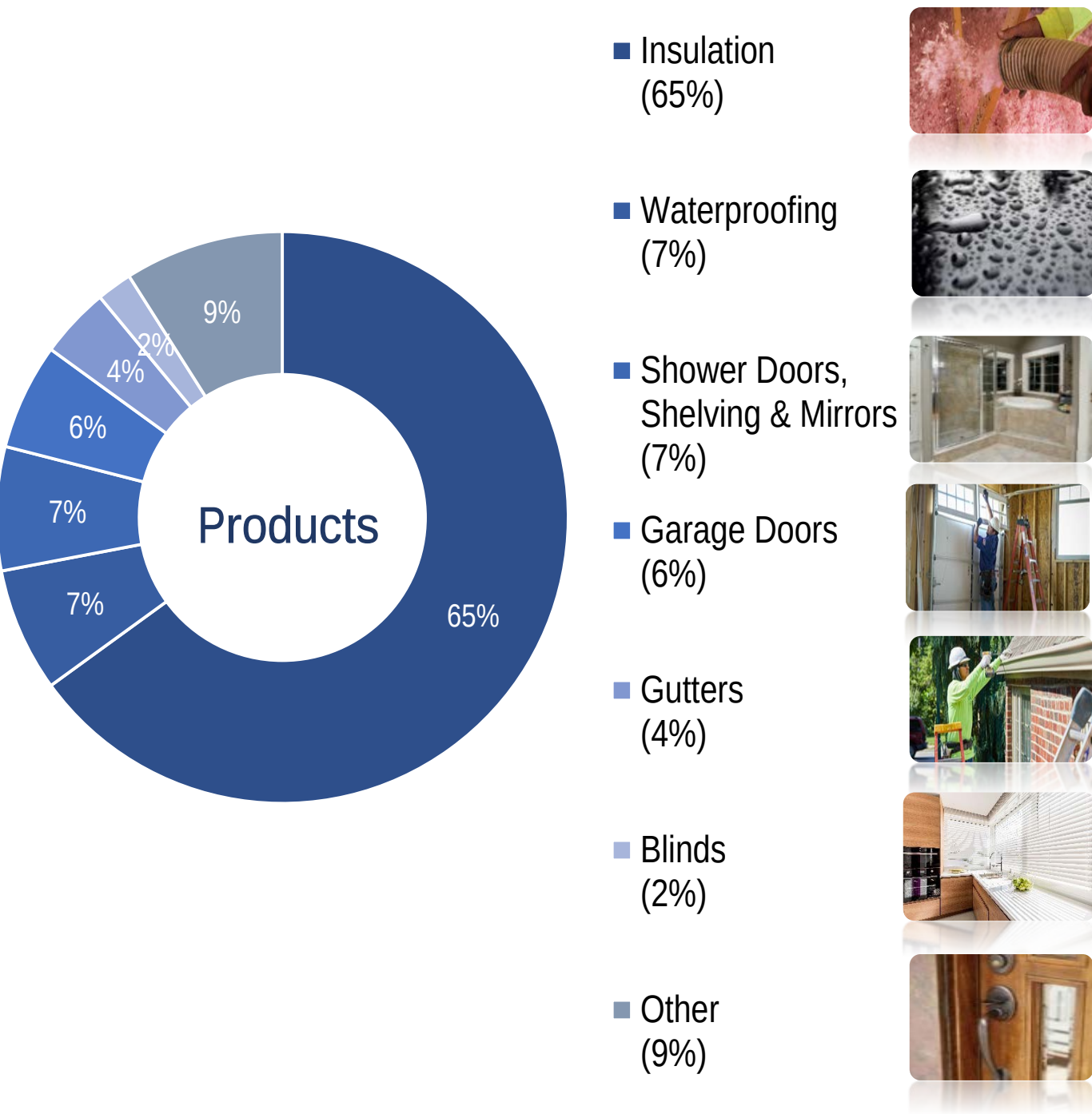


Shaded states are where we have a physical presence.
Some dots represent multiple locations.

- One of the nation's largest¹ insulation installers for the residential new construction market
- Diversified installer of complementary building products, including waterproofing, fire-stopping and fireproofing, garage doors, rain gutters, shower doors, close shelving, mirrors and other products
- National platform of over 125 locations serving all 48 continental states and the District of Columbia

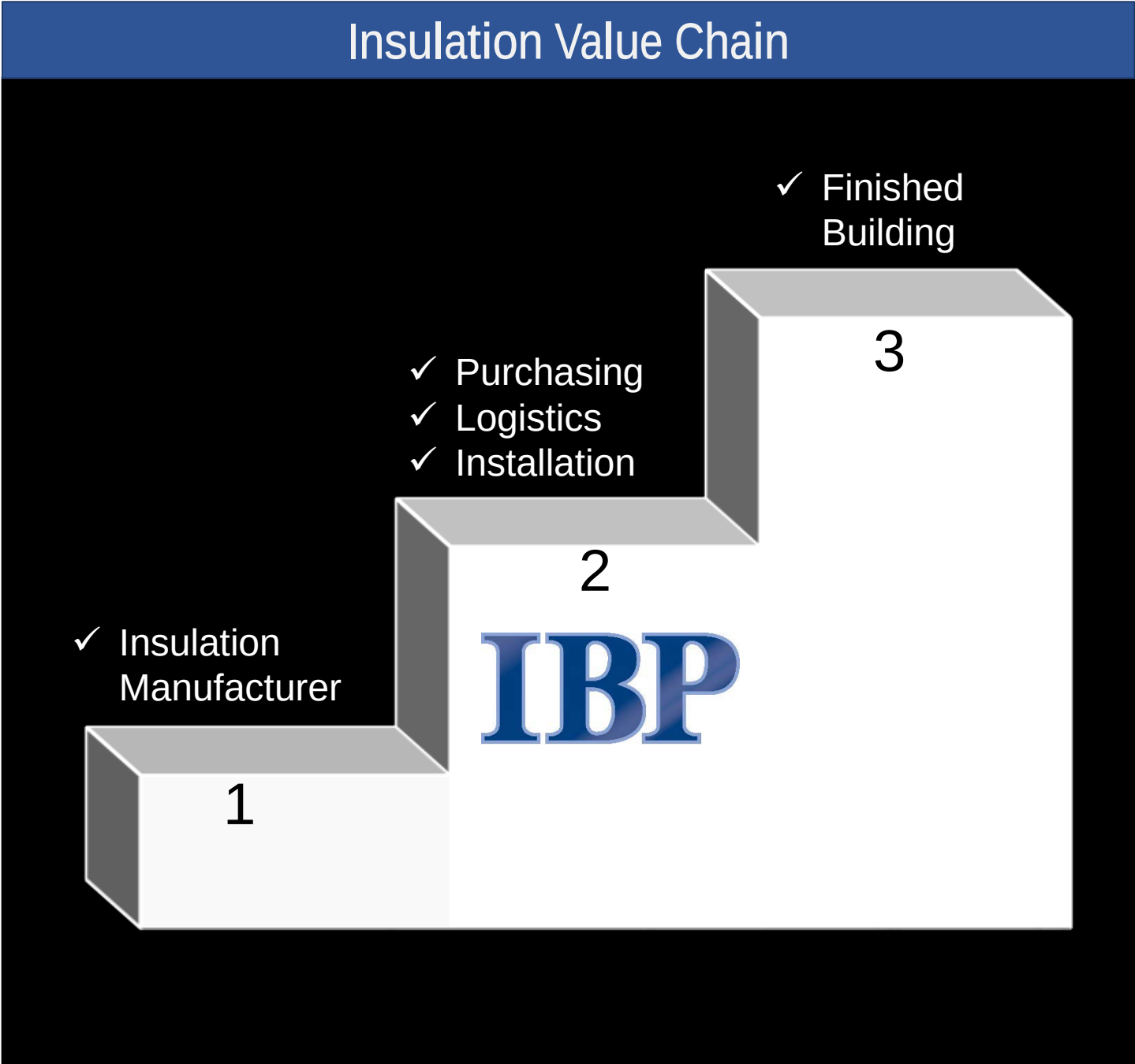
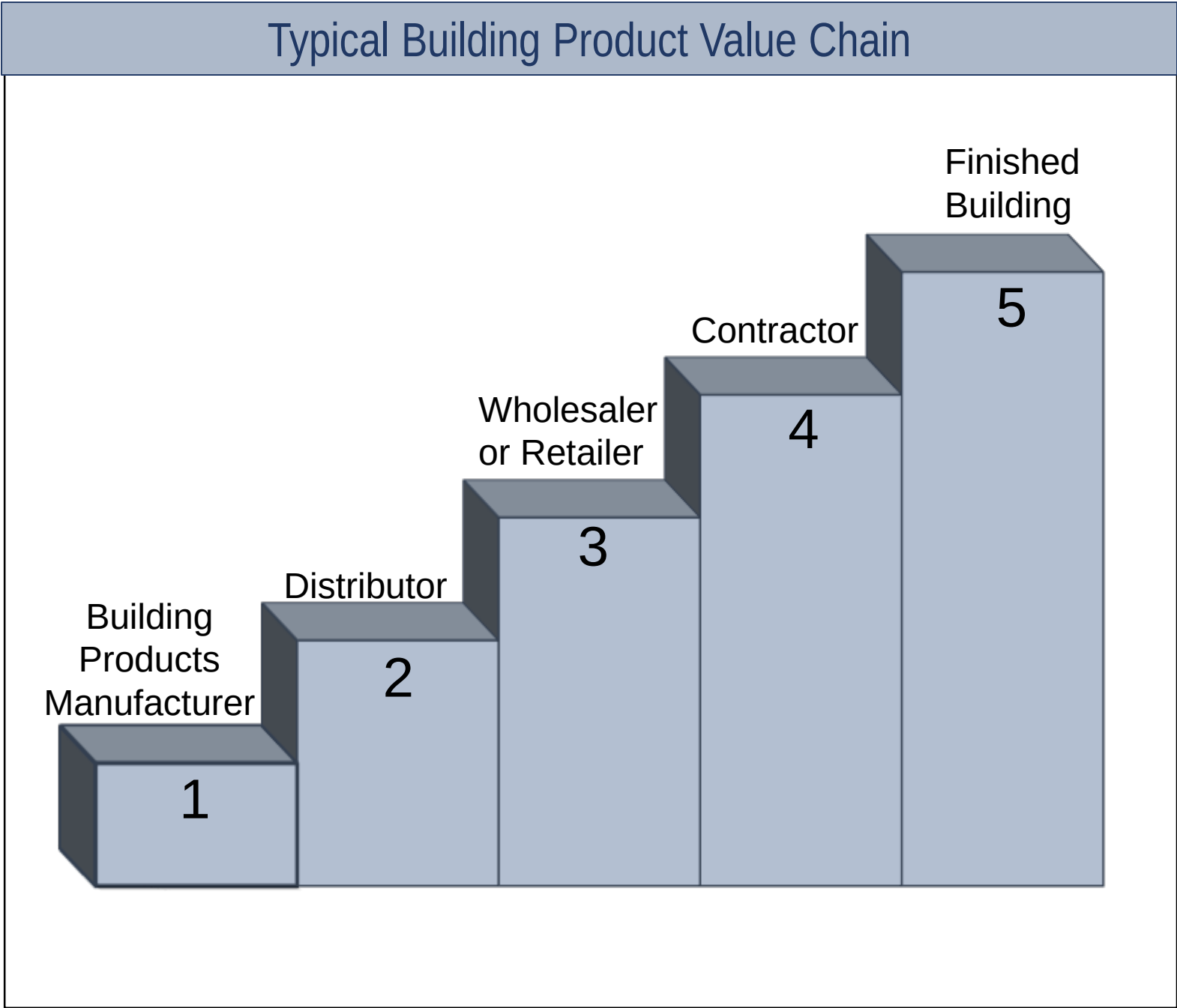
¹ Based on internal estimates

Products and End Markets



Scale provides direct link between manufacturers and builders

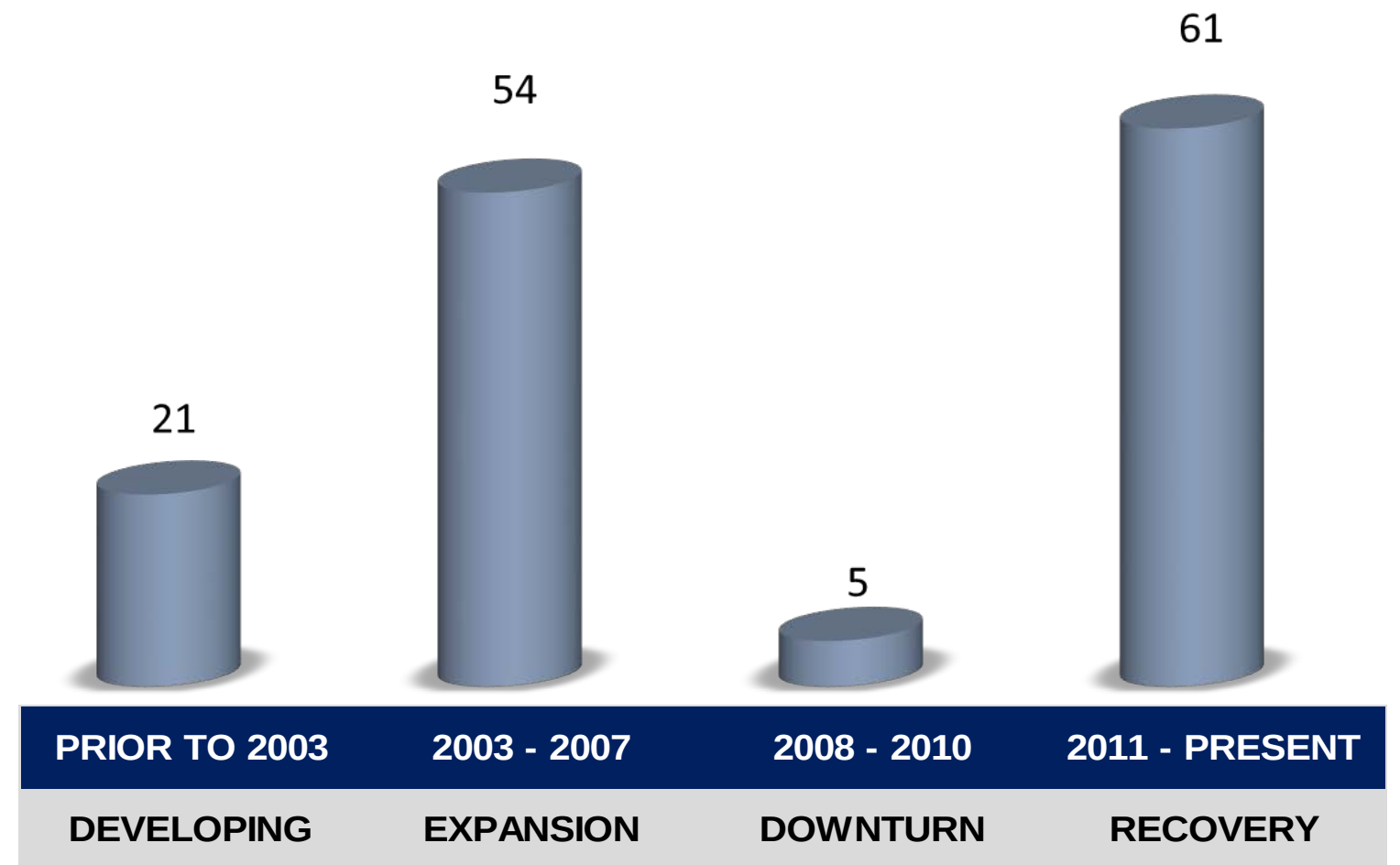
Streamlined Value Chain



Acquirer of choice with over 125 successfully integrated acquisitions

Successful Track Record of Acquisitions

- Key components include:
 - Ability to realize synergies within scalable infrastructure
 - Target profitable markets
 - Acquire operations with strong reputation and customer base
 - Maintain local trade name and existing management team
- Corporate support allows more focus on customer service
- Senior management team has been directing the Company's acquisition strategy for close to 20 years
- Apply national insulation buying power
- Leverage national relationships with large homebuilders



Without Significant Capital Needs

DRIVE GROWTH & PROFITABILITY

**CAPITALIZE ON NEW HOME
CONSTRUCTION RECOVERY**

**PURSUE VALUE-ENHANCING
STRATEGIC ACQUISITIONS**

**EXTRACT ADDITIONAL VALUE
FROM OPERATING LEVERAGE
AND NATIONAL SCALE**

**CONTINUE TO STRENGTHEN
MARKET SHARE POSITION**

Total U.S. Housing Starts forecasted to increase to 4.7% from 2017 to 2018E¹, predominately driven by single-family growth as housing starts trend toward stabilization of 1.5 million starts

Attractive opportunities in fragmented market of independent contractors

Demonstrated scale economies in costs with improvement of 60 bps in Adjusted S&A³ in Q3

Q3 2018 single-family sales growth of 19.5% compared to U.S. single-family completions growth of 9.6%² and same branch residential sales growth of 11.3% compared to 4.9% U.S. housing completions²

¹ Per October 2018 Blue Chip Economic Indicators Consensus Housing Starts Forecast

² Per U.S. Census Bureau

³ Adjusted S&A is a non-GAAP financial measure. A reconciliation to the most comparable measure prepared in accordance with GAAP is included in the Appendix.

Industry Highlights



Critical Position in Attractive Industry

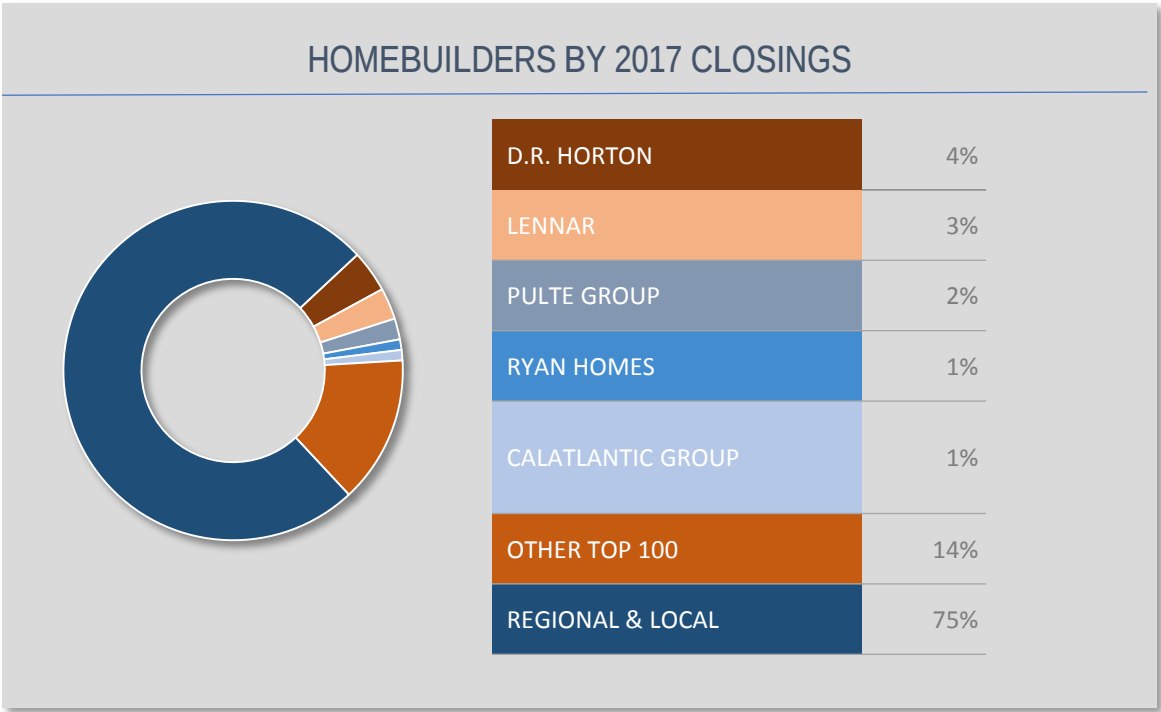
Value to Suppliers

- Strong relationships with the largest manufacturers
- Accounts for a meaningful portion of supplier insulation volume
- National scale allows manufacturers to better plan production schedules



Value to Customers

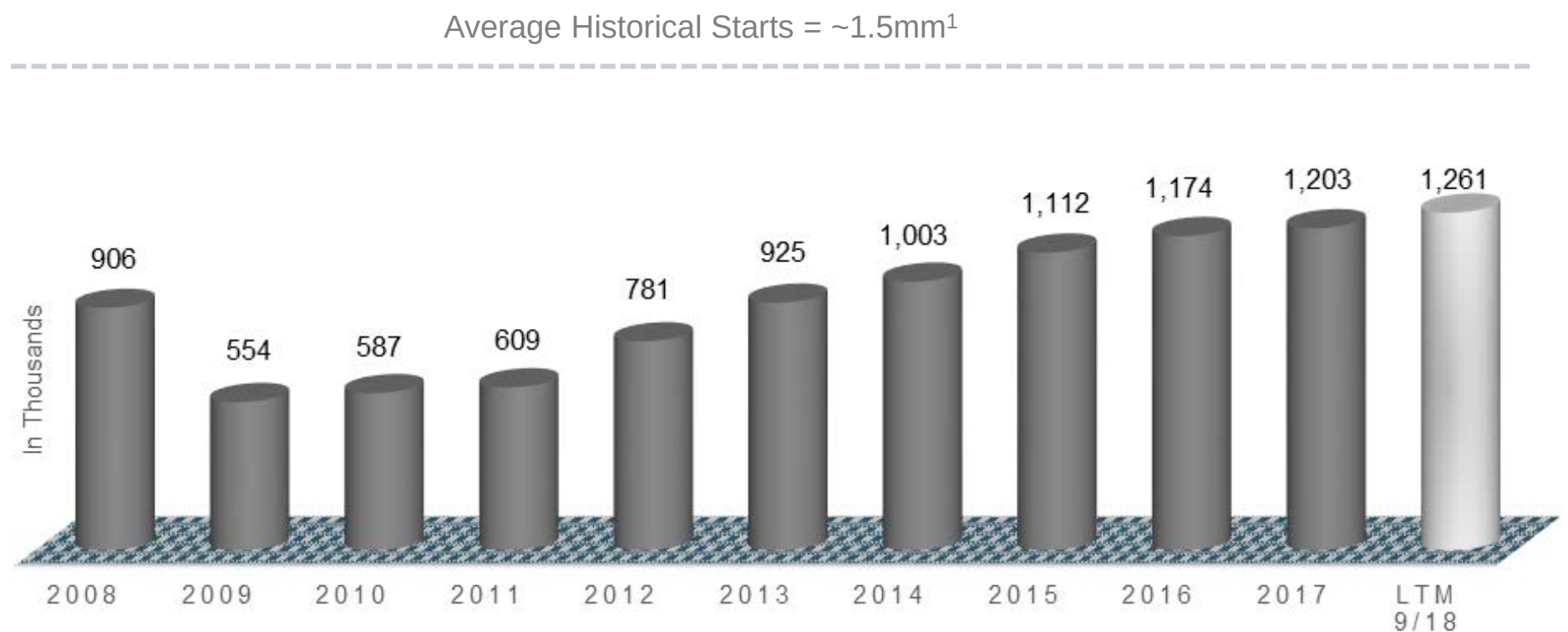
- Full service capabilities eliminate “nuisance” work for customers
- Timely delivery and quality installation of products ensures projects remain on schedule
- Institutional knowledge of local building codes and standards



Source: Builder Magazine, Builder 100 List, based on number of home closings, issued May 7, 2018

Housing Market History

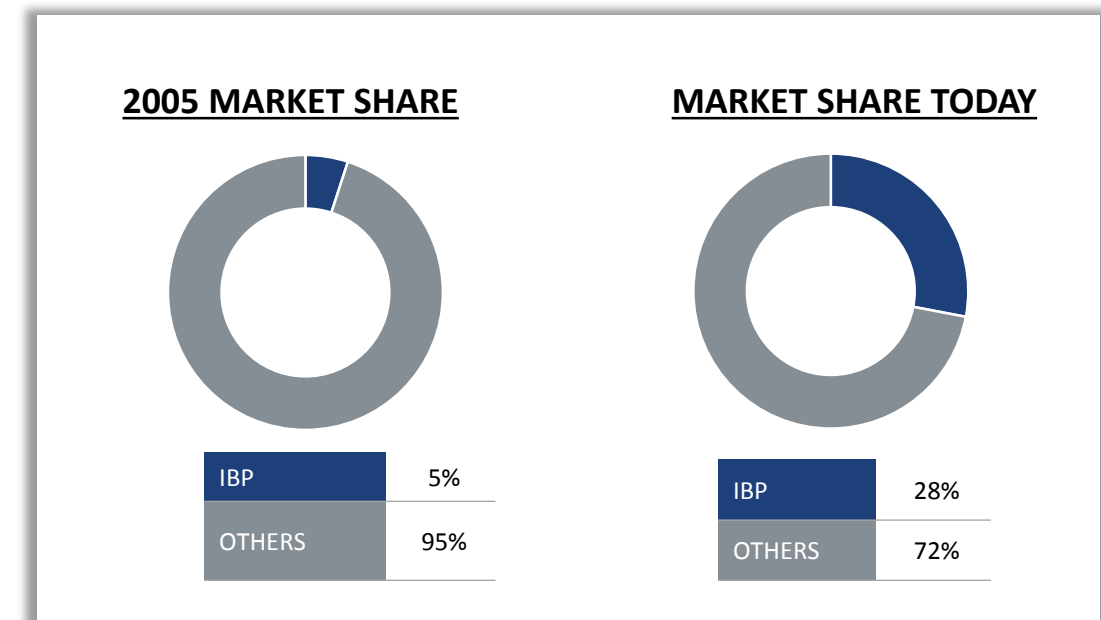
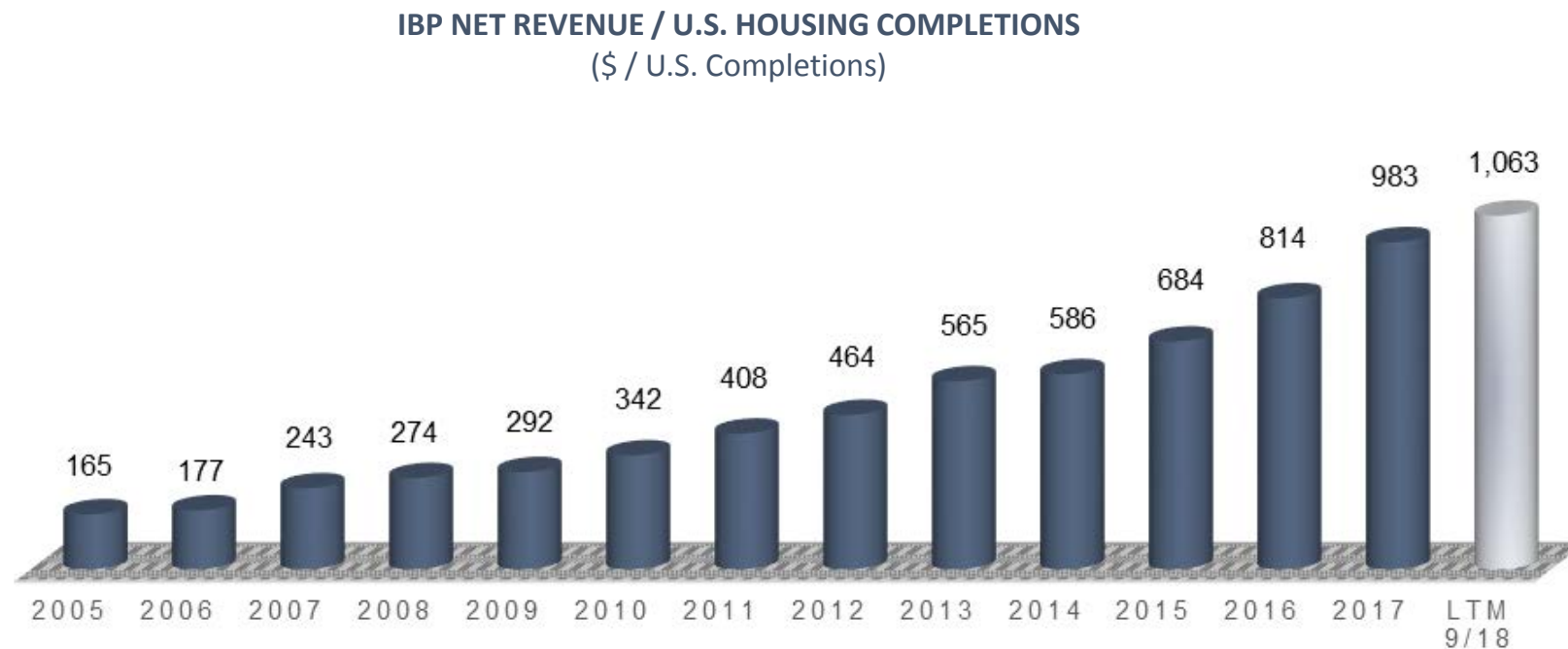
- Total U.S. housing starts forecasted to increase to 4.7% from 2017 to 2018E, predominately driven by single-family growth as housing starts trend toward stabilization of 1.5 million starts
- Lag time between U.S. housing starts and U.S. housing completions is greater when the rate of change in starts is higher



¹ Total housing starts averaged since 1968

Source: U.S. Census Bureau, October 2018 Blue Chip Economic Indicators Forecasts, Street Estimates

Proven Ability to Grow Market Share



Note: Market share of new residential construction based on internal estimates

Source: Management, Completions from U.S. Census Bureau

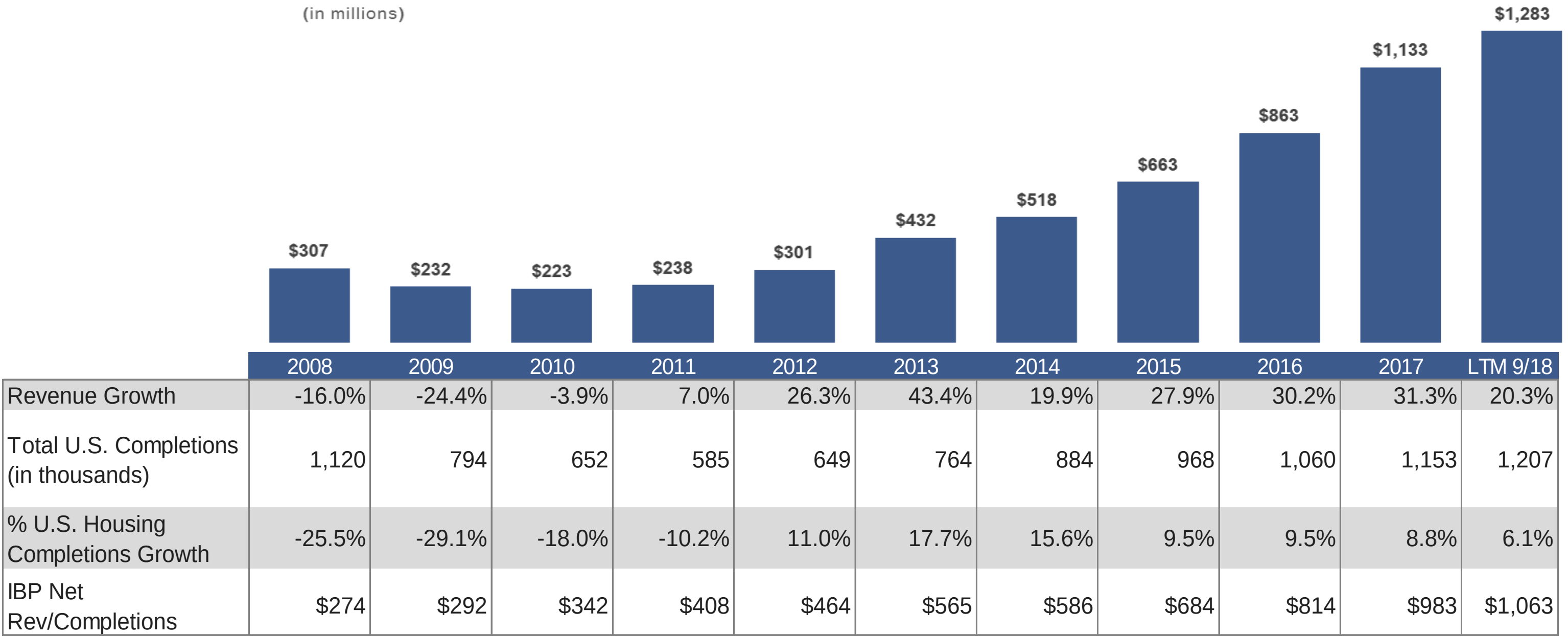
- One of the nation's largest insulation installers for residential new construction in the U.S.
- We estimate that the markets which we serve cover approximately 70% of permits issued up from 24% in 2005
- Market share gains driven by:
 - Successful acquisition and integration of local installation operations
 - Quality customer service
 - Cross-selling complementary installation services

Financial Performance



24.3% CAGR from 2013 to LTM 9/18

Strong Top-Line Momentum



Source: U.S. Census Bureau, Company filings

Note: Historical revenue figures not pro forma for acquisitions

Sales Growth

	Three months ended September 30,		Nine months ended September 30,	
	2018	2017	2018	2017
Period-over-period Growth				
Sales Growth	18.2%	31.0%	18.0%	32.4%
Same Branch Sales Growth	12.2%	9.4%	11.6%	9.9%
Single-Family Sales Growth	19.5%	18.3%	21.2%	17.5%
Single-Family Same Branch Sales Growth	12.9%	7.2%	13.4%	7.2%
Residential Sales Growth	17.4%	25.6%	18.5%	25.8%
Residential Same Branch Sales Growth	11.3%	11.7%	11.6%	11.4%
U.S. Housing Market¹				
Total Completions Growth	4.9%	6.7%	6.5%	10.3%
Single-Family Completions Growth	9.6%	6.4%	8.7%	8.6%
Same Branch Sales Growth ²				
Volume Growth	7.6%	3.7%	7.2%	5.7%
Price/Mix Growth	4.2%	5.7%	4.5%	4.2%
Alpha Sales Growth	15.8%	N/A	11.0%	N/A

¹ U.S. Census Bureau data, as revised

² Same branch volume and price/mix growth excludes Alpha sales growth

Summary Financial Results

<i>(in millions)</i>	2013	2014	2015	2016	2017	Q1 2018	Q2 2018	Q3 2018	LTM 9/18
Net Revenue	\$ 432	\$ 518	\$ 663	\$ 863	\$ 1,133	\$ 302	\$ 333	\$ 349	\$1,283
% Net Revenue Growth	43.4%	19.9%	27.9%	30.1%	31.3%	18.0%	17.9%	18.2%	20.3%
Same Branch Sales Growth	29.6%	16.4%	11.7%	15.6%	9.8%	11.3%	11.3%	12.2%	11.1%
COGS (Adjusted) ¹	\$ 322	\$ 376	\$ 475	\$ 611	\$ 806	\$ 220	\$ 237	\$ 251	\$ 924
Adjusted Gross Profit ¹	\$ 110	\$ 142	\$ 188	\$ 252	\$ 327	\$ 81	96	97	359
% Margin	25.4%	27.4%	28.4%	29.2%	28.9%	27.0%	28.9%	27.9%	28.0%
Adjusted S&A ²	\$ 91	\$ 110	\$ 134	\$ 171	\$ 214	\$ 58	\$ 59	\$ 62	\$ 234
% of Net Revenue	21.1%	21.3%	20.2%	19.8%	18.9%	19.2%	17.6%	17.7%	18.2%
Adjusted EBITDA ³	\$ 25	\$ 44	\$ 71	\$ 105	\$ 141	\$ 31	\$ 46	\$ 44	\$ 157
% of Net Revenue	5.9%	8.5%	10.7%	12.1%	12.5%	10.4%	13.7%	12.5%	12.2%

¹ COGS adjusted in 2014 for \$1.8 million adverse development in workers' compensation. Adjustments in 2017 and 2018 relate to stock compensation expense, Financial Wellness Program and branch start-up costs. See the Gross Profit and Adjusted Gross Profit Reconciliation in the Appendix. Adjusted Gross Profit is a non-GAAP financial measure.

² Adjusted Gross Profit and Adjusted S&A are non-GAAP financial measures. A reconciliation to the most comparable measure prepared in accordance with GAAP is included in the Appendix.

³ Adjusted EBITDA is a non-GAAP financial measure. A reconciliation to the most comparable measure prepared in accordance with GAAP is included in the Appendix.

Strong Balance Sheet

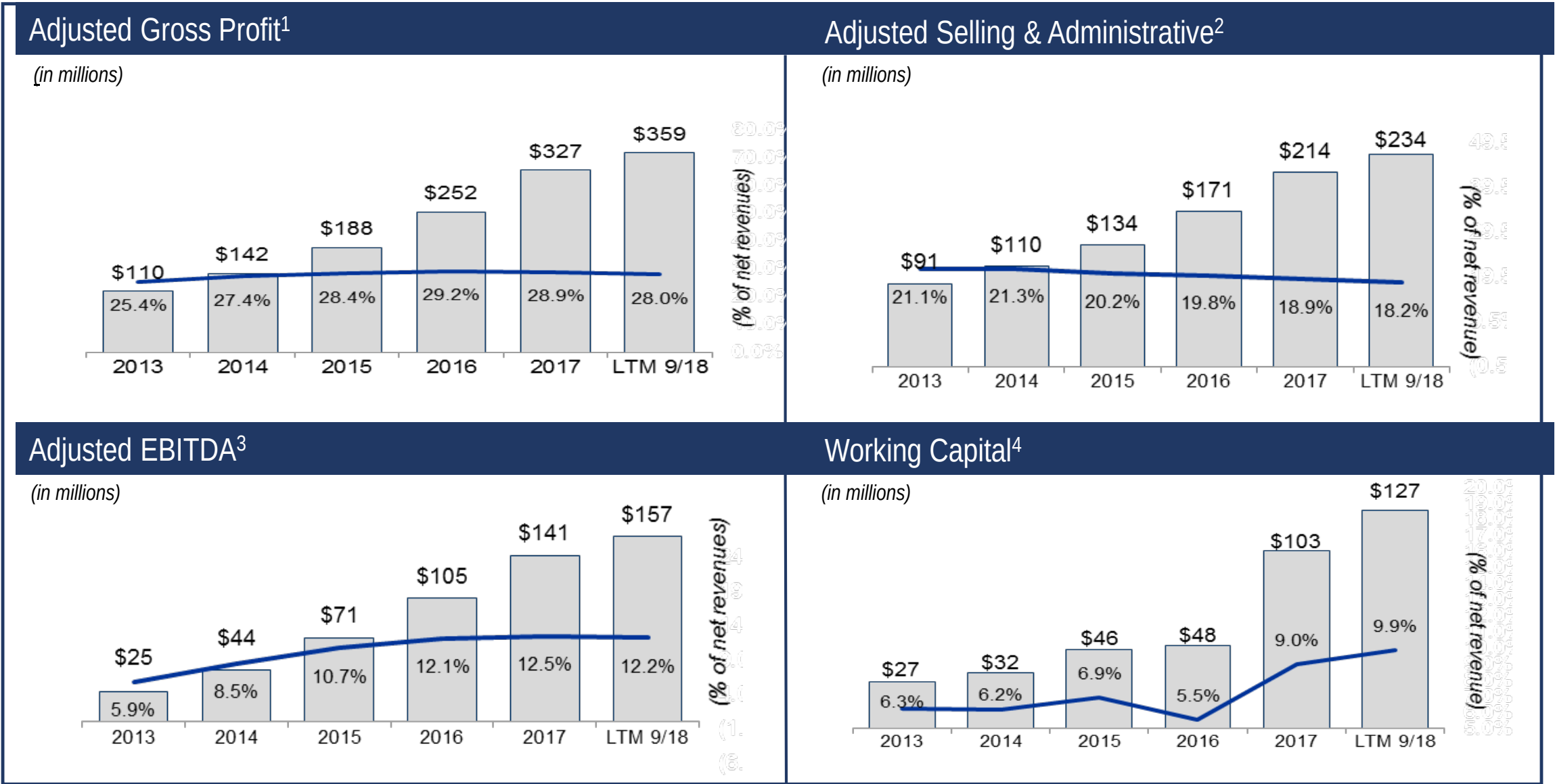
(\$ in millions)	2013	2014	2015	2016	2017	Q3 2018
Cash	\$ 4.1	\$ 10.8	\$ 6.8	\$ 14.5	\$ 62.5	\$ 139.1
Short-Term Investments	-	-	-	-	30.1	15.4
Revolver	27.3	-	-	-	-	-
Term Loan, net of unamortized discount ¹	-	24.7	47.9	95.8	293.3	392.7
Delayed Draw Term Loans, in effect, net ² of unamortized debt issuance costs	-	-	49.7	12.5	-	-
Vehicle and Equipment Notes Payable	-	1.3	21.1	38.2	50.4	60.0
Capital Lease Obligations	22.0	26.9	20.4	15.3	12.1	8.8
Various notes payable	0.8	0.8	4.5	5.0	3.9	3.5
Total Debt	\$ 50.1	\$ 53.7	\$ 143.6	\$ 166.8	\$ 359.7	\$ 465.0
Net Debt	\$ 46.0	\$ 42.9	\$ 136.8	\$ 152.3	\$ 267.1	\$ 310.5
Adjusted EBITDA ³	\$ 25.4	\$ 44.0	\$ 71.2	\$ 104.8	\$ 141.1	\$ 156.9
Credit Statistics:						
Net Debt / Adjusted EBITDA ³	1.8x	1.0x	1.9x	1.5x	1.9x	2.0x
Working Capital (Excluding Cash and Short-Term Investments)	\$ 27.0	\$ 32.0	\$ 46.0	\$ 47.8	\$ 102.6	\$ 126.6

¹ Unamortized discount (in thousands): 2015 - \$249; 2016 - \$447; 2017 - \$5,146 and Q3 2018 - \$5,026.

² Unamortized discount (in thousands): 2015 - \$261; 2016 - \$50.

³ Adjusted EBITDA is a non-GAAP financial measure. A reconciliation to the most comparable measure prepared in accordance with GAAP is included in the Appendix.
Q3 2018 Adjusted EBITDA is LTM as of 9/30/18.

Improving Financial Performance



¹ Adjusted Gross Profit is a non-GAAP financial measure. A reconciliation to the most comparable measure prepared in accordance with GAAP is included in the Appendix.

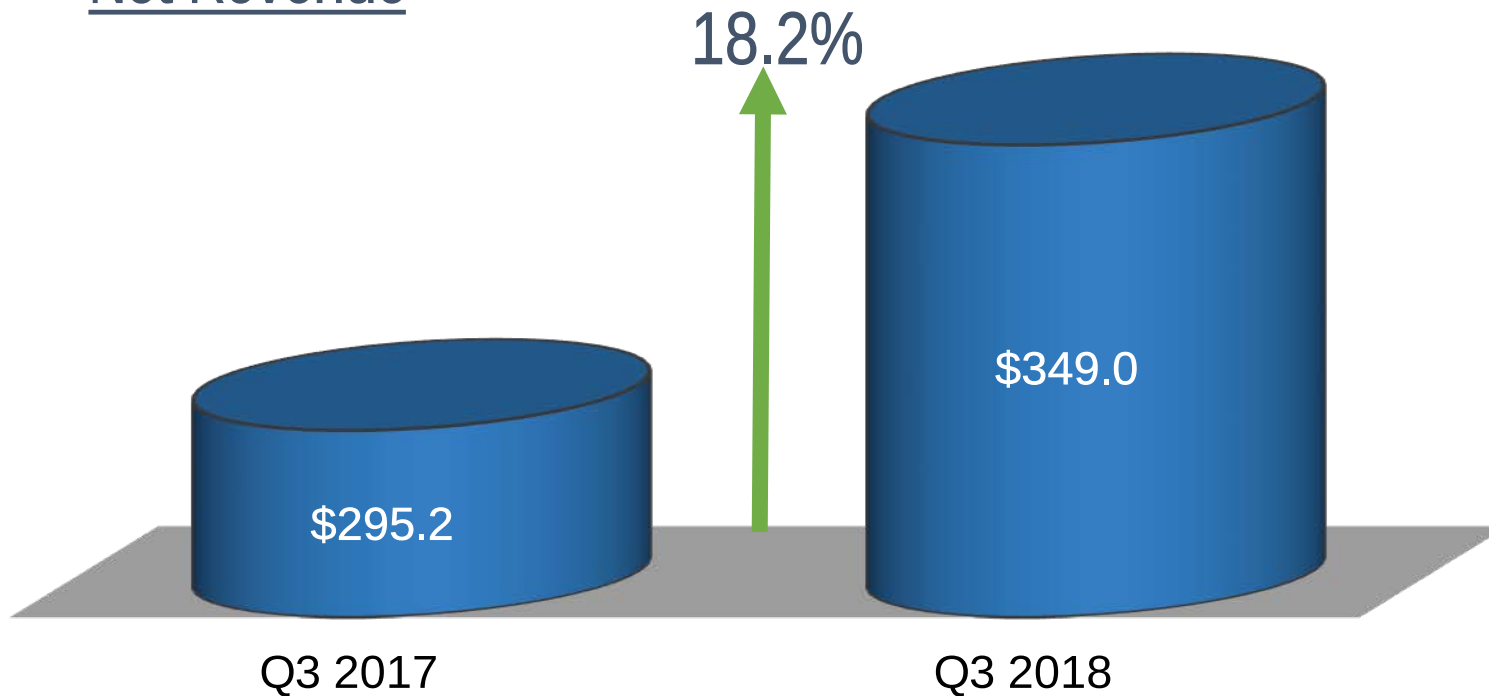
² Adjusted S&A is a non-GAAP financial measure. A reconciliation to the most comparable measure prepared in accordance with GAAP is included in the Appendix.

³ Adjusted EBITDA is a non-GAAP financial measure. A reconciliation to the most comparable measure prepared in accordance with GAAP is included in the Appendix.

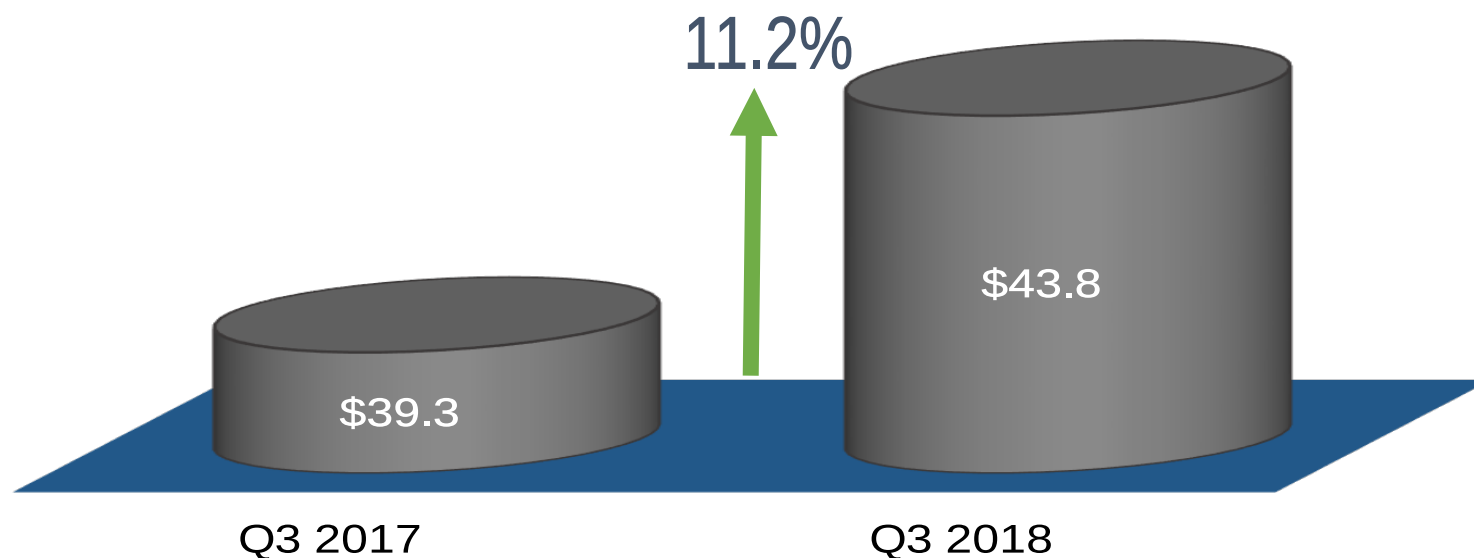
⁴ Working Capital excludes cash on hand (in thousands) of 2013 – \$4,065; 2014 – \$10,761; 2015 – \$6,818; 2016 – \$14,482; 2017 – \$62,510 and 9/18 LTM - \$139,089 and short-term investments of 2017- \$30,053 and 9/18 LTM 2018 – \$15,358.

Q3 2018 Performance

Net Revenue



Adjusted EBITDA ¹



- Strong Q3 2018 performance attributable to growth of 12.9% in single-family same branch sales
- Net revenue growth was predominantly attributable to acquisitions, organic growth in the volume of completed jobs, price and mix and Alpha
- Growth in Adjusted EBITDA due to higher net revenue and leverage of selling and administrative expense

¹ Adjusted EBITDA is a non-GAAP financial measure. A reconciliation to the most comparable measure prepared in accordance with GAAP is included in the Appendix.

Appendix



EBITDA & Adjusted EBITDA Reconciliation

(in millions)	2013	2014	2015	2016	2017	Q1 2018	Q2 2018	Q3 2018	LTM 9/18
Net income	\$ 6.0	\$ 13.9	\$ 26.5	\$ 38.4	\$ 41.1	\$ 6.4	\$ 16.3	\$ 15.6	\$ 49.1
Interest expense	2.3	3.2	3.7	6.2	17.4	4.0	5.7	5.3	20.9
Provision for income taxes ¹	4.2	8.6	15.4	21.2	14.7	2.2	5.2	5.4	12.0
Depreciation and amortization	11.5	15.0	23.2	34.8	55.1	15.1	15.6	13.6	58.9
Gain on bargain purchase	-	-	(1.1)	-	-	-	-	-	-
EBITDA	\$ 24.0	\$ 40.7	\$ 67.8	\$ 100.6	\$ 128.3	\$ 27.8	\$ 42.8	\$ 39.8	\$140.8
Legal settlement and reserves ²	1.4	1.8	0.1	-	-	-	-	0.8	0.8
Gain from put option Redeemable Preferred Stock ³	-	(0.5)	-	-	-	-	-	-	-
Acquisition related expenses	-	0.1	1.1	2.3	3.2	0.5	0.6	0.7	2.7
IPO and follow-on cost expensed	-	1.3	-	-	-	-	-	-	-
Share-based compensation expense	-	0.3	2.1	1.9	6.6	2.2	2.0	1.9	7.9
Financial Wellness Program ⁴	-	-	-	-	2.2	0.6	-	-	2.8
Write-off of uncertain tax position ⁵	-	-	-	-	0.7	-	-	-	0.7
Branch start-up costs ⁶	-	-	-	-	-	0.3	0.2	0.2	0.6
Retirement expense	-	-	-	-	-	-	-	0.8	0.8
Gain on sale of assets	-	-	-	-	-	-	-	(0.4)	(0.4)
Adjusted EBITDA	\$ 25.4	\$ 44.0	\$ 71.2	\$ 104.8	\$ 141.0	\$ 31.4	\$ 45.6	\$ 43.8	\$156.9

EBITDA & Adjusted EBITDA

Reconciliation Notes

- ¹ Excludes income taxes related to discontinued operations.
- ² Represents the settlement expenses related to two lawsuits against us that were settled in January and February 2014, which were included in administrative expenses for the year ended December 31, 2013. Impact of adverse change in workers' compensation experience included in other costs of sales in 4Q 2014.
- ³ Represents non-cash gain recorded to accelerate the maturity of the Redeemable Preferred Stock, redeemed in full with IPO proceeds in February 2014.
- ⁴ Represents employer match upon completion of program, net of waived executive bonuses.
- ⁵ Represents tax impacts on deferred tax and uncertain tax positions recorded as a result of the 2017 tax reform.
- ⁶ Addback of costs related to organic branch expansion for Alpha locations.

We believe Adjusted EBITDA is useful to investors and us as a measure of comparative operating performance from period to period as it measures our changes in pricing decisions, cost controls and other factors that impact operating performance, and removes the effect of our capital structure (primarily interest expense), asset base (primarily depreciation and amortization), items outside our control (primarily income taxes) and the volatility related to the timing and extent of other activities such as asset impairments and non-core income and expenses. Accordingly, we believe that this measure is useful for comparing general operating performance from period to period. In addition, we use various EBITDA-based measures in determining the achievement of awards under certain of our incentive compensation programs. Other companies may define Adjusted EBITDA differently and, as a result, our measure may not be directly comparable to measures of other companies. In addition, Adjusted EBITDA may be defined differently for purposes of covenants contained in our revolving credit facility or any future facility.

Adjusted Net Income Reconciliation

(in millions except for share and per share data)	Three months ended September 30,		Nine months ended September 30,	
	2018	2017	2018	2017
Net income, as reported	\$ 15.6	\$ 12.0	\$ 38.3	\$ 30.3
Adjustments for adjusted net income:				
Writeoff of capitalized loan costs	0.1	-	1.2	1.2
Share based compensation expense	1.9	2.2	6.1	4.7
Acquisition related expenses	0.7	0.9	1.9	2.3
Financial Wellness Program ¹	-	-	0.6	-
Branch start-up costs ²	0.2	-	0.6	-
Retirement expense	0.8	-	0.8	-
Legal settlement	0.8	-	0.8	-
Gain on sale of assets	(0.4)	-	(0.4)	-
Amortization expense ³	5.2	6.8	19.7	19.8
Tax impact of adjusted items at normalized tax rate ⁴	(2.4)	(3.7)	(8.1)	(10.4)
Adjusted net income	\$ 22.4	\$ 18.3	\$ 61.4	\$ 48.0
Weighted average shares outstanding (diluted)	31,312,756	31,766,881	31,512,104	31,712,515
Diluted net income per share, as reported	\$ 0.50	\$ 0.38	\$ 1.21	\$ 0.96
Adjustments for adjusted net income, net of tax impact, per diluted share ⁵	0.22	0.19	0.74	0.55
Diluted adjusted net income per share	\$ 0.72	\$ 0.57	\$ 1.95	\$ 1.51

¹ Employer match upon completion of the program, net of waived bonuses.

² Addback of costs related to organic branch expansion for Alpha locations.

³ Addback of all non-cash amortization resulting from business combinations.

⁴ Estimated tax rate of 26.0% applied to 2018 period, normalized rate of 37.0% applied to 2017 period.

⁵ Includes adjustments related to the items noted above, net of tax.

Adjusted S&A

(in millions)	2013	2014	2015	2016	2017	Q1 2018	Q2 2018	Q3 2018	LTM 9/18
S&A	\$ 93.1	\$ 111.6	\$ 137.1	\$ 175.1	\$ 222.9	\$ 60.0	\$ 61.0	\$ 65.8	\$ 244.5
Legal settlement and reserves	1.8	-	0.1	-	-	-	-	0.8	0.8
Acquisition related expenses	-	-	1.1	2.3	3.2	0.5	0.6	0.7	2.7
Share-based compensation expense	-	-	2.1	1.9	5.6	1.8	1.8	1.8	6.7
Financial Wellness Program ¹	-	-	-	-	(0.2)	(0.1)	-	-	(0.3)
Retirement expense	-	-	-	-	-	-	-	0.8	0.8
IPO Costs	-	1.3	-	-	-	-	-	-	-
SOX Implementation	-	0.3	-	-	-	-	-	-	-
Gain on Redeemable Preferred Stock	-	(0.5)	-	-	-	-	-	-	-
					-				
Adjusted S&A	\$ 91.3	\$ 110.5	\$ 133.8	\$ 170.9	\$ 214.3	\$ 57.9	\$ 58.6	\$ 61.7	\$ 233.8

¹ Employer match upon completion of the program, net of waived executive bonuses

Gross Profit & Adjusted Gross Profit Reconciliation

<i>(in millions)</i>	2013	2014	2015	2016	2017	Q1 2018	Q2 2018	Q3 2018	LTM 9/18
Gross Profit	\$ 109.7	\$ 140.0	\$ 188.3	\$ 252.4	\$ 324.0	\$ 80.0	\$ 95.6	\$ 97.3	\$ 354.3
Reserve for workers' compensation ¹	-	1.8	-	-	-	-	-	-	-
Share-based compensation expense ²	-	-	-	-	1.0	0.5	0.2	0.1	1.2
Financial Wellness Program ³	-	-	-	-	2.4	0.7	-	-	3.1
Branch start-up costs	-	-	-	-	-	0.3	0.2	0.2	0.6
Gain on sale of assets	-	-	-	-	-	-	-	(0.4)	(0.4)
Adjusted Gross Profit	\$ 109.7	\$ 141.8	\$ 188.3	\$ 252.4	\$ 327.4	\$ 81.4	\$ 96.0	\$ 97.2	\$ 358.9

¹ Gross profit adjustment for adverse development in workers' compensation expense in 2014

² Gross profit adjustment for stock compensation expense relating to issuance of restricted stock units

³ Employer match upon completion of the program, partially offset by waived executive bonuses

THANK YOU

Installed Building Products, Inc.
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Columbus, OH 43215

